

**PHUC HUNG HOLDINGS CONSTRUCTION
JOINT STOCK COMPANY**
AUDITED FINANCIAL STATEMENTS
For the year ended 31/12/2022

PHUC HUNG HOLDINGS CONSTRUCTION JOINT STOCK COMPANY

1st Floor, Tower A, Building CT2 (The Light), To Huu Street, Trung Van Ward, Nam Tu Liem District, Hanoi, Vietnam

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PHUC HUNG HOLDINGS CONSTRUCTION JOINT STOCK COMPANY

1st Floor, Tower A, Building CT2 (The Light), To Huu Street, Trung Van Ward, Nam Tu Liem District, Hanoi, Vietnam

STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of Phuc Hung Holdings Construction Joint Stock Company presents this report together with the Company's audited financial statements for the year ended 31st December 2022.

THE COMPANY

Phuc Hung Holdings Construction Joint Stock Company (hereinafter referred to as the "the Company") Formerly known as Phuc Hung Constrexim Import-Export Construction Investment Joint Stock Company, was established under the Certificate of Business Registration No. 0103001141 issued by the Hanoi Department of Planning and Investment for the first time on 24 June, 2002.

Phuc Hung Constrexim Import-Export Construction Investment Joint Stock Company formerly known as Phuc Hung Construction Co., Ltd was established under the Certificate of Business Registration 0102002911 issued by the Hanoi Department of Planning and Investment for the first time on 04 July, 2001. Certificate of registration of a Joint Stock Company No.0101311315 issued by the Hanoi Department of Planning and Investment on 25 October 2010, and changed for the 15th time on 29/12/2021.

The Company's Charter capital under the Certificate of Business Registration No. 0101311315 changed for the 15th time on 29/12/2021 is 506,819,270,000 VND (Five hundred and six billion eight hundred nineteen million two hundred and seventy thousand Dong).

The Company's stock is currently listed on the HOSE with stock code: PHC.

The Company's registered office Address: 1st Floor, Tower A, Building CT2 (The Light), To Huu Street, Trung Van Ward, Nam Tu Liem District, Hanoi, Vietnam.

BOARDS OF MANAGEMENT, SUPERVISORS AND GENERAL DIRECTORS

Members of Boards of Management, Supervisors and General Directors who held the Company during the year and at the date of this report are as follows:

BOARD OF MANAGEMENT

Mr. Cao Tung Lam	Chairman
Mr. Tran Hong Phuc	Member
Mr. Nguyen Duc Thang	Member
Mr. Tran Huy Tuong	Member
Mr. Do Nguyen An	Member
Mr. Nguyen Cong Khanh	Member
Mr. Nguyen Ngoc Diep	Member

BOARD OF SUPERVISORS

Mr. Nguyen Nhu Phi	Head of Board
Mr. Cao Xuan Dung	Member
Mrs. Pham Thi Thanh Tuyen	Member

BOARD OF GENERAL DIRECTORS

Mr. Tran Hong Phuc	General Director
Mr. Tran Thang Loi	Deputy General Director
Mr. Le Quoc Tuan	Deputy General Director
Mr. Nguyen Hoang Anh	Deputy General Director

PHUC HUNG HOLDINGS CONSTRUCTION JOINT STOCK COMPANY

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STATEMENT OF THE EXECUTIVE BOARD (CONTINUED)

SUBSEQUENT EVENTS

According to the Executive Board, in all material respects, there have been no other significant events occurring after the Balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the financial statements.

AUDITORS

The Company's financial statements for the year ended 31st December 2022 have been audited by CPA VIETNAM Auditing Company limited - A Member Firm of INPACT.

THE EXECUTIVE BOARD'S RESPONSIBILITY

The Company's Executive Board is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31/12/2022 as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of financial statements. In preparing these financial statements, the Executive Board is required to:

- Select appropriate accounting policies and apply them consistently
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- Design and effectively implement the internal control system in order to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to frauds or errors.
- Prepare the Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

The Executive Board 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 to ensure that the financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparation and presentation of the financial statements. The Executive Board 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 Executive Board confirms that the Company has complied with the above requirements in preparing the financial statements.

For and on behalf of the Executive Board,



Cao Tung Lam
Chairman

Hanoi, March 20, 2023

Head Office in Hanoi:

8th floor, VG Building, No. 235 Nguyen Trai Str.,
Thanh Xuan Dist., Hanoi, Vietnam

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No: 129/2023/BCKT-CPA VIETNAM-NV2

INDEPENDENT AUDITORS' REPORT

**To: Shareholders
Boards of Management, Supervisors and General Directors
Phuc Hung Holdings Construction Joint Stock Company**

We have audited the accompanying financial statements of Phuc Hung Holdings Construction Joint Stock Company, as prepared on 20 March 2022, set out on page 06 to page 40, including the Balance sheet as at 31/12/2022, and the Income Statement, and Cash flows Statement for the year then ended, and Notes to the financial statements.

Responsibility of the Executive Board

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

Responsibility of Auditors

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's separate financial statements are free from any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design appropriate audit procedures to the actual situation, which is not intended to give an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion of Auditors

In our opinion, the accompanying financial statements gives a true and fair view of, in all material respects, the financial position of the Company as at 31st December 2022 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements in Vietnam.



Nguyen Thi Mai Hoa**Deputy General Director**Audit Practising Registration Certificate:
2326-2023-137-1*Authorised: 08/2023/UQ-CPA VIETNAM dated 06/01/2023 of Chairman, General Director*

For and on behalf of

CPA VIETNAM AUDITING COMPANY LIMITED**A member firm of INPACT***Hanoi, March 20, 2023*

Nguyen Thi Tien**Auditor**Audit Practising Registration Certificate:
5276-2021-137-11

BALANCE SHEET
 As at 31st December, 2022

ASSETS	Code	Note	31/12/2022 VND	01/01/2022 VND
A - CURRENT ASSETS (100=110+120+130+140+150)	100		1,993,106,090,817	1,889,928,988,888
I. Cash and cash equivalents	110	5.1	46,479,286,296	53,652,380,029
1. Cash	111		46,479,286,296	53,652,380,029
II. Short-term financial investments	120		1,874,079,611	1,827,171,376
3. Held-to-maturity investments	123	5.2	1,874,079,611	1,827,171,376
III. Short-term receivables	130		1,318,401,261,926	1,241,141,267,222
1. Receivables from customers	131	5.3	965,758,861,117	867,964,077,009
2. Advances to Suppliers	132	5.4	83,559,197,442	128,750,377,500
6. Other short-term receivables	136	5.5	275,587,492,107	250,629,708,249
7. Provision for doubtful debts	137	5.6	(6,504,288,740)	(6,202,895,536)
IV. Inventories	140	5.7	605,758,905,673	578,455,777,370
1. Inventories	141		605,758,905,673	578,455,777,370
V. Other current assets	150		20,592,557,311	14,852,392,891
1. Short-term prepaid expenses	151	5.8	226,092,441	266,926,994
2. Value added tax is deducted	152		12,509,103,644	14,582,710,897
3. Tax and amount receivables from State budget	153	5.16	7,857,361,226	2,755,000
B - NON-CURRENT ASSETS (200=210+220+240+250+260)	200		457,031,265,158	336,824,464,729
II. Fixed assets	220		42,905,131,511	42,504,826,504
1. Tangible fixed assets	221	5.9	42,797,265,026	42,353,067,375
- Historical Cost	222		84,567,080,394	76,626,030,898
- Accumulated depreciation	223		(41,769,815,368)	(34,272,963,523)
3. Intangible fixed assets	227	5.10	107,866,485	151,759,129
- Historical Cost	228		900,895,600	841,705,600
- Accumulated amortization	229		(793,029,115)	(689,946,471)
III. Investment real estate	230	5.11	71,352,913,997	73,523,003,826
1. Historical Cost	231		77,144,485,883	77,144,485,883
2. Accumulated amortization	232		(5,791,571,886)	(3,621,482,057)
IV. Long-term Construction in progress	240		1,457,789,091	1,457,789,091
2. Construction in progress	242	5.12	1,457,789,091	1,457,789,091
V. Long-term financial investments	250		324,206,622,000	217,484,622,000
1. Investment in subsidiaries	251	5.13	93,960,000,000	93,960,000,000
2. Investment in the associated and joint-venture companies	252	5.13	183,321,980,000	108,599,980,000
3. Other long-term investments	253	5.13	24,642,000	24,642,000
5. Held to maturity investments	255	5.2	46,900,000,000	14,900,000,000
VI. Other Long-term assets	260		17,108,808,559	1,854,223,308
1. Long-term prepaid expenses	261	5.8	17,108,808,559	1,854,223,308
TOTAL ASSETS (270 = 100+200)	270		2,450,137,355,975	2,226,753,453,617

BALANCE SHEET (CONTINUED)

As at 31st December, 2022

RESOURCES	Code	Note	31/12/2022	01/01/2022
			VND	VND
C- LIABILITIES (300=310+330)	300		1,814,798,222,089	1,564,704,872,903
I. Current liabilities	310		1,807,281,940,372	1,564,704,872,903
1. Trade account payables	311	5.14	730,640,106,265	461,393,948,542
2. Advances from customers	312	5.15	110,138,874,907	278,987,978,136
3. Taxes and other payables to State budget	313	5.16	512,418,630	2,314,435,590
4. Payables to employees	314		7,619,452,371	8,697,620,386
5. Short-term accrued expenses	315		-	-
9. Other short-term payables	319	5.17	44,245,052,339	33,850,016,804
10. Short-term loans and liabilities	320	5.18	912,568,552,714	777,744,468,481
11. Provision short term payables	321		930,783,146	1,313,704,964
12. Bonus and welfare funds	322		626,700,000	402,700,000
II. Long-term liabilities	330		7,516,281,717	-
8. Long-term borrowings and finance leasing liabilities	338	5.18	7,516,281,717	-
D- OWNERS' EQUITY (400 = 410+430)	400		635,339,133,886	662,048,580,714
I- Owners' equity	410	5.19	635,339,133,886	662,048,580,714
1. Paid in capital	411		506,819,270,000	506,819,270,000
- Common share with voting right	411a		506,819,270,000	506,819,270,000
2. Share premium	412		67,567,846,314	67,567,846,314
7. Development funds	418		13,000,000,000	13,000,000,000
10. Retained earnings	421		47,952,017,572	74,661,464,400
- Retained earnings of previous period	421a		30,088,495,640	28,570,040,534
- Retained earnings of this period	421b		17,863,521,932	46,091,423,866
TOTAL RESOURCES (440 = 300+400)	440		2,450,137,355,975	2,226,753,453,617

Preparer



Ha Thi Thu Hoa

Chief Accountant



Ngo Thi Minh Nguyet

Hanoi, March 20, 2023

Chairman



Cao Tung Lam



INCOME STATEMENT
 For the year ended 31 December 2022

ITEMS	Code	Note	In 2022	In 2021
			VND	VND
1. Gross sales of goods and services	01	6.1	1,862,096,638,676	971,567,210,849
2. Less deductions	02	6.1	8,884,068,625	-
3. Net sales of goods and services (10 = 01-02)	10	6.1	1,853,212,570,051	971,567,210,849
4. Cost of goods sold	11	6.2	1,766,417,205,901	892,651,939,672
5. Gross profit from sales of goods and services (20 = 10-11)	20		86,795,364,150	78,915,271,177
6. Financial income	21	6.3	21,322,494,085	61,893,341,085
7. Financial expenses	22	6.4	38,478,876,315	44,658,495,074
<i>In which: Interest expenses</i>	23		37,024,657,137	43,828,608,917
8. Selling expenses	25	6.5	-	946,272,634
9. General and administration expenses	26	6.5	50,766,352,263	35,469,498,096
10. Operating profit	30		18,872,629,657	59,734,346,458
11. Other income	31	6.6	8,677,984,219	3,353,875,571
12. Other expenses	32	6.6	6,376,865,333	3,378,016,181
13. Profit from other activities (40 = 31-32)	40	6.6	2,301,118,886	(24,140,610)
14. Accounting profit before tax (50 = 30+40+45)	50		21,173,748,543	59,710,205,848
15. Current corporate income tax	51	6.7	3,310,226,611	13,618,781,982
16. Deferred corporate income tax	52		-	-
17. Profit after tax (60 = 50-51-52)	60		17,863,521,932	46,091,423,866

Preparer



Ha Thi Thu Hoa

Chief Accountant



Ngo Thi Minh Nguyet

Hanoi, March 20, 2023

Chairman



Cao Tung Lam

CASH FLOW STATEMENT
(Indirect method)
For the year ended 31 December 2022

ITEMS	Code	Note	In 2022 VND	In 2021 VND
I. Cash flows from operating activities				
1. Profit before tax	01		21,173,748,543	59,710,205,848
2. Adjustments for				
- Depreciation and amortization	02		10,647,933,452	7,254,459,836
- Provisions	03		(684,315,022)	(216,392,187)
- Gain, loss from investment activities	05		(24,749,728,332)	(23,984,813,215)
- Interest expenses	06		37,024,657,137	43,828,608,917
- Others	07		-	-
3. Operating profit before movements in working capital	08		43,412,295,778	86,592,069,199
- (Increase) decrease receivables	09		(62,004,813,916)	(140,428,867,820)
- (Increase) decrease inventories	10		(27,303,128,303)	(139,321,213,330)
- Increase (decrease) accounts payable	11		106,723,018,754	257,588,946,035
- (Increase) decrease prepaid expenses	12		(15,213,750,698)	3,119,506,063
- Interest paid	14		(37,024,657,137)	(43,828,608,917)
- Corporate income tax paid	15		(5,878,366,575)	(6,155,874,898)
- Other cash inflows	16		-	3,300,000
- Other cash outflows	17		(776,000,000)	-
Net cash from operating activities	20		1,934,597,903	17,569,256,332
II. Cash flows from investing activities				
1. Payments for acquisition, construction of fixed assets and other long- term assets	21		(10,655,325,864)	(67,749,414,037)
2. Proceeds from disposal or sale of fixed assets and other long-term assets	22		5,274,301,481	1,318,181,818
3. Payment for lending, purchasing debt instruments of other entities	23		(67,046,908,235)	(1,100,000,000)
4. Recovery of loans, reselling debt instruments of other entities	24		35,000,000,000	5,000,000,000
5. Investments in other entities	25		(82,722,000,000)	(118,457,229,613)
6. Proceed from investment into other entities	26		8,000,000,000	86,714,000,000
7. Interest income, dividends received	27		1,173,823,822	28,490,112,212
Net cashflow from investing activities	30		(110,976,108,796)	(65,784,349,620)
III. Cash flows from financing activities				
1. Proceeds from the issuance of shares and receipt owners' contributed capital	31		-	258,518,097,681
3. Proceeds from borrowings	33		1,416,741,900,027	1,428,083,626,150
4. Payment to settle debts			(1,274,401,534,077)	(1,648,714,241,758)
6. Dividends and profits paid to the owner	36		(40,471,948,790)	(164,748,050)
Net cashflow from financing activities	40		101,868,417,160	37,722,734,023
Net cashflow during the period (50 = 20+30+40)	50		(7,173,093,733)	(10,492,359,265)
Cash and cash equivalents at beginning of year	60		53,652,380,029	64,144,739,294
Cash and cash equivalents at end of year (70 = 50+60+61)	70	5.1	46,479,286,296	53,652,380,029

Preparer


Ha Thi Thu Hoa

Chief Accountant


Ngo Thi Minh Nguyet

Hanoi, March 20, 2023
Chairman

Cao Tung Lam



NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2022

1. COMPANY INFORMATION**1.1 Form of equity ownership**

Phuc Hung Holdings Construction Joint Stock Company formerly known as Phuc Hung Constrexim Import-Export Construction Investment Joint Stock Company, was established under the Certificate of Business Registration No. 0103001141 issued by the Hanoi Department of Planning and Investment for the first time on 24 June, 2002.

Phuc Hung Constrexim Import-Export Construction Investment Joint Stock Company formerly known as Phuc Hung Construction Co., Ltd was established under the Certificate of Business Registration 0102002911 issued by the Hanoi Department of Planning and Investment for the first time on 04 July, 2001. Certificate of registration of a Joint Stock Company No.0101311315 issued by the Hanoi Department of Planning and Investment on 25 October 2010, and changed for the 15th time on 29/12/2021.

The Company's Charter capital under the Certificate of Business Registration No. 0101311315 changed for the 15th time on 29/12/2021 is 506,819,270,000 VND (Five hundred and six billion, eight hundred nineteen million, two hundred seventy thousand Dong).

The Company's stock is currently listed on the HOSE with stock code: PHC.

The Company's registered office Address: 1st Floor, Tower A, Building CT2 (The Light), To Huu Street, Trung Van Ward, Nam Tu Liem District, Hanoi, Vietnam.

The total number of the Company's employees as at 31/12/2022 is 442 employees (At 31/12/2021: 458 employees)

1.2 Operating industries and principal activities

Operating industries of the Company include:

- Construction of water works;
- Construction of mining works;
- Construction of processing and manufacturing works;
- Construction of other civil engineering works;
- Construction of railway works;
- Construction of road works;
- Construction of electrical works;
- Construction of water supply and drainage works;
- Construction of telecommunications and communication works;
- Construction of other public works
- Specialized design activities: *Details: Interior and exterior decoration;*
- Site preparation: *Details: treatment of the foundation of the work;*
- Installation of water supply and drainage systems, heating and air-conditioning systems: *Details: Installation, repair and maintenance of air-conditioning and refrigeration systems; Construction and installation of water supply, drainage and wastewater treatment systems..*
- Manufacture of other foods not elsewhere classified: *Details: Food production;*
- Distilling, refining and mixing spirits: *Details: Production of alcohol;*
- Producing beer and malting beer yeast: *Details: Beer production;*
- Producing non-alcoholic beverages, mineral water: *Details: Producing soft drinks;*
- Wholesale of other installation materials and equipment in construction: *Details: Producing and trading building materials;*
- Trading in real estate, land use rights belonging to the owner, user or leased: *Details: Housing development business; Real estate business;*
- Consulting, brokerage, real estate auction, land use right auction: *Details: real estate brokerage.*

Principal activities of the Company during the year: Construction of civil and industrial works, project development.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

1.3. Normal operating cycle

The Company's normal operating cycle is 12 months.

1.4. The Company structure

As at 31/12/2022, the Company has subsidiaries, associates and branches as follows:

Subsidiaries, Associates and Branches as follows:

Company	Address	Business line	Capital contribution rate	Voting rate
Subsidiaries				
Phuc Hung Construction Equipment Management One Member Limited Liability Company	Hanoi	Management and exploitation of construction equipment	100.00%	100.00%
Phuc Hung Electrical Mechanical Joint Stock Company	Hanoi	Management and construction of electromechanical	70.00%	70.00%
PHK Invest Limited Company	Hanoi	Production of construction materials	100.00%	100.00%
Phu Lam Joint Stock Company	Dak Nong	Hydroelectricity	80.00%	80.00%
Associates Company				
An Phu Hung Invest Joint Stock Company	Hanoi	Investing in real estate	46.00%	46.00%
My Xuan Ha Noi Housing Joint Stock Company (*)	Hanoi	Real estate and commercial	19.75%	44.015%
An Thinh Phat Real Estate Investment Co.,Ltd	Nghe An	Investing in real estate business	32.44%	32.44%

(*) Ownership rate in My Xuan Ha Noi Housing Joint Stock Company: Phuc Hung Holdings Construction Joint Stock Company holds 19.75% of the charter capital of this company and holds 24.265% of the approved charter capital. Cross-ownership at An Phu Hung Investment and Business Joint Stock Company.

The Company's branches:

- + Phuc Hung Holdings Construction Joint Stock Company - Southern Branch;
- + Phuc Hung Holdings Construction Joint Stock Company - Ho Chi Minh City Branch (Temporarily closed);
- + Phuc Hung Holdings Construction Joint Stock Company - Thang Long Branch.

1.5 Statement of information comparability on the financial statements

The Executive Board ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated December 22, 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the financial statements are comparable.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
For the year ended 31 December 2022

2. FISCAL YEAR AND ACCOUNTING CURRENCY

Fiscal year

Fiscal year of the Company starts on 1st January and ends on 31st December of solar year.

Accounting currency

The accompanying financial statements are expressed in Vietnam Dong (VND)

3. ACCOUNTING STANDARDS AND SYSTEM

Accounting System

The Company applied to Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT- BTC dated March 21, 2016 amending and supplementing a number of articles of Circular 200/2014/TT- BTC dated December 22, 2014.

Statements for the compliance with Accounting Standards and System

The Executive Board ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Financial Statements for the year ended 31 December 2022.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

The attached financial statements are expressed under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of financial statements.

The separate financial statements of the Company are prepared on the basis of the summary of the financial statements of the dependent units and the financial statements of the Office of the Company. All transactions and balances between the Office of the Company and its dependent units as well as between the dependent units have been eliminated when preparing and presenting the Company's financial statements.

The accompanying separate financial statements are the Company's ones, therefore, they do not include the financial statements of subsidiaries. Users of the separate financial statements should read them together with the Company's consolidated financial statements for the year ended 31 December, 2022 to obtain full information of the Company's financial position as well as the results of operations and cash flows during the year.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdiction other than Vietnam.

Accounting estimates

The preparation of the financial statements in conformity with Vietnamese Accounting Standards requires the Executive Board to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

Cash and cash equivalents

Cash comprises cash on hand, bank deposits.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial investments

Held to maturity investments

Held-to-maturity investments include term deposits with banks and held-to-maturity bonds for the purpose of earning periodic interest.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Company's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

Held-to-maturity investments are stated at cost less allowance for bad debts.

Allowance for bad debts of held-to-maturity investments is made in conformity with current accounting regulations.

Investment in subsidiaries, associates and others

Investments in subsidiaries over which the Company has control, investments in associates and joint ventures over which the Company has significant influence are stated at cost method in the financial statements.

Profit distributions that Company received from the accumulated profits of the subsidiaries after the Company obtains control right are recognized in income statement. Other distributions are considered a recovery of investment and are deducted to the investment value.

Investments in subsidiaries, joint ventures, associates and other investments are presented at cost less allowance for diminution in value (if any) in the balance sheet.

Other investments are recorded at cost, including purchase price plus directly attributable acquisition costs. After the initial recognition, these investments are measured at cost less allowance for diminution in value of investments.

Allowance for the loss of investments

Allowance for losses of investments in subsidiaries, contributions to joint ventures, investments in associates and investments in equity instruments of other entities is made when there is apparent evidence for impairment in value of the investments as at the balance sheet date

Receivables

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are determined on the basis of cost, in case the cost of inventories is higher than the net realizable value, it must be calculated at the net realizable value. The cost of inventory includes the cost of direct materials, direct labor, and manufacturing overhead, if any, to bring the inventory to its current location and condition. Net realizable value is measured at the estimated selling price less costs to complete and any marketing, selling, and distribution costs incurred. Inventories are accounted for using the perpetual inventory method and valued using the actual method.

The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

Prepaid expenses

Prepaid expenses include expenses actually incurred but related to the results of production and business activities of many accounting periods. Prepaid expenses of the Company include cost of tools, insurance expense and other prepaid expenses.

Tools and supplies that have been put into use are amortized to expenses on a straight-line basis with amortization period not exceeding 36 months.

Insurance expense that have been put into use are amortized to expenses on a straight-line basis with amortization corresponding to insurance period.

Other prepaid expenses amortized for no more than 36 months.

Tangible fixed assets and Depreciation

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings, structures	20 - 50
Machinery and equipment	03 - 06
Motor vehicles	03 - 06
Office equipment	03 - 05
Others	03 - 05

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Intangible fixed assets and Amortization

Intangible fixed assets represent the cost of computer software and are stated at cost, history cost less accumulated amortization.

Historical costs of intangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Computer software is amortized on a straight-line basis over its estimated useful life from 3 years to 5 years.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment properties include land use rights and buildings, structures held by the Company for the purpose of earning rentals or awaiting higher price, which is stated at cost less accumulated depreciation.

The historical cost of investment property includes all expenses (cash and cash equivalents) paid by the Company, or the fair value of other amount exchanged to acquire the investment property by the time of purchase or construction of the investment property.

Cost related to investment property incurred after initial recognition must be recognized as Cost for Production and Business in the year, unless the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of investment property beyond its originally assessed standard of performance, the expenditure is capitalized as an additional cost of investment property.

Investment property for lease is amortized on a straight-line basis over its estimated useful life as follows:

	<u>Years</u>
Buildings, structures	20 - 50

Liquidation: Gains and losses from disposal of investment property are measured by the difference between net proceeds from disposal and the remaining amount of the investment property and are recognized as income or expense in the Income Statement.

Construction in progress

Construction in progress reflects the Properties in progress for production, leasing, administrative purposes, or for any other purposes are recognized at the historical cost. This cost includes relevant service fees, interest fees in accordance with the Company's accounting policies. Depreciation of these assets is the same as the other assets, commencing from these assets are ready for their intended use.

Payables

The account payables are monitored in detail by payable terms, payable parties, original currency and other factors depending on the Company's management requirement.

The account payables include payables as trade payables, loans payable, intercompany payable and other payables which are determined almost certainly about the recorded value and term, which is not carried less than amount to be paid. They are classified as follows:

- Trade payables: reflect payables of commercial nature arising from the purchase of goods, services, or assets with supplier is an independent (entity independent of the Company, including payables between the parent company and its subsidiaries, joint ventures, associates).
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

Loans and finance lease liabilities

Loans and finance lease liabilities include loans, financial leases, excluding loans in the form of bonds or preference shares with terms that the issuer is required to repurchase at a certain point in the future.

The Company monitors loan amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

Expenses directly related to the loan are recognized to financial expenses, except for expenses incurred from a separate loan for investment, construction or production in progress, which are capitalized according to Accounting Standard "Borrowing costs".

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued expenses

Accrued expenses are those already recorded in operating expenses in the period/year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

Provisions for payables

The recognized amount of a provision for payables is the best estimate of the amount that will be required to settle the present obligation as at the fiscal year end date.

Only expenses related to the provision for payables made initially will be offset by such provision.

When the difference between the provision for payables made in the previous accounting period that has not yet been used up is larger than the provision for payables made in the reporting period, it shall be reversed and recorded as a decrease in production and business expenses in the period, excluding the larger difference of the provision payables for warranty of construction works reversed into other income in the period.

Provisions for payables of the Company are provision for construction works warranty.

Recognition and capitalization of Borrowing costs

All other borrowing costs are recognised in the Income statement when incurring, except for the borrowing cost capitalized under Vietnamese Accounting Standards "Borrowing cost".

Owners' equity

Capital is recorded according to the actual amounts invested by shareholders.

Capital surplus are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue, or the difference between the re-issuance price and carrying value of treasury shares.

Undistributed profit is determined on the basis of business results after corporate income tax and the distribution of profits or handling of losses of the Company.

Profit after corporate income tax is distributed to owners/shareholders/members after setting up funds in accordance with the Company's Charter as well as the provisions of law and approved by the General Meeting of Shareholders.

Dividends are recognized as a liability based on the Resolution of the Shareholders' Meeting at the Company's Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Revenue and other income**

The Company's revenue includes revenue from sales of products real estate... revenue from construction contracts, revenue from providing services (office leasing and service fees, equipment rental),...

Revenue from sale of goods and products

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

- The Company has transferred to the buyer the significant risks and reward of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- Costs related to transactions can be determined.

Revenue from services

Revenue from services is recognized when the outcome of that transaction can be reliably determined. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- Identify the completed work as at the balance sheet date;
- Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that service.

Revenue from real estate

Revenue from the sale of real estate in which the Company is an investor is recognized when all of the following conditions are satisfied:

- The property has been completed in its entirety and handed over to the buyer, and the business has transferred the risks and rewards of ownership of the property to the buyer..
- The company no longer holds the right to manage the real estate as the owner of the real estate or control the real estate.
- The revenue can be measured reliably.
- The Company has obtained or will receive economic benefits from the sale of real estate.
- Costs related to transactions can be determined.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and other income (Continued)

Revenue from construction contract

Revenue from construction contract is paid according to the value of the volume performed, when the outcome of a construction contract is reliably determined and confirmed by the customer, the revenue and expenses related to the contract are recognized in equivalent proportion to the completed work confirmed by the customer and reflected on the issued invoice.

Increases and decreases in construction and installation volume, compensation and other revenues are recognized as revenue only when agreed with the customer.

When the outcome of a construction contract cannot be reliably estimated, then:

- Revenue is recognized only to the extent of contract costs incurred, for which it is probable that reimbursement will be made.
- Contract costs are recognized in expenses only when incurred.

Revenue from interest income, dividends and profits received and other income

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

Cost of goods sold

Including cost of construction, sale and sale of investment real estate for sale during the year (including depreciation expenses; repair costs; professional expenses for leasing investment property by rental mode) activities,...) are recognized in line with revenue for the year.

Current corporate income tax expense and deferred corporate income tax expense.

Corporate income tax expenses (or corporate income tax income): is total current and deferred income tax expenses (or total current and deferred tax) in determining profit or loss of a period.

Current income tax expenses: are corporate income tax payable calculated on taxable profit during the year and current corporate income tax rate. Current income tax is calculated on taxable income and applicable tax rate during the tax period. Difference between taxable income and accounting profit is from adjustment of differences between accounting profit and taxable income in accordance with current tax policies.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the inspection results of the competent tax authorities.

Related parties

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Segment reporting

Business segments: The company has 02 (two) segments: real estate business and other activities; construction activities. However, during the year, revenue and profit from real estate business and other activities accounted for less than 10% of revenue and profit in the year. Segment of geographical segment - Vietnam there is no difference in risks and economic benefits. Therefore, the Company does not present segment reports by business segments and by geographical segments in accordance with Vietnamese Accounting Standard No. 28 - Segment Reporting.

5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET

5.1 Cash and cash equivalents

	31/12/2022 VND	01/01/2022 VND
Cash on hand	792,296,732	980,588,150
Cash at bank	45,686,989,564	52,671,791,879
Total	46,479,286,296	53,652,380,029

5.2 Held to maturity investments

	31/12/2022 (VND)		01/01/2022 (VND)	
	Original value	Book value	Original value	Book value
Short-term	1,874,079,611	1,874,079,611	1,827,171,376	1,827,171,376
- Deposits with a term of more than 3 months (*)	1,874,079,611	1,874,079,611	1,827,171,376	1,827,171,376
Long-term	46,900,000,000	46,900,000,000	14,900,000,000	14,900,000,000
- Bonds (**)	46,900,000,000	46,900,000,000	14,900,000,000	14,900,000,000
Total	48,774,079,611	48,774,079,611	16,727,171,376	16,727,171,376

(*): The Company's term deposit is used as a mortgage or pledge at the Joint Stock Commercial Bank for Investment and Development of Vietnam with the amount of VND 1,771,000,000.

(*) Certificate of ownership of bonds issued to the public by the Joint Stock Commercial Bank for Investment and Development of Vietnam on December 19, 2018; Bond Code: BID2_18.06_06135 days; Quantity: 1,490 Bonds; Par value of 1 Bond is 10,000,000 VND/Bond; The Bond Term is 10 years; Release date December 19, 2018; Due date 12/19/2028; Interest payment method: once a year on the Bond interest payment date.

Certificate of ownership of bonds BIDL2128002C issued for the first time, Owing bonds of Joint Stock Commercial Bank for Investment and Development of Vietnam; Quantity: 200,000 as of January 25, 2022; Par value of a bond: 100,000 VND; Total face value of bonds: VND 20,000,000,000; Bond term: 7 years; Interest rate: As specified in the Prospectus; Interest payment method: once a year from the date of arising.

Certificate of ownership of Bonds of Joint Stock Commercial Bank for Investment and Development of Vietnam dated, bond code: BIDLH2228030. The face value is 100,000,000 VND. Issuance date: November 25, 2022, bond term: 6 years. The bond interest rate is equal to the reference interest rate plus 1.3%/year. Quantity: 120 bonds. Total face value 12,000,000,000 VND. Exercising date of redemption: 25/11/2023. In case the issuer does not exercise the right to redeem, the bond interest rate applied to the 6th interest payment period until the bond matures will be equal to the reference interest rate plus 6.3%/year. Interest payment method: pay later, annually on the date of interest payment.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.3 Short-term receivables from customers

	31/12/2022	01/01/2022
	VND	VND
KINHBAC City Development Holding Corporation	4,246,101,400	22,474,163,008
VNCN Engineering Construction And Investment Joint Stock Corporation	45,865,835,557	49,865,835,557
Gamuda Land Viet Nam Limited Liability Company	27,522,653,714	56,876,433,668
BQP - Dong Do Property Investment Joint Stock Company	62,536,087,965	90,536,087,967
Ecopark Corporation Joint Stock Company	26,629,762,982	20,474,766,807
Construction Production Trading Co., Ltd Resources	164,849,700,025	167,849,700,025
Trung Yen Trading And Investment Joint Stock Company	25,877,679,417	27,677,679,417
Phu Lam Group Joint Stock Company	61,633,836,278	63,337,963,439
Viet Nam Motors Corporation	-	3,506,767,200
Tan A Dai Thanh real estate joint stock company	50,272,357,409	-
Viet Nam Green Architecture Investment and Construction JSC	41,189,980,647	-
HBI Joint Stock Company	36,394,028,749	-
Others (*)	418,740,836,974	365,364,679,921
Total	965,758,861,117	867,964,077,009
<i>In which receivables from related parties are presented in Note 7.1</i>	<i>136,070,536,100</i>	<i>133,751,241,700</i>

(*) : Other subjects include receivables from customers with balances less than 10% of the total.

5.4 Short-term repayments to suppliers

	31/12/2022	01/01/2022
	VND	VND
Lam Anh Development Trading Company Limited	6,099,557,557	11,243,552,397
TKB Viet Nam Joint Stock Company	-	28,861,978,000
Others (*)	77,459,639,885	88,644,847,103
Total	83,559,197,442	128,750,377,500

(*) : Other subjects include Advance for Supplier with balances less than 10% of the total

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5.5 Other receivables

	31/12/2022 (VND)		01/01/2022 (VND)	
	Book value	Provision cost	Book value	Provision cost
Other short-term	275,587,492,107	-	250,629,708,249	-
- Thang Long Investment Mechanization And Construction Joint Stock Company	3,000,000,000	-	3,000,000,000	-
- Thang Long Contruction Joint Stock Company No 06	1,500,000,000	-	1,500,000,000	-
- Phuc Hung No.3 Investment Construction Joint Stock Company	-	-	-	-
- Phuc Hung No.7 Investment Construction Joint Stock Company	1,200,000,000	-	1,200,000,000	-
- PHH Business Investment Company Limited	-	-	-	-
- My Xuan Ha Noi Housing Joint Stock Company	42,566,287,142	-	30,030,012,170	-
- Phu Lam Group Joint Stock Company	20,124,745,024	-	17,773,808,220	-
- An Phu Hung Business Investment Joint Stock Company	6,834,551,208	-	3,591,780,821	-
- Others	95,868,588,299	-	99,552,616,600	-
- Collateral	-	-	2,000,000	-
- Advance	104,493,320,434	-	93,979,490,438	-
Total	275,587,492,107	-	250,629,708,249	-

In which, Receivables of related parties are presented in Note 7.1

69,528,798,374

51,395,601,211

(*): Other subjects include Other receivables with balances less than 10% of the total.

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5.6 Bad Debts

	31/12/2022 (VND)			01/01/2022 (VND)		
	Original value	Provision	Recoverable amount	Original value	Provision	Recoverable amount
Tiem Nang Joint Stock Company	409,412,885	409,412,885	-	409,412,885	409,412,885	-
Vung Tau - Sai Gon Tourist Trade Joint Stock Company	2,483,981,107	1,458,810,080	1,025,171,027	2,483,981,107	1,458,810,080	1,025,171,027
Bao Viet Hotel And Tourist Joint Stock Company	1,330,119,400	1,330,119,400	-	1,330,119,400	1,330,119,400	-
201 Construction Joint Stock Company	281,467,000	281,467,000	-	281,467,000	281,467,000	-
Bach Dang 234 Construction Joint Stock Company	539,593,754	537,127,421	2,466,333	539,593,754	537,127,421	2,466,333
Hoang Khoi Ltd., Co	257,898,800	257,898,800	-	257,898,800	257,898,800	-
Petro Imico Construction Investment Joint Stock Company	13,044,263,372	500,000,000	12,544,263,372	13,044,263,372	500,000,000	12,544,263,372
Management Board of Projects from the Budget						
- Hanoi Department of Science and Technology	414,116,000	204,973,779	209,142,221	414,116,000	204,973,779	209,142,221
Maison Cement Joint-Stock Company	6,967,785,707	174,194,643	6,793,591,064	-	-	-
Others	1,350,284,732	1,350,284,732	-	1,223,086,171	1,223,086,171	-
Total	27,078,922,757	6,504,288,740	20,574,634,017	19,983,938,489	6,202,895,536	13,781,042,953

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5.7 Inventories

	31/12/2022 (VND)		01/01/2022 (VND)	
	Cost	Provision cost	Cost	Provision cost
Raw materials	3,162,110,015	-	76,875,741,400	-
Tools and supplies	-	-	163,788,000	-
Work in progress (*)	577,685,424,765	-	476,504,877,077	-
Goods	24,911,370,893	-	24,911,370,893	-
Total	605,758,905,673	-	578,455,777,370	-

In which: (*): Details of Work in process:

	31/12/2022 (VND)		01/01/2022 (VND)	
	History Cost	Book value	History Cost	Book value
Golden Land apartment project 275 Nguyen Trai	41,906,199,665	41,906,199,665	52,789,495,934	52,789,495,934
High-rise mixed-use (21 floors) Flamingo Linh Truong	54,488,553,642	54,488,553,642	-	-
Thuy Tien Apartment (TRT05-TRT06)- Ecopark	23,887,693,347	23,887,693,347	-	-
New urban area project MIK Tay Mo, Dai Mo - Vinhomes Smart City	53,040,870,065	53,040,870,065	10,222,109,090	10,222,109,090
Project EVERGREEN	-	-	738,402,523	738,402,523
My Dinh Pearl Complex – Phase 2	73,174,206,458	73,174,206,458	14,191,069,874	14,191,069,874
Meyhomes Phu Quoc Villa (143 units) - Contract 16	2,658,348,553	2,658,348,553	101,203,372,008	101,203,372,008
High-rise apartment project HH2 Gamuda City	98,386,280,825	98,386,280,825	98,385,990,005	98,385,990,005
Others	230,143,272,210	230,143,272,210	198,974,437,643	198,974,437,643
Total	577,685,424,765	577,685,424,765	476,504,877,077	476,504,877,077

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5.8 Prepaid expenses

	31/12/2022	01/01/2022
	VND	VND
Short-term	226,092,441	266,926,994
Tools and equipment	24,464,520	73,895,319
Insurance costs	85,472,535	94,125,588
Others	116,155,386	98,906,087
Long-term	17,108,808,559	1,854,223,308
Tools and equipment	17,108,808,559	1,854,223,308
Total	17,334,901,000	2,121,150,302

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5.9 Tangible Fixed Assets*Unit: VND*

	Buildings, structures	Machinery, equipment	Motor vehicles	Office equipment	Total
HISTORICAL COST					
As at 01/01/2022	28,461,674,007	34,066,455,055	13,649,816,361	448,085,475	76,626,030,898
Increase	-	4,016,000,000	6,580,135,864	-	10,596,135,864
New purchase	-	4,016,000,000	6,580,135,864	-	10,596,135,864
Decrease	-	2,463,242,711	-	191,843,657	2,655,086,368
Disposal	-	2,463,242,711	-	191,843,657	2,655,086,368
As at 31/12/2022	28,461,674,007	35,619,212,344	20,229,952,225	256,241,818	84,567,080,394
ACCUMULATED DEPRECIATION					
As at 01/01/2022	8,464,419,376	18,691,428,152	6,688,806,592	428,309,403	34,272,963,523
Increase	2,086,314,749	4,613,859,929	1,656,703,626	17,882,675	8,374,760,979
Depreciation for the year	2,086,314,749	4,613,859,929	1,656,703,626	17,882,675	8,374,760,979
Decrease	-	686,065,477	-	191,843,657	877,909,134
Disposal	-	686,065,477	-	191,843,657	877,909,134
As at 31/12/2022	10,550,734,125	22,619,222,604	8,345,510,218	254,348,421	41,769,815,368
NET BOOK VALUE					
As at 01/01/2022	19,997,254,631	15,375,026,903	6,961,009,769	19,776,072	42,353,067,375
As at 31/12/2022	17,910,939,882	12,999,989,740	11,884,442,007	1,893,397	42,797,265,026

History cost of tangible fixed assets which are fully depreciated but still in use as at 31/12/2022 is 2,603,506,544 VND (As at 01/01/2022 is 2,757,441,110 VND).

Net book value of tangible fixed assets used to secure bank loans as at 31/12/2022 is: 21,531,790,390 VND (As at 01/01/2022 is 26,195,447,340 VND).

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.10 Intangible Fixed Assets

Unit: VND

	Software	Total
HISTORICAL COST		
As at 01/01/2022	841,705,600	841,705,600
Increase	59,190,000	59,190,000
New purchase	59,190,000	59,190,000
Decrease	-	-
As at 31/12/2022	<u>900,895,600</u>	<u>900,895,600</u>
ACCUMULATED AMORTIZATION		
As at 01/01/2022	689,946,471	689,946,471
Increase	103,082,644	103,082,644
Amortization for the year	103,082,644	103,082,644
Decrease	-	-
As at 31/12/2022	<u>793,029,115</u>	<u>793,029,115</u>
NET BOOK VALUE		
As at 01/01/2022	151,759,129	151,759,129
As at 31/12/2022	<u>107,866,485</u>	<u>107,866,485</u>

5.11 Investment property

Unit: VND

ITEMS	As at 01/01/2022	Increase	Decrease	As at 31/12/2022
a. Real estate for investment rental				
Historical cost	77,144,485,883	-	-	77,144,485,883
- House and land use rights	77,144,485,883	-	-	77,144,485,883
Accumulated Depreciation	3,621,482,057	2,170,089,829	-	5,791,571,886
- House and land use rights	3,621,482,057	2,170,089,829	-	5,791,571,886
Net book value	73,523,003,826	(2,170,089,829)	-	71,352,913,997
- House and land use rights	73,523,003,826	(2,170,089,829)	-	71,352,913,997

Net book value of tangible fixed assets used to secure bank loans as at 31/12/2022 is 71,352,913,997 VND (As at 01/01/2022: 73,523,003,826 VND).

According to Vietnamese Accounting Standard No. 05 - Investment properties, the fair value of investment properties should be disclosed in the Notes to the financial statements. As at 20/09/2022, the Company has hired a valuation unit to determine the fair value of the Real Estates owned by the Company (Real estate value according to the Certificate of Land Use Rights, the Ownership of the Property, and the Ownership of the Property. residential and land-attached assets number CN 566356, CP 777449, CP 555914, CN 868908, DC 402746, DC 402745, DC 402743, DC 402742 and CR 555422 with a value of 289,480,000,000 VND according to the Appraisal Certificate Price No. 200922/TĐG-CT dated 20/09/2022 of ASCO Auditing and Valuation Firm Co., Ltd. Asset valuation for reference purposes as a basis for mortgage of bank loans.

5.12 Construction in progress

	31/12/2022	01/01/2022
	VND	VND
Cost of building software	1,326,880,000	1,326,880,000
Cost of building and completing regulations	130,909,091	130,909,091
Modern management and future orientation	-	-
Total	<u>1,457,789,091</u>	<u>1,457,789,091</u>

PHUC HUNG HOLDINGS CONSTRUCTION JOINT STOCK COMPANY

1st Floor, Tower A, Building CT2 (The Light), To Huu Street
Trung Van Ward, Nam Tu Liem District, Hanoi, Vietnam

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NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.13 Financial Investments

Unit: VND

	Rate		31/12/2022				01/01/2022					
	Equity owned	Voting rights	Original value		Fair value		Original value		Fair value		Provision	
Invest in Subsidiaries			93,960,000,000	-	93,960,000,000	-	93,960,000,000	-	93,960,000,000	-	-	-
Phuc Hung Construction Equipment Management One Member Limited Liability Company	100.00%	100.00%	20,000,000,000	-	20,000,000,000	-	20,000,000,000	-	20,000,000,000	-	-	-
Phuc Hung Electrical Mechanical Joint Stock Company	70.00%	70.00%	3,500,000,000	-	3,500,000,000	-	3,500,000,000	-	3,500,000,000	-	-	-
PHK Investment Co., Ltd	100.00%	100.00%	60,000,000	-	60,000,000	-	60,000,000	-	60,000,000	-	-	-
Phu Lam Joint Stock Company	80.00%	80.00%	70,400,000,000	-	70,400,000,000	-	70,400,000,000	-	70,400,000,000	-	-	-
Invest in a joint venture company			183,321,980,000	-	183,321,980,000	-	108,599,980,000	-	108,599,980,000	-	-	-
An Phu Hung Business Investment Joint Stock Company	46.00%	46.00%	82,800,000,000	-	82,800,000,000	-	82,800,000,000	-	82,800,000,000	-	-	-
Phuc Hung 7 Investment Construction Joint Stock Company (***)	40.00%	40.00%	-	-	-	-	8,000,000,000	-	8,000,000,000	-	-	-
My Xuan Ha Noi Housing Joint Stock Company	19.75%	44.015%	17,799,980,000	-	17,799,980,000	-	17,799,980,000	-	17,799,980,000	-	-	-
An Think Phat Real Estate Investment Co.,Ltd (**)	32.44%	32.44%	82,722,000,000	-	82,722,000,000	-	-	-	-	-	-	-
Invest in Others			24,642,000	-	24,642,000	-	24,642,000	-	24,642,000	-	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam			24,642,000	-	24,642,000	-	24,642,000	-	24,642,000	-	-	-
Total			277,306,622,000	-	277,306,622,000	-	202,584,622,000	-	202,584,622,000	-	-	-

(*) The Company has not determined the fair value of the investments as the Vietnamese Accounting Standards and the Vietnamese Corporate Accounting System currently do not have guidance on how to calculate fair value using valuation techniques. The fair value of this financial instrument may differ from its carrying amount.

(**) In 2022, the Company invests in An Think Phat Real Estate Company Limited according to Decision No. 01/2022/PH-HĐQT dated January 5, 2022 of the Board of Directors..

(***) In 2022, the Company has transferred all shares in Phuc Hung 7 Construction Investment Joint Stock Company.

(****) Major transactions between the Company and its subsidiaries, joint ventures and associates during the year are presented in Note 7.2 - Related party transactions on notes to the financial statement.

PHUC HUNG HOLDINGS CONSTRUCTION JOINT STOCK COMPANY

1st Floor, Tower A, Building CT2 (The Light), To Huu Street
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NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.14 Trade payables

	31/12/2022 (VND)		01/01/2022 (VND)	
	Book value	Recoverable value	Book value	Recoverable value
a. Short-term	730,640,106,265	730,640,106,265	461,393,948,542	461,393,948,542
Kycons Joint Stock Company	16,867,352,723	16,867,352,723	14,529,489,313	14,529,489,313
An Nam Technology And Construction Joint Stock Company	769,593,848	769,593,848	769,593,848	769,593,848
Long Hung Investment and Construction Joint Stock Company	2,225,825,985	2,225,825,985	2,275,115,985	2,275,115,985
Viet Tiep Investment Building Development Joint Stock Company	25,244,260,269	25,244,260,269	8,294,265,100	8,294,265,100
Fountech Joint Stock Company	18,530,146,342	18,530,146,342	13,150,113,165	13,150,113,165
Viet Duc Co., Ltd	1,352,292,500	1,352,292,500	5,968,060,000	5,968,060,000
Thu Ngan Construction And Trading Limited	1,966,432,319	1,966,432,319	1,522,553,568	1,522,553,568
Freyssinet Viet Nam Company Limited	300,191,855	300,191,855	300,191,855	300,191,855
Lam Hoang Anh Construction Joint Stock Company	85,787,786,897	85,787,786,897	9,948,148,904	9,948,148,904
Van Lang Co.,Ltd	44,884,063,417	44,884,063,417	20,491,208,569	20,491,208,569
Joint Stock Company	710,290,366	710,290,366	1,217,630,646	1,217,630,646
Phuc Hung Cons Construction Coporation	3,528,255,769	3,528,255,769	14,230,498,446	14,230,498,446
PHCONS Construction Joint Stock Company	10,383,821,203	10,383,821,203	13,461,087,726	13,461,087,726
Others (*)	518,089,792,772	518,089,792,772	355,235,991,417	355,235,991,417
Total	730,640,106,265	730,640,106,265	461,393,948,542	461,393,948,542
<i>In which, payables to related parties are presented Note 7.1</i>	<i>12,256,632,335</i>	<i>12,256,632,335</i>	<i>7,463,464,799</i>	<i>7,463,464,799</i>

(*): Other subjects include Trade payables with balances less than 10% of the total.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.15 Prepayment of customers

	31/12/2022	01/01/2022
	VND	VND
Pros Construction and Trading Joint Stock Company	21,804,204,231	-
FPT Software Company Limited	4,288,066,114	-
Hoa Phat Dung Quat Steel Joint Stock Company	15,000,000,000	-
General Technology Joint Stock Company	5,510,636,003	-
Viet Nam Green Architecture Investment And Construction Joint Stock Company	-	41,363,643,513
General Department of Logistics	-	47,346,897,040
HBI Joint Stock Company	-	29,672,733,473
Others (*)	63,535,968,559	160,604,704,110
Total	110,138,874,907	278,987,978,136
<i>In which, prepayment of related parties are presented in Note 7.1</i>	-	<i>11,536,430,245</i>

(*): Other subjects include Prepayment with balances less than 10% of the total.

5.16 Taxes and payables to State Treasury

Unit: VND

	01/01/2022	Amount to be paid	Amount paid	31/12/2022
Payables	2,314,435,590	3,046,973,057	4,848,990,017	512,418,630
Value Added Tax (VAT)	54,916,177	-	-	54,916,177
Corporate income tax	1,912,133,670	-	1,912,133,670	-
Personal income tax	347,385,743	3,046,973,057	2,936,856,347	457,502,453
Receivables	2,755,000	4,350,503,967	12,205,110,193	7,857,361,226
Value Added Tax (VAT)	2,755,000	1,040,277,356	8,238,877,288	7,201,354,932
Corporate income tax	-	3,310,226,611	3,966,232,905	656,006,294

5.17 Other payables

	31/12/2022	01/01/2022
	VND	VND
Short-term	44,245,052,339	33,850,016,804
Trade union fee	836,926,432	725,285,810
Unemployment insurance	-	-
Other payables	43,408,125,907	33,124,730,994
<i>Dividend</i>	<i>609,923,940</i>	<i>536,331,130</i>
<i>Others (*)</i>	<i>42,798,201,967</i>	<i>32,588,399,864</i>
Total	44,245,052,339	33,850,016,804
<i>In which other payable from buyers from related parties are presented in Note 7.1</i>	<i>3,000,000,000</i>	<i>3,000,000,000</i>

(*): Other subjects include Other payables with balances less than 10% of the total.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.18 Borrowings

Unit: VND

	31/12/2022		In 2022		01/01/2022	
	Principal	Repayable amount	Increased	Decreased	Principal	Repayable amount
Short-term borrowings						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Do Branch (1)	912,568,552,714	912,568,552,714	1,409,225,618,310	1,274,401,534,077	777,744,468,481	777,744,468,481
Military Commercial Joint Stock Bank - Dien Bien Branch	906,631,447,423	906,631,447,423	1,409,225,618,310	1,269,878,434,077	767,284,263,190	767,284,263,190
	288,800,000	288,800,000	-	-	288,800,000	288,800,000
Long-term loan to maturity						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Do Branch (2)	5,648,305,291	5,648,305,291	-	4,523,100,000	10,171,405,291	10,171,405,291
Long-term borrowings						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Do Branch (2)	7,516,281,717	7,516,281,717	7,516,281,717	-	-	-
Total	920,084,834,431	920,084,834,431	1,416,741,900,027	1,274,401,534,077	777,744,468,481	777,744,468,481

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.18 Borrowings and Finance lease liabilities (Continued)

(1) Line credit contract No. 01/2022/36032/HDTD signed on November 29, 2022 between Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Do Branch and Phuc Hung Holdings Construction Joint Stock Company with Credit Limit of VND 2,265,000,000 including Vietnam dong and foreign currency converted, which includes all short-term loan balance, guarantee balance, opening L/C of the Customer to be transferred. Continued from the specific guaranteed contract under the line credit contract No. 01/2021/3602/HDTD dated September 30, 2020 and the Contract Appendix No. PL1-01/2021/36032/HDTD to. Purpose: Supplement working capital, guarantee. The maximum limit granting period is until September 30, 2023. The interest rate is determined in each specific credit contract for each disbursement. Loan term/ guarantee term/ L/C term is determined according to each specific credit contract, L/C is issued.

(2) Long-term loans at Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Do Branch under the following contracts:

+ Credit contract No. 07/2018/36032/HDTD dated August 28, 2018 with the loan amount on the contract: VND 2,130,000,000, interest rate applied at the time of disbursement to December 31, 2018: 11.1%/year, floating interest rate adjusted every 6 months on the first day of Quarter I and Quarter III of each year, applied according to the notice of the bank at the time of adjustment. The loan principal is paid on the 25th of the last month of the quarter, starting from the third quarter of 2018 to the end of August 28, 2023 according to the repayment schedule, the interest is paid on the 25th of every month. The purpose of borrowing capital to buy 02 sets of tower cranes QTZ160 (TC6024) to improve the construction capacity of the company. Loan term: 60 months from the date of first withdrawal. Collateral: Assets formed from borrowed capital.

+ Credit contract No. 02/2019/36032/HDTD dated March 5, 2019 with the loan amount on the contract: VND 11,625,000,000, the interest rate applied at the time of disbursement until June 30, 2019: 11.1 %/year, floating interest rate adjusted every 6 months according to the bank notice at the time of adjustment. The loan principal is repaid in 20 instalments on the 25th of every month. Interest is paid on the 25th of every month. Loan purpose: payment of aluminium formwork. Loan term: 60 months. Security measure: assets formed from borrowed capital.

+ Credit contract No. 01/2019/36032/HDTD dated February 22, 2019 with the loan amount on the contract: 12,877,850,000 VND, the interest rate applied at the time of disbursement until June 30, 2019: 11.1. %/year, floating interest rate adjusted every 6 months according to the Bank's interest rate announcement at the time of adjustment. The loan principal is paid in 20 instalments on the 25th of every month, and the interest is paid on the 25th of every month. Loan purpose: Payment of aluminium formwork, loan term: 60 months. Security measure: Assets formed from borrowed capital.

+ Credit contract with Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Do Branch according to contract: 01/2022/36032/TH/HDTD dated September 29, 2022. The maximum credit limit is 8,731,000,000 VND. Purpose: Indirect fixed asset investment is 100% new Ringlock Standrd and Ringlock Ledger scaffolding made in China. Interest rate: specified on the specific contract. Loan term: 60 months from the date of first disbursement. Security: Mortgage of assets formed from loan capital and agreements on security measures are recorded and performed in accordance with Mortgage / Mortgage / Guarantee / Escrow Contracts (collectively referred to as "Contracts"). guaranteed) is entered into before, on the same day after the date of signing this contract.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.19 Owners' Equity

a. Changes of owners' equity

Unit: VND

	Share capital	Share premium	Other owner's capital	Appropriated funds development	Retained earnings	Total
As at 01/01/2021	257,482,600,000	37,791,048,633	-	13,000,000,000	49,165,410,534	357,439,059,167
Gain in last year	-	-	-	-	46,091,423,866	46,091,423,866
Increase capital	228,741,300,000	29,776,797,681	-	-	-	258,518,097,681
Paying stock dividends	20,595,370,000	-	-	-	(20,595,370,000)	-
As at 31/12/2021	506,819,270,000	67,567,846,314	-	13,000,000,000	74,661,464,400	662,048,580,714
As at 01/01/2022	506,819,270,000	67,567,846,314	-	13,000,000,000	74,661,464,400	662,048,580,714
Gain in this year	-	-	-	-	17,863,521,932	17,863,521,932
Dividend (i)	-	-	-	-	(40,545,541,600)	(40,545,541,600)
Board of management and Executive Board (i)	-	-	-	-	(3,027,427,160)	(3,027,427,160)
Appropriated bonus and welfare fund (i)	-	-	-	-	(1,000,000,000)	(1,000,000,000)
As at 31/12/2022	506,819,270,000	67,567,846,314	-	13,000,000,000	47,952,017,572	635,339,133,886

(i) The Company distributes according to the Resolution of the 2022 Annual General Meeting of Shareholders, No. 01/2022/PH/NQ-DHĐCĐ dated April 25, 2022, according to which the performance results:

+ Dividend 8%/Charter capital is 40,545,541,600 VND;

+ Deduction of bonus and welfare fund: 1,000,000,000 VND;

+ Board of Management and Executive Board is 3,027,427,160 VND.

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

5.19 Owners' Equity (Continued)**b. Details of owners' equity**

	31/12/2022	01/01/2022
	VND	VND
Mr. Cao Tung Lam	59,119,900,000	59,119,900,000
Others	447,699,370,000	447,699,370,000
Total	506,819,270,000	506,819,270,000

c. Capital transactions with shareholders and appropriation of profits and dividends

	In 2022	In 2021
	VND	VND
Owner's equity		
Capital contributed at the beginning of the year	506,819,270,000	257,482,600,000
Capital increased in the year	-	249,336,670,000
Capital increased in the year	-	-
Capital contributed at the end of the year	506,819,270,000	506,819,270,000
Dividends divided	40,545,541,600	20,595,370,000

d. Shares

	31/12/2022	01/01/2022
	Shares	Shares
Number of shares registered for issuance	50,681,927	50,681,927
Number of shares sold to the public	50,681,927	50,681,927
Common shares	50,681,927	50,681,927
Number of shares to be acquired	-	-
Common shares	-	-
Number of outstanding shares	50,681,927	50,681,927
Common shares	50,681,927	50,681,927
Par value of outstanding shares (VND/per share)	10,000	10,000

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

6. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT**6.1 Revenue from sales of goods and provision of services**

	In 2022 VND	In 2021 VND
Sale of constructions	1,816,712,211,377	924,786,809,865
Sales of goods	29,013,987,895	13,377,830,217
Sales of real estate business	-	33,402,570,767
Sales of service providers	16,370,439,404	-
Total	1,862,096,638,676	971,567,210,849
Sales deductions		
Returned goods	8,884,068,625	-
Total	8,884,068,625	-
Net revenue		
Revenue of constructions	1,807,828,142,752	924,786,809,865
Revenue of goods	29,013,987,895	13,377,830,217
Revenue of real estate business	-	33,402,570,767
Revenue of service providers	16,370,439,404	-
Total	1,853,212,570,051	971,567,210,849
<i>In which revenue from related parties are presented in Note 7.1</i>	<i>10,907,046,683</i>	<i>69,166,307,301</i>

6.2 Cost of goods sold

	In 2022 VND	In 2021 VND
Cost of constructions	1,731,213,370,020	852,520,134,218
Cost of goods sold	27,724,542,054	6,516,278,978
Cost of real estate business	-	33,615,526,476
Cost of service providers	7,479,293,827	-
Total	1,766,417,205,901	892,651,939,672

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

6.3 Financial income

	In 2022	In 2021
	VND	VND
Interest income, loan	6,318,239,757	4,771,902,659
Interest from transferring the right to buy and exploit products of the rural residential project in Duyen hamlet, Ky Phu commune, Dai Tu district, Thai Nguyen province	-	15,000,000,000
Interest from transferring investments	6,000,000,000	-
Dividends distributed profit	6,772,572,410	2,800,000,000
Bond interest	2,161,791,918	1,338,400,000
Late payment interest	69,890,000	37,983,038,426
Total	21,322,494,085	61,893,341,085

6.4 Financial expenses

	In 2022	In 2021
	VND	VND
Interest expenses	37,024,657,137	43,828,608,917
Others	1,454,219,178	829,886,157
Total	38,478,876,315	44,658,495,074

6.5 Selling expenses and General and administration expenses

	In 2022	In 2021
	VND	VND
Selling expenses	-	946,272,634
Other expenses in cash	-	946,272,634
General administration expenses	50,766,352,263	35,469,498,096
Employee expenses	29,808,880,378	19,676,673,851
Office supplies expenses	179,211,895	1,345,439,951
Depreciation expenses	7,191,780,357	4,325,730,148
Tax charges and fees	8,225,187	40,361,362
Provision expense	301,393,204	300,000,000
Outsourcing expense	259,564,364	699,999,397
Other expenses in cash	13,017,296,878	9,081,293,387
Total	50,766,352,263	36,415,770,730

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

6.6 Other Income/Expenses

	In 2022 VND	In 2021 VND
Other income		
Income from liquidation of assets, tools and equipment and rental of equipment	5,274,301,481	336,142,546
Income from penalty for breach of contract	189,773,500	-
Provide utilities for contractors at construction sites	103,815,128	662,344,140
Others	3,110,094,110	2,355,388,885
Total	8,677,984,219	3,353,875,571
Other Expense		
Expenses for liquidation of fixed assets, tools, and equipment rental	1,777,177,234	286,767,248
Warranty of works	587,078,921	398,055,403
Others	4,012,609,178	2,693,193,530
Total	6,376,865,333	3,378,016,181
Other profit	2,301,118,886	(24,140,610)
<i>In which other profit from related parties are presented in Note 7.1</i>	<i>302,552,813</i>	<i>-</i>

6.7 Current corporate income tax expense

	In 2022 VND	In 2021 VND
Accounting profit before tax	21,173,748,543	59,710,205,848
Adjustments to increase taxable income	2,149,956,922	1,954,391,801
<i>Expenses are not deducted</i>	<i>1,285,956,922</i>	<i>1,288,391,801</i>
<i>Salary and remuneration for the Board of Directors, Supervisory Board not directly operated</i>	<i>864,000,000</i>	<i>666,000,000</i>
Adjustments to reduce taxable income	6,772,572,410	23,499,193,628
<i>Dividend received</i>	<i>6,772,572,410</i>	<i>2,800,000,000</i>
<i>Taxed profit of the previous year</i>	<i>-</i>	<i>418,029,107</i>
<i>Total interest expense is deductible without tax</i>	<i>-</i>	<i>20,281,164,521</i>
Income subject to CIT	16,551,133,055	38,165,404,021
CIT rate	20%	20%
CIT payables	3,310,226,611	7,633,080,805
CIT corresponding to the excess of loan interest expenses in previous years	-	5,985,701,177
CIT expenses calculated on income taxable for the current year	3,310,226,611	13,618,781,982

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

6.8 Production and business expenses by factors

	In 2022 VND	In 2021 VND
Raw materials expenses	371,942,896,042	340,985,976,978
Employee expenses	60,971,083,534	46,108,000,985
Depreciation expenses	10,647,933,452	7,254,459,836
Provision expenses	447,738,235,797	540,616,725,202
Outsourcing expenses	84,810,432,640	62,559,438,452
Other expenses	301,393,204	300,000,000
Total	976,411,974,669	997,824,601,453

7. OTHER INFORMATION

7.1 Transaction with Related parties

As at 31/12/2022, Related parties of the Company including:

Related parties	Relationship
Phuc Hung Construction Equipment Management One Member Limited Liability Company	Subsidiaries
Phuc Hung Electrical Mechanical Joint Stock Company	Subsidiaries
PHK Investment Co., Ltd	Subsidiaries
Phu Lam Joint Stock Company	Subsidiaries
My Xuan Ha Noi Housing Joint Stock Company	Associated Company
An Phu Hung Business Investment Joint Stock Company	Associated Company
An Thinh Phat Real Estate Investment Co.,Ltd	Associated Company
Members of the Board of Management, Board of General Directors, Supervisory Board and individuals related to key management members	Significant influence



NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

7.1 Transaction with Related parties (Continued)

In the period, Transaction with Related parties of the Company including:

Income of the Executive Board, Remuneration of the Board of Management and Supervisory Board, Chief Accountant and other managers

<u>Full name</u>	<u>Title</u>	<u>In 2022 VND</u>	<u>In 2021 VND</u>
Salary and remuneration of the Board of Management and Supervisory Board	Salary and remuneration	2,756,007,500	2,271,430,001
Salary of Board of Directors and others Management	Salary	3,806,975,200	2,977,759,280

Remuneration of the Board of Management

<u>Full name</u>	<u>Title</u>	<u>In 2022 VND</u>	<u>In 2021 VND</u>
Mr. Cao Tung Lam	Chairman	240,000,000	240,000,000
Mr. Tran Huy Tuong	Management Board Member	216,000,000	184,000,000
Mr. Nguyen Cong Khanh	Management Board Member	216,000,000	184,000,000
Mr. Nguyen Duc Thang	Management Board Member	216,000,000	184,000,000
Mr. Do Nguyen An	Management Board Member	216,000,000	184,000,000
Mrs. Nguyen Ngoc Diep	Management Board Member	216,000,000	144,000,000
Mr. Tran Hong Phuc	Management Board Member	216,000,000	144,000,000

Remuneration of the Supervisory Board

<u>Full name</u>	<u>Title</u>	<u>In 2022 VND</u>	<u>In 2021 VND</u>
Mrs. Nguyen Thi Lan	Head of Supervisory Board (To 22/4/2021)	-	40,000,000
Mr. Nguyen Nhu Phi	Supervisory Board Member (From 22/4/2021)	216,000,000	164,000,000
Mrs. Pham Thi Thanh Tuyen	Supervisory Board Member	60,000,000	60,000,000
Mr. Cao Xuan Dung	Supervisory Board Member	60,000,000	40,000,000

Income of the Executive Board and Other managers

<u>Full name</u>	<u>Title</u>	<u>In 2022 VND</u>	<u>In 2021 VND</u>
Mr. Cao Tung Lam	Chairman	884,007,500	703,430,001
Mr. Tran Hong Phuc	General Director	686,945,000	571,331,516
Mr. Do Nguyen An	Management Board Member	516,412,000	424,459,584
Mr. Tran Thang Loi	Deputy General Director	522,753,600	424,801,511
Mr. Nguyen Hoang Anh	Deputy General Director	535,412,000	396,047,469
Mr. Le Quoc Tuan	Deputy General Director	520,412,900	435,434,292
Mr. Dang Trong Duc	Assistant to the Chairman of the Board of Directors/In charge of governance	502,742,500	288,286,179
Mrs. Ngo Thi Minh Nguyet	Chief Accountant	522,297,200	437,398,729

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

7.1 Transaction with Related parties (Continued)

Transaction with Related parties

Related parties	Relationship	Nature of transaction	In 2022 VND	In 2021 VND
Selling goods			11,209,599,496	69,166,307,301
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	Construction and others	5,954,972,336	26,438,691,132
Phuc Hung Construction Equipment Management One Member Limited Liability Company	Subsidiary	Equipment, Office rental and others	3,421,128,688	4,087,236,648
Phuc Hung Electrical Mechanical Joint Stock Company	Subsidiary	Office rental	1,240,536,441	606,269,165
	Subsidiary	Service fee using capital	302,552,813	-
An Phu Hung Business Investment Joint Stock Company	Associated Company	Project assignment and others	-	38,034,110,356
Phu Lam Joint Stock Company	Subsidiary	Equipment, Office rental and others	290,409,218	-
Purchasing goods			120,184,893,839	71,543,802,920
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	Purchasing goods, service	18,356,868,568	19,220,895,836
Phuc Hung Construction Equipment Management One Member Limited Liability Company	Subsidiary	Equipment rental	42,379,558,262	37,058,348,878
Phuc Hung Electrical Mechanical Joint Stock Company	Subsidiary	Construction	59,448,467,009	13,746,947,765
An Phu Hung Business Investment Joint Stock Company	Associated Company	Purchasing service	-	1,517,610,441

NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

For the year ended 31 December 2022

7.1 Transaction with Related parties (Continued)**Balances of Related parties**

<u>Related parties</u>	<u>Relationship</u>	<u>31/12/2022</u> <u>VND</u>	<u>01/01/2022</u> <u>VND</u>
Receivables from customers		136,070,536,100	133,751,241,700
Phuc Hung Construction Equipment Management One Member Limited Liability Company	Subsidiary	3,233,967,559	5,746,674,346
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	27,099,326,590	25,963,366,082
An Phu Hung Business Investment Joint Stock Company	Associated Company	41,800,000,000	38,042,770,387
Phuc Hung Electrical Mechanical Joint Stock Company	Subsidiary	2,303,405,673	660,467,446
Phu Lam Joint Stock Company	Subsidiary	61,633,836,278	63,337,963,439
Other receivables		69,528,798,374	51,395,601,211
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	42,566,287,142	30,030,012,170
An Phu Hung Business Investment Joint Stock Company	Associated Company	6,834,551,208	3,591,780,821
Phu Lam Joint Stock Company	Subsidiary	20,124,745,024	17,773,808,220
PHK Investment Co., Ltd	Subsidiary	3,215,000	-
Trade payables		12,256,632,335	7,463,464,799
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	915,987,880	862,477,664
Phuc Hung Construction Equipment Management One Member Limited Liability Company	Subsidiary	9,132,334,829	4,533,159,697
Phuc Hung Electrical Mechanical Joint Stock Company	Subsidiary	2,208,309,626	2,067,827,438
Prepayment from customers		-	11,536,430,245
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	-	11,536,430,245
Other payables		3,000,000,000	3,000,000,000
My Xuan Ha Noi Housing Joint Stock Company	Associated Company	3,000,000,000	3,000,000,000

7.2 Comparative figures

Comparative figures are taken from the financial statements for the year ended 31 December 2021 which are audited by CPA VIETNAM Auditing Company Limited - A Member of INPACT.

Preparer



Ha Thi Thu Hoa

Chief Accountant



Ngo Thi Minh Nguyet

Hanoi, March 20, 2023
Chairman




 M.S.D.N: 0101311315
 CÔNG TY CỔ PHẦN
 XÂY DỰNG
 PHUC HUNG
 HOLDINGS
 NAM TU LIEM, HANOI

Cao Tung Lam