

**DEVELOPMENT INVESTMENT CONSTRUCTION  
HOI AN JOINT STOCK COMPANY**

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



**DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

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## DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

### REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGEMENT

The Chairman of the Board of Directors and Management of Development Investment Construction Hoi An Joint Stock Company (hereinafter referred to as "the Company") hereby presents its report and the accompanying audited financial statements of the Company for the financial year ended 31 December 2024.

Members of the Board of Directors, the Supervisory Committee and Management during the year and on the date of this report include:

#### Board of Directors

<u>Full name</u>	<u>Position</u>
Mr. Tran Dinh Loi	Chairman
Mr. Tran Van Viet	Deputy Chairman
Mr. Tran Minh Toan	Member (Dismissed on 26 April 2024)
Mr. Tran Dinh Danh	Member
Mr. Ho Hai Bac	Member
Mr. Tran Quoc Tuan	Member (Appointed on 26 April 2024)

#### Supervisory Committee

<u>Full name</u>	<u>Position</u>
Ms. Pham Thi Thanh Tam	Head
Mr. Tran Van Son	Member
Mr. Tran Dinh Dung	Member (Dismissed on 26 April 2024)
Mr. Le Dinh Thinh	Member (Appointed on 26 April 2024)

#### Management

<u>Full name</u>	<u>Position</u>
Mr. Tran Van Viet	General Director
Mr. Pham Anh Thi	Deputy General Director
Mr. Nguyen Hoang Phuong	Deputy General Director
Mr. Tran Dinh Huy	Deputy General Director

#### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Tran Dinh Loi, Chairman of the Board of Directors.

### RESPONSIBILITY OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGEMENT

The Chairman of the Board of Directors and Management of the company are responsible for preparing the financial statements of each period which give a true and fair view of the financial position of the Company and the results of its operations and its cash flows. In preparing these financial statements, the Chairman of the Board of Directors and Management are required to:

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



## DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

### REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGEMENT (CONTINUED)

The Chairman of the Board of Directors and Management are responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements. The Chairman of the Board of Directors and Management are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Chairman of the Board of Directors and Management confirm that the Company has complied with the above requirements in preparing these financial statements.

### AUDITOR

The accompanying financial statements were audited by ECOVIS AFA VIETNAM Auditing – Appraisal and Consulting Company Limited (Head office: No. 142 Xo Viet Nghe Tinh Street, Hoa Cuong Nam Ward, Hai Chau District, Danang City, Vietnam; Telephone: (84) 0236.363.3333; Fax: (84) 0236.363.3338; Website: [www.ecovis.com/vietnam/audit](http://www.ecovis.com/vietnam/audit)).

### STATEMENT BY THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGEMENT

In opinion of the Chairman of the Board of Directors and Management, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2024 and the results of its operations and its cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.



  
**Tran Dinh Loi**  
Chairman of the Board of Directors  
Hoi An City, 26 March 2025



No.: 145/2025/BCKT-E.AFA

## **INDEPENDENT AUDITOR'S REPORT**

**To: Shareholders**  
**Board of Directors and Management**  
**DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

### **Report on the financial statements**

We have audited the accompanying financial statements of Development Investment Construction Hoi An Joint Stock Company (hereinafter referred to as "the Company") prepared on 26 March 2025 as set out from page 05 to page 35, which comprise the balance sheet as at 31 December 2024, and the income statement, and cash-flow statement for the financial year then ended, and the notes to the financial statements.

### ***Responsibility of the Chairman of the Board of Directors and Management***

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

### ***Auditor's Responsibility***

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

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

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

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its financial performance and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting and relevant legislation as to the preparation and presentation of financial statements.



**Tran Thi Nhu Phuong**  
**Audit Director**

Audit Practice Registration Certificate  
No.2293-2023-240-1

Authorized person

**Nguyen Thanh Lam**  
**Auditor**

Audit Practice Registration Certificate  
No.4231-2023-240-1

**ECOVIS AFA VIETNAM Auditing – Appraisal and Consulting Company Limited**  
Danang City, 26 March 2025



**DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

**Form B 01 – DN**(Issued under the Circular No. 200/2014/TT-BTC  
dated 22 December 2014 by Ministry of Finance)**BALANCE SHEET**

As at 31 December 2024

Unit: VND

<b>ASSETS</b>	<b>Code</b>	<b>Notes</b>	<b>As at 31 Dec. 2024</b>	<b>As at 01 Jan. 2024</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>617,985,456,817</b>	<b>771,105,040,612</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	4.1	<b>3,665,761,501</b>	<b>10,641,297,022</b>
1. Cash	111		2,481,448,218	9,477,381,715
2. Cash equivalents	112		1,184,313,283	1,163,915,307
<b>II. Current financial investments</b>	<b>120</b>		-	-
<b>III. Current account receivables</b>	<b>130</b>		<b>112,579,716,245</b>	<b>138,534,939,986</b>
1. Trade receivables	131	4.2	42,104,991,079	56,926,089,515
2. Advances to suppliers	132	4.3	6,824,069,589	9,402,654,067
3. Other current receivables	136	4.4	63,884,583,631	72,440,124,458
4. Provision for doubtful debts	137	4.5	(233,928,054)	(233,928,054)
<b>IV. Inventories</b>	<b>140</b>	4.6	<b>498,375,789,236</b>	<b>617,181,314,122</b>
1. Inventories	141		498,375,789,236	617,181,314,122
2. Provision for decline in value of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>3,364,189,835</b>	<b>4,747,489,482</b>
1. Current prepayments	151		-	-
2. Value added tax deductible	152		3,364,189,835	4,747,489,482
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>4,866,057,635</b>	<b>4,919,741,454</b>
<b>I. Non-current account receivables</b>	<b>210</b>		<b>322,605,417</b>	<b>321,959,141</b>
1. Non-current trade receivables	211		-	-
2. Other non-current receivables	216	4.4	322,605,417	321,959,141
<b>II. Fixed assets</b>	<b>220</b>		<b>2,063,241,844</b>	<b>2,013,869,763</b>
1. Tangible fixed assets	221	4.7	2,063,241,844	2,013,869,763
Cost	222		23,167,622,551	21,984,457,568
Accumulated depreciation	223		(21,104,380,707)	(19,970,587,805)
2. Intangible fixed assets	227		-	-
<b>III. Investment property</b>	<b>230</b>		-	-
<b>IV. Non-current assets in progress</b>	<b>240</b>		-	-
<b>V. Non-current financial investments</b>	<b>250</b>		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>2,480,210,374</b>	<b>2,583,912,550</b>
1. Non-current prepayments	261	4.8	2,480,210,374	2,583,912,550
2. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>622,851,514,452</b>	<b>776,024,782,066</b>



**DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

**Form B 01 – DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**BALANCE SHEET (CONTINUED)**

As at 31 December 2024

Unit: VND

RESOURCES	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
<b>C. LIABILITIES</b>	<b>300</b>		<b>502.994.753.054</b>	<b>670.189.116.266</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>459.674.253.054</b>	<b>375.192.316.266</b>
1. Trade payables	311	4.9	28.196.596.115	27.555.600.604
2. Advances from customers	312	4.10	15.148.394.978	69.848.263.181
3. Taxes and amounts payable to the state budget	313	4.11	1.964.730.800	2.416.200.186
4. Payables to employees	314	4.12	464.689.432	-
5. Accrued expenses	315	4.13	1.158.170.629	23.161.343.674
6. Other current payables	319	4.14	21.909.128.033	500.348.816
7. Current loans and obligations under finance leases	320	4.15	389.197.357.439	250.832.975.825
8. Bonus and welfare fund	322		1.635.185.628	877.583.980
<b>II. Non-current liabilities</b>	<b>330</b>		<b>43.320.500.000</b>	<b>294.996.800.000</b>
1. Non-current trade payables	331		-	-
2. Non-current loans and obligations under finance leases	338	4.15	43.320.500.000	294.996.800.000
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>119.856.761.398</b>	<b>105.835.665.800</b>
<b>I. Equity</b>	<b>410</b>	4.16	<b>119.856.761.398</b>	<b>105.835.665.800</b>
1. Owner's contributed capital	411		68.941.640.000	59.949.620.000
Ordinary shares carrying voting rights	411a		68.941.640.000	59.949.620.000
Preference shares	411b		-	-
2. Share premiums	412		19.801.941.805	18.865.793.764
3. Treasury shares	415		-	(1.128.947.264)
4. Investment and development fund	418		13.617.241.799	12.208.875.167
5. Retained earnings	421		17.495.937.794	15.940.324.133
Beginning accumulated retained earnings	421a		4.131.570.869	1.856.657.815
Retained earnings of the current year	421b		13.364.366.925	14.083.666.318
<b>II. Other capital and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>622.851.514.452</b>	<b>776.024.782.066</b>



**Tran Dinh Loi**  
Chairman of the Board of Directors  
Hoi An City, 26 March 2025

**Vo Ho Quynh Giao**  
Chief Accountant

**Nguyen Thi Thu Thao**  
Preparer

**DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

**Form B 02 – DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**INCOME STATEMENT**

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue	01	5.1	222,112,989,462	290,916,836,128
2. Deductions	02		-	-
3. Net revenue	10		222,112,989,462	290,916,836,128
4. Cost of sales	11	5.2	180,174,290,457	238,022,863,395
5. Gross profit	20		41,938,699,005	52,893,972,733
6. Financial income	21	5.3	28,687,937	54,290,325
7. Financial expense	22	5.4	6,080,199,160	3,027,813,677
<i>Of which, interest expense</i>	23		6,080,199,160	3,027,813,677
8. Selling expense	24	5.5	7,008,960,000	18,687,237,565
9. General and administration expense	25	5.6	11,647,450,898	12,828,076,940
10. Operating profit/(loss)	30		17,230,776,884	18,405,134,876
11. Other income	31		-	-
12. Other expense	32		-	-
13. Net other income/(loss)	40		-	-
14. Accounting profit/(loss) before taxation	50		17,230,776,884	18,405,134,876
15. Current corporate income tax expense	51	5.8	3,866,409,959	4,321,468,558
16. Deferred corporate income tax expense	52		-	-
17. Net profit/(loss) after taxation	60		13,364,366,925	14,083,666,318
18. Basic earnings per share	70	4.16.5	1,941	1,861
19. Diluted earnings per share	71	4.16.6	1,941	1,861



**Tran Dinh Loi**  
Chairman of the Board of Directors  
Hoi An City, 26 March 2025

**Vo Ho Quynh Giao**  
Chief Accountant

**Nguyen Thi Thu Thao**  
Preparer



**DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

**Form B 03 – DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**CASH FLOW STATEMENT****(Direct method)**

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Cash receipts from customers	01		224,801,890,146	501,870,803,127
2. Cash paid to suppliers	02		(145,647,954,099)	(200,602,609,735)
3. Cash paid to employees	03		(12,925,245,709)	(15,323,766,469)
4. Interest paid	04		(7,484,856,141)	(5,933,708,829)
5. Corporate income tax paid	05		(4,488,068,558)	(3,699,336,039)
6. Other cash inflows from operating activities	06		54,505,921,884	65,960,533,452
7. Other cash outflows from operating activities	07		(3,335,922,917)	(5,560,299,187)
<b>Net cash from operating activities</b>	<b>20</b>		<b>105,425,764,606</b>	<b>336,711,616,320</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(1,183,164,983)	-
2. Interest and dividends received	27		28,687,937	54,290,325
<b>Net cash from investing activities</b>	<b>30</b>		<b>(1,154,477,046)</b>	<b>54,290,325</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from issuing stocks and capital contribution from owners	31		2,065,095,305	-
2. Proceeds from borrowings	33	6.1	206,975,307,605	249,650,269,355
3. Repayment of borrowings	34	6.2	(320,287,225,991)	(588,409,240,743)
4. Dividends paid	36		-	(3,546,157,200)
<b>Net cash from financing activities</b>	<b>40</b>		<b>(111,246,823,081)</b>	<b>(342,305,128,588)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>50</b>		<b>(6,975,535,521)</b>	<b>(5,539,221,943)</b>
Cash and cash equivalents at beginning of year	60		10,641,297,022	16,180,518,965
Impact of exchange rate fluctuation	61		-	-
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>70</b>		<b>3,665,761,501</b>	<b>10,641,297,022</b>



**Tran Dinh Loi**  
Chairman of the Board of Directors  
Hoi An City, 26 March 2025

**Vo Ho Quynh Giao**  
Chief Accountant

**Nguyen Thi Thu Thao**  
Preparer



**NOTES TO THE FINANCIAL STATEMENTS**

**1. CORPORATE INFORMATION**

**1.1. Structure of ownership**

Development Investment Construction Hoi An Joint Stock Company (hereinafter referred to as “the Company”), was established based on the equitization of DIC – Hoi An Construction Investment Company, pursuant to Decision No. 202/QĐ-BXD dated 6 February 2006, issued by the Minister of Construction. The Company operates under Business Registration Certificate No. 4000391600 dated 01 March 2006, granted by the Department of Planning and Investment of Quang Nam Province and other amended certificates thereafter with the latest one dated 02 August 2024.

Currently, the Company's shares are registered for trading on the Hanoi Stock Exchange (HNX) under the ticker symbol DIH since 22 February 2011, in accordance with the Share Trading Registration Certificate No. 78/QĐ-SDGHN.

The charter capital as stipulated in the Business Registration Certificate is VND 68,941,640,000.

The Company's registered head office is at No. 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam.

The number of employees as at 31 December 2024 was 48 (31 December 2023: 51).

**1.2. Business field**

Construction of buildings and real estate activities.

**1.3. Operating industry and principal activities**

Under the Business Registration Certificate, the Company's main business activities comprise:

- Manufacture of clay building materials;
- Building completion and finishing;
- Trading of own or rented property and land use rights. Detailed: Investment and development of new urban areas and industrial zones; investment and business in the development of housing, urban technical infrastructure, and infrastructure for industrial zones, export processing zones, high-tech zones, and new economic zones;
- Construction of residential buildings;
- Construction of non-residential buildings;
- Construction of railway;
- Construction of roads;
- Construction of electrical works;
- Construction of water supply and drainage works;
- Construction of telecommunications and communication constructions;
- Construction of other utility projects
- Construction of hydraulic structures;
- Construction of mining and quarrying facilities;
- Construction of manufacturing facilities;
- Construction of other civil engineering projects;

**1.4. Normal operating cycle**

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****1.5. The Company's structure**

As at 31 December 2024, the Company's dependent units were as follows:

<b>Unit name</b>	<b>Address</b>
Dien Ban Tuynen Brick Factory – Branch of Development Investment Construction Hoi An Joint Stock Company	Cam Son Industrial Cluster, Dien Tien Commune, Dien Ban Town, Quang Nam Province, Vietnam
Branch of Development Investment Construction Hoi An Joint Stock Company in Da Nang (*)	76 Nguyen Du, Hai Chau District, Da Nang City, Vietnam
Branch of Development Investment Construction Hoi An Joint Stock Company in Ho Chi Minh City (*)	B20 Phu My Residential Area, Quarter 6, Pham Huu Lau Street, Phu My Ward, District 7, Ho Chi Minh City, Vietnam

(\*) The Company is currently undertaking the procedures for the dissolution of these two branches.

**1.6. Statement of Comparability of Information in Financial statements**

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

**2. BASIS OF PREPARATION****2.1. Accounting standards, accounting system**

The accompanying financial statements, expressed in Vietnamese Dong (VND), are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

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

**2.2. Forms of accounting records**

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

**2.3. Financial year**

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

**2.4. Reporting and functional currency**

The Company maintains its accounting records in VND.

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1. Use of estimates**

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3.2. Cash and cash equivalents**

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

**3.3. Account receivables**

***Recognition method***

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

***Provision for doubtful debts***

As of the date of preparing the financial statements, provision for doubtful debt is recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might not be recoverable when due at the level as guided in prevailing regulations. The determination of the overdue period of a doubtful receivable to be provisioned is based on the principal repayment period according to the original sale contract, excluding the debt extension between the parties.

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

**3.4. Inventories**

***Inventory measurement***

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

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

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

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

***Method of accounting for inventories***

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

***Provision for decline in value of inventories***

As of the date of preparing the financial statements, provision is recognised for obsolete, slow-moving and defective inventory items and an excess of the cost of inventories over their net realisable value.

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**3.5. Tangible fixed assets**

Tangible fixed assets are measured at cost less accumulated depreciation.

***Tangible fixed asset recognition***

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

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

***Depreciation and amortisation***

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

The estimated useful lives are as follows:

	<b><u>Year 2024</u></b>
▪ Buildings, structures	07 – 10 years
▪ Machinery and equipment	05 – 08 years
▪ Motor vehicles	08 – 10 years
▪ Office equipment	03 – 07 years

**3.6. Leases*****Operating leases***

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

**3.7. Prepayments**

Prepayments are classified as current and non-current based on their original term. Prepayments mainly comprise costs of tools and supplies, insurance expenses, repair expenses, which are amortised over the period for which they are paid or the period in which economic benefits are generated in relation to these expenses.

The following expenses are recognised as prepayments and amortised to the income statement:

- Tools and supplies are amortised to the income statement over 24 months to 36 months;

**3.8. Liabilities**

Liabilities are classified into trade payables, intra-company payables and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; intra-company payables represent those between the entity and its dependent accounting units having no legal status; the remaining payables are classified as other payables.

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Liabilities are recognised at no less than the payment obligation.

**3.9. Borrowing costs**

***Capitalisation of borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until the assets are put into use or sale.

Investment income earned on temporary investment of borrowings is deducted from the cost of the respective assets.

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

**3.10. Accrued expenses**

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

The accrued expenses of the Company comprise accruals of interest expense. The interest expense is determined on an accrual basis by reference to remaining days of loan and at the interest rate.

**3.11. Owners' equity**

***The owners' contributed equity***

The owners' contributed equity is recognised when contributed.

***Share premiums***

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

***Treasury shares***

Treasury shares are recognised at purchased cost and presented in the balance sheet as a deduction from equity.

***Dividends***

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

***Retained earnings***

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

**3.12. Revenue and other income**

***Revenue from selling goods***

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***Revenue from construction contracts***

Revenue from construction contracts is recognised in accordance with the accounting policy on construction contracts as Note 3.13 below.

***Interest income***

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

**3.13. Construction contracts**

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

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

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

**3.14. Cost of sales**

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

**3.15. Finance expense**

Finance expenses represent all expenses incurred in the reporting year which mainly include borrowing costs.

**3.16. Selling expense and general and administrative expense**

Selling expenses represent expenses incurred during the process of selling products, which include expenses relating to electronic invoicing services.

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

**3.17. Taxation**

***Corporate income tax***

*Current corporate income tax expense:*

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***Value added tax***

The value-added tax applied to goods and services provided by the Company is 10%, with a reduced VAT rate of 8% applied to goods and services from 01 January 2024, to 31 December 2024, in accordance with Decree 94/2023/ND-CP dated 28 December 2023, and Decree 72/2024/ND-CP dated 30 June 2024, issued by the Government.

***Other taxes***

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

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

**3.18. Earnings per share**

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

**3.19. Diluted earnings per share**

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

**3.20. Segment reporting**

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

Reference to Note 7 below.

**3.21. Related parties**

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

## 4.1. Cash and cash equivalents

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Cash in hand	943,845,688	286,100,349
Cast at banks	1,537,602,530	9,191,281,366
Cash equivalents (Less than 3 months) (*)	1,184,313,283	1,163,915,307
<b>Total</b>	<b>3,665,761,501</b>	<b>10,641,297,022</b>

(\*) The one-month term deposit of VND 1,184,313,283 is pledged for loans at Vietnam Joint Stock Commercial Bank for Industry and Trade under the collateral agreement for valuable papers No. 45012/2019/HĐBĐ/NHCT484 dated 27 August 2019.

## 4.2. Current trade receivables

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Quang Nam Department of Health	9,733,177,657	10,831,259,657
Transport and Industry Development Investment Corporation (Tracodi)	23,700,944,402	20,938,050,728
Others	8,670,869,020	25,156,779,130
<b>Total</b>	<b>42,104,991,079</b>	<b>56,926,089,515</b>

## 4.3. Current advances to suppliers

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Hoi An City Land Development Center (*)	2,111,353,000	3,957,890,000
Dang Khoa Quang Nam Joint Stock Company	1,340,984,000	1,564,877,000
Others	3,371,732,589	3,879,887,067
<b>Total</b>	<b>6,824,069,589</b>	<b>9,402,654,067</b>

(\*) Advance payment of funds to the Hoi An City Land Development Center for land recovery and compensation at the Lam Sa – Tu Le – Xuan Hoa Residential Area project, in accordance with Official Letter No. 212/UBND dated 18 January 2017 from the People's Committee of Hoi An City and Official Letter No. 178/PTQĐ dated 20 December 2017 from the Hoi An City Land Development Center.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.4. Other current receivables

	As at 31 Dec. 2024		As at 01 Jan. 2024	
	VND		VND	
	Value	Provision	Value	Provision
Current:				
Deposits, mortgages, Collateral	-	-	75,000,000	-
Advances	63,651,894,805	(40,222,825)	71,430,840,550	(40,222,825)
Others	232,688,826	-	934,283,908	-
<b>Total</b>	<b>63,884,583,631</b>	<b>(40,222,825)</b>	<b>72,440,124,458</b>	<b>(40,222,825)</b>
Non - current:				
Deposits, mortgages, Collateral	322,605,417	-	321,959,141	-
<b>Total</b>	<b>322,605,417</b>	<b>-</b>	<b>321,959,141</b>	<b>-</b>

## 4.5. Doubtful debts

	As at 31 Dec. 2024		As at 01 Jan. 2024	
	VND		VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue current trade receivables with low recoverability	233,928,054	-	233,928,054	-
<b>Total</b>	<b>233,928,054</b>	<b>-</b>	<b>233,928,054</b>	<b>-</b>

The Chairman of the Board of Directors and Management assessed the ability to recover the overdue receivables as low because these receivables have been outstanding for a long time and have not yet been collected.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	As at 31 Dec. 2024			As at 01 Jan. 2024		
	VND			VND		
	Cost	Recoverable amount	Overdue days	Cost	Recoverable amount	Overdue days
Son Tra Joint Stock Company	50,591,529	-	Over 3 years	50,591,529	-	Over 3 years
People's Committee of Cam An Ward	69,623,900	-	Over 3 years	69,623,900	-	Over 3 years
Internal Road of the Resettlement Area	40,222,825	-	Over 3 years	40,222,825	-	Over 3 years
Quang Nam Construction and Water Supply Company	56,489,800	-	Over 3 years	56,489,800	-	Over 3 years
Others	17,000,000	-	Over 3 years	17,000,000	-	Over 3 years
<b>Total</b>	<b>233,928,054</b>	<b>-</b>		<b>233,928,054</b>	<b>-</b>	

## 4.6. Inventories

	As at 31 Dec. 2024		As at 01 Jan. 2024	
	VND		VND	
	Value	Provision	Value	Provision
Raw Materials	4,901,847,807	-	4,901,847,807	-
Work in progress	493,020,922,996	-	611,826,447,882	-
Finished goods	453,018,433	-	453,018,433	-
<b>Total</b>	<b>498,375,789,236</b>	<b>-</b>	<b>617,181,314,122</b>	<b>-</b>

There is no slow moving and obsolescent inventory at the year-end.

There is no inventory pledged as security for liabilities at the year-end.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4.7. Tangible fixed assets

Items	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost:					
As at 01 Jan. 2024	4,534,182,995	13,104,706,706	4,232,940,867	112,627,000	21,984,457,568
Purchase	-	1,183,164,983	-	-	1,183,164,983
<b>As at 31 Dec. 2024</b>	<b>4,534,182,995</b>	<b>14,287,871,689</b>	<b>4,232,940,867</b>	<b>112,627,000</b>	<b>23,167,622,551</b>
Accumulated depreciation:					
As at 01 Jan. 2024	4,463,570,869	11,721,865,736	3,672,524,200	112,627,000	19,970,587,805
Depreciation	54,384,652	810,408,250	269,000,000	-	1,133,792,902
<b>As at 31 Dec. 2024</b>	<b>4,517,955,521</b>	<b>12,532,273,986</b>	<b>3,941,524,200</b>	<b>112,627,000</b>	<b>21,104,380,707</b>
Net book value:					
As at 01 Jan. 2024	70,612,126	1,382,840,970	560,416,667	-	2,013,869,763
<b>As at 31 Dec. 2024</b>	<b>16,227,474</b>	<b>1,755,597,703</b>	<b>291,416,667</b>	<b>-</b>	<b>2,063,241,844</b>

The amount of year-end net book value of tangible fixed assets totalling VND 548,106,059 was pledged/mortgaged as loan security.

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 15,113,750,332.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.8. Current accrued expenses**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Land rental cost (*)	2,480,210,374	2,583,912,550
<b>Total</b>	<b>2,480,210,374</b>	<b>2,583,912,550</b>

(\*) The one-time land rental payment for the property at 25 Hung Vuong Street, Cam Pho Ward, Hoi An City, which serves as the company's headquarters, has been pledged as collateral at Vietnam Joint Stock Commercial Bank for Industry and Trade – Hoi An Branch.

**4.9. Current trade payables**

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Value	Payable value	Value	Payable value
Le Van Sa Company Limited	2,365,872,748	2,365,872,748	2,950,150,037	2,950,150,037
Stock Companies and				
Investment Philosophy of				
Technology Phu An	1,486,388,950	1,486,388,950	2,086,388,950	2,086,388,950
Others	24,344,334,417	24,344,334,417	22,519,061,617	22,519,061,617
<b>Total</b>	<b>28,196,596,115</b>	<b>28,196,596,115</b>	<b>27,555,600,604</b>	<b>27,555,600,604</b>

**4.10. Current advances from customers**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Loc Tu Company Limited	-	46,428,000,000
Hoi An City Project Management Board for Construction		
Investment	8,284,952,818	-
Tam Ky City Land Development Center	157,772,890	3,008,171,568
Quang Nam Province Project Management Board for		
Transport Construction	4,985,645,873	-
Others	1,720,023,397	20,412,091,613
<b>Total</b>	<b>15,148,394,978</b>	<b>69,848,263,181</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.11. Tax and amounts payable to the State budget

	As at 31 Dec. 2024 VND	Movements in the year VND		As at 01 Jan. 2024 VND
	Payable	Payable	Paid/Deducted	Payable
Value added tax	-	9,640,603,533	9,640,603,533	-
Corporate income tax	1,782,752,087	3,866,409,959	4,488,068,558	2,404,410,686
Personal income tax	15,378,713	182,347,143	178,757,930	11,789,500
Land tax, land rental	-	157,827,035	157,827,035	-
Business License Tax	-	4,000,000	4,000,000	-
Others	166,600,000	1,152,741,805	986,141,805	-
<b>Total</b>	<b>1,964,730,800</b>	<b>15,003,929,475</b>	<b>15,455,398,861</b>	<b>2,416,200,186</b>

## 4.12. Payables to employees

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Salaries	464,689,432	-
<b>Total</b>	<b>464,689,432</b>	<b>-</b>

## 4.13. Accrued expenses

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Loan interest	898,840,629	22,902,013,674
Others	259,330,000	259,330,000
<b>Total</b>	<b>1,158,170,629</b>	<b>23,161,343,674</b>

## 4.14. Other payables

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Trade union expenditure, social insurance	57,243,000	19,635,000
Loan interest	21,379,001,494	-
Others	472,883,539	480,713,816
<b>Total</b>	<b>21,909,128,033</b>	<b>500,348,816</b>

# DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY

Address: 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.15. Loans and finance lease liabilities

Loans and finance lease liabilities are analysed as follows:

	As at 31 Dec. 2024		Movements in the year			As at 01 Jan. 2024	
	VND		VND			VND	
	Value	Payable value	Increase	Decrease		Value	Payable value
<b>Current loans:</b>							
Vietnam Bank for Agriculture and Rural Development - Hoi An Branch (1)	45,972,098,212	45,972,098,212	46,391,664,293	45,696,978,651		45,277,412,570	45,277,412,570
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoi An Branch (2)	41,539,202,351	41,539,202,351	63,860,902,895	58,133,445,773		35,811,745,229	35,811,745,229
Maritime Commercial Joint Stock Bank - Hoi An Branch	-	-	-	2,137,562,384		2,137,562,384	2,137,562,384
Vietcombank - Hoi An Branch (3)	18,614,156,876	18,614,156,876	20,909,566,417	7,949,765,183		5,654,355,642	5,654,355,642
VN Group Joint Stock Company (4)	178,671,900,000	178,671,900,000	46,000,000,000	15,000,000,000		147,671,900,000	147,671,900,000
Ms. Le Thi Ha (5)	7,000,000,000	7,000,000,000	7,000,000,000	-		-	-
Mr. Phan Nguyen Khoa (6)	6,800,000,000	6,800,000,000	6,800,000,000	-		-	-
Mr. Truong Minh Hoa (7)	5,000,000,000	5,000,000,000	5,000,000,000	-		-	-
<b>Current portion of non - current loans:</b>							
Quang Nam Development Investment Fund (8)	13,600,000,000	13,600,000,000	13,600,000,000	14,280,000,000		14,280,000,000	14,280,000,000
Truong Hai Group Joint Stock Company (9)	72,000,000,000	72,000,000,000	72,000,000,000	-		-	-
<b>Total</b>	<b>389,197,357,439</b>	<b>389,197,357,439</b>	<b>281,562,133,605</b>	<b>143,197,751,991</b>		<b>250,832,975,825</b>	<b>250,832,975,825</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	As at 31 Dec. 2024		Movements in the year		As at 01 Jan. 2024	
	Value	Payable value	Increase	Decrease	Value	Payable value
	VND		VND		VND	
<b>Non - current loans:</b>						
Quang Nam Development Investment Fund (8)	-	-	-	13,600,000,000	13,600,000,000	13,600,000,000
Truong Hai Group Joint Stock Company (9)	-	-	-	72,000,000,000	72,000,000,000	72,000,000,000
Others (10)	43,320,500,000	43,320,500,000	11,013,174,000	177,089,474,000	209,396,800,000	209,396,800,000
<b>Total</b>	<b>43,320,500,000</b>	<b>43,320,500,000</b>	<b>11,013,174,000</b>	<b>262,689,474,000</b>	<b>294,996,800,000</b>	<b>294,996,800,000</b>
<b>Overall total</b>	<b>432,517,857,439</b>	<b>432,517,857,439</b>	<b>292,575,307,605</b>	<b>405,887,225,991</b>	<b>545,829,775,825</b>	<b>545,829,775,825</b>
Loans and finance lease from related parties – Refer to Note 8	3,000,000,000	3,000,000,000	-	-	3,000,000,000	3,000,000,000



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

(1) Current loan from Vietnam Bank for Agriculture and Rural Development – Hoi An Branch under Contract No. 4209-LAV-202400 dated 28/06/2024. The credit limit is VND 46,000,000,000, with loan terms and interest rates determined based on each specific debt acknowledgment. Purpose of the loan: purchasing raw materials, renting machinery and equipment, paying labor costs, providing guarantees, and supporting the Company's business operations.

(2) Current loan from Vietnam Joint Stock Commercial Bank for Industry and Trade – Hoi An Branch under the Credit Limit Approval Notice dated 12/01/2024. The credit limit is VND 200,000,000,000, with loan terms and interest rates determined based on each specific debt acknowledgment. Purpose of the loan: purchasing raw materials, renting machinery and equipment, paying labor costs, providing guarantees, and supporting the Company's business operations.

(3) Current loan from Vietnam Joint Stock Commercial Bank for Foreign Trade – Hoi An Branch under Contract No. 122/24/324/HĐTD.NH dated 28/08/2024. The credit limit is VND 19,660,000,000, with loan terms and interest rates determined based on each specific debt acknowledgment. Purpose of the loan: purchasing raw materials, renting machinery and equipment, paying labor costs, providing guarantees, and supporting the Company's business operations.

(4) Under the authorization of the Annual General Meeting of Shareholders in 2020 on 28/05/2020, the Board of Directors convened on 28/01/2021 and approved the loan policy with VN Group Joint Stock Company to settle the legal costs of the investment and construction project for the residential area combined with urban renovation in Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City. Accordingly, the Company signed a loan agreement with VN Group Joint Stock Company under Contract No. 01/2021/HĐVV dated 03/02/2021, Addendum No. 03/2022/HĐVV/PL01 dated 19/03/2022, Addendum No. 03/2023/HĐVV/PL02 dated 19/03/2023, and Addendum No. 03/2024/HĐVV/PL03 dated 19/03/2024. The credit limit is VND 600,000,000,000, with an interest rate of 2% per annum, and the loan term is until 01/03/2025. This loan is unsecured. This contract was liquidated on 01/01/2024.

Additionally, the Company obtained a Current loan from VN Group Joint Stock Company under Loan Agreement No. 017/2024/HĐVV dated 01/07/2024. The loan term is six months from the disbursement date, with an interest rate of 3.5% per annum. Purpose of the loan: supporting the Company's business operations.

(5) Current loan from Ms. Le Thi Ha under Loan Agreement No. 01/2024/HĐVV dated 02/04/2024. The loan term is one year from the disbursement date, with an interest rate of 7.4% per annum. Purpose of the loan: supporting the Company's business operations.

(6) Current loan from Mr. Phan Nguyen Khoa under Loan Agreement No. 02/2024/HĐVV dated 02/04/2024. The loan term is one year from the disbursement date, with an interest rate of 7.4% per annum. Purpose of the loan: supporting the Company's business operations.

(7) Current loan from Mr. Truong Minh Hoa under Loan Agreement No. 03/2024/HĐVV dated 26/12/2024. The loan term is one year from the disbursement date, with an interest rate of 7.4% per annum. Purpose of the loan: supporting the Company's business operations.

(8) Non - current loan from Quang Nam Development Investment Fund under Contract No. 03/2018/HĐTD-QĐT dated 17/09/2018, Addendum No. 09/2021/PLHĐTD-QĐT dated 20/12/2021, and Addendum No. 06/2022/PLHĐTD-QĐT dated 28/06/2022. The credit limit is VND 50,000,000,000, with a loan term of five years from the first disbursement date, a grace period of one year, and an interest rate of 6.5% per annum at the time of contract signing. Purpose of the loan: settling the legal investment costs for the residential project combined with urban renovation in Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City.

(9) Non - current loan from Truong Hai Group Joint Stock Company under Memorandum No. 01/HĐ ĐC/DICTHAOCO dated 24/10/2023, with a 24-month loan term. Purpose of the loan: fulfilling state obligations related to the residential project combined with urban renovation in Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City, with an interest rate of 10% per annum.

(10) Loans from individuals, with an interest rate of 0% per annum. Purpose of the loan: supporting the Company's business operations.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.16. Owners' equity**

**4.16.1. Changes in owners' equity**

	Owners' contributed capital	Items of owners' equity				Total VND
		Capital surplus VND	Treasury shares VND	Investment and development fund	Retained earnings VND	
As at 01 Jan. 2023	59,949,620,000	18,865,793,764	(1,128,947,264)	11,604,627,457	6,611,310,435	95,902,404,392
Previous year's profits	-	-	-	-	14,083,666,318	14,083,666,318
Distribution to investment and development	-	-	-	604,247,710	(604,247,710)	-
Distribution to bonus and welfare fund	-	-	-	-	(604,247,710)	(604,247,710)
Dividend distribution	-	-	-	-	(3,546,157,200)	(3,546,157,200)
As at 01 Jan. 2024	59,949,620,000	18,865,793,764	(1,128,947,264)	12,208,875,167	15,940,324,133	105,835,665,800
Current year's capital increase (***)	8,992,020,000	-	-	-	(8,992,020,000)	-
Current year's profits	-	-	-	-	13,364,366,925	13,364,366,925
Distribution to investment and development fund (*)	-	-	-	1,408,366,632	(1,408,366,632)	-
Distribution to bonus and welfare fund (*)	-	-	-	-	(1,408,366,632)	(1,408,366,632)
Sale of Treasury Shares (**)	-	936,148,041	1,128,947,264	-	-	2,065,095,305
<b>As at 31 Dec. 2024</b>	<b>68,941,640,000</b>	<b>19,801,941,805</b>	<b>-</b>	<b>13,617,241,799</b>	<b>17,495,937,794</b>	<b>119,856,761,398</b>

(\*) The Company has distributed after-tax profits for the year 2023 in accordance with Resolution No. 26/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders dated 26 April 2024.

(\*\*) On 15 November 2023, the Company's Board of Directors issued Decision No. 74/QĐ-HĐQT approving the plan for the sale of treasury shares. On 31 January 2024, the Company completed the transaction of selling treasury shares through an order-matching mechanism on the HNX exchange.

(\*\*\*) Resolution No. 26/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders dated 26 April 2024 and Resolution No. 35/NQ-HĐQT of the Board of Directors dated 14 May 2024 approved the plan to issue shares for the payment of dividends for the year 2023 at a rate of 15%.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.16.2. Details of owners' equity

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Mr. Tran Dinh Huy	13,136,850,000	11,423,350,000
Mr. Do Thanh Quang	6,068,130,000	5,276,640,000
Treasury shares	-	847,000,000
Other shareholders	49,736,660,000	42,402,630,000
<b>Total</b>	<b>68,941,640,000</b>	<b>59,949,620,000</b>

## 4.16.3. Capital transactions with owners

	Year 2024 VND	Year 2023 VND
Beginning balance	59,949,620,000	59,949,620,000
Capital contribution in the year	8,992,020,000	-
Capital redemption in the year	-	-
<b>Ending balance</b>	<b>68,941,640,000</b>	<b>59,949,620,000</b>

## 4.16.4. Shares

	As at 31 Dec. 2024	As at 01 Jan. 2024
Number of shares registered for issue	6,894,164	5,994,962
Number of shares sold to public	6,894,164	5,994,962
- Ordinary shares	6,894,164	5,994,962
- Preference shares (Classified as owners' equity)	-	-
Number of shares repurchased (Treasury shares)	-	84,700
- Ordinary shares	-	84,700
- Preference shares (Classified as owners' equity)	-	-
Number of shares outstanding	6,894,164	5,910,262
- Ordinary shares	6,894,164	5,910,262
- Preference shares (Classified as owners' equity)	-	-

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



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.16.5. Basic earnings per share

	Year 2024 VND	Year 2023 VND
Profit / (loss) after tax attributable to ordinary share holders	13,364,366,925	14,083,666,318
Adjusted for (interim) distribution to bonus and welfare fund	-	(1,408,366,632)
Earnings for the purpose of calculating basic earnings per share	13,364,366,925	12,675,299,686
Weighted average number of ordinary shares outstanding during the year	6,886,970	6,809,464
<b>Basic earnings per share</b>	<b>1,941</b>	<b>1,861</b>

## 4.16.6. Diluted earnings per share

	Year 2024 VND	Year 2023 VND
Profit / (loss) after tax attributable to ordinary share holders	13,364,366,925	14,083,666,318
Adjusted for (interim) distribution to bonus and welfare fund	-	(1,408,366,632)
Earnings for the purpose of calculating diluted earnings per share	13,364,366,925	12,675,299,686
Weighted average number of ordinary shares outstanding during the period (*)	6,886,970	6,809,464
Adjusted for dilutive potential ordinary shares outstanding during the period	-	-
Number of ordinary shares for the purpose of calculating diluted earnings per share	6,886,970	6,809,464
<b>Diluted earnings per share</b>	<b>1,941</b>	<b>1,861</b>

In 2024, the Company's General Meeting of Shareholders has not yet approved a plan for the appropriation of the bonus and welfare fund. Accordingly, the after-tax profit used to calculate the basic and diluted earnings per share for 2024 represents the entire after-tax profit attributable to the Company's shareholders. These indicators for 2024 may be subject to change when the Company makes a decision regarding fund appropriation in the future.

The appropriation figures for the bonus and welfare fund in 2023 have been restated based on the 2024 Annual General Meeting of Shareholders' resolution on the distribution of 2023 profits. Accordingly, the restated basic/diluted earnings per share for 2023 is VND 1,861 per share (previously reported in last year's financial statements as VND 2,383 per share).

(\*) The weighted average number of outstanding ordinary shares for the years 2024 and 2023 has been adjusted based on the successful issuance of shares for the 2023 dividend payment, totaling 899,202 shares, as stated in Notification No. 45/BC-DICHA dated 17 July 2024.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.16.7. Dividends

According to Resolution No. 26/NQ-DHĐCĐ dated 26 April 2024, of the General Meeting of Shareholders, the Company has approved the 2023 dividend distribution plan with a payout ratio of 15% of charter capital. According to Notification No. 40/TB-DICHA dated 13 June 2024, the record date for dividend payment rights was 10 July 2024. As stated in the Report on the Results of the Share Issuance for Dividend Payment No. 45/BC-DICHA dated 17 July 2024, the Company distributed 899,202 shares.

## 5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT

## 5.1. Revenue from selling goods and rendering services

	Year 2024 VND	Year 2023 VND
Revenue from construction activities	33,292,957,720	37,032,817,107
Revenue from sale of bricks	-	1,812,518,679
Revenue from real estate activities	188,820,031,742	252,071,500,342
<b>Total</b>	<b>222,112,989,462</b>	<b>290,916,836,128</b>
Of which revenue from selling goods and rendering services to related parties – Refer to Note 8	-	28,972,925,791

## 5.2. Cost of sales

	Year 2024 VND	Year 2023 VND
Cost of construction activities	31,783,014,273	35,380,039,312
Cost of selling bricks	-	1,439,027,691
Cost of real estate activities	148,391,276,184	201,203,796,392
<b>Total</b>	<b>180,174,290,457</b>	<b>238,022,863,395</b>

## 5.3. Finance income

	Year 2024 VND	Year 2023 VND
Deposit interest	28,687,937	54,290,325
<b>Total</b>	<b>28,687,937</b>	<b>54,290,325</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 5.4. Finance expense

	Year 2024 VND	Year 2023 VND
Loan interest	6,080,199,160	3,027,813,677
<b>Total</b>	<b>6,080,199,160</b>	<b>3,027,813,677</b>

## 5.5. Selling expense

	Year 2024 VND	Year 2023 VND
Employee expenses	-	28,401,565
Brokerage expenses	7,008,960,000	18,658,836,000
<b>Total</b>	<b>7,008,960,000</b>	<b>18,687,237,565</b>

## 5.6. General and administrative expense

	Year 2024 VND	Year 2023 VND
Materials expense	208,514,733	335,042,592
Employee expense	7,770,449,194	7,723,297,102
Depreciation and amortisation expense	534,381,077	759,627,933
Service expense	2,513,442,023	3,375,016,418
Other expenses	620,663,871	635,092,895
<b>Total</b>	<b>11,647,450,898</b>	<b>12,828,076,940</b>

## 5.7. Production and business costs by element

	Year 2024 VND	Year 2023 VND
Materials expense	25,780,409,795	30,238,231,450
Employee expense	15,578,702,083	16,241,569,036
Depreciation and amortisation expense	1,133,792,902	1,166,058,878
Service expense	12,073,052,523	20,310,724,533
Other expenses	25,459,219,166	98,027,804,124
<b>Total</b>	<b>80,025,176,469</b>	<b>165,984,388,021</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 5.8. Current corporate income tax expense

	Year 2024 VND	Year 2023 VND
Accounting profits before tax	17,230,776,884	18,405,134,876
Adjustments of taxable income	2,101,272,909	3,202,207,913
Add: Increasing adjustments	2,101,272,909	3,202,207,913
- Non-deductible expenses	2,101,272,909	3,202,207,913
Less: Decreasing adjustments	-	-
Total taxable income	19,332,049,793	21,607,342,789
Income from real estate activities	18,975,733,787	20,738,850,632
Income from other activities	356,316,006	868,492,157
Current CIT rate	20%	20%
Income from real estate activities	3,795,146,757	4,147,770,126
Income from other activities	71,263,202	173,698,432
<b>Current corporate income tax expense</b>	<b>3,866,409,959</b>	<b>4,321,468,558</b>

## 6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT

## 6.1. Cash receipts from loans in the year

	Year 2024 VND	Year 2023 VND
Cash receipts from loans under normal contracts	206,975,307,605	249,650,269,355
<b>Total</b>	<b>206,975,307,605</b>	<b>249,650,269,355</b>

## 6.2. Cash repayments of principal amounts borrowed

	Year 2024 VND	Year 2023 VND
Cash repayment of principal amounts under normal contracts	320,287,225,991	588,409,240,743
<b>Total</b>	<b>320,287,225,991</b>	<b>588,409,240,743</b>

## 7. SEGMENT REPORTING

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

For the financial year ended 31/12/2024



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	Manufacture of bricks, roofing tiles		Construction activities		Real estate activities		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
<b>Net revenue</b>								
From customers	-	1,812,518,679	33,292,957,720	37,032,817,107	188,820,031,742	252,071,500,342	222,112,989,462	290,916,836,128
<b>Total</b>	-	<b>1,812,518,679</b>	<b>33,292,957,720</b>	<b>37,032,817,107</b>	<b>188,820,031,742</b>	<b>252,071,500,342</b>	<b>222,112,989,462</b>	<b>290,916,836,128</b>
<b>Operating expenses</b>								
Cost of sales	-	1,439,027,691	31,783,014,273	35,380,039,312	148,391,276,184	201,203,796,392	180,174,290,457	238,022,863,395
Selling expense	-	28,401,565	-	-	7,008,960,000	18,658,836,000	7,008,960,000	18,687,237,565
General and administration expense	-	234,760,437	240,858,158	521,878,884	11,406,592,740	12,071,437,619	11,647,450,898	12,828,076,940
<b>Total</b>	-	<b>1,702,189,693</b>	<b>32,023,872,431</b>	<b>35,901,918,196</b>	<b>166,806,828,924</b>	<b>231,934,070,011</b>	<b>198,830,701,355</b>	<b>269,538,177,900</b>
<b>Operating profit</b>	-	<b>110,328,986</b>	<b>1,269,085,289</b>	<b>1,130,898,911</b>	<b>22,013,202,818</b>	<b>20,137,430,331</b>	<b>23,282,288,107</b>	<b>21,378,658,228</b>
Financial income							28,687,937	54,290,325
Financial expense							6,080,199,160	3,027,813,677
Net other income/(loss)							-	-
<b>Accounting profit/(loss) before taxation</b>							<b>17,230,776,884</b>	<b>18,405,134,876</b>
Current corporate income tax expense							3,866,409,959	4,321,468,558
Deferred corporate income tax expense							-	-
<b>Net profit/(loss) after taxation</b>							<b>13,364,366,925</b>	<b>14,083,666,318</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Manufacture of bricks, roofing tiles		Construction activities		Real estate activities		Total	
	As at 31 Dec. 2024	01 Jan. 2024	As at 31 Dec. 2024	01 Jan. 2024	As at 31 Dec. 2024	01 Jan. 2024	As at 31 Dec. 2024	As at 01 Jan. 2024
	VND	VND	VND	VND	VND	VND	VND	VND
Segment assets	8,162,766,474	10,896,404,555	140,536,068,296	170,142,702,709	474,152,679,682	594,985,674,802	622,851,514,452	776,024,782,066
Unallocated assets	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>8,162,766,474</b>	<b>10,896,404,555</b>	<b>140,536,068,296</b>	<b>170,142,702,709</b>	<b>474,152,679,682</b>	<b>594,985,674,802</b>	<b>622,851,514,452</b>	<b>776,024,782,066</b>
Segment liabilities	8,162,766,474	10,896,404,555	230,560,086,580	411,740,811,711	264,271,900,000	247,551,900,000	502,994,753,054	670,189,116,266
Unallocated liabilities	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>8,162,766,474</b>	<b>10,896,404,555</b>	<b>230,560,086,580</b>	<b>411,740,811,711</b>	<b>264,271,900,000</b>	<b>247,551,900,000</b>	<b>502,994,753,054</b>	<b>670,189,116,266</b>

	Manufacture of bricks, roofing tiles		Construction activities		Real estate activities		Total	
	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023
	VND	VND	VND	VND	VND	VND	VND	VND
Cost of purchasing assets	-	-	1,183,164,983	-	-	-	1,183,164,983	-
Depreciation expense	112,264,182	112,264,182	1,021,528,720	1,053,794,696	-	-	1,133,792,902	1,166,058,878



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 8. RELATED PARTIES

<u>List of related parties</u>	<u>Relationship</u>
Board of Directors and Management	Key Management personnel
Ms. Vo Ho Quynh Giao	Chief Accountant
Mr. Do Thanh Quang	Significant influence shareholder
Mr. Doan Minh Thong	Related person

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

	<b>As at 31 Dec. 2024 VND</b>	<b>As at 01 Jan. 2024 VND</b>
<b>Loans and finance lease liabilities</b>		
Mr. Hoang Minh Thong	3,000,000,000	3,000,000,000
<b>Total – Refer to Note 4.15</b>	<b>3,000,000,000</b>	<b>3,000,000,000</b>

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

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
<b>Real estate transfer</b>		
Mr. Do Thanh Quang	-	6,237,891,300
Mr. Tran Dinh Huy	-	10,259,251,891
Mr. Tran Van Son	-	6,237,891,300
Ms. Vo Ho Quynh Giao	-	6,237,891,300
<b>Total – Refer to Note 5.1</b>	<b>-</b>	<b>28,972,925,791</b>
<b>Dividend payment</b>		
Mr. Tran Dinh Huy	1,713,500,000	685,401,000
Mr. Do Thanh Quang	791,490,000	316,598,400

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Remunerations of the Board of Directors and Supervisory Committee:

Full name	Title	Year 2024 VND	Year 2023 VND
Mr. Tran Dinh Loi	Chairman of the Board of Directors	720,000,000	720,000,000
Mr. Tran Van Viet	Deputy Chairman of the Board of Directors	96,000,000	96,000,000
Mr. Tran Minh Toan	Member of the Board of Directors (Dismissed on 26 April 2024)	32,000,000	96,000,000
Mr. Tran Dinh Danh	Member of the Board of Directors	96,000,000	96,000,000
Mr. Ho Hai Bac	Member of the Board of Directors	96,000,000	96,000,000
Mr. Tran Quoc Tuan	Member of the Board of Directors (Appointed on 26 April 2024)	64,000,000	-
Ms. Pham Thi Thanh Tam	Head of the Supervisory Committee	60,000,000	60,000,000
Mr. Tran Van Son	Member of the Supervisory Committee	54,000,000	31,500,000
Mr. Le Dinh Thinh	Member of the Supervisory Committee (Appointed on 26 April 2024)	36,000,000	-
Mr. Tran Dinh Dung	Member of the Supervisory Committee (Dismissed on 26 April 2024)	18,000,000	54,000,000
Mr. Nguyen Hoang Phuong	Member of the Supervisory Committee (Dismissed on 26 April 2024)	-	22,500,000

Salaries, bonuses and other incomes of Management, Board of Directors, Supervisory Committee and other key personels:

Full name	Title	Year 2024 VND	Year 2023 VND
Mr. Tran Van Viet	General Director	480,000,000	455,000,000
Mr. Pham Anh Thi	Deputy General Director	282,110,000	273,000,000
Mr. Nguyen Hoang Phuong	Deputy General Director	272,788,406	238,873,162
Mr. Tran Dinh Huy	Deputy General Director	271,776,190	226,825,000
Mr. Tran Dinh Loi	Chairman of the Board of Directors	30,000,000	-
Mr. Ho Hai Bac	Member of the Board of Directors	-	47,554,231
Mr. Tran Van Son	Member of the Supervisory Committee	219,770,186	195,959,598
Mr. Le Dinh Thinh	Member of the Supervisory Committee (Appointed on 26 April 2024)	216,377,075	208,000,000



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 9. COMMITMENT UNDER OPERATING LEASES

*The Company as a lessee*

The company rents office land under Land Lease Contract No. 204/HDTĐ dated 03 September 2008 with the Department of Natural Resources and Environment of Quang Nam province, covering an area of 287.2 m<sup>2</sup>, with a lease term until November 2048. The land rental fee has been paid in full for the entire lease period until November 2048 and is gradually allocated to expenses during the period.

	Year 2024 VND	Year 2023 VND
Payments under operating leases recognised as an expense in the year	103,702,176	103,702,176

## 10. EVENTS AFTER THE END OF THE REPORTING YEAR

There were no significant events arising after the end of the reporting year to the date of the financial statements.



*Tran Dinh Loi*  
Chairman of the Board of Directors  
Hoi An City, 26 March 2025

*Vo Ho Quynh Giao*  
Chief Accountant

*Nguyen Thi Thu Thao*  
Preparer