

KinhBac City Development Holding Corporation

Consolidated financial statements

For the year ended 31 December 2023



KinhBac City Development Holding Corporation

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KinhBac City Development Holding Corporation

GENERAL INFORMATION

THE COMPANY

KinhBac City Development Holding Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration No. 2103000012 issued by the Department of Planning and Investment of Bac Ninh province on 27 March 2002, and the subsequent amendments, with the latest is the 19th amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 21 April 2023.

The current principal activities of the Company are to invest, construct and trade infrastructure inside and outside the industrial parks; to lease and sell factory plants constructed by the Company in the industrial parks, and residential – urban areas, to carry out financial investment; and other activities in accordance with the Enterprise Registration Certificate.

The Company’s head office is located at Lot B7, Que Vo Industrial Park, Phuong Lieu Commune, Que Vo District, Bac Ninh Province, Vietnam and its Ho Chi Minh branch is located at No. 20 Phung Khac Khoan, Da Kao Ward, No. 1 District, Ho Chi Minh City, Vietnam.

The Company’s shares are listed in Ho Chi Minh city’s Stock Exchange in accordance with Decision No. 153/QD-SGDHCM issued by Ho Chi Minh city’s Stock Exchange on 7 December 2009.

BOARD OF DIRECTORS

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

Mr. Dang Thanh Tam	Chairman
Mrs. Nguyen Thi Thu Huong	Member
Mr. Huynh Phat	Member
Mr. Le Hoang Lan	Independent member
Mrs. Dang Nguyen Quynh Anh	Member

BOARD OF SUPERVISION

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

Mrs. Nguyen Bich Ngoc	Head of the Board
Mrs. The Thi Minh Hong	Member
Mr. Tran Tien Thanh	Member

MANAGEMENT

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

Mrs Nguyen Thi Thu Huong	General Director
Mr Phan Anh Dung	Deputy General Director
Mr Pham Phuc Hieu	Deputy General Director cum Chief Accountant
Mrs Nguyen My Ngoc	Deputy General Director

KinhBac City Development Holding Corporation

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Dang Thanh Tam - Chairman. Ms. Nguyen Thi Thu Huong – General Director has been authorized by Mr. Dang Thanh Tam to sign the accompanying consolidated financial statements for the year ended 31 December 2023 in accordance with the Authorisation Letter No. 2506/2022/KBC/UQ dated 25 June 2022.

AUDITORS

The auditor of the Company is Ernst and Young Vietnam Limited – Hanoi Branch.

KinhBac City Development Holding Corporation

REPORT OF MANAGEMENT

Management of KinhBac City Development Holding Corporation (“the Company”) is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) for the year ended 31 December 2023.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group, and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated 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 consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnam Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

For and on behalf of management:



Nguyen Thi Thu Huong
General Director

Bac Ninh, Vietnam

25 March 2024

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Reference: 11656910/66921092-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of KinhBac City Development Holding Corporation

We have audited the accompanying consolidated financial statements of KinhBac City Development Holding Corporation ("the Company") and its subsidiaries (collectively referred to as "the Group"), as prepared on 25 March 2024 and set out on pages 6 to 65, which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated 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 consolidated financial statements.

Ernst & Young Vietnam Limited – Hanoi Branch



Tran Phu Son
General Director
Audit Practising Registration
Certificate No. 0637-2023-004-1



A blue handwritten signature.

Nguyen Quy Manh
Auditor
Audit Practising Registration
Certificate No. 4482-2023-004-1

Hanoi, Vietnam

25 March 2024

CONSOLIDATED BALANCE SHEET
as at 31 December 2023

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		25,029,443,704,757	27,674,080,297,628
110	i. Cash and cash equivalents	5	841,304,457,657	1,683,149,405,060
111	1. Cash		314,837,340,778	1,401,510,923,666
112	2. Cash equivalents		526,467,116,879	281,638,481,394
120	ii. Short-term investments	6	1,864,234,663,420	2,441,801,461,721
121	1. Held-for-trading securities	6.1	1,862,358,461,369	1,862,358,461,369
122	2. Provision for held-for-trading securities	6.1	(5,473,797,949)	(6,226,144,519)
123	3. Held-to-maturity investments	6.2	7,350,000,000	585,669,144,871
130	iii. Current accounts receivable		9,662,549,880,342	10,895,901,944,840
131	1. Short-term trade receivables	7.1	615,242,726,081	957,696,732,765
132	2. Short-term advances to suppliers	7.2	3,273,094,688,035	3,564,526,371,175
135	3. Short-term loan receivables	8	2,384,858,032,880	2,762,411,740,790
136	4. Other short-term receivables	9	3,496,138,801,296	3,654,794,506,950
137	5. Provision for doubtful short-term receivables	7.3	(106,784,367,950)	(43,527,406,840)
140	IV. Inventories	10	12,218,764,105,774	12,330,243,270,680
141	1. Inventories		12,218,764,105,774	12,330,243,270,680
150	V. Other current assets		442,590,597,564	322,984,215,327
151	1. Short-term prepaid expenses	11	59,824,003,449	61,178,577,357
152	2. Value-added tax deductible	17	311,851,864,183	207,965,514,065
153	3. Tax and other receivables from the State	17	70,843,076,413	53,764,932,028
155	4. Other current assets		71,653,519	75,191,877

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CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		8,404,776,571,144	7,232,432,899,384
210	I. Long-term receivables		1,532,184,242,645	820,573,700,263
215	1. Long-term loan receivables	8	880,573,000,000	148,423,703,957
216	2. Other long-term receivables	9	651,611,242,645	672,149,996,306
220	II. Fixed assets		448,814,409,474	365,388,358,290
221	1. Tangible fixed assets	12	448,586,845,821	365,333,606,633
222	Cost		858,795,231,647	722,494,036,438
223	Accumulated depreciation		(410,208,385,826)	(357,160,429,805)
227	2. Intangible fixed assets		227,563,653	54,751,657
228	Cost		634,415,500	448,175,500
229	Accumulated amortisation		(406,851,847)	(393,423,843)
230	III. Investment properties	13	1,200,985,590,890	167,567,010,562
231	1. Cost		1,365,091,011,077	255,584,291,494
232	2. Accumulated depreciation		(164,105,420,187)	(88,017,280,932)
240	IV. Long-term assets in progress	14	426,520,879,465	1,169,797,985,814
242	1. Construction in progress		426,520,879,465	1,169,797,985,814
250	V. Long-term investments	15	4,776,843,987,601	4,697,431,764,453
252	1. Investments in associates, jointly controlled entities	15.1	4,378,361,952,386	4,323,949,729,238
253	2. Investment in other entities	15.2	424,500,200,000	399,500,200,000
254	3. Provision for diminution in value of long-term investments	15.2	(26,018,164,785)	(26,018,164,785)
260	VI. Other long-term assets		19,427,461,069	11,674,080,002
261	1. Long-term prepaid expenses	11	19,427,461,069	10,398,267,573
262	2. Deferred tax assets	29.3	-	1,275,812,429
270	TOTAL ASSETS		33,434,220,275,901	34,906,513,197,012

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		13,213,347,571,485	17,060,993,904,926
310	I. Current liabilities		6,578,776,212,862	10,684,165,020,680
311	1. Short-term trade payables	16.1	436,132,958,547	453,108,410,168
312	2. Short-term advances from customers	16.2	552,908,614,849	877,928,026,040
313	3. Statutory obligations	17	364,649,564,762	145,333,576,572
314	4. Payables to employees		105,001,135	105,757,133
315	5. Short-term accrued expenses	18	1,823,639,404,557	1,418,514,234,584
318	6. Short-term unearned revenues		1,218,898,453	1,069,455,000
319	7. Other short-term payables	19	3,055,809,343,520	3,829,774,766,541
320	8. Short-term loans	20	337,323,250,730	3,951,376,578,333
322	9. Bonus and welfare fund		6,989,176,309	6,954,216,309
330	II. Non-current liabilities		6,634,571,358,623	6,376,828,884,246
333	1. Long-term accrued expenses	18	2,149,400,351,677	1,760,346,557,414
336	2. Long-term unearned revenue		4,281,241,388	4,408,865,613
337	3. Other long-term liabilities	19	27,417,079,156	18,427,188,430
338	4. Long-term loans	20	3,322,049,863,699	3,687,089,342,314
341	5. Deferred tax liabilities	29.3	1,130,470,854,741	905,604,962,513
342	6. Long-term provisions		951,967,962	951,967,962

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
400	D. OWNERS' EQUITY		20,220,872,704,416	17,845,519,292,086
410	I. Capital		20,220,872,704,416	17,845,519,292,086
411	1. Share capital	21.1	7,676,047,590,000	7,676,047,590,000
411a	- Shares with voting rights		7,676,047,590,000	7,676,047,590,000
412	2. Share premium	21.1	2,743,529,570,000	2,743,529,570,000
418	3. Investment and development fund	21.1	2,223,693,823	2,223,693,823
421	4. Undistributed earnings	21.1	7,754,163,743,041	5,646,308,490,449
421a	- Undistributed earnings up to end of prior year		5,723,464,382,722	4,119,957,410,625
421b	- Undistributed earnings of current year		2,030,699,360,319	1,526,351,079,824
429	5. Non-controlling interests	22	2,044,908,107,552	1,777,409,947,814
440	TOTAL LIABILITIES AND OWNERS' EQUITY		33,434,220,275,901	34,906,513,197,012



Luu Phuong Mai
Preparer



Pham Phuc Hieu
Deputy General Director
cum Chief Accountant




Nguyen Thi Thu Huong
General Director


Bac Ninh, Vietnam

25 March 2024


CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	23.1	5,858,772,665,527	1,397,476,163,499
02	2. Deductions	23.1	(240,297,318,000)	(447,210,000,000)
10	3. Net revenue from sale of goods and rendering of services	23.1	5,618,475,347,527	950,266,163,499
11	4. Cost of goods sold and services rendered	24	(1,923,081,056,083)	(684,515,319,313)
20	5. Gross profit from sale of goods and rendering of services		3,695,394,291,444	265,750,844,186
21	6. Finance income	23.2	426,075,898,488	339,652,334,340
22	7. Finance expenses	25	(426,206,938,934)	(595,404,542,981)
23	<i>In which: Interest expenses</i>		(379,668,497,960)	(522,875,219,589)
24	8. Shares of (loss)/profit of associates, joint-ventures	15.1	(8,087,776,852)	2,186,822,799,809
25	9. Selling expenses	26	(354,412,075,024)	(45,914,808,918)
26	10. General and administrative expenses	26	(458,380,732,970)	(464,460,343,994)
30	11. Operating profit		2,874,382,666,152	1,686,446,282,442
31	12. Other income		22,300,987,274	21,329,080,350
32	13. Other expenses	27	(5,523,841,955)	(11,190,277,098)
40	14. Other profit		16,777,145,319	10,138,803,252
50	15. Accounting profit before tax		2,891,159,811,471	1,696,585,085,694
51	16. Current corporate income tax expenses	29.1	(420,014,694,484)	(150,202,907,959)
52	17. Deferred tax (expenses)/income	29.3	(226,141,704,657)	30,146,862,792
60	18. Net profit after tax		2,245,003,412,330	1,576,529,040,527
61	19. Net profit after tax attributable to shareholders of the parent		2,030,699,360,319	1,526,351,079,824
62	20. Net profit after tax attributable to non-controlling interests		214,304,052,011	50,177,960,703
70	21. Basic earnings per share	31	2,646	1,993
71	22. Diluted earnings per share	31	2,646	1,993


Luu Phuong Mai
Preparer


Pham Phuc Hieu
Deputy General Director cum
Chief Accountant


Nguyen Thi Thu Huong
General Director



Bac Ninh, Vietnam

29 March 2024

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		2,891,159,811,471	1,696,585,085,694
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets		132,516,494,010	76,156,349,325
03	Provision		62,504,614,540	34,158,244,175
05	Profits from investing activities		(414,654,731,827)	(2,527,061,223,118)
06	Interest expenses and bond issue costs	25	422,301,039,136	580,086,440,952
08	Operating profit/(loss) before changes in working capital		3,093,827,227,330	(140,075,102,972)
09	Increase in receivables		562,611,677,734	(1,510,937,176,511)
10	(Increase)/decrease in inventories		396,098,684,083	(815,005,324,059)
11	Increase/(decrease) in payables (other than interest, corporate income tax)		(535,414,571,199)	1,886,534,707,773
12	Decrease in prepaid expenses		(7,693,176,400)	23,823,655,326
14	Interest paid		(314,511,314,743)	(489,747,029,912)
15	Corporate income tax paid	17	(192,562,670,798)	(172,152,495,773)
20	Net cash flows from/(used in) operating activities		3,002,355,856,007	(1,217,558,766,128)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(1,251,432,310,212)	(274,486,604,790)
22	Proceeds from liquidation and sale of fixed assets and other long-term assets		-	590,909,091
23	Loans to other entities and payments for purchase of debt instruments of other entities		(1,413,720,227,680)	(2,998,289,485,397)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		1,637,443,784,418	2,949,996,617,187
25	Payments for investments in other entities		(68,752,587,801)	(665,969,230,000)
26	Proceeds from sale of investments in other entities		1,173,996,251,422	243,880,217,500
27	Interest and dividends received		75,198,408,838	221,052,868,860
30	Net cash flows from/(used in) investing activities		152,733,318,985	(523,224,707,549)

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares	21.1	130,350,000,000	334,718,570,000
33	Drawdown of borrowings		1,068,253,400,231	1,992,468,191,731
34	Repayment of borrowings		(5,065,178,747,626)	(1,465,573,308,799)
36	Dividend paid		(130,358,775,000)	(158,860,000)
40	Net cash flows (used in)/from financing activities		(3,996,934,122,395)	861,454,592,932
50	Net decrease in cash and cash equivalents for the year		(841,844,947,403)	(879,328,880,745)
60	Cash and cash equivalents at beginning of the year		1,683,149,405,060	2,562,478,285,805
70	Cash and cash equivalents at end of the year	5	841,304,457,657	1,683,149,405,060



Luu Phuong Mai
Preparer



Pham Phuc Hieu
Deputy General Director cum
Chief Accountant




Nguyen Thi Thu Huong
General Director

Bac Ninh, Vietnam

25 March 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2023 and for the year then ended

1. CORPORATE INFORMATION

Kinh Bac City Development Holding Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 210300012 issued by the Department of Planning and Investment of Bac Ninh province on 27 March 2002 and the subsequent amendments, with the latest is the 19th amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 21 April 2023.

The current principal activities of the Company are to invest, construct and trade infrastructure inside and outside the industrial parks; to lease and sell factory plants constructed by the Company in the industrial parks, and residential – urban areas, to carry out financial investment; and other activities in accordance with the Enterprise Registration Certificate.

The business cycle of the Company starts from the acquisition of investment license, land clearance, infrastructure development of industrial parks and urban areas until the time of completion and land is handed over to customers. As a result, the business cycle of the Company may extend over 12 months. Ordinary business cycle for other business activities is 12 months.

The Company’s head office is located at Lot B7, Que Vo Industrial Park, Phuong Lieu Commune, Que Vo District, Bac Ninh Province, Vietnam and its Ho Chi Minh branch is located at 20 Phung Khac Khoan, Da Kao Ward, No. 1 District, Ho Chi Minh City, Vietnam.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange in accordance with Decision No. 153/QD-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 7 December 2009.

The total number of employees as at 31 December 2023 is: 213 (31 December 2022: 210).

Corporate structure

At 31 December 2023, the Company has 16 subsidiaries (as at 31 December 2022: 17)

<i>No.</i>	<i>Company's name</i>	<i>Voting right (%)</i>	<i>Effective interest (%)</i>	<i>Head office</i>	<i>Main activities</i>
I - Group of directly-owned subsidiaries					
1	Saigon – Bac Giang Industrial Park Corporation	92.5	88.96	Quang Chau Industrial Park, Quang Chau commune, Viet Yen district, Bac Giang province, Viet Nam	Investment, building and trading industrial parks and real estates
2	Saigon - Hai Phong Industrial Park Corporation	89.26	89.26	Trang Due Industrial Park, Le Loi commune, An Duong district, Hai Phong City, Viet Nam	Investment, building and trading industrial parks and real estates
3	Northwest Saigon City Development Corporation	74.3	72.82	Tram Bom, National Road No. 22, Tan Phu Trung, Cu Chi, Ho Chi Minh City, Viet Nam	Investment, building and trading industrial parks and real estates
4	Trang Cat One Member Urban Development Limited Company	100	100	Bai Trieu Area, Trang Cat commune, Hai An district, in Dinh Vu - Cat Hai Economical Zone, Hai Phong City, Viet Nam	Investment, building and trading real estates
5	NGD Investment One Member Limited Company	100	100	No.10, Hang Bot alley, Cat Linh ward, Dong Da district, Hanoi, Viet Nam	Investment, building and trading real estates

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

<i>No.</i>	<i>Company's name</i>	<i>Voting right (%)</i>	<i>Effective interest (%)</i>	<i>Head office</i>	<i>Main activities</i>
I - Group of directly-owned subsidiaries (continued)					
6	Kinh Bac Office and Factory Business One Member Company Limited	100	100	Lot B7, Que Vo Industrial Park, Phuong Lieu commune, Que Vo district, Bac Ninh province, Viet Nam	Investment, building and trading real estates
7	Tien Duong Development Holding Joint Stock Company	51	51	100 An Trach, Cat Linh ward, Dong Da district, Hanoi, Viet Nam	Investment, building and trading real estates
8	Hung Yen Investment and Development Corporation	95	93.93	No. 210, Nguyen Van Linh street, Bao Khe commune, Hung Yen City, Hung Yen province, Viet Nam	Building and trading real estates
9	Vung Tau Investment Group Joint Stock Company	74.52	74.52	LK 28 Hang Dieu 1 street, ward 10, Vung Tau City, Ba Ria - Vung Tau province, Viet Nam	Building and trading real estates
II - Group of indirectly-owned subsidiaries					
1	Tan Phu Trung – Long An Industrial Park One Member Company Limited	100	72.82	88 Tran Phong Sac, No. 4 ward, Tan An City, Long An province, Viet Nam	Architectural activities and related technical consultancy
2	Bac Giang – Long An Industrial Park One Member Company Limited	100	88.96	133/Road 835, Zone 5, Can Giuoc town, Can Giuoc district, Long An province, Viet Nam	Architectural activities and related technical consultancy
3	Tan Tap Industrial Infrastructure Development Limited Company	100	89.26	133/Road 835, Zone 5, Can Giuoc town, Can Giuoc district, Long An province, Viet Nam	Architectural activities and related technical consultancy
4	Long An Investment Development Joint Stock Company	60	57.42	Tan Dong hamlet, Tan Tap commune, Can Giuoc district, Long An province, Vietnam	Building and trading real estates
5	Bao Lac Spiritual Park Joint Stock Company	65	58.02	Ngo Xa village, Long Chau commune, Yen Phong district, Bac Ninh province, Vietnam	Funeral service activities
6	Quang Yen Electronics Company Limited	100	89.26	Lot NA8-2, high-class factory and factory project complex in Dam Nha Mac area, Lien Vi commune, Quang Yen town, Quang Ninh province, Vietnam	Manufacture of electronic components
7	Quang Yen Manufacturing Industry Company Limited	100	89.26	Lot NA8-1, high-class factory and factory project complex, Dam Nha Mac area, Lien Vi commune, Quang Yen town, Quang Ninh province, Vietnam	Producing nozzles for agricultural machinery engines

In addition, the Company also has associates as described in Note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The consolidated financial statements of the Company and its subsidiaries (“the Group”), which are expressed in Vietnam dong (“VND”), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards 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 Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated 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 results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Applied accounting documentation system*

The Company’s applied accounting documentation system is the General Journal system.

2.3 *Fiscal year*

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

2.4 *Accounting currency*

The consolidated financial statements are prepared in Vietnam Dong (“VND”) which is also the Group’s accounting currency.

2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the year ended 31 December 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the Parent company and its subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.5 Basis of consolidation (continued)

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

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

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at 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

Industrial and residential real estate properties which have been developed for sale in the normal course of operations of the Group, not held for lease or capital appreciation, are recorded as inventory at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

The cost of real estate goods includes direct costs incurred in creating that real estate and overhead costs allocated based on the corresponding area of that real estate, as follows:

- ▶ Land use fees and land rental fees;
- ▶ Construction costs paid to contractors; and
- ▶ Interest expenses, consultancy fees, design costs, filling costs, land clearance compensation, transfer tax, general construction management costs, and other related expenses.

Net realisable value 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.

Cost of real estate sold is recognized in the consolidated income statement based on the direct costs of constituting the property and amortized over the respective area of the property.

Provision for obsolete inventories

An inventory provision is created 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 Group, based on appropriate evidence of impairment available at the consolidated balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold account in the consolidated 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 consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Receivables

Receivables are presented in the consolidated financial statements 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 and decreases to the provision balance are recorded as general and administrative expense in the consolidated 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 consolidated 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 consolidated income statement.

3.5 Lease property

The determination of whether an arrangement is a lease is based on the nature of the arrangement at the time of initiation: whether the performance of the arrangement is contingent upon the use of a certain asset and whether the agreement includes a provision on the right to use the property.

In case the Company is the lessee

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

In case the Company is the lessor

Assets under operating leases are recognized as investment properties on the consolidated balance sheet. Initial direct costs of negotiating operating leases are recognized in the consolidated income statement when it arises.

Income from operating leases is charged to the consolidated income statement on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Intangible fixed assets*

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible 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 consolidated income statement as incurred.

When intangible 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 consolidated income statement.

3.7 *Depreciation and amortisation*

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

Buildings and structures (including land and infrastructure development cost)	5 - 45 years
Machinery and equipment	3 - 10 years
Means of transportation	4 - 10 years
Office equipment	3 - 8 years
Softwares	3 years
Others	3 - 8 years

3.8 *Investment properties*

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

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will follow to the Group.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Factories	6 - 10 years
Land and infrastructure development cost	36 - 44 years

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the period of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity 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 capitalized as explained in the following paragraph.

Borrowing costs that 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 consolidated 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 (from 1 to 3 years).

3.11 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 *Assets acquisitions and business combinations*

The Company and its subsidiaries acquire subsidiaries that own assets and production activities. At the date of acquisition, the Company and its subsidiaries consider whether the acquisition represents the acquisition of a business. The Company and its subsidiaries account for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

3.13 *Investments*

Investments in associates

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Held-for-trading securities and investments in other entities

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences 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 consolidated income statement.

An increase or decrease in the provision balance is recognized as a financial expense in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Investments* (continued)

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 consolidated income statement and deducted against the value of such investments.

3.14 *Payables and accruals*

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

3.15 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.16 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the consolidated balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

3.18 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 Vietnamese regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's 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 Group's expansion of its operation or of in-depth investment.

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 consolidated balance sheet.

3.19 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

Long-term lease of land and infrastructure

Revenue is recognised when the Group has transferred significant risks and rewards associated with the land to the buyer and revenue can be reliably measured.

Sale of factories

Revenue is recognised when the Group has transferred significant risks and rewards associated with the factories to the buyer and revenue can be reliably measured.

Lease of factories

Revenue under operating lease of factories is recognised in the consolidated income statement on a straight-line basis over the lease term.

Rendering of services

Revenue is recognised when services have been provided to the customers and are determined by the net value after deducting discounts, value-added tax, and other deductions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 *Revenue recognition* (continued)

Revenue from transfer of real estate properties

Revenue is recognised when significant risks and rewards associated with ownership of the real estate properties have been transferred to the buyer.

Gain from transfer of investment and trading of securities

Gain from transfer of investment and trading of securities is determined by the difference between the sale proceeds and cost of the securities and/or investment held by the Company. Gain is recorded on the trade date, which is when the contract becomes effective.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

3.20 *Cost of long-term lease of land and infrastructure*

Cost of sale related to long-term lease of land and infrastructure includes all direct costs that are attributable to the development of land and infrastructure and other overhead costs allocated on a reasonable basis to such activities including:

- ▶ All costs incurred for land and land development activities;
- ▶ All costs incurred for construction and construction related activities; and
- ▶ Mandatory and non-saleable costs associated to development activities that would be incurred on existing and future land and infrastructure of the project such as common infrastructure, mandatory land reserve for public facilities.

3.21 *Taxation*

Current income tax

Current income tax assets and liabilities for the current and prior year 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 consolidated balance sheet date.

Current income tax is charged or credited to the consolidated 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 Group to off-set current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 *Taxation* (continued)

Deferred tax

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

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; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and 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; and
- ▶ 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 consolidated 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 consolidated 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 realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated balance sheet date.

Deferred tax is charged or credited to the consolidated 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 Group to offset 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 Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 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 Group (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/(loss) after tax attributable to ordinary equity holders of the Group (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.

3.23 Segment information

A segment is a component which can be separately identified in which the Group takes part in providing the sale of relevant goods or services (segment divided by business operation activities), or providing the sale of goods or services within a particular economic environment (segment divided by geographic regions), each of which is subject to risks and returns that are different from those of other segments.

Real estate trading activities in Vietnam territory is the major activity to generate the revenue and profit for the Group. Thus, the Group's management assesses that the Group operates in only one business segment which is real estate business and in one geographic region which is Vietnam.

3.24 Related parties

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

4. SIGNIFICANT TRANSACTIONS DURING THE YEAR

Transfer of shares at Kinh Bac - Da Nang One-member Investment Limited Liability Company

According to Resolution No. 2903.2/2023/KBC/HQ-HĐQT dated 29 March 2023, the Company's Board of Directors approved the transfer of capital contribution in its subsidiary, Kinh Bac – Da Nang One-member Investment Company Limited (“Kinh Bac – Da Nang”). During the year, the Company completed to transfer all of its capital contributions in Kinh Bac – Da Nang.

5. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	12,476,350,366	11,502,517,483
Cash at banks	302,360,990,412	1,390,008,406,183
Cash equivalents (*)	526,467,116,879	281,638,481,394
TOTAL	<u>841,304,457,657</u>	<u>1,683,149,405,060</u>

(*) Cash equivalents at 31 December 2023 mainly include short-term deposits in VND at banks which earn interest ranging from 3.1% to 3.6% per annum and have maturity term from 1 month to 3 months (2022: ranging from 4.6% to 6% per annum).

6. SHORT-TERM INVESTMENTS

6.1 *Held-for-trading securities*

	<i>Currency: VND</i>			
	<u><i>Ending balance</i></u>		<u><i>Beginning balance</i></u>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Shares (i)	7,490,461,369	(5,473,797,949)	7,490,461,369	(6,226,144,519)
Other investment (ii)	1,854,868,000,000	-	1,854,868,000,000	-
TOTAL	<u>1,862,358,461,369</u>	<u>(5,473,797,949)</u>	<u>1,862,358,461,369</u>	<u>(6,226,144,519)</u>

(i) As at 31 December 2023, the Company holds 312,177 shares of Tan Tao Investment and Industrial Joint Stock Company.

(ii) This is an investment in Hoa Sen Hotel Development Company Limited. The Company presents this investment as a trading security as it plans to transfer this investment in short-term.

6.2 *Held-to-maturity investment*

Held-to-maturity investment as at 31 December 2023 include short-term deposits in VND at banks which earn interest ranging from 4.9% to 6% per annum and have maturity term from 6 months to 12 months (2021: 4.7%-12% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Trade receivables

	Currency: VND	
	Ending balance	Beginning balance
Kinh Bac Services JSC	265,468,766,872	561,147,275,200
Australian Steel SSE Manufacturing Company	90,367,087,300	90,367,087,300
Viettel Group	30,096,000,000	-
SLP Park Nam Son Hap Linh Co., Ltd		22,510,489,604
Other customers	229,112,472,509	283,671,880,661
Other trade receivables from related parties (Note 30)	198,399,400	
TOTAL	615,242,726,081	957,696,732,765
Provision for doubtful receivables	106,284,367,950	43,027,406,840

7.2 Advances to suppliers

	Currency: VND	
	Ending balance	Beginning balance
Kinh Bac Investment and Consulting JSC (i)	1,598,529,493,590	1,527,466,518,915
Kinh Bac Services JSC (i)	1,247,907,089,163	1,531,154,412,162
Land and industrial zone development center of Viet Yen District (ii)	236,040,672,296	198,943,021,796
Saigontel Real Estate Investment JSC	40,386,600,000	29,650,000,000
Land clearance and compensation committee of Cu Chi District	17,756,702,523	21,071,084,665
Other advance to suppliers	131,205,134,863	255,137,038,667
Other advance to suppliers from related parties (Note 30)	1,268,995,600	1,104,294,970
TOTAL	3,273,094,688,035	3,564,526,371,175

(i) This balance represents advances for land clearance and compensation, and for construction works of certain on-going projects of the Group.

(ii) This is the advance to Land and Industrial zone Development Center of Viet Yen District for land clearance of Saigon – Bac Giang Industrial Park Corporation's on-going projects.

7.3 Bad debts

	Currency: VND			
	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Short-term trade receivables	106,284,367,950	-	106,284,367,950	63,256,961,110
<i>Australian Steel SSE Manufacturing Company</i>	<i>90,367,087,300</i>	<i>-</i>	<i>90,367,087,300</i>	<i>63,256,961,110</i>
<i>Lam Thinh JSC</i>	<i>9,083,300,000</i>	<i>-</i>	<i>9,083,300,000</i>	<i>-</i>
<i>Viet Nhat JSC</i>	<i>6,833,980,650</i>	<i>-</i>	<i>6,833,980,650</i>	<i>-</i>
Other loan receivables	500,000,000	-	500,000,000	-
<i>Saigon Tour Corporation</i>	<i>500,000,000</i>	<i>-</i>	<i>500,000,000</i>	<i>-</i>
TOTAL	106,784,367,950	-	106,784,367,950	63,256,961,110

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

8. LOAN RECEIVABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Saigon - Binh Dinh Energy Joint Stock Company	260,000,000,000	390,000,000,000
Saigon - Binh Thuan Power Plant Development Investment JSC	127,259,178,081	127,259,178,083
Kinh Bac Services JSC	119,218,000,000	507,891,000,000
Mr. Bui Xuan Quynh	110,000,000,000	-
Duc Hoa Infrastructure Investment and Development Joint Stock Company	105,000,000,000	-
Hanoi Construction Corporation – JSC	97,965,579,452	89,096,568,334
Saigontel Real Estate Investment JSC	81,725,952,708	130,540,525,890
Saigon - Hue Investment JSC	72,800,000,000	72,800,000,000
Evergreen Bac Giang Sustainable Development Investment Joint Stock Company	66,400,000,000	75,400,000,000
Saigon - Ham Tan Tourism JSC	58,052,000,000	54,052,000,000
Kim Ha Investment and Consulting Joint Stock Company	-	210,000,000,000
Other loan receivables	187,623,579,563	174,959,769,364
Other loan receivables from related parties (Note 30)	1,098,813,743,076	930,412,699,119
TOTAL	<u>2,384,858,032,880</u>	<u>2,762,411,740,790</u>
<i>Provision for loan receivables</i>	<i>(500,000,000)</i>	<i>(500,000,000)</i>
Long-term		
Kinh Bac Services JSC	356,273,000,000	23,400,000,000
Others	300,000,000	300,000,000
Loan receivables from related parties (Note 30)	524,000,000,000	124,723,703,957
TOTAL	<u>880,573,000,000</u>	<u>148,423,703,957</u>

Short-term loans will mature within the next 12 months and earn interest from 1%/year to 12%/year.

Long-term loans will mature from January 2025 to December 2025 and earn interest from 5%/year to 12.5%/year.

These loans are secured by shares of companies operating in the industrial real estate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

9. OTHER RECEIVABLES

Currency: VND

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Cost	Provision	Cost	Provision
Short-term				
Advance to employees (i)	1,593,632,703,242	-	1,579,570,462,595	-
- Ms Nguyen Thi Yen	44,081,470,000	-	112,740,200,000	-
- Mr Mai Tuong Nho	950,083,207,867	-	954,944,009,673	-
- Mr Phan Minh Toan Thu	199,974,460,129	-	109,343,667,991	-
- Others	399,493,565,246	-	402,542,584,931	-
Interest receivables	328,634,519,716	-	150,631,910,842	-
Kinh Bac Service JSC (ii)	238,000,000,000	-	300,000,000,000	-
Receivable under business cooperation contract (iii)	200,000,000,000	-	-	-
Department of Planning and Investment of Long An province (iv)	32,093,100,000	-	51,267,000,000	-
People's Committee of Bac Ninh Province (v)	19,440,000,000	-	19,440,000,000	-
Deposits (vi)	12,851,128,404	-	12,851,128,404	-
Deposit to acquire shares	-	-	242,049,763,870	-
Other receivables	252,569,222,940	-	154,967,222,147	-
Other receivables from related parties (Note 30)	818,918,126,994	-	1,144,017,019,092	-
TOTAL	3,496,138,801,296	-	3,654,794,506,950	-
Long-term				
Lang Ha JSC (vii)	394,419,327,038	-	175,151,127,545	-
Receivable under business cooperation contract (iii)	183,665,189,040	-	383,665,189,040	-
Other long-term receivables	15,217,411,499	-	104,761,337,200	-
Other receivables from related parties (Note 30)	58,309,315,068	-	8,572,342,521	-
TOTAL	651,611,242,645	-	672,149,996,306	-

- (i) This mainly includes advances to employees to carry out compensation and land acquisition activities at industrial parks of the Group.
- (ii) This is a deposit to receive the transfer of assets attached to leased land and the right to sublease land at factories and office houses in Que Vo and Trang Due industrial zones.
- (iii) This includes the capital contributions in accordance with the business cooperation contracts of the subsidiaries to invest in the following projects: Phuoc Vinh Dong 1 Industrial Cluster, Phuoc Vinh Dong 1 Commune, Can Giuoc District, Long An Province, and other potential investment projects.
- (iv) This is a deposit to the Department of Planning and Investment of Long An province for the implementation of Phuoc Vinh Dong 4 Industrial Cluster Project, Phuoc Vinh Dong 2 Industrial Cluster Project and Tan Tap Industrial Cluster Project.
- (v) In accordance with the minutes of interdisciplinary meeting between the Department of Finance of Bac Ninh Province, the Department of Planning and Investment of Bac Ninh Province, the Department of Natural Resources and Environment of Bac Ninh Province, the Management Board of Industrial Parks and KinhBac City Development Corporation dated 14 August 2007 and the Decision on support of investment capital for enterprises No. 1951/QD-UBND dated 31 December 2007, the People's Committee of Bac Ninh Province is committed to support land rental for Que Vo Industrial Park project. Accordingly, the subsidy available to the Company is VND 19.44 billion which will be used for the construction of wastewater treatment plant at Que Vo Industrial Park.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

9. OTHER RECEIVABLES (continued)

- (vi) This is a deposit for Hanoi Agricultural Development and Investment One Member State Company Limited under Contract No. 128/2010/HD-HTKD dated 29 June 2010 for the business cooperation on investment projects. building commercial centers, offices, high-class houses and investment projects on building eco-tourism areas, villas, garden houses, high-class apartment houses in Minh Khai ward, Bac Tu Liem district, Ha Noi.
- (vii) These are the payment on behalf of Lang Ha Investment JSC related to the development costs of the Commercial and office building located at 1A Lang Ha (refer to point (i)).

10. INVENTORIES

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Trang Cat Industrial and Residential Park (i)	8,171,350,949,273	-	7,841,171,755,280	-
Phuc Ninh Urban Area	1,113,431,771,966	-	1,107,252,456,826	-
Tan Phu Trung Industrial Park	928,319,771,966	-	1,174,564,856,717	-
Nenh town social housing project	659,938,099,539	-	348,588,852,980	-
Nam Son - Hap Linh Industrial Park	635,931,308,736	-	1,001,910,372,476	-
Trang Due Service, Trading Urban area and Workers Housing project	264,179,021,446	-	355,937,318,898	-
Quang Chau Industrial Park and Urban area	38,947,102,646	-	306,349,463,041	-
Other projects	406,666,080,202	-	194,468,194,462	-
TOTAL	12,218,764,105,774	-	12,330,243,270,680	-

Inventories of the Group as at 31 December 2023 comprise land costs, land compensation and clearance costs, infrastructure development costs, capitalized borrowing costs and other costs incurred for the development of industrial parks and other real estate projects for sale. Majority of the Group's inventories are used as collaterals for long-term loans as disclosed in Note 20.

- (i) In accordance with the Asset Pledge Agreement to guarantee for obligations of third party No. 0202/2013/HDTC-DN dated 24 February 2013 between Trang Cat Company and Western Commercial Joint Stock Bank ("Western Bank"), which has since been merged with Vietnam Public Joint Stock Commercial Bank ("PVcomBank"), and the Agreement No. 3012/2020/BBTT/PVB-KB-TCC dated 30 December 2020 on debt structuring, funding and debt repayment between Trang Cat LLC, the Company and PVcombank ("the Debt structuring agreement"), the Company and Trang Cat LLC agreed to use Trang Cat project as security for the loans and debts of a group of companies and individuals (including KinhBac City Development Holding Corporation, a subsidiary of the Company, and other companies/individuals) with PVcomBank.

Also according to the above debt restructuring agreement, the Company and Trang Cat Company also commit to PVcomBank about the debt repayment obligation on behalf of this group of companies and individuals if these companies and individuals violate the debt repayment schedule that agreed with PVcomBank (refer to Note 32.4)

During the year, the Group capitalized borrowing costs totaling VND 297.7 billion (2022: VND 285.8 billion). These borrowing costs relate to loans taken for the construction and development of industrial parks and other real estate projects of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

11. PREPAID EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Brokerage fees of un-completed real-estate transfer contracts	59,181,682,347	59,181,682,347
Other short-term prepaid expenses	642,321,102	1,996,895,010
TOTAL	59,824,003,449	61,178,577,357
Long-term		
Infrastructure repair costs	5,337,987,165	3,368,794,926
Other long-term prepaid expenses	14,089,473,904	7,029,472,647
TOTAL	19,427,461,069	10,398,267,573

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

12. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures (including cost of land development and infrastructure)	Machineries and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	462,126,967,930	89,951,123,476	133,850,627,841	35,098,708,101	1,466,609,090	722,494,036,438
- Transfer from construction in progress	95,947,128,055	272,582,300	-	2,859,536,373	-	99,079,246,728
- New purchase	547,907,273	36,363,636	40,182,119,026	650,190,000	-	41,416,579,935
- Disposal	-	-	(2,934,367,818)	-	-	(2,934,367,818)
- Decrease due to the disposal of subsidiary	-	-	(1,151,263,636)	-	(109,000,000)	(1,260,263,636)
Ending balance	558,622,003,258	90,260,069,412	169,947,115,413	38,608,434,474	1,357,609,090	858,795,231,647
<i>In which:</i>						
Fully depreciated	76,909,646,356	4,956,276,507	22,524,116,504	6,383,739,307	1,254,381,818	112,028,160,492
Accumulated depreciation:						
Beginning balance	231,329,577,634	45,122,700,422	61,632,102,254	17,774,504,911	1,301,544,584	357,160,429,805
- Depreciation for the year	29,039,742,484	7,298,069,366	15,498,050,697	4,556,620,666	22,443,538	56,414,926,751
- Disposal	-	-	(2,934,367,818)	-	-	(2,934,367,818)
- Decrease due to the disposal of subsidiary	-	-	(431,723,880)	-	(879,032)	(432,602,912)
Ending balance	260,369,320,118	52,420,769,788	73,764,061,253	22,331,125,577	1,323,109,090	410,208,385,826
Net carrying amount:						
Beginning balance	230,797,390,296	44,828,423,054	72,218,525,587	17,324,203,190	165,064,506	365,333,606,633
Ending balance	298,252,683,140	37,839,299,624	96,183,054,160	16,277,308,897	34,500,000	448,586,845,821

Certain tangible fixed assets which are buildings and structures are used as collaterals for the Group's borrowings as disclosed in Note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

13. INVESTMENT PROPERTIES

Currency: VND

Factories
(including costs of
land development
and infrastructure)

Cost:

Beginning balance	255,584,291,494
- Transfer from construction in progress	6,828,089,964
- New purchase	1,102,678,629,619
Ending balance	<u>1,365,091,011,077</u>

Accumulated depreciation:

Beginning balance	88,017,280,932
- Depreciation during the year	76,088,139,255
Ending balance	<u>164,105,420,187</u>

Net carrying amount:

Beginning balance	<u>167,567,010,562</u>
Ending balance	<u>1,200,985,590,890</u>

Investment properties comprise factories at industrial parks which are held for operating leases.

As at 31 December 2023, the Group has not been able to determine the fair value of these investment properties because there is no active market for these properties.

14. CONSTRUCTION IN PROGRESS

Currency: VND

	Ending balance	Beginning balance
Water supply and wastewater treatment system at Nam Son Hap Linh Industrial Park (i)	123,910,333,440	110,470,318,853
Hanoi Diplomat Area (ii)	106,455,116,818	106,555,116,818
Phase 3 of Wastewater treatment plant	50,147,380,730	58,361,116,901
Quang Yen Manufacturing Factory Project	41,559,184,000	41,559,184,000
Project at 84A Hung Vuong street, Da Nang city (i)	-	744,491,019,748
Others	104,448,864,477	108,361,229,494
TOTAL	<u>426,520,879,465</u>	<u>1,169,797,985,814</u>

- (i) This mainly comprises of land use right at 84 Hung Vuong, Hai Chau 1 Ward, Hai Chau District, Da Nang City of Kinh Bac – Da Nang Investment One Member Company Limited. This asset is used as collaterals for the Group's borrowings as disclosed in Note 20.
- (iii) Under the contract for transfer of infrastructure works No. 2592/2009/HANCORP-KBC dated 5 October 2009, Hanoi Construction Corporation transferred the existing infrastructure works to the Company for the development of a real estate project, comprising offices, representative offices for international agencies, at Hanoi Diplomatic Area.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

15. LONG-TERM INVESTMENTS

	Note	Ending balance	Beginning balance (Restated)
Investment in associates	15.1	4,378,361,952,386	4,323,949,729,238
Other long-term investments	15.2	424,500,200,000	399,500,200,000
Provision for long-term investments		(26,018,164,785)	(26,018,164,785)
TOTAL		4,776,843,987,601	4,697,431,764,453

Currency: VND

15.1 Investment in associates

	Note	% of voting right	Ending balance		% of voting right	Beginning balance (Restated)	
			Number of shares	Amount VND		Number of shares	Amount VND
Saigon - Da Nang Investment Joint Stock Company	(i)	48.00%	9,600,000	2,248,019,279,249	48.00%	9,600,000	2,262,267,245,329
Saigon - Nhon Hoi Industrial Park JSC	(ii)	35.49%	54,000,000	935,130,550,379	35.35%	54,000,000	936,921,973,761
Le Minh Xuan 2 Industrial Park Investment JSC	(iii)	22.72%	32,985,000	582,346,057,835	22.02%	32,985,000	582,766,458,507
Saigon Telecommunication & Technologies JSC	(iv)	21.48%	31,793,846	434,528,942,308	21.48%	31,793,846	425,484,008,289
Saigontel Long An Co., Ltd	(v)	22.32%	-	173,739,526,484	21.63%	-	111,912,447,221
Scanviwood JSC	(vi)	34%	1,077,528	4,597,596,131	34%	1,077,528	4,597,596,131
TOTAL				4,378,361,952,386			4,323,949,729,238

Currency: VND

(i) Saigon - Da Nang Investment Joint Stock Company

Saigon - Da Nang Investment Joint Stock Company was established and operated under the Business Registration Certificate No. 0400503777 issued by the Department of Planning and Investment of Da Nang City on August 3, 2005 with charter capital is 200 billion VND. The main activity under the Business Registration Certificate of this company is to trade in real estate, land use rights of owners, users or leases.

This company's head office is at 61A Nguyen Van Cu, Hoa Hiep Bac ward, Lien Chieu district, Da Nang city, Viet Nam.

As disclosed in Note 4, during the year, the Group completed the acquisition of shares in Saigon - Da Nang Investment Joint Stock Company. After this transaction, the Company's voting rate and interest rate in Saigon - Da Nang Investment Company is 48%.

(ii) Saigon - Nhon Hoi Industrial Park JSC

Saigon - Nhon Hoi Industrial Park Joint Stock Company was established under the Business Registration Certificate No. 4100579765 issued by the Department of Planning and Investment of Binh Dinh province on 13 December 2021 with a registered charter capital of VND 1,200 billion. The main activity according to the Business Registration Certificate of this company is to trade in real estate, trading/leasing of land use rights.

Its registered office is at Lot A2-01, N3 street, Nhon Hoi Industrial Park - Zone A, Nhon Hoi Commune, Quy Nhon City, Binh Dinh Province, Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

15. LONG-TERM INVESTMENTS (continued)

15.1 Investment in associates (continued)

(iii) Le Minh Xuan 2 Industrial Park Investment JSC

Le Minh Xuan 2 Industrial Park Investment Joint Stock Company was established under the Business Registration Certificate No. 0311757628 issued by the Department of Planning and Investment of Ho Chi Minh City on 27 April 2012. The main business of this company is to develop real estate projects, trading/leasing of land use rights.

Its registered office is at 20 Phung Khac Khoan, Da Kao Ward, District 1, Ho Chi Minh City, Viet Nam.

(iv) Saigon Telecommunication & Technologies JSC

Saigon Telecommunication & Technologies JSC was established pursuant to the Business Registration Certificate No. 4103000992 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 May 2002 and the amended subsequent licenses, with the latest is the 16th amended Business Registration Certificate being granted on 20 December 2022, with a registered charter capital of VND 1,480 billion. Its principal activities include trading computers, electronic equipment, materials, telecommunication and post equipment; trading and installation of transmission equipment, connection, security equipment for communication; information technology consulting; designing and installation of computer system; constructing industrial park, residential area, traffic, bridge and road, irrigation.

This company's head office is at Lot 46, Quang Trung Software Park, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City, Viet Nam.

(v) Saigontel Long An Co., Ltd

Saigontel Long An Co., Ltd. was registered under the Business Registration Certificate No. 1101977241 issued by the Department of Planning and Investment of Long An Province on February 18, 2021 with a registered charter capital of VND 450 billion. The main activity according to the Business Registration Certificate of this company is to trade in real estate, trading/leasing of land use rights.

Its registered office is at Lot 6A, Road 3, Tan Duc Industrial Park, Duc Hoa Ha Commune, Duc Hoa District, Long An.

(vi) Scanviwood Joint Stock Company

Scanviwood Joint Stock Company was established pursuant to the Business Registration Certificate No. 0301213033 issued by the Department of Planning and Investment of Ho Chi Minh City on 10 June 2015 with a registered charter capital of VND 31.69 billion. Its principal activities include manufacturing of household products for export.

Its registered office is at 565 An Duong Vuong Street, An Lac Ward, Binh Thanh District, Ho Chi Minh City, Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

15. LONG-TERM INVESTMENTS (continued)

15.1 Investment in associates (continued)

Investments in associates as at 31 December 2023 are as below:

	Saigon - Da Nang Investment Joint Stock Company	Le Minh Xuan 2 Industrial Park Investment JSC	Saigon – Nhon Hoi Industrial Park JSC & Technologies JSC	Saigon Telecommunication Technologies JSC	Saigontel Long An Co., Ltd	Scanviwood Joint Stock Company	Total
Cost of investment:							
Beginning balance	96,000,000,000	583,000,000,000	540,000,000,000	582,461,891,074	112,500,000,000	7,204,600,000	1,921,166,491,074
Increase during the year	-	-	-	-	62,500,000,000	-	62,500,000,000
Ending balance	96,000,000,000	583,000,000,000	540,000,000,000	582,461,891,074	175,000,000,000	7,204,600,000	1,983,666,491,074
Accumulated share in post-acquisition profit/(loss) of the associates:							
Beginning balance (restated)	2,166,267,245,329	(233,541,493)	396,921,973,761	3,249,843,601	(587,552,779)	(2,607,003,869)	2,563,010,964,550
Share in post- acquisition profit of the associates for the year	(14,247,966,080)	(420,400,672)	(1,791,423,382)	9,044,934,019	(672,920,737)	-	(8,087,776,852)
Ending balance	2,152,019,279,249	(653,942,165)	395,130,550,379	12,294,777,620	(1,260,473,516)	(2,607,003,869)	2,554,923,187,698
Accumulated amortization of goodwill:							
Beginning balance (restated)	-	-	-	160,227,726,386	-	-	160,227,726,386
Ending balance	-	-	-	160,227,726,386	-	-	160,227,726,386
Net carrying amount:							
Beginning balance (restated)	2,262,267,245,329	582,766,458,507	936,921,973,761	425,484,008,289	111,912,447,221	4,597,596,131	4,323,949,729,238
Ending balance	2,248,019,279,249	582,346,057,835	935,130,550,379	434,528,942,308	173,739,526,484	4,597,596,131	4,378,361,952,386

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

15. LONG-TERM INVESTMENTS (continued)

15.2 Other long-term investments

Currency: VND

	Ending balance			Beginning balance		
	% of voting right	Number of shares	Cost (*)	% of voting right	Number of shares	Cost (*)
Saigon - Quy Nhon Mineral JSC	5.75	6,900,000	339,000,000,000	5.75	6,900,000	339,000,000,000
VTC - Saigontel Media JSC	19.19	3,070,020	30,700,200,000	19.19	3,070,020	30,700,200,000
Saigon Investment Joint Stock Company	0.67	1,000,000	25,000,000,000	-	-	-
Saigon - Binh Phuoc Industrial Park JSC	10.56	190,000	19,000,000,000	10.56	190,000	19,000,000,000
Saigon - Ham Tan Tourism JSC	1.63	70,000	7,000,000,000	1.63	70,000	7,000,000,000
Saigon - Binh Thuan Power Plant Investment and Development JSC	0.35	350,000	3,500,000,000	0.35	350,000	3,500,000,000
Saigon - Long An Industrial Park JSC	0.15	30,000	300,000,000	0.15	30,000	300,000,000
TOTAL			424,500,200,000			399,500,200,000
Provision for other long-term investments			(26,018,164,785)			(26,018,164,785)
NET CARRYING VALUE			398,482,035,215			373,482,035,215

(*) The Company has not been able to collect necessary information to evaluate the fair value of the shares held in these companies because the shares of these companies have not been listed on the stock exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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16. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

16.1 Short-term trade payables

	<i>Currency: VND</i>	
	<i>Amount (also is payable amount)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Licogi 13 Joint Stock Company	206,176,295,579	131,640,306,937
Truong Phat Investment Joint Stock Company	57,752,552,863	59,520,145,667
HP Land Real Estate Trading Joint Stock Company	13,019,970,115	13,019,970,115
Van Loi Phat Investment Joint Stock Company	4,282,348,501	17,434,739,907
Phuc Hung Holdings Construction JSC	4,246,101,400	4,246,101,400
Bao Nam Minerals Import-Export Trading Service Joint Stock Company	-	90,232,971,550
Other suppliers	150,655,690,089	137,014,174,592
TOTAL	436,132,958,547	453,108,410,168

16.2 Short-term advances from customers

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances for purchasing social houses at Nenh town	404,590,504,937	-
Deposits for purchase of houses and land use rights at Quang Chau Urban Project	57,394,622,400	57,394,622,400
Advances for long-term leases of land at Tan Phu Trung Industrial Park	56,287,223,590	298,628,161,075
Deposits for purchase of houses and land use rights at Trang Due Service, Trading Urban area and workers housing project	7,085,616,293	143,940,711,473
Advances for long-term leases of land at Nam Son Hap Linh Industrial Park	-	313,236,000,000
Other advances from customers	27,550,647,629	64,728,531,092
TOTAL	552,908,614,849	877,928,026,040

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17. STATUTORY OBLIGATIONS

Currency: VND

	Opening balance	Payable for the year	Payment made in the year	Ending balance
Payables				
Value added tax	29,863,996,010	45,115,096,246	(74,979,092,256)	-
Corporate income tax (Note 29)	107,889,276,026	413,514,558,814	(169,205,435,718)	352,198,399,122
Personal income tax	1,646,477,129	35,840,568,467	(31,163,904,399)	6,323,141,197
Other taxes	5,933,827,407	31,361,698,535	(31,167,501,499)	6,128,024,443
TOTAL	145,333,576,572	525,831,922,062	(306,515,933,872)	364,649,564,762
	Opening balance	Receivable for the year	Off-set in the year	Ending balance
Receivables				
Value added tax	207,965,514,065	458,635,448,097	(354,749,097,979)	311,851,864,183
Corporate income tax (Note 29)	50,121,610,808	23,357,235,080	(6,500,135,670)	66,978,710,218
Other taxes	3,643,321,220	221,044,975	-	3,864,366,195
TOTAL	261,730,446,093	482,213,728,152	(361,249,233,649)	382,694,940,596

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as at 31 December 2023 and for the year then ended

18. ACCRUED EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Accrued future development costs for properties already transferred	1,695,526,951,918	1,296,359,898,602
Accrued land rental of industrial parks	75,395,563,222	40,889,509,387
Accrued interest expenses	17,558,752,691	50,367,835,542
Other accrued expenses	34,604,257,003	25,813,300,376
Accrued interest expenses to related parties (Note 30)	553,879,723	5,083,690,677
TOTAL	<u>1,823,639,404,557</u>	<u>1,418,514,234,584</u>
Long-term		
Accrued interest expenses (*)	2,149,400,351,677	1,760,346,557,414
TOTAL	<u>2,149,400,351,677</u>	<u>1,760,346,557,414</u>

(*) This is the loan interest payable to PVcomBank. According to the Agreement on debt structuring, funding and debt repayment dated 30 December 2020 between the Company, PVcomBank and Trang Cat LLC, these bond interest will fall due from 1 January 2026.

19. OTHER PAYABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Payable related to the transfer of capital contribution (i)	1,804,868,000,000	1,804,868,000,000
Deposits under the agreements for the sale of real estate properties (ii)	978,860,518,170	656,554,174,445
Other short-term deposits (iii)	77,593,990,500	844,778,656,001
Dividend payables	72,506,997,950	202,865,772,950
Infrastructure maintenance fees	49,258,713,379	41,222,254,441
Tay Ninh Industrial Infrastructure Development Corporation	4,100,000,000	34,100,000,000
Other short-term payables	68,621,123,521	243,785,908,704
Payables to related parties (Note 30)	-	1,600,000,000
TOTAL	<u>3,055,809,343,520</u>	<u>3,829,774,766,541</u>
Long-term		
Other long-term deposits (iii)	27,417,079,156	18,427,188,430
TOTAL	<u>27,417,079,156</u>	<u>18,427,188,430</u>

(i) This is payable to Tan Hoang Minh Hotel Service Trading Company Limited under contract for the transfer of equity capital in Hoa Sen Hotel Development Company Limited (see also Note 6.1).

(ii) These are mainly deposits from customers for long-term leases of land and infrastructure at the Group's industrial parks.

(iii) These are deposits from customers for the transfer of properties at the Group's real estate projects.

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20. LOANS

Currency: VND

	Beginning balance		Movement during the year			Ending balance	
	Balance	Payable amount	Increase	Decrease	Balance	Payable amount	
Short-term							
Current portion of long-term loans from banks (Note 20.1)	644,498,712,174	644,498,712,174	108,243,250,730	(634,498,712,174)	118,243,250,730	118,243,250,730	
Current portion of long-term bonds	2,882,697,866,159	2,882,697,866,159	1,017,302,133,841	(3,900,000,000,000)	-	-	
Short-term loans from related parties (Note 30)	150,300,000,000	150,300,000,000	-	(120,300,000,000)	30,000,000,000	30,000,000,000	
Other short-term loans (Note 20.2)	273,880,000,000	273,880,000,000	37,030,000,000	(121,830,000,000)	189,080,000,000	189,080,000,000	
	3,951,376,578,333	3,951,376,578,333	1,162,575,384,571	(4,776,628,712,174)	337,323,250,730	337,323,250,730	
Long-term							
Long-term loans from banks (Note 20.1)	2,712,419,749,648	2,712,419,749,648	872,834,279,184	(271,704,165,133)	3,313,549,863,699	3,313,549,863,699	
Bonds (Note 20.2)	974,669,592,666	974,669,592,666	25,330,407,334	(1,000,000,000,000)	-	-	
Other short-term loans (Note 20.2)	-	-	8,500,000,000	-	8,500,000,000	8,500,000,000	
TOTAL	3,687,089,342,314	3,687,089,342,314	906,664,686,518	(1,271,704,165,133)	3,322,049,863,699	3,322,049,863,699	

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as at 31 December 2023 and for the year then ended

20. LOANS (continued)

20.1 Long-term loans from bank

Details of long-term loans from banks are as follows:

Banks	31 December 2023 (VND)	Interest	Principal and interest payment term	Collateral
Vietnam Public Commercial Joint Stock Bank	2,194,700,000,000	11.5% per annum	Up to 10 years from the date of first disbursement in December 2020	Assets related to Trang Cat Project as presented in Note 10.
Joint Stock Commercial Bank for Investment and Development of Vietnam – Bac Ninh branch	546,000,000,000	10.5% per annum - 11.5% per annum	The last repayment date is June 16, 2031. Interest is paid quarterly.	All assets formed after the investment of the project to purchase and lease factories with Kinh Bac Service Joint Stock Company (whether existing or to be formed in the future), accounts, property rights, assets, and rights under the contract between the Borrower and the Mortgagee, belonging to the investment project to purchase and lease factories.
Vietnam Joint Stock Commercial Bank For Industry And Trade – Ngo Quyen branch	289,841,566,749	14% per annum	The loan has a term of 60 months. The last repayment date is December 15, 2027	The loan is mortgaged by 5 apartment blocks under the Trang Due project being developed by Saigon - Hai Phong Industrial Park Joint Stock Company, a subsidiary of the Company
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo Branch	30,522,379,423	14% per annum	The loan has a term of 60 months. The last repayment date is August 7, 2028	The loan is secured by 5 apartments in the Trang Due project, which are developed by Saigon - Hai Phong Industrial Zone Joint Stock Company, a subsidiary of the Company.
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo Branch	100,000,000,000	10.8% per annum	The last repayment date is December 22, 2028. Interest is paid monthly at 25th.	Assets attached to the land formed in the future of the expanded 90ha Quang Chau Industrial Zone.
Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Ninh Branch	17,000,000,000	10.8% per annum	The last repayment date is December 21, 2025. Interest is paid monthly at 25th.	Receivables from operating Phase 3 of the wastewater treatment plant in Quang Chau Industrial Zone.
Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Ninh Branch	97,623,400,834	6.5% per annum	The loan has a term of 72 months. The last repayment date is November 12, 2029. Interest is paid quarterly.	The loan is secured by 1,447 apartments with a valuation of 700 billion VND at the Nenh, Bac Giang social housing project..

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20. LOANS (continued)

20.1 Long-term loans from bank (continued)

Details of long-term loans from banks are as follows:

Banks	31 December 2023 (VND)	Interest	Principal and interest payment term	Collateral
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo Industrial Park Branch	26,840,815,856	11.3% per annum	The last repayment date is 30 July 2026. The loan principal is paid every 6 months, the interest is paid every 3 months on the 25th.	All machinery and equipment, tools, movable property, means of transport and other machinery and equipment formed in the future to serve the Clean Water Treatment Plant Project with a capacity of 19,000 m3 in Nam Son area – Hap Linh, Bac Ninh province and all profits and receivables from doing business, exploiting the value of land use rights, properties... attached to land or from business investment, exploitation, management costs, developing a clean water treatment plant project with a capacity of 19,000 m3.
	61,510,947,667	12.5% per annum	The last repayment date is July 25, 2026. The loan principal is paid every 6 months, the interest is paid every 3 months on the 25th.	All assets attached to the land, assets formed (including but not limited to machinery, equipment, tools, etc.), compensation costs, indemnities, land clearance, leveling costs, other paid expenses; all rights, benefits attached or arising from the Project (including but not limited to insurance entitlements, debt claims, rights, benefits... of the Mortgage) belong to Phase 2 of the investment project to construct and operate technical infrastructure development in the Nam Son - Hap Linh Industrial Zone in Bac Ninh province.
Tien Phong Commercial Joint Stock Bank	67,754,003,900	10% per annum – 11.3% per annum	Up to 6 years from the first disbursement (July 2020). Principal grace period is 12 months from the first disbursement. Interest is paid monthly.	Land use rights and assets formed on the land of unsold land lots under the construction investment project of Trang Due Urban Area, Commercial Service and Housing for workers.

TOTAL 3,431,793,114,429

In which:

Current portion of long-term loans 118,243,250,730

Long-term loans 3,313,549,863,699

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

20. LOANS (continued)

20.2 Other short-term loans

Details of loans from others are presented as follows:

	<i>Ending balance (VND)</i>	<i>Interest rate</i>	<i>Principal and interest repayment term</i>
Short-term loans			
Everland Group Joint Stock Company	93,350,000,000	1% per annum	12 month term, loan principal is due from January to August 2024
Mr. Do Anh Dung	50,000,000,000	No interest	18-month term, loan principal is due on 15 July 2022. The company is in the process of extending this loan
Mr. Dang Hai Trieu	25,000,000,000	1% per annum	12-month term, loan principal is due on 27 January 2024
Ms. Dao Thi Yeun	10,830,000,000	1% per annum	Loan principle is due on 9 August 2024
Evergreen Investment and Development Joint Stock Company	3,000,000,000	2.5% per annum	Loan principle is due on 30 January 2024
	6,900,000,000	1% per annum	Loan principle is due on 9 August 2024
TOTAL	<u>189,080,000,000</u>		
Long-term loans			
Kum-Ba Joint Stock Company	8,500,000,000	6.5% per annum	Loan principle is due on 17 February 2025
TOTAL	<u>8,500,000,000</u>		

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

21. OWNERS' EQUITY

21.1 Increase and decrease in owners' equity

	Contributed charter capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interest	Total
Previous year							<i>Currency: VND</i>
Beginning balance	5,757,111,670,000	3,397,344,430,000	(364,466,650,000)	2,223,693,823	5,411,370,039,775	2,365,638,497,961	16,569,221,681,559
- Acquire of treasury shares	-	(29,748,080,000)	364,466,650,000	-	-	-	334,718,570,000
- Increase share capital from owner's equity	1,918,935,920,000	(624,066,780,000)	-	-	(1,294,869,140,000)	-	-
- Change in control rate in subsidiary	-	-	-	-	3,456,510,850	(453,456,510,850)	(450,000,000,000)
- Net profit for the year	-	-	-	-	1,526,351,079,824	50,177,960,703	1,576,529,040,527
- Dividends declared	-	-	-	-	-	(184,950,000,000)	(184,950,000,000)
Ending balance	7,676,047,590,000	2,743,529,570,000	-	2,223,693,823	5,646,308,490,449	1,777,409,947,814	17,845,519,292,086
Current year							
Beginning balance	7,676,047,590,000	2,743,529,570,000	-	2,223,693,823	5,646,308,490,449	1,777,409,947,814	17,845,519,292,086
- Capital contribution at subsidiary (*)	-	-	-	-	77,155,892,273	53,194,107,727	130,350,000,000
- Net profit for the year	-	-	-	-	2,030,699,360,319	214,304,052,011	2,245,003,412,330
Ending balance	7,676,047,590,000	2,743,529,570,000	-	2,223,693,823	7,754,163,743,041	2,044,908,107,552	20,220,872,704,416

(*) During the year, Sai Gon-Hai Phong Industrial Zone Joint Stock Company, a subsidiary, completed the share issuance to existing shareholders. After this transaction, the ownership and voting rights of the Group in the subsidiaries are changed as presented in Note 1.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

21. OWNERS' EQUITY (continued)

21.2 Contributed charter capital

Currency: VND

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Contribution by shareholders	7,676,047,590,000	7,676,047,590,000	-	7,676,047,590,000	7,676,047,590,000	-
Share premium	2,743,529,570,000	2,743,529,570,000	-	2,743,529,570,000	2,743,529,570,000	-
TOTAL	10,419,577,160,000	10,419,577,160,000	-	10,419,577,160,000	10,419,577,160,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

21. OWNERS' EQUITY (continued)

21.3 Capital transactions with owners and distribution of dividends, profits

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Contributed capital		
Beginning balance	7,676,047,590,000	5,757,111,670,000
Increase in the year	-	1,918,935,920,000
Ending balance	<u>7,676,047,590,000</u>	<u>7,676,047,590,000</u>
Dividends, profit paid	-	-

21.4 Dividend

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Dividends declared and paid during the year	-	-

21.5 Shares

	<i>Volume (shares)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Issued shares	767,604,759	767,604,759
Issued and paid-up shares	767,604,759	767,604,759
Ordinary shares	767,604,759	767,604,759
Preference shares	-	-
Treasury shares	-	-
Ordinary shares	-	-
Preference shares	-	-
Shares in circulation	767,604,759	767,604,759
Ordinary shares	767,604,759	767,604,759
Preference shares	-	-

Par value of outstanding share: VND10,000/share (31 December 2022: VND10,000/share).

22. NON-CONTROLLING INTEREST

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Beginning balance	1,777,409,947,814	2,365,638,497,961
Profit attributable to non-controlling shareholders	214,304,052,011	50,177,960,703
Change of controlling interest in subsidiary	53,194,107,727	(453,456,510,850)
Dividends declared	-	(184,950,000,000)
Ending balance	<u>2,044,908,107,552</u>	<u>1,777,409,947,814</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

23. REVENUES

23.1 Revenue from sales of goods and rendering of services

Currency: VND

	Current year	Previous year
Gross revenue	5,858,772,665,527	1,397,476,163,499
In which:		
Revenue from long-term lease of land and infrastructures (*)	5,221,101,303,559	656,976,889,589
Revenue from supply of clean water, electricity, management services, wastewater treatment supply	386,378,759,489	336,980,200,531
Revenue from operating leases of warehouses, factories and offices	145,336,233,847	50,186,369,546
Revenue from transfer of real estate properties	104,813,518,632	353,332,703,833
Other revenue	1,142,850,000	-
Less (**)	(240,297,318,000)	(447,210,000,000)
Net revenue	5,618,475,347,527	950,266,163,499

(*) During the year, the Group recorded revenues from long-term leases of land with infrastructure in the industrial parks in the consolidated income statement when the land is handed over to the customers, which is based on the assessment that significant risks and rewards associated with ownership of the land have been transferred to the buyers. If revenue from the leases of land with infrastructure is allocated over the lease term, the impact to revenue, cost of goods sold and services rendered, and gross profit from sale of goods and rendering of services of the Group are as follows:

Currency: VND

	Current year		Previous year	
	<i>In case revenue is recognized once at the time of land handover</i>	<i>In case the revenue is allocated during the land lease term</i>	<i>In case revenue is recognized once at the time of land handover</i>	<i>In case the revenue is allocated during the land lease term</i>
Revenue from sales of goods and rendering of services	5,618,475,347,527	699,280,623,865	950,266,163,499	751,525,267,244
In which				
Revenue from leasing land and infrastructure	5,221,101,303,559	60,321,964,431	353,332,703,833	15,462,173,233
Cost of goods sold and services provided	(1,923,081,056,083)	(301,104,852,916)	(684,515,319,313)	(357,805,568,857)
Gross profit from sale of goods and rendering of services	3,695,394,291,444	398,175,770,949	265,750,844,186	393,719,698,387

(**) During the year, The Group recognizes a sale return related to the reacquisition of land lots and factories which were previously transferred in Quang Chau Industrial Park.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

23. REVENUES (continued)

23.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income from term deposits and loans	313,707,644,041	339,647,514,218
Income from share transfer	108,580,319,184	-
Other finance income	3,787,935,263	4,820,122
TOTAL	<u>426,075,898,488</u>	<u>339,652,334,340</u>

24. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of long-term leases of land and infrastructures	1,694,370,243,842	344,538,062,465
Cost of supplying of clean water, electricity, management services, wastewater treatment supply	177,689,943,853	164,395,475,051
Cost of warehouses, factories and offices for operating lease	76,556,369,235	22,944,824,689
Cost of real estate properties transferred	66,931,999,873	152,636,957,108
Others	131,387,741	-
Adjustment related to revenue deduction	(92,598,888,461)	-
TOTAL	<u>1,923,081,056,083</u>	<u>684,515,319,313</u>

25. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	379,668,497,960	522,875,219,589
Bond issue costs	42,632,541,176	57,211,221,363
(Reversal)/provision for devaluation of investments	(752,346,570)	7,048,117,985
Others	4,658,246,368	8,269,984,044
TOTAL	<u>426,206,938,934</u>	<u>595,404,542,981</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses		
Consultation and brokerage expenses	334,397,016,452	33,314,251,443
Labour costs	9,813,600,238	5,027,249,643
Others	10,201,458,334	7,573,307,832
TOTAL	<u>354,412,075,024</u>	<u>45,914,808,918</u>
Administrative expenses		
Labour costs	197,986,428,287	156,605,916,959
Provisions costs	63,256,961,110	27,110,126,190
External services	61,860,045,509	109,945,309,269
Sponsorship	51,229,402,768	72,763,587,168
Depreciation	24,618,462,556	17,590,267,872
Others	59,429,432,740	80,445,136,536
TOTAL	<u>458,380,732,970</u>	<u>464,460,343,994</u>

27. OTHER INCOME

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gains from business cooperation contracts	20,732,000,000	-
Gains from disposal of assets	454,545,454	590,909,091
Contract violations	74,221,123	5,045,781,866
Others	1,040,220,697	15,692,389,393
TOTAL	<u>22,300,987,274</u>	<u>21,329,080,350</u>

28. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Land, infrastructure, factories development and services rendering expenses	1,756,023,972,613	1,509,419,866,892
Labour costs	207,800,028,525	161,633,166,602
Depreciation of fixed assets	132,516,494,010	76,156,349,325
Expenses for external services	393,607,061,961	140,759,560,712
Other expenses	186,767,254,952	190,392,157,725
TOTAL	<u>2,676,714,812,061</u>	<u>2,078,361,101,256</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

29. CORPORATE INCOME TAX

The corporate income tax ("CIT") rate applicable to the Company and its subsidiaries is 20% of profit after tax except for the followings:

- ▶ For land leasing activities in Trang Due Industrial Park - phase 1, Saigon - Hai Phong Industrial Park Joint Stock Company is obliged to pay CIT at the rate of 10% for 15 years from the date of commencement, put into production and business and equal 20% for the following years. The company is exempt from CIT for 4 years from 2009 to 2012 and is entitled to a 50% reduction of payable tax for the next 9 years. The tax rate for this year is 10%.
- ▶ For land leasing activities in Trang Due Industrial Park - phase 2, Saigon - Hai Phong Industrial Park Joint Stock Company is obliged to pay CIT at the rate of 10% for 15 years from the date of commencement, enter into production and business activities. The company is exempt from CIT for 4 years from 2015 to 2018 and is entitled to a 50% reduction of payable tax for the next 9 years. The tax rate for this year is 10% and tax incentives of 50%.
- ▶ For land leasing activities in Trang Cat Urban Area and Services, Trang Cat Urban Development One Member Limited Liability Company is obliged to pay CIT at the rate of 10% for 15 years from the date of commencement of business, in production and business activities and equal to 20% for the following years. The company is exempt from CIT for 4 years from 2012 to 2015 and is entitled to a 50% reduction of payable tax for the next 9 years. The tax rate for this year is 10% and is exempted from 50%.

The tax returns filed by the Company and its subsidiaries 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 consolidated financial statements could change at a later date upon final determination by the tax authorities.

29.1 CIT expenses

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expenses	420,014,694,484	150,202,907,959
Deferred CIT expense/(income)	226,141,704,657	(30,146,862,792)
TOTAL	<u>646,156,399,141</u>	<u>120,056,045,167</u>

The reconciliation between CIT expenses and the accounting profit multiplied by CIT rate is presented below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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29. CORPORATE INCOME TAX (continued)

29.1 CIT expenses (continued)

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Profit before tax	2,891,159,811,471	1,696,585,085,694
CIT expense at rates applicable to companies in the Group	617,323,255,336	(86,029,382,705)
<i>In which:</i>		
5% tax rate applied to long-term lease of land activities	1,189,892,285	1,252,765,021
10% tax rate applied to long-term lease of land activities	4,056,143,039	2,250,712,027
20% tax rate to other activities	612,077,220,012	(89,532,859,753)
<i>Adjustments to increase</i>		
Non-deductible expenses	41,696,465,663	22,984,378,277
Interest rates exceeding the prescribed limit according to Decree No. 132/2020/ND-CP	61,751,053,307	48,467,311,588
Unrecognized deferred tax assets related to tax loss	319,297,580	134,633,738,007
Tax loss carried forward from prior year	(20,575,095,525)	-
Non-deductible interest expense of previous year carried to current year	(54,358,577,220)	-
CIT expenses	<u>646,156,399,141</u>	<u>120,056,045,167</u>

29.2 Current CIT

The current CIT payable is based on taxable income for the current year. The taxable income of the Company and its subsidiaries for the year differs from the profit as reported in the consolidated 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 and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the consolidated balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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29. CORPORATE INCOME TAX (continued)

29.3 Deferred CIT

The following are the deferred tax assets and liabilities recognised by the Company, and the movements thereon, during the current and previous year:

Currency: VND

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Deferred tax liabilities				
Unrealized exchange rate loss this year	-	1,275,812,429	1,275,812,429	(1,275,812,429)
	-	1,275,812,429		
Deferred tax liabilities				
Deferred tax liabilities arising from fair value adjustment on acquisition date at Northwest Saigon City Development Corporation	93,972,689,562	109,109,639,473	(15,136,949,911)	(15,562,780,038)
Deferred tax liabilities arising from fair value adjustment on acquisition date at Sai Gon - Hai Phong Industrial Park Corporation	457,334,950	457,334,950	-	-
Deferred tax liabilities arising from allocation of CIT over the land lease term	1,036,040,830,229	796,037,988,090	240,002,842,139	(13,308,270,325)
	1,130,470,854,741	905,604,962,513		
Net deferred tax debit/(credit) to the consolidated income statement			226,141,704,657	(30,146,862,792)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

29. CORPORATE INCOME TAX (continued)

29.4 Unrecognised deferred tax assets

Tax losses carried forward

The Group is entitled to carry each individual tax loss forward to offset against the taxable income arising within 5 subsequent years to the year in which the loss was incurred. At the consolidated balance sheet date, the Group had aggregated accumulated tax losses available for offset against future taxable. Details are as follows:

Currency: VND

Originating year	Can be utilized up to		Tax loss amount	Utilized up to 31 December 2023	Forfeited	Unutilized at 31 December 2023
2019	2024	(i)	59,196,831,283	(53,548,750,843)	-	5,648,080,440
2020	2025	(i)	14,603,713,647	-	-	14,603,713,647
2021	2026	(i)	11,685,927,293	-	-	11,685,927,293
2022	2027	(i)	673,168,690,033	(177,220,401,779)	-	495,948,288,254
2023	2028	(i)	1,596,487,899	-	-	1,596,487,899
TOTAL			760,251,650,155	(230,769,152,622)	-	529,482,497,533

(i) These are estimated tax losses as per the tax returns of the Company, its branches and subsidiaries and have not been audited by local tax authorities as of the date of these consolidated financial statements.

No deferred tax assets were recognised in respect of the above accumulated losses because future taxable profit cannot be ascertained at this stage.

Interest expenses exceeding the prescribed threshold

In accordance with the guidance under Decree 132/2020/ND-CP, the Group is allowed to carry forward interest expenses that are not deductible when calculating CIT ("non-deductible interest expenses") to the subsequent periods when determining the total deductible interest expenses. Interest expenses are allowed to be carried forward continuously for not more than 5 years from the year after which the deductible interest expense is incurred. As at the consolidated balance sheet date, the Group has the following accumulated non-deductible interest expense which can be used as follows:

Currency: VND

Year	Non-deductible interest expenses can be carried forward to		Non-deductible interest expenses	Non-deductible interest expenses already transferred to 31/12/2022	Non-deductible interest expenses not eligible to be transferred	Non-deductible interest expenses not yet transferred at 31/12/2022
2019	2024	(i)	99,566,069,293	(64,564,170,986)	-	35,001,898,307
2020	2025	(i)	143,934,594,578	(6,082,174,800)	-	137,852,419,778
2021	2026	(i)	258,471,566,048	(32,229,131,838)	-	226,242,434,210
2022	2027	(i)	267,036,726,910	-	-	267,036,726,910
2023	2028	(i)	308,755,266,535	-	-	308,755,266,535
TOTAL			1,077,764,223,364	(102,875,477,624)	-	974,888,745,740

(i) These are estimated non-deductible interest expenses according to the Group's tax returns which have not been finalized by local tax authorities as of the date of these consolidated financial statements. The Group has not recognized a deferred tax asset for the above deductible interest expenses as it is not possible to predict with certainty whether future taxable profit and interest expense will be incurred at this time

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES

List of related parties which had transactions and/or receivable/payable balances during the year with the Group:

No.	Related party	Relationship
1	Saigon Telecommunications Technology JSC	Affiliate company
2	Saigontel Long An Co., Ltd	Affiliate company
3	Scanviwood Joint Stock Company	Affiliate company
4	Saigon - Nhon Hoi Industrial Park JSC	Affiliate company
5	Le Minh Xuan 2 Industrial Park Investment JSC	Affiliate company
6	Saigon - Da Nang Investment JSC	Affiliate company
7	Saigon Hi-tech Park Infrastructure Development and Investment JSC	Common key management member
8	Vinatex - Tan Tao Investment JSC	Common key management member
9	Mr. Dang Thanh Tam	Chairman
10	Mrs. Nguyen Thi Thu Huong	General Director
11	Mr. Phan Anh Dung	Deputy General Director
12	Mrs. Nguyen My Ngoc	Deputy General Director
13	Mr. Vu Ngoc Anh	General Director of subsidiary
14	Mr. Mai Tuan Dung	General Director of subsidiary
15	Mr. Vu Thanh Duong	General Director of subsidiary
16	Mr. Le Minh Ha	Deputy General Director of subsidiary

Significant transactions with related parties in the current year and previous year were as follows:

Related party	Description	Currency: VND	
		Current year	Previous year
Vinatex – Tan Tao Investment Corporation	Collection of lending	10,000,000,000	80,000,000,000
	Lending	10,000,000,000	-
	Interest receivables	342,465,754	6,849,315,068
Saigontel Long An Co., Ltd	Capital contribution	62,500,000,000	-
	Lending	37,417,340,000	104,500,000,000
	Interest receivables	6,187,543,661	5,195,527,970
	Payment of loans interest	2,142,123,282	-
	Interest payables	104,794,521	1,124,999,994
Le Minh Xuan 2 Industrial Park Investment JSC	Interest receivables	170,000,000	169,068,493
Saigon - Da Nang Investment JSC	Interest receivables	18,432,563,092	11,139,960,354
	Lending	5,000,000,000	100,000,000,000
	Interest payables	-	936,000,001
Saigon Hi-tech Park Infrastructure Development and Investment JSC	Interest receivables	-	36,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended**30. TRANSACTIONS WITH RELATED PARTIES (continued)**

Significant transactions with related parties in the current year and previous year were as follows (continued):

Related party	Description	Currency: VND	
		Current year	Previous year
Saigon - Nhon Hoi Industrial Park JSC	Collection of business cooperation principle	590,000,000,000	-
	Lending	423,000,000,000	420,000,000,000
	Collection of lending principle	400,000,000,000	-
	Income of Business cooperation contract	20,732,000,000	-
	Receipt of income from business cooperation contract	17,178,082,000	-
	Interest receivable	12,049,607,306	1,769,863,012
	Receipt of lending interest	266,301,370	-
	Loan principal payment	-	94,264,000,000
	Saigon Telecommunication & Technologies Corporation	Lending	702,183,703,957
Collection of lending		199,923,703,957	1,190,796,805,637
Interest receivables		28,929,705,784	37,145,710,657
Borrowings		1,564,531,507	-
Loan principal repayment		-	19,000,000,000
Add-on interest		-	1,700,000,001
Mr. Dang Thanh Tam	Advance clearance	-	407,000,000,000
Mr. Mai Tuan Dung	Advance	39,233,721,301	26,442,232,606
	Advance clearance	226,468,181	75,138,800
Mr. Vu Thanh Duong	Advance	4,838,000,000	83,195,336,500
	Advance clearance	-	83,000,000,000
Mr. Vu Ngoc Anh	Advance clearance	-	4,890,000,000

Terms and conditions of transactions with related parties

The transactions with related parties are made on contractual basis.

The balance of accounts receivable, payable, borrowing and lending as of 31 December 2023 are unsecured and will be settled in cash. For the year ended 31 December 2023, the Group has not made any provision for bad debts relating to amounts owed to the Group by related parties (as at 31 December 2022: 0 VND). This assessment is made for each year through an examination of the financial position of the related party and the markets in which the related party operates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES (continued)

As at the balance sheet dates, amount due to and from related parties of the Group are as follows:

		<i>Currency: VND</i>	
<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term receivables from customers (Note 7.1)			
Saigon - Da Nang Investment JSC	Long-term loan receivables	198,399,400	-
		198,399,400	-
Short-term advance to suppliers (Note 7.2)			
Saigon Telecommunication & Technologies Corporation	Advance for service contract	1,268,995,600	1,104,294,970
		1,268,995,600	1,104,294,970
Short-term loan receivables (Note 8)			
Saigon Telecommunication & Technologies Corporation (i)	Short-term loan receivables	678,131,813,181	490,148,109,224
Saigontel Long An Co., Ltd (ii)	Short-term loan receivables	158,460,000,000	121,042,660,000
Saigon - Nhon Hoi Industrial Park JSC (iii)	Short-term loan receivables	143,000,000,000	120,000,000,000
Saigon - Da Nang Investment JSC (iv)	Short-term loan receivables	117,521,929,895	197,521,929,895
Le Minh Xuan 2 Industrial Park Investment JSC (v)	Short-term loan receivables	1,700,000,000	1,700,000,000
		1,098,813,743,076	951,048,888,922
Long-term loan receivables (Note 8)			
Saigon Telecommunication & Technologies Corporation (vi)	Long-term loan receivables	439,000,000,000	124,723,703,957
Saigon - Da Nang Investment JSC (vii)	Long-term loan receivables	85,000,000,000	-
		524,000,000,000	124,723,703,957

(i) These are loans with interest ranging from 1% to 11% per annum and will mature from January to November 2024.

(ii) This is a loan with interest rates 6%/year, due in December 2024.

(iii) These are loans with interest rates from 8%/year to 12%/year, due in December 2024.

(iv) These are loans with interest rates 12%/year, maturing from April to December 2024.

(v) This is a loan with an interest rate of 10%/year, due in May 2023.

(vi) These are loans with interest rates from 5%/year to 10%/year, due in October 2025.

(vii) This is a loan with an interest rate of 8%/year, due in November 2024.

These loans are mortgaged by shares of companies operating in industrial real estate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES (continued)

As at the balance sheet dates, amount due to and from related parties of the Group are as follows (continued):

		<i>Currency: VND</i>	
<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<i>Other short-term receivables (Note 9)</i>			
Mr. Vu Thanh Duong	Advance	541,760,677,500	347,147,077,500
Mr. Mai Tuan Dung	Advance	109,571,490,155	70,564,237,035
Saigon Telecommunications Technology JSC	Interest receivables	63,688,204,329	69,339,006,072
	Capital contribution for business cooperation	41,711,068,493	40,000,000,000
Saigon - Nhon Hoi Industrial Park JSC	Interest receivables	20,024,767,120	9,247,488,581
	Business Cooperation (i)	14,732,000,000	584,000,000,000
Saigon - Da Nang Investment JSC	Interest receivables	11,723,345,364	12,558,179,532
Saigontel Long An Co., Ltd	Interest receivables	11,577,059,611	5,389,515,950
Mrs. Nguyen Thi Thu Huong	Advance	3,489,211,820	3,489,211,820
Le Minh Xuan 2 Industrial Park Investment JSC	Interest receivables	353,972,602	183,972,602
Mr. Le Minh Ha	Advance	-	1,852,000,000
Ms. Nguyen My Ngoc	Advance	176,330,000	136,330,000
Mr. Phan Anh Dung	Advance	110,000,000	110,000,000
		818,918,126,994	1,144,017,019,092
<i>Other long-term receivables (Note 9)</i>			
Saigon Telecommunication & Technologies Corporation	Interest receivables	39,041,095,890	8,572,342,521
Saigon - Da Nang Investment JSC	Interest receivables	19,268,219,178	-
		58,309,315,068	8,572,342,521
<i>Short-term accrued expenses (Note 18)</i>			
Saigon Hi-tech Park Infrastructure Development and Investment JSC	Interest payables	553,879,723	517,879,723
Saigon - Da Nang Investment JSC	Interest payables	-	2,528,482,193
Saigontel Long An Co., Ltd	Interest payables	-	2,037,328,761
		553,879,723	5,083,690,677

(i) This is the receivable of income from the business cooperation contract between Saigon - Nhon Hoi Industrial Zone Joint Stock Company and Saigon - Hai Phong Industrial Zone Joint Stock Company, a subsidiary, to carry out the Nhon Hoi Industrial Zone project in Quy Nhon city, Binh Dinh province. This business cooperation contract was terminated in 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES (continued)

As at the balance sheet dates, amount due to and from related parties of the Group are as follows (continued):

<i>Related party</i>	<i>Transaction</i>	<i>Currency: VND</i>	
		<i>Ending balance</i>	<i>Beginning balance</i>
<i>Other payables (Note 19)</i>			
Mr. Dang Thanh Tam	Other payables	-	1,600,000,000
		<u>-</u>	<u>1,600,000,000</u>
<i>Short-term loan (Note 20)</i>			
Saigon Hi-tech Park Infrastructure Development and Investment JSC (i)	Short-term loan	30,000,000,000	30,000,000,000
Saigontel Long An Co., Ltd	Short-term loan	-	112,500,000,000
Saigon - Da Nang Investment JSC	Short-term loan	-	7,800,000,000
		<u>30,000,000,000</u>	<u>150,300,000,000</u>

(i) This is an unsecured loan with interest of 0.01% per month and matures on 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES (continued):

Transactions with other related parties

Remuneration of the members of the Board of Directors and the management:

Currency: VND

Name	Position	Current year			Previous year			Total	
		Remuneration of Board of Directors and Supervisor	Total income of the management	Total personal income tax payable	Remuneration of Board of Directors and Supervisor	Total income of the management	Total personal income tax payable		
Mrs. Nguyen Thi Thu Huong	General Director, Member of Board of Directors	100,000,000	11,124,792,000	5,734,334,154	16,959,126,154	100,000,000	6,567,001,000	3,280,139,000	9,947,140,000
Mr Huynh Phat	Member of Board of Directors	100,000,000	-	11,111,111	111,111,111	100,000,000	-	11,111,111	111,111,111
Mr. Le Hoang Lan	Member of Board of Directors	100,000,000	-	11,111,111	111,111,111	100,000,000	-	-	100,000,000
Mrs. Dang Nguyen Quynh Anh	Member of Board of Directors	100,000,000	-	11,111,111	111,111,111	100,000,000	-	-	100,000,000
Mr. Pham Phuc Hieu	Deputy General Director, Chief accountant,	100,000,000	-	11,111,111	111,111,111	100,000,000	-	-	100,000,000
Mrs. Nguyen My Ngoc	Member of Board of Directors	-	4,179,284,000	1,997,460,615	6,176,744,615	-	2,365,000,000	1,020,538,462	3,385,538,462
Mr. Phan Anh Dung	Deputy General Director	-	2,736,242,000	1,220,438,000	3,956,680,000	-	1,665,001,000	643,615,923	2,308,616,923
Mrs. Nguyen Bich Ngoc	Deputy General Director	-	87,500,000	-	87,500,000	-	1,181,782,000	383,421,077	1,565,203,077
Mrs. The Thi Minh Hong	Head of the Board of Supervisor	50,000,000	234,056,000	16,245,176	300,301,176	50,000,000	202,459,000	10,669,235	263,128,235
Mr. Tran Tien Thanh	Member of Supervisor	50,000,000	-	5,555,556	55,555,556	50,000,000	-	5,555,556	55,555,556
	Member of Supervisor	50,000,000	-	5,555,556	55,555,556	50,000,000	-	5,555,556	55,555,556
TOTAL		550,000,000	18,361,874,000	9,012,922,390	27,924,796,390	550,000,000	11,981,243,000	5,360,605,920	17,891,848,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

31. EARNINGS PER SHARE

The following reflects the income and share data used in the calculation of earnings per share:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Net profit after tax attributable to ordinary equity holders for basic earnings (*)	2,030,699,360,319	1,526,351,079,824
<i>Effect of dilution</i>	-	-
Net profit after tax attributable to ordinary equity holders adjusted for the effect of dilution	<u>2,030,699,360,319</u>	<u>1,526,351,079,824</u>
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share (**)	767,604,759	765,974,376
<i>Effect of dilution</i>	-	-
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	<u>767,604,759</u>	<u>765,974,376</u>
Basic earnings per share	2,646	1,993
Diluted earnings per share	2,646	1,993

There have been no potential common stock or preferred stock transactions between the balance sheet date and the date of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

32. COMMITMENTS AND CONTINGENT LIABILITIES

32.1 *Contingent liabilities relating to real estate projects*

Contingent liabilities related to obligations to the State:

From 2003 to 2014, the Company signed a number of land rental contracts with Bac Ninh Provincial People's Committee for the land area at Que Vo I Industrial Park and Que Vo II Industrial Park, which is 2,268,388.8 m² (up to 2052) and 2,234,012.9 m² (up to 2057), respectively. According to the Official Letter No. 323/BTC-QLCS dated 12 January 2015 by the Ministry of Finance, the investment project on construction and operation of infrastructure of Que Vo Industrial Park is entitled to land rental exemption in 11 years from the date of project completion and put into operations. In 2020, the Company has received a notice of land rent payment for 2,098,448 m² in the existing Que Vo Industrial Park and Que Vo Extension, and has not received a notice of land rent for the remaining land plots in these industrial parks.

From 2011 to 2014, Saigon – Hai Phong Industrial Park Corporation (“SHP”) signed land lease agreements with the People's Committee of Haiphong City for the land area at Trang Due Industrial Park with a total land area of 1,541,648.7 m². Details of these land lease contracts include: Contract No. 04/HĐTD dated 17 January 2011 (for 1,363,473.2 m² land area and up to 2057), Contract No.179/HĐTD dated 31 December 2013 (for 84,871.8 m² land area and up to 2057) and Contract No.13/HĐTD dated 17 February 2014 (for 93,303.7 m² land area and up to 2057). On 12 December 2014, the General Department of Taxation of Haiphong City issued Decision No. 4274/QĐ-CT on land rental exemption for Saigon-Hai Phong Industrial Park Corporation. Accordingly, SHP is exempted from land tax until September 2017, December 2023 and November 2057 for the Land Lease Contracts No. 04, No.13 and No.179, respectively. In 2020, SHP has received land rental payment notification of 1,363,473 m² in Trang Due Industrial Park. However, SHP is in the process to finalize with the General Department of Taxation of Haiphong City to clarify exemption status of land rental fee for land area leased to LG Electronics Vietnam Hai Phong Company Limited and LG Display Vietnam Haiphong Company Limited under Decision No. 583/UBND-CT dated 24 January 2013 of People's Committee of Haiphong City.

According to Letter No. 6277/STC-BVG dated 5 July 2012, the Department of Finance of Ho Chi Minh City sent a notice to Northwest Saigon City Development Corporation (“SCD”) advising the land rental rate at Tan Phu Trung Industrial Park at VND 5,940 per square meter. However, according to Decision No. 2093/QĐ-BTC dated 23 November 2011 and Circular No. 16/2013/TT-BTC on removal of difficulties for enterprises, land rental rate from 2011 to 2014 would not exceed two times of that applicable for 2010. Therefore, the land rental rate from 2011 to 2014 was at 500 VND per square meter, equivalent to two times of 2010 land rental fee which was approved by Ho Chi Minh City People's Committee under the land lease contract No. 2516/HD-TNMT-QHSDD on 5 April 2007. On 25 March 2016, Ho Chi Minh Tax Department sent the notice for land rental for the period from 2015 to 2020, which was 2,310 VND per square meter. As of the date of these consolidated financial statements, SCD is still in the process of working with the competent authorities to determine the land rental obligations in upcoming years.

From 2008 to 2010, Saigon - Bac Giang Industrial Park Corporation (“SBG”) signed land lease agreements with the People's Committee of Bac Giang Province for a total land area of 3,900,015.2 m² at Quang Chau Industrial Park (until 2056). According to the 2nd Investment Certificate dated 12 September 2014, Quang Chau Industrial Park is entitled to land rental fee exemption for 6 years during the development of the Industrial Park and another 7 years from the completion date of the project and put into operations. As at the date of these consolidated financial statements, SBG is still in the process of working with the competent authorities to determine the land rental obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

32. COMMITMENTS AND CONTINGENCIES (continued)

32.1 Contingent liabilities relating to real estate projects (continued)

At the date of these consolidated financial statements, the Group is still in the process of working with the authorities to determine the amount of compensation and site clearance that can be offset against the land rent for the following areas. lease contract, as well as work with customers who lease land in industrial zones to clarify the obligation to pay the annual land rent. In addition, as described above, SHP Company is also in the process of working with Hai Phong Tax Department to clarify the issue of land rent exemption incentives for the leased land area LG Electrics Vietnam Co., Ltd. Hai Phong and LG Display Vietnam Hai Phong Co., Ltd.

Pending this work result, the Group has estimated the land rent obligation to be paid by the Group and deducted in advance in the cost of land and infrastructure for lease. However, the final amount of land rent to be paid will depend on the decision of the State management agencies.

32.2 Commitments relating to real estate projects

Commitments related to obligations to the State:

- (i) From 10 June 2015 to 17 May 2021, the Company signed land lease contracts with the People's Committee of Bac Ninh province for 195 ha of land at Nam Son - Hap Linh Industrial Park (with the lease term ending on 26 May 2060). As at the date of these consolidated financial statements, the Company has received a decision on land rental exemption for the first phase of the project with a land area of 1,076,455 m², in which 378,153 m² is exempted for the whole period and 698,302 m² is exempted until the end of December 2028. As at the date of these consolidated financial statements, the Company is still in process to determine the land rental obligations with the State authorities for the remaining land areas of the Nam Son Hap Linh Industrial Park.
- (ii) According to Decision No. 1526/QD-CT dated 17 December 2003 and Decision No. 971/QD-UBND dated 15 July 2009 of the People's Committee of Bac Ninh Province on the allocation of land to the Company for the development of Phuc Ninh new urban area project in Bac Ninh town, Bac Ninh province. The Company has an obligation to pay land use fees and other charges as prescribed by laws for the residential land plots, commercial land and public works assigned to use for the development of Phuc Ninh New Urban Area. Accordingly, the Company was handed over 49.53 hectares of land in 2010, completed marking a land area of 47.2 hectares in 2013 with the People's Committee of Bac Ninh province and paid an amount of VND 175,735,431,000 for the land use fee according to Decision 2229/QD-CT of the People's Committee of Bac Ninh province dated 23 December 2004 approving the land use fees (phase 1) and the notices on assignment of land use fees from the Bac Ninh Province Tax Department. As at the date of these consolidated financial statements, the Company is still in the process of working with the People's Committee of Bac Ninh province to determine the land use fees for the remaining land area of the project.

Capital expenditure commitments:

As of 31 December 2023, the Group has entered into contracts related to the construction and development of 1A Lang Ha project, Que Vo I Industrial Park, Que Vo II Industrial Park, Phuc Ninh urban area, Nam Son – Hap Linh Industrial Park, Quang Chau urban area, Trang Due Industrial Park, Tan Phu Trung Industrial Park and Trang Cat urban area with total outstanding contractual commitment amounts to approximately VND 369.6 billion VND.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

32. COMMITMENTS AND CONTINGENCIES (continued)

32.3 *Commitment for capital contribution*

The company registered to establish a subsidiary as Vung Tau Investment Group Joint Stock Company and committed to contribute capital in the company with the amount of VND 745.2 billion. This is a joint stock company established under the Enterprise Law of Vietnam under the Business Registration Certificate No. 3502454725 issued by the Department of Planning and Investment of Ba Ria – Vung Tau province on 14 May 2021. The main business of this company is developing real estate projects, trading in land use rights of owners, users or tenants. As at 31 December 2023, the Company's voting rate and ownership rate in this company are 74.52%.

32.4 *Collateral and guarantees*

Collateral and guarantees relating to the Agreement on debt structuring, funding and debt repayment with PVcomBank

As disclosed in Note 10, under the Agreement No. 3012/2020/BBTT/PVB-KB-TCC dated 30 December 2020 on debt structuring, funding and debt repayment, the Company and Trang Cat LLC have agreed to use Trang Cat project to secure for the loans and debts of a group of companies and individuals (including KinhBac City Development Holding Corporation, a subsidiary of the Company and other companies/individuals) with PVcomBank. Also under this Debt Structuring Agreement, the Company and Trang Cat LLC also committed to PVcomBank to repay the debts for and on behalf of the other companies and individuals if these parties violate the payment obligations agreed with PVcomBank. The total loan and debt obligations of these companies to PVcomBank as at the signing date of the Debt Structuring Agreement are VND 7,631 billion, in which the loan and debt obligations of the Company and a subsidiary (Saigon - Bac Giang Industrial Park Corporation) is VND 2,820 billion and the remaining is the loan and debt obligations of other companies/individuals.

32.5 *Disputes*

Dispute with VTC Wireless Telecommunications Corporation

Under the Business Cooperation Agreement dated 12 February 2008 between the VTC Wireless Telecommunications Company ("VTC") and Saigon Telecommunication & Technologies Corporation and the Business Registration Certificate No. 0103025781 dated 11 July 2008, the registered charter capital of VTC - Saigontel Media Company is VND 160 billion, in which the Company's ownership interest is 19.2%. The Company has then transferred VND 30,700,200,000 (19.2% of charter capital) to Huu Nghi Communication JSC (the company authorized by VTC) on 10 March 2008 for VTC Wireless Telecommunications Company to purchase assets for VTC - Saigontel Media Corporation. However, the Company has alleged that VTC has not completed the purchase of assets for VTC - Saigontel Media Company as committed. Therefore, the Company is currently in the process of working with VTC to recover this investment. The Group's management has assessed that this investment will be recovered from VTC; and therefore, no provision has been made for the investment in VTC - Saigontel Media Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

33. PROFESSIONAL SERVICE FEES

Professional service fees with the global network of EY firms ("EY Firms") incurred in current year and prior year were as follows:

	<i>Current year</i>	<i>Previous year</i>
Audit fees of separate and consolidated financial statements of the Group	2,650,000,000	2,500,000,000
TOTAL	2,650,000,000	2,500,000,000

Currency: VND

34. EVENTS AFTER THE BALANCE SHEET DATE

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

		
_____ Luu Phuong Mai Preparer	_____ Pham Phuc Hieu Deputy General Director cum Chief Accountant	_____ Nguyen Thi Thu Huong General Director



Bac Ninh, Vietnam

25 March 2024