

**HOA BINH CONSTRUCTION GROUP  
JOINT STOCK COMPANY**

**Audited consolidated Financial Statements**

**For the fiscal year ended as at 31 December 2024**

## CONTENTS

	Pages
<b>REPORTS OF THE BOARD OF MANAGEMENT</b>	01-03
<b>INDEPENDENT AUDITOR'S REPORT</b>	04-06
<b>AUDITED CONSOLIDATED FINANCIAL STATEMENTS</b>	
Consolidated balance sheet	07-10
Consolidated income statement	11
Consolidated cash flow statement	12-13
Note to the consolidated financial statements	14-74

## REPORTS OF THE BOARD OF MANAGEMENT

The Board of Management of Hoa Binh Construction Group Joint Stock Company ("The Company") has the honor of submitting this report and the audited consolidated financial statements of the company and the subsidiary ("The Group") for the fiscal year ended 31 December 2024.

### 1. General information about Company

#### Establishment

Hoa Binh Construction Group Joint Stock Company (English name is Hoa Binh Construction Group Joint Stock Company and short name is HBCG) which is operating under Business Registration Certificate No. 0302158498 dated 01 December 2000 issued by Department of Planning and Investment of Ho Chi Minh City, the 38<sup>th</sup> amended on 08 August 2024.

Charter capital of the Company as at dated 31 December 2023 is VND 2,741,332,700,000 and dated 31 December 2024 is VND 3,472,132,700,000.

**Head office:** No. 235, Vo Thi Sau Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam.

#### The Company's principal activities

**Business activities:** The main activities of the Company and its subsidiaries include civil and industrial construction; land leveling; construction consulting; manufacturing and trading of construction materials, interior decoration items; house repair and interior decoration services; real estate business and industrial zone development for leasing.

**Stock code:** The Company's shares are listed on the Ho Chi Minh Stock Exchange with the trading code HBC under Listing License No. 80/UBCK-GPNY issued by the State Securities Commission of Vietnam on 22 November 2006.

On 26 July 2024, Ho Chi Minh City Stock Exchange announced that HBC shares were subject to mandatory delisting. According to announcement No. 1463/TB-SGDHCM of Ho Chi Minh City Stock Exchange dated 09 August 2024, the effective date of delisting is 06 September 2024, moving the trading floor from HOSE to Upcom.

### 2. Members of the Board of Management, Members of the Audit committee, Board of General Director

Members of the Board of Management, Members of the Audit committee, Board of General Director for the fiscal year ended 31 December 2024 and to the reporting date are:

#### Members of the Board of Management

Mr.	Le Viet Hai	Chairman
Mr.	Le Viet Hieu	Vice Chairman
Mrs.	Nguyen Thi Luot	Vice Chairman
Mr.	Le Van Nam	Member
Mr.	Nguyen Tuong Bao	Independent member
Mrs.	Vu Thi Hoa	Independent member

#### Audit committee under the Board of General Director

Mr.	Nguyen Tuong Bao	Chairman
Mrs.	Vu Thi Hoa	Member

#### Members of the Board of General Director

Mr.	Le Van Nam	General Director
Mr.	Le Viet Hieu	Deputy Managing Director
Mr.	Nguyen Tan Tho	Deputy General Director resigned on 30 <sup>th</sup> April 2024
Mr.	Dinh Van Thanh	Deputy General Director



## REPORTS OF THE BOARD OF MANAGEMENT

Mr. Nguyen Hung Cuong	Deputy General Director resigned on 21 <sup>st</sup> September 2024
Mr. Nguyen Khanh Hoang	Deputy General Director
Mr. Le Van Vien	Deputy General Director appointed on 01 <sup>st</sup> May 2024 and resigned on 01 <sup>st</sup> March 2025
Mr. Nguyen Kinh Luan	Deputy General Director appointed on 01 <sup>st</sup> May 2024
Mr. Huynh Tan Quoc	Deputy General Director appointed on 01 <sup>st</sup> March 2025

The legal representative of the Company during the fiscal year ended 31 December 2024 and to the reporting date is:

Mr. Le Viet Hai Chairman

### 3. The Company's financial position and results of operation

The Company's financial position and its operating result for the fiscal year ended December 31, 2024 are reflected in the accompanying consolidated financial statements.

### 4. Events subsequent to the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the Notes to the consolidated financial statements.

### 5. Auditor

AFC Vietnam audit Co., Ltd have taken the audit of Consolidated Financial Statements for the Company for the fiscal year ended December 31, 2024.

### 6. Statement of the Board of General Directors's responsibility in respect of the consolidated financial statements

The Board of General Directors of the Group is responsible for the preparation of the consolidated financial statements which give a true and fair view of the financial position of the Group as of 31 December 2024 as well as its results of operation and cash flows for the year then ended. In order to prepare these consolidated financial statements, The Board of General Directors has considered and complied with the following matters:

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basic unless it is inappropriate to presume that the Group will continue in business; and
- Design, implement and maintain the Group's internal control for prevention and detection of fraud and error to preparation and presentation of the consolidated financial statements.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Group, with reasonable accuracy at any time and to ensure that the consolidated Financial Statements comply with the current State's regulations. It is responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of General Directors commits to comply with the above requirements in preparing the consolidated Financial Statements.

## REPORTS OF THE BOARD OF MANAGEMENT

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### 7. Approval of the consolidated financial statements

We hereby approve the accompanying consolidated financial statements which give a true and fair view of the financial position of the Group as at 31 December 2024 and the results of its operations and cash flows of the Group for the fiscal year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

On behalf of the Board of Management



LE VIET HAI

Chairman

HCMC, 31 March 2025





No: 214/2025/BCKTHN-HCM.01509

## INDEPENDENT AUDITOR'S REPORT

To: **Shareholders, Board of Management and Board of General Directors of  
Hoa Binh Construction Group Joint Stock Company**

We have reviewed the consolidated financial statements of Hoa Binh Construction Group Joint Stock Company and the subsidiary ("the Group") consisting of interim consolidated Balance Sheet as at December 31, 2024, consolidated Income Statement, consolidated Cash Flow Statement for the fiscal year then ended and Notes to the consolidated Financial Statements as set out on page 07 to page 74, which were prepared on 31 March 2025.

### Responsibilities of the Board of General Directors

The Board of General Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, Accounting System and prevailing regulations applicable to the preparation and presentation of the consolidated financial statements and also for the internal control that the Board of General Directors considers necessary for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

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

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

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

## INDEPENDENT AUDITOR'S REPORT (Cont'd)

### Basis for qualified audit opinion

As of the date of issuance of the auditor's report, we are unable to obtain fully confirmation letters on receivable and payable balances as of December 31, 2024 and December 31, 2023 in our sample, as follow:

		Dec. 31, 2024	Jan. 01, 2024
	Code	VND	VND
Trade accounts receivable	131	2.251.182.365.872	2.499.684.549.901
Prepayments to suppliers	132	814.180.524.674	615.935.434.019
Other receivables	136	882.291.336.218	1.469.649.226.921
Short-term trade payables	311	2.327.232.849.026	2.214.318.724.969
Advances from customers	312	862.721.189.828	971.975.513.489
Other short-term payables	319	82.339.774.129	65.120.454.601

By other audit procedures performed, we are unable to obtain fully necessary information to evaluate the existence and completeness of the above items presented in the accompanying separate financial statements.

Due to the special characteristics of the Group's business field, the Group is recording revenue from construction activities based on the amount of work performed under the supervision of investor and the contract price because the Group assumes that the revenue is estimated reliably. However, the Group's construction contracts stipulate that the contractor is paid according to the value of the work performed as confirmed by the customer. Accordingly, revenue is recognized when there is confirmation from customers (investors) on payment certificates and shown on financial invoices. As of the date of issuance of the auditor's report, the auditor do not have fully necessary information to determine the impact of this matter on related items on the Group's separate financial statements as at December 31, 2024.

### Auditor's qualified opinion

In our opinion, except for the effects of the matter specified in paragraph "Basis for qualified opinion", the consolidated financial statements give a true and fair view, in all material respects, of the financial position of the Group as at December 31, 2024 as well as the results of its operation and its cash flows for the year then ended. The consolidated financial statements are prepared in compliance with the prevailing Vietnamese Accounting Standards, Vietnamese Accounting System and other statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

### Emphasis of matters

Our conclusion is not modified in respect of below matters, as follows:

As the Group presented in Notes 1.6 of the Notes to the consolidated financial statements, as at 31 December 2024, the Company had an accumulated loss of VND 2,299,313,875,724 (as at 31 December 2023: VND 3,240,326,644,959) and certain overdue debts. These indicators indicate the existence of material uncertainties that may cast doubt on the Group's ability to continue as a going concern. However, the accompanying consolidated financial statements are still prepared by the Group's Board of General Directors on a going concern basis, as explained in Note 1.6.



## INDEPENDENT AUDITOR'S REPORT (Cont'd)

### Other matter

The consolidated financial statements for the fiscal year ended December 31, 2023 were audited by other auditor and auditing firm. The auditor gave qualified opinion with an emphasis of matter for this financial statement as at March 29, 2024, as follows:

- The qualified because the auditor has not yet collected sufficient appropriate evidence regarding the security of the advances, as well as not fully assessing the recoverability of these amounts and the auditor has not yet collected sufficient confirmation letters of receivables and payables. The auditor also has not agreed with the Group's revenue recognition method.
- Emphasis of matter about the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and certain advance transactions of the Company were carried out without sufficient appropriate approval, but were subsequently approved by the Company's Board of General Directors.



**TRANG DẠC NHA**

**Deputy General Director**

Certificate of Audit Practice Registration  
no.: 2111-2023-009-1

**AFC VIETNAM AUDITING COMPANY LIMITED**  
HCMC, 31 March 2025

**NGUYEN THI THANH MINH**

**Auditor**

Certificate of Audit Practice Registration  
no : 0068-2023-009-1



## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>ASSETS</b>				
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>13,734,790,530,380</b>	<b>13,449,275,190,035</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>268,157,396,740</b>	<b>388,531,074,373</b>
1. Cash	111		261,657,396,740	299,713,103,677
2. Cash equivalents	112		6,500,000,000	88,817,970,696
<b>II. Short-term financial investments</b>	<b>120</b>		<b>14,116,633,715</b>	<b>15,705,823,005</b>
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	5.17	14,116,633,715	15,705,823,005
<b>II. Short-term Accounts receivable</b>	<b>130</b>		<b>11,012,402,255,152</b>	<b>10,669,825,106,321</b>
1. Trade accounts receivable	131	5.2	6,851,546,665,935	7,232,690,258,971
2. Prepayments to suppliers	132	5.3	1,149,112,923,939	1,085,691,012,027
3. Intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134	5.4	2,260,215,162,259	3,082,749,777,246
5. Receivables from short-term loans	135	5.5	257,190,569,857	66,992,144,281
6. Other receivables	136	5.6	2,391,412,491,045	1,678,209,750,074
7. Provision for doubtful debts	137	5.7	(1,897,075,557,883)	(2,476,507,836,278)
8. Shortage of assets awaiting resolution	139		-	-
<b>III. Inventories</b>	<b>140</b>	<b>5.9</b>	<b>2,357,127,255,268</b>	<b>2,278,108,073,684</b>
1. Inventories	141		2,396,702,177,680	2,333,547,446,966
2. Provision for decline in value of inventories	149		(39,574,922,412)	(55,439,373,282)
<b>IV. Other current assets</b>	<b>150</b>		<b>82,986,989,505</b>	<b>97,105,112,652</b>
1. Short-term prepaid expenses	151	5.11	15,675,228,907	15,982,341,307
2. Deductible VAT	152		62,572,707,775	76,686,829,835
3. Taxes and other receivables from the State	153	5.20	4,739,052,823	4,435,941,510
4. Repurchase and sale of Government's bonds	154		-	-
5. Other current assets	155		-	-

## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>1.676.967.288.663</b>	<b>1.800.581.846.186</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>256.105.017.022</b>	<b>381.189.887.191</b>
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital from sub-units	213		-	-
4. Long-term intercompany receivables	214		-	-
5. Receivables from long-term loans	215		-	-
6. Other long-term receivables	216	5.6	256.105.017.022	381.189.887.191
7. Provision for doubtful long-term receivables	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>660.064.088.261</b>	<b>713.324.367.420</b>
1. Tangible fixed assets	221	5.12	605.292.338.147	654.198.793.807
- Cost	222		1.632.910.727.983	2.056.834.731.097
- Accumulated depreciation	223		(1.027.618.389.836)	(1.402.635.937.290)
2. Finance lease assets	224	5.13	4.336.650.000	5.090.850.000
- Cost	225		7.542.000.000	7.542.000.000
- Accumulated depreciation	226		(3.205.350.000)	(2.451.150.000)
3. Intangible fixed assets	227	5.14	50.435.100.114	54.034.723.613
- Cost	228		80.108.731.869	80.809.831.869
- Accumulated amortization	229		(29.673.631.755)	(26.775.108.256)
<b>III. Investment Properties</b>	<b>230</b>	<b>5.15</b>	<b>163.928.269.415</b>	<b>9.664.380.060</b>
- Cost	231		167.838.199.332	12.926.425.717
- Accumulated depreciation	232		(3.909.929.917)	(3.262.045.657)
<b>IV. Non-current assets in progress</b>	<b>240</b>	<b>5.10</b>	<b>48.161.028.276</b>	<b>46.525.832.614</b>
1. Works in progress	241		-	-
2. Capital construction in progress	242		48.161.028.276	46.525.832.614
<b>V. Long-term investments</b>	<b>250</b>	<b>5.17</b>	<b>304.880.707.419</b>	<b>334.520.184.945</b>
1. Investments in subsidiaries	251		-	-
2. Investments in associates, joint-ventures	252		276.399.494.346	310.155.928.864
3. Investments in equity of other entities	253		40.427.400.000	40.427.400.000
4. Provision for decline in the value of long-term investments	254		(14.090.372.798)	(18.063.143.919)
5. Held-to-maturity investments	255		2.144.185.871	2.000.000.000
<b>VI. Other long-term assets</b>	<b>260</b>		<b>243.828.178.270</b>	<b>315.357.193.956</b>
1. Long-term prepaid expenses	261	5.11	185.431.288.136	253.023.075.149
2. Deferred income tax assets	262	6.10	46.142.434.714	48.669.271.041
3. Equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
5. Goodwill	269	5.16	12.254.455.420	13.664.847.766
<b>TOTAL ASSETS</b>	<b>270</b>		<b>15.411.757.819.043</b>	<b>15.249.857.036.221</b>



## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>RESOURCES</b>				
<b>C - LIABILITIES</b>	<b>300</b>		<b>13.663.857.821.712</b>	<b>15.156.476.047.991</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>12.410.681.510.139</b>	<b>13.703.264.560.386</b>
1. Short-term trade payables	311	5.18	4.170.739.166.423	4.801.022.541.177
2. Advances from customers	312	5.19	2.273.229.916.723	2.779.311.818.649
3. Taxes and other payables to the State Budget	313	5.20	244.487.089.993	218.575.320.665
4. Payables to employees	314		431.988.736.849	452.365.149.381
5. Short-term accrued expenses	315	5.21	918.602.188.309	916.049.825.475
6. Short-term intercompany payables	316		-	-
Construction contract-in-progress				
7. payables	317		-	-
8. Short-term unrealized revenue	318	5.22	35.216.877.725	44.800.390.678
9. Other short-term payables	319	5.23	442.902.071.968	444.032.242.251
10. Short-term borrowings and financial lease	320	5.24	3.818.308.058.953	3.995.332.055.693
11. Provision for short-term payables	321	5.25	72.821.913.432	49.119.084.490
12. Bonus and welfare fund	322		2.385.489.764	2.656.131.927
13. Price stabilization fund	323		-	-
14. Repurchase and sale of Government's bond	324		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>1.253.176.311.573</b>	<b>1.453.211.487.605</b>
1. Long-term trade payables	331		-	-
2. Long-term Advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital received	334		-	-
5. Long-term intercompany payables	335		-	-
6. Long-term unrealized revenue	336		-	-
7. Other long-term payables	337	5.23	30.523.633.458	37.658.757.517
8. Long-term borrowings and financial lease liabilities	338	5.24	532.421.152.665	722.676.321.906
9. Convertible bond	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341	6.11	523.055.312.412	491.505.757.177
12. Provision for long-term liabilities	342	5.25	167.176.213.038	201.370.651.005
13. Fund for science and technology development	343		-	-



## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>D - OWNERS' EQUITY</b>	<b>400</b>		<b>1.747.899.997.330</b>	<b>93.380.988.230</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>5.26</b>	<b>1.747.899.997.330</b>	<b>93.380.988.230</b>
1. Owners' capital	411		3.472.132.700.000	2.741.332.700.000
- Ordinary shares with voting rights	411a		3.472.132.700.000	2.741.332.700.000
- Preferred shares	411b		-	-
2. Share premium	412		458.569.112.981	458.969.112.981
3. Bond conversion option	413		-	-
4. Owners' other capital	414		-	-
5. Treasury shares	415		-	-
6. Difference upon assets revaluation	416		-	-
7. Foreign exchange differences	417		56.445.099	56.445.099
8. Investment and development fund	418		96.709.591.725	96.836.842.472
9. Fund for support of arrangement of enterprises	419		-	-
10. Other funds	420		-	-
11. Undistributed earnings	421		(2.299.313.875.724)	(3.240.326.644.959)
- Undistributed earnings accumulated to the end of prior period	421a		(3.266.949.539.825)	(2.131.503.355.907)
- Undistributed earnings in this period	421b		967.635.664.101	(1.108.823.289.052)
12. Investment reserve for basic construction	422		-	-
13. Non - controlling interest	429		19.746.023.249	36.512.532.637
<b>II. Budget sources and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Budget sources	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>15.411.757.819.043</b>	<b>15.249.857.036.221</b>

DANG NGUYEN NAM TRAN  
Prepared

LE THI THU TRANG  
Chief accountant



LE VIET HAI  
Chairman  
HCMC, 31 March 2025

## CONSOLIDATED INCOME STATEMENT

For the fiscal year ended 31 December 2024

ITEMS	Code	Notes	Year 2024 VND	Year 2023 VND
1. Revenues from sales of good and rendering of services	01	6.1.1	6.425.200.748.471	7.542.214.414.041
2. Revenue deductions	02	6.1.2	4.355.826.317	5.117.833.195
3. Net revenues from sales of good and rendering of services	10	6.1.3	6.420.844.922.154	7.537.096.580.846
4. Cost of sales	11	6.2	6.063.289.790.982	7.293.009.825.276
<b>5. Gross profit</b>	<b>20</b>		<b>357.555.131.172</b>	<b>244.086.755.570</b>
6. Financial income	21	6.3	244.659.048.005	74.274.693.895
7. Financial expenses	22	6.4	407.663.872.217	559.457.321.904
<i>In which: loan interest expenses</i>	23		404.156.249.744	557.095.371.780
8. Gains/losses in associates, joint-ventures	24	6.5	(26.447.830.409)	(37.876.217.593)
9. Selling expenses	25	6.6.1	36.187.206.813	38.746.415.801
10. General and administration expenses	26	6.6.2	(266.891.075.289)	757.700.729.472
<b>11. Operating profit</b>	<b>30</b>		<b>398.806.345.027</b>	<b>(1.075.419.235.305)</b>
12. Other income	31	6.7	635.840.175.276	53.027.033.303
13. Other expenses	32	6.8	25.294.997.286	57.424.590.224
<b>14. Other profit</b>	<b>40</b>		<b>610.545.177.990</b>	<b>(4.397.556.921)</b>
<b>15. Total net profit before tax</b>	<b>50</b>		<b>1.009.351.523.017</b>	<b>(1.079.816.792.226)</b>
16. Current corporate income tax expense	51	6.9.1	13.745.134.129	7.545.441.521
17. Deferred corporate income tax expense	52	6.12	32.643.906.282	27.975.288.521
<b>18. Profit after corporate income tax</b>	<b>60</b>		<b>962.962.482.606</b>	<b>(1.115.337.522.268)</b>
Profit after tax attributable to owners of the parent	61		959.786.100.623	(1.110.747.492.552)
Profit after tax attributable to non - controlling interest	62		3.176.381.983	(4.590.029.716)
<b>19. Earnings per share</b>	<b>70</b>	6.13	<b>3.089</b>	<b>(4.052)</b>
<b>20. Diluted earnings per share</b>	<b>71</b>	6.13	<b>3.089</b>	<b>(4.052)</b>

DANG NGUYEN NAM TRAN  
Prepared

LE THI THU TRANG  
Chief accountant



LE VIET HAI  
Chairman

HCMC, 31 March 2025



## CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended 31 December 2024

ITEMS	Code	Year 2024 VND	Year 2023 VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Net profit before tax</b>	<b>01</b>	<b>1.009.351.523.017</b>	<b>(1.079.816.792.226)</b>
<b>2. Adjustments for :</b>			
- Depreciation of fixed assets & investment properties	02	163.603.969.383	241.775.824.509
- Provisions	03	(554.717.537.785)	412.928.837.986
- Gains/losses from foreign exchange differences upon revaluation of monetary assets denominated in	04	16.357.690	178.601.329
- Gains/losses from investing activities	05	(742.657.283.906)	(3.778.002.965)
- Interest expense	06	404.156.249.744	557.095.371.780
- Other adjustments	07	-	-
<b>3. Profit from operating activities before changes in working capital</b>	<b>08</b>	<b>279.753.278.143</b>	<b>128.383.840.413</b>
- Increase (-)/ decrease (+) in receivables	09	876.491.770.465	2.044.659.746.432
- Increase (-)/ decrease (+) in inventories	10	(63.154.730.714)	(74.989.354.377)
- Increase (+)/ decrease (-) in payables (Other than payables, income tax)	11	(432.073.547.877)	(585.406.557.146)
- Increase (-)/ decrease (+) in prepaid expenses	12	67.898.899.413	153.344.548.584
- Increase (-)/ decrease (+) in trading securities	13	-	-
- Interest paid	14	(421.887.715.480)	(548.791.535.045)
- Corporate income tax paid	15	(7.295.686.353)	(3.386.162.841)
- Other receipts from operating activities	16	-	-
- Other payments on operating activities	17	63.311.670	(1.394.917.336)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>20</b>	<b>299.795.579.268</b>	<b>1.112.419.608.684</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Purchases of fixed assets and other long-term assets	21	(193.584.210.680)	(8.098.003.941)
2. Proceeds from disposals of fixed assets and other long-term assets	22	204.258.591.380	43.366.034.888
3. Loans granted, purchases of debt instruments of other entities	23	(126.513.060.985)	(51.170.419.344)
4. Collection of loans, proceeds from sales of debt instruments of other entities	24	58.228.160.616	154.736.111.733
5. Investments in other entities	25	(2.153.907.732)	-
6. Proceeds from divestment in other entities	26	74.402.520.000	33.170.497.349
7. Dividends and interest received	27	14.029.487.178	3.561.206.568
<b>Net cash inflows/(outflows) from investing activities</b>	<b>30</b>	<b>28.667.579.777</b>	<b>175.565.427.253</b>



## CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended 31 December 2024

ITEMS	Code	Year 2024 VND	Year 2023 VND
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from issue of shares and capital contribution	31	-	23.000.000.000
2. Payments for shares returns and repurchases	32	-	-
3. Proceeds from borrowings	33	2.625.776.420.452	3.295.260.763.168
4. Repayments of borrowings	34	(3.073.904.487.629)	(4.709.057.152.612)
5. Repayments for finance lease liabilities	35	(711.102.864)	(711.102.864)
6. Dividends paid	36	-	(4.201.838.112)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>40</b>	<b>(448.839.170.041)</b>	<b>(1.395.709.330.420)</b>
<b>Net cash inflows/(outflows) (50 = 20+ 30 + 40)</b>	<b>50</b>	<b>(120.376.010.996)</b>	<b>(107.724.294.483)</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>60</b>	<b>388.531.074.373</b>	<b>496.252.581.750</b>
Effect of foreign exchange differences	61	2.333.363	2.787.106
<b>Cash and cash equivalents at the end of the year (70 = 50+60+61)</b>	<b>70</b>	<b>268.157.396.740</b>	<b>388.531.074.373</b>

**DANG NGUYEN NAM TRAN**  
Prepared

**LE THI THU TRANG**  
Chief accountant



**LE VIET HAI**  
Chairman  
HCMC, 31 March 2025

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 1. BUSINESS HIGHLIGHTS

#### 1.1 Establishment

Hoa Binh Construction Group Joint Stock Company (English name is Hoa Binh Construction Group Joint Stock Company and short name is HBCG) which is operating under Business Registration Certificate No. 0302158498 dated 01 December 2000 issued by Department of Planning and Investment of Ho Chi Minh City, the 38th amended on 08 August 2024.

Charter capital of the Company as at dated 31 December 2023 is VND 2,741,332,700,000 and dated 31 December 2024 is VND 3,472,132,700,000.

Head office: No. 235, Vo Thi Sau Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam.

The Company's shares are listed on the Ho Chi Minh Stock Exchange with the trading code HBC under Listing License No. 80/UBCK-GPNY issued by the State Securities Commission of Vietnam on 22 November 2006.

On 26 July 2024, Ho Chi Minh City Stock Exchange announced that HBC shares were subject to mandatory delisting. According to announcement No. 1463/TB-SGDHCM of Ho Chi Minh City Stock Exchange dated 09 August 2024, the effective date of delisting is 06 September 2024, moving the trading floor from HOSE to Upcom.

#### 1.2 Business field

Construction, manufacturing, trading of construction materials and real estate business.

#### 1.3 Business activities

The main activities of the Company and its subsidiaries include civil and industrial construction; land leveling; construction consulting; manufacturing and trading of construction materials, interior decoration items; house repair and interior decoration services; real estate business and industrial zone development for leasing.

#### 1.4 Normal business and production cycle

Construction and real estate business activities are carried out over construction period and implementation of investment projects, depending on the scale and technical characteristics of the projects. Typically, the business and production cycle for these activities of the Company is more than 12 months.

For other activities, the normal production and business cycle is 12 months.

#### 1.5 The Company's operation in the year that affects the Consolidated Financial Statements

According to the disposal and sale of asset Decision No.132/2024/QĐ-HBC dated 19 June 2024 of the Board of Management of the Company about the disposal and sale of asset and signed asset transfer contracts with the asset transfer price of VND 635,146,262,741 (excluding VAT), asset value of VND 589,685,368,049.

According to Resolution No.14.1/2024/NQ-HDQT.HBC dated 18 June 2024 of the Board of Management, the Company has signed a capital transfer contract No. 50/2024/HĐ-HBC-AVA to transfer 32,31% ownership rights of the Company in Anh Viet Mechanical and Aluminum Glass Corporation to Mr. Mai Dinh Chi Quoc with a total value of VND 29,340,000,000.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

According to Resolution No.14.2/2024/NQ-HDQT.HBC dated 18 June 2024 of the Board of Management, the Company has signed a capital transfer contract No. 49/2024/HĐ-HBC-JHE to transfer 47,82% ownership rights of the Company in Jesco Hoa Binh Engineering Joint Stock Company to Mr. Pham Dieu with a total value of VND 38,326,772,000.

According to Resolution No.04.1/2024/NQ-HDQT.HBC dated 24 March 2024 of the Board of Management, the Company has signed a capital transfer contract No. 01/2024/HBC-TDP to transfer 100% ownership rights of the Company in Matec Group Joint Stock Company to Mr. Le Quang Hong Dung and Mrs. Ho Hoai Phuong, Mr. Phan Ngoc Tho with a total value of VND 105,000,000,000.

The Company contributed capital according to Resolution No. 21.2/2024/NQ-HDQT.HBC dated August 01, 2023 from the Board of Management on approving to establish Pax Trading and Investment Joint Stock Company with a charter capital of VND 10 billion, of which the Company will contribute VND 9.8 billion (representing 98% of the charter capital).

According to Resolution No.15/2024/NQ-HDQT.HBC dated 19 June 2024 of the Board of Management, the company approved dossier for private stock insurance for debt swap of the company and completed the swap on dated 29 June 2024.

### 1.6 Assumption on going concern

As at 31 December 2024, the Company recorded an accumulated loss of VND 2,299,313,875,724 (compared to VND 3,240,326,644,959 as at 31 December 2023) and a number of overdue debts. Furthermore, the real estate market continued to stagnate, with significantly reduced liquidity for real estate developers, which had a considerable impact the Company's operating results and debt repayment cash flow. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue on the going concern. However, the Consolidated financial statements for the fiscal year ended as at 31 December 2024 are still prepared by the Board of General Directors based on the going concern assumption for the following reasons:

#### (i) Issuance of additional shares

As at 29 June 2024, the Group announced the results of the share issuance to debt swap with a total quantity of 73,080,000 shares, helping to increase charter capital by an additional VND 730,800,000,000.

#### (ii) Business plan and debt collection plan

This year, the Group's business strategy is to continue to expand domestic and foreign markets. In the United States, the Group started construction of The Grove Apartments project in California in April 2024. In addition to potential projects that the Group is participating in in many countries, the Group will soon implement two major infrastructure projects in Cambodia in 2025.

Simultaneously, the Company is enhancing its investment capabilities, operational management, and exploitation of social housing projects both domestically and internationally. The Company is also collaborating with numerous domestic investors on projects involving the renovation of apartment buildings and urban areas in various provinces across the country, including Ho Chi Minh City, Hanoi, Hai Phong, Vinh Phuc, Bac Giang, Quang Nam, Da Nang, Binh Thuan, Dong Nai, and others.

The Company plans to continue strengthening its debt collection efforts, particularly for outstanding receivables, through various effective measures, including resolving disputes via the courts and arbitration. The recovery of debts from ongoing and previously completed projects over the next 12 months is expected to generate significant cash flow to support business operations and settle the Company's liabilities.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

(iii) The Board of General Director is confident that the government will continue to implement policies to alleviate difficulties in the real estate market and that the State Bank will soon approve the extension of debt restructuring policies and maintain the current loan classifications to support struggling businesses. The Company expects to reach agreements on restructuring upcoming debt maturities and secure new credit from financial institutions to meet working capital needs for its business operations.

Based on the plans outlined above, the Board of General Directors has evaluated and believes that the Company will have sufficient working capital for its business operations and will have adequate cash flow to meet the Company's obligations due within the next 12 months from the date of issuance of these Consolidated financial statements. Accordingly, the Company's Consolidated Financial Statements for the fiscal year ended 31 December 2024, have been prepared on a going concern basis.

### 1.7 Comparability of information in Consolidated financial statements

The information in the Consolidated Financial Statements for the fiscal year ended 31 December 2024 can be compared between fiscal year.

### 1.8 The number of employees as at 31 December 2024: 1,330 employees (31 December 2023: 2,163 employees).

### 1.9 Group structure

The Group has a dependent accounting representative office at the address: 20th Floor, 36 Hoang Cau, O Cho Dua Ward, Dong Da District, Hanoi City.

List of Consolidated Subsidiaries Financial Statements as of 31 December 2024:

As at 31 December 2024, the Group has eight (08) directly owned company as follows:

Name of company	Principal activities	Rate of interest	Proportion of voting rights	Business situation
Hoa Binh House Corporation	Developing real estate projects	99,96%	99,96%	Active
Hoa Binh Infrastructure Construction Investment Corporation	Investing in and constructing industrial zones	97,97%	97,97%	Active
Hoa Binh Paint and Coatings Joint Stock Company	Manufacturing and trading of construction materials; and providing interior decoration services	74,58%	74,58%	Active

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Name of company	Principal activities	Rate of interest	Proportion of voting rights	Business situation
Hoa Binh Architects Co., Ltd	Providing architectural design services and design consulting services for construction.	75,00%	75,00%	Active
Hoa Binh Myanmar Company Limited	Designing, constructing, and providing technical inspection services, construction management, and project management services.	100,00%	100,00%	Active
Hoa Binh Innovation Center Company Limited	Research and development of technology in the field of science, engineering, and technology.	100,00%	100,00%	Active
Hoa Binh Architecture and planning company limited	Construction consulting, project survey, project architectural design	51,00%	51,00%	Active
Pax Commercial and Investment Joint Stock Company	Office building leasing and management	98,59%	98,59%	Active

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

As at 31 December 2024, the Group has fourteen (14) indirectly owned company as follows:

Name of company	Principal activities	Rate of interest	Proportion of voting rights	Business situation
Okamura Sanyo Property Corporation	Real estate consulting, management and brokerage	50,55%	50,57%	Active
Pax Sky Saigon Company Limited	Real estate consulting, management and brokerage	99,96%	100,00%	Active
Tien Phat Real Estate Investment Corporation	Real estate business and land use rights, as well as construction of various types of houses.	99,74%	99,79%	Active
Tien Phat Sanyo Homes Corporation	Real estate business and land use rights	99,32%	99,58%	Active
Sai Gon New Day Company Limited	Developing real estate projects	99,74%	100,00%	Active
Tien Phat Tan Thuan Corporation	Real estate business and land use rights	99,24%	99,49%	Active
Tien Phat North-East Company Limited	Real estate business	99,74%	100,00%	Active
Interhouse LA Corporation	Manufacturing, trading, processing and installing household wooden products and interior decoration items	97,59%	99,62%	Active



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

Name of company	Principal activities	Rate of interest	Proportion of voting rights	Business situation
Hoa Binh Renewable Energy & Investment Corporation	Trading in construction materials, interior decoration items, promoting commerce, acting as a consignment agent for goods, advertising services, installation, and processing of interior decoration items	86,73%	88,53%	Active
Hoa Yen Investment and Development Joint Stock Company	Investing in construction projects for transportation infrastructure	97,53%	99,55%	Active
Hoa Binh Hue Investment and Development Joint Stock Company	Investing in the construction of the luxury resort villa Le Royal An Nam	93,90%	95,84%	Temporarily suspended from operations
Hoa Binh Ha Noi Construction and Real Estate Company Limited	Constructing various types of houses; completing construction projects; site preparation; installing water supply and drainage systems; interior decoration; and real estate business	97,97%	100,00%	Temporarily suspended from operations
Moc Hoa Binh Manufacturing and Decorating Company Limited	Manufacturing, trading, processing and installing wooden household products and interior decoration items	97,30%	99,31%	Active
HBIS LLC	Providing mobile restaurant and catering services	97,97%	100,00%	Active

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Information about the Group's restructuring:

The Group has transferred 100% ownership rights of the Group in Matec Group Joint Stock Company to Mr. Le Quang Hong Dung and Mrs. Ho Hoai Phuong, Mr. Phan Ngoc Tho with a total value of VND 105,000,000,000.

The Group has transferred 32,31% ownership rights of the Group in Anh Viet Mechanical and Aluminum Glass Corporation to Mr. Mai Dinh Chi Quoc with a total value of VND 29,340,000,000.

The Group has transferred 47,82% ownership rights of Jesco Hoa Binh Engineering Joint Stock Company to Mr. Pham Dieu with a total value of VND 38,326,772,000.

### 2. ACCOUNTING PERIOD AND REPORTING CURRENCY

#### 2.1 Fiscal year

The fiscal year is begun on January 01 and ended December 31 annually.

#### 2.2 Reporting currency

Vietnam Dong (VND) is used as a currency unit for accounting records because receipts and payments are mainly made in VND currency.

### 3. STANDARDS AND APPLICABLE ACCOUNTING POLICIES

#### 3.1 Applicable Accounting Standards and System

Financial statements are prepared and presented in accordance with Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance and Vietnamese Accounting Standards.

The Group applies Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

The Group applies Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting consolidated financial statements.

#### 3.2 Disclosure of compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System

The Board of General Directors ensures compliance with the requirements of Vietnamese Accounting Standards and Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC and Circular No. 202/2014/TT-BTC as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting consolidated financial statements.

### 4. APPLICABLE ACCOUNTING POLICIES

#### 4.1 Principles for converting the financial statements made in foreign currency in Vietnam Dong

When converting the financial statements made in foreign currency in Vietnam Dong, the accountant convert the items in the financial statements in accordance with the following rules:

- Assets and liabilities are converted into Vietnam Dong at the actual exchange rate at the end of the year;
- Owners' equity is converted at the actual exchange rate at the date of capital contribution;



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

- Foreign exchange differences and differences upon assets revaluation are converted at the actual exchange rate at the date of valuation;
- Already-paid profit, dividends have been translated into Vietnam Dong at the actual exchange rate at the payment date;
- Items of income statements and cash flow statements are converted at the actual exchange rate at the time of the transaction or at the average exchange rates if the difference does not exceed 3% in comparison with the actual rate.

Foreign exchange differences arising when converting financial statements prepared in foreign currencies into Vietnam Dong under the item "exchange rate differences" - the owner's equity of the Balance Sheet.

### 4.2 Foreign currency transactions

The Group has translated foreign currencies into Vietnam Dong at the actual rate and book rate.

#### Principles for determining the actual rate

All transactions denominated in foreign currencies which arise during the period (trading foreign currencies, capital contribution or receipt of contributed capital, recording receivables and payables, purchasing assets or costs immediately paid by foreign currencies) are converted at the actual exchange rates ruling as of the transaction dates.

Closing balance of monetary items (cash, cash equivalents, payables and receivables, except for prepayments to suppliers, prepayments from customers, pre-paid expenses, deposits and unearned revenue) denominated in foreign currencies should be revaluated at the actual rate ruling as of the balance sheet date.

- For asset accounts, applying bid rates of commercial banks where the Company regularly conducts transaction;
- For liability accounts, applying offer rates of commercial banks where the Company regularly conducts transactions.

Foreign exchange differences, which arise from foreign currency transactions during the year, shall be included in the income statement. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included in the income statement.

### 4.3 Basis of consolidation

The interim consolidated financial statements are prepared on the accrual basis of accounting (except for cash flow information).

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control as at 31 December annually.

The financial statements of the subsidiary are consolidated from the purchase date when the Company starts control to the date it ceases the control.

The subsidiaries' financial statements are prepared for the same accounting period as the Parent Company's under the accounting policies in consistency with the Parent Company's.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from Consolidated financial statements.

#### Non - controlling interests

Non-controlling interests represent the portion of profit or loss and net assets not held by the owners of a subsidiary and are presented separately in the consolidated income statement and separately from the owners' equity in the consolidated balance sheet.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### **Profit and loss when there is a change in the Company's ownership in subsidiaries**

In case the Parent company reduces their investment in subsidiaries without losing control over the subsidiaries: Profit/loss recorded into retained earnings in the Consolidated financial statements is the difference between the receipt from divestment and the total value of net assets transferred to non - controlling interests and corresponding goodwill.

#### **4.4 Accounting estimates**

The preparation of Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of General Director to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the Consolidated financial statements and the reported amounts of revenues and expenses during the fiscal year.

The estimates and assumptions that have a material impact in the Consolidated Financial Statements include:

- Provision for bad debts;
- Provision for devaluation of inventory;
- Estimated useful life of fixed assets;
- Allocation of prepaid expenses and goodwill;
- Classification and provision of financial investments;
- Estimated provision for payables;
- Estimated corporate income tax.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Board of General Directors to be reasonable under the circumstances.

#### **4.5 Cash and cash equivalents**

Cash comprises cash on hand, demand deposits and cash in transit. Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

#### **4.6 Business combination and goodwill**

All business combinations shall be accounted for by applying the purchase method. The cost of a business combination includes the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities in business combination are measured at their fair values at the at the acquisition date.

The goodwill or interest from a cheap purchase is defined as the difference between the cost of the business combination and acquirer's interest in the net fair value of the identifiable assets at the acquisition date held by Parent. Cheap purchase interest (if any) will be recognized in the consolidated income statement. Goodwill is allocated to costs by the straight-line method for an estimated useful period of 10 years. Periodically the Company will assess goodwill losses at the subsidiary, if there is evidence that the loss of goodwill is greater than the annual allocation, the allocation shall be based on the loss of goodwill in the year of arising.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.7 Financial investments

#### Accounting held-to-maturity Investments

Held-to-maturity investments are term deposits and held-to-maturity loans for the purpose of periodic interest receiving.

#### Accounting loans

Loans are the amounts granted according to contracts and agreements signed between the two parties for the purpose of periodically collecting interests and recorded at the original cost less provision for doubtful debts. The provision for doubtful debts is made on the basis of the estimates on the loss due to overdue, undue debts that are unlikely to be recovered because of the insolvency.

#### Financial investments in Associates

In the Consolidated Financial Statements, investments in joint ventures and associates are accounted for using equity method. Under this method, the investments are initially recognised at cost and adjusted thereafter for the post acquisition change in the Company's share in net assets of the associate after acquisition date. Goodwill incurred from the investment in the associates is reflected in the carrying amount of the investment in the associate. The Company will not allocate such goodwill but assess annually to determine whether the goodwill is under impaired loss or not.

For the adjustment of the value of investments in joint ventures and associates from the date of investment to the beginning of the reporting year, the Company shall:

- For the adjustment to the income statement of previous years: make an adjustment to the undistributed profit after tax according to net adjusted accumulated amount to the beginning of the reporting year.
- For the adjustment due to the difference in revaluation of assets and the difference in foreign exchange rates, recorded in the balance sheet of the previous years: determine the adjustment to the corresponding items on the balance sheet according to net accumulated adjusted amount.

For the adjustment of the value of investments in joint ventures and associates arising in the year, the Company shall exclude the preferred dividends of other shareholders (if preferred shares are classified as Owner's capital); expected number of deductions for bonus and welfare funds of joint ventures and associates; share of profits related to transactions of joint ventures, associates contributing capital or selling assets to the Company before determining the Company's share in the profit or loss of the joint venture or associated company during the reporting year. The Company then adjusts the value of the investment in proportion to its share in profits and losses of joint ventures and associates and immediately recognizes it in the consolidated income statement.

Financial Statements of associates are prepared in the same period with the Group's consolidated financial statements and use the consistent accounting policies with the Group's policies.

#### Investments in other entities

Investments in other entities are recorded at cost.

#### Provision for devaluation of investments

Provisions for impairment of investments are made when there is certain evidence of a decline in the value of these investments at the end of the annual accounting period.

Increases or decreases in the provision balance are recorded as financial expenses in the separate statement of income.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.8 Receivables

Receivables are presented at book value less provisions for doubtful debts.

The classifications of receivables are trade receivables and other receivables, which complied with the following principles:

- Trade receivables reflect the nature of the receivables arising from commercial transactions with purchase - sale between the Group and an independent purchaser.
- Other receivables reflect the nature of the receivables arising from non-commercial transactions, and not to be related to the purchase – sale transactions.

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recognised as general and administrative expense in the Income statement.

### 4.9 Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average method for materials and goods for production and commercial activities and the first-in first-out (FIFO) method for materials serving construction and real estate investment activities.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year:

- The value of work in progress is recorded for each construction project which is incomplete or revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.
- The value of work in progress is recorded based on: actual cost incurred for each unfinished product.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

**Method of calculating inventories' value: FIFO.**

**Method of accounting for the inventories: Perpetual method.**

Method for determining the value of unfinished products at the end of the year: The value of work in progress is recorded for each construction project which is incomplete or revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

### 4.10 Fixed assets

Tangible fixed assets are stated at original cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Depreciation of tangible fixed assets which is calculated under the straight-line depreciation method with useful time of the asset is estimated as follows:

	Years
Building and structure	05 - 50
Machinery and equipment	03 - 16
Transportation	05 - 10
Office equipment	05 - 08

### 4.11 Intangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The historical cost of tangible fixed assets includes all the expenses that the Company incurs to get fixed assets by the time the asset is put into a state ready for use. Costs incurred after initial recognition is only recorded as increase in cost of fixed assets if these costs are sure to increase economic benefits in the future by using these assets. The costs incurred are not satisfied conditions are recognized as an expense in the period.

When assets are sold or retired, their cost and accumulated depreciation are removed from the balance sheet and any gain or losses resulting from their disposal are recognized in other income or other expense.

Depreciation of intangible fixed assets which is calculated under the straight-line depreciation method with useful time of the asset is estimated as follows:

	Years
Computer software	03 - 20
Other intangible fixed assets	03 - 05

Land use rights with indefinite useful life are not amortized depreciation.

### 4.12 Investment properties

Investment properties are initially recognised at historical cost.

Investment properties held for operating lease are recorded at cost, accumulated depreciation and carrying amount. Investment properties are depreciated using the straight-line method with expected useful life as follows:

Useful time of the asset is estimated as follows:

	Years
Buildings, structures	03 - 50

### 4.13 Construction in progress

Construction in progress costs reflect costs directly related, in accordance with the Company's accounting policies, or purchasing new fixed assets, constructing new or repairing, renovating, expanding or re-equipping technical works such as: costs of construction, installation of equipment and other direct costs.

This cost is transferred to an increase in assets when the project is completed, the overall acceptance has been completed, and the assets are handed over and put into a ready-to-use state.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.14 Property lease

The determination of whether an arrangement is a lease is based on the substance of the arrangement at inception; whether the performance of the arrangement is dependent on the use of a specific asset and whether the arrangement conveys a right to use the asset.

A lease is classified as a finance lease if the lessor transfers substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

In case the Group is the lessee

Rent payments under operating leases are recognised in the consolidated statement of comprehensive income on a straight-line basis over the lease term.

In case the Group is the lessor

Assets held under operating leases are recognised as either fixed assets or investment property in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated statement of comprehensive income when incurred.

Income from operating leases is recognised in the consolidated statement of income on a straight-line basis over the lease term.

### 4.15 Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses include:

Prepaid land expenses include prepaid land rental, including those related to leased land for which the Company has received certificate of land use right but not eligible for recording as intangible fixed asset in accordance with the Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance guiding regulation on management, use and depreciation of fixed assets and other expenses related to ensure for the use of leased land. These expenses are recognized in the consolidated statement of income on a straight-line basis according to the lease term of the contract.

Tools and supplies include assets which are possessed by the Company in an ordinary course of business, that are not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 06 months to 24 months.

Bank guarantee fees include fees for implementing contract, payment guarantees, project warranty guarantees, etc., with banks, and are allocated on the straight-line basis over the guarantee period of the contract.

Other prepaid expenses are recorded at their historical costs and allocated on the straight-line basis over the estimated useful life.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.16 Payables

Accounts payable and accrued payable are recognized for amounts to be paid in the future, which are related to the goods and services received.

The classification of liabilities is trade payable, accrued expenses and other payables are in accordance with the following principles:

- Trade payables reflects the payables occurring from the commercial transactions with purchase of goods, services, property and the seller, which is an independent unit with the Group.
- Other payables reflect the payables from non-commercial payables and not relate to the purchase – sale transactions.

### 4.17 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as interest expenses, subcontractor construction expenses, etc. which are recorded as operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

### 4.18 Salary

Salary expenses are determined based on salary, wage and allowances as stated in agreed-upon labor contracts.

### 4.19 Salary deduction

The Company and employees are required to contribute 17,5% and 8% of the salary on labor contract of each employee to social insurance fund.

The Company and employees are required to contribute 3% and 1.5% of the salary on labor contract of each employee to health insurance fund.

The Company is required to contribute 1% and employees are required to contribute 1% of the salary on labor contract of each employee to unemployment insurance fund.

Trade unions fees deducted on salaries to the cost of 2%.

### 4.20 Borrowings and borrowing costs

Borrowings are total amounts the Company owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Borrowings are monitored in detail according to creditor, agreement and borrowed asset.

**Principles for recording borrowing costs:** Borrowing costs are loan interest and other costs incurred in direct relation to borrowings of an enterprise; Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs related to borrowings in respect of the construction or production of uncompleted assets, in which case the borrowing costs incurred during the period of construction are computed in those assets' value (capitalised) as part of the cost of the assets concerned when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.21 Bond issuance

The Group issues ordinary bonds for long-term borrowing purposes.

The Company's ordinary bonds are issued at par value, and the carrying value of the bonds is reflected on a net basis by deducting issuance costs from the face value of the bonds.

Bond issuance costs are gradually allocated over the term of the bond using the straight-line method and recognized as financial expenses. Initially, bond issuance costs are recorded as a reduction in the carrying amount of the bond's principal debt. Periodically, these costs are allocated by increasing the principal value and recording them as financial expenses in accordance with the recognition of interest payable on the bonds.

### 4.22 Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- The Group has a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payables is the most reasonably estimated amount required to settle the current debt obligation at the end of the accounting year.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the fiscal year.

#### Provision for construction warranty

Provision for construction warranty is made at a rate of 0.5% of revenue generated during the period.

#### Severance allowance provisions

Under Vietnamese Labor Code, employees of the Company who have worked regularly for at least 12 months are entitled to severance pay. The period of employment used to calculate severance pay is the total actual working time for the Company minus the time the employee has participated in unemployment insurance as required by law and the time the Group has paid severance pay.

The severance allowance for employees is deducted in advance at the end of each financial year at a rate equal to half of the average monthly salary for each year of service. The average monthly salary used to calculate the severance allowance is based on the average salary of the latest six months prior to the end of the financial year. This advance deduction is used for a one-time payment when the employee terminates their labor contract according to current regulations.

### 4.23 Unearned revenues

Unearned revenues are prepayments from customers for one or many accounting periods relating to asset leasing transferred to revenue from sale of goods and rendering of services with the amount corresponding to each accounting period.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.24 Owner's equity

#### Contributed capital of the owner

Owner's equity is stated at actually contributed capital of owners.

**Share premium:** Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

#### Principles for recognising undistributed profit:

Undistributed after-tax profits can be divided to shareholders based on ownership ratio after approval by the General Meeting of Shareholders and after appropriation of funds according to the Company's Charter and legal regulations of Vietnam law.

The distribution of profits to shareholders takes into account non-monetary items in undistributed profits after tax that may affect cash flow and the ability to pay dividends such as interest on revaluation of contributed assets, interest on revaluation of monetary items, financial instruments and other non-monetary items.

The Company's profit distribution is proposed by the Board of Directors and approved by shareholders at the Company's annual general meeting of shareholders.

### 4.25 Revenue

Revenue is recognized to extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measures regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns. The following specific recognition conditions must also be met when recognizing revenue:

#### Revenue from sale of goods

- (a) the Group has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- (b) the Group no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- (c) Revenues from sales has been determined with relative certainty;
- (d) the Group has gained or will gain economic benefits from the good sale transaction;
- (e) It is possible to determine the costs related to the goods sale transaction.

#### Revenues from rendering services

- (a) Revenue can be measured reliably;
- (b) It is possible to obtain economic benefits from the service provision transaction;
- (c) The work volume finished on the date of making the accounting balance sheet can be determined;
- (d) The costs incurred from the service provision transaction and the costs of its completion can be determined.

#### Construction contract revenue

When the results of construction contract performance are reliably estimated:

- For construction contracts that stipulate that the contractor is paid according to planned progress, revenue and costs related to the contract are recorded corresponding to the completed work as determined by the contractor on the date of preparing the financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Increases and decreases in construction volume, compensation and other revenues are only recorded as revenue upon the agreement with the customer.

When the results of performance of a construction contract cannot be reliably estimated, then:

- Revenue is only recorded equivalent to the contract costs incurred whose repayment is relatively certain.
- Contract costs are only recorded as expenses when incurred.

The difference between the total accumulated revenue of the construction contract being recorded and the accumulated amount recorded on the payment invoice according to the planned progress of the contract is recorded as a receivable or payable according to the planned progress of construction contracts.

### Revenue from infrastructure leasing

In the case of leasing land with attached technical infrastructure in industrial parks where advance rent for multiple years is received, revenue recognition is carried out based on the principle of allocating the prepaid rent appropriately over the lease term. If the lease term accounts for 90% of the useful life of the asset, the Group recognizes revenue once for the entire prepaid rent if it meets the following conditions simultaneously:

- When transactions comply with the provisions of the Vietnamese Accounting Standard No.06 - Lease, the lessee does not have the right to terminate the lease contract, and the lessor is not obligated to refund the prepaid amount received in any case and under any circumstances.
- The prepaid amount from leasing is not less than 90% of the total expected lease amount according to the contract throughout the lease term, and the lessee must pay the entire rent amount within 12 months from the commencement of leasing the asset;
- The majority of risks and benefits associated with the ownership rights of the leased assets have been transferred to the lessee;
- The historical cost of leasing activities must be reasonably estimated.

### Financial income

Revenue from financial activities is recognized when two conditions are simultaneously satisfied: 1. It is possible to gain benefits from that transaction; 2. Revenue is determined with relative certainty.

Revenue from financial activities includes: interest, dividends

**Interest** is recognized on an accrual basis, determined on the balance of deposit accounts and the actual interest rate of each period.

**Dividend** income shall be recognised when the Company's right to receive dividend is established. Dividends received in shares are only recorded as an increase in the number of shares, not recorded as the value of the shares received/recorded at par value.

When an amount which has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be accounted as expense incurred in the period, but not recorded as income decrease.

#### 4.26 Revenue deductions

Revenue deductions from sales of goods and rendering of services arising in the year include: Trade discounts, sales discounts.

Trade discounts incurred in the same period of sale of goods and rendering of services are recorded as a decrease in revenue in the incurring period. In case goods and services are sold in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Financial Statements of the reporting period (the previous year); and if it is incurred after the issuance of Financial Statements, it is recorded as a decrease in revenue of incurring period (the next year).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.27 Cost of goods sold and services rendered

Cost of goods sold are the cost of products, goods, materials sold or services sold in the period; expenses related to trading the investment properties and other expenses recorded in the cost of goods sold or recorded a decrease in the cost of goods sold in reporting period. The cost of goods sold is recorded at the date the transaction incurs or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

### 4.28 Financial expenses

**Financial expenses include** expenses or loss related to the financial investment, borrowing cost, contribution in joint-venture, associate; Provision for devaluation of financial investment and other financial expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

### 4.29 Corporate income tax

#### **Deferred income tax asset and Deferred income tax liability**

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is recognized for taxable temporary differences.

Deferred income tax asset and Deferred income tax liability are determined based on prevailing corporate income tax rate which is estimated to change in the future (if the deferred income tax asset or deferred income tax liability are reversed when the new tax rates have been enacted), tax rates and tax laws enacted at the end of accounting period.

Deferred tax assets are recognized only to the extent that it is probable that taxable profit in future will be available against which the deductible temporary difference can be utilised. Deferred tax assets are recorded as a decrease to the extent that it is not sure taxable economic benefits will be usable.

#### **Current corporate income tax expenses and deferred corporate income tax expenses**

Current corporate income tax expenses are determined based on taxable income during the period and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

#### **Tax incentives policies**

The Group enjoys corporate income tax incentives for taxable income generated from solar energy projects of its subsidiaries: Hoa Binh Infrastructure Construction Investment Corporation and Hoa Binh Renewable Energy & Investment Corporation. Accordingly, the projects apply a preferential corporate income tax rate of 10% for a period of 15 years, exempt from corporate income tax for 4 years and a 50% reduction in the payable tax for the following 9 years. During the year, the projects are within the period of corporate income tax exemption.

#### **Current corporate income tax rate**

The Company applies the corporate income tax rate of 20% for the operating activities which has taxable income for the fiscal year ended as at 31 December 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 4.30 Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Management) by the weighted average number of ordinary shares outstanding during the period.

### 4.31 Related parties

The parties are related if having the ability to control or significant influence across the decision making of financial policies and operations. Parties are also considered to be related if they are subjected to common control or common significant influences.

The following individuals/ companies are considered as related parties:

Individuals / Company	Location	Relationship
Hoa Binh 479 Joint Stock Company	Vietnam	Associate company
Onwa Tech Interior Decoration Joint Stock Company	Vietnam	Associate company
Thanh Ngan Real Estate Company Limited	Vietnam	Associate company
Mr. Le Viet Hai	Vietnam	Chairman
Mrs. Bui Ngoc Mai	Vietnam	Chairman's wife
Mr. Le Viet Hoa	Vietnam	Chairman's son
Mr. Le Viet Hieu	Vietnam	Vice Chairman, cum Deputy General Director
Mr. Nguyen Tuong Bao	Vietnam	Member
Mr. Le Van Nam	Vietnam	Member, cum General Director (appointed on 01 June 2023)
Mrs. Vu Thi Hoa	Vietnam	Member
Mrs. Nguyen Thi Luot	Vietnam	Vice Chairman
Mr. Nguyen Tan Tho	Vietnam	Deputy General Director resigned on 30 April 2024
Mr. Nguyen Hung Cuong	Vietnam	Deputy General Director resigned on 21 September 2024
Mr. Nguyen Khanh Hoang	Vietnam	Deputy General Director



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Individuals / Company	Location	Relationship
Mr. Dinh Van Thanh	Vietnam	Deputy General Director
Mr. Le Van Vien	Vietnam	Deputy General Director appointed on 01 May 2024 and resigned on 01 March 2025
Mr. Nguyen Kinh Luan	Vietnam	Deputy General Director appointed on 01 November 2024
Mr. Huynh Tan Quoc	Vietnam	Deputy General Director appointed on 01 March 2025
Mrs. Nguyen Kim Loan	Vietnam	Chief Financial Officer reappointed on 02 August 2024
Mrs. Le Thi Thu Trang	Vietnam	Chief Accountant resigned on 30 June 2024
Mrs. Phan Thi Cam Hang	Vietnam	Chief Accountant appointed on 01 July 2024 and resigned on 01 November 2024
Mrs. Le Thi Phuong Uyen	Vietnam	Chief Accountant resigned on 30 June 2024

### 4.32 Segment Information

A segment is a distinguishable component of the Group that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other ones.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group in order to help users of financial statements better understand and make more informed judgements about the Group as a whole.

## 5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED BALANCE SHEET

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.1 Cash and cash equivalents</b>		
Cash on hand	1.682.392.299	653.948.803
Demand deposits	259.975.004.441	299.059.154.874
Cash Equivalents	6.500.000.000	88.817.970.696
	<b>268.157.396.740</b>	<b>388.531.074.373</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.2 Short - Term trade receivables</b>		
<b>Related Parties</b>	-	17.006.295.992
Anh Viet Mechanical and Aluminum Glass Corporation	-	16.650.284.872
Hoa Binh 479 Joint Stock Company	-	356.011.120
<b>Others</b>	<b>6.851.546.665.935</b>	<b>7.215.683.962.979</b>
Matec Group Joint Stock Company	79.550.010.815	-
Gamuda Land (HCMC) Joint Stock Company	346.793.401.225	338.023.023.966
Terra Gold Viet Nam Joint Stock Company	224.463.119.282	310.178.119.282
Sunshine Group Joint Stock Company	284.591.967.072	293.934.434.420
Vinhomes Joint Stock Company	177.184.539.798	239.476.458.425
Ecopark Corporation Joint Stock Company	240.202.628.075	376.394.808.738
Aqua City Company Limited	171.107.561.174	174.896.338.301
Phu Loc Real Estate Investment Joint Stock Company	100.489.487.818	192.305.130.522
Thanh Do Investment Development and Construction Joint Stock Company	68.160.659.037	68.160.659.037
Phu Quoc Civil Construction Limited Liability Company	144.089.515.115	140.214.242.649
Tan A Dai Thanh - Meyland Group Real Estate Joint Stock Company	122.429.651.632	190.223.075.940
Carava Resort Company Limited	77.905.132.171	138.227.360.767
Others	4.814.578.992.721	4.753.550.310.932
	<b>6.851.546.665.935</b>	<b>7.232.690.258.971</b>
Provision for doubtful debts	(924.003.298.456)	(1.275.964.012.448)
<b>Net book value</b>	<b>5.927.543.367.479</b>	<b>5.956.726.246.523</b>

These Trade receivables are being used as collateral for short term loans at the Bank ( Note 5.24).

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>Provision for doubtful debts as detailed:</b>		
Sunshine Group Joint Stock Company	74.330.350.909	153.893.944.255
Thanh Do Investment Development and Construction Joint Stock Company	543.707.190	31.036.331.175
Saigon Silicon City Joint Stock Company	129.030.269.163	118.195.034.429
Others	720.098.971.194	972.838.702.589
	<b>924.003.298.456</b>	<b>1.275.964.012.448</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.3 Short - Term prepayment to supplies</b>		
<b>Related Parties</b>	<b>4.295.714.316</b>	<b>34.288.228.721</b>
Jesco Hoa Binh Engineering JSC	-	21.521.220.215
Anh Viet Mechanical and Aluminum Glass Corporation	-	8.471.294.190
Onwa Tech Interior Decoration Joint Stock Company	4.295.714.316	4.295.714.316
<b>Others</b>	<b>1.144.817.209.623</b>	<b>1.051.402.783.306</b>
BM Windows Joint Stock Company	2.997.055.456	57.845.394.972
Jesco Hoa Binh Engineering JSC	13.694.817.215	-
Anh Viet Mechanical and Aluminum Glass Corporation	24.972.074.777	-
Luong Binh Construction Joint Stock Company	-	60.000.000.000
My Khang Trading Producing Company Limited	19.281.388.212	16.454.825.367
ALB & Partners Low Firm	109.269.356.877	81.569.356.877
Searefico Engineering and Construction Joint Stock Company	-	62.688.478.471
VinTech Investment Building Joint Stock Company	56.123.049.028	-
Minh Duc Concrete & Construction Company Limited	19.141.886.051	-
Greenhouse Group Investment And Construction Joint Stock Company	45.210.910.907	-
Hong Ha Investment and Trade Joint Stock Company	105.324.873.301	109.879.740.554
Others	748.801.797.799	662.964.987.065
	<b>1.149.112.923.939</b>	<b>1.085.691.012.027</b>
Provision for short-term prepayments to suppliers	(116.934.484.406)	(108.050.910.417)
<b>Net book value</b>	<b>1.032.178.439.533</b>	<b>977.640.101.610</b>
<b>Provision for short-term prepayments to suppliers as follows:</b>	<b>Dec. 31, 2024 VND</b>	<b>Jan. 01, 2024 VND</b>
Hong Ha Investment and Trade Joint Stock Company	105.324.873.301	105.324.873.301
Others	11.609.611.105	2.726.037.116
	<b>116.934.484.406</b>	<b>108.050.910.417</b>
<b>5.4 Construction contract-in-progress receivables</b>	<b>Dec. 31, 2024 VND</b>	<b>Jan. 01, 2024 VND</b>
Gamuda Land (HCMC) Joint Stock Company	208.377.456.034	342.587.177.616
Ecopark Corporation Joint Stock Company	95.012.446.228	193.653.920.518
Quang Minh Business and Construction Joint Stock Company	124.490.373.682	124.490.373.682
Gia Cu Investment Development Limited	84.464.960.983	117.341.148.812
Quoc Loc Phat Joint Stock Company	205.273.853.777	99.171.630.796
Others	1.542.596.071.555	2.205.505.525.822
	<b>2.260.215.162.259</b>	<b>3.082.749.777.246</b>
Provision for doubtful debts	(456.003.862.786)	(520.621.828.965)
<b>Net book value</b>	<b>1.804.211.299.473</b>	<b>2.562.127.948.281</b>

These Construction contract-in-progress receivables are being used as collateral for short term loans at the Bank (Note 5.24).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>Provision for doubtful debts as detailed:</b>		
Quang Minh Business and Construction Joint Stock Company	124.490.373.682	124.490.373.682
Others	331.513.489.104	396.131.455.283
	<b>456.003.862.786</b>	<b>520.621.828.965</b>
	<b>Dec. 31, 2024 VND</b>	<b>Jan. 01, 2024 VND</b>
<b>5.5 Loan receivables</b>		
<b>Related Parties</b>	<b>1.789.890.000</b>	<b>1.789.890.000</b>
Mr. Vo Minh Hoang	1.789.890.000	1.789.890.000
<b>Others</b>	<b>255.400.679.857</b>	<b>65.202.254.281</b>
New Horizon Real Estate Company Limited	36.437.313.395	36.437.313.395
Sai Gon Real Estate Investment Consulting Single Member Limited	18.000.000.000	18.000.000.000
Others	200.963.366.462	10.764.940.886
	<b>257.190.569.857</b>	<b>66.992.144.281</b>
Provision for doubtful debts	(45.617.562.314)	(45.217.562.294)
<b>Net book value</b>	<b>211.573.007.543</b>	<b>21.774.581.987</b>
Short-term loans as of 31 December 2024 are made under unsecured loan agreements, with a loan term not exceeding 12 months, and interest rates ranging from 8% to 11% per annum.		
	<b>Dec. 31, 2024 VND</b>	<b>Jan. 01, 2024 VND</b>
<b>Provision for Short-term loan receivables as detailed</b>		
New Horizon Real Estate Company Limited	36.437.313.395	36.437.313.395
Others	9.180.248.919	8.780.248.899
	<b>45.617.562.314</b>	<b>45.217.562.294</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.5 Other receivables

	Dec. 31, 2024 Value VND	Provision VND	Jan. 01, 2024 Value VND	Provision VND
<b>Short - term</b>				
Receivables from advances	570.929.275.562	(82.266.753.480)	545.053.250.912	(197.101.518.447)
- Implementation of agreements on issuing shares to partners (i)	99.500.000.000	-	99.500.000.000	-
- To purchase shares at Pax International Invest Joint Stock Company (ii)	138.451.358.600	-	138.451.358.600	-
- Advances for costs of materials, construction goods and per - diem	332.977.916.962	(82.266.753.480)	307.101.892.312	(197.101.518.447)
Advances for the Chairman (iii)	120.000.000.000	-	120.000.000.000	-
Deposits for project and apartment purchases	385.302.200.000	(205.147.652.851)	384.545.138.793	(205.147.652.851)
Receivables from lending materials to subcontractors	483.233.833.722	-	340.554.155.578	-
Receivables from liquidation of asset (iv)	290.788.401.334	-	-	-
Receivables from liquidation of investments (v)	39.637.315.070	-	13.000.000.000	-
Receivables from sale of trade receivables (vi)	74.554.981.799	-	-	-
Late payment interest	152.183.019.148	(39.262.940.435)	115.822.558.428	(63.793.586.179)
Interest receivables from banks	4.533.254.563	-	11.416.636.558	-
Dividends and profits receivables	2.694.833.301	-	2.694.833.301	-
Other receivables from employees	21.309.790.850	-	26.588.980.497	-
Deposit	30.111.870.611	-	24.608.281.936	-
Other receivables	216.133.715.085	(27.839.003.155)	93.925.914.071	(59.828.260.598)
	<b>2.391.412.491.045</b>	<b>(354.516.349.921)</b>	<b>1.678.209.750.074</b>	<b>(525.871.018.075)</b>
<b>Long - term</b>				
Advances for employees (vii)	125.326.938.188	-	266.000.000.000	-
Deposit term	129.810.321.093	-	77.739.110.442	(10.700.000)
Others	967.757.741	-	37.450.776.749	(771.804.079)
	<b>256.105.017.022</b>	<b>-</b>	<b>381.189.887.191</b>	<b>(782.504.079)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

- (i) Advance payment to employees arising from 2022 with VND 99.5 billion to issue 5 million HBC shares to ensure the implementation of the stock issuance agreement between Sanei Architecture Planning Co., Ltd and the Company. After completing the agreement with Sanei Architecture Planning Co., Ltd, the Company assigned the Chairman of the Board of Directors to review, track stock prices and decide when to sell 5 million shares to repay the Company, approving by the Board of Management at Board of Management Meeting Minutes No. 11/2023/BB-HDQT, HBC and Resolution No. 30.1/2023/NQ-HDQT.HBC dated May 20, 2023.
- (ii) Advance payment to employees arising from 2022 amounting with VND 138.45 billion to buy back all shares of the Chairman of the Board of Management at Pax International Investment Joint Stock Company according to confirmed actual contributed capital (actual contributed capital confirmed as VND138,451,358,600), approving by the Board of Management at in Board of Managements Meeting Minutes No. 11/2023/BB-HDQT, HBC and Resolution No. 30.3/2023/NQ-HDQT.HBC dated May 20, 2023.
- (iii) An advance payment to the Chairman of the Board of Management in the amount of VND 120 billion to receive the transfer of land use rights of a plot with an area of 7,218.6 m2 in Tan Thoi Nhat ward, District 12, Ho Chi Minh City. On 20 May 2023, the Board of Management issued Resolution 30.2/2023/NQ-HDQT.HBC on approving contracts and transactions between the Group and related parties of the Group including but not limited to the Land Use Rights Transfer Agreement among the Group and Mr. Le Viet Hai and Ms. Bui Ngoc Mai, specially: transfer area: 7,218.6 m2; transfer price: VND 120 billion; and assigned the Board of General Directors to be responsible for implementing contracts, transactions with related parties of the Group as regulated, conducting administrative procedures with competent authorities including but not limited to changing land use purposes, revaluating land use rights after conversion of purposes, registering changes in land use rights, declaring and fulfilling financial obligations. Currently, the Group is in the process of carrying out the necessary legal procedures to receive the transfer of the aforementioned land plot. The land use right is currently being used as collateral for the Group's loan at the Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch under the asset mortgage contract No. 06/ 2020/101285/HDTTC dated 29 October 2020 (Note 5.24).
- (iv) The receivables from Matec Group Joint Stock Company under the construction machinery and equipment purchase contract No. 166/2024/HBC-MATEC dated 19 June 2024 with the amount of 496,149,766,182 and Appendix No. 1 - list of machinery and equipment, the payment period will be divided into 7 installments. The first installment is due no later than 21 June 2024 and after 3 months from the previous payment, the next payment will be required.
- (v) Receivables from Mr. Pham Dieu under the share transfer contract No. 49/2024/HĐ-HBC.JHE dated June 25, 2024, with the amount of VND 38,326,772,000.
- (vi) Receivables from Saigon Asset Trading and Management Joint Stock Company under debt sale contract No. 3011A/2023/HBC-247 dated 30 November 2023 and contract appendix No. 1 dated 30 November 2023 and receivables No. 3011C/2023/HBC-247 dated 30 November 2023 and contract appendix No. 1 dated 30 November 2023 with the total value of receivables from debt sale of VND 156,426,087,786, the value of the principal debt sold is VND 173,040,566,692.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

(vii) Advance payment to employees arising from 2022 with VND 266 billion to release 45 million shares (rounded) of the family of the Chairman of the Board of Directors at a number of securities companies. Then, mortgage these shares to Vietnam Maritime Commercial Joint Stock Bank (MSB) as collateral for granting payment guarantees for issued bond packages. The advance amount will be returned to the Group when the Group returns to the family of the Chairman of the Board of Directors the shares mortgaged at MSB Bank. Interest arising from the advance of VND 266 billion will be offset with interest arising from borrowing shares, approving by the Board of Management at the Board of Management Meeting Minutes No. 11/2023/BB-HDQT.HBC and Resolution No.30.4/2023/NQ-HDQT.HBC dated May 20, 2023. During the year, the group has received a total payment of VND 140,673,961,812.

Other receivables detailed as follows:

	Dec. 31, 2024	Jan. 01, 2024
	Value VND	Value VND
Related Parties	Provision VND	Provision VND
Mr. Le Viet Hai and Mrs. Bui Ngoc Mai	621.554.226.039	808.100.934.168
Mrs. Pham Thi Quoc Huong (*)	120.027.360.000	120.000.000.000
Key management	386.385.063.700	527.058.125.512
Anh Viet Mechanical and Aluminum Glass Corporation	-	21.158.283.442
Onwa Tech Interior Decoration Joint Stock Company	-	10.941.863.645
Hoa Binh 479 Joint Stock Company	1.944.918.073	1.940.418.073
Jesco Hoa Binh Engineering JSC	2.498.684.358	2.143.379.760
Mr. Le Viet Hoa	-	765.730.255
Mr. Vo Minh Hoang	14.436.836.013	19.326.836.013
Mr. Le Hoang Tien	93.011.363.895	46.715.010.833
Mr. Le Viet Ha	3.250.000.000	52.801.286.635
Others	2.025.963.282.028	5.250.000.000
FLC Group Joint Stock Company	29.527.426.000	1.251.298.703.097
Anh Viet Mechanical and Aluminum Glass Corporation	22.332.104.466	29.527.426.000
Jesco Hoa Binh Engineering JSC	1.307.154.614	-
Matec Group Joint Stock Company	295.826.436.724	-
Others	1.676.970.160.224	-
	2.647.517.508.067	2.059.399.637.265
	(341.916.349.921)	(469.365.248.177)
	(354.516.349.921)	(526.653.522.154)

HOA BINH CONSTRUCTION GROUP JOINT STOCK COMPANY  
235 Vo Thi Sau, Vo Thi Sau Ward, District 3, Ho Chi Minh City

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

(\*) Mr. Le Viet Hai and Mrs. Bul Ngoc Mai agreed to guarantee with collateral assets worth VND 524,38 billion for advances with a total value as of 31 December 2024 of VND 363,28 billion according to the guarantee agreement. Up to now, the Group has also assessed the recoverability of these advances.

	Year 2024	Year 2023
	VND	VND
<b>5.7 Provision for doubtful debts</b>		
Increases and decreases in provisions for short - term doubtful receivables during in year is as follows:		
Beginning balance	2,476,507,836,278	2,059,045,843,198
Provisions made during in year	204,689,410,044	689,481,735,192
Provisions reversed during in year	(784,121,688,439)	(272,019,632,112)
Utilization of provisions to offset losses or settle debts during in year	-	(110,000)
<b>Ending balance</b>	<b>1,897,075,557,883</b>	<b>2,476,507,836,278</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

5.8 Doubtful debts	Dec. 31, 2024		Jan. 01, 2024	
	Original	Recoverable value	Original	Recoverable value
	VND	VND	VND	VND
Quang Minh Business and Construction Joint Stock Company	182.636.665.903	6.849.023.895	175.787.642.008	-
Cau Giay Investment Trading Services Joint Stock Company	121.888.827.177	1.861.295.985	120.027.531.192	-
An Trung Phat House Management Joint Stock Company	71.124.662.057	283.833.000	70.840.829.057	-
Construction & Urban Development Joint Stock Company	129.828.770.259	746.434.492	95.250.602.766	-
TMS Group Joint Stock Company	112.472.954.437	-	112.472.954.437	-
Others	1.804.742.542.261	515.878.276.840	2.690.476.314.022	788.348.037.204
	<b>2.422.694.422.094</b>	<b>525.618.864.212</b>	<b>3.264.855.873.482</b>	<b>788.348.037.204</b>

The aforementioned bad debts have been fully provisioned by the Group. The recoverable value of these debts is determined by the original amount of the receivables minus the provision value of each specific receivable that has been provisioned. The Group continues to take measures to recover the receivables mentioned above. Additionally, according to the provisions of the contract, the Group may be entitled to late payment penalties, late payment interest and compensation for damages due to the counterparties' breaches of contract. The Group cannot yet accurately estimate the full extent of potential income (benefits) that may arise while it is still in the process of working with debtors and some amounts are being resolved through civil litigation activities to recover debts as well as related benefits. These benefits are only recognized by the Group as assets in the Consolidated statement of financial position when accepted for payment by counterparties or when received in cash and other assets during the debt recovery process.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

5.9 Inventories	Dec. 31, 2024		Jan. 01, 2024	
	Original cost VND	Provision VND	Original cost VND	Provision VND
Raw materials	691.195.478.041	-	559.414.866.045	-
Tools & supplies	18.654.722.959	(34.586.144)	17.696.284.062	(34.586.144)
Works in progress	1.350.508.389.943	(16.850.447.719)	1.632.770.957.892	(32.714.898.589)
- Real estate (i)	806.331.368.821	-	1.109.676.226.781	-
- installation	361.263.423.559	(15.970.716.277)	399.446.058.847	(32.178.969.586)
- Development of industrial zones	121.790.535.735	-	91.712.558.171	-
- Others	61.123.061.828	(879.731.442)	31.936.114.093	(535.929.003)
Finished goods	26.162.572.076	(21.966.775.160)	24.939.626.598	(21.966.775.160)
Goods	310.006.594.818	(723.113.389)	98.551.292.526	(723.113.389)
Goods on consignment	174.419.843	-	174.419.843	-
	<b>2.396.702.177.680</b>	<b>(39.574.922.412)</b>	<b>2.333.547.446.966</b>	<b>(55.439.373.282)</b>

(i) Detailed expenses related to the unfinished real estate business operation:

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Residence residential project in Long Thoi commune, Nha Be district, Ho Chi Minh City	156.201.415.402	153.352.371.546
Ascent Lakeside Tower commercial and residential skyscraper project on Nguyen Van Linh Street, Tan Thuan Tay ward, District 7, Ho Chi Minh City	11.611.796.378	368.274.243.022
Ascent Plaza high-rise residential and commercial project at 375-377 No Trang Long, Ward 13, Binh Thanh District, Ho Chi Minh City	629.454.904.281	487.578.583.936
Others	9.063.252.760	100.471.028.277
	<b>806.331.368.821</b>	<b>1.109.676.226.781</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.10 Long-term assets in progress

	Dec. 31, 2024		Jan. 01, 2024	
	Original cost VND	Provision VND	Original cost VND	Provision VND
<b>Works in progress</b>				
Hoa Binh Innovation Center (i)	37.455.839.317	-	37.455.839.317	-
Lang Co Resort Villa Project	5.583.015.779	-	5.583.015.779	-
Equipment Installation	235.869.180	-	2.217.404.000	-
Other	4.886.304.000	-	1.269.573.518	-
	<b>48.161.028.276</b>	<b>-</b>	<b>46.525.832.614</b>	<b>-</b>

(i) Hoa Binh Innovation Center project was granted an Investment Registration Certificate for the first time on 3 February 2016, with the most recent adjustment issued on 19 August 2022 by the Ho Chi Minh City Hi-Tech Park Project Management Board. The project aims to establish a high-tech business incubator and enterprise incubator; support incubating and post-incubating enterprise with working facilities, machinery and equipment for research and development, pilot production and technology transfer; establish a center for research and development of new materials; information technology, biotechnology – medical technology. The project is implemented on a land area of 24,512.6 m<sup>2</sup>, with a total investment capital of VND 900 billion, equivalent to USD 39,130,435. The project's operating period is 50 years from the date of issuance of the Investment Registration Certificate. Currently, the project has completed land lease procedures and land lease payments within the High-Tech Park and has invested in the incubation zone component.

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.11 Prepaid expenses</b>	<b>15.675.228.907</b>	<b>15.982.341.307</b>
<b>Short-term prepaid expenses</b>		
Rental of office	593.994.887	-
Tools and supplies used	7.934.110.251	3.881.447.318
Bank guarantee fees	2.281.669.704	-
Software	-	-
Others	4.865.454.065	12.100.893.989
<b>Long-term prepaid expenses</b>	<b>185.431.288.136</b>	<b>253.023.075.149</b>
Tools and supplies used	13.007.056.592	21.403.746.823
Prepaid land rental fees (*)	55.178.679.019	84.543.589.867
Brokerage expcenses	79.690.044.929	94.780.877.506
Bank guarantee fees	4.379.392.514	9.662.770.079
Insurance expcenses	2.799.589.172	-
Renovation and Repair Fees	6.973.460.386	-
Others	23.403.065.524	42.632.090.874
	<b>201.106.517.043</b>	<b>269.005.416.456</b>

(\*) Including: This is the rent for a plot of land with an area of 24,512 m<sup>2</sup> in High-Tech Park, Long Thanh My Ward, District 9, Ho Chi Minh City with a lease term of 50 years (until 3 February 2066) to implement the Hoa Binh Innovation Center project is VND 51,477,360,182 (Note 5.10).

HOA BINH CONSTRUCTION GROUP JOINT STOCK COMPANY  
235 Vo Thi Sau, Vo Thi Sau Ward, District 3, Ho Chi Minh City

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.12 Tangible fixed assets

Items	Buildings & structures VND	Machinery & equipment VND	Transportation VND	Equipment VND	Total VND
<b>Historical cost</b>					
Opening balance	58,580,037,991	1,902,293,633,630	74,919,951,709	21,041,107,767	2,056,834,731,097
New purchases	184,500,000	191,068,410,680	2,608,800,000	-	193,861,710,680
Reclassify	-	58,000,000	-	-	58,000,000
Disposal, sale	-	(582,863,398,081)	(1,705,549,940)	(2,735,408,059)	(587,304,356,080)
Other decreases	(27,978,350,440)	(2,158,177,274)	(367,920,000)	(34,910,000)	(30,539,357,714)
Closing balance	30,786,187,551	1,508,398,468,955	75,455,281,769	18,270,789,708	1,632,910,727,983
<b>Accumulated depreciation</b>					
Opening balance	21,970,822,369	1,296,340,745,231	64,599,663,834	19,724,705,857	1,402,635,937,290
Charge for the year	1,134,574,233	147,055,117,060	10,862,932,105	700,512,370	159,753,135,768
Disposal, sale	-	(518,956,409,607)	(1,051,449,103)	(2,735,408,059)	(522,743,266,769)
Other decreases	(10,605,201,848)	(1,023,603,355)	(367,920,000)	(34,910,000)	(12,031,635,203)
Closing balance	12,500,194,754	923,415,849,329	74,043,226,836	17,654,900,168	1,027,614,171,086
<b>Net book value</b>					
As at beginning of the year	36,609,215,622	605,952,888,399	10,320,287,876	1,316,401,911	654,198,793,807
As at the end of the year	18,285,992,797	584,982,619,626	1,412,054,934	615,889,541	605,296,556,897

The carrying amount of tangible fixed assets pledged as collaterals for borrowings as of 31 December 2024 is VND 120,921,730,831 (it is VND 230,807,360,690 as of 31 December 2023).

The historical cost of fully depreciated tangible fixed assets but still in used is VND 389,642,235,182 (it is VND 360,988,436,307 as of 31 December 2023).

In the period, the Group disposed tangible fixed assets according to the disposal and sale of asset Decision No.132/2024/QĐ-HBC dated 19 June 2024 of the Board of Management of the Company about the disposal and sale of asset and signed asset transfer contracts with the asset transfer price of VND 635,146,262,741 (excluding VAT), asset value of VND 589,685,368,049.

These liquidated assets are not part of the assets pledged as collateral for the Company's bank loans.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

### 5.13 Finance lease fixed assets

The Group's finance lease fixed assets are the solar power system under financial lease from Vietcombank Financial Leasing Co., Ltd - Ho Chi Minh City branch. As at 31 December 2024, the historical cost of the finance lease fixed asset is VND 7,542,000,000, accumulated depreciation is VND 3,205,350,000, depreciation for the period is VND 754,200,000.

### 5.14 Intangible fixed assets

Items	Land use rights VND	Computer software VND	Others VND	Total VND
<b>Historical cost</b>				
Opening balance	42.297.185.783	37.296.640.728	1.216.005.358	80.809.831.869
Other decreases	-	(701.100.000)	-	(701.100.000)
Closing balance	42.297.185.783	36.595.540.728	1.216.005.358	80.108.731.869
<b>Accumulated depreciation</b>				
Opening balance	-	25.559.102.898	1.216.005.358	26.775.108.256
Charge for the year	-	3.096.633.615	-	3.096.633.615
Other increases	-	(198.110.116)	-	(198.110.116)
Closing balance	-	28.457.626.397	1.216.005.358	29.673.631.755
<b>Net book value</b>				
As at beginning of the year	42.297.185.783	11.737.537.830	-	54.034.723.613
As at the end of the year	42.297.185.783	8.137.914.331	-	50.435.100.114

The carrying amount of intangible fixed assets pledged as collaterals for borrowings as of 31 December 2024 is VND 39,790,252,840 (it is VND 39,790,252,840 as of 31 December 2023).

The historical cost of fully amortized intangible fixed assets but still in use as of 31 December 2024 is VND 21,229,112,966 (it is VND 20,142,757,086 as of 31 December 2023).

### 5.15 INVESTMENT PROPERTIES

The Group's investment properties consist of warehouses for rent in industrial zones. As at 31 December 2024, the investment properties have a historical cost of VND 167,838,199,332, accumulated depreciation of VND 3,909,929,917, depreciation for the period of VND 647,884,260. These investment properties are currently being used as collateral for bonds issued by the Group (Note 5.24).

The fair value of investment properties has not been formally assessed and determined as of 31 December 2024. However, based on the rental situation and market price of these assets, the Board of General Directors believes that the fair value of the investment properties exceeds the carrying amount at the end of the accounting period.

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.16 Goodwill</b>		
Opening balance	61.896.518.318	61.896.518.318
Increasing in the year	-	-
Amortisation for the prior year	48.231.670.552	41.245.475.468
Amortisation for the year	1.410.392.347	6.986.195.084
Closing balance	12.254.455.420	13.664.847.766

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.17 Financial investments

#### Held-to-maturity investments

	Dec. 31, 2024		Jan. 01, 2024	
	Original value	Book value	Original value	Book value
	VND	VND	VND	VND
<b>Short-term</b>				
- Term deposits (i)	14,116,633,715	14,116,633,715	15,705,823,005	15,705,823,005
	14,116,633,715	14,116,633,715	15,705,823,005	15,705,823,005
<b>Dài hạn</b>				
- Term deposits	2,144,185,871	2,144,185,871	2,000,000,000	2,000,000,000
	144,185,871	144,185,871	-	-
- Bonds (ii)	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
	<b>16,260,819,586</b>	<b>16,260,819,586</b>	<b>17,705,823,005</b>	<b>17,705,823,005</b>

(i): As at 31 December 2024, the Group has term deposits with maturities exceeding 12 months at commercial banks with interest rates ranging from 2.8% to 6.4% per annum. These deposits are being used as collateral for loans and bonds issued by the Group (Note 5.24).

(ii): This is an investment in bonds issued by Vietnam Joint Stock Commercial Bank for Industry and Trade with a maturity of 10 years (due in 2028) and earns floating interest rates determined by the individual deposit interest rate for a 12-month term plus 0.8% per annum.



HOA BINH CONSTRUCTION GROUP JOINT STOCK COMPANY  
235 Vo Thi Sau, Vo Thi Sau Ward, District 3, Ho Chi Minh City

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Investments in other entities	Dec. 31, 2024			Jan. 01, 2024		
	Rate of interest	Rate of voting rights	Book value according to equity method	Rate of interest	Rate of voting rights	Book value according to equity method
			VND			VND
<b>Investments in associates</b>						
Hoa Binh 479 Joint Stock Company (1)	35,25%	35,25%	86.662.722.481	49,25%	49,25%	91.892.028.026
Jesco Hoa Binh Engineering JSC	-	-	-	47,82%	47,82%	12.080.127.700
Anh Viet Mechanical and Aluminum Glass Corporation	-	-	-	49,10%	49,10%	8.960.480.765
Onwa Tech Interior Decoration Joint Stock Company (2)	25,53%	25,53%	3.893.294.116	25,53%	25,64%	4.032.677.756
Thanh Ngan Real Estate Company Limited (3)	28,30%	28,30%	185.843.477.749	28,30%	28,31%	193.190.614.617
			<u>276.399.494.346</u>			<u>310.155.928.864</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

	Dec. 31, 2024			Jan. 01, 2024		
	Original value	Provision	Fair value (*)	Original value	Provision	Fair value (*)
	VND	VND	VND	VND	VND	VND
- Investment in other entities						
Vietnam Pease Tour Joint Stock Company	21.405.000.000	-	Chưa xác định	21.405.000.000	(5.312.299.420)	Chưa xác định
Sai Gon - Rach Gia Corporation	13.637.400.000	(13.635.758.080)	Chưa xác định	13.637.400.000	(12.750.844.499)	Chưa xác định
Jesco Asia Joint Stock Company	4.185.000.000	(454.614.718)	Chưa xác định	4.185.000.000	-	Chưa xác định
TRV Holding investment Group Joint Stock Company	1.200.000.000	-	Chưa xác định	1.200.000.000	-	Chưa xác định
	<b>40.427.400.000</b>	<b>(14.090.372.798)</b>	<b>-</b>	<b>40.427.400.000</b>	<b>(18.063.143.919)</b>	<b>-</b>

(\*): The Group has not determined the fair value of financial investments since Vietnamese Accounting Standards and Vietnamese Corporate Accounting System have not had any detailed guidance on the determination of the fair value.

According to Resolution No.04.1/2024/NQ-HDQT.HBC dated 24 March 2024 of the Board of Management, the Group has signed a capital transfer contract No. 01/2024/HBC-TDP to transfer 100% ownership rights of the Group in Matec Group Joint Stock Company to Mr. Le Quang Hong Dung and Mrs. Ho Hoai Phuong, Mr. Phan Ngoc Tho with a total value of VND 105,000,000,000. Up to now, the Group has been paid fully the transfer amount.

According to Resolution No.14.1/2024/NQ-HDQT.HBC dated 18 June 2024 of the Board of Management, the Group has signed a capital transfer contract No. 50/2024/HĐ-HBC-AVA to transfer 32,31% ownership rights of the Group in Anh Viet Mechanical and Aluminum Glass Corporation to Mr. Mai Dinh Chi Quoc with a total value of VND 29,340,000,000. Up to now, the Group has been paid fully the transfer amount.

According to Resolution No.14.2/2024/NQ-HDQT.HBC dated 18 June 2024 of the Board of Management, the Group has signed a capital transfer contract No. 49/2024/HĐ-HBC-JHE to transfer 47,82% ownership rights of the Group in Jesco Hoa Binh Engineering JSC to Mr. Pham Dieu with a total value of VND 38,326,772,000 VND. Up to now, the Group has been paid is 19.163.386.000 VND the transfer amount.

(1) Hoa Binh 479 Joint Stock Company ("479") is a joint stock company established under the Vietnamese Enterprise Law, with under Business Registration Certificate No. 2900325124 issued by the Department of Planning and Investment of Nghe An province on 3 May 2006. Its headquarters is located at No. 54 Nguyen Du Street, Ben Thuy Ward, Vinh City, Nghe An Province, Vietnam. The main business activities of 479 include construction of railway and road.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

(2) Onwa Tech Interior Decoration Joint Stock Company ("Onwa Tech") is a joint stock company established under the Vietnam Enterprise Law, with Business Registration Certificate No. 03015435290 issued by the Department of Planning and Investment of Ho Chi Minh City on 13 December 2018. The headquarters of Onwa Tech is located at 235 Vo Thi Sau Street, Ward 7, District 3, Ho Chi Minh City, Vietnam. The main business activities of Onwa Tech include providing interior decoration services; trading in materials and equipment for construction installation.

Onwa Tech is an associate the Company has direct voting rate of 15.38% and indirect voting rate of 10.15% through its subsidiaries, Hoa Binh Infrastructure Construction Investment Joint Stock Company and Hoa Binh House Corporation.

(4) Thanh Ngan Real Estate Company Limited ("Thanh Ngan") is a limited liability company established under the Vietnam Enterprise Law, with Business Registration Certificate No. 0313935259 issued by Department of Planning and Investment of Ho Chi Minh City on 27 July 2016. The headquarters of Thanh Ngan is located at 56 Ho Tung Mau, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. The main business activity of Thanh Ngan is real estate business.

Detailed information on the Group's investments in other entities as at 31 December 2024 as follows:

Name of the investee company	Head office	Rate of interest	Rate of voting rights	Operating Status	Principal activities
<b>Investment in other entities</b>					
Vietnam Pease Tour Joint Stock Company	Ho Chi Minh city	10,00%	10,00%	Active	Providing tour, travel, and passenger transportation services
Sai Gon - Rach Gia Corporation	Kien Giang	10,24%	10,24%	Active	Providing short - term accommodation services
Jesco Asia Joint Stock Company	Ho Chi Minh city	3,23%	3,23%	Active	Construction services
TRV Holding Investment Group Joint Stock Company	Ho Chi Minh city	10,00%	10,00%	Active	Providing investment consulting services

HOA BINH CONSTRUCTION GROUP JOINT STOCK COMPANY  
235 Vo Thi Sau, Vo Thi Sau Ward, District 3, Ho Chi Minh City

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.18 Short-term trade payables

	Dec. 31, 2024		Jan. 01, 2024	
	Value VND	Amount can be paid VND	Value VND	Amount can be paid VND
<b>Related Parties</b>				
Jesco Hoa Binh Engineering JSC	11,707,359,994	11,707,359,994	86,406,099,421	86,406,099,421
Anh Viet Mechanical and Aluminum Glass Corporation	-	-	39,432,000,845	39,432,000,845
Onwa Tech Interior Decoration Joint Stock Company	-	-	35,266,738,582	35,266,738,582
<b>Others</b>	11,707,359,994	11,707,359,994	11,707,359,994	11,707,359,994
Anh Viet Mechanical and Aluminum Glass Corporation	4,159,031,806,429	4,159,031,806,429	4,714,616,441,756	4,714,616,441,756
Matec Construction Machinery Joint Stock Company	36,538,762,720	36,538,762,720	-	-
Jesco Hoa Binh Engineering JSC	46,892,438,068	46,892,438,068	-	-
SMC Trading Investment Joint Stock Company	39,842,624,314	39,842,624,314	-	-
Hawee Mechanical and Electrical Joint Stock Company	-	-	104,785,668,724	104,785,668,724
Povina Steel Joint Stock Company	23,828,109,471	23,828,109,471	100,717,893,646	100,717,893,646
BM Windows Joint Stock Company	47,090,969,488	47,090,969,488	92,658,608,256	92,658,608,256
Hoa Binh Engineering and Trading Investment Joint Stock Company	53,078,529,024	53,078,529,024	99,106,583,993	99,106,583,993
Searefico Engineering and Construction Joint Stock Company	43,448,820,323	43,448,820,323	90,555,998,712	90,555,998,712
Phu Thanh Construction Joint Stock Company	-	-	81,233,047,008	81,233,047,008
Steel and Construction Material Joint Stock Company	-	-	47,491,847,512	47,491,847,512
Sunspace Window Joint Stock Company	17,869,425,377	17,869,425,377	55,790,711,622	55,790,711,622
R.E.E Mechanical & Electrical Engineering Joint Stock Company	50,707,184,793	50,707,184,793	64,945,977,664	64,945,977,664
<b>Others</b>	3,799,734,942,851	3,799,734,942,851	-	-
	4,170,739,166,423	4,170,739,166,423	3,977,330,104,619	3,977,330,104,619
	<b>4,170,739,166,423</b>	<b>4,170,739,166,423</b>	<b>4,801,022,541,177</b>	<b>4,801,022,541,177</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.19 Capitaland - Hien Duc Joint Stock Company</b>		
Quoc Loc Phat Joint Stock Company	12.668.550.721	59.770.996.318
Ecopark Corporation Joint Stock Company	84.002.893.647	112.163.831.535
Phu Loc Real Estate Investment Joint Stock Company	10.377.163.951	170.155.943.842
Gia Lam Urban Development and Investment Company Limited	10.377.163.951	50.075.588.504
Octava Novena Property Company Limited	-	71.000.000.000
Capitaland - Hien Duc Joint Stock Company	-	79.892.395.449
Gamuda Land (HCMC) Joint Stock Company	-	105.033.506.837
H9BC Investment Company	85.401.833.452	74.167.370.054
Sunshine E&C Construction Joint Stock Company	109.568.655.669	109.568.655.669
Da Lat Valley Real Estate Company Limited	124.129.503.014	114.129.503.014
My Way Ha Long Investment and Hotel Joint Stock Company	79.678.500.976	79.678.500.976
Nam Dao Construction Company Limited	95.305.561.117	129.950.093.279
Thaiholdings Joint Stock Company	278.815.206.275	7.596.204.681
Terra Gold Vietnam Joint Stock Company	105.159.357.890	29.654.957.890
Others	1.277.745.526.060	1.586.474.270.601
	<b>2.273.229.916.723</b>	<b>2.779.311.818.649</b>

### 5.20 Taxes and payables to the State Budget

	Jan. 01, 2024 VND	Receivable in the year VND	Amount collected/offset during the year VND	Dec. 31, 2024 VND
<b>Receivables</b>				
Value added tax	19.751.378	-	-	19.751.378
Import – VAT	12.649.012	-	-	12.649.012
Corporate income tax	4.374.505.975	-	-	4.374.505.975
Corporate income tax payment for amount received in advance from real estate transfer activities	-	290.280.573	-	290.280.573
Personal income tax	27.621.106	12.830.740	-	40.451.846
Fees, charges and other payables	1.414.039	-	-	1.414.039
	<b>4,435.941.510</b>	<b>303.111.313</b>	<b>-</b>	<b>4.739.052.823</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

	Jan. 01, 2024 VND	Payable amount VND	Paid amount VND	Dec. 31, 2024 VND
<b>Payables</b>				
Value added tax	197.902.161.251	157.508.776.672	134.860.563.269	220.550.374.654
Corporate income tax	6.300.522.320	13.745.134.129	7.010.672.540	13.034.983.909
Personal income tax	3.907.981.874	14.646.230.822	11.057.900.555	7.496.312.141
Environmental tax and others taxes	27.677.324	3.000.000	3.000.000	27.677.324
Fees, charges and other payables	10.436.977.896	3.646.993.308	10.706.229.239	3.377.741.965
	<b>218.575.320.665</b>	<b>189.550.134.931</b>	<b>163.638.365.603</b>	<b>244.487.089.993</b>

### Value-added tax

The company pays value added tax by the deduction method. The value added tax rate for the construction goods and services business sector is 8%, and for the remaining sectors it is 10%.

The Group's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.21 Short - term accrued expenses</b>		
Interest expenses	15.877.538.306	26.748.403.168
Expenses for sub-contractors	767.517.965.608	774.723.250.458
Real Estate Development and Industrial Park	89.422.053.288	79.570.342.951
Others	45.784.631.107	35.007.828.898
	<b>918.602.188.309</b>	<b>916.049.825.475</b>

### In which: Related Parties

Mr. Le Viet Hoa	-	73.972.603
Jesco Hoa Binh Engineering JSC	-	61.612.175.180
Anh Viet Mechanical and Aluminum Glass Corporation	-	7.828.078.464
Onwa Tech Interior Decoration Joint Stock Company	4.647.789.975	3.728.650.195
	<b>4.647.789.975</b>	<b>73.242.876.442</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.22 Short - term unearned revenue</b>		
Revenue received in advance for property rental	35.216.877.725	44.800.390.678
	<b>35.216.877.725</b>	<b>44.800.390.678</b>
	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>5.23 Other payables</b>		
<b>Short-term</b>		
Deposits from homebuyers	210.471.089.812	174.343.223.225
Assets surplus awaiting resolution	-	30.564.022
Trade union fee	10.412.734.806	7.543.202.639
Social insurance	47.713.804.918	40.593.465.778
Payable to employees for projects cost	9.600.144.124	35.673.530.214
Severance pay, employee benefit payment	18.842.759.243	13.895.326.130
Collection on behalf of maintenance fees	-	19.702.447.882
Transfer of shares of Tien Phat Sanyo Homes	-	18.000.000.000
Short-term deposits, collateral received	8.200.856.991	96.654.614.138
Liquidation penalty interest	-	21.341.529.062
Payable dividends, profit	344.486.170	411.280.195
Scholarship fund	1.933.500.000	2.000.000.000
Others	135.382.695.904	13.843.058.966
	<b>442.902.071.968</b>	<b>444.032.242.251</b>
<b>Long-term</b>		
Long-term deposits, collateral received	27.691.690.306	37.658.757.517
Others	2.831.943.152	-
	<b>30.523.633.458</b>	<b>37.658.757.517</b>
<b>In which: unpaid overdue payables</b>		
Deposits from homebuyers	210.471.089.812	174.343.223.225
Social insurance	47.311.550.260	35.333.669.317
	<b>257.782.640.072</b>	<b>209.676.892.542</b>
<b>Other short-term payables to related parties</b>		
Mrs. Bui Ngoc Mai	152.082.000	-
Mr. Vo Minh Hoang	-	1.417.911.700
	<b>152.082.000</b>	<b>1.417.911.700</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

5.24 Borrowings	Dec. 31, 2024		In the year		Jan. 01, 2024	
	Value VND	Amount can be paid VND	Increase VND	Decrease VND	Value VND	Amount can be paid VND
Short-term borrowings	3,995,332,055,693	3,995,332,055,693	5,293,790,836,174	5,470,814,832,914	3,818,308,058,953	3,818,308,058,953
Short-term debts (5.24.1)	3,981,518,792,661	3,981,518,792,661	5,130,202,389,422	5,466,526,832,918	3,645,194,349,165	3,645,194,349,165
Current portion of long-term debts (5.24.3)	13,813,263,032	13,813,263,032	38,988,446,752	-	52,801,709,784	52,801,709,784
Current portion of common bonds	-	-	124,600,000,000	4,287,999,996	120,312,000,004	120,312,000,004
- PVI Opportunity Investment Fund (5.24.2)	-	-	86,000,000,000	-	86,000,000,000	86,000,000,000
- PVI Infrastructure Investment Fund (5.24.2)	-	-	14,000,000,000	-	14,000,000,000	14,000,000,000
- Viet Nam Bank For Industry & Trade Securities JSC (5.24.2)	-	-	24,600,000,000	-	24,600,000,000	24,600,000,000
- Bond issuance cost	-	-	-	4,287,999,996	(4,287,999,996)	(4,287,999,996)
Long-term borrowings	722,676,321,906	722,676,321,906	159,899,260,375	350,154,429,516	532,421,152,665	532,421,152,665
Short-term debts (5.24.3)	49,709,765,434	49,709,765,434	157,581,927,043	142,880,000	207,148,812,477	207,148,812,477
Common bonds (5.24.2)	683,994,666,668	683,994,666,668	2,317,333,332	190,000,000,000	496,312,000,000	496,312,000,000
Long-term finance lease liabilities (5.24.4)	2,785,152,836	2,785,152,836	-	711,102,864	2,074,049,972	2,074,049,972
Current portion of long-term borrowings and debts within 12 months	(13,813,263,032)	(13,813,263,032)	-	38,988,446,752	(52,801,709,784)	(52,801,709,784)
Current portion of common bonds within 12 months	-	-	-	120,312,000,000	(120,312,000,000)	(120,312,000,000)
	<b>4,718,008,377,599</b>	<b>4,718,008,377,599</b>	<b>5,453,690,096,549</b>	<b>5,820,969,262,530</b>	<b>4,350,729,211,618</b>	<b>4,350,729,211,618</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.24.1 Detailed information on the Group's short-term borrowings:

Short-term borrowings	Balance VND	Purpose of loan	Interest rate (%/year)	Maturity	Guarantee
Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch	1,861,560,277,094	Additional capital to carry out business operations.	Applicable interest rate per drawdown	From 17 July 2024 to 28 May 2025	Land use rights, buildings and structures, machinery and equipment, financial investments. Short - Term trade receivables
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 1	1,293,346,018,342	Additional capital to carry out business operations.	Applicable interest rate per drawdown	From 10 July 2024 to 20 February 2025	Short - Term trade receivables
Vietnam Maritime Commercial Joint Stock Bank	255,276,704,858	Additional capital to carry out business operations.	Applicable interest rate per drawdown	From 24 August 2023 to 28 June 2025	Shares, term deposits, land use rights, Short - Term trade receivables
Vietnam Prosperity Joint Stock Commercial Bank	43,745,904,096	Additional capital to carry out business operations.	Applicable interest rate per drawdown	From 13 December 2024 to 25 March 2025	Short - Term trade receivables
Loans to Individuals	128,281,219,838	Additional capital to carry out business operations.	The interest rate ranges from 7.5% per year to 9.2% per year	From 6 months to 12 months	Unsecured loans

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Short-term borrowings	Balance VND	Purpose of loan	Interest rate (%/year)	Maturity	Guarantee
Orient Commercial Joint Stock Bank	4,215,652,350	Additional capital to carry out business operations.	Applicable interest rate per drawdown	12 months	Real estate
Orient Commercial Joint Stock Bank - Branch HCMC	19,937,437,564	Additional capital to carry out business operations.	Applicable interest rate per drawdown	12 months	Land use rights
Ho Chi Minh City Development Joint Stock Commercial Bank – Branch Gia Dinh	14,465,468,025	Additional capital to carry out business operations.	Applicable interest rate per drawdown	12 months	Real estate
Military Commercial Joint Stock Bank	125,902,396	Additional capital to carry out business operations.	Applicable interest rate per drawdown	12 months	Secured by the parent company
Tien Phong Commercial Joint Stock Bank	1,598,081,531	Additional capital to carry out business operations.	Applicable interest rate per drawdown	12 months	Secured by the parent company
National Citizen Bank - Branch Hanoi	22,641,683,071	Additional capital to carry out business operations.	Applicable interest rate per drawdown	12 months	Short - Term trade receivables

Long-term finance lease liabilities due for repayment

52,801,709,784

**Total**

**3,697,996,058,949**



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.24.2 Detailed information of bonds:

Arranger	Balance VND	Owner	Purpose of loan	Maturity	Guarantee
ACB Securities Limited Company	376.000.000.000	Vietnam Maritime Commercial Joint Stock Bank	To finance working capital	30 December 2026	Cash equivalent, shares of the Company, Land use rights
ACB Securities Limited Company	14.000.000.000	PVI Infrastructure Investment Fund	To finance working capital	27 January 2025	Payment guaranteed by Vietnam Maritime Commercial Joint Stock Bank
ACB Securities Limited Company	86.000.000.000	PVI Opportunity Investment Fund	To finance working capital	27 January 2025	Payment guaranteed by Vietnam Maritime Commercial Joint Stock Bank
Viet Nam Bank For Industry & Trade Securities JSC	24.600.000.000	Viet Nam Bank For Industry & Trade Securities JSC	To finance working capital	31 October 2025	Held-to-maturity investments, machinery and equipment
Bond issuance costs	(4.288.000.000)				
<b>Total</b>	<b>496.312.000.000</b>				

The bonds have initial interest rates ranging from 9.5% to 11% per annum, subsequent interest periods are floating with rates determined based on the contractual base rate plus a fluctuation margin ranging from 4% to 4.5% per annum. The collateral assets have been fully registered for secured transactions.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.24.3 Detailed information on the Group's long-term borrowings:

Long-term borrowings	Balance VND	Purpose of loan	Interest rate (%/year)	Maturity	Guarantee
Ho Chi Minh City Development Joint Stock Commercial Bank – Branch Long An	4,344,488,000	Additional capital to carry out business operations.	11,37%/year	84 months	Real estate
Vietnam Prosperity Joint Stock Commercial Bank - Branch Southern	125,573,645,893	Payment for the transfer of 13 Shophouses at Imperia Grand Duc Hoa Project invested by Terra Goold Joint Stock Company	Applicable interest rate per drawdown	36 months	Mortgage by property rights arising from the sale and purchase contract of 13 villas at Imperia Grand Duc Hoa Project
Military Commercial Joint Stock Bank - Transaction office Quang Trung	12,427,778,858	Additional capital for investment in building rooftop solar power systems.	10,4%/year	84 months	Deposits, savings books issued by Military Commercial Joint Stock Bank, deposit contracts, savings books issued by credit institutions approved by MB; Real estate; means of transport as prescribed. Debt collection rights arising from electricity purchase contracts signed between customers and local electricity companies. Solar power machinery and equipment systems formed from MB Financing plans.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Long-term borrowings	Balance	Purpose of loan	Interest rate (%/year)	Maturity	Guarantee
	VND				
Kien Long Commercial Joint Stock Bank - Branch Nha Be	1.142.800.000	Additional capital to carry out business operations.	7,9%/year	84 months	01 Volkswagen 7-seat car, automatic transmission, license plate 51L-100.35 owned by the Company with a value of VND 2,188,000,000.
Ho Chi Minh City Development Joint Stock Commercial Bank	53.146.406.102	Payment of construction costs for completion of Project Area II - Lakeside Tower commercial and apartment building	Applicable interest rate per drawdown	36 months	All assets formed from borrowed capital
Military Commercial Joint Stock Bank	10.513.693.624	Additional capital for investment in building rooftop solar power systems.	Applicable interest rate per drawdown	07 years	All assets formed from borrowed capital
Long-term finance lease liabilities due for repayment	(52.801.709.784)				
<b>Total</b>	<b>154.347.102.693</b>				
<b>5.24.4 Detailed information on finance lease liabilities:</b>					
Finance lease contract	Balance	Asset	Interest rate (%/year)	Maturity	
	VND				
Vietcombank Financial Leasing Co., Ltd Ho Chi Minh Branch	2.074.049.972	Solar power project	12 months term savings deposit interest rate in VND plus 3,1% per annum	84 months to 25 October 2027	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.24 Borrowings (Cont'd)

The loans, financial lease liabilities, and bond obligations are repaid according to the agreed schedules with the respective lenders as follows:

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Within the first year	3.818.308.058.953	3.995.332.055.693
In the second year	156.399.666.668	345.212.929.700
From the third year to the fifth year	376.021.485.997	377.463.392.206
	<b>4.350.729.211.618</b>	<b>4.718.008.377.599</b>
Amount due for settlement within 12 months	3.818.308.058.953	3.995.332.055.693
Amount due for settlement after 12 months	532.421.152.665	722.676.321.906

### 5.24.5 Borrowings from related parties

	Dec. 31, 2024		Jan. 31, 2024	
	Original VND	Interest VND	Original VND	Interest VND
Mr. Le Viet Ha	15.400.000.000	308.000.000	-	-
Mr. Le Viet Hoa	12.087.357.561	1.361.549.347	12.000.000.000	73.972.603
	<b>27.487.357.561</b>	<b>1.669.549.347</b>	<b>12.000.000.000</b>	<b>73.972.603</b>

### 5.25 Provision for payables

#### Short-term

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Provision for construction warranty	72.821.913.432	49.119.084.490
	<b>72.821.913.432</b>	<b>49.119.084.490</b>

#### Long-term

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Provision for construction warranty	148.059.767.442	182.113.365.171
Provision for severance pay	19.116.445.596	19.257.285.834
	<b>167.176.213.038</b>	<b>201.370.651.005</b>



HOA BINH CONSTRUCTION GROUP JOINT STOCK COMPANY  
235 Vo Thi Sau, Vo Thi Sau Ward, District 3, Ho Chi Minh City

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

### 5.26 Owners' equity

#### 5.26.1 Changes in Owner's Equity

	Contributed capital	Share premium	The exchange rate	Investment and development fund	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND
As at 01 Jan. 2023	2,741,332,700,000	458,969,112,981	56,445,099	96,836,842,472	(2,128,479,367,200)	22,654,400,465	1,191,370,133,817
Loss for this year	-	-	-	-	(1,110,747,492,552)	(4,590,029,716)	(1,115,337,522,268)
Distribution of dividends from subsidiaries	-	-	-	-	-	(4,201,838,112)	(4,201,838,112)
Capital increase by subsidiaries	-	-	-	-	-	23,000,000,000	23,000,000,000
Divestment from subsidiaries	-	-	-	-	-	(350,000,000)	(350,000,000)
Other decreases	-	-	-	-	(1,099,785,207)	-	(1,099,785,207)
As at 31 Dec. 2023	2,741,332,700,000	458,969,112,981	56,445,099	96,836,842,472	(3,240,326,644,959)	36,512,532,637	93,380,988,230
As at 01 Jan. 2024	2,741,332,700,000	458,969,112,981	56,445,099	96,836,842,472	(3,240,326,644,959)	36,512,532,637	93,380,988,230
Capital increase by subsidiaries	730,800,000,000	-	-	-	-	-	730,800,000,000
Profit for this year	-	-	-	-	959,786,100,623	3,176,381,983	962,962,482,606
Other increases/ (decreases)	-	(400,000,000)	-	(127,250,747)	(18,773,331,388)	(19,942,891,371)	(39,243,473,506)
As at 31 Dec. 2024	3,472,132,700,000	458,569,112,981	56,445,099	96,709,591,725	(2,299,313,875,724)	19,746,023,249	1,747,899,997,330

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

### 5.26 Owners' equity (Cont'd)

Details of		Dec. 31, 2024		Jan. 01, 2024
5.26.2 owners' shareholding	% of shareholding	VND	% of shareholding	VND
Mr. Le Viet Hai	13,53%	469.876.990.000	17,14%	469.876.990.000
Hyundai Elevator Co., Ltd	6,64%	230.607.500.000	10,24%	280.607.500.000
Others	79,83%	2.771.648.210.000	72,62%	1.990.848.210.000
	<b>100,00%</b>	<b>3.472.132.700.000</b>	<b>100,00%</b>	<b>2.741.332.700.000</b>

On 8 August 2024, the Company registered to change the Certificate of Business Registration according to the changed charter capital.

	Year 2024 VND	Year 2023 VND
<b>5.26.3 Capital transactions with owners and distribution of dividends, profits</b>		
Owners' equity		
At the beginning of the year	2.741.332.700.000	2.741.332.700.000
Capital increase during the year (*)	730.800.000.000	-
Capital decrease during the year	-	-
At the end of the year	3.472.132.700.000	2.741.332.700.000

(\*) Capital increase results during the year:

Resolution of the 2024 Annual General Meeting of Shareholders No. 02/2024/NQ - ĐHCĐ.HBC dated 25 April 2024 approved the plan for the private stock issuance for debt swap.

On 27 June 2024, the State Securities Commission issued official letter No. 4021/UBCK- QLCB about the receipt of the registration dossier for the private stock issuance for debt swap as follows:

- Name of the Issued Shares: Shares of Hoa Binh Construction Group Joint Stock Company.
- Type of Shares: Common shares
- Number of Shares to be Issued: 73,080,000 shares
- Debt-to-Equity Swap Ratio: VND 10,000 per share (i.e., VND 10,000 of debt will be swapped for 1 newly issued common share)
- Total Value to be Swapped: VND 730,800,000,000
- Issuance Target: Creditors listed in the Resolution of the Board of Directors No. 16/2024/NQ - HĐQT. HBC dated 27 June 2024.
- Transfer Restrictions: 1 year from the end of the issuance year, except in cases of transfer under court judgments, arbitration decisions, or inheritance according to legal regulations.
- End Date of the Issuance: 28 June 2024

On 18 July 2024, the Ho Chi Minh City Stock Exchange announced the change in securities trading registration according to Decision No. 421/QĐ-SGDHCM dated 15 July 2024, with details regarding the issuance of shares for debt-to-equity swaps.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

	Year 2024 VND	Year 2023 VND
<b>5.26.4 Dividends</b>		
Dividends declared after the balance sheet date	-	-
	<b>Dec. 31, 2024 VND</b>	<b>Jan. 01, 2024 VND</b>
<b>5.26.5 Shares</b>		
Number of shares registered to be issued	347.213.270	274.133.270
Number of shares sold out to the public	347.213.270	274.133.270
Ordinary share	347.213.270	274.133.270
Number of existing shares in issue	347.213.270	274.133.270
Ordinary share	347.213.270	274.133.270
Par value: VND/share.	10.000	10.000
	<b>Dec. 31, 2024 VND</b>	<b>Jan. 01, 2024 VND</b>
<b>5.26.6 Funds of the Group</b>		
Investment and development fund	96.709.591.725	96.836.842.472
	<b>96.709.591.725</b>	<b>96.836.842.472</b>

\* Purpose of appropriating and using funds of the Group

Investment and development fund is established from the profit after tax of the enterprise and used for expanding the operating scale or investing further in the enterprise of the Group.

### 5.27 Off balance sheet items

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Foreign currencies		
USD	4.495,67	3.783,58

## 6. ADDITIONAL INFORMATION FOR ITEMS IN THE AUDITED CONSOLIDATED INCOME STATEMENT

### 6.1 Revenue from sales of goods and rendering of services

	Year 2024 VND	Year 2023 VND
<b>6.1.1 Revenue from sales of goods and rendering of services</b>		
Revenue from construction contracts (i)	5.179.918.890.600	7.158.312.366.204
Revenue from real estate transfers	222.967.086.567	-
Revenue from sales of goods, finished products	64.297.066.423	63.550.769.711
Revenue from brokerage, consulting, management and operation services	25.578.948.927	27.733.047.312
Revenue from real estate leasing (land, infrastructure, workshops, offices, residentail properties)	340.339.670.627	256.458.884.259
Revenue from construction consulting services	10.631.072.574	12.242.200.409
Revenue from solar energy projects	17.763.062.772	17.849.883.911
Others	563.704.949.981	6.067.262.235
	<b>6.425.200.748.471</b>	<b>7.542.214.414.041</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

(i) Revenue from construction contracts		
Revenue from construction contracts is recognized during the year, in which:		
- Revenue recognised during the year of the on-going construction contracts at the end of year	5,179,918,890,600	7,158,312,366,204
- Revenue recognised during the year of the completed construction contracts	2,367,688,354,849	5,959,114,658,774
	2,812,230,535,751	1,199,197,707,430
Cumulative revenue recognised up to end of year of the on-going construction contracts	15,696,743,073,535	11,940,571,699,226
	<b>Year 2024</b>	<b>Year 2023</b>
	<b>VND</b>	<b>VND</b>
<b>6.1.2 Revenue deductions</b>		
Trade discounts	4,317,740,271	5,099,059,139
Sales return	38,086,046	-
Sales allowances	-	18,774,056
	<b>4,355,826,317</b>	<b>5,117,833,195</b>
	<b>Year 2024</b>	<b>Year 2023</b>
	<b>VND</b>	<b>VND</b>
<b>6.1.3 Net revenue from sales of goods and rendering of services</b>		
Net revenue from construction contracts	5,179,918,890,600	7,158,312,366,204
Net revenue from real estate transfers	222,967,086,567	-
Net revenue from sales of goods, finished products	59,941,240,106	58,432,936,516
Net revenue from brokerage, consulting, management and operation services	25,578,948,927	27,733,047,312
Net revenue from real estate leasing (land, infrastructure, workshops, offices, residential properties)	340,339,670,627	256,458,884,259
Net revenue from construction consulting services	10,631,072,574	12,242,200,409
Net revenue from solar energy projects	17,763,062,772	17,849,883,911
Others	563,704,949,981	6,067,262,235
	<b>6,420,844,922,154</b>	<b>7,537,096,580,846</b>
	<b>Year 2024</b>	<b>Year 2023</b>
	<b>VND</b>	<b>VND</b>
<b>6.2 Cost of goods sold</b>		
Cost of from construction contracts	4,954,067,378,668	6,959,137,744,943
Cost of from real estate transfers	187,779,298,532	-
Cost of from sales of goods, finished products	39,865,371,953	39,128,490,540
Cost of from brokerage, consulting, management and operation services	13,557,370,335	11,296,764,093
Cost of from real estate leasing (land, infrastructure, workshops, offices, residential properties)	304,873,378,791	262,582,039,608
Cost of from construction consulting services	5,531,613,244	9,962,950,356
Cost of from solar energy projects	7,620,855,350	8,461,198,008
Cost of goods sold other	565,858,974,979	(484,449,587)
Provision for inventory devaluation	(15,864,450,870)	-
	<b>6,063,289,790,982</b>	<b>7,293,009,825,276</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

	Year 2024 VND	Year 2023 VND
<b>6.3 Financial income</b>		
Interest income from deposits, loans	8,999,020,905	10,695,394,624
Profit from investment transfer	169,407,078,971	18,639,323,200
Late payment interest	65,696,502,827	44,864,781,018
Exchange rate difference	255,942,076	4,042,017
Others	300,503,226	71,153,036
	<b>244,659,048,005</b>	<b>74,274,693,895</b>
<b>6.4 Financial expenses</b>		
Interest expense	404,156,249,744	557,095,371,780
Bond issuance expenses	2,317,333,336	-
Provision/ (reversal) for impairment loss from investment	(3,972,771,121)	1,596,087,102
Payment discount	1,435,423,666	-
Foreign exchange losses	337,823,436	182,000,277
Others	3,389,813,156	583,862,745
	<b>407,663,872,217</b>	<b>559,457,321,904</b>
<b>6.5 Gains/losses in associates, joint-ventures</b>		
Hoa Binh 479 Joint Stock Company	(5,229,305,545)	(2,927,559,411)
Jesco Hoa Binh Engineering JSC	(15,702,595,503)	(19,808,612,402)
Anh Viet Mechanical and Aluminum Glass Corporation	1,970,503,826	(14,543,552,015)
Onwa Tech Interior Decoration Joint Stock Company	(139,383,640)	(400,021,061)
Thanh Ngan Real Estate Company Limited	(7,347,049,547)	(196,472,704)
	<b>(26,447,830,409)</b>	<b>(37,876,217,593)</b>
<b>6.6 Selling expenses and General and administration expenses</b>		
<b>6.6.1 Selling expenses</b>		
Salaries	13,219,193,035	15,493,780,346
Material and packaging costs	-	97,189,364
Office supplies expenses	-	1,053,360,988
Depreciation	2,650,672,011	2,524,057,650
Brokerage expenses	-	5,418,060
Services bought from outsiders	9,077,264,648	14,506,048,233
Other sundry expenses by cash	11,240,077,119	5,066,561,160
	<b>36,187,206,813</b>	<b>38,746,415,801</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

	Year 2024 VND	Year 2023 VND
<b>6.6.2 General and administration expenses</b>		
Salaries	144.504.137.503	190.877.587.786
Material and packaging costs	-	382.386.829
Office supplies expenses	-	1.709.433.671
Depreciation	3.831.503.686	5.076.145.478
Taxes, fees and charge	681.932.693	(174.497.079)
Provision for doubtful debts	(540.393.997.878)	417.484.000.580
Services bought from outsiders	82.326.366.352	109.812.488.732
Other sundry expenses by cash	36.367.602.147	25.546.988.395
Goodwill	5.791.380.208	6.986.195.080
	<b>(266.891.075.289)</b>	<b>757.700.729.472</b>
	Year 2024 VND	Year 2023 VND
<b>6.7 Other Income</b>		
Liquidation, disposal of fixed assets	590.699.014.439	12.322.682.551
Gain from Liquidation, disposal of Tools and supplies	191.605.833	-
Debt Sales Revenue	13.628.974.465	-
Project warranty provision refund	13.996.407.324	29.148.118.690
Revenue from assignment of business rights to the staging area	66.122.675	-
Deposit received due to customer cancellation of contract	944.905.454	-
Others	16.313.145.086	11.556.232.062
	<b>635.840.175.276</b>	<b>53.027.033.303</b>
	Year 2024 VND	Year 2023 VND
<b>6.8 Other expenses</b>		
Late interest expenses	2.421.360.034	-
Social insurance and tax payments	7.187.761.599	12.808.304.338
Fines	-	26.092.499.211
Costs associated with contract termination	9.268.348.478	-
Others	6.417.527.175	18.523.786.675
	<b>25.294.997.286</b>	<b>57.424.590.224</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

### 6.9 Corporate income tax

	Year 2024 VND	Year 2023 VND
<b>6.9.1 Corporate income tax expenses</b>		
Current Corporate income tax expenses at parent company	-	-
Current Corporate income tax expenses at at Subsidiaries		
- Hoa Binh Paint Co., Ltd	1.762.312.935	1.669.845.591
- Hoa Binh Infrastructure Construction Investment Corporation	11.982.821.194	5.875.595.930
- Hoa Yen Investment and Development Joint Stock Company	-	-
	<b>13.745.134.129</b>	<b>7.545.441.521</b>

The corporate income tax ("CIT") rate applicable to the Company is 20% of taxable profits.

The tax reports of the companies in the Group will be subject to inspection by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

### 6.9.2 Uncertainty temporary differences and tax losses to be utilized in the future

#### Unused tax losses

The Group is allowed to carry forward tax losses to subsequent years to offset against taxable income within 5 years from the year in which the losses were incurred. As at 31 December 2024, the Group has accumulated tax losses totaling VND 2,201,214,826,039 (compared to VND 3,008,100,747,131 as at 31 December 2023) which can be used to offset against taxable income generated in the following years. Specifically:

Origin ating year	Can be utilized up to	Tax loss amount VND	Utilized up to 31 Dec. 2024 VND	Forfeited VND	Unutilized at 31 Dec. 2024 VND
2022	2027	2.295.301.827.772	806.885.921.092	-	1.488.415.906.680
2023	2028	712.798.919.359	-	-	712.798.919.359
	<b>Total</b>	<b>3.008.100.747.131</b>	<b>806.885.921.092</b>	<b>-</b>	<b>2.201.214.826.039</b>

The Board of General Directors evaluates the Group's ability to generate sufficient taxable profits in the future to utilize these unused tax losses as uncertain. Therefore, the Group does not recognize deferred tax assets and deferred corporate income tax expense in these financial statements related to these tax losses.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

### 6.9.3 The excess interest expense in relation to the prescribed

At the same time, the Group is allowed to carry forward excess interest expenses that have not been deducted for current year corporate income tax calculation to subsequent years after determining the total deductible interest expenses of the following years (according to Decree No. Decision 132/2020/ND-CP dated 5 November 2020 of the Government). The period for carrying forward interest expenses to subsequent years is calculated continuously and shall not exceed 5 years from the year in which the interest expenses were incurred. As at 31 December 2024, the Company has unutilized interest expenses totaling VND 1,140,178,795,908 (as at 31 December 2023, it was VND 1,171,627,607,889), which can be used to offset against the total interest expenses of the subsequent years. Specifically:

Originating year	Can be used as deductible interest expense up to	Non-deductible interest expenses incurred	Non-deductible interest expenses carried forward to following year by 31 Dec. 2024	Deductible interest expenses are no longer carried forward to the following year until 31 Dec. 2024	Non-deductible interest expense available to be carried forward as at 31 Dec. 2024
		VND	VND	VND	VND
2021	2026	60.495.638.851	-	31.448.847.981	29.046.790.870
2022	2027	483.219.186.720	-	-	483.219.186.720
2023	2028	627.912.782.318	-	-	627.912.782.318
Total		1.171.627.607.889	-	31.448.847.981	1.140.178.759.908

The Board of General Directors evaluates the uncertainty regarding the potential utilization of these unclaimed interest expense within the remaining allowable period. Therefore, the Group does not recognize deferred tax assets and deferred corporate income tax expenses in these financial statements related to these unclaimed interest expenses.

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>6.10 Deferred income tax assets</b>		
Corporate income tax rate used to determine deferred income tax assets	20%	20%
Deferred income tax assets related to deductible temporary differences	46.142.434.714	48.669.271.041
	<b>46.142.434.714</b>	<b>48.669.271.041</b>
	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>6.11 Deferred corporate income tax liabilities</b>		
Corporate income tax rate used to determine deferred income tax liabilities	20%	20%
Deferred income tax liabilities arising from deductible temporary differences	523.055.312.412	491.505.757.177
	<b>523.055.312.412</b>	<b>491.505.757.177</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>6.12 Deferred corporate income tax expense</b>		
- Deferred corporate income tax expense arising from taxable temporary differences	38,700.213.277	31.687.684.887
- Deferred income tax expense resulting from reversal of deferred income tax asset	4,000.459.277	-
- Deferred CIT income arising from deductible temporary differences	(10.056.766.272)	(3.712.396.366)
	<b>32.643.906.282</b>	<b>27.975.288.521</b>

	Year 2024 VND	Year 2023 VND
<b>6.13 Earnings per share</b>		
Accounting profit after corporate income tax	959.786.100.623	(1.110.747.492.552)
Increase or decrease of accounting profit	-	-
- Adjustment to increase	-	-
- Adjustment to decrease	-	-
Profit or loss attributable to ordinary equity holders	959.786.100.623	(1.110.747.492.552)
Average ordinary shares outstanding during the year	310.673.270	274.133.270
Earnings per share	3.089	(4.052)
Diluted earnings per share (*)	3.089	(4.052)

(\*) There is no impact of the reduction of common stock on 31 December 2024.

## 7. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED CASH FLOW STATEMENT

	Year 2024 VND	Year 2023 VND
<b>7.1 Non-monetary transactions that affect the cash flow statement In the future</b>		
- Conversion of debt into owner's equity	730.800.000.000	-
<b>7.2 Borrowing amount in the year</b>		
- Proceeds from the borrowing under normal agreement	2.625.776.420.452	3.295.260.763.168
<b>7.3 Payment for principal debts</b>		
- Payment for principal debts under normal agreement	2.883.904.487.629	4.449.057.152.612
- Payment for principal debts of ordinary bond	190.000.000.000	260.000.000.000

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Those notes form an integral part of the financial statements.

### 8. OTHER INFORMATION

#### 8.1 Contingent liabilities, commitments

##### 8.1.1 Contingent liabilities

As of 31 December 2024, the Group has overdue debts and disputes and litigation related to the performance of economic contracts in which the Group is the plaintiff or defendant at the Court and Arbitration, which may give rise to late payment interest, penalties, and related expenses for the Group. These amounts are only recorded when they are reliably determined and there is a certain reduction in economic benefits for the Group through negotiation or final judgment of the Court and Arbitration.

##### 8.1.2 Commitments

###### Operating leased assets

The Group is the lessee and leased office under operating lease contracts. At the end of the reporting year, future minimum rental payments under operating lease contracts are presented as follows:

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Under 1 year	138.052.540.267	31.309.274.063
From 1 year to 5 years	582.113.704.004	123.056.133.070
Over 5 years	580.497.326.895	1.229.952.446.111

Additionally, the Company and its subsidiaries have land lease contracts with the State for the purpose of serving their production and business activities. According to these contracts, the Company and its subsidiaries must pay land rent annually until the contract expires or make a lump-sum payment for the entire lease term as stipulated by current regulations of the State.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of the financial statements.

### Operating assets for leasing

The Group is the lessor under operating lease contracts. At the end of the reporting year, future minimum lease income under operating lease contracts are presented as follows:

	Dec. 31, 2024 VND	Jan. 01, 2024 VND
Under 1 year	116.956.083.864	11.144.720.526
From 1 year to 5 years	116.946.795.781	205.792.206.892
Over 5 years	21.124.580.428	41.623.235.176

The company has a contract to lease assets to Matec Group Joint Stock Company, including lifting equipment, concrete pumps, electromechanical machinery, and other assets. The primary purpose is for Matec to sublease these assets to HBC's beneficiaries to control asset turnover, damage, loss, and utilization efficiency. The lease term and asset management are automatically renewed at the end of each year. Rental prices and sublease terms are adjusted periodically as agreed by both parties. Matec will prioritize subleasing to designated beneficiaries. If these beneficiaries do not fully utilize the assets, Matec has the right to lease them to other partners for effective utilization.

### 8.2 Transactions and Closing balance with related parties

#### 8.2.1 Transactions and Closing balance of key management members and individuals related to key management members

##### Transactions and Closing balance of key management members and individuals related to key management members

The Group did not have any other transactions and provision services with key management members and individuals related to key management members.

#### Income of key management

Name	Position	Year 2024 VND	Year 2023 VND
Mr. Le Viet Hai	Chairman	1.845.713.532	1.997.202.660
Mr. David Martin Ruiz	Member (resigned on 27 June 2023)	-	972.870.474
Mr. Le Viet Hieu	Vice Chairman, cum Deputy General Director	1.779.849.200	1.921.008.966
Mr. Le Van Nam	Member, cum General Director (appointed on 01 June 2023)	1.845.713.532	1.071.576.497
Mr. Nguyen Tan Tho	Deputy General Director resigned on 30 April 2024	413.681.222	1.331.307.205
Mr. Nguyen Hung Cuong	Deputy General Director resigned on 21 September 2024	747.758.860	1.331.307.205
Mr. Nguyen Khanh Hoang	Deputy General Director	1.013.098.363	518.106.995
Mr. Dinh Van Thanh	Deputy General Director	627.325.344	647.367.367

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Mr. Le Van Vien	Deputy General Director appointed on 01 May 2024 and resigned on 01 March 2025	574.234.738	-
Mr. Nguyen Kinh Luan	Deputy General Director appointed on 01 November 2024	542.048.892	-
Mr. Truong Quang Nhat	Deputy General Director resigned on 18 May 2023	-	802.093.349
Mr. Duong Dinh Thanh	Deputy General Director resigned on 23 March 2023	-	506.760.740
Mrs. Nguyen Thi Kim Loan	Chief Financial Officer appointed on 02 August 2024	885.371.108	95.424.752
Mrs. Le Thi Thu Trang	Chief Accountant appointed on 01 November 2024	109.907.021	-
		<b>10.384.701.812</b>	<b>11.195.026.210</b>

### 8.2.2 Transactions and Closing balance with other related parties

#### Transactions with other related parties

Other related parties	Transactions	Year 2024 VND	Year 2023 VND
Hoa Binh 479 Joint Stock Company	Revenue	323.004.180	-
	Disposal scrap	-	241.444.800
Onwa Tech Interior Decoration Joint Stock Company	Revenue	-	8.505.710.649
	Others revenue	4.500.000	-

#### Closing balance with other related parties

Other related parties	Transactions	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>Short - Term trade receivables</b>			
Hoa Binh 479 Joint Stock Company	Construction Services	-	356.011.120
<b>Short - Term prepayment to supplies</b>			
Onwa Tech Interior Decoration Joint Stock Company	Advance	4.295.714.316	4.295.714.316
<b>Loan receivables</b>			
Mr. Vo Minh Hoang	Loan	1.789.890.000	1.789.890.000



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

Other related parties	Transactions	Dec. 31, 2024 VND	Jan. 01, 2024 VND
<b>Other receivables</b>			
Mr. Le Viet Hai and Mrs. Bui Ngoc Mai	Advance for Real Estate Purchases	120.000.000.000	120.000.000.000
Mrs. Pham Thi Quoc Huong (*)	Advance	386.385.063.700	527.058.125.512
Key management	Advance for salary	-	21.158.283.442
Onwa Tech Interior Decoration Joint Stock Company	Payment fee	1.944.918.073	1.940.418.073
Hoa Binh 479 Joint Stock Company	Dividends receivable	1.877.790.480	1.877.790.480
	Payment fee	620.893.878	265.589.280
<b>Short-term trade payables</b>			
Onwa Tech Interior Decoration Joint Stock Company	Subcontracting expenses	11.707.359.994	11.707.359.994
<b>Short - term accrued expenses</b>			
Onwa Tech Interior Decoration Joint Stock Company	Subcontracting expenses	4.647.789.975	3.728.650.195
<b>Other payables</b>			
Mrs. Bui Ngoc Mai	Borrowing money	152.082.000	-
Mr. Vo Minh Hoang	Borrowing money	-	1.417.911.700

### 8.3 Presentation of consolidated segment asset, revenue and operating result

The Board of Directors of the Group determines that the types of products and services that the Group provides are mainly construction and installation business, concentrated in the territory of Vietnam. Therefore, the Group's report does not present segment reports.

### 8.4 Subsequent events after the fiscal year

In addition, there were no material events occurring after the end of the fiscal year as at December 31, 2024 that would require adjustment or disclosure in these consolidated financial statements

### 8.5 Other Information

The Head of the District 01 Civil Judgment Enforcement Office shall execute the judgment against Sunshine Saigon Group Joint Stock Company according to Decision No. 3150/QĐ-CCTHADS dated 4 July 2024 and Decision on account freezing No. 160/QĐ-CCTHADS dated 5 July 2024 with the amount of VND 158,135,193,532, which the Parent Company received on 31 July 2024.

On 17 February 2025, the company received the Appeal Judgment No.285/2024/KDTM-PT of the Hanoi People's Court, which ruled and ordered the Defendant Sunshine E&C Construction Joint Stock Company to perform the following contents:

- Requesting Sunshine E&C Construction Joint Stock Company to pay HBC the total principal + interest + penalty equivalent to: VND 94,197,397,093.
- From the date of the request for enforcement of the judgment by the Judgment Enforcement Party until the judgment is fully enforced, the Judgment Enforcement Party shall also pay interest on the remaining amount to be enforced at the average overdue debt interest rate on the market at the time of payment corresponding to the period of late payment.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

*These notes form an integral part of the financial statements.*

On 26 July 2024, Ho Chi Minh City Stock Exchange announced that HBC shares were subject to mandatory delisting. According to announcement No. 1463/TB-SGDHCM of Ho Chi Minh City Stock Exchange dated 9 August 2024, the effective date of delisting is 8 September 2024, moving the trading floor from HOSE to Upcom.

On 31 July 2024, major shareholder Hyundai Elevator Co., LTD transferred 5,000,000 HBC shares. The number of HBC shares after the transaction was 23,060,750 shares, 6.64% of charter capital.



**DANG NGUYEN NAM TRAN**  
Prepared



**LE THI THU TRANG**  
Chief accountant



**LE VIET HAI**  
Chairman  
HCMC, 31 March 2025