

# **AN TRUONG AN JOINT STOCK COMPANY**

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





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**AN TRUONG AN JOINT STOCK COMPANY**

81 Mai Hac De, Genh Rang Ward, Quy Nhon City, Binh Dinh Province

**STATEMENT OF THE BOARD OF GENERAL MANAGEMENT**

The Board of General Management of AnTruong An Joint Stock Company (hereinafter called "the Company") presents this report together with the combined financial statements of the Company for the year ended 31 December 2024.

**GENERAL INFORMATION**

An Truong An Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No. 4100577172 for the first time on 1<sup>st</sup> August 2007 and the 12<sup>th</sup> amendment dated 27<sup>th</sup> June 2024 issued by the Binh Dinh Department of Planning and Investment.

**THE MEMBERS OF THE BOARD OF DIRECTORS, THE AUDIT COMMITTEE, AND THE BOARD OF GENERAL MANAGEMENT**

The members of the Board of Directors, Audit Committee, and the Board of General Management of the Company during the year and to the date of this statement are as follows:

**The Board of Directors**

Full name	Position	Date of appointment/dismissal
Mr. Nguyen Huu Phu	Chairman	
Mr. Nguyen Anh Thong	Member	
Mr. Do Minh Duc	Member	
Mr. Dao Quang Trung	Member	Appointed on 25/05/2024
Mr. Nguyen Anh Tuan	Member	Appointed on 25/05/2024
Mr. Nguyen Dong Giang	Member	Dismissed on 25/05/2024

**The Audit Committee**

Full name	Position	Date of appointment/dismissal
Mr. Nguyen Anh Tuan	Chairman	
Mr. Nguyen Dong Giang	Chairman	Appointed on 25/05/2024
Mr. Do Minh Duc	Member	Dismissed on 25/05/2024

**The Board of General Management**

Full name	Position	Date of appointment/dismissal
Mr. Dao Quang Trung	General Director	Appointed on 17/05/2024
Mr. Vo Qui Lam	General Director	Dismissed on 21/03/2024

**Legal representatives**

The legal representative of the Company during the year and to the date of this statement is Mr Nguyen Huu Phu – The Chairman.

From 27<sup>th</sup> June 2024, the Company appointed Mr. Dao Quang Trung – General Director as a legal representative.



## **STATEMENT OF THE BOARD OF GENERAL MANAGEMENT (Continued)**

### **EVENTS ARISING AFTER THE END OF THE YEAR**

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in these combined financial statements.

### **AUDITORS**

International Auditing and Valuation Company Limited has been appointed to audit the combined financial statements of the Company for the year ended 31 December 2024.

### **DISCLOSURE OF THE BOARD OF GENERAL MANAGEMENT'S RESPONSIBILITIES FOR THE COMBINED FINANCIAL STATEMENTS**

The Board of General Management of the Company is responsible for preparing the combined financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these combined financial statements, The Board of General Management is required to:

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

The Board of General Management of the Company 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 combined financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of General 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 Board of General Management confirms that the Company has complied with the above requirements in preparing these combined financial statements.

### **APPROVAL OF THE COMBINED FINANCIAL STATEMENTS**

The Board of General Management approves the attached combined financial statements. The combined financial statements reflected truly and fairly the Company's financial position as at 31 December 2024, as well as the financial performance and cash flows for the year ended 31 December 2024, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



**STATEMENT OF THE BOARD OF GENERAL MANAGEMENT  
(Continued)**

**COMMITMENT ON INFORMATION DISCLOSURE**

The Board of General Management confirms to have complied with Decree 155/2020/ND-CP dated 31 December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the securities market.

For and on behalf of the Board of General Management,



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**Mr. DAO QUANG TRUNG**

General Director

Binh Dinh Province, 28<sup>th</sup> March 2025



No: 25061.2/2024/BCTC/IAV

## **INDEPENDENT AUDITORS' REPORT**

**To:**                    **The shareholders**  
**The Board of Directors, the Audit Committee, and the Board of General Management of An Truong An Joint Stock Company**

We have audited the accompanying combined financial statements of An Truong An Joint Stock Company (hereinafter called "the Company"), prepared on 28<sup>th</sup> March 2025, as set out from page 05 to page 34, which comprise the statement of financial position as at 31 December 2024, the statement of income, and statement of cash flows for the year then ended, and the notes to the combined financial statements.

### **The Board of General Management's Responsibility**

The Board of General Management of the Company is responsible for the preparation and fair presentation of these combined financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as The Board of General Management determines is necessary to enable the preparation of combined 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 combined 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 combined financial statements are free from material misstatement.

### **The basis for disclaimer of opinion**

As stated in Note 4.14 - Off Statement of Financial Position items (Bad debts written off); in 2022, the Company has written off all receivables assessed as unreceivable; which book value is 130,221,870,909 VND, corresponding to allowance for doubtful debts is 50,312,633,659 VND; and written – off liabilities is 11,757,026,500 VND. The receivables has been written off without the approval of the shareholders' General Meeting. The debt settlement plan was approved in Resolution No.2505/2024/NQ-ĐHĐCĐ/ATG dated 25th May 2024 by the Company's Shareholders' General Meeting. We were unable to obtain sufficient and appropriate audit evidence to express an audit opinion on this matter, nor cannot be estimated affections of this matter on the opening balance of the Statement of Combined Financial Position (if any).

### **The disclaimer of opinion**

Due to the significance of the mentioned issue in the "Basis for disclaimer of opinion" section, we were unable to collect sufficient reliable audit evidence to issue an audit opinion on this matter, specially regarding whether it has an impact and whether adjustments to the comparative figures on the Balance Sheet are necessary.



## INDEPENDENT AUDITORS' REPORT (Continued)

### Emphasis of Matters

We draw the reader's attention to Note 2.2 – Going Concern Assumption, where the Company has accumulated losses of 157,705,902,119 VND and Shareholders' equity (code 410) on the Statement of Combined Financial Position is only 164,970,538 VND. The company's ability to continue as a going concern depends on achieving profitable operations as well as restructuring activities to improve its financial situation in the future. The Board of General Management is preparing the combined financial statements on the going concern assumption.

We also draw attention to Notes 8.1 and 8.2 regarding Potential Liabilities and Potential Assets, events occurring in 2022 may give rise to potential liabilities and assets in the future, which could affect the accompanying combined financial statements.

### Other Matter

The combined financial statements of the Company for the year ended 31 December 2023 were audited by another independent audit firm. The auditor expressed a disclaimed opinion on those statements ended 31 December 2023 on 21<sup>st</sup> May 2024 due to the following issues:

1. The issue related to the written – off bad receivable debts and the handling of payables as mentioned in the basis for the disclaimer of opinion
2. In 2022, the Company decreased the original cost and accumulated depreciation of fixed assets, due to post – inventory processing; as these assets no longer existed
3. The shareholder's equity decreased to 523,615,904 VND; which impacted on the Company's ability to continue as a going concern from the auditors's perspective.

The emphasized issue and other matters mentioned above do not change the disclaimer of opinion on the combined financial statements in this report.



**DUONG VAN THIEU**

**Deputy Director**

Registered Auditor Certificate: 5353-2025-283-1

**NGUYEN KI ANH**

**Auditor**

Registered Auditor Certificate: 3331-2022-283-1

**INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED**

Ha Noi, 28<sup>th</sup> March 2025



## STATEMENT OF COMBINED FINANCIAL POSITION

As at 31 December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>8,510,529,006</b>	<b>44,263,342,663</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>415,493,484</b>	<b>393,812,343</b>
1. Cash	111		415,493,484	393,812,343
<b>II. Short-term investments</b>	<b>120</b>		<b>-</b>	<b>-</b>
<b>III. Short-term receivables</b>	<b>130</b>		<b>4,239,552,023</b>	<b>42,240,955,683</b>
1. Short-term trade receivables	131	4.2	418,330,015	11,339,919,535
2. Short-term prepayments to suppliers	132	4.3	364,868,615	28,286,266,081
3. Other short-term receivables	136	4.4	3,456,353,393	2,614,770,067
<b>IV. Inventories</b>	<b>140</b>	<b>4.5</b>	<b>3,473,769,427</b>	<b>1,519,497,600</b>
1. Inventories	141		3,473,769,427	1,519,497,600
<b>V. Other short-term assets</b>	<b>150</b>		<b>381,714,072</b>	<b>109,077,037</b>
1. Short-term prepaid expenses	151	4.6	246,184,090	39,593,958
2. Deductible VAT	152		135,529,982	69,483,079
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>45,215,911</b>	<b>32,933,234</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>-</b>	<b>-</b>
<b>II. Fixed assets</b>	<b>220</b>		<b>29,007,577</b>	<b>-</b>
1. Tangible fixed assets	221	4.7	29,007,577	-
- Cost	222		34,809,091	-
- Accumulated depreciation	223		(5,801,514)	-
<b>III. Investment properties</b>	<b>230</b>		<b>-</b>	<b>-</b>
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>-</b>	<b>-</b>
<b>V. Long-term financial investments</b>	<b>250</b>		<b>-</b>	<b>-</b>
<b>VI. Other long-term assets</b>	<b>260</b>		<b>16,208,334</b>	<b>32,933,234</b>
1. Long-term prepaid expenses	261	4.6	16,208,334	32,933,234
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>8,555,744,917</b>	<b>44,296,275,897</b>



**STATEMENT OF COMBINED FINANCIAL POSITION (Continued)**

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>8,390,774,379</b>	<b>44,453,283,122</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>7,150,774,379</b>	<b>44,453,283,122</b>
1. Short-term trade payables	311	4.8	339,159,105	11,490,395,341
2. Short-term advances from customers	312	4.9	709,283,125	2,447,395,809
3. Taxes and other payables to the State budget	313	4.10	941,152,822	617,186,277
4. Payables to employees	314		228,540,435	314,198,117
5. Short-term accrued expenses	315	4.11	906,601,552	1,073,355,434
6. Other short-term payables	319	4.12	489,859,940	110,911,500
7. Short-term loans and finance lease liabilities	320	4.13	3,536,177,400	28,399,840,644
<b>II. Long-term liabilities</b>	<b>330</b>		<b>1,240,000,000</b>	-
1. Long-term loans and finance lease liabilities	338	4.13	1,240,000,000	-
<b>D. EQUITY</b>	<b>400</b>		<b>164,970,538</b>	<b>(157,007,225)</b>
<b>I. Owner's equity</b>	<b>410</b>	4.14	<b>164,970,538</b>	<b>(157,007,225)</b>
1. Owner's contributed capital	411		152,200,000,000	152,200,000,000
- Ordinary shares with voting rights	411a		152,200,000,000	152,200,000,000
2. Development investment funds	418		5,670,872,657	5,670,872,657
3. Undistributed post-tax profits	421		(157,705,902,119)	(158,027,879,882)
- Undistributed post-tax profits accumulated by the end of the previous period	421a		(158,027,879,882)	(157,806,229,962)
- Undistributed post-tax profits of current period	421b		321,977,763	(221,649,920)
<b>II. Other resources and funds</b>	<b>430</b>		-	-
<b>TOTAL RESOURCES</b> (440=300+400)	<b>440</b>		<b>8,555,744,917</b>	<b>44,296,275,897</b>

Preparer  
NGUYEN KIEU TRINH

Chief Accountant  
NGUYEN VAN HUNG

General Director  
DAO QUANG TRUNG  
Binh Dinh Province, Vietnam  
28<sup>th</sup> March 2025







**STATEMENT OF COMBINED INCOME**

*For the fiscal year ended 31 December 2024*

ITEMS	Code	Note	Current period VND	Prior period VND
1. Gross revenue from sales and service rendered	01	5.1	13,497,869,672	59,577,137,503
2. Revenue deductions	02		-	-
3. Net revenue from sales and service rendered (10 = 01 - 02)	10		13,497,869,672	59,577,137,503
4. Cost of goods sold	11	5.2	9,469,250,357	57,390,769,182
5. Gross revenue from sales and service rendered (20 = 10 - 11)	20		4,028,619,315	2,186,368,321
6. Financial income	21	5.3	986,712	596,275
7. Financial expenses	22	5.4	281,007,581	157,784,447
<i>In which: Interest expense</i>	23		281,007,581	157,784,447
8. Selling expenses	25	5.5	36,363,636	51,060,937
9. Enterprise administrative expenses	26	5.6	3,707,159,792	1,820,102,996
10. Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		5,075,018	158,016,216
11. Other income	31	5.7	1,627,832,075	14,108
12. Other expenses	32	5.8	983,174,702	331,111,112
13. Other profit/ (losses) (40 = 31 - 32)	40		644,657,373	(331,097,004)
14. Total net profit before tax (50 = 30 + 40)	50		649,732,391	(173,080,788)
15. Current corporate income tax expense	51	5.9	327,754,628	48,569,132
16. Deferred corporate tax expense	52		-	-
17. Net profit/ (losses) after corporate income tax (60 = 50 - 51 - 52)	60		321,977,763	(221,649,920)
18. Basic earnings per share	70	5.10	21	(15)
19. Diluted earnings per share	71	5.10	21	(15)

  
Preparer  
NGUYEN KIEU TRINH

  
Chief Accountant  
NGUYEN VAN HUNG

  
General Director  
DAO QUANG TRUNG  
Binh Dinh Province, Vietnam  
28<sup>th</sup> March 2025



## STATEMENT OF COMBINED CASH FLOW

For the fiscal year ended 31 December 2024

(Indirect method)

ITEMS	Code	Current period VND	Prior period VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. (Losses)/Profit before tax	01	649,732,391	(173,080,788)
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	5,801,514	-
- (Gains)/losses from investing activities	05	(500,252)	-
- Interest expense	06	281,007,581	157,784,447
3. Operating profit before changes in working capital	08	936,041,234	(15,296,341)
- Change in receivables	09	37,935,356,757	(36,486,875,722)
- Change in inventories	10	(1,954,271,827)	(1,519,497,600)
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11	(12,999,038,576)	10,858,730,957
- Change in prepaid expenses	12	(189,865,232)	(72,527,192)
- Corporate income tax paid	15	(48,569,132)	-
<b>Net cash flows from operating activities</b>	20	23,679,653,224	(27,235,465,898)
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(34,809,091)	-
2. Interest earned, dividends and profits received	27	500,252	-
<b>Net cash flows from investing activities</b>	30	(34,308,839)	-
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	11,126,186,400	28,850,840,644
2. Repayment of borrowings	34	(34,749,849,644)	(451,000,000)
<b>Net cash flows from financing activities</b>	40	(23,623,663,244)	28,399,840,644
<b>Net increase/(decrease) in cash for the period (50=20+30+40)</b>	50	21,681,141	1,164,374,746
<b>Cash and cash equivalents at the beginning of the period</b>	60	393,812,343	11,254,695
Effects of changes in foreign exchange rates	61	-	-
<b>Cash and cash equivalents at the end of the period (70=50+60+61)</b>	70	415,493,484	1,175,629,441

Preparer  
NGUYEN KIEU TRINH

Chief Accountant  
NGUYEN VAN HUNG

General Director  
DAO QUANG TRUNG  
Binh Dinh Province, Vietnam  
28<sup>th</sup> March 2025



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

*For the fiscal year ended 31 December 2024*

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

### 1. GENERAL INFORMATION

#### 1.1. Structure of ownership

An Truong An Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No. 4100577172 for the first time on 1st August 2007 and the 12th amendment dated 27th June 2024 issued by the Binh Dinh Department of Planning and Investment.

The Company's charter capital is VND 152,200,000,000 (In words: One hundred fifty-two billion two hundred million VND). The total number of shares is 15,220,000 shares.

The number of employees as at 31 December 2024 was 02 people (31 December 2023: 02 people).

#### 1.2. Business area

The Company's main business area are Construction, commerce and services.

#### 1.3. Business activities

During the year, the Company's main business activities are construction material business; construction of other civil engineering works.

#### 1.4. Normal production and business cycle

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

#### 1.5. The Company's structure

The affiliated units have no legal status and operate without independent accounting:

Name	Address
An Truong An Joint Stock Company	81 Mai Hac De Street, Genh Rang Ward, Quy Nhon City, Binh Dinh Province
The branch of An Truong An Joint Stock Company	132 Mai Hac De, Le Dai Hanh Ward, Hai Ba Trung District, Ha Noi
An Truong An Joint Stock Company – Ho Chi Minh Branch	69 Mai Chi Tho, An Phu Ward, Thu Duc City, Ho Chi Minh

#### 1.6. Disclosure of information comparability in the combined financial statements

The data presented in the combined financial statements for the year ended 31 December, 2024 are comparable to the corresponding figures of the prior year.



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**2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD**

**2.1. Accounting convention**

The accompanying combined financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying combined 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. Going concern assumption**

As at December 31, 2024, the the Company has accumulated losses (code 421) of 157,705,902,119 VND, which has exceeded the shareholders' equity (code 411) on the combined financial statements. This accumulated loss primarily arises from the written off of the bad receivables debts in 2022. Reducting the accumulated loss will improve the company's financil positipm, and this issue depends on achieving profitable operations in the future.

Apart from the mentioned issue above, the Board of General Management does not see any events that would raise doubt about the company's ability to continue as a going concern, and the Company has no intention or obligation to cease operations or significantly reduce the scope of its activities.

**2.3. Financial year**

The Company's financial year begins on 01 January and ends on 31 December.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1. Estimates**

The preparation of combined financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires The Board of General 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 combined financial statements and the reported amounts of revenues and expenses during the financial year (reporting period). Although these accounting estimates are based on The Board of General Management's best knowledge, actual results may differ from those estimates.

**3.2. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



**3.3. Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less allowance for doubtful debts.

Allowance for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

**3.4. Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been 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 costs to be incurred in marketing, selling and distribution.

**Work-in-progress costs**

Work-in-progress costs refer to all actual costs incurred during the execution of construction contracts. These costs are tracked in detail for each project or specific construction item. When a project is completed, or partially completed and the completed volume is confirmed by the customer, the value of the work-in-progress costs is transferred to the cost of goods sold based on the actual completion percentage. The accumulation of work-in-progress costs is carried out in accordance with Vietnamese Accounting Standard No. 15 – Construction Contracts.

The evaluation of necessary allowance for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the statement of financial position date.

**3.5. Prepaid expenses**

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include the following expenses:

***Tools and equipment***

The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation not too 36 years/months.

***Repair costs of fixed assets***

Repair costs of fixed assets incurred once to have a large value are amortized to expense under the straight-line method in 36 years/months.



**3.6. Accounts payable and accrued expenses**

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue.
- Internal payables reflect the payable between superior and subordinate units have no legal with dependent accounting.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

**3.7. Borrowings and finance lease liabilities**

Borrowings are tracked according to each object, each contract and the repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

**3.8. Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

**3.9. Owner's equity**

Capital is recorded according to the amount actually invested by shareholders.

**3.10. Revenue and earnings**

**Revenue from sales of finished goods and merchandise goods**

Revenue from sales of finished goods and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.



- It is probable that the economic benefits associated with the transaction will flow to the Company; and.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Revenue from sales of real estate**

Revenue from construction contracts is determined specifically according to the following two cases:

- In the case where the construction contract stipulates that the contractor is paid according to the planned progress, when the results of the contract execution can be reliably estimated, the revenue and costs related to the contract are recognized corresponding to the portion of work completed, as determined by the contractor at the reporting date, regardless of whether the planned progress invoice has been issued or not, and the amount shown on the invoice.
- In the case where the construction contract stipulates that the contractor is paid based on the actual work completed, when the results of the contract execution are reliably determined and confirmed by the customer, the revenue and costs related to the contract are recognized corresponding to the portion of work completed that has been confirmed by the customer in the period, as reflected on the invoice issued.

For fixed-price contracts, the results of the contract are reliably estimated when all of the following four (4) conditions are met:

- The total revenue of the contract can be reliably calculated;
- The company will receive economic benefits from the contract;
- The costs to complete the contract and the portion of work completed at the financial reporting date can be reliably estimated;
- The costs related to the contract can be clearly identified and reliably calculated so that the total actual costs of the contract can be compared with the total estimated costs.

For contracts with reimbursable costs, the results of the contract are reliably estimated when both of the following conditions are met:

- The company will receive economic benefits from the contract;
- The costs related to the contract can be clearly identified and reliably calculated, whether or not they are reimbursable.

The difference between the total cumulative revenue recognized for a construction contract up to the reporting date and the cumulative amount recorded on the progress invoice at the same date is recognized as receivables under the construction contract progress on the balance sheet.

#### **Interest**

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

### **3.11. Cost of goods sold and service rendered**

Cost of goods sold includes the cost of products, goods and service rendered during the year and is recorded in accordance with revenue during the year. The cost of direct raw materials consumed in excess of normal levels, labor costs, and fixed general production costs that are not allocated to the value of warehoused products must be immediately calculated into the cost of goods sold (after minus compensation, if any) even when the products and goods have not been determined to be consumed.



#### **Cost of goods sold for construction contracts**

The cost of goods sold for a construction contract is determined and recognized based on the portion of work completed in the contract, using the percentage-of-completion method.

When the portion of work completed is determined by the percentage (%) ratio of costs incurred for the completed portion at a given time compared to the total estimated costs of the contract, the costs related to the completed portion will be recognized as expenses up to that point. Costs that are not included in the completed portion of the contract may include:

- Costs related to future activities of the contract, such as: materials that have been delivered to the construction site or set aside for use in the contract but have not yet been installed or used in the contract execution, unless those materials are specially fabricated for the contract;
- Advance payments made to subcontractors before the subcontract work has been completed.

#### **3.12. Selling expenses**

Selling expenses reflect the actual expenses in the process of sales of goods and services rendered. Mainly includes sales staff salaries, sales promotion expenses, product introduction expenses, advertising expenses and sales commissions.

#### **3.13. General and administration expenses**

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

#### **3.14. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

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

#### **3.15. Financial instruments**

##### ***Initial recognition***

*Financial assets:* At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, deposits, financial investments and derivative financial instruments.

*Financial liabilities:* At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses, obligations under finance leases, borrowings and derivative financial instruments.



*Subsequent measurement after initial recognition*

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

**3.16. Related parties**

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

**4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF FINANCIAL POSITION**

**4.1. Cash and cash equivalents**

	<b>Closing balance VND</b>	<b>Opening balance VND</b>
Cash	206,577,872	292,023,847
Demand deposits in banks	208,915,612	101,788,496
	<b>415,493,484</b>	<b>393,812,343</b>

**4.2. Short-term trade receivables**

	<b>Closing balance VND</b>	<b>Opening balance VND</b>
Phat Dat Trading and Building Materials Co.,Ltd	-	10,713,771,720
Petro Viet Nam Construction Land Corporation	357,481,984	-
APG Securities Joint Stock Company	-	272,247,815
Receivables from other customers	60,848,031	353,900,000
	<b>418,330,015</b>	<b>11,339,919,535</b>

**4.3. Short-term prepayments to suppliers**

	<b>Closing balance VND</b>	<b>Opening balance VND</b>
Petro Viet Nam Construction Land Corporation	-	27,597,896,700
Miwa Viet Nam Company Limited	-	285,035,050
Tam Chan Company Limited	-	232,122,941
Ngoc Duy Refrigeration Electrical Mechanical Company Limited	191,549,599	-
Others	173,319,016	171,211,390
	<b>364,868,615</b>	<b>28,286,266,081</b>



4.4. Others short-term receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Advance	642,375,393	-	2,590,450,067	-
Pledges, mortgages and deposits	-	-	22,680,000	-
Other receivables	2,813,978,000	-	1,640,000	-
+ Petro Viet Nam Construction Land Corporation	2,813,978,000	-	-	-
+ Others	-	-	1,640,000	-
	<b>3,456,353,393</b>	<b>-</b>	<b>2,614,770,067</b>	<b>-</b>

4.5. Inventories

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Raw materials	329,356,935	-	1,430,547,112	-
Tools and supplies	4,377,866	-	-	-
Work in progress	3,140,034,626	-	88,950,488	-
	<b>3,473,769,427</b>	<b>-</b>	<b>1,519,497,600</b>	<b>-</b>

4.6. Prepaid expenses

4.6.1. Short-term prepaid expenses

	Closing balance VND	Opening balance VND
Prepaid expenses for rental house	12,000,000	-
Tools and equipment for use	233,294,090	39,593,958
Other items	890,000	-
	<b>246,184,090</b>	<b>39,593,958</b>

4.6.2. Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Tools and equipment for use	16,208,334	32,933,234
	<b>16,208,334</b>	<b>32,933,234</b>



AN TRUONG AN JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continue)

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4.7. Increases, decreases in tangible fixed assets

	Machinery and equipment	Total
	VND	VND
<b>COST</b>		
Opening balance	-	-
Increase in the period	34,809,091	34,809,091
- <i>Purchase in the period</i>	34,809,091	34,809,091
Decrease in the period	-	-
Closing balance	34,809,091	34,809,091
<b>ACCUMULATED DEPRECIATION</b>		
Opening balance	-	-
Increase in the period	5,801,514	5,801,514
- <i>Depreciation charged</i>	5,801,514	5,801,514
Decrease in the period	-	-
Closing balance	5,801,514	5,801,514
<b>NET BOOK VALUE</b>		
- Opening balance	-	-
- Closing balance	29,007,577	29,007,577

4.8. Short-term trade payables

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
APC Holdings Joint Stock Company (Former name is APC Capital Joint Stock Company)	-	-	10,722,205,511	10,722,205,511
Others	339,159,105	339,159,105	768,189,830	768,189,830
	<b>339,159,105</b>	<b>339,159,105</b>	<b>11,490,395,341</b>	<b>11,490,395,341</b>

4.9. Short-term advances from customers

	Closing balance	Opening balance
	VND	VND
Mr. Tran Trong Nghia	-	456,983,000
Phuoc Khanh Investment construction Joint Stock Company.	-	207,662,441
Eye Hospital	237,164,909	-
Mr. Nguyen Tuan Hai	222,333,216	-
Mr. Nguyen Hoai Nam	184,045,000	-
Other objects	65,740,000	1,782,750,368
	<b>709,283,125</b>	<b>2,447,395,809</b>



## NOTES TO THE FINANCIAL STATEMENTS (Continue)

## 4.10. Taxes and other payables to the State

	Opening balance		Movement in the period		Closing balance	
	Taxes Payable VND	Taxes Receivable VND	Amount payable VND	Amount paid VND	Taxes Payable VND	Taxes Receivable VND
VAT payable	241,877,272	-	1,580,429,248	1,534,644,716	287,661,804	-
Corporate income tax	48,569,132	-	327,754,628	48,569,132	327,754,628	-
Personal income tax	326,739,873	-	201,156,606	202,160,089	325,736,390	-
Other taxes	-	-	5,000,000	5,000,000	-	-
Fees, charges and other payables	-	-	8,634,140	8,634,140	-	-
	<b>617,186,277</b>	<b>-</b>	<b>2,122,974,622</b>	<b>1,799,008,077</b>	<b>941,152,822</b>	<b>-</b>

The company's tax settlement will be subject to inspection by the tax authorities. Since the application of laws and tax regulations to various types of transactions can be interpreted in different ways, the tax amount presented in the financial statements may be adjusted based on the tax authority's decision.



4.11. Short-term accrued expenses

	Closing balance VND	Opening balance VND
Restructuring consulting service fee	372,272,727	-
Advance deduction of interest expenses	202,395,089	149,895,224
Other accounts	331,933,736	923,460,210
	<b>906,601,552</b>	<b>1,073,355,434</b>

4.12. Other short-term payables

	Closing balance VND	Opening balance VND
Interest expenses	440,031,440	-
Union funds	10,812,500	4,460,000
Social insurance	31,481,000	6,900,000
Health Insurance	1,021,000	-
Unemployment insurance	6,514,000	-
Other payables and payables	-	99,551,500
	<b>489,859,940</b>	<b>110,911,500</b>



## NOTES TO THE FINANCIAL STATEMENTS (Continue)

## 4.13. Loans and finance lease liabilities

## 4.13.1. Short-term loans and finance lease liabilities

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Short-term loans</b>	<b>28,399,840,644</b>	<b>28,399,840,644</b>	<b>9,496,186,400</b>	<b>34,749,849,644</b>	<b>3,436,177,400</b>	<b>3,436,177,400</b>
Ms. Bui Lan Phuong	30,000,000	30,000,000	256,186,400	-	286,186,400	286,186,400
Ms. Nguyen Thi Hong Giang	28,369,840,644	28,369,840,644	8,500,000,000	34,369,849,644	2,499,991,000	2,499,991,000
Ms. Bui Thi Hiep	-	-	240,000,000	90,000,000	150,000,000	150,000,000
Ms. Dang Thuy Linh	-	-	500,000,000	-	500,000,000	500,000,000
Mr. Le Dien Phong	-	-	390,000,000	290,000,000	100,000,000	100,000,000
<b>Short-term loans and finance lease liabilities</b>	<b>28,399,840,644</b>	<b>28,399,840,644</b>	<b>9,886,186,400</b>	<b>34,749,849,644</b>	<b>3,536,177,400</b>	<b>3,536,177,400</b>

## 4.13.2. Long-term loans and finance lease liabilities

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Long-term loans</b>	<b>-</b>	<b>-</b>	<b>1,240,000,000</b>	<b>-</b>	<b>1,240,000,000</b>	<b>1,240,000,000</b>
Mr. Nguyen Van Hung	-	-	500,000,000	-	500,000,000	500,000,000
Mr. Nguyen Huu Phu	-	-	740,000,000	-	740,000,000	740,000,000
<b>Long-term loans and finance lease liabilities</b>	<b>-</b>	<b>-</b>	<b>1,240,000,000</b>	<b>-</b>	<b>1,240,000,000</b>	<b>1,240,000,000</b>



## NOTES TO THE FINANCIAL STATEMENTS (Continue)

## Detailed information about loans and finance lease liabilities:

Name	Contract	Value	Term	Purposes	Interest rate	Method of guarantee	The principal balance able to be paid at the end of the year
Ms. Bui Lan Huong	No 1209/2023/HDVV-ATG in 12/09/2023	300,000,000	12 months	To supplement working capital	0,00%	Unsecured	186,186,400
Ms. Nguyen Thi Hong Giang	No 1705/2023/HDVV/INTHG-ATG in 17/05/2023 and appendix 01 no 0107/2023/PL/INTHG-Atg in 01/07/2023	28,820,840,644	12 months	To supplement working capital	2,00%	Unsecured	2,499,991,000
Ms. Bui Thi Thuy Hiep	No 1001/HDVV/INTHG-ATG in 10/01/2024	8,500,000,000	12 months	To supplement working capital	3,00%	Unsecured	
Ms. Dang Thuy Linh	No 1001/HDVV/BTTH-ATG in 10/01/2024	240,000,000	6 months	To supplement working capital	0,00%	Unsecured	150,000,000
Mr. Nguyen Van Hung	No 01/2024/HDVV/CTLINH-ATG in 10/06/2024	500,000,000	12 months	To supplement working capital	0,00%	Unsecured	500,000,000
Mr. Nguyen Huu Phu	No 061101 in 06/11/2024	1,000,000,000	24 months	To supplement working capital	0,00%	Unsecured	500,000,000
Mr. Le Dien Phong	No 100901 in 10/09/2024	1,000,000,000	24 months	To supplement working capital	0,00%	Unsecured	740,000,000
	No 0609/2024/HDVV/ATG-LDP in 06/09/2024	1,000,000,000	12 months	To supplement working capital	0,00%	Unsecured	100,000,000



4.14. Owner's equity

4.14.1. Reconciliation table of equity

	<i>Owner's contributed capital</i>	<i>Development investment funds</i>	<i>Undistributed post-tax profits</i>	<i>Total</i>
	VND	VND	VND	VND
Prior year's opening balance	152,200,000,000	5,670,872,657	(157,806,229,962)	64,642,695
Increase in the year	-	-	-	-
Decrease in the period	-	-	(221,649,920)	(221,649,920)
- Loss in the period	-	-	(221,649,920)	(221,649,920)
Prior year's closing balance	152,200,000,000	5,670,872,657	(158,027,879,882)	(157,007,225)
Current period's opening balance	152,200,000,000	5,670,872,657	(158,027,879,882)	(157,007,225)
Increase in the period	-	-	321,977,763	321,977,763
- Profit for the period	-	-	321,977,763	321,977,763
Decrease in the period	-	-	-	-
Current period's closing balance	152,200,000,000	5,670,872,657	(157,705,902,119)	164,970,538

4.14.2. Details of owner's investment capital

	Closing balance		Opening balance	
	Actual contributed capital	Ratio	Actual contributed capital	Ratio
	VND	%	VND	%
Mr. Vo Qui Lam	13,882,000,000	9.12%	13,882,000,000	9.12%
Others	138,318,000,000	90.88%	138,318,000,000	90.88%
	152,200,000,000	100.00%	152,200,000,000	100.00%

4.14.3. Capital transactions with owners and dividend distribution, profit sharing

	Current period VND	Prior period VND
Owner's invested equity	-	-
Capital contribution at the beginning of the period	152,200,000,000	152,200,000,000
Contributed capital increased during the period	-	-
Contributed capital decreased during the period	-	-
Capital contribution at the end of the period	152,200,000,000	152,200,000,000
Dividends and distributed profits	-	-



4.14.4. Shares

	Closing balance VND	Opening balance VND
- Number of shares registered for issuance	15,220,000	15,220,000
- Number of shares issued to the public	15,220,000	15,220,000
+ <i>Ordinary shares</i>	15,220,000	15,220,000
+ <i>Preference shares</i>	-	-
- Number of shares repurchased	-	-
- Number of outstanding shares in circulation	15,220,000	15,220,000
+ <i>Ordinary shares</i>	15,220,000	15,220,000
+ <i>Preference shares</i>	-	-

An ordinary share has par value of 10,000 VND/share.

4.14.5. Profits distribution

	Current period VND	Prior period VND
Undistributed profit at the beginning of the period	(158,027,879,882)	(157,806,229,962)
Profit from business activities in the period	321,977,763	(221,649,920)
Other adjustments to increase profit	-	-
Other items adjusted to increase profits	-	-
Dividends or distributed profits to funds during the period	(157,705,902,119)	(158,027,879,882)
Distribution of funds and dividends, including:	-	-
<b>Remaining undistributed profit</b>	<b>(157,705,902,119)</b>	<b>(158,027,879,882)</b>

4.15. Off Statement of Financial Position items

Bad debts written off:

	Closing balance	Opening balance
- <b>Accounts receivable from customers (VND)</b>	<b>16,595,518,636</b>	<b>16,595,518,636</b>
Alpha M.A.I Viet Nam Joint Stock Company	2,042,861,136	2,042,861,136
My Xuan Mineral and Trading Company Limited	14,552,657,500	14,552,657,500
- <b>Advances to suppliers</b>	<b>427,000,000</b>	<b>427,000,000</b>
Hoang An Urban Planning and Infrastructure System	200,000,000	200,000,000
Cosultants Joint Stock Company	227,000,000	227,000,000
Others	227,000,000	227,000,000
<b>Deposits</b>	<b>330,740,000</b>	<b>330,740,000</b>
<b>Other receivables</b>	<b>112,868,612,273</b>	<b>112,868,612,273</b>
My Xuan Mineral and Trading Company Limited	18,259,612,273	18,259,612,273
Son My Industrial Park Investment Construction and Trading Infrastructure Joint Stock Company	3,000,000,000	3,000,000,000
Son My Industrial Park Investment Construction and Trading Infrastructure Joint Stock Company	47,500,000,000	47,500,000,000
Mr. Le Van Huyen	7,200,000,000	7,200,000,000
Mr. Truong Ngoc Thanh	15,500,000,000	15,500,000,000
Mr. Truong Dinh Xuan	1,409,000,000	1,409,000,000
Son My Industrial Park Investment Construction and Trading Infrastructure Joint Stock Company - Long term	20,000,000,000	20,000,000,000
	<b>130,221,870,909</b>	<b>130,221,870,909</b>



5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF INCOME

5.1. Revenues from sales and service rendered

	Current period VND	Prior period VND
Revenue from sale of goods	-	52,751,876,090
Revenue from services rendered	-	6,825,261,413
Revenue from construction contracts	13,497,869,672	-
	<b>13,497,869,672</b>	<b>59,577,137,503</b>

5.2. Cost of goods sold and service rendered

	Current period VND	Prior period VND
Cost of merchandise sold	-	52,220,375,600
Cost of services rendered	-	5,170,393,582
Cost of construction contracts	9,469,250,357	-
	<b>9,469,250,357</b>	<b>57,390,769,182</b>

5.3. Financial income

	Current period VND	Prior period VND
Bank and loan interest	986,712	596,275
	<b>986,712</b>	<b>596,275</b>

5.4. Financial expenses

	Current period VND	Prior period VND
Interest expense	281,007,581	157,784,447
	<b>281,007,581</b>	<b>157,784,447</b>

5.5. Selling expenses

	Current period VND	Prior period VND
Cost of outsourced services	36,363,636	51,060,937
	<b>36,363,636</b>	<b>51,060,937</b>

5.6. Enterprise administrative expenses

	Current period VND	Prior period VND
Management staff costs	2,822,239,392	1,402,845,100
Cost of materials management	1,000,255	-
Cost of tools, instruments and supplies	79,740,007	16,323,071
Fixed asset depreciation expense	5,801,514	-
Taxes, charges and fees	8,858,382	7,702,572
Cost of outsourced services	760,503,724	339,316,835
Others	29,016,518	53,915,418
	<b>3,707,159,792</b>	<b>1,820,102,996</b>



5.7. Other income

	Current period VND	Prior period VND
Income from handling year-end debt reconciliation	1,627,331,823	-
Others	500,252	14,108
	<b>1,627,832,075</b>	<b>14,108</b>

5.8. Other expenses

	Current period VND	Prior period VND
Cost of handling year-end debt reconciliation	894,205,342	-
Fines for administrative violations and late payment	65,000,000	-
Other costs	23,969,360	331,111,112
	<b>983,174,702</b>	<b>331,111,112</b>

5.9. Corporate income tax expense

	Current period VND	Prior period VND
Corporate income tax expense based on taxable profit in the current year (i)	327,754,628	48,569,132
<b>Total current corporate income tax expense</b>	<b>327,754,628</b>	<b>48,569,132</b>

(i) The current corporate income tax expense for the year was computed as follows:

	Current period VND	Prior period VND
<b>Profit/(Loss) before tax</b>	<b>649,732,391</b>	<b>(173,080,788)</b>
- Adjustments increase	1,366,870,022	331,111,112
+) <i>Expenses are not deductible</i>	88,969,360	331,111,112
+) <i>Remuneration of the Board of Directors does not directly operate</i>	383,695,320	-
+) <i>Loan interest expenses are not deducted from Affiliate Transactions</i>	894,205,342	-
- Adjustments decrease	(377,829,274)	-
+) <i>Income is tax-free</i>	(377,829,274)	-
<b>Profits subject to corporate income tax</b>	<b>1,638,773,139</b>	<b>158,030,324</b>
Income from business activities is subject to a tax rate of 20%	1,638,773,139	242,845,659
<b>Estimated corporate income tax payable</b>	<b>-</b>	<b>-</b>
Corporate income tax expenses from business activities are subject to a tax rate of 20%	327,754,628	48,569,132
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>327,754,628</b>	<b>48,569,132</b>



5.10. Basic earnings per share and Diluted earnings per share

	Current period VND	Prior period VND
<b>a) Basic earnings per share</b>	-	-
Accounting profit after corporate income tax (VND)	321,977,763	(221,649,920)
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:	-	-
- Increasing adjustments (VND)	-	-
- Decreasing adjustments (VND)	-	-
Profit or loss attributable to ordinary shareholders (VND)	321,977,763	(221,649,920)
Average ordinary shares in circulation for the year (shares)	15,220,000	15,220,000
<b>Basic earnings per share (VND/Share)</b>	<b>21</b>	<b>(15)</b>
<b>b) Diluted earnings per share</b>		
Number of additional shares expected to be issued (shares)	-	-
<b>Diluted earnings per share (VND/Share)</b>	<b>21</b>	<b>(15)</b>

5.11. Production cost by nature

	Current period VND	Prior period VND
Raw materials and consumables	5,216,618,912	1,715,077,127
Labour	6,265,998,035	4,166,857,558
Cost of tools, instruments and supplies	2,274,685,291	-
Depreciation and amortisation	5,801,514	-
Taxes, charges and fees	8,858,382	-
Cost of outsourced services	8,247,093,784	629,893,459
Others	29,016,518	53,915,418
	<b>22,048,072,436</b>	<b>6,565,743,562</b>

6. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF CASH FLOWS

6.1. Actual amounts of borrowings received during the year

	Current period VND	Prior period VND
Proceeds from borrowings under normal contracts	11,126,186,400	28,850,840,644
	<b>11,126,186,400</b>	<b>28,850,840,644</b>

6.2. Actual amounts of principal paid during the year

	Current period VND	Prior period VND
Repayment of borrowings under normal contracts	34,749,849,644	451,000,000
	<b>34,749,849,644</b>	<b>451,000,000</b>



**7. FINANCIAL INSTRUMENTS**

**7.1. Capital risk management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

*Gearing ratio*

The gearing ratio of the Company as at the balance sheet date was as follows:

	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
Borrowings	4,776,177,400	28,399,840,644
Less: Cash and cash equivalents	415,493,484	393,812,343
Net debt	4,360,683,916	28,006,028,301
Equity	164,970,538	(157,007,225)
<b>Net debt to equity ratio</b>	<b>026,43</b>	<b>(0178,37)</b>

**7.2. Significant accounting policies**

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets, financial liabilities, and equity instruments are disclosed in Note 3.

**7.3. Categories of financial instruments**

	<b>Carrying amounts (i)</b>	
	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
<b>Financial assets</b>		
Cash and cash equivalents	415,493,484	393,812,343
Trade and other receivables	3,874,683,408	13,954,689,602
	<b>4,290,176,892</b>	<b>14,348,501,945</b>
	<b>Carrying amounts (i)</b>	
	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
<b>Financial liabilities</b>		
Trade payables, Other payables	829,019,045	11,601,306,841
Accrued expenses	906,601,552	1,073,355,434
Borrowings and lease	4,776,177,400	28,399,840,644
	<b>6,511,797,997</b>	<b>41,074,502,919</b>

(i): The Company has not assessed [has not determined] fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.



#### 7.4. Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

##### ***Market risk***

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

##### ***Interest rate risk management***

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

##### ***Credit risk***

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

##### ***Liquidity risk management***

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.



	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Closing balance</b>				
Cash and cash equivalents	415,493,484	-	-	415,493,484
Trade and other receivables	3,874,683,408	-	-	3,874,683,408
	<b>4,290,176,892</b>	<b>-</b>	<b>-</b>	<b>4,290,176,892</b>
	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Closing balance</b>				
Trade payables, Other payables	829,019,045	-	-	829,019,045
Accrued expenses	906,601,552	-	-	906,601,552
Borrowings and lease	3,536,177,400	1,240,000,000	-	4,776,177,400
	<b>5,271,797,997</b>	<b>1,240,000,000</b>	<b>-</b>	<b>6,511,797,997</b>
	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Cash and cash equivalents	393,812,343	-	-	393,812,343
Trade and other receivables	13,954,689,602	-	-	13,954,689,602
	<b>14,348,501,945</b>	<b>-</b>	<b>-</b>	<b>14,348,501,945</b>
	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Trade payables, Other payables	11,601,306,841	-	-	11,601,306,841
Accrued expenses	1,073,355,434	-	-	1,073,355,434
Borrowings and lease	28,399,840,644	-	-	28,399,840,644
	<b>41,074,502,919</b>	<b>-</b>	<b>-</b>	<b>41,074,502,919</b>

The management assessed the liquidity risk at low level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

## 8. OTHER INFORMATION

### 8.1. Potential liabilities

In 2022, the Company wrote off long – outstanding payables for which it could not identify the relevant parties to pay. As a result, the Company assessed these amounts as non – payable liabilities, with the amount of 11,757,026,500 VND. In the event that the parties involved provide claims and evidence of payment obligations, the Company will be required to fulfill its corresponding liabilities, which will give rise to potential liabilities in the future.



As stated in the Notes 4.13 – Loans and financial lease liabilities: The company is borrowing from certain individuals at an interest rate of 0%, with unsecured collateral. Some loan agreements, which do not require interest payments, may be subjected to a fixed interest rate upon inspection by the tax authorities. This issue creates a potential liability for personal income tax deductions from the interest on individual loans that will need to be paid to the State budget in the future.

## 8.2. Potential assets

In 2022, the Company has written off receivables assessed as unreceivable, which book value is 130,221,870,909 VND. The Company established a Debt Recovery and Management Committee to control, manage and implement measures to collect the written off liabilities in accordance with regulations. In the event that the Company is able to recover the written off liabilities, it will recognize corresponding income and create contingent assets in the future.

## 8.3. Events arising after the end of the year

The Board of Management of the Company affirms that, in the identity of the Board of Management, in terms of material aspects, no unusual events occurred after the end of the fiscal year that would affect the financial situation and The Company's activities need to be adjusted or presented in these combined financial statements.

## 8.4. Transactions and balances with related parties

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

### 8.4.1. Transactions and balances with key management members, the individuals involved with key management members.

Key management members include members of the Board of Directors, the Audit Committee, and the Board of General Management. Individuals associated with key management members are close members in the family of key management members.

#### *Income of key management members:*

Remuneration paid to the Company's Board of General Management during the year was as follows:

	Content	Current period VND	Prior period VND
<b>The Board of General Management</b>			
Mr. Dao Quang Trung	General Director	166,692,308	170,815,385
Mr. Vo Qui Lam	General Director	40,769,231	140,000,000
Mr. Nguyen Huu Phu	Deputy General Director	-	-
		<b>207,461,539</b>	<b>310,815,385</b>

#### *Income of key management members*

The Company does not have transactions related to sales and provision of services to key management members and individuals related to key management members.



**Balances with key management members and individuals associated with key management members.**

At the end of the year, the Company had no balances with key management members and individuals related to key management members.

**8.4.2. Transactions and balances with other related parties**

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

**List of other related parties**

Other related parties	Location	Relationship
APG Securities Joint Stock Company	Ha Noi	Mr. Vo Qui Lam is an independent member of the Board of Directors
Petro Viet Nam Construction Land Corporation	Ho Chi Minh	Related party in 2024. It is no longer a related party in 2024
GKM Holdings Joint Stock Company	Ha Nam	Mr. Do Minh Duc is an independent member of the Board of Directors
APG Energy Nghe An Joint Stock Company	Nghe An	Mr. Nguyen Dong Giang is the Chief Accountant
An Giang Import Export Joint Stock Company	An Giang	Mr. Nguyen Dong Giang and Mr. Do Minh Duc are independent members of the Board of Directors

**Transactions with other related parties**

During this fiscal year, there were major transactions with related companies as follows:

Revenue from sales and service rendered	Content	Current period VND	Prior period VND
Petro Viet Nam Construction Land Corporation	Revenue from construction contracts	10,599,528,505	5,806,360,887
APG Securities Joint Stock Company	Revenue from construction contracts	277,119,866	-
		<b>10,876,648,371</b>	<b>5,806,360,887</b>

**Balance of accounts receivable/(payable) with other related parties**

Short-term trade receivables	Closing balance VND	Opening balance VND
Petro Viet Nam Construction Land Corporation	357,481,984	272,247,815
	<b>357,481,984</b>	<b>272,247,815</b>



Short-term prepayments to suppliers	Closing balance VND	Opening balance VND
Petro Viet Nam Construction Land Corporation	-	27,597,896,700
	<b>-</b>	<b>27,597,896,700</b>
Other short-term receivables	Closing balance VND	Opening balance VND
Petro Viet Nam Construction Land Corporation	2,813,978,000	-
	<b>2,813,978,000</b>	<b>-</b>
Short-term accrued expenses	Closing balance VND	Opening balance VND
APG Securities Joint Stock Company	372,272,727	-
	<b>372,272,727</b>	<b>-</b>

#### 8.5. Information of Department

For management purposes, the Company is currently organized into three business divisions based on its products and services as follows:

- For the fiscal year ending 31<sup>st</sup> December, 2023, the company has chosen to manage its segment structure by dividing it into: Commercial activities and Service provision activities.

Items	Commercial provision VND	Network service provision VND	Elimination VND	Total VND
Net external sales	52,751,876,090	6,825,261,413	596,275	59,577,733,778
Net inter-segment sales	-	-	-	-
Net inter-segment sales	54,091,539,533	5,170,393,582	157,784,447	59,419,717,562
Operating profit	(1,339,663,443)	1,654,867,831	(157,188,172)	158,016,216
Total expenditures on acquisition of fixed assets	-	-	-	-
Segment assets	44,296,275,897	-	-	44,296,275,897
Unallocated assets	-	-	-	-
<b>Total assets</b>	<b>44,296,275,897</b>	<b>-</b>	<b>-</b>	<b>44,296,275,897</b>
Segment liabilities	16,053,442,478	-	-	16,053,442,478
Unallocated liabilities	-	-	28,399,840,644	28,399,840,644
<b>Total liabilities</b>	<b>16,053,442,478</b>	<b>-</b>	<b>28,399,840,644</b>	<b>44,453,283,122</b>

- For the fiscal year ending 31<sup>st</sup> December, 2024, the company has shifted its business focus to concentrate solely on construction activities. Therefore, the company does not prepare segment reports by business area.



**Secondary report by geographical segment**

To serve the purpose of geographical area management, the company has established local branches that operate independently and prepares segment reports by geographical area for the fiscal year ending 31<sup>st</sup> December, 2024 (in the previous year, the company did not prepare segment reports by geographical area).

Items	Binh Dinh VND	City. HCM VND	Total VND
Net external sales	1,761,423,419	11,736,446,253	13,497,869,672
Segment assets	-	34,809,091	34,809,091
Total expenditures on acquisition of fixed asset	-	(5,801,514)	(5,801,514)

**8.6. Segment Information**


The company is not required to prepare segment reports as it does not meet one of the three conditions for preparing segment reports by geographical area, as stipulated in Circular 20/2006/TT-BTC dated 20<sup>th</sup> March, 2006, by the Ministry of Finance regarding the implementation of six (06) accounting standards issued under Decision No. 12/2005/QĐ-BTC dated 15<sup>th</sup> February, 2005, by the Ministry of Finance.

**8.7. Comparative figures**

The comparative figures are data on the combined financial statements 2023 of the Company audited by Moore Aisc Auditing and Informatics Services Company Limited

  
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