

DEVELOPMENT INVESTMENT CONSTRUCTION

HOI AN JOINT STOCK COMPANY

25 Hung Vuong - Cam Pho Wrd. - Hoi An City - Quang Nam

MST: 4000391600

**FINANCIAL STATEMENT
QUARTER 2 - YEAR 2025**



25 Hung Vuong - Hoi An - Quang Nam

Issued under Circular No. 200/2014/TT-BTC

Dated December 22, 2014, by the Ministry of Finance

BALANCE SHEET

- As of June 30, 2025

(Applicable to businesses assuming the going concern principle)

Unit: VND

Items	Code	TM	30/6/2025	1/1/2025
A - CURRENT ASSETS (100 = 110 + 120 + 130 + 140 + 150)	100		456,133,134,591	617,985,456,817
I- Cash and Cash Equivalents	110		8,632,763,280	3,665,761,501
1. Cash	111	5	7,438,969,993	2,481,448,218
2. Cash equivalents	112		1,193,793,287	1,184,313,283
III- Short-term Receivables	130		97,319,031,347	112,579,716,245
1. Short-term trade receivables	131	6	33,947,701,936	42,104,991,079
2. Short-term Advances to suppliers	132		7,952,435,177	6,824,069,589
3. Short-term internal receivables	133		0	
5. Short-term loans receivable	135		0	
6. Other short-term receivables	136	7	55,652,822,288	63,884,583,631
-Other receivables				
-Overpayments of other payables				
-Advance payments				
-Short-term Mortgage, Guarantee Deposit				
7. Allowance for short-term uncollectible accounts (*)	137		(233,928,054)	(233,928,054)
IV- Inventories	140	8	348,484,882,279	498,375,789,236
1. Inventories	141		348,484,882,279	498,375,789,236
2. Allowance for inventories (*)	149		0	
V- Other Current Assets	150		1,696,457,685	3,364,189,835
1. Short-term prepaid expenses	151		0	
2. Deductible VAT	152		1,696,457,685	3,364,189,835
3. Taxes and other receivables from the State	153		0	
5. Other current assets	155		0	0
B- NON-CURRENT ASSETS (200 = 210 + 220 + 240 + 250 + 260)	200		4,285,226,009	4,866,057,635
I- Long-term Receivables	210		322,870,679	322,605,417
1. Long-term trade receivables	211		0	
2. Capital allocated to subsidiaries	213			
3. Long-term internal receivables	214		0	
4. Other long-term receivables	216		322,870,679	322,605,417
- Other receivables			0	0
- Overpayments of other payables			0	0
- Long-term Mortgage, Guarantee Deposit			0	0
5. Allowance for long-term uncollectible accounts	219		0	0
II- Fixed Assets	220		1,533,996,044	2,063,241,844

1. Tangible fixed assets	221	9	1,533,996,044	2,063,241,844
- Historical cost	222		23,167,622,551	23,167,622,551
- Accumulated depreciation (*)	223		(21,633,626,507)	(21,104,380,707)
IV. Long-term assets in Progress	240		0	0
1. Work-in-progress	241		0	0
2. Construction-in-progress	242		0	0
VI- Other Non-current Assets	260		2,428,359,286	2,480,210,374
1. Long-term prepaid expenses	261		2,428,359,286	2,480,210,374
2. Deferred income tax assets	262		0	0
3. Other non-current assets	268		0	0
TOTAL ASSETS (250=100+200)	270		460,418,360,600	622,851,514,452
A- LIABILITIES (300=310+330)	300		325,916,153,244	502,994,753,054
I- Current Liabilities	310		264,466,153,244	459,674,253,054
1. Trade payables	311	10	25,488,712,593	28,196,596,115
2. Advances from customers	312	11	11,656,180,960	15,148,394,978
3. Taxes and amounts payable to the State	313	12	4,611,620,229	1,964,730,800
4. Employee Payables	314		423,164,142	464,689,432
5. Accrued expenses	315		3,283,406,195	1,158,170,629
6. Internal payables	316			
7. Payment based on Stages of Construction Contract Schedules	317		0	0
8. Unearned revenue	318	13	0	
9. Other payables	319	14	3,152,387,664	21,909,128,033
10. Short-term borrowings and finance lease liabilities	320	15	213,504,059,140	389,197,357,439
12. Bonus and welfare funds	322		2,346,622,321	1,635,185,628
II- Non-current Liabilities	330		61,450,000,000	43,320,500,000
1. Long-term trade payables	331		0	0
2. Long-term borrowings and finance lease liabilities	338		61,450,000,000	43,320,500,000
7. Other long-term liabilities	337		0	0
B- EQUITY (400=410+430)	400		134,502,207,356	119,856,761,398
I- Owner's Equity	410		134,502,207,356	119,856,761,398
1. Paid-in Capital	411	16	68,941,640,000	68,941,640,000
- Ordinary shares with voting rights	411a		68,941,640,000	68,941,640,000
2. Premium capital	412	16	19,801,941,805	19,801,941,805
3. Other owner's capital	413		0	0
5. Treasury shares (*)	415	16	0	
6. Foreign exchange differences	416		0	0
8. Development and investment fund	418	16	14,953,678,492	13,617,241,799
10. Other funds under owner's equity	420		0	0
11. Retained earnings	421	16	30,804,947,059	17,495,937,794
- Retained earnings accumulated to prior periods	421a		14,823,064,408	4,131,570,869
- Retained earnings of the current periods	421b		15,981,882,651	13,364,366,925
TOTAL LIABILITIES AND EQUITY (430=300+400)	440		460,418,360,600	622,851,514,452

Prepared by



Nguyen Thi Thu Thao

Chief Accountant



Vo Ho Quynh Giao

Hoi An, July 18th 2025
CHAIRMAN OF THE BOARD



Tran Dinh Loi

DEVELOPMENT INVESTMENT CONSTRUCTION

Form No. B 02-DN

25 Hung Vuong - Hoi An - Quang Nam

Issued under Circular No. 200/2014/TT-BTC

Dated December 22, 2014, by the Ministry of Finance

INCOME STATEMENT**Quarter 2 - Year 2025**

Unit: VND

(This period: Q2/2025, Last Quarter: Same quarter last year)


Items	Cod e	T.M	This Quarter (Current Year)	This Quarter (Last Year)	Cumulative Year-to- Date to End of This Quarter (Current Year)	Cumulative Year- to-Date to End of This Quarter (Last Year)
1. Revenue - Products and Services	01	17	9,702,768,990	10,582,648,810	220,268,982,844	12,862,800,258
3. Net Revenue - Products	10		9,702,768,990	10,582,648,810	220,268,982,844	12,862,800,258
and Services (10=01-02)						
4. Cost of Goods sold	11	18	6,480,455,833	8,665,399,945	187,255,767,477	10,827,927,773
5. Gross Profit - Products	20		3,222,313,157	1,917,248,865	33,013,215,367	2,034,872,485
and Services(20=10-11)						
6. Revenue - Financing Activities	21	19	10,397,462	12,449,328	13,128,956	14,496,098
7. Finance Expenses	22	20	78,954,339	634,300,542	6,484,049,549	657,703,760
8. Sales Expenses	25					
9. Administrative Expenses	26	21	2,765,192,749	1,238,051,078	5,964,688,569	2,493,436,886
10. Net Profit from Operating Activities	30		388,563,531	57,346,573	20,577,606,205	(1,101,772,063)
{ 30 = 20 + (21 - 22) - (25 + 26) }						
11. Other Income	31					
12. Other Expenses	32				30,290,909	
13. Other Profit (40=31-32)	40				(30,290,909)	
14. Total Accounting Profit Before Tax (50=30+40)	50		388,563,531	57,346,573	20,547,315,296	(1,101,772,063)
15. Current Corporate Income Tax Expense	51	22	99,374,645		4,565,432,645	
16. Deferred Corporate Income Tax Expense	52					
17. Profit After Corporate Income Tax (60=50-51-52)	60		289,188,886	57,346,573	15,981,882,651	(1,101,772,063)

Hoi An, July 18th 2025

Prepared by

Chief Accountant

CHAIRMAN OF THE BOARD



Nguyen Thi Thu Thao



Vo Ho Quynh Giao



Tran Dinh Loi

CASH FLOWS STATEMENT

(Direct Method)

Quarter 2 - Year 2025

(This period: Q2/2025, Last Quarter: Same quarter last year)

Items	Code	T.M	Quarter 2/2025	Quarter 2/2024
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Cash from sales of goods, services, and other revenues	01		12,587,559,475	3,272,407,500
2. Cash paid to suppliers for goods and services	02		(3,677,125,524)	(4,050,836,013)
3. Cash paid to employees	03		(2,847,146,933)	(3,990,098,024)
4. Interest paid	04		(1,484,776,907)	(1,875,415,762)
5. Corporate income tax paid	05		(1,903,164,504)	(3,321,468,558)
6. Other receipts from operating activities	06		37,673,662,564	25,289,197,735
7. Other payment for operating activities	07		(51,873,506,791)	(33,623,471,894)
Net Cash Flows from Operating Activities	20		(11,524,498,620)	(18,299,685,016)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Payments for purchases, construction of fixed assets and other long-term assets	21			
2. Proceeds from disposal and sale of fixed assets and other long-term assets	22			
3. Loans to and payments for purchase of debt instruments of other entities	23			
4. Collections from borrowers and proceeds from disposal of debt	24			
5. Payments for investments in other entities	25			
6. Proceeds from disposal of investments in other entities	26			
7. Interests and dividends received	27		597,393	1,186,306
Net cash Flows from Investing Activities	30		597,393	1,186,306
III. CASH FLOW FRME FINANCING ACTIVITIES				
1. Proceeds from share issuance, capital contribution	31			
2. Capital redemption and payments for purchase of treasury shares	32			
3. Drawdown of borrowings	33		55,593,622,251	70,926,649,204
4. Repayments of borrowings	34		(41,147,085,655)	(41,404,515,967)
5. Repayments of Finance lease liabilities	35			
6. Dividends paid to shareholders	36			
Net cash flows from Financial Activities	40		14,446,536,596	29,522,133,237
- Net Cash flow for the Period (20+30+40)	50		2,922,635,369	11,223,634,527
- Cash and Cash Equivalents at the Beginning of the Period	60		4,516,334,624	809,232,905
- Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents	61			
- Cash and Cash Equivalents at the End of the Period (50+60+61)	70	VII.34	7,438,969,993	12,032,867,432

Hoi An, July 18th 2025

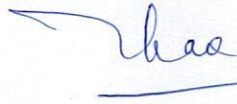
Prepared by

Chief Accountant

CHAIRMAN OF THE BOARD



Nguyen Thi Thu Thao



Vo Ho Quynh Giao



Tran Dinh Loi

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

I. Business Operation Characteristics:

1. Capital Ownership Structure: Joint Stock Company

2. Business Fields: Construction and real estate business.

3. Core Business Activities:

- Investing in the development of new urban areas and industrial parks, as well as urban and industrial infrastructure, export processing zones, high-tech zones, and new economic zones;
- Constructing civil, industrial, transportation, irrigation works, urban and industrial infrastructure, water supply and drainage, and environmental treatment facilities, as well as power lines and transformer stations;
- Manufacturing and trading building materials, and trading interior and exterior decoration items;
- Petroleum trading;
- Mining and processing construction materials and transporting soil and sand for land leveling;
- Real estate services;
- Tourism and hotel services;
- Demolition, site preparation, and construction completion;
- Installation of electrical systems, water supply and drainage systems, computer networks, air conditioning, fire alarm and prevention systems, elevators, surveillance systems, lightning protection systems, and ventilation systems.

4. Normal Production and Business Cycle: From contract signing to the acceptance and handover of completed projects, as approved by the relevant authorities.

6. Company Structure: The company comprises two affiliated units

- Tuynel Brick Plant Dien Ban – Address: Dien Tien Commune, Dien Ban Town, Quang Nam Province, Vietnam.

- Ho Chi Minh City Branch – Address: B20 Phu My Residential Area, Khu Pho 6, Pham Huu Lau Street, Phu My Ward, District 7, Ho Chi Minh City, Vietnam.

II. Accounting Period and Currency

1. Accounting Period: From January 1 to December 31 annually.
2. Accounting Records and Financial Statements: Prepared and maintained in Vietnamese Dong (VND).

III. Applicable Accounting Standards and Policies

The company applies the Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated December 22, 2014, the Vietnamese Accounting Standards, and other relevant amendments issued by the Ministry of Finance.

The company adopts the general journal accounting method.

IV. Accounting Policies:

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

1. Cash and Cash Equivalents

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

Cash equivalents are short-term investments with maturity periods not exceeding three months from the purchase date, readily convertible to a known amount of cash, and subject to insignificant risk of changes in value.

2. Accounting Principles for Receivables:

Receivables are presented at their book value, including customer receivables and other receivables.

Allowance for doubtful debts is set aside based on the estimated losses from receivables unlikely to be collected as of the end of the accounting period.

3. Inventory Recognition:

Inventory is recorded at the lower of cost or net realizable value. Cost includes purchase costs, processing costs, and other direct expenses incurred to bring the inventory to its current location and condition. Net realizable value is the estimated selling price less the estimated costs to complete and sell the inventory.

Cost is determined using the weighted average method and accounted for on a perpetual inventory system.

Allowance for inventory devaluation are made when net realizable value is less than cost.

4. Recognition and Depreciation of Fixed Assets:

Cost

Fixed assets are recorded at cost less accumulated depreciation.

The historical cost includes the purchase price and all expenses incurred by the Company to bring the fixed asset to a condition ready for its intended use. Post-acquisition expenditures are only capitalized as an increase to the historical cost of the fixed asset when it is certain that such costs will result in additional future economic benefits from the use of the asset. Costs that do not meet this criterion are recognized as expenses in the period in which they are incurred.

Depreciation

Depreciation is calculated using the straight-line method based on the estimated useful life of the asset, consistent with Circular No. 45/2013/TT-BTC.

<u>Asset type:</u>	<u>Useful life (years)</u>
Buildings & structures	07 – 10
Machinery & equipment	03 – 08
Vehicles	08 – 10
Management tools & equipment	03- 07

5. Accounting Principles for Prepaid Expenses

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Prepaid expenses represent actual costs incurred but related to the operational results of multiple accounting periods. These expenses are allocated over the period during which the economic benefits are expected to be realized.

Tools and instruments are amortized over 24 to 36 months into the business operation results;

6. Payables and Accrued Expenses

Payables and accrued expenses are recognized as amounts due in the future for goods and services already received, regardless of whether the company has received the supplier's invoice.

7. Borrowing Costs

Principles of Borrowing Cost Capitalization

Borrowing costs directly attributable to the acquisition, construction, or production of assets that require a substantial period to get ready for their intended use or sale are capitalized into the cost of the asset until it is ready for use or sale.

Any income generated from the temporary investment of borrowed funds reduces the cost of the related asset.

All other borrowing costs are expensed as incurred in the income statement.

8. Accrued Expenses

Accrued expenses are recognized for the value of future payments related to goods and services received during the reporting period but not yet paid due to a lack of invoices or sufficient accounting documentation. These are recorded as production and business expenses for the reporting period.

The company's accrued expenses include loan interest costs, calculated based on the remaining principal, the number of days not yet accounted for, and the agreed interest rate.

9-. Owner's Equity

Paid-in Capital

Recorded at the actual Paid-in Capital amount of the owner.

Share Premium

Recorded as the difference between the issue price and the nominal value of shares, or the difference between the repurchase and reissue prices of treasury shares.

Treasury Shares

Recorded at the purchase price and presented as a reduction in equity on the balance sheet.

Dividends

Recognized as a payable upon the declaration date.

Retained earnings

Net profit after corporate income tax can be distributed to shareholders following the approval of the General Meeting of Shareholders and after setting aside funds as required by the company charter and Vietnamese law.

10. Revenue Recognition

- Revenue from sales of goods and services is recognized when economic benefits are probable, and the amount can be reliably measured, provided the following conditions are met:

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

- ✓ For sales, significant risks and ownership rights have been transferred to the buyer, and there are no significant uncertainties regarding price or product return.
- ✓ For services, revenue is recognized upon completion of the service. If services span multiple accounting periods, revenue is determined based on the service completion percentage at the financial year-end.
- Financial income is recognized when revenue is reliably measurable and the economic benefits are probable:
 - ✓ Interest income is recognized on a time-proportion basis using the effective interest rate.
 - ✓ Dividends and profits are recognized when the company is entitled to receive them.

11. Construction Contracts

When the outcome of a construction contract can be reliably estimated, contract revenue and related expenses are recognized in proportion to the stage of completion at the end of the accounting period. The stage of completion is determined based on the percentage of costs incurred for the work performed up to the end of the reporting period relative to the total estimated contract costs, except in cases where such costs do not accurately reflect the actual progress of construction work completed. These costs may include additional expenses, compensation, and performance bonuses as agreed with the customer.

When the contract outcome cannot be reliably estimated:

- * Revenue is recognized only to the extent of recoverable incurred costs;
- * Contract costs are recognized as expenses in the period they are incurred.

12. Cost of goods sold

Cost of goods sold includes the total costs incurred for services or the production costs of construction products sold during the period, aligning with revenue recognition principles. Costs exceeding normal levels are immediately recorded as expenses.

13. Financial Expenses

Reflect expenses incurred during the period, primarily including borrowing costs.

14. Selling and General Administration Expenses

Selling expenses reflect the actual costs incurred in the process of providing services, including salaries and wages of sales staff during the period.

General and administrative expenses reflect the overall management costs of the company, including salaries, wages, and allowances of administrative personnel; social insurance, health insurance, union fees, and unemployment insurance for administrative employees; office supplies, tools, and depreciation of fixed assets used for administrative purposes; license tax; allowance for doubtful debts; outsourced services (such as electricity, water, telephone, fax, property and fire insurance, etc.); and other monetary expenses (such as hospitality, customer conferences, etc.)

15. Taxation

* Corporate Income Tax (CIT)

Includes current and deferred tax expenses.

Current income tax is the amount of tax payable based on taxable income for the period, calculated using the tax rates that are effective as of the end of the financial year. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting treatments, as well as for income and expenses that are either non-taxable or non-deductible.

Deferred income tax is determined on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets and liabilities is measured using the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred income tax assets to be utilized.

*** Tax Rates and Fees Applicable**

CIT: The company applies a CIT rate of 20%.

*** Value-Added Tax (VAT)**

A VAT rate of 8% is applied to construction activities and services provided by the Company in accordance with the prevailing VAT Law, effective from January 31, 2022, to December 31, 2022, as stipulated in Decree No. 15/2022/ND-CP dated January 28, 2022, issued by the Government.

From January 1, 2023, to June 30, 2023, a VAT rate of 10% is applied to construction activities and services provided by the Company, in accordance with the prevailing VAT Law.

From June 1, 2023, to December 31, 2024, a VAT rate of 8% is applied to construction activities and services provided by the Company, as per the applicable VAT Law.

From January 1, 2025, to June 30, 2025, a VAT rate of 8% is applied to construction activities and services provided by the Company, in accordance with the prevailing VAT Law.

*** Other Taxes and Fees Applicable .**

16. Basic Earnings Per Share (EPS)

Basic EPS is calculated by dividing post-tax profit (after deductions for welfare and reward funds) by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.

17. Diluted Earnings Per Share

Diluted EPS is calculated by dividing post-tax profit (after deductions for welfare and reward funds) by the weighted average number of ordinary shares outstanding and additional potential shares, excluding treasury shares.

18. Segment Reporting

A segment is a distinct component of the company engaged in producing or providing individual products or services, or a group of related products or services (business segment), or operating in a specific economic environment (geographical segment), each with distinct risks and benefits compared to other business units or environments.

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

V. Additional Information on Items Presented in the Balance Sheet:

1.Cash	30/06/2025	01/01/2025
Cash	769.970.980	943.845.688
Bank deposits	6.668.999.013	1.537.602.530
Term deposits (<3 months) (*)	1.193.793.287	1.184.313.283
Total	8.632.763.280	3.665.761.501

(*) A term deposit of VND 1.193.793.287 with a 1-month maturity is pledged as collateral for loans with Vietnam Joint Stock Commercial Bank for Industry and Trade under the security contract No. 45012/2019/HDBD/NHCT484 dated 27 August 2019.

2.Trade Receivables

	30/06/2025	01/01/2025
DIC Hoi An JSC.	31.999.573.247	39.976.862.390
Tuynel Brick Plant Dien Ban	1.948.128.689	2.128.128.689
Total	33.947.701.936	42.104.991.079

3. Advances to Suppliers

	30/06/2025	01/01/2025
Land Fund Development Center - Hoi An city	2.131.905.000	2.111.353.000
Other suppliers	5.820.530.177	4.712.716.589
Total	7.952.435.177	6.824.069.589

1.1. (*) Advance Funding for the Hoi An City Land Development Center

The Company has provided advance funding 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 January 18, 2017, issued by the People's Committee of Hoi An City, and Official Letter No. 178/PTQD dated December 20, 2017, issued by the Hoi An City Land Development Center.

4.Other Receivables

a. Short-term:

	30/06/2025	01/01/2025
Advance Payments	55.391.573.125	63.651.894.805
Other Receivables	261.249.163	232.688.826
DIC Hoi An JSC.	261.249.163	232.688.826
Total	55.652.822.288	63.884.583.631

b. Long-term

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

	30/06/2025	01/01/2025
Mortgage, Guarantee deposit	322.870.679	322.605.417
	322.870.679	322.605.417

5. Allowance for Short-term Uncollectible Accounts

The Management Board assesses the recovery of overdue receivables as low due to their long existence without collection. The aging and value of overdue receivables by debtor are as follow.

	30/06/2025	01/01/2025
	VND	VND
Company	(233.928.054)	(233.928.054)
- Son Tra JSC.	(50.591.529)	(50.591.529)
- People's Committee of Cam An Ward	(19.623.900)	(19.623.900)
- Internal Roads, Resettlement Area	(40.222.825)	(40.222.825)
- Quang Nam Construction and Water Supply Co.	(56.489.800)	(56.489.800)
- People's Committee of Cam An Ward	(50.000.000)	(50.000.000)
Total	(233.928.054)	(233.928.054)

6. Inventory

	30/06/2025	01/01/2025
Raw materials and supplies	4.901.847.807	4.901.847.807
Tools and equipment		
Work-in-progress	343.130.016.039	493.020.922.996
Finished goods	453.018.433	453.018.433
Total	348.484.882.279	498.375.789.236

There is no obsolete or unsellable inventory as of the end of the reporting period.

No inventory has been pledged or used as collateral for liabilities as of the end of the reporting period.

7. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Transportation and transmission means VND	Management equipment and tools VND	Total VND
Historical cost					
Beginning balance (As of 1/4/2025)	4.534.182.995	14.287.871.689	4.232.940.867	112.627.000	23.167.622.551

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Increase during the
period

Decrease during the
period

Balance as of 31/06/25	4.534.182.995	14.287.871.689	4.232.940.867	112.627.000	23.167.622.551
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Depreciation

Beginning balance (As of 1/4/2025)	4.531.551.684	12.713.818.601	4.008.774.200	112.627.000	21.366.771.485
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Increase during the period	2.628.313	196.976.709	67.250.000		266.855.022
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Decrease during the
period

Ending balance 31/06/25	4.534.179.997	12.910.795.310	4.076.024.200	112.627.000	21.633.626.507
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Net carrying amount

Beginning balance (As of 1/4/2025)	2.631.313	1.574.053.088	224.166.667		1.800.851.068
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Ending balance(30/06/2025)		1.377.077.379	156.916.667		1.533.994.044
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As of March 31, 2025, the net book value of tangible fixed assets pledged or used as collateral amounted to VND 1.533.994.044.

The historical cost of fully depreciated tangible fixed assets still in use as of the end of the period is VND 12.454.648.377.

8. Long-term prepaid expenses:

	30/06/2025	01/01/2025
Land lease expenses	2.428.359.286	2.480.210.374
Total	2.428.359.286	2.480.210.374

9. Short-term trade payables:

	30/06/2025	01/01/2025
DIC Hoi An JSC.	25.315.793.393	28.023.676.915
Tuynel Brick Plant Dien Ban	172.919.200	172.919.200
Total	25.488.712.593	28.196.596.115

Accounts payable to suppliers: Capable to settle debts

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

10. Short-term advances from customers:

	30/06/2025	01/01/2025
Others	11.656.180.960	15.148.394.978
Total	11.656.180.960	15.148.394.978

11.Short-term borrowings and finance lease liabilities

	Beginning balance	Increase during period	Decrease during period	Ending balance
Short-term borrowings				
- Agribank - Hoi An Branch(1)	41.432.482.493	31.264.910.590	27.099.109.512	45.598.283.571
- Vietinbank - Hoi An Branch (2)	28.058.483.175	8.328.711.661	9.257.476.143	27.129.718.693
- Vietcombank(3)	19.644.156.876			19.644.156.876
-VNGROUP., JSC(4)	23.871.900.000			23.871.900.000
- Personal Loans (5)	18.800.000.000			18.800.000.000
- Development Investment Fund(6)	10.030.000.000		3.570.000.000	6.460.000.000
- Truong Hai Group Corporation(7)	72.000.000.000			72.000.000.000
Total	213.837.022.544	39.593.622.251	39.926.585.655	213.504.059.140

12 .Long-term

	Beginning balance	Increase during period	Decrease during period	Ending balance
-Personal Loans (8)	45.070.500.000	16.600.000.000	220.500.00	61.450.000.000
Total	47.070.500.000	16.600.000.000	220.500.000	61.450.000.000

Including financial borrowings and lease liabilities from related parties – See section 25.a2

	Beginning balance	Ending balance
- Hoang Minh Thong	3.000.000.000	3.000.000.000

(1) Short-term Loan from Agribank – Hoi An Branch under Contract No. 4209LAV202400272, dated June 28, 2024. Credit limit: 46.000.000.000 VND, Loan terms and interest rates: as per each specific promissory note. Purpose: Procurement of raw materials, leasing of machinery and equipment, payment of wages, bank guarantees, and business operations

(2) Short-term loan from Vietinbank – Hoi An Branch, pursuant to Notice No. 230a/TB-CNHA-P.KHDN dated March 13, 2025, regarding the credit limit approval. Credit limit 125.000.000.000 VND, Loan terms and interest rates: As per each specific promissory note. Purpose: Procurement of raw materials, leasing of machinery and equipment, payment of wages, bank guarantees, and business operations

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

(3) Short-term Loan from Vietcombank - Hoi An Branch under Contract No. HDTD 12200/24324/HDTD.NH dated August 28, 2024. Credit limit 19.660.000.000 VND, Loan terms and interest rates: As per each specific promissory note. Purpose: Procurement of raw materials, leasing of machinery and equipment, payment of wages, bank guarantees, and business operations

(4) Short-term loan from VN Group JSC. to finance legitimate expenses of the Housing Construction Investment Project in the Residential Area combined with Urban Renovation at Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung Block, Thanh Ha Ward, Hoi An City. Accordingly, the Company signed a loan agreement with VN Group Joint Stock Company under Contract No. 017/2024/HĐVV dated July 1, 2024. Credit limit: VND 46,000,000,000, loan term: 6 months from the first disbursement date. This loan requires no collateral.

(5) Personal Loans. Purpose: Business operations.

(6) Loan from Quang Nam Development Investment Fund under Contract No. 03/2018/HDTD-QDT dated September 17, 2018, Supplementary Agreement No. 09/2021/PLHDTD-QDT dated December 20, 2021, and Supplementary Agreement No. 06/2022/PLHDTD-QDT dated June 28, 2022. Credit limit 50.000.000.000 VND, loan term: 5 years from the first disbursement date, grace period: 1 year, interest rate: 6,5% per annum at the contract signing date. Purpose: Financing investment costs for the Lam Sa – Tu Le – Xuan Hoa Urban Redevelopment Residential Project and the Bau Dung Residential Project in Hoi An City.

(7) Short-term loan from Truong Hai Group Corporation under the Minutes No. 01/HĐ/DICTHACO dated October 24, 2023. Purpose of the loan: To fulfill state obligations related to the Housing Construction Investment Project in the Residential Area combined with Urban Renovation at Lam Sa – Tu Le – Xuan Hoa, Cam Pho Ward, and Bau Dung Block, Thanh Ha Ward, Hoi An City. Interest rate: 10% per annum

13. Other short-term liabilities

	30/06/2025	01/01/2025
Trade union fees, social insurance, health insurance, and unemployment insurance	101.917.000	57.243.000
Other liabilities	3.050.470.664	21.851.885.033
+ Loan interest	2.483.262.125	21.359.767.665
+ Others	567.208.539	492.117.368
Total	3.152.387.664	21.909.128.033

14. Owner's Equity

a. Statement of Changes in Equity

	Paid-in Capital	Share Premiums	Treasury shares	Development Investment Fund	Retained earnings	UNIT: VND
Balance as of 01/1/25	68.941.640.000	19.801.941.805		13.617.241.799	33.188.631.559	
Increase during the				1.336.436.693	289.188.886	

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

period					
Decrease during the period					2.672.873.386
Balance as of 30/06/25	68.941.640.000	19.801.941.805	14.953.678.492	30.804.947.059	

b. Details of Owner's Capital Contributions

	30/06/2025	01/01/2025
	VND	VND
Mr. Tran Dinh Huy	13.136.850.000	13.136.850.000
Mr. Do Thanh Quang	6.068.130.000	6.068.130.000
Other shareholders	49.736.660.000	49.736.660.000
Total	68.941.640.000	68.941.640.000

c. Shares

	30/06/2025	01/01/2025
	Shares	Shares
Registered shares for issuance	6.894.164	6.894.164
Shares issued to the public	6.894.164	6.894.164
- Ordinary shares	6.894.164	6.894.164
- Preferred shares (classified as equity)		
Shares repurchased (treasury shares)		
- Ordinary shares	6.894.164	6.894.164
- Preferred shares (classified as equity)		
Outstanding shares	6.894.164	6.894.164
- Ordinary shares	6.894.164	6.894.164
- Preferred shares (classified as equity)		

(The Hanoi Stock Exchange approved the additional listing of the Company's shares under Decision No. 885/QĐ-SGDHN dated August 14, 2024) and Report No. 45/BC-DICHA dated July 17, 2024 reporting the results of the share issuance to pay dividends in 2023

d. Capital Transactions with Shareholders

	Current period	Previous period
	VND	VND
Capital contributions as of January 01, 2025	68.941.640.000	59.949.620.000
Capital increase during the period		
Capital decrease during the period		
Capital contributions as of 30/06/2025	68.941.640.000	59.949.620.000

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

15.Retained earnings

	30/06/2025
	VND
Retained earnings from the previous period	33.188.631.559
Profit after Corporate Income Tax	289.188.886
Fund allocations	
+ Development Investment Fund allocation (per AGM Resolution 2025)	1.336.436.693
	1.336.436.693
+ Bonus and welfare fund allocation (per AGM Resolution 2025)	
Dividend payments	
Retained earnings	30.804.947.059

16. Revenue – Sales and service provision

	Q2/2025	Q2/2024
	VND	VND
Total Revenue	9.702.768.990	10.582.648.810
+ Revenue – Sales and service provision	9.702.768.990	10.582.648.810
+ Revenue – Real Estate		
+ Revenue – Tuynel BP		
Total	9.702.768.990	10.582.648.810

17.Cost of Goods sold

	Q2/2025	Q2/2024
	VND	VND
Total COGS	6.480.455.833	8.665.399.945
+ COGS – Sales & services provision	6.480.455.833	8.665.399.945
+ COGS – Real Estate		
+ COGS – Tuynel BP		

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Total	6.480.455.833	8.665.399.945
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18.Revenue – Financing Activities

	Q2/2025	Q2/2024
	VND	VND
Interest – Deposits & loans	10.397.462	12.449.328
Total	10.397.462	12.449.328

19.Finance Expenses

	Q2/2025	Q2/2024
	VND	VND
Interest – Borrowings	78.954.339	634.300.542
Total	78.954.339	634.300.542

20.Sales Expenses

	Q2/2025	Q2/2024
	VND	VND
Tuynel Brick Plant Dien Ban		
COGS-BDS		
Total		

21.Administrative Expenses

	Q2/2025	Q2/2024
	VND	VND
DIC Hoi An JSC.	2.765.192.749	1.238.051.078
Tuynel Brick Plant Dien Ban		
Total	2.765.192.749	1.238.051.078

22.Other expenses

	Q2/2025	Q2/2024
	VND	VND
DIC Hoi An JSC.		
Total		

23. Current Corporate Income Tax Expenses and Profit after Corporate Income Tax during period

	Q2/2025	Q2/2024
	VND	VND

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Total accounting profit before tax	388.563.531	57.346.573
Adjustments to taxable income		
Increase adjustments	108.309.693	
- Non-deductible expenses	69.309.693	
- Remuneration of BOD, BOS (Non-executive)	39.000.000	
Current Corporate Income Tax Expenses	99.374.645	
Profit after Corporate Income Tax	289.188.886	57.346.573

24. Financial Instruments

Capital Risk Management

Through capital management, the Company determines an appropriate balance between capital and liabilities to ensure business continuity while maximizing shareholder value.

Financial Risk Management

Financial risks include market risk, credit risk, and liquidity risk.

Market Risk Management: The Company is exposed to market risks, primarily fluctuations in interest rates and raw material prices.

Interest Rate Risk Management

Interest rate risk refers to the potential fluctuations in the fair value or future cash flows of a financial instrument due to changes in market interest rates. The Company's exposure to interest rate risk mainly relates to cash, term deposits, and borrowings.

The Company manages interest rate risk by analyzing market competition to secure favorable interest rates that align with its objectives while remaining within its risk management limits. The Board of Directors assesses the interest rate risk as insignificant.

Raw Material Price Risk Management

The Company procures raw materials from domestic suppliers for business operations, exposing it to risks associated with price fluctuations. Additionally, since raw material costs constitute a significant portion of the total production cost, the Company considers commodity price risk in its business operations to be high.

Credit Risk Management

Credit risk arises when a counterparty in a financial instrument or customer contract fails to fulfill its obligations, resulting in financial loss. The Company is exposed to credit risk from its business operations (primarily related to accounts receivable) and financial activities (primarily related to bank deposits)

Accounts Receivable

The Company manages customer credit through policies, procedures, and controls related to credit risk management. It continuously monitors outstanding accounts receivable. For major customers, the Company assesses any deterioration in credit quality as of the reporting date. It maintains strict control over overdue receivables and assigns credit control personnel to minimize credit risk.

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Bank Deposits

The Company primarily maintains its bank deposits at major banks (Vietinbank – Hoi An Branch, Agribank – Hoi An Branch). Credit risk related to bank deposits is managed by the treasury department in accordance with the Company's policy. The maximum credit risk exposure for bank deposits is the carrying amount disclosed in Note 5. The Company considers the credit risk for bank deposits to be very low.

Liquidity Risk

Liquidity risk arises when the Company encounters difficulties in meeting financial obligations due to a lack of funds. This risk primarily results from mismatches in the maturity of financial assets and liabilities.

To manage liquidity risk and meet current and future capital needs, the Company regularly monitors and maintains sufficient cash reserves, optimizes idle cash flows, leverages credit facilities from customers and partners, and actively controls maturing and upcoming debt obligations in relation to expected cash inflows,

25. Related Party Information:

a. Related Parties:

a1. Related Party Loan Repayments: None

a2. Long-term Loans from Related Parties:

	Beginning balance	Ending balance
- Hoang Minh Thong(7)	3.000.000.000	3.000.000.000

a3. Transactions Between the Company and Related Persons:

- Real Estate transfer

+ Tran Van Son 6.600.000.000

+ Vo Ho Quynh Giao 6.600.000.000

b. Compensation of Key Management Personnel:

List of Related Parties

Relationship

BOD and Board of Management

Key Management Personnel

The remuneration of the Board of Directors, income of Board of Management and other key management personnels during the period are as follows:

	Current period	Previous period
	VND	VND

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Board of Directors

Mr. Tran Dinh Loi	180.000.000	180.000.000
Mr. Tran Van Viet	24.000.000	24.000.000
Mr. Tran Minh Toan		8.000.000
Mr. Tran Dinh Danh	24.000.000	24.000.000
Mr. Ho Hai Bac	24.000.000	24.000.000
Mr. Tran Quoc Tuan	24.000.000	16.000.000

Board of Supervisors

Mrs. Pham Thi Thanh Tam	15.000.000	15.000.000
Mr. Tran Dinh Dung		4.500.000
Mr. Tran Van Son	13.500.000	13.500.000
Mr. Le Dinh Thinh	13.500.000	9.000.000

Salary, bonus and other income of Members of Board of Management, Board of Directors, Board of Supervisors and other key management personnels:

Board of Management

Mr. Tran Van Viet	105.000.000	105.000.000
Mr. Pham Anh Thi	63.000.000	56.100.000
Mr. Ho Hai Bac		
Mr. Nguyen Hoang Phuong	60.000.000	60.000.000
Mr. Tran Dinh Huy	60.000.000	60.000.000
Mr. Tran Van Son	47.272.727	45.913.043
Mr. Le Dinh Thinh	48.000.000	26.800.000

26. COMMITMENTS UNDER OPERATING LEASE AGREEMENTS

Company as Lessee

The Company leases office land under Lease Agreement No. 204/HDTD dated September 3, 2008, with the Quang Nam Department of Natural Resources and Environment. The leased area is 287.2 square meters, with a lease term until November 2048. The land rental payment has been made in full for the entire lease term until November 2048 and is amortized as an expense over the period:

	VND	VND
Operating lease costs recorded during the period	25.925.544	25.925.544

27. SUBSEQUENT EVENTS

No significant events occurred after the reporting period up to the date of the financial statement issuance.

NOTES TO FINANCIAL STATEMENT

(These Notes are an integral part and should be read in conjunction with the Financial Statements)

Hoi An, July 18th, 2025

Prepared by



Nguyen Thi Thu Thao

Chief Accountant



Vo Ho Quynh Giao

CHAIRMAN OF THE BOARD



Tran Dinh Loi

