

# **Phat Dat Real Estate Development Corp**

Consolidated financial statements

For the year ended 31 December 2023



# Phat Dat Real Estate Development Corp

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# Phat Dat Real Estate Development Corp

## GENERAL INFORMATION

### THE COMPANY

Phat Dat Real Estate Development Corp ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002655 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 13 September 2004, as amended.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") with code PDR in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9 July 2010.

The current principal activities of the Company and its subsidiaries are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management.

The Company's registered head office is located at 39 Pham Ngoc Thach Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

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

Mr Nguyen Van Dat	Chairman	
Mr Nguyen Tan Danh	Deputy Chairman	
Ms Tran Thi Huong	Deputy Chairwoman	resigned on 30 June 2023
Mr Bui Quang Anh Vu	Member	
Mr Le Quang Phuc	Member	
Mr Doan Viet Dai Tu	Member	resigned on 30 June 2023
Mr Tran Trong Gia Vinh	Independent member	
Mr Duong Hao Ton	Independent member	appointed on 30 June 2023
Mr Khuong Van Muoi	Independent member	resigned on 30 June 2023

### AUDIT COMMITTEE

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

Mr Duong Hao Ton	Chairman of Audit Committee	appointed on 30 June 2023
Mr Tran Trong Gia Vinh	Chairman of Audit Committee	resigned on 30 June 2023
	Member	appointed on 30 June 2023
Mr Le Quang Phuc	Member	
Ms Tran Thi Huong	Member	resigned on 30 June 2023

### MANAGEMENT

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

Mr Bui Quang Anh Vu	General Director	
Mr Nguyen Dinh Tri	Deputy General Director	
Mr Truong Ngoc Dung	Deputy General Director	
Mr Truong Khac Sinh	Deputy General Director	
Mr Phan Le Hoa	Deputy General Director	appointed on 1 September 2023
Ms Le Tran Bich Thuy	Deputy General Director	appointed on 1 March 2024
Mr Vu Kim Dien	Deputy General Director	resigned on 29 April 2023

### LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are Mr Nguyen Van Dat and Mr Bui Quang Anh Vu.

### AUDITORS

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



## REPORT OF MANAGEMENT

## MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

1 March 2024



Reference: 66919007/22986428-HN

## **INDEPENDENT AUDITORS' REPORT**

**To: The Shareholders of Phat Dat Real Estate Development Corp**

We have audited the accompanying consolidated financial statements of Phat Dat Real Estate Development Corp ("the Company") and its subsidiaries ("the Group") as prepared on 1 March 2024 and set out on pages 5 to 53, which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### ***Management's responsibility***

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

### ***Auditors' responsibility***

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

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

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

### *Opinion*

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

### **Ernst & Young Vietnam Limited**



Hang Nhat Quang  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 1772-2023-004-1



Ton Thien Bao Ngoc  
Auditor  
Audit Practicing Registration Certificate  
No. 4177-2022-004-1

Ho Chi Minh City, Vietnam

1 March 2024

CONSOLIDATED BALANCE SHEET  
as at 31 December 2023

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>16,916,369,227,862</b>	<b>18,216,542,992,545</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>505,106,794,464</b>	<b>261,762,460,542</b>
111	1. Cash		505,106,594,464	255,762,460,542
112	2. Cash equivalents		200,000	6,000,000,000
<b>120</b>	<b>II. Short-term investment</b>		<b>15,370,299,200</b>	<b>9,370,299,200</b>
123	1. Held-to-maturity investments	6	15,370,299,200	9,370,299,200
<b>130</b>	<b>III. Current accounts receivable</b>		<b>4,114,801,234,933</b>	<b>5,649,830,393,200</b>
131	1. Short-term trade receivables	7	2,311,498,091,152	2,076,872,008,346
132	2. Short-term advances to suppliers	8	884,525,552,477	976,276,816,642
136	3. Other short-term receivables	9	928,819,135,679	2,597,723,112,587
137	4. Provision for doubtful short-term receivables		(10,041,544,375)	(1,041,544,375)
<b>140</b>	<b>IV. Inventory</b>		<b>12,199,560,056,415</b>	<b>12,181,241,340,224</b>
141	1. Inventories	10	12,199,560,056,415	12,181,241,340,224
<b>150</b>	<b>V. Other current assets</b>		<b>81,530,842,850</b>	<b>114,338,499,379</b>
151	1. Short-term prepaid expenses		5,089,012,941	33,744,378,293
152	2. Value-added tax deductible	19	76,441,829,909	75,245,801,086
153	3. Tax and other receivables from the State	19	-	5,348,320,000



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2023


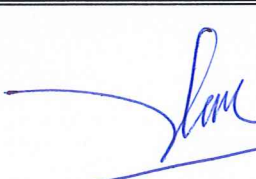

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>4,151,453,437,647</b>	<b>4,626,752,514,617</b>
<b>210</b>	<b>I. Long-term receivable</b>		<b>733,226,788,580</b>	<b>731,764,056,580</b>
216	1. Other long-term receivables	9	733,226,788,580	731,764,056,580
<b>220</b>	<b>II. Fixed assets</b>		<b>27,038,307,984</b>	<b>38,159,996,196</b>
221	1. Tangible fixed assets	12	23,171,738,081	30,410,462,177
222	Cost		78,837,654,237	78,876,512,437
223	Accumulated depreciation		(55,665,916,156)	(48,466,050,260)
227	2. Intangible fixed assets	13	3,866,569,903	7,749,534,019
228	Cost		15,006,259,881	15,006,259,881
229	Accumulated amortisation		(11,139,689,978)	(7,256,725,862)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>64,783,427,072</b>	<b>66,319,546,112</b>
231	1. Cost		75,664,270,272	75,664,270,272
232	2. Accumulated depreciation		(10,880,843,200)	(9,344,724,160)
<b>240</b>	<b>IV. Long-term asset in progress</b>		<b>1,169,510,498,408</b>	<b>1,052,153,293,147</b>
242	1. Construction in progress	15	1,169,510,498,408	1,052,153,293,147
<b>250</b>	<b>V. Long-term investments</b>		<b>1,201,750,674,685</b>	<b>1,776,215,637,325</b>
252	1. Investments in associates	16	1,198,940,674,685	1,773,405,637,325
255	2. Held-to-maturity investment	6	2,810,000,000	2,810,000,000
<b>260</b>	<b>VI. Other long-term assets</b>		<b>955,143,740,918</b>	<b>962,139,985,257</b>
261	1. Long-term prepaid expenses	11	947,189,699,716	954,158,573,547
262	2. Deferred tax assets	34.3	7,954,041,202	7,981,411,710
<b>270</b>	<b>TOTAL ASSETS</b>		<b>21,067,822,665,509</b>	<b>22,843,295,507,162</b>

CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2023

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>11,488,430,754,796</b>	<b>13,582,765,739,708</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>9,176,987,250,177</b>	<b>11,028,794,139,708</b>
311	1. Short-term trade payables	17	243,382,646,786	456,503,036,903
312	2. Short-term advances from customers	18	3,591,009,091	1,239,363,636,364
313	3. Statutory obligations	19	197,887,405,481	341,253,479,545
314	4. Payables to employees		9,026,702,743	11,407,127,175
315	5. Short-term accrued expenses	20	141,887,102,558	484,106,089,523
318	6. Short-term unearned revenues		3,064,373,327	3,201,225,865
319	7. Other short-term payables	21	7,739,566,208,040	5,796,465,047,119
320	8. Short-term loans	22	814,680,676,017	2,667,966,838,466
322	9. Bonus and welfare fund	23	23,901,126,134	28,527,658,748
<b>330</b>	<b>II. Non-current liabilities</b>		<b>2,311,443,504,619</b>	<b>2,553,971,600,000</b>
337	1. Other long-term liabilities	21	20,955,100,000	782,059,100,000
338	2. Long-term loans	22	2,290,488,404,619	1,771,912,500,000
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>9,579,391,910,713</b>	<b>9,260,529,767,454</b>
<b>410</b>	<b>I. Capital</b>		<b>9,579,391,910,713</b>	<b>9,260,529,767,454</b>
411	1. Share capital	24.1	7,388,108,400,000	6,716,462,190,000
411a	- Shares with voting rights		7,388,108,400,000	6,716,462,190,000
412	2. Share premium	24.1	71,120,900,000	71,680,300,000
418	3. Investment and development fund	24.1	230,128,842,335	207,383,584,076
421	4. Undistributed earnings	24.1	1,831,862,790,140	1,155,081,291,069
421a	- Undistributed earnings by the end of prior year		1,068,198,148,476	23,050,044,780
421b	- Undistributed earnings of current year		763,664,641,664	1,132,031,246,289
429	5. Non-controlling interests	25	58,170,978,238	1,109,922,402,309
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>21,067,822,665,509</b>	<b>22,843,295,507,162</b>

Pham Thi Doan Dung  
Preparer

Ngo Thuy Van  
Chief Accountant

Bui Quang Anh Vu  
General Director

Ho Chi Minh City, Vietnam

1 March 2024



CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	26	617,515,216,109	1,504,574,748,971
11	2. Cost of goods sold and services rendered	27	(73,816,280,440)	(227,303,005,242)
20	3. Gross profit from sale of goods and rendering of services		543,698,935,669	1,277,271,743,729
21	4. Finance income	28	952,218,319,140	1,371,607,378,618
22	5. Finance expenses	29	(399,487,766,179)	(759,741,957,526)
23	- In which: Interest expenses		(344,195,510,199)	(505,710,829,277)
24	6. Shares of loss of associates	16	(23,206,073,397)	(56,311,120)
25	7. Selling expenses	30	(14,473,776,877)	(26,251,976,329)
26	8. General and administrative expenses	30	(199,438,960,009)	(274,502,329,387)
30	9. Operating profit		859,310,678,347	1,588,326,547,985
31	10. Other income	31	70,345,130,592	2,922,423,724
32	11. Other expenses	32	(40,295,629,377)	(108,867,907,723)
40	12. Other loss		30,049,501,215	(105,945,483,999)
50	13. Accounting profit before tax		889,360,179,562	1,482,381,063,986
51	14. Current corporate income tax expense	34.1	(206,830,818,233)	(329,052,384,945)
52	15. Deferred tax (expense) income	34.1	(27,370,508)	7,303,451,453
60	16. Net profit after tax		682,501,990,821	1,160,632,130,494
61	17. Net profit after tax attributable to shareholders of the parent		684,058,609,709	1,137,262,912,956
62	18. Net loss after tax attributable to non-controlling interests		(1,556,618,888)	23,369,217,538
70	19. Basic earnings per share (VND/share)	36	1,003	1,685
71	20. Diluted earnings per share (VND/share)	36	1,003	1,685

Pham Thi Doan Dung  
Preparer

Ngo Thuy Van  
Chief Accountant

Bui Quang Anh Vu  
General Director

Ho Chi Minh City, Vietnam

1 March 2024



CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2023

VND


Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>889,360,179,562</b>	<b>1,482,381,063,986</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets and investment properties	12, 13, 14	12,685,366,336	13,990,105,797
03	Provisions		9,000,000,000	-
04	Foreign exchange losses arising from revaluation of monetary accounts denominated in foreign currency		22,215,948,341	24,398,706,415
05	Profits from investing activities		(929,012,245,743)	(1,069,612,009,925)
06	Interest expenses and bond issuance costs		377,038,206,693	535,341,541,111
08	<b>Operating profit before changes in working capital</b>		<b>381,287,455,189</b>	<b>986,499,407,384</b>
09	Decrease (increase) in receivables		2,465,297,049,896	(2,674,242,178,686)
10	Increase in inventories		(26,330,423,822)	(1,627,042,818,804)
11	(Decrease) Increase in payables		(1,647,478,743,227)	357,835,219,735
12	Increase in prepaid expenses		(939,932,083)	(35,969,853,266)
14	Interest paid		(415,876,206,180)	(502,929,328,313)
15	Corporate income tax paid		(321,418,299,445)	(261,360,792,968)
17	Other cash outflows for operating activities	23	(9,146,532,614)	(21,541,575,218)
20	<b>Net cash flows from (used in) operating activities</b>		<b>425,394,367,714</b>	<b>(3,778,751,920,136)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(104,996,189,297)	(80,901,043,000)
23	Payments for term deposits at banks		(6,000,000,000)	-
25	Payments for investments in other entities		(3,843,000,000)	(1,817,881,107,000)
26	Collections of investments in other entities		600,446,039,551	4,475,173,000,000
27	Interest received		4,218,863,784	8,529,439,509
30	<b>Net cash flows from investing activities</b>		<b>489,825,714,038</b>	<b>2,584,920,289,509</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Issuance of shares	24.1, 25	682,136,810,000	2,590,000,000
33	Drawdown of borrowings		1,748,544,938,370	3,249,015,250,161
34	Repayment of borrowings		(3,102,557,496,200)	(2,290,041,415,201)
40	<b>Net cash flows (used in) from financing activities</b>		<b>(671,875,747,830)</b>	<b>961,563,834,960</b>

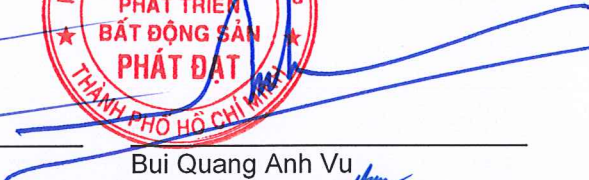
CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase (decrease) in cash and cash equivalents for the year		243,344,333,922	(232,267,795,667)
60	Cash and cash equivalents at beginning of year		261,762,460,542	494,030,256,209
70	Cash and cash equivalents at end of year	5	505,106,794,464	261,762,460,542

  
Pham Thi Doan Dung  
Preparer

  
Ngo Thuy Van  
Chief Accountant

  
Bui Quang Anh Vu  
General Director



Ho Chi Minh City, Vietnam

1 March 2024



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

**1. CORPORATE INFORMATION**

Phat Dat Real Estate Development Corp ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002655 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 13 September 2004, as amended.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") with code PDR in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9 July 2010.

The current principal activities of the Company and its subsidiaries ("the Group") are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management.

The Company's registered head office is located at 39 Pham Ngoc Thach Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 31 December 2023 was 257 persons (31 December 2022: 355).

**Corporate structure**

As at 31 December 2023, the Company has 7 direct subsidiaries and 2 indirect subsidiaries which were consolidated into the consolidated financial statements of the Group. Details of the subsidiaries are as follows:

*DK Phu Quoc Corporation ("DK Phu Quoc")*

DK Phu Quoc is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 1701522101 issued by the DPI of Kien Giang Province on 22 April 2011, as amended. DK Phu Quoc's registered head office is located at No. 229, 30/4 Street, Quarter 1, Duong Dong Ward, Phu Quoc City, Kien Giang Province, Vietnam. The principal activities of DK Phu Quoc are to trade real estate properties and provide construction services.

As at 31 December 2023 and 31 December 2022, the Company holds a 99% equity share and voting rights in this subsidiary.

*Coinin Construction Investment Infrastructure Company Limited ("Coinin")*

Coinin is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0313662185 issued by the DPI of Ho Chi Minh City on 25 February 2016, as amended. Coinin's registered head office is located at Floor 10, Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activities of Coinin are to trade real estate properties and provide construction services.

As at 31 December 2023 and 31 December 2022, the Company holds a 99.9% equity share and voting rights in this subsidiary.

*Ngo May Real Estate Investment Joint Stock Company ("Ngo May")*

Ngo May is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 4101553978 issued by the DPI of Binh Dinh Province on 19 November 2019, as amended. Ngo May's registered head office is located at No. 1, Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of Ngo May is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Company holds a 94% equity share and voting rights in this subsidiary.



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

**1. CORPORATE INFORMATION** (continued)

**Corporate structure** (continued)

*Ben Thanh - Long Hai Corporation ("Ben Thanh - Long Hai")*

Ben Thanh - Long Hai is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3500783805 issued by the DPI of Ba Ria - Vung Tau Province on 1 March 2007, as amended. Ben Thanh - Long Hai's registered head office is located at Road 44A, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam. The principal activity of Ben Thanh - Long Hai is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Company holds a 99.9% equity share and voting rights in this subsidiary.

*Binh Duong Building Real Estate Investment and Development Joint Stock Company ("Binh Duong Building")*

Binh Duong Building is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3702710768 issued by the DPI of Binh Duong Province on 12 October 2018, as amended. Binh Duong Building's registered head office is located at No. 352, Road XM2, Area 3, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam. The principal activity of Binh Duong Building is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Company holds a 99.5% equity share and voting rights in this subsidiary.

*Bac Cuong Investment Joint Stock Company ("Bac Cuong")*

Bac Cuong is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0401370311 issued by the DPI of Da Nang City on 16 July 2010, as amended. Bac Cuong's registered head office is located at No. 223 - 225 Tran Phu Street, Phuoc Ninh Ward, Hai Chau District, Da Nang City, Vietnam. The principal activity of Bac Cuong is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Company holds a 99% equity share and voting rights in this subsidiary.

*Serenity Investment Joint Stock Company ("Serenity")*

Serenity is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3502421310 issued by the DPI of Ba Ria - Vung Tau Province on 27 March 2020, as amended. Serenity's registered head office is located at Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam. The principal activity of Serenity is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Company holds a 99.34% equity share and voting rights in this subsidiary.

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

**1. CORPORATE INFORMATION** (continued)

**Corporate structure** (continued)

*Hoa Phu Building Real Estate Investment and Development Joint Stock Company ("Hoa Phu Building")*

Hoa Phu Building is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3703021577 issued by the DPI of Binh Duong Province on 9 December 2021, as amended. Hoa Phu Building's registered head office is located at Land lot No. 853, Map sheet No. 122, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province, Vietnam. The principal activities of Hoa Phu Building is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Group holds a 99.4% equity share and voting rights in this subsidiary.

*Thien Long Building Real Estate Investment and Development Joint Stock Company ("Thien Long Building")*

Thien Long Building is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3703021584 issued by the DPI of Binh Duong Province on 9 December 2021, as amended. Thien Long Building's registered head office is located at Land lot No. 101, Map sheet No. 123, Hoa Lan 1 Quarter, Thuan Giao Ward, Binh Duong Province, Vietnam. The principal activities of Thien Long Building is to trade real estate properties.

As at 31 December 2023 and 31 December 2022, the Group holds a 99.4% equity share and voting rights in this subsidiary.

In addition, the Group has 3 associates as disclosed in Note 16.

**2. BASIS OF PREPARATION**

**2.1 Accounting standards and system**

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

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

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



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

**2. BASIS OF PREPARATION (continued)**

**2.2 *Applied accounting documentation system***

The Group's applied accounting documentation system is the General Journal system.

**2.3 *Fiscal year***

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

**2.4 *Accounting currency***

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

**2.5 *Basis of consolidation***

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

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

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

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

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

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

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 *Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.



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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.2 Inventories**

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

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

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

The perpetual method is used to record inventories as consolidated balance sheet date, which are valued as follows:

Merchandise - cost of purchase on a weighted average basis.

*Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Group, based on appropriate evidence of impairment available at the consolidated balance sheet date.

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

*Inventory property*

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

Cost of inventory property comprise direct cost incurred on the property and overheads allocated to that property, specifically as follows:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices discounted for the time value of money if material at the consolidated balance sheet date, and less costs to completion and the estimated costs of sale.

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

**3.3 Receivables**

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

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.3 Receivables (continued)**

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

**3.4 Fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

**3.5 Leased assets**

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

*Where the Group is the lessee*

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

*Where the Group is the lessor*

Assets subject to operating leases are included as the Group's investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

**3.6 Depreciation and amortisation**

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

Buildings and structures	5 – 25 years
Machinery and equipment	6 – 7 years
Means of transportation	3 – 6 years
Office equipment	6 – 8 years
Computer software	3 years

**3.7 Investment properties**

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



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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.7 *Investment properties* (continued)**

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

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

Buildings and structures	25 – 48 years
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Land use rights with indefinite useful life are not amortised.

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

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

**3.8 *Construction in progress***

Construction in progress represents fixed assets under construction and is stated at historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operation.

**3.9 *Borrowing costs***

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

**3.10 *Prepaid expenses***

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

The following types of expenses are recorded as prepaid expense and are amortised or recognised consistently with revenue to the consolidated income statement:

- ▶ The EverRich 2 project compensation expenses;
- ▶ Commission fees;
- ▶ Apartments management fees;
- ▶ Office renovation costs; and
- ▶ Tools and supplies.



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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 *Assets acquisitions and business combinations*

The Group acquires subsidiaries that own assets and production activities. At the date of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

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

#### 3.12 *Investments*

##### *Investments in associates*

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

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

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

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

##### *Provision for diminution in value of investments*

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

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

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

#### 3.13 *Payables and accruals*

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

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.14 Foreign currency transactions**

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

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment.

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

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

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

**3.15 Appropriation of net profits**

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

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors ("BOD") and subject to approval by shareholders at the annual general meeting.

*Investment and development fund*

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

*Bonus and welfare fund*

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

*Dividends*

Final dividends proposed by the Company's BOD are classified as an allocation of undistributed earnings within the equity section on the consolidated balance sheet, until they have been approved by shareholders at the annual general meeting. At that time, they are recognised as a liability in the consolidated balance sheet.

**3.16 Revenue recognition**

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



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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.16 Revenue recognition (continued)**

*Sale of apartments*

For apartments sold after completion of construction, the revenue is recognised when the significant risks and returns associated with the ownership of apartments have been transferred to the buyers, usually upon the handing over of apartments.

*Sale of residential plots and related infrastructure*

Revenue is recognised when the significant risks and returns associated with the ownership of residential plots and related infrastructures have been transferred to the buyers, usually upon the handing over of residential plots and related infrastructures.

*Rental income*

Rental income arising from operating leases is recognised in the consolidated income statement on a straight-line basis over the terms of the lease.

*Rendering of services*

Revenue is recognised upon the services had been provided and completed.

*Interest income*

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

**3.17 Taxation**

*Current income tax*

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

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

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

*Deferred tax*

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

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

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



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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.17 Taxation (continued)**

*Deferred tax (continued)*

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

**3.18 Earnings per share**

Basic earnings per share amount is computed by dividing net profit after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**3.19 Segment information**

A segment is considered as an independent department of the Group which involve in the process of providing products or rendering services (business segment) or providing products or rendering services in a specific economic environment (geographical segment). These departments are responsible for risk and gain benefit separately from another department.

The Group's principal activities are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is constructing or the locations where the Group is operating. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

**3.20 Related parties**

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



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

**4. SIGNIFICANT EVENTS**

**4.1 Share transferred in Sai Gon - KL Realty Corporation ("Sai Gon - KL")**

On 17 April 2023, the Group transferred 27.86% its shares in Sai Gon - KL to another investor in accordance with the Share Transfer Principal Contract No. 01-CNCP/2022/SGKL and No. 04-CNCP/2022/PDR-VEGA dated 22 June 2022 at the total transferring amount of VND 1,058,720,000,000. Accordingly, the Group's ownership in Sai Gon - KL decreased from 27.86% to 0%, and the Group is no longer a shareholder of this Company since that date.

The Group recognised a gain of VND 527,376,435,697 from this transfer as financial income in the consolidated income statement (Note 28).

**4.2 Additional contribution of capital and loss of control over Commonwealth Properties Real Estate Corporation (formerly "Phat Dat Real Estate Business and Service Corporation") ("Commonwealth Properties")**

On 14 February 2023, the shareholders of Commonwealth Properties approved the increase in charter capital of Commonwealth Properties by issuing 15,000,000 shares to existing shareholders, increased charter capital of Commonwealth Properties from VND 168,000,000,000 to VND 318,000,000,000. Accordingly, the Group only purchased 18,000 shares equivalent to VND 180,000,000 in the total of 15,000,000 new shares issued. Accordingly, the Group's ownership in Commonwealth Properties decreased from 51% to 27%, and Commonwealth Properties had become an associate of the Group since that date.

**4.3 Additional contribution of capital in existing subsidiary – Bac Cuong Investment Joint Stock Company ("Bac Cuong")**

On 20 February 2023, the shareholders of Bac Cuong approved the increase in charter capital of Bac Cuong by issuing 30,000,000 shares to existing shareholders, increased charter capital of Bac Cuong from VND 200,000,000,000 to VND 500,000,000,000. Accordingly, the Group purchased 29,700,000 shares equivalent to VND 297,000,000,000 in the total of 30,000,000 new shares issued which made the Group's ownership and voting rights remaining unchanged.

**4.4 Acquisition of additional interest in existing subsidiary – Phat Dat Industrial Park Investment Joint Stock Company ("Phat Dat IP")**

On 7 February 2023, Phat Dat IP received the 4<sup>th</sup> amended ERC issued by DPI of Ho Chi Minh City, approving the decrease in charter capital from VND 3,000,000,000,000 to VND 2,000,000,000,000. However, the Group's ownership interest in the charter capital and voting rights remaining unchanged.

On 31 March 2023, the Group completed the additional acquisition of 31.8% ownership interest in Phat Dat IP from non-controlling interest at a consideration of VND 636,000,000,000, increased the Group's ownership interest in Phat Dat IP from 68% to 99.8%. The carrying value of the net assets of Phat Dat IP at the acquisition date was 2,062,855,810,125 VND, and the carrying value of the additional interest acquired was VND 655,988,147,621. The difference of VND 19,988,147,621 between the consideration and the carrying value of the interest acquired has been recognised in undistributed earnings (Note 24.1).

On 25 October 2023, Phat Dat IP received the 5<sup>th</sup> amended ERC issued by DPI of Ho Chi Minh City, approving the decrease in charter capital from VND 2,000,000,000,000 to VND 1,000,000,000,000. However, the Group's ownership interest in the charter capital and voting rights remaining unchanged.

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

**4. SIGNIFICANT EVENTS (continued)**

**4.5 Share transferred in Phat Dat IP**

On 16 November 2023, the Group transferred 99.8% its shares in Phat Dat IP to Phat Dat Holdings Company Limited ("Phat Dat Holdings") in accordance with the Share Transfer Principal Contract No. 01/2023/PDR-HOLDINGS at the total transferring amount of VND 1,413,000,000,000. Accordingly, the Group's ownership in Phat Dat IP decreased from 99.8% to 0%, and the Group is no longer a shareholder of the Company since that date.

The Group recognized a gain of VND 415,000,000,000 from this transfer as financial income in the separate income statement. (Note 28)

**4.6 Additional contribution of capital in existing subsidiary – Binh Duong Building Real Estate Investment and Development Joint Stock Company ("Cao Oc Binh Duong")**

On 15 November 2023, the shareholders of Cao Oc Binh Duong approved the increase in charter capital of Cao Oc Binh Duong by issuing 161,000,000 shares to existing shareholders, increased charter capital of Cao Oc Binh Duong from VND 1,010,000,000,000 to VND 2,620,000,000,000. Accordingly, the Company purchased 160,195,000 shares equivalent to VND 1,601,950,000,000 in total of 161,000,000 new shares issued, which made the ownership and voting right of the company remaining unchanged.

**5. CASH AND CASH EQUIVALENTS**

	VND	
	Ending balance	Beginning balance
Cash on hand	40,281,924	115,021,637
Cash in banks (*)	505,066,312,540	255,647,438,905
Cash equivalents (**)	200,000	6,000,000,000
<b>TOTAL</b>	<b>505,106,794,464</b>	<b>261,762,460,542</b>

(\*) The Group had used deposit balance on the current account at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Branch Tan Dinh Ho Chi Minh City amounting to VND 2,000,000,000 as collateral for the bank loans.

(\*\*) This balance represented term deposit at bank with original maturity of one week and earning interest at the rate of 0.5% per annum.

**6. HELD-TO-MATURITY INVESTMENTS**

The ending balance represented deposits at commercials banks including one with original maturity ranging from six to twelve months and earn interest at the rate ranging from 5.5% to 7.2% per annum and another one with original maturity of twenty-four months, at the interest rate of 5.59% per annum.



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

7. SHORT-TERM TRADE RECEIVABLES

		VND
	Ending balance	Beginning balance
Receivables from other parties	2,311,498,091,152	2,069,226,433,566
- IDK Real Estate Company Limited	308,000,000,000	308,000,000,000
- NTR Real Estate Investment Joint Stock Company	306,000,000,000	306,000,000,000
- CDK Real Estate Joint Stock Company	251,000,000,000	251,000,000,000
- ADK Real Estate Joint Stock Company	237,000,000,000	-
- BDK Real Estate Joint Stock Company	230,000,000,000	230,000,000,000
- EDK Real Estate Company Limited	200,000,000,000	200,000,000,000
- HDK Real Estate Company Limited	154,400,000,000	154,400,000,000
- GDK Real Estate Company Limited	128,000,000,000	128,000,000,000
- Vega Real Estate Company Limited	120,720,000,000	-
- Danh Khoi Holdings Investment Joint Stock Company	111,348,146,750	125,348,146,750
- Sai Gon – KL Realty Corporation	72,286,337,294	-
- Thien Minh Real Estate Investment Corporation	70,615,693,202	70,615,693,202
- Lyra Real Estate Company Limited	57,500,000,000	112,500,000,000
- Gemini Real Estate Company Limited	25,950,000,000	117,000,000,000
- Orion Real Estate Company Limited	-	16,950,000,000
- Others	38,677,913,906	49,412,593,614
Receivables from a related party (Note 35)	-	7,645,574,780
<b>TOTAL</b>	<b>2,311,498,091,152</b>	<b>2,076,872,008,346</b>
Provision for doubtful short-term receivables	(1,041,544,375)	(1,041,544,375)
<b>NET</b>	<b>2,310,456,546,777</b>	<b>2,075,830,463,971</b>

Details of receivables are as follows:

		VND
	Ending balance	Beginning balance
Receivables from Sale of residential plots	1,925,748,146,750	1,702,748,146,750
- Lots 4 High-rise Nhon Hoi - Binh Dinh project	1,814,400,000,000	1,577,400,000,000
- Other projects	111,348,146,750	125,348,146,750
Receivables from Share transferred in Sai Gon - KL (Note 4.1)	204,170,000,000	246,450,000,000
Others	181,579,944,402	127,673,861,596
<b>TOTAL</b>	<b>2,311,498,091,152</b>	<b>2,076,872,008,346</b>

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

**8. SHORT-TERM ADVANCES TO SUPPLIERS**

		VND
	Ending balance	Beginning balance
Advances to individuals for project and capital transfer	501,000,000,000	520,293,113,181
- Ms Nguyen Thi Xuan Diem (i)	300,000,000,000	300,000,000,000
- Mr Vo Ngoc Chau (ii)	150,000,000,000	150,000,000,000
- Mr Nguyen Cao Tien (iii)	51,000,000,000	51,000,000,000
- Others	-	19,293,113,181
Land Clearance and Compensation Corporation	178,934,648,207	178,934,648,207
Duc Khai Corporation	70,228,366,367	70,228,366,367
Central Construction Corporation	4,000,000,000	4,000,000,000
620 Infrastructure Development and Investment Corporation	106,112,782,000	180,000,000,000
Others	24,249,755,903	22,820,688,887
<b>TOTAL</b>	<b>884,525,552,477</b>	<b>976,276,816,642</b>

- (i) The balance represents advance for the acquisition of the equity interest in Blue Sea Tourist Joint Stock Company in accordance with the Promise Share Transferred Contract dated 6 December 2021 and its appendix signed on 18 January 2022.
- (ii) The balance represents advance for the acquisition of a land lot of 8,845.3 squares meter belonging to Song Han project, located at Thuan Phuoc Ward, Hai Chau District, Da Nang City in accordance with the Principle Contract for Land use rights transferred dated 25 January 2022.
- (iii) The balance represents advance for the acquisition of share capital of a subsidiary to be established by Tai Tien Limited Company by contributing a land lot of 240,000 squares meter, located at Phuoc Hoa Commune, Tan Thanh District, Ba Ria - Vung Tau Province in accordance with the Deposit Share Transferred Contract dated 1 October 2020.

**9. OTHER RECEIVABLES**

		VND
	Ending balance	Beginning balance
<b>Short-term</b>	<b>928,819,135,679</b>	<b>2,597,723,112,587</b>
Receivables from other parties	891,517,561,802	1,197,464,168,317
- Sai Gon - KL Real Estate Joint Stock Company	840,890,923,660	-
- Mr Hoang Hiep Dung (i)	30,000,000,000	30,000,000,000
- Danh Khoi Holdings Investment Joint Stock Company	400,000,000	40,500,000,000
- Mr Pham Ngoc Dung	-	480,000,000,000
- Mr Nguyen Huy Le	-	479,985,988,000
- Mr Nguyen Van Toan	-	50,400,000,000
- Truong Phat Loc Shipping Joint Stock Company ("Truong Phat Loc")	-	45,400,000,000
- Ms Phan Quynh Nhan	-	31,920,000,000
- Deposits	1,383,011,700	1,390,011,700
- Others	18,843,626,442	37,868,168,617
Receivables from a related party (Note 35)	37,301,573,877	1,400,258,944,270



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

9. OTHER RECEIVABLES (continued)

	VND	
	Ending balance	Beginning balance
<b>Long-term</b>	<b>733,226,788,580</b>	<b>731,764,056,580</b>
- Phu Quoc Doan Anh Duong Corporation ("Doan Anh Duong") (ii)	265,070,000,000	265,070,000,000
- Tan Hoang Real Estate Corporation (iii)	223,000,000,000	223,000,000,000
- Tam Binh Real Estate Corporation (iii)	200,000,000,000	200,000,000,000
- Phu Quoc Economic Zone Management Board	38,548,000,000	38,548,000,000
- Deposits	4,018,788,580	5,146,056,580
- Others	2,590,000,000	-
<b>TOTAL</b>	<b>1,662,045,924,259</b>	<b>3,329,487,169,167</b>
Provision for doubtful short-term receivables	(9,000,000,000)	-
<b>NET</b>	<b>1,653,045,924,259</b>	<b>3,329,487,169,167</b>

- (i) The amount represents receivables from lending to an individual under the Lending Agreement No.01/2022/TTMT signed on 7 June 2022 and matures on 30 June 2023. The Company has made provision for bad debt in the amount of VND 9,000,000,000 for this receivable.
- (ii) The amount represents the capital contribution in accordance with the Investment Corporation Contract ("ICC") regarding to the development of Vung Bau Ecotourism Project located at Cua Can Commune, Phu Quoc City, Kien Giang Province and earning the shared profit according to the proportion of financial contributions but not less than the interest of 20% p.a.
- (iii) The amount represents capital contribution in accordance with the ICC regarding to the construction and development of the ICD Port of Transshipment project located at Long Binh Ward, Thu Duc City, Ho Chi Minh City and the Group will be receiving the shared land area after the project's completion.

10. INVENTORIES

	VND	
	Ending balance	Beginning balance
Real estate properties (*)	12,199,176,697,439	12,180,857,981,248
Merchandise	383,358,976	383,358,976
<b>TOTAL</b>	<b>12,199,560,056,415</b>	<b>12,181,241,340,224</b>



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

**10. INVENTORIES (continued)**

- (\*) Real estate properties mainly include compensation costs, land clearance costs, construction costs, capitalised interest and other development costs incurred for the following on-going real estate projects:

	VND	
	Ending balance	Beginning balance
The EverRich 2 project (i)	3,597,838,254,668	3,597,838,254,668
Binh Duong Tower project	2,393,925,215,962	2,340,020,547,795
Tropicana Ben Thanh - Long Hai project	1,993,921,491,887	1,993,921,491,887
Serenity – Phuoc Hai project	1,526,419,925,545	1,518,735,176,954
The EverRich 3 project (i)	877,427,668,950	877,196,187,469
Bac Cuong – Tran Phu Da Nang project	636,882,472,260	636,492,246,304
DK Phu Quoc project	400,429,035,424	400,158,258,137
Ngo May project	250,792,394,312	237,959,625,284
Nhon Hoi – Binh Dinh project	186,057,175,196	240,902,075,230
Bac Ha Thanh Residential Area project	162,370,978,036	111,019,429,830
Ky Dong project	89,005,839,039	88,642,897,039
Vung Bau – Phu Quoc project	44,155,699,067	52,170,699,067
Bau Ca – Quang Ngai project	6,173,691,762	5,126,091,808
Other projects	34,160,214,307	80,674,999,776
<b>TOTAL</b>	<b>12,199,560,056,415</b>	<b>12,180,857,981,248</b>

- (i) The EverRich 2 and The EverRich 3 projects and all of their associated asset rights were pledged to Vietnam Prosperity Joint Stock Commercial Bank as security collateral for the loans taken by the Group's business partners.

As at the balance sheet date, the Group is in progress to fulfil the Government's requirements for transferring the remaining parts of these projects in accordance with ICCs entered with Big Gain Investment Company Limited ("Big Gain") and Dynamic Innovation Company Limited ("Dynamic") (Note 21).

During the year, the Group capitalised borrowing costs amounting to VND 41,785,208,463 (for the year ended 31 December 2022: VND 17,572,602,740). These costs relate to general borrowings to invest, develop projects.

Land use rights, ownership of houses and other assets attached to projects have been pledged to secure the Group's loans (Note 22).

**11. LONG-TERM PREPAID EXPENSES**

	VND	
	Ending balance	Beginning balance
The EverRich 2 project compensation expenses (*)	923,823,243,655	923,823,243,655
Apartments management fees	3,383,934,585	3,383,934,585
Outsourcing fees	-	8,443,353,953
Commission fees	-	195,782,400
Others	19,982,521,476	18,312,258,954
<b>TOTAL</b>	<b>947,189,699,716</b>	<b>954,158,573,547</b>

- (\*) This is the compensation expenses paid to CRE & AGI Consulting Development Company Limited (formerly "CRE & AGI Consulting Joint Stock Company") and Phu Hung Real Estate Investment Company Limited, the Group's subsidiary, which was dissolved on 8 February 2020, upon liquidation of the Business Cooperation Contracts ("BCCs") relating to construction and business management of The EverRich 2 project. These BCCs were terminated so that the Group can transfer this project to Big Gain under the ICC (Note 10).

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

## 12. TANGIBLE FIXED ASSETS

	Buildings and structures	Means of transportation	Machinery and equipment	Office equipment	VND Total
<b>Cost</b>					
Beginning balance	34,325,031,862	38,296,717,011	6,009,730,393	245,033,171	78,876,512,437
New purchase	-	-	75,000,000	-	75,000,000
Disposal of subsidiary	-	-	-	(113,858,200)	(113,858,200)
Ending balance	34,325,031,862	38,296,717,011	6,084,730,393	131,174,971	78,837,654,237
<i>In which:</i>					
Fully depreciated	5,826,480,430	6,546,271,194	5,001,115,393	131,174,971	17,505,041,988
<b>Accumulated depreciation</b>					
Beginning balance	(20,985,543,800)	(22,247,135,446)	(5,067,406,037)	(165,964,977)	(48,466,050,260)
Depreciation for the year	(1,328,495,424)	(5,291,740,956)	(614,419,522)	(31,627,278)	(7,266,283,180)
Disposal of subsidiary	-	-	-	66,417,284	66,417,284
Ending balance	(22,314,039,224)	(27,538,876,402)	(5,681,825,559)	(131,174,971)	(55,665,916,156)
<b>Net carrying amount</b>					
Beginning balance	13,339,488,062	16,049,581,565	942,324,356	79,068,194	30,410,462,177
Ending balance	12,010,992,638	10,757,840,609	402,904,834	-	23,171,738,081



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

**13. INTANGIBLE FIXED ASSETS**

	VND
	<i>Computer software</i>
<b>Cost</b>	
Beginning and ending balances	<u>15,006,259,881</u>
<i>In which:</i>	
Fully amortised	3,357,367,536
<b>Accumulated amortisation</b>	
Beginning balance	(7,256,725,862)
Amortisation for the year	<u>(3,882,964,116)</u>
Ending balance	<u>(11,139,689,978)</u>
<b>Net carrying amount</b>	
Beginning balance	<u>7,749,534,019</u>
Ending balance	<u>3,866,569,903</u>

**14. INVESTMENT PROPERTIES**

		VND
	<i>Land use rights</i>	<i>Building and structures</i>
		<i>Total</i>
<b>Cost</b>		
Beginning and ending balances	<u>7,306,972,991</u>	<u>68,357,297,281</u>
		<u>75,664,270,272</u>
<b>Accumulated depreciation</b>		
Beginning balance	-	(9,344,724,160)
Depreciation for the year	<u>-</u>	<u>(1,536,119,040)</u>
Ending balance	<u>-</u>	<u>(10,880,843,200)</u>
<b>Net carrying amount</b>		
Beginning balance	<u>7,306,972,991</u>	<u>59,012,573,121</u>
Ending balance	<u>7,306,972,991</u>	<u>57,476,454,081</u>
		<u>64,783,427,072</u>

The fair value of the investment properties was not formally assessed and determined as at 31 December 2023. However, given the current occupancy rate of these properties and market price of surrounding land, it is management's assessment that these properties' market values are higher than their carrying value as at this date.

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

**14. INVESTMENT PROPERTIES (continued)**

*Additional disclosure:*

The rental income and operating expenses information relating to investment property is presented as below:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Revenue from investment properties (Note 26)	10,928,248,572	9,517,980,013
Direct operating expenses of investment properties that generated rental income during the year (Note 27)	4,275,330,357	4,233,554,116

**15. CONSTRUCTION IN PROGRESS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Office building (*)	636,052,046,201	520,489,371,229
The Internal Technical Infrastructure Construction Ancient project in Thu Duc City, Ho Chi Minh City (**)	426,173,692,570	426,173,692,570
Other projects under Building and Transfer agreements	85,082,094,054	84,548,334,054
Enterprise Resource Planning software (ERP – SAP)	21,392,200,583	15,752,976,000
Others	810,465,000	5,188,919,294
<b>TOTAL</b>	<b><u>1,169,510,498,408</u></b>	<b><u>1,052,153,293,147</u></b>

(\*) Land use rights and its associated assets located at No.39 Pham Ngoc Thach Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City were pledged as security collateral for the loan obtained by the Group (Note 22).

(\*\*) The amount represents construction in progress in accordance with Build & Transfer contract No. 2648/UB-HDBT with Ho Chi Minh City People's Committee between Duc Khai JSC and Coinin Construction Investment Infrastructure Company Limited dated 31 May 2016, accordingly, the Group will implement the internal technical infrastructure construction of The Internal Technical Infrastructure Construction Ancient project to exchange land use right certificate of Cu Lao Ba Sang, Long Binh Ward, Thu Duc City, Ho Chi Minh City.

During the year, the Group capitalised borrowing costs amounting to VND 27,603,178,810 (for the year ended 31 December 2022: VND 23,603,232,878). These costs relate to general borrowings to invest, develop the projects.



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

**16. INVESTMENTS IN ASSOCIATES**

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>% of ownership</i>	<i>Amount VND</i>	<i>% of ownership</i>	<i>Amount VND</i>
BIDICI Joint Stock Company	49	1,117,132,567,520	49	1,117,134,624,785
Commonwealth Properties Real Estate Corporation (formerly "Phat Dat Real Estate Business and Service Corporation")	27	65,298,885,032	-	-
PDP Project Construction Investment Co., Ltd	49	16,509,222,133	49	12,952,848,690
Saigon – KL Realty Corporation	-	-	27.86	643,318,163,850
<b>TOTAL</b>		<b><u>1,198,940,674,685</u></b>		<b><u>1,773,405,637,325</u></b>

BIDICI Real Estate Investment Joint Stock Company ("BIDICI") is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the ERC No. 4101576855 issued by the DPI of Binh Dinh Province on 16 October 2020, as amended. BIDICI's registered head office is located at 1 Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. BIDICI's current main project is the residential and high-rise commercial centre project Lot 9 High-rise regarding to Nhon Hoi eco-tourism urban area, Binh Dinh.

Commonwealth Properties Real Estate Corporation is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0316916261 issued by the DPI of Ho Chi Minh City on 23 June 2021, as amended. Commonwealth Properties's registered head office is located at Floor 10, Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activities of Commonwealth Properties are real estate consulting and brokerage, real estate and land use rights auction.

PDP Project Construction Investment Co., Ltd ("PDP Project") is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0315143682 issued by the DPI of Ho Chi Minh City on 3 July 2018, as amended. PDP Project's registered head office is located at Floor 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activity of PDP Project is to trade real estate properties. PDP Project's current main project is Phan Dinh Phung construction project at 8 Vo Van Tan, Vo Thi Sau Ward, District 3, Ho Chi Minh City. As at the balance sheet date, the Group has contributed of VND 16,720,107,000 over its licensed charter capital of VND 147,000,000,000.

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

**16. INVESTMENTS IN ASSOCIATES (continued)**

Details of these investments in associates are as follows:

	Investment in				Sai Gon - KL	VND Total
	BIDICI	Commonwealth Properties	PDP Project			
<b>Cost</b>						
Beginning balance	1,117,200,000,000	-	13,057,107,000	643,318,163,850	1,773,575,270,850	
Capital contribution	-	-	3,663,000,000	-	3,663,000,000	
Disposal of subsidiary	-	88,445,786,281	-	-	88,445,786,281	
Disposal of associate	-	-	-	(643,318,163,850)	(643,318,163,850)	
Ending balance	1,117,200,000,000	88,445,786,281	16,720,107,000	-	1,222,365,893,281	
<b>Accumulated shares in post-acquisition loss of associates</b>						
Beginning balance	(65,375,215)	-	(104,258,310)	-	(169,633,525)	
(Loss) profit shared from associates for the year	(2,057,265)	(23,146,901,248)	(106,626,557)	49,511,674	(23,206,073,397)	
Disposal of associate	-	-	-	(49,511,674)	(49,511,674)	
Ending balance	(67,432,480)	(23,146,901,248)	(210,884,867)	-	(23,425,218,596)	
<b>Net carrying amount</b>						
Beginning balance	1,117,134,624,785	-	12,952,848,690	643,318,163,850	1,773,405,637,325	
Ending balance	1,117,132,567,520	65,298,885,032	16,509,222,133	-	1,198,940,674,685	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**17. SHORT-TERM TRADE PAYABLES**

		VND
	Ending balance	Beginning balance
Payable to other parties	243,382,646,786	436,582,104,719
- Thien An Mechanical Co., Ltd	51,994,378,231	84,424,762,829
- Dua Fat Group Joint Stock Company	40,012,823,609	58,877,762,767
- Sai Gon Transport Construction Joint Stock Company	33,132,513,198	33,132,513,198
- Phu My Hung Development Corporation	19,626,474,002	-
- T&T Trading & Services Limited	19,017,580,594	23,017,580,594
- IDV Investment and Trading Joint Stock Company	13,353,812,907	13,353,812,907
- Dong Khanh Construction Company Limited	9,302,067,669	9,302,067,669
- Central Construction Joint Stock Company	4,053,229,485	14,983,567,015
- Ms Dang Hoang Cam Vien	-	82,689,910,399
- Ms Pham Thi My Phuong	-	51,629,554,570
- Others	52,889,767,091	65,170,572,771
Payable to related parties (Note 35)	-	19,920,932,184
<b>TOTAL</b>	<b>243,382,646,786</b>	<b>456,503,036,903</b>

**18. SHORT-TERM ADVANCES FROM CUSTOMERS**

		VND
	Ending balance	Beginning balance
Nhon Hoi – Binh Dinh project (i)	-	298,000,000,000
Vega Real Estate Co., Ltd (ii)	-	938,000,000,000
Other projects	3,591,009,091	3,363,636,364
<b>TOTAL</b>	<b>3,591,009,091</b>	<b>1,239,363,636,364</b>

(i) The balance as at 31 December 2022 represents advance from customers under apartments and land plots contract of the Group's real estate projects.

(ii) The balance as at 31 December 2022 represents advance from transfer of 27.86% remaining shares in Sai Gon - KL in accordance with the Share Transfer Principle Contract No. 01-CNCP/2022/SGKL dated 22 June 2022. As disclosed in Note 4.1, the Group completed this transfer during the year ended 31 December 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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19. STATUTORY OBLIGATIONS

	<i>Beginning balance</i>	<i>Increase</i>	<i>Decrease</i>	<i>VND Ending balance</i>
<b>Payables</b>				
Corporate income tax	326,768,299,446	206,830,818,233	(340,982,281,372)	192,616,836,307
Personal income tax	11,525,431,171	16,348,490,171	(26,799,305,777)	1,074,615,565
Value-added tax	-	7,168,683,846	(7,168,683,846)	-
Others	2,959,748,928	10,489,349,065	(9,253,144,384)	4,195,953,609
<b>TOTAL</b>	<b>341,253,479,545</b>	<b>240,837,341,315</b>	<b>(384,203,415,379)</b>	<b>197,887,405,481</b>
	<i>Beginning balance</i>	<i>Increase</i>	<i>Decrease</i>	<i>Ending balance</i>
<b>Receivables</b>				
Value-added tax	75,245,801,086	11,238,590,799	(10,042,561,976)	76,441,829,909
Corporate income tax	5,348,320,000	77,790,702	(5,426,110,702)	-
Others	-	4,377,900	(4,377,900)	-
<b>TOTAL</b>	<b>80,594,121,086</b>	<b>11,320,759,401</b>	<b>(15,473,050,578)</b>	<b>76,441,829,909</b>

20. ACCRUED EXPENSES

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Interest expenses	78,395,355,265	80,687,663,973
Construction costs	24,935,352,773	24,935,352,773
Corporate income tax provision	15,952,428,519	-
Costs of share transferred (*)	-	369,046,587,076
Others	22,603,966,001	9,436,485,701
<b>TOTAL</b>	<b>141,887,102,558</b>	<b>484,106,089,523</b>

(\*) The amount represents the estimated land use fee payable to the State for Astral City project owned by Sai Gon - KL which is in proportion to the shares percentage that the Group transferred as at 31 December 2022. On 5 May 2023, the Group had fulfilled obligations related to this land use fee.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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21. OTHER PAYABLES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>7,739,566,208,040</b>	<b>5,796,465,047,119</b>
ICCs – The EverRich 2 and		
The EverRich 3 projects (i)	5,547,433,656,616	5,547,433,656,616
Mr Hoang Vo Anh Khoa (ii)	1,041,172,957,295	-
Minh Hai Shipping Trading Investment		
Company Limited (iii)	160,130,000,000	-
Alpha Apus Corporation (iv)	100,000,000,000	-
Phat Dat IP	36,294,095,940	-
Deposits received	14,600,000,000	156,322,103,574
ICCs – Nhon Hoi – Binh Dinh project (v)	13,518,255,040	13,518,255,040
Ms Vu Quynh Hoa	-	5,041,795,563
Payable to related parties (Note 35)	796,943,520,351	46,799,000,000
Others	29,473,722,798	27,350,236,326
<b>Long-term</b>	<b>20,955,100,000</b>	<b>782,059,100,000</b>
Payables to a related party (Note 35)	20,950,000,000	782,054,000,000
Others	5,100,000	5,100,000
<b>TOTAL</b>	<b>7,760,521,308,040</b>	<b>6,578,524,147,119</b>

- (i) On 26 December 2017, the Group has entered into 5-year ICCs with Big Gain Investment Company Limited ("Big Gain") in relation to the development of a part of The EverRich 2 project and with Dynamic Innovation Company Limited ("Dynamic") in relation to the development of apartment block of The EverRich 3 project. According to these ICCs and appendixes:
- Big Gain/Dynamic has obligation to settle the costs incurred by the Group for the cooperated project.
  - The parties may receive the profits from the project in accordance with the proportion of financial contributions of the parties.
  - After the land use rights certificate of the project is granted for the Group, Big Gain/Dynamic has the option to purchase and the Group has the option to sell 99% of the Group's interest in the ICC at the price equivalent to 99% of the agreed contributed value of the Group in this ICC, plus a surplus that will be agreed upon by the parties.
  - When the legal conditions of the project are met, the Group has the right to assign this project to another partner provided that it fully reimburses Big Gain/Dynamic the contributed amount plus interest. The amount of interest shall be agreed upon by the parties.

As at the balance sheet date, the Group received the amount of VND 4,557,365,656,616 and VND 990,068,000,000 from Big Gain and Dynamic, respectively.

- The amount represents borrowings from an individual to financial working capital in accordance with Borrowing Agreement No 012023/TTMT/HVAK-PD dated 5 June 2023 with the repayment term is 1 year from borrowing date.
- The amount represents borrowings from Minh Hai Sea Transport Trading Investment Limited Liability Company to financial working capital in accordance with Borrowing Agreement no 022023/TTMT/VTBMH-HĐ dated 9 October 2023 and no 032023/TTMT/VTBMH-PĐ dated 25 December 2023 with the repayment term is 6 months from borrowing date.
- The amount represents borrowings from Alpha Apus Joint Stock Company to financial working capital in accordance with Borrowing Agreement No 012023/TTMT/APUS-PD dated 18 December 2023 with the repayment term is six-month from borrowing date.
- These represent capital received from individuals to develop the Nhon Hoi – Binh Dinh project under ICCs. Accordingly, they will receive the shared profit after tax arising from the project but not less than the interest of 15% p.a. on their contributed capital.

# Phat Dat Real Estate Development Corp

B09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 22. LOANS

	Beginning balance	Increase in the year	Decrease in the year	Reclassification	Foreign exchange difference	VND Ending balance
<b>Short-term</b>	<b>2,667,966,838,466</b>	<b>349,873,733,751</b>	<b>(2,792,822,596,200)</b>	<b>589,662,700,000</b>	<b>-</b>	<b>814,680,676,017</b>
Loans from other parties (Note 22.2)	320,000,000,000	253,000,000,000	(250,000,000,000)	366,150,000,000	-	689,150,000,000
Loans from banks (Note 22.1)	133,504,334,960	64,918,537,257	(153,402,596,200)	80,510,400,000	-	125,530,676,017
Bonds	2,214,462,503,506	31,955,196,494	(2,389,420,000,000)	143,002,300,000	-	-
<b>Long-term</b>	<b>1,771,912,500,000</b>	<b>1,398,671,204,619</b>	<b>(312,182,600,000)</b>	<b>(589,662,700,000)</b>	<b>21,750,000,000</b>	<b>2,290,488,404,619</b>
Loans from banks (Note 22.1)	664,000,000,000	987,783,704,619	-	(80,510,400,000)	-	1,571,273,304,619
Loans from other parties (Note 22.2)	812,250,000,000	-	(101,700,000,000)	(366,150,000,000)	21,750,000,000	366,150,000,000
Loans from related party (Note 35)	-	410,000,000,000	(56,934,900,000)	-	-	353,065,100,000
Bonds	295,662,500,000	887,500,000	(153,547,700,000)	(143,002,300,000)	-	-
<b>TOTAL</b>	<b>4,439,879,338,466</b>	<b>1,748,544,938,370</b>	<b>(3,105,005,196,200)</b>	<b>-</b>	<b>21,750,000,000</b>	<b>3,105,169,080,636</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**22. LOANS** (continued)

**22.1 Loans from banks**

Details of the loans from banks are as follows:

Bank	Ending balance	Principal repayment term	Purpose	Interest rate	Description of collateral
	VND			% p.a.	
<b>Military Commercial Joint Stock Bank – Ho Chi Minh Branch</b>					
Loan 1	516,176,754,969	From 5 July 2027 to 16 November 2029	To finance projects at Thuan Giao, Thuan An City, Binh Duong	Interest rate of 60 to 72 - month deposits + 1.5 to 2.51	Land use rights and associated asset at Hoa Lan Quarter 1, Thuan Giao Ward, Thuan An City, Binh Duong Province related to Binh Duong Tower project (Note 10)
Loan 2	663,000,000,000	From 5 July 2027 to 16 November 2032		Interest rate of 60 to 108 - month deposits + 1.5 to 2.51	
<b>Vietnam Joint Stock Commercial Bank for Industry and Trade – 11 Ho Chi Minh City Branch</b>					
Loan 1	285,674,549,650	From 25 January 2024 to 25 April 2030	To finance office building project at District 3, Ho Chi Minh City	Interest rate of 12-month deposits + additional capital mobilization cost + 4	Land use rights and associated asset at District 3, Ho Chi Minh City (Note 15)
<b>Military Commercial Joint Stock Bank – Da Nang Branch</b>					
Loan 1	182,000,000,000	From 25 January 2024 to 17 April 2030	To finance project at Hai Chau District, Da Nang City	Interest rate of 24-month deposits + 3.5	Land use rights and associated asset at Hai Chau District, Da Nang City related to Bac Cuong – Tran Phu project (Note 10)

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

**22. LOANS** (continued)

**22.1 Loans from banks** (continued)

Details of the loans from banks are as follows: (continued)

Bank	Ending balance	Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
<i>Joint Stock Commercial Bank for Foreign Trade of Vietnam – Branch Tan Dinh Ho Chi Minh City</i>					
Loan 1	49,952,676,017	From 14 January 2024 to 26 September 2024	To finance working capital of the Company	8.5 – 9.8	4,500,000 PDR shares owned by shareholder; Contract to pledge the deposit balance on the current account (Note 5); and Land use right and associated asset at District 3, Ho Chi Minh (Note 15)

**TOTAL** 1,696,803,980,636

*In which:*

Short-term	125,530,676,017
Long-term	1,571,273,304,619



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 22. LOANS (continued)

### 22.2 Loans from other parties

Lender	Ending balance VND	Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
<b>Mr Vu Duong Hien</b>					
Loan 1	115,000,000,000	14 December 2024	To finance working capital of the Group	12	8,900,000 PDR shares owned by shareholders
<b>Mr Doan Duc Luyen</b>					
Loan 1	70,000,000,000	7 January 2024	To finance working capital of the Group	12	5,000,000 PDR shares owned by shareholders; Ownership of apartments formed in the future in Quy Nhon City, Binh Dinh Province related to No. 1 Ngo May project (Note 10)
Loan 2	40,000,000,000	13 December 2024	To finance working capital of the Group	12	3,100,000 PDR shares owned by shareholders
<b>Viet Long Financial Investment Joint Stock Company</b>					
Loan 1	60,000,000,000	From 29 November 2024 to 15 December 2024	To finance working capital of the Group	11	6,000,000 PDR shares owned by shareholders
<b>Mr Vu Xuan Cuong</b>					
Loan 1	38,000,000,000	25 December 2024	To finance working capital of the Group	12	3,000,000 PDR shares owned by shareholders

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**22. LOANS** (continued)

**22.2 Loans from other parties** (continued)

Lender	Ending balance		Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
	VND	USD				
ACA Vietnam Real Estate III LP ("ACA")						
Loan 1 (*)	732,300,000,000	30,000,000	From 14 March 2024 to 23 March 2025	To finance projects of the Company' subsidiaries	8	Unsecured
TOTAL	1,055,300,000,000	30,000,000				

In which:

Short-term	689,150,000,000
Long-term	366,150,000,000

(\*) This is a convertible loan that ACA has the right to convert up to 50% of the loan amount into the Group's ordinary shares on either (i) 2 years after the drawdown date or (ii) 20 business days prior to the repayment date; at the foreign exchange rate of VND/USD 22,730 and the transaction price of VND 119,879/share. These amounts will be adjusted to reflect dilutive events, if any, at the dilution time.

**23. BONUS AND WELFARE FUND**

	VND	
	Current year	Previous year
Beginning balance		9,407,567,299
Increase	28,527,658,748	40,661,666,667
Decrease	(9,146,532,614)	(21,541,575,218)
Ending balance	23,901,126,134	28,527,658,748



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

## 24. OWNERS' EQUITY

### 24.1 Movements in owners' equity

	Share capital	Share premium	Investment and development fund	Undistributed earnings	VND
					Total
<b>Previous year</b>					
Beginning balance	4,927,719,160,000	71,680,300,000	179,413,584,076	1,875,193,074,780	7,054,006,118,856
Net profit for the year	-	-	-	1,137,262,912,956	1,137,262,912,956
Appropriation of fund	-	-	27,970,000,000	(27,970,000,000)	(27,970,000,000)
Transfer to bonus and welfare fund	-	-	-	(27,970,000,000)	(27,970,000,000)
Dividends by shares	1,788,743,030,000	-	-	(1,788,743,030,000)	(1,788,743,030,000)
BOD's allowance	-	-	-	(12,691,666,667)	(12,691,666,667)
Ending balance	6,716,462,190,000	71,680,300,000	207,383,584,076	1,155,081,291,069	8,150,607,365,145
<b>Current year</b>					
Beginning balance	6,716,462,190,000	71,680,300,000	207,383,584,076	1,155,081,291,069	8,150,607,365,145
Net profit for the year	-	-	-	684,058,609,709	684,058,609,709
Issued of new shares (*)	671,646,210,000	(559,400,000)	-	-	671,086,810,000
Funds contribution	-	-	22,745,258,259	(22,745,258,259)	-
Increase due to consolidation	-	-	-	19,988,147,621	19,988,147,621
BOD's allowance	-	-	-	(4,520,000,000)	(4,520,000,000)
Ending balance	7,388,108,400,000	71,120,900,000	230,128,842,335	1,831,862,790,140	9,521,220,932,475

(\*) On 23 November 2023, the Group completed the issuance of 67,164,621 ordinary shares to its strategic investors at the par value of VND 10,000 per share. This issuance was approved by shareholders of the Group in accordance with the Resolution of Annual Shareholders' Meeting Minute No. 01/BBH-DHDCD.2023, the Resolution of the General Meeting of Shareholders No. 02/DHDCD-NQ.2023 dated 30 June 2023, the Resolution of Board of Directors No. 29/2023/HDQT-QĐ, no 30/2023/HDQT-QĐ and no 31/2023/HDQT-QĐ dated 14 July 2023 and the Resolution of Board of Directors No. 39/2023/HDQT-QĐ dated 1 November 2023. On 30 November 2023, the Group received the 35<sup>th</sup> amended ERC issued by the DPI of Ho Chi Minh City, approving the increase in the Company's charter capital from VND 6,716,462,190,000 to VND 7,388,108,400,000.

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

**24. OWNERS' EQUITY (continued)**

**24.2 Capital transactions with owners and distribution of dividends**

		VND
	Current year	Previous year
<b>Contributed share capital</b>		
Beginning balance	6,716,462,190,000	4,927,719,160,000
Increase during the year	671,646,210,000	1,788,743,030,000
Ending balance	<u>7,388,108,400,000</u>	<u>6,716,462,190,000</u>
<b>Dividends</b>		
Dividend declared	-	1,788,743,030,000
Dividend paid	-	1,788,743,030,000
- Dividend paid by shares for 2021: 363 shares per 1,000 existing shares	-	1,788,743,030,000

**24.3 Shares**

	Quantity	
	Ending balance	Beginning balance
<b>Authorised shares</b>	<b>738,810,840</b>	<b>671,646,219</b>
<b>Issued and paid-up shares</b>	<b>738,810,840</b>	<b>671,646,219</b>
<i>Ordinary shares</i>	738,810,840	671,646,219
<b>Shares in circulation</b>	<b>738,810,840</b>	<b>671,646,219</b>
<i>Ordinary shares</i>	738,810,840	671,646,219

Par value of outstanding share: VND 10,000/share (31 December 2022: VND 10,000/share).



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

**25. NON-CONTROLLING INTERESTS**

	VND	
	Current year	Previous year
Beginning balance	1,109,922,402,309	1,090,505,088,261
(Loss) profit latter tax	(1,556,618,888)	23,369,217,538
Decrease from acquisition of additional interest in existing subsidiaries (Note 4.4)	(655,988,147,621)	-
Capital divestments from non-controlling shareholders (Note 4.4)	(322,000,000,000)	-
Decrease due to diluted ownership over subsidiary	(83,017,092,612)	(6,541,903,490)
Capital contributed from non-controlling shareholders (Note 4.3 and Note 4.6)	11,050,000,000	2,590,000,000
Dividend	(239,564,950)	-
Ending balance	<u>58,170,978,238</u>	<u>1,109,922,402,309</u>

**26. NET REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES**

	VND	
	Current year	Previous year
<b>Net revenue from sale of goods and rendering of services</b>	<b><u>617,515,216,109</u></b>	<b><u>1,504,574,748,971</u></b>
<i>In which:</i>		
Sale of residential plots	535,000,000,000	1,481,236,814,348
Revenue from rendering of services	71,586,967,537	13,319,954,610
Revenue from investment properties	10,928,248,572	9,517,980,013
Sale of infrastructure	-	500,000,000

**27. COST OF GOODS SOLD AND SERVICES RENDERED**

	VND	
	Current year	Previous year
Cost of residential plots	56,335,078,152	211,233,543,985
Cost of services rendered	13,205,871,931	11,753,715,371
Cost of investment properties	4,275,330,357	4,233,554,116
Cost of infrastructure	-	82,191,770
<b>TOTAL</b>	<b><u>73,816,280,440</u></b>	<b><u>227,303,005,242</u></b>

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

**28. FINANCE INCOMES**

		VND
	<i>Current year</i>	<i>Previous year</i>
Gain from disposal of investment (Note 4.1 and Note 4.5)	942,376,435,697	1,363,068,480,216
Gain due to loss of control over subsidiary (Note 4.2)	3,941,873,561	-
Interest income	5,900,009,882	8,538,898,402
<b>TOTAL</b>	<b><u>952,218,319,140</u></b>	<b><u>1,371,607,378,618</u></b>

**29. FINANCE EXPENSES**

		VND
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	344,195,510,199	505,710,829,277
Bond issuance costs	32,842,696,494	29,630,711,834
Foreign exchange losses	22,215,948,341	24,400,416,415
Loss from disposal of investment	-	200,000,000,000
Others	233,611,145	-
<b>TOTAL</b>	<b><u>399,487,766,179</u></b>	<b><u>759,741,957,526</u></b>

**30. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

		VND
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>	<b>14,473,776,877</b>	<b>26,251,976,329</b>
Advertising expenses	8,776,550,054	10,636,363,021
Salaries	5,105,447,371	14,391,970,511
Commission fees	-	377,383,438
Others	591,779,452	846,259,359
<b>General and administrative expenses</b>	<b>199,438,960,009</b>	<b>274,502,329,387</b>
Salaries	96,640,218,208	146,297,343,391
External services expenses	56,029,037,423	91,511,317,564
Depreciation and amortisation	8,441,221,612	8,132,209,652
Provision for doubtful debt	9,000,000,000	-
Others	29,328,482,766	28,561,458,780
<b>TOTAL</b>	<b><u>213,912,736,886</u></b>	<b><u>300,754,305,716</u></b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**31. OTHER INCOME**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Income from late payment penalties	70,179,742,117	-
Others	165,388,475	2,922,423,724
<b>TOTAL</b>	<b>70,345,130,592</b>	<b>2,922,423,724</b>

**32. OTHER EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Corporate income tax provision	15,952,428,519	-
Estimated penalty on late payment	15,397,230,446	-
Contract penalties	5,681,790,582	-
Disposal of fixed assets	-	104,218,325,767
Others	3,264,179,830	4,649,581,956
<b>TOTAL</b>	<b>40,295,629,377</b>	<b>108,867,907,723</b>

**33. OPERATING COSTS**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Construction costs	153,023,257,763	231,543,198,665
Salaries	101,745,665,579	157,559,532,912
Interest expenses ( <i>Note 10 and Note 15</i> )	69,388,387,273	41,175,835,618
External services expenses	64,805,587,477	101,691,525,619
Depreciation and amortisation ( <i>Notes 12, 13 and 14</i> )	12,685,366,336	13,990,105,797
Others	38,920,262,218	34,013,476,965
<b>TOTAL</b>	<b>440,568,526,646</b>	<b>579,973,675,576</b>

**34. CORPORATE INCOME TAX**

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

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

**34.1 CIT expenses**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expense	206,830,818,233	329,052,384,945
Deferred CIT expenses (income)	27,370,508	(7,303,451,453)
<b>TOTAL</b>	<b>206,858,188,741</b>	<b>321,748,933,492</b>

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

**34. CORPORATE INCOME TAX (continued)**

**34.1 CIT expenses (continued)**

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

	VND	
	Current year	Previous year
<b>Accounting profit before tax</b>	<b>889,360,179,562</b>	<b>1,482,381,063,986</b>
At CIT rate of 20%	177,872,035,912	296,476,212,797
<i>Adjustments:</i>		
Non-deductible interest expense	15,937,271,287	-
Other non-deductible expenses	11,998,541,000	1,945,002,284
Utilised tax loss	(112,188,707)	(3,723,259,640)
Losses of subsidiaries not yet recognised deferred tax asset	1,162,529,249	27,050,978,052
<b>CIT expense</b>	<b>206,858,188,741</b>	<b>321,748,933,493</b>

**34.2 Current tax**

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

**34.3 Deferred tax**

The following is deferred tax assets recognised by the Group and the movements thereon:

	VND			
	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Accrual expenses	5,024,785,639	5,052,156,147	(27,370,508)	4,987,070,555
Unrealised profit	2,929,255,563	2,929,255,563	-	2,316,380,898
<b>Deferred tax assets</b>	<b>7,954,041,202</b>	<b>7,981,411,710</b>		
<b>Deferred tax (expenses) income</b>			<b>(27,370,508)</b>	<b>7,303,451,453</b>



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

**34.4 Tax losses carried forward**

The Group is entitled to carry tax loss forward to offset against taxable income arising within 5 years subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had aggregated accumulated tax losses of VND 216,862,112,500 (31 December 2022: VND 216,477,949,807) available for offset against future taxable income. Details are as follows:

Originating year (*)	Can be utilised up to	Tax loss amount	Utilised up to 31 December 2023	Loss of control over subsidiary	VND Unutilised at 31 December 2023
2018	2023	18,331,473,235	(15,996,634)	-	18,315,476,601
2019	2024	25,007,994,485	(602,511,890)	-	24,405,482,595
2020	2025	38,350,204,710	(6,542,968,304)	-	31,807,236,406
2021	2026	15,139,072,578	(7,561,674,380)	(2,548,919,732)	5,028,478,466
2022	2027	134,372,356,007	-	-	134,372,356,007
2023	2028	5,812,646,245	(560,943,533)	(2,318,620,287)	2,933,082,425
<b>TOTAL</b>		<b>237,013,747,260</b>	<b>(15,284,094,741)</b>	<b>(4,867,540,019)</b>	<b>216,862,112,500</b>

(\*) Estimated tax loss as per its subsidiaries' corporate income tax declaration for the year ended 31 December 2023 has not been audited by the local tax authorities as of the date of these consolidated financial statements.

**34.5 Interest expense exceeds the prescribed threshold**

The Group is entitled to carry forward interest expense exceeding the prescribed threshold that have not been deducted when calculating CIT for the current year ("non-deductible interest expenses") to the following year when determining the total deductible interest expenses of the following year. The subsequent year that the interest expense can be carried forward to will not exceed consecutive year of 5 years subsequent to the year in which the non-deductible interest expense incurred. At the balance sheet date, the Group has aggregated non-deductible interest expenses available as follows:

Originating year	Can be used as deductible interest expense up to	Non-deductible interest expenses incurred	Non-deductible interest expense carried forward to following years by 31 December 2023	VND Non-deductible interest expense available to be carried forward as at 31 December 2023
2023 (*)	2028	79,686,356,437	-	79,686,356,437

(\*) Estimated non-deductible interest expense as per the Company and subsidiaries' corporate income tax for the year ended 31 December 2023 has not been audited by the local tax authorities as of the date of these consolidated financial statements.

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**35. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

List of related parties during the year and as at 31 December 2023 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Mr Nguyen Van Dat	Chairman
Ms Tran Thi Huong	Deputy Chairwoman to 30 June 2023
Mr Nguyen Tan Danh	Deputy Chairman
Mr Bui Quang Anh Vu	BOD Member cum General Director
Mr Le Quang Phuc	BOD Member
Mr Doan Viet Dai Tu	BOD Member to 30 June 2023
Mr Khuong Van Muoi	BOD Independent member to 30 June 2023
Mr Tran Trong Gia Vinh	BOD Independent member
Mr Duong Hao Ton	BOD Independent member from 30 June 2023 Chairman of Audit Committee from 30 June 2023
BIDICI	Associate
PDP Project	Associate
Sai Gon - KL	Associate to 17 April 2023
Commonwealth Properties	Associate from 15 February 2023
AKYN	Related party of Deputy Chairman
BDSC Management Consulting Corporation ("BDSC")	Related party of BOD member
Huy Khuong Consultant - Design - Planning - Construction - Trade and Service Company Limited ("Huy Khuong")	Related party of BOD member to 30 June 2023
Resort A Joint Stock Company	Related party of Deputy Chairman
Sustainable Solution Consulting Company Limited	Related party of BOD member
Phu My Hung Development Corporation ("Phu My Hung")	Related party of Deputy Chairman to 1 January 2023
Phat Dat Holdings	Related party of Chairman



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**35. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)**

Significant transactions with related parties were as follows:

Related party	Transaction	Current year	VND
			Previous year
Phat Dat Holdings	Share transfer	1,413,000,000,000	-
	Collection from share transfer	441,215,000,000	-
Sai Gon – KL	Collection of lending	842,833,996,872	-
	Payment of land use rights	511,884,000,000	-
	Advances for Project development	-	3,920,751,000,000
	Collection of advances	-	1,746,540,000,000
	Payable from share transfer	-	369,046,587,076
	Rendering of services	-	7,079,235,907
AKYN	Loan	410,000,000,000	-
	Loan Repayment	56,934,900,000	-
	Borrowing Repayment	49,299,000,000	114,701,000,000
	Loan interest	35,713,520,351	-
	Borrowing	2,900,000,000	161,100,000,000
	Collection from share transfer	-	50,000,000,000
	Collection of investment	-	40,000,000,000
Commonwealth Properties	Repayment	77,886,000,000	20,996,000,000
	Lending	51,905,994,959	-
	Collection of lending	15,444,000,000	-
	Interest payment	4,610,761,107	-
	Interest income	839,578,918	-
	Loan interest	648,227,408	3,962,533,699
	Capital contribution	180,000,000	-
	Borrowing	-	15,000,000,000
	Rendering of services	-	43,014,000
Resort A Joint Stock Company	Receive of service rendered	5,373,233,582	-
PDP Project	Capital contribution	3,663,000,000	3,526,107,000
BDSC	Receive of service rendered	1,527,000,000	1,371,000,000
BIDICI	Repayment	274,000,000	46,000,000

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

**35. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)**

Significant transactions with related parties were as follows: (continued)

Related party	Transaction	VND	
		Current year	Previous year
Mr Nguyen Van Dat	Borrowing	-	14,000,000,000
	Repayment	-	14,000,000,000
Mr Bui Quang Anh Vu	Refundable deposit	-	800,000,000
Ms Tran Thi Huong	Refundable deposit	-	800,000,000
Mr Le Minh Dung	Refundable deposit	-	800,000,000
Huy Khuong	Consulting service fee	-	535,997,782
Mr Le Quang Phuc	Refundable deposit	-	400,000,000
Mr Tran Trong Gia Vinh	Refundable deposit	-	400,000,000

Remuneration to members of the BOD and Management was as follows:

Individuals	Position	VND	
		Current year	Previous year
Mr Nguyen Van Dat	Chairman	1,933,954,000	11,971,777,692
Ms Tran Thi Huong	Deputy Chairwoman	1,863,200,000	5,002,507,692
Mr Nguyen Tan Danh	Deputy Chairman	530,000,000	1,030,000,000
Mr Le Quang Phuc	BOD member	490,000,000	986,111,111
Mr Doan Viet Dai Tu	BOD member	280,000,000	980,000,000
Mr Khuong Van Muoi	BOD Independent member	280,000,000	980,000,000
Mr Tran Trong Gia Vinh	BOD Independent member	480,000,000	980,000,000
Mr Duong Hao Ton	BOD Independent member	200,000,000	-
Mr Le Minh Dung	BOD Independent member	-	791,666,667
Mr Bui Quang Anh Vu	General Director	5,630,299,997	7,705,135,288
Mr Nguyen Dinh Tri	Deputy General Director	2,326,600,000	3,210,606,731
Mr Truong Ngoc Dung	Deputy General Director	1,961,125,002	2,054,309,327
Mr Nguyen Khac Sinh	Deputy General Director	1,739,475,003	1,082,769,444
Mr Phan Le Hoa	Deputy General Director	1,102,000,000	-
Mr Vu Kim Dien	Deputy General Director	702,218,750	691,719,711
Mr Duong Hong Cam	Deputy General Director	-	1,428,183,590
Ms Trang Thanh Minh Thu	Deputy General Director	-	636,713,461
Mr Nguyen Thanh Thao	Deputy General Director	-	406,256,923
Ms Ngo Thuy Van	Chief Accountant	1,236,781,250	465,056,090
Ms Le Thi Thu Huong	Finance Director cum Chief Accountant	-	481,153,846
Ms Nguyen Thi Thuy Trang	Chief Accountant	-	491,947,143
Mr Phan Huy Han	Person in charge of management	519,666,668	1,080,485,832
Ms Nguyen Ton Quynh Vy	Person in charge of management	197,966,668	-
Ms Tran Thi Hoai An	Person in charge of management	417,333,335	436,272,696
<b>TOTAL</b>		<b>21,890,620,673</b>	<b>42,892,673,244</b>



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

**35. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)**

Amounts due from and due to related parties were as follows:

			VND
Related party	Transaction	Ending balance	Beginning balance
<b>Short-term trade receivable</b>			
Sai Gon - KL	Rendering of service	-	7,645,574,780
<b>Other short-term receivable</b>			
Commonwealth Properties	Lending	36,461,994,959	-
	Lending interest	839,578,918	
Sai Gon - KL	Lending	-	1,365,258,944,270
	Commission fee		35,000,000,000
		<b>37,301,573,877</b>	<b>1,400,258,944,270</b>
<b>Short-term trade payables</b>			
Phu My Hung	Purchase of apartment	-	19,626,474,002
Huy Khuong	Receive of service rendered	-	294,458,182
		<b>-</b>	<b>19,920,932,184</b>
<b>Other short-term payables</b>			
BIDICI	Borrowing (*)	760,830,000,000	-
AKYN	Borrowing	-	46,399,000,000
	Loan interest	35,713,520,351	-
Mr Le Quang Phuc	Deposit	400,000,000	400,000,000
		<b>796,943,520,351</b>	<b>46,799,000,000</b>
<b>Other long-term payable</b>			
BIDICI	Borrowing (*)	20,950,000,000	782,054,000,000
Commonwealth Properties	Borrowing	-	77,886,000,000
		<b>20,950,000,000</b>	<b>859,940,000,000</b>
<b>Long-term loan</b>			
AKYN	Loan (**)	353,065,100,000	-

(\*) The balance represents borrowing from BIDICI under borrowing agreement signed on 10 December 2020 and 15 July 2021, which has no interest and has due date from 10 December 2024 to 15 July 2026.

(\*\*) The balance represents borrowing from AKYN under loan agreement signed on 31 March 2023 at the interest rate of 12% p.a, which has due date on 3 April 2028. The Group had used full ownership of shares of the Group in Commonwealth Properties Real Estate Corporation as collateral for this loan.

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

**36. EARNINGS PER SHARE**

The Group uses following data to calculate the basic and diluted earnings per share:

	<i>Current year</i>	<i>Previous year (adjusted)</i>
Profit after tax attributable to ordinary shareholders of the Company	684,058,609,709	1,137,262,912,956
Less: BOD's allowance (*)	<u>(4,520,000,000)</u>	<u>(5,231,667,000)</u>
Net profit after tax attributable to ordinary shareholders of the Company (VND)	679,538,609,709	1,132,031,245,956
Weighted average number of ordinary shares for the year (shares)	<u>677,534,624</u>	<u>671,646,219</u>
<b>Basic earnings per share (VND/share)</b> (par value: VND 10,000/share)	<u><b>1,003</b></u>	<u><b>1,685</b></u>
<b>Diluted earnings per share (VND/share)</b>	<u><b>1,003</b></u>	<u><b>1,685</b></u>

(\*) Profit used to compute earnings per share for year ended 31 December 2022 have been restated to the amounts reported in the consolidated financial statements for the year ended 31 December 2022 to reflect the actual appropriation of BOD's allowance from undistributed net income of 2022 in accordance with the Resolution of Shareholders at annual general meeting dated 30 June 2023.

Profit used to compute earnings per share for the year ended 31 December 2023 was adjusted for the provisional appropriation of BOD's allowance from undistributed net income of 2023 following the final plan approved by Shareholders at annual general meeting dated 30 June 2023.

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.



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

### 37. COMMITMENTS

#### 37.1 Capital commitments

Capital commitments of the Group were as follows:

		VND
	Ending balance	Beginning balance
Project construction commitments	2,033,703,716,980	2,194,053,069,035
Capital contribution commitments	365,209,893,000	368,872,893,000
<i>PDP Project</i>	234,930,000,000	234,930,000,000
<i>Doan Anh Duong</i>	130,279,893,000	133,942,893,000
<b>TOTAL</b>	<b><u>2,398,913,609,980</u></b>	<b><u>2,562,925,962,035</u></b>

#### 37.2 Operating lease commitments

The Group leases office under operating lease arrangements with the minimum lease commitment were as follows:

		VND
	Ending balance	Beginning balance
Less than 1 year	12,486,388,500	19,912,655,700
From 1 to 5 years	395,270,400	21,572,043,675
<b>TOTAL</b>	<b><u>12,881,658,900</u></b>	<b><u>41,484,699,375</u></b>

### 38. EVENTS AFTER THE BALANCE SHEET DATE

According to the Decision of the Board of Directors No. 03/2024/HDQT-QD dated 1 February 2024, the Board of Directors has approved the additional issuance of 134,329,243 ordinary shares to existing shareholders at the par value of VND 10,000 per share, in accordance with the Resolution of the General Meeting of Shareholders No. 03/DHDCD-NQ.2023 dated 30 June 2023. As a result, the Company's charter capital is expected to increase from VND 7,388,108,400,000 to VND 8,731,400,830,000.

Except for event mentioned above, there is no other matter or circumstance that has arisen since the consolidated balance date that requires adjustment or disclosure in the consolidated financial statements of the Group.

Pham Thi Doan Dung  
Preparer

Ngo Thuy Van  
Chief Accountant

Bui Quang Anh Vu  
General Director

Ho Chi Minh City, Vietnam

1 March 2024