

**DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1
AND ITS SUBSIDIARY**

Audited consolidated financial statements
For the fiscal year ended 31 December 2024



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REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Design And Construction Joint-Stock Company No 1 and its subsidiary (hereinafter referred to as "the Company") presents its report and the Company's consolidated financial statements for the fiscal year ended 31 December 2024.

Overview

Design And Construction Joint-Stock Company No 1 is a joint-stock company transformed from a state-owned enterprise under Decision No. 792/QĐ/BNN-TCCB dated March 21, 2003, issued by the Ministry of Agriculture and Rural Development. It operates under the initial business registration certificate No. 4103001711 dated July 14, 2003, granted by the Department of Planning and Investment of Ho Chi Minh City. The business registration certificate with enterprise code 0301248798 was amended for the 13th time on October 2, 2023.

The main activities of the Company are construction work and factory leasing

The Company's head office is located at 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

The Board of Directors, The Board of Management, and the Supervisory Board for the financial year 2024 and as of the date of this report are as follows:

Board of Directors

| | | |
|--------------------|--------------------|-----------------|
| Mr Pham Hung Cuong | Chairman | |
| Mr Chu Quang Huan | Vice Chairman | |
| Mr Nguyen Minh Tam | Member | |
| Mr Hoang Van Thang | Member | To 22/04/2024 |
| Mr Ho Viet Trung | Independent member | |
| Mr Nguyen Ba Tho | Independent member | From 22/04/2024 |

Board of Management

| | | |
|--------------------|-------------------------|-------------------------------|
| Mr Nguyen Minh Tam | General Director | |
| Mr Chu Quang Huan | Deputy General Director | |
| Mr Tran Thuan Loi | Deputy General Director | From 01/04/2024 to 01/12/2024 |
| Mr Le Thanh Tung | Chief Financial Officer | |

Board Of Supervisors

| | | |
|---------------------|--------|-----------------|
| Ms Tran Thi Binh An | Head | |
| Ms Le Thi Minh | Member | |
| Mr Nguyen Ba Tho | Member | To 22/04/2024 |
| Ms Le Thi Tinh | Member | From 22/04/2024 |

Legal Representative

The legal representative of the Company during the year and as of the date of this report is Mr Nguyen Minh Tam.

Mr. Chu Quang Huan is authorized by Mr. Nguyen Minh Tam to manage and operate the production and business activities of the Company. The authorization includes the decision-making, approval, signing of documents, proposals, official letters, and payment vouchers according to Authorization Letter No. 32/2025/UQ/DCF dated March 19, 2025

Auditor

NVA Auditing Company Ltd has performed the audit on the consolidated financial statements for the fiscal year 2024 for the Company.

REPORT OF THE BOARD OF MANAGEMENT (continued)

Statement of the Board of Management's responsibility in respect of the consolidated financial statements

The Board of Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of its operation results and cash flows for the year. In preparing those financial statements, the board of management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates reasonably and prudently;
- Prepare and present the consolidated financial statements in compliance with current accounting standards, accounting regimes, and relevant regulations;
- Prepare the financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.
- Establish and implement an effective internal control system to minimize the risk of material misstatement, whether due to fraud or error, in the preparation and presentation of the consolidated financial statements.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the accounting records comply with the registered accounting system, It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management of the Company approves and commit that the attached consolidated financial statements give a true and fair view of the Company's consolidated financial position as at 31 December 2024, as well as the results of its consolidated operations and consolidated cash flows for the fiscal year then ended, in accordance with Vietnamese accounting standards, accounting regime for enterprises, and compliance with relevant legal regulations.



On behalf of the Board of Management

CHU QUANG HUAN

Deputy General Director

Ho Chi Minh City, 28 March 2025

No: 30.12.6.2/24/BCTC/NVA.VP

INDEPENDENT AUDITOR'S REPORT

To: Shareholders, The Board of Directors and The Board of Management
Design And Construction Joint-Stock Company No 1

We have audited the accompanying consolidated financial statements of Design And Construction Joint-Stock Company No 1 and its subsidiary, prepared on 28 March 2025, from page 06 to page 48, which include: the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated cash flow statement for the financial year then ended, and the notes to the consolidated financial statements.

The Board of Managements' responsibility

The Board of Management is responsible for the preparation and the presentation to give a true and fair view on the consolidated financial statements of the Company in accordance with the prevailing Vietnamese Accounting Standards and System as well as other related regulations, and is responsible for internal control which the Management realizes that it is necessary to ensure the preparation and the presentation of the consolidated financial statements to be free from material errors due to frauds or mistakes.

Auditor's responsibility

Our responsibility is to express our opinions on these consolidated financial statements on the basis of our audit. Our audit is conducted in accordance with the Vietnamese Independent Auditing Regulations and Standards. These standards require that we comply with the standards and professional ethical requirements, plan and perform the audit procedures to obtain a reasonable assurance that the financial statements are free from material mistakes.

The audit fieldwork includes the implementation of procedures to obtain audit evidence supporting the amounts and the disclosures in the consolidated financial statements. The audit procedures are selected on the basis of the auditor's judgment, including the assessments of risks of material mistakes in the financial statements due to errors or fraud. When assessing these risks, the auditor had considered whether the internal control system of the Company related to the preparation and presentation of the consolidated financial statements is true and fair to design audit procedures that are appropriate with actual situation, however, not provide the opinion on the effectiveness of the internal control system of the Company. The audit also includes our assessment on the appropriateness of the accounting policies applied, the accounting estimates of the Company's Management as well as our evaluation on the overall presentation of the consolidated financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate for our audit opinion.

Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, the financial position of Design And Construction Joint-Stock Company No 1 and its subsidiary as at 31 December 2024, and of the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and system and comply with relevant statutory requirements in preparation and presentation of the financial statements.



NVA Auditing Co., Ltd, (NVA)

Deputy General Director

Le Hong Dao

Practicing Auditor Registration Certificate No.
1732-2023-152-1

Ho Chi Minh City, 28 March 2025

Auditor

Le Thi Nhu Ngoc

Practicing Auditor Registration Certificate No.
4799-2024-152-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

| ASSETS | Code | Note | Ending balance | Beginning balance |
|--|------------|------------|------------------------|------------------------|
| A. CURRENT ASSETS | 100 | | 626,116,868,403 | 507,747,401,862 |
| I. Cash and cash equivalents | 110 | V.1 | 10,212,436,195 | 26,398,852,198 |
| 1. Cash | 111 | | 10,212,436,195 | 26,398,852,198 |
| 2. Cash equivalents | 112 | | - | - |
| II. Short-term financial investments | 120 | | - | - |
| 1. Trading securities | 121 | | - | - |
| 2. Provision for diminution in value of trading securities (*) | 122 | | - | - |
| 3. Held-to-maturity investments | 123 | | - | - |
| III. Short-term receivables | 130 | | 428,970,467,702 | 409,369,871,284 |
| 1. Short-term trade receivables | 131 | V.3 | 366,216,481,561 | 210,396,666,101 |
| 2. Short-term advances to suppliers | 132 | V.4 | 65,463,388,607 | 61,157,375,793 |
| 3. Short-term intercompany receivables | 133 | | - | - |
| 4. Receivables according to the progress of construction contracts | 134 | | - | - |
| 5. Short-term loan receivables | 135 | | - | - |
| 6. Other short-term receivables | 136 | V.5 | 2,465,791,741 | 137,815,829,390 |
| 7. Provision for short-term doubtful debt (*) | 137 | V.6 | (5,175,194,207) | - |
| 8. Shortage of assets awaiting resolution | 139 | | - | - |
| IV. Inventories | 140 | V.7 | 147,023,892,756 | 48,245,409,364 |
| 1. Inventories | 141 | | 147,023,892,756 | 48,245,409,364 |
| 2. Provision against devaluation of goods in stock (*) | 149 | | - | - |
| V. Other current assets | 150 | | 39,910,071,750 | 23,733,269,016 |
| 1. Short-term prepayments | 151 | V.12 | 2,478,618,743 | 1,928,233,436 |
| 2. VAT deductibles | 152 | | 37,402,753,576 | 21,776,336,149 |
| 3. Taxes and other receivables from the State budget | 153 | V.16 | 28,699,431 | 28,699,431 |
| 4. Purchase and resale of government bonds | 154 | | - | - |
| 5. Other current assets | 155 | | - | - |
| B. NON- CURRENT ASSETS | 200 | | 415,020,221,073 | 218,545,798,909 |
| I. Long-term receivables | 210 | | 315,291,350,000 | 262,650,000 |
| 1. Long-term trade receivables | 211 | | - | - |
| 2. Long-term advances to suppliers | 212 | | - | - |
| 3. Working capital from sub-units | 213 | | - | - |
| 4. Long-term intercompany receivables | 214 | | - | - |
| 5. Receivables on long-term loans | 215 | | - | - |
| 6. Other long-term receivables | 216 | V.6 | 315,291,350,000 | 262,650,000 |
| 7. Provision for long-term doubtful debts (*) | 219 | | - | - |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City
FINANCIAL STATEMENTS
Consolidated balance sheet (continued)

Unit: VND

| ASSETS | Code | Note | Ending balance | Beginning balance |
|---|------------|------|--------------------------|------------------------|
| II. Fixed assets | 220 | | 61,488,259,872 | 49,940,160,503 |
| 1. Tangible fixed assets | 221 | V.9 | 52,582,291,876 | 40,470,879,423 |
| - Cost | 222 | | 82,660,945,666 | 66,125,491,388 |
| - Accumulated depreciation | 223 | | (30,078,653,790) | (25,654,611,965) |
| 2. Finance leasing assets | 224 | V.11 | 850,548,300 | 1,405,116,480 |
| - Cost | 225 | | 2,218,272,727 | 2,218,272,727 |
| - Accumulated depreciation | 226 | | (1,367,724,427) | (813,156,247) |
| 3. Intangible fixed assets | 227 | V.10 | 8,055,419,696 | 8,064,164,600 |
| - Cost | 228 | | 12,406,366,889 | 12,041,716,889 |
| - Accumulated depreciation | 229 | | (4,350,947,193) | (3,977,552,289) |
| III. Investment properties | 230 | | - | - |
| - Cost | 231 | | - | - |
| - Accumulated depreciation | 232 | | - | - |
| IV. Long-term unfinished assets | 240 | | 4,712,660,436 | 4,086,294,510 |
| 1. Cost for work in process | 241 | | - | - |
| 2. Construction in progress | 242 | V.8 | 4,712,660,436 | 4,086,294,510 |
| V. Long-term investments | 250 | V.2 | - | 147,837,456,673 |
| 1. Investments in subsidiaries | 251 | | - | - |
| 2. Investments in joint-ventures, associates | 252 | | - | 147,837,456,673 |
| 3. Other long-term investments | 253 | | - | - |
| 4. Provision for devaluation of long-term investments | 254 | | - | - |
| 5. Investments held to maturity | 255 | | - | - |
| VI. Other long-term assets | 260 | | 33,527,950,765 | 16,419,237,223 |
| 1. Long-term prepayments | 261 | V.12 | 33,527,950,765 | 16,419,237,223 |
| 2. Deferred income tax assets | 262 | | - | - |
| 3. Long term equipment, supplies and spare parts | 263 | | - | - |
| 4. Other long-term assets | 268 | | - | - |
| 5. Goodwill | 269 | | - | - |
| TOTAL ASSETS | 270 | | 1,041,137,089,476 | 726,293,200,771 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City
FINANCIAL STATEMENTS
Consolidated balance sheet (continued)

Unit: VND

| RESOURCES | Code | Note | Ending balance | Beginning balance |
|---|------------|------|------------------------|------------------------|
| C. LIABILITIES | 300 | | 556,464,720,460 | 279,415,343,067 |
| I. Current liabilities | 310 | | 553,684,201,420 | 273,899,721,627 |
| 1. Short-term trade payables | 311 | V.14 | 249,931,167,033 | 68,347,919,309 |
| 2. Short-term advances from customers | 312 | V.15 | 42,282,366,252 | 21,441,093,255 |
| 3. Taxes and amounts payable to State budget | 313 | V.16 | 8,122,073,033 | 11,379,914,017 |
| 4. Payables to employees | 314 | | 13,260,893,786 | 2,708,400,004 |
| 5. Short-term accrued expenses | 315 | V.17 | 46,172,129,765 | 24,215,620,764 |
| 6. Short-term intercompany payables | 316 | | - | - |
| 7. Payables based on agreed progress of construction contract | 317 | | - | - |
| 8. Short-term unearned revenue | 318 | V.19 | - | 54,545,455 |
| 9. Other short-term payables | 319 | V.18 | 10,934,433,777 | 846,996,710 |
| 10. Short-term loans and finance lease liabilities | 320 | V.13 | 181,040,358,837 | 144,182,106,447 |
| 11. Provision for short term payables | 321 | | - | - |
| 12. Bonus and welfare fund | 322 | | 1,940,778,937 | 723,125,666 |
| 13. Price stabilization fund | 323 | | - | - |
| 14. Purchase and resale of government bonds | 324 | | - | - |
| II. Long-term liabilities | 330 | | 2,780,519,040 | 5,515,621,440 |
| 1. Long-term supplier payables | 331 | | - | - |
| 2. Long-term advances from customers | 332 | | - | - |
| 3. Long-term accrued expenses | 333 | | - | - |
| 4. Intercompany payables on working capital | 334 | | - | - |
| 5. Long-term intercompany payables | 335 | | - | - |
| 6. Long-term unearned revenue | 336 | | - | - |
| 7. Other long-term payables | 337 | V.18 | 2,000,000,000 | 2,000,000,000 |
| 8. Long-term loans and finance lease liabilities | 338 | V.13 | 780,519,040 | 3,515,621,440 |
| 9. Convertible bonds | 339 | | - | - |
| 10. Preference shares | 340 | | - | - |
| 11. Deferred income tax | 341 | | - | - |
| 12. Provision for long term payables | 342 | | - | - |
| 13. Scientific and technological development fund | 343 | | - | - |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City
FINANCIAL STATEMENTS
Consolidated balance sheet (continued)

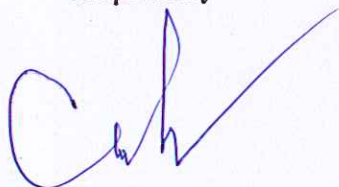
Unit: VND

| RESOURCES | Code | Note | Ending balance | Beginning balance |
|--|------------|-------------|--------------------------|------------------------|
| D. EQUITY | 400 | | 484,672,369,016 | 446,877,857,704 |
| I. Owners' equity | 410 | V.20 | 484,672,369,016 | 446,877,857,704 |
| 1. Owners' contributed capital | 411 | | 300,000,000,000 | 300,000,000,000 |
| - Ordinary shares with voting rights | 411a | | 300,000,000,000 | 300,000,000,000 |
| - Preference shares | 411b | | - | - |
| 2. Share premium | 412 | | 100,598,505,300 | 100,598,505,300 |
| 3. Conversion options on bond | 413 | | - | - |
| 4. Other owner's fund | 414 | | - | - |
| 5. Treasury shares (*) | 415 | | - | - |
| 6. Differences upon asset revaluation | 416 | | - | - |
| 7. Exchange differences | 417 | | - | - |
| 8. Investment and development funds | 418 | | 30,884,299,382 | 29,824,530,535 |
| 9. Enterprise reorganization assistance fund | 419 | | - | - |
| 10. Other equity funds | 420 | | - | - |
| 11. Undistributed post-tax profits | 421 | | 53,189,564,334 | 16,454,821,869 |
| - Undistributed post-tax profits accumulated by the end of the previous period | 421a | | 13,805,399,751 | 5,857,133,396 |
| - Undistributed post-tax profits of current period | 421b | | 39,384,164,583 | 10,597,688,473 |
| 12. Capital expenditure fund | 422 | | - | - |
| 13. Non-controlling interest | 429 | | - | - |
| II. Funding and other funds | 430 | | - | - |
| 1. Funding | 431 | | - | - |
| 2. Funds that form fixed assets | 432 | | - | - |
| TOTAL RESOURCES | 440 | | 1,041,137,089,476 | 726,293,200,771 |

Prepared by

Chief Accountant

Deputy General Director







Dang Thi Xinh

Duong Dinh Tam

Chu Quang Huan

Ho Chi Minh City, 28 March 2025

CONSOLIDATED INCOME STATEMENT
The year 2024

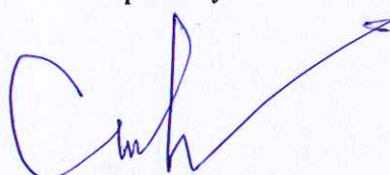
Unit: VND

| Items | Code | Note | Current year | Previous year |
|--|------|-------|-------------------|-----------------|
| 1. Gross revenue from goods sold and services rendered | 01 | VI.1 | 1,326,405,070,911 | 611,228,355,791 |
| 2. Deductions | 02 | | - | - |
| 3. Net revenue from goods sold and services rendered | 10 | | 1,326,405,070,911 | 611,228,355,791 |
| 4. Cost of sales | 11 | VI.2 | 1,217,276,144,832 | 544,067,095,612 |
| 5. Gross profit from goods sold and services rendered | 20 | | 109,128,926,079 | 67,161,260,179 |
| 6. Financial income | 21 | VI.3 | 97,972,493 | 110,528,933 |
| 7. Financial expenses | 22 | VI.4 | 8,914,786,699 | 35,559,879,093 |
| In which: Interest expense | 23 | | 8,914,786,699 | 34,031,495,582 |
| 8. Profit from joint venture and associates | 24 | | 2,162,543,327 | (2,162,543,327) |
| 9. Selling expenses | 25 | VI.5 | 594,949,485 | 441,236,272 |
| 10. General and administration expenses | 26 | VI.6 | 52,227,255,869 | 34,854,121,198 |
| 11. Net profit from operating activities | 30 | | 49,652,449,846 | (5,745,990,778) |
| 12. Other income | 31 | VI.7 | 1,871,377,587 | 26,924,457,446 |
| 13. Other expenses | 32 | VI.8 | 1,504,208,984 | 742,779,686 |
| 14. Profit/ (loss) from other activities | 40 | | 367,168,603 | 26,181,677,760 |
| 15. Total profit before tax | 50 | | 50,019,618,449 | 20,435,686,982 |
| 16. Current corporate income tax expenses | 51 | VI.10 | 10,635,453,866 | 9,837,998,509 |
| 17. Deferred corporate income tax expenses | 52 | | - | - |
| 18. Profit after tax | 60 | | 39,384,164,583 | 10,597,688,473 |
| 18.1 Profit after tax for parent company shareholders | 61 | | 39,384,164,583 | 10,597,688,473 |
| 18.2 Profit after tax for uncontrolled shareholders | 62 | | - | - |
| 19. Basic earnings per share | 70 | | 1,024 | 424 |
| 20. Diluted earnings per share | 71 | | 1,024 | 424 |

Prepared by

Chief Accountant

Deputy General Director





Dang Thi Xinh

Duong Dinh Tam

Chu Quang Huan

Ho Chi Minh City, 28 March 2025

CONSOLIDATED CASH FLOWS STATEMENT

(Under indirect method)
The year 2024

Unit: VND

| Items | Code | Note | Current year | Previous year |
|---|------|------|-------------------|-------------------|
| I. Cash flows from operating activities | | | | |
| 1. Profit before tax | 01 | | 50,019,618,449 | 20,435,686,982 |
| 2. Adjustments for | | | | |
| - Depreciation | 02 | | 5,529,277,654 | 4,511,074,551 |
| - Provisions | 03 | | 5,175,194,207 | - |
| - Gains/losses from unrealised foreign exchange | 04 | | - | - |
| - Gains/losses from investing activities | 05 | | (2,431,879,509) | 4,165,549,595 |
| - Interest expenses | 06 | | 8,914,786,699 | 34,031,495,582 |
| - Other adjustments | 07 | | - | - |
| 3. Profit from operating activities before changes in working capital | 08 | | 67,206,997,500 | 63,143,806,710 |
| - Increase/Decrease in receivables | 09 | | (355,430,908,052) | (98,938,767,711) |
| - Increase/Decrease in inventory | 10 | | (98,778,483,392) | 12,269,454,991 |
| - Increase/Decrease in payables (excluding interest payables, business income tax payables) | 11 | | 246,867,947,468 | 35,183,030,112 |
| - Increase/Decrease in prepaid expenses | 12 | | (17,659,098,849) | (13,196,705,765) |
| - Increase/Decrease in trading securities | 13 | | - | - |
| - Interest paid | 14 | | (8,914,786,699) | (34,817,550,377) |
| - Business income tax paid | 15 | | (15,790,524,652) | (1,822,869,273) |
| - Other receipts from operating activities | 16 | | - | - |
| - Other expenses on operating activities | 17 | | (372,000,000) | (143,198,641) |
| Net cash flows from operating activities | 20 | | (182,870,856,676) | (38,322,799,954) |
| II. Cash flow from investing activities | | | | |
| 1. Purchase of fixed assets and other long-term assets | 21 | | (17,717,379,260) | (1,125,095,168) |
| 2. Proceeds from disposals of fixed assets and other long-term assets | 22 | | 185,000,000 | 418,664,545 |
| 3. Loans to other entities and purchase of debt instruments of other entities | 23 | | - | - |
| 4. Repayment from borrowers and proceeds from sales of debt instruments of other entities | 24 | | - | - |
| 5. Investments in other entities | 25 | | - | (150,000,000,000) |
| 6. Investment returns from other entities | 26 | | 150,000,000,000 | 11,344,011,908 |
| 7. Interest, dividends and profit received | 27 | | 97,972,493 | 110,528,933 |
| Net cash from investing activities | 30 | | 132,565,593,233 | (139,251,889,782) |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City
FINANCIAL STATEMENTS
Consolidated cash flows statement (continued)

Unit: VND

| Items | Code | Note | Current year | Previous year |
|---|-----------|------------|-------------------------|------------------------|
| III. Cash flows from financing activities | | | | |
| 1. Receipts from stocks issuing and capital contribution from equity owners | 31 | | - | 150,000,000,000 |
| 2. Fund returned to equity owners, issued stock redemption | 32 | | - | - |
| 3. Long-term and short-term borrowings received | 33 | | 635,880,998,874 | 739,211,695,212 |
| 4. Loan repayment | 34 | | (601,300,335,684) | (692,281,289,436) |
| 5. Finance lease principle paid | 35 | | (457,513,200) | (457,513,200) |
| 6. Dividends, profit paid to equity owners | 36 | | (4,302,550) | (8,419,500) |
| Net cash from financing activities | 40 | | 34,118,847,440 | 196,464,473,076 |
| Net cash during the year | 50 | | (16,186,416,003) | 18,889,783,340 |
| Cash and cash equivalents at the beginning of year | 60 | | 26,398,852,198 | 7,509,068,858 |
| Impact of foreign exchange fluctuation | 61 | | - | - |
| Cash and cash equivalents at the end of year | 70 | V.1 | 10,212,436,195 | 26,398,852,198 |

Prepared by

Cnh

Dang Thi Xinh

Chief Accountant

Tam

Duong Dinh Tam

Deputy General Director



Chu Quang Huan

Ho Chi Minh City, 28 March 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 The year 2024

I. BUSINESS HIGHLIGHTS

1. Form of ownership

Design And Construction Joint-Stock Company No 1 is a joint-stock company transformed from a state-owned enterprise under Decision No. 792/QĐ/BNN-TCCB dated March 21, 2003, issued by the Ministry of Agriculture and Rural Development. It operates under the initial business registration certificate No. 4103001711 dated July 14, 2003, granted by the Department of Planning and Investment of Ho Chi Minh City. The business registration certificate with enterprise code 0301248798 was amended for the 13th time on October 2, 2023.

The Company's head office is located at 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

2. Business sector

The business sector of the Company is construction

3. Business activities

The Company's business activities include construction work and factory leasing

4. The cycle of the Company's business

The Company's main business activity is construction, so its production and business cycle cannot be determined

5. Company's structure

The number of employees of the Company as at 31 December 2024 was 226 (As at 31 December 2023 was 191)

Total number of subsidiaries: 1

Number of subsidiaries consolidated: 1

Number of subsidiaries not consolidated: 0

The list of subsidiaries consolidated using the cost method is as follows:

| Name of Subsidiary | Business Sector | Charter Capital | Ownership Percentage | Voting Rights Percentage |
|--|-----------------|-----------------|----------------------|--------------------------|
| Decofi - Hoang An Construction Company Limited | Construction | 15,000,000.000 | 100% | 100% |

6. Declaration on the comparability of information on the consolidated financial statements

During the year, the Company made no changes to its accounting policies compared to the previous year, thus there is no impact on the comparability of the information in the consolidated financial statements

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City
FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

1. Fiscal year

Fiscal year of the Company is from 1 January to 31 December annually.

2. Standard currency unit used in accounting

The standard currency unit used in accounting is Vietnam dong (VND).

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

1. Accounting system

The Company applies the Vietnamese Accounting System issued under Circular No. 200/2014/TT-BTC ("Circular 200"), which provides guidance on Accounting System for enterprises issued by the Ministry of Finance on December 22, 2014, and Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing Circular No. 200/2014/TT-BTC, also issued by the Ministry of Finance and Circular No. 202/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance, guiding the method of preparation and presentation of consolidated financial statements.

2. Statement on the compliance with the accounting standards and system

The Company has applied the Vietnamese Accounting Standards and the related guiding documents issued by the State. The consolidated financial statements have been prepared and presented in full compliance with all provisions of each standard, the circulars guiding the implementation of the standards, and the current Vietnamese Accounting System.

IV. ACCOUNTING POLICIES APPLIED

1. Basis for preparing consolidated financial statements

Consolidated financial statements are prepared on an accrual basis (except for information related to cash flows).

The consolidated financial statements include the financial statements of the parent company and its subsidiaries. A subsidiary is an entity controlled by the parent company. Control exists when the parent company has the power to direct the financial and operating policies of an entity to obtain economic benefits from its activities. In evaluating control, the potential voting rights that are currently exercisable or may be converted are considered. The operating results of subsidiaries acquired or disposed of during the year are presented in the consolidated statement of profit or loss from the acquisition date or until the disposal date of the investment in the subsidiary.

If the accounting policies of a subsidiary differ from those applied by the parent company, the subsidiary's financial statements will be appropriately adjusted before consolidation.

Balances in the balance sheets between companies within the same group, intercompany transactions, and unrealized internal profits arising from these transactions are eliminated when preparing consolidated financial statements. Unrealized losses arising from intercompany transactions are also eliminated unless the cost of the transaction cannot be recovered.

The minority interest represents the portion of the subsidiary's net assets and profits not held by the parent company's shareholders and is presented as a separate item in the consolidated statement of profit or loss and consolidated balance sheet. Minority interest includes the value of the minority shareholders' interests at the initial business combination date and their share of changes in equity since the business combination date. Losses attributable to the minority interest that exceed their share of the subsidiary's equity are allocated to the Group's equity unless the minority shareholders have an obligation and the ability to compensate for the loss.

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Notes to the consolidated financial statements (continued)

2. Foreign currency transactions

Foreign currency transactions arising are converted at the exchange rate on the transaction date. The balances of monetary items with foreign currency origins at the end of the period are converted at the exchange rate on this date.

The exchange rate used to convert foreign currency transactions is the actual exchange rate at the time the transaction arises. The actual exchange rate for foreign currency transactions is determined as follows:

- The actual transaction rate for foreign currency purchases and sales (spot foreign exchange contracts, forward contracts, futures contracts, options contracts, swap contracts): The contract rate specified in the foreign currency purchase and sale contract between the Company and the bank.

- In case the contract does not specify the payment rate:

- + For receivables: The buying rate of the commercial bank where the enterprise designates the customer to make payment at the time the transaction arises.

- + For payables: The selling rate of the commercial bank where the enterprise plans to trade at the time the transaction arises.

- + For asset purchases or expenses paid immediately in foreign currency (not through accounts payable): The buying rate of the commercial bank where the enterprise makes the payment.

The exchange rate used to revalue the balances of items with foreign currency origins at the end of the period is determined based on the following principles:

- + For foreign currency deposits in the bank: The buying rate of the bank where the enterprise opens the foreign currency account.

- + For monetary items with foreign currency origins classified as other assets: The foreign currency buying rate of the commercial bank where the enterprise frequently transacts at the time of preparing the financial statements.

Foreign exchange differences arising in the year from foreign currency transactions are recognized in financial income or financial expenses. The exchange rate difference due to the revaluation of monetary item balances at the end of the year, after offsetting increases and decreases in differences, is accounted for in financial income or financial expenses.

3. Principles to determine cash and cash equivalents

Cash includes cash at the fund, demand deposits in bank, monetary gold used with value storage functions, excluding gold classified as inventory used for the purpose of raw materials. materials to manufacture products or goods for sale.

Cash equivalents are short-term investments with a maturity of no more than 3 months from the date of purchase, easily convertible into a specified amount of money and without much risk in conversion into money.

4. Accounting principles for financial investments

a) Held-to-maturity investments

Held-to-maturity investments include investments that the Company intends and is able to hold until maturity. These investments comprise: fixed-term bank deposits (including treasury bills and promissory notes), bonds, preferred shares where the issuer is obligated to repurchase them at a specified future date, loans held to maturity for the purpose of earning periodic interest, and other held-to-maturity investments.

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Held-to-maturity investments are recognized starting from the purchase date and initially measured at purchase cost, including any transaction-related costs. Interest income from held-to-maturity investments after the purchase date is recognized in the consolidated income statement on an accrual basis. Interest accrued prior to the Company's holding of the investment is deducted from the principal at the time of purchase.

A provision for impairment of held-to-maturity investments is made when there is clear evidence showing that part or all of the investment may not be recoverable. This provision is recognized as a financial expense during the period.

b) Investments in associates

Investments in associates are recognized in the consolidated financial statements using the equity method. An associate is an entity over which the company has significant influence, but is neither a subsidiary nor a joint venture. Significant influence is presumed when the company holds between 20% and 50% of the voting rights in the investee.

Under the equity method, the investment is initially recognized at cost, and subsequently adjusted for changes in the company's share of the investee's net assets after the acquisition, based on the investee's fair value. Any goodwill arising from the investment in an associate is included in the carrying amount of the investment. Unlike goodwill in subsidiaries, it is not amortized annually, but it is assessed for impairment if necessary.

c) Investment in equity instruments of other entities

Investments in equity instruments of other entities represent equity investments where the Company does not have control, joint control, or significant influence over the investee.

Investments in equity instruments of other entities are recorded at their original cost, less any provision for impairment of investments.

d) Provisions for impairment of investments equity contributions to other entities

Provisions for impairment of investments are made when there is clear evidence indicating a decline in the value of these investments at the end of the accounting period in which the consolidated financial statements are prepared.

Any increase or decrease in the provision for investment impairment is recognized in financial expenses.

5. Principles of recognizing trade receivables and other receivables

Receivables are presented at their carrying amount, net of any provision for doubtful debts.

The classification of receivables as trade receivables or other receivables is based on the following principles:

- Trade receivables represent amounts arising from commercial transactions, including amounts receivable from consigned export sales on behalf of other entities.

- Other receivables refer to non-commercial amounts that are not related to purchase and sale transactions.

The provision for doubtful debts reflects the estimated value of receivables that the Company anticipates may be lost or unrecoverable as of the end of the accounting period. Any increase or decrease in the balance of the provision account is recorded as administrative expenses in the consolidated income statement.

Receivables are categorized as short-term or long-term based on their remaining maturity periods.

6. Principles for inventory recognition

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

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The cost of inventories is determined as follows:

- Raw materials and merchandise: Includes purchase costs and other direct costs incurred to bring the inventories to their current location and condition.
- Finished goods: Includes the main raw material costs, direct labor costs, and related general manufacturing costs allocated based on normal operating levels.
- Work in progress: Includes main raw material costs, direct labor costs, and general manufacturing costs.

Net realizable value is the estimated selling price of inventories at the end of the period minus the estimated costs to complete and sell them.

The cost of inventories is calculated using the weighted average method and is accounted for on a perpetual basis.

Provisions for inventory devaluation are made for each inventory item whose original cost exceeds its net realizable value. For unfinished services, provisions are calculated for each type of service with distinct pricing. Any increase or decrease in the balance of the provision for inventory devaluation that needs to be made as of the end of the financial year is recognized in the cost of goods sold.

7. Principles for the recognition and depreciation of tangible and intangible fixed assets

Fixed assets are presented at historical cost less accumulated depreciation. The historical cost of fixed assets includes all costs incurred by the enterprise to acquire the fixed assets until they are in a condition ready for use. Subsequent expenditures are only added to the historical cost of fixed assets if these expenditures certainly increase the future economic benefits from using the asset. Expenditures that do not meet this condition are recognized as production and business expenses in the period.

When fixed assets are sold or disposed of, the historical cost and accumulated depreciation are written off, and any gains or losses arising from the disposal are recognized in income or expenses for the year.

Depreciation of assets is calculated using the straight-line method. The estimated depreciation periods are as follows

| Type of asset | Depreciation period (years) | |
|--------------------------|-----------------------------|---------------|
| | Current year | Previous year |
| Buildings and structures | 17 - 25 | 17 - 25 |
| Machinery and equipment | 03 - 10 | 03 - 10 |
| Transportation means | 05 - 10 | 05 - 10 |
| Management tools | 03 - 05 | 03 - 05 |
| Other fixed assets | 03 - 18 | 03 - 18 |
| Computer software | 05 | 05 |
| Land use rights | 25 | 25 |

The historical cost of fixed assets and the depreciation period are determined in accordance with Circular No. 45/2013/TT-BTC dated April 25, 2013, issued by the Ministry of Finance, providing guidance on the management, use, and depreciation of fixed assets, and other relevant regulations.

8. Principles for the recognition and depreciation of finance-leased fixed assets

The original cost of finance-leased fixed assets is recognized at the fair value of the leased asset or the present value of the minimum lease payments (if the fair value exceeds the present value of the minimum lease payments), plus any direct initial costs incurred related to the finance lease.

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Finance-leased fixed assets are depreciated in the same manner as the Company's fixed assets. For finance-leased fixed assets that are not certain to be purchased back, depreciation is calculated over the lease term if it is shorter than the useful life of the leased asset.

9. Principles for the recognition and capitalization of borrowing costs

Borrowing costs are recognized as production and business expenses in the year they are incurred, except for borrowing costs directly related to the investment in the construction or production of unfinished assets, which are included in the value of such assets (capitalized) when the conditions set forth in Vietnamese Accounting Standard No. 16 'Borrowing Costs' are met.

Borrowing costs directly related to the investment in the construction or production of unfinished assets that are capitalized include interest on borrowings, allocation of discounts or premiums upon the issuance of bonds, and incidental costs arising from loan processing procedures.

10. Principles for the recognition and allocation of prepaid expenses

Prepaid expenses related only to production and business costs within the year are recognized as short-term prepaid expenses and allocated to production and business expenses of the same year.

The calculation and allocation of long-term prepaid expenses to production and business costs for each accounting period are based on the nature and magnitude of each type of expense to select a reasonable allocation method and basis. Prepaid expenses are gradually allocated to production and business expenses using the straight-line method.

11. Principles for the accounting of business cooperation contracts

Joint venture capital contributions are agreements based on contracts under which the Company and participating parties undertake economic activities under joint control. Joint control refers to the requirement that strategic decisions concerning the financial and operating policies of the joint venture entity must be unanimously agreed upon by all joint controlling parties.

In cases where a member company directly engages in business operations as per the joint venture agreements, the capital contributions to jointly controlled assets and any shared liabilities incurred with other joint venture partners from the operations of the joint venture are accounted for in the Company's consolidated financial statements and classified based on the nature of the arising economic transactions. Liabilities and costs directly related to the capital contributions in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of product shares distributed from joint venture operations, as well as the related costs incurred, is recognized when it is certain that economic benefits from these transactions will be received by or distributed from the Company, and such benefits can be measured reliably.

Joint venture agreements involving the establishment of an independent business entity with joint venture partners are referred to as jointly controlled business entities.

12. Principles for the recognition of liabilities and accrued expenses

Liabilities and accrued expenses are recognized for amounts payable in the future related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of liabilities into trade payables and other payables is performed according to the following principles:

- Trade payables reflect the amounts payable of a commercial nature arising from transactions of purchasing goods, services, assets, and the seller is an independent entity from the Corporation, including amounts payable upon import through a trustee.

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- Accrued expenses reflect the amounts payable for goods and services received from the seller or provided to the buyer but not yet paid due to the absence of invoices or incomplete accounting documents, and amounts payable to employees for vacation wages, production, and business expenses to be accrued.

- Other payables reflect the amounts payable that are not of a commercial nature, not related to the transactions of buying, selling, or providing goods and services.

13. Principles for the recognition of borrowings and finance lease liabilities

The Company must monitor the repayment terms of borrowings and finance lease liabilities in detail. Borrowings and finance lease liabilities with repayment periods exceeding 12 months from the date of preparation of the consolidated financial statements are classified as long-term. Those due within the next 12 months are classified as short-term, allowing for proper payment planning.

For finance lease liabilities, the total lease liabilities recorded in the credit side of account 341 represent the total payment amount, calculated as the present value of minimum lease payments or the fair value of the leased asset.

Borrowings and liabilities denominated in foreign currencies must be converted into the accounting currency at the actual exchange rate at the time of the transaction;

- When repaying borrowings in foreign currency, the debit side of account 341 is converted at the actual book exchange rate applied specifically to each counterpart;

- When preparing consolidated financial statements, the balances of borrowings and finance lease liabilities denominated in foreign currencies must be revalued at the actual exchange rate on the date of financial statement preparation;

- Foreign exchange differences arising from repayments and end-of-period revaluations of borrowings and finance lease liabilities in foreign currencies are recognized in financial income or financial expenses.

14. Principles for the recognition of provisions for liabilities

The recognized value of a provision for liabilities is the most reasonable estimate of the amount to be spent to settle the present obligation as of the end of the accounting period.

The difference between the unused provision for liabilities established in the previous accounting period and the provision required in the reporting period is reversed and recorded as a reduction in business expenses during the period, except for the larger differences in provisions for liabilities related to construction warranty obligations, which are reversed and recorded as other income during the period.

15. Principles of recognizing owners' equity

Owner's contributed capital

Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

Share premiums

Share premium is recognized as the difference between the issue price and the par value of shares during the initial issuance, additional issuance, the difference between the reissue price and the book value of treasury shares, and the equity component of convertible bonds upon maturity. Direct costs related to additional share issuance and reissuing treasury shares are deducted from the share premium.

Other owner's equity

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Other capital is formed from additional business results, revaluation of assets, and the remaining value between the fair value of donated, gifted, or sponsored assets after deducting any applicable taxes (if any) related to these assets.

Profit distribution

Profit after corporate income tax is distributed to shareholders after appropriations to funds as per the Company Charter and legal regulations, and as approved by the General Meeting of Shareholders.

The distribution of profits to shareholders considers non-monetary items within undistributed post-tax profits that may affect cash flows and the ability to pay dividends, such as gains from revaluation of contributed assets, revaluation gains from monetary items, financial instruments, and other non-monetary items.

Dividends payable to shareholders are recognized as liabilities in the Company's consolidated balance sheet following the resolution of the Annual General Meeting of Shareholders, the resolution of the Board of Directors, and the establishment of the record date for dividend entitlement by the Securities Depository Center

Other funds

Other funds are established and utilized in accordance with the Company's Charter and the resolutions approved annually by the General Meeting of Shareholders.

16. Principles for the recognition of revenue

Revenue is recognized when the Company is likely to receive economic benefits that can be reliably measured. Revenue is determined at the fair value of the amounts received or to be received, after deducting trade discounts, sales returns, and allowances. The following specific conditions must also be satisfied before revenue is recognized

Construction contract revenue

Construction contract revenue is reliably estimated as follows:

- For construction contracts where the contractor is paid according to the planned schedule: Revenue and expenses related to the contract are recognized based on the portion of work completed, as determined by the Company, at the end of the financial accounting period.
- For construction contracts where the contractor is paid based on the actual volume of work performed: Revenue and expenses related to the contract are recognized based on the portion of work completed, confirmed by the investor, and reflected in the issued invoice.

Sales Revenue

Sales revenue is recognized when the following conditions are simultaneously met:

- Most of the risks and rewards associated with ownership of the goods or products have been transferred to the buyer;
- The Company no longer retains control or managerial involvement in the goods as the owner;
- Revenue can be reliably measured;
- The Company has received or will receive economic benefits from the sales transaction;
- Costs related to the transaction can be determined.

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Service Revenue

Service revenue is recognized when the outcome of the transaction can be reliably measured. For services spanning multiple periods, revenue is recognized for the year based on the portion of work completed as of the date of preparation of the consolidated balance sheet for that period. The outcome of a service transaction is determined when the following conditions are met:

- Revenue can be reliably measured;
- It is probable that economic benefits will flow to the Company from the service transaction;
- The portion of work completed as of the preparation date of the consolidated balance sheet is identifiable;
- Costs incurred for the transaction and costs to complete the service transaction can be determined.

The completed portion of the service is determined using the method of work completion assessment.

Interest Income

Interest income is recognized on an accrual basis and is determined based on the balance of deposit accounts and the actual interest rates for each period.

Dividends and Profits Received

Dividends and profits are recognized when the Company becomes entitled to receive them from its investment. Dividends received in the form of shares are only monitored as an increase in the number of shares and are not recognized for their value.

Revenue Deductions

This category reflects adjustments reducing sales revenue and service revenue incurred during the year, including trade discounts, sales returns, and allowances. It does not reflect taxes deducted from revenue, such as output VAT calculated using the direct method.

Revenue adjustments are conducted as follows:

- Trade discounts, sales returns, and allowances incurred in the same period as the consumption of products, goods, and services are deducted from the revenue of that period;
- For products, goods, and services sold in prior years, if trade discounts, sales returns, or allowances occur in subsequent periods, the revenue reduction is recorded according to the following principles:
 - + If the adjustments occur after the consumption of products, goods, and services in prior years but before the issuance of the consolidated financial statements, these adjustments are treated as post-balance sheet events requiring adjustment. They are recorded as revenue reductions in the consolidated financial statements of the reporting period (prior year).
 - + If the adjustments occur after the issuance of the consolidated financial statements, the revenue reduction is recorded in the reporting period during which the event occurs (current period).

17. Principles for the recognition of cost of goods sold

The cost of goods sold reflects the cost of products, goods, services, and investment properties sold during the year, as well as the production cost of construction products (for construction enterprises). It also includes costs associated with the operation of investment properties, such as depreciation, repair expenses, operational costs for leasing investment properties under operating leases (if not significant), and costs for disposing of or liquidating investment properties.

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The provision for inventory devaluation is included in the cost of goods sold, based on the quantity of inventory and the difference where the net realizable value is lower than the original cost. When determining the inventory quantity subject to devaluation, the accountant must exclude the inventory already under signed sales contracts (with a net realizable value not lower than its book value) that have not yet been delivered to the customer, provided there is reliable evidence that the customer will not terminate the contract.

18. Principles for the recognition of financial expenses

Financial expenses include costs or losses related to financial activities, such as: Costs or losses from financial investments, borrowing and lending costs, expenses from contributions to joint ventures or associates, losses from the transfer of short-term securities, expenses incurred from securities trading transactions, provisions for devaluation of trading securities, provisions for losses from investments in other entities, losses from foreign currency sales, and exchange rate losses.

19. Principles for the recognition of selling expenses and administrative expenses

Sale expenses reflect the actual costs incurred in the process of selling products or goods or providing services, including the costs of offering goods, introducing products, advertising products, sales commissions, expenses for product and goods warranty (except for construction activities), expenses for preservation, packing and transportation.

Management expenses reflect general management expenses of the enterprise, including expenses for salaries of employees of the enterprise management sections (salaries, wages, allowances ...); social insurance, health insurance, trade union funds, unemployment insurance of enterprise managers; expenses for office materials, labor tools, depreciation of fixed assets used for enterprise management; land rent, excise tax; provision for bad debts; Outbound services (electricity, water, telephone, fax, property insurance, fire and explosion); Other monetary expenses (guest reception, customer conference ...).

20. Principles and methods for recognizing corporate income tax expenses

Corporate income tax expenses recorded in the income statement include current corporate income tax expenses and deferred corporate income tax expenses.

Current corporate income tax expenses are determined based on taxable income and the corporate income tax rate applicable for the current year.

Deferred corporate income tax expenses are determined based on temporary differences between tax and accounting, non-deductible expenses, adjustments for non-taxable income, and carried-forward losses.

21. Segment reporting

Segment reporting include a business segment or a geographical segment.

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related 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 an enterprise that is engaged in 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.

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22. Financial instruments

Initial Recognition

Financial Assets: On the initial recognition date, financial assets are recorded at cost, including directly attributable transaction costs related to the acquisition of the financial assets. The Company's financial assets include cash and cash equivalents, short-term receivables, other receivables, and held-to-maturity investments.

Financial Liabilities: On the initial recognition date, financial liabilities are recorded at cost, net of directly attributable transaction costs related to the issuance of those financial liabilities. The Company's financial liabilities include payables to suppliers, other payables, accrued expenses, and borrowings.

Subsequent Measurement

Currently, there are no regulations on the revaluation of financial instruments after initial recognition.

23. Related parties

Parties are considered a related party of the Company if one party has the ability to control the other party or otherwise significantly influence the other party in making financial decisions and operate, or when the Company and the other party jointly or severally control.

In considering related parties relationship, the nature of relationship is focused more than the legal form.

Transactions with related parties during the year are presented in Note VII.2.

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CONSOLIDATED BALANCE SHEET

1. Cash and cash equivalents

| | Ending balance VND | Beginning balance VND |
|---------------|-----------------------|--------------------------|
| Cash on hand | 1,206,765,386 | 1,260,460,823 |
| Cash in banks | 9,005,670,809 | 25,138,391,375 |
| Total | 10,212,436,195 | 26,398,852,198 |

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FINANCIAL STATEMENTS**Notes to the consolidated financial statements (continued)****2. Long-term financial investments**

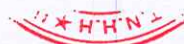
| | | | | | | Unit: VND |
|---|-----------------------------|--|------------|-----------------------------|---|------------|
| | Ownership/Voting Percentage | Ending balance Carrying value under equity method | Fair value | Ownership/Voting Percentage | Beginning balance Carrying value under equity method | Fair value |
| | | | | | | |
| Eras Da Lat Investment Joint Stock Company (**) | - | - | - | 42.86% | 147,837,456,673 | (*) |
| Total | | - | | | 147,837,456,673 | |

Notes: The Company's voting rights in its subsidiaries and associates correspond to its ownership percentage in those entities

(*) The Company has not determined the fair value of these investments due to the lack of market-listed prices for these investments and the absence of guidance in Vietnamese Accounting Standards on determining fair value using valuation techniques. The fair value of these investments may differ from their carrying amounts.

(**) The investment in Eras Da Lat Investment Joint Stock Company for the year has been fully transferred to Mr. Tran Xuan Quang, with the transfer value being 150 billion VND according to the Share Transfer Agreement No. 06.2024/HDCN/DCF-TQX dated June 27, 2024

Major transactions arising during the year with subsidiaries and associates: Refer to note VII.2.



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3. Trade accounts receivable

| | Ending balance VND | Beginning balance VND |
|---|-------------------------------|----------------------------------|
| a) Short-term | 366,216,481,561 | 210,396,666,101 |
| New Era Cold Storage Joint Stock Company | 37,516,832,576 | 367,941,116 |
| Dat Gia Co.,Ltd | 60,296,314,908 | 58,407,479,551 |
| Hai Thuan Tourism Services Investments Development Joint Stock Company | 10,534,103,190 | 79,169,096,686 |
| Phuc An Gia Real Estate Investment Company Limited | 47,457,446,426 | - |
| Phu My - Quy Nhon Investment Construction Limited Company | 58,464,385,151 | - |
| DCT Partners Vietnam Company Limited | 41,488,186,117 | - |
| Other accounts receivable | 110,459,213,193 | 72,452,148,748 |
| b) Long-term | - | - |
| Total | 366,216,481,561 | 210,396,666,101 |

c) Trade receivables from related parties: Refer to note VII.2

4. Advances to suppliers

| | Ending balance VND | Beginning balance VND |
|--|-------------------------------|----------------------------------|
| a) Short-term | 65,463,388,607 | 61,157,375,793 |
| Eras Land Real Estate Investment Joint Stock Company | - | 34,000,000,000 |
| Phu Khai Construction Trading Production Company Limited | 9,150,000,000 | - |
| Nguyen Dan Construction Trading Service Company Limited | 9,322,969,977 | - |
| An Hiep Phat Trading Construction Design Investment Joint Stock Company | 15,949,234,884 | - |
| Connection Company Limited | 7,355,212,423 | - |
| Other entities | 23,685,971,323 | 27,157,375,793 |
| b) Long-term | - | - |
| Total | 65,463,388,607 | 61,157,375,793 |

c) Advances to suppliers from related parties: Refer to note VII.2

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5. Other receivables

| | Ending balance VND | Beginning balance VND |
|--|------------------------|--------------------------|
| a) Short-term | 2,465,791,741 | 137,815,829,390 |
| Advances | 1,569,191,245 | 1,394,387,531 |
| Eras Binh Thuan Investment Company Limited | - | 6,200,000,000 |
| Green Medicine Company Limited | - | 108,196,249,315 |
| Eras Land Real Estate Investment Joint Stock Company | - | 13,030,000,000 |
| Eco Green Viet Nam Development And Construction Investment Company Limited | - | 8,035,000,000 |
| Other receivables | 896,600,496 | 960,192,544 |
| b) Long-term | 315,291,350,000 | 262,650,000 |
| Long-term deposit | 291,350,000 | 262,650,000 |
| Era Development And Construction Investment Company Limited (*) | 160,000,000,000 | - |
| Green View Development And Investment Company Limited (**) | 155,000,000,000 | - |
| Total | 317,757,141,741 | 138,078,479,390 |

c) Other receivables from related parties: Refer to note VII.2.

(*) The Company has contributed capital in cooperation with Era Development And Construction Investment Company Limited under Cooperation Agreement No. 06/2024/HĐHT/KN-DCF dated June 20, 2024, to implement the project 'Model Rural Residential Area in Dambri' located in Dambri Commune, Bao Loc City, Lam Dong Province, with an area of 413,783.50 m². The total capital contribution of the Company is VND 160,000,000,000 (equivalent to 15.6% of the total estimated investment value). Profit sharing is based on the capital contribution ratio, and the cooperation duration is from the signing date of the agreement until the project is finalized. Accordingly, Era Development And Construction Investment Company Limited will act as the legal representative and be responsible for ensuring that the project operates in compliance with current legal regulations. The outstanding balance of the capital contribution as of December 31, 2024, is VND 160,000,000,000.

(**) The Company has contributed capital in cooperation with Green View Development And Investment Company Limited under Cooperation Agreement No. 2024.1607-HĐHT/DCF-GRV dated July 16, 2024, to implement the project 'Green View Model Rural Residential Area' located in Dambri Commune, Bao Loc City, Lam Dong Province, with an area of 98,337 m². The total capital contribution of the Company is VND 155,000,000,000 (equivalent to 15.6% of the total estimated investment value). Profit sharing is based on the capital contribution ratio, and the cooperation duration is 48 months. Accordingly, Green View Development And Investment Company Limited will act as the legal representative and be responsible for ensuring that the project is approved and put into operation, constructing technical infrastructure, and ensuring that high-quality products are supplied to the market to meet market demand. The outstanding balance of the capital contribution as of December 31, 2024, is VND 155,000,000,000.

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

6. Bad Debts

| | | | Unit: VND | | |
|---|----------------------|----------------------|----------------------|----------|-----------|
| | Ending balance | | Beginning balance | | |
| | Cost | Provision | Recoverable value | Cost | Provision |
| Accounts receivable | 1,866,301,907 | 1,866,301,907 | - | - | - |
| Hung Thinh Trading Manufacture | 1,866,301,907 | 1,866,301,907 | - | - | - |
| Construction Joint Stock Company | | | | | |
| Advance payment | 4,726,989,000 | 3,308,892,300 | 1,418,096,700 | - | - |
| Binh Nam Dai Manufacturing, Trading, and Construction Consultancy Co.,Ltd | 4,726,989,000 | 3,308,892,300 | 1,418,096,700 | - | - |
| Total | 6,593,290,907 | 5,175,194,207 | 1,418,096,700 | - | - |

7. Inventories

| | | | Unit: VND | |
|---------------------|------------------------|-----------|-----------------------|-----------|
| | Ending balance | | Beginning balance | |
| | Cost | Provision | Cost | Provision |
| Raw materials | 9,689,842,274 | - | 4,028,102,216 | - |
| Tools and equipment | 1,012,356,316 | - | 1,715,867,935 | - |
| Work in progress | 136,321,694,166 | - | 42,501,439,213 | - |
| Total | 147,023,892,756 | - | 48,245,409,364 | - |

8. Construction in progress

| | Ending balance (VND) | Beginning balance (VND) |
|-------------------|----------------------|-------------------------|
| Office renovation | 4,712,660,436 | 4,086,294,510 |
| Total | 4,712,660,436 | 4,086,294,510 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

9. Increases and decreases in tangible fixed assets

Unit: VND

| | Buildings and structures | Machinery, equipment | Transportation means | Management tools and equipment | Total |
|---------------------------------|-------------------------------------|---------------------------------|---------------------------------|---|-----------------------|
| <i>Cost</i> | | | | | |
| Beginning balance | 40,158,709,536 | 18,599,111,480 | 4,393,360,191 | 1,863,477,216 | 65,014,658,423 |
| Increase | - | 15,318,030,000 | 118,333,334 | 1,290,000,000 | 16,726,363,334 |
| - <i>New purchases</i> | - | 15,318,030,000 | 118,333,334 | 1,290,000,000 | 16,726,363,334 |
| Decrease | - | - | 190,909,056 | - | 190,909,056 |
| - Liquidation and sale | - | - | 190,909,056 | - | 190,909,056 |
| Ending balance | 40,158,709,536 | 33,917,141,480 | 4,320,784,469 | 3,153,477,216 | 81,550,112,701 |
| <i>Accumulated depreciation</i> | | | | | |
| Beginning balance | 17,841,538,417 | 3,824,518,528 | 2,269,119,274 | 608,602,781 | 24,543,779,000 |
| Depreciation | 1,492,041,299 | 2,241,043,367 | 505,223,792 | 363,006,112 | 4,601,314,570 |
| Decrease | - | - | 177,272,745 | - | 177,272,745 |
| - Liquidation and sale | - | - | 177,272,745 | - | 177,272,745 |
| Ending balance | 19,333,579,716 | 6,065,561,895 | 2,597,070,321 | 971,608,893 | 28,967,820,825 |
| <i>Net book value</i> | | | | | |
| Beginning balance | 22,317,171,119 | 14,774,592,952 | 2,124,240,917 | 1,254,874,435 | 40,470,879,423 |
| Ending balance | 20,825,129,820 | 27,851,579,585 | 1,723,714,148 | 2,181,868,323 | 52,582,291,876 |

*** Note:**

- The original cost of tangible fixed assets that have been fully depreciated but are still in use: 1,769,203,949 VND.
- The remaining value at the end of the period of tangible fixed assets used as collateral to secure a loan: 30,197,923,172 VND.

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

10. Increases and decreases in intangible fixed assets

Unit: VND

| | Land use rights | Computer software | Total |
|---------------------------------|-----------------------|----------------------|-----------------------|
| Cost | | | |
| Beginning balance | 10,793,470,889 | 1,248,246,000 | 12,041,716,889 |
| Increase | - | 364,650,000 | 364,650,000 |
| Decrease | - | - | - |
| Ending balance | 10,793,470,889 | 1,612,896,000 | 12,406,366,889 |
| Accumulated depreciation | | | |
| Beginning balance | 3,738,011,856 | 239,540,433 | 3,977,552,289 |
| Increase | 213,801,792 | 159,593,112 | 373,394,904 |
| Decrease | - | - | - |
| Ending balance | 3,951,813,648 | 399,133,545 | 4,350,947,193 |
| Net book value | | | |
| Beginning balance | 7,055,459,033 | 1,008,705,567 | 8,064,164,600 |
| Ending balance | 6,841,657,241 | 1,213,762,455 | 8,055,419,696 |

*** Note:**

- The original cost of intangible fixed assets that have been fully depreciated but are still in use: 413,700,000 VND.

- The remaining value at the end of the period of intangible fixed assets used as collateral to secure a loan : 6,841,657,241 VND.

11. Increase or decrease in leased fixed assets under finance lease

Unit: VND

| | Transportation means |
|---------------------------------|----------------------|
| Cost | |
| Beginning balance | 2,218,272,727 |
| Increase | - |
| Decrease | - |
| Ending balance | 2,218,272,727 |
| Accumulated depreciation | |
| Beginning balance | 813,156,247 |
| Increase | 554,568,180 |
| Decrease | - |
| Ending balance | 1,367,724,427 |
| Net book value | |
| Beginning balance | 1,405,116,480 |
| Ending balance | 850,548,300 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City
FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

12. Prepaid expenses

| | Ending balance VND | Beginning balance VND |
|--------------------------------|-----------------------|--------------------------|
| a) Short-term | 2,478,618,743 | 1,928,233,436 |
| Tools, equipment | 413,969,045 | 300,221,420 |
| Other expenses | 2,064,649,698 | 1,628,012,016 |
| b) Long-term | 33,527,950,765 | 16,419,237,223 |
| Repair and renovation expenses | - | 402,369,296 |
| Tools, equipment | 32,947,763,655 | 15,836,370,562 |
| Other expenses | 580,187,110 | 180,497,365 |
| Total | 36,006,569,508 | 18,347,470,659 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

13. Loans and finance lease liabilities

Unit: VND

| | Ending balance | | During the year | | Beginning balance | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | Value | Afford to pay | Increase | Decrease | Value | Afford to pay |
| a) Short-term loans | 181,040,358,837 | 181,040,358,837 | 638,158,588,074 | 601,300,335,684 | 144,182,106,447 | 144,182,106,447 |
| Short-term loans | 178,762,769,637 | 178,762,769,637 | 635,880,998,874 | 599,480,259,684 | 142,362,030,447 | 142,362,030,447 |
| Nam A Commercial Joint Stock Bank - An Dong Branch (a1) | 178,762,769,637 | 178,762,769,637 | 634,332,756,057 | 597,932,016,867 | 142,362,030,447 | 142,362,030,447 |
| Military Commercial Joint Stock Bank | - | - | 1,548,242,817 | 1,548,242,817 | - | - |
| Long-term loan due for repayment | 2,277,589,200 | 2,277,589,200 | 2,277,589,200 | 1,820,076,000 | 1,820,076,000 | 1,820,076,000 |
| Nam A Commercial Joint Stock Bank - An Dong Branch (b1) | 1,820,076,000 | 1,820,076,000 | 1,820,076,000 | 1,820,076,000 | 1,820,076,000 | 1,820,076,000 |
| Sacombank - Leasing Company Limited (b2) | 457,513,200 | 457,513,200 | 457,513,200 | - | - | - |
| b) Long-term loans | 780,519,040 | 780,519,040 | - | 2,735,102,400 | 3,515,621,440 | 3,515,621,440 |
| Long-term loans | 536,358,940 | 536,358,940 | - | 1,820,076,000 | 2,356,434,940 | 2,356,434,940 |
| Nam A Commercial Joint Stock Bank - An Dong Branch (b1) | 536,358,940 | 536,358,940 | - | 1,820,076,000 | 2,356,434,940 | 2,356,434,940 |
| Finance lease liability | 244,160,100 | 244,160,100 | - | 915,026,400 | 1,159,186,500 | 1,159,186,500 |
| Sacombank - Leasing Company Limited (b2) | 244,160,100 | 244,160,100 | - | 915,026,400 | 1,159,186,500 | 1,159,186,500 |
| Total | 181,820,877,877 | 181,820,877,877 | 638,158,588,074 | 604,035,438,084 | 147,697,727,887 | 147,697,727,887 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

(a1) Short-term loan from Nam A Commercial Joint Stock Bank - An Dong Branch under Credit Agreement No. 0242/2023/902-CV dated April 13, 2023, and amendments and supplements, with a maximum loan limit of VND 800,000,000,000, a maximum guarantee limit of VND 800,000,000,000, and a maximum limit for issuing L/Cs (both sight and usance), UPAS L/C - UPAS L/C PLUS (Import/domestic) of VND 50,000,000,000 or equivalent in foreign currency. The loan term is no more than 12 months/working capital, with interest rates as per each promissory note. Loan purpose: to supplement working capital for business production, construction, and issuance of guarantee letters, with specific purposes outlined in each promissory note. The collateral is detailed in the agreement and amendments as follows: No. 01/SĐ-0242/2023/902-CV dated May 13, 2023; No. 02/SĐ-0242/2023/902-CV dated June 28, 2023; No. 03/SĐ-0242/2023/902-CV dated June 29, 2023; No. 04/SĐ-0242/2023/902-CV dated September 22, 2023; No. 05/SĐ-0242/2023/902-CV dated November 15, 2023; No. 06/SĐ-0242/2023/902-CV dated January 2, 2024; No. 07/SĐ-0242/2023/902-CV dated May 9, 2024; and No. 08/SĐ-0242/2023/902-CV dated June 27, 2024.

(b1) Long-term loan from Nam A Commercial Joint Stock Bank - An Dong Branch under the decreasing balance credit agreement No. 0171/2021/902-CV dated March 17, 2021, and amendments and supplements No. 01/SĐ-0171/2021/902-CV dated October 5, 2021; No. 02/SĐ-0171/2021/902-CV dated December 29, 2021. The maximum loan amount is VND 50,000,000,000, with a loan term of 60 months, and interest rates as per each promissory note. Loan purpose: investment in construction, expansion of the steel structure workshop, and investment in machinery and equipment to serve production and business activities. The loan is secured by the asset mortgage agreements No. 0002/2021/902-BĐ dated January 7, 2021, asset mortgage agreement No. 0033/2021/902-BĐ dated October 5, 2021, and amendments No. 01/SĐ-0171/2021/902-CV dated October 5, 2021; No. 02/SĐ-0171/2021/902-CV dated December 29, 2021. The outstanding balance as of December 31, 2024, is VND 2,356,434,940, of which the long-term loan due for repayment is VND 1,820,076,000).

(b2) Long-term finance lease liabilities with Sacombank - Leasing Company Limited under two finance lease agreements:

Finance lease agreement No. SBL010202206030 dated June 20, 2022, with a loan term of 48 months, an interest rate of 9% per year until December 31, 2022. From January 1, 2023, the interest rate will change according to the bank's announcement. Purpose of the loan: to purchase a vehicle for business production. The outstanding balance as of December 31, 2024, is VND 400,552,592, of which the finance lease liability due for repayment is VND 289,444,416.

Finance lease agreement No. SBL010202207046 dated July 26, 2022, with a loan term of 48 months, an interest rate of 9% per year until February 1, 2023. From February 1, 2023, the interest rate will change according to the bank's announcement. Purpose of the loan: to purchase a vehicle for business production. The outstanding balance as of December 31, 2024, is VND 301,120,708, of which the finance lease liability due for repayment is VND 168,068,784.

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

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FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

c. Details of finance lease liability repayment

| Object | Current year | | | Previous year | | |
|------------------------|-----------------------------|------------------------|---------------------|-----------------------------|------------------------|---------------------|
| | Total finance lease payment | Lease interest payment | Principal repayment | Total finance lease payment | Lease interest payment | Principal repayment |
| Over 1 year to 5 years | 1,022,107,300 | 107,080,900 | 915,026,400 | 628,794,000 | 171,280,800 | 457,513,200 |

14. Trade payables

Unit: VND

| | Ending balance | | Beginning balance | |
|--|------------------------|------------------------|-----------------------|-----------------------|
| | Value | Afford to pay | Value | Afford to pay |
| a) Short-term | 249,931,167,033 | 249,931,167,033 | 68,347,919,309 | 68,347,919,309 |
| An Phu Gia Construction Joint Stock Company | - | - | 9,479,460,000 | 9,479,460,000 |
| Dong Tay Trade And Construction Investment Joint Stock Company | 14,389,480,672 | 14,389,480,672 | 2,754,323,352 | 2,754,323,352 |
| Nhan Luat Mien Nam Steel Joint Stock Company | 20,238,526,297 | 20,238,526,297 | - | - |
| Hong Ha Beton Joint Stock Company | 13,003,287,751 | 13,003,287,751 | - | - |
| Other accounts payable | 202,299,872,313 | 202,299,872,313 | 56,114,135,957 | 56,114,135,957 |
| b) Long-term | - | - | - | - |
| Total | 249,931,167,033 | 249,931,167,033 | 68,347,919,309 | 68,347,919,309 |

c) Trade payable to related parties: Refer to note VII.2.

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

15. Advances from customers

| | Ending balance VND | Beginning balance VND |
|---|-----------------------|--------------------------|
| a) Short-term | 42,282,366,252 | 21,441,093,255 |
| Phan Thiet Homeland Beach Company Limited | - | 4,993,586,321 |
| Thien Binh Minh Joint Stock Company | - | 2,264,381,896 |
| Phuc Dat Hotel Travel Company Limited | - | 5,732,144,143 |
| Phu My - Quy Nhon Investment Construction Limited Company | - | 8,147,788,904 |
| Green View Development And Investment Company Limited | 9,376,263,981 | - |
| Kim Son Investment Hotel Joint Stock Company | 32,800,515,921 | - |
| Other subjects | 105,586,350 | 303,191,991 |
| b) Long-term | - | - |
| Total | 42,282,366,252 | 21,441,093,255 |

c) Advance payment from customers is from related parties: Refer to note VII.2.

16. Taxes and other payables to the State

| | Beginning balance | Payable within the year | Paid within the year | Ending balance |
|-------------------------------|-----------------------|-------------------------|-----------------------|----------------------|
| a) Payable | 11,379,914,017 | 27,504,720,015 | 30,762,560,999 | 8,122,073,033 |
| Value-added tax | 1,720,062,298 | 12,824,628,659 | 11,972,280,759 | 2,572,410,198 |
| Corporate income tax | 9,527,675,585 | 10,635,453,866 | 15,790,524,652 | 4,372,604,799 |
| Personal income tax | 132,176,134 | 3,983,113,332 | 2,938,231,430 | 1,177,058,036 |
| Land tax and land rental fees | - | 52,542,158 | 52,542,158 | - |
| Other taxes | - | 8,982,000 | 8,982,000 | - |
| b) Receivable | 28,699,431 | - | - | 28,699,431 |
| Corporate income tax | 25,871,272 | - | - | 25,871,272 |
| Personal income tax | 2,828,159 | - | - | 2,828,159 |

Unit: VND

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

17. Payable expenses

| | Ending balance VND | Beginning balance VND |
|----------------------------|-----------------------|--------------------------|
| a) Short-term | 46,172,129,765 | 24,215,620,764 |
| Accrued construction costs | 46,172,129,765 | 24,215,620,764 |
| b) Long-term | - | - |
| Total | 46,172,129,765 | 24,215,620,764 |

18. Other payables

| | Ending balance VND | Beginning balance VND |
|--|-----------------------|--------------------------|
| a) Short-term | 10,934,433,777 | 846,996,710 |
| Union funds | 43,302,600 | - |
| Dividends payable to shareholders | 602,634,900 | 606,937,450 |
| Severance pay payable | - | 58,435,149 |
| Winbuild Construction - Investment Joint Stock Company (*) | 10,000,000,000 | - |
| Other payables | 288,496,277 | 181,624,111 |
| b) Long-term | 2,000,000,000 | 2,000,000,000 |
| Receive long-term deposits | 2,000,000,000 | 2,000,000,000 |
| Total | 12,934,433,777 | 2,846,996,710 |

d) Other payables to related parties: Refer to note VII.2.

(*) This amount is the payment authorized by Kim Son Hotel Investment Joint Stock Company to be made to Winbuild Construction - Investment Joint Stock Company according to the Agreement on the Settlement of Three-Party Payment dated July 18, 2024. Accordingly, the company records a reduction in the payable amount to Kim Son Hotel Investment Joint Stock Company from the total advance reduction under Contract No. 01/2024/HDTC/KS-DCF dated January 16, 2024, and Contract Appendix No. 01/2024/PLHDTC/KS-DCF dated July 16, 2024

19. Unearned revenue

| | Ending balance VND | Beginning balance VND |
|-----------------------|-----------------------|--------------------------|
| a) Short-term | - | 54,545,455 |
| Office rental revenue | - | 54,545,455 |
| b) Long-term | - | - |
| Total | - | 54,545,455 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

Address: 28 Mac Dinh Chi, Dakao Ward, District 1, Ho Chi Minh City

FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

20. Owner's equity

a) Reconciliation table of changes in owners' equity

| Items | Owner's contributed capital | Share premium | Development Investment Fund | Undistributed after- tax profit | Unit: VND |
|---|--------------------------------|------------------------|-----------------------------------|------------------------------------|------------------------|
| | | | | | Total |
| Balance at the beginning of previous year | 150,000,000,000 | 100,873,505,300 | 29,380,923,738 | 7,159,932,038 | 287,414,361,076 |
| Increase in capital in the previous year | 150,000,000,000 | | | | 150,000,000,000 |
| Profit in the previous year | | | | 10,597,688,473 | 10,597,688,473 |
| Share issuance costs | | (275,000,000) | | | (275,000,000) |
| Profit distribution for the year 2022 | | | | | |
| - Development investment fund | | | 715,993,204 | (715,993,204) | - |
| - Reward and welfare fund | | | | (357,996,602) | (357,996,602) |
| - Board of Directors remuneration | | | | (143,198,641) | (143,198,641) |
| - Executive board bonus | | - | | (357,996,602) | (357,996,602) |
| - Reduction of investment fund upon liquidation of a subsidiary | | | (272,386,407) | 272,386,407 | - |
| Balance at the end of the previous year | 300,000,000,000 | 100,598,505,300 | 29,824,530,535 | 16,454,821,869 | 446,877,857,704 |
| Balance at the beginning of this year | 300,000,000,000 | 100,598,505,300 | 29,824,530,535 | 16,454,821,869 | 446,877,857,704 |
| Profit in the current year | | | | 39,384,164,583 | 39,384,164,583 |
| Profit distribution for the year 2023 | | - | | | |
| - Development investment fund | | | 1,059,768,847 | (1,059,768,847) | - |
| - Reward and welfare fund | | | | (794,826,635) | (794,826,635) |
| - Executive board bonus | | - | | (794,826,636) | (794,826,636) |
| Balance at the end of this year | 300,000,000,000 | 100,598,505,300 | 30,884,299,382 | 53,189,564,334 | 484,672,369,016 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

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FINANCIAL STATEMENTS**Notes to the consolidated financial statements (continued)****b) Details of owners' capital**

| | Ending balance VND | % | Beginning balance VND | % |
|---|-------------------------------|-------------|----------------------------------|-------------|
| T.H.L Company Limited | 60,000,000,000 | 20.00% | 60,000,000,000 | 20.00% |
| Hoang Vu General Service - Trading - Import - Export Manufacturing Company Ltd | 41,194,700,000 | 13.73% | 41,194,700,000 | 13.73% |
| 3T Investment Joint Stock Company | 10,000,590,000 | 3.33% | 10,069,590,000 | 3.36% |
| Other shareholders | 188,804,710,000 | 62.93% | 188,735,710,000 | 62.91% |
| Total | 300,000,000,000 | 100% | 300,000,000,000 | 100% |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

c) Capital transactions with owners

| | <u>Current year VND</u> | <u>Previous year VND</u> |
|-----------------------------------|-----------------------------|------------------------------|
| Owners' investment capital | | |
| At the beginning of year | 300,000,000,000 | 150,000,000,000 |
| Increase in the year | - | 150,000,000,000 |
| Decrease in the year | - | - |
| At the end of year | 300,000,000,000 | 300,000,000,000 |

d) Share

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-----------------------|--------------------------|
| Number of shares registered for issuance | 30,000,000 | 30,000,000 |
| Number of shares sold to the public | 30,000,000 | 30,000,000 |
| - Common shares | 30,000,000 | 30,000,000 |
| - Preferred shares | - | - |
| Number of shares to be redeemed | - | - |
| - Common shares | - | - |
| - Preferred shares | - | - |
| Number of outstanding shares | 30,000,000 | 30,000,000 |
| - Common shares | 30,000,000 | 30,000,000 |
| - Preferred shares | - | - |

Par value of outstanding shares: 10,000 VND..

21. Off-balance sheet items

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|-----------------------|-----------------------|--------------------------|
| Bad debts written off | 1,929,280,509 | 1,929,280,509 |

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CONSOLIDATED INCOME STATEMENT

1. Revenue from sales and services

| | <u>Current year VND</u> | <u>Previous year VND</u> |
|---|-----------------------------|------------------------------|
| Construction contract revenue | 1,283,678,108,266 | 573,077,280,852 |
| Revenue from sales of goods and provision of services | 42,726,962,645 | 38,151,074,939 |
| Total | 1,326,405,070,911 | 611,228,355,791 |
| Revenue to related parties: Refer to note VII.2. | | |

2. Cost of goods

| | <u>Current year VND</u> | <u>Previous year VND</u> |
|--|-----------------------------|------------------------------|
| Cost of construction contracts | 1,181,858,740,393 | 510,638,208,463 |
| Cost of goods sold and services provided | 35,417,404,439 | 33,428,887,149 |
| Total | 1,217,276,144,832 | 544,067,095,612 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

| | | |
|--|-----------------------------|------------------------------|
| 3. Financial income | Current year VND | Previous year VND |
| Interest on deposits | 97,972,493 | 110,528,933 |
| Total | 97,972,493 | 110,528,933 |
| 4. Financial expenses | Current year VND | Previous year VND |
| Interest expenses | 8,914,786,699 | 34,031,495,582 |
| Loss on disposal of investment capital | - | 1,528,383,511 |
| Total | 8,914,786,699 | 35,559,879,093 |
| 5. Selling expenses | Current year VND | Previous year VND |
| Other expenses | 594,949,485 | 441,236,272 |
| Total | 594,949,485 | 441,236,272 |
| 6. Administrative expenses | Current year VND | Previous year VND |
| Salary expenses | 29,574,091,345 | 19,295,299,145 |
| Materials and supplies expenses | 3,221,032,860 | 4,898,280,130 |
| Depreciation expenses for fixed assets | 1,092,891,006 | 1,020,115,720 |
| Tax and fee expenses | 1,514,702,599 | 209,713,466 |
| Outsourcing service expenses | 3,807,117,127 | 3,792,579,727 |
| Other expenses | 13,017,420,932 | 5,638,133,010 |
| Total | 52,227,255,869 | 34,854,121,198 |
| 7. Other income | Current year VND | Previous year VND |
| Income from asset disposal | 171,363,689 | - |
| Income from contract penalty | 308,636,090 | 25,327,640,477 |
| Other income | 1,391,377,808 | 1,596,514,828 |
| Total | 1,871,377,587 | 26,924,155,305 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

8. Other expenses

| | Current year VND | Previous year VND |
|--|-----------------------------|------------------------------|
| Asset disposal expenses | - | 558,470,193 |
| Contract penalty expenses and other expenses | 1,504,208,984 | 184,309,493 |
| Total | 1,504,208,984 | 742,779,686 |

9. Cost by factor

| | Current year VND | Previous year VND |
|--|-----------------------------|------------------------------|
| Cost of materials, supplies | 553,946,235,440 | 194,458,282,855 |
| Labor costs | 80,649,958,261 | 47,068,584,866 |
| Depreciation expenses for fixed assets | 5,529,277,654 | 4,511,074,551 |
| Outsourced service expenses | 697,820,148,928 | 330,949,810,362 |
| Other cash expenses | 25,972,984,856 | 11,285,479,929 |
| Total | 1,363,918,605,139 | 588,273,232,563 |

10. Current corporate income tax expense

Corporate income tax payable by the company is determined at a tax rate of 20% on taxable income. The company's tax finalization will be subject to inspection by the tax authorities. Due to the application of laws and tax regulations concerning various types of transactions, which may be interpreted in different ways, the tax amount presented in the financial statements may change based on the tax authorities' decision.

The estimated current corporate income tax of the company is presented below:

| | Current year VND | Previous year VND |
|---|-----------------------------|------------------------------|
| Total profit before tax | 50,019,618,449 | 20,435,686,982 |
| Adjustment to accounting profits to determine corporation income taxable profit | 3,157,650,880 | 27,202,690,945 |
| - Increases | 5,320,194,207 | 27,202,690,945 |
| + Non-deductible expenses | 5,320,194,207 | 3,087,630,065 |
| + Non-deductible interest expenses | - | 24,115,060,880 |
| - Decreases | 2,162,543,327 | - |
| + Non-taxable income | 2,162,543,327 | - |
| Total taxable profits | 53,177,269,329 | 47,638,377,927 |
| Corporate income tax rate | 20% | 20% |
| Corporate income tax expenses of current years | 10,635,453,866 | 9,527,675,585 |
| Corporate income tax expenses of previous years | - | 310,322,924 |
| Current corporate income tax expenses | 10,635,453,866 | 9,837,998,509 |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

11. Basic earnings, diluted earnings per share

Basic earnings per share is calculated by dividing the net income or loss after tax, allocated to ordinary shareholders of the company (after the allocation of the reward and welfare fund), by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net income or loss after tax, allocated to ordinary shareholders of the company, by the weighted average number of common shares outstanding during the year, plus the weighted average number of common shares that would be issued if all potentially dilutive common shares were converted into common shares.

| | Current year VND | Previous year VND |
|---|---------------------|----------------------|
| Profit after tax | 39,384,164,583 | 10,597,688,473 |
| Increases and decreases profit to determine profit and loss for common shares | (8,664,516,208) | (1,589,653,271) |
| - Increases | - | - |
| - Decreases | 8,664,516,208 | 1,589,653,271 |
| + Provision for bonus, welfare funds, and remuneration for the Board of Directors and Supervisory Board | 8,664,516,208 | 1,589,653,271 |
| Earnings used to calculate earnings per share | 30,719,648,375 | 9,008,035,202 |
| Number of weighted average of ordinary shares | 30,000,000 | 21,246,575 |
| Earnings per share | | |
| - Basic earnings per share | 1,024 | 424 |
| - Diluted earnings per share | 1,024 | 424 |

The adjustments to decrease accounting profit this year include the provisional amounts for the bonus fund, welfare fund, and remuneration for the Board of Directors and Supervisory Board, which are temporarily calculated according to the profit distribution plan for 2024 approved by the Annual General Meeting of Shareholders on April 22, 2024

There are no potential dilutive common shares for the year or at the date of this report.

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

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FINANCIAL STATEMENTS**Notes to the consolidated financial statements (continued)****VII. OTHER INFORMATION****1. Subsequent events information**

There are no significant events occurring after the date of the consolidated financial statements that require adjustment or disclosure in the consolidated financial statements.

2. Information about related parties**2.1 List of related parties**

| Related parties | Relationship |
|--|---|
| T.H.L Company Limited | Shareholder |
| Hoang Vu General Service - Trading - Import - Export Manufacturing Company Ltd | Shareholder |
| 3T Investment Joint Stock Company | Shareholder |
| Eras Land Real Estate Joint Stock Company | Related parties to major shareholders |
| Era Development And Construction Investment Company Limited | Related parties to major shareholders |
| Eras Da Lat Investment Joint Stock Company | Related parties to the Chairman of the Board of Directors |
| High Rise Sai Gon Investment Corporation | Related parties to the Chairman of the Board of Directors |
| Phuc An Gia Real Estate Investment Limited Liability Company | Related parties to the Chairman of the Board of Directors |
| Useful Valuation & Consultancy Joint Stock Company | Related parties to the Chairman of the Board of Directors |
| Eras Holdings Investment Joint Stock Company | Related parties to members of the Board of Directors |
| Bao Minh Securities Company | Related parties to members of the Board of Directors |
| Eco Green Viet Nam Development And Construction Investment Company Limited | Related parties to members of the Board of Directors |
| Green View Development And Investment Company Limited | Related parties to members of the Board of Directors |
| Phan Thiet Homeland Beach Company Limited | Related parties to the Head of the Supervisory Board |
| New Era Cold Storage Joint Stock Company | Related parties to members of the Supervisory Board |

Key management personnel and related individuals include: Members of the Board of Directors, the Board of Management, Board of Supervisors, the Chief Accountant, and close family members of these individuals.

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

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FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

2.2 Transactions with related parties

During the year, the Company entered into transactions with related parties. The main transactions (excluding VAT) are as follows:

| Related parties | Transaction details | Transaction value VND | |
|--|--|--------------------------|-----------------|
| | | Current year | Previous year |
| 3T Investment Joint Stock Company | Purchasing goods | - | 16,350,403,940 |
| Era Development And Construction Investment Company Limited | Investment cooperation | 160,000,000,000 | - |
| | Construction revenue | 427,054,890 | 103,600,000 |
| Eras Da Lat Investment Joint Stock Company | Transfer of equity in associate company | 150,000,000,000 | - |
| | Equity contribution to associate company | - | 150,000,000,000 |
| | Construction revenue | 14,441,603,001 | 37,140,077,296 |
| High Rise Sai Gon Investment Corporation | Office leasing revenue, electricity, water | 123,002,579 | 242,648,888 |
| Phuc An Gia Real Estate Investment Limited Liability Company | Construction revenue | 55,330,968,913 | 14,000,982,548 |
| Useful Valuation & Consultancy Joint Stock Company | Purchase of automobiles | 118,333,334 | - |
| | Asset valuation | 2,727,273 | 48,827,273 |
| Bao Minh Securities Company | Consulting fees | 50,000,000 | 180,000,000 |
| Green View Development And Investment Company Limited | Investment cooperation | 155,000,000,000 | - |
| | Construction revenue | - | 1,753,136,850 |
| Phan Thiet Homeland Beach Company Limited | Construction revenue | 137,640,524,586 | 32,342,599,972 |
| New Era Cold Storage Joint Stock Company | Construction revenue | 175,408,111,907 | 1,166,639,867 |
| | Office leasing revenue, electricity, water | 21,645,346 | 121,322,817 |
| | Electricity and water expenses for the project | 223,290,061 | 7,665,295 |
| | Purchase of tools and equipment | 55,050,505 | - |

As of the end of the accounting period, the outstanding amounts with related parties are as follow

| Related parties | Ending balance | Beginning balance |
|--|------------------------|--------------------|
| Accounts receivable (note V.3) | 114,151,884,597 | 458,731,101 |
| Era Development And Construction Investment Company Limited | 46,121,928 | - |
| Eras Da Lat Investment Joint Stock Company | 4,570,813,725 | - |
| High Rise Sai Gon Investment Corporation | - | 90,789,985 |
| Phuc An Gia Real Estate Investment Limited Liability Company | 47,457,446,426 | - |
| Phan Thiet Homeland Beach Company Limited | 24,560,669,942 | - |

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

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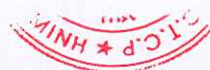
FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

| | | |
|--|-----------------|----------------|
| New Era Cold Storage Joint Stock Company | 37,516,832,576 | 367,941,116 |
| Advances to suppliers (note V.4) | - | 34,000,000,000 |
| Eras Land Real Estate Joint Stock Company | - | 34,000,000,000 |
| Other receivables (note V.5) | 315,000,000,000 | 21,065,000,000 |
| Eras Land Real Estate Joint Stock Company | - | 13,030,000,000 |
| Era Development And Construction Investment Company Limited | 160,000,000,000 | - |
| Eco Green Viet Nam Development And Construction Investment Company Limited | - | 8,035,000,000 |
| Green View Development And Investment Company Limited | 155,000,000,000 | - |
| Accounts payable (note V.14) | 24,261,278 | 4,052,514,317 |
| 3T Investment Joint Stock Company | - | 1,052,514,317 |
| Eco Green Viet Nam Development And Construction Investment Company Limited | - | 3,000,000,000 |
| New Era Cold Storage Joint Stock Company | 24,261,278 | - |
| Advances from customers (note V.15) | 9,376,263,981 | 5,296,778,312 |
| Eras Da Lat Investment Joint Stock Company | - | 303,191,991 |
| Green View Development And Investment Company Limited | 9,376,263,981 | - |
| Phan Thiet Homeland Beach Company Limited | - | 4,993,586,321 |

Income of the Board of Directors, the Board of Management, Supervisory Board, and Chief Accountant during the year:

| Full Name | Position | Details | Current year VND | Previous year VND |
|--|--------------------|--------------|---------------------|----------------------|
| Board of directors, Board of management | | | | |
| Mr Pham Hung Cuong | Chairman | Remuneration | 311,000,000 | 125,000,000 |
| Mr Nguyen Ba Tho | Independent member | Remuneration | 60,000,000 | 90,000,000 |
| Mr Pham Duy Quang | Member | Remuneration | - | 24,000,000 |
| Mr Hoang Van Thang | Member | Remuneration | - | 70,000,000 |
| Mr Ho Viet Trung | Independent member | Remuneration | 90,000,000 | 60,000,000 |
| Mr Nguyen Minh Tam | Member | Remuneration | 90,000,000 | 30,000,000 |
| | General Director | Salaries | 1,667,826,245 | 1,054,967,370 |



DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY

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FINANCIAL STATEMENTS

Notes to the consolidated financial statements (continued)

| Full Name | Position | Details | Current year VND | Previous year VND |
|--------------------------|-------------------------|--------------|---------------------|----------------------|
| Mr Chu Quang Huan | Vice Chairman | Remuneration | 90,000,000 | 30,000,000 |
| | Deputy General Director | Salaries | 1,473,735,170 | 906,988,046 |
| Mr Tran Thuan Loi | Deputy General Director | Salaries | 264,232,016 | - |
| Supervisory Board | | | | |
| Ms Tran Thi Binh An | Head | Remuneration | 212,000,000 | 108,000,000 |
| Ms Nguyen Thi Thuy Linh | Member | Remuneration | - | 18,000,000 |
| Ms Le Thi Minh | Member | Remuneration | 102,000,000 | 45,000,000 |
| Mr Nguyen Ba Tho | Member | Remuneration | 55,000,000 | 75,000,000 |
| Ms Le Thi Tinh | Member | Remuneration | 24,000,000 | - |
| Other key members | | | | |
| Mr Le Thanh Tung | Chief Financial Officer | Salaries | 662,804,150 | - |
| Mr Duong Dinh Tam | Chief accountant | Salaries | 774,934,632 | 506,491,066 |

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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

3. Segment reporting

Segment information is presented by business segment and geographic area. The primary segment reporting is by business segment, based on the Company's organizational structure, internal management, and internal financial reporting system.

Geographic area

The Company operates only within the territory of Vietnam, so it does not present segment reporting by geographic area.

Business segment

The Company's main business activity is construction, therefore, segment reporting by business segment is not presented.

4. Secured assets

The Company has pledged fixed assets to secure the bank loans (see Notes V.9, V.10, and V.13). As at 31 December 2024, the Company does not hold any collateral from other entities.

5. Credit risk

Credit risk is the risk that partners will not perform its obligations under the provisions of a financial instrument or contract leading to financial losses. Company has credit risk from its business activities (primarily accounts receivable for customers) and from its own financial operations, including bank deposits and other financial instruments.

Account receivable

The management of customer credit risk based on Company policies, procedures and process control of the Company relating to the management of customers credit risk.

Customer receivables which are unpaid are regularly monitored. The analysis of the ability to be made redundant at the reporting date on the basis of each large customer. On this basis, Company does not have risk of credit concentration.

Bank deposits

Most bank deposits of Company shall be deposited at the prestigious banks in Vietnam. The Company found that concentrations of credit risk for bank deposits are low.

6. Liquidity risk

Liquidity risk is the risk that Company has difficulty in complete the financial obligations due to lack of capital. Liquidity risk of the Company arises mainly due to mismatch in the maturities of financial assets and financial liabilities.

Company manage liquidity risk through maintaining the ratio of cash and cash equivalents at the level that Board of Directors thought its sufficient to provide financial support for the business of Company and to minimize impact of changing cash flows.

Information maturities of financial liabilities of the Company based on the value without discounting payments under the contract as follows:

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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

Unit: VND

| | Under 01 year | From 01 year to 05 years | Total |
|-------------------------------------|------------------------|-----------------------------|------------------------|
| Ending balance | 551,743,422,483 | 2,780,519,040 | 554,523,941,523 |
| Accounts payable | 249,931,167,033 | - | 249,931,167,033 |
| Advances from customers | 42,282,366,252 | - | 42,282,366,252 |
| Loans and finance lease liabilities | 181,040,358,837 | 780,519,040 | 181,820,877,877 |
| Other payables | 78,489,530,361 | 2,000,000,000 | 80,489,530,361 |
| Beginning balance | 273,176,595,961 | 5,515,621,440 | 278,692,217,401 |
| Accounts payable | 68,347,919,309 | - | 68,347,919,309 |
| Advances from customers | 21,441,093,255 | - | 21,441,093,255 |
| Loans and finance lease liabilities | 144,182,106,447 | 3,515,621,440 | 147,697,727,887 |
| Other payables | 39,205,476,950 | 2,000,000,000 | 41,205,476,950 |

The Company believe that the risk level for payments to financial liabilities is low. The company can settle their current portion of debts from operating cash flow and the gain from financial liabilities on due dates.

7. Market risk

Market risk is the risk that fair value or future value of cash flows from financial instruments will fluctuate with changing of market prices. Market risk includes three types: foreign currency risk, interest rate risk and other price risk.

Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of financial instruments will fluctuate with changes in the exchange rate.

Company management of exchange risks by considering the current market and expected the company to plan for the future trading in foreign currency. Company monitored the risks to assets and financial liabilities in foreign currency.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate due to changes of market interest rates. The risk of changes in market interest rates of the Company primarily related to short-term deposits and loans.

The Company manages interest rate risk by closely monitoring market conditions relevant. by that Company will determine the appropriate interest rate policy for risk limited purpose Company.

The Company does not perform a sensitivity analysis for interest rate risk because interest rate changes at the reporting date is not significant.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to market price changes, other than changes in interest rates and exchange rates.

8. Information about going concern

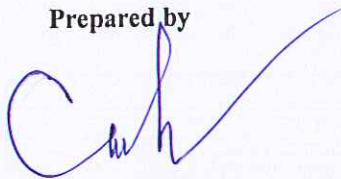
During the year, there were no activities or events that significantly affected the Company's ability to continue as a going concern. Therefore, the Company's consolidated financial statements are prepared on the assumption that the Company will continue to operate

DESIGN AND CONSTRUCTION JOINT-STOCK COMPANY NO 1 AND ITS SUBSIDIARY
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FINANCIAL STATEMENTS
Notes to the consolidated financial statements (continued)

9. Comparative figures

The comparative figures are those in the consolidated financial statements for the fiscal year ended 31 December 2023, which have been audited.

Prepared by



Dang Thi Xinh

Ho Chi Minh City, 28 March 2025

Chief Accountant



Duong Dinh Tam

Deputy General Director



Chu Quang Huan

