VINACONEX 25

CÔNG TY CỔ PHẦN VINACONEX 25

18/03/2025, 15:14:16

Vinaconex 25 Joint Stock Company

Financial statements

For the year ended 31 December 2024

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Vinaconex 25 Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vinaconex 25 Joint Stock Company ("the Company"), previously known as Construction No.25 Company – a member of Vietnam Construction and Import - Export Corporation (now known as Vietnam Construction and Import - Export Joint Stock Corporation), and was transformed to a joint stock company according to the Business Registration Certificate No. 3303070094 issued by the Department of Planning and Investment of Quang Nam province on 27 December 2004. The Company also received Enterprise Registration Certificate No. 4000378261 issued by the Department of Planning and Investment of Quang Nam province on 1 September 2010 and subsequent amended Enterprise Registration Certificates with the 16th amendment dated 5 December 2023 as the latest.

The current principal activities of the Company are:

- Construction of civil, industrial, transportation and irrigation works, airports, ports, hydropower plants, power transmission lines and transformer stations up to 500KV;
- Manufacturing of stone, concrete and other construction materials;
- Developing and trading of real estates, land use rights and provision of leasing services; and
- Other activities under the Enterprise Registration Certificate.

The Company's head office is located at 89A, Phan Dang Luu street, Hoa Cuong Nam ward, Hai Chau district, Da Nang city, Viet Nam.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr. Nguyen Xuan Dong	Chairman
Mr. Lai Duc Toan	Member
Mr. Nguyen Hai Dang	Member

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr. Vu Van Manh	Head of Board of Supervision
Ms. Tran Thi Kim Oanh	Member
Mr. Nguyen Ba Hop	Member

MANAGEMENT

Members of the management during the year and at the date of this report are:

Mr. Nguyen Van Trung	General Director	
Mr. Do Ngoc Hai	Deputy General Director	
Mr. Truong Van Duc	Deputy General Director	
Mr. Nguyen Xuan Hung	Deputy General Director	
Mr. Nguyen Xuan Nhan	Deputy General Director	resigned on 1 August 2024

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Nguyen Van Trung, the Company's General Director.

AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

Vinaconex 25 Joint Stock Company

REPORT OF MANAGEMENT

Management of Vinaconex 25 Joint Stock Company ("the Company") is pleased to present this report and the financial statements of the Company for the year ended 31 December 2024.

THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the results of its operations and its cash flows for the year. In preparing those financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is 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 management confirmed that it has complied with the above requirements in preparing the accompanying financial statements.

STATEMENT BY THE MANAGEMENT

The management does hereby state that, in its 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 operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.

For and behalf of the management:

M.S.D.N: 4000378261 - C.T.C.P
CÔNG TY CỔ PHẦN VINACONEX 25
H. HẢI CHÂU - TP. ĐÀ NẴNG

Nguyen Van Trung
General Director

Da Nang, Viet Nam

17 March 2025

Ernst & Young Vietnam Limited
20th Floor, Bitexco Financial Tower
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Reference: 12818041/68333486

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Vinaconex 25 Joint Stock Company

We have audited the accompanying financial statements of Vinaconex 25 Joint Stock Company ("the Company") as prepared on 17 March 2025 and set out on pages 6 to 45, which comprise the balance sheet as at 31 December 2024, the income statement and the cash flow statement for the year then ended and the notes.

Management's responsibility

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements, and for such internal control as the management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on 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 auditors' 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 Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

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Opinion

In our opinion, the 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 of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.

Ernst & Young Vietnam Limited

Nguyen Manh Hung
Deputy General Director
Audit Practising Registration
Certificate No. 2401-2023-004-1

Nguyen Hoang Long
Auditor
Audit Practising Registration
Certificate No. 5078-2024-004-1

Hanoi, Vietnam

17 March 2025

A member firm of Ernst & Young Global Limited

BALANCE SHEET
as at 31 December 2024

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	**A. CURRENT ASSETS**		**1,166,624,786,939**	**1,234,530,997,163**
110	***I. Cash***	***4***	***29,077,569,847***	***38,229,409,070***
111	1. Cash		23,077,569,847	37,679,409,070
112	2. Cash equivalents		6,000,000,000	550,000,000
120	***II. Short-term investments***		***72,143,000,000***	***114,390,000,000***
123	1. Held-to-maturity investments	5	72,143,000,000	114,390,000,000
130	***III. Current accounts receivable***		***632,686,630,293***	***661,139,401,923***
131	1. Short-term trade receivables	6	533,839,468,611	557,034,743,446
132	2. Short-term advances to suppliers	6	17,774,658,331	26,414,218,775
136	3. Other short-term receivables	7	93,871,478,847	88,221,712,911
137	4. Provision for short-term doubtful receivables	6.1, 6.2, 7,8	(12,798,975,496)	(10,531,273,209)
140	***IV. Inventories***	***9***	***423,258,183,120***	***411,864,334,233***
141	1. Inventories		423,258,183,120	411,864,334,233
150	***V. Other current assets***		***9,459,403,679***	***8,907,851,937***
151	1. Short-term prepaid expenses	14	3,566,613,150	3,670,795,148
152	2. Deductible value-added tax		5,892,790,529	5,237,056,789
200	**B. NON-CURRENT ASSETS**		**65,858,731,501**	**50,484,374,648**
210	***I. Long-term receivables***		***5,593,844,787***	***732,764,460***
216	1. Other long-term receivables	7	5,593,844,787	732,764,460
220	***II. Fixed assets***		***22,441,051,272***	***32,052,027,514***
221	1. Tangible fixed assets	10	14,921,096,733	24,606,302,977
222	Cost		178,856,271,002	181,052,282,785
223	Accumulated depreciation		(163,935,174,269)	(156,445,979,808)
224	2. Finance leases	11	6,115,954,539	6,041,724,537
225	Cost		7,361,111,111	6,347,222,222
226	Accumulated depreciation		(1,245,156,572)	(305,497,685)
227	3. Intangible fixed assets	12	1,404,000,000	1,404,000,000
228	Cost		1,849,850,000	1,849,850,000
229	Accumulated amortisation		(445,850,000)	(445,850,000)
230	***III. Investment property***	***13***	***11,023,130,245***	-
231	1. Cost		11,023,130,245	-
240	***IV. Long-term assets in progress***		***1,753,788,457***	***1,251,194,849***
242	1. Long-term work-in-process		1,753,788,457	1,251,194,849
250	***V. Long-term investments***		***162,250,000***	***162,250,000***
253	1. Investment in other entities	15	5,162,250,000	5,162,250,000
254	2. Provision for diminution in value of long-term investments	15	(5,000,000,000)	(5,000,000,000)
260	***VI. Other long-term assets***		***24,884,666,740***	***16,286,137,825***
261	1. Long-term prepaid expenses	14	24,884,666,740	16,286,137,825
270	**TOTAL ASSETS**		**1,232,483,518,440**	**1,285,015,371,811**

BALANCE SHEET (continued)
as at 31 December 2024

Currency: VND

Code	*RESOURCES*	*Notes*	*Ending balance*	*Beginning balance*
300	**C. LIABILITIES**		**961,410,075,723**	**1,013,016,141,977**
310	***I. Current liabilities***		***956,862,767,202***	***1,007,789,016,977***
311	1. Short-term trade payables	16.1	300,869,680,142	285,952,084,556
312	2. Short-term advances from customers	16.2	159,451,295,037	190,926,239,694
313	3. Statutory obligations	17	3,819,749,823	14,127,541,300
314	4. Payables to employees		27,012,928,341	33,400,135,486
315	5. Short-term accrued expenses	18	41,128,229,666	43,206,648,830
319	6. Other short-term payables	19	161,295,388,796	164,504,244,409
320	7. Short-term loans	21	253,656,550,328	266,196,538,406
321	8. Short-term provision	20	9,388,839,273	9,235,478,500
322	9. Bonus and welfare fund		240,105,796	240,105,796
330	***II. Non-current liabilities***		***4,547,308,521***	***5,227,125,000***
338	1. Long-term loans	21	4,273,875,000	5,227,125,000
342	2. Long-term provision	20	273,433,521	-
400	**D. OWNERS' EQUITY**		***271,073,442,717***	***271,999,229,834***
410	***I. Capital***	***22***	***271,073,442,717***	***271,999,229,834***
411	1. Share capital		240,000,000,000	240,000,000,000
411a	*- Shares with voting rights*		*240,000,000,000*	*240,000,000,000*
412	2. Share premium		6,473,350,000	6,473,350,000
418	3. Investment and development fund		16,136,363,316	16,136,363,316
421	4. Undistributed earnings		8,463,729,401	9,389,516,518
421a	*- Undistributed earnings by the end of prior year*		*989,516,518*	*1,085,000,637*
421b	*- Undistributed earnings of current year*		*7,474,212,883*	*8,304,515,881*
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**1,232,483,518,440**	**1,285,015,371,811**

Da Nang, Vietnam
17 March 2025

Nguyen Minh Tuan	Nguyen Duc Quang Thong	Nguyen Van Trung
Preparer	Chief Accountant	General Director

INCOME STATEMENT
for the year ended 31 December 2024

Currency: VND

Code	*ITEMS*	*Notes*	*Current year*	*Previous year*
01	**1. Revenue from sale of goods and rendering of services**	**23.1**	**1,057,004,061,947**	**1,197,807,420,974**
02	**2. Deductions**	**23.1**	**-**	**-**
10	**3. Net revenue from sale of goods and rendering of services**	**23.1**	**1,057,004,061,947**	**1,197,807,420,974**
11	**4. Cost of goods sold and services rendered**	**24**	**(957,072,521,110)**	**(1,099,446,906,833)**
20	**5. Gross profit from sale of goods and rendering of services**		**99,931,540,837**	**98,360,514,141**
21	**6. Finance income**	**23.2**	**5,901,347,304**	**7,079,156,962**
22 *23*	**7. Finance expenses** *In which: Interest expenses*	**25**	**(17,243,140,937)** *(17,243,140,937)*	**(22,005,810,594)** *(22,005,810,594)*
25	**8. Selling expenses**	**26**	**(44,052,848,115)**	**(39,575,069,412)**
26	**9. General and administrative expenses**	**26**	**(34,769,852,524)**	**(31,553,128,692)**
30	**10. Operating profit**		**9,767,046,565**	**12,305,662,405**
31	**11. Other income**		**1,810,544,490**	**1,448,575,796**
32	**12. Other expenses**		**(1,029,084,016)**	**(1,619,160,110)**
40	**13. Other profit/(loss)**		**781,460,474**	**(170,584,314)**
50	**14. Accounting profit before tax**		**10,548,507,039**	**12,135,078,091**
51	**15. Current corporate income tax expenses**	**28.1**	**(3,074,294,156)**	**(3,830,562,210)**
60	**16. Net profit after corporate income tax**		**7,474,212,883**	**8,304,515,881**
70	**17. Basic earnings per share**	**30**	**311**	**616**
71	**18. Diluted earnings per share**	**30**	**311**	**616**

Da Nang, Vietnam
17 March 2025

M.S.D.N: 4000378261 - C.T.C.P * CÔNG TY CỔ PHẦN VINACONEX 25 * Q. HẢI CHÂU - TP ĐÀ NẴNG

Nguyen Minh Tuan	Nguyen Duc Quang Thong	Nguyen Van Trung
Preparer	Chief Accountant	General Director

CASH FLOW STATEMENT
for the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Profit before tax**		**10,548,507,039**	**12,135,078,091**
	Adjustments for:			
02	Depreciation of tangibles fixed assets and amortisation of intangible fixed assets		10,722,075,317	11,511,129,477
03	Provision		2,694,496,581	3,560,689,501
05	Profits from investing activities		(6,174,607,304)	(7,144,156,962)
06	Interest expenses	25	17,243,140,937	22,005,810,594
08	**Operating profit before changes in working capital**		**35,033,612,571**	**42,068,550,701**
09	Decrease/(increase) in receivables		18,633,532,329	(28,322,257,813)
10	Increase in inventories		(22,262,665,863)	(32,118,195,813)
11	Decrease in payables		(21,042,616,611)	(57,272,374,816)
12	Increase in prepaid expenses		(8,494,346,917)	(4,478,704,887)
14	Interest paid		(30,489,092,626)	(29,935,717,734)
15	Corporate income tax paid		(3,641,153,838)	(3,906,978,252)
17	Other cash outflows for operating activities		-	(175,700,000)
20	**Net cash flows used in operating activities**		**(32,262,730,956)**	**(114,141,378,614)**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(754,117,063)	(1,216,481,727)
22	Proceeds from disposals of fixed assets and other long-term assets		273,260,000	65,000,000
23	Loans to other entities		(28,001,000,000)	(36,071,917,808)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		70,248,000,000	10,371,917,808
27	Interest and dividends received		4,474,646,124	6,726,267,512
30	**Net cash flows from/(used in) investing activities**		**46,240,789,061**	**(20,125,214,215)**

CASH FLOW STATEMENT (continued)
for the year ended 31 December 2024

Currency: VND

Code	*ITEMS*	*Notes*	*Current year*	*Previous year*
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		-	120,000,000,000
33	Drawdown of borrowings		777,037,661,879	1,086,184,533,359
34	Repayment of borrowings		(790,438,349,957)	(1,051,360,228,338)
35	Payment of principal of finance lease liabilities		(1,332,450,000)	(308,475,000)
36	Dividends paid		(8,396,759,250)	(8,380,028,500)
40	**Net cash flows (used in)/from financing activities**		**(23,129,897,328)**	**146,135,801,521**
50	**Net (decrease)/increase in cash for the year**		**(9,151,839,223)**	**11,869,208,692**
60	**Cash and cash equipvalents at the beginning of the year**		**38,229,409,070**	**26,360,200,378**
70	**Cash and and cash equivalents at the end of the year**	**4**	**29,077,569,847**	**38,229,409,070**

Da Nang, Viet Nam
17 March 2025

Nguyen Minh Tuan	Nguyen Duc Quang Thong	Nguyen Van Trung
Preparer	Chief Accountant	General Director

1. CORPORATE INFORMATION

Vinaconex 25 Joint Stock Company ("the Company"), previously known as Construction No.25 Company – a member of Vietnam Construction and Import - Export Corporation (now known as Vietnam Construction and Import - Export Joint Stock Corporation), and was transformed into a joint stock company according to the Business Registration Certificate No. 3303070094 issued by the Department of Planning and Investment of Quang Nam province on 27 December 2004. The Company also received Enterprise Registration Certificate No. 4000378261 issued by the Department of Planning and Investment of Quang Nam province on 1 September 2010 and subsequent amended Enterprise Registration Certificates with the 16th amendment on 5 December 2023 as the latest.

The current principal activities of the Company are:

- Construction of civil, industrial, transportation and irrigation works, airports, ports, hydropower plants, power transmission lines and transformer stations up to 500 kV;
- Manufacturing of stone, concrete and other construction materials;
- Developing and trading of real estates, land use right and provision of leasing services; and
- Other activities under the Enterprise Registration Certificate.

The Company's normal course of business cycle for construction activities and trading of real estates based on the execution period of construction works and real estate's projects.

The normal course of business cycle of the Company's other activities is 12 months.

The Company's head office is located at 89A, Phan Dang Luu street, Hoa Cuong Nam ward, Hai Chau district, Da Nang city, Viet Nam.

The company has listed its shares on the Hanoi Stock Exchange since 2009 under ticker of VCC.

The number of the Company's employees as at 31 December 2024 is 472 (31 December 2023: 519).

Corporate structure

At 31 December 2024, the Company has 3 branches as follows:

No.	*Branch name*	*Accounting function*	*Place of establishment and operation*	*Principal activities*
1	Branch of Vinaconex 25 Joint Stock Company at Quang Nam	Independent unit	Quang Nam Province	Exploiting and trading construction stone
2	Real Estate Branch of Vinaconex 25 Joint Stock Company at Quang Nam	Independent unit	Quang Nam Province	Trading of real estate and owned or leased land use right
3	Concrete Branch of Vinaconex 25 Joint Stock Company at Quang Nam	Dependent unit	Quang Nam Province	Manufacturing and trading construction concrete

2. BASIS OF PREPARATION

2.1 *The basis of preparation of the Company's financial statements*

The Company has independent and dependent branches ("branch") as presented in Note 1.

The financial statements of the Company are prepared on the basis of combination of the financial statements of the Company's Head Office (including the Head Office and a dependent branch) and independent branches. The financial statements of the independent branches are prepared for the same reporting period and using the consistent accounting policy.

Items on the financial statements of the Company are prepared by consolidating similar items in the financial statements of the Head Office and independent branches. Transactions and balances of capital contribution, provision of goods, collection on behalf and payment on behalf between independent branches and the Company's Head Office are eliminated in the financial statements.

2.2 *Accounting standards and system*

The financial statements of the Company expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

Accordingly, the accompanying financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and the results of operations and the cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 *Applied accounting documentation system*

The Company's applied accounting documentation system is the computer based system.

2.4 *Fiscal year*

The Company's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December.

2.5 *Accounting currency*

The financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventories are measured at their historical costs. The cost of inventories comprise costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools and equipment and merchandise	-	cost of purchase on a weighted average basis.
Finished goods and work-in process	-	cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a specific identification basis.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and NRV.

Cost of inventory property includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction works; and
- Borrowing costs, consulting and design costs, costs of site preparation, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices [discounted for the time value of money if significant] at the balance sheet date, and less cost to complete and the estimated selling price.

The cost of inventory property recognised in the separate income statement based on specific identification method.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 *Inventories* (continued)

Provision for obsolete inventories

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the income statement.

3.3 *Receivables*

Receivables are presented in the balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the income statement.

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

3.5 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Leased assets* (continued)

Where the Company is the lessee

Assets held under finance leases are capitalised in the balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the income statement on a straight-line basis over the lease term.

3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the income statement as incurred.

When intangible fixed assets are sold or retired any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

Land use rights

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets.

3.7 *Depreciation and amortisation*

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 - 31 years
Machinery and equipment	2 - 10 years
Means of transportation	5 - 8 years
Office equipment	3 - 5 years
Infinite land use rights	Not amortised
Computer software	3 years

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. Investment properties held for capital appreciation are not depreciated/amortised but subject to impairment review.

3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as they are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

3.10 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.11 *Investments*

Investments in other entities

Investment in other entities are stated at acquisition cost.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the income statements and deducted against the value of such investments.

Provision for diminution in value of investments

Provision for diminution in value of the investment is made when there are reliable evidence of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the income statement.

3.12 *Payables and accruals*

Payables and accruals are recognised for amount to be paid in the future for goods and services received, whether or not billed to the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Provisions*

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as an asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

3.14 *Appropriation of net profits*

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

Investment and development fund

This fund is set aside for use in the Company's expansion of its operation or of in-depth investments.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the balance sheet.

3.15 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 *Revenue recognition* (continued)

Rendering of services

Revenue is recognized when services are rendered and accepted by customers.

Interest income

Interest is recognized on an accrual basis based on the time and actual interest rate for each period.

Dividend income

Dividend income are recognized when Company is entitled to receive dividends.

3.16 *Construction contract*

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the work completion of the contract activity at the balance sheet date, as measured as the work volume completed during the year and accepted by customers. 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, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

3.17 *Taxation*

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Taxation (continued)

Deferred tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

- in respect of taxable temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

- in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- either the same taxable entity; or

- when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Segment information

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

The Company's business segment is derived mainly from rendering of construction activities, quarrying and concrete manufacturing and trading of real estate.

3.19 Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.20 Related parties

Parties are considered to be related parties of the Company if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

4. CASH AND CASH EQUIVALENTS

Currency: VND

	Ending balance	*Beginning balance*
Cash on hand	1,585,454,863	3,249,253,375
Cash at banks	21,492,114,984	34,430,155,695
Other cash and cash equivalents	6,000,000,000	550,000,000
TOTAL	**29,077,569,847**	**38,229,409,070**

As at 31 December 2024, cash equivalents are bank deposits in VND, with the original term of 3 months and earning interest rate of 1.9% per annum (31 December 2023: 2.7% per annum)

5. HELD-TO-MATURITY INVESTMENTS

Currency: VND

	Ending balance		*Beginning balance*	
	Cost	*Carrying value*	*Cost*	*Carrying value*
Term deposits	72,143,000,000	72,143,000,000	114,390,000,000	114,390,000,000
TOTAL	**72,143,000,000**	**72,143,000,000**	**114,390,000,000**	**114,390,000,000**

As at 31 December 2024, these deposits have a remaining term less than 12 months and earn interest rates from 1.90% to 5.10% per annum (31 December 2023: from 3.00% to 7.20% per annum).

The Company used certain held- to-maturity investments as collaterals for bank loans as presented in Note 21.

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

Currency: VND

	Ending balance	*Beginning balance*
Trade receivables from customers	510,197,583,481	556,422,666,906
- *Central Healthcare Project Management Unit*	*81,991,727,800*	*81,991,727,800*
- *Nam Mekong Group Joint Stock Company*	*45,149,577,923*	*75,134,216,341*
- *Regal Group Joint Stock Company*	*32,444,743,122*	*40,261,725,696*
- *Dana Homeland Urban Area Development and Investment Joint Stock Company*	*31,861,523,006*	*32,861,523,006*
- *Da Nang Project Management Board of Civil and Industrial Construction Works*	*28,062,481,370*	*24,641,706,000*
- *Vincom Retail Operation Company Limited*	*18,897,902,173*	*9,333,258,801*
- *SONTRA Investment Joint Stock Company*	*14,620,128,800*	-
- *Others*	*257,169,499,287*	*292,198,509,262*
Trade receivables from related parties (*Note 29*)	23,641,885,130	612,076,540
TOTAL	**533,839,468,611**	**557,034,743,446**
Provision for doubtful receivables	(10,705,127,878)	(8,448,574,088)

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)

6.2 *Short-term advances to suppliers*

Currency: VND

	Ending balance	*Beginning balance*
Hung Dat Transportation Joint Stock Company	2,670,000,000	-
Dien Ban Land Fund Development Center	2,217,828,664	2,197,828,664
Minh Thanh Construction Trading Technology Limited Company	2,528,000,000	-
Bach Dang Da Nang Development Investment and Construction Joint Stock Company	-	4,440,219,000
An Phat Investment Construction Project Joint Stock Company	-	4,816,741,871
Other suppliers	10,358,829,667	14,959,429,240
TOTAL	**17,774,658,331**	**26,414,218,775**
Provision for doubtful advance to suppliers	(667,271,818)	(656,123,321)

7. OTHER RECEIVABLES

Currency: VND

	Ending balance		*Beginning balance*	
	Balance	*Provision*	*Balance*	*Provision*
Short-term				
Advances for site clearance compensation	67,157,170,541	-	60,603,988,399	-
Deposits	16,187,029,343	-	14,234,048,618	-
Salary advances and project implementation expenses for employees	5,673,390,910	-	6,868,193,755	-
Receivables from employee for compensation of shortage of tools and equipment	324,721,505	-	1,321,423,570	-
Other short-term eceivables	4,529,166,548	(1,426,575,800)	5,194,058,569	(1,426,575,800)
TOTAL	**93,871,478,847**	**(1,426,575,800)**	**88,221,712,911**	**(1,426,575,800)**
Long-term				
Deposits	4,778,041,381	-	-	-
Other long-term receivables	815,803,406	-	732,764,460	-
TOTAL	**5,593,844,787**	**-**	**732,764,460**	**-**

8. BAD DEBTS

Currency: VND

	Ending balance		*Beginning balance*	
	Cost	*Recoverable amount*	*Cost*	*Recoverable amount*
Thanh Van Construction and Trading Joint Stock Company	2,282,692,825	-	2,282,692,825	-
Department of Labour - Invalids and Social Affairs of Quang Nam Province	1,142,893,000	-	1,142,893,000	-
Quang Nam Project Management Board of Investment in Construction of Traffic Works	1,838,517,200	-	1,838,517,200	-
Others	7,534,872,471	-	5,267,170,184	-
TOTAL	**12,798,975,496**		**10,531,273,209**	**-**

In addition to the receivables mentioned above, the Company has other overdue receivables with a total value of approximately 50.8 billion VND (Recoverable value: 50.8 billion VND)

9. INVENTORIES

Currency: VND

	Ending balance		*Beginning balance*	
	Cost	*Provision*	*Cost*	*Provision*
Raw materials	15,296,288,866	-	8,216,064,841	-
Tools and supplies	6,241,082,236	-	7,227,337,691	-
Work in progress of real estate projects	297,114,385,353	-	270.227.465.918	-
In which:				
- Thien An Urban	*284,043,697,762*	-	*258,687,851,596*	-
- Ngan Cau Urban	*13,070,687,591*	-	*11,539,614,322*	-
Work in progress of construction contracts	98,356,693,017	-	100,206,446,615	-
Finished goods	6,241,082,236	-	14,963,888,923	-
Inventory properties	-	-	11,023,130,245	-
TOTAL	**423,258,183,120**	**-**	**411,864,334,233**	**-**

10. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures	*Machinery and equipment*	*Means of transportation*	*Office equipment*	*Total*
Cost:					
Beginning balance	22,619,244,145	57,597,393,693	100,530,801,346	304,843,601	181,052,282,785
- New purchase	58,000,000	-	193,523,455	-	251,523,455
- Disposal	-	(1,862,615,238)	(584,920,000)	-	(2,447,535,238)
Ending balance	22,677,244,145	55,734,778,455	100,139,404,801	304,843,601	178,856,271,002
In which:					
Fully depreciated	*14,703,577,690*	*30,805,582,414*	*68,468,398,684*	*304,843,601*	*114,282,402,389*
Accumulated depreciation:					
Beginning balance	18,088,916,243	48,612,927,320	89,439,292,644	304,843,601	156,445,979,808
- Depreciation for the year	912,170,189	3,737,106,576	5,287,452,934	-	9,936,729,699
- Disposal	-	(1,862,615,238)	(584,920,000)	-	(2,447,535,238)
Ending balance	19,001,086,432	50,487,418,658	94,141,825,578	304,843,601	163,935,174,269
Net carrying amount:					
Beginning balance	4,530,327,902	8,984,466,373	11,091,508,702	-	24,606,302,977
Ending balance	3,676,157,713	5,247,359,797	5,997,579,223	-	14,921,096,733

The Company pledged certain tangible fixed assets for bank loans as presented in Note 21.

11. FINANCE LEASES

Currency: VND

	Machinery and equipment	*Means of transportation*	*Total*
Cost:			
Beginning balance	5,342,592,592	1,004,629,630	6,347,222,222
Additional leases	1,013,888,889	-	1,013,888,889
Ending balance	6,356,481,481	1,004,629,630	7,361,111,111
Accumulated depreciation:			
Beginning balance	244,868,827	60,628,858	305,497,685
Depreciation for the year	769,429,978	170,228,909	939,658,887
Ending balance	1,014,298,805	230,857,767	1,245,156,572
Net carrying amount:			
Beginning balance	5,097,723,765	944,000,772	6,041,724,537
Ending balance	5,342,182,676	773,771,863	6,115,954,539

The Company pledged finance lease assets for finance lease obligations as presented in Note 21.

12. INTANGIBLE FIXED ASSETS

Currency: VND

	Land use right	*Computer software*	*Total*
Cost:			
Beginning balance	1,404,000,000	445,850,000	1,849,850,000
Ending balance	1,404,000,000	445,850,000	1,849,850,000
In which:			
Fully amortised	-	*445,850,000*	-
Accumulated amortisation:			
Beginning balance	-	445,850,000	445,850,000
Ending balance	-	445,850,000	445,850,000
Net carrying amount:			
Beginning balance	1,404,000,000	-	1,404,000,000
Ending balance	1,404,000,000	-	1,404,000,000

The Company pledged the land use right for bank loans as presented in Note 21.

13. INVESTMENT PROPERTIES

Currency: VND

	Ending balance	*Beginning balance*
Investment property for capital appreciation (*)	11,023,130,245	-
TOTAL	**11,023,130,245**	**-**

(*) These are 4 land lots at Bau Tram Lakeside Green urban area, Hoa Hiep Nam ward, Lien Chieu district, Da Nang city.

The Company pledged certain investment properties for bank loans as presented in Note 21.

As at 31 December 2024, the Company has not been able to obtain sufficient, necessary information for the purpose of determining the fair value of these investment properties.

14. PREPAID EXPENSES

Currency: VND

	Ending balance	*Beginning balance*
Short-term		
Tools and supplies in use	3,089,788,161	3,066,881,882
Others	476,824,989	603,913,266
TOTAL	**3,566,613,150**	**3,670,795,148**
Long-term		
Tools and supplies in use	18,586,639,963	10,838,028,641
Mining license fees	5,397,947,824	4,701,842,410
Others	916,918,371	746,266,774
TOTAL	**24,901,506,158**	**16,286,137,825**

15. LONG-TERM INVESTMENTS

Currency: VND

	Ending balance			*Beginning balance*		
	Cost	*Provision*	*Carrying value*	*Cost*	*Provision*	*Carrying value*
Vinaconex Xuan Mai Da Nang Joint Stock Company	5,000,000,000	(5,000,000,000)	(*)	5,000,000,000	(5,000,000,000)	-
Vinaconex Dung Quat Joint Stock Company	162,250,000	-	(*)	162,250,000	-	162,250,000
TOTAL	**5,162,250,000**	**(5,000,000,000)**	(*)	**5,162,250,000**	**(5,000,000,000)**	**162,250,000**

(*) The Company has not been able to determine the fair value of its investment in other entities since these shares have not been listed on the stock exchange.

16. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

16.1 *Short-term trade payables*

Currency: VND

	Ending balance		*Beginning balance*	
	Balance	*Payable amount*	*Balance*	*Payable amount*
Le Trung Gia Trading and Services Co., Ltd	22,671,351,500	22,671,351,500	21,014,490,200	21,014,490,200
Phu Minh Tri Trading and Services Co., Ltd	21,005,778,830	21,005,778,830	19,356,805,014	19,356,805,014
Other suppliers	237,349,172,180	237,349,172,180	229,967,438,728	229,967,438,728
Trade payables to related parties *(Note 29)*	19,843,377,632	19,843,377,632	15,613,350,614	15,613,350,614
TOTAL	**300,869,680,142**	**300,869,680,142**	**285,952,084,556**	**285,952,084,556**

16.2 *Short-term advances from customers*

Currency: VND

	Ending balance	*Beginning balance*
Quang Nam Project Management Board of Traffic Works	59,592,809,000	59,015,813,000
FPT Education Company Limited	36,191,813,000	1,228,606,700
Advance from other customers	32,306,408,402	1,228,606,700
Advance from related parties *(Note 29)*	31,360,264,635	32,913,264,228
TOTAL	**159,451,295,037**	**190,926,239,694**

17. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance	*Payable for the year*	*Payment/net off made in the year*	*Ending balance*
Value added tax	10,507,050,918	89,259,850,563	(99,207,076,327)	559,825,154
Corporate income tax *(Note 28)*	3,094,553,492	3,074,294,156	(3,641,153,838)	2,527,693,810
Personal income tax	335,646,565	1,006,529,669	(1,096,049,633)	246,126,601
Natural resources tax	149,005,526	2,812,710,000	(2,808,910,000)	152,805,526
Environmental protection fees	41,284,799	928,194,300	(926,940,300)	42,538,799
Land rental charges	-	424,686,889	(133,926,956)	290,759,933
Others	-	3,000,000	(3,000,000)	-
TOTAL	**14,127,541,300**	**97,509,265,577**	**(107,817,057,054)**	**3,819,749,823**

18. SHORT-TERM ACCRUED EXPENSES

Currency: VND

	Ending balance	*Beginning balance*
Accrued cost of construction works	40,858,109,446	42,878,863,687
Accrued interest expenses	270,120,220	327,785,143
TOTAL	**41,128,229,666**	**43,206,648,830**

19. OTHER SHORT-TERM PAYABLES

Currency: VND

	Ending balance	*Beginning balance*
Receipt of business cooperation contributions in Thien An urban area project (*)	154,903,051,920	154,845,695,363
Land rental fee of real estate projects	2,903,766,989	2,903,766,989
Dividend payables	205,900,061	202,659,311
Others	3,275,428,805	850,618,190
Other payables to related parties *(Note 29)*	7,241,021	5,701,504,556
TOTAL	**161,295,388,796**	**164,504,244,409**

(*) These are cash contribution from individuals for Thien An urban area project in Dien Nam Dong ward and Dien Nam Trung ward, Dien Ban town, Quang Nam province under business cooperation contracts. The individuals are also given the option to purchase land lots of the project upon demand.

20. SHORT-TERM PROVISONS

Currency: VND

	Ending balance	*Beginning balance*
Short-term		
Provision for warranty of construction works	9,388,839,273	9,098,761,740
Provision for site restoration costs	-	136,716,760
TOTAL	**9,388,839,273**	**9,235,478,500**
Long-term		
Provision for site restoration costs	273.433.521	-
TOTAL	**273.433.521**	**-**

21. LOANS AND FINANCE LEASES

Currency: VND

	Beginning balance		*Movement during the year*		*Ending balance*	
	Balance	*Payable amount*	*Increase*	*Decrease*	*Balance*	*Payable amount*
Short-term						
Loans from banks *(Note 21.1)*	263,349,638,406	263,349,638,406	918,333,047,646	(930,120,735,724)	251,561,950,328	251,561,950,328
Current portion of long-term loans *(Note 21.2)*	1,613,000,000	1,613,000,000	600,000,000	(1,613,000,000)	600,000,000	600,000,000
Current portion of long-term finance lease liabilities *(Note 21.3)*	1,233,900,000	1,233,900,000	1,593,150,000	(1,332,450,000)	1,494,600,000	1,494,600,000
TOTAL	**266,196,538,406**	**266,196,538,406**	**920,526,197,646**	**(933,066,185,724)**	**253,656,550,328**	**253,656,550,328**
Long-term						
Loans from banks *(Note 21.2)*	600,000,000	600,000,000	-	(600,000,000)	-	-
Finance lease liabilities *(Note 21.3)*	4,627,125,000	4,627,125,000	1,239,900,000	(1,593,150,000)	4,273,875,000	4,273,875,000
TOTAL	**5,227,125,000**	**5,227,125,000**	**1,239,900,000**	**(2,193,150,000)**	**4,273,875,000**	**4,273,875,000**

21. LOANS AND FINANCE LEASES (continued)

21.1 *Short-term loans from banks*

Banks	*Ending balance (VND)*	*Principal and interest payment term*	*Interest (% per annum)*	*Description of collateral*
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch	144,861,581,178	From 6 to 7.5 months, last installment being due on 13 August 2025. Interest is payable monthly.	4.8% - 6.3%	The Company's Head Office, building, land use rights and certain machineries and equipments for construction works, as well as the land use rights of Lot 1445 and 1446 in area B2-40, Bau Tram Lakeside Urban Area, Hoa Hiep Nam Ward, Lien Chieu District, Da Nang City of the Company. Certain machineries and equipments for construction works of the Company.
Vietnam Joint Stock Commercial Bank for Industry and Trade - Quang Nam Branch	4,817,337,701	6 months, last installment being due on 10 June 2025. Interest is payable monthly.	7.0%	
Vietnam International Commercial Joint Stock Bank – Da Nang Branch	30,737,752,806	6 months, last installment being due on 9 June 2025. Interest is payable monthly.	6.0% - 6.3%	The Company's term deposit contracts at Vietnam International Bank (VIB) - Da Nang Branch and the right to collect debts arising from receivables formed from projects financed by the bank.
An Binh Commercial Joint Stock Bank – Da Nang Branch	29,835,462,194	6 months, last installment being due on 20 June 2025. Interest is payable monthly.	6.3% - 6.8%	The Company's term deposit contracts at An Binh Commercial Joint Stock Bank - Da Nang Branch.
Prosperity and Growth Commercial Joint Stock Bank – Da Nang Branch	24,609,720,000	From 6 to 12 months, last installment being due on 30 April 2025. Interest is payable monthly.	7.6%	The Company's term deposit contracts at Prosperity and Development Commercial Joint Stock Bank - Da Nang Branch.
Southeast Asia Commercial Joint Stock Bank – Da Nang Branch	5,000,000,000	6 months, last installment being due on 26 February 2025. Interest is payable monthly.	6.2%	Unsecured loans.
Saigon-Hanoi Commercial Joint Stock Bank – Quang Nam Branch	11,700,096,449	4 months, last installment being due on 28 April 2025. Interest is payable monthly.	6.5% - 9.0%	The right of the Company to collect debts arising from construction projects financed by the bank.
TOTAL	**251,561,950,328**			

21. LOANS AND FINANCE LEASES (continued)

21.2 *Long-term loans from banks*

Banks	*Ending balance (VND)*	*Principal and interest payment term*	*Interest (% per annum)*	*Description of collateral*
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch	600.000.000	36 months. Principal and interest are payable in quarterly installment until 13 October 2025.	8.7%	Certain machineries and equipments for construction works of the Company.
TOTAL	**600.000.000**			
In which:				
- *Current portion of long-term loans*	*600.000.000*			
- *Long-term loans*	-			

21.3 *Finance lease*

The company leases transportation vehicles and machinery under financial lease contracts with BIDV-SuMi TRUST Financial Leasing Company, with lease terms maturing from 2028 to 2029 and interest rates ranging from 7.3% per year to 8.6% per year. These leased assets are pledged for the finance lease obligation, and the Company has the right to purchase these assets at the end of the lease term according to the terms of the contract term.

At the balance sheet date, future lease payments are presented as follows:

Currency: VND

	Ending balance			*Beginning balance*		
	Total minimum lease payments	*Finance charges*	*Lease liabilities*	*Total minimum lease payments*	*Finance charges*	*Lease liabilities*
Less than 1 year	1,899,400,263	404,800,263	1,494,600,000	1,664,078,108	430,178,108	1,233,900,000
From 1 - 5 years	4,777,203,917	503,328,917	4,273,875,000	5,346,420,515	719,295,515	4,627,125,000
TOTAL	**6,676,604,180**	**908,129,180**	**5,768,475,000**	**7,010,498,623**	**1,149,473,623**	**5,861,025,000**

22. OWNERS' EQUITY

22.1 Increase and decrease in owners' equity

Currency: VND

	Contributed charter capital	*Share premium*	*Investment and development fund*	*Undistributed earnings*	*Total*
Previous year:					
Beginning balance	120,000,000,000	6,633,900,000	16,136,363,316	9,263,338,598	152,033,601,914
- Increase in capital	120,000,000,000	-	-	-	120,000,000,000
- Net profit for the year	-	-	-	8,304,515,881	8,304,515,881
- Dividends declared	-	-	-	(8,400,000,000)	(8,400,000,000)
- Other increase	-	-	-	221,662,039	221,662,039
- Other decrease	-	(160,550,000)	-	-	(160,550,000)
Ending balance	240,000,000,000	6,473,350,000	16,136,363,316	9,389,516,518	271,999,229,834
Current year:					
Beginning balance	240,000,000,000	6,473,350,000	16,136,363,316	9,389,516,518	271,999,229,834
- Net profit for the year	-	-	-	7.474.212.883	7.474.212.883
- Dividends declared (*)	-	-	-	(8.400.000.000)	(8.400.000.000)
Ending balance	240,000,000,000	6,473,350,000	16,136,363,316	8,463,729,401	271,073,442,717

(*) The Company annouced cash dividends in accordance with Resolution of the General Meeting of Shareholders No.01/2024/NQ-ĐHĐCĐ dated 30 March 2024.

22. OWNERS' EQUITY (continued)

22.2 *Details of owners' shares capital*

Currency: VND

	Ending balance		*Beginning balance*	
	Ordinary share (VND)	*% of ownership*	*Ordinary share (VND)*	*% of ownership*
Vietnam Construction and Import - Export Joint Stock Corporation	170,686,000,000	71.12%	170,686,000,000	71.12%
Other shareholders	69,314,000,000	28.88%	69,314,000,000	28.88%
TOTAL	**240,000,000,000**	**100%**	**240,000,000,000**	**100%**

22.3 *Capital transactions with owners and distribution of dividends, profits*

Currency: VND

	Current year	*Previous year*
Contributed capital	***240,000,000,000***	***240,000,000,000***
Beginning balance	240,000,000,000	120,000,000,000
Increase in the year	-	120,000,000,000
Ending balance	**240,000,000,000**	**240,000,000,000**
Dividends declared during year	**8,400,000,000**	**8,400,000,000**
Dividends, profits paid	**8,396,759,250**	**8,380,028,500**
Dividends declared after the date of reporting year and not yet recognised as liability as at 31 December	**-**	**-**

22.4 *Shares*

	Ending balance	*Beginning balance*
Issued shares	**24,000,000**	**24,000,000**
Ordinary shares	24,000,000	24,000,000
Treasury shares	**-**	**-**
Ordinary shares	-	-
Shares in circulation	**24,000,000**	**24,000,000**
Ordinary shares	24,000,000	24,000,000

Par value of outstanding share: VND10,000/share. The company has listed its shares on the Hanoi Stock Exchange under the ticker of VCC.

23. REVENUES

23.1 *Revenue from sales of goods and rendering of services*

Currency: VND

	Current year	*Previous year*
Gross revenue	**1,057,004,061,947**	**1,197,807,420,974**
In which:		
Revenue from construction services (*)	*703,057,599,656*	*945,571,808,077*
Sale of finished goods (stone and concrete)	*353,946,462,291*	*252,235,612,897*
Sale deductions	-	-
Net revenue	**1,057,004,061,947**	**1,197,807,420,974**
In which:		
Sales to others	*776,081,184,898*	*1,168,922,149,112*
Sales to related parties (Note 29)	*280,922,877,049*	*28,885,271,862*

23.2 *Finance income*

Currency: VND

	Current year	*Previous year*
Interest income	3,449,812,068	6,975,574,212
Interest income on late payments	2,374,753,986	-
Dividends, profit earned	76,781,250	103,582,750
TOTAL	**5,901,347,304**	**7,079,156,962**

24. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND

	Current year	*Previous year*
Cost of rendering construction services	666,065,871,181	898,780,337,424
Cost of finished goods sold	287,913,434,807	197,096,950,033
Provision for warranty of construction works	3,093,215,122	3,569,619,376
TOTAL	**957,072,521,110**	**1,099,446,906,833**

25. FINANCE EXPENSES

Currency: VND

	Current year	*Previous year*
Interest expenses	17,243,140,937	22,005,810,594
TOTAL	**17,243,140,937**	**22,005,810,594**

26. GENERAL AND ADMINISTRATIVE EXPENSES AND SELLINGS EXPENSES

Currency: VND

	Current year	*Previous year*
Selling expenses		
Labour costs	8,152,083,406	8,077,497,924
Transportation expenses	25,650,297,223	21,212,814,278
Amortisation of tools and supplies	4,127,028,036	3,568,641,296
Depreciation	4,648,639,150	5,037,075,795
Others	1,474,800,300	1,679,040,119
TOTAL	**44,052,848,115**	**39,575,069,412**
General and administrative expenses		
Labour costs	20,890,980,898	20,908,061,691
Depreciation	228,354,483	226,571,055
Expenses of external services	1,547,789,470	1,710,220,235
Provision for doubtful debts	2,267,702,287	110,220,125
Others	9,835,025,386	8,598,055,586
TOTAL	**34,769,852,524**	**31,553,128,692**

27. PRODUCTION AND OPERATING COSTS

Currency: VND

	Current year	*Previous year*
Raw materials	695,286,334,046	792,287,241,836
Labour costs	214,912,862,788	277,887,547,374
Depreciation and amortisation	10,876,388,586	11,710,495,530
Development costs of real estate projects	20,474,682,210	25,572,796,545
Expenses for external services	68,201,627,198	62,316,259,648
Others	42,466,337,483	37,945,624,440
TOTAL	**1,052,218,232,311**	**1,207,719,965,373**

28. CORPORATE INCOME TAX

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

The tax returns filed by Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change at a later date upon final determination by the tax authorities.

28.1 CIT expenses

Currency: VND

	Current year	*Previous year*
Current tax expenses	3,070,744,156	3,749,475,287
Adjustment for under accrual of CIT from prior years	3,550,000	81,086,923
TOTAL	**3,074,294,156**	**3,830,562,210**

The reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

Currency: VND

	Current year	*Previous year*
Accounting profit before tax	**10,548,507,039**	**12,135,078,091**
At CIT rate of 20%	2,109,701,408	2,427,015,618
Adjustments to increase/(decrease):		
Non-deductible interest expenses exceeding regulated cap	839,693,308	1,079,371,482
Penalties	10,705,690	-
Dividends and distributed profits	(15,356,250)	(20,716,550)
Adjustment for under accrual of CIT from prior years	3,550,000	81,086,923
Non-deductible expenses	126,000,000	263,804,737
CIT expenses	**3,074,294,156**	**3,830,562,210**

28.2 Current CIT

The current CIT payable is based on taxable profit for the current year. The taxable income of the Company for the year differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

29. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship with the Company and other related parties that have transactions with the Company during the year and as as at 31 December 2024:

Related parties	*Relationship*
Vietnam Construction and Import - Export Joint Stock Corporation	Parent company
Vinaconex Construction One-member Co., Ltd	Affiliate
Vinaconex Design and Interior Joint Stock Company	Affiliate
Vimeco Joint Stock Company	Affiliate
Members of the Board of General Directors, Board of Directors, and Board of Supervisors	(See details in General information section)

Significant transactions with related parties during the prior and current year were as follows:

Currency: VND

Related party	*Relationship*	*Transactions*	*Current year*	*Previous year*
Vietnam Construction and Import-Export Joint Stock Corporation	Parent company	Rendering of construction services	229,324,545,335	24,855,921,632
		Advance for rendering of construction services	7,235,400,224	37,556,412,155
		Dividend declared	5,974,010,000	5,571,510,000
		Interest payable	-	5,186,958,903
Vinaconex Construction One-member Co., Ltd	Affiliate	Purchase of construction services	25,273,414,372	15,784,697,635
		Rendering of construction services	51,598,331,714	4,029,350,230

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on basis of contract negotiation.

The balances of receivables and payables as at 31 December 2024 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2024, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2023: nil). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet dates were as follows:

Currency: VND

Related party	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance*
Short-term trade receivables *(Note 6.1)*				
Vietnam Construction and Import - Export Joint Stock Corporation	Parent company	Rendering of construction services	22,923,702,066	410,716,540
Vinaconex Construction One - member Co., Ltd	Affiliate	Sale of concrete	718,183,064	-
Vimeco Joint Stock Company	Affiliate	Sale of concrete	-	201,360,000
TOTAL			**23,641,885,130**	**612,076,540**
Short-term trade payables *(Note 16.1)*				
Vinaconex Construction One - member Co., Ltd	Affiliate	Rendering of construction services	17,721,277,558	14,267,728,012
Vinaconex Design and Interior Joint Stock Company	Affiliate	Rendering of construction services	2,122,100,074	1,005,820,582
Vimeco Joint Stock Company	Affiliate	Rendering of construction services	-	339,802,020
TOTAL			**19,843,377,632**	**15,613,350,614**
Short-term advances from customers *(Note 16.2)*				
Vietnam Construction and Import - Export Joint Stock Corporation	Parent company	Advance for rendering of construction services	27,836,032,975	83,268,548,772
Vinaconex Construction One - member Co., Ltd	Affiliate	Advance for rendering of construction services	3,524,231,660	14,500,006,994
TOTAL			**31,360,264,635**	**97,768,555,766**
Other short-term payables *(Note 19)*				
Vietnam Construction and Import - Export Joint Stock Corporation	Parent company	Tender guarantee fee Interest payables	7,241,021 -	514,545,653 5,186,958,903
TOTAL			**7,241,021**	**5,701,504,556**

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Remuneration to members of the Board of Directors ("BOD"), Board of Supervision and the management:

Currency: VND

Name	*Position*	*Remuneration*	
		Current year	*Previous year*
Mr. Nguyen Xuan Dong	Chairman	180,000,000	180,000,000
Mr. Lai Duc Toan	Member of BOD	120,000,000	120,000,000
Mr. Nguyen Hai Dang	Member of BOD	90,000,000	-
Mr. Nguyen Van Trung	General Director	674,269,232	825,500,000
Mr. Nguyen Xuan Nhan	Deputy General Director until 1 August 2024	305,615,384	523,500,001
Mr. Truong Van Duc	Deputy General Director	477,884,614	523,500,001
Mr. Do Ngoc Hai	Deputy General Director	477,884,614	523,500,001
Mr. Nguyen Xuan Hung	Deputy General Director	477,884,614	523,500,001
Mr. Nguyen Duc Quang Thong	Chief Accountant	477,884,614	523,500,001
Mr. Vu Van Manh	Head of Board of Supervision	120,000,000	120,000,000
Ms. Tran Thi Kim Oanh	Member of Board of Supervision	60,000,000	60,000,000
Mr. Nguyen Ba Hop	Member of Board of Supervision	60,000,000	45,000,000
Mr. Bui Phuoc Hung	Member of Board of Supervision until 19 March 2022	-	15,000,000
TOTAL		**3,521,423,072**	**3,983,000,005**

30. EARNINGS PER SHARE

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

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

		Currency: VND
	Current year	*Previous year*
Net profit after tax attributable to ordinary shareholders	7,474,212,883	8,304,515,881
Appropriation of bonus and welfare fund	-	-
Net profit after tax attributable to ordinary shareholders for basic earnings	7,474,212,883	8,304,515,881
Net profit after tax attributable to ordinary shareholders for basic earnings after adjustment for diminution	**7,474,212,883**	**8,304,515,881**

	Currency: share	
	Current year	*Previous year*
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	24,000,000	13,479,452
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	**24,000,000**	**13,479,452**

		Currency: VND
Earnings per share		
- Basic earnings per share	311	616
- Diluted earnings per share	311	616

There were no transactions or potential transactions of ordinary shares occurring from the balance sheet date to the issuance date of the financial statements.

31. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Company has the following main business activities:

- Construction activities;
- Quarrying and concrete production; and
- Trading of real estate properties and others

Segment revenue, expenses and results include cross-sectional transactions. Those transactions are eliminated in preparation of the financial statements.

31. SEGMENT INFORMATION (continued)

Business segment

The following tables present revenue, profit and certain assets and liability information regarding the Company's business segment:

Currency: VND

	Construction activities	*Quarrying and concrete production*	*Trading of real estate and others*	*Elimination*	*Total*
For the year ended 31 December 2024					
Revenue					
Sales to external customers	*703,057,599,656*	*353,946,462,291*	-	-	*1,057,004,061,947*
Inter-segment sales	-	*26,432,526,614*	-	*(26,432,526,614)*	-
Total revenue	703,057,599,656	380,378,988,905	-	(26,432,526,614)	1,057,004,061,947
Results					
Segment net profit before tax	*33,898,513,353*	*21,980,179,369*	-	-	*55,878,692,722*
Unallocated income/(expenses) (i)					*(45,330,185,683)*
Net profit before corporate income tax					*10,548,507,039*
Corporate income tax expense					*(3,074,294,156)*
Net profit after tax					*7,474,212,883*
As at 31 December 2024					
Assets and liabilities					
Segment assets	*617,922,135,645*	*134,398,486,805*	*381,113,453,892*	*(2,333,377,749)*	*1,131,100,698,593*
Unallocated assets (ii)					*101,382,819,847*
Total assets					1,232,483,518,440
Segment liabilities	*452,898,703,674*	*99,517,735,936*	*159,165,063,534*	*(2,333,377,749)*	*709,248,125,395*
Unallocated liabilities (iii)					*252,161,950,328*
Total liabilities					961,410,075,723

31. SEGMENT INFORMATION (continued)

Business segment (continued)

The following tables present revenue, profit and certain assets and liability information regarding the Company's business segment: (continued)

Currency: VND

	Construction activities	*Quarrying and concrete production*	*Trading of real estate and others*	*Elimination*	*Total*
For the year ended 31 December 2023					
Revenue					
Sales to external customers	*945,571,808,077*	*252,235,612,897*	-	-	*1,197,807,420,974*
Inter-segment sales	*16,015,764,663*	*65,829,027,918*	-	*(81,844,792,581)*	-
Total revenue	961,587,572,740	318,064,640,815	-	(81,844,792,581)	1,197,807,420,974
Results					
Segment net profit before tax	*43,221,851,277*	*55,138,662,867*	-	-	*98,360,514,141*
Unallocated income/(expenses) (i)					*(86,225,436,050)*
Net profit before corporate income tax					*12,135,078,091*
Corporate income tax expense					*(3,830,562,210)*
Net profit after tax					*8,304,515,881*
As at 31 December 2023					
Assets and liabilities					
Segment assets	*731,783,196,129*	*62,745,920,312*	*349,167,682,608*	*(11,463,086,308)*	*1,132,233,712,741*
Unallocated assets (ii)					*152,781,659,070*
Total assets					1,285,015,371,811
Segment liabilities					
Unallocated liabilities (iii)	*534,856,490,597*	*66,179,184,217*	*157,247,015,065*	*(11,463,086,308)*	*746,819,603,571*
Total liabilities					*266,196,538,406*

(i) Unallocated income, expenses mainly include financial income, other incomes, general and administrative expenses, financial expenses and other expenses.

(ii) Unallocated assets mainly include cash, held-to-maturity investments and other investments.

(iii) Unallocated liabilities mainly include short-term bank loans.

32. COMMITMENTS

Commitments related to investment costs of real estate projects

At 31 December 2024, the Company has commitments related to construction contracts for the investment of Thien An and Ngan Cau Urban Area Housing Investment project in Dien Nam – Dien Ngoc Urban Center, Dien Ban town with total values of approximately VND 37 billion and VND 75 billion, respectively.

Commitments related to site restoration after the end of mineral exploitation

According to Decision No.842/QĐ-UBND dated 17 March 2017 of the People's Committee of Quang Nam province, the Company continued its license for mining of construction materials at Dong Hoa Van quarry, Tam Nghia commune, Nui Thanh district, Quang Nam province with term of 17 years and 3 months, from 1 January 2016. According to Decision No.372/QĐ-UBND dated 25 January 2017 of the People's Committee of Quang Nam province on approving the "Environmental impact assessment and environmental improvement and restoration plan" of this quarry mining project, the Company is obliged to restore the environment after the mining license expires at estimated cost of VND 1,367,167,600.

33. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the financial statements of the Company.

Da Nang, Vietnam
17 March 2025

Nguyen Minh Tuan	Nguyen Duc Quang Thong	Nguyen Van Trung
Preparer	Chief Accountant	General Director