

DRH HOLDINGS JOINT STOCK COMPANY

REVIEWED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the period from 01 January 2024 to 30 June 2024

**CÔNG TY
CỔ PHẦN
DRH
HOLDINGS**

Digitally signed by CÔNG TY CỔ PHẦN
DRH HOLDINGS
DN: E=van.luong@drh.vn,
OID.0.9.2342.19200300.100.1.1=MST:
0304266964, CN=CÔNG TY CỔ PHẦN
DRH HOLDINGS, L="67 Hàm Nghi, Phường
Nguyễn Thái Bình, Quận 1, Thành phố Hồ
Chí Minh", S=TP Hồ Chí Minh, C=VN
Reason: I am the author of this document
Location:
Date: 2025-01-08 14:11:42

Ho Chi Minh, January 2025

TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
REPORT OF THE BOARD OF MANAGEMENT	2
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS	3 - 4
CONSOLIDATED INTERIM BALANCE SHEET	5 - 6
CONSOLIDATED INTERIM INCOME STATEMENT	7
CONSOLIDATED INTERIM CASH FLOW STATEMENT	8
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS	9 - 32

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of DRH Holdings Joint Stock Company ("the Company") presents this report together with the Company's reviewed consolidated interim financial statements for the period from 01 January 2024 to 30 June 2024.

BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The members of the Board of Directors and the Board of Management who executed the Company during the period from 01 January 2024 to 30 June 2024 and to the date of this report are as follows:

Board of Directors

Mr. Phan Tan Dat	Chairman (Legal representative)
Mr. Ho Ngoc Bach	Independent member (resigned on 05 November 2024)
Mr. Nguyen Lam Tung	Independent member
Mr. Tran Hoang Anh	Member
Mr. Ngo Duc Son	Member

Board of Management

Mr. Ngo Duc Son	General Director
Mr. Tran Hoang Anh	Deputy General Director

THE BOARD OF MANAGEMENT'S RESPONSIBILITY


The Board of Management is responsible for preparing the consolidated interim financial statements for the period from 01 January 2024 to 30 June 2024, which give a true and fair view of the financial position, business results, and cash flows of the Company for the period then ended. In preparing these consolidated interim financial statements, the Board of Management is required to:

- Comply with Vietnamese accounting standards, corporate accounting system and the statutory requirements relevant to preparation and presentation of the consolidated interim financial statements;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated interim financial statements;
- Design and implement an effective internal control system for the purpose of properly preparation and presentation of the consolidated interim financial statements so as to minimize errors and frauds; and
- Prepare the consolidated interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the consolidated interim financial statements comply with Vietnamese accounting standards, corporate accounting system and the relevant statutory requirements applicable to the preparation and presentation of the consolidated interim financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these consolidated interim financial statements.

For and on behalf of the Board of Management,



Ngo Duc Son
General Director

Power of Attorney No. 01/2020/DRH/UQ-HĐQT at 07 August 2020

Ho Chi Minh, 02 January 2025

No: 02 /2025/BCSX-AVI-TC1

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To: Shareholders
The Board of Directors and Board of Management
DRH Holdings Joint Stock Company

We have reviewed the accompanying consolidated interim financial statements of DRH Holdings Joint Stock Company ("the Company") prepared on 02 January 2025 and set out from page 05 to 32, which comprise consolidated interim the balance sheet as at 31 December 2023, the consolidated interim statements of income, the consolidated interim cash flows statements for the period from 01 January 2024 to 30 June 2024 and the Notes to the consolidated interim financial statements.

The Board of Management's Responsibility

The Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese accounting standards, corporate accounting system and the statutory requirements relevant applicable to the preparation and presentation of consolidated interim financial statements and for such internal control as management determines is necessary to enable the preparation of consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagements 2410 - Review of interim financial information performed by independent auditor of the entity.

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

Basis for qualified conclusion

At 30 June 2024, the Company's total bonds liabilities was VND 567.59 billion of DRHH2022001 and DRHH2224001 bonds. At the reporting date, the Company has not yet had the audit report on the use of bonds capital mentioned above in accordance with Decree No. 65/2022/ND-CP dated 16 September 2022 of the Government. Accordingly, we can not assess the impact of this issue on the Company's interim financial statements for the period from 01 January 2024 to 30 June 2024.

In the balance of short-term loan receivables (Note 8) and other receivables (Note 9) on the Company's consolidated interim balance sheet as at 30 June 2024 include loans, interest receivable from lending and receivable from business cooperation contract with DLand Real Estate Business Joint Stock Company and receivable entrusted investment for Mr. Nguyen Thanh Tri. We were unable to obtain sufficient appropriate audit evidences about the reasonableness of the loans, business cooperation, and investment trusts mentioned above, nor could evaluate the recoverability of these receivables. Simultaneously, we can not evaluate whether the lending and investment trust partners are related parties of the Company, so we can not assess the impact of the above issues on the Company's consolidated interim financial statements.

Qualified conclusion

Base on our review, except for the impact of the issues mentioned in the paragraph "Basis of the excluded audit conclusion", nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statement do not give a true and fair view of, in all material respects, the financial position of DRH Holdings Joint Stock Company and its subsidiaries as at 30 June 2024, and its operations and its cash flows for the period from 01 January 2024 to 30 June 2024 in accordance with Vietnamese accounting standards, corporate accounting system and the statutory requirements relevant to preparation and presentation of consolidated interim financial statements.

Emphasis of matter

As presented in Note 4.1 in the Notes to the consolidated interim financial statements: At 30 June 2024, the Company has not paid the principal, interest and late payment interest of the overdue bonds under the terms of issuance with the amount of VND 567.588 billion and VND 92.832 billion respectively. At the same time, the Company's consolidated business results in this period continue to suffer losses; the Group of companies had overdue tax debt to the State Budget. The above factors have raised doubts about the Company's ability to continuously operate in the future; the Company's ability to continuously operate depends on the generation of profits and the receipt of cashflow from operation in future, the continuation of financial support from lending partners. The Board of Directors and the Board of Management of the Company have developed a business plan and cash flow plan for the next 12 months including: (i) trading in real estate projects that the Group is developing, (ii) partially liquidating investments, (iii) timely recovering due debts. The Board of Directors and the Board of Management of the Company continue to working with partners to liquidate investments to ensure that fulfill its full obligations to bondholders. The Board of Directors and the Board of Management believe that the Company can repay overdue debts and without affecting the ability to continuously operate in subsequent periods. Our qualified conclusion is not affected by the above-mentioned matter.

Other Matter

The consolidated interim financial statements of the Company for the period from 01 January 2023 to 30 June 2023 were reviewed by another audit firm. On the audit conclusion at 29 August 2023, the auditor expressed an unqualified conclusion.



Vu Bình Minh

General Director

Certificate of audit practicing registration

No. 0034-2023-055-1

For and on behalf of

ANVIET AUDITING COMPANY LIMITED

Ha Noi, 02 January 2025

CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2024

FORM B01a - DN/HN

Unit: VND

ITEMS	Codes	Notes	30/06/2024	01/01/2024
A - CURRENT ASSETS	100		2,829,680,441,743	2,805,256,327,710
I. Cash and cash equivalents	110		66,413,589,996	104,218,060,765
1. Cash	111	5	66,413,589,996	104,218,060,765
II. Short-term receivables	130		1,525,344,266,234	1,517,609,470,297
1. Short-term trade receivable	131	6	55,556,102,008	52,921,391,050
2. Short-term advances to suppliers	132	7	136,350,819,451	131,143,045,782
3. Short-term loan receivables	135	8	256,176,500,000	253,920,500,000
4. Other short-term receivables	136	9	1,078,188,594,775	1,080,552,283,465
5. Provision for doubtful debts	137		(927,750,000)	(927,750,000)
III. Inventories	140	10	1,214,559,744,222	1,160,449,743,322
1. Inventories	141		1,214,559,744,222	1,160,449,743,322
IV. Other current assets	150		23,362,841,291	22,979,053,326
1. Short-term prepaid expenses	151	11	1,110,564,736	1,077,223,276
2. Value added tax deductibles	152		17,801,794,741	17,451,348,236
3. Other receivables from State Budget	153	18	4,450,481,814	4,450,481,814
B - NON-CURRENT ASSETS	200		1,164,797,861,737	1,155,382,609,010
I. Long-term receivables	210		7,727,824,000	4,656,824,000
1. Long-term internal receivables	215	8	5,858,500,000	2,787,500,000
2. Other long-term receivables	216	9	1,869,324,000	1,869,324,000
II. Fixed assets	220		372,947,659	433,425,661
1. Tangible fixed assets	221	12	372,947,659	433,425,661
- Cost	222		1,886,306,317	2,001,806,317
- Accumulated depreciation	223		(1,513,358,658)	(1,568,380,656)
2. Intangible fixed assets	227	13	-	-
- Cost	228		2,217,956,190	2,217,956,190
- Accumulated amortisation	229		(2,217,956,190)	(2,217,956,190)
III. Investment Property	230	14	87,597,269,951	88,625,944,254
- Cost	231		94,797,990,060	94,797,990,060
- Accumulated depreciation	232		(7,200,720,109)	(6,172,045,806)
IV. Long-term financial investments	250		871,428,954,321	864,019,184,372
1. Investments in associates	252	15	871,428,954,321	864,019,184,372
V. Other long-term assets	260		197,670,865,806	197,647,230,723
1. Long-term prepaid expenses	261	11	185,734,186,054	185,710,550,971
2. Deferred tax assets	262		11,936,679,752	11,936,679,752
TOTAL ASSETS	270		3,994,478,303,480	3,960,638,936,720

CONSOLIDATED INTERIM BALANCE SHEET (Continued)
As at 30 June 2024

FORM B01a - DN/HN
Unit: VND

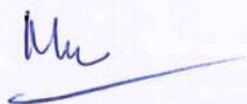
ITEMS	Codes	Notes	30/06/2024	01/01/2024
C - LIABILITIES	300		2,574,229,594,606	2,450,549,112,707
I. Current liabilities	310		2,564,529,477,216	2,443,118,849,103
1. Short-term trade payable	311	16	83,263,631,671	88,190,958,037
2. Short-term advance from customers	312		537,542,270,397	529,747,991,858
3. Taxes and amounts payable to State Budget	313	18	38,488,298,086	35,062,360,568
4. Payables to employees	314		10,426,056,092	9,704,235,686
5. Short-term accrued expenses	315	19	347,565,918,663	259,411,343,840
7. Other short-term payables	319	20	751,810,131,412	734,721,303,862
8. Short-term loans and obligations under finance leases	320	21	782,961,161,317	773,701,345,674
9. Bonus and welfare funds	322		12,472,009,578	12,579,309,578
II. Long-term Liabilities	330		9,700,117,390	7,430,263,604
1. Deferred tax liabilities	341		6,112,746,900	3,842,893,114
2. Long-term provisions	342		3,587,370,490	3,587,370,490
D - EQUITY	400		1,420,248,708,874	1,510,089,824,013
I. Owner's equity	410		1,420,248,708,874	1,510,089,824,013
1. Owners' contributed capital	411	22	1,243,538,660,000	1,243,538,660,000
- Ordinary shares with voting rights	411a		1,243,538,660,000	1,243,538,660,000
2. Share premium	412	22	120,132,866,000	120,132,866,000
3. Treasury shares	415	22	(6,460,000,000)	(6,460,000,000)
4. Investment and development fund	418	22	19,564,185,852	19,564,185,852
5. Retained earnings	421	22	32,605,658,422	122,459,055,277
- Accumulated to the prior year end	421a		122,459,055,277	226,209,357,943
- Undistributed earnings of the current period	421b		(89,853,396,855)	(103,750,302,666)
6. Non-controlling interests	429	22	10,867,338,600	10,855,056,884
TOTAL RESOURCES	440		3,994,478,303,480	3,960,638,936,720

Ho Chi Minh, 02 January 2025

Preparer

Chief Accountant

General Director





Pham Thi Mai Nuong

Le Thi Thuan

Ngo Duc Son

CONSOLIDATED INTERIM INCOME STATEMENT
For the period from 01 January 2024 to 30 June 2024

FORM B02 - DN/HN
Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Revenue from goods sold and services rendered	01	23	1,281,369,549	5,587,052,532
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered	10		1,281,369,549	5,587,052,532
4. Cost of goods sold and services rendered	11	24	2,916,697,960	1,778,297,029
5. Gross profit from goods sold and services rendered	20		(1,635,328,411)	3,808,755,503
6. Financial income	21	25	29,643,348,384	15,121,040,899
7. Financial expenses	22	26	105,936,601,616	55,516,566,250
- Of which: Loan interest charged	23		60,181,133,088	46,791,717,372
8. Share of profit or loss of joint ventures, associates	24		4,542,615,177	14,596,436,453
9. Selling expenses	25	27	-	299,312,342
10. General and administration expenses	26	27	10,470,480,458	12,194,579,700
11. Operating profit	30		(83,856,446,924)	(34,484,225,437)
12. Other income	31		10,181,016	1,661,455
13. Other expenses	32	28	2,266,368,346	2,280,498,834
14. Profit from other activities	40		(2,256,187,330)	(2,278,837,379)
15. Accounting profit before tax	50		(86,112,634,254)	(36,763,062,816)
16. Current corporate income tax expense	51	30	1,458,627,099	2,016,070,942
17. Deferred Tax Expense	52		2,269,853,786	-
18. Net profit after corporate income tax	60		(89,841,115,139)	(38,779,133,758)
19. Net profit after tax of the parent company	61		(89,853,396,855)	(38,817,994,675)
20. Net profit after tax of non-controlling interests	62		12,281,716	38,860,917
21. Earning per share	70	31	(726)	(314)

Preparer

Chief Accountant

Ho Chi Minh, 02 January 2025

General Director






Pham Thi Mai Nuong

Le Thi Thuan

Ngo Duc Son

CONSOLIDATED INTERIM CASH FLOW STATEMENT

(Indirect method)

For the period from 01 January 2024 to 30 June 2024

FORM B03 - DN/HN

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit for the year	01	(86,112,634,254)	(36,763,062,816)
2. Adjustment for			
- Depreciation and amortization of fixed assets	02	1,089,152,305	1,184,869,969
- (Gain)/Loss from investing activities	05	8,798,679,439	(27,663,116,018)
- Interest expenses	06	62,135,299,753	52,571,092,372
3. Operating profit before movements in working capital	08	(14,089,502,757)	(10,670,216,493)
- Increase, decrease in receivables	09	15,451,568,853	(68,276,576,157)
- Increase, decrease in inventory	10	(54,110,000,900)	(60,487,458,353)
- Increase, decrease in payables (exclude interest expenses, CIT)	11	73,195,093,007	66,066,526,992
- Increase, decrease in prepayments and others	12	(56,976,543)	220,797,118
- Interest paid	14	(20,306,886,938)	(28,212,229,956)
- Other cash outflows	17	(107,300,000)	(644,808,161)
Net cash from operating activities	20	(24,005,278)	(102,003,965,010)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Cash outflow for lending, buying debt intruments of other entities	23	(5,327,000,000)	(1,756,000,000)
2. Investments in other entities	25	(102,604,224,000)	(1,470,000,000)
3. Cash recovered from investments in other entities	26	57,825,000,000	-
4. Interest earned, dividend and profit received	27	5,020,109,531	25,756,661
Net cash from investing activities	30	(45,086,114,469)	(3,200,243,339)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	364,577,152,897	460,383,806,293
2. Repayments of borrowings	34	(357,271,503,919)	(390,426,464,043)
Net cash from financing activities	40	7,305,648,978	69,957,342,250
Net decrease in cash during the period	50	(37,804,470,769)	(35,246,866,099)
Cash and cash equivalents at the beginning of period	60	104,218,060,765	159,599,631,732
Cash and cash equivalents at the end of period	70	66,413,589,996	124,352,765,633

Ho Chi Minh, 02 January 2025

Preparer

Chief Accountant

General Director





Pham Thi Mai Nuong

Le Thi Thuan

Ngo Duc Son

1. GENERAL INFORMATION**1.1. Structure of ownership**

DRH Holdings Joint Stock Company ("the Company") was established and operated under the Business registration certificate No. 0304266964 by Ho Chi Minh City Department of Planning and Investment for the first time on 06 March 2006, and amended for the 20th time on 08 December 2022.

The Company chartered capital is VND 1,243,538,660,000 equivalent to 124,353,866 shares, par value of 10,000 VND/share.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with stock code DRH.

The Company's head office is located at 67 Ham Nghi, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.

The number of the Company's employees as at 30 June 2024 was 44 (as at 31 December 2023: 50).

1.2. Business industry and principal activities

The current principal activities of the Company are to trade real estate and provide real estate brokering services; provide real estate consulting and managing services.

1.3. Normal production and business cycle

The Group of Companies' normal production and business cycle for real estate business activities is carried out for a period of more than 12 months and for other activities for a period of no more than 12 months.

1.4. Corporate structure

As at 30 June 2024, the Company have 03 subsidiaries, 01 indirect subsidiaries and 01 the Company's associate as follow:

The subsidiaries

No.	Name of subsidiaries	Location	Ownership interest	Voting right	Principal activities
1.	An Phu Long Real Estate Joint Stock Company	Ho Chi Minh	99,95%	99,95%	Real estate trading and developing
2.	Binh Dong Real Estate Investment Company Limited	Ho Chi Minh	99,00%	99,00%	Real estate trading and developing
3.	Dong Sai Gon Real Estate Development and Trading Joint Stock Company	Ho Chi Minh	99,00%	99,00%	Real estate trading and developing
4.	Thuan Tien Real Estate Development Joint Stock Company (indirect subsidiary)	Ho Chi Minh	98,01%	99,00%	Real estate trading and developing

The associate

No.	Associate	Location	Ownership interest	Voting right	Principal activities
1.	Binh Duong Mineral and Construction Joint Stock Company	Thuan An city, Binh Duong provide.	22,84%	22,84%	Mining and leasing of industrial parks

2. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

The Company's fiscal year begins on 1 January and ends on 31 December based on calendar year.

The consolidated interim financial statements for the period from 01 January 2024 to 30 June 2024, are prepared in accordance with Vietnam Accounting Standard No. 27 - Interim Financial Statements and Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding the disclosure of information on the securities market.

The monetary unit used in accounting period: Vietnam Dong (VND).

3. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM APPLIED

The consolidated interim financial statements are presented in Vietnam Dong (VND), prepared based on accounting principles in accordance with the provisions of the Enterprise Accounting Regime issued in Circular No. 200/2014/TT- BTC dated December 22, 2014 of the Ministry of Finance; Circular 202/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance on guiding methods of preparing and presenting consolidated financial statements; Vietnamese accounting standards and legal regulations related to the preparation and presentation of consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the main accounting policies applied by the Company in preparing consolidated interim financial statements:

4.1. Basis of preparation of financial statement

The consolidated interim financial statements are prepared on the accrual basis (except for the information related to cash flows), under historical cost principle, based in the assumption of going concern.

The consolidated interim financial statements comprise the financial statements of the parent company and its subsidiaries for the period from 01 January 2024 to 30 June 2024. This control is achieved when the Company has the ability to govern the financial and operating policies of investee companies in order to obtain benefits from the activities of these companies.

The business results of the subsidiary are included in the Consolidated Financial Statements from the date the parent company takes control of the subsidiary and ends on the date the parent company actually terminates control of the subsidiary.

In case of necessity, the financial statements of subsidiaries are adjusted so that the accounting policies applied at the parent company and other subsidiaries are the same.

Transactions and balances arising from transactions between companies within the Company are eliminated in their entirety when consolidating the financial statements.

Non-controlling shareholder interests are presented in the consolidated Balance Sheet as a separate item under the equity section. The value of non-controlling shareholder interests in the net assets of the consolidated subsidiaries includes: non-controlling shareholder interests at the acquisition date are determined according to the fair value of the subsidiary's net assets at date of purchase; Non-controlling shareholders' interests in the fluctuations in total equity from the date of acquisition to the beginning of the reporting period and non-controlling shareholders' interests in the fluctuations in total equity arising during the period report. The ownership portion of non-controlling shareholders in the Consolidated Income Statement is also presented as a separate item.

In the period from 01 January 2024 to 30 June 2024, the Company's consolidated business results continue to suffer a loss of VND 89.85 billion. As at 30 June 2024, the Company has not paid the principal, interest and late payment interest of overdue bonds according to the terms of issuance with the amounts of VND 567.588 billion and VND 92.832 billion respectively. At the same time, the Group of companies has an overdue tax debt to the State Budget in the amount of VND 28.884 billion (excluding late payment fines). These issues reflect the Company's financial difficulties and payment of due debts, causing doubts about the Company's ability continuously operate in the foreseeable future. The Company's ability to continuously operate depends on the generation of profits and the

receipt of cashflow from operation in future and the continuation of financial support from lending partners. The Board of Directors and the Board of Management of the Company have developed a business plan and cash flow plan for the next 12 months including: (i) trading in real estate projects that the Group is developing, (ii) partially liquidating investments, (iii) timely recovering debts due. The Board of Directors and the Board of Management of the Company continue working with potential partners to liquidate investments to ensure that fulfill its full obligations with bondholders. The Board of Directors and the Board of Management believes that the Company can repay overdue debts and does not affect the ability to continuously operate in subsequent periods. On this basis, the Board of Directors and the Board of Management assess that preparing the consolidated interim financial statements on a going concern basis is appropriate.

4.2. Estimates

The preparation of consolidated financial statements complies with Vietnamese accounting standards, corporate accounting regime and legal regulations related to the preparation and presentation of consolidated financial statements as required by the Board of General Directors. There must be estimates and assumptions that affect the reported figures on liabilities, assets and the presentation of contingent liabilities and assets at the date of the consolidated financial statements as well as the reported figures, of revenue and expenses throughout the period. These accounting estimates are based on the management's best knowledge, however actual numbers may be different from the estimates and assumptions.

4.3. Cash and cash equivalents

Cash reflects the full existing amount of the Company at the end of the accounting period, comprising cash on hand, demand deposits and cash in transit.

Cash equivalents include short-term investments with maturity less than 03 months since the date of investment, which can be converted easily into a certain amount of cash without any risk in conversion into cash at the reporting date and recorded following Vietnamese Accounting Standard No. 24 - Cash flow statement.

4.4. Other investments

Investments in associates

Reflecting the investments which the Company directly or indirectly holds from 20% to under 50% voting shares of the investee (associated company) without any other agreement. Associated company is the company which the Company has significant influence but does not have right to control over the financial policies and activities. Significant influence represents the right to participate in making policy decisions about financial policies and business operations of the investee but not control those policies.

Provision for long term investments impairment loss

Provision for losses for investments in subsidiaries, joint ventures or associates is the greater difference between the principal price and the Company's ownership in the actual equity available at the investee. The Company's ownership in the actual equity of the investee is determined based on the balance sheet of the investee as of the date of provisioning.

Provision for loss of other capital contributed investments is the greater difference between the historical cost and the market value of the investment or the Company's ownership of the actual equity of the investee. Provision for losses for investments set aside in accordance with the current corporate accounting system.

4.5. Business cooperation contracts (BCC)

BCC is a contractual agreement between two or more parties to jointly carry out economic activities but does not form an independent legal entity. The activity may be jointly controlled by the contributing parties under a joint venture agreement or controlled by one of the participating parties. BCC can be implemented in the form of jointly building assets or collaborating in some business activities. Parties participating in a BCC can agree to divide revenue, divide products or divide profits

after tax. In all cases, when receiving money or assets from other parties contributing to BCC activities, the receiving party shall account them as liabilities.

In case BCC shares after-tax profits, the parties must appoint a party to account for all BCC transactions, record revenue and expenses, separately monitor BCC's business results and finalize taxes.

4.6. Receivables and provision for doubtful debts

Receivables are monitored detailed under the original terms, remaining terms at the reporting date, the receivable objects, receivable foreign currencies and other factors for the Company's management purpose. The classification of receivables comprised of trade receivables, and other receivables shall comply with the principles:

- Trade receivables include commercial receivables incurred from purchase-sale transactions, including receivables from sale of exported goods under the trust for the other entities;
- Other receivables include non-commercial or non-trading receivables, including: receivables from loan interests, deposit interests, amount paid on behalf of another party; receivables which the export trustor must collect from the trustee; receivables from penalties, compensation; advances; pledges, collaterals, deposits, assets lending,....

The company bases on the remaining term at the reporting date receivables to classify as long-term or short-term.

Receivables are recognised not exceeding the recoverable value. Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in difficulty of solvency due to dissolution, bankruptcy, or similar difficulties in accordance with the prevailing corporate accounting system.

4.7. Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing and selling.

Inventory property

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

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

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

Provision for devaluation of the Company's inventory is made in accordance with current accounting regulations.

4.7. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The cost of self-made and self-constructed tangible fixed assets comprise construction costs, actually incurred manufacturing costs plus installation and testing costs.

Costs incurred after initial recognition are recorded as increase in the historical cost of assets if they actually improve the current status in comparison with the initial standard status of the assets, such as:

- Parts of the tangible fixed asset are modified to extend their useful life or to increase their capacity; or
- Parts of the tangible fixed asset are upgraded to significantly increase product quality; or
- New technology process is applied to reduce operation expenses of the assets.

The costs incurred for repairs and maintenance aims to restore or maintain the ability to bring the economic benefits of the assets according to the initial standard status, do not meet one of the above conditions, are recognized in the operation costs during the year.

Tangible fixed assets are depreciated using the straight-line method, depreciation is calculated by dividing the cost over estimated useful lives in conformity. The details are as follows:

	<u>Years</u>
Machinery and equipment	05
Office equipment	02 - 05

4.8. Intangible assets and amortisation

Intangible assets comprise software and are stated at cost less accumulated amortization. Software is measured initially at purchase cost and is amortized on a straight-line basis over an estimated useful life from 03 years to 05 years.

4.9. Prepaid expenses

Prepaid expenses reflect the actual costs incurred, but the results are relevant to business and production activities of many accounting periods. Prepaid expenses include costs of tools and supplies, the cost of asset repairs... and which bring future economic benefit to the Company. These expenses are capitalized as prepayments and amortized to the income statement on a straight-line basis based on current accounting regulations.

4.10. Payables

The payables are monitored detailed under the original terms, the remaining terms at the reporting date, the payable objects, type of payables denominated in foreign currency and other factors according to the Company's management purpose. The classification of payables such as trade payables, other payables must be implemented the following principles:

- Trade payables include commercial payables incurred from purchase-sale transactions, including payables when imported goods under the trust;
- Other payables include non-commercial or non-trading payables, including: payables for loan interest, dividend and earning payables; payables for financial investments; amount paid for the third party; amount which the truster receives from relevant parties to pay under the entrusted import-export transactions; asset borrowings; payables for penalties, compensation; surplus assets without reason; payables for social insurance, medical insurance, unemployment insurance, trade union; collaterals, deposits received, etc.

The company bases on the remaining terms of payables at the reporting date to classify as long-term or short-term.

The payables are recorded not less than the payment obligations. In the case of there is evidence that a loss likely occurs, the Company recognizes immediately a payable under the precautionary principle.

4.11. Loans and finance lease liabilities

The loans and finance lease liabilities include loans and capital loans by way of regular bond issuance (without conversion rights).

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

The loans and finance lease liabilities are monitored detailed for each loan object, loan agreement, and loan asset; for the term of loan and finance lease liabilities and type of foreign currency (if any). The loans and finance lease liabilities with the remaining term more than 12 months from the reporting date are presented as long-term loans and finance lease liabilities. The due loans and finance lease liabilities within the next 12 months from the reporting date are presented as short-term loans and finance lease liabilities.

The Company borrows capital by issuing ordinary bonds including bond at par value (bond issuance with the price equivalent to the par value of the bond), bond at discount (bond issuance with price less than par value) and bond premium (bond issuance with price more than the par value). The Company monitors detailed discount and premium for each type and term of bond issuance. Discount or premium of bonds is determined and recorded immediately at the time of bond issuance. The Company allocates discount or premium into the financial expenses or decreases in borrowing costs under actual interest method or straight-line method. In the case of, the borrowing costs of the bonds are eligible for capitalization, allocation of discount or premium is capitalized respectively for each period.

In case the bond's interest expense is eligible for capitalization, the discounted or premium allocation is capitalized accordingly each period.

4.12. Borrowing costs

Borrowing costs include interests and other costs incurred directly related to the loans.

Borrowing cost is charged to operation expenses during the period when incurred, except for borrowing costs directly attributable to the investment, construction in progress or production of qualifying assets with appropriate time (more than 12 months) to put into use for the intended purposes or sales, which recorded in value of capitalized assets whether it is subject to the fulfillment of certain conditions of Vietnamese Accounting Standard No. 16 - Borrowing cost. Borrowing costs directly attributable to the construction of fixed assets can be capitalized even though the construction is less than 12 months.

For the general loans using for purposes of the construction or production of qualifying assets, the borrowing costs are capitalized by capitalization percentage of accumulative weighted average expenses for the construction or production of such assets. The capitalization rate is calculated by the weighted average interest rate of outstanding loans during the year, except special loans serving the purpose of a specific asset.

4.13. Accrued expenses

Accrued expenses are recognized by the properly estimated cost of goods and services used during the period due to without or insufficient documents, accounting records.

4.14. Owners' equity

Equity is recorded according to the actual capital contributed by shareholders.

Undistributed after-tax profits are recorded according to the profit (or loss) from the Company's business results minus (-) corporate income tax expenses of the current period and adjustments due to Retroactively apply changes to accounting policies and retroactively adjust material errors of previous years.

Reserves and funds from after-tax profits are appropriated based on the Company's charter and decisions of the General Meeting of Shareholders.

4.15. Revenue recognition

Revenue recognition from sales of real estate if simultaneously satisfying the following conditions:

- The real estate has been completely completed and handed over to the buyer, the business has transferred the risks and benefits associated with real estate ownership to the buyer.;

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

- The enterprise no longer holds the right to manage real estate as the owner of real estate or the right to control real estate;
- The revenue is measured reliably;
- The Company received or will receive economic benefits from the sale transactions;
- Identify costs related to real estate sales transactions.

Revenue from services is recognized when the outcome of that transaction can be reliably determined. In the case of, the services provision transactions conduct in many accounting periods, revenue is recognized in the accounting period by the part of work completed. The result of a service provision transaction is determined when all four (4) following conditions are met:

- Revenue is measured reliably;
- The Company received or will receive economic benefits from the sale transactions;
- The completed work is determined at the reporting date;
- Incurred costs for the the transaction and the costs to complete the transaction of the providing such services is determined.

Financial income comprises deposit interest, interest from deferred sales, discount payment; dividends paid, profits distributed; gains from foreign exchange differences, etc. Detailed as follows:

- Interest income is recognized reliably on the balances of deposits, loans, and periodic actual interest.
- Foreign exchange differences reflect profit from the actual exchange differences of arising transactions denominated in foreign currencies during the period and profit from the exchange differences due to the translation of monetary items denominated in foreign currencies at the reporting date.

4.16. Taxation

Corporate income tax represents the sum of the current tax and deferred tax.

The current tax expense represents corporate tax payables incurred for the current year. Taxable income differs from net profit as reported in the income statement because taxable income does not include items of income or expense that are taxable or deductible in other years (including loss carry forward, if any) and in addition does not include non-taxable or non-deductible items.

Deferred tax is recognized on significant differences between carrying amounts and the corresponding tax bases of assets and liabilities in the financial statements, tax losses, and unused tax incentives. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss in the income statement, except when it relates to items charged or credited directly to equity, in this case, the deferred tax is also recorded directly to equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the taxes borne by the Company is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are applied according to current tax laws in Vietnam.

4.17. Financial instruments*Initial recognition*Financial assets

According to the Circular No. 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance, financial assets are classified appropriately, for disclosure purpose in the financial statements, financial assets are recognized at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets. The Company determines the classification of its financial assets at initial recognition.

At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. The Company's financial assets comprise cash and cash equivalents, trading securities, held-to-maturity investments, trade accounts receivables, loan receivables and other receivables.

Financial liabilities

According to the Circular No. 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance, financial liabilities are classified appropriately, for disclosure purpose in the financial statements, financial liabilities are recognized at fair value through profit or loss and financial liabilities measured at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

At the date of initial recognition, financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issue of these financial liabilities. The Company's financial liabilities comprise trade accounts payable, accrued expenses, other payables, loans and finance lease liabilities.

Subsequent measurement after initial recognition

The subsequent measurement of the financial instruments after initial recognition is the fair value. In the case of, there is no regulation on revaluing the fair value of financial instruments, using the historical cost.

Offset of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet, if and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to collect the assets and settle the liabilities simultaneously.

The Company has not presented notes related to financial instruments at the end of the accounting period because Circular 210 as well as current regulations do not have specific guidance on determining the fair value of financial instruments, financial assets and financial liabilities.

4.18. Related parties

The parties are regarded as related parties of the Company if they have the ability to control or exercise significant influence over the Company in making financial and operating decisions or have the same key management personnel or jointly managed by another company.

Individuals with the direct or indirect voting rights can impact significantly to the Company, including close family members of these individuals (parents, spouses, children, siblings).

Key management personnel have authority and responsibility for planning, managing and controlling the operation of the Company: the directors, the managers of the Company and close family members of these individuals.

The companies managed by these individuals mentioned above with direct or indirect voting rights or through these rights they can have a significant impact on the Company, including the companies owned by the leaders or major shareholders of the Company and the companies have the same key management personnel.

5. CASH

	30/06/2024	01/01/2024
	VND	VND
Cash on hand	9,409,039	18,760,909
Cash in bank	66,404,180,957	104,199,299,856
Total	66,413,589,996	104,218,060,765

6. SHORT-TERM TRADE RECEIVABLES

	30/06/2024	01/01/2024
	VND	VND
Receivables due from sale of real estate	23,374,967,416	24,755,640,834
Receivables due from service rendered	32,181,134,592	28,165,750,216
Song Dat Construction and Trading Corporation	26,268,015,401	26,268,015,401
Tam Loc Phuc Trading Construction Investment Corporation	1,475,013,200	1,475,013,200
Others	4,438,105,991	422,721,615
Total	55,556,102,008	52,921,391,050

7. SHORT-TERM ADVANCES TO SUPPLIERS

	30/06/2024	01/01/2024
	VND	VND
Ms Khuc Hong Hoa (*)	120,000,000,000	120,000,000,000
PCO Trading Service Construction Co., Ltd.	6,323,007,179	3,023,007,179
Others	10,027,812,272	8,120,038,603
Total	136,350,819,451	131,143,045,782

(*) Represents the advances to Ms. Khuc Hong Hoa, who is a shareholder of Hoa Binh Investment Group Joint Stock Company ("Hoa Binh Investment") to commit to the Contract for transfer of capital and land use rights of Hoa Binh Investment signed on 01 March 2022.

8. LOAN RECEIVABLES

	30/06/2024	01/01/2024
	VND	VND
Short-term	256,176,500,000	253,920,500,000
Dland Real Estate Business Corporation (*)	255,676,500,000	253,920,500,000
AZA Investment Group JSC	500,000,000	-
Long-term	5,858,500,000	2,787,500,000
Dland Real Estate Business Corporation (*)	858,500,000	2,287,500,000
AZA Investment Group JSC	-	500,000,000
Luxury Sailing Bay Complex Company Limited (**)	5,000,000,000	-
Total	262,035,000,000	256,708,000,000

(*) Loan receivables to DLand Real Estate Joint Stock Company (referred to as "DLand") under the following contracts:

- Loan contract signed on 24 February 2022 between Binh Dong Real Estate Investment Company Limited and DLand with loan value of 185.5 billion VND, loan period of 2 years, interest rate of 12%/year. The loan has no collateral.
- Capital use association contract signed on 01 January 2019 between the Company and DLand and additional appendices with the purpose of deploying and developing DLand's existing projects with the total loan balance as at December 30, 2024 is 71.035 billion VND. The loan has a term of 24 months from the disbursement date with an interest rate of 12%/year. The loan has no collateral.

At the reporting date, the loan principal and interest balances are due date but DLand has not yet paid the Group of companies with the amount of VND 249.215 billion and VND 46.053 billion respectively. The Board of Directors and the Board of Management of the Company commit to taking responsibility and actively urging the recovery of these loans, so they have assessed that no incur loss requiring provisioning in the consolidated interim financial statements.

(**) Loan receivables from Luxury Sailing Bay Complex Co., Ltd under the loan agreement signed on 01 January 2024, with a term of 24 months to serve business operations. The loan has no collateral. The Board of Directors and the Board of Management of the Company commit to taking responsibility and assess this loan as safe, with purpose of improving the business effectiveness of the Company.

9. OTHER RECEIVABLES

	30/06/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Short-term	1,078,188,594,775	-	1,080,552,283,465	-
Receivable from entrust investment contract	596,633,000,000	-	596,563,000,000	-
- Mr. Tran Phuoc Tam (i)	396,633,000,000	-	396,563,000,000	-
- Mr. Nguyen Thanh Tri (ii)	200,000,000,000	-	200,000,000,000	-
Receivable from deposits contract	310,030,000,000	-	311,030,000,000	-
- Codona 21st Century JSC	10,030,000,000	-	11,030,000,000	-
- Mr. To Duy Thai (iii)	300,000,000,000	-	300,000,000,000	-
Advances to employees for business purposes (iv)	77,287,869,519	-	103,538,101,519	-
Receivable from Business Cooperation Contract (v)	26,964,460,000	-	26,964,460,000	-
Receivable from loan interest of Dland Real Estate Business Corporation (vi)	46,053,169,972	-	32,860,999,891	-
Receivables related to the transfer of rights to purchase KSB shares (vii)	10,358,495,000	-	-	-
Other receivables	10,861,600,284	-	9,595,722,055	-
Long-term	1,869,324,000	-	1,869,324,000	-
Deposits	1,869,324,000	-	1,869,324,000	-
Total	1,080,057,918,775	-	1,082,421,607,465	-

- Investment trust for Mr. Tran Phuoc Tam according to the Trust Contract signed on 14 December 2020 between this individual and Dong Sai Gon Real Estate Development and Business Joint Stock Company and the appendices to implement the project with the Investor in Long Phuoc Ward, District 9, Ho Chi Minh. In 2023, the Investor has been granted a Certificate of land use rights, ownership of houses and other assets attached to land. Up to now, the project is in the stage of completing legal procedures to deploy investment and construction as planned.

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

- ii. Investment trust for Mr. Nguyen Dang Tung according to the Trust Contract signed on 06 May 2022 between this individual and Dong Sai Gon Real Estate Development and Business Joint Stock Company and the appendix to receive the transfer of assets, land use rights, housing ownership and other assets attached to land plots in Thu Duc city, Ho Chi Minh city. After that, the parties agreed to transfer the investment trust from Mr. Nguyen Dang Tung to Mr. Nguyen Thanh Tri to continue implementing the contract according to the Confirmation minutes signed by the three parties on 31 December 2022.
- iii. Deposit to Mr. To Duy Thai of Dong Sai Gon Real Estate Development and Business Joint Stock Company to receive transfer of land use rights, house ownership and other assets attached to land plots in Tan Ward Phu, Thu Duc City, Ho Chi Minh. The two parties have agreed to extend the contract implementation period until 30 June 2025 according to the Appendix signed on 29 April 2024.
- iv. As at 30 June 2024, the advance balance is mainly an advance to Mr. Pham Truong Anh with an amount of about VND 44.1 billion; Mr. Huynh Bao Long with an amount of about VND 17.6 billion to implement projects of the Company and its subsidiaries.
- v. Receivables from the Business Cooperation Contract signed on 19 July 2018 between Dong Sai Gon Real Estate Business and Development Joint Stock Company and DLand Real Estate Business Joint Stock Company related to cooperation and developing a project to receive land use rights transfer, cooperate in building and developing 120 shophouses on land in Dat Cuoc Industrial Park in Dat Cuoc commune, Bac Tan Uyen district, Binh Duong province. According to this Business Cooperation Contract, the Group of Companies will share profits according to the ratio of capital contribution.
- vi. Details stated in Note 08.
- vii. Receivables related to the transfer of rights to purchase shares issued to increase the capital of KSB during the period (the total value of the transfer of purchase rights is VND 15.37 billion – See Note 25). At the reporting date, the Company has recovered the mentioned amount.

The Board of Directors and Board of Management of the Company commit to taking responsibility and evaluate the business cooperation contract and investment trust receivables as safe, with the purpose of improving the business effectiveness of the Company. The Company does not incur loss requiring provisioning in the consolidated interim financial statements.

10. INVENTORIES

	30/06/2024		01/01/2024	
	Historical cost	Provision	Historical cost	Provision
	VND	VND	VND	VND
Work in process	1,214,559,744,222	-	1,160,449,743,322	-
- Commercial - Services	704,654,614,819	-	663,052,812,327	-
Aurora Building Project				
- Metro Valley Residential	509,905,129,403	-	497,396,930,995	-
Area Project (*)				
Total	1,214,559,744,222	-	1,160,449,743,322	-

(*) Land used rights of Metro Valley project were pledged for bond of the Company (Detail in Note 21).

Currently, the above real estate projects are behind schedule compared to the proposed plan. The Group of Companies is in the process of completing the necessary legal procedures to continue implementation and hand over to customers as soon as possible.

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

11. PREPAID EXPENSES

	30/06/2024	01/01/2024
	VND	VND
Short-term	1,110,564,736	1,077,223,276
Brokerage fees	787,010,551	787,010,551
Others	323,554,185	290,212,725
Long-term	185,734,186,054	185,710,550,971
Brokerage fees	164,057,939,928	163,446,372,294
Payment discount	19,172,675,585	19,784,243,219
Leasehold improvements	554,984,451	237,028,467
Tools and supplies	64,190,522	358,511,423
Others	1,884,395,568	1,884,395,568
Total	186,844,750,790	186,787,774,247

12. TANGIBLE FIXED ASSETS

	Machinery and Equipments	Management device	Total
	VND	VND	VND
COST			
As at 01/01/2024	103,832,610	1,897,973,707	2,001,806,317
Other reduction	-	(115,500,000)	(115,500,000)
As at 30/06/2024	103,832,610	1,782,473,707	1,886,306,317
ACCUMULATED DEPRECIATION			
As at 01/01/2024	103,832,610	1,464,548,046	1,568,380,656
Depreciation	-	60,478,002	60,478,002
Other reduction	-	(115,500,000)	(115,500,000)
As at 30/06/2024	103,832,610	1,409,526,048	1,513,358,658
NET BOOK VALUE			
As at 01/01/2024	-	433,425,661	433,425,661
As at 30/06/2024	-	372,947,659	372,947,659
Cost of tangible fixed assets fully depreciated but still in use	103,832,610	1,177,693,707	1,281,526,317

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

13. INTANGIBLE ASSETS

	Computer softwares	Total
	VND	VND
COST		
As at 01/01/2024	2,217,956,190	2,217,956,190
As at 30/06/2024	2,217,956,190	2,217,956,190
ACCUMULATED AMORTISATION		
As at 01/01/2024	2,217,956,190	2,217,956,190
Amortisation	-	-
As at 30/06/2024	2,217,956,190	2,217,956,190
NET BOOK VALUE		
As at 01/01/2024	-	-
As at 30/06/2024	-	-
Cost of intangible fixed assets fully amortized but still in use	2,217,956,190	2,217,956,190

14. INVESTMENT PROPERTIES

	Parking basement and others	Total
	VND	VND
COST		
As at 01/01/2024	94,797,990,060	94,797,990,060
As at 30/06/2024	94,797,990,060	94,797,990,060
ACCUMULATED DEPRECIATION		
As at 01/01/2024	6,172,045,806	6,172,045,806
Depreciation	1,028,674,303	1,028,674,303
As at 30/06/2024	7,200,720,109	7,200,720,109
NET BOOK VALUE		
As at 01/01/2024	88,625,944,254	88,625,944,254
As at 30/06/2024	87,597,269,951	87,597,269,951

(*) This is parking basement and other items of An Phu Long Land 1 located at No. 1177 Huynh Tan Phat Street, Phu Nhuan Ward, District 7, Ho Chi Minh City.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FORM B09a - DN/HN

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

15. LONG-TERM INVESTMENT

	30/06/2024		01/01/2024	
	Historical cost	Value under equity method	Historical cost	Value under equity method
	VND	VND	VND	VND
Binh Duong Mineral and Construction JSC	540,771,698,838	871,428,954,321	500,060,054,838	864,019,184,372
Total	540,771,698,838	871,428,954,321	500,060,054,838	864,019,184,372

(*) The Company owns 26,211,789 shares, equivalent to 22.84% of the capital contribution of Binh Duong Minerals and Construction Joint Stock Company ("KSB"). This company's shares are listed on the Ho Chi Minh City Stock Exchange. A part of KSB shares owned by the Company are pledged to secure loans from securities companies and issued bonds (Details in Note 21).

16. SHORT-TERM TRADE PAYABLES

	30/06/2024		01/01/2024	
	Value	Repayment capability amount	Value	Repayment capability amount
	VND	VND	VND	VND
Hung Gia Viet Investment Consultant Corporation	24,148,927,145	24,148,927,145	24,148,927,145	24,148,927,145
Binh Duong Green Commercial Agricultural Production Co., Ltd	18,425,000,000	18,425,000,000	18,425,000,000	18,425,000,000
30-4 Construction Co., Ltd	14,343,784,057	14,343,784,057	14,343,784,057	14,343,784,057
Others	26,345,920,469	26,345,920,469	31,273,246,835	31,273,246,835
Total	83,263,631,671	83,263,631,671	88,190,958,037	88,190,958,037

17. SHORT-TERM ADVANCE FROM CUSTOMERS

This represents progress payments from customers under real estate transfer contracts at the Commercial - Services Aurora Building Project which is invested by a subsidiary.

18. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	01/01/2024	Payable during the period	Paid during the period	30/06/2024
	VND	VND	VND	VND
Value added tax	4,448,309,700	-	-	4,448,309,700
Corporate income tax	20,096,260,156	1,458,627,099	-	21,554,887,255
- Receivables	(4,450,481,814)	-	-	(4,450,481,814)
- Payable	24,546,741,970	1,458,627,099	-	26,005,369,069
Personal income tax	712,636,970	1,047,125,519	1,347,870,818	411,891,671
Other taxes and fees	5,354,671,928	2,568,270,058	300,214,340	7,622,727,646
Total	30,611,878,754	5,074,022,676	1,648,085,158	34,037,816,272
<i>In which:</i>				
- Tax and amounts receivables from State Budget	4,450,481,814			4,450,481,814
- Tax and amounts payable to State Budget	35,062,360,568			38,488,298,086

As at 30 June 2024, the Company's subsidiaries include An Phu Long Real Estate Joint Stock Company, Binh Dong Real Estate Investment Company Limited and Dong Sai Gon Real Estate Business and Development Joint Stock Company has overdue debts of value-added tax, corporate income tax and other taxes to the State Budget with a total amount of VND 28,884,172,642 (not including late payment fines). The Tax administration has issued enforcement decisions by stopping the use of invoices for the above subsidiaries.

19. SHORT-TERM ACCURED EXPENSES

	30/06/2024	01/01/2024
	VND	VND
Accrual for late handover penalty (*)	252,868,494,596	203,904,420,738
Interest expense	93,508,103,355	55,181,923,102
Others	1,189,320,712	325,000,000
Total	347,565,918,663	259,411,343,840

(*) The Group of Companies has accrued interest payable to customers because real estate projects were behind schedule compared to the plan. The Company is in the process of completing the necessary legal procedures to continue implementation and hand over to customers as soon as possible.

20. OTHER SHORT-TERM PAYABLES

	30/06/2024	01/01/2024
	VND	VND
Trade union fee, compulsory insurances	595,396,200	3,537,621,408
Deposit received from individuals to purchase apartments	556,857,771,428	551,555,294,438
Non-interest bearing borrowing (i)	82,580,000,000	91,723,770,732
- Individuals	69,581,000,000	78,352,640,000
- Hoang Gia Phat Production Service Trading Co., Ltd.	12,999,000,000	12,999,000,000
- Dland Real Estate Business Corporation	-	372,130,732
Payables from deposit of brokerage contract (ii)	45,000,000,000	45,000,000,000
Payment on behalf	16,342,670,364	16,342,670,364
- Dream House Dong Nam Corporation	15,404,572,828	15,404,572,828
- Others	938,097,536	938,097,536
Maintenance fee of building	7,363,525,631	7,363,525,631
Interest payable to Dream House Dong Nam Corporation	5,756,920,548	5,756,920,548
Dividend paid	1,211,400,000	1,220,400,000
Others	36,102,447,241	12,221,100,741
Total	751,810,131,412	734,721,303,862

- i. This represents non-interest bearing borrowing from other companies and individuals to finance the working capital of the Group.
- ii. This represents deposit received from Hung Gia Viet Investment Consultant Corporation ("Hung Gia Viet") in accordance with the brokerage contract between Dong Sai Gon Real Estate Development and Trading Joint Stock Company ("Dong Sai Gon") and Hung Gia Viet in cooperation and development of Metro Residential Area project located at No 52/1, Street 400, Cay Dau Hamlet, Tan Phu Ward, Thu Duc City, Ho Chi Minh.

DRH HOLDINGS JOINT STOCK COMPANY

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

FORM B09a - DN/HN

21. LOANS AND FINANCE LEASE LIABILITIES

	01/01/2024		During the period		30/06/2024	
	Value	Repayment capability amount	Increase	Decrease	Value	Repayment capability amount
	VND	VND	VND	VND	VND	VND
Borrowing from security companies	208,067,245,231	208,067,245,231	364,577,152,897	357,271,503,919	215,372,894,209	215,372,894,209
Viet Dragon Securities Corporation	49,414,581,675	49,414,581,675	3,298,112,480	2,270,008,010	50,442,686,145	50,442,686,145
Maybank Kim Eng Securities Limited	30,814,198,424	30,814,198,424	52,052,338,840	42,566,773,570	40,299,763,694	40,299,763,694
VNDIRECT Securities Corporation	27,450,676,496	27,450,676,496	58,312,277,446	73,805,943,104	11,957,010,838	11,957,010,838
National Securities Incorporation	22,350,000,000	22,350,000,000	119,257,472,835	117,639,502,247	23,967,970,588	23,967,970,588
MB Securities Joint Stock Company	26,645,456,927	26,645,456,927	58,465,973,139	52,813,998,953	32,297,431,113	32,297,431,113
DNSE Securities Joint Stock Company	38,363,240,638	38,363,240,638	64,106,088,748	63,246,483,789	39,222,845,597	39,222,845,597
Nhat Viet Securities Joint Stock Company	13,029,091,071	13,029,091,071	9,084,889,409	4,928,794,246	17,185,186,234	17,185,186,234
Current portion of long-term loan	565,634,100,443	565,634,100,443	-	(1,954,166,665)	567,588,267,108	567,588,267,108
Current portion of long-term bonds	567,588,267,108	567,588,267,108	-	-	567,588,267,108	567,588,267,108
Bond issue costs	(1,954,166,665)	(1,954,166,665)	-	(1,954,166,665)	-	-
Total	773,701,345,674	773,701,345,674	364,577,152,897	355,317,337,254	782,961,161,317	782,961,161,317

Loans from security companies

These represent loans from security companies to finance investment activities which have maturity of ninety (90) days from the date of drawdown and automatically renew every three (03) months. These loans bear interest at floating rate with current rates ranging from 10% to 16%/year. Collateral is the asset on the margin trading account and regular securities trading account.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FORM B09a - DN/HN

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

Bonds

	30/06/2024		01/01/2024	
	Value	Term	Value	Term
	VND	Year	VND	Year
Current portion of long-term bonds				
Bond DRHH2022001 at par value	157,588,267,108	2.0	157,588,267,108	2.0
Bond DRHH2224001 at par value	410,000,000,000	2.0	410,000,000,000	2.0
Bond issue costs	-	-	(1,954,166,665)	-
Total	567,588,267,108		565,634,100,443	

Unpaid overdue debts are as follows:

	30/06/2024		01/01/2024	
	Principal	Interest	Principal	Interest
	VND	VND	VND	VND
Bond DRHH2022001	157,588,267,108	18,651,542,847	157,588,267,108	10,018,714,304
Bond DRHH2224001	410,000,000,000	74,180,829,846	-	37,744,296,198
Total	567,588,267,108	92,832,372,693	157,588,267,108	47,763,010,502

As at 30 June 2024, the entire bond balance of the Company were overdue according to the terms of issuance. The details of issued bonds (corporate bonds without conversion rights) and remaining balance as at 30 June 2024 are as follows:

❖ **Bond DRHH2022001 dated 16 November 2020 has a term of 24 months from the date of issuance**

- Quantity issued: 2,300,000 bonds with par value of VND 100,000;
- Interest rate: term interest is 11%/year and overdue interest is 150% of term interest rate; interest is paid periodically every 3 months;
- Purpose: To invest in the Metro Valley Residential Area project and Aurora Apartment project belonging to Dong Sai Gon Real Estate Business and Development Joint Stock Company and Binh Dong Real Estate Investment Company Limited - the Company's subsidiaries;
- These bonds are secured by:
 - Land use rights, house ownership certificate and related assets located at Lot No. 1, Map No. 5, cadastral map of Tan Phu ward, District 9, with a total area of 34,737.7 m2 of Metro Valley Residential Project located at 52/1, Road 400, Cay Dau Commune, Tan Phu Ward, Thu Duc City, Ho Chi Minh City of Dong Sai Gon
 - All shares of Dong Saigon are owned by the Company;

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FORM B09a - DN/HN

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

- 2,285,000 shares of Binh Duong Minerals and Construction Joint Stock Company (Stock code: KSB) owned by the Company;
- All property rights of the Metro Valley Residential Project, located at land plot number 01, map sheet number 5, Department of Land Administration, Tan Phu Ward, District 9, Ho Chi Minh City;
- Part of customer receivables from the Aurora Residences project.

Resolution dated 29 November 2024 of Bond holder DRHH2022001 had approved the plan to pay for DRHH2022001 as follows:

- Method for handling secured assets as KSB shares: Within 30 working days from the issuance date of the Resolution, the Company has the right to handle of the mortgaged shares (2,285,000 KSB shares) in a way that unsold through the Ho Chi Minh City Stock Exchange by transferring money to the debt repayment reserve account, the entire amount transferred by the Company will be used to pay the principal bond;
- Additional payment plan: Within 60 working days from the effective date of the Resolution, the Company commits to deposit/transfer the remaining VND 55 billion into the reserve account to pay the principal bond;
- Payment plan from the reserve account: Within 7 working days after receiving the money, the account management organization will pay the bond principal corresponding to the amount paid to the bondholders;
- Adjustment of interest arising on overdue bond principal and the issuer still has to pay: In case the issuer pays all overdue bond principal before 30 June 2025, the interest arising on overdue principal is calculated with an overdue interest rate of 13.5% applicable period from 16 August 2023 until the overdue bond principal is repaid before 30 June 2025. In the case where the issuer repays the overdue bond principal after 30 June 2025, the overdue interest rate will be based on the resolution of the bondholders at that time.

❖ **Bond DRHH2224001 dated 23 February 2022 has a term of 24 months from the date of issuance**

- Quantity issued: 410,000 bonds with par value VND 1,000,000;
- Interest rate: term interest is 12%/year; interest is payable quarterly;
- Purpose: To cooperate with investor which is KSB Industry Development Company Limited and/or a third party to altogether initiate activities of compensation, release, filling, ground completion at stage 2 of the project of Dat Cuoc Industrial Area - Binh Duong with an amount of VND 200 billions and/or to finance the investment capital to the project owner - Binh Dong Real Estate Investment Company Limited to complete an Aurora Residences project with an amount of VND 210 billions.
- These bonds are secured by:
 - Land use rights located at Tan Phu Ward, District 9 (now is Thu Duc City), Ho Chi Minh owner by third party with total area of 3,449.0 m²;
 - 5,018,495 shares of KSB owned by the Company.

Resolution dated 04 September 2024 of Bond holder DRHH2224001 had approved the plan to handle collateral as follows:

- Method for handling secured assets as KSB shares:
 - The Company has the priority right to handle unsold mortgaged shares through the Ho Chi Minh City Stock Exchange by DRH or another securing party depositing money into the handling account corresponding to the number of mortgaged shares that DRH wants to be

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FORM B09a - DN/HN

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

prioritized for handling by the method of not selling on the stock exchange and incurring fees; the deadline of deposit money to the priority right to handle unsold pledged shares is 90 working days from the effective date of the Resolution;

- After 90 working days from the effective date of the absolute majority Resolution, in case DRH has not completed transferring money to the Processing account to release or delete the registration of all pledged shares, or only depositing a part of the money into the Processing account to release a corresponding part of the pledged shares, the Asset management organization has the right to handle the remaining pledged shares by selling through the Stock exchange.

- Method for handling the secured assets as the land use rights owned by Mr. To Duy Thai with a total area of 3,449.0 m2 located on land plots in Tan Phu ward, District 9 (now is Thu Duc City), Ho Chi Minh:

- The Company is allowed to find partners to transfer a part or all of the mortgaged land use rights. The selling price is based on the principle of agreement between DRH and the transferor, but must not be lower than 70% of the valuation value in the Valuation Certificate dated 08 February 2022.

- After 90 working days from the effective date of the absolute majority resolution, in case DRH can not find a partner to carry out the transaction or finds a partner but only agrees to transfer a part of the land used right, DRH will consult the Bond holder on the next solution for the part of land used rights which DRH can not find a partner.

Currently, the Company is working with partners to liquidate investments in order to arrange capital to repay overdue bonds.

22. OWNERS' EQUITY

Movements in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Non-controlling interest	Undistributed earnings
	VND	VND	VND	VND	VND	VND
As at 01/01/2024	1,243,538,660,000	120,132,866,000	(6,460,000,000)	19,564,185,852	10,908,380,769	227,553,658,972
Loss for the year	-	-	-	-	(53,323,885)	(103,750,302,666)
Remuneration of BOD	-	-	-	-	-	(546,000,000)
Other reduction	-	-	-	-	-	(798,301,029)
As at 01/01/2024	1,243,538,660,000	120,132,866,000	(6,460,000,000)	19,564,185,852	10,855,056,884	122,459,055,277
Profit/loss for the period	-	-	-	-	12,281,716	(89,853,396,855)
As at 30/06/2024	1,243,538,660,000	120,132,866,000	(6,460,000,000)	19,564,185,852	10,867,338,600	32,605,658,422

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

Capital transactions with owners

	Current period VND	Prior period VND
Owner's equity		
- Opening balance	1,243,538,660,000	1,243,538,660,000
- Increase during the period	-	-
- Decrease during the period	-	-
- Closing balance	1,243,538,660,000	1,243,538,660,000
Declared dividend, earning	-	-

Shares

	30/06/2024	01/01/2024
Authorised shares	124,353,866	124,353,866
Issued shares	124,353,866	124,353,866
- Common shares	124,353,866	124,353,866
Repurchased shares (Treasury shares)	646,000	646,000
- Common shares	646,000	646,000
Outstanding shares	123,707,866	123,707,866
- Common shares	123,707,866	123,707,866
Par value of an outstanding share (VND/share)	10,000	10,000

23. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current period VND	Prior period VND
Revenue from service rendered	1,281,369,549	5,587,052,532
Total	1,281,369,549	5,587,052,532

24. COST OF SALES

	Current period VND	Prior period VND
Cost of services rendered	2,916,697,960	1,778,297,029
Total	2,916,697,960	1,778,297,029

25. FINANCIAL INCOME

	Current period VND	Prior period VND
Interest income from loan receivables	13,193,784,612	13,010,913,041
Gains from disposal of held-for-trading securities	962,283,584	1,851,981,075
Transfer of the right to purchase shares	15,376,990,000	-
Other financial income	110,290,188	258,146,783
Total	29,643,348,384	15,121,040,899

DRH HOLDINGS JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FORM B09a - DN/HN
These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements
26. FINANCIAL EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Interest expense	60,181,133,088	46,791,717,372
Bond issuance cost	1,954,166,665	5,779,375,000
Losses from disposal of held-for-trading securities	963,754,661	2,159,970,843
Loss from partial divestment of capital in an associated company	41,912,069,228	-
Other financial expenses	925,477,974	785,503,035
Total	<u>105,936,601,616</u>	<u>55,516,566,250</u>

27. SELLING EXPENSES AND ADMINISTRATIVE EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Selling expenses	-	299,312,342
Others	-	299,312,342
Administrative expenses	10,470,480,458	12,194,579,700
Labour cost	6,354,579,308	7,770,168,528
Depreciation expense	60,478,002	156,195,666
Outsourced expense	3,793,338,811	3,773,353,161
Others	262,084,337	494,862,345
Total	<u>10,470,480,458</u>	<u>12,493,892,042</u>

28. OTHER EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Reversal of tax penalties, social insurance	2,121,368,346	1,489,150,817
Penalties	145,000,000	791,348,017
Total	<u>2,266,368,346</u>	<u>2,280,498,834</u>

29. PRODUCTION AND BUSINESS COST BY NATURE

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Labour cost	9,567,255,572	11,766,424,083
Depreciation	1,089,152,305	1,184,869,969
Outsourced expense	11,523,287,555	22,153,810,624
Others	49,690,105,892	44,617,662,737
Total	<u>71,869,801,324</u>	<u>79,722,767,413</u>

These notes are an integral part of and should be read in conjunction with the consolidated interim financial statements

30. CURRENT CORPORATE INCOME TAX EXPENSE

Current corporate income tax expenses incurred at the Company and its subsidiaries are as follows:

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Binh Dong Real Estate Investment Co.,Ltd	1,458,627,099	2,016,070,942
Dong Sai Gon Real Estate Development and Trading JSC	-	-
An Phu Long Real Estate JSC	-	-
Thuan Tien Real Estate Development JSC	-	-
DRH Holdings JSC	-	-
Total	1,458,627,099	2,016,070,942

31. EARNINGS PER SHARE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Net profit after corporate income tax	(89,853,396,855)	(38,817,994,675)
Welfare and bonus fund	-	-
Profit allocated to common shareholders	(89,853,396,855)	(38,817,994,675)
Weighted average number of common shares during the period	123,707,866	123,707,866
Earnings per share	(726)	(314)

32. OPERATING LEASE COMMITMENTS

The Company leases office under operating lease arrangements. The minimum lease commitment as at the balance sheet dates under operating lease agreements are as follows:

	<u>30/06/2024</u>	<u>01/01/2024</u>
	VND	VND
Less than 1 year	3,960,000,000	3,960,000,000
From the second year to the fifth year	12,870,000,000	14,850,000,000
Total	16,830,000,000	18,810,000,000

33. TRANSACTIONS WITH RELATED PARTIES

Apart from the affiliated companies described in Note 1.4 and the members of the Board of Directors and The Management, the Company does not have any other related parties.

Related party's balances

	<u>30/06/2024</u>	<u>01/01/2024</u>
	VND	VND
Other payables	389,500,000	900,000,000
Mr. Ngo Duc Son	389,500,000	900,000,000

Remuneration of the Board of Directors and Management

Name	Position	Current period	Prior period
		VND	VND
Mr. Phan Tan Dat	Chairman	-	-
	Member of Audit Committee (appointed on 04 December 2024)		
Mr. Ho Ngoc Bach	Independent member (resigned on 05 November 2024)		
	Chairman of Audit Committee	-	-
Mr. Nguyen Lam Tung	Independent member, Chairman of Audit Committee (appointed on 04 December 2024)		
	Member of Audit Committee	-	-
Mr. Ngo Duc Son	Member, General Director	775,867,990	787,619,815
Mr. Tran Hoang Anh	Member, Deputy General Director	555,612,543	559,973,297
Total		1,331,480,533	1,347,593,112

34. SUBSEQUENT EVENTS

No significant events occurring after balance sheet date affecting the financial position and operations of the Company that requires adjustments or disclosures on the consolidated interim financial statements from 01 January 2024 to 30 June 2024.

35. COMPARATIVE FIGURES

The comparative figures on Consolidated Balance sheet are the figures on the audited financial statement for the year ended 31 December 2023. The comparative figures on the Consolidated Income statement and the Consolidated Cash flow statement are the figures on the reviewed consolidated interim financial statement for the period from 01 January 2023 to 30 June 2023 by another auditing firm.

Preparer

Chief Accountant

Ho Chi Minh, 02 January 2025

General Director






Pham Thi Mai Nuong

Le Thi Thuan

Ngo Duc Son