

Coteccons Construction Joint Stock Company

Consolidated financial statements

For the six-month period ended 30 June 2023



Coteccons Construction Joint Stock Company

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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 BRCs and ERCs.

The Company listed 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
Mr. Pham Quang Vu	Member
Mr. Tong Van Nga	Independent member
Mr. Tan Chin Tiong	Independent member

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
Mr. Doan Phan Trung Kien	Member

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	
Mr. Pham Quan Luc	Deputy General Director	
Mr. Nguyen Ngoc Lan	Deputy General Director	
Mr. Chris Senekki	Deputy General Director	resigned on 25 August 2023
Ms. Pham Thi Bich Ngoc	Deputy General Director	resigned on 25 August 2023

LEGAL REPRESENTATIVE

The legal representatives of the Company during the period and at the date of this report are:

Mr. Bolat Duisenov	Chairman
Mr. Talgat Turumbayev	Chief Corporate Development Officer

Mr. Vo Hoang Lam is authorised by Mr. Bolat Duisenov to sign the accompanying consolidated financial statements for the six-month period ended 30 June 2023 in accordance with the Power of Attorney No. 3613/2022/UQ-CTHDQT dated 5 August 2022.

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") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the six-month period ended 30 June 2023.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the period. In preparing those 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 consolidated financial statements; and
- prepare the 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 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 consolidated financial statements .

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2023 and of the consolidated results of its operations and its 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 consolidated financial statements.

For and on behalf of management:



Vo Hoang Lam
General Director

Ho Chi Minh City, Vietnam

28 September 2023

Reference: 11658650/66926230-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Coteccons Construction Joint Stock Company

We have audited the accompanying consolidated financial statements of Coteccons Construction Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as the "Group") as prepared on 28 September 2023 and set out on pages 6 to 50, which comprise the consolidated balance sheet as at 30 June 2023, and the consolidated income statement and the consolidated cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 30 June 2023, and of the consolidated results of its operations and its 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 consolidated financial statements.

Other Matter

The consolidated financial statements of the Group for the six-month period ended 30 June 2022 were not audited.

Ernst & Young Vietnam Limited



M.S.D. No. 0300811802-C.T.T.N.H.H
CÔNG TY
TRÁCH NHIỆM HỮU HẠN
ERNST & YOUNG
VIỆT NAM
QUẬN 1 TP. HỒ CHÍ MINH

Tran Nam Dung
Deputy General Director
Audit Practicing Registration Certificate
No. 3021-2019-004-1



Pham Xuan Tuan
Auditor
Audit Practicing Registration Certificate
No. 4639-2023-004-1

Ho Chi Minh City, Vietnam

28 September 2023

CONSOLIDATED BALANCE SHEET
as at 30 June 2023

VND

Code	ASSETS	Notes	30 June 2023	31 December 2022
100	A. CURRENT ASSETS		19,883,997,298,772	17,465,000,719,039
110	I. Cash and cash equivalents	5	1,882,761,469,151	1,064,440,156,074
111	1. Cash		631,761,469,151	635,440,156,074
112	2. Cash equivalents		1,251,000,000,000	429,000,000,000
120	II. Short-term investments		2,180,463,313,608	1,778,375,679,012
121	1. Held-for-trading securities	6.1	249,546,140,490	248,930,968,087
122	2. Provision for diminution in value of held-for-trading securities	6.1	(24,470,599,700)	(60,723,329,668)
123	3. Held-to-maturity investments	6.2	1,955,387,772,818	1,590,168,040,593
130	III. Current accounts receivable		12,079,383,092,051	11,235,427,047,962
131	1. Short-term trade receivables	7.1	11,590,198,832,580	10,926,639,023,214
132	2. Short-term advances to suppliers	7.2	895,268,784,906	596,908,711,504
135	3. Short-term loan receivables	8	418,716,500,000	432,045,000,000
136	4. Other short-term receivables	9	331,862,280,179	329,101,846,816
137	5. Provision for doubtful short-term receivables	7.1, 8, 9	(1,156,663,305,614)	(1,049,267,533,572)
140	IV. Inventory	10	3,148,105,589,137	2,837,856,762,717
141	1. Inventories		3,216,178,741,376	2,908,572,998,229
149	2. Provision for obsolete inventories		(68,073,152,239)	(70,716,235,512)
150	V. Other current assets		593,283,834,825	548,901,073,274
151	1. Short-term prepaid expenses	11	7,323,719,825	7,735,625,390
152	2. Value-added tax deductibles		585,960,115,000	537,251,138,572
153	3. Tax and other receivables from the State	19	-	3,914,309,312

CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2023

VND

Code	ASSETS	Notes	30 June 2023	31 December 2022
200	B. NON-CURRENT ASSETS		1,491,033,033,002	1,502,071,227,628
210	I. Long-term receivable		399,121,073,641	403,407,794,753
212	1. Long-term advance to suppliers	7.2	8,992,991,436	-
216	2. Other long-term receivables	9	390,128,082,205	403,407,794,753
220	II. Fixed assets		523,314,962,865	560,040,400,541
221	1. Tangible fixed assets	12	414,957,302,253	446,789,518,824
222	Cost		1,122,804,993,718	1,110,734,871,725
223	Accumulated depreciation		(707,847,691,465)	(663,945,352,901)
224	2. Financial leases	13	1,777,301,667	2,041,416,282
225	Cost		2,663,034,106	2,663,034,106
226	Accumulated depreciation		(885,732,439)	(621,617,824)
227	3. Intangible fixed assets	14	106,580,358,945	111,209,465,435
228	Cost		143,308,383,868	143,308,383,868
229	Accumulated amortisation		(36,728,024,923)	(32,098,918,433)
230	III. Investment properties	15	50,212,624,812	37,580,763,475
231	1. Cost		77,150,985,316	63,191,170,137
232	2. Accumulated depreciation		(26,938,360,504)	(25,610,406,662)
240	IV. Long-term assets in progress		32,705,212,917	24,927,045,808
241	1. Long-term work in progress		-	-
242	2. Construction in progress	16	32,705,212,917	24,927,045,808
250	V. Long-term investments		304,072,839,476	311,021,236,765
252	1. Investments in associates	17.1	2,467,362,017	9,415,759,306
253	2. Investment in another entity	17.2	301,605,477,459	301,605,477,459
260	VI. Other long-term assets		181,606,319,291	165,093,986,286
261	1. Long-term prepaid expenses	11	99,084,077,771	97,818,152,558
262	2. Deferred tax assets	33.3	82,522,241,520	67,275,833,728
270	TOTAL ASSETS		21,375,030,331,774	18,967,071,946,667

CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2023

VND

Code	RESOURCES	Notes	30 June 2023	31 December 2022
300	C. LIABILITIES		13,103,319,376,857	10,753,109,689,422
310	I. Current liabilities		12,603,037,340,776	10,226,584,924,427
311	1. Short-term trade payables	18.1	5,195,969,693,775	5,188,557,548,080
312	2. Short-term advances from customers	18.2	2,934,074,072,581	2,120,832,619,308
313	3. Statutory obligations	19	20,875,657,374	8,000,082,996
314	4. Payable to employees		116,589,676	25,972,650
315	5. Short-term accrued expenses	20	2,022,730,753,835	2,022,063,945,391
318	6. Short-term unearned revenues	21	6,433,943,948	11,438,470,006
319	7. Other short-term payables	22	1,434,927,703,679	16,326,874,279
320	8. Short-term loans and finance leases	23	697,322,830,151	553,076,670,059
321	9. Short-term provisions	24	214,573,827,505	229,002,538,406
322	10. Bonus and welfare fund	25	76,012,268,252	77,260,203,252
330	II. Non-current liabilities		500,282,036,081	526,524,764,995
337	1. Others long-term liabilities		200,000,000	-
338	2. Long-term loans and finance lease obligations	23	497,728,928,697	524,113,095,361
342	3. Long-term provision	24	2,353,107,384	2,411,669,634
400	D. OWNERS' EQUITY		8,271,710,954,917	8,213,962,257,245
410	I. Capital	26.1	8,271,710,954,917	8,213,962,257,245
411	1. Share capital		788,308,000,000	788,308,000,000
411a	- Shares with voting rights		788,308,000,000	788,308,000,000
412	2. Share premium		2,958,324,265,825	3,019,470,449,385
415	3. Treasury shares		(530,940,621,523)	(597,634,655,083)
418	4. Investment and development fund		4,667,193,310,873	4,667,193,310,873
421	5. Undistributed earnings		388,315,212,698	336,087,635,969
421a	- Undistributed earnings by the end of prior period		336,087,635,969	315,375,435,690
421b	- Undistributed earnings of current period		52,227,576,729	20,712,200,279
429	6. Non-controlling interests		510,787,044	537,516,101
440	TOTAL LIABILITIES AND OWNERS' EQUITY		21,375,030,331,774	18,967,071,946,667


Tran Thi Thanh Van
Preparer


Cao Thi Mai Le
Chief Accountant


Vo Hoang Lam
General Director



Ho Chi Minh City, Vietnam

28 September 2023

CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2023

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022 (unaudited)
01	1. Revenues from sale of goods and rendering of services	27.1	6,746,056,394,050	5,194,888,056,299
02	2. Revenues deductions	27.1	(1,728,598,544)	(1,739,604,226)
10	3. Net revenues from sale of goods and rendering of services	27.1	6,744,327,795,506	5,193,148,452,073
11	4. Cost of goods sold and services rendered	28	(6,587,744,134,411)	(4,911,180,625,740)
20	5. Gross profit from sale of goods and rendering of services		156,583,661,095	281,967,826,333
21	6. Finance income	27.2	179,063,563,197	227,856,528,522
22	7. Finance expenses	29	(67,163,106,652)	(59,339,160,071)
23	<i>In which: Interest expense</i>		(50,184,491,814)	(30,001,956,041)
24	8. Share of loss of associates	17.1	(6,948,397,289)	(11,084,363,712)
25	9. Selling expenses		(36,014,510)	-
26	10. General and administrative expenses	30	(192,823,865,418)	(448,712,606,142)
30	11. Operating loss		68,675,840,423	(9,311,775,070)
31	12. Other income	31	2,365,544,967	24,201,086,886
32	13. Other expenses	31	(2,318,553,380)	(3,827,901,272)
40	14. Other profit	31	46,991,587	20,373,185,614
50	15. Accounting profit before tax		68,722,832,010	11,061,410,544
51	16. Current corporate income tax expense	33.1	(31,768,392,130)	(41,530,784,049)
52	17. Deferred tax income	33.3	15,246,407,792	35,908,760,599
60	18. Net profit after tax		52,200,847,672	5,439,387,094
61	19. Net profit after tax attributable to shareholders of the parent		52,227,576,729	5,368,652,275
62	20. Net profit after tax attributable to non-controlling interests	26.1	(26,729,057)	70,734,819
70	21. Basic earnings per share	26.4	707	73
71	22. Diluted earnings per share	26.4	707	73


Tran Thi Thanh Van
Preparer


Cao Thi Mai Le
Chief Accountant


Võ Hoàng Lam
General Director

Ho Chi Minh City, Vietnam
28 September 2023

CONSOLIDATED CASH FLOW STATEMENT
for the six-month period ended 30 June 2023

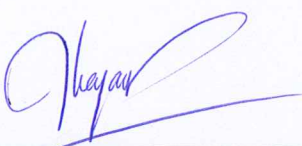
VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022 (unaudited)
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		68,722,832,010	11,061,410,544
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	12, 13, 14, 15	50,553,395,329	52,291,184,821
03	Provisions		61,107,644,454	255,149,170,198
04	Foreign exchange (gains) losses arising from revaluation of monetary accounts denominated in foreign currency		(56,710,473)	183,268,305
05	Profits from investing activities		(169,420,212,704)	(216,275,189,667)
06	Interest expense	29	50,184,491,814	30,001,956,041
08	Operating profit before changes in working capital		61,091,440,430	132,411,800,242
09	Increase in receivables		(985,568,227,329)	(989,301,649,444)
10	Increase in inventories		(307,605,743,147)	(414,110,485,591)
11	Increase in payables		2,228,289,279,416	204,878,106,957
12	(Increase) decrease in prepaid expenses		(854,019,648)	8,182,885,384
13	Increase in held-for-trading securities		(615,172,403)	(219,601,769,768)
14	Interest paid		(51,963,267,489)	(7,068,144,633)
15	Corporate income tax paid	19	(9,940,376,755)	(9,822,669,467)
17	Other cash outflows from operating activities		(1,542,060,250)	(3,767,592,484)
20	Net cash flows from (used in) operating activities		931,291,852,825	(1,298,199,518,804)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(40,258,311,585)	(107,217,098,627)
22	Proceeds from disposals of fixed assets		168,181,768	1,955,453,645
23	Payments for term deposits at banks, bonds and loans to other entity		(1,768,737,827,132)	(3,270,089,930,924)
24	Collections from bank term deposits, bonds and loans to other entity		1,416,846,594,907	3,062,364,696,765
26	Proceeds from sale of investments in other entities		-	183,224,365,231
27	Interest and dividend received		156,619,132,425	145,443,168,084
30	Net cash flows (used in) from investing activities		(235,362,229,617)	15,680,654,174

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2023

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022 (unaudited)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares		5,547,850,000	-
33	Drawdown of borrowings		817,103,314,732	1,451,593,806,192
34	Repayment of borrowings		(700,287,154,640)	(140,302,000,000)
40	Net cash flows from financing activities		122,364,010,092	1,311,291,806,192
50	Net increase in cash and cash equivalents		818,293,633,300	28,772,941,562
60	Cash and cash equivalents at beginning of the year		1,064,440,156,074	884,710,498,842
61	Impact of exchange rate fluctuation		27,679,777	690,024
70	Cash and cash equivalents at end of the year	5	1,882,761,469,151	913,484,130,428


Tran Thi Thanh Van
Preparer


Cao Thi Mai Le
Chief Accountant


Vo Hoang Lam
General Director


CÔNG TY CỔ PHẦN XÂY DỰNG COTECCONS
C. O. BÌNH THẠNH - TP. HCM
M.S.D.N: 0303443233 - C.T.C. XÂY DỰNG

Ho Chi Minh City, Vietnam

28 September 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 30 June 2023 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 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 2023 was 1,985 (31 December 2022: 2,263).

Group structure

The Company has two direct subsidiaries and five 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 ERC No.0304472276 on 22 June 2018 and the subsequent amended BRCs and ERCs.

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

As at 30 June 2023, the Company holds 100% equity interest and voting rights 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' registered office is located at No. 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Covestcons's current principal activities are to providing commission services and trading of real estates.

As at 30 June 2023, the Company holds 100% equity interest and voting rights 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 current principal activities are to repair, install, lease and sell machinery, equipment and spare parts.

As at 30 June 2023, the Company holds 99.54 % equity interest and 100% voting rights in FutureImpact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

1. CORPORATE INFORMATION (continued)

Group 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 current principal activities are to lease solar water heaters and energy saving equipment

As at 30 June 2023, the Company holds 99.54% equity interest and 100% voting rights in Solaresco-1.

Coteccons Nest Company Limited ("CTD Nest")

CTD Nest is a limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0317508201 issued by the DPI of Ho Chi Minh City on 6 October 2022.

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

As at 30 June 2023, the Company holds 100% equity interest and voting rights in CTD Nest.

Coteccons Future Impact Company Limited ("Coteccons Future Impact") - formerly known as HED1 Company Limited ("HED1")

Coteccons Future Impact is a limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0317515248 issued by the DPI of Ho Chi Minh City on 12 October 2022.

Coteccons Future Impact's registered office is located at No.236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Coteccons Future Impact's current principal activities are to providing construction service.

As at 30 June 2023, the Company holds 100% equity interest and voting rights in Coteccons Future Impact.

New Playground Company Limited ("SCM")

SCM is a limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0317587852 issued by the DPI of Ho Chi Minh City on 2 December 2022.

SCM's registered office is located at No. 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. SCM's current principal activities are to provide activities of amusement parks and theme parks.

As at 30 June 2023, the Company holds 100% equity interest and voting rights in SCM.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

2. BASIS OF PREPARATION

2.1 *Applied accounting standards and system*

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

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

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position, consolidated results of operations and consolidated 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 July and ends on 30 June.

2.4 *Accounting currency*

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

2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2023.

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

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

All intra-company balances, income and expenses and unrealised gains or losses 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 consolidated income statement and within equity in the consolidated balance sheet.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

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

3.2 *Receivables*

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

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

3.3 *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 of value (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 balance sheet date.

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

Inventory property

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

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

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

Net realizable value is the estimated selling price in the ordinary course of the business, based on market price at the consolidated balance sheet date, and less cost to complete and the estimated selling price.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 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 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 consolidated income statement.

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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 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 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.

3.6 *Depreciation and amortisation*

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

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

3.7 *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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Investment properties* (continued)

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

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

3.8 *Construction in progress*

Construction in progress represents 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.

3.9 *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.

Leases are classified as finance leases 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 Group is the lessee

Assets held under finance leases are capitalised in the consolidated 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 consolidated 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 Group will obtain ownership by the end of the lease term.

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

Where the Group is the lessor

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

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

3.11 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the 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*

Held-for-trading securities and investments in other entities

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

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 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 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 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 expenses in the consolidated income statements and deducted against the value of such investments.

Provision for diminution in value of investments

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 year for all employees who have been in service for more than 12 months up to the consolidated balance sheet date 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 is revised at the end of each reporting year following the average monthly salary of the 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the 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 46 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.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the year 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 the dilutive potential 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 Group'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 consolidated balance sheet.

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 balance sheet date which is accepted by the customers.

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 year in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition (continued)

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

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to 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.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 *Taxation* (continued)

Deferred tax (continued)

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set 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 either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.22 *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.

3.23 *Related parties*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

4. SIGNIFICANT EVENTS

4.1 *Change of the fiscal year*

According to Resolution No. 08/2022/NQ-DHDCD dated 25 April 2022, the Company was approved to change the new fiscal year which starts from 1 July to 30 June. Transition period between the prior fiscal year and the new fiscal year starts from 1 January 2023 to 30 June 2023. The first new changed fiscal year starts from 1 July 2023 to 30 June 2024.

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

According to Meeting minute No. 01-BBH/2023 dated 25 April 2023, Covestcons Co., Ltd. approved the increase of capital contribution to FutureImpact from VND 15,100,000,000 to VND 110,050,000,000 and thereby increasing the Group's ownership rate at FutureImpact from 96.62% to 99.54%. On 11 May 2023, the Group completed the increase of capital contribution and increased the ownership rate in FutureImpact from that date.

4.3 *Increased capital contribution and ownership rate at Solaresco-1 Company Limited ("Solaresco-1")*

According to the meeting minute No. 01/QĐ-CSH dated 27 April 2023, Group approved the increase of capital contribution to Solaresco-1 from VND 15,000,000,000 to VND 110,000,000,000 and thereby increasing the Group's ownership rate at Solaresco-1 from 96.62% to 99.54%. On 12 May 2023, the Group completed the increase of capital contribution and increased the ownership rate in Solaresco-1 from that date.

4.4 *Renamed HED1 Company Limited to Coteccons Future Impact Company Limited ("Coteccons Future Impact")*

According to the meeting minute No. 01/QĐ-CSH dated 30 March 2023, the Group approved the changing the company name from HED1 Company Limited to Coteccons Future Impact Company Limited. On 17 April 2023, the Group completed the changing process.

5. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2023	31 December 2022
Cash at banks	631,761,469,151	635,440,156,074
Term deposits at banks (*)	1,251,000,000,000	429,000,000,000
TOTAL	<u>1,882,761,469,151</u>	<u>1,064,440,156,074</u>

(*) Term deposits at banks represent bank deposits with a term under three (3) months and earn interest from 4.75% to 5.5% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

6. SHORT-TERM INVESTMENTS

6.1 Held-for-trading securities

	30 June 2023			31 December 2022			VND
	Cost	Fair value	Provision	Cost	Fair value	Provision	
	Exchange Traded Fund						
KIM GROWTH VN30 ETF	49,518,412,944	44,760,000,000	(4,758,412,944)	49,518,412,944	39,900,000,000	(9,618,412,944)	
Securities (*)							
FPT Corporation	31,158,471,002	33,995,800,000	-	28,398,070,800	27,684,000,000	(714,070,800)	
Mobile World Investment Corporation	13,203,288,000	8,660,000,000	(4,543,288,000)	25,746,411,600	16,731,000,000	(9,015,411,600)	
Others	155,665,968,544	145,286,726,788	(15,168,898,756)	145,268,072,743	103,892,638,419	(41,375,434,324)	
TOTAL	249,546,140,490	232,702,526,788	(24,470,599,700)	248,930,968,087	188,207,638,419	(60,723,329,668)	

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

6.2 Held-to-maturity investments

	VND	
	30 June 2023	31 December 2022
Short-term bank deposits (*)	1,861,450,000,000	1,023,523,906,849
Repo Bonds	93,937,772,818	566,644,133,744
TOTAL	1,955,387,772,818	1,590,168,040,593

(*) 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 4% to 9.8% per annum. A part of these short-term bank deposits was blocked to secure for the bid guarantee letter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Short-terms trade receivables

	VND	
	30 June 2023	31 December 2022
Vinhomes Industrial Zone Investment Joint Stock Company	1,013,577,438,255	322,443,724,073
Hoi An South Development Co. Ltd.	620,614,975,962	975,424,136,915
Other customers	9,956,006,418,363	9,628,771,162,226
TOTAL	11,590,198,832,580	10,926,639,023,214
Provision for doubtful short-term trade receivables	(1,064,212,342,920)	(995,816,570,878)
NET	10,525,986,489,660	9,930,822,452,336
<i>In which:</i>		
<i>Due from other parties</i>	10,499,228,719,565	9,883,524,192,030
<i>Due from related parties (Note 34)</i>	26,757,770,095	47,298,260,306

Details of movement for provision for doubtful short-term receivables during the period:

	VND	
	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022 (unaudited)
Beginning balance	995,816,570,878	625,831,276,393
Provision made during the period	76,565,379,058	292,403,370,573
Reversal of provision during the period	(8,169,607,016)	(53,153,886,771)
Ending balance	1,064,212,342,920	865,080,760,195

7.2 Advances to suppliers

	VND	
	30 June 2023	31 December 2022
Short-term		
Shinryo Vietnam Corporation	284,331,980,912	744,034,432
Other suppliers	610,936,803,994	596,164,677,072
TOTAL	895,268,784,906	596,908,711,504
Long-term		
Other suppliers	8,992,991,436	-
TOTAL	8,992,991,436	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)

7.3 Doubtful debt

No.	Client name	30 June 2023			31 December 2022			VND
		Receivables	Provision	Net	Receivables	Provision	Net	
1	Viet Star Real Estate Investment Co., Ltd	483,658,038,123	483,658,038,123	-	483,658,038,123	483,658,038,123	-	
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	968,546,746,407	458,602,530,887	509,944,215,520	716,958,953,735	390,206,758,845	326,752,194,890	
	TOTAL	1,574,156,558,440	1,064,212,342,920	509,944,215,520	1,322,568,765,768	995,816,570,878	326,752,194,890	

8. SHORT-TERM LOAN RECEIVABLES

	VND	
	30 June 2023	31 December 2022
Quoc Loc Phat Joint Stock Company (*)	350,000,000,000	350,000,000,000
Linktek Viet Nam Company Limited (**)	61,000,000,000	61,000,000,000
Others	7,716,500,000	21,045,000,000
TOTAL	418,716,500,000	432,045,000,000
Provision for doubtful short-t loan receivables	(39,000,000,000)	-
NET	379,716,500,000	432,045,000,000

(*) This represents the cooperation contract with Quoc Loc Phat Joint Stock Company ("Quoc Loc Phat") under the agreement No. 301121/BCC/QLP-CVC dated 30 November 2021 and its appendixes. Accordingly, the profits will be shared to the Group at the fixed rate of 11% per annum on the actual capital contribution with term of the first 12 months and at the rate of 15% per annum on the actual capital contribution with term of the next 9 months.

(**) This represents the secured loan to Linktek Vietnam Company Limited under the agreement No. 1307/CVC-LT dated 13 July 2022 with the fixed interest rate of 15% per annum and term within 1 year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

9. OTHER RECEIVABLES

	VND	
	30 June 2023	31 December 2022
Short-term		
Deposit for Business Corporation Contract ("BCC") (*)	136,903,889,313	144,117,647,059
Interest receivables	124,632,794,034	105,051,498,234
Short-term deposits	34,594,459,554	34,677,832,554
Advances to construction teams and employees	24,713,496,291	37,689,054,486
Others	11,017,640,987	7,565,814,483
TOTAL	331,862,280,179	329,101,846,816
Provision for doubtful other short-term receivables	(53,450,962,694)	(53,450,962,694)
NET	278,411,317,485	275,650,884,122
Long-term		
BCC (*)	390,128,082,205	403,407,794,753
TOTAL	390,128,082,205	403,407,794,753

(*) This is the investment in Ngoc Luc Bao Apartment Project ("The Emerald 68") according to the BCC signed with Le Phong Group Joint Stock Company on 8 July 2022. According to the BCC, the Group will receive annual profit at the rate of capital contribution of 49%.

10. INVENTORIES

	VND	
	30 June 2023	31 December 2022
Construction work in process (*)	3,192,468,868,405	2,885,754,263,285
Real estate properties (**)	23,709,872,971	22,762,390,632
Tools and supplies	-	56,344,312
TOTAL	3,216,178,741,376	2,908,572,998,229
Provision for obsolete inventories	(68,073,152,239)	(70,716,235,512)
NET	3,148,105,589,137	2,837,856,762,717

(*) The details of work in process of on-going construction projects are as follows:

	VND	
	30 June 2023	31 December 2022
Ecopark CT21-22 project	364,553,170,651	67,457,954,561
Other constructions projects	2,827,915,697,754	2,818,296,308,724
TOTAL	3,192,468,868,405	2,885,754,263,285

(**) This represented the investment properties for sale at the commercial housing development project "Marina Tower Apartment" in Vinh Phu Ward, Thuan An Town, Binh Duong Province and Thanh Do Smart City Project in Chau Van Liem Ward, O Mon District, Can Tho City.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

10. INVENTORIES (continued)

Detail of movements of provision for obsolete inventories is as below:

	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
		VND
Beginning balance	70,716,235,512	28,205,610,518
Reversal of provision during the period	<u>(2,643,083,273)</u>	<u>(5,337,113,442)</u>
Ending balance	<u>68,073,152,239</u>	<u>22,868,497,076</u>

11. PREPAID EXPENSES

	<i>30 June 2023</i>	<i>31 December 2022</i>
		VND
Short-term	7,323,719,825	7,735,625,390
Office tools and equipment	7,181,143,654	7,638,122,361
Construction tools and equipment	142,576,171	97,503,029
Long-term	99,084,077,771	97,818,152,558
Office tools and equipment	36,971,425,873	27,839,054,555
Construction tools and equipment	<u>62,112,651,898</u>	<u>69,979,098,003</u>
TOTAL	<u>106,407,797,596</u>	<u>105,553,777,948</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

12. TANGIBLE FIXED ASSETS

						VND
	<i>Buildings & structures</i>	<i>Machinery & equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost						
As at 31 December 2022	246,285,910,887	785,363,702,981	41,345,301,048	37,709,093,173	30,863,636	1,110,734,871,725
New purchases	-	-	-	698,634,909	-	698,634,909
Transfer from construction in progress	474,365,300	11,472,372,450	-	356,202,000	-	12,302,939,750
Reclassification	(501,570,848)	-	-	-	-	(501,570,848)
Disposal	-	-	(429,881,818)	-	-	(429,881,818)
As at 30 June 2023	<u>246,258,705,339</u>	<u>796,836,075,431</u>	<u>40,915,419,230</u>	<u>38,763,930,082</u>	<u>30,863,636</u>	<u>1,122,804,993,718</u>
<i>In which:</i>						
<i>Fully depreciated</i>	<i>34,800,524,883</i>	<i>100,944,037,648</i>	<i>22,587,649,496</i>	<i>30,824,353,081</i>	<i>30,863,636</i>	<i>189,187,428,744</i>
Accumulated depreciation						
As at 31 December 2022	(124,681,089,383)	(470,835,588,144)	(35,397,682,120)	(33,000,129,618)	(30,863,636)	(663,945,352,901)
Depreciation for the period	(5,693,311,081)	(35,716,180,018)	(1,417,210,991)	(1,667,773,199)	-	(44,494,475,289)
Reclassification	162,254,907	-	-	-	-	162,254,907
Disposal	-	-	429,881,818	-	-	429,881,818
As at 30 June 2023	<u>(130,212,145,557)</u>	<u>(506,551,768,162)</u>	<u>(36,385,011,293)</u>	<u>(34,667,902,817)</u>	<u>(30,863,636)</u>	<u>(707,847,691,465)</u>
Net carrying amount						
As at 31 December 2022	<u>121,604,821,504</u>	<u>314,528,114,837</u>	<u>5,947,618,928</u>	<u>4,708,963,555</u>	<u>-</u>	<u>446,789,518,824</u>
As at 30 June 2023	<u>116,046,559,782</u>	<u>290,284,307,269</u>	<u>4,530,407,937</u>	<u>4,096,027,265</u>	<u>-</u>	<u>414,957,302,253</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

13. FINANCIAL LEASES

	VND
	<i>Office equipment</i>
Cost	
As at 31 December 2022 and 30 June 2023	<u>2,663,034,106</u>
Accumulated depreciation	
As at 31 December 2022	(621,617,824)
Depreciation for the period	<u>(264,114,615)</u>
As at 30 June 2023	<u>(885,732,439)</u>
Net carrying value	
As at 31 December 2022	<u>2,041,416,282</u>
As at 30 June 2023	<u>1,777,301,667</u>

14. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Software</i>	VND <i>Total</i>
Cost			
As at 31 December 2022 and 30 June 2023	<u>94,881,924,366</u>	<u>48,426,459,502</u>	<u>143,308,383,868</u>
<i>In which:</i>			
<i>Fully amortised</i>	-	12,951,740,900	12,951,740,900
Accumulated amortisation			
As at 31 December 2022	(8,513,034,094)	(23,585,884,339)	(32,098,918,433)
Amortisation for the period	<u>(303,025,594)</u>	<u>(4,326,080,896)</u>	<u>(4,629,106,490)</u>
As at 30 June 2023	<u>(8,816,059,688)</u>	<u>(27,911,965,235)</u>	<u>(36,728,024,923)</u>
Net carrying value			
As at 31 December 2022	<u>86,368,890,272</u>	<u>24,840,575,163</u>	<u>111,209,465,435</u>
As at 30 June 2023	<u>86,065,864,678</u>	<u>20,514,494,267</u>	<u>106,580,358,945</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

15. INVESTMENT PROPERTIES

			VND
	<i>Office building</i>	<i>Others</i>	<i>Total</i>
Cost			
As at 31 December 2022	44,570,806,228	18,620,363,909	63,191,170,137
Transferred from inventories	13,458,244,331	-	13,458,244,331
Reclassification	501,570,848	-	501,570,848
As at 30 June 2023	<u>58,530,621,407</u>	<u>18,620,363,909</u>	<u>77,150,985,316</u>
Accumulated depreciation			
As at 31 December 2022	(18,805,625,078)	(6,804,781,584)	(25,610,406,662)
Depreciation for the period	(796,334,444)	(369,364,491)	(1,165,698,935)
Reclassification	(162,254,907)	-	(162,254,907)
As at 30 June 2023	<u>(19,764,214,429)</u>	<u>(7,174,146,075)</u>	<u>(26,938,360,504)</u>
Net carrying amount			
As at 31 December 2022	<u>25,765,181,150</u>	<u>11,815,582,325</u>	<u>37,580,763,475</u>
As at 30 June 2023	<u>38,766,406,978</u>	<u>11,446,217,834</u>	<u>50,212,624,812</u>

The fair value of the investment properties was not formally assessed and determined as at 30 June 2023. However, given market value at 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 consolidated balance sheet date.

16. CONSTRUCTION IN PROGRESS

	VND	
	<i>30 June 2023</i>	<i>31 December 2022</i>
SAP S4/HANA business management system	13,706,461,953	11,059,023,200
Office building renovation	9,808,964,924	4,678,236,568
Solar energy systems	9,189,786,040	9,189,786,040
TOTAL	<u>32,705,212,917</u>	<u>24,927,045,808</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

17. LONG-TERM INVESTMENTS

17.1 Investment in associates

Name	Business activities	30 June 2023		31 December 2022	
		Ownership	Amount	Ownership	Amount
		%	VND	%	VND
FCC Infrastructure Investment Joint Stock Company ("FCC")	Civil and industrial constructions services	42.36	-	42.36	6,800,907,006
Hiteccons Investment Joint Stock Company ("Hiteccons")	Real estates and construction services	31.00	2,467,362,017	31.00	2,474,699,397
Quang Trong Commercial Joint Stock Company ("Quang Trong")	Real estates and project management services	36.00	-	36.00	140,152,903
TOTAL			2,467,362,017		9,415,759,306

Details of these investments in associates are as follows:

	FCC	Quang Trong	Hiteccons	VND Total
Cost of investment				
As at 31 December 2022 and 30 June 2023	159,600,000,000	18,000,000,000	2,790,000,000	180,390,000,000
Accumulated share in post-acquisition loss of associates				
As at 31 December 2022	(152,799,092,994)	(17,859,847,097)	(315,300,603)	(170,974,240,694)
Share in post-acquisition loss of the associates for the period	(6,800,907,006)	(140,152,903)	(7,337,380)	(6,948,397,289)
As at 30 June 2023	(159,600,000,000)	(18,000,000,000)	(322,637,983)	(177,922,637,983)
Net carrying amount				
As at 31 December 2022	6,800,907,006	140,152,903	2,474,699,397	9,415,759,306
As at 30 June 2023	-	-	2,467,362,017	2,467,362,017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 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 2023		31 December 2022	
	Ownership %	Amount (VND)	Ownership %	Amount (VND)
Ricons Investment Construction Joint Stock Company ("Ricons")	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 2023	31 December 2022
Other suppliers	<u>5,195,969,693,775</u>	<u>5,188,557,548,080</u>

18.2 Short-term advances from customers

	VND	
	30 June 2023	31 December 2022
Lego Manufacturing Vietnam Company Limited	1,174,240,992,919	200,301,039,430
Ecopark Nomura Real Estate Joint Stock Company	126,473,763,991	219,725,212,868
Related parties (Note 34)	27,525,867,116	33,625,593,980
Other customers	<u>1,605,833,448,555</u>	<u>1,667,180,773,030</u>
TOTAL	<u>2,934,074,072,581</u>	<u>2,120,832,619,308</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

19. STATUTORY OBLIGATIONS

	31 December 2022	Increase in period	Off set in period	Payment in period	VND 30 June 2023
Receivables					
Value added tax	537,251,138,572	748,861,158,118	(700,152,181,690)	-	585,960,115,000
Corporate income tax	3,914,309,312	-	(3,914,309,312)	-	-
TOTAL	541,165,447,884	748,861,158,118	(704,066,491,002)	-	585,960,115,000
Payables					
Personal income tax	8,000,082,996	28,024,476,575	(1,742,386,701)	(31,320,221,559)	2,961,951,311
Value added tax	-	745,615,705,579	(700,152,181,690)	(45,463,523,889)	-
Corporate income tax	-	31,768,392,130	(3,914,309,312)	(9,940,376,755)	17,913,706,063
Others	-	60,430,191	-	(60,430,191)	-
TOTAL	8,000,082,996	805,469,004,475	(705,808,877,703)	(86,784,552,394)	20,875,657,374

20. SHORT-TERM ACCRUED EXPENSES

	30 June 2023	VND 31 December 2022
Accruals for on-going construction projects	1,917,394,461,012	1,936,018,729,127
Bonus for employees and remuneration for Board of Directors and Board of Supervision	78,226,101,167	58,734,933,294
Interest expense	21,619,478,970	23,398,254,645
Others	5,490,712,686	3,912,028,325
TOTAL	2,022,730,753,835	2,022,063,945,391

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

21. SHORT-TERM UNEARNED REVENUE

	VND	
	30 June 2023	31 December 2022
Unearned revenue from leasing activities	6,433,943,948	8,939,929,636
Unearned revenue from construction works	-	2,498,540,370
TOTAL	<u>6,433,943,948</u>	<u>11,438,470,006</u>

22. OTHER SHORT-TERM PAYABLES

	VND	
	30 June 2023	31 December 2022
Factoring contracts (*)	1,417,390,931,854	-
Payable to construction teams and employees	7,216,334,708	6,222,683,455
Dividends payables	534,341,975	534,341,975
Related parties (Note 34)	30,019,875	30,019,875
Others	9,756,075,267	9,539,828,974
TOTAL	<u>1,434,927,703,679</u>	<u>16,326,874,279</u>

(*) These were factoring advances from Vietnam Joint Stock Bank for Industry and Trade under the Limit Factoring Contract No. 1801/2023-HDBTTHM/NHCT106-CTC dated 18 January 2023 and the Limit Factoring Contract No. 01/2023-HDBTTHM/NHCT106-UNICONS signed in February 2023. The entire obligation to reimburse to the bank and related fees is committed to be paid by the project owners of the factored projects. These factoring advances will be offset against with the trade receivables at these due dates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

23. LOANS AND FINANCE LEASE

	31 December 2022	Increase in period	Decrease in period	Reclassify	Allocation of bond's issuance fee	VND 30 June 2023
Short-term	553,076,670,059	817,103,314,732	(675,287,154,640)	2,430,000,000	-	697,322,830,151
Short-term loans from banks (Note 23.1)	547,309,374,643	817,103,314,732	(672,857,154,640)	-	-	691,555,534,735
Current portion of long- term loans from banks (Note 23.2)	4,860,000,000	-	(2,430,000,000)	2,430,000,000	-	4,860,000,000
Current portion of finance lease (Note 23.4)	907,295,416	-	-	-	-	907,295,416
Long-term	524,113,095,361	-	(25,000,000,000)	(2,430,000,000)	1,045,833,336	497,728,928,697
Loans from banks (Note 23.2)	28,296,428,705	-	-	(2,430,000,000)	-	25,866,428,705
Bonds (Note 23.3)	495,816,666,656	-	(25,000,000,000)	-	1,045,833,336	471,862,499,992
TOTAL	1,077,189,765,420	817,103,314,732	(700,287,154,640)	-	1,045,833,336	1,195,051,758,848

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 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 2023		Maturity date	Interest rate	Description of collateral
	VND			%/p.a	
Military Commercial Joint Stock Bank ("MB")	499,969,359,430		From 13 July 2023 to 23 December 2023	7.62 - 8.84	Unsecured
Vietnam Commercial Joint Stock Bank – Saigon South Branch	111,043,012,027		From 4 July 2023 to 19 October 2023	7.60	Unsecured
HSBC Bank (Vietnam) Limited	50,543,163,278	From 28 September 2023 to 26 December 2023		7.30 - 8.20	Unsecured
Joint Stock Commercial Bank For Investment And Development Of Vietnam - Ho Chi Minh City Branch ("BIDV")	30,000,000,000		7 July 2023	8.00	Part of the deposit contract
TOTAL	<u>691,555,534,735</u>				

23.2 Long-term loans from banks

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

	30 June 2023	Maturity date	Interest rate	Description of collateral
	VND		%/p.a	
Joint Stock Commercial Bank for Foreign Trade of Vietnam	25,074,000,000	31 May 2030	8.70	Machinery and equipment belonging to the solar power project of Solaresco-1 Co., Ltd
Indovina Bank Limited	5,652,428,705	From 21 January 2028 to 2 June 2028	11.85	Machinery and equipment belonging to the solar power project of Solaresco-1 Co., Ltd
TOTAL	<u>30,726,428,705</u>			

In which:

Long-term loans	25,866,428,705
Current portion of long-term loans	4,860,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 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 as follows:

<i>Issuer</i>	<i>Depository and transfer agent</i>	<i>30 June 2023</i> VND	<i>Maturity date</i>	<i>Interest rate</i> %/p.a.	<i>Description of collateral</i>
Coteccons Construction Joint Stock Company	SSI Securities Corporation	<u>471,862,499,992</u>	14 January 2025	9.50	Unsecured

This is an unsecured bond issued through an issuing agent named SSI Securities Joint Stock Company and listed on the Hanoi Stock Exchange ("HNX") with trading code CTD122015. This bond had par value of VND 1,000,000,000/bond with a fixed interest rate of 9.5% a year and periodic interest payments every 6 months. The total value of the issued bonds was VND 500,000,000,000 with a term of three years from the date of issuance on 14 January 2022. The issuance cost of this bond was VND 6,275,000,000 and the cost amortization issued in the year was VND 1,045,833,336.

On 5 January 2023, the Board of Directors of the Group approved Resolution No. 01/2023/NQ-HDQT on early redemption a part of bonds as agreed with bondholders.

23.4 Finance lease

Details are as follows:

	<i>30 June 2023</i>			<i>31 December 2022</i>			<i>VND</i>
	<i>Total rental payment</i>	<i>Financial lease interest</i>	<i>Original debt</i>	<i>Total rental payment</i>	<i>Financial lease interest</i>	<i>Original debt</i>	
Less than 1 year	<u>972,000,000</u>	<u>64,704,584</u>	<u>907,295,416</u>	<u>972,000,000</u>	<u>64,704,584</u>	<u>907,295,416</u>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

24. PROVISIONS

	VND	
	<i>30 June 2023</i>	<i>31 December 2022</i>
Short-term	214,573,827,505	229,002,538,406
Provisions for onerous contract	134,832,292,756	145,874,708,042
Provisions for construction warranty	79,741,534,749	83,127,830,364
Long-term	2,353,107,384	2,411,669,634
Severance allowance	2,353,107,384	2,411,669,634
TOTAL	<u>216,926,934,889</u>	<u>231,414,208,040</u>

25. BONUS AND WELFARE FUND

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Beginning balance	77,260,203,252	80,641,976,321
Utilization of fund during the period	<u>(1,247,935,000)</u>	<u>(3,062,271,069)</u>
Ending balance	<u>76,012,268,252</u>	<u>77,579,705,252</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

26. OWNERS' EQUITY

26.1 Increase and decrease in owners' equity

	VND						
	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interest	Total
For the six-month period ended 30 June 2022 (unaudited)							
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
Decrease due to disposal of a 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	<u>792,550,000,000</u>	<u>3,038,990,175,385</u>	<u>(621,396,381,083)</u>	<u>4,667,193,310,873</u>	<u>320,744,087,965</u>	<u>528,617,788</u>	<u>8,198,609,810,928</u>
For the six-month period ended 30 June 2023							
As at 31 December 2022	788,308,000,000	3,019,470,449,385	(597,634,655,083)	4,667,193,310,873	336,087,635,969	537,516,101	8,213,962,257,245
Issue treasury shares to employees (*)	-	(61,146,183,560)	66,694,033,560	-	-	-	5,547,850,000
Net profit for the period	-	-	-	-	52,227,576,729	(26,729,057)	52,200,847,672
As at 30 June 2023	<u>788,308,000,000</u>	<u>2,958,324,265,825</u>	<u>(530,940,621,523)</u>	<u>4,667,193,310,873</u>	<u>388,315,212,698</u>	<u>510,787,044</u>	<u>8,271,710,954,917</u>

(*) The Group offers shares under the employee option program ("ESOP") with the number of issued treasury shares being 554,785 shares with an issued par value of 10,000 VND/share. The above program is implemented according to Resolution No. 09/2022/NQ-DHCD dated 25 April 2022 and No. 01/2023/NQ-DHCD dated 2 March 2023 of the General Meeting of Shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year 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 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
		VND
<i>Contributed share capital</i>		
Beginning and ending balances	<u>788,308,000,000</u>	<u>792,550,000,000</u>

26.3 *Shares*

	<i>Number of shares</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>
Authorised shares	78,830,800	78,830,800
Shares issued and fully paid	78,830,800	78,830,800
<i>Ordinary shares</i>	78,830,800	78,830,800
Treasury shares	4,416,542	4,971,327
<i>Ordinary shares</i>	4,416,542	4,971,327
Shares in circulation	74,414,258	73,859,473
<i>Ordinary shares</i>	74,414,258	73,859,473

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year then ended

26. OWNERS' EQUITY (continued)

26.4 Earnings per share

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

	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
		VND
Net profit after tax attributable to shareholders of the parent	52,227,576,729	5,368,652,275
Less: Bonus and welfare fund	-	-
Net profit after tax attributable to ordinary equity holders	52,227,576,729	5,368,652,275
Weighted average number of ordinary shares during the period (<i>shares</i>)	73,905,705	73,859,473
Basic and diluted earnings per share (<i>VND/share</i>)	707	73

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

27. REVENUES

27.1 Revenues from sale of goods and rendering of services

	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
		VND
Gross revenue	6,746,056,394,050	5,194,888,056,299
<i>In which:</i>		
<i>Rendering of construction services</i>	6,732,787,477,284	5,187,731,104,484
<i>Rental of construction equipment</i>	6,756,238,591	2,693,477,990
<i>Rental income from investment properties</i>	6,188,678,175	4,402,630,643
<i>Others</i>	324,000,000	60,843,182
Less	(1,728,598,544)	(1,739,604,226)
<i>Sale deductions</i>	<i>(1,728,598,544)</i>	<i>(1,739,604,226)</i>
Net revenue	6,744,327,795,506	5,193,148,452,073
<i>In which:</i>		
<i>Rendering of construction services (*)</i>	6,731,058,878,740	5,185,991,500,258
<i>Rental of construction equipment</i>	6,756,238,591	2,693,477,990
<i>Rental income from investment properties</i>	6,188,678,175	4,402,630,643
<i>Others</i>	324,000,000	60,843,182

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year then ended

27. REVENUES (continued)

27.1 Revenues from sale of goods and rendering of services (continued)

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

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Revenue recognised during the period of the on-going construction contracts	6,561,853,759,254	5,106,569,050,686
Revenue recognised during the period of the completed construction contracts	169,205,119,486	81,162,053,798
TOTAL	<u>6,731,058,878,740</u>	<u>5,187,731,104,484</u>
Cumulative revenue recognised up to end of year of the on-going construction contracts	57,165,443,079,044	48,322,487,584,363

27.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Interest income from bank deposits	107,549,418,883	56,543,424,397
Interest income from lending and bonds	35,518,387,284	77,303,529,523
Interest income from late payment	33,132,622,058	21,182,348,347
Gain from investment in trading securities	2,804,859,819	1,995,273,481
Foreign exchange gains	58,275,153	183,268,305
Gain from disposal of a subsidiary	-	70,648,684,469
TOTAL	<u>179,063,563,197</u>	<u>227,856,528,522</u>

28. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Rendering of construction services	6,581,333,064,522	4,907,916,188,353
Rental of investment properties	3,154,551,038	2,417,472,719
Rental of construction equipment	2,932,518,851	846,964,668
Others	324,000,000	-
TOTAL	<u>6,587,744,134,411</u>	<u>4,911,180,625,740</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year then ended

29. FINANCIAL EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Interest expense	50,184,491,814	30,001,956,041
Loss from trading securities	13,019,061,705	6,718,888,713
Provision for diminution in value of investments	2,747,270,032	20,454,977,500
Foreign exchange loss	166,449,765	9,804,865
Others	1,045,833,336	2,153,532,952
TOTAL	<u>67,163,106,652</u>	<u>59,339,160,071</u>

30. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Labour costs	70,339,088,455	133,826,798,440
Provision expenses	68,395,772,042	257,249,483,802
Expenses for external services	29,851,494,568	34,566,174,839
Depreciation and amortisation	9,960,200,128	12,616,624,810
Others	14,277,310,225	10,453,524,251
TOTAL	<u>192,823,865,418</u>	<u>448,712,606,142</u>

31. OTHER INCOME AND EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Other income	2,365,544,967	24,201,086,886
Reversal of warranty provision	789,946,280	19,530,503,475
Gain from disposal of fixed assets	168,181,768	1,898,484,258
Reversal of over accrual for construction expenses	-	483,136,089
Others	1,407,416,919	2,288,963,064
Other expenses	(2,318,553,380)	(3,827,901,272)
Construction warranty expenses	(2,257,229,946)	(1,600,321,829)
Others	(61,323,434)	(2,227,579,443)
OTHER PROFIT	<u>46,991,587</u>	<u>20,373,185,614</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year then ended

32. PRODUCTION AND OPERATING COSTS

	VND	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Raw material	4,485,348,755,965	3,376,398,504,983
External services expenses	1,607,536,265,720	2,585,108,374,596
Labour costs	434,830,322,250	432,604,943,934
Tools and supplies	103,622,272,541	133,777,070,402
Provisions	68,395,772,042	258,036,828,525
Depreciation and amortization (Notes 12, 13, 14 and 15)	50,553,395,329	52,291,184,821
Others	30,317,230,492	19,792,730,266
TOTAL	<u>6,780,604,014,339</u>	<u>6,858,009,637,527</u>

33. CORPORATE INCOME TAX

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

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 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 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
CIT expense of current period	31,371,773,693	41,525,338,902
Adjustments for under accrual of tax from previous years	396,618,437	5,445,147
	<u>31,768,392,130</u>	<u>41,530,784,049</u>
Deferred tax income	(15,246,407,792)	(35,908,760,599)
TOTAL	<u>16,521,984,338</u>	<u>5,622,023,450</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year 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 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Accounting profit before tax	68,722,832,010	11,061,410,544
CIT at applicable tax rate	13,744,566,402	2,212,282,109
<i>Adjustments:</i>		
Share of loss from associates	1,389,679,458	2,216,872,742
Non-deductible expenses	1,326,160,041	1,523,423,453
Dividend incomes	(335,040,000)	(336,000,001)
Adjustments for under accrual of tax from prior years	396,618,437	5,445,147
CIT expense	16,521,984,338	5,622,023,450

33.2 Current tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year then ended

33. CORPORATE INCOME TAX (continued)

33.3 Deferred tax

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

	Consolidated balance sheet		Consolidated income statement		VND
	30 June 2023	31 December 2022	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022 (unaudited)	
	Provision for doubtful debts	83,004,846,310	69,325,691,902	13,679,154,408	42,924,149,943
Provision for onerous contract	26,966,458,550	29,174,941,608	(2,208,483,058)	(5,273,888,989)	
Provision for obsolete inventories	13,826,901,980	14,355,518,634	(528,616,654)	(1,067,422,688)	
Provision for loan receivables	7,800,000,000	-	7,800,000,000	-	
Tax loss carried forward	93,970,506	2,084,851,862	(1,990,881,356)	-	
Unrealised allocation expenses	-	466,616,653	(466,616,653)	-	
Unrealised profit	(653,178,855)	363,188,791	(1,016,367,646)	(679,098,427)	
Severance allowances	453,618,077	465,330,527	(11,712,450)	31,687,367	
Unrealised foreign exchange differences	(164,703,197)	(154,634,398)	(10,068,799)	(26,666,607)	
Provision for investments	(76,576,360)	(76,576,360)	-	-	
Difference from investment revaluation	(48,729,095,491)	(48,729,095,491)	-	-	
Net deferred tax assets	82,522,241,520	67,275,833,728			
Deferred tax income			15,246,407,792	35,908,760,599	

34. TRANSACTIONS WITH RELATED PARTIES

List of related parties with the Group as at 30 June 2023 is as follows:

Related parties	Relationship
Kusto Group Pte. Ltd. ("Kusto")	Related party of major shareholder
Ladona Properties Company Limited ("Ladona")	Related party of major shareholder
Fiingroup Joint Stock Company ("Fiingroup")	Related party of member of the Board of Directors (to August 2022)
Members of the Board of Directors, Board of Supervision and Management	Key personnel
THE8TH PTE. Ltd.	Major shareholder
Kustocem pte. Ltd.	Major shareholder
Success Investment and Business One Member Company Limited	Major shareholder
Preston Pacific Limited	
VOF Investment Limited	Group of major shareholders

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during current and previous period were as follows:

Related party	Relationship	Transactions	VND	
			For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022 (unaudited)
Ladona	Related party of major shareholder	Construction services	64,307,064,516	67,936,014,620
Fiingroup	Related party of member of the Board of Directors (to August 2022)	Other services	-	314,488,807
Kusto	Related party of major shareholder	Income from office rental	6,346,758	73,261,450

Amounts due from and due to related parties at the balance sheet dates were as follows:

Related parties	Relationship	Transactions	VND	
			30 June 2023	31 December 2022
Short-term trade receivables				
Ladona	Related party	Construction service	26,748,102,032	47,250,066,736
Kusto	Related party	Income from office rental	9,668,063	48,193,570
TOTAL			<u>26,757,770,095</u>	<u>47,298,260,306</u>
Advance from a customer				
Ladona	Related party	Rendering of construction service	<u>27,525,867,116</u>	<u>33,625,593,980</u>
Other short-term payable				
Kusto	Related party	Deposit for office rental	<u>30,019,875</u>	<u>30,019,875</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 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 ("BOD"), Board of Supervision ("BOS") and the management is as below:

<i>Individuals</i>	<i>Position</i>	<i>Remuneration</i>	
		<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022 (unaudited)</i>
Mr. Vo Hoang Lam	General Director from 5 August 2022		
	Deputy General Director to 5 August 2022	4,560,445,000	1,998,995,000
Mr. Tran Van Lam	General Manager of UNC from 30 January 2023		
	Deputy General Manager of UNC to 30 January 2023	2,605,895,000	1,354,165,000
Mr. Karabukaev Ruslan	General Manager of CVC from 25 January 2022 to 6 February 2023	220,273,919	597,637,000
Mr. Christopher Senekki	Deputy General Director to 25 August 2023	3,562,692,500	3,952,374,000
Mr. Pham Quan Luc	Deputy General Director	1,979,185,000	1,778,142,885
Mr. Nguyen Ngoc Lan	Deputy General Director	1,886,755,000	1,656,967,500
Mrs. Pham Thi Bich Ngoc	Deputy General Director to 25 August 2023	1,876,819,000	1,765,839,355
Mr. Pham Quang Vu	Member of BOD from 25 April 2022	600,000,000	100,000,000
Mr. Tan Chin Tiong	Member of BOD	600,000,000	-
Mr. Tong Van Nga	Member of BOD	300,000,000	300,000,000
Mr. Tran Van Thuc	Head of BOS	240,000,000	240,000,000
Mr. Zhaidarzhan Zatayev	Member of BOS from 25 April 2022	649,602,000	692,105,030
Mr. Doan Phan Trung Kien	Member of BOS from 25 April 2022	48,000,000	8,000,000
Mr. Phan Huu Duy Quoc	Deputy General Director from 1 March 2021 to 4 January 2022	-	1,700,000,000
Mr. Dang Hoai Nam	Member of BOS from 21 February 2022	-	711,232,273
TOTAL		<u>19,129,667,419</u>	<u>16,855,458,043</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

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:

	VND	
	30 June 2023	31 December 2022
Less than 1 year	6,727,669,081	6,916,502,340
From 1 to 5 years	<u>5,565,919,871</u>	<u>8,838,619,850</u>
TOTAL	<u>12,293,588,952</u>	<u>15,755,122,190</u>

36. EVENTS AFTER THE CONSOLIDATED BALANCE SHEET DATE

On 24 July 2023, the Group decided to increase CTD Nest's charter capital from 1 billion VND to 300 billion VND according to Decision No. 02/QD-CSH dated 24 July 2023. As of 15 September 2023, The Group has fully contributed the above additional charter capital.

On 25 July 2023, the Group received Notice No. 10/TB-TA dated 4 July 2023 from the People's Court of Ho Chi Minh City regarding the Notice of acceptance of the petition to open bankruptcy proceedings of Ricons Construction Investment Joint Stock Company. At the date of this consolidated financial statements, the Group is in the process of preparing documents to respond to the Court.

On 24 August 2023, the Group was approved to issue shares to increase share capital for existing shareholders at a ratio of 3:1 (shareholders owning 3 shares will receive 1 additional share) with the expected number of shares issued is 24,804,752 shares from the Development Investment Fund based on Resolution No. 16/2023/NQ-HDQT. The last registration date to exercise the right to receive new shares is 29 September 2023.

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


 Tran Thi Thanh Van
 Preparer


 Cao Thi Mai Le
 Chief Accountant


 Vo Hoang Lam
 General Director

Ho Chi Minh City, Vietnam

28 September 2023