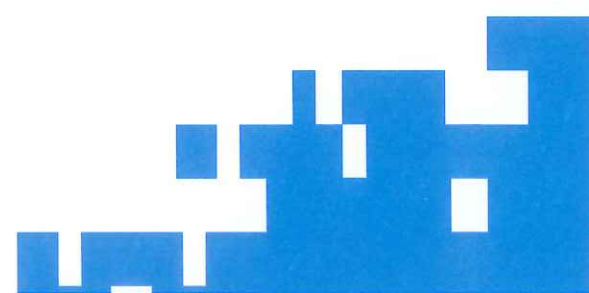


**40 INVESTMENT
AND CONSTRUCTION
JOINT STOCK COMPANY**

AUDITED SEPARATE FINANCIAL STATEMENTS
For the financial year ended 31 December 2024



40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

CONTENTS

	Pages
MANAGEMENT'S REPORT	1 – 2
INDEPENDENT AUDITOR'S REPORT	3 – 4
AUDITED SEPARATE FINANCIAL STATEMENTS	
Statement of financial position	5 – 6
Income statement	7
Cash-flow statement	8 – 9
Notes to the financial statements	10 – 37

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

MANAGEMENT'S REPORT

Management of 40 Investment and Construction Joint Stock Company (hereinafter referred to as "the Company") hereby presents its report and the audited separate financial statements of the Company for the financial year ended 31 December 2024.

MEMBERS OF THE BOARD OF DIRECTORS, THE SUPERVISORY COMMITTEE, THE INTERNAL AUDIT DEPARTMENT AND MANAGEMENT

Members of the Board of Directors during the year and on the date of this report include:

<u>Tên</u>	<u>Chức vụ</u>	<u>Appointed date</u>	<u>Resigned date</u>
Mr. Le Dinh Hien	Chairperson		07/03/2025
Mr. Ha Huy Khanh	Member		07/03/2025
Mr. Tran Bac Viet	Member		07/03/2025
Mr. Ngo Van Minh	Member		26/11/2024
Mr. Hau Van Tuan	Member		26/11/2024
Mr. Anselm Wong Siem Shen	Member	26/11/2024	19/12/2024
Mr. Ngoi Gia Tien	Member	26/11/2024	19/12/2024
Mr. Do Tan Cuong	Chairperson	07/03/2025	
Mr. Tran Viet Thang	Vice Chairperson	07/03/2025	
Mr. Do Tan Vu	Member	07/03/2025	
Mr. Bui Do Linh	Member	07/03/2025	
Mr. Dinh Van Xuan	Member	07/03/2025	

Members of the Supervisory Committee during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>	<u>Appointed date</u>	<u>Resigned date</u>
Ms. Nguyen Thi Hoa	Head of Department		
Mr. Duong Van Vang	Member		
Ms. Le Thi Thuy	Member		17/03/2024
Mr. Ong Nguyen Van Sang	Member	17/03/2024	

Members of the Internal Audit Department during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>	<u>Appointed date</u>	<u>Resigned date</u>
Ms. Le Thi Thuy	Head of Department		17/03/2024
Mr. Nguyen Van Thang	Member		
Mr. Pham Que Thanh	Member		
Mr. Nguyen Minh Sang	Member	17/03/2024	

Members of management during the year and on the date of this report include:

<u>Tên</u>	<u>Chức vụ</u>	<u>Ngày bổ nhiệm</u>	<u>Ngày miễn nhiệm</u>
Mr. Nguyen Van Son	General Director		17/03/2024
Mr. Pham Van Hoan	Vice General Director		
Mr. Nguyen Thanh Trung	Chief Accountant		17/03/2024
Mr. Dinh Van Xuan	General Director	07/03/2024	
Mr. Nguyen Van Son	Vice General Director	17/03/2024	
Mr. Bui Thanh Tuan	Chief Accountant	17/03/2024	

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

MANAGEMENT'S REPORT (CONTINUED)

AUDITOR

The accompanying separate financial statements of the Company for the financial year ended 31 December 2024 were audited by RSM Vietnam Auditing & Consulting Company Limited, a member firm of RSM International.

RESPONSIBILITY OF MANAGEMENT

The Company's management is responsible for preparing the separate financial statements of each period which give a true and fair view of the financial position of the Company and the results of its operations and its cash flows. In preparing these separate financial statements, management is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting principles have been followed, subject to any departures that need to be disclosed and explained in the separate financial statements.
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement the internal control system effectively for a fair preparation and presentation of the separate financial statements so as to mitigate error or fraud.

Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the separate financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam. Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirms that the Company has complied with the above requirements in preparing these separate financial statements.

STATEMENT BY MANAGEMENT

In management's opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and the results of its operations and its cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam.

For and on behalf of management,



Nguyen Van Son
Vice General Director

Ho Chi Minh City, 25 March 2025

No: 303/2025/KT-RSMHCM

INDEPENDENT AUDITOR'S REPORT

To: **Shareholders**
The Board of Directors
Management
40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Report on the separate financial statements

We have audited the accompanying separate financial statements of 40 Investment And Construction Joint Stock Company (hereinafter referred to as "the Company") prepared on 25 March 2025 as set out from page 05 to page 37, which comprise the statement of financial position as at 31 December 2024, and the income statement and cash-flow statement for the financial year then ended, and the notes to the financial statements.

Management's Responsibility

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Opinion

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of 40 Investment And Construction Joint Stock Company as at 31 December 2024, and of the results of its financial performance and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated 22 December 2014 and Circular 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance and relevant legislation as to the preparation and presentation of separate financial statements.

pp GENERAL DIRECTOR



Phan Hoai Nam
Audit Director

Audit Practice Registration Certificate:
3527-2021-026-1

(Under the Power of Attorney No. 10/2024-25/UQ-
RSM dated 31 December 2024 by General Director)



Le Vo Thuy Linh
Auditor

Audit Practice Registration Certificate:
3525-2021-026-1

RSM Vietnam Auditing & Consulting Company Limited

Ho Chi Minh, 25 March 2025

As disclosed in Note 2.1 to the separate financial statements, the accompanying separate financial statements are not intended to present the financial position, financial performance, and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

Form B 01 - DN

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Expressed in VND

ASSETS	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
A. CURRENT ASSETS	100		175,974,352,962	123,872,030,965
I. Cash and cash equivalents	110	4.1	93,680,046,443	51,337,670,857
1. Cash	111		33,674,830,170	11,337,670,857
2. Cash equivalents	112		60,005,216,273	40,000,000,000
II. Current account receivables	130		58,179,164,469	54,774,526,788
1. Trade receivables	131	4.2	41,736,837,139	26,253,758,401
2. Advances to suppliers	132	4.3	15,187,330,915	26,318,754,161
3. Other current receivables	136	4.4	2,197,350,467	3,144,368,278
4. Provision for doubtful debts	137	4.5	(942,354,052)	(942,354,052)
III. Inventories	140		24,115,142,050	13,371,142,516
1. Inventories	141	4.6	24,115,142,050	13,371,142,516
IV. Other current assets	150		-	4,388,690,804
1. Value added tax deductible	152	4.10	-	4,227,642,687
2. Tax and other receivables from the state	153	4.10	-	161,048,117
B. NON-CURRENT ASSETS	200		8,208,641,264	61,925,248,861
I. Fixed assets	220		8,208,641,264	52,879,301,252
1. Tangible fixed assets	221	4.7	8,208,641,264	34,879,301,252
Cost	222		11,901,506,573	65,146,445,643
Accumulated depreciation	223		(3,692,865,309)	(30,267,144,391)
2. Intangible fixed assets	227		-	18,000,000,000
Cost	228		-	18,000,000,000
II. Investment property	230		-	1,727,587,500
1. Cost	231		-	2,103,150,000
2. Accumulated depreciation	232		-	(375,562,500)
III. Other non-current assets	260		-	7,318,360,109
1. Non-current prepayments	261		-	7,318,360,109
TOTAL ASSETS (270 = 100 + 200)	270		184,182,994,226	185,797,279,826

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

Form B 01 - DN

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2024

Expressed in VND

RESOURCES	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
C. LIABILITIES	300		76,170,961,822	120,891,472,295
I. Current liabilities	310		72,278,516,088	116,489,026,561
1. Trade payables	311	4.8	35,399,202,875	23,564,717,850
2. Advances from customers	312	4.9	21,095,209,822	77,634,689,152
3. Taxes and amounts payable to the state	313	4.10	11,241,825,657	76,956,065
4. Payables to employees	314	4.11	768,929,000	733,648,917
5. Accrued expenses	315	4.12	1,767,512,618	2,625,601,124
6. Intra-company payables	316		9,265,809	10,465,939
7. Other current payables	319	4.13	788,614,666	2,515,334,931
8. Current loans and obligations under finance leases	320		-	4,970,000,000
9. Current provisions	321	4.14	748,105,215	3,863,665,157
10. Bonus and welfare fund	322		459,850,426	493,947,426
II. Non-current liabilities	330		3,892,445,734	4,402,445,734
1. Other non-current payables	337	4.13	3,892,445,734	4,402,445,734
D. OWNER'S EQUITY	400		108,012,032,404	64,905,807,531
I. Equity	410	4.15	108,012,032,404	64,905,807,531
1. Owner's contributed capital	411		36,000,000,000	36,000,000,000
Ordinary shares carrying voting rights	411a		36,000,000,000	36,000,000,000
2. Share premiums	412		11,616,611,475	11,556,628,000
3. Treasury shares	415		-	(460,000,000)
4. Investment and development fund	418		8,737,221,018	8,737,221,018
5. Retained earnings	421		51,658,199,911	9,071,958,513
Beginning accumulated retained earnings	421a		9,071,958,513	7,961,281,771
Retained earnings of the current year	421b		42,586,241,398	1,110,676,742
TOTAL RESOURCES (440 = 300 + 400)	440		184,182,994,226	185,797,279,826

Approved by



Prepared by

Nguyen Van Son
Vice General Director

Ho Chi Minh City, 25 March 2025

Nguyen Thanh Trung
Chief accountant

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

Form B 02 - DN**INCOME STATEMENT**

For the financial year ended 31 December 2024

Expressed in VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue	01	5.1	254,801,144,791	110,689,737,654
2. Deductions	02	5.2	15,946,808	91,253,209
3. Net revenue	10		254,785,197,983	110,598,484,445
4. Cost of sales	11	5.3	240,553,975,006	104,749,245,563
5. Gross profit	20		14,231,222,977	5,849,238,882
6. Finance income	21	5.4	498,127,120	392,364,009
7. Finance expense	22		-	28,503,018
<i>Of which, interest expense</i>	23		-	28,503,018
8. General and administrative expense	26	5.5	7,737,432,968	7,992,427,397
9. Operating profit/(loss)	30		6,991,917,129	(1,779,327,524)
10. Other income	31	5.6	54,329,252,564	3,191,016,587
11. Other expense	32	5.7	7,605,830,114	16,942,668
12. Net other income/(loss)	40		46,723,422,450	3,174,073,919
13. Accounting profit/(loss) before tax	50		53,715,339,579	1,394,746,395
14. Current corporate income tax expense	51	5.9	11,129,098,181	284,069,653
15. Net profit/(loss) after tax	60		42,586,241,398	1,110,676,742
16. Basic earnings per share	70	4.15.4	11,906	311
17. Diluted earnings per share	71	4.15.4	11,906	311

Approved by

**Nguyen Van Son**
Vice General Director

Ho Chi Minh City, 25 March 2025

Prepared by

Nguyen Thanh Trung
Chief accountant

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

Form B 03 - DN

CASH FLOW STATEMENT**(Indirect method)**

For the financial year ended 31 December 2024

Expressed in VND

ITEMS	Code	Notes	Year 2024	Year 2023
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Net profit /(loss) before taxes	01		53,715,339,579	1,394,746,395
2. Adjustment for:				
Depreciation and amortisation	02	5.8	3,703,605,343	5,475,666,239
Provisions	03		(3,115,559,942)	1,028,932,920
Gains/losses from investment	05		(26,151,642,672)	(392,364,009)
Interest expense	06		-	28,503,018
3. Operating profit /(loss) before adjustments to working capital	08		28,151,742,308	7,535,484,563
Increase or decrease in accounts receivable	09		823,005,006	12,977,274,581
Increase or decrease in inventories	10		(10,743,999,534)	(898,704,213)
Increase or decrease in accounts payable (excluding interest expense and CIT payable)	11		(47,016,005,792)	33,560,357,164
Increase or decrease prepaid expenses	12		7,318,360,109	181,176,060
Interest paid	14		-	(28,503,018)
Corporate income tax paid	15	4.10	(552,897,803)	-
Other cash outflows from operating activities	17		(34,097,000)	(23,250,000)
Net cash from operating activities	20		(22,053,892,706)	53,303,835,137
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Acquisition and construction of fixed assets and other long-term assets	21		-	(808,096,777)
2. Proceeds from disposals of fixed assets and other long-term assets	22		68,348,157,697	-
3. Interest and dividends received	27		498,127,120	392,364,009
Net cash from investing activities	30		68,846,284,817	(415,732,768)

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

Form B 03 - DN

CASH FLOW STATEMENT (CONTINUED)
(Indirect method)

For the financial year ended 31 December 2024

Expressed in VND

ITEMS	Code	Notes	Year 2024	Year 2023
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from issuing stocks and capital contribution from owners	31		519,983,475	-
2. Proceeds from borrowings	33	6.1	500,000,000	5,650,000,000
3. Repayment of borrowings	34	6.2	(5,470,000,000)	(10,666,085,647)
Net cash from financing activities	40		(4,450,016,525)	(5,016,085,647)
NET INCREASE/(DECREASE) IN CASH (50 = 20+30+40)	50		42,342,375,586	47,872,016,722
Cash and cash equivalents at beginning of year	60		51,337,670,857	3,465,654,135
CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50+60+61)	70	4.1	93,680,046,443	51,337,670,857

Approved by

_____
Nguyen Van Son**Vice General Director**

Ho Chi Minh City, 25 March 2025

Prepared by

Nguyen Thanh Trung**Chief accountant**

NOTES TO THE FINANCIAL STATEMENTS**1. CORPORATE INFORMATION****1.1. Structure of ownership**

40 Investment and Construction Joint Stock Company (hereinafter referred to as “the Company”) was granted its first Business Registration Certificate on 28 May 2001 by Can Tho Planning and Investment Department. The Company registered its 8th change on 15 May 2007. In 2008, the Company moved its headquarters to Ho Chi Minh City, according to the Business Registration Certificate No. 1800421390 dated 02 April 2008, and other amended certificates thereafter dated 14 March 2025 to change the legal representative.

On 21 December 2020, the Company was formally licensed to trade securities on Hanoi Securities Trading Centre in accordance with the Decision No. 741/QĐ/SGDHN dated 21 December issued by the General Director of Hanoi Securities Trading Centre.

The charter capital as stipulated in the Business Registration Certificate is VND 36,000,000,000.

The Company's registered head office is at 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of employees as at 31 December 2024 was 27 (31 December 2023: 53).

1.2. Business field

Construction.

1.3. Operating industry and principal activities

The Company is principally engaged in:

- Construction of other civil engineering works: irrigation works, hydropower works, pumping stations, civil works, industrial works, transportation infrastructure, underground and underwater works, water supply and drainage pipeline works;
- Construction of other technical works: wastewater treatment works, landslide prevention works, groundwater extraction, research, and technology transfer projects;
- Other specialized construction activities: construction of building structures; construction of brick and stone structures, grout injection drilling. Foundation treatment works. Installation of low-voltage, medium-voltage, and high-voltage electrical networks;
- Production of clean energy, renewable energy (excluding transmission, national grid system operation, and distribution network management, multi-purpose hydropower, nuclear power).

1.4. Normal operating cycle

The Company's normal operating cycle is carried out for a period of 12 months.

1.5. The Company's structure

The Company's subordinate unit as at 31 December 2024 includes:

Name	Main business activity	Address
40 Investment and Construction Joint Stock Company – Ben Luc Branch	Electricity production, warehousing, and storage of goods.	Tan Long Hamlet, Thanh Phu Commune, Ben Luc District, Long An Province, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1.6. Operating activities in the financial year impacting the [separate] financial statements

In 2024, the Company disposed of land use rights and real estate at 251 – 251A Ung Van Khiem, Ward 25, Binh Thanh District, Ho Chi Minh City, land use rights, factory buildings, electrical stations, and solar energy systems at the Ben Luc Branch (Thanh Phu Commune, Ben Luc District, Long An Province; and land use rights at the Vinh Long Branch (Thanh Loi Commune, Binh Tan District, Vinh Long Province). At the same time, the Company also carried out the necessary procedures to close the related branches.

Due to the impact of these actions, the Company's other income, other expenses, and post-tax profit for 2024 significantly increased year-on-year, with respective increases of 1,603%, 44,792%, and 3,817%.

2. BASIS OF SEPARATE PREPARATION

2.1. Accounting standards, accounting system

The accompanying separate financial statements, expressed in VND, are prepared under the historical cost convention, and in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam.

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

2.2. Forms of accounting records

The form of accounting records applied in the Company is the General Journal.

2.3. Financial year

The Company's financial year is from 01 January to 31 December.

2.4. Reporting and functional currency

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. Use of estimates

The preparation of the separate financial statements requires management to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets and liabilities reported at 31 December 2024 as well as revenues and expenses in the financial statements for the financial year ended 31 December 2024. Although these estimates are based on the management's best knowledge of all relevant information available at the date when the separate financial statements are prepared, this does not prevent actual figures differing from estimates.

3.2. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and current investments for a period not exceeding 3 months or highly liquid investments which are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

Cash equivalents are defined the same as those under the Accounting Standard "Statement of cash flows."

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3.3. Account receivables

Recognition method

Account receivables are stated at the carrying amounts of trade receivables and other receivables less provisions for doubtful debts.

Provisions for doubtful debts

As of the date of the separate financial statements, provisions for doubtful debts are recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might be uncollectible or for uncollectible debts due to liquidation, bankruptcy, or similar difficulties.

The difference between the required balance and the existing balance of provisions for doubtful debts is recorded as a general and administrative expense in the income statement.

3.4. Inventories

Inventory measurement

Inventories are measured at the lower of cost and net realisable value.

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. The cost of work in progress and finished goods includes materials, direct labour and attributable production overheads based on normal levels of activity.

The costs of purchase of inventories comprise the purchase price, non-reimbursable taxes and duties, and transport, handling, and other costs directly attributable to the acquisition of inventories. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

Method of accounting for inventories

Inventories are measured using the weighted average method and are recorded under the perpetual inventory method.

Provisions for decline in value of inventories

As of the date of the separate financial statements, provisions are recognised for obsolete, slow-moving, defective inventory, and for inventory stated at cost higher than net realisable value.

The difference between the required balance and the existing balance of the provisions for a decline in value of inventories is included in cost of sales in the income statement.

Inventories are written down to net realizable value item by item. For services being rendered, provision is made in respect of each service for which a separate selling price is charged.

Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3.5. Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation.

Tangible fixed asset recognition

Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their intended use. Accessories added to fixed assets when purchased are recognised separately at their fair value and deducted from the historical cost of the respective tangible fixed assets.

The costs of tangible fixed assets constructed by contractors are the finalised costs of the construction, other directly related expenses and the registration fee (if any).

Depreciation and amortisation

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

The estimated useful lives are as follows:

▪ Buildings, structures	09 – 40 years
▪ Machinery and equipment	03 – 15 years
▪ Motor vehicles	06 – 15 years
▪ Office equipment	03 – 05 years

3.6. Liabilities

Liabilities are classified into trade payable and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining payables are classified as other payables.

Liabilities are also classified according to the maturity date, the remaining term from the date of the financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

3.7. Accrued expenses

Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting year.

3.8. Provision

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event; a reliable estimate can be made of the amount of the obligation; and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions shall not be recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provisions will be measured at their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3.9. Owners' equity

The owners' contributed equity

The owners' equity is recognised when contributed.

Share premiums

Share premiums are recognised as the difference between the issue price and the par value of shares, and the difference between the re-purchase price and the re-issue price of treasury shares.

Dividends

Dividends are recognised as a liability at the date of declaring dividends.

Reserves

Reserves are created at certain percentages of profit after tax as prescribed in the Company's charter.

Retained earnings

Net profit after income tax can be distributed to shareholders after the distribution is approved the Annual General Meeting of Shareholders and reserves are created in accordance with the Company's Charter and legal regulations in Vietnam.

3.10. Revenue and other income

Revenue from selling goods

Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

Revenue involving the rendering of services

Revenue of a transaction involving the rendering of services is recognised when the outcome of this transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, each period's revenue is recognised by reference to the stage of completion at the end of the reporting period.

Revenue from construction contracts

Revenue from construction contracts is recognised in accordance with the accounting policy on construction contracts as Note 3.12 below.

Interest income

Interest income is recognised on an accrual basis by reference to the principal outstanding and at the interest rate applicable.

Disposal and sale of fixed assets and investments properties

Income from disposal and sale of fixed assets and investment properties is the excess of the proceeds from the disposal and sale of the fixed assets and investment properties over the carrying amount of the fixed assets and investment properties and disposal expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3.11. Deductions

Deductions include sale allowances.

Deductions arising in the reporting year from consumption of products, goods and services are recognised as decreases in revenue in that year; Deductions arising after the end of the reporting year but prior to issuing the financial statements for the reporting year are recognised as decreases in revenue of the reporting year; Deductions arising after the end of the reporting year and after issuing the financial statements for the reporting year are recognised as decreases in revenue of the next year.

3.12. Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the date of the statement of financial position as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs – except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably:

- Revenue is only recognised to the extent of contract costs incurred that it is probable will be recoverable.
- Contract costs are only recognised as an expense in the period in which they are incurred.

3.13. Cost of sales

Cost of sales and services provided represents total costs of finished products, goods, services, manufacturing costs of construction products which are sold in the year in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.

3.14. General and administrative expense

General and administrative expenses represent common expenses, which include payroll costs for office employees (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, material expenses, depreciation expenses of fixed assets used for administration activities; land rental, license tax; provision for doubtful debts; utility services (electricity expenses, water expenses, phone, fax, warranty expenses, etc.); sundry expenses.

3.15. Taxation

Corporate income tax

Current corporate income tax expense

Current corporate tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year at 20%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***Value added tax***

The goods sold and services rendered by the Company are subject to value added tax at 10%.

For the year 2024 alone, in accordance with Decree 94/2023/NĐ-CP dated 28 December 2023 by the Government detailing the implementation of Resolution No. 110/2023/QH15 passed by the Standing Committee of the National Assembly dated 29 November 2023, the VAT rate of 8% is applicable to certain goods and services from 01 January 2024 to 30 June 2024 and in accordance with Decree 72/2024/NĐ-CP dated 30 June 2024 by the Government detailing the implementation of Resolution No. 142/2024/QH15 passed by the Standing Committee of the National Assembly dated 29 June 2024, the VAT rate of 8% is applicable to certain goods and services from 01 July 2024 to 31 December 2024. In particular, the following goods and services are applicable to VAT rate of 8%:

- Construction
- Sale of machinery, equipment, and materials not listed in the Appendix of goods and services not eligible for VAT reduction.

Other taxes

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

The tax reports of the Company will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the financial statements can be amended in accordance with the Tax Department's final assessment for the Company.

3.16. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares bought back by the Group and held as treasury shares.

3.17. Diluted earnings per share

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year and total ordinary shares that would be issued on the conversion, excluding ordinary shares bought back by the Group and held as treasury shares.

3.18. Segment reporting

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

3.19. Related parties

Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Company or are controlled by, or are subject to common control with the Company. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close family members or associates of such individuals are also considered to be related parties.

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE STATEMENT OF FINANCIAL POSITION****4.1. Cash and cash equivalents**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Cash in hand	11,667,295	81,383,659
Cash at banks	33,663,162,875	11,256,287,198
Cash equivalents (*)	60,005,216,273	40,000,000,000
Total	93,680,046,443	51,337,670,857

(*) Representing term bank deposits at Vietnam Joint Stock Commercial Bank for Investment and Development (BIDV) for less than 03 months at an interest rate ranging from 2.3% to 4.4% per year.

4.2. Current trade receivables

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Trade receivables from related parties – Refer to Note 8	13,730,933,717	7,110,043,500
Trade receivables:		
Irrigation Investment and Construction Management Board 10	5,153,559,000	2,772,174,800
An Giang Province's Traffic and Agricultural Construction and Investment Project Management Board	4,507,679,650	1,897,094,050
Management Unit of Investment Construction Project Agriculture and Rural Development Department of Tay Ninh Province	14,527,114,000	483,109,000
Others	3,817,550,772	13,991,337,051
Total	41,736,837,139	26,253,758,401

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4.3. Current advances to suppliers**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Truong Thanh Trading Building Investment Corporation (*)	9,998,553,000	9,998,553,000
Trong Tin Company Limited (**)	1,905,163,000	6,895,017,600
Others (***)	3,283,614,915	9,425,183,561
Total	15,187,330,915	26,318,754,161

(*) Advances to Truong Thanh Trading Building Investment Corporation according to Contract No. 2401/2022/HĐ/ICCO40-TT for the construction of the Ta Hoet Reservoir project.

(**) Advances to Trong Tin Company Limited according to Contract No. 07-12/2023/HĐXD/ICCO40-TT dated 07 December 2023 for the construction of the Kazam Reservoir project, Don Duong District.

(***) At 31 December 2024, any component of advances to other suppliers was less than 10% of the total current advances to suppliers.

4.4. Other current receivables

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Amount	Provisions	Amount	Provisions
Other receivables from related parties	-	-	105,000,000	-
Advance to employees	2,116,606,017	-	2,970,507,213	-
Deposits	-	-	20,000,000	-
Other receivables	80,744,450	-	48,861,065	-
Total	2,197,350,467	-	3,144,368,278	-

4.5. Doubtful debt

Management assessed that the likelihood of recovering overdue receivables was low because the debt had been overdue for many years and difficult to recover.

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Overdue trade receivables and overdue amounts loaned are analysed by debtor as follows:

	As at 31 Dec. 2024			As at 01 Jan. 2024		
	VND			VND		
	Cost	Recoverable amount	Overdue days	Cost	Recoverable amount	Overdue days
Management Board of Investment and Construction Projects in Ho Chi Minh City - Ba Hong Dyke Project	942,354,052	-	> 4 years	942,354,052	-	> 3 years

4.6. Inventories

Representing work in progress as at 31 December 2024 are detailed as follows:

	As at 31 Dec. 2024	As at 01 Jan. 2024
	VND	VND
Tha La reservoir	13,800,148,039	-
Suoi Nhum route (*)	4,250,339,244	4,250,339,244
Cai Cau Canal	3,382,120,613	4,157,086,195
Others	2,682,534,154	4,963,717,077
Total	24,115,142,050	13,371,142,516

(*) The project is temporarily suspended due to issues with land clearance procedures.

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4.7. Tangible fixed assets**

Items	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost:					
As at 01 Jan. 2024	36,985,923,637	20,150,079,096	7,476,201,791	534,241,119	65,146,445,643
Disposals	(25,084,417,064)	(20,150,079,096)	(7,476,201,791)	(534,241,119)	(53,244,939,070)
As at 31 Dec. 2024	11,901,506,573	-	-	-	11,901,506,573
Accumulated depreciation:					
As at 01 Jan. 2024	10,865,277,827	14,450,851,338	4,594,969,321	356,045,905	30,267,144,391
Depreciation	1,984,818,438	1,239,815,514	349,599,024	74,289,867	3,648,522,843
Disposals	(9,157,230,956)	(15,690,666,852)	(4,944,568,345)	(430,335,772)	(30,222,801,925)
As at 31 Dec. 2024	3,692,865,309	-	-	-	3,692,865,309
Net book value:					
As at 01 Jan. 2024	26,120,645,810	5,699,227,758	2,881,232,470	178,195,214	34,879,301,252
As at 31 Dec. 2024	8,208,641,264	-	-	-	8,208,641,264

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 0.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4.8. Current trade payables

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Amount	Payable amount	Amount	Payable amount
Trade payables to related parties – Refer to Note 8	2,245,717,483	2,245,717,483	2,690,539,800	2,690,539,800
Trade payables:				
276 Mechanical and Construction Joint Stock Company	4,732,257,000	4,732,257,000	-	-
Trong Tin Company Limited	11,542,622,678	11,542,622,678	-	-
Others (*)	16,878,605,714	16,878,605,714	20,874,178,050	20,874,178,050
Total	35,399,202,875	35,399,202,875	23,564,717,850	23,564,717,850

(*) As at 31 December 2024, any component of current trade payables to others was less than 10% of the total current trade payables.

4.9. Current advances from customers

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Advances from related parties – Refer to Note 8	9,998,553,000	11,324,870,258
Advances from customers:		
Management Unit of Investment Construction Public Construction Lam Ha (*)	3,849,744,519	10,159,595,042
Management Unit of Investment Construction Public Construction Don Duong (**)	5,249,950,417	10,295,023,966
Others	1,996,961,886	45,855,199,886
Total	21,095,209,822	77,634,689,152

(*) Advances from Management Unit of Investment Construction Public Construction Lam Ha according to Contract No. 222/HĐ- TCXD dated 23 December 2021 to provide labour and construction machinery for the Dong Thanh Reservoir project, Lam Ha District.

(**) Advances from Management Unit of Investment Construction Public Construction Don Duong according to Contract No. 21/2023/HĐXD-BQLDA dated 25 September 2023 to carry out construction for the Kazam Reservoir project in Don Duong District.

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4.10. Tax and amounts payable to the state budget

	As at 31 Dec. 2024		Movements in the year		As at 01 Jan. 2024	
	VND		VND		VND	
	Receivable	Payable	Paid	Payable	Receivable	Payable
Value added tax	-	804,319,273	1,770,754,581	6,802,716,541	4,227,642,687	-
Corporate income tax	-	10,415,152,261	552,897,803	11,129,098,181	161,048,117	-
Personal income tax	-	22,354,123	323,078,764	268,476,822	-	76,956,065
Land rental	-	-	815,510,593	815,510,593	-	-
Business license tax	-	-	6,000,000	6,000,000	-	-
Fees, charges	-	-	2,237,421	2,237,421	-	-
Total	-	11,241,825,657	3,470,479,162	19,024,039,558	4,388,690,804	76,956,065

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4.11. Payables to employees**

Representing payables to employees, including December salaries and bonuses for the year 2024.

4.12. Current accrued expenses

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Accrued expense of Dong Thanh Reservoir project	-	223,201,124
Accrued expense of Goi Cong Rach Mop project	556,559,840	2,402,400,000
Accrued expense of Ba The Canal project	1,210,952,778	-
Total	1,767,512,618	2,625,601,124

4.13. Other payables

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Current:		
Other payables to related parties	-	412,861,370
Other payables:		
Amounts retained pending construction finalization	747,261,310	747,261,310
Bui Duy Tien	-	400,000,000
Hoang Canh Huy	-	400,000,000
Pham Trieu Hai	-	300,000,000
Trade union dues	41,353,356	204,234,516
Other payables	-	50,977,735
Total	788,614,666	2,515,334,931
Non – current:		
Payables to Hoang Minh Limited Company	1,500,000,000	1,500,000,000
Payables to Mr. Bui Trung Thu	2,392,445,734	2,392,445,734
Deposits	-	510,000,000
Total	3,892,445,734	4,402,445,734

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4.14. Current provisions**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Construction warranty provision for Package 01 - Loc An Reservoir project	208,022,215	-
Construction warranty provision for the Suoi Nhum project	165,083,000	-
Construction warranty provision for the Binh Nham project	-	800,000,000
Construction warranty provision for the Ba The Canal project	-	500,000,000
Construction warranty provision for the Bao Dinh embankment project	-	500,000,000
Construction warranty provision for the Vung Liem sluice project	-	1,168,628,281
Construction warranty provision for others construction	375,000,000	895,036,876
Total	748,105,215	3,863,665,157

The construction warranty provisions are estimated as a percentage of revenue, varying by construction contract, but not exceeding 5% in accordance with government regulations.

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4.15. Owners' equity****4.15.1. Changes in owners' equity**

	Items of owners' equity					Total VND
	Owners' contributed capital VND	Treasury shares VND	Capital surplus VND	Investment and development fund VND	Undistributed earnings VND	
As at 01 Jan. 2023	36,000,000,000	(460,000,000)	11,556,628,000	8,737,221,018	7,961,281,771	63,795,130,789
Previous year's profits	-	-	-	-	1,110,676,742	1,110,676,742
As at 01 Jan. 2024	36,000,000,000	(460,000,000)	11,556,628,000	8,737,221,018	9,071,958,513	64,905,807,531
Current year's profits	-	-	-	-	42,586,241,398	42,586,241,398
Sale of treasury shares	-	460,000,000	59,983,475	-	-	519,983,475
As at 31 Dec. 2024	36,000,000,000	-	11,616,611,475	8,737,221,018	51,658,199,911	108,012,032,404

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4.15.2. Details of owner's equity**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Parent company	18,386,000,000	18,386,000,000
Mr. Bui Trung Thu	8,150,000,000	7,500,000,000
Other shareholders	9,464,000,000	10,114,000,000
Total	36,000,000,000	36,000,000,000

4.15.3. Shares

	As at 31 Dec. 2024	As at 01 Jan. 2024
Number of ordinary shares registered for issue	3,600,000	3,600,000
Number of ordinary shares sold to public	3,600,000	3,600,000
Number of shares repurchased (Treasury shares)	-	(23,000)
Number of ordinary shares outstanding	3,600,000	3,577,000

Par value per outstanding share: VND 10,000 per share.

4.15.4. Basic and diluted earnings per share

	Year 2024 VND	Year 2023 VND
Profit or loss after tax attributable to ordinary shareholders of the parent company	42,586,241,398	1,110,676,742
Distributed to bonus and welfare fund	-	-
Earnings for the purpose of calculating basic and diluted earnings per share	42,586,241,398	1,110,676,742
Weighted average number of ordinary shares outstanding during the year	3,600,000	3,577,000
Basic and diluted earnings per share	11,906	311

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT****5.1. Revenue from selling goods and rendering services**

	Year 2024 VND	Year 2023 VND
Revenue from construction works	250,136,740,029	104,663,770,743
Revenue from leasing factories and office	2,570,833,333	4,284,948,608
Revenue from solar power	2,093,571,429	1,741,018,303
Total	254,801,144,791	110,689,737,654
Of which the revenue from selling goods and rendering services to related parties – Refer to Note 8	498,257,407	4,922,550,545

Revenue this year increased by 130% year -on-year, primarily due to the completion and handover of many new projects, such as: Tha La Reservoir project, Kazam Reservoir project, Section 5.8 of the 28 Canal Embankment project, Bao Dinh River Embankment project.

5.2. Deductions

Representing the deductions from construction contract revenue according to the Decision of the State Inspection.

5.3. Cost of sales

	Year 2024 VND	Year 2023 VND
Cost of construction works	238,221,819,156	101,258,466,991
Cost of leasing factories and office	253,801,930	708,238,192
Cost of solar power	2,078,353,920	2,782,540,380
Total	240,553,975,006	104,749,245,563

Cost of construction contracts increased year-on-year due to an increase in revenue in 2024, as disclosed in Note 5.1.

5.4. Finance income

Representing the deposit interest incurred in the year.

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**5.5. General and administrative expense**

	Year 2024 VND	Year 2023 VND
Employee expense	3,677,960,904	4,904,313,724
Material expense	53,875,490	28,331,001
Depreciation expense	716,518,429	750,702,830
Fees, charges	6,000,000	305,348,133
Service expense	306,313,511	224,668,476
Others	2,976,764,634	1,779,063,233
Total	7,737,432,968	7,992,427,397

5.6. Other income

	Year 2024 VND	Year 2023 VND
Gains from disposal of land use rights and investment properties (*)	24,509,313,182	-
Gains from disposal of fixed assets at Ben Luc warehouse (**)	490,953,135	-
Gains from disposal and sales of other fixed assets	653,249,235	-
Income from sales of land use rights in Vinh Long (***)	8,000,000,000	-
Income from sales of land use rights at Ben Luc warehouse (**)	17,960,660,485	-
Project warranty provisions reversed (****)	2,429,585,869	529,940,716
Other income	285,490,658	2,661,075,871
Total	54,329,252,564	3,191,016,587

(*) Representing gains from the disposal of land use rights and investment properties at 251-251A Ung Van Khiem, Ward 25, Binh Thanh District, Ho Chi Minh City, according to the Housing Sale and Land Use Right Transfer Agreement dated 27 November 2021 with a transfer price of VND 46,800,000,000 (including value-added tax).

(**) Representing gains from the disposal of land use rights and factory buildings at Thanh Phu Commune, Ben Luc District, Long An Province, according to the Land Use Right and Attached Asset Transfer Agreement No. 107/2024/HĐCN dated 24 October 2024, with a transfer price of VND 37,153,269,830 (including value-added tax); of which the transfer price for land use rights is VND 19,509,996,364, and the transfer price for factory buildings, electrical stations, and solar energy systems is VND 17,643,273,467.

(***) Representing the transfer price of land use rights at Thanh Loi Commune, Binh Tan District, Vinh Long Province, according to the Land Use Right Transfer Agreement dated 20 December 2024, with a transfer price of VND 8,230,933,717 (including value-added tax).

(****) The reversal of warranty provisions for projects is due to expired warranty periods according to the construction contracts.

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**5.7. Other expense**

	Year 2024 VND	Year 2023 VND
Cost of land use rights in Vinh Long	5,163,342,749	-
Cost of land use rights at Ben Luc warehouse	1,982,065,640	-
Penalties	410,030,537	-
Other expenses	50,391,188	16,942,668
Total	7,605,830,114	16,942,668

5.8. Production and business costs by element

	Year 2024 VND	Year 2023 VND
Material expense	79,308,622,376	38,573,333,129
Employee expense	18,893,809,494	16,326,448,510
Depreciation expense	3,703,605,343	5,475,666,239
Service expense	152,274,707,742	50,508,764,538
Other expenses	4,854,662,553	2,756,164,757
Total	259,035,407,508	113,640,377,173

5.9. Current corporate income tax expense

CIT expense calculated on the taxable income of the current year is determined as follows:

	Năm 2024 VND	Năm 2023 VND
Accounting profit before tax for the year	53,715,339,579	1,394,746,395
Add: Adjustments according to CIT law	460,421,725	25,601,868
Taxable income	54,175,761,304	1,420,348,263
Less: Taxable income from real estate transfer activities	(43,815,518,413)	-
Taxable income from business activities	10,360,242,891	1,420,348,263
Current CIT rate	20%	20%
Current CIT expense from business activities	2,072,048,578	284,069,653
Add: Current CIT expense from real estate transfer activities	8,763,103,683	-
Add: Corporate Income Tax arrears under Decision No. 2180/QĐ-CCT dated 19 July 2024 by Binh Thanh District Tax Department	293,945,920	-
Chi phí thuế TNDN tính trên thu nhập chịu thuế	11,129,098,181	284,069,653

The adjustments for the increases (decreases) in the taxable income represent mainly non – tax – deductible items as regulated by CIT law such as administrative penalties, late tax payment penalties....

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT****6.1. Cash receipts from loans in the year**

	Year 2024 VND	Year 2023 VND
Cash receipts from loans under normal contracts	500,000,000	5,650,000,000

6.2. Cash repayments of principal amounts borrowed

	Year 2024 VND	Year 2023 VND
Cash repayment of principal amounts under normal contracts	(5,470,000,000)	(10,666,085,647)

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. SEGMENT REPORTING

For management purposes, the Company is organised on a nationwide basis into the following manufacturing sector:

- Construction works
- Solar power
- Factory and office lease

For the financial year ended 31 December 2024:

	Construction works		Solar power		Factory and office lease		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
Net revenue	250,120,793,221	104,572,517,534	2,093,571,429	1,741,018,303	2,570,833,333	4,284,948,608	254,785,197,983	110,598,484,445
Cost of goods sold	(238,221,819,156)	(101,258,466,991)	(2,078,353,920)	(2,782,540,380)	(253,801,930)	(708,238,192)	(240,553,975,006)	(104,749,245,563)
Gross profit	11,898,974,065	3,314,050,543	15,217,509	(1,041,522,077)	2,317,031,403	3,576,710,416	14,231,222,977	5,849,238,882
General and administrative expense	(7,595,782,199)	(7,251,605,091)	(63,578,531)	(148,651,066)	(78,072,238)	(592,171,240)	(7,737,432,968)	(7,992,427,397)
Operating profit/(loss)	4,303,191,866	(3,937,554,548)	(48,361,022)	(1,190,173,143)	2,238,959,165	2,984,539,176	6,493,790,009	(2,143,188,515)
Finance income	489,007,805	370,986,026	4,093,113	6,176,512	5,026,202	15,201,471	498,127,120	392,364,009
Finance expense	-	(26,950,029)	-	(448,689)	-	(1,104,300)	-	(28,503,018)
Financial profit	489,007,805	344,035,997	4,093,113	5,727,823	5,026,202	14,097,171	498,127,120	363,860,991
Other income	54,329,252,564	3,191,016,587	-	-	-	-	54,329,252,564	3,191,016,587
Other expense	(7,605,830,114)	(9,983,565)	-	-	-	(6,959,103)	(7,605,830,114)	(16,942,668)
Net other income/ (loss)	46,723,422,450	3,181,033,022	-	-	-	(6,959,103)	46,723,422,450	3,174,073,919
Profit before tax	51,515,622,121	(412,485,529)	(44,267,909)	(1,184,445,320)	2,243,985,367	2,991,677,244	53,715,339,579	1,394,746,395
CIT expense							(11,129,098,181)	(284,069,653)
Net profit after tax							42,586,241,398	1,110,676,742

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Construction works		Solar power		Factory and office lease		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
Segment assets	184,182,994,226	159,629,742,822	-	7,020,544,705	-	19,146,992,299	184,182,994,226	185,797,279,826
Total assets	184,182,994,226	159,629,742,822	-	7,020,544,705	-	19,146,992,299	184,182,994,226	185,797,279,826
Segment liabilities	76,170,961,822	120,381,472,295	-	-	-	510,000,000	76,170,961,822	120,891,472,295
Purchase of assets in the year	-	808,096,777	-	-	-	3,750,617,362	-	4,558,714,139
Depreciation expense in the year	2,454,119,556	2,977,794,911	-	668,317,704	1,249,485,787	1,829,553,624	3,703,605,343	5,475,666,239

There is no segment reporting according to the geographical area as the operation of the Company is only in Vietnam, so there is no difference in risk and economic benefits which is necessary to be disclosed

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**8. RELATED PARTIES****List of related parties****Relationship**

1. Lam Dong Investment and Hydraulic Construction Joint Stock Company	Parent company
2. Lam Dong Minerals and Building Materials Joint Stock Company	Fellow subsidiary
3. 40.10 Investment and Construction Joint Stock Company	Fellow subsidiary
4. Hiep Thinh Phat Limited Company	Fellow subsidiary
5. Hiep Thanh Brick Limited Company	Fellow subsidiary
6. LBM Dak Nong Limited Company	Fellow subsidiary
7. LBM Tan Phu One Member Company Limited	Fellow subsidiary
8. LBM Loc Son One Member Company Limited	Fellow subsidiary
9. Board of Directors, management, Internal Audit Department and Board of Supervisory	Key management personnel

At the end of the reporting year, the balances with related parties are as follows:

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Current trade receivables:		
Lam Dong Investment and Hydraulic Construction Joint Stock Company	-	7,110,043,500
40.10 Investment and Construction Joint Stock Company	13,730,933,717	-
Total – Refer to Note 4.2	13,730,933,717	7,110,043,500

Account receivables from related parties were unsecured and will be paid by cash. No provision for doubtful debts was recognised for the account receivables from related parties.

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Current trade payables:		
Lam Dong Investment and Hydraulic Construction Joint Stock Company	(2,157,967,483)	(2,690,539,800)
Lam Dong Minerals and Building Materials Joint Stock Company	(87,750,000)	-
Total – Refer to Note 4.8	(2,245,717,483)	(2,690,539,800)

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
--	------------------------------	------------------------------

Current advances from customers– Refer to Note 4.9:

Lam Dong Investment and Hydraulic Construction Joint Stock Company	(9,998,553,000)	(11,324,870,258)
--	-----------------	------------------

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

During the reporting year, the Company has had related party transactions as follows:

	Year 2024 VND	Year 2023 VND
Construction and rendering of services:		
Lam Dong Investment and Hydraulic Construction Joint Stock Company	517,058,000	5,330,155,840
40.10 Investment and Construction Joint Stock Company	21,450,000	-
Total	538,508,000	5,330,155,840

Including:

<i>Construction and rendering of services to related parties net of tax – Refer to Note 5.1</i>	498,257,407	4,922,550,545
<i>Taxes on construction and rendering of services to related parties</i>	40,250,593	407,605,295

	Year 2024 VND	Year 2023 VND
Purchase of goods and use of services:		
Lam Dong Investment and Hydraulic Construction Joint Stock Company	6,214,390,333	6,897,682,000
40.10 Investment and Construction Joint Stock Company	21,746,181,831	-
Lam Dong Minerals and Building Materials Joint Stock Company	1,177,395,000	-
Total	29,137,967,164	6,897,682,000

Including:

<i>Purchase of goods and use of services from related parties net of tax</i>	26,937,263,962	6,324,700,977
<i>Tax on purchase of goods and use of services from related parties</i>	2,200,703,202	572,981,023

	Year 2024 VND	Year 2023 VND
Disposal of fixed assets, land use rights:		
40.10 Investment and Construction Joint Stock Company	54,186,363,548	-

Including:

<i>Disposal of fixed assets, land use rights from related parties net of tax</i>	50,127,000,000	-
<i>Tax on disposal of fixed assets, land use rights from related parties</i>	4,059,363,548	-

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The price of goods and services provided to related parties is the agreed price published by the Company. The purchase of goods and services from related parties is performed under the agreed price.

	Year 2024 VND	Year 2023 VND
Transfer the contributed capital according to Share Transfer Agreement No. 118/HĐCN dated 27 November 2024:		
Lam Dong Investment and Hydraulic Construction Joint Stock Company	18,000,000,000	-
	Year 2024 VND	Year 2023 VND
Borrowings:		
Mr. Nguyen Van Son – General Director	(500,000,000)	(5,650,000,000)
	Year 2024 VND	Year 2023 VND
Loan repayments:		
Mr. Le Dinh Hien – Chairperson of the Board of Directors	(1,020,000,000)	(50,000,000)
Ms. Le Thi Thuy – Member of the Supervisory Committee	-	(6,150,000,000)
Mr. Nguyen Van Son – General Director	(4,450,000,000)	(1,700,000,000)
Total	(5,470,000,000)	(7,900,000,000)

The Company borrowed monies from related parties to supplement the working capital. Borrowings from related parties were subject to an interest rate of 0.2% for VND, unsecured and had no specific repayment schedule.

Remunerations of the Board of Directors, management and key management personnel are as follows:

	Year 2024 VND	Year 2023 VND
Board of Directors:		
Mr. Le Dinh Hien – Chairperson of the Board of Directors	55,000,000	360,000,000
Mr. Ha Huy Khanh – Member of the Board of Directors	60,000,000	60,000,000
Mr. Tran Bac Viet - Member of the Board of Directors	60,000,000	60,000,000
Mr. Ngo Van Minh - Member of the Board of Directors	55,000,000	60,000,000
Mr. Hau Van Tuan - Member of the Board of Directors	55,000,000	60,000,000
Total	285,000,000	600,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Year 2024 VND	Year 2023 VND
Management:		
Mr. Le Van Quy – General Director	628,000,000	559,739,000
Mr. Pham Van Hoan – Vice General Director	487,429,000	437,692,000
Total	1,115,429,000	997,431,000
Key management personnel:		
Mr. Nguyen Thanh Trung – Chief Accountant	337,115,000	284,842,500
	Year 2024 VND	Year 2023 VND
Internal Audit Department:		
Ms. Le Thi Thuy – Head of the Internal Audit Department	223,403,000	232,654,000
Mr. Nguyen Van Thang – Member of the Internal Audit Department	256,772,000	280,487,000
Mr. Pham Que Thanh – Member of the Internal Audit Department	230,734,000	-
Total	710,909,000	513,141,000
	Year 2024 VND	Year 2023 VND
Supervisory Committee:		
Ms. Nguyen Thi Hoa – Head of the Supervisory Committee	60,000,000	60,000,000
Ms. Le Thi Thuy – Member of the Supervisory Committee	24,000,000	24,000,000
Mr. Duong Van Vang – Member of the Supervisory Committee	24,000,000	24,000,000
Total	108,000,000	108,000,000

(See the next page)

40 INVESTMENT AND CONSTRUCTION JOINT STOCK COMPANY

Address: 201/58 Nguyen Xi, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. EVENTS AFTER THE END OF THE REPORTING YEAR

As of 07 March 2025, Lam Dong Investment and Hydraulic Construction Joint Stock Company (the parent company) successfully sold all its investments of 1,836,000 shares (according for 51% of the charter capital) in the Company through a negotiated method. Consequently, after 07 March 2025, the Company no longer has any equity relationship with Lam Dong Investment and Hydraulic Construction Joint Stock Company.

Additionally, on this date, Mr. Le Dinh Hien – Chairperson of the Board of Directors, Mr. Tran Bac Viet – Member of the Board of Directors, Mr. Ha Huy Khanh – Member of the Board of Directors, and Mr. Nguyen Van Son – the General Director of the Company, resigned from their executive positions at the Company according to their personal wishes. Before submitting their resignations, the leaders had also registered to sell all their shares in the Company.

Apart from the above event, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Approved by



Nguyen Van Son
Vice General Director

Ho Chi Minh City, 25 March 2025

Approved by

Nguyen Thanh Trung
Chief Accountant

