

**KinhBac City Development Holding Corporation**

**SEPARATE FINANCIAL STATEMENTS FOR THE SECOND QUARTER  
OF 2023**

# Kinh Bac City Development Holding Corporation

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SEPARATE BALANCE SHEET  
as at 30 June 2023

Currency: VND

Code	ASSETS	Notes	June 30, 2023	December 31, 2022
<b>100</b>	<b>A. SHORT-TERM ASSETS</b>		<b>6,109,879,793,255</b>	<b>8,655,159,469,811</b>
<b>110</b>	<b>I. Cash</b>	<b>4</b>	<b>258,021,794,280</b>	<b>751,542,676,486</b>
111	1. Cash		248,459,577,201	745,993,044,584
112	2. Cash equivalents		9,562,217,079	5,549,631,902
<b>120</b>	<b>II. Short-term investment</b>	<b>5</b>	<b>2,442,294,770,329</b>	<b>2,441,801,461,721</b>
121	1. Held-for-trading investments	5.1	1,862,358,461,369	1,862,358,461,369
122	2. Provision for held-for-trading investments	5.1	(5,764,122,559)	(6,226,144,519)
123	3. Held-to-maturity investments	5.2	585,700,431,519	585,669,144,871
<b>130</b>	<b>III. Short-term receivables</b>		<b>1,532,494,179,232</b>	<b>3,185,819,648,225</b>
131	1. Short-term receivables from customers	6.1	65,373,916,614	157,184,537,150
132	2. Short-term advances to suppliers	6.2	1,006,187,689,670	1,093,640,586,764
135	3. Short-term loan receivables	7	89,596,568,334	367,596,568,334
136	4. Other short-term receivables	8	378,669,985,264	1,574,731,936,627
137	5. Provision for doubtful short-term receivables	6.3	(7,333,980,650)	(7,333,980,650)
<b>140</b>	<b>IV. Inventories</b>	<b>9</b>	<b>1,738,665,847,483</b>	<b>2,122,949,476,109</b>
141	1. Inventories		1,738,665,847,483	2,122,949,476,109
<b>150</b>	<b>V. Other short-term assets</b>		<b>138,403,201,931</b>	<b>153,046,207,270</b>
151	1. Short-term prepaid expenses		59,296,093,479	59,181,682,347
152	2. Value-added tax deductible	16	79,107,108,452	91,670,798,662
153	3. Tax and other receivables from State	16	-	2,193,726,261

SEPARATE BALANCE SHEET (continued)  
as at 30 June 2023

Currency: VND

Code	ASSETS	Notes	June 30, 2023	December 31, 2022
<b>200</b>	<b>B. LONG-TERM ASSETS</b>		<b>13,585,246,121,116</b>	<b>14,071,912,557,999</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>902,845,507,501</b>	<b>1,802,266,508,635</b>
215	1. Long-term loan receivables	7	128,178,000,000	437,300,000,000
216	2. Others long-term receivables	8	774,667,507,501	1,364,966,508,635
<b>220</b>	<b>II. Fixed assets</b>		<b>154,406,146,733</b>	<b>137,409,976,565</b>
221	1. Tangible fixed assets	10	154,406,146,733	137,409,976,565
222	Cost		360,229,749,240	331,926,702,849
223	Accumulated depreciation		(205,823,602,507)	(194,516,726,284)
227	2. Intangible fixed assets		-	-
228	Cost		36,958,000	36,958,000
229	Accumulated amortisation		(36,958,000)	(36,958,000)
<b>230</b>	<b>III. Investment Properties</b>		<b>114,037,936,354</b>	<b>122,188,758,863</b>
231	Cost	11	172,985,045,000	172,985,045,000
232	Accumulated depreciation		(58,947,108,646)	(50,796,286,137)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>153,632,799,405</b>	<b>146,425,689,151</b>
242	1. Construction in progress	12	153,632,799,405	146,425,689,151
<b>250</b>	<b>V. Long-term investments</b>	<b>13</b>	<b>12,257,920,327,215</b>	<b>11,859,866,788,415</b>
251	1. Investment in subsidiaries	13.1	11,255,118,294,000	10,787,118,294,000
252	2. Investment in jointly controlled entities and associates	13.2	805,666,491,074	805,666,491,074
253	3. Investments in other entities	13.3	399,500,200,000	399,500,200,000
254	4. Provision for diminution in value of long-term investment		(202,364,657,859)	(132,418,196,659)
<b>260</b>	<b>VI. Other long-term assets</b>		<b>2,403,403,908</b>	<b>3,754,836,370</b>
261	1. Long-term prepaid expenses		2,403,403,908	3,754,836,370
<b>270</b>	<b>TOTAL ASSETS</b>		<b>19,695,125,914,371</b>	<b>22,727,072,027,810</b>

SEPARATE BALANCE SHEET (continued)  
as at 30 June 2023

Currency: VND

Code	LIABILITIES AND OWNER'S EQUITY	Notes	June 30, 2023	December 31, 2022
<b>300</b>	<b>A. LIABILITIES</b>		<b>7,056,408,884,040</b>	<b>11,256,213,802,108</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>3,882,229,462,860</b>	<b>7,539,700,121,192</b>
311	1. Short-term trade payables	14	122,754,380,964	149,633,280,106
312	2. Short-term advances from customers	15	5,816,575,648	318,157,610,323
313	3. Statutory obligations	16	193,127,887,768	754,040,807
314	4. Payables to employees		4,542,033	87,642,035
315	5. Short-term accrued expenses	17	673,167,269,354	341,027,745,941
318	6. Short-term unearned revenues		3,754,091,163	1,735,270,676
319	7. Other short-term payables	18	2,484,281,336,597	2,538,403,345,286
320	8. Short-term loans	19	395,000,000,000	4,185,577,806,685
322	9. Bonus and welfare fund		4,323,379,333	4,323,379,333
<b>330</b>	<b>II. Long-term liabilities</b>		<b>3,174,179,421,180</b>	<b>3,716,513,680,916</b>
333	1. Long-term accrued expenses	17	1,050,900,732,883	1,060,860,796,591
337	2. Other long-term liabilities	18	6,422,776,559	6,422,776,559
338	3. Long-term loans	19	2,082,350,797,956	2,614,308,873,484
341	4. Deferred tax liabilities	26.3	33,553,145,820	33,969,266,320
342	5. Long-term provisions		951,967,962	951,967,962
<b>400</b>	<b>B. OWNER'S EQUITY</b>	<b>20</b>	<b>12,638,717,030,331</b>	<b>11,470,858,225,702</b>
<b>410</b>	<b>I. Capital</b>		<b>12,638,717,030,331</b>	<b>11,470,858,225,702</b>
411	1. Share capital		7,676,047,590,000	7,676,047,590,000
411a	- Shares with voting rights		7,676,047,590,000	7,676,047,590,000
411b	- Treasury shares		-	-
412	2. Share premium		2,742,998,570,000	2,742,998,570,000
418	3. Investment and development fund		2,223,693,823	2,223,693,823
421	4. Uncontributed earnings		2,217,447,176,508	1,049,588,371,879
421a	- Undistributed earnings by the end of prior year		1,049,588,371,879	438,841,942,422
421b	- Undistributed earnings of current period		1,167,858,804,629	610,746,429,457
<b>440</b>	<b>TOTAL LIABILITITES AND OWNER'S EQUITY</b>		<b>19,695,125,914,371</b>	<b>22,727,072,027,810</b>

Luu Phuong Mai  
PreparerPham Phuc Hieu  
Chief AccountantNguyen Thi Thu Huong  
General Director

July 29, 2023

## SEPARATE INCOME STATEMENT

For the three-month period and six-month period ended at June 30, 2023

Currency: VND

Code	ITEMS	Note	Quarter II/ 2023	quarter II/ 2023	Accumulated until June 30, 2023	Accumulated until June 30, 2022
01	1. Revenue from sale of goods and rendering of services	21.1	2,180,299,256,839	38,968,066,957	2,567,671,120,961	75,128,124,389
02	2. Deductions	21.1	-	-	-	-
<b>10</b>	<b>3. Net revenue from sale of goods and rendering of services (10= 01-02)</b>	<b>21.1</b>	<b>2,180,299,256,839</b>	<b>38,968,066,957</b>	<b>2,567,671,120,961</b>	<b>75,128,124,389</b>
11	4. Costs of goods sold and services rendered	22	687,492,458,674	26,300,732,883	815,561,322,685	50,597,637,835
<b>20</b>	<b>5. Gross profit from sale of goods and rendering of services (20=10-11)</b>		<b>1,492,806,798,165</b>	<b>12,667,334,074</b>	<b>1,752,109,798,276</b>	<b>24,530,486,554</b>
21	6. Finance income	21.2	79,698,903,042	57,857,733,709	243,326,761,088	92,121,823,722
22	7. Finance expenses	23	175,697,080,716	178,852,389,176	364,136,201,598	335,200,048,192
23	<i>In which: interest expenses</i>		<i>98,430,140,712</i>	<i>151,010,730,551</i>	<i>251,275,738,644</i>	<i>290,762,196,189</i>
25	8. Selling expenses	25	138,799,794,701	597,926,840	165,089,978,832	3,835,703,840
26	9. General and administrative expenses	25	55,132,075,336	33,487,604,347	100,026,814,854	70,162,877,718
<b>30</b>	<b>10. Operating profit/ (loss) (30= 20+21-22-25-26)</b>		<b>1,202,876,750,454</b>	<b>(142,412,852,580)</b>	<b>1,366,183,564,080</b>	<b>(292,546,319,474)</b>
31	11. Other income	24	-	136,369,095	46,008	336,391,795
32	12. Other expenses	24	3,500,000,259	570,000	3,500,002,979	19,536,629
<b>40</b>	<b>13. Other (loss)/ profit (40=31-32)</b>		<b>(3,500,000,259)</b>	<b>135,799,095</b>	<b>(3,499,956,971)</b>	<b>316,855,166</b>
<b>50</b>	<b>14. Accounting profit/ (loss) before tax (50=30+40)</b>		<b>1,199,376,750,195</b>	<b>(142,277,053,485)</b>	<b>1,362,683,607,109</b>	<b>(292,229,464,308)</b>
51	15. Current corporate income tax expenses	26.1	179,215,770,513	208,060,250	195,240,922,980	416,120,500
52	16. Deferred tax income	26.3	208,060,250	208,060,250	416,120,500	416,120,500
<b>60</b>	<b>17. Net profit/ (loss) after tax (60=50-51+52)</b>		<b>1,020,369,039,932</b>	<b>(142,277,053,485)</b>	<b>1,167,858,804,629</b>	<b>(292,229,464,308)</b>

Luu Phuong Mai  
PreparerPham Phuc Hieu  
Chief AccountantNguyen Thi Thu Huong  
General Director

July 29, 2023

SEPARATE CASH FLOW STATEMENT  
For the 6-month period ended at June 30, 2023

Currency: VND

Code	ITEMS	Notes	For the six-month period ended at June 30, 2023	For the six-month ended at June 30, 2022
	<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Profit/ (loss) before tax</b>		<b>1,362,683,607,109</b>	<b>(292,229,464,308)</b>
	<i>Adjustment for:</i>			
02	Depreciation of fixed assets and investment properties		19,457,698,732	18,631,294,452
03	Provision		69,484,439,240	12,972,890,764
05	Profits from investing activities		(243,326,761,088)	(89,665,397,358)
06	Interest expenses and bond issue expenses		293,908,279,821	320,815,580,023
<b>08</b>	<b>Operating profit/(loss) before changes in working capital</b>		<b>1,502,207,263,814</b>	<b>(29,475,096,427)</b>
09	Decrease in receivables		381,056,059,507	258,119,077,658
10	Decrease/ (increase) in inventories		384,283,628,626	(114,862,397,866)
11	(Decrease)/ increase in payables (excluding loan interest payable, corporate income tax payables)		(28,636,864,645)	28,673,752,008
12	Decrease in prepaid expense		1,237,021,330	2,621,993,507
14	Interest paid		(272,289,908,730)	(249,584,601,450)
15	Corporate income tax paid		(800,000,000)	(38,400,000,000)
<b>20</b>	<b>Net cash flow from/ (used in) operating activities</b>		<b>1,967,057,199,902</b>	<b>(142,907,272,570)</b>
	<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets and other long- term assets		(57,152,960,247)	(47,181,750,551)
22	Proceeds from disposals of fixed assets		-	336,363,636
23	Loan to other entities and payment for purchase of debt instruments of other entities		(472,909,286,648)	(73,030,038,022)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		1,060,000,000,000	140,106,000,000
25	Payments for investments in other entities		(1,559,040,580,968)	(854,204,332,379)
26	Proceeds from sale of investments in other entities		1,389,772,602,739	-
27	Interest and dividends received		1,543,920,566,406	25,340,443,713
<b>30</b>	<b>Net cash flows from/(used in) investing activities</b>		<b>1,904,590,341,282</b>	<b>(808,633,313,603)</b>

SEPARATE CASH FLOW STATEMENT (continued)  
For the 6-month period ended at June 30, 2023

Currency: VND

Code	ITEMS	Notes	For the six-month period ended at June 30, 2023	For the six-month ended at June 30, 2022
	<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>			
31	Capital contribution		-	334,718,570,000
33	Drawdowns of borrowings		974,196,161,601	880,473,906,850
34	Repayments of borrowing		(5,339,364,584,991)	(1,011,400,461,645)
36	Dividends paid to shareholders		-	(1,350,000)
<b>40</b>	<b>Net cash flow used in/used from financing activities</b>		<b>(4,365,168,423,390)</b>	<b>203,790,665,205</b>
<b>50</b>	<b>Net cash flow for the period</b>		<b>(493,520,882,206)</b>	<b>(747,749,920,968)</b>
<b>60</b>	<b>Cash and cash equivalents at the beginning of the period</b>		<b>751,542,676,486</b>	<b>769,915,183,654</b>
<b>70</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>258,021,794,280</b>	<b>22,165,262,686</b>

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Luu Phuong Mai  
Preparer

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Pham Phuc Hieu  
Chief accountant

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Nguyen Thi Thu Huong  
General Director

July 29, 2023

## NOTES TO THE SEPARATE FINANCIAL STATEMENT

As at June 30, 2023 and for the six-month period ended at the same date

**1. CORPORATE INFORMATION****CORPORATE**

KinhBac City Development Holding Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 2103000012 issued by the Department of Planning and Investment of Bac Ninh Province on 27 March 2002, and the subsequent amendments, with latest is the 19th amendment No 2300233993 issued by the Department of Planning and Investment of Bac Ninh on April 21, 2023.

The current principal activities of the Company are to invest, construct and trade infrastructure inside and outside the industrial parks; to lease and sell factory plants constructed by the Company in the industrial parks and residential – urban areas; to carry out financial investment; and other activities in accordance with the Enterprise Registration Certificate.

The business cycle of the Company starts from the acquisition of investment license, land clearance, infrastructure development of industrial parks and urban areas until the time of completion and land is handed over to customers. As a result, the business cycle of the Company may extend over 12 months.

The Company’s head office is located at Lot B7, Que Vo Industrial Park, Phuong Lieu ward, Que Vo town, Bac Ninh province, Vietnam and its Ho Chi Minh branch is located at 20 Phung Khac Khoan, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

The Company’s shares are listed on Ho Chi Minh City Stock Exchange in accordance with Decision No. 153/QD-SGDHCM issued by Ho Chi Minh City Stock Exchange on 7 December 2009.

The number of employees as at June 30, 2023 was 217 (As at December 31, 2022: 210)

**BOARD OF DIRECTORS**

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

Mr. Dang Thanh Tam	Chairman
Ms. Nguyen Thi Thu Huong	Member
Mr. Le Hoang Lan	Independent member
Ms. Dang Nguyen Quynh Anh	Member
Mr. Huynh Phat	Member

**BOARD OF SUPERVISION**

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

Ms. Nguyen Bich Ngoc	Head of the Board
Ms. The Thi Minh Hong	Member
Mr. Tran Tien Thanh	Member

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 1. CORPORATE INFORMATION (continued)

### BOARD OF MANAGEMENT

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

Ms. Nguyen Thi Thu Huong	General Director
Mr. Phan Anh Dung	Deputy General Director
Mr. Pham Phuc Hieu	Deputy General Director cum Chief Accountant
Ms. Nguyen My Ngoc	Deputy General Director

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Dang Thanh Tam - Chairman. Ms. Nguyen Thi Thu Huong – General Director has been authorized by Mr. Dang Thanh Tam to sign the accompanying separate financial statements for the six-month period ended June 30, 2023 in accordance with the Authorisation Letter No. 2506/2022/KBC/UQ dated 25 June 2022

### COPORATE STRUCTURE

At June 30, 2023, the Company has the following subsidiaries:

No.	Company's name	Voting right (%) (*)	Effective interest rate (%)	Head office	Main activities
<b>I-</b>	<b>Group of companies owned directly by the Company</b>				
1	Saigon – Bac Giang Industrial Park Corporation	92.5	88.06	Quang Chau Industrial Park, Quang Chau Commune, Viet Yen District, Bac Giang Province	Real estate investment, construction and trading
2	Saigon – Hai Phong Industrial Park Corporation	89.26	89.26	Trang Due Industrial Park, Le Loi Commune, An Duong District, Hai Phong City	Real estate investment, construction and trading
3	Northwest Saigon City Development Corporation	74.3	72.44	Tram Bom Hamlet, National Road No. 22, Tan Phu Trung Commune, Cu Chi District, Ho Chi Minh City	Real estate investment, construction and trading
4	Trang Cat Urban Development One Member Company Limited	100	100	Bai Trieu Area, Trang Cat Ward, Hai An District, Dinh Vu - Cat Hai Economical Zone, Hai Phong City	Real estate investment, construction and trading
5	NGD Investment One Member Company Limited	100	100	No. 10 Hang Bot Lane, Cat Linh Ward, Dong Da District, Hanoi	Real estate investment, construction and trading
6	Kinh Bac Office and Factory Business One Member Company Limited	100	100	Lot B7, Que Vo Industrial Park, Phuong Lieu Ward, Que Vo District, Bac Ninh Province	Real estate investment, construction and trading
7	Tien Duong Development Holding Joint Stock Company	51	51	100 An Trach, Cat Linh Ward, Dong Da District, Hanoi	Real estate investment, construction and trading

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**1. COPORATE STRUCTURE (continued)**

<i>No.</i>	<i>Company's name</i>	<i>Voting right (%) (* )</i>	<i>Effective interest rate (%)</i>	<i>Head office</i>	<i>Main activities</i>
<b>I-</b>	<b>Group of companies owned directly by the Company (continued)</b>				
8	Hung Yen Investment and Development Corporation	95	93.65	537 Nguyen Van Linh Street, Le Loi Ward, Hung Yen City, Hung Yen Province	Real estate construction and trading
9	Vung Tau Investment Group Joint Stock Company	74.52	74.52	LK 28 Hang Dieu 1 Street, Ward 10, Vung Tau City, Ba Ria - Vung Tau Province	Real estate construction and trading
<b>II-</b>	<b>Group of companies owned indirectly by the Company</b>				
1	Bac Giang – Long An Industrial Park One Member Company Limited	100	88.06	489E/Road 824, Zone 5, Duc Hoa Town, Duc Hoa District, Long An Province	Real estate construction and trading
2	Tan Tap Industrial Infrastructure Development Limited Company	100	89.26	531E, Zone 5, Duc Hoa ward, Duc Hoa District, Long An Province	Real estate consulting and trading
3	Long An Investment Development Joint Stock Company	60	56.77	Lot 6A, Road 3, Tan Duc Industrial Park, Duc Hoa Ha Commune, Duc Hoa District, Long An Province	Real estate construction and trading
4	Tan Phu Trung – Long An Industrial Park One Member Company Limited	100	72.44	88 Tran Phong Sac, Ward 4, Tan An City, Long An Province	Real estate consulting, construction and trading
5	Bao Lac Spiritual Park Joint Stock Company	65	56.25	Ngo Xa Village, Long Chau Commune, Yen Phong District, Bac Ninh Province	Funeral services
6	Quang Yen Electronics Company Limited	100	89.26	Lot NA8-2, High-class factory complex project at Dam Nha Mac Area, Lien Vi Commune, Quang Yen Town, Quang Ninh Province, Vietnam	Manufacturing of communication equipment, electronic components and consumer electronic products
7	Quang Yen Manufacturing Industry Company Limited	100	89.26	Lot NA8-2, High-class factory complex project at Dam Nha Mac Area, Lien Vi Commune, Quang Yen Town, Quang Ninh Province, Vietnam	Manufacturing of engines and turbines

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## **2. BASIS OF PREPARATION**

### **2.1 Purpose of preparation of the separate financial statements**

KinhBac City Development Holding Corporation has subsidiaries as disclosed in Note 1. The Company has prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the three-month and 6 month period ended June 30, 2023 ("consolidated financial statements) dated July 29, 2023.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, the consolidated results of operations and the consolidated cash flows of the Company and its subsidiaries.

### **2.2 Accounting standards and system**

The separate financial statements of the Company, which are expressed in Vietnam dong, is 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 Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

Accordingly, the accompanying separate 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 financial position, and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### **2.3 Applied accounting documentation system**

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

### **2.4 Fiscal year**

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

### **2.5 Accounting currency**

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

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

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

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid with an original maturity of less than three months that are readily convertible into known amount of cash and that are subject to an insignificant risk of change in value.

#### **3.2 Inventories**

Industrial and residential real estate properties which have been built for sale in the normal course of operation, not held for lease or capital appreciation, are recorded as inventory at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

The cost real estate for sale comprises expenses on compensation and site restoration, construction of road and drainage system, greenery planting and other infrastructure costs, construction costs, capitalized borrowing costs, consultancy cost, design cost and other related costs.

Net realisable value represents the estimated selling price of inventories in the ordinary course of business, based on market prices at reporting date and discounted for the time value of money, if material, less costs to complete and the estimated costs necessary to make the sale.

##### *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 Company, based on appropriate evidence of impairment at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement.

#### **3.3 Receivables**

Receivables are presented in the separate 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 separate balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the separate income statement.

#### **3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible fixed asset comprises of its purchase and any directly attributable cost 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 separate income statement as incurred. When tangible fixed assets are sold or retired, cost and accumulated depreciation are written off, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

#### 3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of intangible fixed asset comprises of its purchase price and any directly attributable cost of bringing the intangible fixed asset to working condition for its intended use. Expenditures for improvements and renewals are added to the carrying amount of the assets and other expenditures are charged to the separate income statement as incurred. When intangible fixed assets are sold or retired, cost and accumulated amortisation are written off, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the separate income statement.

#### 3.6 *Depreciation and amortisation*

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

Buildings and structures (land and infrastructure development costs)	8 - 25 years
Machinery and equipment	8 - 10 years
Means of transportation	4 - 10 years
Office equipment and others	3 - 8 years

Periodically, the estimated useful time of fixed assets and depreciation rate are reviewed to ensure that the method and the timing for depreciation are consistent with the expected economic benefits which are derived from using fixed assets.

#### 3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation.

Subsequent expenditure relating to an investment property that has already been recognized 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 Company.

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

Factories	8 years
Land and infrastructure development costs	36-39 years

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

#### 3.8 *Prepaid expenses*

Prepaid expenses are reported as short-term and long-term prepaid expense on the separate 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.

The long-term prepaid expense includes:

- ▶ Prepaid rental expenses which are amortised over the prepaid lease term; and
- ▶ Other prepaid long-term expenses which are amortised from 1 to 3 years.

#### 3.9 *Investments*

##### *Investment in subsidiaries*

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

##### *Investment in associates*

Investments in associates over which the Company has significant influence are carried at cost.

Distributions from accumulated net profits of the associates arising subsequent to the date of acquisition are recognized in the separate income statement of the Company. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

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

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

##### *Provision for diminution in value of the held-for-trading investments and other investments*

Provision is made for diminution in value of the held-for-trading securities and other investment at the end of accounting period in accordance with Circular No 228/2009/TT-BTC dated December 7, 2009 and Circular No. 89/2013/TT-BTC dated June 26, 2019 issued by Ministry of Finance. Increases or decreases in provision balance are recorded in finance expenses in the separate income statement.

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

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

#### 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

#### **3.11 Payables and accruals**

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

#### **3.12 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to December 31, 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance.

The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Any increase to the accrued amount will be taken to the separate income statement.

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

#### **3.13 Foreign currency transactions**

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

- ▶ Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designed for collection;
- ▶ Transaction resulting in payables are recorded at the selling exchange rates of the commercial banks designed for payment;
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designed for collection;
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

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

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

All foreign differences incurred and differences due to re-evaluation of the cash balance that includes foreign currencies at the end of the year are taken to the separate income statement.

#### **3.14 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, issue or cancellation of the Company's own equity instruments.

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

#### **3.15 Appropriation of net profits**

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

The Company maintains the following reserve funds which are appropriated from the Company's net profit 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 Company's expansion of its operation or of in-depth investments.

##### *Bonus and welfare fund*

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

#### **3.16 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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:

##### *Long-term lease of land and infrastructure*

Revenue is recognised when the Company has transferred significant risks and rewards associated with the land to the buyer and revenue can be reliably measured.

##### *Revenue from sale of real estate properties*

Revenue is recognised when significant risks and rewards associated with ownership of the real estate properties have been transferred to the buyer.

##### *Sale of factories*

Revenue is recognised when the Company has transferred significant risks and rewards associated with the factories to the buyer and revenue can be reliably measured.

##### *Lease of factories*

Revenue under operating lease of factories is recognised in the separate income statement on a straight-line basis over the lease term.

##### *Rendering of services*

Revenue is recognised when services have been provided to the customers, and are determined by the net value after deducting discounts, value-added tax and other deductions.

##### *Income from transfer of investment and trading of securities*

Income from transfer of investment and trading of securities is determined by the difference between the sale proceeds and cost of the securities and/or investment held by the Company. Income is recorded on the contract date, which is when the contract becomes effective.

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

#### 3.16 Revenue recognition (continued)

##### *Interest*

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

##### *Dividends*

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

#### 3.17 Cost of long-term lease of land and infrastructure

Cost of long-term lease of land and infrastructure includes all direct costs that are attributable to the development of land and infrastructure and other overhead costs allocated on a reasonable basis to such activities including:

- ▶ All costs incurred for land and land development activities;
- ▶ All costs incurred for construction and construction related activities;
- ▶ Mandatory and non-saleable costs associated to development activities that would be incurred on existing and future land and infrastructure of the projects such as common infrastructure, mandatory land reserve for public facilities.

#### 3.18. Taxation

##### *Current income tax*

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

Current income tax is charged or credited to the separate 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 Company to set off current tax assets against current tax liabilities and when the Company 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 separate balance sheet date between the tax base of assets and liabilities and their carrying amount for the separate 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

#### 3.18 *Taxation (continued)*

##### *Deferred taxation (continued)*

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;
- ▶ 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 the end of accounting period and reduced to the extent that 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 separate 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 deferred tax liabilities are measured at the tax rates that are expected to apply in the three-month financial period when assets are recovered and liabilities is settled based on tax rate and tax laws that have been enacted at the separate balance sheet date.

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

Deferred tax assets and deferred tax liabilities are offset when there is legally enforceable right for the Company 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 Company 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 period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### 3.19 *Segment information*

A segment is a component which can be separately identified in which the Company takes part in providing the sale of relevant goods and services (segment divided by business operation activities), or providing the sale of products or services within a particular economic environment (segment divided by geographic regions), each of which is subject to risks and returns that are different from those of other segments.

Real estate trading activities in Vietnam territory is the major activity to generate the revenue and profit for the Company, while other business activities account for small portion of the Company's total revenue. Thus, the Board of Director assumes the Company operates in only one business segment which is real estate and one geographic region which is Vietnam.

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

#### 4. CASH

	<i>Currency: VND</i>	
	<i>June 30, 2023</i>	<i>December 31, 2022</i>
Cash	8,220,931,229	7,820,910,054
Cash at bank	240,238,645,972	738,172,134,530
Cash equivalents (*)	<u>9,562,217,079</u>	<u>5,549,631,902</u>
<b>TOTAL</b>	<b><u>258,021,794,280</u></b>	<b><u>751,542,676,486</u></b>

(\*) Cash equivalents at June 30, 2023 include deposits in VND with term from 1 to 3 month and earn interest rate from 3.8% to 4.35% per annum.

#### 5. SHORT-TERM INVESTMENTS

##### 5.1 Held-for-trading securities

	<i>Currency: VND</i>					
	<i>June 30, 2023</i>			<i>December 31, 2022</i>		
	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>
Held-for-trading securities(*)	7,490,461,369	1,726,338,810	(5,764,122,559)	7,490,461,369	1,264,316,850	(6,226,144,519)
Hoa Sen Hotel Development Company Limited	<u>1,854,868,000,000</u>	<u>1,854,868,000,000</u>	<u>-</u>	<u>1,854,868,000,000</u>	<u>1,854,868,000,000</u>	<u>-</u>
<b>TOTAL</b>	<b><u>1,862,358,461,369</u></b>	<b><u>1,856,594,338,810</u></b>	<b><u>(5,764,122,559)</u></b>	<b><u>1,862,358,461,369</u></b>	<b><u>1,856,132,316,850</u></b>	<b><u>(6,226,144,519)</u></b>

(\*) At June 30, 2023, the Company holds 312,177 shares of Tan Tao Investment and Industry Corporation.

##### 5.2 Held-to-maturity investments

Held-to-maturity investments at June 30, 2023 are deposits with terms from 4 to 12 months and earn interest at 4.7% to 8% per annum.

#### 6. RECEIVABLES AND ADVANCES TO SUPPLIES

##### 6.1 Receivables from customers

	<i>Currency: VND</i>	
	<i>June 30, 2023</i>	<i>December 31, 2022</i>
Short-term receivables from customers	<u>65,373,916,614</u>	<u>157,184,537,150</u>
<b>TOTAL</b>	<b><u>65,373,916,614</u></b>	<b><u>157,184,537,150</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 6. RECEIVABLES AND ADVANCES TO SUPPLIES (continued)

### 6.2 Advances to suppliers

	Currency: VND	
	June 30, 2023	December 31, 2022
<b>Short -term</b>		
Kinh Bac Service Joint Stock Company	293,238,813,689	223,238,813,689
Kinh Bac Investment and Consulting JSC	699,918,477,082	858,675,633,882
Other advances to suppliers	13,030,398,899	11,726,139,193
<b>TOTAL</b>	<b><u>1,006,187,689,670</u></b>	<b><u>1,093,640,586,764</u></b>

### 6.3 Provision for doubtful short-term receivables

Details for provision for doubtful short-term receivables as follows:

	Currency: VND	
	Current period	Previous period
Beginning balance:	7,333,980,650	7,333,980,650
Refund in the period:	-	-
Ending balance:	<b><u>7,333,980,650</u></b>	<b><u>7,333,980,650</u></b>
<i>In which:</i>		
Provision for doubtful receivables from customers	6,833,980,650	6,833,980,650
Provision for doubtful loan receivables	500,000,000	500,000,000

## 7. LOAN RECEIVABLES

	Currency: VND	
	June 30, 2023	December 31, 2022
Short-term		
Receivables from related parties (Note 27)	-	278,000,000,000
Receivables from other companies	89,596,568,334	89,596,568,334
<b>TOTAL</b>	<b><u>89,596,568,334</u></b>	<b><u>367,596,568,334</u></b>
Long-term		
Receivables from related parties (Note 27)	127,878,000,000	364,000,000,000
Receivables from other companies	300,000,000	73,300,000,000
<b>TOTAL</b>	<b><u>128,178,000,000</u></b>	<b><u>437,300,000,000</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENT (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**8. OTHER RECEIVABLES**

Currency: VND

	June 30, 2023		December 31, 2022	
	Cost	Provision	Cost	Provision
<b>Short-term</b>				
Advance to PVcomBank	242,049,763,870	-	242,049,763,870	-
Receivables from People's Committee of Bac Ninh	19,440,000,000	-	19,440,000,000	-
Deposit receivables	13,051,128,404	-	12,851,128,404	-
Advances to employees	38,650,344,665	-	31,435,457,265	-
Receivables from related parties (Note 27)	4,051,541,820	-	1,230,051,404,834	-
Receivables from Van Duong Commune People's Committee	3,327,780,000	-	3,327,780,000	-
Other receivables	58,099,426,505	-	35,576,402,254	-
<b>TOTAL</b>	<b>378,669,985,264</b>	<b>-</b>	<b>1,574,731,936,627</b>	<b>-</b>
<b>Long-term</b>				
Receivables from related parties (Note 27)	596,492,836,120	-	1,182,564,109,589	-
Lang Ha Investment Joint Stock Company	177,369,563,168	-	175,151,127,545	-
Other receivables	805,108,213	-	7,251,271,501	-
<b>TOTAL</b>	<b>774,667,507,501</b>	<b>-</b>	<b>1,364,966,508,635</b>	<b>-</b>

**9. INVENTORIES**

Currency: VND

	June 30, 2023		December 31, 2022	
	Cost	Provision	Cost	Provision
Phuc Ninh Urban Area	1,113,258,780,642	-	1,107,252,456,826	-
Nam Son – Hap Linh Industrial Park	609,211,714,382	-	1,001,910,372,476	-
Other projects	16,195,352,459	-	13,786,646,807	-
<b>TOTAL</b>	<b>1,738,665,847,483</b>	<b>-</b>	<b>2,122,949,476,109</b>	<b>-</b>

During the period, the Company capitalized loan interest with amount of about VND 5,5 billion (for the first 6-month period of 2022: VND 14,8 billion). These interest expenses are related to the loans used for the development of industrial parks and other real estate projects of the Company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**10. TANGIBLE FIXED ASSETS**

Currency: VND

	<i>Buildings and structures (including cost of land development and infrastructure)</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
<b>Cost:</b>						
At the beginning of the period	243,217,020,707	9,091,787,612	49,606,952,902	29,222,559,810	788,381,818	331,926,702,849
Investment construction completed	7,801,633,729	-	-	-	-	7,801,633,729
New purchase	-	-	20,347,222,662	154,190,000	-	20,501,412,662
At the end of the period	<u>251,018,654,436</u>	<u>9,091,787,612</u>	<u>69,954,175,564</u>	<u>29,376,749,810</u>	<u>788,381,818</u>	<u>360,229,749,240</u>
<i>In which</i>						
<i>Fully depreciated</i>	<i>74,045,191,170</i>	<i>4,538,152,308</i>	<i>14,198,549,167</i>	<i>6,452,242,101</i>	<i>788,381,818</i>	<i>100,022,516,564</i>
<b>Accumulated depreciation:</b>						
At the beginning of the period	142,396,754,713	5,797,475,761	31,116,488,394	14,417,625,598	788,381,818	194,516,726,284
Depreciation for the period	6,878,256,114	273,369,708	2,732,105,541	1,423,144,860	-	11,306,876,223
At the end of the period	<u>149,275,010,827</u>	<u>6,070,845,469</u>	<u>33,848,593,935</u>	<u>15,840,770,458</u>	<u>788,381,818</u>	<u>205,823,602,507</u>
<b>Net carrying amount</b>						
At the beginning of the period	<u>100,820,265,994</u>	<u>3,294,311,851</u>	<u>18,490,464,508</u>	<u>14,804,934,212</u>	<u>-</u>	<u>137,409,976,565</u>
At the end of the period	<u>101,743,643,609</u>	<u>3,020,942,143</u>	<u>36,105,581,629</u>	<u>13,535,979,352</u>	<u>-</u>	<u>154,406,146,733</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**11. INVESTMENT PROPERTIES**

Currency: VND

*Factories (including cost for land investment and infrastructure)***Cost:**

At the beginning of the period	172,985,045,000
Increase in the period	-
Decrease in the period	-
At the end of the period	<u>172,985,045,000</u>

**Accumulated depreciation**

At the beginning of the period	50,796,286,137
Depreciation for the period	8,150,822,509
Decrease in the period	-
At the end of the period	<u>58,947,108,646</u>

**Net carrying amount**

At the beginning of the period	<u>122,188,758,863</u>
At the end of the period	<u>114,037,936,354</u>

Investment properties include 6 factories at Que Vo Industrial Park that have been used for operating leases.

At June 30, 2023, the Company has not been able to determined the fair value of these investment properties as there is no available active market for these assets.

**12. CONSTRUCTION IN PROGRESS**

Currency: VND

	<i>June 30, 2023</i>	<i>December 31, 2022</i>
Nam Son- Hap Linh Industrial Park	118,072,932,293	110,470,318,853
Expanded Que Vo Industrial Park	27,761,295,851	27,761,295,851
Other projects	7,798,571,261	8,194,074,447
<b>TOTAL</b>	<b><u>153,632,799,405</u></b>	<b><u>146,425,689,151</u></b>

**13. LONG-TERM INVESTMENTS**

Currency: VND

	<i>Note</i>	<i>June 30, 2023</i>	<i>December 31, 2022</i>
Investments in subsidiaries	13.1	11,255,118,294,000	10,787,118,294,000
Investments in associates	13.2	805,666,491,074	805,666,491,074
Other long-term investments	13.3	399,500,200,000	399,500,200,000
Provision for long-term investments		<u>(202,364,657,859)</u>	<u>(132,418,196,659)</u>
<b>TOTAL</b>		<b><u>12,257,920,327,215</u></b>	<b><u>11,859,866,788,415</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

### 13. LONG TERM INVESTMENTS (continued)

#### 13.1 Investment in subsidiaries

	June 30, 2023			December 31, 2022		
	Voting right(%)	No. of shares	Net book value (VND)	Voting right(%)	No. of shares	Net book value (VND)
Trang Cat Urban Development One Member Company Limited	100%	-	6,630,000,000,000	100%	-	6,630,000,000,000
Hung Yen Investment and Development Corporation Kinh Bac - Da Nang	93.65%	153,000,000	1,530,000,000,000	93.65%	153,000,000	1,530,000,000,000
Investment One Member Company Limited (**)	-	-	-	100%	-	720,000,000,000
Saigon – Tay Bac City Development JSC	74.3%	45,389,361	662,066,314,000	74.3%	45,389,361	662,066,314,000
Long An Development Invest Joint Stock Company (*)	60%	54,000,000	540,000,000,000	60%	54,000,000	540,000,000,000
Saigon - Hai Phong Industrial Park JSC	89.26%	15,480,000	1,656,000,000,000	86.54%	3,600,000	468,000,000,000
Saigon – Bac Giang Industrial Park JSC	92.5%	1,309,000	119,000,000,000	92.5%	1,309,000	119,000,000,000
NGD Investment One Member Company Limited	100%	-	105,200,000,000	100%	-	105,200,000,000
Kinh Bac Office and Factory Business One Member Company Limited	100%	-	5,440,000,000	100%	-	5,440,000,000
Tien Duong Development Holding Joint Stock Company	51%	25,500,000	7,411,980,000	51%	25,500,000	7,411,980,000
Vung Tau Investment Group Joint Stock Company	74.52%	74,520,000	-	74.52%	74,520,000	-
Tan Phu Trung – Long An Industrial Park One Member Company Limited(*)	-	-	-	-	-	-
Bac Giang - Long An Industrial Park One Member Company Limited (*)	-	-	-	-	-	-
Tan Tap Industrial Infrastructure Development Limited Company (*)	-	-	-	-	-	-
Bao Lac Spirituality Park Joint Stock Company (*)	-	-	-	-	-	-
Quang Yen Electronics Company Limited (*)	-	-	-	-	-	-
Quang Yen Manufacturing Industry Company Limited (*)	-	-	-	-	-	-
<b>TOTAL</b>			<b>11,255,118,294,000</b>			<b>10,787,118,294,000</b>
Provision for devaluation			-			-
<b>NET VALUE</b>			<b>11,255,118,294,000</b>			<b>10,787,118,294,000</b>

(\*) These companies are formed indirectly through direct ownership of the Company and indirect ownership of the Company's subsidiaries.

(\*\*) On March 29, 2023, the Company transferred all of its capital contribution in Kinh Bac - Da Nang Investment One Member Company Limited.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

### 13. LONG-TERM INVESTMENTS (continued)

#### 13.2 Investments in associates

	Notes	Ownership interest	June 30, 2023		December 31, 2022	
			No. of shares	Net book value (VND)	Notes	Net book value (VND)
Saigon - Da Nang Investment Joint Stock Company	(i)	48%	9,600,000	96,000,000,000	9,600,000	96,000,000,000
Saigon - Nhon Hoi Industrial Park Joint Stock Company	(ii)	35.35%	12,000,000	120,000,000,000	12,000,000	120,000,000,000
Saigon Telecommunication & Technologies JSC	(iii)	21.48%	31,793,846	582,461,891,074	31,793,846	582,461,891,074
Scanviwood JSC	(iv)	34%	1,077,528	7,204,600,000	1,077,528	7,204,600,000
<b>TOTAL</b>				<b>805,666,491,074</b>		<b>805,666,491,074</b>
Provision for diminution in value				(176,346,493,074)		(106,400,031,874)
<b>NET VALUE</b>				<b>629,319,998,000</b>		<b>699,266,459,200</b>

(i) *Saigon - Da Nang Investment Joint Stock Company*

Saigon - Da Nang Investment Joint Stock Company was established in pursuant to the Business Registration Certificate No. 3203000719 by the Department of Planning and Investment of Da Nang City on August 3, 2005 and the Business Registration Certification No. 0400503777 with the 10th Amendment dated June 16, 2022 as the latest with a registered capital of VND 200 billion. Its principal activities include: Investment and construction of industrial parks, industrial clusters, urban and residential areas, tourist areas and amusement parks; Investment and construction of information technology infrastructure.

The company's registered office is located at 61A Nguyen Van Cu, Hoa Hiep Bac Ward, Lien Chieu District, Da Nang City, Vietnam.

(ii) *Saigon - Nhon Hoi Industrial Park Joint Stock Company*

Saigon - Nhon Hoi Industrial Park Joint Stock Company was established in pursuant to the Business Registration Certificate No. 3503000070 by the Department of Planning and Investment of Binh Dinh City on October 24, 2005 and the Business Registration with the 11th amendment dated December 13, 2021 as the latest with a registered capital of VND 1,200 billion. Its principal activities include: Investment and construction of industrial parks, urban areas, tourist areas, amusement parks, shopping malls and offices.

The company's registered office is located at Lot A2-01, Road N3, Nhon Hoi Industrial Park - Zone A, Nhon Hoi Commune, Quy Nhon City, Binh Dinh Province, Vietnam.

This company is the associate that is formed indirectly through direct ownership of the Company and the indirect ownership of its subsidiary

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

### 13. LONG-TERM INVESTMENTS (continued)

#### 13.2 Investments in associates (continued)

##### (iii) Saigon Telecommunication & Technologies JSC

Saigon Telecommunication & Technologies JSC was established in pursuant to the Business Registration Certificate No. 4103000992 issued by the Department of Planning and Investment of Ho Chi Minh city on 14 May 2002 and the amended subsequent licenses, with the latest is the 16th dated December 20, 2022 with the charter capital of VND 1,480 billion. Its principal activities include trading of computers, electronic equipment, devices, post and telecommunication equipment; trading and installation of transmission equipment, cables, security equipment for communication; information technology consultation; design and installation of computer system; construction of industrial parks, residential areas, traffics, bridges, roads and irrigation.

The company's registered office is located at Lot 46, Quang Trung Software Park, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City, Vietnam.

##### (iv) Scanviwood Joint Stock Company

Scanviwood Joint Stock Company was established in pursuant to the Business Registration Certificate No. 411031000006 by the Department of Planning and Investment of Ho Chi Minh City on June 10, 2015 with a registered capital of VND 31.69 billion. Its principal activities include manufacturing of household products for export.

Its registered office is located at 565 An Duong Vuong Street, An Lac Ward, Binh Thanh District, Ho Chi Minh City, Vietnam.

#### 13.3 Other long-term investments

Currency: VND

	June 30, 2023			December 31, 2022		
	% of voting right	Number of shares	Cost	% of voting right	Number of shares	Cost
Saigon - Quy Nhon Mineral JSC	5.75	6,900,000	339,000,000,000	5.75	6,900,000	339,000,000,000
VTC-Saigontel Media JSC	19.19	3,070,020	30,700,200,000	19.19	3,070,020	30,700,200,000
Saigon - Binh Phuoc Industrial Park JSC	10.56	190,000	19,000,000,000	10.56	190,000	19,000,000,000
Saigon - Ham Tan Tourism JSC	1.63	70,000	7,000,000,000	1.63	70,000	7,000,000,000
Saigon - Binh Thuan Power Plant Investment and Development JSC	0.35	350,000	3,500,000,000	0.35	350,000	3,500,000,000
Saigon - Long An Industrial Park JSC	0.15	30,000	300,000,000	0.15	30,000	300,000,000
<b>TOTAL</b>			<b>399,500,200,000</b>			<b>399,500,200,000</b>
Provision for devaluation			(26,018,164,785)			(26,018,164,785)
<b>NET VALUE</b>			<b>373,482,035,215</b>			<b>373,482,035,215</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**14. SHORT-TERM TRADE PAYABLES**

Currency: VND

	<u>June 30, 2023</u>		<u>December 31, 2022</u>	
	Value	Payable amount	Value	Payable amount
Payables to suppliers				
- Truong Phat Investment JSC	36,628,313,594	36,628,313,594	50,845,629,310	50,845,629,310
- Hai Phat Real Estate JSC	13,019,970,115	13,019,970,115	13,019,970,115	13,019,970,115
- Investment and Construction JSC No. 18	10,546,734,213	10,546,734,213	8,868,732,222	8,868,732,222
- Van Loi Phat Investment JSC	5,241,942,542	5,241,942,542	17,434,739,907	17,434,739,907
- Huu Anh Trading and Construction Limited Company	6,381,912,052	6,381,912,052	13,064,216,727	13,064,216,727
- Phuc Hung holding Construction Jsc	4,246,101,400	4,246,101,400	4,246,101,400	4,246,101,400
- Other payables	46,689,407,048	46,689,407,048	42,153,890,425	42,153,890,425
<b>TOTAL</b>	<b>122,754,380,964</b>	<b>122,754,380,964</b>	<b>149,633,280,106</b>	<b>149,633,280,106</b>

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

Currency: VND

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Short-term advances from customers	5,816,575,648	318,157,610,323
<b>TOTAL</b>	<b>5,816,575,648</b>	<b>318,157,610,323</b>

**16. STATUTORY OBLIGATIONS**

Currency: VND

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<b>Payable</b>		
Corporate income tax	192,247,196,719	-
Personal income tax	562,286,715	408,054,913
Other taxes	318,404,334	345,985,894
<b>TOTAL</b>	<b>193,127,887,768</b>	<b>754,040,807</b>
<b>Receivable</b>		
Value added tax	79,107,108,452	91,670,798,662
Corporate income tax	-	2,193,726,261
<b>TOTAL</b>	<b>79,107,108,452</b>	<b>93,864,524,923</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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**17. ACCRUED EXPENSES**

	<i>Currency: VND</i>	
	<i>June 30, 2023</i>	<i>December 31, 2022</i>
<b>Short-term</b>		
Accrued infrastructure development costs for revenue recognised	529,315,037,452	197,705,198,470
Accrued land rental	42,729,537,309	40,889,509,387
Interest expenses payable	3,153,825,127	47,068,228,971
Costs for external services	4,823,163,192	1,519,554,059
Expenses for related parties (Note 27)	93,145,706,274	53,845,255,054
<b>TOTAL</b>	<b><u>673,167,269,354</u></b>	<b><u>341,027,745,941</u></b>
<b>Long-term</b>		
Loan interest payables (*)	969,622,217,067	931,212,601,166
Expenses for related parties (Note 27)	81,278,515,816	129,648,195,425
	<b><u>1,050,900,732,883</u></b>	<b><u>1,060,860,796,591</u></b>

(\*) This is mainly bond interest payable for Vietnam Public Joint Stock Commercial Bank ("PVcomBank").

**18. OTHER PAYABLES**

	<i>Currency: VND</i>	
	<i>June 30, 2023</i>	<i>December 31, 2022</i>
<b>Short term</b>		
Payable related to the transfer of capital contribution	1,804,868,000,000	1,804,868,000,000
Deposits under the agreements for the sale of real estate properties	668,960,518,170	724,029,456,859
Dividend payables	1,565,772,950	1,565,772,950
Other payables	8,029,045,477	7,082,115,477
Other payables to related parties	858,000,000	858,000,000
<b>TOTAL</b>	<b><u>2,484,281,336,597</u></b>	<b><u>2,538,403,345,286</u></b>
<b>Long term</b>		
Deposits	6,422,776,559	6,422,776,559
<b>TOTAL</b>	<b><u>6,422,776,559</u></b>	<b><u>6,422,776,559</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**19. LOANS**

	<i>Currency: VND</i>	
	<i>June 30, 2023</i>	<i>December 31, 2022</i>
<b>Short-term</b>		
Current portion of long-term loans from bank	25,000,000,000	10,000,000,000
Current portion of long-term bonds	-	2,882,697,866,159
Loans from related parties ( <i>Note 27</i> )	320,000,000,000	1,242,879,940,526
Loans from other parties	50,000,000,000	50,000,000,000
<b>TOTAL</b>	<b><u>395,000,000,000</u></b>	<b><u>4,185,577,806,685</u></b>
<b>Long-term</b>		
Long-term loans from related parties ( <i>Note 27</i> )	2,005,463,636,364	1,459,000,000,000
Long-term loans from bank	76,887,161,592	180,639,280,820
Bonds	-	974,669,592,664
<b>TOTAL</b>	<b><u>2,082,350,797,956</u></b>	<b><u>2,614,308,873,484</u></b>

Details of long term loans from banks as follows:

<i>Currency: VND</i>				
<i>Banks</i>	<i>Interest rate</i>	<i>Principle and interest payment term</i>	<i>June 30, 2023</i>	<i>Collateral</i>
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo branch	14% per annum	The loan principal is paid every 6 months , interest is paid every 3 months on the 25th.	70,046,345,736	All assets attached to land, movable estates formed (including but not limited to machinery, equipment, tools,...), compensation, clearance costs, leveling and other paid expenses; all rights and interests attached to or arising from the project (including but not limited to the right to enjoy the insurance, the right to collect debts, the rights and benefits...of the Mortgagor) in phase 2 of the project on construction and business development of technical infrastructure of Nam Son Hap Linh industrial park in Bac Ninh province of the Mortgagor.
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo branch	11.3% per annum	The loan principal is paid every 6 months, interest is paid every 3 months on the 25th.	31,840,815,856	All equipments, tools, moveable estates, means of transportation and other equipment formed in the future to serve to project on Clean water treatment Factory with the capacity of 19.000m3 at Nam Son Hap Linh, Bac Ninh Province; and all profits and receivables from the business, exploitation of the land use rights,... attached to land or the business, exploitation, management fees, development of the Clean water treatment Factory project.
<b>TOTAL</b>			<b><u>101,887,161,592</u></b>	
In which:				
- Current portion of long-term loans			25,000,000,000	
- Long-term loan			76,887,161,592	

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 20. OWNER'S EQUITY

### 20.1 Increase and decrease in owner's equity

Currency: VND

	Contributed charter capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
<b>Previous period</b>						
At the beginning of the period	5,757,111,670,000	3,396,813,430,000	(364,466,650,000)	2,223,693,823	1,733,711,082,422	10,525,393,226,245
- Treasury shares issued	-	(29,748,080,000)	364,466,650,000	-	-	334,718,570,000
- Increase in capital	1,918,935,920,000	(624,066,780,000)	-	-	(1,294,869,140,000)	-
- Net loss in the period	-	-	-	-	(292,229,464,308)	(292,229,464,308)
At the end of the period	<u>7,676,047,590,000</u>	<u>2,742,998,570,000</u>	<u>-</u>	<u>2,223,693,823</u>	<u>146,612,478,114</u>	<u>10,567,882,331,937</u>
<b>Current period</b>						
At the beginning of the period	7,676,047,590,000	2,742,998,570,000	-	2,223,693,823	1,049,588,371,879	11,470,858,225,702
- Net profit in the period	-	-	-	-	1,167,858,804,629	1,167,858,804,629
At the end of the period	<u>7,676,047,590,000</u>	<u>2,742,998,570,000</u>	<u>-</u>	<u>2,223,693,823</u>	<u>2,217,447,176,508</u>	<u>12,638,717,030,331</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 20. OWNER'S EQUITY (continued)

### 20.2 Contributed charter capital

Currency: VND

	June 30, 2023			December 31, 2022		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Contribution by shareholders	7,676,047,590,000	7,676,047,590,000	-	7,676,047,590,000	7,676,047,590,000	-
Share premium	2,742,998,570,000	2,742,998,570,000	-	2,742,998,570,000	2,742,998,570,000	-
Treasury shares	-	-	-	-	-	-
<b>TOTAL</b>	<b>10,419,046,160,000</b>	<b>10,419,046,160,000</b>	<b>-</b>	<b>10,419,046,160,000</b>	<b>10,419,046,160,000</b>	<b>-</b>

### 20.3 Capital transactions with owners and distribution of dividends, profits

Currency: VND

	Current period	Previous period
<b>Contributed capital</b>		
Beginning balance	7,676,047,590,000	5,757,111,670,000
Increase in the the period	-	1,918,935,920,000
Decrease in the period	-	-
Ending balance	<u>7,676,047,590,000</u>	<u>7,676,047,590,000</u>

### 20.4 Shares

	June 30, 2023		December 31, 2022	
	Number of shares	Value in VND	Number of shares	Value in VND
<b>Registered shares</b>	<b>767,604,759</b>	<b>7,676,047,590,000</b>	<b>767,604,759</b>	<b>7,676,047,590,000</b>
<b>Shares sold to the public</b>	<b>767,604,759</b>	<b>7,676,047,590,000</b>	<b>767,604,759</b>	<b>7,676,047,590,000</b>
Ordinary shares	767,604,759	7,676,047,590,000	767,604,759	7,676,047,590,000
Preference shares	-	-	-	-
<b>Treasury shares</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ordinary shares	-	-	-	-
Preference shares	-	-	-	-
<b>Shares in circulation</b>	<b>767,604,759</b>	<b>7,676,047,590,000</b>	<b>767,604,759</b>	<b>7,676,047,590,000</b>
Ordinary shares	767,604,759	7,676,047,590,000	767,604,759	7,676,047,590,000
Preference shares	-	-	-	-

Par value of outstanding share: VND 10,000 per share (2022: VND 10,000 per share).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 21. REVENUE

### 21.1 Revenue from sale of goods and rendering of services

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
<b>Gross revenue</b>	<b>2,567,671,120,961</b>	<b>75,128,124,389</b>
Revenue from long-term leases of land	2,503,889,896,404	4,935,287,760
Revenue from real estate transfer	-	4,875,093,336
Revenue from operating leases of warehouses, factories and offices	12,470,629,874	13,213,186,302
Revenue from supply of clean water, electricity, management services, waste water treatment supply	51,030,291,651	51,824,253,959
Other revenues	280,303,032	280,303,032
<b>Deductions</b>		
Sales return	-	-
<b>Net revenue</b>	<b><u>2,567,671,120,961</u></b>	<b><u>75,128,124,389</u></b>
<i>In which:</i>		
- Revenue from others	2,567,390,817,929	74,847,821,357
- Revenue from related parties	280,303,032	280,303,032

### 21.2 Finance income

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
Profit from share transfer	89,000,000,000	-
Interest income from deposits, lending and business cooperation	154,326,761,088	89,329,033,722
Others	-	2,792,790,000
<b>TOTAL</b>	<b><u>243,326,761,088</u></b>	<b><u>92,121,823,722</u></b>

## 22. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
Cost of long-term leases of land	773,393,023,984	2,920,383,313
Cost of real estates transferred	-	2,286,411,570
Cost of warehouses, factories and offices for rent	8,150,822,509	8,150,822,509
Cost of service provided	34,017,476,192	37,240,020,443
<b>TOTAL</b>	<b><u>815,561,322,685</u></b>	<b><u>50,597,637,835</u></b>

## 23. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
Interest expenses	251,275,738,644	290,762,196,189
Bond issuance costs	42,632,541,177	30,053,383,834
Provision for diminution in value of investments	69,484,439,240	12,972,890,764
Other expenses	743,482,537	1,411,577,405
<b>TOTAL</b>	<b><u>364,136,201,598</u></b>	<b><u>335,200,048,192</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**24. OTHER INCOME AND EXPENSES**

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
<b>Other income</b>	<b>46,008</b>	<b>336,391,795</b>
Other	46,008	336,391,795
<b>Other expenses</b>	<b>3,500,002,979</b>	<b>19,536,629</b>
Other	3,500,002,979	19,536,629
<b>TOTAL</b>	<b><u>(3,499,956,971)</u></b>	<b><u>316,855,166</u></b>

**25. GENERAL AND ADMINISTRATIVE EXPENSES AND SELLING EXPENSES**

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
<b>General and administrative expenses in the period</b>		
Funding costs	16,059,071,775	7,250,000,000
Labour costs	53,374,317,770	35,918,660,837
Depreciation	5,479,210,433	4,437,075,430
External service costs	22,389,468,070	21,115,134,764
Others	2,724,746,806	1,442,006,687
<b>TOTAL</b>	<b><u>100,026,814,854</u></b>	<b><u>70,162,877,718</u></b>
<b>Selling expenses in the period</b>		
Gift and selling consultation expenses	154,798,551,287	938,449,840
Labour costs	5,869,453,000	2,897,254,000
Others	4,421,974,545	-
<b>TOTAL</b>	<b><u>165,089,978,832</u></b>	<b><u>3,835,703,840</u></b>

**26. CORPORATE INCOME TAX**

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

The tax returns filed by company 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 separate financial statements could change at a later date upon final determination by the tax authorities.

**26.1 CIT expenses**

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
Current CIT expense	195,240,922,980	416,120,500
Deferred CIT income	(416,120,500)	(416,120,500)
<b>TOTAL</b>	<b><u>194,824,802,480</u></b>	<b><u>-</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 26. CORPORATE INCOME TAX (continued)

### 26.2 Current CIT

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

The reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	<i>Currency: VND</i>	
	<i>Current period</i>	<i>Previous period</i>
Accounting profit/(loss) before tax	1,362,683,607,109	(292,229,464,308)
CIT expenses at the applicable rate of 20%	272,536,721,422	(58,445,892,862)
<i>Adjustment for:</i>		
Non-deductible expenses	4,534,958,586	1,349,893,469
Taxable income from land leases of previous years	416,120,500	416,120,500
Losses from other activities which are not allowed to be offset against profits from real estate business activities	183,234,030	-
Assets recovered from unrecognized tax losses	-	7,858,475,298
Loss transferred from previous year	(24,289,142,967)	-
Interest expenses of previous years in excess of 30% according to Decree 68/2020/ND-CP deductible in current year	(58,557,089,091)	48,821,403,595
<b>CIT expenses</b>	<b>194,824,802,480</b>	<b>-</b>

### 26.3 Deferred CIT

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

	<i>Currency: VND</i>			
	<i>Separate balance sheet</i>		<i>Separate income statement</i>	
	<i>June 30, 2023</i>	<i>December 31, 2022</i>	<i>Current period</i>	<i>Previous period</i>
<b>Deferred CIT liabilities</b>				
Deferred tax liabilities arising from allocation of CIT over the time for the Expanded Que Vo Industrial Park	33,553,145,820	33,969,266,320	(416,120,500)	(416,120,500)
	<b>33,553,145,820</b>	<b>33,969,266,320</b>		
<b>Net deferred income tax credit to the separate income statement</b>			<b>(416,120,500)</b>	<b>(416,120,500)</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

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

**26.4 Unrecognized deferred tax assets**

***Tax losses carried forward***

The Company is entitled to carry the tax loss forward to offset with the taxable income arising within 5 years subsequent to the year in which the loss was incurred. As at June 30, 2023, the Company has accumulated losses with amount of VND 320.187.565.512 (December 31, 2022: VND 444,540,337,397) available to offset against future taxable income.

The Company has not recognized deferred tax assets for the aforesaid accumulated losses because future taxable income cannot be ascertained at this stage.

**27. TRANSACTIONS WITH RELATED PARTIES**

List of related parties that had transactions and/or had receivables/payables during the period with the Company is as follows:

<i>No.</i>	<i>Related party</i>	<i>Relationship</i>
1	Saigon – Bac Giang Industrial Park Corporation	Subsidiary
2	Saigon – Hai Phong Industrial Park Corporation	Subsidiary
3	Trang Cat Urban Development One Member Co., Ltd	Subsidiary
4	Long An Development Invest Joint Stock Company	Subsidiary
5	NGD Investment One Member Company Limited	Subsidiary
6	Hung Yen Investment and Development Corporation	Subsidiary
7	Tan Tap Industrial Infrastructure Development Limited Company	Subsidiary
8	Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company	Same key management member
9	Ms. Nguyen Thi Thu Huong	General Director
10	Mr. Phan Anh Dung	Deputy General Director
11	Ms. Nguyen My Ngoc	Deputy General Director

***Terms and conditions for the transactions with related parties***

The Company purchases and sells goods to related parties based on agreement of contracts.

The balance of receivables, payables and loans at June 30, 2023 is unsecured and will be paid by cash. For the 3-month financial and 6-month financial period ended at June 30, 2023, the Company has not made any provisions for bad debts related to amount owed to the Company by related parties. This assessment is made for each year through an examination of the financial position of the related party and the markets in which the related party operates.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 27. TRANSACTIONS WITH RELATED PARTIES (continued)

The significant transactions between the Company and its related parties during the current period and the previous period were as follows:

Currency: VND

Related party	Description	Current period	Previous period
Saigon – Haiphong Industrial Park Corporation	Increase in capital	1,188,000,000,000	-
	Dividends received	1,188,000,000,000	-
	Collection of lending principal	642,000,000,000	-
	Collection of lending interest	132,166,027,398	-
	Collection of investment cooperation principal	409,772,602,739	-
	Collection of investment cooperation income	204,061,369,863	-
	Loan principal payment	73,216,304,162	-
	Income from investment cooperation	78,812,154,476	42,669,589,041
	Interest income	37,197,671,233	45,217,598,519
	Loan interest payment	37,414,553,416	-
	Revenue from renting vehicles	280,303,032	280,303,032
	Investment cooperation capital contribution	-	775,000,000,000
	Offset between loan principal and lending principal	-	139,406,000,000
	Offset of loan interest	-	5,749,958,435
	Loan interest expense	-	16,731,321,852
Saigon – Bac Giang Industrial Park Corporation	Loan interest expense	48,425,626,403	40,134,851,059
	Collection of borrowing	1,543,500,000,000	108,000,000,000
	Loan principal payment	1,562,700,000,000	-
	Loan interest payment	47,000,000,000	-
Trang Cat Urban Development One Member Co., Ltd	Loan payment	284,000,000,000	-
	Loan interest expense	2,760,197,261	-
	Loan interest payment	2,993,621,919	-
	Lending	187,878,000,000	-
	Collection of lending principal	60,000,000,000	-
	Interest income	5,919,037,808	-
	Loan interest occurring Lending	1,466,000,000	2,486,000,000
-	-	73,000,000,000	
Hung Yen Investement and Development Corporation	Loan interest expense	23,207,671,228	892,602,739
Tan Tap Industrial Infrastructure Development Limited Company	Loan interest expense	3,927,452,054	-
Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company	Loan interest expense	18,000,000	18,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 27. TRANSACTIONS WITH RELATED PARTIES (continued)

As at June 30, 2023, the balances of receivables and payables to related parties are as follows:

Currency: VND

Related party	Relationship	Description	June 30, 2023	December 31, 2022
<b>Short-term loan receivables (Note 7)</b>				
Saigon – Hai Phong Industrial Park Corporation	Subsidiary	Short-term lending	-	278,000,000,000
			-	<b>278,000,000,000</b>
<b>Long-term loan receivables (Note 7)</b>				
Saigon – Haiphong Industrial Park Corporation	Subsidiary	Short-term lending	-	364,000,000,000
Trang Cat Urban Development One Member Co., Ltd	Subsidiary	Long-term lending	127,878,000,000	-
			<b>127,878,000,000</b>	<b>364,000,000,000</b>
<b>Other short-term receivables (Note 8)</b>				
Saigon – Hai Phong Industrial Park Corporation	Subsidiary	Dividend Lending interest	-	1,188,000,000,000
			-	37,999,863,014
NGD Investment One Member Company Limited	Subsidiary	Other	316,000,000	316,000,000
Ms. Nguyen Thi Thu Huong	General Director	Advance	3,489,211,820	3,489,211,820
Ms. Nguyen My Ngoc	Deputy General Director	Advance	136,330,000	136,330,000
Mr. Phan Anh Dung	Deputy General Director	Advance	110,000,000	110,000,000
			<b>4,051,541,820</b>	<b>1,230,051,404,834</b>
<b>Other long-term receivables (Note 8)</b>				
Saigon – Hai Phong Industrial Park Corporation	Subsidiary	Investment cooperation	590,227,397,261	1,000,000,000,000
		Income from cooperation contracts	346,401,051	125,595,616,438
		Lending interest	-	56,968,493,151
Trang Cat Urban Development One Member	Subsidiary	Lending interest	5,919,037,808	-
			<b>596,492,836,120</b>	<b>1,182,564,109,589</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 27. TRANSACTIONS WITH RELATED PARTIES (continued)

At June 30, 2023, the balances of receivables and payables to related parties are as follows (continued):

Currency: VND

Related party	Relationship	Description	June 30, 2023	December 31, 2022
<b>Short-term accrued expenses (Note 17)</b>				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Loan interest	81,020,292,312	9,143,342,465
Hung Yen Investment and Development Corporation	Subsidiary	Loan interest	6,946,027,390	6,053,424,655
Saigon-Haiphong Industrial Park Corporation	Subsidiary	Loan interest	-	37,414,553,416
Tan Tap Industrial Infrastructure Development Limited Company	Subsidiary	Loan interest	4,643,506,849	716,054,795
Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company	Same key management member	Loan interest	535,879,723	517,879,723
			<b>93,145,706,274</b>	<b>53,845,255,054</b>
<b>Long-term accrued expenses (Note 17)</b>				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Loan interest	56,672,762,391	127,124,085,835
Hung Yen Investment and Development Corporation	Subsidiary	Loan interest	22,684,931,507	369,863,014
Long An Development Invest Joint Stock Company	Subsidiary	Loan interest	1,920,821,918	1,920,821,918
Trang Cat Urban Development One Member Company Limited	Subsidiary	Loan interest	-	233,424,658
			<b>81,278,515,816</b>	<b>129,648,195,425</b>
<b>Other short-term payables (Note 18)</b>				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Other payables	858,000,000	858,000,000
			<b>858,000,000</b>	<b>858,000,000</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## 27. TRANSACTIONS WITH RELATED PARTIES (continued)

At June 30, 2023, the balances of receivables and payables to related parties are as follows:  
(continued)

Currency: VND

Related party	Relation	Description	June 30, 2023	December 31, 2022
<b>Short – term loan (Note 19)</b>				
Saigon - Bac Giang Industrial Park Corporation	Subsidiary	Current portion of long-term debt	-	849,663,636,364
Saigon – Hai Phong Industrial Park Corporation	Subsidiary	Short-term loan	-	73,216,304,162
Hung Yen Investment and Development Corporation	Subsidiary	Short-term loan	180,000,000,000	180,000,000,000
Tan Tap Industrial Infrastructure Development Limited Company	Subsidiary	Short-term loan	110,000,000,000	110,000,000,000
Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company	Same key management member	Short-term loan	30,000,000,000	30,000,000,000
			<b>320,000,000,000</b>	<b>1,242,879,940,526</b>
<b>Long-term loan (Note 19)</b>				
Saigon - Bac Giang Industrial Park Corporation	Subsidiary	Long-term loan	1,555,463,636,364	725,000,000,000
Hung Yen Investment and Development Corporation	Subsidiary	Long-term loan	450,000,000,000	450,000,000,000
Trang Cat Urban Development One Member Ltd Company	Subsidiary	Long-term loan	-	284,000,000,000
			<b>2,005,463,636,364</b>	<b>1,459,000,000,000</b>

## 28. COMMITMENTS AND CONTINGENCIES

### 28.1 Commitments and contingencies relating to real estate investment projects

Contingencies relating to the State:

From 2003 to 2014, the Company signed land lease contracts with the People's Committee of Bac Ninh Province for the handed over area in the existing Que Vo Industrial Park and the expanded Que Vo Industrial Park of 2,268,388.8 m<sup>2</sup> (until 2052) and 2,234,012.9 m<sup>2</sup> (until 2057) respectively. According to the Official Letter No. 323/BTC-QLCS dated January 12, 2015 by the Ministry of Finance, the investment project on construction and operation of

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**28. COMMITMENTS AND CONTINGENCIES** (continued)

**28.1 Commitments and contingencies relating to real estate investment projects** (continued)

*Contingencies relating to the State* (continued)

infrastructure of Que Vo Industrial Park is entitled to land rental exemption for 11 years from the date of project completion and put into operations.

As at the date of these separate financial statements, the Company is still in the process of finalizing with the State authorities to determine the amount of land compensation and site clearance expenses which could be eligible for offsetting with the land rental fees of the leased areas as mentioned above, as well as to clarify with the tenants at these industrial parks to finalize the payment obligations of annual land rental. While awaiting the outcome of these discussions, the Company has estimated the Company's land rental obligations and accrued to the costs of leased land areas. However, the final land rental obligations could be changed at a later date upon final decision of the State authorities.

**28.2 Commitments relating to real estate investment projects**

*Commitments relating to obligations to the State*

- (i) From June 10, 2015 to May 17, 2021, the Company signed a land lease contract with the People's Committee of Bac Ninh Province for 195 ha of land at Nam Son - Hap Linh Industrial Park (to May 26, 2060). As at the date of these separate financial statements, the Company has received a decision on land rental exemption for the first phase of the project with a land area of 1,076,455 m<sup>2</sup>, in which 378,153 m<sup>2</sup> is exempted for the whole period and 698,302 m<sup>2</sup> is exempted until the end of December 2028. As at the date of these separate financial statements, the Company is still in process to determine the land rental obligation with authorities for the remaining land areas of the Nam Son - Hap Linh Industrial Park.
- (ii) According to Decision No. 1526/QD-CT dated 17 December 2003 and Decision No. 971/QD-UBND dated 15 July 2009 by Bac Ninh Provincial People's Committee regarding the assignment of land to the Company for the development of Phuc Ninh New Urban Area Project, Bac Ninh Town, Bac Ninh Province, the Company has an obligation to pay land use fees and other charges for the residential land area, commercial and public areas in the Phuc Ninh Residential Area. Accordingly, the Company was handed over 49.53 ha of land in 2010, completed the land marking for 47.2 ha of land in 2013 with Bac Ninh Provincial People's Committee and paid the land use fees of VND 175,735,431,000 in accordance with the Decision No. 2229/QD-CT dated 23 December 2004 by Bac Ninh Provincial People's Committee on the land use fee (phase 1) and the notices of payment of land use fee by the Tax Department of Bac Ninh Province. As at the date of these separate financial statements, the Company is in the process of finalizing the land use fees with Bac Ninh Provincial People's Committee for the above assigned land.

*Capital expenditure commitments*

As at June 30, 2023, the Company has entered into a number of contracts related to the construction and development of the Existing Que Vo Industrial Park, Expanded Que Vo Industrial Park, Phuc Ninh Residential Area, Nam Son - Hap Linh Industrial Park and 1A Lang Ha Project with outstanding contractual commitments amount of approximately VND 133.9 billion.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

## **28. COMMITMENTS AND CONTINGENCIES (continued)**

### **28.3 Commitments to contribution capital**

The Company has established a subsidiary named Vung Tau Investment Group Joint Stock Company and committed to contribute VND 745.2 billion into this subsidiary. This is a joint stock company incorporated under the Enterprise Law of Vietnam pursuant to Enterprise Registration Certificate No. 3502454725 issued by the Department of Planning and Investment of Ba Ria – Vung Tau province on May 14, 2021. The current principal activities of the company are developing real estate projects and trading or renting land use rights. As at June 30, 2023, the voting right and interest rate of the Company in this subsidiary are 74.52%.

### **28.4 Collaterals and guarantees**

*Collaterals and guarantees under the debt structuring, capital advance and debt repayment agreement with PVcomBank*

On December 30, 2020, the Company, Trang Cat Urban Development Company Limited ("Trang Cat LLC", its subsidiary) and Vietnam Public Joint Stock Commercial Bank ("PVcomBank") signed an agreement No. 3012/2020/BBTT/PVB-KB-TCC on debt structuring, funding and debt repayment ("the Debt structuring agreement"). Accordingly, Trang Cat LLC and the Company agreed to use the Trang Cat Industrial and Residential Park Project ("the Project") as security for the loans and debts of a group of companies and individuals (including KinhBac City Development Holding Corporation, a subsidiary of the Company and other companies/individuals) with PvcomBank.

### **28.5 Disputes**

*Disputes with VTC Wireless Telecommunications Corporation*

Under the Business Cooperation Agreement dated February 12, 2008 between the VTC Wireless Telecommunications Company ("VTC") and Saigon Telecommunication & Technologies Corporation and the Business Registration Certificate No. 0103025781 dated July 11, 2008, the registered charter capital of VTC - Saigontel Media Company is VND 160 billion, in which the Company's ownership interest is 19.2%. The Company has then transferred VND 30,700,200,000 (19.2% of charter capital) to Huu Nghi Communication JSC (the company authorized by VTC) on March 10, 2008 for VTC Wireless Telecommunications Company to purchase assets for VTC - Saigontel Media Corporation. However, the Company has alleged that VTC has not completed the purchase of assets for VTC - Saigontel Media Company as committed. Therefore, the Company is currently in the process of working with VTC to recover this investment. The Company's management has assessed that this investment will be recovered from VTC; and therefore, no provision has been made for the investment in VTC - Saigontel Media Company.

## **29. EVENTS AFTER THE BALANCE SHEET DATE**

There are no other events occurring after the balance sheet date that require adjustment to or disclosure in the Company's separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
As at June 30, 2023 and for the six-month period ended at the same date

**30. EXPLANATION FOR THE SEPARATE BUSINESS RESULTS OF QUARTER II/2023**

The Company's profit after tax in the second quarter of 2023 is VND 1,020.37 billion, equivalent to an increase by 817.17% compared to the second quarter of 2022 (the losses in the second quarter of 2022 was VND 142.28 billion). The main reason is the increase in recognizing the profit from industrial pak business activities compared to the same period of previous year.

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Luu Phuong Mai  
Preparer

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Pham Phuc Hieu  
Chief Accountant

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Nguyen Thi Thu Huong  
General Director

July 29, 2023