

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune, Nam Tu Liem District, Hanoi City, Viet Nam

FINANCIAL STATEMENTS

For the accounting period from 1st January 2024 to 31st December 2024

Security symbol: FCN

This report includes:

Balance Sheet

Income Statement

Cash Flow Statement

Notes to Financial Statements

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 01 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

BALANCE SHEETAs at 31st December 2024**Form B 01a - DN**

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
A - CURRENT ASSETS	100		4,217,376,036,866	3,875,248,616,069
(100 = 110+120+130+140+150)				
I- Cash and cash equivalents	110	5.1	173,079,866,217	446,521,979,042
1 Cash	111		158,404,023,931	335,149,384,439
2 Cash equivalents	112		14,675,842,286	111,372,594,603
II- Short-term financial investments	120		19,750,000,000	5,184,344,902
3 Held-to-maturity investments	123		19,750,000,000	5,184,344,902
III- Short-term receivables	130		2,697,891,815,849	2,150,044,751,713
1 Short-term receivables from customers	131		1,509,186,468,409	1,204,608,696,707
2 Short-term advances to suppliers	132		746,273,132,903	554,418,470,130
5 Short-term loan receivables	135		28,050,000,000	550,000,000
6 Other short-term receivables	136	5.2	417,742,604,284	393,827,974,623
7 Short-term allowances for doubtful debts	137		(3,360,389,747)	(3,360,389,747)
IV- Inventories	140		1,300,857,936,055	1,234,560,984,730
1 Inventories	141	5.3	1,300,857,936,055	1,234,560,984,730
V- Other current assets	150		25,796,418,745	38,936,555,682
1 Short-term prepaid expenses	151		14,133,258,990	12,324,982,034
2 Deductible value added tax	152	5.4	11,663,159,755	26,611,573,648
3 Tax and other receivables from government budget	153	5.4	-	-
B - LONG-TERM ASSETS	200		1,624,927,305,109	1,645,651,668,083
(200 = 210+220+230+240+250+260)				
I Long-term receivables	210		16,127,276,531	10,397,537,358
6 Other long-term receivables	216	5.5	16,127,276,531	10,397,537,358
II Fixed assets	220		250,164,452,029	277,480,410,172
1 Tangible fixed assets	221	5.6	103,196,744,122	159,488,604,314
- Historicals costs	222		240,852,095,784	321,051,479,549
- Accumulated depreciation	223		(137,655,351,662)	(161,562,875,235)
2 Finance lease fixed assets	224	5.7	140,515,548,321	109,480,628,784
- Historicals costs	225		167,623,868,167	143,757,121,413
- Accumulated depreciation	226		(27,108,319,846)	(34,276,492,629)
3 Intangible fixed assets	227	5.8	6,452,159,586	8,511,177,074
- Historicals costs	228		30,858,535,939	29,275,169,732
- Accumulated amortization	229		(24,406,376,353)	(20,763,992,658)
IV Long-term assets in progress	240		1,043,428,000	2,304,291,207
2. Construction in progress	242	5.9	1,043,428,000	2,304,291,207
V. Long-term financial investments	250		1,287,355,874,722	1,287,281,911,722
1. Investments in subsidiaries	251		1,223,094,909,275	1,223,094,909,275
3. Other long-term investments	253		60,810,027,447	60,810,027,447
5. Held to maturity investments	255		3,450,938,000	3,376,975,000
VI. Other long-term assets	260		70,236,273,827	68,187,517,624
1. Long-term prepaid expenses	261		70,236,273,827	68,187,517,624
TOTAL ASSESTS (270 = 100+200)	270		5,842,303,341,975	5,520,900,284,152

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 01 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

BALANCE SHEET (Continued)As at 31st December 2024**Form B 01a - DN**

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
A- LIABILITIES (300 = 310+330)	300		3,399,443,250,037	3,083,546,727,986
I- Short-term liabilities	310		3,181,462,597,516	2,992,195,244,440
1. Short-term trade payables	311		834,947,102,207	675,681,460,628
2. Short-term advances from customers	312		617,896,951,806	911,947,442,406
3. Taxes and other payables to government budget	313	5.11	9,694,485,344	15,309,613,520
4. Payables to employees	314		10,333,921,002	7,243,524,708
5. Short-term accrued expenses	315	5.12	213,658,096,181	96,228,648,983
9. Other short-term payments	319	5.13	227,747,013,509	284,702,863,233
10. Short-term borrowings and finance lease liabilities	320	5.10	1,267,185,027,467	1,001,081,690,962
II- Long-term liabilities	330		217,980,652,521	91,351,483,546
6. Long-term unearned revenue	336		2,607,506,089	1,213,688,312
8. Long-term borrowings and finance lease liabilities	338	5.14	215,373,146,432	90,137,795,234
B- OWNERS' EQUITY (400 = 410+430)	400		2,442,860,091,938	2,437,353,556,166
I- Owners' equity	410	5.15	2,442,860,091,938	2,437,353,556,166
1. Contributed capital	411		1,574,390,050,000	1,574,390,050,000
<i>Ordinary shares with voting rights</i>	<i>411a</i>		<i>1,574,390,050,000</i>	<i>1,574,390,050,000</i>
2. Share premium	412		517,556,564,217	517,556,564,217
8. Development and investment funds	418		297,446,985,202	297,446,985,202
11. Undistributed profit after tax	421		53,466,492,519	47,959,956,747
<i>Undistributed profit after tax brought forward</i>	<i>421a</i>		<i>46,690,394,377</i>	<i>35,264,333,050</i>
<i>Undistributed profit after tax for the current period</i>	<i>421b</i>		<i>6,776,098,142</i>	<i>12,695,623,697</i>
TOTAL RESOURCES (440 = 300+400)	440		5,842,303,341,975	5,520,900,284,152

Hanoi, 25th January 2025

Preparer

Chief Accountant

Chairman





Tran Thu Trang

Pham Van Tung

Pham Viet Khoa

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 02 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

INCOME STATEMENT
For the year ended 31st December 2024

ITEMS	Code	Note	4th Quarter		Accumulated from the beginning of year to the end of this quarter	
			2024	2023	2024	2023
1.Revenues from sales and provision of services	01	5.16	1,003,749,710,021	635,514,724,997	2,367,120,603,825	1,890,342,385,738
2. Revenue deductions	02		-	-	-	-
3.Net sales of goods and services (10 = 01 - 02)	10		1,003,749,710,021	635,514,724,997	2,367,120,603,825	1,890,342,385,738
4. Cost of goods sold	11	5.17	949,971,170,694	566,650,351,180	2,189,951,143,841	1,669,182,021,926
5. Gross profit from sales of goods and services (20 = 10 - 11)	20		53,778,539,327	68,864,373,817	177,169,459,984	221,160,363,812
6.Financial income	21	5.18	9,622,331,372	(1,474,015,974)	36,919,724,485	33,611,102,426
7. Financial expenses	22	5.19	30,343,009,394	28,953,861,904	100,160,191,333	129,919,652,959
<i>In which: Interest expenses</i>	23		24,676,628,751	26,714,630,541	92,296,464,068	123,105,887,722
8. Selling expenses	25		5,887,165,300	5,533,862,126	11,734,329,085	13,846,916,032
9. General and administrative expenses	26		26,822,259,956	25,662,101,426	92,885,332,841	84,202,447,376
10. Net profits from operating activities{30 = 20 + (21 - 22) - (24 + 25)}	30		348,436,049	7,240,532,387	9,309,331,210	26,802,449,871
11. Other income	31	5.20	5,208,893,643	5,465,896,958	8,625,838,675	6,496,845,107
12.Other expenses	32	5.20	1,249,963,201	6,529,103,715	2,759,191,844	7,670,201,776
13. Other profit/loss (40 = 31 - 32)	40		3,958,930,442	(1,063,206,757)	5,866,646,831	(1,173,356,669)
14. Profit from other activities (50 = 30 + 40)	50		4,307,366,491	6,177,325,630	15,175,978,041	25,629,093,202
15. Current corporate income tax	51	5.21	7,268,319,210	12,933,469,505	8,399,879,899	12,933,469,505
16. Deferred corporate income tax	52		-	-	-	-
17. Profit after tax (60 = 50 - 51 - 52)	60		(2,960,952,719)	(6,756,143,875)	6,776,098,142	12,695,623,697

Hanoi, 25th January 2025

Preparer



Tran Thu Trang

Chief Accountant



Pham Van Tung



Chairman

Pham Viet Khoa

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 03 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

SEPARATE CASH FLOW STATEMENT*(Indirect method)*For the year ended 31st December 2024

ITEMS	Code	Note	For the period from	For the period from
			01/01/2024 to 31/12/2024 VND	01/01/2023 to 31/12/2023 VND
I. Cash flows from operating activities				
1. Profit before tax	01		15,175,978,041	25,629,093,202
2. Adjustments for				
- Depreciation and amortization	02		36,929,041,900	36,610,541,358
- Allowances and provisions	03		-	-
- Unrealised loss/(gain) on foreign exchange:	04		2,626,760,063	1,240,548,601
- Gain, loss from investment activities	05		(40,975,335,583)	(30,453,047,377)
- Interest expenses	06		92,296,464,068	123,105,887,722
3. Operating profit before changes in working capital	08		106,052,908,489	156,133,023,506
- (Increase) decrease receivables	09		(481,524,039,664)	(389,292,579,875)
- (Increase) decrease inventories	10		(66,296,951,325)	(16,473,283,323)
- (Increase) decrease accounts payable	11		37,806,976,933	892,327,744,508
- (Increase) decrease prepaid expenses	12		(3,857,033,159)	2,186,986,953
- Interest paid	14		(108,904,708,316)	(121,205,630,612)
- Corporate income tax paid	15		(14,181,802,895)	(91,371,690)
- Other payments for operating activities	17		(473,472,800)	(678,407,403)
<i>Net cash from operating activities</i>	20		(531,378,122,737)	522,906,482,064
II. Cash flows from investing activities				
1. Payments for acquisition, construction of fixed assets and other long-term assets	21		(33,561,476,011)	(2,149,583,032)
2. Receipts from disposal or sale of fixed assets and other long-term assets	22		72,591,082,075	13,340,000,000
3. Payment for lending, purchasing debt instruments of other entities	23		(47,250,000,000)	(5,279,505,902)
4. Recovery of loans, reselling debt instruments of other entities	24		5,184,344,902	17,980,000,000
5. Expenditures on equity investments in other entities	25		-	-
6. Proceed from investment into other entities	26		-	458,487,773
7. Interest income, dividends received	27		10,740,472,329	90,545,784,822
<i>Net cashflow from investing activities</i>	30		7,704,423,295	114,895,183,661

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 03 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

SEPARATE CASH FLOW STATEMENT (Continued)*(Indirect method)*For the year ended 31st December 2024

ITEMS	Code	Note	For the period from	For the period from
			01/01/2024 to 31/12/2024	01/01/2023 to 31/12/2023
			VND	VND
III. Cash flows from financing activities				
3. Proceeds from borrowings	33		1,717,899,648,037	1,747,862,071,591
4. Repayment of loan principal	34		(1,415,346,034,674)	(1,856,267,154,154)
5. Payment for finance leasing debts	35		(36,592,399,225)	(50,105,547,925)
6. Dividends and profits paid to the owner	36		(15,739,345,400)	(47,207,065,800)
<i>Net cash flows from financial activities</i>	40		250,221,868,738	(205,717,696,288)
Net cash flows during the period (50 = 20+30+40)	50		(273,451,830,704)	432,083,969,437
Cash and cash equivalents at the beginning of the period	60		446,521,979,042	14,338,804,250
Effects of changes in foreign exchange rates	61		9,717,879	99,205,355
Cash and cash equivalents at the end of the period (70 = 50+60+61)	70	5.1	173,079,866,217	446,521,979,042

Hanoi, 25th January 2025**Preparer**

Tran Thu Trang**Chief Accountant**

Pham Van Tung**Chairman****Pham Viet Khoa**

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune, Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

NOTE TO THE SEPARATE FINANCIAL STATEMENT

For the year ended 31st December 2024

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

FECON CORPORATION was established and operated under Business Registration Certificate No. 0103004661 firstly issued by Hanoi Department of Planning and Investment dated 18th June 2004, registered to change many times, the eighth change dated 17th November 2010 was about the change of company code into 0101502599 and the 20th change dated 6th May 2016 for change the name from “FECON Foundation Engineering and Underground Construction Joint Stock Company” to “FECON CORPORATION” and the 32nd change dated 14th January 2022 on increasing charter capital.

Charter capital of the Company according to the 32nd Business Registration Certificate dated 14th January 2022 is VND 1,574,390,050,000 (*In words: One thousand five hundred and seventy four billion, three hundred and ninety million, and fifty thousand Vietnam dong*).

Foreign Name: FECON CORPORATION; Abbreviations: FECON CORP.

The Company’s stock is currently listed on Ho Chi Minh Stock Exchange with stock code: FCN.

Registered Address: 15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune, Nam Tu Liem District, Hanoi City, Viet Nam.

1.2. Operating industries and principal activities

- Construction of foundation and underground structure for high building, industrial, transportation, irrigation structures;
- Construction of engineering infrastructure of Industrial and urban zones;
- Testing foundation bearing capacity by static load & Pile Dynamic analysis (PDA) method;
- Testing for integrity and homogeneity of pile, foundation and reinforcement concrete structures by ultra-sonic test (SONIC) and pile integrity test (PIT);
- Construction geological survey, topographic survey, construction hydrogeological survey;
- Performance of geotechnical experiments for survey and design service, quality management and monitoring of the foundation construction and underground works (not including construction design services);
- Business in car renting services;
- Testing and analysing technique.

The Company's main activities during the year: Construction of foundation and underground structure for high building, industrial, transportation, irrigation structures.

1.3. Normal operating cycle

The Company’s normal operating cycle is 12 months.

1.4 Statement of information comparability on the separate financial statements

The Board of Directors 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 22nd 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 22nd, 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the separate financial statements are comparable.

2. FISCAL YEAR AND ACCOUNTING CURRENCY**Fiscal year**

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

Accounting currency

The accompanying separate 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 22nd December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT- BTC dated March 21st, 2016 amending and supplementing a number of articles of Circular 200/2014/TT- BTC dated December 22nd, 2014.

Statements for the compliance with Accounting Standards and System

The Board of General Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Separate Financial Statements.

Accounting form applied

The company uses general journal accounting using ERP SAP FPT Accounting System software.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation of the separate financial statements**

The attached separate financial statements are expressed in Vietnam Dong (VND), 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 separate 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 31st December, 2024 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 separate 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.

Foreign exchange rates applied in accountingTransactions in foreign currencies

Transactions in foreign currencies are translated at the rates ruling at the transaction date, foreign exchange differences arising from these transactions are recognized as income and expenses in the Separate Income Statement.

Revaluation of monetary items denominated in foreign currencies at the date of the

- (i) ~~The items denominated in foreign currencies are classified as assets (cash, receivables, ...):~~
Revaluation under the buying rate of the bank, which the Company opens, its account as at 31st December 2024.
- (ii) The items denominated in foreign currencies are classified as liabilities (payable, debts, ..):
Revaluation under the selling rate of the bank, which the Company opens, its account as at 31st December 2024.

Foreign exchange differences arising from the revaluation are transferred to accounts - 413 Exchange rate differences, the account balance will be transferred to financial income or expense at the time of separate financial statements.

Accounting estimates

The preparation of separate financial statements in conformity with Vietnamese Standards on Accounting, Vietnamese Enterprise Accounting System and other prevailing accounting regulations in Vietnam requires the Board of General Directors 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 separate 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.

Cash equivalents comprise short-term deposits and highly liquid investments with an original maturity of less than 3 months that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Financial investments***Held to maturity investments***

Held to maturity investments includes: term bank deposits with original maturities of more than 3 months, held-to-maturity loans for the purpose of earning periodic interest and other held-to-maturity investments.

Held-to-maturity investments are stated at cost and are measured at fair value based on the recoverability of the investment.

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.

Loans

Loans under contracts between the parties but not allowed to buy, sell on the stock market.

All loans classified as monetary items denominated in foreign currencies will be revaluated at actual exchange rates at the reporting date.

Allowance for doubtful loans is made for each of the doubtful debts based on the overdue payment of principal under the original debt commitment (regardless of debt extension between parties), or based on expected loss level may occur.

Investments in subsidiaries and other investments

- Investments in subsidiaries: Investments in subsidiaries over which the Company has control are stated at cost method in the separate 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.

- 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 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.

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

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.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of inventories comprise costs of direct materials, direct labor, and general operation (if any) incurred in bringing the inventories to their present location and conditions. Net realizable value is the estimated selling price of inventory items less all estimated costs of completion and costs of marketing, selling and distribution. The Company uses the perpetual inventory method. The cost is calculated via specific identification 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.

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	10 – 20
Machinery and equipment	05 – 20
Motor vehicles	06 – 10
Office equipment	03 – 08
Others	03 – 10

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

Copyrights, patents, computer software and others are stated at cost less than accumulated amortization.

Copyrights, patents, computer software and others are amortized on a straight-line basis over their estimated useful lives of 3 - 10 years.

Finance leases as lessee

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessee. All other leases are considered operating leases.

A finance lease is recognized as a finance lease asset or finance lease liability on the balance sheet based on the lower value of the fair value of the leased asset and the present minimum value of the lease liability at the initial time of the lease.

Payments for finance leases are divided into finance charges and principal payables. Financial expenses are calculated for each accounting period during the lease term at a fixed rate of interest on the remaining outstanding balance.

Financial leased assets are depreciated in accordance with the straight-line method over their estimated useful lives like the Company owned assets or over the leased term in case the leased term is shorter, in details:

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
 Urban Area, Pham Hung Road, Me Tri Commune,
 Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
 December 22nd, 2014 of the Ministry of Finance

	<u>Years</u>
Machinery and equipment	08-20
Motor vehicles	09-10

Business cooperation contract (BCC)The Company as capital contributor

Cash and asset contributions under BCC are recognized as receivables in the financial statements.

Recognition of revenue and expenses according to BCC: One-time revenue recognition upon the expiration of the business cooperation term as prescribed in the contract.

Prepaid expenses

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods and the transfer of these expenses to operating expenses of subsequent accounting periods.

Prepaid expenses are stated at cost and are classified under short-term and long-term on the balance sheet based on time payment up front of each contract.

Prepaid expenses are amortized on a straight line basis over the lease term (for the cost of rent, lease or an operating lease, ...), according to the useful time but no more than 3 years.

Land use right value at office building in Tower CEO, Lot HH2-1, Me Tri Ha New Urban Area, Pham Hung Road, Nam Tu Liem District, Hanoi in 48 year is amortized over 48 years..

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 details 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: includes commercial payables arising from the purchase of goods, services and assets between the Company and the seller (independent entity with the Company, including amounts payable between the Holding company and its subsidiaries).
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

Borrowings and financial leasing liabilities

Borrowings and financial leasing 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".

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".

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.

The Company recognizes Accrued expenses as follows: For construction works when having volumes acceptance.

Unrealized revenues

Unearned revenue includes: the difference between the selling price and the sublease price of the financial leased asset amortized on a straight-line basis over the lease term.

Owners' equity

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

Share premium is recognised by the difference between the actual price and face value of the shares when firstly issued, additionally issued or when the Company reissue treasury share.

Treasury shares are recognized at actual value and presented in the Balance Sheet as a decrease in equity.

Profit after tax of the Company is used to pay dividends to shareholders after having the approval of the Shareholders at the Annual General Meeting and after allocations to the reserve fund under the Company's Charter.

Dividends are recognized as a liability when approved by the General Meeting of Shareholders/ Members' Council.

Revenue and other income

The Company's revenue includes revenue from sales of goods, revenue from construction and installation, provision.

Revenue from sale of goods

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;
- 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;
- The company will benefit economically from the sales transaction; 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; and

- Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that service.

Revenue of construction

Revenues of construction are reliably recognized in the following cases:

- For construction contracts stipulating that the contractor is paid according to the planned schedule, the revenue and expenses related to the contract are recognized in equivalent proportion to the completed work determined by the Company as at the balance sheet date.
- For construction contracts stipulating that the contractor is paid according to the value of the volume performed, 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 volume, compensation and other revenues are recognized as revenue only when agreed with the customer.

Revenues of construction are not recognized in the following cases:

- Revenue is recognized in equivalent proportion to contract costs which is probable to be paid.
- The contract costs are recognized to expenses only when they actually incur.

The difference between the total accumulated revenue of the recognized construction contract and the accumulated amount recorded on the payment invoice according to the planned progress of the contract is recorded as a receivable or payable amount according to the planned progress of construction contracts.

Revenue and other income (Continued)***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

Cost of goods sold including of cost of products, goods and services, real estate sold in the period are recognized in accordance with revenue in the period.

For the cost of direct materials consumed exceeds normal levels, labour costs, fixed general administration expense which are not allocated to finished goods will be recognized in cost of sales (after minus the amount of compensation, if any) even if the goods have not been determined to be consumed.

Financial expenses

- Cost borrowing: Recorded monthly based on the loan principles, the interest rate and number of actual borrowing days
- Foreign exchange loss: Recognized when there is a difference between the actual exchange rate and the bookkeeping rate and when there is a loss when revaluation of monetary items denominated in foreign currencies.

Current corporate income tax expense and deferred corporate income tax expense/ Current and deferred corporate income tax expenses

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.

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

- **Deferred income tax expenses:** is corporate income tax payable in the future arising from: recognising deferred income tax payable during the year; reversing deferred tax assets recognised in previous years/periods; not recognising deferred tax assets or deferred tax liabilities arising from transactions that directly recorded to equity.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits, The contractor tax rate on CIT for income received from foreign investment is 25%.

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 examination 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.

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

5. NOTES TO THE FINANCIAL STATEMENT**5.1 Cash and cash equivalents**

	31/12/2024	01/01/2024
	VND	VND
Cash on hand	3,244,696,351	1,890,144,668
Cash at bank	155,159,327,580	333,259,239,771
Cash equivalents	14,675,842,286	111,372,594,603
Total	173,079,866,217	446,521,979,042

5.2 Other short-term receivables

	31/12/2024	01/01/2024
	VND	VND
Advances	335,868,482,804	313,993,378,672
Short-term deposits	20,000,000	20,000,000
Others	81,854,121,480	79,814,595,951
Total	417,742,604,284	393,827,974,623

5.3 Inventories

	31/12/2024	01/01/2024
Raw materials	7,900,013,447	13,838,309,716
Instrument & tools	717,388,694	975,108,414
Cost for work in process	1,259,311,799,253	1,178,388,876,049
Goods	32,928,734,661	41,358,690,551
Total	1,300,857,936,055	1,234,560,984,730

5.4

	31/12/2024	01/01/2024
	VND	VND
Deductible value added tax	11,663,159,755	26,611,573,648
Others	-	-
Total	11,663,159,755	26,611,573,648

5.5 Other long-term receivables

	31/12/2024	01/01/2024
	VND	VND
Long-term deposits, other receivables	16,127,276,531	10,397,537,358
Total	16,127,276,531	10,397,537,358

5.6 Tangible fixed assets

Unit: VND

	Buildings and Structures	Machinery, equipment	Transportation means	Office equipment	Others	Total
HISTORY COST						
As at 01/01/2024	23,612,780,320	261,335,733,370	15,547,526,049	1,880,892,113	18,674,547,697	321,051,479,549
Increase	168,168,080	78,806,732,714	2,325,932,000	116,503,741	649,200,000	82,066,536,535
Purchase	168,168,080	869,804,338	603,200,000	116,503,741	649,200,000	2,406,876,159
Acquisition of financial lease assets	-	77,936,928,376	1,722,732,000	-	-	79,659,660,376
Decrease	-	158,546,906,482	3,719,013,818	-	-	162,265,920,300
Transfer to financial lease assets	-	136,498,002,686	1,725,932,000	-	-	138,223,934,686
Disposals	-	22,048,903,796	1,993,081,818	-	-	24,041,985,614
As at 31/12/2024	23,780,948,400	181,595,559,602	14,154,444,231	1,997,395,854	19,323,747,697	240,852,095,784
ACCUMULATED DEPRECIATION						
As at 01/01/2024	5,783,363,161	128,589,884,962	11,214,456,107	1,281,412,989	14,693,758,016	161,562,875,235
Increase	1,048,817,815	36,607,129,023	1,479,816,260	189,940,576	1,129,127,314	40,454,830,988
Depreciation	1,048,817,815	12,299,893,977	911,931,342	189,940,576	1,129,127,314	15,579,711,024
Acquisition of financial lease assets	-	24,307,235,046	567,884,918	-	-	24,875,119,964
Decrease	-	62,489,298,770	1,873,055,791	-	-	64,362,354,561
Transfer to financial lease assets	-	43,787,552,383	573,150,081	-	-	44,360,702,464
Disposals	-	18,701,746,387	1,299,905,710	-	-	20,001,652,097
As at 31/12/2024	6,832,180,976	102,707,715,215	10,821,216,576	1,471,353,565	15,822,885,330	137,655,351,662
NET BOOK VALUE						
As at 01/01/2024	17,829,417,159	132,745,848,408	4,333,069,942	599,479,124	3,980,789,681	159,488,604,314
As at 31/12/2024	16,948,767,424	78,887,844,387	3,333,227,655	526,042,289	3,500,862,367	103,196,744,122

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

5.7 Financial leasing fixed assets*Unit: VND*

	Machinery, equipment	Transportation means	Total
HISTORY COST			
As at 01/01/2024	135,964,441,154	7,792,680,259	143,757,121,413
Increase	101,823,511,673	1,702,895,457	103,526,407,130
Leasing	101,823,511,673	1,702,895,457	103,526,407,130
Decrease	77,936,928,376	1,722,732,000	79,659,660,376
Acquisition of financial lease assets	77,936,928,376	1,722,732,000	79,659,660,376
As at 31/12/2024	<u>159,851,024,451</u>	<u>7,772,843,716</u>	<u>167,623,868,167</u>
ACCUMULATED DEPRECIATION			
As at 01/01/2024	32,687,059,131	1,589,433,498	34,276,492,629
Increase	16,852,086,646	854,860,535	17,706,947,181
Depreciation	16,852,086,646	854,860,535	17,706,947,181
Decrease	24,307,235,046	567,884,918	24,875,119,964
Acquisition of financial lease assets	24,307,235,046	567,884,918	24,875,119,964
As at 31/12/2024	<u>25,231,910,731</u>	<u>1,876,409,115</u>	<u>27,108,319,846</u>
NET BOOK VALUE			
As at 01/01/2024	<u>103,277,382,023</u>	<u>6,203,246,761</u>	<u>109,480,628,784</u>
As at 31/12/2024	<u>134,619,113,720</u>	<u>5,896,434,601</u>	<u>140,515,548,321</u>

5.8 Intangible fixed assets*Unit: VND*

	License, patent	IT software	Others	Total
HISTORY COST				
As at 01/01/2024	241,800,000	28,108,252,475	925,117,257	29,275,169,732
Increase	-	109,090,909	1,474,275,298	1,583,366,207
Purchase	-	109,090,909	-	109,090,909
Completed capital construction investment	-	-	1,474,275,298	1,474,275,298
Decrease	-	-	-	-
As at 31/12/2024	<u>241,800,000</u>	<u>28,217,343,384</u>	<u>2,399,392,555</u>	<u>30,858,535,939</u>
ACCUMULATED AMORTIZATION				
As at 01/01/2024	143,589,452	19,986,452,889	633,950,317	20,763,992,658
Increase	30,225,000	3,462,429,809	149,728,886	3,642,383,695
Amortization	30,225,000	3,462,429,809	149,728,886	3,642,383,695
Decrease	-	-	-	-
As at 31/12/2024	<u>173,814,452</u>	<u>23,448,882,698</u>	<u>783,679,203</u>	<u>24,406,376,353</u>
NET BOOK VALUE				
As at 01/01/2024	<u>98,210,548</u>	<u>8,121,799,586</u>	<u>291,166,940</u>	<u>8,511,177,074</u>
As at 31/12/2024	<u>67,985,548</u>	<u>4,768,460,686</u>	<u>1,615,713,352</u>	<u>6,452,159,586</u>

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

5.9 Construction in progress	31/12/2024	01/01/2024
	VND	VND
Purchase of fixed assets	1,043,428,000	2,304,291,207
Total	1,043,428,000	2,304,291,207
5.10 Short-term borrowings and finance lease liabilities	31/12/2024	01/01/2024
	VND	VND
Short-term borrowings and finance lease liabilities	1,267,185,027,467	1,001,081,690,962
5.11 Taxes and payables to the State Budget	31/12/2024	01/01/2024
	VND	VND
Corporate income tax	7,080,564,154	12,862,487,150
Personal income tax	2,613,921,190	2,447,126,370
Total	9,694,485,344	15,309,613,520
5.12 Short-term accrued expenses	31/12/2024	01/01/2024
	VND	VND
Cost of construction projects	213,658,096,181	96,228,648,983
Total	213,658,096,181	96,228,648,983
5.13 Other short-term Payables	31/12/2024	01/01/2024
	VND	VND
Trade union fee	1,148,388,303	904,888,673
Social insurance	-	-
Health insurance	2,149,302	-
Unemployment insurance	-	-
Other payables	226,596,475,904	283,797,974,560
Total	227,747,013,509	284,702,863,233
5.14 Long-term borrowings and finance lease liabilities	31/12/2024	01/01/2024
	VND	VND
Long-term borrowings and finance lease liabilities	215,373,146,432	90,137,795,234
Total	215,373,146,432	90,137,795,234

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

5.15 Owners' equity**a. Changes of owners' equity***Unit: VND*

	Share capital	Share premium	Investment and Development fund	Retained profits	Total
As at 01/01/2023	1,574,390,050,000	517,556,564,217	297,446,985,202	120,010,563,025	2,509,404,162,444
Net profit for the year	-	-	-	12,695,623,697	12,695,623,697
Appropriate Bonus and welfare funds	-	-	-	(6,026,727,475)	(6,026,727,475)
Payment of dividends in cash	-	-	-	(78,719,502,500)	(78,719,502,500)
As at 31/12/2023	1,574,390,050,000	517,556,564,217	297,446,985,202	47,959,956,747	2,437,353,556,166
As at 01/01/2024	1,574,390,050,000	517,556,564,217	297,446,985,202	47,959,956,747	2,437,353,556,166
Net profit for the period	-	-	-	6,776,098,142	6,776,098,142
Appropriate Bonus and welfare funds	-	-	-	(1,269,562,370)	(1,269,562,370)
As at 31/12/2024	1,574,390,050,000	517,556,564,217	297,446,985,202	53,466,492,519	2,442,860,091,938

FECOR CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

5.15 Owners' equity (Continued)**b. Capital transactions with shareholders and appropriation of profits and dividends**

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Owner's equity		
Capital contributed at the beginning of the period	1,574,390,050,000	1,574,390,050,000
Capital contributed at the end of the period	1,574,390,050,000	1,574,390,050,000

c. Shares

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Number of shares registered for issuance	157,439,005	157,439,005
Number of shares sold to the public	157,439,005	157,439,005
Common shares	157,439,005	157,439,005
Number of outstanding shares	157,439,005	157,439,005
Common shares	157,439,005	157,439,005
Par value of outstanding share (VND/per share)	10,000	10,000

d. Funds

	31/12/2024 VND	01/01/2024 VND
Development and investment funds	297,446,985,202	297,446,985,202
Total	297,446,985,202	297,446,985,202

5.16 Revenue from sales of goods and provision of services

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Sales of goods and provision of services	2,367,120,603,825	1,890,342,385,738
Total	2,367,120,603,825	1,890,342,385,738

5.17 Cost of goods sold

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Cost of goods sold, construction, services	2,189,951,143,841	1,669,182,021,926
Total	2,189,951,143,841	1,669,182,021,926

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

5.18 Financial income

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Interest income from deposits and loans	1,562,527,124	1,838,190,143
Realized gain on exchange difference	829,572,341	1,790,035,806
Dividend, profit received	34,527,625,000	29,703,200,000
Interest income from disposal of investments	-	510,767
Payment discount	-	208,819,350
Others	20	70,346,360
Total	36,919,724,485	33,611,102,426

5.19 Financial expenses

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Interest expenses	92,296,464,068	123,105,887,722
Foreign exchange losses	4,659,192,180	2,695,274,958
Loss of disposal of financial investments	-	1,052,000,000
Others	3,204,535,085	3,066,490,279
Total	100,160,191,333	129,919,652,959

5.20 Selling expenses and General and administrative expenses

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Selling expenses	11,734,329,085	13,846,916,032
Employee expenses	7,961,723,681	9,891,375,488
Cost of tools and supplies	36,518,389	57,692,825
Depreciation expenses	110,446,451	110,446,452
Outsourcing expenses	740,724,871	14,600,500
Other expenses in cash	2,884,915,693	3,772,800,767
General and administrative expenses	92,885,332,841	84,202,447,376
Employee expenses	63,666,972,042	55,821,576,117
Material expenses	665,357,763	1,398,661,361
Office supplies expenses	3,810,223,703	2,914,742,141
Depreciation expenses	5,251,335,363	5,155,690,279
Tax charges and fees	906,763,836	558,591,487
Outsourcing expenses	13,076,942,460	11,463,596,863
Other expenses in cash	5,507,737,674	6,889,589,128

FECON CORPORATION

15th Floor CEO Tower, Plot HH2-1, Me Tri Ha
Urban Area, Pham Hung Road, Me Tri Commune,
Nam Tu Liem District, Hanoi City, Viet Nam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
December 22nd, 2014 of the Ministry of Finance

5.21 Other income/ Other expenses

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Other income		
Gain from disposal of fixed assets	4,885,183,459	427,272,727
Gain from disposal of Tools and supplies	563,345,019	8,981,818
Compensation and penalties	3,058,217,276	704,217,261
Collection from Geotech conference	-	5,339,048,844
Others	119,092,921	17,324,457
Total	8,625,838,675	6,496,845,107
Other expenses		
Loss from disposals of fixed assets	-	464,126,260
Net book value of Tools and supplies disposed	29,873,409	4,733,944
Penalty for breach of contract	1,258,667,822	661,815,719
Fine of late payment of social insurance and tax, administrative penalty	1,050,314,404	286,108,519
Geotech conference costs	-	6,191,093,918
Others	420,336,209	62,323,416
Total	2,759,191,844	7,670,201,776
Net other profit	5,866,646,831	(1,173,356,669)

5.22 Current corporate income tax expense

	For the period from 01/01/2024 to 31/12/2024 VND	For the period from 01/01/2023 to 31/12/2023 VND
Accounting profit before tax	15,175,978,041	25,629,093,202
Increased adjustments	55,713,035,735	70,499,839,274
Decreased adjustments	34,547,417,726	31,461,584,951
Taxable income	36,341,596,050	64,667,347,525
Corporate Income Tax rate	20%	20%
Collecting corporate Income Tax arrears from previous year adjusted in this period	1,131,560,689	-
Current corporate income tax expense	8,399,879,899	12,933,469,505

Preparer

Chief Accountant

Hanoi, 25th January 2025

Chairman





Tran Thu Trang

Pham Van Tung

Pham Viet Khoa