

# **Coteccons Construction Joint Stock Company**

Interim consolidated financial statements

For the six-month period ended 30 June 2022



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# Coteccons Construction Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Coteccons Construction Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002611 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 24 August 2004, which was replaced by the Enterprise Registration Certificate ("ERC") No.0303443233 on 23 August 2010 and the subsequent amended ERCs.

The Company listed its shares on the Ho Chi Minh Stock Exchange with trading code CTD in accordance with Decision No. 155/QD-SGDHCM has been issued by the Ho Chi Minh Stock Exchange on 9 December 2009.

The current principal activities of the Company and its subsidiaries ("the Group") are to provide designing and construction services, equipment installation, interior decoration, office leasing, trading of real estate and building materials.

The Company's head office is located at No. 236/6, Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

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

Mr. Bolat Duisenov	Chairman	
Mr. Herwig Guido H. Van Hove	Member	
Mr. Talgat Turumbayev	Member	
Mr. Vo Hoang Lam	Member	appointed on 25 April 2022
Mr. Pham Quang Vu	Member	appointed on 25 April 2022
Mr. Tong Van Nga	Independent member	
Mr. Tan Chin Tiong	Independent member	
Mr. Trinh Ngoc Hien	Member	resigned on 25 April 2022
Ms. Trinh Quynh Giao	Member	resigned on 25 April 2022
Mr. Yerkin Tatishev	Member	resigned on 25 April 2022

### BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are:

Mr. Tran Van Thuc	Head of Board of Supervision	
Mr. Zhaidarzhan Zatayev	Member	appointed on 25 April 2022
Mr. Doan Phan Trung Kien	Member	appointed on 25 April 2022
Mr. Dang Hoai Nam	Member	resigned on 25 April 2022
Mr. Nguyen Minh Nhut	Member	resigned on 25 April 2022

# Coteccons Construction Joint Stock Company

## GENERAL INFORMATION (continued)

### MANAGEMENT

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

Mr. Vo Hoang Lam	General Director	appointed on 5 August 2022
Mr. Pham Quan Luc	Deputy General Director	
Mr. Chris Senekki	Deputy General Director	
Mr. Nguyen Ngoc Lan	Deputy General Director	
Mrs. Pham Thi Bich Ngoc	Deputy General Director	
Mr. Phan Huu Duy Quoc	Deputy General Director	resigned on 4 January 2022

### LEGAL REPRESENTATIVE

The legal representatives of the Company during the period and at the date of this report is Mr. Bolat Duisenov.

Mr. Pham Quan Luc is authorised by Mr. Bolat Duisenov to sign the accompanying consolidated financial statements for the period ended 30 June 2022 in accordance with the Power of Attorney No. 4379/2021/UQ-CTHĐQT dated 14 December 2021.

### AUDITORS

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

# Coteccons Construction Joint Stock Company

## REPORT OF MANAGEMENT

Management of Coteccons Construction Joint Stock Company ("the Company") presents this report and the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 30 June 2022.

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

Management is responsible for the interim consolidated financial statements of each financial period which give a true and fair view of the interim consolidated financial position of the Group and of the interim consolidated results of its operations and its interim consolidated cash flows for the period. In preparing those interim consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements; and
- prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of management:



Pham Quan Luc  
Deputy General Director

Ho Chi Minh City, Vietnam

29 August 2022

Reference: 60813343/66708847-HN

## **REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**To: The Shareholders of Coteccons Construction Joint Stock Company**

We have reviewed the accompanying interim consolidated financial statements of Coteccons Construction Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group"), as prepared on 29 August 2022 and set out on pages 6 to 51, which comprise the interim consolidated balance sheet as at 30 June 2022, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period ended and the notes thereto.

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

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

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

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Group as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

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



Dương Lê Anthony  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 2223-2018-004-1

Ho Chi Minh City, Vietnam

29 August 2022



INTERIM CONSOLIDATED BALANCE SHEET  
as at 30 June 2022

VND

Code	ASSETS	Notes	30 June 2022	31 December 2021 (Reclassified - Note 36)
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>15,470,586,687,377</b>	<b>13,875,943,285,056</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>913,484,130,428</b>	<b>884,710,498,842</b>
111	1. Cash		455,395,871,929	410,710,498,842
112	2. Cash equivalents		458,088,258,499	474,000,000,000
<b>120</b>	<b>II. Short-term investments</b>		<b>2,784,460,086,136</b>	<b>2,400,688,059,709</b>
121	1. Held-for-trading securities	6.1	219,601,769,768	-
122	2. Provision for diminution in value of held-for-trading securities	6.1	(20,454,977,500)	-
123	3. Held-to-maturity investments	6.2	2,585,313,293,868	2,400,688,059,709
<b>130</b>	<b>III. Current accounts receivable</b>		<b>9,230,696,983,608</b>	<b>8,549,452,757,684</b>
131	1. Short-term trade receivables	7.1	8,817,673,342,611	8,156,022,028,866
132	2. Short-term advances to suppliers	7.2	501,863,097,171	279,734,078,882
134	3. Construction contract receivables based on agreed progress billings	7.3	22,374,832,253	22,374,832,253
135	4. Short-term loan receivables	8	595,730,724,866	572,630,724,866
136	5. Other short-term receivables	9	211,586,709,596	179,973,331,904
137	6. Provision for doubtful short-term receivables	7.1, 9	(918,531,722,889)	(661,282,239,087)
<b>140</b>	<b>IV. Inventories</b>	<b>10</b>	<b>2,111,733,067,812</b>	<b>1,692,285,468,779</b>
141	1. Inventories		2,134,601,564,888	1,720,491,079,297
149	2. Provision for obsolete inventories		(22,868,497,076)	(28,205,610,518)
<b>150</b>	<b>V. Other current assets</b>		<b>430,212,419,393</b>	<b>348,806,500,042</b>
151	1. Short-term prepaid expenses	11	7,797,460,730	9,500,954,190
152	2. Value-added tax deductibles	19	422,414,958,663	332,795,834,878
153	3. Tax and other receivables from the State	19	-	6,509,710,974

INTERIM CONSOLIDATED BALANCE SHEET (continued)  
as at 30 June 2022


VND

Code	ASSETS	Notes	30 June 2022	31 December 2021 (Reclassified - Note 36)
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,084,991,696,196</b>	<b>1,173,552,857,857</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>543,303,265,295</b>	<b>531,147,896,594</b>
221	1. Tangible fixed assets	12	437,171,350,756	420,946,301,186
222	Cost		1,053,705,603,034	998,130,665,155
223	Accumulated depreciation		(616,534,252,278)	(577,184,363,969)
224	2. Financial leases	13	2,309,908,488	2,574,023,103
225	Cost		2,663,034,106	2,663,034,106
226	Accumulated depreciation		(353,125,618)	(89,011,003)
227	3. Intangible assets	14	103,822,006,051	107,627,572,305
228	Cost		130,703,137,868	130,303,137,868
229	Accumulated amortisation		(26,881,131,817)	(22,675,565,563)
<b>230</b>	<b>II. Investment properties</b>	<b>15</b>	<b>38,680,897,003</b>	<b>40,740,812,856</b>
231	1. Cost		63,191,170,137	64,783,458,541
232	2. Accumulated depreciation		(24,510,273,134)	(24,042,645,685)
<b>240</b>	<b>III. Long-term asset in progress</b>		<b>68,210,857,271</b>	<b>185,212,476,743</b>
241	1. Long-term work in progress		-	160,853,352,772
242	2. Construction in progress	16	68,210,857,271	24,359,123,971
<b>250</b>	<b>IV. Long-term investments</b>		<b>323,759,676,227</b>	<b>334,844,039,939</b>
252	1. Investments in associates	17.1	22,154,198,768	33,238,562,480
253	2. Investment in another entity	17.2	301,605,477,459	301,605,477,459
<b>260</b>	<b>V. Other long-term assets</b>		<b>111,037,000,400</b>	<b>81,607,631,725</b>
261	1. Long-term prepaid expenses	11	31,695,908,928	38,175,300,852
262	2. Deferred tax assets	33.3	79,341,091,472	43,432,330,873
<b>270</b>	<b>TOTAL ASSETS</b>		<b>16,555,578,383,573</b>	<b>15,049,496,142,913</b>


INTERIM CONSOLIDATED BALANCE SHEET (continued)  
as at 30 June 2022

VND

Code	RESOURCES	Notes	30 June 2022	31 December 2021 (Reclassified - Note 36)
<b>300</b>	<b>C. LIABILITIES</b>		<b>8,356,968,572,645</b>	<b>6,801,935,410,099</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>7,829,004,665,986</b>	<b>6,799,391,639,298</b>
311	1. Short-term trade payables	18.1	2,694,794,882,408	3,260,991,520,325
312	2. Short-term advances from customers	18.2	1,892,525,802,343	1,412,909,898,025
313	3. Statutory obligations	19	29,540,056,159	9,773,570,234
314	4. Payable to employees		71,224,626	10,206,935
315	5. Short-term accrued expenses	20	1,998,164,742,663	1,767,972,465,362
318	6. Short-term unearned revenues	21	147,964,406,637	37,992,212,315
319	7. Other short-term payables	22	12,764,645,153	13,316,038,118
320	8. Short-term loans and finance leases	23	788,564,591,117	1,724,213,630
321	9. Short-term provisions	24	187,034,609,628	214,059,538,033
322	10. Bonus and welfare fund	25	77,579,705,252	80,641,976,321
<b>330</b>	<b>II. Non-current liabilities</b>		<b>527,963,906,659</b>	<b>2,543,770,801</b>
338	1. Long-term loans and finance lease obligations	23	525,497,262,025	-
342	2. Long-term provision	24	2,466,644,634	2,543,770,801
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>8,198,609,810,928</b>	<b>8,247,560,732,814</b>
<b>410</b>	<b>I. Capital</b>	<b>26.1</b>	<b>8,198,609,810,928</b>	<b>8,247,560,732,814</b>
411	1. Share capital		792,550,000,000	792,550,000,000
411a	- Shares with voting rights		792,550,000,000	792,550,000,000
412	2. Share premium		3,038,990,175,385	3,038,990,175,385
415	3. Treasury shares		(621,396,381,083)	(621,396,381,083)
418	4. Investment and development fund		4,667,193,310,873	4,667,193,310,873
421	5. Undistributed earnings		320,744,087,965	315,375,435,690
421a	- Undistributed earnings by the end of prior period		315,375,435,690	291,368,056,131
421b	- Undistributed earnings of current period		5,368,652,275	24,007,379,559
429	6. Non-controlling interests		528,617,788	54,848,191,949
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>16,555,578,383,573</b>	<b>15,049,496,142,913</b>

  
Tran Thi Thanh Van  
Preparer

  
Cao Thi Mai Le  
Chief Accountant

  
Pham Quan Luc  
Deputy General Director





29 August 2022

INTERIM CONSOLIDATED INCOME STATEMENT  
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
01	1. Revenues from sale of goods and rendering of services	27.1	5,194,888,056,299	5,118,982,498,400
02	2. Deductions		(1,739,604,226)	-
10	3. Net revenue from sale of goods and rendering of services	27.1	5,193,148,452,073	5,118,982,498,400
11	4. Cost of goods sold and services rendered	28	(4,911,180,625,740)	(4,864,263,734,807)
20	5. Gross profit from sale of goods and rendering of services		281,967,826,333	254,718,763,593
21	6. Finance income	27.2	227,856,528,522	115,444,456,429
22	7. Finance expenses	29	(59,339,160,071)	(1,229,097,068)
23	In which: interest expense		(30,001,956,041)	(949,965,938)
24	8. Share of profit of associates	17.1	(11,084,363,712)	(12,413,373,486)
26	9. General and administrative expenses	30	(448,712,606,142)	(242,155,319,329)
30	10. Operating (loss) profit		(9,311,775,070)	114,365,430,139
31	11. Other income	31	24,201,086,886	21,538,548,061
32	12. Other expenses	31	(3,827,901,272)	(7,252,639,230)
40	13. Other profit	31	20,373,185,614	14,285,908,831
50	14. Accounting profit before tax		11,061,410,544	128,651,338,970
51	15. Current corporate income tax expense	33.1	(41,530,784,049)	(40,786,101,184)
52	16. Deferred tax income	33.3	35,908,760,599	11,529,188,191
60	17. Net profit after tax		5,439,387,094	99,394,425,977
61	18. Net profit after tax attributable to shareholders of the parent		5,368,652,275	99,352,111,076
62	19. Net gain after tax attributable to non-controlling interests	26.1	70,734,819	42,314,901
70	20. Basic earnings per share	26.5	73	1,353
71	21. Diluted earnings per share	26.5	73	1,353

  
Tran Thi Thanh Van  
Preparer

  
Cao Thi Mai Le  
Chief Accountant

  
Pham Quan Luc  
Deputy General Director



29 August 2022

INTERIM CONSOLIDATED CASH FLOW STATEMENT  
for the six-month period ended 30 June 2022


VND


Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Accounting profit before tax</b>		<b>11,061,410,544</b>	<b>128,651,338,970</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	12, 13, 14, 15	52,291,184,821	51,803,502,649
03	Provisions		255,149,170,198	61,536,514,249
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		183,268,305	-
05	Profit from investing activities		(216,275,189,667)	(68,025,915,181)
06	Interest expenses	29	30,001,956,041	949,965,938
<b>08</b>	<b>Operating profit before changes in working capital</b>		<b>132,411,800,242</b>	<b>174,915,406,625</b>
09	(Increase) decrease in receivables		(989,301,649,444)	424,432,923,077
10	(Increase) decrease in inventories		(414,110,485,591)	27,158,223,541
11	Increase (decrease) in payables		204,878,106,957	(465,044,617,520)
12	Decrease in prepaid expenses		8,182,885,384	35,576,845,618
13	(Increase) decrease in trading securities		(219,601,769,768)	130,000,000,000
14	Interest paid		(7,068,144,633)	(949,965,938)
15	Corporate income tax paid		(9,822,669,467)	(71,834,840,356)
17	Other cash outflows from operating activities		(3,767,592,484)	(5,449,930,339)
<b>20</b>	<b>Net cash flows (used in) from operating activities</b>		<b>(1,298,199,518,804)</b>	<b>248,804,044,708</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets		(107,217,098,627)	(4,604,606,550)
22	Proceeds from disposals of fixed assets		1,955,453,645	405,510,656
23	Net payments for term deposits at banks		(3,270,089,930,924)	(2,594,520,750,000)
24	Net collections from bank term deposits		3,062,364,696,765	1,672,846,821,544
26	Proceeds from sale of investments in other entities		183,224,365,231	-
27	Interest received		145,443,168,084	110,373,047,566
<b>30</b>	<b>Net cash flows from (used in) investing activities</b>		<b>15,680,654,174</b>	<b>(815,499,976,784)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
32	Capital redemption		-	(177,965,316,084)
33	Drawdown of borrowings		1,451,593,806,192	338,710,637,510
34	Repayment of borrowings		(140,302,000,000)	(338,710,637,510)
<b>40</b>	<b>Net cash flows from (used in) financing activities</b>		<b>1,311,291,806,192</b>	<b>(177,965,316,084)</b>


INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
50	<b>Net increase (decrease) in cash and cash equivalents</b>		<b>28,772,941,562</b>	<b>(744,661,248,160)</b>
60	<b>Cash and cash equivalents at beginning of period</b>		<b>884,710,498,842</b>	<b>1,396,764,826,755</b>
61	Impact of exchange rate fluctuation		690,024	-
70	<b>Cash and cash equivalents at end of period</b>	<b>5</b>	<b>913,484,130,428</b>	<b>652,103,578,595</b>

  
Tran Thi Thanh Van  
Preparer

  
Cao Thi Mai Le  
Chief Accountant

  
Pham Quan Luc  
Deputy General Director



29 August 2022

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
as at 30 June 2022 and for the six-month period then ended

## 1. CORPORATE INFORMATION

Coteccons Construction Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate ("BRC") No. 4103002611 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 24 August 2004, which was replaced by Enterprise Registration Certificate ("ERC") No.0303443233 on 23 August 2010 and the subsequent amended BRCs and ERCs.

The Company listed its shares on the Ho Chi Minh Stock Exchange with trading code "CTD" in accordance with Decision No. 155/QD-SGDHCM has been issued by the Ho Chi Minh Stock Exchange on 9 December 2009.

The current principal activities of the Company and its subsidiaries ("the Group") are to provide designing and construction services, equipment installation, interior decoration, office leasing, trading of real estate and building materials.

The Company's registered head office is located at No. 236/6, Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 30 June 2022 was 2,080 (31 December 2021: 1,796).

### **Group structure**

The Company has two direct subsidiaries and two indirect subsidiaries, in which:

#### *Unicons Investment Construction Company Limited ("Unicons")*

Unicons is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to BRC No. 4103005020 issued by the DPI of Ho Chi Minh City on 14 July 2006, which was replaced by Enterprise Registration Certificate ("ERC") No.0304472276 on 22 June 2018 and the subsequent amended BRCs and ERCs.

Unicons's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Unicons's principal activities are to providing construction services and equipment installation services.

As at 30 June 2022, the Company holds 100% equity interest in Unicons.

#### *Covestcons Company Limited ("Covestcons")*

Covestcons is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0314326002 issued by the DPI of Ho Chi Minh City on 31 March 2017.

Covestcons's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Covestcons's principal activities are to providing commission services and trading of real estates.

As at 30 June 2022, the Company holds 100% equity interest in Covestcons.

#### *CTD FutureImpact Joint Stock Company ("FutureImpact")*

FutureImpact is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0316921381 issued by the DPI of Ho Chi Minh City on 28 June 2021 and the subsequent amended ERCs.

FutureImpact's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. FutureImpact's principal activities are to repair, install, lease and sell machinery, equipment and spare parts.

As at 30 June 2022, the Company holds 96.62% equity interest and voting rights in FutureImpact.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

## 1. CORPORATE INFORMATION (continued)

### *Corporate structure* (continued)

#### *Solaresco-1 Company Limited ("Solaresco-1")*

Solaresco-1 is a limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0316438470 issued by the DPI of Ho Chi Minh City on 13 August 2020 and the subsequent amended ERCs.

Solaresco-1's registered office is located at No.47 Le Van Thinh Street, Ward Binh Trung Dong, Thu Duc City, Ho Chi Minh City, Vietnam. Solaresco-1's principal activities are to lease solar water heaters and energy saving equipment.

As at 30 June 2022, the Company holds 96.62% equity interest and voting rights in Solaresco-1.

## 2. BASIS OF PREPARATION

### 2.1 *Applied accounting standards and system*

The interim consolidated financial statements of the Company and its subsidiaries ("the Group") expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard No. 27 - Interim Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

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

### 2.2 *Applied accounting documentation system*

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

### 2.3 *Fiscal year*

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

### 2.4 *Accounting currency*

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

### **2.5 Basis of consolidation**

The interim consolidated financial statements comprise the interim financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2022.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases.

The interim financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

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

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

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

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **3.1 Cash and cash equivalents**

Cash and cash equivalent comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of no more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

### **3.2 Receivables**

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

The provision for doubtful receivables represents amounts of outstanding receivables at the interim consolidated balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded into general and administrative expense in the interim consolidated income statement.

### **3.3 Inventories**

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

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

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, merchandise goods	-	cost of purchase on a weighted average basis
Construction work-in-process	-	cost of direct materials and labour plus attributable construction overheads

#### *Provision for obsolete inventories*

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

Increases and decreases to the provision balance are recorded into the cost of goods sold in the interim consolidated income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

#### 3.5 *Leased assets*

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

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Company is the lessee*

Assets held under finance leases are capitalised in the interim separate balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the interim separate income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

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

*Where the Company is the lessor*

Assets subject to operating leases are included as the Company's investment property in the interim separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the interim separate income statement as incurred.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim consolidated income statement as incurred.

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

##### *Land use rights*

Land use right is recorded as an intangible fixed asset on the consolidated balance sheet when the Group obtained the land use right certificates. The costs of land use right comprise all directly attributable costs of bringing the land to the condition available for intended use.

#### 3.7 *Depreciation and amortisation*

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

Buildings & structures	6 - 45 years
Machinery & equipment	3 - 10 years
Means of transportation	6 - 8 years
Office equipment	3 - 5 years
Land use rights	45 - 49 years
Softwares	3 years
Others	5 - 6 years

#### 3.8 *Investment properties*

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

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

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

Office building	30 - 45 years
Others	25 years

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.9 *Construction in progress*

Construction in progress represents tangible fixed assets purchasing and under construction which have not yet been completed as at the balance sheet date and is stated at cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into use.

#### 3.10 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and are recorded as expenses when incurred.

#### 3.11 *Prepaid expenses*

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

#### 3.12 *Investments*

##### *Investments in associates*

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

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

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

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

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

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

##### *Held-for-trading securities and investments in other entities*

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.12 *Investments* (continued)

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

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the consolidated balance sheet date.

Increases and decreases to the provision balance are recorded as finance expenses in the interim consolidated income statement.

#### 3.13 *Payables and accruals*

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

#### 3.14 *Accrual for severance allowance pay*

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Any increase to the accrued amount will be taken to the interim consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

#### 3.15 *Provisions*

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for warranty obligation of construction project is estimated from 0.3% to 1% on value of project based on the specification of each project and actual experience.

##### *Onerous contracts*

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.16 *Foreign currency transactions*

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

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

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

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

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

#### 3.17 *Earnings per share*

Basic earnings per share is computed by dividing net profit after tax for the period attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all potential dilutive ordinary shares into ordinary shares.

#### 3.18 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, re-issue or cancellation of the Group's own equity instruments.

#### 3.19 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Company's charter and Vietnamese regulatory requirements.

The Group maintains the following reserve funds which are appropriated from its net profit after tax as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

- ▶ *Investment and development fund*

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

- ▶ *Bonus and welfare fund*

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.20 Revenue recognition

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

##### *Construction contracts*

For the construction contracts specifying that the contractor will receive payments according to the completed work, where the outcome of a construction contract can be determined reliably and accepted by the customers, revenue and costs are recognised by reference to the stage of completion of the contract activity at the interim balance sheet date which is accepted by the customers and reflected in the sales invoices.

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, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

##### *Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

##### *Rendering of services*

Revenue is recognized when services are rendered and completed.

##### *Rental income*

Rental income arising from operating leases is accounted for on a straight-line basis over the terms of the lease.

##### *Interest*

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

#### 3.21 Taxation

##### *Current income tax*

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.21 *Taxation* (continued)

##### *Deferred tax*

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends to either settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

#### 3.22 *Related parties*

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

#### 3.23 *Segment information*

The current principal activities of the Group are to provide design and construction services. In addition, these activities are mainly taking place in Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's confectionary products or the locations that the Group is trading. As a result, management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

### 4. IMPORTANT EVENT IN THE PERIOD

#### 4.1 *Covid-19 pandemic*

The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. Management has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this interim consolidated financial statements.

#### 4.2 *Transfer entire investment in Phu Nhuan 168 Joint Stock Company ("Phu Nhuan 168")*

On 19 May 2022, the Group completed the transfer of 69.98% shares in Phu Nhuan 168 with the total consideration of VND 183,224,365,231. The gain from the transfer of VND 70,648,684,469 was recognized as finance income in the consolidated income statement (Note 27.2). Accordingly, Phu Nhuan 168 was no longer a subsidiary of the Group from that day.

#### 4.3 *Increased capital contribution and ownership rate at CTD FutureImpact Joint Stock Company ("FutureImpact")*

According to Decision No. 011/2022/QD-CT dated 6 June 2022, Covestcons Co., Ltd. approved the increase of capital contribution to FutureImpact from VND 4,490,000,000 to VND 14,590,000,000 and thereby increasing the Group's ownership rate at FutureImpact from 89.8% to 96.62%. On 7 June 2022, the Group completed the increase of capital contribution and increased the ownership rate in FutureImpact from this date.

#### 4.4 *Increased capital contribution at Solaresco-1 Co., Ltd ("Solaresco-1")*

According to the meeting minute No. 0606 BBH-1/2022 dated 6 June 2022, FutureImpact approved the increase of capital contribution to Solaresco-1 from VND 2,900,000,000 to VND 15,000,000,000. On 13 June 2022, the Group completed this capital increase.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

## 5. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2022	31 December 2021
Cash at banks	455,395,871,929	325,690,980,825
Cash in transits	-	85,019,518,017
Cash equivalents (i)	<u>458,088,258,499</u>	<u>474,000,000,000</u>
<b>TOTAL</b>	<b><u>913,484,130,428</u></b>	<b><u>884,710,498,842</u></b>

- (i) Cash equivalents represent deposits at commercial banks with original maturity of no more than three (3) months and earn interest at the applicable interest at the rates of 2,9% - 6,36% per annual.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

## 6. SHORT-TERM INVESTMENTS

### 6.1 Held-for-trading securities

	30 June 2022			31 December 2021			VND
	Cost	Fair value	Provision	Cost	Fair value	Provision	
<b>Securities</b>							
FPT Corporation	30,474,240,000	33,100,800,000	-	-	-	-	-
Vietnam Technological and Commercial Joint Stock Bank	29,993,314,433	22,041,000,000	(7,952,120,000)	-	-	-	-
Mobile World Investment Corporation	22,355,840,000	22,880,000,000	-	-	-	-	-
Others	136,778,375,335	128,225,550,000	(12,502,857,500)	-	-	-	-
<b>TOTAL</b>	<b>219,601,769,768</b>	<b>206,247,350,000</b>	<b>(20,454,977,500)</b>	-	-	-	-

The above securities investments are made under the Investment Trust Contract signed on 21 February 2022 with Kim Vietnam Fund Management Company Limited as the trustee.

### 6.2 Held-to-maturity investments

	30 June 2022		31 December 2021		VND
	Cost	Fair value	Cost	Fair value	
Short-term bank deposits (*)	1,337,214,931,507	1,666,400,000,000	-	-	-
Bonds	1,248,098,362,361	734,288,059,709	-	-	-
<b>TOTAL</b>	<b>2,585,313,293,868</b>	<b>2,400,688,059,709</b>	-	-	-

(\*) Short-term bank deposits include deposits and certificate of deposits at commercial banks with original maturity of no more than three (3) months and earn interest at the applicable interest at the rates from 3.7%-7.0% per annual.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS AND CONSTRUCTION CONTRACT RECEIVABLES BASED ON AGREED PROGRESS BILLINGS**

**7.1 Short-terms trade receivables**

	VND	
	30 June 2022	31 December 2021 (Reclassified - Note 36)
Receivables from other parties	8,797,491,810,661	8,156,022,028,866
- Hoi An South Development Co., Ltd.	988,275,719,279	965,603,671,263
- Others	7,809,216,091,382	7,190,418,357,603
Receivables from a related party (Note 34)	20,181,531,950	-
<b>TOTAL</b>	<b>8,817,673,342,611</b>	<b>8,156,022,028,866</b>
Provision for doubtful short-term receivables	(865,080,760,195)	(625,831,276,393)
<b>NET</b>	<b>7,952,592,582,416</b>	<b>7,530,190,752,473</b>

*Movements of provision for doubtful short-term receivables:*

	VND	
	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Beginning balance	(625,831,276,393)	(459,003,063,218)
Provision made during the period	(292,403,370,573)	(16,289,078,722)
Reversal of provision during the period	53,153,886,771	-
Ending balance	(865,080,760,195)	(475,292,141,940)

**7.2 Short-term advances to suppliers**

	VND	
	30 June 2022	31 December 2021 (Reclassified - Note 36)
Due from other parties	501,863,097,171	279,734,078,882

**7.3 Construction contract receivables based on agreed progress billings**

	VND	
	Ending balance	Beginning balance
Ha Long International Hotel Project	22,374,832,253	22,374,832,253

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS AND CONSTRUCTION CONTRACT RECEIVABLES BASED ON AGREED PROGRESS BILLINGS (continued)**

**7.4 Doubtful debt**

No.	Customer's name	30 June 2022		31 December 2021		Net
		Ending balance	Provision	Ending balance	Provision	
1	Viet Star Real Estate Investment Co., Ltd	483,658,038,123	483,658,038,123	483,658,038,123	241,829,019,062	241,829,019,061
2	Minh Viet Investment Joint Stock Company	121,951,773,910	121,951,773,910	121,951,773,910	121,951,773,910	-
3	Others	419,770,257,923	259,470,948,162	525,805,650,091	262,050,483,421	263,755,166,670
	<b>TOTAL</b>	<b>1,025,380,069,956</b>	<b>865,080,760,195</b>	<b>1,131,415,462,124</b>	<b>625,831,276,393</b>	<b>505,584,185,731</b>

VND

**8. SHORT-TERM LOAN RECEIVABLES**

	30 June 2022		31 December 2021	
	Ending balance	Provision	Ending balance	Provision
Quoc Loc Phat Joint Stock Company (*)	500,000,000,000	-	500,000,000,000	20,000,000,000
Solar Esco Joint Stock Company	-	-	-	52,630,724,866
Others	95,730,724,866	-	95,730,724,866	-
<b>TOTAL</b>	<b>595,730,724,866</b>	<b>-</b>	<b>595,730,724,866</b>	<b>72,630,724,866</b>

VND

(\*) This represents the cooperation contract with Quoc Loc Phat Joint Stock Company under the agreement No. 30/1121/BCC/QLP-CVC dated 30 November 2021. Accordingly, the profits will be shared to the Company at the fixed rate of 11% per annum on the actual capital contribution with term of 12 months.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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### 9. OTHER SHORT-TERM RECEIVABLES

	VND	
	30 June 2022	31 December 2021
Interest receivables	127,634,385,884	118,265,169,315
Advances to construction teams and employees	42,344,636,069	23,552,710,748
Short-term deposits	34,102,832,554	34,322,676,119
Others	7,504,855,089	3,112,775,722
Due from related party (Note 34)	-	720,000,000
<b>TOTAL</b>	<b>211,586,709,596</b>	<b>179,973,331,904</b>
Provision for doubtful short-term receivables	<u>(53,450,962,694)</u>	<u>(35,450,962,694)</u>
<b>NET</b>	<b><u>158,135,746,902</u></b>	<b><u>144,522,369,210</u></b>

### 10. INVENTORIES

	VND	
	30 June 2022	31 December 2021
Construction work in process	2,111,782,829,944	1,720,321,023,327
Real estate properties	22,762,390,632	-
Tools and supplies	56,344,312	170,055,970
<b>TOTAL</b>	<b>2,134,601,564,888</b>	<b>1,720,491,079,297</b>
Provision for obsolete inventories	<u>(22,868,497,076)</u>	<u>(28,205,610,518)</u>
<b>NET</b>	<b><u>2,111,733,067,812</u></b>	<b><u>1,692,285,468,779</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**10. INVENTORIES** (continued)

*Detail of movements of provision for obsolete inventories:*

	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
		VND
Beginning balance	(28,205,610,518)	(29,993,277,865)
Reversal of provision during the period	<u>5,337,113,442</u>	<u>8,874,759,480</u>
Ending balance	<u>(22,868,497,076)</u>	<u>(21,118,518,385)</u>

**11. PREPAID EXPENSES**

	<i>30 June 2022</i>	<i>31 December 2021</i>
		VND
<b>Short-term</b>	<b>7,797,460,730</b>	<b>9,500,954,190</b>
Office tools and equipment	7,628,327,468	6,693,006,592
Construction tools and equipment	169,133,262	2,807,947,598
<b>Long-term</b>	<b>31,695,908,928</b>	<b>38,175,300,852</b>
Office tools and equipment	28,133,425,158	28,946,610,362
Construction tools and equipment	<u>3,562,483,770</u>	<u>9,228,690,490</u>
<b>TOTAL</b>	<b><u>39,493,369,658</u></b>	<b><u>47,676,255,042</u></b>

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 12. TANGIBLE FIXED ASSETS

	Buildings & structures	Machinery & equipment (*)	Means of transportation	Office equipment	Others	Total
<b>Cost:</b>						VND
As at 31 December 2021	243,161,833,392	671,028,225,053	49,406,258,629	34,503,484,445	30,863,636	998,130,665,155
Newly purchase	-	-	-	1,488,489,637	-	1,488,489,637
Transfer from construction in progress	1,531,789,091	59,023,328,328	-	-	-	60,555,117,419
Reclassification	1,592,288,404	-	-	-	-	1,592,288,404
Disposal	-	-	(8,060,957,581)	-	-	(8,060,957,581)
As at 30 June 2022	246,285,910,887	730,051,553,381	41,345,301,048	35,991,974,082	30,863,636	1,053,705,603,034
<i>In which:</i>						
Fully depreciated	12,215,368,490	68,571,090,558	18,749,882,950	23,434,077,464	30,863,636	123,001,283,098
<b>Accumulated depreciation:</b>						
As at 31 December 2021	(110,669,424,300)	(397,600,804,644)	(39,547,582,253)	(29,335,689,136)	(30,863,636)	(577,184,363,969)
Depreciation for the period	(6,667,606,900)	(36,042,272,660)	(2,092,164,562)	(1,943,017,998)	-	(46,745,062,120)
Reclassification	(608,814,383)	-	-	-	-	(608,814,383)
Disposal	-	-	8,003,988,194	-	-	8,003,988,194
As at 30 June 2022	(117,945,845,583)	(433,643,077,304)	(33,635,758,621)	(31,278,707,134)	(30,863,636)	(616,534,252,278)
<b>Net carrying amount:</b>						
As at 31 December 2021	132,492,409,092	273,427,420,409	9,858,676,376	5,167,795,309	-	420,946,301,186
As at 30 June 2022	128,340,065,304	296,408,476,077	7,709,542,427	4,713,266,948	-	437,171,350,756

(\*) The Group is mortgaging the machinery and equipment with the net carrying amount of VND 54,070,330,464 as collateral for long-term bank loans (Note 23.2).



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 13. FINANCIAL LEASES

	VND
	<i>Office equipment</i>
<b>Cost</b>	
As at 31 December 2021 and 30 June 2022	<u>2,663,034,106</u>
<b>Accumulated depreciation</b>	
As at 31 December 2021	(89,011,003)
Depreciation for the period	<u>(264,114,615)</u>
As at 30 June 2022	<u>(353,125,618)</u>
<b>Net carrying value</b>	
As at 31 December 2021	<u>2,574,023,103</u>
As at 30 June 2022	<u>2,309,908,488</u>

### 14. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Software</i>	VND <i>Total</i>
<b>Cost:</b>			
As at 31 December 2021	94,881,924,366	35,421,213,502	130,303,137,868
Newly purchase	<u>-</u>	<u>400,000,000</u>	<u>400,000,000</u>
As at 30 June 2022	<u>94,881,924,366</u>	<u>35,821,213,502</u>	<u>130,703,137,868</u>
<i>In which:</i>			
<i>Fully amortization</i>	-	8,482,769,320	8,482,769,320
<b>Accumulated amortisation:</b>			
As at 31 December 2021	(7,901,960,384)	(14,773,605,179)	(22,675,565,563)
Amortisation for the period	<u>(303,025,594)</u>	<u>(3,902,540,660)</u>	<u>(4,205,566,254)</u>
As at 30 June 2022	<u>(8,204,985,978)</u>	<u>(18,676,145,839)</u>	<u>(26,881,131,817)</u>
<b>Net carrying value:</b>			
As at 31 December 2021	<u>86,979,963,982</u>	<u>20,647,608,323</u>	<u>107,627,572,305</u>
As at 30 June 2022	<u>86,676,938,388</u>	<u>17,145,067,663</u>	<u>103,822,006,051</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**15. INVESTMENT PROPERTIES**

	VND		
	<i>Office building</i>	<i>Villas and apartments</i>	<i>Total</i>
<b>Cost:</b>			
As at 31 December 2021	46,163,094,632	18,620,363,909	64,783,458,541
Reclassification	(1,592,288,404)	-	(1,592,288,404)
As at 30 June 2022	<u>44,570,806,228</u>	<u>18,620,363,909</u>	<u>63,191,170,137</u>
<b>Accumulated depreciation:</b>			
As at 31 December 2021	(17,982,715,145)	(6,059,930,540)	(24,042,645,685)
Depreciation for the period	(707,077,341)	(369,364,491)	(1,076,441,832)
Reclassification	608,814,383	-	608,814,383
As at 30 June 2022	<u>(18,080,978,103)</u>	<u>(6,429,295,031)</u>	<u>(24,510,273,134)</u>
<b>Net carrying amount:</b>			
As at 31 December 2021	<u>28,180,379,487</u>	<u>12,560,433,369</u>	<u>40,740,812,856</u>
As at 30 June 2022	<u>26,489,828,125</u>	<u>12,191,068,878</u>	<u>38,680,897,003</u>

The fair value of the investment properties was not formally assessed and determined as at 30 June 2022. However, given the present occupancy rate of these properties, it is management's assessment that these properties' market values are higher than their carrying value as at the balance sheet date.

**16. CONSTRUCTION IN PROGRESS**

	VND	
	<i>30 June 2022</i>	<i>31 December 2021</i>
Solar System	56,450,414,071	17,159,834,880
SAP software	11,609,243,200	5,727,500,000
Others	151,200,000	1,471,789,091
<b>TOTAL</b>	<u><b>68,210,857,271</b></u>	<u><b>24,359,123,971</b></u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

## 17. LONG-TERM INVESTMENTS

### 17.1 Investment in associates

Name	30 June 2022		31 December 2021	
	Ownership %	Amount VND	Ownership %	Amount VND
FCC Infrastructure Investment Joint Stock Company ("FCC")	42.36	19,506,994,567	42.36	30,555,801,717
Hitecons Investment Joint Stock Company ("Hitecons")	31.00	2,507,051,298	31.00	2,541,482,271
Quang Trong Commercial Joint Stock Company ("Quang Trong")	36.00	140,152,903	36.00	141,278,492
<b>TOTAL</b>		<b>22,154,198,768</b>		<b>33,238,562,480</b>

Details of these investments in associates are as follows:

	FCC	Quang Trong	Hitecons	Total
<b>Cost of investment:</b>				
As at 31 December 2021 and 30 June 2022	18,000,000,000	2,790,000,000		180,390,000,000
<b>Accumulated share in post-acquisition loss of associates:</b>				
As at 31 December 2021	(17,858,721,508)	(248,517,729)		(147,151,437,520)
Share in post-acquisition loss of associates for the period	(11,048,807,150)	(1,125,589)	(34,430,973)	(11,084,363,712)
As at 30 June 2022	(17,859,847,097)	(282,948,702)		(158,235,801,232)
<b>Net carrying amount:</b>				
As at 31 December 2021	30,555,801,717	141,278,492		33,238,562,480
As at 30 June 2022	19,506,994,567	140,152,903		22,154,198,768

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

## 17. LONG-TERM INVESTMENTS (continued)

### 17.2 Investment in another entity

The details of investment in another entity are as follows:

	30 June 2022		31 December 2021	
	Ownership %	Amount (VND)	Ownership %	Amount (VND)
Ricons Construction Investment Joint Stock Company	14.30	301,605,477,459	14.30	301,605,477,459

## 18. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

### 18.1 Short-term trade payables

	VND	
	30 June 2022	31 December 2021 (Reclassified - Note 36)
Ricons Construction Investment Joint Stock Company	320,160,424,872	315,519,064,976
Others	2,374,634,457,536	2,945,472,455,349
<b>TOTAL</b>	<b>2,694,794,882,408</b>	<b>3,260,991,520,325</b>

### 18.2 Short-term advances from customers

	VND	
	30 June 2022	31 December 2021 (Reclassified - Note 36)
Due to other parties	1,850,653,383,943	1,412,909,898,025
Due to related parties (Note 34)	41,872,418,400	-
<b>TOTAL</b>	<b>1,892,525,802,343</b>	<b>1,412,909,898,025</b>

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19. TAX	31 December 2021	Increase in the period	Net off	Payment in the period	30 June 2022
					VND
<b>Receivables</b>					
Value added tax	332,795,834,878	523,381,790,686	(433,762,666,901)	-	422,414,958,663
Corporate income tax	6,509,710,974	-	(6,509,710,974)	-	-
<b>TOTAL</b>	<b>339,305,545,852</b>	<b>523,381,790,686</b>	<b>(440,272,377,875)</b>	<b>-</b>	<b>422,414,958,663</b>
<b>Payables</b>					
Corporate income tax	-	41,530,784,049	(6,549,413,297)	(9,822,669,467)	25,158,701,285
Personal income tax	9,773,570,234	28,635,601,849	(4,137,980,794)	(29,889,836,415)	4,381,354,874
Value added tax	-	482,670,229,042	(433,762,666,901)	(48,907,562,141)	-
Others	-	90,773,206	-	(90,773,206)	-
<b>TOTAL</b>	<b>9,773,570,234</b>	<b>552,927,388,146</b>	<b>(444,450,060,992)</b>	<b>(88,710,841,229)</b>	<b>29,540,056,159</b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**20. SHORT-TERM ACCRUED EXPENSES**

	VND	
	30 June 2022	31 December 2021
Accruals for on-going construction projects	1,895,962,560,944	1,733,880,558,512
Bonus for employees and remuneration for Board of Directors, Board of Supervision	75,380,333,556	20,927,415,086
Loan interest	22,978,014,944	-
Others	3,843,833,219	13,164,491,764
<b>TOTAL</b>	<b><u>1,998,164,742,663</u></b>	<b><u>1,767,972,465,362</u></b>

**21. SHORT-TERM UNEARNED REVENUE**

	VND	
	30 June 2022	31 December 2021
Unearned revenue from construction works	145,558,607,666	36,219,187,348
Unearned revenue from office leasing	2,405,798,971	1,773,024,967
<b>TOTAL</b>	<b><u>147,964,406,637</u></b>	<b><u>37,992,212,315</u></b>

**22. OTHER SHORT-TERM PAYABLES**

	VND	
	30 June 2022	31 December 2021
Payable to construction teams and employees	5,510,342,890	5,495,188,597
Others	7,121,303,863	7,687,851,121
Other payables to related parties (Note 34)	132,998,400	132,998,400
<b>TOTAL</b>	<b><u>12,764,645,153</u></b>	<b><u>13,316,038,118</u></b>

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 23. LOANS AND FINANCE LEASE

	31 December 2021	Increase	Decrease	Reclassify	Allocation of bond's issuance fee	30 June 2022
						VND
<b>Short-term</b>	<b>1,724,213,630</b>	<b>922,083,377,487</b>	<b>(140,000,000,000)</b>	<b>4,757,000,000</b>	-	<b>788,564,591,117</b>
Loans from banks (Note 23.1)	-	922,083,377,487	(140,000,000,000)	-	-	782,083,377,487
Current portion of long-term loans from banks (Note 23.2)	-	-	-	4,757,000,000	-	4,757,000,000
Current portion of finance lease (Note 23.4)	1,724,213,630	-	-	-	-	1,724,213,630
<b>Long-term</b>	-	<b>529,510,428,705</b>	<b>(302,000,000)</b>	<b>(4,757,000,000)</b>	<b>1,045,833,320</b>	<b>525,497,262,025</b>
Loans from banks (Note 23.2)	-	35,785,428,705	(302,000,000)	(4,757,000,000)	-	30,726,428,705
Bonds (Note 23.3)	-	493,725,000,000	-	-	1,045,833,320	494,770,833,320
<b>TOTAL</b>	<b>1,724,213,630</b>	<b>1,451,593,806,192</b>	<b>(140,302,000,000)</b>	<b>-</b>	<b>1,045,833,320</b>	<b>1,314,061,853,142</b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**23. LOANS AND FINANCE LEASE (continued)**

**23.1 Short-term loans from banks**

Details of short-term loans from banks are as follows:

	30 June 2022	Maturity date	Interest rate %/p.a	Description of collateral
	VND			
Vietnam Commercial Joint Stock Bank – Saigon South Branch	472,433,834,078	From 22 July 2022 to 8 December 2022	5.5	Partly guaranteed by Deposit Mortgage Contract No. 06.02.2022.0104 signed with VCB dated 20 May 2022 amounting to VND 20,000,000,000 (Note 5)
HSBC Bank (Vietnam) Limited	229,956,132,285	From 25 July 2022 to 16 November 2022	4.0 - 5.6	Unsecured
Military Commercial Joint Stock Bank (“MB”)	79,693,411,124	From 28 November 2022 to 30 December 2022	5.5	Unsecured

**TOTAL**

**782,083,377,487**



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**23. LOANS AND FINANCE LEASE (continued)**

**23.2 Long-term loans from banks**

Details of long-term loans from banks are as follows:

	30 June 2022	Maturity date	Interest rate %/p.a	Description of collateral
	VND			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	28,698,000,000	From 26 June 2022 to 26 May 2030	8.70	Machinery and equipment belonging to the solar power project of Solaresco-1 Co., Ltd
Indovina Bank Limited	6,785,428,705	From 31 August 2022 to 21 January 2028	9.75	Machinery and equipment belonging to the solar power project of Solaresco-1 Co., Ltd

**TOTAL**

**35,483,428,705**

*In which:*

Long-term loans

30,726,428,705

Current portion of long-term loans

4,757,000,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 23. LOANS AND FINANCE LEASE (continued)

#### 23.3 Long-term bonds

Details of the issued bonds are presented as follows:

<i>Issuer</i>	<i>Depository and transfer agent</i>	<i>30 June 2022</i>	<i>Maturity date</i>	<i>Interest rate %/p.a.</i>	<i>Description of collateral</i>
Coteccons Construction Joint Stock Company	SSI Securities Corporation	494,770,833,320 <u>VND</u>	14 January 2025	9.5	Unsecured

#### 23.4 Finance lease

Details are as follows:

	<i>30 June 2022</i>		<i>31 December 2021</i>	
	<i>Total rental payment</i>	<i>Financial lease interest</i>	<i>Total rental payment</i>	<i>Financial lease interest</i>
Less than 1 year	1,944,000,000	219,786,370	1,944,000,000	219,786,370
		<u>1,724,213,630</u>	<u>1,944,000,000</u>	<u>1,724,213,630</u>

VND

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

#### 24. PROVISIONS

	VND	
	<i>30 June 2022</i>	<i>31 December 2021</i>
<b>Short-term</b>	<b>187,034,609,628</b>	<b>214,059,538,033</b>
Provisions for onerous contract	110,428,045,671	136,797,490,615
Provisions for construction warranty	76,606,563,957	77,262,047,418
<b>Long-term</b>	<b>2,466,644,634</b>	<b>2,543,770,801</b>
Severance allowance	2,466,644,634	2,543,770,801
<b>TOTAL</b>	<b><u>189,501,254,262</u></b>	<b><u>216,603,308,834</u></b>

#### 25. BONUS AND WELFARE FUND

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Beginning balance	80,641,976,321	87,829,498,226
Utilization of fund	<u>(3,062,271,069)</u>	<u>(3,486,093,036)</u>
Ending balance	<u>77,579,705,252</u>	<u>84,343,405,190</u>

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## 26. OWNERS' EQUITY

### 26.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interest	Total	VND
<b>For the six-month period ended 30 June 2021</b>								
As at 31 December 2020	792,550,000,000	3,038,990,175,385	(519,526,282,648)	4,667,193,310,873	365,227,529,131	54,234,743,300	8,398,669,476,041	
Net profit for the period	-	-	-	-	99,352,111,076	42,314,901	99,394,425,977	
Treasury shares	-	-	(78,108,372,435)	-	-	-	(78,108,372,435)	
Dividends declared	-	-	-	-	(74,283,673,000)	-	(74,283,673,000)	
As at 30 June 2021	792,550,000,000	3,038,990,175,385	(597,634,655,083)	4,667,193,310,873	390,295,967,207	54,277,058,201	8,345,671,856,583	
<b>For the six-month period ended 30 June 2022</b>								
As at 31 December 2021	792,550,000,000	3,038,990,175,385	(621,396,381,083)	4,667,193,310,873	315,375,435,690	54,848,191,949	8,247,560,732,814	
Disposal of subsidiary	-	-	-	-	-	(54,390,308,980)	(54,390,308,980)	
Net profit for the period	-	-	-	-	5,368,652,275	70,734,819	5,439,387,094	
As at 30 June 2022	792,550,000,000	3,038,990,175,385	(621,396,381,083)	4,667,193,310,873	320,744,087,965	528,617,788	8,198,609,810,928	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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

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

	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
		VND
<b>Share capital</b>		
Beginning balance and ending balance	792,550,000,000	792,550,000,000
<b>Dividends</b>		
Dividends declared	-	74,283,673,000

**26.3 Shares**

	<i>Number of shares</i>	
	<i>30 June 2022</i>	<i>31 December 2021</i>
Authorised shares	79,255,000	79,255,000
Shares issued and fully paid	79,255,000	79,255,000
<i>Ordinary shares</i>	79,255,000	79,255,000
Treasury shares	5,395,527	5,395,527
<i>Ordinary shares</i>	5,395,527	5,395,527
Shares in circulation	73,859,473	73,859,473
<i>Ordinary shares</i>	73,859,473	73,859,473

**26.4 Dividends**

The Group did not pay dividends during the period.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

## 26. OWNERS' EQUITY (continued)

### 26.5 Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Net profit after tax attributable to ordinary equity holders (VND)	5,368,652,275	99,352,111,076
Weighted average number of ordinary shares during the period ( <i>shares</i> )	73,859,473	73,414,553
Basic and diluted earnings per share ( <i>VND/share</i> )	73	1,353

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

## 27. REVENUES

### 27.1 Revenues from sale of goods and rendering of services

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Rendering of construction services (*)	5,187,731,104,484	5,110,352,476,238
Rental income from investment properties	4,402,630,643	4,960,545,205
Rental income of construction equipment	2,693,477,990	1,296,202,989
Others	60,843,182	2,373,273,968
<b>TOTAL</b>	<b>5,194,888,056,299</b>	<b>5,118,982,498,400</b>
Deductions	(1,739,604,226)	-
<b>NET</b>	<b>5,193,148,452,073</b>	<b>5,118,982,498,400</b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**27. REVENUES** (continued)

**27.1 Net revenues from sale of goods and rendering of services** (continued)

(\*) Revenue from construction contracts recognised during the year are as follows:

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Revenue recognised during the period of the on-going construction contracts	5,106,569,050,686	4,978,998,894,897
Revenue recognised during the period of the completed construction contracts	<u>81,162,053,798</u>	<u>131,353,581,341</u>
<b>TOTAL</b>	<b><u>5,187,731,104,484</u></b>	<b><u>5,110,352,476,238</u></b>

**27.2 Finance income**

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Interest income from lending and bonds	77,303,529,523	28,884,931,507
Gain from disposal of subsidiary (Note 4.2)	70,648,684,469	-
Interest income from bank deposits	56,543,424,397	80,439,288,667
Interest income from late payment	21,182,348,347	5,937,709,935
Interest income from stocks	1,995,273,481	-
Foreign exchange gains	<u>183,268,305</u>	<u>182,526,320</u>
<b>TOTAL</b>	<b><u>227,856,528,522</u></b>	<b><u>115,444,456,429</u></b>

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

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Cost of rendered of construction services	4,907,916,188,353	4,859,854,725,437
Cost of office rental	2,417,472,719	2,565,980,042
Cost of construction equipment leased	846,964,668	628,734,677
Others	-	1,214,294,651
<b>TOTAL</b>	<b><u>4,911,180,625,740</u></b>	<b><u>4,864,263,734,807</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**29. FINANCE EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Interest expenses	30,001,956,041	949,965,938
Provision for revaluation of an investment	20,454,977,500	-
Loss from revaluation of an investment	6,718,888,713	-
Foreign exchange loss	9,804,865	279,131,130
Others	2,153,532,952	-
<b>TOTAL</b>	<b><u>59,339,160,071</u></b>	<b><u>1,229,097,068</u></b>

**30. GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Provision for doubtful debt expenses	257,249,483,802	16,289,078,722
Labour costs	133,826,798,440	163,520,850,526
Expenses for external services	34,566,174,839	42,234,217,815
Depreciation and amortisation	12,616,624,810	12,671,751,861
Others	10,453,524,251	7,439,420,405
<b>TOTAL</b>	<b><u>448,712,606,142</u></b>	<b><u>242,155,319,329</u></b>

**31. OTHER INCOME AND OTHER EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
<b>Other income</b>	<b>24,201,086,886</b>	<b>21,538,548,061</b>
Reversal of warranty provisions	19,530,503,475	18,273,723,845
Gain from disposal of fixed assets	1,898,484,258	-
Reversal of over accrued construction costs	483,136,089	1,284,814,040
Others	2,288,963,064	1,980,010,176
<b>Other expenses</b>	<b>(3,827,901,272)</b>	<b>(7,252,639,230)</b>
Construction warranty expenses	(1,600,321,829)	(5,595,045,711)
Others	(2,227,579,443)	(1,657,593,519)
<b>OTHER PROFIT</b>	<b><u>20,373,185,614</u></b>	<b><u>14,285,908,831</u></b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 32. PRODUCTION AND OPERATING COSTS

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Raw materials	3,376,398,504,983	1,243,796,890,274
External services	2,585,108,374,596	3,030,306,076,500
Labour costs	432,604,943,934	618,235,102,601
Provision	258,036,828,525	61,375,188,236
Tools and supplies	133,777,070,402	94,508,914,637
Depreciation and amortization (Notes 12, 13, 14 and 15)	52,291,184,821	51,803,502,649
Others	19,792,730,266	24,676,843,300
<b>TOTAL</b>	<b><u>6,858,009,637,527</u></b>	<b><u>5,124,702,518,197</u></b>

### 33. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Group is 20% of taxable income.

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

#### 33.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
CIT expense of current period	41,525,338,902	40,687,729,609
Adjustments for under accrual of tax from prior periods	5,445,147	98,371,575
	<b><u>41,530,784,049</u></b>	<b><u>40,786,101,184</u></b>
Deferred tax income	(35,908,760,599)	(11,529,188,191)
<b>TOTAL</b>	<b><u>5,622,023,450</u></b>	<b><u>29,256,912,993</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 33. CORPORATE INCOME TAX (continued)

#### 33.1 CIT expense (continued)

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

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
<b>Accounting profit before tax</b>	<b>11,061,410,544</b>	<b>128,651,338,970</b>
CIT at applicable tax rate	2,212,282,109	25,730,267,794
<i>Adjustments:</i>		
Non-deductible expenses	1,523,423,453	945,598,927
Dividends	(336,000,001)	-
Share of loss from associates	2,216,872,742	2,482,674,697
Adjustments for under accrual of tax from prior periods	5,445,147	98,371,575
<b>CIT expense</b>	<b>5,622,023,450</b>	<b>29,256,912,993</b>

#### 33.2 Current tax

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 33. CORPORATE INCOME TAX (continued)

#### 33.3 Deferred tax

The following are the deferred tax assets and liabilities recognized by the Group, and the movements thereon, during the current and previous periods:

	VND			
	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2022</i>	<i>31 December 2021</i>	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Provision for doubtful debts	99,270,781,765	56,346,631,822	42,924,149,943	3,257,815,744
Provision for onerous contract	22,085,609,134	27,359,498,123	(5,273,888,989)	-
Provision for obsolete inventories	4,785,970,947	5,853,393,635	(1,067,422,688)	8,992,706,369
Unrealised profit	1,500,696,691	2,179,795,118	(679,098,427)	(627,151,954)
Severance allowance	476,325,527	444,638,160	31,687,367	(94,181,968)
Unrealised foreign exchange differences	(22,324,286)	4,342,321	(26,666,607)	-
Provision for investments	(26,872,814)	(26,872,814)	-	-
Difference from investment revaluation	(48,729,095,492)	(48,729,095,492)	-	-
<b>Net deferred tax assets</b>	<b><u>79,341,091,472</u></b>	<b><u>43,432,330,873</u></b>		
<b>Net deferred tax credit to interim consolidated income statement</b>			<b><u>35,908,760,599</u></b>	<b><u>11,529,188,191</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 34. TRANSACTIONS WITH RELATED PARTIES

List of related parties as at 30 June 2022 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Ladona Properties Company Limited ("Ladona")	Related party of major shareholder
Kusto Group Pte. Ltd. ("Kusto")	Related party of major shareholder
Fiingroup Joint Stock Company ("Fiingroup")	Related party of member of the Board of Directors

Significant transactions of the Group with related parties during the current and previous periods were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>VND</i>	
			<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Ladona	Related party of major shareholder	Construction services	67,936,014,620	-
Fiingroup	Related party of member of the Board of Directors	Other services	314,488,807	-
Kusto	Related party of major shareholder	Income from office rental	73,261,450	170,785,825

The outstanding balances due from and due to related parties as at interim balance sheet dates were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>VND</i>	
			<i>30 June 2022</i>	<i>31 December 2021</i>
<b>Short-term trade receivables</b>				
Kusto	Related party	Income from office rental	92,951,359	-
Ladona	Related party	Construction service	20,088,580,591	-
<b>TOTAL</b>			<b>20,181,531,950</b>	<b>-</b>
<b>Other short-term receivables</b>				
Members of the Board of Directors, Board of Supervision	Related party	Allowance advance	-	720,000,000
<b>Short-term advance from customer</b>				
Ladona	Related party	Construction service	41,872,418,400	-
<b>Other short-term payables</b>				
Kusto Group Pte. Ltd	Related party	Deposit	132,998,400	132,998,400

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

### 34. TRANSACTIONS WITH RELATED PARTIES (continued)

#### *Transactions with other related parties*

Remuneration to members of the Board of Directors, Board of Supervision and Board of Management:

<i>Individuals</i>	<i>Position</i>	<i>VND</i>	
		<i>Remuneration</i>	
		<i>Current period</i>	<i>Previous period</i>
Mr. Vo Hoang Lam	General Director	1,998,995,000	1,977,359,940
Mr. Pham Quan Luc	Deputy General Director	1,778,142,885	1,583,942,434
Mr. Tran Tri Gia Nguyen	Deputy General Director from 01 January 2021 to 30 November 2021	-	3,537,953,361
Mr. Nguyen Ngoc Lan	Deputy General Director	1,656,967,500	1,128,176,500
Mrs. Pham Thi Bich Ngoc	Deputy General Director	1,765,839,355	572,270,958
Mr. Phan Huu Duy Quoc	Deputy General Director from 1 March 2021 to 4 January 2022	1,700,000,000	2,311,815,000
Mr. Christopher Senekki	Deputy General Director	3,952,374,000	1,363,252,500
<b>TOTAL</b>		<b><u>12,852,318,740</u></b>	<b><u>12,474,770,693</u></b>

### 35. COMMITMENTS

The Group leases out its Coteccons Building property under operating lease arrangements. The future minimum rental receivable as at the balance sheet dates under the operating lease agreements is as follows:

	<i>VND</i>	
	<i>30 June 2022</i>	<i>31 December 2021</i>
Less than 1 year	5,061,787,550	8,167,168,515
From 1 to 5 years	2,367,848,560	223,608,000
<b>TOTAL</b>	<b><u>7,429,636,110</u></b>	<b><u>8,390,776,515</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

**36. RECLASSIFICATION OF CORRESPONDING FIGURES**

For the six-month period ended 30 June 2022, the Group reclassified the following items to better representation of the consolidated balance sheet of the Group in previous period. Details are as follows:

	<i>As previously reclassified</i>	<i>Reclassified</i>	<i>VND Reclassified amounts</i>
<b>As at 31 December 2021</b>			
Short-term trade receivables	7,158,963,082,556	997,058,946,310	8,156,022,028,866
Short-term advances to suppliers	151,909,258,810	127,824,820,072	279,734,078,882
Short-term trade payables	3,133,166,700,253	127,824,820,072	3,260,991,520,325
Short-term advances from customers	415,850,951,715	997,058,946,310	1,412,909,898,025

**37. EVENTS AFTER THE INTERIM CONSOLIDATED BALANCE SHEET DATE**

There is no matter or circumstances that has arisen since the interim consolidated balance sheet date that requires adjustment or disclosure in the interim consolidated financial statements of the Group.

  
 Tran Thi Thanh Van  
Preparer

  
 Cao Thi Mai Le  
Chief Accountant

  
 Pham Quan Luc  
Deputy General Director



29 August 2022