



**CONSOLIDATED FINANCIAL  
STATEMENTS**

**FOR THE FIRST 6 MONTHS OF THE FISCAL YEAR  
ENDING 31 DECEMBER 2023**

**CIC39 CORPORATION**

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## STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of CIC39 Corporation (hereinafter referred to as “the Corporation”) presents this statement together with the Consolidated Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2023 including the Interim Financial Statements of the Corporation and those of its subsidiaries (hereinafter collectively referred to as “the Group”).

**Business highlights**

CIC39 Corporation (renamed from Construction Investment Corporation 3-2) is an enterprise which was equitized from a State-owned enterprise - Construction Investment Company 3-2 under the Decision No. 1214/QĐ-UBND dated 21 April 2008 of the People’s Committee of Binh Duong Province. The Corporation has been operating in accordance with the Business Registration Certificate No. 3700146225, registered for the first time on 24 December 2008 and amended for the 12<sup>th</sup> time on 18 July 2022, granted by the Department of Planning and Investment of Binh Duong Province.

## Head office

- Address : No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province.
- Tel. : (84 - 274) 3 759 446
- Fax : (84 - 274) 3 755 605

The Corporation has the following affiliates:

Affiliate	Address
Branch of CIC39 Corporation – Construction Stone Plant	No. 635/1A, 1K Highway, Tan An Quarter, Tan Dong Hiep Ward, Di An City, Binh Duong Province
Branch of CIC39 Corporation – Concrete Sewer Plant	No. 6, Hill Road 16, Cay Cham Quarter, Thanh Phuoc Ward, Tan Uyen Town, Binh Duong Province
Branch of CIC39 Corporation – Concrete Brick Plant	No. 5/138 Binh Duong Boulevard, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province
Business location of CIC39 Corporation - Long Nguyen Concrete Plant	No. 216B, Bung Thuoc Hamlet, Long Nguyen Commune, Bau Bang District, Binh Duong Province
Business location of CIC39 Corporation - 279 Construction Material Trading Center	No. 1/278, 22/12 Street, Hoa Lan 2 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province

Principal business activities of the Corporation are:

- Growing rubber trees; growing trees;
- Dismantling;
- Drainage and waste water treatment;
- Installing industrial machinery and equipment;
- Wholesaling materials, other installation equipment in construction;
- Wholesaling iron and steel;
- Trading real estate; leasing land, offices, houses and workshops (in accordance with the planning); investing and trading traffic bridges, waterway ferry docks, roads;
- Completing construction works;
- Producing beds, wardrobes, tables, chairs;
- Providing goods transportation by road;
- Cargo loading and unloading for road transportation;
- Growing trees, urban grass;
- Installing low-voltage power grids and stations with lines of under 35KV; constructing lighting systems; installing protection, alarm equipment, fire protection systems, lightning protection systems for construction works;

- Forging, stamping, pressing and laminating metals; refining metal powder (not forging, stamping, pressing, laminating, refining metals at the head office, the head office is only used as transaction office); mechanical processing (except for metal processing, coating, plating);
- Warehouse operations;
- Exploiting stone, sand, gravel, soil and clay (only after obtaining permits from competent agencies);
- Providing construction consultancy. Designing civil and industrial construction works, road traffic works; designing architecture for works; providing interior and exterior designing for works; designing landscape; designing construction structure; designing electrical - electromechanical system for works; designing water supply and drainage systems; designing ventilation - heat supply and drainage system; designing information and communication networks for construction works; designing fire protection system;
- Contributing capital, purchasing shares;
- Weighing goods in relation to transportation;
- Leasing motor vehicles;
- Constructing road works;
- Constructing residential houses;
- Exploiting other forestal products, except for wood;
- Cultivating other perennials;
- Constructing non-residential houses;
- Constructing water supply and drainage works;
- Afforesting and taking care of forests and cultivating saplings;
- Constructing telecommunications and communication works;
- Constructing other public works;
- Constructing other civil engineering works;
- Producing concrete and products from concrete, cement and plaster.

**Board of Management and Executive Officers**

The Board of Management and the Executive Officers of the Corporation during the period and as of the date of this statement include:

***The Board of Management***

Full name	Position	Appointing/re-appointing date
Mr. Nguyen Le Van	Chairman	Appointed on 01 August 2020
Mr. Vo Van Lanh	Member	Appointed on 01 August 2020
Mr. Tran Van Binh	Member	Re-appointed on 23 April 2019
Mr. Trinh Tien Bay	Member	Appointed on 23 April 2019
Mr. Bui Tien Duc	Member cum Audit Committee Member	Appointed on 21 April 2022

***The Board of Directors***

Full name	Position	Re-appointing date
Mr. Vo Van Lanh	General Director	Re-appointed on 25 March 2020
Mr. Tran Van Binh	Deputy General Director	Re-appointed on 25 March 2020

**Legal Representative**

The Corporation's legal representative during the period and as of the date of this statement is Mr. Vo Van Lanh - General Director (re-appointed on 25 March 2020).

**Auditors**

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the review on the Group's Consolidated Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2023.

**Responsibilities of the Board of Directors**

The Board of Directors of the Corporation is responsible for the preparation of the Consolidated Interim Financial Statements to give a true and fair view of the consolidated financial position, the consolidated financial performance and the consolidated cash flows of the Group during the period. In order to prepare these Consolidated Interim Financial Statements, the Board of Directors must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates prudently;
- state clearly whether the accounting standards applied to the Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Interim Financial Statements;
- prepare the Consolidated Interim Financial Statements of the Group on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Consolidated Interim Financial Statements are free from material misstatements due to frauds or errors.

The Board of Directors hereby ensures that all the accounting books of the Group have been fully recorded and can fairly reflect the financial position of the Group at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Group's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Consolidated Interim Financial Statements.

**Approval of the Financial Statements**

The Board of Directors hereby approves the accompanying Consolidated Interim Financial Statements, which give a true and fair view of the consolidated financial position as of 30 June 2023 of the Group, its consolidated financial performance and its consolidated cash flows for the first 6 months of the fiscal year ending 31 December 2023, in conformity with the Vietnamese Accounting Standards and System and other regulatory requirements on preparation and presentation of the Consolidated Interim Financial Statements.

For and on behalf of the Board of Directors,



**Vo Van Lanh**  
General Director

Date: 25 August 2023

No. 1.1350/23/TC-AC

**REPORT ON THE REVIEW OF CONSOLIDATED INTERIM FINANCIAL INFORMATION****To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS  
CIC39 CORPORATION**

We have reviewed the accompanying Consolidated Interim Financial Statements of CIC39 Corporation (hereinafter referred to as “the Corporation”) and its subsidiaries (hereinafter collectively referred to as “the Group”), which were prepared on 25 August 2023 (from page 06 to page 46), including the Consolidated Interim Balance Sheet as of 30 June 2023, the Consolidated Interim Income Statement, the Consolidated Interim Cash Flow Statement for the first 6 months of the fiscal year ending 31 December 2023 and the Notes to the Consolidated Interim Financial Statements.

**Responsibilities of the Board of Directors**

The Board of Directors of the Corporation is responsible for the preparation, true and fair presentation of these Consolidated Interim Financial Statements in accordance with Vietnamese Accounting Standards and System as well as other regulatory requirements on preparation and presentation of the Consolidated Interim Financial Statements; and responsible for such internal control as the Board of Directors determines necessary to enable the preparation and presentation of the Consolidated Interim Financial Statements to be free from material misstatements due to frauds or errors.

**Responsibilities of Auditors**

Our responsibility is to express conclusion on these Consolidated Interim Financial Statements based on our review. We have conducted the review in accordance with the Vietnamese Standard on Review Engagements No. 2410 – Review on interim financial information performed by independent auditor of the entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion of Auditors**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated Interim Financial Statements have not given a true and fair view, in all material respects, of the consolidated financial position as of 30 June 2023 of the Group, its consolidated financial performance and its consolidated cash flows for the first 6 months of the fiscal year ending 31 December 2023, in conformity with the Vietnamese Accounting Standards and System and other regulatory requirements on preparation and presentation of the Consolidated Interim Financial Statements.

For and on behalf of  
A&C Auditing and Consulting Co., Ltd.

A red circular stamp with the text "CÔNG TY TRÁCH NHIỆM HỮU HẠN KIỂM TOÁN VÀ TƯ VẤN A&C" and "M.S.D.N. 0099-2023-008-1" around the perimeter. A blue ink signature is written over the stamp.**Ly Quoc Trung****Partner***Audit Practice Registration Certificate No. 0099-2023-008-1*

Authorized Signatory

Ho Chi Minh City, 25 August 2023

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**CONSOLIDATED INTERIM BALANCE SHEET**

(Full form)

As of 30 June 2023

Unit: VND

ITEMS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>439.815.990.147</b>	<b>578.581.008.992</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>58.079.239.952</b>	<b>97.861.011.092</b>
1. Cash	111		16.629.239.952	10.911.011.092
2. Cash equivalents	112		41.450.000.000	86.950.000.000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>47.133.057.141</b>	<b>131.964.010.327</b>
1. Trading securities	121	V.2a	44.275.010.621	53.184.701.768
2. Provisions for devaluation of trading securities	122	V.2a	(4.723.139.554)	(7.359.864.034)
3. Held-to-maturity investments	123	V.2b	7.581.186.074	86.139.172.593
<b>III. Short-term receivables</b>	<b>130</b>		<b>248.967.614.881</b>	<b>268.481.421.782</b>
1. Short-term trade receivables	131	V.3	129.028.821.235	128.398.564.782
2. Short-term prepayments to suppliers	132	V.4	4.477.325.870	22.307.953.362
3. Short-term inter-company receivables	133		-	-
4. Receivables according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5	120.565.388.344	122.445.543.055
7. Allowance for short-term doubtful debts	137	V.6	(5.103.920.568)	(4.670.639.417)
8. Deficit assets for treatment	139		-	-
<b>IV. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>78.968.512.455</b>	<b>74.395.772.824</b>
1. Inventories	141		86.644.682.217	82.425.627.415
2. Allowance for inventories	149		(7.676.169.762)	(8.029.854.591)
<b>V. Other current assets</b>	<b>150</b>		<b>6.667.565.718</b>	<b>5.878.792.967</b>
1. Short-term prepaid expenses	151	V.8a	1.136.991.078	607.409.881
2. Deductible VAT	152		213.734.361	9.918.666
3. Taxes and other receivables from the State	153	V.15	5.316.840.279	5.261.464.420
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**Consolidated Interim Balance Sheet (cont.)**

ITEMS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>B- NON-CURRENT ASSETS</b>	<b>200</b>		<b>417.903.480.078</b>	<b>431.864.432.582</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>159.909.209.607</b>	<b>169.349.766.512</b>
1. Tangible fixed assets	221	V.9	102.099.089.930	110.621.991.397
- <i>Historical cost</i>	222		254.261.853.948	253.143.002.508
- <i>Accumulated depreciation</i>	223		(152.162.764.018)	(142.521.011.111)
2. Financial leased assets	224		-	-
- <i>Historical cost</i>	225		-	-
- <i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.10	57.810.119.677	58.727.775.115
- <i>Initial cost</i>	228		101.647.895.261	101.647.895.261
- <i>Accumulated amortization</i>	229		(43.837.775.584)	(42.920.120.146)
<b>III. Investment property</b>	<b>230</b>	<b>V.11</b>	<b>3.490.903.606</b>	<b>3.707.330.994</b>
- Historical costs	231		8.331.392.116	8.331.392.116
- Accumulated depreciation	232		(4.840.488.510)	(4.624.061.122)
<b>IV. Long-term assets in process</b>	<b>240</b>		<b>2.112.096.540</b>	<b>2.870.947.603</b>
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.12	2.112.096.540	2.870.947.603
<b>V. Long-term financial investments</b>	<b>250</b>		<b>188.640.122.013</b>	<b>191.533.406.660</b>
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252	V.2c	156.913.892.701	159.807.177.348
3. Investments in other entities	253	V.2d	22.700.887.800	22.700.887.800
4. Provisions for devaluation of long-term financial investments	254	V.2d	(224.658.488)	(224.658.488)
5. Held-to-maturity investments	255	V.2b	9.250.000.000	9.250.000.000
<b>VI. Other non-current assets</b>	<b>260</b>		<b>63.751.148.312</b>	<b>64.402.980.813</b>
1. Long-term prepaid expenses	261	V.8b	63.751.148.312	64.402.980.813
2. Deferred income tax assets	262		-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill	269		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b><u>857.719.470.225</u></b>	<b><u>1.010.445.441.574</u></b>



**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**Consolidated Interim Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>C - LIABILITIES</b>	<b>300</b>		<b>282.850.974.757</b>	<b>423.241.046.718</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>258.491.907.257</b>	<b>394.137.779.218</b>
1. Short-term trade payables	311	V.13	25.302.747.237	15.217.049.513
2. Short-term advances from customers	312	V.14	29.943.842.630	8.698.781.797
3. Taxes and other obligations to the State Budget	313	V.15	22.253.240	110.500.789
4. Payables to employees	314	V.16	2.872.585.479	5.617.214.399
5. Short-term accrued expenses	315	V.17	5.249.428.048	38.338.910.663
6. Short-term inter-company payables	316		-	-
7. Payables according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318		16.727.253	14.545.437
9. Other short-term payables	319	V.18	7.254.379.465	7.420.630.253
10. Short-term borrowings and financial leases	320	V.19a	186.311.094.007	316.372.736.095
11. Provisions for short-term payables	321	V.20	607.369.313	897.339.561
12. Bonus and welfare funds	322	V.21	911.480.585	1.450.070.711
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
<b>II. Non-current liabilities</b>	<b>330</b>		<b>24.359.067.500</b>	<b>29.103.267.500</b>
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338	V.19b	24.359.067.500	29.103.267.500
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**Consolidated Interim Balance Sheet (cont.)**

ITEMS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>574.868.495.468</b>	<b>587.204.394.856</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>574.868.495.468</b>	<b>587.204.394.856</b>
1. Capital	411	V.22	150.301.450.000	150.301.450.000
- Ordinary shares carrying voting rights	411a		150.301.450.000	150.301.450.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.22	2.190.000.000	2.190.000.000
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415	V.22	(20.100.000)	(20.100.000)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.22	216.217.666.135	214.632.363.885
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.22	204.212.398.422	218.134.360.575
- Retained earnings accumulated to the end of the previous period	421a		200.437.813.591	218.134.360.575
- Retained earnings of the current period	421b		3.774.584.831	-
12. Construction investment fund	422		-	-
13. Benefits of non-controlling shareholders	429	V.22	1.967.080.911	1.966.320.396
<b>II. Other sources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>		<b><u>857.719.470.225</u></b>	<b><u>1.010.445.441.574</u></b>

Binh Duong, 25 August 2023



Nguyen Thi Cam Van  
Preparer



Nguyen Xuan Hieu  
Chief Accountant



Vo Van Lanh  
General Director

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**CONSOLIDATED INTERIM INCOME STATEMENT**


(Full Form)

For the first 6 months of the fiscal year ending 31 December 2023

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
1. Sales	01	VI.1	220.115.400.810	280.201.627.374
2. Sales deductions	02		-	6.545.600
3. Net sales	10		220.115.400.810	280.195.081.774
4. Cost of sales	11	VI.2	193.453.891.747	242.658.878.260
5. Gross profit	20		26.661.509.063	37.536.203.514
6. Financial income	21	VI.3	5.483.594.220	3.691.927.748
7. Financial expenses	22	VI.4	7.651.396.126	8.714.546.125
In which: Loan interest expenses	23		10.276.055.203	6.152.374.846
8. Gain or loss in joint ventures, associates	24	V.2c	2.892.693.220	933.161.451
9. Selling expenses	25	VI.5	14.679.366.428	10.770.130.665
10. General and administration expenses	26	VI.6	8.866.321.670	7.362.403.407
11. Net operating profit	30		3.840.712.279	15.314.212.516
12. Other income	31	VI.7	69.801.234	3.592.732.756
13. Other expenses	32	VI.8	135.168.167	990.981.497
14. Other profit/(loss)	40		(65.366.933)	2.601.751.259
15. Total accounting profit before tax	50		3.775.345.346	17.915.963.775
16. Current income tax	51	V.15	-	3.431.718.287
17. Deferred income tax	52		-	-
18. Profit after tax	60		<u>3.775.345.346</u>	<u>14.484.245.488</u>
19. Profit after tax of the Parent Company	61		3.774.584.831	14.484.062.122
20. Profit after tax of non-controlling shareholders	62		760.515	183.366
21. Basic earnings per share	70	VI.9	<u>208</u>	<u>857</u>
22. Diluted earnings per share	71	VI.9	<u>208</u>	<u>857</u>

Binh Duong, 25 August 2023

  
 \_\_\_\_\_  
 Nguyen Thi Cam Van  
 Preparer

  
 \_\_\_\_\_  
 Nguyen Xuan Hieu  
 Chief Accountant

  
 \_\_\_\_\_  
 Vo Van Lan  
 General Director


**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**CONSOLIDATED INTERIM CASH FLOW STATEMENT**

(Full form)

(Indirect method)

For the first 6 months of the fiscal year ending 31 December 2023

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		3.775.345.346	17.915.963.775
2. Adjustments				
- Depreciation of fixed assets and investment properties	02	V.9, V.10, V.11	12.361.185.916	12.457.369.818
- Provisions and allowances	03	V.2, V.6, V.7, V.20	(2.847.098.406)	1.968.732.354
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04		-	-
- Gain/(loss) from investing activities	05	V.2c, VI.4, VI.8	(7.855.529.086)	(4.817.943.649)
- Interest expenses	06	VI.4	10.276.055.203	6.152.374.846
- Others	07		-	-
3. Operating profit before changes of working capital	08		15.709.958.973	33.676.497.144
- Increase/(decrease) of receivables	09		21.718.196.507	6.408.880.730
- Increase/(decrease) of inventories	10		(4.219.054.802)	(29.482.758.230)
- Increase/(decrease) of payables	11		(4.623.113.204)	(44.128.614.355)
- Increase/(decrease) of prepaid expenses	12		122.251.304	(491.056.095)
- Increase/(decrease) of trading securities	13		8.909.691.147	(34.495.401.040)
- Interests paid	14	V.18, VI.5	(10.409.736.898)	(6.117.628.862)
- Corporate income tax paid	15		-	(8.927.563.782)
- Other cash inflows	16	V.21	947.810.000	304.000.000
- Other cash outflows	17	V.21, V.22	(2.069.795.993)	(8.624.500.079)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>26.086.207.034</b>	<b>(91.878.144.569)</b>
<b>II. Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other non-current assets	21	V.9, V.12, VII	(3.406.552.791)	(1.132.813.672)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.9, VI.8	386.893.637	420.982.727
3. Cash outflow for lending, buying debt instruments of other entities	23	V.2b	(1.802.990.643)	(2.510.798.788)
4. Cash recovered from lending, selling debt instruments of other entities	24	V.2b	80.360.977.162	3.000.000.000
5. Investments in other entities	25		-	-
6. Withdrawals of investments in other entities	26		-	2.442.069.500
7. Interest earned, dividends and profits received	27	V.2c, V.5, VI.4	8.428.556.149	3.892.570.230
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>83.966.883.514</b>	<b>6.112.009.997</b>

**CIC39 CORPORATION**

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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**Consolidated Interim Cash Flow Statement (cont.)**

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
<b>III. Cash flows from financing activities</b>				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	(20.100.000)
3. Proceeds from borrowings	33	V.19	220.269.945.435	337.507.612.583
4. Repayment for loan principal	34	V.19	(355.075.787.523)	(235.359.406.962)
5. Payments for financial leased assets	35		-	-
6. Dividends and profit paid to the owners	36	V.18, V.22	(15.029.019.600)	(18.034.823.520)
<i>Net cash flows from financing activities</i>	<i>40</i>		<u><i>(149.834.861.688)</i></u>	<u><i>84.093.282.101</i></u>
Net cash flows during the period	50		(39.781.771.140)	(1.672.852.471)
Beginning cash and cash equivalents	60	V.1	97.861.011.092	113.761.289.692
Effects of fluctuations in foreign exchange rates	61		-	-
Ending cash and cash equivalents	70	V.1	<u>58.079.239.952</u>	<u>112.088.437.221</u>

Binh Duong, 25 August 2023



Nguyen Thi Cam Van  
Preparer



Nguyen Xuan Hieu  
Chief Accountant



Võ Văn Lanh  
General Director

**CIC39 CORPORATION**

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**I. GENERAL INFORMATION****1. Ownership form**

CIC39 Corporation (hereinafter referred to as “the Corporation” or “the Parent Company”) is a joint stock company.

**2. Operating field**

The Corporation’s operating fields are manufacturing, constructing, trading, real estate trading and servicing.

**3. Principal business activities**

Principal business activities of the Corporation are manufacturing stone, concrete and bricks; constructing works; trading construction materials; trading real estate; leasing cars, construction tools.

**4. Normal operating cycle**

Normal operating cycle of the Corporation is within 12 months.

**5. Structure of the Group**

The Group includes the Parent Company and 1 subsidiary under the control of the Parent Company. The subsidiary is consolidated in these Consolidated Interim Financial Statements.

**5a. Subsidiary**

The Group only invested in Tien Phuoc Construction Mineral Joint Stock Company – a subsidiary, located at Nam Dong Phu Industrial Park, Tan Lap Commune, Dong Phu District, Binh Phuoc Province. Principal business activities of this subsidiary are exploiting and processing stone. As of the balance sheet date, the Parent Company’s capital contribution rate at this subsidiary is 80%, the voting rate and benefit rate are 83,38% (including the direct ownership rate of 80% and the indirect ownership rate of 3,38%).

**5b. List of associates reflected in Consolidated Interim Financial Statements under the owner’s equity method**

Companies	Address	Principal business activities	Ownership rate		Voting rate	
			Ending balance	Beginning balance	Ending balance	Beginning balance
Mien Dong Joint-Stock Company	Road No. 1, Bien Hoa 1 Industrial Park, An Binh Ward, Bien Hoa City, Dong Nai Province.	Manufacturing, quarrying stone, trading real estate and construction and installation activities.	33,76%	33,76%	33,76%	33,76%
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	Hamlet 3, An Thanh Commune, Ben Luc District, Long An Province.	Trading construction materials.	42,50%	42,50%	42,50%	42,50%

**6. Statement of information comparability on the Consolidated Interim Financial Statements**

The figures in the current period can be comparable with corresponding figures in the previous period.

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2023

Notes to the Consolidated Interim Financial Statements (cont.)

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### **7. Headcount**

As of the balance sheet date, the Group's headcount is 237 (headcount at the beginning of the year: 223).

## **II. FISCAL YEAR AND ACCOUNTING CURRENCY**

### **1. Fiscal year**

The fiscal year of the Group is from 01 January to 31 December annually.

### **2. Accounting currency unit**

The accounting currency unit is Vietnamese Dong (VND) because the Group's transactions are primarily made in VND.

## **III. ACCOUNTING STANDARDS AND SYSTEM**

### **1. Accounting System**

The Group applies the Vietnamese Accounting Standards and System issued in accordance with the Circular No. 200/2014/TT-BTC dated 22 December 2014 guiding the Vietnamese Accounting System, the Circular No. 202/2014/TT-BTC dated 22 December 2014 giving guidance on the preparation and presentation of Consolidated Financial Statements and other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Consolidated Interim Financial Statements.

### **2. Statement of the compliance with the Accounting Standards and System**

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 202/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Consolidated Interim Financial Statements.

## **IV. ACCOUNTING POLICIES**

### **1. Accounting convention**

All the Consolidated Interim Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

### **2. Consolidation bases**

The Consolidated Interim Financial Statements include the Interim Financial Statements of the Parent Company and those of its subsidiaries. A subsidiary is an enterprise that is controlled by the Parent Company. The control exists when the Parent Company has the power to directly or indirectly govern the financial and operating policies of the subsidiary to obtain economic benefits from its activities. In determining the control power, the potential voting right arising from options or debt and capital instruments that can be converted into common shares as of the balance sheet date should also be taken into consideration.

The financial performance of subsidiaries, which is bought or sold during the period, are included in the Consolidated Interim Income Statement from the date of acquisition or until the date of selling investments in those subsidiaries.

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2023

Notes to the Consolidated Interim Financial Statements (cont.)

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The Interim Financial Statements of the Parent Company and those of subsidiaries used for consolidation are prepared in the same accounting period and apply consistently accounting policies to the same types of transactions and events in similar circumstances. In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of that subsidiary will be properly adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

Intra-group balances in the Balance Sheet and intra-group transactions and unrealized profits resulting from these transactions must be completely eliminated. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

Benefits of non-controlling shareholders reflect profit or loss and net assets of subsidiary, which are not held by the Group and presented in a separate item of the Consolidated Interim Income Statement and Consolidated Interim Balance Sheet (classified under "Owner's equity"). Benefits of non-controlling shareholders include the values of their non-controlling benefits at the initial date of business combination and those arise within the ranges of changes in owner's equity from the date of business combination. The losses arising in the subsidiaries are attributed equally to the ownership rate of non-controlling shareholders, even if such losses are higher than the interest owned by these shareholders in net assets of the subsidiaries.

### 3. Cash and cash equivalents

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.

### 4. Financial investments

#### *Trading securities*

Investments classified as trading securities are those held by the Group for the trading purpose with the aim of making profit.

Trading securities are recognized at costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Group acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Dividends of the periods prior to the acquisition of trading securities are recorded as a decrease in the value of such securities. Dividends of the periods after the acquisition of such securities are recorded in the Group's revenues. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity is followed up.

Convertible shares are determined on the basis of the fair value at the date of exchange. The fair value of the shares is determined as follows:

- For shares of listed companies: the closing price listed on the stock market at the date of exchange. In case at the date of exchange, the stock market is not traded, the fair value of shares is the closing price of the preceding trading with the date of exchange.
- For unlisted shares traded on UPCOM: the closing price on UPCOM at the date of exchange. In case at the date of exchange, the UPCOM is not traded, the fair value of shares is the closing price of the preceding trading with the date of exchange.





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### **CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**Notes to the Consolidated Interim Financial Statements (cont.)**

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- For other unlisted shares: the price agreed by the parties under the contracts or the carrying value at the time of exchange.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than costs. The fair value of trading securities which are securities listed on the stock market is the closing price at the most recent trading date by the balance sheet date.

Increases/(decreases) in the provisions for devaluation of trading securities as of the balance sheet date are recorded into financial expenses.

Gain or loss from transfer of trading securities is recognized into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

#### ***Held-to-maturity investments***

Investments are classified as held-to-maturity investments that the Group intends and is able to hold to maturity. Held-to-maturity investments include term deposits and held-to-maturity bonds for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Group's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the period while the investment value is derecognized.

#### ***Investments in associates***

An associate is an entity which the Group has significant influence but not the control to govern the financial and operating policies. Significant influence is the right to participate in making the associate's financial and operating policies but not control those policies.

Investments in associates are recorded as in the owner's equity method. Accordingly, the investment into associate is initially recorded at costs on the Consolidated Interim Financial Statements and then adjusted for the post acquisition change in the Group's share of net assets of the associate. If the Group's share of loss of an associate exceeds or equals the carrying amount of an investment, the investment is then reported at nil (0) value on the Consolidated Interim Financial Statements, except when the Group has obligations to pay on behalf of the associate to satisfy obligations of the associate.

The Interim Financial Statements of the associate are prepared for the accounting period that is the same with the Consolidated Interim Financial Statements of the Group. In the case that the accounting policy of an associate is different from the accounting policy applied consistently in the Group, the Interim Financial Statements of that associate will be properly adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

Unrealized profits/(losses) arising from transactions with associates are eliminated in proportion to the amount under the Group's ownership in the preparation of the Consolidated Interim Financial Statements.

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2023

Notes to the Consolidated Interim Financial Statements (cont.)

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### *Investments in equity instruments of other entities*

Investments in equity instruments of other entities include such investments in equity instruments that do not enable the Group to have the control, joint control or significant influence on these entities.

Investments in equity instruments of other entities are initially recognized at costs, including cost of purchase plus other directly attributable transaction costs. Values of these investments are derecognized for dividends and profits arising in the periods prior to the acquisition of such investments. Dividends and profit arising in the periods after the acquisition of investments are recorded into the Group's revenue. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity of shares is followed up.

Provisions for impairment of investments in equity instruments of other entities are made as follows:

- For investments in listed shares or fair value of investments which is reliably measured, provisions are made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provisions are made on the basis of the losses suffered by investees, at the rate equal to the difference between the actual capital invested by owners and the owner's equity as of the balance sheet date multiplying (x) by the Group's rate of charter capital over the total actual charter capital invested in these investees.

Increases/(decreases) in the provisions for impairment of investments in equity instruments of other entities as of the balance sheet date are recorded into financial expenses.

## 5. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Group and customers who are independent to the Group.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of the ages of debts after offsetting against liabilities (if any) or estimated loss as follows:

- As for overdue debts:
  - 30% of the value of debts overdue between 6 months and less than 1 year.
  - 50% of the value of debts overdue between 1 year and less than 2 years.
  - 70% of the value of debts overdue between 2 years and less than 3 years.
  - 100% of the value of debts overdue more than 3 years.
- As for doubtful debts: Allowance is made on the basis of the estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

## 6. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials and merchandises: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.

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### **CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**Notes to the Consolidated Interim Financial Statements (cont.)**

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- Work-in-process: Costs comprise costs of main materials, labor and other directly relevant costs.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

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

Allowance for inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/(decreases) in the obligatory allowance for inventories as of the balance sheet date are recorded into costs of sales.

#### **7. Prepaid expenses**

Prepaid expenses comprise actual expenses arising and relevant to financial performance in several accounting periods. Prepaid expenses of the Group mainly include expenses of tools, land use right, land rental and repair expenses. These prepaid expenses are allocated over the prepayment period or period of corresponding economic benefits generated from these expenses.

##### ***Tools***

Expenses of tools being put into use are allocated into expenses in accordance with the straight-line method for the maximum period of 3 years.

##### ***Land use rights***

Expenses of impermanent land use rights reflects the amount paid for the transfer and prepaid rental for land being used by the Group. Expenses of impermanent land use rights are allocated over the term regulated in Certificates of land use rights.

##### ***Land rental***

Prepaid land rental reflects the rental prepaid for the land being used by the Group and is allocated into expenses over the lease term as regulated in the land lease.

##### ***Repair expenses***

Expenses of fixed asset repairs incurred once with high value are allocated into expenses in accordance with the straight-line method in 3 years.

#### **8. Operating leased assets**

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Group's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

#### **9. Tangible fixed assets**

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Group to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the period.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the period.

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For the first 6 months of the fiscal year ending 31 December 2023

#### Notes to the Consolidated Interim Financial Statements (cont.)

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Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	06 – 25
Machinery and equipment	06 – 12
Vehicles	05 – 10
Office equipment	03 – 08

#### 10. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Group to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the period.

The Group's intangible fixed assets include:

##### *Land use right*

Land use right includes all the actual expenses paid by the Group directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Group is amortized as follows:

- Land use right assigned by the State with collection of land use fees is amortized in accordance with the straight-line method over the land assigned period (50 years); if the land use right is permanent, it is not amortized.
- Land use right legally transferred is amortized in accordance with the straight-line method over the term of land use right (42 – 50 years), if the land use right is permanent, it is not amortized.

##### *Computer software*

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Group until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 3-8 years.

#### 11. Investment properties

Investment property is property which is a building or part of a building, infrastructure held by the Group or by the lessee under a finance lease to earn rentals or for capital appreciation. Investment properties for lease are measured at their historical costs less accumulated depreciation. Investment properties for capital appreciation are measured at their historical costs less impairment. Historical cost includes all the expenses paid by the Group or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost 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 flow to the Group.

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#### Notes to the Consolidated Interim Financial Statements (cont.)

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When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the period.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or net book value of investment property at the date of transfer.

Investment property is depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of the investment property are as follows:

<u>Fixed assets</u>	<u>Years</u>
Houses	25
Infrastructure	06 - 15

#### 12. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Group) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

#### 13. Business combination and goodwill

The business combination is accounted by applying acquisition method. The costs of business combination include the fair values as at the acquisition date of the exchanged assets, the incurred or assumed liabilities as well as the equity instruments issued by the Group in exchange for control of the acquiree, plus any cost directly attributable to the business combination. The acquired assets, the identifiable and contingent liabilities assumed from the business combination are recognized at their fair values as at the acquisition date.

If the business combination covers some accounting periods, the cost of business combination equals the total investment made at the date of obtaining the control of subsidiaries plus the amount of previous investments which are re-evaluated at fair value as at the date of obtaining the control of subsidiaries. The difference between the re-evaluated amount and the cost of investment shall be recorded in the financial performance provided that the Group does not have any significant influence on subsidiaries prior the date of obtaining the control and the investment in subsidiaries is presented in line with the cost method. In case where the Group has significant influence on the subsidiaries prior the date of obtaining the control the investment in subsidiaries is presented in line with the equity method, the difference between the re-evaluated amount and the cost of investment determined in line with the equity method shall be recorded in the financial performance; and the difference between the investment determined in line with the equity method and the cost of investment shall be directly recorded in "Retained earnings" of the Consolidated Interim Balance Sheet.

The excess of the cost of business combination over the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date obtaining the control of subsidiaries is recognized as goodwill. If the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date of obtaining the control of subsidiaries exceeds the cost of business combination, the difference will be included in the financial performance.



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Notes to the Consolidated Interim Financial Statements (cont.)

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The benefit of non-controlling shareholders as at the date of business combination is initially measured on the basis of the ownership share of non-controlling shareholders in the fair values of the assets, the liabilities and the inherent liabilities recognized.

#### 14. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Group.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Consolidated Interim Balance Sheet on the basis of their remaining term as of the balance sheet date.

#### 15. Provisions for warranty of construction works

Provisions for warranty expenses are made for each type of construction works under the commitment of warranty.

The extraction of provisions for warranty of is 0,19% on total value of warranty works for civil works, and 0,45% on total value of infrastructure works. This rate is estimated on the basis of the warranty expenses in the previous years and weighted rate of all the possible bad results with corresponding probability. Upon expiry of the warranty period, provisions for warranty of construction works which are not used or not used up are recorded in other income.

#### 16. Owner's equity

##### *Capital*

Capital is recorded according to the actual amounts invested by shareholders of the Parent Company.

##### *Share premiums*

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

##### *Treasury shares*

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury shares and a corresponding decrease in owner's equity then is recognized. When this share capital is re-issued, the difference between the re-issuance price and carrying value of treasury shares is recorded in "share premiums".

#### 17. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Corporation as well as legal regulations and approved by the General Meeting of Shareholders.

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Notes to the Consolidated Interim Financial Statements (cont.)

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The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notice on dividend payment of the Board of Management.

### **18. Recognition of sales and income**

#### ***Sales of merchandises, finished goods***

Sales of merchandises, finished goods shall be recognized when all of the following conditions are satisfied:

- The Group transfers most of risks and benefits incident to the ownership of products or goods to customers.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods, products sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, goods purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return products, goods (except for the case that such returns are in exchange for other goods or services).
- The Group received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

#### ***Sales of service provision***

Sales of service provision shall be recognized when all of the following conditions are satisfied:

- The amount of sales can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, sales is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Group received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In the case that the services are provided in several accounting periods, the determination of sales is done on the basis of the volume of work done as of the balance sheet date.

#### ***Sales of real estates***

Sales of real estates that invested by the Group shall be recognized when all of the following conditions are satisfied:

- Real estates are fully completed and handed over to the buyers, and the Group transfers most of risks and benefits incident to the ownership of real estate to the buyer.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estates sold.
- The amount of sales can be measured reliably.
- The Group received or shall probably receive the economic benefits associated with the transaction.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

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In case the customer has the right to complete the interior of the real estate and the Group completes the interiors according to the designs, models as requested by customer under a separate contract on interior completion, revenues are recognized upon the completion and handover of the main construction works to customers.

#### ***Income from leasing operating assets***

Income from leasing operating assets is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

#### ***Interest***

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

#### ***Dividends and profit shared***

Dividends and profit shared are recognized when the Group has the right to receive dividends or profit from the capital contribution. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity is followed up.

### **19. Construction contracts**

Construction contract is a contract agreed for acquisition of an asset or combined assets closely relevant or mutually dependent on their design, technology, function or basic using purpose.

When the outcome of the construction contracts is estimated reliably:

- For the construction contracts stipulating that the contractors are paid according to the planned progress, revenue and costs related to these contracts are recognized in proportion to the stage of completion of contract activity as determined by the Group itself.
- For the construction contracts stipulating that the contractors are paid according to the work actually performed, revenue and costs related to these contracts are recognized in proportion to the stage of completion of contract activity as confirmed in the invoices made by the customers.

Increases/(decreases) in revenue of the works done, compensation receivable and other receivables are only recognized upon the agreement with customers.

When the results of the contract implementation cannot be estimated reliably:

- Contract revenue is recognized only to the extent that contract costs incurred are expected to be reliably recoverable.
- Contract costs are only recognized as actually incurred.

The difference between the accumulated revenue from the construction contract recognized and the accumulated amount in the invoices according to the planned progress of contract is recognized as an amount receivable or an amount payable according to the planned progress of implementation of the construction contracts.

### **20. Sales deductions**

Sales deductions include trade discounts, sales allowances, sales returns incurred in the same period of providing goods, merchandises, services, in which revenues are derecognized.

In case of goods, merchandises, services provided in the previous periods but trade discounts, sales allowances, sales returns incurred in the current period, revenues are derecognized as follows:

- If sales allowances, trade discounts, sales returns incur prior to the release of the Consolidated Interim Financial Statements, revenues are derecognized on the Consolidated Interim Financial Statements of the current period.



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- If sales allowances, trade discounts, sales returns incur after the release of the Consolidated Interim Financial Statements, revenues are derecognized on the Consolidated Interim Financial Statements of the following period.

#### **21. Borrowing costs**

Borrowing costs are interests and other costs that the Corporation directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

#### **22. Expenses**

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

#### **23. Corporate income tax**

Corporate income tax includes current income tax and deferred income tax.

##### ***Current income tax***

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

##### ***Deferred income tax***

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

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Notes to the Consolidated Interim Financial Statements (cont.)

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Group shall offset deferred tax assets and deferred tax liabilities if:

- The Group has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
  - Of the same subject to corporate income tax; or
  - The Group has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

#### 24. Related parties

A party is considered a related party of the Group in case that party is able to control the Group or to cause material effects on the financial decisions as well as the operations of the Group. A party is also considered a related party of the Group in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

#### 25. Segment reporting

A business segment is a distinguishable component of the Group that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Group that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Consolidated Interim Financial Statements of the Group.

## V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM BALANCE SHEET

### 1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	256.868.955	477.470.459
Banks deposits	16.372.370.997	10.433.540.633
Cash equivalents (Deposits of which the principal maturity is within 3 months)	41.450.000.000	86.950.000.000
<b>Total</b>	<b><u>58.079.239.952</u></b>	<b><u>97.861.011.092</u></b>

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**Notes to the Consolidated Interim Financial Statements (cont.)****2. Financial investments**

The financial investments of the Group include trading securities, held-to-maturity investments, investments in associates and investments in other entities. The Group's financial investments are as follows:

**2a. Trading securities**

	Ending balance			Beginning balance		
	Original amount	Fair values	Provisions	Original amount	Fair values	Provisions
Petrolimex Gas Corporation JSC	3.697.623.460	2.400.020.000	(1.297.603.460)	3.697.623.460	2.582.300.000	(1.115.323.460)
Cat Lai Port Joint Stock Company	-	-	-	7.677.142.814	6.473.290.000	(1.203.852.814)
Vingal-Vnsteel Industries Joint Stock Company	15.822.791.067	20.764.714.500	-	16.853.067.734	16.853.067.734	-
Tan Cang Warehousing Joint Stock Company	10.299.699.644	8.978.550.000	(1.321.149.644)	10.501.971.310	8.626.450.000	(1.875.521.310)
Can Don Hydro Power Joint Stock Company	14.454.896.450	12.350.510.000	(2.104.386.450)	14.454.896.450	11.289.730.000	(3.165.166.450)
<b>Total</b>	<b>44.275.010.621</b>	<b>44.493.794.500</b>	<b>(4.723.139.554)</b>	<b>53.184.701.768</b>	<b>45.824.837.734</b>	<b>(7.359.864.034)</b>

Fluctuations in provisions for impairments of trading securities are as follows:

	Current period	Previous period
Beginning balance	7.359.864.034	932.146.235
Extraction/(Reversal) of provision	(2.636.724.480)	2.549.897.865
<b>Ending balance</b>	<b>4.723.139.554</b>	<b>3.482.044.100</b>

**2b. Held-to-maturity investments**

	Ending balance		Beginning balance	
	Original amount	Carrying value	Original amount	Carrying value
<b>Short-term</b>				
Term deposits (*)	7.581.186.074	7.581.186.074	86.139.172.593	86.139.172.593
<b>Long-term</b>				
Bonds (**)	9.250.000.000	9.250.000.000	9.250.000.000	9.250.000.000
<b>Total</b>	<b>16.831.186.074</b>	<b>16.831.186.074</b>	<b>95.389.172.593</b>	<b>95.389.172.593</b>

(i) This item reflects 12-month deposit. This deposit has been mortgaged to secure the overdraft loans from BIDV – Southern Binh Duong Branch (see Note No. V.19).

(ii) This item reflects bonds issued by BIDV and VietinBank. Details are as follows:

Issuers	Year of issuance	Term (years)	Ending balance	Beginning balance
BIDV	2018	10 years	1.980.000.000	1.980.000.000
BIDV	2019	10 years	1.270.000.000	1.270.000.000
VietinBank	2020	10 years	6.000.000.000	6.000.000.000
<b>Total</b>			<b>9.250.000.000</b>	<b>9.250.000.000</b>

All of these bonds have been mortgaged to secure the overdraft loans from BIDV – Southern Binh Duong Branch and VietinBank – Binh Duong Branch (see Note No. V.19).

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**2c. Investments in associates**

	Ending balance			Beginning balance		
	Original amount	Profit generated after the investment date	Total	Original amount	Profit generated after the investment date	Total
Thu Duc - Long An Centrifugal Concrete Joint Stock Company (i)	94.688.324.245	5.986.890.172	100.675.214.417	94.688.324.245	7.587.060.022	102.275.384.267
Mien Dong Joint-Stock Company (ii)	42.218.832.208	14.019.846.076	56.238.678.284	42.218.832.208	15.312.960.873	57.531.793.081
<b>Total</b>	<b>136.907.156.453</b>	<b>20.006.736.248</b>	<b>156.913.892.701</b>	<b>136.907.156.453</b>	<b>22.900.020.895</b>	<b>159.807.177.348</b>

(i) As of the balance sheet date, the Group held 6.375.238 shares, equivalent to 42,50% of charter capital of Thu Duc - Long An Centrifugal Concrete Joint Stock Company.

(ii) As of the balance sheet date, the Group held 3.485.150 shares, equivalent to 32,01% of charter capital of Mien Dong Joint-Stock Company.

The ownership of the Group at the associates is as follows:

	Beginning ownership value	Gain or loss during the period	Dividends, profits shared during the period	Others	Ending ownership value
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	102.275.384.267	1.627.895.783	(3.197.184.000)	(30.881.633)	100.675.214.417
Mien Dong Joint- Stock Company	57.531.793.081	1.264.797.437	(2.091.090.000)	(466.822.234)	56.238.678.284
<b>Total</b>	<b>159.807.177.348</b>	<b>2.892.693.220</b>	<b>(5.288.274.000)</b>	<b>(497.703.867)</b>	<b>156.913.892.701</b>

**Operation of associates**

The associates have been in the normal operation and have not experienced any significant change compared to that of the previous year.

**Transactions with associates**

Transactions between the Group and its associates are as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
<b>Thu Duc - Long An Centrifugal Concrete Joint Stock Company</b>		
Sales of merchandises	6.465.294.046	3.470.564.394
Dividends shared	3.197.184.000	-
<b>Mien Dong Joint- Stock Company</b>		
Sales of merchandises	1.916.707.189	6.390.705.262
Sales of finished goods	29.788.744.979	443.470.556
Purchases of materials	25.643.958.993	23.551.948.973
Purchases of services	247.158.755	676.554.217
Dividend distribution	2.091.090.000	-
Acquisition of fixed assets	400.000.000	-

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**2d. Investments in other entities**

	Ending balance		Beginning balance	
	Original amount	Provision	Original amount	Provision
Binh Duong General Construction and Consultation Joint Stock Company <sup>(a)</sup>	200.887.800	(200.887.800)	200.887.800	(200.887.800)
Dong Phu - Binh Duong Highway Building Operation Transfer Joint Stock Company <sup>(b)</sup>	22.500.000.000	(23.770.688)	22.500.000.000	(23.770.688)
<b>Total</b>	<b>22.700.887.800</b>	<b>(386.967.316)</b>	<b>22.700.887.800</b>	<b>(386.967.316)</b>

(a) As of the balance sheet date, the Group held 18.098 shares, equivalent to 3,52% of charter capital of Binh Duong General Construction and Consultation Joint Stock Company.

(b) The Group registered to purchase 3.375.000 shares at the purchasing price of VND 33.750.000.000 (accounting for 15% of charter capital of Dong Phu - Binh Duong Highway Building Operation Transfer Joint Stock Company). As of the balance sheet date, the Group held 2.250.000 shares at the value of VND 22.500.000.000 (beginning balance: 1.687.500 shares at the value of VND 16.875.000.000). The charter capital to be invested is VND 11.250.000.000.

*Fair value*

The Group has not measured the fair value of the investments without listed price because there is no specific instruction on measurement of fair value.

**3. Short-term trade receivables**

	Ending balance	Beginning balance
<b>Receivables from related parties</b>	<b>59.194.053.550</b>	<b>56.421.246.826</b>
Mien Dong Joint- Stock Company	55.362.542.970	54.885.868.709
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	3.831.510.580	1.535.378.117
<b>Receivables from other customers</b>	<b>69.834.767.685</b>	<b>71.977.317.956</b>
Management Board of Thuan An City Construction Investment Project	6.005.053.996	14.336.731.996
Management Board of Dau Tieng District Construction Investment Project	804.045.100	12.242.148.100
Phuc Tai Cooperative	953.865.867	1.647.076.080
Hwan Tai Vietnam Co., Ltd.	694.859.968	6.003.179.703
Other customers	61.376.942.754	37.748.182.077
<b>Total</b>	<b>129.028.821.235</b>	<b>128.398.564.782</b>

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

	Ending balance	Beginning balance
Phu Dong Phat Design Construction Trade Company Limited	1.812.528.113	20.610.939.772
G7 High Tech Joint Stock Company	871.951.080	-
Ngoc Linh Phat Fire Protection Company Limited	408.302.710	-
Other suppliers	1.384.543.967	1.697.013.590
<b>Total</b>	<b>4.477.325.870</b>	<b>22.307.953.362</b>

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**5. Other short-term receivables**

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
<i>Receivables from related parties</i>	<b>8.583.724.000</b>	-	<b>5.406.540.000</b>	-
Mr. Tran Van Binh - Advance	5.386.540.000	-	5.406.540.000	-
Thu Duc - Long An Centrifugal Concrete Joint Stock Company – Dividends shared	3.197.184.000	-	-	-
<i>Receivables from other organizations and individuals</i>	<b>111.981.664.344</b>	-	<b>117.039.003.055</b>	-
Advances	105.715.761.512	-	108.743.162.386	-
Short-term deposits and mortgages	5.227.078.136	-	5.226.900.360	-
Dividends receivable	-	-	182.280.000	-
Interest to be received	959.427.313	-	2.016.619.222	-
Other short-term receivables	79.397.383	-	870.041.087	-
<b>Total</b>	<b>120.565.388.344</b>	-	<b>122.445.543.055</b>	-

**6. Doubtful debts**

	Overdue period	Ending balance		Overdue period	Beginning balance	
		Original amount	Recoverable amount		Original amount	Recoverable amount
<i>Construction Investment Joint Stock Company No. 14</i>						
Trade receivables	More than 3 years	2.087.609.955	-	More than 3 years	2.087.609.955	-
<i>Thien Bao Thanh Construction Co., Ltd.</i>						
Trade receivables	From 2 years to less than 3 years	1.328.429.946	398.528.984	From 2 years to 3 years	1.328.429.946	398.528.984
<i>Quang Phuoc Co., Ltd.</i>						
Trade receivables	More than 3 years	264.782.117	-	More than 3 years	264.782.117	-
<i>Xuan Loan Pte.</i>						
Trade receivables	More than 3 years	200.366.498	-	More than 3 years	200.366.498	-
<i>Receivables from other organizations and individuals</i>						
Trade receivables	More than 3 years	778.900.591	-	More than 3 years	544.207.796	-
	From 2 years to 3 years	536.634.510	160.990.353	From 2 years to 3 years	352.390.230	105.717.069
	From 1 year to 2 years	746.603.113	373.301.557	From 1 year to 2 years	532.636.730	266.318.365
	Less than 1 year	311.382.433	217.967.701	Less than 1 year	435.932.404	305.151.841
<b>Total</b>		<b>6.254.709.163</b>	<b>1.150.788.595</b>		<b>5.746.355.676</b>	<b>1.075.716.259</b>

Fluctuations in allowances for doubtful debts are as follows:

	Current period	Previous period
Beginning balance	4.670.639.417	4.628.130.630
Extraction for/(Reversal of) allowance	433.281.151	(380.832.590)
<b>Ending balance</b>	<b>5.103.920.568</b>	<b>4.247.298.040</b>

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	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Materials and supplies	14.752.103.069	(10.671.302)	13.167.019.201	(10.671.302)
Tools	627.446.377	-	499.924.495	-
Work-in-process	12.140.610.185	(6.161.776.442)	9.156.404.740	(6.161.776.442)
Finished goods <sup>(*)</sup>	54.386.524.906	(1.412.401.371)	57.944.666.767	(1.857.406.847)
Merchandises	4.737.997.680	(91.320.647)	1.657.612.212	
<b>Total</b>	<b>86.644.682.217</b>	<b>(7.676.169.762)</b>	<b>82.425.627.415</b>	<b>(8.029.854.591)</b>

<sup>(\*)</sup> Ending balance of finished goods which are real estates with the carrying value of VND 23.702.839.188 (beginning balance: VND 23.703.873.453) has been mortgaged to secure the loans from BIDV – Southern Binh Duong Branch (see Note No. V.19).

Fluctuations in allowances for inventories are as follows:

	Current period	Previous period
Beginning balance	8.029.854.591	759.664.499
Extraction for/(Reversal of) allowance	(353.684.829)	(18.764.041)
<b>Ending balance</b>	<b>7.676.169.762</b>	<b>740.900.458</b>

**8. Prepaid expenses****8a. Short-term prepaid expenses**

	Ending balance	Beginning balance
Expenses of tools	656.340.956	428.024.660
Expenses of asset repairs	433.738.449	151.635.223
Other short-term prepaid expenses	46.911.673	27.749.998
<b>Total</b>	<b>1.136.991.078</b>	<b>607.409.881</b>

**8b. Long-term prepaid expenses**

	Ending balance	Beginning balance
Expenses of tools	5.038.726.863	5.262.514.511
Land use right <sup>(*)</sup>	44.026.827.301	44.539.761.211
+ Expenses of land use right transfer	38.655.614.341	39.105.971.011
+ Land rental	5.371.212.960	5.433.790.200
Land rental <sup>(*)</sup>	13.449.132.036	13.617.209.280
Expenses of repairs	840.730.642	509.441.290
Other long-term prepaid expenses	395.731.470	474.054.521
<b>Total</b>	<b>63.751.148.312</b>	<b>64.402.980.813</b>

<sup>(\*)</sup> Land use right and land rental, of which the net book values are VND 48.229.584.772 (beginning balance: VND 56.189.114.946) have been mortgaged to secure loans from BIDV - Southern Binh Duong Branch, VietinBank - Binh Duong Branch (see Note No. V.19).

**9. Tangible fixed assets**

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
<b>Historical costs</b>					
Beginning balance	75.599.856.015	134.651.826.561	41.434.034.116	1.457.285.816	253.143.002.508
Acquisition during the period	581.475.472	1.487.007.504	1.157.770.658	-	3.226.253.634
Liquidation and disposal	-	(1.807.921.336)	(299.480.858)	-	(2.107.402.194)

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**Notes to the Consolidated Interim Financial Statements (cont.)**

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
Ending balance	76.181.331.487	134.330.912.729	42.292.323.916	1.457.285.816	254.261.853.948
<i>In which:</i>					
Assets fully depreciated but still in use	7.807.725.626	21.023.457.748	12.101.047.058	1.362.075.816	42.294.306.248
Assets waiting for liquidation	-	-	-	-	-
<b>Depreciation</b>					
Beginning balance	39.074.332.840	71.637.192.214	30.433.988.273	1.375.497.784	142.521.011.111
Depreciation during the period	3.468.223.683	6.323.032.306	1.423.945.849	11.901.252	11.227.103.090
Liquidation and disposal	-	(1.285.869.325)	(299.480.858)	-	(1.585.350.183)
Ending balance	<u>42.542.556.523</u>	<u>76.674.355.195</u>	<u>31.558.453.264</u>	<u>1.387.399.036</u>	<u>152.162.764.018</u>
<b>Net book values</b>					
Beginning balance	36.525.523.175	63.014.634.347	11.000.045.843	81.788.032	110.621.991.397
Ending balance	<u>33.638.774.964</u>	<u>57.656.557.534</u>	<u>10.733.870.652</u>	<u>69.886.780</u>	<u>102.099.089.930</u>
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

Some tangible fixed assets, of which the net book values are VND 9.819.006.633 (beginning balance: VND 10.765.256.275), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch and VietinBank - Binh Duong Branch (see Note No. V.19).

**10. Intangible fixed assets**

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
<b>Initial costs</b>			
Beginning balance	100.504.903.261	1.142.992.000	101.647.895.261
Ending balance	<u>100.504.903.261</u>	<u>1.142.992.000</u>	<u>101.647.895.261</u>
<i>In which:</i>			
Assets fully amortized but still in use	24.867.893.735	561.920.000	25.429.813.735
<b>Amortization</b>			
Beginning balance	42.028.709.019	891.411.127	42.920.120.146
Amortization during the period	873.643.434	44.012.004	917.655.438
Ending balance	<u>42.902.352.453</u>	<u>935.423.131</u>	<u>43.837.775.584</u>
<b>Net book values</b>			
Beginning balance	58.476.194.242	251.580.873	58.727.775.115
Ending balance	<u>57.602.550.808</u>	<u>207.568.869</u>	<u>57.810.119.677</u>
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

Some intangible fixed assets, i.e. land use right, of which the net book values are VND 51.255.929.735 (beginning balance: VND 28.328.374.408) have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch and VietinBank - Binh Duong Branch (see Note No. V.19).



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**11. Investment property for lease**

	<u>Houses</u>	<u>Infrastructure</u>	<u>Total</u>
<b>Historical costs</b>			
Beginning balance	7.374.299.499	957.092.617	8.331.392.116
<b>Ending balance</b>	<u>7.374.299.499</u>	<u>957.092.617</u>	<u>8.331.392.116</u>
<i>In which:</i>			
Assets fully depreciated but still leasing	-	823.279.689	823.279.689
<b>Depreciation</b>			
Beginning balance	3.698.231.099	925.830.023	4.624.061.122
Depreciation during the period	200.032.890	16.394.498	216.427.388
<b>Ending balance</b>	<u>3.898.263.989</u>	<u>942.224.521</u>	<u>4.840.488.510</u>
<b>Net book values</b>			
Beginning balance	3.676.068.400	31.262.594	3.707.330.994
<b>Ending balance</b>	<u>3.476.035.510</u>	<u>14.868.096</u>	<u>3.490.903.606</u>

Investment properties for lease, of which the net book values are VND 1.343.147.610 (beginning balance: VND 1.409.828.700) have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch (see Note No. V.19).

List of investment properties as at the balance sheet date is as follows:

	<u>Historical costs</u>	<u>Accumulated depreciation</u>	<u>Net book values</u>
Nguyen Van Tiet Showroom	3.373.745.556	2.030.597.946	1.343.147.610
Kindergarten	4.000.553.943	1.867.666.043	2.132.887.900
Kiosk (size: 15.2*6.6) at Nguyen Van Tiet Residential Area	206.917.348	206.917.348	-
Kiosk (size: 6.8*3) at Nguyen Van Tiet Residential Area	238.837.166	238.837.166	-
Kiosk (size: 7.5*23.7) at Nguyen Van Tiet Residential Area	377.525.175	377.525.175	-
Kiosk at Road D4 - Nguyen Van Tiet Residential Area	133.812.928	118.944.832	14.868.096
<b>Total</b>	<u>8.331.392.116</u>	<u>4.840.488.510</u>	<u>3.490.903.606</u>

**12. Construction-in-progress**

	<u>Beginning balance</u>	<u>Increase during the period</u>	<u>Inclusion into fixed assets during the period</u>	<u>Inclusion into expenses</u>	<u>Ending balance</u>
Acquisition of fixed assets	689.504.509	400.000.000	(1.089.504.509)	-	-
Construction-in-progress	2.181.443.094	2.199.606.091	(2.136.749.125)	(132.203.520)	2.112.096.540
<i>Thanh Phuoc concrete workshop - Phase 2</i>	1.988.944.736	1.873.561.316	(1.924.167.617)	-	1.938.338.435
<i>Thuan Giao brick workshop</i>	102.498.358	312.870.693	(212.581.508)	(132.203.520)	70.584.023
<i>Other constructions</i>	90.000.000	13.174.082	-	-	103.174.082
<b>Total</b>	<u>2.870.947.603</u>	<u>2.599.606.091</u>	<u>(3.226.253.634)</u>	<u>(132.203.520)</u>	<u>2.112.096.540</u>

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**13. Short-term trade payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related party</i>	<i>11.458.624.660</i>	<i>606.219.941</i>
Mien Dong Joint- Stock Company	11.458.624.660	606.219.941
<i>Payables to other suppliers</i>	<i>13.844.122.577</i>	<i>14.610.829.572</i>
Thu Thanh Phat Company Limited	463.741.069	2.148.850.050
Dai Loc Phat Construction Trading Services Joint Stock Company	-	576.623.865
Hop Nhan Trading Transport and Mechanical Construction Joint Stock Company	22.077.000	2.205.236.144
Hoang Phuong Dong Co., Ltd.	1.344.463.884	1.087.844.878
Far-East Construction - Trade Company Limited	790.520.659	1.060.520.659
Hoa Binh Minh Corporation Company Limited - Binh Duong Construction Material Branch	1.224.843.712	448.087.503
CCM Trading Service Company Limited	4.063.695.757	-
Other suppliers	5.934.780.496	7.083.666.473
<b>Total</b>	<b><u>25.302.747.237</u></b>	<b><u>15.217.049.513</u></b>

The Group has no overdue trade payables.

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

	<u>Ending balance</u>	<u>Beginning balance</u>
Management Board of Thu Dau Mot City Construction Investment Project	21.963.430.000	-
Management Board of Ben Cat Town Construction Investment Project	1.088.494.000	-
Mr. Bien Thanh Nhan	3.496.416.000	3.496.416.000
Other customers	3.395.502.630	5.202.365.797
<b>Total</b>	<b><u>29.943.842.630</u></b>	<b><u>8.698.781.797</u></b>

**15. Taxes and other obligations to the State Budget**

	<u>Beginning balance</u>		<u>Increase during the period</u>		<u>Ending balance</u>	
	Payables	Receivables	Amount payable	Amount paid	Payables	Receivables
VAT on local sales	-	3.792.973.239	376.395.840	-	-	3.416.577.399
Corporate income tax	-	1.224.413.526	-	-	-	1.224.413.526
Personal income tax	-	244.077.655	592.800.251	(1.024.571.950)	-	675.849.354
Natural resource tax	83.083.300	-	257.580.000	(325.435.300)	15.228.000	-
Other taxes	-	-	8.000.000	(8.000.000)	-	-
Fees, legal fees and other duties	27.417.489	-	90.001.400	(110.393.649)	7.025.240	-
<b>Total</b>	<b><u>110.500.789</u></b>	<b><u>5.261.464.420</u></b>	<b><u>1.324.777.491</u></b>	<b><u>(1.468.400.899)</u></b>	<b><u>22.253.240</u></b>	<b><u>5.316.840.279</u></b>

**Value added tax (VAT)**

The Group companies have to pay VAT in accordance with the deduction method at the rate of 10%.

**Corporate income tax**

The Group companies have to pay corporate income tax on taxable income at the rate of 20%.

Details of corporate income tax payable are as follows:

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	<u>Current year</u>	<u>Accumulated from the beginning of the year Previous year</u>
Corporate income tax on income subject to tax of the current year	-	3.431.718.287
Adjustments of corporate income tax of the previous years	-	-
<b>Corporate income tax to be paid</b>	<b>-</b>	<b>3.431.718.287</b>

Determination of corporate income tax liability of the Group companies is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Consolidated Interim Financial Statements can be changed upon the inspection of tax authorities.

**Natural resource tax**

The Group companies have to pay natural resource tax imposed on quarrying at the rate of 10% over the taxable value.

**Land rental**

Land rental is paid according to the notices of the tax authority.

**Other taxes**

The Group companies have declared and paid these taxes in line with the prevailing regulations.

**16. Payables to employees**

This item reflects the salary to be paid to employees.

**17. Short-term accrued expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Temporarily accrued costs of construction and installation	3.722.471.093	36.312.332.457
Expenses for local support and rehabilitation of Tan Dong Hiep quarry environment	1.378.831.072	1.894.606.950
Other short-term accrued expenses	148.125.883	131.971.256
<b>Total</b>	<b>5.249.428.048</b>	<b>38.338.910.663</b>

**18. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade Union's expenditure	77.900.460	78.500.520
Dividends payable	27.342.075	26.216.675
Payables for temporarily works warranty of construction teams, subcontractors	5.323.075.570	6.013.379.529
Short-term deposits, mortgages	883.097.137	883.097.137
Loan interest payable	228.283.877	361.965.572
Other short-term payables	714.680.346	57.470.820
<b>Total</b>	<b>7.254.379.465</b>	<b>7.420.630.253</b>

The Group has no other overdue payables.

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**Notes to the Consolidated Interim Financial Statements (cont.)****19. Borrowings****19a. Short-term borrowings**

	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term loans from banks	176.902.694.007	307.124.336.095
Loan from BIDV – Southern Binh Duong Branch <sup>(i)</sup>	157.945.473.762	307.124.336.095
Loan from Vietcombank – Binh Duong Branch <sup>(ii)</sup>	18.133.688.780	-
Loan from VietinBank – Binh Duong Branch <sup>(iii)</sup>	823.531.465	-
Current portions of long-term loans (see Note No. V.19b)	<u>9.408.400.000</u>	<u>9.248.400.000</u>
<b>Total</b>	<b><u>186.311.094.007</u></b>	<b><u>316.372.736.095</u></b>

- (i) Loan from BIDV – Southern Binh Duong Branch is to supplement the working capital with credit line of VND 400.000.000.000 at the interest rate defined for each loan acknowledgement. The maximum loan term for each loan is 12 months. This loan is secured by mortgaging 12-month deposit balance, bonds issued by banks and some other assets, i.e. finished real estate, prepaid expenses which are land use right, tangible fixed assets, intangible fixed assets and investment property (see Notes No. V.2b, V.7, V.8, V.9, V.10 and V.11).
- (ii) Loan from Vietcombank – Binh Duong Branch is to supplement the working capital with credit line of VND 40.000.000.000 at the interest rate defined for each loan acknowledgement. The loan term is 12 months. This loan is secured by mortgaging some other assets, i.e. prepaid expenses which are land use right and intangible fixed assets (see Notes No. V.8 and V.10).
- (iii) Loan from VietinBank – Binh Duong Branch is to supplement the working capital with credit line of VND 70.000.000.000 at the interest rate defined for each loan acknowledgement. The loan term is 12 months. This loan is secured by mortgaging some other assets, i.e. bank bonds, prepaid expenses which are land use right, tangible fixed assets and intangible fixed assets (see Notes No. V.2b, V.8, V.9 and V.10).

The Group is solvent over short-term loans.

Details of increases/(decreases) of short-term borrowings during the period are as follows:

	<u>Beginning balance</u>	<u>Increase during the period</u>	<u>Transfer from long-term borrowings</u>	<u>Amount repaid during the period</u>	<u>Ending balance</u>
Short-term loans from banks	307.124.336.095	220.269.945.435	-	(350.491.587.523)	176.902.694.007
Current portions of long-term loans	9.248.400.000	-	4.744.200.000	(4.584.200.000)	9.408.400.000
<b>Total</b>	<b><u>316.372.736.095</u></b>	<b><u>220.269.945.435</u></b>	<b><u>4.744.200.000</u></b>	<b><u>(355.075.787.523)</u></b>	<b><u>186.311.094.007</u></b>

**19b. Long-term borrowings**

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan from BIDV – Southern Binh Duong Branch <sup>(i)</sup>	20.399.067.500	5.400.000.000
Loan from VietinBank – Binh Duong Branch <sup>(ii)</sup>	3.960.000.000	23.703.267.500
<b>Total</b>	<b><u>24.359.067.500</u></b>	<b><u>29.103.267.500</u></b>

- (i) The loan from BIDV – Southern Binh Duong Branch is to refund investment in machinery and equipment for the production of unburnt bricks and purchase of vehicles at the floating interest rate. The loan term is 60 months, starting from the first disbursement date. This loan is secured by mortgaging some tangible fixed assets (see Note No. V.9).

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- (ii) The medium and long-term loans from VietinBank – Binh Duong Branch are to acquire fixed assets and invest in Thanh Phuoc Plant at the floating interest rate. The loan terms are 5 years and 10 years respectively, starting from the first disbursement date. These loans are secured by mortgaging some assets, i.e. prepaid expenses which are land use right, tangible fixed assets and intangible fixed assets (see Notes No. V.8, V.9 and V.10).

The Group is solvent over long-term loans.

Repayment schedule of long-term borrowings is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	9.408.400.000	9.248.400.000
More than 1 year to 5 years	24.359.067.500	29.103.267.500
More than 5 years	-	-
<b>Total</b>	<b><u>33.767.467.500</u></b>	<b><u>38.351.667.500</u></b>

Details of increase/(decrease) of long-term borrowings are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	29.103.267.500	38.391.667.500
Transfer to short-term borrowings	(4.744.200.000)	(4.664.200.000)
<b>Ending balance</b>	<b><u>24.359.067.500</u></b>	<b><u>33.727.467.500</u></b>

**19c. Overdue borrowings**

The Group has no overdue loans.

**20. Provisions for short-term payables**

This item reflects provisions for warranty of construction works. Details are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	897.339.561	3.467.824.145
Increase due to extraction	13.456.755	-
Amount used	(303.427.003)	(181.568.880)
<b>Ending balance</b>	<b><u>607.369.313</u></b>	<b><u>3.286.255.265</u></b>

**21. Bonus and welfare funds**

	<u>Beginning balance</u>	<u>Increase due to other proceeds</u>	<u>Increase due to appropriation from profit</u>	<u>Disbursement during the period</u>	<u>Adjustment</u>	<u>Decrease due to excessive extraction</u>	<u>Ending balance</u>
Bonus fund	572.117.520	-	-	(1.020.494.869)	450.000.000	-	1.622.651
Welfare fund	877.953.191	947.810.000	-	(256.650.000)	(450.000.000)	(209.255.257)	909.857.934
Bonus fund for the Executive Officers	-	-	396.325.562	(396.325.562)	-	-	-
<b>Total</b>	<b><u>1.450.070.711</u></b>	<b><u>947.810.000</u></b>	<b><u>396.325.562</u></b>	<b><u>(1.673.470.431)</u></b>	<b><u>-</u></b>	<b><u>(209.255.257)</u></b>	<b><u>911.480.585</u></b>

**22. Owner's equity****22a. Statement of fluctuations in owner's equity**

Information on the fluctuations in owner's equity is presented in the attached Appendix 01.

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**22b. Details of capital contribution of the owners**

	<u>Ending balance</u>	<u>Beginning balance</u>
Domestic individuals	133.560.590.000	134.469.360.000
Overseas individuals	806.800.000	684.890.000
Domestic organizations	10.964.010.000	9.257.180.000
Overseas organizations	4.960.050.000	5.880.020.000
Treasury shares	10.000.000	10.000.000
<b>Total</b>	<b><u>150.301.450.000</u></b>	<b><u>150.301.450.000</u></b>

**22c. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	15.030.145	15.030.145
Number of shares sold to the public	15.030.145	15.030.145
- Common shares	15.030.145	15.030.145
- Preferred shares	-	-
Number of shares repurchased	1.000	1.000
- Common shares	1.000	1.000
- Preferred shares	-	-
Number of outstanding shares	15.029.145	15.029.145
- Common shares	15.029.145	15.029.145
- Preferred shares	-	-

Face value of outstanding shares: VND 10.000.

**22d. Profit distribution**

The profit has been distributed according to the Resolution No. 01/NQ-ĐHĐCĐ dated 20 April 2022 of 2023 Annual General Meeting of Shareholders as follows:

	<u>Amount to be distributed</u>	<u>Amount appropriated in the previous year</u>	<u>Amount appropriated in the current year</u>
• Dividends distributed to shareholders	15.030.145.000	-	15.030.145.000
• Appropriation for investment and development fund	1.585.302.250	-	1.585.302.250
• Appropriation for bonus and welfare funds	792.651.125	1.001.906.382	(209.255.257)
• Appropriation for bonus fund to the Executive Officers	396.325.562	-	396.325.562
• Appropriation for remuneration of the Board of Management	396.325.562	-	396.325.562

**23. Off-Consolidated interim balance sheet items****23a. Treated doubtful debts**

	<u>Ending balance</u>	<u>Beginning balance</u>	<u>Reasons for writing off</u>
Van Hai Construction Company Limited	484.735.894	484.735.894	Irrecoverable
Tien Phat Iron and Steel Construction Company Limited	660.504.913	660.504.913	Irrecoverable
Other subjects	1.149.413.384	1.149.413.384	Irrecoverable
<b>Total</b>	<b><u>2.294.654.191</u></b>	<b><u>2.294.654.191</u></b>	

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**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM INCOME STATEMENT****1. Sales****1a. Gross sales**

	Accumulated from the beginning of the year	
	<u>Current year</u>	<u>Previous year</u>
Sales of merchandises	75.797.935.640	83.676.718.770
Sales of finished goods	134.016.921.060	119.091.326.690
Sales of service provisions	1.753.329.437	5.684.395.925
Sales of real estate trading	1.218.545.466	1.011.818.190
Sales of construction contracts	7.063.298.083	70.737.367.799
Other sales	265.371.124	-
<b>Total</b>	<b><u>220.115.400.810</u></b>	<b><u>280.201.627.374</u></b>

**1b. Sales to related parties**

Apart from sales of goods and service provisions to associates presented in Note No. V.2c, the Group has no sales of goods and service provisions to other related parties.

**2. Costs of sales**

	Accumulated from the beginning of the year	
	<u>Current year</u>	<u>Previous year</u>
Costs of merchandises sold	69.058.088.210	65.271.710.980
Costs of finished goods sold	115.998.408.725	105.881.103.144
Costs of services provided	2.023.730.444	5.399.505.451
Costs of real estate trading	224.700.752	288.063.972
Costs of construction activities	6.254.732.565	65.837.258.754
Allowance/(Reversal of allowance) for inventories	(353.684.829)	(18.764.041)
Other costs	247.915.880	-
<b>Total</b>	<b><u>193.453.891.747</u></b>	<b><u>242.658.878.260</u></b>

**3. Financial income**

	Accumulated from the beginning of the year	
	<u>Current year</u>	<u>Previous year</u>
Demand deposit interests	19.142.794	17.290.187
Term deposit interests	3.513.996.573	3.048.483.075
Dividends and profit received	1.251.101.667	250.000
Interest on bonds	332.896.000	413.846.000
Interest on trading securities	366.457.186	210.838.090
Proceeds from liquidation of other short-term and long-term investments	-	1.220.396
<b>Total</b>	<b><u>5.483.594.220</u></b>	<b><u>3.691.927.748</u></b>

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Notes to the Consolidated Interim Financial Statements (cont.)

**4. Financial expenses**

	Accumulated from the beginning of the year	
	Current year	Previous year
Loan interest expenses	10.276.055.203	6.152.374.846
Expenses on sales of securities	12.065.403	7.348.652
Extraction for/(reversal of) provisions for impairment of trading securities and investment loss	(2.636.724.480)	2.549.897.865
Other expenses	-	4.924.762
<b>Total</b>	<b>7.651.396.126</b>	<b>8.714.546.125</b>

**5. Selling expenses**

	Accumulated from the beginning of the year	
	Current year	Previous year
Expenses for employees	63.686.000	174.544.538
Depreciation/(amortization) of fixed assets	93.676.548	93.676.548
Transport expenses	14.067.027.186	10.031.900.422
Other expenses	454.976.694	470.009.157
<b>Total</b>	<b>14.679.366.428</b>	<b>10.770.130.665</b>

**6. General and administration expenses**

	Accumulated from the beginning of the year	
	Current year	Previous year
Employees	4.552.109.716	4.694.674.788
Office supplies	96.898.758	91.505.472
Depreciation/(amortization) of fixed assets	935.814.750	855.828.178
Taxes, fees and legal fees	11.000.000	8.000.000
Allowance/(Reversal of allowance) for doubtful debts	433.281.151	(380.832.590)
External services rendered	612.988.842	594.379.599
Other cash expenses	2.224.228.453	1.498.847.960
<b>Total</b>	<b>8.866.321.670</b>	<b>7.362.403.407</b>

**7. Other income**

	Accumulated from the beginning of the year	
	Current year	Previous year
Proceeds from liquidation, disposal of fixed assets	-	420.982.727
Recovery of spilled rock from the mine	-	1.170.059.364
Reversal of provision for constructions under warranty	3.730.000	5.568.000
Other income	66.071.234	1.996.122.665
<b>Total</b>	<b>69.801.234</b>	<b>3.592.732.756</b>

**8. Other expenses**

	Accumulated from the beginning of the year	
	Current year	Previous year
Loss on liquidation, disposal of fixed assets, investment properties	135.158.374	-
Fines for administrative violations	-	79.369.273
Other expenses	9.793	911.612.224
<b>Total</b>	<b>135.168.167</b>	<b>990.981.497</b>



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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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Notes to the Consolidated Interim Financial Statements (cont.)

**9. Earnings per share****9a. Basic/diluted earnings per share**

	<b>Accumulated from the beginning of the year</b>	
	<b>Current year</b>	<b>Previous year</b>
Accounting profit after corporate income tax	3.774.584.831	14.484.062.122
Appropriation for bonus and welfare funds	(462.476.267)	(1.199.218.932)
Appropriation for remuneration of the Board of Management	(180.000.000)	(399.739.644)
Profit used to calculate basic/diluted earnings per share	3.132.108.564	12.885.103.547
The average number of ordinary shares outstanding during the period	15.029.145	15.029.145
<b>Basic/diluted earnings per share</b>	<b>208</b>	<b>857</b>

**9b. Other information**

There is no transaction over the common share or potential common share from the balance sheet date until the date of these Consolidated Interim Financial Statements.

**10. Operating costs**

	<b>Accumulated from the beginning of the year</b>	
	<b>Current year</b>	<b>Previous year</b>
Materials and supplies	103.488.086.704	128.381.926.152
Labor costs	18.061.617.357	19.354.670.779
Depreciation/(amortization) of fixed assets	12.361.185.916	12.457.369.818
External services rendered	38.689.012.034	48.072.141.709
Other expenses	6.956.326.422	7.852.975.643
<b>Total</b>	<b>179.556.228.433</b>	<b>216.119.084.101</b>

**VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM CASH FLOW STATEMENT**

As of the balance sheet date, the Group has the prepayment for acquisition and construction of fixed assets for an amount of VND 939.150.220 (beginning balance: VND 0).

**VIII. OTHER DISCLOSURES****1. Operating leased assets**

As at the balance sheet date, the total minimum rental to be collected in the future from irrevocable operating leases is as follows:

	<b>Ending balance</b>	<b>Beginning balance</b>
1 year or less	4.898.581.818	4.957.709.091
More than 1 year to 5 years	2.282.596.970	2.775.074.242
More than 5 years	2.620.300.000	2.620.300.000
<b>Total</b>	<b>9.801.478.788</b>	<b>10.353.083.333</b>

**2. Transactions and balances with related parties**

The Group's related parties include the key managers, their related individuals and other related parties.

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For the first 6 months of the fiscal year ending 31 December 2023

**Notes to the Consolidated Interim Financial Statements (cont.)****2a. Transactions and balances with the key managers and their related individuals**

The key managers include the Board of Management and the Executive Officers (the Board of Directors and the Chief Accountant) of the Parent Company. The key managers' related individuals are their close family members.

*Transactions with the key managers and their related individuals*

The Group has no sales of goods and service provisions and no other transactions with the key managers and their related individuals.

*Receivables from and payables to the key managers and their related individuals*

Receivables from and payables to the key managers and their related individuals are presented in Note No. V.5.

*Income of the key managers*

	Position	Salary	Bonus	Remuneration	Total
<b>Current period</b>					
<i>Board of Management</i>					
Mr. Nguyen Le Van	Chairman	10.000.000	-	28.242.459	38.242.459
Mr. Vo Van Lanh	Member	7.000.000	31.716.650	2.864.452	41.581.102
Mr. Tran Van Binh	Member	7.000.000	22.756.956	2.864.452	32.621.408
Mr. Trinh Tien Bay	Member	7.000.000	-	27.152.603	34.152.603
Mr. Bui Tien Duc	Member	7.000.000	-	25.355.289	32.355.289
<i>Executive Officers</i>					
Mr. Vo Van Lanh	General Director	359.964.110	135.269.000	-	495.233.110
Mr. Tran Van Binh	Deputy General Director	258.107.173	94.688.000	-	352.795.173
<i>Other managers</i>					
Mr. Nguyen Xuan Hieu	Chief Accountant	215.948.388	117.444.956	-	333.393.344
Mr. Lu Minh Quan	Corporate Administrator	77.050.669	1.850.000	3.148.339	82.049.008
<b>Total</b>		<b>949.070.340</b>	<b>403.725.562</b>	<b>89.627.594</b>	<b>1.442.423.496</b>
<b>Previous period</b>					
<i>Board of Management</i>					
Mr. Nguyen Le Van	Chairman	-	-	269.165.000	269.165.000
Mr. Vo Van Lanh	Member	-	-	147.472.000	147.472.000
Mr. Tran Van Binh	Member	-	-	135.666.000	135.666.000
Mr. Nguyen Huu Nghia	Member	-	-	166.465.000	166.465.000
Mr. Trinh Tien Bay	Member	-	-	166.505.000	166.505.000
Mr. Bui Tien Duc	Member	-	-	21.000.000	21.000.000
<i>Executive Officers</i>					
Mr. Vo Van Lanh	General Director	470.544.000	561.377.000	-	1.031.921.000
Mr. Tran Van Binh	Deputy General Director	345.207.000	393.519.000	-	738.726.000
<i>Other managers</i>					
Mr. Nguyen Xuan Hieu	Chief Accountant	343.279.000	432.686.000	-	775.965.000
Mr. Lu Minh Quan	Corporate Administrator	-	-	100.251.000	100.251.000
<b>Total</b>		<b>1.159.030.000</b>	<b>1.387.582.000</b>	<b>1.006.524.000</b>	<b>3.553.136.000</b>

## CIC39 CORPORATION

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2023

Notes to the Consolidated Interim Financial Statements (cont.)

#### 2b. *Transactions and balances with other related parties*

Other related parties of the Group include:

<u>Other related parties</u>	<u>Relationship</u>
Mien Dong Joint-Stock Company	Associate
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	Associate

#### *Transactions with other related parties*

Apart from transactions with associates presented in Notes No. V.2c and VI.1b, the Group has no transactions with other related parties.

The prices of merchandises and services supplied to other related parties are mutually agreed prices. The purchases of merchandises and services from other related parties are done at the agreed prices.

#### *Receivables from and payables to other related parties*

Receivables from and payables to other related parties are presented in Notes No. V.3, V.5 and V.13.

#### 3. **Segment information**

The primary reporting format is the business segment since the Group's operations are organized and managed based on the natures of products and services provided.

##### 3a. *Information on business segment*

The Group has the following main business segments:

- Segment 01: Manufacture of sewers, bricks and stones.
- Segment 02: Construction.
- Segment 03: Construction materials.
- Segment 04: Others.

Segment information on business segment of the Group is presented in the attached Appendix 02.

##### 3b. *Information on geographical segment*

All operations of the Group only take place in Vietnamese territory.

#### 4. **Subsequent events**

There are no material subsequent events which are required adjustments or disclosures in the Consolidated Interim Financial Statements.

Nguyen Thi Cam Van  
Preparer

Nguyen Xuan Hieu  
Chief Accountant



Binh Duong, 21 August 2023

Vo Van Lan  
General Director

**CIC39 CORPORATION**

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ending 31 December 2023

**Appendix 01: Statement of fluctuations in owner's equity**

Unit: VND

	Capital	Share premiums	Treasury shares	Investment and development fund	Retained earnings	Benefits of non-controlling shareholders	Total
Beginning balance of the previous year	150.301.450.000	2.190.000.000	-	214.632.363.885	214.814.400.032	1.966.126.009	583.904.339.926
Repurchase of issued shares	-	-	(20.100.000)	-	-	-	(20.100.000)
Profit in the previous period	-	-	-	-	14.484.062.122	183.366	14.484.245.488
Adjustment of bonus fund due to excessive extraction	-	-	-	-	13.505.003	-	13.505.003
<b>Ending balance of the previous period</b>	<b>150.301.450.000</b>	<b>2.190.000.000</b>	<b>(20.100.000)</b>	<b>214.632.363.885</b>	<b>229.311.967.157</b>	<b>1.966.309.375</b>	<b>598.381.990.417</b>
Beginning balance of the current year	150.301.450.000	2.190.000.000	(20.100.000)	214.632.363.885	218.134.360.575	1.966.320.396	587.204.394.856
Profit in the current period	-	-	-	-	3.774.584.831	760.515	3.775.345.346
Extraction for funds in the current period	-	-	-	1.585.302.250	(1.981.627.812)	-	(396.325.562)
Dividend and profit distribution in the current period	-	-	-	-	(15.030.145.000)	-	(15.030.145.000)
Adjustment of bonus fund due to excessive extraction	-	-	-	-	209.255.257	-	209.255.257
Remuneration of the Board of Management	-	-	-	-	(396.325.562)	-	(396.325.562)
Other increases	-	-	-	-	(497.703.867)	-	(497.703.867)
<b>Ending balance of the current period</b>	<b>150.301.450.000</b>	<b>2.190.000.000</b>	<b>- 20.100.000</b>	<b>216.217.666.135</b>	<b>204.212.398.422</b>	<b>1.967.080.911</b>	<b>574.868.495.468</b>



Nguyen Thi Cam Van  
Preparer



Nguyen Xuan Hieu  
Chief Accountant



Binh Duong, 25 August 2023

Vo Van Lanh  
General Director

**CIC39 CORPORATION**

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**Appendix 02: Segment information according to business segments**

Unit: VND

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses according to business segments of the Group is as follows:

	Production of sewers, bricks and stones	Construction	Construction materials	Others	Total
<b>Current period</b>					
Net external sales	134.016.921.060	7.063.298.083	75.797.935.640	3.237.246.027	220.115.400.810
Net inter-segment sales	-	-	-	-	-
<b>Total net sales</b>	<b>134.016.921.060</b>	<b>7.063.298.083</b>	<b>75.797.935.640</b>	<b>3.237.246.027</b>	<b>220.115.400.810</b>
Segment financial performance	18.372.197.164	808.565.518	6.739.847.430	740.898.951	26.661.509.063
Expenses not attributable to segments					(23.545.688.098)
Operating profit					3.115.820.965
Financial income					5.483.594.220
Financial expenses					(7.651.396.126)
Gain or loss in joint ventures and associates					2.892.693.220
Other income					69.801.234
Other expenses					(135.168.167)
Current income tax					-
Deffered income tax					-
<b>Profit after tax</b>					<b>3.775.345.346</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>3.486.677.669</b>	<b>153.449.656</b>	<b>1.279.089.012</b>	<b>140.607.887</b>	<b>5.059.824.224</b>
<b>Total depreciation/(amortization) and allocation of long-term prepayments</b>	<b>10.130.111.450</b>	<b>445.829.028</b>	<b>3.716.235.190</b>	<b>408.518.855</b>	<b>14.700.694.523</b>
<b>Total remarkable non-cash expenses (except for depreciation/(amortization) and allocation of long-term prepayments)</b>	<b>307.842.923</b>	<b>13.548.253</b>	<b>112.932.292</b>	<b>12.414.439</b>	<b>446.737.907</b>



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**Appendix 02: Segment information according to business segments (cont.)**

	Production of sewers, bricks and stones	Construction	Construction materials	Others	Total
<b>Previous period</b>					
Net external sales	119.084.781.090	70.737.367.799	83.676.718.770	6.696.214.115	280.195.081.774
Net inter-segment sales	-	-	-	-	-
<b>Total net sales</b>	<b>119.084.781.090</b>	<b>70.737.367.799</b>	<b>83.676.718.770</b>	<b>6.696.214.115</b>	<b>280.195.081.774</b>
Segment financial performance	13.222.441.987	4.900.109.045	18.405.007.790	1.008.644.692	37.536.203.514
Expenses not attributable to segments					(18.132.534.072)
Operating profit					19.403.669.442
Financial income					3.691.927.748
Financial expenses					(8.714.546.125)
Gain or loss in joint ventures and associates					933.161.451
Other income					3.592.732.756
Other expenses					(990.981.497)
Current income tax					(3.431.718.287)
Deferred income tax					-
<b>Profit after tax</b>					<b>14.484.245.488</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>1.189.876.413</b>	<b>440.956.684</b>	<b>1.656.251.143</b>	<b>90.767.086</b>	<b>3.377.851.326</b>
<b>Total depreciation/(amortization) and allocation of long-term prepayments</b>	<b>5.191.038.602</b>	<b>1.923.748.671</b>	<b>7.225.677.828</b>	<b>395.986.879</b>	<b>14.736.451.980</b>
<b>Total remarkable non-cash expenses (except for depreciation/(amortization) and allocation of long-term prepayments)</b>	<b>134.151.469</b>	<b>49.715.236</b>	<b>186.732.438</b>	<b>10.233.449</b>	<b>380.832.592</b>



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Appendix 02: Segment information according to business segments (cont.)

The Group's assets and liabilities according to business segments are as follows:

	Production of sewers, bricks and stones	Construction	Construction materials	Others	Total
<b>Ending balance</b>					
Direct assets of segment	-	-	-	-	-
Allocated assets	354.924.771.353	18.706.141.264	200.740.061.503	8.573.386.083	582.944.360.203
Unallocated assets					274.775.110.022
<b>Total assets</b>					<b>857.719.470.225</b>
Direct liabilities of segment	-	-	-	-	-
Allocated liabilities	171.658.424.604	9.047.175.624	97.087.398.496	4.146.495.448	281.939.494.172
Unallocated liabilities					911.480.585
<b>Total liabilities</b>					<b>282.850.974.757</b>
<b>Beginning balance</b>					
Direct assets of segment	-	-	-	-	-
Allocated assets	278.417.259.715	160.790.129.990	195.026.975.787	13.716.304.127	647.950.669.619
Unallocated assets					362.494.771.955
<b>Total assets</b>					<b>1.010.445.441.574</b>
Direct liabilities of segment	-	-	-	-	-
Allocated liabilities	181.238.932.559	104.668.193.183	126.955.063.590	8.928.786.675	421.790.976.007
Unallocated liabilities					1.450.070.711
<b>Total liabilities</b>					<b>423.241.046.718</b>



Nguyen Thi Cam Van  
Preparer



Nguyen Xuan Hieu  
Chief Accountant



Binh Duong, 25 August 2023

Vo Van Lanh  
General Director

