

**VINACONEX 39 JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS**

For the year ended 31 December 2024

Ha Noi, March 2025

TABLE OF CONTENTS

| CONTENTS                          | PAGE(S) |
|-----------------------------------|---------|
| STATEMENT OF THE MANAGEMENT       | 2       |
| INDEPENDENT AUDITORS' REPORT      | 3 - 4   |
| BALANCE SHEET                     | 5 - 6   |
| INCOME STATEMENT                  | 7       |
| CASH FLOW STATEMENT               | 8       |
| NOTES TO THE FINANCIAL STATEMENTS | 9 - 29  |

**STATEMENT OF THE MANAGEMENT**

The Management of Vinaconex 39 Joint Stock Company (“the Company”) presents this report together with the Company’s audited financial statements for the year ended 31 December 2024.

**THE BOARD OF DIRECTORS AND THE MANAGEMENT**

The members of the Board of Directors and the Management who executed the Company during the year ended 31 December 2024 and to the date of this report are as follows:

**BOARD OF DIRECTORS**

|                            |  |
|----------------------------|--|
| Mr. Phan Dinh Phong        | Chairman (appointed on 22 January 2024)<br>Vice chairman (resigned on 22 January 2024) |
| Mr. Trinh Duc Phu          | Chairman (resigned on 22 January 2024)   |
| Mr. Vu Thanh Kien          | Member   |
| Ms. Le Cam Tu              | Member (appointed on 23 March 2024)  |
| Ms. Nguyen Thi Huyen Trang | Member (appointed on 23 March 2024)  |
| Ms. Nguyen Thi Bich Hang   | Member (appointed on 23 March 2024)  |
| Mr. Nguyen Viet Hung       | Member (appointed on 23 March 2024)  |
| Mr. Do Hoang Anh           | Member (resigned on 23 March 2024)   |
| Mr. Nguyen Tuan Anh        | Member (resigned on 23 March 2024)   |
| Mr. Pham Duc Tuan          | Member (resigned on 23 March 2024)   |
| Mr. Vu Xuan Trung          | Member (resigned on 23 March 2024)   |

**THE MANAGEMENT**

|                         |   |
|-------------------------|---|
| Mr. Nguyen Tien Dung    | General Director  |
| Ms. Nguyen Thi Kim Hanh | Deputy General Director                                 |
| Mr. Dinh Canh Tien      | Deputy General Director (resigned on 23 September 2024) |

**THE MANAGEMENT’S STATEMENT OF RESPONSIBILITY**

The management of the Company is responsible for preparing the financial statements for the year ended 31 December 2024, which give a true and fair view of the financial position of the Company and of its operation results and its cash flows for the year then ended. In preparing these financial statements, the Management is required to:

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

The management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese accounting standards, corporate accounting system and the relevant statutory requirements applicable to the preparation and presentation of the financial statements. The management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The management confirms that the Company has complied with the above requirements in preparing these financial statements.

For and on the Management,



**Nguyen Tien Dung**  
General Director  
Ha Noi, 05 March 2025

No.: **47** /2025/BCKT-AVI-TC1

## INDEPENDENT AUDITORS'S REPORT

**To:** Shareholders  
The Board of Directors and the Management  
Vinaconex 39 Joint Stock Company

We have audited the accompanying financial statements of Vinaconex 39 Joint Stock Company ("the Company") prepared on 05 March 2025 as set out from page 05 to 29, which comprise the balance sheet as at 31 December 2024, the income statement, cash flows statement for the year then ended and the Notes to the financial statements.

### The Management's Responsibility

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese accounting standards, corporate accounting system and the statutory requirements relevant applicable to the preparation and presentation of financial statements and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with Vietnamese Standards on Auditing. However, because of the matters described in the "Basis for Disclaimer of Opinion" paragraph, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### Basis for Disclaimer of Opinion

1. As at 31 December 2024, the Company has a number of receivables from customers and prepayments to sellers that are overdue for more than 3 years (as explained in Note 9 of the Notes to the Financial Statements). We were unable to obtain appropriate audit evidence to assess the progress of settlement of the related uncompleted projects as well as the value and recoverability of these debts.
2. As at 31 December 2024, the entrusted investment with North Central Mineral Investment Joint Stock Company was VND 91.63 billion and the corresponding interest receivable was about 20.14 billion VND, these amount were overdue for many years. We were unable to obtain appropriate audit evidence to assess the fair value of this investment as well as the recoverability of the principal and interest receivable.
3. The Company's "Inventories" balance as at 31 December 2024 includes the value of unfinished construction of a number of projects that have been suspended/waiting for settlement for many years (as explained in Note 11 of the Notes to the Financial Statements). Currently, the Company is working with Investors/General Contractors to determine the final settlement value of these projects. We were unable to obtain sufficient appropriate audit evidences related to the net realizable value of the costs of unfinished construction project as well nor can we evaluate the possibility and progress of the finalization settlement of these projects. Therefore, we are unable to determine whether it is necessary to adjust the related figures in the financial statements.

4. As stated in Note 4, section "Basis for preparing financial statements" in the Notes to the financial statements: As at 31 December 2024, the company's accumulated loss of VND 445.7 billion exceeded the charter capital and led to negative equity of VND 126.3 billion (accumulated loss as at 31 December 2023 was VND 413.7 billion). Short-term liabilities exceeded short-term assets by VND 357.7 billion in which the overdue loan balance was VND 222.6 billion and the outstanding interest was VND 360.2 billion. The Company's 2024 business results continued to be a loss of VND 32.1 billion (2023 loss of VND 32.2 billion). The above issues have raised doubts about the Company's ability to continue operating in the next 12 months. The Company's ability to continue as a going concern is dependent on the recovery of receivables, overdue investment funds, and early settlement of unfinished projects to recover debts, the ability to continue to successfully extend debts and loans as they mature, and the ability to generate future profits. We were unable to obtain sufficient appropriate audit evidence to evaluate whether the accompanying financial statements are appropriate to prepare on a going concern basis due to the uncertainties inherent in the above assumptions.

#### Disclaimer of Opinion

Because of the significance of the matter described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.



---

**Nguyen Thuong**  
**Deputy General Director**  
Audit Practice Registration Certificate  
No. 0308-2023-055-1

*For and on behalf of*  
**ANVIET AUDITING COMPANY LIMITED**

*Ha Noi, 05 March 2025*

---

**Ta Thi Tham**  
**Auditor**  
Audit Practice Registration Certificate  
No. 3676-2021-055-1

**BALANCE SHEET**  
As at 31 December 2024

FORM B01 - DN  
Unit: VND

| ITEMS  | Codes      | Notes     | 31/12/2024             | 01/01/2024             |
|--|------------|-----------|------------------------|------------------------|
| <b>A - CURRENT ASSETS</b>                                      | <b>100</b> |           | <b>501,493,415,878</b> | <b>509,557,730,318</b> |
| <b>I. Cash and cash equivalents</b>                            | <b>110</b> |           | <b>536,885,523</b>     | <b>137,774,346</b>     |
| 1. Cash  | 111        | 5         | 536,885,523            | 137,774,346            |
| <b>II. Short-term financial investments</b>                    | <b>130</b> |           | <b>97,811,005,639</b>  | <b>97,882,711,377</b>  |
| 1. Trading securities  | 131        | 10        | 7,187,399,890          | 7,186,228,720          |
| 2. Allowances for devaluation of trading securities            | 132        | 10        | (1,003,670,508)        | (930,793,600)          |
| 3. Investments held to maturity                                | 135        | 10        | 91,627,276,257         | 91,627,276,257         |
| <b>III. Short-term receivables</b>                             | <b>130</b> |           | <b>285,260,084,233</b> | <b>288,451,899,107</b> |
| 1. Short-term trade receivable                                 | 131        | 6         | 138,938,504,165        | 141,433,607,142        |
| 2. Short-term prepayment to suppliers                          | 132        | 7         | 93,393,548,116         | 93,253,948,116         |
| 3. Other short-term receivables                                | 136        | 8         | 58,111,871,411         | 58,948,183,308         |
| 4. Provision for short-term doubtful debts                     | 137        | 9         | (5,183,839,459)        | (5,183,839,459)        |
| <b>IV. Inventories</b>   | <b>140</b> |           | <b>117,885,440,483</b> | <b>123,085,087,153</b> |
| 1. Inventories   | 141        | 11        | 117,885,440,483        | 123,085,087,153        |
| <b>V. Other current assets</b>                                 | <b>150</b> |           | -                      | <b>258,335</b>         |
| 1. Short-term prepaid expenses                                 | 151        | 12        | -                      | 258,335                |
| <b>B - NON-CURRENT ASSETS</b>                                  | <b>200</b> |           | <b>271,916,029,059</b> | <b>283,000,573,844</b> |
| <b>I. Long-term receivables</b>                                | <b>210</b> |           | <b>193,714,729,102</b> | <b>193,714,729,102</b> |
| 1. Other long-term receivables                                 | 216        | 8         | 193,714,729,102        | 193,714,729,102        |
| <b>II. Fixed assets</b>  | <b>220</b> |           | <b>2,001,923,766</b>   | <b>2,321,927,574</b>   |
| 1. Tangible fixed assets                                       | 221        | 13        | 2,001,923,766          | 2,321,927,574          |
| - Cost   | 222        |           | 53,728,624,956         | 53,728,624,956         |
| - Accumulated depreciation                                     | 223        |           | (51,726,701,190)       | (51,406,697,382)       |
| 2. Intangible fixed assets                                     | 0          |           | -                      | -                      |
| - Cost   | 0          |           | 141,555,000            | 141,555,000            |
| - Accumulated amortization                                     | 0          |           | (141,555,000)          | (141,555,000)          |
| <b>III. Investment property</b>                                | <b>230</b> | <b>14</b> | <b>30,123,371,440</b>  | <b>32,045,338,288</b>  |
| - Cost   | 231        |           | 47,888,057,644         | 47,888,057,644         |
| - Accumulated depreciation                                     | 232        |           | (17,764,686,204)       | (15,842,719,356)       |
| <b>IV. Long-term assets in progress</b>                        | <b>240</b> |           | <b>1,428,184,355</b>   | <b>1,428,184,355</b>   |
| 1. Long-term work in progress                                  | 241        |           | 1,428,184,355          | 1,428,184,355          |
| <b>V. Long-term financial investments</b>                      | <b>0</b>   |           | <b>9,755,247,561</b>   | <b>14,009,683,756</b>  |
| 1. Investments in subsidiaries                                 | 0          | 10        | 38,660,000,000         | 38,660,000,000         |
| 2. Equity investments in other entities                        | 253        | 10        | 30,000,000             | 3,000,000,000          |
| 3. Provision for impairment of long-term financial investments | 254        | 10        | (28,934,752,439)       | (27,650,316,244)       |
| <b>VI. Other long-term assets</b>                              | <b>260</b> |           | <b>34,892,572,835</b>  | <b>39,480,710,769</b>  |
| 1. Long-term prepaid expenses                                  | 261        | 12        | 34,890,754,653         | 39,478,892,587         |
| 2. Deferred tax assets   | 262        |           | 1,818,182              | 1,818,182              |
| <b>TOTAL ASSETS</b>  | <b>270</b> |           | <b>773,409,444,937</b> | <b>792,558,304,162</b> |

**BALANCE SHEET (Continued)**  
As at 31 December 2024

FORM B01 - DN  
Unit: VND

| ITEMS  | Codes      | Notes     | 31/12/2024               | 01/01/2024              |
|--|------------|-----------|--------------------------|-------------------------|
| <b>C - LIABILITIES</b>                                   | <b>300</b> |           | <b>899,768,916,996</b>   | <b>886,832,104,571</b>  |
| <b>I. Current liabilities</b>                            | <b>310</b> |           | <b>859,264,263,498</b>   | <b>841,174,365,737</b>  |
| 1. Short-term trade payable                              | 311        | 15        | 106,542,892,968          | 106,206,471,402         |
| 2. Short-term advances from customers                    | 312        | 16        | 76,345,391,021           | 78,135,224,079          |
| 3. Taxes and amount payable to State Budget              | 313        | 17        | 164,860,085              | 1,285,767,760           |
| 4. Payables to employees                                 | 314        |           | 849,182,600              | 871,106,600             |
| 5. Short-term accrued expenses                           | 315        | 18        | 360,312,394,182          | 336,026,626,337         |
| 6. Short-term unearned revenue                           | 318        |           | 124,217,140              | -                       |
| 7. Other short-term payables                             | 319        | 19        | 91,588,011,171           | 91,949,011,362          |
| 8. Short-term loans and obligations under finance leases | 320        | 21        | 223,305,261,270          | 226,668,105,136         |
| 9. Bonus and welfare funds                               | 322        |           | 32,053,061               | 32,053,061              |
| <b>II. Long-term Liabilities</b>                         | <b>330</b> |           | <b>40,504,653,498</b>    | <b>45,657,738,834</b>   |
| 1. Long-term unearned revenue                            | 336        | 20        | 39,850,899,249           | 44,955,718,834          |
| 2. Other long-term payables                              | 337        | 19        | 653,754,249              | 702,020,000             |
| <b>D - EQUITY</b>  | <b>400</b> |           | <b>(126,359,472,059)</b> | <b>(94,273,800,409)</b> |
| <b>I. Owner's equity</b>                                 | <b>410</b> | <b>22</b> | <b>(126,359,472,059)</b> | <b>(94,273,800,409)</b> |
| 1. Owners' contributed capital                           | 411        |           | 300,000,000,000          | 300,000,000,000         |
| - Ordinary shares carrying voting rights                 | 411a       |           | 300,000,000,000          | 300,000,000,000         |
| 2. Capital surplus                                       | 412        |           | 15,069,800,000           | 15,069,800,000          |
| 3. Investment and development fund                       | 418        |           | 3,238,124,869            | 3,238,124,869           |
| 4. Other owner's funds                                   | 420        |           | 1,123,204,630            | 1,123,204,630           |
| 5. Retained earnings                                     | 421        |           | (445,790,601,558)        | (413,704,929,908)       |
| - Retained earnings accumulated to the prior year end    | 421a       |           | (413,704,929,908)        | (381,527,841,106)       |
| - Retained earnings of the current year                  | 421b       |           | (32,085,671,650)         | (32,177,088,802)        |
| <b>TOTAL RESOURCES</b>                                   | <b>440</b> |           | <b>773,409,444,937</b>   | <b>792,558,304,162</b>  |

Ha Noi, 05 March 2025

Preparer



Pham Thanh Thuy

Chief Accountant



Le Thi Thu Huong

General Director



Nguyen Tien Dung

**INCOME STATEMENT**  
For the year ended 31 December 2024

FORM B02 - DN  
Unit: VND

| ITEMS   | Codes | Notes | Year 2024               | Year 2023               |
|---|-------|-------|-------------------------|-------------------------|
| 1. Revenue from goods sold and services rendered      | 01    | 23    | 14,148,701,007          | 17,234,630,875          |
| 2. Deductions   | 02    |       | -                       | -                       |
| 3. Net revenue from goods sold and services rendered  | 10    |       | 14,148,701,007          | 17,234,630,875          |
| 4. Cost of goods sold and services rendered           | 11    | 24    | 13,127,025,339          | 15,149,072,225          |
| 5. Gross profit from goods sold and services rendered | 20    |       | 1,021,675,668           | 2,085,558,650           |
| 6. Financial income                                   | 21    |       | 625,503,789             | 81,910,328              |
| 7. Financial expenses                                 | 22    | 25    | 27,471,851,667          | 24,888,504,409          |
| - In which: Loan interest charged                     | 23    |       | 25,050,366,000          | 23,443,202,072          |
| 8. Selling expenses                                   | 25    |       | -                       | 36,956,067              |
| 9. General and administrative expenses                | 26    | 26    | 5,473,211,323           | 6,445,600,083           |
| 10. Operating profit                                  | 30    |       | <b>(31,297,883,533)</b> | <b>(29,203,591,581)</b> |
| 11. Other income                                      | 31    |       | -                       | 23,616,000              |
| 12. Other expenses                                    | 32    | 27    | 787,788,117             | 2,997,113,221           |
| 13. Profit from other activities                      | 40    |       | <b>(787,788,117)</b>    | <b>(2,973,497,221)</b>  |
| 14. Accounting profit before tax                      | 50    |       | <b>(32,085,671,650)</b> | <b>(32,177,088,802)</b> |
| 15. Current corporate income tax expense              | 51    | 29    | -                       | (83,430,876)            |
| 16. Deferred tax expense                              | 52    |       | -                       | 83,430,876              |
| 17. Net profit after corporate income tax             | 60    |       | <b>(32,085,671,650)</b> | <b>(32,177,088,802)</b> |

Ha Noi , 05 March 2025

Preparer



Pham Thanh Thuy

Chief Accountant



Le Thi Thu Huong

General Director



Nguyen Tien Dung



**CASH FLOW STATEMENT**  
(Indirect method)  
For the year ended 31 December 2024

FORM B03 - DN  
Unit: VND

| ITEMS   | Codes     | Year 2024              | Year 2023              |
|---|-----------|------------------------|------------------------|
| <b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>  |           |                        |                        |
| 1. Accounting profit before tax   | 01        | (32,085,671,650)       | (32,177,088,802)       |
| 2. Adjustment for   |           |                        |                        |
| - Depreciation and amortization of fixed assets   | 02        | 2,241,970,656          | 2,415,329,242          |
| - Provisions  |           | 1,357,313,103          | 1,300,048,566          |
| - Foreign exchange loss (gain) upon revaluation of monetary items denominated in foreign currency | 04        | 1,063,897,556          | -                      |
| - Gain from investing activities  | 05        | (623,984,839)          | (9,772,078)            |
| - Interest expenses   | 06        | 25,050,366,000         | 23,443,202,072         |
| 3. Operating profit before movements in working capital   | 08        | (2,996,109,174)        | (5,028,281,000)        |
| - Increase, decrease in receivables   | 09        | 3,191,814,874          | 4,174,878,552          |
| - Increase, decrease in inventory   | 10        | 5,199,646,670          | 9,201,907,513          |
| - Increase, decrease in payables (exclude interest expenses, CIT)                                 | 11        | (9,814,607,265)        | (14,812,471,714)       |
| - Increase, decrease in prepayments   | 12        | 4,588,396,269          | 4,412,463,024          |
| - Increase, decrease trading securities   | 13        | (1,171,170)            | (433,072,182)          |
| <b>Net cash from operating activities</b>   | <b>20</b> | <b>167,970,204</b>     | <b>(2,484,575,807)</b> |
| <b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>   |           |                        |                        |
| 1. Cash recovered from investments in other entities  | 26        | 3,564,000,000          | -                      |
| 2. Interest earned, dividend and profit received  | 27        | 29,984,839             | 9,772,078              |
| <b>Net cash from investing activities</b>   | <b>30</b> | <b>3,593,984,839</b>   | <b>9,772,078</b>       |
| <b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>  |           |                        |                        |
| 1. Proceeds from borrowings   | 33        | 663,121,305            | 2,854,271,857          |
| 2. Repayments of borrowings   | 34        | (4,025,965,171)        | (2,854,271,857)        |
| <b>Net cash from financing activities</b>   | <b>40</b> | <b>(3,362,843,866)</b> | <b>-</b>               |
| <b>Net decrease in cash during the year</b>   | <b>50</b> | <b>399,111,177</b>     | <b>(2,474,803,729)</b> |
| <b>Cash and cash equivalents at the beginning of year</b>   | <b>60</b> | <b>137,774,346</b>     | <b>2,612,578,075</b>   |
| <b>Cash and cash equivalents at the end of year</b>   | <b>70</b> | <b>536,885,523</b>     | <b>137,774,346</b>     |

Ha Noi, 05 March 2025

Preparer



Pham Thanh Thuy

Chief Accountant



Le Thi Thu Huong

General Director



Nguyen Tien Dung

*These notes are an integral part of and should be read in conjunction with the financial statements*

## 1. GENERAL INFORMATION

### Structure of ownership

Vinaconex 39 Joint Stock Company ("the Company") was renamed from Vinaconex - PVC Construction Investment Joint Stock Company. The Company operated under the Business registration certificate No. 0103015409 by Ha Noi City Department of Planning and Investment for the first time on 15 January 2007, and last amended on 22 June 2022.

The Company chartered capital is VND 300,000,000,000 equivalent to 30,000,000 shares, par value of 10,000 VND/share. The Company's shares were listed on the UPCOM Stock Exchange with stock code PVV.

The number of employees as at 31 December 2024 was 14 (as at 31 December 2023: 18).

### Business industry and principal activities

- Construction of civil works, transportation, irrigation, electrical works up to 35KV, interior and exterior decoration of works;
- Leveling and treating construction foundations;
- Production, assembly, purchase and sale of automobiles, machinery, equipment and spare parts;
- Production, assembly and sale of tools, equipment, support and rescue equipment;
- Transporting goods, transporting passengers by car, car rental;
- Planting and selling trees;
- Car repair and maintenance services;
- Production, purchase, sale and rental of machinery, equipment, materials and materials for the construction industry;
- Real estate business; restaurant business.

### Normal production and business cycle

The Companies' normal production and business cycle for real estate business activities is carried out for a period of more than 12 months and for other activities for a period of no more than 12 months.

### Company structure

The Company's head office is located at 1 floor, CT2A Tower, Co Nhue new urban area, Co Nhue 1 ward, Bac Tu Liem district, Ha Noi. The Company have 01 subsidiary as follow:

| Name of subsidiary                                    | Location  | Contributed capital 31/12/2024 | Ownership interest |
|---|---|--------------------------------|--------------------|
| PVV Industrial Civil Construction Joint Stock Company | CT2A Tower, Co Nhue new urban area, Co Nhue 1 ward, Bac Tu Liem district, Ha Noi. | 38,660,000,000                 | 77.32%             |

## 2. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

The Company's fiscal year begins on 1 January and ends on 31 December based on calendar year.

The monetary unit used in accounting period: Vietnam Dong (VND).

## 3. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM APPLIED

The financial statements are expressed in Vietnamese Dong (VND) and prepared under the accounting principles in conformity with the Corporate accounting system in pursuance of Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014, Circular No. 53/2016/TT-BTC issued by the Ministry of Finance on 21 March 2016, Vietnamese Accounting Standards and legal regulations relating to financial reporting.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted for the preparation of these financial statements are set out below:

**4.1. Basis of preparation of financial statements**

The interim financial statements are prepared on the accrual basis (except for the information related to cash flows), under historical cost principle, based in the assumption of going concern. The accompanying financial statements are the separate financial statement of Vinaconex 39 Joint Stock Company.

The Company's financial statements for the fiscal year ended 31 December 2024 were prepared based in the assumption of going concern even though the Company continued to encounter financial difficulties, are as follow: as at 31 December 2024, the Company had accumulated losses of VND 445.7 billion exceeding owner's capital and resulting in negative owner's equity of VND 126.3 billion (as at 31 December 2023 accumulated losses were VND 413.7 billion); short-term liabilities exceeded short-term assets by VND 357.7 billion of which overdue unpaid loans of VND 226.6 billion and unpaid loan interest of VND 360.2 billion. The Company's business results continue to loss of VND 32.1 billion (loss in 2023 of VND 32.2 billion). The above factors have raised doubts about the Company's ability to continuously operate in the next 12 months. The Company's ability to continuously operate depends on the recovery of receivables, overdue investments and settlement of unfinished projects for debt recovery, the ability to to continue to successfully extend due loans and the generation of profits. The Board of Directors and the Management commit to continue efforts to extend due debts; implement new investment project, construction projects; recovery of receivables and urge the settlement of unfinished projects to ensure continuous operation of the Company in the coming time. On this basis, the Management believes that preparing the financial statements on a going concern basis is appropriate.

**4.2. Estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards, corporate accounting system and the statutory requirements relevant to preparation and presentation of financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These accounting estimates are based on the management's best knowledge, however actual results may differ from those estimates.

**4.3. Cash and cash equivalents**

Cash reflects the full existing amount of the Company at the end of the accounting period, comprising cash on hand, demand deposits and cash in transit.

Cash equivalents include short-term investments with maturity less than 03 months since the date of investment, which can be converted easily into a certain amount of cash without any risk in conversion into cash at the reporting date and recorded following Vietnamese Accounting Standard No. 24 - Cash flow statement.

**4.4. Receivables and provision for doubtful debts**

Receivables are monitored detailed under the original terms, remaining terms at the reporting date, the receivable objects, receivable foreign currencies and other factors for the Company's management purpose. The classification of receivables comprised of trade receivables, and other receivables shall comply with the principles:

- Trade receivables include commercial receivables incurred from purchase-sale transactions, including receivables from sale of exported goods under the trust for the other entities;
- Other receivables include non-commercial or non-trading receivables, including: receivables from loan interests, deposit interests, amount paid on behalf of another party; receivables which the export trustor must collect from the trustee; receivables from penalties, compensation; advances; pledges, collaterals, deposits, assets lending,.....

*These notes are an integral part of and should be read in conjunction with the financial statements*

The company bases on the remaining term at the reporting date receivables to classify as long-term or short-term.

Receivables are recognised not exceeding the recoverable value. Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in difficulty of solvency due to dissolution, bankruptcy, or similar difficulties in accordance with the prevailing corporate accounting system.

#### 4.5. Business cooperation contracts (BCC)

BCC is a contractual agreement between two or more parties to jointly carry out economic activities but does not form an independent legal entity. The activity may be jointly controlled by the contributing parties under a joint venture agreement or controlled by one of the participating parties. BCC can be implemented in the form of jointly building assets or collaborating in some business activities. Parties participating in a BCC can agree to divide revenue, divide products or divide profits after tax. In all cases, when receiving money or assets from other parties contributing to BCC activities, the receiving party shall account them as liabilities.

In case BCC shares after-tax profits, the parties must appoint a party to account for all BCC transactions, record revenue and expenses, separately monitor BCC's business results and finalize taxes.

#### 4.6. Inventories

Inventories are stated the lower of cost and net realisable value. Cost comprises purchasing cost, processing cost and other directly-related costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and cost to be incurred in marketing, selling and distribution. Inventories are counted for under a perpetual system.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which have costs higher than net realisable values as at the balance sheet date.

#### 4.7. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The cost of self-made and self-constructed tangible fixed assets comprise construction costs, actually incurred manufacturing costs plus installation and testing costs.

Costs incurred after initial recognition are recorded as increase in the historical cost of assets if they actually improve the current status in comparison with the initial standard status of the assets, such as:

- Parts of the tangible fixed asset are modified to extend their useful life or to increase their capacity; or
- Parts of the tangible fixed asset are upgraded to significantly increase product quality; or
- New technology process is applied to reduce operation expenses of the assets.

Tangible fixed assets are depreciated using the straight-line method, depreciation is calculated by dividing the cost over estimated useful lives in conformity. The details are as follows:

|                         | <u>Years</u> |
|-------------------------|--------------|
| Machinery and equipment | 05 - 20      |
| Office equipment        | 03 - 07      |
| Other fixed assets      | 07           |

*These notes are an integral part of and should be read in conjunction with the financial statements*

#### 4.8. Investment properties

Investment properties include buildings and structure and other assets under the owner of the Company used for achieving benefits in renting or waiting for increase in price.

Investment properties are measured at cost less accumulated depreciation/devaluation loss. The cost of an investment property is the amount of cash or cash equivalents paid or the fair value of other considerations given to acquire an asset at the time of its acquisition or construction completion of investment properties.

Costs incurred after initial recognition are recorded in operation expenses, except these expenses is sure to make the investment properties create more future economics than the initial evaluation operation of the assets, for this case these expenses will be recorded as increase in the historical cost.

Investment properties for rent are depreciated using the straight-line method over their estimated useful lives in accordance with Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance. The estimated useful lives are as follows:

|                        | <u>Year</u> |
|------------------------|-------------|
| Building and structure | 20 - 25     |
| Other assets           | 05          |

#### 4.9. Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost. Cost are necessary to form the assets including construction cost, equipment cost, other directly attributable costs in accordance with the Company's accounting policy. Depreciation of these assets is applied the same as other assets, starting when they are put into use.

#### 4.10. Prepayments

Prepayments are reported as short-term or long-term prepayments based on their original term and are amortised over the period for which the amount are paid or the period in which economic benefit are generated in relation to these expenses. Long-term prepayments are including office rental, tools and supplies, Vinaconex franchise brand,...

Prepaid office rental fee at 12 floor, Vinaconex 9 building, Pham Hung road, Tu Liem district, Ha Noi is amortised to business operating expenses corresponding to the 46-year lease term.

Vinaconex franchise brand is amortised using the straight-line method over 20 years.

Prepaid costs of the Communist Review project are allocated using the straight-line method over a operating period - 20 year.

#### 4.11. Financial investments

##### *Trading securities*

Trading securities are securities and other financial instruments held for business purposes. The time for recognition of trading securities is the time when the Company acquires ownership and the cost of trading securities comprises the purchase price plus (+) purchase related costs (if any) such as brokerage, transaction, information provision, taxes, bank's fees, and charges. The cost of trading securities is measured at fair value of considerations at the transaction date.

Provision for impairment of trading securities is made in accordance with current accounting regulations.

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

Reflecting the investments that the Company has intention and ability to hold to maturity. Held to maturity investments comprise bank term deposits (including treasury bills and promissory notes), preference bonds, shares - which include an obligation for the issuer to repurchase them at a point in

*These notes are an integral part of and should be read in conjunction with the financial statements*

time in the future - held to maturity loans to earn periodical profits and other held to maturity investments.

Held-to-maturity investments are recognized from the date of purchase and initial value is determined according to the purchase price and costs related to the investment transaction. Interest incurred after the date of purchase of held-to-maturity investments is recorded in financial income. Interest received before the investment date is deducted from the cost at the date of purchase.

Held-to-maturity investments are determined at cost less provision for devaluation of investments. Provisions for held-to-maturity investments are made in accordance with current accounting regulations.

#### **Investments in subsidiaries**

Subsidiaries are companies controlled by the Company. Control is achieved when the Company has the ability to control the financial policies and operations of the investee companies in order to benefit from the activities of these companies.

#### **Other investments**

Investments classified as other investments are investments in capital instruments which the Company has no control, joint control or significant influence.

#### **Provision for long term investments impairment loss**

Provision for losses for investments in subsidiaries, joint ventures or associates is the greater difference between the principal price and the Company's ownership in the actual equity available at the investee. The Company's ownership in the actual equity of the investee is determined based on the balance sheet of the investee as at the date of provisioning.

Provision for loss of other capital contributed investments is the greater difference between the historical cost and the market value of the investment or the Company's ownership of the actual equity of the investee. Provision for losses for investments set aside in accordance with the current corporate accounting system.

#### **4.12. Payables**

The payables are monitored detailed under the original terms, the remaining terms at the reporting date, the payable objects, type of payables denominated in foreign currency and other factors according to the Company's management purpose. The classification of payables such as trade payables, other payables must be implemented the following principles:

- Trade payables include commercial payables incurred from purchase-sale transactions, including payables when imported goods under the trust;
- Other payables include non-commercial or non-trading payables, including: payables for loan interest, dividend and earning payables; payables for financial investments; amount paid for the third party; amount which the trustor receives from relevant parties to pay under the entrusted import-export transactions; asset borrowings; payables for penalties, compensation; surplus assets without reason; payables for social insurance, medical insurance, unemployment insurance, trade union; collaterals, deposits received, etc.

The company bases on the remaining terms of payables at the reporting date to classify as long-term or short-term.

The payables are recorded not less than the payment obligations. In the case of there is evidence that a loss likely occurs, the Company recognizes immediately a payable under the precautionary principle.

#### **4.13. Loans and finance lease liabilities**

The loans and finance lease liabilities include loans and capital loans by way of regular bond issuance (without conversion rights).

*These notes are an integral part of and should be read in conjunction with the financial statements*

The loans and finance lease liabilities are monitored detailed for each loan object, loan agreement, and loan asset; for the term of loan and finance lease liabilities and type of foreign currency (if any). The loans and finance lease liabilities with the remaining term more than 12 months from the reporting date are presented as long-term loans and finance lease liabilities. The due loans and finance lease liabilities within the next 12 months from the reporting date are presented as short-term loans and finance lease liabilities.

#### 4.14. Borrowing costs

Borrowing costs include interests and other costs incurred directly related to the loans. Borrowing cost is recognised in the income statement in the period when incurred unless they are capitalised in accordance with the Vietnamese Accounting Standard and the current corporate accounting system.

Borrowing costs directly related to the acquisition or construction qualifying assets are capitalised to the cost of those assets. The capitalization of borrowing costs shall be temporarily ceased in periods during which the investment in construction or production of uncompleted assets is interrupted, except for cases where such interruption is necessary. The capitalization of borrowing costs shall terminate when the major activities necessary to prepare the uncompleted asset for its intended use or sale are completed.

All other borrowing costs are recognised in the income statement when incurred.

#### 4.15. Revenue recognition

**Revenue from services** is recognized when the outcome of that transaction can be reliably determined. In the case of, the services provision transactions conduct in many accounting periods, revenue is recognized in the accounting period by the part of work completed. The result of a service provision transaction is determined when all four (4) following conditions are met:

- Revenue is measured reliably;
- The Company received or will receive economic benefits from the sale transactions;
- The completed work is determined at the reporting date;
- Incurred costs for the the transaction and the costs to complete the transaction of the providing such services is determined.

**Revenue recognition from sales of real estate if simultaneously satisfying the following conditions:**

- The real estate has been completely completed and handed over to the buyer, the business has transferred the risks and benefits associated with real estate ownership to the buyer.;
- The enterprise no longer holds the right to manage real estate as the owner of real estate or the right to control real estate;
- The revenue is measured reliably;
- The Company received or will receive economic benefits from the sale transactions;
- Identify costs related to real estate sales transactions.

**Revenue from construction contracts:** the Company recognizes construction contract revenue when to make payments according to the value of performed work volume, when the outcome of the construction contracts can be estimated reliably and confirmed by clients, the revenues and costs related to such contract shall be recognized by reference to the completed work volume certified by the customers in the period and reflected in the billed invoices.

**Revenue from property operating lease:** revenue is recognized on a straight-line method over the lease term. Rentals received in advance of several periods are allocated to revenue consistent with the lease term.

**Financial income** comprises deposit interest; gains from trading securities; dividends paid, profits distributed; gains from foreign exchange differences...

*These notes are an integral part of and should be read in conjunction with the financial statements*

**Other income** reflects income arising from events or transactions that are from the business operations of the Company, in addition to the above revenues.

#### 4.16. Taxation

Corporate income tax represents the sum of the current tax and deferred tax.

The current tax expense represents corporate tax payables incurred for the current year. Taxable income differs from net profit as reported in the income statement because taxable income does not include items of income or expense that are taxable or deductible in other years (including loss carry forward, if any) and in addition does not include non-taxable or non-deductible items.

Deferred tax is recognized on significant differences between carrying amounts and the corresponding tax bases of assets and liabilities in the financial statements, tax losses, and unused tax incentives. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss in the income statement, except when it relates to items charged or credited directly to equity, in this case, the deferred tax is also recorded directly to equity.

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

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

Other taxes are applied according to current tax laws in Vietnam.

#### 4.17. Related parties

The parties are regarded as related parties of the Company if they have the ability to control or exercise significant influence over the Company in making financial and operating decisions or have the same key management personnel or jointly managed by another company.

Individuals with the direct or indirect voting rights can impact significantly to the Company, including close family members of these individuals (parents, spouses, children, siblings).

Key management personnel have authority and responsibility for planning, managing and controlling the operation of the Company: the directors, the managers of the Company and close family members of these individuals.

The companies managed by these individuals mentioned above with direct or indirect voting rights or through these rights they can have a significant impact on the Company, including the companies owned by the leaders or major shareholders of the Company and the companies have the same key management personnel.



*These notes are an integral part of and should be read in conjunction with the financial statements*

## 5. CASH

|              | <u>31/12/2024</u>         | <u>01/01/2024</u>         |
|--------------|---------------------------|---------------------------|
|              | VND                       | VND                       |
| Cash on hand | 24,139,260                | 26,908,134                |
| Cash in bank | 512,746,263               | 110,866,212               |
| <b>Cộng</b>  | <b><u>536,885,523</u></b> | <b><u>137,774,346</u></b> |

## 6. SHORT-TERM TRADE RECEIVABLES

|   | <u>31/12/2024</u>             | <u>01/01/2024</u>             |
|---|-------------------------------|-------------------------------|
|   | VND                           | VND                           |
| <b>Trade receivables from related parties</b> | <b>129,760,406</b>            | <b>129,760,406</b>            |
| PVV Industry Civil Construction JSC           | 129,760,406                   | 129,760,406                   |
| <b>Trade receivables from other customers</b> | <b>138,808,743,759</b>        | <b>141,303,846,736</b>        |
| Thanh Hoa Petroleum Construction JSC          | 50,551,642,770                | 50,551,642,770                |
| PVV Investment and Materials JSC              | 36,090,164,131                | 36,090,164,131                |
| Nam Cuong Group JSC                           | 16,243,742,856                | 17,020,044,627                |
| PetroVietnam Construction JSC                 | 11,427,913,861                | 9,378,274,041                 |
| Others  | 24,495,280,141                | 28,263,721,167                |
| <b>Total</b>                                  | <b><u>138,938,504,165</u></b> | <b><u>141,433,607,142</u></b> |

## 7. SHORT-TERM ADVANCES TO SUPPLIERS

|  | <u>31/12/2024</u>            | <u>01/01/2024</u>            |
|--|------------------------------|------------------------------|
|  | VND                          | VND                          |
| PVV Sai Gon Construction Investment JSC  | 9,033,537,664                | 9,033,537,664                |
| PVV Investment and Materials JSC   | 4,298,046,763                | 4,298,046,763                |
| Engineering Construction and Trading Development No 689<br>JSC - National No.3 project | 5,125,800,820                | 5,125,800,820                |
| Ms. Nguyen Thai Hien   | 5,835,610,592                | 5,835,610,592                |
| Mr. Nguyen Quoc Thang  | 7,078,058,755                | 7,078,058,755                |
| Mr. Ho Quang Thai  | 6,866,372,082                | 6,866,372,082                |
| Mr. Tran Van Ngoc  | 8,804,131,209                | 8,804,131,209                |
| Mr. Ung Minh Dong  | 7,800,000,000                | 7,800,000,000                |
| Others   | 38,551,990,231               | 38,412,390,231               |
| <b>Total</b>   | <b><u>93,393,548,116</u></b> | <b><u>93,253,948,116</u></b> |

**VINACONEX 39 JOINT STOCK COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the financial statements*

**FORM B09 - DN**

**8. OTHER RECEIVABLES**

|  | 31/12/2024             |                        | 01/01/2024             |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | Value                  | Provision              | Value                  | Provision              |
|  | VND                    | VND                    | VND                    | VND                    |
| <b>Short-term</b>  |                        |                        |                        |                        |
| Advances to employee   | 58,111,871,411         | (4,860,638,459)        | 58,948,183,308         | (4,860,638,459)        |
| Mortgage, collaterals and deposits   | 3,468,845,013          | -                      | 3,542,836,963          | -                      |
| Receivables from dividends   | 13,000,250,400         | -                      | 13,984,762,642         | -                      |
| Bac Trung Bo Minerals Investment JSC - trust capital interest                    | 5,911,814,000          | (3,330,000,000)        | 5,911,814,000          | (3,330,000,000)        |
| Service fees paid on behalf of party at CT2A, CT2B and PVV - Vinafarm apartments | 20,138,911,764         | -                      | 20,138,911,764         | -                      |
| Other  | 6,579,572,008          | -                      | 6,662,667,118          | -                      |
|  | 9,012,478,226          | (1,530,638,459)        | 8,707,190,821          | (1,530,638,459)        |
| <b>Long-term</b>   |                        |                        |                        |                        |
| Dong Phat Investment JSC (1)   | 193,714,729,102        | -                      | 193,714,729,102        | -                      |
| IMICO Petro Construction Investment JSC (2)                                      | 91,788,000,000         | -                      | 91,788,000,000         | -                      |
|  | 101,926,729,102        | -                      | 101,926,729,102        | -                      |
| <b>Total</b>   | <b>251,826,600,513</b> | <b>(4,860,638,459)</b> | <b>252,662,912,410</b> | <b>(4,860,638,459)</b> |

(1) Receivables from the Business Cooperation Contract No 14/2012/HĐHTKD signed on 10 February 2012 with Dong Phat Investment JSC (Dong Phat Company) and amended appendices on investment in High-rise mixed-use Residential Project in Lot A3-5, Tam Hiep and Vinh Quynh commune, Thanh Tri district, Ha Noi. The total cost of the project is VND 1,234,742,396,000; Vinaconex 39 JSC contributes 9% of the project's capital, Dong Phat Company contributes 91%. According to the agreement, after 15 June 2023 Dong Phat Company will not contribute capital and not implement according to schedule, so the parties contribute capital and divide profits at a ratio of 50%-50%.

(2) Receivables from the Business Cooperation Contract No 150/HĐLK-2010 signed in 2010 with IMICO Petro Construction Investment JSC on investment in Luxury Apartment and Mixed-Use Service Area - Nam An Khanh Urban Area - Hanoi in Lot HH3, Nam An Khanh Urban, An Khanh commune, Hoai Duc district, Ha Noi. Accordingly, the Company holds 20% of the project value. The Company has rights and obligations corresponding to its ownership percentage. Although the project was implemented slower than the schedule in the contract because of objective reasons, the Board of Management believes that the investment will not decline in value and therefore no provision impairment is required.

**VINACONEX 39 JOINT STOCK COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the financial statements*

**FORM B09 - DN**

**9. BAD DEBTS**

|   | 31/12/2024      |                           |                              |                        | 01/01/2024      |                           |                              |                        |
|---|-----------------|---------------------------|------------------------------|------------------------|-----------------|---------------------------|------------------------------|------------------------|
|   | Overdue<br>Year | Historical<br>cost<br>VND | Recoverable<br>amount<br>VND | Provision<br>VND       | Overdue<br>Year | Historical<br>cost<br>VND | Recoverable<br>amount<br>VND | Provision<br>VND       |
|   |                 |                           |                              |                        |                 |                           |                              |                        |
| <b>Short-term trade receivable</b>        |                 | <b>131,776,278,485</b>    | <b>131,453,077,485</b>       | <b>(323,201,000)</b>   |                 | <b>136,276,647,278</b>    | <b>135,953,446,278</b>       | <b>(323,201,000)</b>   |
| Thanh Hoa Petroleum Construction JSC      | Over 3 years    | 50,551,642,770            | 50,551,642,770               | -                      | Over 3 years    | 50,551,642,770            | 50,551,642,770               | -                      |
| PVV Investment and Materials JSC          | Over 3 years    | 36,090,164,131            | 36,090,164,131               | -                      | Over 3 years    | 36,090,164,131            | 36,090,164,131               | -                      |
| Nam Cuong Group JSC                       | Over 3 years    | 16,243,742,856            | 16,243,742,856               | -                      | Over 3 years    | 17,020,044,627            | 17,020,044,627               | -                      |
| Others                                    | Over 3 years    | 28,890,728,728            | 28,567,527,728               | (323,201,000)          | Over 3 years    | 32,614,795,750            | 32,291,594,750               | (323,201,000)          |
| <b>Short-term prepayment to suppliers</b> |                 | <b>93,237,118,524</b>     | <b>93,237,118,524</b>        | -                      |                 | <b>93,230,683,524</b>     | <b>93,230,683,524</b>        | -                      |
| Advances to construction teams            | Over 3 years    | 44,974,572,943            | 44,974,572,943               | -                      | Over 3 years    | 44,974,572,943            | 44,974,572,943               | -                      |
| PVV Sai Gon Construction Investment JSC   | Over 3 years    | 9,033,537,664             | 9,033,537,664                | -                      | Over 3 years    | 9,033,537,664             | 9,033,537,664                | -                      |
| PVV Investment and Materials JSC          | Over 3 years    | 4,298,046,763             | 4,298,046,763                | -                      | Over 3 years    | 4,298,046,763             | 4,298,046,763                | -                      |
| Others                                    | Over 3 years    | 34,930,961,154            | 34,930,961,154               | -                      | Over 3 years    | 34,924,526,154            | 34,924,526,154               | -                      |
| <b>Other short-term receivables</b>       |                 | <b>33,448,484,606</b>     | <b>28,587,846,147</b>        | <b>(4,860,638,459)</b> |                 | <b>33,049,502,840</b>     | <b>28,188,864,381</b>        | <b>(4,860,638,459)</b> |
| Bac Trung Bo Minerals Investment JSC      | Over 3 years    | 20,138,911,764            | 20,138,911,764               | -                      | Over 3 years    | 20,138,911,764            | 20,138,911,764               | -                      |
| PVV Industry Civil Construction JSC       | Over 3 years    | 2,581,814,000             | 2,581,814,000                | -                      | Over 3 years    | 2,581,814,000             | 2,581,814,000                | -                      |
| PVV Investment and Materials JSC          | Over 3 years    | 4,860,638,459             | -                            | (4,860,638,459)        | Over 3 years    | 4,860,638,459             | -                            | (4,860,638,459)        |
| Others                                    | Over 3 years    | 5,867,120,383             | 5,867,120,383                | -                      | Over 3 years    | 5,468,138,617             | 5,468,138,617                | -                      |
| <b>Advances to employee</b>               |                 | <b>2,586,138,263</b>      | <b>2,586,138,263</b>         | -                      |                 | <b>2,471,408,423</b>      | <b>2,471,408,423</b>         | -                      |
| <b>Total</b>                              |                 | <b>261,048,019,878</b>    | <b>255,864,180,419</b>       | <b>(5,183,839,459)</b> |                 | <b>265,028,242,065</b>    | <b>259,844,402,606</b>       | <b>(5,183,839,459)</b> |

As at 31 December 2024, the receivables have more than three years primarily related to construction projects that have been suspended for an extended period without final settlement such as receivables from Nam Cuong Group JSC, Thanh Hoa Petroleum Construction JSC, Vietnam Petroleum Construction JSC,... Most of these receivables have not been reconciled and have been overdue for many years, these customers are very difficulties, unable to pay, and likely to stop business operations. The Company continues to monitor, analyze, and assess the recoverability of these overdue receivables and makes provisions for doubtful debts for amounts deemed uncollectible.

**VINACONEX 39 JOINT STOCK COMPANY**

**NOTES TO THE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the financial statements*

**FORM B09 - DN**

**10. FINANCIAL INVESTMENT**

|   | 31/12/2024       |                        |                         | 01/01/2024       |                        |                         |
|---|------------------|------------------------|-------------------------|------------------|------------------------|-------------------------|
|   | Number of shares | Historical cost VND    | Provision VND           | Number of shares | Historical cost VND    | Provision VND           |
| <b>Trading securities</b>                 |                  |                        |                         |                  |                        |                         |
| PetroVietnam Construction JSC (PVX)       | 105,772          | 7,187,399,890          | (1,003,670,508)         | 105,772          | 7,186,228,720          | (930,793,600)           |
| VNECO4 Electricity Construction JSC (VE4) | 77,400           | 1,163,492,000          | (1,003,670,508)         | 77,400           | 1,163,492,000          | (930,793,600)           |
| Dinh Vu Petroleum Services port JSC(PSP)  | -                | 6,011,675,670          | -                       | 77,400           | 6,011,675,670          | -                       |
| Thanh Tri Garment JSC (TTG)               | 1,300            | 12,232,220             | -                       | 1,700            | 11,061,050             | -                       |
| <b>Investments held to maturity</b>       |                  |                        |                         |                  |                        |                         |
| Bac Trung Bo Minerals Investment JSC (1)  |                  | 91,627,276,257         | -                       |                  | 91,627,276,257         | -                       |
|   |                  | 91,627,276,257         | -                       |                  | 91,627,276,257         | -                       |
| <b>Investments in subsidiaries</b>        |                  |                        |                         |                  |                        |                         |
| PVW Industry Civil Construction JSC       |                  | 38,660,000,000         | (28,934,752,439)        |                  | 38,660,000,000         | (27,650,316,244)        |
|   |                  | 38,660,000,000         | (28,934,752,439)        |                  | 38,660,000,000         | (27,650,316,244)        |
| <b>Other long-term investments</b>        |                  |                        |                         |                  |                        |                         |
| Phuong Dong Hoa Binh Investment JSC (2)   |                  | 30,000,000             | -                       |                  | 3,000,000,000          | -                       |
|   |                  | 30,000,000             | -                       |                  | 3,000,000,000          | -                       |
| <b>Total</b>                              |                  | <b>137,504,676,147</b> | <b>(29,938,422,947)</b> |                  | <b>140,473,504,977</b> | <b>(28,581,109,844)</b> |

(1) Receivables from North Central Mineral Investment Joint Stock Company according to capital entrustment contract No. 3010/2013/UTQLV/FIT dated 30 October 2013 and 3-party agreement minutes No. 01-111/TT/FIT- KSBTB dated 11 November 2013 between F.I.T Investment Joint Stock Company, Vinaconex - PVC Construction Investment Joint Stock Company (now renamed Vinaconex 39 Joint Stock Company) and North Central Mineral Investment Joint Stock Company. Accordingly, North Central Mineral Investment Joint Stock Company must pay an investment trust dividend corresponding to the base interest rate of the State Bank plus 0.5%. Up to this report date, this contract has expired but the Company has not received the entrusted receivables.

(2) Capital contribution to Phuong Dong Hoa Binh Investment Joint Stock Company with ownership ratio of 5% of charter capital. This company was established to implement the project "Investment and construction of Yen Quang high-class ecological urban area in Quang Tien commune, Hoa Binh city, Hoa Binh province".

These notes are an integral part of and should be read in conjunction with the financial statements

## 11. INVENTORIES

|                      | 31/12/2024             |           | 01/01/2024             |           |
|----------------------|------------------------|-----------|------------------------|-----------|
|                      | Historical cost        | Provision | Historical cost        | Provision |
|                      | VND                    | VND       | VND                    | VND       |
| Work in process (*)  | 115,607,994,903        | -         | 120,807,641,573        | -         |
| Finished real estate | 2,277,445,580          | -         | 2,277,445,580          | -         |
| <b>Cộng</b>          | <b>117,885,440,483</b> | <b>-</b>  | <b>123,085,087,153</b> | <b>-</b>  |

(\*) Details of work in progress by project:

|  | 31/12/2024             | 01/01/2024             |
|--|------------------------|------------------------|
|  | VND                    | VND                    |
| Ethanol fuel factory project in Phu Tho province | 16,451,582,866         | 16,451,582,866         |
| Lam Kinh Hotel project in Thanh Hoa province     | 31,667,902,478         | 31,667,902,478         |
| Thai Binh Port project                           | 12,496,201,770         | 17,258,212,758         |
| Vung Ang Thermal Power project                   | 28,049,853,401         | 28,049,853,401         |
| Road to the Thai Binh Power Center project       | 8,488,669,000          | 8,488,669,000          |
| 24 Nghi Son villas project in Thanh Hoa province | 6,525,439,551          | 6,525,439,551          |
| Others   | 11,928,345,837         | 12,365,981,519         |
| <b>Total</b>                                     | <b>115,607,994,903</b> | <b>120,807,641,573</b> |

Some projects such as the Lam Kinh hotel project, the 24 Nghi Son vilas in Thanh Hoa province, the road project to Thai Binh Power Center... are temporarily suspended/awaiting settlement related to Vietnam Petroleum Construction Corporation (PVC) as the main contractor, projects related to member units of Vietnam National Oil and Gas Group with a total amount of about VND 102.39 billion. The Board of Directors and Board of Management continue to work with partners and investors to complete unfinished items and finalize the completed value in the near future.

## 12. PREPAID EXPENSES

|   | 31/12/2024            | 01/01/2024            |
|---|-----------------------|-----------------------|
|   | VND                   | VND                   |
| <b>Short-term</b>                                   | -                     | <b>258,335</b>        |
| Tools and supplies                                  | -                     | 258,335               |
| <b>Long-term</b>                                    | <b>34,890,754,653</b> | <b>39,478,892,587</b> |
| Investment cost of the Communist Review project (*) | 26,453,599,605        | 30,326,724,525        |
| Office rental fee                                   | 7,153,069,114         | 7,378,484,194         |
| Vinaconex franchise brand                           | 1,265,342,467         | 1,565,342,467         |
| Others  | 18,743,467            | 208,341,401           |
| <b>Total</b>  | <b>34,890,754,653</b> | <b>39,479,150,922</b> |

(\*) Investment cost of the Communist Review project according to the Business Cooperation Contract with the Communist Review, the two parties cooperate in the form of the Company constructing a building at the Southern Communist Magazine Office and are allowed to do business within 20 years (after handing over a basement and one floor to the Communist Review). After the construction project was completed, the Company leased it back to another partner for a period of 20 years and recorded the construction costs as long-term prepaid expenses and allocated within 20 years corresponding to the time of allocation of revenue. The allocation period starts from 01 July 2011 (see note 20).

These notes are an integral part of and should be read in conjunction with the financial statements

## 13. TANGIBLE FIXED ASSETS

|  | Machinery and<br>equipments | Office<br>equipments | Other fixed<br>assets | Total          |
|--|-----------------------------|----------------------|-----------------------|----------------|
|  | VND                         | VND                  | VND                   | VND            |
| <b>COST</b>  |                             |                      |                       |                |
| As at 01/01/2024   | 53,227,178,160              | 419,992,251          | 81,454,545            | 53,728,624,956 |
| As at 31/12/2024   | 53,227,178,160              | 419,992,251          | 81,454,545            | 53,728,624,956 |
| <b>ACCUMULATED DEPRECIATION</b>  |                             |                      |                       |                |
| As at 01/01/2024   | 50,905,250,586              | 419,992,251          | 81,454,545            | 51,406,697,382 |
| Charged for the year   | 320,003,808                 | -                    | -                     | 320,003,808    |
| As at 31/12/2024   | 51,225,254,394              | 419,992,251          | 81,454,545            | 51,726,701,190 |
| <b>NET BOOK VALUE</b>  |                             |                      |                       |                |
| As at 01/01/2024   | 2,321,927,574               | -                    | -                     | 2,321,927,574  |
| As at 31/12/2024   | 2,001,923,766               | -                    | -                     | 2,001,923,766  |
| <i>Original cost of fully<br/>depreciated tangible fixed<br/>assets but still in use</i> | 46,827,101,972              | 419,992,251          | 81,454,545            | 47,328,548,768 |

## 14. INVESTMENT PROPERTIES

|  | Buildings and<br>structures | Others        | Total          |
|--|-----------------------------|---------------|----------------|
|  | VND                         | VND           | VND            |
| <b>COST</b>  |                             |               |                |
| As at 01/01/2024   | 43,757,475,370              | 4,130,582,274 | 47,888,057,644 |
| As at 31/12/2024   | 43,757,475,370              | 4,130,582,274 | 47,888,057,644 |
| <b>ACCUMULATED DEPRECIATION</b>  |                             |               |                |
| As at 01/01/2024   | 11,712,137,082              | 4,130,582,274 | 15,842,719,356 |
| Charged for the year   | 1,921,966,848               | -             | 1,921,966,848  |
| <b>NET BOOK VALUE</b>  | 13,634,103,930              | 4,130,582,274 | 17,764,686,204 |
| <b>NET BOOK VALUE</b>  |                             |               |                |
| As at 01/01/2024   | 32,045,338,288              | -             | 32,045,338,288 |
| As at 31/12/2024   | 30,123,371,440              | -             | 30,123,371,440 |
| <i>Original cost of fully depreciated<br/>investment property but still in use</i> | -                           | 4,130,582,274 | 4,130,582,274  |

These notes are an integral part of and should be read in conjunction with the financial statements

## 15. SHORT-TERM TRADE PAYABLES

|   | 31/12/2024             |                               | 01/01/2024             |                               |
|---|------------------------|-------------------------------|------------------------|-------------------------------|
|   | Value                  | Amount able to<br>be paid off | Value                  | Amount able to<br>be paid off |
|   | VND                    | VND                           | VND                    | VND                           |
| <b>Trade payables to related parties</b>    | <b>6,238,117,172</b>   | <b>6,238,117,172</b>          | <b>6,238,117,172</b>   | <b>6,238,117,172</b>          |
| PVV Industry Civil Construction JSC         | 6,238,117,172          | 6,238,117,172                 | 6,238,117,172          | 6,238,117,172                 |
| <b>Trade payables to others</b>             | <b>100,304,775,796</b> | <b>100,304,775,796</b>        | <b>99,968,354,230</b>  | <b>99,968,354,230</b>         |
| Minh Duc Concrete and Construction Co., Ltd | 10,571,825,170         | 10,571,825,170                | 10,571,825,170         | 10,571,825,170                |
| Communist Review                            | 17,877,643,531         | 17,877,643,531                | 16,047,094,820         | 16,047,094,820                |
| Others                                      | 71,855,307,095         | 71,855,307,095                | 73,349,434,240         | 73,349,434,240                |
| <b>Total</b>                                | <b>106,542,892,968</b> | <b>106,542,892,968</b>        | <b>106,206,471,402</b> | <b>106,206,471,402</b>        |

## 16. SHORT-TERM ADVANCE FROM CUSTOMERS

|   | 31/12/2024            | 01/01/2024            |
|---|-----------------------|-----------------------|
|   | VND                   | VND                   |
| Progress payments from customers under real estate transfer contracts | 181,818,181           | 181,818,181           |
| PetroVietnam Construction JSC   | 52,416,856,602        | 54,170,603,813        |
| Management Board of Northern Construction Projects                    | 22,143,379,596        | 22,143,379,596        |
| Others  | 1,603,336,642         | 1,639,422,489         |
| <b>Total</b>  | <b>76,345,391,021</b> | <b>78,135,224,079</b> |

## 17. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

|                       | 01/01/2024           | Payable during the year | Paid during the year/ Adjustment | 31/12/2024         |
|-----------------------|----------------------|-------------------------|----------------------------------|--------------------|
|                       | VND                  | VND                     | VND                              | VND                |
| Value added tax       | 26,882,368           | 207,030,962             | 71,270,985                       | 162,642,345        |
| Corporate income tax  | 339,148,791          | -                       | 339,148,791                      | -                  |
| Personal income tax   | 229,094,022          | 31,131,627              | 258,007,909                      | 2,217,740          |
| Land tax, land rental | 690,642,579          | 882,754,522             | 1,573,397,101                    | -                  |
| Others                | -                    | 3,000,000               | 3,000,000                        | -                  |
| <b>Total</b>          | <b>1,285,767,760</b> | <b>1,123,917,111</b>    | <b>2,244,824,786</b>             | <b>164,860,085</b> |

These notes are an integral part of and should be read in conjunction with the financial statements

## 18. SHORT-TERM ACCURED EXPENSES

|                          | <u>31/12/2024</u>             | <u>01/01/2024</u>             |
|--------------------------|-------------------------------|-------------------------------|
|                          | VND                           | VND                           |
| Interest expense accrual | 360,227,394,182               | 335,943,679,337               |
| Others                   | 85,000,000                    | 82,947,000                    |
| <b>Total</b>             | <b><u>360,312,394,182</u></b> | <b><u>336,026,626,337</u></b> |

As presented in Note 21 of the Notes to the financial statements, all loans from commercial banks are overdue. The Board of Directors and the Board of Management continue to calculate and record interest expenses incurred in 2024 as well as prior years based on the interest rate in signed contracts and agreements. The Board of Management is continuing to work with banks to verify and reconcile the principal and interest amounts payable, any discrepancies will be adjusted accordingly in the next year.

## 19. OTHER PAYABLES

|  | <u>31/12/2024</u>            | <u>01/01/2024</u>            |
|--|------------------------------|------------------------------|
|  | VND                          | VND                          |
| <b>Short-term</b>  | <b>91,588,011,171</b>        | <b>91,949,011,362</b>        |
| Union fees   | 20,434,241                   | 76,802,081                   |
| Dividends  | 3,607,980,000                | 3,607,980,000                |
| Ocean Commercial Bank Limited (*)                            | 80,000,000,000               | 80,000,000,000               |
| Maintenance fees for CT2A, CT2B and PVV-Vinafarm apartment s | 5,934,947,049                | 7,170,806,796                |
| Others   | 2,024,649,881                | 1,093,422,485                |
| <b>Long-term</b>   | <b>653,754,249</b>           | <b>702,020,000</b>           |
| Deposits received  | 653,754,249                  | 702,020,000                  |
| <b>Total</b>   | <b><u>92,241,765,420</u></b> | <b><u>92,651,031,362</u></b> |

(\*) The advance from Ocean Joint Stock Commercial Bank (now Ocean Limited Liability Commercial Bank) according to the investment cooperation contract signed between the Company and the Bank, with a term of 36 months from 29 August 2010, for the purpose of financing the Company's construction project. As at the date of this financial statement, the two parties have not extended this contract.

## 20. LONG-TERM UNREALIZED INCOME

|   | <u>31/12/2024</u>            | <u>01/01/2024</u>            |
|---|------------------------------|------------------------------|
|   | VND                          | VND                          |
| Office for lease at Communist Review building (1) | 33,534,016,117               | 38,441,433,105               |
| Office for lease at Vinaconex 9 building(2)       | 6,316,883,132                | 6,514,285,729                |
| <b>Total</b>                                      | <b><u>39,850,899,249</u></b> | <b><u>44,955,718,834</u></b> |

- (1) Proceeds from office rental on the Communist Review building according to contract No. 03/PVFC-PVC VINACONEX dated 10 December 2010. Revenue is recognized each period corresponding to remaining lease term of 20 years from 01 July 2010 (Detail in Note 12)
- (2) Proceeds from office rental on the 12th floor of Vinaconex 9 building according to contract No. 03/2013 dated 18 March 2013. Revenue is recognized each period corresponding to remaining lease term of 43 years from 18 March 2013.



## 21. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

|   | 01/01/2024             |                            | During the year    |                      | 31/12/2024             |                            |
|---|------------------------|----------------------------|--------------------|----------------------|------------------------|----------------------------|
|   | Value                  | Amount able to be paid off | Increase           | Decrease             | Value                  | Amount able to be paid off |
|   | VND                    | VND                        | VND                | VND                  | VND                    | VND                        |
| <b>Short-term loans</b>                                     |                        |                            |                    |                      |                        |                            |
| International Commercial Joint Stock Bank - Head Office (1) | 69,363,237,819         | 69,363,237,819             | -                  | -                    | 69,363,237,819         | 69,363,237,819             |
| Vietnam Public Commercial Joint Stock Bank (2)              | 46,479,047,927         | 46,479,047,927             | -                  | -                    | 46,479,047,927         | 46,479,047,927             |
| Century Investment Corporation                              | 3,540,000,000          | 3,540,000,000              | -                  | -                    | 3,540,000,000          | 3,540,000,000              |
| Ocean Commercial Bank Limited                               | 2,000,000,000          | 2,000,000,000              | -                  | -                    | 2,000,000,000          | 2,000,000,000              |
| Saigon Transportation BOT Co., Ltd                          | 3,200,000,000          | 3,200,000,000              | -                  | -                    | 3,200,000,000          | 3,200,000,000              |
| Individual loan   | 5,240,190,000          | 5,240,190,000              | 651,050,000        | -                    | 5,891,240,000          | 5,891,240,000              |
| AIS Securities JSC  | -                      | -                          | 12,071,305         | 12,071,305           | -                      | -                          |
| <b>Current portion of long-term loans</b>                   |                        |                            |                    |                      |                        |                            |
| Vietnam Public Commercial Joint Stock Bank (3)              | 93,845,629,390         | 93,845,629,390             | -                  | 1,013,893,866        | 92,831,735,524         | 92,831,735,524             |
| Nam Ha Noi Trading Service Co., Ltd (4)                     | 3,000,000,000          | 3,000,000,000              | -                  | 3,000,000,000        | -                      | -                          |
| <b>Cộng</b>   | <b>226,668,105,136</b> | <b>226,668,105,136</b>     | <b>663,121,305</b> | <b>4,025,965,171</b> | <b>223,305,261,270</b> | <b>223,305,261,270</b>     |

(1) Short-term loan from International Commercial Joint Stock Bank (VIB) - Head Office under loan contract No. 2782/HBTD2-VIB08/11 dated 15 August 2011 and appendices with a limit of VND 100,000,000,000 and loan term do not exceed 12 months. The interest rate is specified in each debt agreement. The loan is secured by assets formed in the future according to the mortgage contract No. 2782.02/2013/BD dated 08 March 2013. According to the valuation minutes dated 5 March 2013, the total provisional value of the collateral is VND 42,000,000,000. This loan is overdue.

(2) Loans from Vietnam Public Joint Stock Commercial Bank (formerly Petro Vietnam Finance Joint Stock Corporation) include contracts:

- Credit contract No. 18/TDHM-BL-NH/TD10 dated 10 March 2011. This credit limit is VND 280,000,000,000. The purpose of the loan is to supplement working capital. Loan term is no longer than 12 months from the date of signing the loan contract. Interest rates change with each disbursement.

- Credit contract No. 10/TDTH-TH/TTGHO12 dated 22 March 2012. This credit limit is VND 150,000,000,000. The purpose of the loan is to supplement working capital. Loan term is no longer than 12 months from the date of signing the loan contract. Interest rates change with each disbursement.

Both credit contracts are overdue.

## NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the financial statements

(3) Loan from Vietnam Public Joint Stock Commercial Bank under long-term loan contracts:

- Credit contract No. 49/TD TT-BL-TH/TD10 dated 09 December 2010; credit contract No. 03/TD TT-TH/TD10 dated 22 January 2010 and appendices, these loan are secured by the Company's assets with a value of about VND 49 billion and assets formed from loan capital. Two loans are overdue.
- Credit contract No. 18/TD HM-BL-NH/TD10 dated 10 March 2011 and credit contract No. 10/TD TT-TH/TTGHO12 dated 22 March 2012 are overdue.

The company has not official documents to extend and restructure these loans.

- (4) Loan from Nam Ha Noi Trading Services Co., Ltd under loan contract No. 01/2020/HĐVV/PPV dated 22 September 2020 with amount VND 3 billion, loan term is 3 years from signing date. The purpose of the loan is to establish Phuong Dong Hoa Binh Investment Joint Stock Company, the loan does not apply interest rate. The loan's collateral is 300,000 shares equivalent to 5% of charter capital at Phuong Dong Hoa Binh Investment Joint Stock Company. This loan is overdue.

**Unpaid overdue debts were as follows:**

|   | 31/12/2024             |                        | 01/01/2024             |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Principal<br>VND       | Interest<br>VND        | Principal<br>VND       | Interest<br>VND        |
| International Commercial Joint Stock Bank - Head Office | 69,363,237,819         | 82,933,307,045         | 69,363,237,819         | 76,586,567,491         |
| Vietnam Public Commercial Joint Stock Bank              | 139,310,783,451        | 274,465,778,243        | 140,324,677,317        | 256,760,274,230        |
| Ocean Commercial Bank Limited                           | 2,000,000,000          | 2,828,308,894          | 2,000,000,000          | 2,596,837,616          |
| Century Investment Corporation                          | 3,540,000,000          | -                      | 3,540,000,000          | -                      |
| Saigon Transportation BOT Co., Ltd                      | 3,200,000,000          | -                      | 3,200,000,000          | -                      |
| Nam Ha Noi Trading Service Co., Ltd                     | -                      | -                      | 3,000,000,000          | -                      |
| Individual loan   | 5,240,190,000          | -                      | 5,240,190,000          | -                      |
| <b>Total</b>  | <b>222,654,211,270</b> | <b>360,227,394,182</b> | <b>226,668,105,136</b> | <b>335,943,679,337</b> |

## NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the financial statements

## 22. OWNERS' EQUITY

## Movements in owners' equity

|                   | Owners' equity  | Share premium  | Other owner's funds | Investment and development fund | Undistributed earnings | Total             |
|-------------------|-----------------|----------------|---------------------|---------------------------------|------------------------|-------------------|
|                   | VND             | VND            | VND                 | VND                             | VND                    | VND               |
| As at 01/01/2023  | 300,000,000,000 | 15,069,800,000 | 1,123,204,630       | 3,238,124,869                   | (381,527,841,106)      | (62,096,711,607)  |
| Loss for the year | -               | -              | -                   | -                               | (32,177,088,802)       | (32,177,088,802)  |
| As at 01/01/2024  | 300,000,000,000 | 15,069,800,000 | 1,123,204,630       | 3,238,124,869                   | (413,704,929,908)      | (94,273,800,409)  |
| Loss for the year | -               | -              | -                   | -                               | (32,085,671,650)       | (32,085,671,650)  |
| As at 31/12/2024  | 300,000,000,000 | 15,069,800,000 | 1,123,204,630       | 3,238,124,869                   | (445,790,601,558)      | (126,359,472,059) |

## Owner details are as follow:

|                               | 31/12/2024             |             | 01/01/2024             |             |
|-------------------------------|------------------------|-------------|------------------------|-------------|
|                               | Contributed capital    | Rate        | Contributed capital    | Rate        |
|                               | VND                    | %           | VND                    | %           |
| Ocean Commercial Bank Limited | 50,000,000,000         | 16.67%      | 50,000,000,000         | 16.67%      |
| Ms. Nguyen Bich Hang          | 42,160,000,000         | 14.05%      | 42,160,000,000         | 14.05%      |
| Mr. Nguyen Viet Hung          | 29,672,000,000         | 9.89%       | 29,672,000,000         | 9.89%       |
| Others                        | 178,168,000,000        | 59.39%      | 178,168,000,000        | 59.39%      |
| <b>Total</b>                  | <b>300,000,000,000</b> | <b>100%</b> | <b>300,000,000,000</b> | <b>100%</b> |

These notes are an integral part of and should be read in conjunction with the financial statements

### Capital transactions with owners

|                                   | <u>Year 2024</u> | <u>Year 2023</u> |
|-----------------------------------|------------------|------------------|
|                                   | VND              | VND              |
| <b>Owner's equity</b>             |                  |                  |
| - Opening balance                 | 300,000,000,000  | 300,000,000,000  |
| - Increase during the year        | -                | -                |
| - Decrease during the year        | -                | -                |
| - Closing balance                 | 300,000,000,000  | 300,000,000,000  |
| <b>Declared dividend, earning</b> | -                | -                |

### Shares

|   | <u>31/12/2024</u> | <u>01/01/2024</u> |
|---|-------------------|-------------------|
| <b>Authorised shares</b>                    | <b>30,000,000</b> | <b>30,000,000</b> |
| <b>Issued shares</b>                        | <b>30,000,000</b> | <b>30,000,000</b> |
| - Common shares                             | 30,000,000        | 30,000,000        |
| <b>Repurchased shares (Treasury shares)</b> | -                 | -                 |
| <b>Outstanding shares</b>                   | <b>30,000,000</b> | <b>30,000,000</b> |
| - Common shares                             | 30,000,000        | 30,000,000        |

Par value of an outstanding share: VND 10,000/share

### 23. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

|                                 | <u>Year 2024</u>      | <u>Year 2023</u>      |
|---------------------------------|-----------------------|-----------------------|
|                                 | VND                   | VND                   |
| Sales of construction contracts | 4,790,575,038         | -                     |
| Sales of real estate business   | -                     | 8,179,595,595         |
| Sales of services rendered      | 9,358,125,969         | 9,055,035,280         |
| <b>Total</b>                    | <b>14,148,701,007</b> | <b>17,234,630,875</b> |

### 24. COST OF SALES

|                                | <u>Year 2024</u>      | <u>Year 2023</u>      |
|--------------------------------|-----------------------|-----------------------|
|                                | VND                   | VND                   |
| Cost of construction contracts | 7,106,518,491         | -                     |
| Cost of real estate business   | -                     | 9,128,565,377         |
| Cost of services rendered      | 6,020,506,848         | 6,020,506,848         |
| <b>Total</b>                   | <b>13,127,025,339</b> | <b>15,149,072,225</b> |

### 25. FINANCIAL EXPENSES

|   | <u>Year 2024</u>      | <u>Year 2023</u>      |
|---|-----------------------|-----------------------|
|   | VND                   | VND                   |
| Interest expense  | 25,050,366,000        | 23,443,202,072        |
| Provision for the devaluation of trading securities and impairment of long-term financial investments | 1,357,313,103         | 1,300,048,566         |
| Loss from trading securities  | -                     | 139,590,751           |
| Foreign exchange loss   | 1,063,897,556         | -                     |
| Others  | 275,008               | 5,663,020             |
| <b>Total</b>  | <b>27,471,851,667</b> | <b>24,888,504,409</b> |

These notes are an integral part of and should be read in conjunction with the financial statements

## 26. GENERAL AND ADMINISTRATIVE EXPENSES

|                             | Year 2024            | Year 2023            |
|-----------------------------|----------------------|----------------------|
|                             | VND                  | VND                  |
| Staff cost                  | 2,893,189,381        | 3,305,780,296        |
| Raw materials               | 82,462,635           | 109,950,216          |
| Tax, fee and charges        | 956,118,462          | 1,003,699,934        |
| Outsourced service expenses | 1,520,230,845        | 1,794,561,637        |
| Other expenses              | 21,210,000           | 231,608,000          |
| <b>Total</b>                | <b>5,473,211,323</b> | <b>6,445,600,083</b> |

## 27. OTHER EXPENSE

|   | Year 2024          | Year 2023            |
|---|--------------------|----------------------|
|   | VND                | VND                  |
| Depreciation of unused fixed assets                   | 320,003,808        | 493,362,394          |
| Penalty   | 30,148,627         | 1,127,751,341        |
| Work-in-progress expenses of projects without revenue | 437,635,682        | 1,146,944,083        |
| Others  | -                  | 229,055,403          |
| <b>Total</b>  | <b>787,788,117</b> | <b>2,997,113,221</b> |

## 28. PRODUCTION AND BUSINESS COST BY NATURE

|                              | Year 2024             | Year 2023             |
|------------------------------|-----------------------|-----------------------|
|                              | VND                   | VND                   |
| Raw materials                | 358,462,635           | 109,950,216           |
| Staff cost                   | 3,053,735,381         | 3,305,780,296         |
| Depreciation of fixed assets | 1,921,966,848         | 1,921,966,848         |
| Outsourced service expenses  | 7,526,732,348         | 5,893,101,637         |
| Other expenses               | 977,328,462           | 1,235,307,934         |
| <b>Total</b>                 | <b>13,838,225,674</b> | <b>12,466,106,931</b> |

## 29. CURRENT CORPORATE INCOME TAX EXPENSE

|   | Year 2024               | Year 2023               |
|---|-------------------------|-------------------------|
|   | VND                     | VND                     |
| <b>Accounting profit before CIT</b>                               | <b>(32,085,671,650)</b> | <b>(32,177,088,802)</b> |
| Adjustment for taxable income                                     | 25,808,169,278          | 26,430,543,215          |
| Add: Undeductible expense   | 787,788,117             | 2,997,113,221           |
| Add: Interest expenses are not deductible according to Decree 132 | 25,020,381,161          | 23,433,429,994          |
| <b>Taxable income</b>   | <b>(6,277,502,372)</b>  | <b>(5,746,545,587)</b>  |
| Corporate income tax rate   | 20%                     | 20%                     |
| <b>Corporate income tax expenses</b>                              | <b>-</b>                | <b>-</b>                |
| Reversal provisional 1% corporate income tax                      | -                       | (83,430,876)            |
| <b>Current corporate income tax expenses</b>                      | <b>-</b>                | <b>(83,430,876)</b>     |

These notes are an integral part of and should be read in conjunction with the financial statements

### 30. TRANSACTIONS WITH RELATED PARTIES

Apart from the subsidiary company described in Note 1 and the members of the Board of Directors and the Management, the Company does not have any other related parties.

In addition to the balances and transactions described in other notes, the Company entered into the following significant transactions and balances with its related parties as follows:

#### Balances with related parties

|  | 31/12/2024    | 01/01/2024    |
|--|---------------|---------------|
|  | VND           | VND           |
| <b>PVV Industry Civil Construction JSC</b> |               |               |
| Short-term prepayment to suppliers         | 1,142,837,156 | 1,142,837,156 |
| Other short-term receivables               | 2,581,814,000 | 2,581,814,000 |

#### Remuneration of the Board of Director and Board of Management for the year:

| Name                       | Position   | Year 2024          | Year 2023            |
|----------------------------|--|--------------------|----------------------|
|                            |  | VND                | VND                  |
| Mr. Phan Dinh Phong        | Chairman (appointed on 22/01/2024)<br>Vice chairman (resigned on 22/01/2024) | 330,315,496        | 294,317,279          |
| Mr. Trinh Duc Phu          | Chairman (resigned on 22/01/2024)  | -                  | -                    |
| Mr. Vu Thanh Kien          | Member   | -                  | 233,188,057          |
| Ms. Le Cam Tu              | Member (appointed on 23/03/2024)   | -                  | -                    |
| Ms. Nguyen Thi Huyen Trang | Member (appointed on 23/03/2024)   | -                  | -                    |
| Ms. Nguyen Thi Bich Hang   | Member (appointed on 23/03/2024)   | -                  | -                    |
| Mr. Nguyen Viet Hung       | Member (appointed on 23/03/2024)   | -                  | -                    |
| Mr. Do Hoang Anh           | Member (resigned on 23/03/2024)  | -                  | -                    |
| Mr. Nguyen Tuan Anh        | Member (resigned on 23/03/2024)  | -                  | -                    |
| Mr. Pham Duc Tuan          | Member (resigned on 23/03/2024)  | -                  | -                    |
| Mr. Vu Xuan Trung          | Member (resigned on 23/03/2024)  | -                  | -                    |
| Mr. Nguyen Tien Dung       | General Director   | 325,963,588        | 248,261,284          |
| Mr. Dinh Canh Tien         | Deputy General Director (resigned on 23/09/2024)                             | 22,320,000         | 35,353,043           |
| Ms. Nguyen Thi Kim Hanh    | Deputy General Director  | 264,076,533        | 237,014,320          |
| <b>Total</b>               |  | <b>942,675,617</b> | <b>1,048,133,984</b> |

### 31. SUBSEQUENT EVENTS

There was no significant event occurring after the balance sheet date, which would require adjustments or disclosures to be made in the financial statements for the year ended 31 December 2024.

### 32. COMPARATIVE FIGURES

The comparative figures are from the audited financial statements for the year ended 31 December 2023.

Preparer



Pham Thanh Thuy

Chief Accountant



Le Thi Thu Huong

General Director



Nguyen Tien Dung

Hanoi, 05 March 2025