

Hoi An, April 01st, 2025

ANNUAL REPORT 2024

To: Stock Exchange

I. General Information

1. Overview

- Trading name: **DEVELOPMENT INVESTMENT CONSTRUCTION HOI AN JOINT STOCK COMPANY**

- Business Registration Certificate No.: 4000391600

- Charter Capital: 68,941,640,000 VND

- Owner's Equity: 68,941,640,000 VND

- Address: No. 25 Hung Vuong Street, Cam Pho Ward, Hoi An City, Quang Nam Province

- Telephone: 0235.3863531

Fax: 0235.3863193

- Website: www.dichoian.vn

- Stock code: DIH

- Formation and Development History

+ Hoi An Construction Enterprise, the predecessor of the present-day Development Investment Construction Hoi An Joint Stock Company, was established in 1979 by the People's Committee of the former Quang Nam-Da Nang Province. It comprised artisans and skilled laborers from the traditional Kim Bong carpentry village, who made significant contributions to the reconstruction of Hoi An, healing the wounds of war. The Enterprise experienced steady growth. In 1984, the Provincial People's Committee decided to establish the Hoi An Construction Enterprise, merging it with two other entities: the Hoi An Lime Enterprise and the Cam Pho Carpentry and Masonry Cooperative.

+ In the late 1980s and early 1990s, the socialist-oriented market economy under state management necessitated a transformation for the Enterprise to align with the new management mechanism. Indeed, the Enterprise underwent positive changes, rapidly adapting to the evolving landscape.

+ In 2003, implementing the Resolution of the 9th Central Party Committee's 2nd Plenary Session on "Continuing to renovate, develop, and enhance the efficiency of State-Owned Enterprises," and with the approval of the Government and the Ministry of Construction, the Quang Nam People's Committee issued Decision No. 120/2003/QD-UB on November 20, 2003, transferring the Hoi An Construction Company to become a member of the Development Investment Construction Corporation under the Ministry of Construction. In the same spirit, the Ministry of Construction issued Decision No. 1666/QD-BXD on December 11, 2003, accepting the Hoi An Construction Company under the Quang Nam People's Committee as a wholly state-owned subsidiary in the pilot parent-subsidiary model of the Development Investment Construction Corporation (DIC Corp) - Ministry of Construction, renaming the company to DIC - Hoi An Development Investment Construction Company.

+ Implementing the Resolution of the 9th Central Party Committee's 3rd Plenary Session, Directive No. 02/2004/CT-BXD dated February 16, 2004, of the Minister of Construction on continuing to promote the restructuring, renovation, development, and enhancement of the efficiency of State-Owned Enterprises under the Ministry of Construction; the Action Program of the Party Committee of the Development Investment Construction Corporation (DIC-Corp); and the Resolution of the Board of Directors, based on Decision No. 04/QD-BXD dated January 4, 2005, of the Minister of Construction on supplementing the list of units implementing equitization in 2005 (DIC - Hoi An Company under the Development Investment Construction Corporation), DIC - Hoi An Development Investment Construction Company was equitized under Decision No. 202/QD-BXD dated February 6, 2006, of the Ministry of Construction: Decision on "Transforming DIC-Hoi An Development Investment Construction Company under the Development Investment Construction Corporation into Development Investment Construction Hoi An JSC.

+ Development Investment Construction Hoi An Joint Stock Company (DIC-Hoi An) officially commenced operations on March 1, 2006. After three years of transition from a state-owned enterprise, the Company achieved remarkable results, with revenue increasing annually: 2006 (51 billion VND), 2007 (79 billion VND), 2008 (106 billion VND). Labor conditions were stable, with 95 employees, and income was consistently ensured at each stage. Especially in the current challenging period, the Company's leadership has made significant efforts to maintain stable production and business operations and ensure employee income.

+ Quang Nam is the Company's primary operating location. However, with its current capabilities and decades of experience, the Company has expanded its reach, undertaking large-scale projects in various other locations across the country, such as Da Nang, Lam Dong, Thua Thien Hue, Hanoi, and Kon Tum.

+ The Company's workforce is robust, comprising experienced architects and engineers, along with hundreds of skilled workers and artisans with traditional Kim Bong carpentry and masonry skills, which are being enhanced by advanced and modern construction technology, fully meeting the technical and aesthetic requirements of tourism and high-rise projects.

+ DIC-Hoi An has a dedicated, dynamic, and innovative leadership team. With the motto "Customers are valued friends," the Company's leadership fosters strong relationships, demonstrating understanding, respect, and trust with customers, evidenced by projects completed on schedule and meeting high standards of technical and aesthetic quality, with many projects receiving Gold Medals for high-quality construction...

+ DIC-Hoi An is always ready to engage in joint ventures and strategic partnerships with organizations both within and outside the construction industry to implement new urban development and industrial production projects in Quang Nam and Da Nang, based on the principles of equal cooperation and mutual benefit.

+ In management and administration, the Company continuously updates and applies optimal management models suited to its situation. The Company has been certified with the ISO 9001-2008 Quality Management System. All Company products comply with state-regulated standards. The Company has a modern machinery and equipment system with advanced technology.

+ Listing: Listed under Stock Listing Certificate No. 12/GCN-SGDHN dated April 22, 2011, of the Hanoi Stock Exchange.

- Other Events: None

2. *Business Sectors and Operating Location:*

- Business Sectors:

+ *Construction and installation of civil, industrial, transportation, irrigation, urban infrastructure, and industrial park projects, including water supply and drainage systems, environmental treatment projects, power transmission lines, and substations.*

+ *Real estate services.*

+ *Demolition, site preparation, and construction finishing works.*

- Operating Location: Quang Nam Province

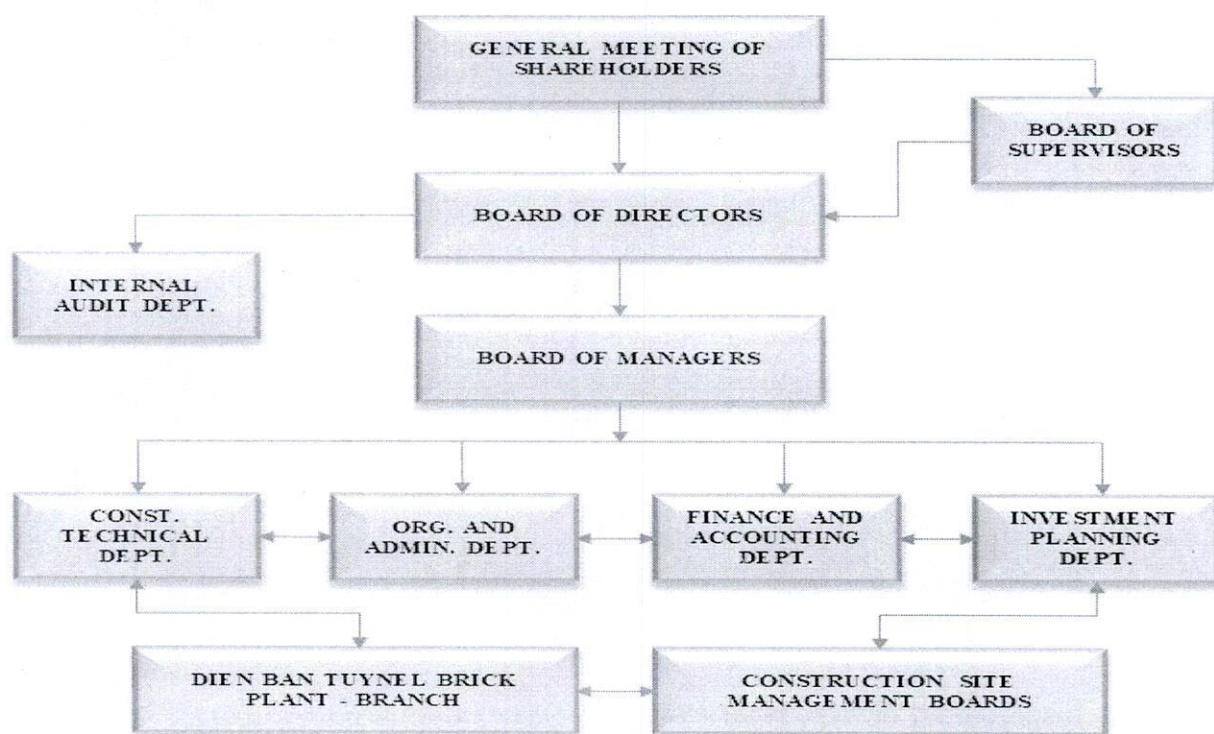
3. *Information on Governance Model, Business Organization, and Management Structure*

- Governance Model

The company's governance structure consists of the General Meeting of Shareholders, the Board of Supervisors, the Board of Directors, and the Board of Management, led by the General Director (GD) and functional Vice General Directors. The organizational structure is designed based on functional divisions, ensuring a well-coordinated management approach. The GD oversees operations through a system of delegation and authority distribution, managing key tasks via the respective Vice General Directors in charge of functional departments.

Overall, the newly structured corporate governance model aligns with international standards and best practices. The restructuring has significantly enhanced management efficiency, strengthened corporate governance, and improved the Board of Directors' (BOD) oversight of executive operations

- Management Structure.



- Subsidiaries and Affiliated Companies: None.

4. *Development Orientation*

- Key Objectives of the Company

The most important objective in 2024 is to achieve the 2024 planned targets approved by the 2024 Annual General Meeting of Shareholders. To achieve this objective, the Company's leadership has proposed solutions for implementing the 2024 plan and subsequent years, focusing on intensifying efforts to identify and pursue bidding opportunities online, not only within Quang Nam province but also expanding to other regions, continuing the progress of ongoing investment projects, restructuring the management framework, and providing thorough training, retraining, and developing human resources.

- Medium and Long-Term Development Strategy.

In the coming years, the Company aims to maintain stability in traditional business sectors while continuously expanding its market presence. The Company will conduct feasibility studies on new projects within its business areas to ensure sustainable investment opportunities in future years.

- Sustainable Development Goals (Environmental, Social, and Community) and Key Programs Related to the Company's Short and Medium Term.

In 2024, the Company will strictly manage worksite operations to ensure occupational safety and environmental protection. Furthermore, the Company will continue to actively participate in social responsibility initiatives within the local community and neighboring provinces.

5. Risk Factors

Payment Risks

In the construction sector, projects require substantial capital investment and extended construction timelines. Payments are often made in installments based on project completion milestones, leading to high debt ratios and long capital turnover cycles. These industry-specific risks significantly impact the Company's financial position and may result in liquidity constraints if DIC – Hoi An fails to recover receivables from major clients.

Competitive Risks

The transition to e-bidding platforms is relatively new and presents challenges, especially given the current economic difficulties. The Company faces limited human resources for digital tendering, and high local labor costs compared to other provinces, which negatively impact competitive pricing and bidding success rates. This remains a major factor affecting overall business efficiency.

Material Supply Risks

In recent years, material costs have been subject to significant domestic and international fluctuations. The rising prices of electricity, water, steel, and labor have led to higher production costs, reducing overall profitability..

Environmental Risks

Being located in Central Vietnam, DIC – Hoi An is frequently affected by natural disasters such as storms and floods. These events often cause severe damage, delaying project execution and leading to financial and human resource losses

Epidemic Risks

We are currently in a phase of recovering from the prolonged effects of the pandemic over the past few years, which has had a significant impact on countries in general and Quang Nam province in particular. Consequently, the Company's production and business operations in 2024 continue to face considerable limitations.

II. Business performance during the year

1. Production and Business Operations:

- In the past year of 2024, the construction of projects encountered numerous difficulties, significantly impacting the Company's business performance. Furthermore, the production of bricks experienced low consumption, resulting in negligible profits. The real estate sector, following the general trend, also faced numerous limitations, significantly affecting the Company's initial plans and strategies.

- Performance Compared to Plan:

Unit: VND

No.	Indicator	Plan (2024)	Actual (2024)	Percentage (%)
1	Revenue	200,000,000,000	222,112,989,462	111.1%
2	Profit before Tax	12,000,000,000	17,230,776,884	143.59%

At the beginning of 2024, the Company set a high target for the implementation and development of the Residential Housing Investment and Urban Renovation Project in Lam Sa - Tu Le - Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City, to recoup investment capital. It is projected that by the third quarter of 2024, the project will generate revenue in line with the plan approved at the 2024 Annual General Meeting of Shareholders. This is a decisive factor in achieving revenue and profit performance exceeding the Company's plan for the past year.

2. Organization and Human resources:

- List of Board of Management Members:

* **Full name: TRAN VAN VIET**

General Director

- Gender: Male

- Date of birth: 22/5/1976

- Place of birth: Dien An – Dien Ban – Quang Nam

- ID No.: 049076013111 issued by PC06 on 25/06/2021

- Nationality: Vietnamese Ethnicity: Kinh

- Contact address: 12 Tran Cao Van Alley – Hoi An – QNam

- Telephone: 0905119510

- Education Level: 12/12

- Qualification: Architect

- **Work Experience:**

9/2001 - 10/2005: Technical Staff, DIC – Hoi An

11/2005 – 3/2012: Head of Planning and Investment Department, DIC – Hoi An

4/2012- 7/2019: Vice General Director DIC – Hoi An

7/2019 – present: General Director DIC – Hoi An

- Current Position: General Director

- Positions Held in Other Organizations: None

- **Personal Shareholding:** 67,885 Shares

- **Percentage of Voting Shares:** 0.98%

* **Full Name: PHAM ANH THI**

Vice General Director

- Gender: Male

- Date of birth: 01/5/1975
- Place of birth: Dien Minh – Dien Ban – Quang Nam
- ID No.: 049075000852 issued by PC06 on 01/04/2021
- Nationality: Vietnamese Ethnicity: Kinh
- Contact address: 104 Tran Cao Van – Hoi An – QNam
- Telephone: 0913473673
- Education Level: 12/12
- Qualification: Civil and Industrial Construction Engineer
- **Work Experience:**
 - 9/1999 - 10/2005: Technical Staff, DIC – Hoi An
 - 11/2005 – 3/2011: Head of Construction Technical Department, DIC – Hoi An
 - 4/2011- present Vice General Director DIC – Hoi An
- Current Position: Vice General Director
- Positions Held in Other Organizations: None
- **Personal Shareholding:** 17,082 Shares
- **Percentage of Voting Shares:** 0.25%
- * **Full Name: NGUYEN HOANG PHUONG** Vice General Directors
- Gender: Male
- Date of birth: 30/09/1984
- Place of birth: Cam Thanh – Hoi An- Quang Nam
- ID No.: 049084016502 issued by PC06 on 28/06/2022
- Nationality: Vietnamese Ethnicity: Kinh
- Contact address: Thanh Dong Village, Cam Thanh Commune, Hoi An City, Quang Nam Province
- Telephone: 0983930512
- Education Level: 12/12
- Qualification: Construction Engineer & Project Management
- **Work Experience:**
 - 8/2007 – 7/2010: Specialist, Planning and Investment Department, DIC – Hoi An Company
 - 8/2010 – 5/2014: Deputy Head, Planning and Investment Department, DIC – Hoi An
 - 6/2014 – 12/2016: Head, Planning and Investment Department, DIC – Hoi An
 - 1/2017 – 4/2023: Head of Organization-Administration Department, DIC – Hoi An
 - 3/2011 – 4/2023: Member of the Board of Supervisors, DIC – Hoi An
 - 5/2023 – present: Vice General Director DIC – Hoi An
- Current Position: Vice General Director
- Positions Held in Other Organizations: None
- **Personal Shareholding:** 8,050 Shares
- **Percentage of Voting Shares:** 0.12%

*** Full Name: TRAN DINH HUY****Vice General Directors**

- Gender: Male
- Date of birth: 18/03/1992
- Place of birth: Hoi An - Quang Nam
- ID No.: 049092027787 issued by PC06 on 22/12/2021
- Nationality: Vietnamese Ethnicity: Kinh
- Contact address: 35 Binh Minh 2, Group 01, Binh Thuan, Hai Chau, Da Nang
- Telephone: 0934738778
- Education Level: 12/12
- Qualification: Master of Financial Management
- **Work Experience:**
- Current Position: Vice General Director
- Positions Held in Other Organizations: None
- **Personal Shareholding:** 1,313,685 Shares
- **Percentage of Voting Shares:** 19.06%

*** Full Name: HO HAI BAC
Administrator****Brick Plant Representative cum Company**

- Gender: Male
- Date of birth: 04/6/1973
- Place of birth: Cam Pho – Hoi An – Quang Nam
- ID No.: 003073013965 issued by PC06 on 10/08/2021
- Nationality: Vietnamese Ethnicity: Kinh
- Address: 71/11 Hùng Vương - Hoi An - QNam
- Telephone: 0989229800
- Education Level: 12/12
- Qualification: Bachelor of Economics
- **Work Experience:**
 - 9/1996 - 10/2003: Staff, DIC – Hoi An
 - 11/2003 - 9/2005: Staff, DIC – Hoi An
 - 10/2005 - 4/2006: Deputy Head of Organization and Labor Department, DIC – Hoi An
 - 5/2006 - 6/2007: Deputy Director of Dien Ban Tuynen Brick Plant, DIC – Hoi An
 - 7/2007 - present: Representative of Dien Ban Tuynen Brick Plant, DIC – Hoi An
- Current Position: Representative of Dien Ban Tuynen Brick Plant, Company Administrator
- Positions Held in Other Organizations: None
- **Personal Shareholding:** 13,486 Shares
- **Percentage of Voting Shares:** 0.19%
- *** Full Name: VO HO QUYNH GIAO** **Chief Accountant**
- Gender: Female

- Date of birth: 22/7/1972
- Place of birth: Hoi An – Quang Nam
- ID No.: 048172005675 issued by PC06 on 27/06/2021
- Nationality: Vietnamese Ethnicity: Kinh
- Address: 130 Ly Thuong Kiet – Hoi An – Quang Nam
- Telephone: 0916524950
- Education Level: 12/12
- Qualification: Bachelor's Degree (Accounting Major)
- **Work Experience:**
 - 6/2000 - 2/2006: Staff, Finance - Accounting Department, DIC – Hoi An
 - 3/2006 - 8/2019: Deputy Head, Finance - Accounting Department, DIC – Hoi An
 - 9/2019 - present: Chief Accountant, DIC – Hoi An
- Current Position: Chief Accountant
- Positions Held in Other Organizations: None
- **Personal Shareholding:** 5,750 Shares
- **Percentage of Voting Shares:** 0.08%

- Changes in the Board of Management: There were no changes in the Company's Board of Management during 2024.

- Number of Employees: As of December 31, 2024, the total number of employees at the Company is structured as follows:

Company Workforce Structure Table

Qualification	No. of Employees	Ratio (%)
Postgraduate	01	2.08
Undergraduate	42	87.50
Specialist	5	10.42
Total	48	100.00

* Work Policies: The Development Investment Construction Hoi An Joint Stock Company ensures full compliance with labor policies, employment contracts, and collective labor agreements as per labor law regulations.

* Training Policies: The company prioritizes training, development, and upskilling of human resources. Annually, the company organizes on-the-job training and sends employees for professional courses and skill enhancement programs.

* Recruitment Policies: Currently, the company applies incentive schemes to attract and retain qualified and experienced employees for long-term service.

* Salary, Bonus, and Welfare Policy: The company maintains a consistent policy of salaries, bonuses, and benefits designed to incentivize employees, particularly those with advanced skills, experience, and specialized expertise, to foster long-term employment. In 2024, despite facing certain challenges in its business operations, the company successfully upheld an average employee income of 14 million VND per person per month.

3. Investment Status and Project Implementation

a) Major Investments:

Investment Project Activities Received Significant Attention.

+Currently, the Company is focusing on implementing and accelerating the completion of the Residential Housing Investment and Urban Renovation Project in Lam Sa - Tu Le - Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City, with a scale of 18.5 hectares and a total investment of over 600 billion VND.

+To date, the land clearance work has cleared an area of 151,794.5m²/184,638m², reaching 82.2% of the project's total area. The compensation value disbursed for clearance is 242.5 billion VND/396.7 billion VND, achieving 61.1%.

-Technical Infrastructure Construction Status: The completed infrastructure construction volume includes land leveling, and the transportation system has completed the asphalt concrete pavement. The drainage system is basically completed (90% of the volume): Total value approximately: 155.7 billion VND/219.1 billion VND, achieving 71.1%.

-The Residential Housing Investment and Urban Renovation Project in Lam Sa - Tu Le - Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City has been granted Land Use Rights Certificates (LURCs) for the first phase: 16,545.4m²; second phase: 7,145m². The total area granted LURCs is 23,690.4 m². To date, 14,745.4m² has been subdivided and transferred, generating 637.66 billion VND.

b) Subsidiaries and Associated Companies: None

4. Financial Overview:

a) Financial Performance:

Indicators	2023	2024	Increased/Decreased (%)
Total Assets	776,024,782,066	622,851,514,452	80.26
Net Revenue	290,916,836,128	222,112,989,462	76.35
Operating Profit	18,405,134,876	17,230,776,884	93.62
Other Profit	-	-	-
Profit before Tax	18,405,134,876	17,230,776,884	93.62
Net Profit	14,083,666,318	13,364,366,925	94.89
Dividend Payout Ratio	1,861	1,941	104.30

- Other Indicators: None.

b) Key Financial Ratios:

Indicator	2023	2024	Remarks
<i>1. Liquidity Ratios</i>			
+ Short-term Liquidity Ratio:	2.06	1.34	
+ Quick Ratio:	0.41	0.26	
<i>2. Capital Structure Ratios</i>			
+ Debt to Total Assets Ratio	0.86	0.81	
+ Debt to Equity Ratio	6.33	4.20	

<i>3. Operational Efficiency Ratios</i>			
+ Inventory Turnover Ratio:	0.36	0.32	
+ Total Asset Turnover Ratio:	0.34	0.32	
<i>4. Profitability Ratios</i>			
+ Net Profit Margin	0.048	0.060	
+ Return on Equity	0.133	0.112	
+ Return on Assets	0.018	0.021	
+ Operating Profit Margin	0.063	0.078	

5. Shareholder Structure and Changes in Equity

a) Shares Issued:

- Total outstanding shares in 2024: 6,894,164 shares
- Type of shares: Common shares
- Freely transferable shares: 6,879,164 shares
- Restricted shares (unlisted) : 15,000 shares

b) Shareholder Structure: Classified according to the criteria of major shareholders and minority shareholders.

c) Changes in Equity:

- Initial registered capital: VND 29,999,420.000
- First increase (7/9/2018) via stock dividend issuance: 262,334 shares, raising capital from VND 29,999,420,000 to VND 32,622,760,000.
- Second increase (6/11/2018) via private placement: 2,732,686 shares, includes 157,686 shares (5.77%) allocated to employees and 2,575,000 shares (94.23%) allocated to other investors, raising capital from VND 32,622,760,000 to VND 59,949,620,000. On July 17, 2024, According to Report No. 45/BC-DICHA on the results of the 2023 stock dividend issuance, the company completed the issuance, raising capital from VND 59.949.620.000 to VND 68.941.640.000.

d) Treasury Stock Transactions:

- Current treasury stock: 0 shares
- Transactions conducted in the year: 84,700 shares

e) Other Securities: None

6. Environmental and Social Impact Report

6.1. Environmental Impact:

As a construction contractor, the company is always responsible for environmental protection. The company ensures strict compliance with environmental protection regulations during construction activities.

Construction work is halted immediately upon detecting environmental risks and resumes only after corrective measures are implemented.

6.2. Material Management:

a) As the company's primary business activity is construction contracting, the management of raw material resources is crucial. Leveraging its reputation in the construction industry and to ensure project quality, DIC - Hoi An has established a

network of reputable construction material suppliers with extensive distribution and abundant inventory. Furthermore, the company conducts annual supplier performance evaluations to ensure the quality and competitive pricing of its raw materials.

b) During infrastructure construction and the demolition of old structures for new construction projects, DIC - Hoi An has utilized salvaged materials for reconstruction, resulting in cost savings on temporary site facilities.

6.3. Energy Consumption:

a) 2024 Total Energy Consumption at the Company's Office: VND 78,265,000 dong (In words: Seventy -ight million two hundred and sixty-five thousand Vietnamese Dong)

b) Energy Savings through Energy Efficiency Initiatives: None

c) Energy Saving Initiative Reports (providing energy-saving products and services or using renewable energy); Reports on the results of these initiatives: None

6.4. Water Consumption: (water consumption of business operations in the year)

a) Water Supply and Usage

- Supplied by Hoi An Public Works Joint Stock Company.

- Total water consumption in 2024 at the Company's office: VND 2,568,000 (In words: Two million five hundred and sixty-eight thousand Vietnamese Dong)

b) Percentage and Total Volume of Recycled and Reused Water: None

6.5. Compliance with Environmental Protection Laws:

a) Number of Violations Resulting in Penalties Due to Non-Compliance with Environmental Laws and Regulations: None

b) Total Amount of Penalties Due to Violations Resulting from Non-Compliance with Environmental Laws and Regulations: None

6.6. Employee-Related Policies

a) Number of Employees and Average Salary.

- The total number of employees at the Company as of December 31, 2024: 48-
Average employee salary: 14 million VND per person per month.

b) Labor Policies to Ensure Employee Health, Safety, and Welfare.

Development Investment Construction Hoi An Joint Stock Company prioritizes occupational health and safety. All employees are required to wear protective gear at construction sites .

The company emphasizes social welfare and community activities.

c) Employee Training Activities

The company values employee training, development, and capacity building. Annual training includes on-site training and sending employees for professional development courses.

6.7. Reports on Local Community Responsibility.

- January 25, 2024: New Year's Eve support expenditure: 20,000,000 VND.

- February 1, 2024: "Spring of Love" support expenditure: 3,000,000 VND.

- Participation in the implementation of the "Gratitude" fund, the "For the Poor" fund, the disaster prevention fund; supporting Vietnamese Heroic Mothers; gratitude, social, and charitable activities totaling nearly 20 million VND.

6.8. Reports on Green Capital Market Activities as Guided by the SSC.

The Company consistently adheres to all legal regulations concerning

environmental protection. Currently, the Company is conducting research to transition to a non-fired brick production model, aiming to minimize the extraction of clay resources, enhance resource protection efficiency, improve environmental quality, and safeguard human health. The Company is also undertaking reviews, adjustments, and refinements to ongoing land exploitation, expanding green projects, and developing environmentally friendly business operations.

III. Report and Evaluation of the Board of Directors (The Board of Directors reports and evaluates all aspects of the company)

The report and evaluation must include the following

1. Evaluation of Business Performance

Based on the general direction, detailed plans, and 2024 Shareholders' Meeting Resolution of Development Investment Construction Hoi An JSC, the company achieved the following:

- Planned revenue: 200 billion VND; Actual revenue: 222,11 billion VND (111,06% of plan)
- Pre-tax profit: Planned profit: 12 billion VND; Actual profit: 17,23 billion VND (143,59% of plan).
- Average employee income: 15 million VND per person per month.
- Estimated dividend payout: 10-15%.

*Compared to previous years, 2024 saw fewer new construction projects. The Company signed 02 construction contracts with a total value of 50.27 billion VND in 2024.

*The Residential Housing Investment and Urban Renovation Project in Lam Sa - Tu Le - Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City has been granted Land Use Rights Certificates (LURCs) for the first phase: 16,545.4m²; second phase: 7,145m². The total area granted LURCs is 23,690.4 m². To date, 14,745.4m² has been subdivided and transferred, generating 637.66 billion VND

2. Financial Status

a) Asset Status

Total assets in the audited 2024 financial statements: 622,851,514,452 VND.

b) Liabilities Status

- Current Liabilities and Major Fluctuations
- + Short-term liabilities: 459,674,253,054 VND
- + Long-term liabilities: : 43,320,500,000 VND

Authorized by the General Meeting of Shareholders, the Board of Directors approved the policy of borrowing capital to cover the legitimate expenses of the Residential Housing Investment and Urban Renovation Project in Lam Sa - Tu Le - Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City. Consequently, the accounts payable remain high. The Company has developed a repayment plan according to the regulations of the lenders, resulting in a decrease in debt compared to 2023.

3. Improvements in Organizational Structure, Policies, and Management.

- Continue to seek and research other projects in Quang Nam province for investment in the coming years.
- Focus on investing in technical infrastructure and construction equipment, improving professional capabilities, leveraging existing skills and technical facilities.

Maintain and strengthen the economic structure defined in the 2019-2024 term: Project investment, transportation construction, technical infrastructure, civil and industrial projects, material production, and raw material exploitation.

- Continuing to strengthen the organizational structure, uphold the reputation of the DIC – Hoi An brand, enhance market competitiveness, ensure lawful business operations, safeguard corporate security, and contribute to maintaining political stability and social order.

4. Future Development Plans

The Company's top priority is to seize opportunities, overcome challenges, enhance business stability, preserve capital, and generate profits.

The Board of Directors believes that with the sustainable development strategy that DIC - Hoi An has persistently pursued over the years, building on the results that the unit has strived to achieve, the Company faced numerous difficulties in 2024 and thus did not meet its set targets. However, the Company still ensures long-term benefits for its esteemed shareholders..

To achieve this goal, the Board of Directors plans to implement the following tasks:

- Maximizing resources for infrastructure development, land clearance, and compensation for the Lam Sa – Xuan Hoa – Tu Le Project (Cam Pho ward) and Bau Dung area (Thanh Ha ward), Hoi An City to facilitate investment recovery, striving for continued revenue and profit from the project in 2024 while maintaining efforts for sustained growth in the coming years.

5. Explanation of the Board of Directors Regarding Audit Opinions: None.

6. Report on Assessment Related to the Company's Environmental and Social Responsibilities

a. Assessment Related to Environmental Indicators: Commit to ensuring that all construction projects undertaken by the Company adhere to safety and environmental hygiene standards, instructing all employees to practice energy and water conservation, and dispose of waste in designated areas.

b. Assessment Related to Labor Issues: Always prioritize and protect the legitimate rights of shareholders to the fullest extent, and pay more attention to the income, rights, and working conditions of employees.

c. Assessment Related to Corporate Responsibility to the Local Community: All employees are well aware of group activities, actively participate in, and respond to all local community activities.

IV. Board of Directors' Assessment of Company Performance

1. Board of Directors' Evaluation of Company Operations, Including Environmental and Social Responsibility

In 2024, despite facing numerous challenges amidst a complex economic landscape, key sectors demonstrated resilience. For DIC-Hoi An, this year presented considerable hurdles, particularly in the initial months. However, the unwavering commitment of the Board of Directors, the Board of Management, affiliated units, and all employees, coupled with the support of local authorities and the trust of our partners, enabled the Company to achieve notable outcomes.

2. Board of Directors' Evaluation of Management Performance

While the Management team's operational results for 2024 did not fully meet expectations, the Board of Directors commends their persistent efforts and dedication. The Company has implemented comprehensive plans to ensure the financial and professional

well-being of its employees, offering competitive compensation packages that surpass industry and regional averages.

3. Board of Directors' Plans and Strategic Direction

The Board of Directors remains committed to upholding the Company's Charter and operational regulations, diligently executing the responsibilities entrusted by the General Meeting of Shareholders.

The primary goal of the Board of Directors is to preserve capital and prevent negative growth. To achieve this objective, the Board of Directors intends to implement the following measures:

- Implementing effective cost-control measures to optimize operational efficiency.
- Enhancing capital utilization through prudent debt management, aggressive collection of outstanding receivables, and accelerated capital turnover. Prioritizing projects and streamlining construction timelines to expedite project handover.
- Maintaining rigorous oversight of business operations to ensure the achievement and surpassing of strategic targets, driving sustainable growth.
- Accelerating the completion and monetization of the Lam Sa – Tu Le - Xuan Hoa residential development project.
- Initiating construction projects only when a minimum of 80% funding is secured.
- Investing in state-of-the-art equipment for transportation and infrastructure projects.
- Continuing to evaluate potential investment opportunities in Hoi An and other regions.
- Collaborating closely with the Management team to protect shareholder interests and enhance employee welfare.

V. Corporate Governance

1. Board of Directors

a) Composition and Structure of the Board of Directors:

*** Full Name: TRAN DINH LOI** **Chairman of the BOD**

- ID No.: 051063011940 issued by PC06 on 22/6/2023
- Telephone: 0913202140
- Qualification: Bachelor of Economics, Major in Business Administration
- Current Position: Chairman of the BOD
- Positions Held in Other Organizations: None
- **Personal Shareholding** **50,140 Shares**
- **Percentage of Voting Shares:** **0.73%**

*** Full Name: TRAN VAN VIET** **Vice Chairman of the BOD**

- ID No.: 049076013111 issued by PC06 on 25/06/2021
- Qualification: Architect
- Current Position: General Director cum. Vice Chairman of the BOD
- Positions Held in Other Organizations: None
- **Personal Shareholding** **67,885 Shares**
- **Percentage of Voting Shares:** **0.98%**

*** Full Name: TRAN DINH DANH** **Member of the BOD**

- ID No.: 049067000741 issued by PC06 on 10/04/2021
- Qualification: Bachelor of Economics
- Current Position: Member of the BOD
- Positions Held in Other Organizations: None
- **Personal Shareholding** **38,042 Shares**
- **Percentage of Voting Shares:** **0.55%**

*** Full Name: HO HAI BAC** **Member of the BOD**

- | | |
|--|--|
| - ID No.: | 003073013965 issued by PC06 on 10/08/2021 |
| - Qualification: | Bachelor of Economics |
| - Current Position: | Representative of Brick Plant cum. Member of the BOD |
| - Positions Held in Other Organizations: | None |
| - Personal Shareholding | 13,486 Shares |
| - Percentage of Voting Shares: | 0.19% |

*** Full Name: TRAN QUOC TUAN** **Member of the BOD**

- ID No.: 049083001030 issued by PC06 on 25/06/2023
- Telephone: 0905357264
- Qualification: College Degree in Technology-Economics and Central Region Irrigation.
- Current Position: Independent Member of the BOD
- Positions Held in Other Organizations: Construction and Urban Officer, Cam Chau Ward People's Committee
- **Personal Shareholding** **8,740 Shares**
- **Percentage of Voting Shares:** **0.13%**

b) Board Committees: No subcommittees have been established under the Board of Directors.

c) Activities of the Board of Directors:

- Number of Board Meetings in 2024: 07 meetings
- Key Agenda and Outcomes
- + Implementation of plans to organize the 2024 Annual General Meeting of Shareholders on April 26, 2024.
- + Supervision of the direction and management of production and business activities, ensuring the achievement of planned targets for the first 6 months of 2024.
- + Organization and direction of the strict implementation of the quarterly financial reporting regime for Q1 and Q2 of 2024 and the audited financial report for 2023.
- + Focus on accelerating the progress of projects scheduled for handover in 2024.
- + Close supervision of expenses, and urging the recovery of receivables.

Monthly, the Board of Directors holds meetings with the Board of Management to review, urge, and supervise the implementation of the Board of Management's objectives, while providing directions and decisions related to the implementation of the General Meeting of Shareholders' resolutions and the Board of Directors' resolutions.

d) Activities of Independent Board of Directors Member. Activities of Subcommittees within the Board of Directors: Fully participated in all meetings of the Board of Directors since appointment, thereby making a significant contribution to the

management of production and business activities in 2024.

Independent Members of the Board of Directors do not participate in operational management and fulfill their duties in accordance with the Law on Enterprises and the Board of Directors' assignments.

e) List of Board of Directors Members with Corporate Governance Training Certificates: Mr. Tran Dinh Loi

2. Board of Supervisors

a) Composition and structure of Board of Supervisors:

*** Full Name: PHAM THI THANH TAM Head of the BOS**

- ID No.: 049181010669 issued by PC06 on 20/08/2021
- Qualification: Master's Degree in Accounting
- Current Position: Head of Board of Supervisors
- Positions Held in Other Organizations: Accountant at Hieu Hoi An Co., Ltd
- **Personal Shareholding: 23,000 Shares**
- **Percentage of Voting Shares: 0.33%**

*** Full Name: TRAN VAN SON Member of Board of Supervisors**

- ID No.: 049081015780 issued by PC06 on 23/02/2022
- Qualification: Construction Engineer and Project Manager
- Current Position: Member of Board of Supervisors, Head of Investment & Planning Dept.
- Positions Held in Other Organizations: None
- **Personal Shareholding: 6,325 Shares**
- **Percentage of Voting Shares: 0.09%**

*** Full Name: LE DINH THINH Member of Board of Supervisors**

- ID No.: 049078016549 issued by PC06 on 20/08/2021
- Qualification: Electrical Engineer
- Current Position: Member of Board of Supervisors
- Positions Held in Other Organizations: None
- **Personal Shareholding: 2,530 Shares**
- **Percentage of Voting Shares: 0.04%**

b) Activities of the Board of Supervisors:

The Board of Supervisors consists of 3 members. In 2024, the Board of Supervisors operated honestly, objectively, and in compliance with the law, the charter, and the resolutions of the General Meeting of Shareholders and the Company's Board of Directors.

The Board of Supervisors was fully informed of the contents of the regular meetings of the Board of Directors and provided direct feedback on compliance with legal regulations, the charter, and the Company's procedures and regulations.

Inspected and supervised the implementation of the resolutions of the 2024 Annual General Meeting of Shareholders. Inspected and supervised the issuance of resolutions by the Board of Directors and the Board of Management in management and administration.

Supervised the management and administration of production and business activities. Conducted reviews of quarterly financial statements and annual financial reports. Coordinated with independent auditors to examine the impact of accounting errors.

Provided feedback on existing issues that the Board of Supervisors deemed necessary to change to improve production and business operations.

The remuneration of the Board of Supervisors in 2024 was paid in accordance with the resolution approved at the 2024 Annual General Meeting of Shareholders..

3. Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Board of Supervisors

a) Salaries, Bonuses, Remuneration, and Benefits;

No..	Full Name	Position	Salary in 2024	Bonuses in 2024	Other Benefits
1	Tran Dinh Loi	Chairman of the Board	720,000,000	30,000,000	-
2	Tran Van Viet	Vice Chairman of the Board	96,000,000	-	-
3	Tran Minh Toan	Member of the BOD	32,000,000	-	-
4	Tran Dinh Danh	Member of the BOD	96,000,000	-	-
5	Ho Hai Bac	Member of the BOD	96,000,000	-	-
6	Tran Quoc Tuan	Member of the BOD	64,000,000		-
7	Tran Van Viet	General Director	455,000,000	25,000,000	-
8	Pham Anh Thi	Vice General Directors	266,110,000	16,000,000	-
9	Ho Hai Bac	Representative of Brick Plant	-	-	-
10	Nguyen Hoang Phuong	Vice General Directors	256,788,406	16,000,000	
11	Tran Dinh Huy	Vice General Directors	255,776,190	16,000,000	-
12	Pham Thi Thanh Tam	Head of the BOS	60,000,000	-	-
13	Tran Dinh Dũng	Member of the BOS	18,000,000	-	
14	Le Dinh Thinh	Member of the BOS	36,000,000		
15	Tran Van Son	Member of the BOS	54,000,000		
16	Le Dinh Thinh	Head of Construction Technical Dept.	201,377,075	15,000,000	
17	Tran Van Son	Head of Investment & Planning Dept.	204,770,186	15,000,000	

b) Insider Stock Transactions:

In 2024, insiders and related parties did not engage in any stock purchase or sale transactions. The increase in the number of shares held by insiders and related parties during the year resulted from the payment of stock dividends for 2023.

c) Contracts or Transactions with Insiders: None

d) Assessment of Compliance with Corporate Governance Regulations: Strict compliance with corporate governance regulations.

VI. Financial Statements

1. Audit Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the 1 Company as of December 31, 2024, as well as its results of operations and cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations regarding the preparation and presentation of financial statements.

2. Audited Financial Statements:

BALANCE SHEET

As of December 31, 2024

ASSETS	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
A. CURRENT ASSETS	100		617,985,456,817	771,105,040,612
I. Cash and cash equivalents	110	4.1	3,665,761,501	10,641,297,022
1. Cash	111		2,481,448,218	9,477,381,715
2. Cash equivalents	112		1,184,313,283	1,163,915,307
II. Current financial investments	120		-	-
III. Current account receivables	130		112,579,716,245	138,534,939,986
1. Trade receivables	131	4.2	42,104,991,079	56,926,089,515
2. Advances to suppliers	132	4.3	6,824,069,589	9,402,654,067
3. Other current receivables	136	4.4	63,884,583,631	72,440,124,458
4. Provision for doubtful debts	137	4.5	(233,928,054)	(233,928,054)
IV. Inventories	140	4.6	498,375,789,236	617,181,314,122
1. Inventories	141		498,375,789,236	617,181,314,122
2. Provision for decline in value of inventories	149		-	-
V. Other current assets	150		3,364,189,835	4,747,489,482
1. Current prepayments	151		-	-
2. Value added tax deductible	152		3,364,189,835	4,747,489,482
B. NON-CURRENT ASSETS	200		4,866,057,635	4,919,741,454
I. Non-current account receivables	210		322,605,417	321,959,141
1. Non-current trade receivables	211		-	-
2. Other non-current receivables	216	4.4	322,605,417	321,959,141
II. Fixed assets	220		2,063,241,844	2,013,869,763
1. Tangible fixed assets	221	4.7	2,063,241,844	2,013,869,763
Cost	222		23,167,622,551	21,984,457,568
Accumulated depreciation	223		(21,104,380,707)	(19,970,587,805)
2. Intangible fixed assets	227		-	-
III. Investment property	230		-	-
IV. Non-current assets in progress	240		-	-
V. Non-current financial investments	250		-	-
VI. Other non-current assets	260		2,480,210,374	2,583,912,550
1. Non-current prepayments	261	4.8	2,480,210,374	2,583,912,550
2. Other non-current assets	268		-	-
TOTAL ASSETS	270		622,851,514,452	776,024,782,066

BALANCE SHEET (Continued)

As of December 31, 2024

RESOURCES	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
C. LIABILITIES	300		502,994,753,054	670,189,116,266
I. Current liabilities	310		459,674,253,054	375,192,316,266
1. Trade payables	311	4.9	28,196,596,115	27,555,600,604
2. Advances from customers	312	4.10	15,148,394,978	69,848,263,181
3. Taxes and amounts payable to the state budget	313	4.11	1,964,730,800	2,416,200,186
4. Payables to employees	314	4.12	464,689,432	-
5. Accrued expenses	315	4.13	1,158,170,629	23,161,343,674
6. Other current payables	319	4.14	21,909,128,033	500,348,816
7. Current loans and obligations under finance leases	320	4.15	389,197,357,439	250,832,975,825
8. Bonus and welfare fund	322		1,635,185,628	877,583,980
II. Current liabilities	330		43,320,500,000	294,996,800,000
1. Non-current trade payables	331		-	-
2. Non-current loans and obligations under finance leases	338	4.15	43,320,500,000	294,996,800,000
D. OWNER'S EQUITY	400		119,856,761,398	105,835,665,800
I. Equity	410	4.16	119,856,761,398	105,835,665,800
1. Owner's contributed capital	411		68,941,640,000	59,949,620,000
Ordinary shares carrying voting rights	411a		68,941,640,000	59,949,620,000
2. Share premiums	412		19,801,941,805	18,865,793,764
3. Treasury shares	415		-	(1,128,947,264)
4. Investment and development fund	418		13,617,241,799	12,208,875,167
5. Retained earnings	421		17,495,937,794	15,940,324,133
Beginning accumulated retained earnings	421a		4,131,570,869	1,856,657,815
Ending accumulated retained earnings	421b		13,364,366,925	14,083,666,318
II. Other capital and funds	430		-	-
TOTAL RESOURCES (440 = 300 + 400)	440		622,851,514,452	776,024,782,066

INCOME STATEMENT

For the financial year ended December 31, 2024

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue	01	5.1	222,112,989,462	290,916,836,128
2. Deductions	02		-	-
3. Net revenue	10		222,112,989,462	290,916,836,128
4. Cost of sales	11	5.2	180,174,290,457	238,022,863,395
5. Gross profit	20		41,938,699,005	52,893,972,733
6. Financial income	21	5.3	28,687,937	54,290,325
7. Financial expense	22	5.4	6,080,199,160	3,027,813,677
<i>Of which, interest expense</i>	23		6,080,199,160	3,027,813,677
8. Selling expense	24	5.5	7,008,960,000	18,687,237,565
9. General and administration expense	25	5.6	11,647,450,898	12,828,076,940
10. Operating profit/(loss)	30		17,230,776,884	18,405,134,876
11. Other income	31		-	-
12. Other expense	32		-	-
13. Net other income/(loss)	40		-	-
14. Accounting profit/(loss) before taxation	50		17,230,776,884	18,405,134,876
15. Current corporate income tax expense	51	5.8	3,866,409,959	4,321,468,558
16. Deferred corporate income tax expense	52		-	-
17. Net profit/(loss) after taxation	60		13,364,366,925	14,083,666,318
18. Basic earnings per share	70	4.16.5	1,941	1,861
19. Diluted earnings per share	71	4.16.6	1,941	1,861

CASH FLOW STATEMENT

For the financial year ended December 31, 2024

ITEMS	Code	Notes	Year 2024	Year 2023
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Cash receipts from customers	01		224,801,890,146	501,870,803,127
2. Cash paid to suppliers	02		(145,647,954,099)	(200,602,609,735)
3. Cash paid to employees	03		(12,925,245,709)	(15,323,766,469)
4. Interest paid	04		(7,484,856,141)	(5,933,708,829)
5. Corporate income tax paid	05		(4,488,068,558)	(3,699,336,039)
6. Other cash inflows from operating activities	06		54,505,921,884	65,960,533,452
7. Other cash outflows from operating activities	07		(3,335,922,917)	(5,560,299,187)
Net cash from operating activities	20		105,425,764,606	336,711,616,320
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Acquisition and construction of fixed assets and other long-term assets	21		(1,183,164,983)	-
2. Interest and dividends received	27		28,687,937	54,290,325
Net cash from investing activities	30		(1,154,477,046)	54,290,325
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from issuing stocks and capital contribution from owners	31		2,065,095,305	-
2. Proceeds from borrowings	33	6.1	206,975,307,605	249,650,269,355
3. Repayment of borrowings	34	6.2	(320,287,225,991)	(588,409,240,743)
4. Dividends paid	36		-	(3,546,157,200)
Net cash from financing activities	40		(111,246,823,081)	(342,305,128,588)
NET INCREASE/(DECREASE) IN CASH	50		(6,975,535,521)	(5,539,221,943)
Cash and cash equivalents at beginning of year	60		10,641,297,022	16,180,518,965
Impact of exchange rate fluctuation	61		-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	70		3,665,761,501	10,641,297,022

1. CORPORATE INFORMATION

1.1. Structure of ownership

Development Investment Construction Hoi An Joint Stock Company (hereinafter referred to as “the Company”), was established based on the equitization of DIC – Hoi An Construction Investment Company, pursuant to Decision No. 202/QĐ-BXD dated 6 February 2006, issued by the Minister of Construction. The Company operates under Business Registration Certificate No. 4000391600 dated 01 March 2006, granted by the Department of Planning and Investment of Quang Nam Province and other amended certificates thereafter with the latest one dated 02 August 2024.

Currently, the Company's shares are registered for trading on the Hanoi Stock Exchange (HNX) under the ticker symbol DIH since 22 February 2011, in accordance with the Share Trading Registration Certificate No. 78/QĐ-SDGHN.

The charter capital as stipulated in the Business Registration Certificate is VND 68,941,640,000.

The Company's registered head office is at No. 25 Hung Vuong, Cam Pho Ward, Hoi An City, Quang Nam Province, Vietnam.

The number of employees as at 31 December 2024 was 48 (31 December 2023: 51).

1.2. Business field

Construction of buildings and real estate activities.

1.3. Operating industry and principal activities

Under the Business Registration Certificate, the Company's main business activities comprise:

- Manufacture of clay building materials;
- Building completion and finishing;
- Trading of own or rented property and land use rights. Detailed: Investment and development of new urban areas and industrial zones; investment and business in the development of housing, urban technical infrastructure, and infrastructure for industrial zones, export processing zones, high-tech zones, and new economic zones;
- Construction of residential buildings;
- Construction of non-residential buildings;
- Construction of railway;
- Construction of roads;
- Construction of electrical works;
- Construction of water supply and drainage works;
- Construction of telecommunications and communication constructions;
- Construction of other utility projects
- Construction of hydraulic structures;
- Construction of mining and quarrying facilities;
- Construction of manufacturing facilities;
- Construction of other civil engineering projects;

1.4. Normal operating cycle

The Company's normal operating cycle is carried out for a time period of 12 months.

1.5. The Company's structure

As at 31 December 2024, the Company's dependent units were as follows:

Unit name	Address
Dien Ban Tuynen Brick Factory –	Cam Son Industrial Cluster, Dien Tien

Branch of Development Investment Construction Hoi An Joint Stock Company	Commune, Dien Ban Town, Quang Nam Province, Vietnam
Branch of Development Investment Construction Hoi An Joint Stock Company in Da Nang (*)	76 Nguyen Du, Hai Chau District, Da Nang City, Vietnam
Branch of Development Investment Construction Hoi An Joint Stock Company in Ho Chi Minh City (*)	B20 Phu My Residential Area, Quarter 6, Pham Huu Lau Street, Phu My Ward, District 7, Ho Chi Minh City, Vietnam

(*) The Company is currently undertaking the procedures for the dissolution of these two branches.

1.6. Statement of Comparability of Information in Financial statements

The comparative figures are those of the audited financial statements for the year ended 31 December 2023.

2. BASIS OF PREPARATION

2.1. Accounting standards, accounting system

The accompanying financial statements, expressed in Vietnamese Dong (VND), are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

2.2. Forms of accounting records

The form of accounting records applied in the Company is the General Journal.

2.3. Financial year

The Company's financial year is from 01 January to 31 December.

2.4. Reporting and functional currency

The Company maintains its accounting records in VND.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. Use of estimates

The preparation of the financial statements requires the Chairman of the Board of Directors and Management to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets and liabilities reported in the notes as well as revenues and expenses in the financial statements for the financial year ended 31 December 2024. Although these estimates are based on best knowledge of the Chairman of the Board of Directors and Management of all relevant information available at the date when the financial statements are prepared, this does not prevent actual figures differing from estimates.

3.2. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, cash in transit and current investments for a period not exceeding 3 months or highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.3. Account receivables

Recognition method

Account receivables are stated at the carrying amounts of trade receivables and

other receivables less provisions for doubtful debts.

Provision for doubtful debts

As of the date of preparing the financial statements, provision for doubtful debt is recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might not be recoverable when due at the level as guided in prevailing regulations. The determination of the overdue period of a doubtful receivable to be provisioned is based on the principal repayment period according to the original sale contract, excluding the debt extension between the parties.

The difference between the required balance and the existing balance of provision for doubtful debts is recorded as a general and administrative expense in the income statement.

3.4. Inventories

Inventory measurement

Inventories are measured at the lower of cost and net realisable value.

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. The cost of work in progress and finished goods includes materials, direct labour and attributable production overheads based on normal levels of activity.

The costs of purchase of inventories comprise the purchase price, non-reimbursable taxes and duties, and transport, handling and other costs directly attributable to the acquisition of inventories. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

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

Method of accounting for inventories

Inventories are measured using the weighted average method and are recorded under the perpetual inventory method

Provision for decline in value of inventories

As of the date of preparing the financial statements, provision is recognised for obsolete, slow-moving and defective inventory items and an excess of the cost of inventories over their net realisable value.

The difference between the required balance and the existing balance of the provision for a decline in value of inventories is included in cost of sales in the income statement.

Inventories are written down to net realizable value item by item. For services being rendered, provision is made in respect of each service for which a separate selling price is charged.

3.5. Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation.

Tangible fixed asset recognition

Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their

intended use. Accessories added to fixed assets when purchased are recognised separately at their fair values and deducted from the historical cost of the respective tangible fixed assets.

The costs of tangible fixed assets constructed by contractors are the finalised costs of the construction, other directly related expenses and the registration fee (if any).

Depreciation and amortisation

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

The estimated useful lives are as follows:

	<u>Year 2024</u>
▪ Buildings, structures	07 – 10 years
▪ Machinery and equipment	05 – 08 years
▪ Motor vehicles	08 – 10 years
▪ Office equipment	03 – 07 years

3.6. Leases

Operating leases

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

3.7. Prepayments

Prepayments are classified as current and non-current based on their original term.

Prepayments mainly comprise costs of tools and supplies, insurance expenses, repair expenses, which are amortised over the period for which they are paid or the period in which economic benefits are generated in relation to these expenses.

The following expenses are recognised as prepayments and amortised to the income statement:

- Tools and supplies are amortised to the income statement over 24 months to 36 months;

3.8. Liabilities

Liabilities are classified into trade payables, intra-company payables and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; intra-company payables represent those between the entity and its dependent accounting units having no legal status; the remaining payables are classified as other payables.

Liabilities are also classified according to the maturity date, the remaining term from the date of the financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

3.9. Borrowing costs

Capitalisation of borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until the assets are put into use or sale.

Investment income earned on temporary investment of borrowings is deducted from the cost of the respective assets.

All other borrowing costs are recognised as an expense in the income statement when

incurred.

3.10. Accrued expenses

Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting year.

The accrued expenses of the Company comprise accruals of interest expense. The interest expense is determined on an accrual basis by reference to remaining days of loan and at the interest rate.

3.11. Owners' equity

The owners' contributed equity

The owners' contributed equity is recognised when contributed.

Share premiums

Share premiums are recognised as the difference between the issue price and the par value of shares, and the difference between the re-purchase price and the re-issue price of treasury shares.

Treasury shares

Treasury shares are recognised at purchased cost and presented in the balance sheet as a deduction from equity.

Dividends

Dividends are recognised as a liability at the date of declaring dividends.

Retained earnings

Net profit after income tax can be distributed to shareholders after the distribution is approved the General annual meeting of shareholders and reserves are created in accordance with the Company's Charter and legal regulations in Vietnam.

3.12. Revenue and other income

Revenue from selling goods

Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

Revenue from construction contracts

Revenue from construction contracts is recognised in accordance with the accounting policy on construction contracts as Note 3.13 below.

Interest income

Interest income is recognised on an accrual basis by reference to the principal outstanding and at the interest rate applicable.

3.13. Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the date of the balance sheet as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs - except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably:

- Revenue is only recognised to the extent of contract costs incurred that it is probable will be recoverable;

- Contract costs are only recognised as an expense in the period in which they are incurred.

3.14. Cost of sales

Cost of sales and services provided represents total costs of construction products, services which are sold in the year in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.

3.15. Finance expense

Finance expenses represent all expenses incurred in the reporting year which mainly include borrowing costs.

3.16. Selling expense and general and administrative expense

Selling expenses represent expenses incurred during the process of selling products, which include expenses relating to electronic invoicing services.

General and administrative expenses represent common expenses, which include payroll costs for office employees (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, material expenses, depreciation expenses of fixed assets used for administration activities; land rental, license tax; utility services (electricity expenses, water expenses, phone, fax, warranty expenses, etc.); sundry expenses (entertainment, customer conference, etc.).

3.17. Taxation

Corporate income tax

Current corporate income tax expense:

Current corporate tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year at 20%.

Value added tax

The value-added tax applied to goods and services provided by the Company is 10%, with a reduced VAT rate of 8% applied to goods and services from 01 January 2024, to 31 December 2024, in accordance with Decree 94/2023/ND-CP dated 28 December 2023, and Decree 72/2024/ND-CP dated 30 June 2024, issued by the Government.

Other taxes

Other taxes are applicable in accordance with the prevailing tax laws in Vietnam.

The tax reports of the Company will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the financial statements can be amended in accordance with the Tax Department's final assessment for the Company.

3.18. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares bought back by the Company and held as treasury shares.

3.19. Diluted earnings per share

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year and total ordinary shares that would be issued on the conversion, excluding ordinary shares bought

back by the Company and held as treasury shares.

3.20. Segment reporting

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

Reference to Note 7 below.

3.21. Related parties

Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Company or are controlled by, or are subject to common control with the Company. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close family members or associates of such individuals are also considered to be related parties.

4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

4.1. Cash and cash equivalents

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Cash in hand	943,845,688	286,100,349
Cast at banks	1,537,602,530	9,191,281,366
Cash equivalents (Less than 3 months) (*)	1,184,313,283	1,163,915,307
Total	3,665,761,501	10,641,297,022

(*) The one-month term deposit of VND 1,184,313,283 is pledged for loans at Vietnam Joint Stock Commercial Bank for Industry and Trade under the collateral agreement for valuable papers No. 45012/2019/HĐBĐ/NHCT484 dated 27 August 2019.

4.2. Current trade receivables

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Quang Nam Department of Health Transport and Industry Development Investment Corporation (Tracodi)	9,733,177,657	10,831,259,657
Others	23,700,944,402	20,938,050,728
	8,670,869,020	25,156,779,130
Total	42,104,991,079	56,926,089,515

4.3. Current advances to suppliers

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Hoi An City Land Development Center (*)	2,111,353,000	3,957,890,000
Dang Khoa Quang Nam Joint Stock Company	1,340,984,000	1,564,877,000
Others	3,371,732,589	3,879,887,067
Total	6,824,069,589	9,402,654,067

(*) Advance payment of funds to the Hoi An City Land Development Center for land recovery and compensation at the Lam Sa – Tu Le – Xuan Hoa Residential Area project, in accordance with Official Letter No. 212/UBND dated 18 January 2017 from the People's Committee of Hoi An City and Official Letter No. 178/PTQĐ dated 20 December 2017 from the Hoi An City Land Development Center.

4.4. Other current receivables

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Value	Provision	Value	Provision
Current:				
Deposits, mortgages, Collateral	-	-	75,000,000	-
Advances	63,651,894,805	(40,222,825)	71,430,840,550	(40,222,825)
Others	232,688,826	-	934,283,908	-
Total	63,884,583,631	(40,222,825)	72,440,124,458	(40,222,825)
Non - current:				
Deposits, mortgages, Collateral	322,605,417	-	321,959,141	-
Total	322,605,417	-	321,959,141	-

4.5. Doubtful debts

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue current trade receivables with low recoverability	233,928,054	-	233,928,054	-
Total	233,928,054	-	233,928,054	-

The Chairman of the Board of Directors and Management assessed the ability to recover the overdue receivables as low because these receivables have been outstanding for a long time and have not yet been collected.

Overdue trade receivables and overdue amounts loaned are analysed by debtor as follows:

	As at 31 Dec. 2024			As at 01 Jan. 2024		
	VND			VND		
	Cost	Recoverable amount	Overdue days	Cost	Recoverable amount	Overdue days
Son Tra Joint Stock Company	50,591,529	-	Over 3 years	50,591,529	-	Over 3 years
People's Committee of Cam An Ward	69,623,900	-	Over 3 years	69,623,900	-	Over 3 years
Internal Road of the Resettlement Area	40,222,825	-	Over 3 years	40,222,825	-	Over 3 years
Quang Nam Construction and Water Supply Company	56,489,800	-	Over 3 years	56,489,800	-	Over 3 years
Others	17,000,000	-	Over 3 years	17,000,000	-	Over 3 years
Total	233,928,054	-		233,928,054	-	

4.6. Inventories

	As at 31 Dec. 2024		As at 01 Jan. 2024	
	VND		VND	
	Value	Provision	Value	Provision
Raw Materials	4,901,847,807	-	4,901,847,807	-
Work in progress	493,020,922,996	-	611,826,447,882	-
Finished goods	453,018,433	-	453,018,433	-
Total	498,375,789,236	-	617,181,314,122	-

There is no slow moving and obsolescent inventory at the year-end.

There is no inventory pledged as security for liabilities at the year-end.

4.7. Tangible fixed assets

Items	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost:					
As at 01 Jan. 2024	4,534,182,995	13,104,706,706	4,232,940,867	112,627,000	21,984,457,568
Purchase	-	1,183,164,983	-	-	1,183,164,983
As at 31 Dec. 2024	4,534,182,995	14,287,871,689	4,232,940,867	112,627,000	23,167,622,551
Accumulated depreciation:					
As at 01 Jan. 2024	4,463,570,869	11,721,865,736	3,672,524,200	112,627,000	19,970,587,805
Depreciation	54,384,652	810,408,250	269,000,000	-	1,133,792,902
As at 31 Dec. 2024	4,517,955,521	12,532,273,986	3,941,524,200	112,627,000	21,104,380,707
Net book value:					
As at 01 Jan. 2024	70,612,126	1,382,840,970	560,416,667	-	2,013,869,763
As at 31 Dec. 2024	16,227,474	1,755,597,703	291,416,667	-	2,063,241,844

The amount of year-end net book value of tangible fixed assets totalling VND 548,106,059 was pledged/mortgaged as loan security.

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 15,113,750,332.

4.8. Current accrued expenses

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Land rental cost (*)	2,480,210,374	2,583,912,550
Total	2,480,210,374	2,583,912,550

(*) The one-time land rental payment for the property at 25 Hung Vuong Street, Cam Pho Ward, Hoi An City, which serves as the company's headquarters, has been pledged as collateral at Vietnam Joint Stock Commercial Bank for Industry and Trade – Hoi An Branch.

4.9. Current trade payables

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Value	Payable value	Value	Payable value
Le Van Sa Company Limited	2,365,872,748	2,365,872,748	2,950,150,037	2,950,150,037
Stock Companies and Investment Philosophy of Technology Phu An	1,486,388,950	1,486,388,950	2,086,388,950	2,086,388,950
Others	24,344,334,417	24,344,334,417	22,519,061,617	22,519,061,617
Total	28,196,596,115	28,196,596,115	27,555,600,604	27,555,600,604

4.10. Current advances from customers

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Loc Tu Company Limited	-	46,428,000,000
Hoi An City Project Management Board for Construction Investment	8,284,952,818	-
Tam Ky City Land Development Center	157,772,890	3,008,171,568
Quang Nam Province Project Management Board for Transport Construction	4,985,645,873	-
Others	1,720,023,397	20,412,091,613
Total	15,148,394,978	69,848,263,181

4.11. Tax and amounts payable to the State budget

	As at 31 Dec. 2024 VND	Movements in the year VND		As at 01 Jan. 2024 VND
	Payable	Payable	Paid/Deducted	Payable
Value added tax	-	9,640,603,533	9,640,603,533	-
Corporate income tax	1,782,752,087	3,866,409,959	4,488,068,558	2,404,410,686
Personal income tax	15,378,713	182,347,143	178,757,930	11,789,500
Land tax, land rental	-	157,827,035	157,827,035	-
Business License Tax	-	4,000,000	4,000,000	-
Others	166,600,000	1,152,741,805	986,141,805	-
Total	1,964,730,800	15,003,929,475	15,455,398,861	2,416,200,186

4.12. Payables to employees

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Salaries	464,689,432	-
Total	464,689,432	-

4.13. Accrued expenses

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Loan interest	898,840,629	22,902,013,674
Others	259,330,000	259,330,000
Total	1,158,170,629	23,161,343,674

4.14. Other payables

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Trade union expenditure, social insurance	57,243,000	19,635,000
Loan interest	21,379,001,494	-
Others	472,883,539	480,713,816
Total	21,909,128,033	500,348,816

4.15. Loans and finance lease liabilities

Loans and finance lease liabilities are analysed as follows:

	As at 31 Dec. 2024 VND		Movements in the year VND		As at 01 Jan. 2024 VND	
	Value	Payable value	Increase	Decrease	Value	Payable value
Current loans:						
Vietnam Bank for Agriculture and Rural Development - Hoi An Branch (1)	45,972,098,212	45,972,098,212	46,391,664,293	45,696,978,651	45,277,412,570	45,277,412,570
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoi An Branch (2)	41,539,202,351	41,539,202,351	63,860,902,895	58,133,445,773	35,811,745,229	35,811,745,229
Maritime Commercial Joint Stock Bank - Hoi An Branch	-	-	-	2,137,562,384	2,137,562,384	2,137,562,384
Vietcombank - Hoi An Branch (3)	18,614,156,876	18,614,156,876	20,909,566,417	7,949,765,183	5,654,355,642	5,654,355,642
VN Group Joint Stock Company (4)	178,671,900,000	178,671,900,000	46,000,000,000	15,000,000,000	147,671,900,000	147,671,900,000
Ms. Le Thi Ha (5)	7,000,000,000	7,000,000,000	7,000,000,000	-		
Mr. Phan Nguyen Khoa (6)	6,800,000,000	6,800,000,000	6,800,000,000	-		
Mr. Truong Minh Hoa (7)	5,000,000,000	5,000,000,000	5,000,000,000	-		
Current portion of non - current loans:						
Quang Nam Development Investment Fund (8)	13,600,000,000	13,600,000,000	13,600,000,000	14,280,000,000	14,280,000,000	14,280,000,000
Truong Hai Group Joint Stock Company (9)	72,000,000,000	72,000,000,000	72,000,000,000	-	-	-
Total	389,197,357,439	389,197,357,439	281,562,133,605	143,197,751,991	250,832,975,825	250,832,975,825

	As at 31 Dec. 2024 VND		Movements in the year VND		As at 01 Jan. 2024 VND	
	Value	Payable value	Increase	Decrease	Value	Payable value
Non - current loans:						
Quang Nam Development Investment Fund (8)	-	-	-	13,600,000,000	13,600,000,000	13,600,000,000
Truong Hai Group Joint Stock Company (9)	-	-	-	72,000,000,000	72,000,000,000	72,000,000,000
Others (10)	43,320,500,000	43,320,500,000	11,013,174,000	177,089,474,000	209,396,800,000	209,396,800,000
Total	43,320,500,000	43,320,500,000	11,013,174,000	262,689,474,000	294,996,800,000	294,996,800,000
Overall total	432,517,857,439	432,517,857,439	292,575,307,605	405,887,225,991	545,829,775,825	545,829,775,825
Loans and finance lease from related parties – Refer to Note 8	3,000,000,000	3,000,000,000	-	-	3,000,000,000	3,000,000,000

(1) Current loan from Vietnam Bank for Agriculture and Rural Development – Hoi An Branch under Contract No. 4209-LAV-202400 dated 28/06/2024. The credit limit is VND 46,000,000,000, with loan terms and interest rates determined based on each specific debt acknowledgment. Purpose of the loan: purchasing raw materials, renting machinery and equipment, paying labor costs, providing guarantees, and supporting the Company's business operations.

(2) Current loan from Vietnam Joint Stock Commercial Bank for Industry and Trade – Hoi An Branch under the Credit Limit Approval Notice dated 12/01/2024. The credit limit is VND 200,000,000,000, with loan terms and interest rates determined based on each specific debt acknowledgment. Purpose of the loan: purchasing raw materials, renting machinery and equipment, paying labor costs, providing guarantees, and supporting the Company's business operations.

(3) Current loan from Vietnam Joint Stock Commercial Bank for Foreign Trade – Hoi An Branch under Contract No. 122/24/324/HĐTD.NH dated 28/08/2024. The credit limit is VND 19,660,000,000, with loan terms and interest rates determined based on each specific debt acknowledgment. Purpose of the loan: purchasing raw materials, renting machinery and equipment, paying labor costs, providing guarantees, and supporting the Company's business operations.

(4) Under the authorization of the Annual General Meeting of Shareholders in 2020 on 28/05/2020, the Board of Directors convened on 28/01/2021 and approved the loan policy with VN Group Joint Stock Company to settle the legal costs of the investment and construction project for the residential area combined with urban renovation in Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City. Accordingly, the Company signed a loan agreement with VN Group Joint Stock Company under Contract No. 01/2021/HĐVV dated 03/02/2021, Addendum No. 03/2022/HĐVV/PL01 dated 19/03/2022, Addendum No. 03/2023/HĐVV/PL02 dated 19/03/2023, and Addendum No. 03/2024/HĐVV/PL03 dated 19/03/2024. The credit limit is VND 600,000,000,000, with an interest rate of 2% per annum, and the loan term is until 01/03/2025. This loan is unsecured. This contract was liquidated on 01/01/2024.

Additionally, the Company obtained a Current loan from VN Group Joint Stock Company under Loan Agreement No. 017/2024/HĐVV dated 01/07/2024. The loan term is six months from the disbursement date, with an interest rate of 3.5% per annum. Purpose of the loan: supporting the Company's business operations.

(5) Current loan from Ms. Le Thi Ha under Loan Agreement No. 01/2024/HĐVV dated 02/04/2024. The loan term is one year from the disbursement date, with an interest rate of 7.4% per annum. Purpose of the loan: supporting the Company's business operations.

(6) Current loan from Mr. Phan Nguyen Khoa under Loan Agreement No. 02/2024/HĐVV dated 02/04/2024. The loan term is one year from the disbursement date, with an interest rate of 7.4% per annum. Purpose of the loan: supporting the Company's business operations.

(7) Current loan from Mr. Truong Minh Hoa under Loan Agreement No. 03/2024/HĐVV dated 26/12/2024. The loan term is one year from the disbursement

date, with an interest rate of 7.4% per annum. Purpose of the loan: supporting the Company's business operations.

(8) Non - current loan from Quang Nam Development Investment Fund under Contract No. 03/2018/HĐTD-QĐT dated 17/09/2018, Addendum No. 09/2021/PLHĐTD-QĐT dated 20/12/2021, and Addendum No. 06/2022/PLHĐTD-QĐT dated 28/06/2022. The credit limit is VND 50,000,000,000, with a loan term of five years from the first disbursement date, a grace period of one year, and an interest rate of 6.5% per annum at the time of contract signing. Purpose of the loan: settling the legal investment costs for the residential project combined with urban renovation in Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City.

(9) Non - current loan from Truong Hai Group Joint Stock Company under Memorandum No. 01/HĐ ĐC/DICTHAOCO dated 24/10/2023, with a 24-month loan term. Purpose of the loan: fulfilling state obligations related to the residential project combined with urban renovation in Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung, Thanh Ha Ward, Hoi An City, with an interest rate of 10% per annum.

(10) Loans from individuals, with an interest rate of 0% per annum. Purpose of the loan: supporting the Company's business operations.

4.16. Owners' equity

4.16.1. Changes in owners' equity

	Items of owners' equity					Total VND
	Owners' contributed capital	Capital surplus VND	Treasury shares VND	Investment and development fund	Retained earnings VND	
As at 01 Jan. 2023	59,949,620,000	18,865,793,764	(1,128,947,264)	11,604,627,457	6,611,310,435	95,902,404,392
Previous year's profits	-	-	-	-	14,083,666,318	14,083,666,318
Distribution to investment and development	-	-	-	604,247,710	(604,247,710)	-
Distribution to bonus and welfare fund	-	-	-	-	(604,247,710)	(604,247,710)
Dividend distribution	-	-	-	-	(3,546,157,200)	(3,546,157,200)
As at 01 Jan. 2024	59,949,620,000	18,865,793,764	(1,128,947,264)	12,208,875,167	15,940,324,133	105,835,665,800
Current year's capital increase (***)	8,992,020,000	-	-	-	(8,992,020,000)	-
Current year's profits	-	-	-	-	13,364,366,925	13,364,366,925
Distribution to investment and development fund (*)	-	-	-	1,408,366,632	(1,408,366,632)	-
Distribution to bonus and welfare fund (*)	-	-	-	-	(1,408,366,632)	(1,408,366,632)
Sale of Treasury Shares (**)	-	936,148,041	1,128,947,264	-	-	2,065,095,305
As at 31 Dec. 2024	68,941,640,000	19,801,941,805	-	13,617,241,799	17,495,937,794	119,856,761,398

(*) The Company has distributed after-tax profits for the year 2023 in accordance with Resolution No. 26/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders dated 26 April 2024.

(**) On 15 November 2023, the Company's Board of Directors issued Decision No. 74/QĐ-HĐQT approving the plan for the sale of treasury shares. On 31

January 2024, the Company completed the transaction of selling treasury shares through an order-matching mechanism on the HNX exchange.

(***) Resolution No. 26/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders dated 26 April 2024 and Resolution No. 35/NQ-HĐQT of the Board of Directors dated 14 May 2024 approved the plan to issue shares for the payment of dividends for the year 2023 at a rate of 15%.

4.16.2. Details of owners' equity

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Mr. Tran Dinh Huy	13,136,850,000	11,423,350,000
Mr. Do Thanh Quang	6,068,130,000	5,276,640,000
Treasury shares	-	847,000,000
Other shareholders	49,736,660,000	42,402,630,000
Total	68,941,640,000	59,949,620,000

4.16.3. Capital transactions with owners

	Year 2024 VND	Year 2023 VND
Beginning balance	59,949,620,000	59,949,620,000
Capital contribution in the year	8,992,020,000	-
Capital redemption in the year	-	-
Ending balance	68,941,640,000	59,949,620,000

4.16.4. Shares

	As at 31 Dec. 2024	As at 01 Jan. 2024
Number of shares registered for issue	6,894,164	5,994,962
Number of shares sold to public	6,894,164	5,994,962
- Ordinary shares	6,894,164	5,994,962
- Preference shares (Classified as owners' equity)	-	-
Number of shares repurchased (Treasury shares)	-	84,700
- Ordinary shares	-	84,700
- Preference shares (Classified as owners' equity)	-	-
Number of shares outstanding	6,894,164	5,910,262
- Ordinary shares	6,894,164	5,910,262
- Preference shares (Classified as owners' equity)	-	-

Par value per outstanding share: VND 10,000 per share

4.16.5. Basic earnings per share

	Year 2024 VND	Year 2023 VND
Profit / (loss) after tax attributable to ordinary share holders	13,364,366,925	14,083,666,318
Adjusted for (interim) distribution to bonus and welfare fund	-	(1,408,366,632)
Earnings for the purpose of calculating basic earnings per share	13,364,366,925	12,675,299,686
Weighted average number of ordinary shares outstanding during the year	6,886,970	6,809,464
Basic earnings per share	1,941	1,861

4.16.6. Diluted earnings per share

	Year 2024 VND	Year 2023 VND
Profit / (loss) after tax attributable to ordinary share holders	13,364,366,925	14,083,666,318
Adjusted for (interim) distribution to bonus and welfare fund	-	(1,408,366,632)
Earnings for the purpose of calculating diluted earnings per share	13,364,366,925	12,675,299,686
Weighted average number of ordinary shares outstanding during the period (*)	6,886,970	6,809,464
Adjusted for dilutive potential ordinary shares outstanding during the period	-	-
Number of ordinary shares for the purpose of calculating diluted earnings per share	6,886,970	6,809,464
Diluted earnings per share	1,941	1,861

In 2024, the Company's General Meeting of Shareholders has not yet approved a plan for the appropriation of the bonus and welfare fund. Accordingly, the after-tax profit used to calculate the basic and diluted earnings per share for 2024 represents the entire after-tax profit attributable to the Company's shareholders. These indicators for 2024 may be subject to change when the Company makes a decision regarding fund appropriation in the future.

The appropriation figures for the bonus and welfare fund in 2023 have been restated based on the 2024 Annual General Meeting of Shareholders' resolution on the distribution of 2023 profits. Accordingly, the restated basic/diluted earnings per share for 2023 is VND 1,861 per share (previously reported in last year's financial statements as VND 2,383 per share).

(*) The weighted average number of outstanding ordinary shares for the years 2024 and 2023 has been adjusted based on the successful issuance of shares for the 2023 dividend payment, totaling 899,202 shares, as stated in Notification No. 45/BC-DICHA dated 17 July 2024.

4.16.7. Dividends

According to Resolution No. 26/NQ-DHĐCĐ dated 26 April 2024, of the General Meeting of Shareholders, the Company has approved the 2023 dividend distribution plan with a payout ratio of 15% of charter capital. According to Notification No. 40/TB-DICHA dated 13 June 2024, the record date for dividend payment rights was 10 July 2024. As stated in the Report on the Results of the Share Issuance for Dividend Payment No. 45/BC-DICHA dated 17 July 2024, the Company distributed 899,202 shares.

5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT

5.1. Revenue from selling goods and rendering services

	Year 2024 VND	Year 2023 VND
Revenue from construction activities	33,292,957,720	37,032,817,107
Revenue from sale of bricks	-	1,812,518,679
Revenue from real estate activities	188,820,031,742	252,071,500,342
Total	222,112,989,462	290,916,836,128
Of which revenue from selling goods and rendering services to related parties – Refer to Note 8	-	28,972,925,791

5.2. Cost of sales

	Year 2024 VND	Year 2023 VND
Cost of construction activities	31,783,014,273	35,380,039,312
Cost of selling bricks	-	1,439,027,691
Cost of real estate activities	148,391,276,184	201,203,796,392
Total	180,174,290,457	238,022,863,395

5.3. Finance income

	Year 2024 VND	Year 2023 VND
Deposit interest	28,687,937	54,290,325
Total	28,687,937	54,290,325

5.4. Finance expense

	Year 2024 VND	Year 2023 VND
Loan interest	6,080,199,160	3,027,813,677
Total	6,080,199,160	3,027,813,677

5.5. Selling expense

	Year 2024 VND	Year 2023 VND
Employee expenses	-	28,401,565
Brokerage expenses	7,008,960,000	18,658,836,000
Total	7,008,960,000	18,687,237,565

5.6. General and administrative expense

	Year 2024 VND	Year 2023 VND
Materials expense	208,514,733	335,042,592
Employee expense	7,770,449,194	7,723,297,102
Depreciation and amortisation expense	534,381,077	759,627,933
Service expense	2,513,442,023	3,375,016,418
Other expenses	620,663,871	635,092,895
Total	11,647,450,898	12,828,076,940

5.7. Production and business costs by element

	Year 2024 VND	Year 2023 VND
Materials expense	25,780,409,795	30,238,231,450
Employee expense	15,578,702,083	16,241,569,036
Depreciation and amortisation expense	1,133,792,902	1,166,058,878
Service expense	12,073,052,523	20,310,724,533
Other expenses	25,459,219,166	98,027,804,124
Total	80,025,176,469	165,984,388,021

5.8. Current corporate income tax expense

	Year 2024 VND	Year 2023 VND
Accounting profits before tax	17,230,776,884	18,405,134,876
Adjustments of taxable income	2,101,272,909	3,202,207,913
Add: Increasing adjustments	2,101,272,909	3,202,207,913
- <i>Non-deductible expenses</i>	2,101,272,909	3,202,207,913
Less: Decreasing adjustments	-	-
Total taxable income	19,332,049,793	21,607,342,789
<i>Income from real estate activities</i>	18,975,733,787	20,738,850,632
<i>Income from other activities</i>	356,316,006	868,492,157
Current CIT rate	20%	20%
<i>Income from real estate activities</i>	3,795,146,757	4,147,770,126
<i>Income from other activities</i>	71,263,202	173,698,432
Current corporate income tax expense	3,866,409,959	4,321,468,558

6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT

6.1. Cash receipts from loans in the year

	Year 2024 VND	Year 2023 VND
Cash receipts from loans under normal contracts	206,975,307,605	249,650,269,355
Total	206,975,307,605	249,650,269,355

6.2. Cash repayments of principal amounts borrowed

	Year 2024 VND	Year 2023 VND
Cash repayment of principal amounts under normal contracts	320,287,225,991	588,409,240,743
Total	320,287,225,991	588,409,240,743

7. SEGMENT REPORTING

For management purposes, the Company is organised on a nation - wide basis into the following manufacturing sector:
For the financial year ended 31/12/2024

	Manufacture of bricks, roofing tiles		Construction activities		Real estate activities		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
Net revenue								
From customers	-	1,812,518,679	33,292,957,720	37,032,817,107	188,820,031,742	252,071,500,342	222,112,989,462	290,916,836,128
Total	-	1,812,518,679	33,292,957,720	37,032,817,107	188,820,031,742	252,071,500,342	222,112,989,462	290,916,836,128
Operating expenses								
Cost of sales	-	1,439,027,691	31,783,014,273	35,380,039,312	148,391,276,184	201,203,796,392	180,174,290,457	238,022,863,395
Selling expense	-	28,401,565	-	-	7,008,960,000	18,658,836,000	7,008,960,000	18,687,237,565
General and administration expense	-	234,760,437	240,858,158	521,878,884	11,406,592,740	12,071,437,619	11,647,450,898	12,828,076,940
Total	-	1,702,189,693	32,023,872,431	35,901,918,196	166,806,828,924	231,934,070,011	198,830,701,355	269,538,177,900
Operating profit	-	110,328,986	1,269,085,289	1,130,898,911	22,013,202,818	20,137,430,331	23,282,288,107	21,378,658,228
Financial income							28,687,937	54,290,325
Financial expense							6,080,199,160	3,027,813,677
Net other income/(loss)							-	-
Accounting profit/(loss) before taxation							17,230,776,884	18,405,134,876
Current corporate income tax expense							3,866,409,959	4,321,468,558
Deferred corporate income tax expense							-	-
Net profit/(loss) after taxation							13,364,366,925	14,083,666,318

	Manufacture of bricks, roofing tiles		Construction activities		Real estate activities		Total	
	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Segment assets	8,162,766,474	10,896,404,555	140,536,068,296	170,142,702,709	474,152,679,682	594,985,674,802	622,851,514,452	776,024,782,066
Unallocated assets	-	-	-	-	-	-	-	-
Total assets	8,162,766,474	10,896,404,555	140,536,068,296	170,142,702,709	474,152,679,682	594,985,674,802	622,851,514,452	776,024,782,066
Segment liabilities	8,162,766,474	10,896,404,555	230,560,086,580	411,740,811,711	264,271,900,000	247,551,900,000	502,994,753,054	670,189,116,266
Unallocated liabilities	-	-	-	-	-	-	-	-
Total liabilities	8,162,766,474	10,896,404,555	230,560,086,580	411,740,811,711	264,271,900,000	247,551,900,000	502,994,753,054	670,189,116,266

	Manufacture of bricks, roofing tiles		Construction activities		Real estate activities		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
Cost of purchasing assets	-	-	1,183,164,983	-	-	-	1,183,164,983	-
Depreciation expense	112,264,182	112,264,182	1,021,528,720	1,053,794,696	-	-	1,133,792,902	1,166,058,878

8. RELATED PARTIES

List of related parties

Board of Directors and Management
Ms. Vo Ho Quynh Giao

Mr. Do Thanh Quang
Mr. Doan Minh Thong

Relationship

Key Management personnel
Chief Accountant
Significant influence
shareholder
Related person

At the end of the reporting year, the balances with related parties are as follows:

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Loans and finance lease liabilities		
Mr. Hoang Minh Thong	3,000,000,000	3,000,000,000
Total – Refer to Note 4.15	3,000,000,000	3,000,000,000

During the reporting year, the Company has had related party transactions as follows:

	Year 2024 VND	Year 2023 VND
Real estate transfer		
Mr. Do Thanh Quang	-	6,237,891,300
Mr. Tran Dinh Huy	-	10,259,251,891
Mr. Tran Van Son	-	6,237,891,300
Ms. Vo Ho Quynh Giao	-	6,237,891,300
Total – Refer to Note 5.1	-	28,972,925,791
Dividend payment		
Mr. Tran Dinh Huy	1,713,500,000	685,401,000
Mr. Do Thanh Quang	791,490,000	316,598,400

Remunerations of the Board of Directors and Supervisory Committee:

Full name	Title	Year 2024 VND	Year 2023 VND
Mr. Tran Dinh Loi	Chairman of the Board of Directors	720,000,000	720,000,000
Mr. Tran Van Viet	Deputy Chairman of the Board of Directors	96,000,000	96,000,000
Mr. Tran Minh Toan	Member of the Board of Directors (Dismissed on 26 April 2024)	32,000,000	96,000,000
Mr. Tran Dinh Danh	Member of the Board of Directors	96,000,000	96,000,000
Mr. Ho Hai Bac	Member of the Board of Directors	96,000,000	96,000,000
Mr. Tran Quoc Tuan	Member of the Board of Directors (Appointed on 26 April 2024)	64,000,000	-
Ms. Pham Thi Thanh Tam	Head of the Supervisory Committee	60,000,000	60,000,000
Mr. Tran Van Son	Member of the Supervisory Committee	54,000,000	31,500,000
Mr. Le Dinh Thinh	Member of the Supervisory Committee (Appointed on 26 April 2024)	36,000,000	-
Mr. Tran Dinh Dung	Member of the Supervisory Committee (Dismissed on 26 April 2024)	18,000,000	54,000,000
Mr. Nguyen Hoang Phuong	Member of the Supervisory Committee (Dismissed on 26 April 2024)	-	22,500,000

Salaries, bonuses and other incomes of Management, Board of Directors, Supervisory Committee and other key personels:

Full name	Title	Year 2024 VND	Year 2023 VND
Mr. Tran Van Viet	General Director	480,000,000	455,000,000
Mr. Pham Anh Thi	Deputy General Director	282,110,000	273,000,000
Mr. Nguyen Hoang Phuong	Deputy General Director	272,788,406	238,873,162
Mr. Tran Dinh Huy	Deputy General Director	271,776,190	226,825,000
Mr. Tran Dinh Loi	Chairman of the Board of Directors	30,000,000	-
Mr. Ho Hai Bac	Member of the Board of Directors	-	47,554,231
Mr. Tran Van Son	Member of the Supervisory Committee	219,770,186	195,959,598
Mr. Le Dinh Thinh	Member of the Supervisory Committee (Appointed on 26 April 2024)	216,377,075	208,000,000

9. COMMITMENT UNDER OPERATING LEASES

The Company as a lessee

The company rents office land under Land Lease Contract No. 204/HDTĐ dated 03 September 2008 with the Department of Natural Resources and Environment of Quang Nam province, covering an area of 287.2 m², with a lease term until November 2048. The land rental fee has been paid in full for the entire lease period until November 2048 and is gradually allocated to expenses during the period.

	Year 2024 VND	Year 2023 VND
Payments under operating leases recognised as an expense in the year	103,702,176	103,702,176

10. EVENTS AFTER THE END OF THE REPORTING YEAR

There were no significant events arising after the end of the reporting year to the date of the financial statements.

Recipients:

- As above;
- Filed in Archives, ...

**CONFIRMATION OF THE LEGAL
REPRESENTATIVE OF THE COMPANY**
(Signature, Fullname and Company's seal)



Trần Đình Lợi