



**AAC AUDITING AND ACCOUNTING CO., LTD**  
A member of PrimeGlobal

**INTIMEX - HOA CAM CONCRETE  
JOINT STOCK COMPANY**  
**Financial Statements**  
For the year ended 31/12/2024

CONTENTS	Page
Report of Management	1 - 3
Independent Auditors' Report	4
Financial Statements	
• Balance Sheet	5 - 6
• Income Statement	7
• Statement of Cash Flows	8
• Notes to the Financial Statements	9 - 31





## REPORT OF MANAGEMENT

The Management of Intimex - Hoa Cam Concrete Joint Stock Company presents this report together with the audited financial statements for the year ended 31/12/2024.

### Overview

Intimex - Hoa Cam Concrete Joint Stock Company (“the Company”) was incorporated through the equitization of a state-owned enterprise, pursuant to Decision No. 4700/QĐ-UB dated 05/12/2001, issued by the People's Committee of Quang Nam Province. The Company is an independent accounting entity, operating under Business Registration Certificate No. 3303070008, issued on 24/12/2001, by the Quang Nam Department of Planning and Investment (now referred to as Enterprise Registration Certificate No. 4000362102, which has been amended 16 times, most recently on 03/05/2018). The Company operates in compliance with its Charter, the Enterprise Law, and other relevant regulations.

The Company was approved to list its common shares on the Hanoi Stock Exchange under the ticker symbol HCC. The shares commenced trading on 24/12/2007.

*Charter capital: VND65,185,860,000*

*Share capital as at 31/12/2024: VND65,185,860,000*

### Head office

- Address: Lot B6-5, Thuan Yen Industrial Park, Hoa Thuan Ward, Tam Ky City, Quang Nam Province
- Tel: (84) 0235.6335999
- Primary trading address: 53 Truong Son Street, Hoa Tho Tay Ward, Cam Le District, Da Nang City
- Fax: (84) 0235.2220009
- Website: [betonghoacam.com.vn](http://betonghoacam.com.vn)

### Da Nang Branch

- Address: 53 Truong Son Street, Hoa Tho Tay Ward, Cam Le District, Da Nang City
- Tel: (84) 0236.3670000 – 3675155
- Fax: (84) 0236.3672516

### Concrete Manufacturing Plant at Chu Lai Open Economic Zone

- Address: Tam Nghia Commune, Nui Thanh District, Quang Nam Province
- Tel: (84) 0235.3853522

### Tam Ky Concrete Plant

- Address: Lot B6-5, Thuan Yen Industrial Park, Hoa Thuan Ward, Tam Ky City, Quang Nam Province
- Tel: (84) 0235.2200999

### Dung Quat Concrete Plant – Quang Ngai Province

- Address: Saigon – Dung Quat Industrial Subdivision, Binh Thanh Commune, Binh Son District, Quang Ngai Province

## REPORT OF MANAGEMENT (cont'd)

- Tel: (84) 0255.2235888

### Employees

As at 31/12/2024, the Company had a total workforce of 183 employees (as at 01/01/2024, the number of employees was 170).

Members of the Board of Directors, Supervisory Board, Management and Chief Accountant during the year and up to the reporting date are as follows:

### Board of Directors

- |                    |          |                           |
|--------------------|----------|---------------------------|
| • Mr. Do Ha Nam    | Chairman | Reappointed on 30/05/2020 |
| • Mr. Ngo Van Long | Member   | Reappointed on 30/05/2020 |
| • Mr. Ngo Xuan Nam | Member   | Reappointed on 30/05/2020 |

### Supervisory Board

- |                            |                  |                           |
|----------------------------|------------------|---------------------------|
| • Ms. Phan Hong Hue        | Chief Supervisor | Reappointed on 30/05/2020 |
| • Mr. Pham Vu Truong Giang | Supervisor       | Reappointed on 30/05/2020 |
| • Mr. Le Thai Nguyen       | Supervisor       | Appointed on 30/05/2020   |

### Management and Chief Accountant

- |                           |                         |   |
|---------------------------|-------------------------|---|
| • Mr. Ngo Van Long        | General Director        | Reappointed on 25/12/2024                           |
| • Mr. Pham Van Du         | Deputy General Director | Reappointed on 02/05/2022<br>Resigned on 10/05/2024 |
| • Mr. Nguyen Van Dung     | Deputy General Director | Appointed on 01/02/2020                             |
| • Ms. Nguyen Thi Ngoc Anh | Chief Accountant        | Reappointed on 25/12/2024                           |

### Independent auditor

These financial statements were audited by AAC Auditing and Accounting Co., Ltd (Head office: Lot 78-80, 30 Thang 4 Street, Hai Chau District, Da Nang City; Tel: (84) 0236.3655886; Fax: (84) 0236.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

### Management's responsibility in respect of the financial statements

The Company's Management is responsible for preparation and fair presentation of these financial statements on the basis of:

- Complying with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other relevant regulations;
- Selecting suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Preparing the financial statements on the going concern basis.



## REPORT OF MANAGEMENT (cont'd)

- Responsibility for such internal control as the Management determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

The Company's Management hereby confirms that the accompanying financial statements, including the balance sheet, the income statement, the statement of cash flows and the notes thereto, give a true and fair view of the financial position of the Company as at 31/12/2024, and of the results of its operations and its cash flows for the year then ended, in accordance with the prevailing Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.

On behalf of the Management



**Ngo Văn Long**

**General Director**

*Quang Nam, 17 March 2025*





## AAC AUDITING AND ACCOUNTING CO., LTD.

A MEMBER OF PRIMEGLOBAL  
AUDITING ACCOUNTING AND FINANCE SPECIALITY

Head Office: Lot 78-80 April 30th Street, Hai Chau District, Da Nang City

Tel: +84 (236) 3 655 886; Fax: +84 (236) 3 655 887; Email: aac@dng.vnn.vn; Website: http://www.aac.com.vn

No. 290/2025/BCKT-AAC

### INDEPENDENT AUDITORS' REPORT

**To:** The Shareholders, Board of Directors and Management  
Intimex - Hoa Cam Concrete Joint Stock Company

We have audited the financial statements prepared on 17/03/2025 of Intimex - Hoa Cam Concrete Joint Stock Company ("the Company"), as set out on pages 5 to 31, which comprise the balance sheet as at 31/12/2024, the income statement and the statement of cash flows for the year then ended, and the notes thereto.

#### Management's Responsibility

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

#### Auditors' Responsibility

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

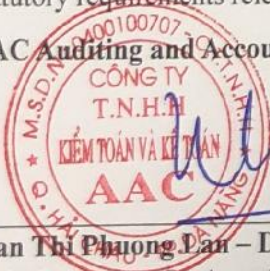
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

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

#### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31/12/2024, and its financial performance and its cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.

AAC Auditing and Accounting Co., Ltd.

  
*[Signature]*  
Tran Thi Phuong Dan – Deputy General Director  
Audit Practicing Registration Certificate  
No. 0396-2023-010-1  
Da Nang, 17 March 2025

*[Signature]*  
Duong Thi Van Thanh – Auditor  
Audit Practicing Registration Certificate  
No. 3671-2021-010-1



**BALANCE SHEET**  
 As at 31 December 2024

Form B 01 - DN  
 Issued under Circular No. 200/2014/TT - BTC  
 dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>105,685,385,772</b>	<b>88,693,917,643</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>10,357,911,224</b>	<b>1,519,151,890</b>
1. Cash	111	5	10,357,911,224	1,519,151,890
2. Cash equivalents	112		-	-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>-</b>
<b>III. Short-term receivables</b>	<b>130</b>		<b>85,565,197,028</b>	<b>76,290,258,294</b>
1. Short-term trade receivables	131	6	116,149,383,245	102,194,059,862
2. Short-term prepayments to suppliers	132	7	119,000,023	231,948,125
3. Other short-term receivables	136	8	287,154,373	342,373,209
4. Provision for doubtful (short-term) debts	137	9	(31,194,137,485)	(26,681,919,774)
5. Shortage of assets pending resolution	139	10	203,796,872	203,796,872
<b>IV. Inventories</b>	<b>140</b>	<b>11</b>	<b>9,261,841,946</b>	<b>10,716,132,847</b>
1. Inventories	141		9,261,841,946	10,716,132,847
2. Provision for decline in value of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>500,435,574</b>	<b>168,374,612</b>
1. Short-term prepaid expenses	151	12.a	48,584,003	48,168,670
2. Deductible VAT	152		145,191,498	111,344,835
3. Taxes and amounts recoverable from the State	153	19	306,660,073	8,861,107
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>39,483,301,227</b>	<b>42,563,630,519</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>-</b>	<b>-</b>
<b>II. Fixed assets</b>	<b>220</b>		<b>30,913,574,505</b>	<b>34,227,758,130</b>
1. Tangible fixed assets	221	13	30,574,119,228	33,778,302,873
- Cost	222		164,920,991,545	159,808,368,848
- Accumulated depreciation	223		(134,346,872,317)	(126,030,065,975)
2. Intangible fixed assets	227	14	339,455,277	449,455,257
- Cost	228		945,727,273	945,727,273
- Accumulated amortization	229		(606,271,996)	(496,272,016)
<b>III. Investment properties</b>	<b>230</b>		<b>-</b>	<b>-</b>
<b>IV. Non-current assets in progress</b>	<b>240</b>		<b>351,851,852</b>	<b>-</b>
1. Long-term work in progress	241		-	-
2. Construction in progress	242		351,851,852	-
<b>V. Long-term financial investments</b>	<b>250</b>		<b>1,890,713,177</b>	<b>1,763,408,939</b>
1. Investments in associates and joint ventures	252	15	5,319,660,000	5,319,660,000
2. Provision for long-term financial investments	254		(3,428,946,823)	(3,556,251,061)
<b>VI. Other non-current assets</b>	<b>260</b>		<b>6,327,161,693</b>	<b>6,572,463,450</b>
1. Long-term prepaid expenses	261	12.b	6,312,233,182	6,544,739,076
2. Deferred income tax assets	262	16	14,928,511	27,724,374
<b>TOTAL ASSETS</b>	<b>270</b>		<b>145,168,686,999</b>	<b>131,257,548,162</b>

**BALANCE SHEET (cont'd)**  
 As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>59,752,097,293</b>	<b>50,466,657,148</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>59,752,097,293</b>	<b>50,466,657,148</b>
1. Short-term trade payables	311	17	51,763,397,432	38,180,129,501
2. Short-term advances from customers	312	18	230,339,370	1,245,595,403
3. Taxes and amounts payable to the State	313	19	686,809,034	425,091,952
4. Payables to employees	314		6,378,093,366	4,492,840,510
5. Short-term accrued expenses	315		-	5,581,937
6. Other short-term payables	319	20	408,996,965	498,421,722
7. Short-term loans and finance lease liabilities	320	21	-	5,180,171,810
8. Reward and welfare funds	322		284,461,126	438,824,313
<b>II. Long-term liabilities</b>	<b>330</b>		<b>-</b>	<b>-</b>
<b>D. EQUITY</b>	<b>400</b>		<b>85,416,589,706</b>	<b>80,790,891,014</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>85,416,589,706</b>	<b>80,790,891,014</b>
1. Share capital	411	22	65,185,860,000	65,185,860,000
- Common shares with voting rights	411a		65,185,860,000	65,185,860,000
- Preferred shares	411b		-	-
2. Treasury shares	415	22	(390,000)	(390,000)
3. Development and investment fund	418	22	6,473,481,001	6,473,481,001
4. Undistributed profit after tax	421	22	13,757,638,705	9,131,940,013
- Undistributed profit up to prior year-end	421a		1,200,046,800	58,500
- Undistributed profit for the current year	421b		12,557,591,905	9,131,881,513
<b>II. Other resources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>145,168,686,999</b>	<b>131,257,548,162</b>



**Ngô Văn Long**  
 General Director

Quang Nam, 17 March 2025

**Nguyen Thi Ngoc Anh**  
 Chief Accountant

**Nguyen Thi Ngoc Anh**  
 Preparer



**INCOME STATEMENT**  
 For the year ended 31/12/2024

Form B 02 - DN  
 Issued under Circular No. 200/2014/TT - BTC  
 dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
1. Revenue from sales and service provision	01	24	300,015,394,544	233,500,103,053
2. Revenue deductions	02		-	-
3. Net revenue from sales and service provision	10		300,015,394,544	233,500,103,053
4. Cost of goods sold	11	25	271,025,894,820	213,020,461,854
<b>5. Gross profit from sales and service provision</b>	<b>20</b>		<b>28,989,499,724</b>	<b>20,479,641,199</b>
6. Financial income	21	26	29,238,481	13,297,654
7. Financial expenses	22	27	446,254,098	2,220,895,791
<i>Including: Interest expense</i>	23		573,558,336	1,491,949,419
8. Selling expenses	25		-	-
9. Administrative expenses	26	28	12,057,176,725	6,190,461,516
<b>10. Operating profit</b>	<b>30</b>		<b>16,515,307,382</b>	<b>12,081,581,546</b>
11. Other income	31	29	49,028,148	95,000,000
12. Other expenses	32	30	667,353,690	917,802,054
<b>13. Other profit</b>	<b>40</b>		<b>(618,325,542)</b>	<b>(822,802,054)</b>
<b>14. Accounting profit before tax</b>	<b>50</b>		<b>15,896,981,840</b>	<b>11,258,779,492</b>
15. Current corporate income tax expense	51	31	3,326,594,072	2,114,102,116
16. Deferred corporate income tax expense	52		12,795,863	12,795,863
<b>17. Profit after tax</b>	<b>60</b>		<b>12,557,591,905</b>	<b>9,131,881,513</b>
18. Basic earnings per share	70	32	1,926	1,384
19. Diluted earnings per share	71	32	1,926	1,384



**Ngo Van Long**  
 General Director

Quang Nam, 17 March 2025

**Nguyen Thi Ngoc Anh**  
 Chief Accountant

**Nguyen Thi Ngoc Anh**  
 Preparer

**STATEMENT OF CASH FLOWS**  
 For the year ended 31/12/2024

Form B 03 - DN  
 Issued under Circular No. 200/2014/TT - BTC  
 dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
<b>I. Cash flows from operating activities</b>				
1. Cash receipts from sales, service provision and other income	01		285,007,815,128	246,507,436,406
2. Cash paid to suppliers	02		(244,219,056,378)	(207,089,015,554)
3. Cash paid to employees	03		(25,219,242,774)	(23,307,479,670)
4. Loan interest paid	04	27	(579,140,273)	(1,509,892,980)
5. Corporate income tax paid	05	19	(3,063,691,031)	(2,260,038,945)
6. Other cash receipts from operating activities	06		24,254,984,523	21,328,178,437
7. Other payments for operating activities	07		(9,050,945,990)	(8,944,893,062)
<b>Net cash from operating activities</b>	<b>20</b>		<b>27,130,723,205</b>	<b>24,724,294,632</b>
<b>II. Cash flows from investing activities</b>				
1. Purchase and construction of fixed assets and other non-current assets	21		(5,318,774,142)	(1,462,681,894)
2. Loan interest, dividends, and profits received	27	26	29,238,481	13,297,654
<b>Net cash from investing activities</b>	<b>30</b>		<b>(5,289,535,661)</b>	<b>(1,449,384,240)</b>
<b>1. Cash flows from financing activities</b>				
1. Proceeds from borrowings	33	21	193,671,359,283	188,155,768,750
2. Repayment of loan borrowings	34	21	(198,851,531,093)	(202,175,851,236)
3. Dividends, profits paid to owners	36	22.d	(7,822,256,400)	(9,777,820,500)
<b>Net cash from financing activities</b>	<b>40</b>		<b>(13,002,428,210)</b>	<b>(23,797,902,986)</b>
<b>Net cash flows for the period</b>	<b>50</b>		<b>8,838,759,334</b>	<b>(522,992,594)</b>
Cash and cash equivalents at the beginning of the period	60		1,519,151,890	2,042,144,484
Impacts of exchange rate fluctuations	61		-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>70</b>	<b>5</b>	<b>10,357,911,224</b>	<b>1,519,151,890</b>



**Ngo Van Long**  
 General Director

Quang Nam, 17 March 2025

**Nguyen Thi Ngoc Anh**  
 Chief Accountant

**Nguyen Thi Ngoc Anh**  
 Preparer



## NOTES TO THE FINANCIAL STATEMENTS

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Form B 09 - DN

Issued under Circular No. 200/2014/TT - BTC dated 22/12/2014 by the Ministry of Finance

### 1. Nature of operations

#### 1.1. Overview

Intimex - Hoa Cam Concrete Joint Stock Company ("the Company") was incorporated through the equitization of a state-owned enterprise, pursuant to Decision No. 4700/QĐ-UB dated 05/12/2001, issued by the People's Committee of Quang Nam Province. The Company is an independent accounting entity, operating under Business Registration Certificate No. 3303070008, issued on 24/12/2001, by the Quang Nam Department of Planning and Investment (now referred to as Enterprise Registration Certificate No. 4000362102, which has been amended 16 times, most recently on 03/05/2018). The Company operates in compliance with its Charter, the Enterprise Law, and other relevant regulations.

The Company was approved to list its common shares on the Hanoi Stock Exchange under the ticker symbol HCC. The shares commenced trading on 24/12/2007.

#### 1.2. Principal scope of business: Manufacture of concrete.

#### 1.3. Normal course of business cycle

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

#### 1.4. Corporate structure

Associate company: Chu Lai Joint Stock Company, with a 49.09% ownership interest;

The Company has 4 dependent entities without legal status, operating under the dependent accounting method, including:

##### *Da Nang Branch*

- Address: 53 Truong Son Street, Hoa Tho Tay Ward, Cam Le District, Da Nang City
- Tel: (84) 0236.3670000 – 3675155
- Fax: (84) 0236.3672516

##### *Concrete Manufacturing Plant at Chu Lai Open Economic Zone*

- Address: Tam Nghia Commune, Nui Thanh District, Quang Nam Province
- Tel: (84) 0235.3853522

##### *Tam Ky Concrete Plant*

- Address: Lot B6-5, Thuan Yen Industrial Park, Hoa Thuan Ward, Tam Ky City, Quang Nam Province
- Tel: (84) 0235.2200999

##### *Dung Quat Concrete Plant – Quang Ngai Province*

- Address: Saigon – Dung Quat Industrial Subdivision, Binh Thanh Commune, Binh Son District, Quang Ngai Province
- Tel: (84) 0255.2235888



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

### 2. Accounting period, currency used in accounting

The Company's annual accounting period starts on 1 January and ends on 31 December.

Financial statements and accounting transactions are expressed in Vietnamese Dong (VND).

### 3. Applied accounting standards and accounting system

The Company adopts Vietnamese Corporate Accounting System as guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 providing amendments and supplements to certain articles of Circular No. 200/2014/TT-BTC promulgated by the Ministry of Finance.

### 4. Summary of significant accounting policies

#### 4.1 Cash and cash equivalents

Cash includes cash on hand, bank demand deposits, and cash in transit.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

#### 4.2 Receivables

Receivables include trade receivables and other receivables.

- Trade receivables are trade-related amounts arising from trading activities between the Company and its customers;
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor is in the state of insolvency, doing dissolution procedures, missing or running away.

#### 4.3 Inventories

Inventories are stated at the lower of cost and net realizable value.

Cost of inventories is calculated using the weighted average method and accounted for using the perpetual method with value determined as follows:

- Materials: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition;
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made for each kind of inventories when the net realizable value of that kind of inventories is less than cost.



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 4.4 Tangible fixed assets

#### Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

#### Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of assets</u>	<u>Depreciation period (years)</u>
Buildings, architectures	5 - 20
Machinery, equipment	5 - 10
Motor vehicles	6 - 10
Office equipment	3 - 5

### 4.5 Intangible fixed assets

#### Cost

Intangible fixed asset being accounting software is stated at cost less accumulated amortization.

The cost of intangible fixed assets comprises all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state.

#### Amortization

Amortization of intangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The amortization rate is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance.

<u>Kind of assets</u>	<u>Amortization period (years)</u>
Computer software	5 - 8

### 4.6 Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but not control or joint control over those policies. An entity is considered as an associate if the Company holds (directly or indirectly) from 20% to under 50% voting shares of the entity.

Investments in associates are recorded at cost less provision. Dividends and profits received in money or non-monetary asset for the period before the investment date shall be recorded as a decrease in value of investment.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

### *Provision*

Provision for investments in associates is made if these investments are impaired or the investees suffer losses leading to the irrecoverability of the Company's investments.

With regards to the investees who are required to prepare the consolidated financial statements, the provision is made based on the consolidated financial statements. For other cases, the provision is made based on the financial statements of the investees.

### **4.7 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

### **4.8 Deferred corporate income tax**

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose. Deferred income tax liabilities are recognized for all temporary differences except temporary differences arising from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax liabilities are recognized for all taxable temporary differences while deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax assets can be used. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax is measured at the tax rates that are expected to apply for the year in which the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and deferred income tax liabilities are offset if taxable temporary differences and deductible temporary differences relate to the same taxable entity and are finalized with the same taxation authority.

### **4.9 Payables**

Payables include: trade payables and other payables.

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term or long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and original currencies.



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 4.10 Accrued expenses

Accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

### 4.11 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

#### *Borrowing costs*

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period.

Capitalization of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

### 4.12 Owners' equity

Share capital represents the amount of capital actually contributed by shareholders.

#### *Treasury shares*

Treasury shares are the amounts payable to repurchase the shares that the Company has issued and all costs directly related to this repurchase transaction.

#### *Profit distribution*

Profit after corporate income tax is appropriated to funds and distributed to shareholders in accordance with the resolution of the General Meeting of Shareholders.

The dividend to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

### 4.13 Recognition of revenue and other income

- Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:
  - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods;



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

- ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
- ✓ Interest is recognized on the basis of the actual term and interest rates;
- ✓ Dividends and profits shared are recognized when the Company has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.
- Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

### 4.14 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

Costs of inventories and services rendered which are incurred in excess of the ordinary level shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

### 4.15 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: loan interest and provision for loss from investment in other entities.

### 4.16 Administrative expenses

Administrative expenses reflect expenses actually incurred related to the overall administration of the Company.

### 4.17 Current corporate income tax expense

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

### 4.18 Financial instruments

#### Initial recognition

##### *Financial assets*

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets comprise cash on hand, deposits, trade receivables, and other receivables.

##### *Financial liabilities*

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities comprise loans, trade payables, accrued expenses, and other payables.



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

### 4.19 Tax rates and charges payable to the State Budget which the Company applies

- Value-added tax (VAT):
  - ✓ Sale of ready-mixed concrete and construction activities: In 2024, the Company was eligible for an 8% VAT rate in accordance with Government's Decree No. 94/2023/NĐ-CP dated 28/12/2023 and Decree No. 72/2024/NĐ-CP dated 30/06/2024.
  - ✓ Other business activities: Subject to the current applicable tax rates as per regulations.

- Corporate income tax (CIT):

- ✓ For income from the Ready-Mixed Concrete Manufacturing Plant Project (Tam Ky Concrete Plant): Exempt from CIT for the first 2 years, followed by a 50% CIT liability reduction for the next 4 years, starting from the year taxable income is first generated. 2018 was the first year of taxable income generation.

(This incentive is based on Investment Registration Certificate No. 5835304205 issued on 18/01/2017 by the Quang Nam Industrial Zones Authority).

- ✓ For income from the Ready-Mixed Concrete Manufacturing Plant Project (Dung Quat Concrete Plant): Exempt from CIT for the first 4 years, followed by a 50% CIT liability reduction for the next 9 years, starting from the year taxable income is first generated. A preferential CIT rate of 10% is applicable for 15 consecutive years starting from the first year the project generates revenue. 2019 was the first year the project generated revenue and taxable income.

(This incentive is based on Investment Registration Certificate No. 7238180205 issued on 23/11/2017 by the Dung Quat Economic Zone and Quang Ngai Industrial Parks Authority).

- ✓ For income from other activities: A 20% CIT rate is applied.

- Other taxes and obligations are fulfilled in accordance with the prevailing regulations.

### 4.20 Related parties

Parties are considered to be related 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 or operational decisions.

Currency: VND

### 5. Cash

	31/12/2024	01/01/2024
Cash on hand	70,686,330	109,840,222
Bank demand deposits	10,287,224,894	1,409,311,668
<b>Total</b>	<b>10,357,911,224</b>	<b>1,519,151,890</b>

**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**6. Short-term trade receivables**

	31/12/2024	01/01/2024
Coteccons Construction JSC	27,266,517,235	1,991,262,552
Unicons Investment Construction Co., Ltd	2,779,550,950	12,304,807,479
Branch of Thai Son Group Co., Ltd - Construction Company 394	2,134,828,400	3,240,655,700
Fifth Construction Engineering LLC - Guangxi Construction Group (Da Nang)	5,206,325,000	5,206,325,000
Thanh Quan JSC	5,253,257,000	4,281,660,999
Xuyen Viet JSC	4,120,756,191	2,915,071,017
Other customers	69,388,148,469	72,254,277,115
<b>Total</b>	<b><u>116,149,383,245</u></b>	<b><u>102,194,059,862</u></b>

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

	31/12/2024	01/01/2024
Dai Thien Phat Engineering and Fire Protection Co., Ltd	-	187,708,125
WASUDE Co., Ltd	68,934,800	-
Nam Thanh Science Technology Co., Ltd	36,754,000	36,754,000
Other suppliers	13,311,223	7,486,000
<b>Total</b>	<b><u>119,000,023</u></b>	<b><u>231,948,125</u></b>

**8. Other short-term receivables**

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Advances	-	-	17,600,487	-
Deposits and guarantees	154,500,000	-	154,500,000	-
Other receivables	132,654,373	-	170,272,722	-
<b>Total</b>	<b><u>287,154,373</u></b>	<b><u>-</u></b>	<b><u>342,373,209</u></b>	<b><u>-</u></b>

**9. Provision for doubtful (short-term) debts**

	Year 2024	Year 2023
Opening balance	26,681,919,774	26,207,855,380
Provision for doubtful debts during the year	6,724,316,396	1,546,183,744
Reversal of provision for doubtful debts during the year	2,212,098,685	1,072,119,350
<b>Closing balance</b>	<b><u>31,194,137,485</u></b>	<b><u>26,681,919,774</u></b>



**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

(These notes form part of and should be read in conjunction with the accompanying financial statements)

**Including bad debts:**

	Cost	Recoverable value	Overdue period	Notes
<b>Trade receivables</b>				
Thong Nhat 508 JSC	1,892,850,000	-	>3 years	Enterprise is operating, lawsuit filed
Tam Thanh Construction Investment Corp.	2,656,916,000	-	>3 years	Enterprise is operating, lawsuit filed
PaciFic Investment JSC	3,261,996,000	-	>3 years	Enterprise is operating, lawsuit filed
Bridge Enterprise 17- Cienco 1 Branch of Civil Engineering Construction Corporation No.1 - JSC	1,874,640,000	-	>3 years	Enterprise is operating, lawsuit filed
Fifth Construction Engineering LLC - Guangxi Construction Group (Da Nang)	5,206,325,000	-	>3 years	Enterprise is operating, lawsuit filed
Other debtors	20,461,138,352	4,159,727,867		
<b>Total</b>	<u>35,353,865,352</u>	<u>4,159,727,867</u>		

**10. Shortage of assets pending resolution**

	31/12/2024	01/01/2024
Discrepancy in debt reconciliation	203,796,872	203,796,872
<b>Total</b>	<u>203,796,872</u>	<u>203,796,872</u>

**11. Inventories**

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials	8,641,744,749	-	10,095,902,414	-
Tools and instruments	18,788,443	-	18,921,679	-
Work in progress	601,308,754	-	601,308,754	-
<b>Total</b>	<u>9,261,841,946</u>	<u>-</u>	<u>10,716,132,847</u>	<u>-</u>

No inventories were pledged as collateral for borrowings as at 31/12/2024.

**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**12. Prepaid expenses**

**a. Short-term**

	31/12/2024	01/01/2024
Road management fees	48,584,003	31,635,334
Batching plant repairs		16,533,336
<b>Total</b>	<b><u>48,584,003</u></b>	<b><u>48,168,670</u></b>

**b. Long-term**

	31/12/2024	01/01/2024
Land lease expenses – Tam Ky Plant (*)	3,636,918,156	3,723,511,440
Land lease expenses – Dung Quat Plant, Quang Ngai (**)	2,657,142,845	2,720,408,153
Repair and improvement costs	15,234,725	99,641,925
Road management fees	2,937,456	1,177,558
<b>Total</b>	<b><u>6,312,233,182</u></b>	<b><u>6,544,739,076</u></b>

(\*) According to Land Lease Contract No. 161/HĐTĐ dated 22/06/2017 with the Quang Nam Department of Natural Resources and Environment, the Company leases 15,000 m<sup>2</sup> of land at Lot B6-5, Thuan Yen Industrial Park, Hoa Thuan Ward, Tam Ky City, Quang Nam Province. The lease term is 49 years and 8 months (from 15/05/2017 to 18/01/2067) for the construction of a ready-mix concrete manufacturing plant. Accordingly, the Company allocates the land lease payment to expenses over the lease term.

(\*\*) This relates to the lease of land with infrastructure within the Saigon – Dung Quat Industrial Subdivision under Contract No. 03/2018/HĐTLĐ dated 02/01/2018. The lease period runs from 23/11/2017 to 30/12/2054. The Company allocates the land lease payment to expenses over the lease term.



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 13. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
<b>Cost</b>					
Opening balance	28,301,010,094	29,059,422,215	102,021,584,078	426,352,461	159,808,368,848
New purchases	-	227,525,000	4,817,182,526	-	5,044,707,526
Self-construction	314,829,717	-	-	-	314,829,717
Decreases	-	-	246,914,546	-	246,914,546
<b>Closing balance</b>	<b>28,615,839,811</b>	<b>29,286,947,215</b>	<b>106,591,852,058</b>	<b>426,352,461</b>	<b>164,920,991,545</b>
<b>Depreciation</b>					
Opening balance	16,154,784,869	24,627,794,095	84,821,134,550	426,352,461	126,030,065,975
Charge for the year	1,418,255,206	1,531,980,266	5,613,485,416	-	8,563,720,888
Decreases	-	-	246,914,546	-	246,914,546
<b>Closing balance</b>	<b>17,573,040,075</b>	<b>26,159,774,361</b>	<b>90,187,705,420</b>	<b>426,352,461</b>	<b>134,346,872,317</b>
<b>Net book value</b>					
Opening balance	12,146,225,225	4,431,628,120	17,200,449,528	-	33,778,302,873
<b>Closing balance</b>	<b>11,042,799,736</b>	<b>3,127,172,854</b>	<b>16,404,146,638</b>	<b>-</b>	<b>30,574,119,228</b>

Cost of tangible fixed assets fully depreciated but still in use as at 31/12/2024 is VND88,040,980,274.

As at 31/12/2024, tangible fixed assets with a carrying value of VND12,344,086,999 were pledged as collateral for loan granted to the Company.

### 14. Intangible fixed assets

	Computer software	Total
<b>Cost</b>		
Opening balance	945,727,273	945,727,273
New purchases	-	-
Decreases	-	-
<b>Closing balance</b>	<b>945,727,273</b>	<b>945,727,273</b>
<b>Amortization</b>		
Opening balance	496,272,016	496,272,016
Charge for the year	109,999,980	109,999,980
Decreases	-	-
<b>Closing balance</b>	<b>606,271,996</b>	<b>606,271,996</b>
<b>Net book value</b>		
Opening balance	449,455,257	449,455,257
<b>Closing balance</b>	<b>339,455,277</b>	<b>339,455,277</b>

Cost of intangible fixed assets fully amortized but still in use as at 31/12/2024 is VND65,727,273.

**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**15. Investments in associates, joint ventures**

	Status	31/12/2024		01/01/2024			
		% of equity	Number of shares	Cost	Provision	Cost	Provision
Equity investments in associates, joint ventures							
- Chu Lai JSC	Operating	49.09%	493,626	5,319,660,000	3,428,946,823	5,319,660,000	3,556,251,061
<b>Total</b>				<b>5,319,660,000</b>	<b>3,428,946,823</b>	<b>5,319,660,000</b>	<b>3,556,251,061</b>

The shares of the investee company have not been listed on any stock exchange, and the Company does not have any reliable reference data on the market price of these shares as at the end of the accounting period. Therefore, the Company has no basis for determining the fair value of this investment. The provision for this investment as at 31/12/2024 was made based on the financial statements of the investee company.



**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**16. Deferred income tax assets**

	31/12/2024	01/01/2024
Deferred tax assets related to expense allocation	14,928,511	27,724,374
<b>Deferred income tax assets</b>	<b><u>14,928,511</u></b>	<b><u>27,724,374</u></b>

**17. Short-term trade payables**

	31/12/2024	01/01/2024
Phu Minh Tri Trade and Services Co., Ltd	8,356,335,871	4,860,457,995
Duy Thinh Co., Ltd	14,533,565,950	7,399,839,225
Thinh Phu Cuong Co., Ltd	11,395,613,768	6,668,961,846
Phu Binh Minh Transport Co., Ltd	1,880,833,200	1,525,650,500
Tanh Trung Co., Ltd	3,646,702,500	6,129,962,000
Giang Phu Thanh Co., Ltd	-	3,433,476,000
Other suppliers	11,950,346,143	8,161,781,935
<b>Total</b>	<b><u>51,763,397,432</u></b>	<b><u>38,180,129,501</u></b>

**18. Short-term advances from customers**

	31/12/2024	01/01/2024
HTA Nam Chu Lai Company Limited	23,200,000	-
Hoang Khanh Nguyen	100,000,000	20,000,000
Nguyen Quoc Tuan	-	243,566,120
Nguyen Thanh Quang	-	231,171,845
Pham Cong Chinh	-	274,850,000
Other customers	107,139,370	476,007,438
<b>Total</b>	<b><u>230,339,370</u></b>	<b><u>1,245,595,403</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**19. Taxes and amounts receivable from / payable to the State**

	Opening balance		Amount to be paid	Actual amount paid	Closing balance	
	Receivable	Payable			Receivable	Payable
Value-added tax	-	73,551,584	2,934,685,226	2,935,702,985	-	72,533,825
Corporate income tax	-	350,953,248	3,326,594,072	3,063,691,031	-	613,856,289
Personal income tax	8,861,107	-	(13,423,073)	284,375,893	306,660,073	-
Natural resources tax	-	587,120	5,880,480	6,048,680	-	418,920
Land and housing tax, land rent	-	-	440,209,743	440,209,743	-	-
Other taxes	-	-	16,000,000	16,000,000	-	-
<b>Total</b>	<b>8,861,107</b>	<b>425,091,952</b>	<b>6,709,946,448</b>	<b>6,746,028,332</b>	<b>306,660,073</b>	<b>686,809,034</b>

The Company's tax returns would be subject to inspection by the tax authorities. The tax amounts reported in these financial statements could be changed upon final determination by the tax authorities.



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 20. Other short-term payables

	31/12/2024	01/01/2024
Trade union fees	75,390,520	35,323,520
Overpaid PIT	319,440,243	-
Board of Directors and Supervisory Board remuneration	-	442,000,000
Other payables	14,166,202	21,098,202
<b>Total</b>	<b>408,996,965</b>	<b>498,421,722</b>

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

	Opening balance	Increases	Decreases	Closing balance
Short-term loans	5,180,171,810	193,671,359,283	198,851,531,093	-
- BIDV - Da Nang Branch	-	18,411,200,631	18,411,200,631	-
- Vietcombank - Da Nang Branch	5,180,171,810	171,717,059,208	176,897,231,018	-
- Vietinbank - Da Nang Branch	-	3,543,099,444	3,543,099,444	-
<b>Total</b>	<b>5,180,171,810</b>	<b>193,671,359,283</b>	<b>198,851,531,093</b>	<b>-</b>

### 22. equity

#### a. Statement of changes in owners' equity

	Share capital	Treasury shares	Development and investment fund	Undistributed profit after tax
As at 01/01/2023	65,185,860,000	(390,000)	6,473,481,001	10,428,678,353
Increases	-	-	-	9,131,881,513
Decreases	-	-	-	10,428,619,853
As at 31/12/2023	<u>65,185,860,000</u>	<u>(390,000)</u>	<u>6,473,481,001</u>	<u>9,131,940,013</u>
As at 01/01/2024	65,185,860,000	(390,000)	6,473,481,001	9,131,940,013
Increases	-	-	-	12,557,591,905
Decreases	-	-	-	7,931,893,213
As at 31/12/2024	<u>65,185,860,000</u>	<u>(390,000)</u>	<u>6,473,481,001</u>	<u>13,757,638,705</u>

#### b. Breakdown of share capital

	31/12/2024	01/01/2024
Intimex Group JSC	33,559,790,000	33,559,790,000
Capital contributions from other shareholders	31,625,680,000	31,625,680,000
Par value of treasury shares	390,000	390,000
<b>Total</b>	<b>65,185,860,000</b>	<b>65,185,860,000</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### c. Shares

	31/12/2024	01/01/2024
	Shares	Shares
Number of shares registered for issuance	6,518,586	6,518,586
Number of shares issued to the public	6,518,586	6,518,586
- Common shares	6,518,586	6,518,586
- Preferred shares	-	-
Number of shares repurchased (treasury shares)	39	39
- Common shares	39	39
- Preferred shares	-	-
Number of outstanding shares	6,518,547	6,518,547
- Common shares	6,518,547	6,518,547
- Preferred shares	-	-
Par value per outstanding share: VND10,000 each		

### d. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	9,131,940,013	10,428,678,353
Profit after corporate income tax for the current year	12,557,591,905	9,131,881,513
Distribution of profit	7,931,893,213	10,428,619,853
Distribution of prior year's profit	7,931,893,213	10,428,619,853
- Dividend payment	7,822,256,400	9,777,820,500
- Appropriation to reward and welfare funds	109,636,813	245,799,353
- Bonus fund for Management, Board of Directors, and Supervisory Board		405,000,000
Interim distribution of current year's profit	-	-
<b>Undistributed profit after tax</b>	<b>13,757,638,705</b>	<b>9,131,940,013</b>

The Company distributed its 2023 profits in accordance with Resolution No. 25/NQ-DHĐCĐ-HCC of the 2024 Annual General Meeting of Shareholders, dated 20/04/2024.

### e. Dividends

The 2024 Annual General Meeting of Shareholders, held on 20/04/2024, approved a cash dividend for 2023 at a rate of 12%. Accordingly, the Company finalized the list of shareholders entitled to receive dividends on 24/09/2024, with payments scheduled for 24/10/2024.



**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**23. Off-balance sheet items**

	31/12/2024	01/01/2024
	VND	VND
<b>Doubtful debts written off</b>		
Hanoi Telecom JSC	37 380 000	37 380 000
Quang Nam - Da Nang Construction JSC	2 067 817 837	2 067 817 837
Construction Enterprise No. 6 - Da Nang Infrastructure Development JSC	259 462 000	259 462 000
Construction Mechanical Company 623 (Thuan Phuoc Bridge)	51 892 000	51 892 000
Civil Engineering JSC 68	47 240 000	47 240 000
Construction Company 524	110 127 500	110 127 500
Construction Mechanical Company 623 (Overpass)	201 241 870	201 241 870
Thanh Thu Co., Ltd	412 383 500	412 383 500
Ky Ha Development and Investment Co., Ltd	59 374 000	59 374 000
Dong Tam Ha Noi Construction JSC	30 948 700	30 948 700
Cat Hai JSC	1 157 048 500	1 157 048 500
Tin Thuan Construction & Design Consulting Co., Ltd	277 845 000	277 845 000
Vinashine Mechanical and Electrical Construction Enterprise	30 980 000	30 980 000
Phu Tien Construction JSC	147 867 800	147 867 800
Quang Nam Construction Investment JSC	317 515 000	317 515 000
Thang Long Investment Group JSC	134 946 000	134 946 000
Song Hong Danang JSC	59 588 000	59 588 000
Dong Do Construction Investment & Trading Co., Ltd	20 750 000	20 750 000
NDV Trading Engineering Construction Co., Ltd	102 930 000	102 930 000
Interior Decoration and Construction JSC	185 310 500	185 310 500
<b>Total</b>	<u><u>5,712,648,207</u></u>	<u><u>5,712,648,207</u></u>

**24. Revenue from sales and service provision**

	Year 2024	Year 2023
Revenue from concrete sales	300,015,394,544	233,500,103,053
<b>Total</b>	<u><u>300,015,394,544</u></u>	<u><u>233,500,103,053</u></u>

**25. Cost of goods sold**

	Year 2024	Year 2023
Cost of concrete sold	271,025,894,820	213,020,461,854
<b>Total</b>	<u><u>271,025,894,820</u></u>	<u><u>213,020,461,854</u></u>

**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**26. Financial income**

	Year 2024	Year 2023
Interest income from deposits and loans	29,238,481	13,297,654
<b>Total</b>	<b><u>29,238,481</u></b>	<b><u>13,297,654</u></b>

**27. Financial expenses**

	Year 2024	Year 2023
Loan interest	573,558,336	1,491,949,419
Provision for diminution in value of long-term financial investments	(127,304,238)	728,946,372
<b>Total</b>	<b><u>446,254,098</u></b>	<b><u>2,220,895,791</u></b>

**28. Administrative expenses**

	Year 2024	Year 2023
Materials and tools expenses	234,493,417	151,702,654
Staff costs	3,752,788,935	3,236,997,971
Depreciation of fixed assets	548,649,108	545,770,702
Outsourced service expenses	133,048,172	90,980,220
Provision for doubtful debts	4,512,217,711	474,064,394
Other expenses	2,875,979,382	1,690,945,575
<b>Total</b>	<b><u>12,057,176,725</u></b>	<b><u>6,190,461,516</u></b>

**29. Other income**

	Year 2024	Year 2023
Gains on disposal of fixed assets	48,148,148	-
Compensation for site clearance	-	95,000,000
Other income	880,000	-
<b>Total</b>	<b><u>49,028,148</u></b>	<b><u>95,000,000</u></b>

**30. Other expenses**

	Year 2024	Year 2023
Remuneration for non-executive members of the Board of Directors and Supervisory Board	318,500,000	318,500,000
Tax arrears, administrative penalties	36,848,000	64,690,650
Undistributed dividends	-	493,626,000
Other expenses	312,005,690	40,985,404
<b>Total</b>	<b><u>667,353,690</u></b>	<b><u>917,802,054</u></b>



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 31. Current corporate income tax expense

	Year 2024	Year 2023
Total accounting profit before tax	15,896,981,840	11,258,779,492
Adjustments to taxable income	735,988,529	997,308,077
Incremental adjustments	799,967,846	1,061,287,394
+ Remuneration for non-executive BoD members	318,500,000	318,500,000
+ Administrative penalties (traffic, tax)	36,848,000	64,690,650
+ Provision for doubtful debts	24,535,000	
+ Other non-deductible expenses	420,084,846	678,096,744
Decremental adjustments	63,979,317	63,979,317
+ Adjustment of land rental expenses	63,979,317	63,979,317
Assessable income	16,632,970,369	12,256,087,569
Income from non-tax-incentivized activities (20%)	15,555,613,397	9,160,961,506
Income from Tam Ky Concrete Plant	2,367,791,314	2,543,070,214
Income from Dung Quat Concrete Plant	(1,290,434,342)	552,055,849
Corporate income tax payable	3,326,594,072	2,114,102,114
From non-tax-incentivized activities	3,326,594,072	1,832,192,301
From tax-incentivized activities	-	281,909,813
<b>Current corporate income tax expense</b>	<b>3,326,594,072</b>	<b>2,114,102,114</b>

### 32. Basic and diluted earnings per share

	Year 2024	Year 2023
Profit after corporate income tax	12,557,591,905	9,131,881,513
Adjustments to increase or decrease profit after tax	-	(109,636,813)
- Increase	-	-
- Decrease (appropriation to reward and welfare funds)	-	109,636,813
Profit or loss attributable to common shareholders	12,557,591,905	9,022,244,700
Weighted average number of common shares outstanding during the year	6,518,547	6,518,547
<b>Basic and diluted earnings per share</b>	<b>1,926</b>	<b>1,384</b>

- The basic and diluted earnings per share for 2024 were calculated without deducting appropriations to the reward and welfare funds, as neither the Company's Charter nor the General Meeting of Shareholders specifies the appropriation rate for these funds. Accordingly, this item may change depending on future resolutions of the General Meeting of Shareholders.

- The "basic and diluted earnings per share" item for 2023 was adjusted downward based on the profit distribution approved in the 2024 General Meeting of Shareholders' resolution. Accordingly, the General Meeting officially approved the appropriations to the reward and welfare funds totaling VND109,636,813.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 33. Operating expenses by element

	Year 2024	Year 2023
Materials expenses	227,389,170,390	175,041,260,486
Labor costs	29,672,525,864	24,412,590,933
Depreciation of fixed assets	8,673,720,868	8,838,335,135
Outsourced service expenses	1,394,238,050	1,170,861,390
Other cash expenses	11,441,198,662	9,273,811,032
<b>Total</b>	<b><u>278,570,853,834</u></b>	<b><u>218,736,858,976</u></b>

### 34. Segment reporting

#### a. Revenue

	Year 2024	Year 2023
Concrete revenue at Chu Lai Concrete Plant	38,390,174,622	39,673,234,752
Concrete revenue at Da Nang Branch Plant	72,506,491,349	46,502,608,137
Concrete revenue at Company Office	135,751,656,346	71,976,599,181
Concrete revenue at Tam Ky Concrete Plant	45,372,376,049	48,454,446,123
Concrete revenue at Quang Ngai Concrete Plant	7,994,696,178	26,893,214,860
	<b><u>300,015,394,544</u></b>	<b><u>233,500,103,053</u></b>

#### b. Cost of goods sold (COGS)

	Year 2024	Year 2023
COGS at Chu Lai Concrete Plant	35,236,006,059	36,054,973,504
COGS at Da Nang Branch Plant	62,581,795,229	41,895,975,020
COGS at Company Office	123,127,363,829	65,484,920,763
COGS at Tam Ky Concrete Plant	41,125,613,971	44,195,680,063
COGS at Quang Ngai Concrete Plant	8,955,115,732	25,388,912,504
<b>Total</b>	<b><u>271,025,894,820</u></b>	<b><u>213,020,461,854</u></b>

### 35. Risk management

#### a. Capital risk management

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

#### b. Financial risk management

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



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**Market risk management:** The Company's activities expose it primarily to the financial risks of changes in interest rates and prices.

### *Interest rate risk management*

The Company's interest rate risk mainly derives from interest bearing loans which are arranged. To mitigate this risk, the Company has estimated the impact of borrowing costs to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management assesses that uncontrollable risks arising from fluctuations of interest rates are at a low level.

### *Price risk management*

The Company procures raw materials from domestic suppliers for its production and business activities, thereby exposing itself to the risk of fluctuations in input material prices. As raw materials account for a significant proportion of total product costs, the Company pays close attention to price risks in its operations. To mitigate this risk, the Company selects reputable suppliers with long-term relationships and requests timely updates on price fluctuations. The Company also compares prices among different suppliers to ensure procurement at the most reasonable cost. Furthermore, due to the nature of concrete production, key materials such as sand, stone, and cement are used immediately in production, resulting in a short inventory holding period. This allows the Company to control price fluctuations. With these inventory characteristics and price management policies, the Management assesses that the Company's exposure to the risk of price fluctuations is low.

### **Credit risk management**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to the risk of non-recovery of certain receivables. To mitigate this risk, the Company establishes credit limits for long-term customers with a history of unsecured credit sales. For new customers, the Company carefully assesses their financial capability and payment capacity to determine whether to extend credit or require advance payment. In addition, the sales department and the finance and accounting department regularly reconcile information on due and overdue receivables to ensure timely follow-ups, implement appropriate debt collection measures, and make necessary provisions.

### **Liquidity risk management**

To ensure the availability of funds to meet present and future financial obligations, the Company manages liquidity risk by regularly monitoring and maintaining sufficient cash reserve, optimizing cash flows, making use of credit from customers and counterparties, controlling maturing liabilities in relative to maturing assets and the amount of funds that can be generated within that period.



**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

The Company's aggregate financial liabilities are categorized in line with their maturity as follows:

<u>31/12/2024</u>	<u>Within 1 year</u>	<u>Over 1 year</u>	<u>Total</u>
Trade payables	51,763,397,432	-	51,763,397,432
Other payables	333,606,445	-	333,606,445
<b>Total</b>	<b><u>52,097,003,877</u></b>	<b><u>-</u></b>	<b><u>52,097,003,877</u></b>
<u>01/01/2024</u>	<u>Within 1 year</u>	<u>Over 1 year</u>	<u>Total</u>
Loans and debts	5,180,171,810	-	5,180,171,810
Trade payables	38,180,129,501	-	38,180,129,501
Accrued expenses	5,581,937	-	5,581,937
Other payables	463,098,202	-	463,098,202
<b>Total</b>	<b><u>43,828,981,450</u></b>	<b><u>-</u></b>	<b><u>43,828,981,450</u></b>

The Management assesses that the Company is exposed to liquidity risk and believes that it can generate sufficient resources to meet its financial obligations as they fall due.

The Company's available financial assets are drawn up on a net asset basis as follows:

<u>31/12/2024</u>	<u>Within 1 year</u>	<u>Over 1 year</u>	<u>Total</u>
Cash and cash equivalents	10,357,911,224	-	10,357,911,224
Trade receivables	84,955,245,760	-	84,955,245,760
Other receivables	287,154,373	-	287,154,373
<b>Total</b>	<b><u>95,600,311,357</u></b>	<b><u>-</u></b>	<b><u>95,600,311,357</u></b>
<u>01/01/2024</u>	<u>Within 1 year</u>	<u>Over 1 year</u>	<u>Total</u>
Cash and cash equivalents	1,519,151,890	-	1,519,151,890
Trade receivables	75,512,140,088	-	75,512,140,088
Other receivables	324,772,722	-	324,772,722
<b>Total</b>	<b><u>77,356,064,700</u></b>	<b><u>-</u></b>	<b><u>77,356,064,700</u></b>

**36. Related-party disclosures**

**a. Related parties**

<u>Related company</u>	<u>Relationship</u>
Chu Lai JSC	Associate



**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

(These notes form part of and should be read in conjunction with the accompanying financial statements)

**b. Outstanding balance with related party**

		31/12/2024	01/01/2024
Chu Lai JSC	Trade payables	-	327,294,500

**c. Remuneration of the Board of Directors, Supervisory Board, and income of the Management**

Full name	Position		Year 2024	Year 2023
<b>Board of Directors</b>				
Mr. Do Ha Nam	Chairman	Remuneration	130,000,000	130,000,000
Mr. Ngo Van Long	Member	Remuneration	78,000,000	78,000,000
Mr. Ngo Xuan Nam	Member	Remuneration	78,000,000	78,000,000
<b>Supervisory Board</b>				
Ms. Phan Hong Hue	Chief Supervisor	Remuneration	65,000,000	65,000,000
Mr. Pham Vu Truong Giang	Supervisor	Remuneration	45,500,000	45,500,000
Mr. Le Thai Nguyen	Supervisor	Remuneration	45,500,000	45,500,000
<b>Management &amp; Chief Accountant</b>				
Mr. Ngo Van Long	General Director	Salary, bonus	564,358,576	378,831,119
Mr. Pham Van Du	Deputy General Director	Salary, bonus	67,324,378	261,289,945
Mr. Nguyen Van Dung	Deputy General Director	Salary, bonus	399,386,211	270,894,561
Ms. Nguyen Thi Ngoc Anh	Chief Accountant	Salary, bonus	391,772,098	265,061,211

**37. Events after the balance sheet date**

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

**38. Corresponding figures**

Corresponding figures were taken from the financial statements for the year ended 31/12/2023 which were audited by AAC.



Ngo Van Long  
 General Director

Quang Nam, 17 March 2025

Nguyen Thi Ngoc Anh  
 Chief Accountant

Nguyen Thi Ngoc Anh  
 Preparer