

Interim Consolidated Financial Statements

Transport Engineering Design Inc

For the period from 01 January 2023 to 30 June 2023
(Reviewed)



CONTENTS

	Page
Report of the Board of General Directors	02-03
Review Report on Interim Financial Information	04
Reviewed Interim Consolidated Financial Statements	
Interim Consolidated Statement of Financial position	05-06
Interim Consolidated Statement of Income	07
Interim Consolidated Statement of Cash Flows	08-09
Notes to the Interim Consolidated Financial Statements	10-35

Transport Engineering Design Inc

No. 278 Ton Duc Thang Street, Hang Bot Ward, Dong Da District, Hanoi

REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Transport Engineering Design Inc ("the Company") presents its report and the Company's Interim Consolidated Financial Statements for the period from 01 January 2023 to 30 June 2023.

THE COMPANY

Transport Engineering Design Inc is officially converted to Joint stock company under the Business Certificate No. 0100107839 dated 28/09/2010 and its amendments issued by Hanoi Department of Planning and Investment.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

Members of the Board of Management during the period and to the reporting date are:

Mr. Hitoshi Yahagi	Chairman
Mr. Pham Huu Son	Vice-chairman
Mrs. Do Thi Phuong Lan	Member
Mr. Do Minh Dung	Member
Mr. Dao Ngoc Vinh	Member

Members of the Board of General Directors during the period and to the reporting date are:

Mr. Pham Huu Son	General Director	
Mr. Do Minh Dung	Deputy General Director	
Mr. Nguyen Manh Ha	Deputy General Director	
Mr. Dao Ngoc Vinh	Deputy General Director	
Mr. Tran Quoc Bao	Deputy General Director	Appointed on 15/08/2023
Mr. Bui Tran Long	Deputy General Director	Resigned on 01/07/2023

Members of the Board of Supervision are:

Mr. Mach Thanh Toan	Head of the Board
Mr. Ngo Nam Ha	Member
Mr. Vo Hoang Anh	Member

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Interim Consolidated Financial Statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Interim Consolidated Financial Statements which give a true and fair view of the financial position of the Company, its operating results and its cash flows for the period. In preparing those Interim Consolidated Financial Statements, the Board of General Directors is required to:

- ▶ Establish and maintain an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Interim Consolidated Financial Statements do not contain any material misstatement caused by errors or frauds;
- ▶ Select suitable accounting policies and then apply them consistently;
- ▶ Make judgments and estimates that are reasonable and prudent;
- ▶ State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Interim Consolidated Financial Statements;
- ▶ Prepare the Interim Consolidated Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory

Transport Engineering Design Inc

No. 278 Ton Duc Thang Street, Hang Bot Ward, Dong Da District, Hanoi

requirements relevant to preparation and presentation of Interim Consolidated Financial Statements;

- ▶ Prepare the Interim Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Interim Consolidated Financial Statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of General Directors confirms that the Interim Consolidated Financial Statements give a true and fair view of the financial position at 30 June 2023, its operation results and cash for for the six-month accounting period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the Interim Consolidated Financial Statements.

Other commitments

The Board of General Directors pledges that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 on elaboration of some articles of the law on securities and the Company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

On behalf of the Board of General Directors



Phạm Hữu Sơn
General Director

Ha Noi, 23 August 2023

No: 230823.009/BCTC.FIS2

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To: The shareholders, the Board of Management and the Board of General Directors
Transport Engineering Design Inc

We have reviewed the Interim Consolidated Financial Statements of Transport Engineering Design Inc ("the Company") prepared on 23 August 2023, from page 05 to page 35, including Interim Consolidated Statement of financial position as at 30 June 2023, Interim Consolidated Statement of Income, Interim Consolidated Statement of Cash Flows and Notes to the Interim Consolidated Financial Statements for the six-month accounting period then ended.

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and presentation of Interim Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Interim Consolidated Financial Statements and for such internal control as management determines is necessary to enable the preparation and presentation of Interim Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these Interim Consolidated Financial Statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Auditor's opinion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Consolidated Financial Statements does not give a true and fair view, in all material respects, of the financial position of the Transport Engineering Design Inc as at 30 June 2023, and of its financial performance and its cash flows for the six-month accounting period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of Interim Consolidated Financial Statements.



Đo Thị Ngọc Dung
Deputy General Director
Registered Auditor No. 0659-2023-002-1

Ha Noi, 23 August 2023

T: (84) 24 3824 1990 | F: (84) 24 3825 3973 | 1 Le Phung Hieu, Hanoi, Vietnam



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

Code	ASSETS	Note	30/06/2023	01/01/2023
			VND	VND
100	A. CURRENT ASSETS		1,232,378,865,078	1,246,417,441,428
110	I. Cash and cash equivalents	3	158,198,992,245	189,722,780,688
111	1. Cash		105,328,515,950	157,665,159,188
112	2. Cash equivalents		52,870,476,295	32,057,621,500
120	II. Short-term investment	4	112,484,622,143	47,792,977,238
123	1. Short-term held to maturity		112,484,622,143	47,792,977,238
130	III. Short-term receivables		643,103,923,939	651,504,060,839
131	1. Short-term trade receivables	5	507,751,929,559	535,568,115,578
132	2. Short-term advances to suppliers	6	86,606,850,974	89,784,160,510
136	3. Other short-term receivables	7	98,908,264,631	76,276,707,051
137	4. Provisions for short-term bad debts		(50,163,121,225)	(50,124,922,300)
140	IV. Inventories	8	317,393,218,726	356,856,069,860
141	1. Inventories		321,529,635,149	361,669,219,747
149	2. Provision for obsolescence of inventories		(4,136,416,423)	(4,813,149,887)
150	V. Other current assets		1,198,108,025	541,552,803
151	1. Short-term prepaid expenses	9	83,580,018	366,608,629
153	2. Tax and other receivables from the State	13	1,114,528,007	174,944,174
200	B. NON-CURRENT ASSETS		85,398,792,642	88,229,292,627
220	I. Fixed assets		69,969,231,618	73,318,444,153
221	1. Tangible fixed assets	11	66,228,413,558	69,805,816,753
222	- Cost		246,448,290,608	245,469,463,563
223	- Accumulated depreciation		(180,219,877,050)	(175,663,646,810)
227	2. Intangible fixed assets	10	3,740,818,060	3,512,627,400
228	- Cost		18,849,422,225	18,026,296,225
229	- Accumulated amortisation		(15,108,604,165)	(14,513,668,825)
260	II. Other non-current assets		15,429,561,024	14,910,848,474
261	1. Long-term prepaid expenses	9	14,955,957,952	14,428,083,737
262	2. Deferred tax assets		473,603,072	482,764,737
270	TOTAL ASSETS		1,317,777,657,720	1,334,646,734,055

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023
(Continued)

Code	RESOURCES	Note	30/06/2023	01/01/2023
			VND	VND
300	C. LIABILITIES		1,019,418,541,516	1,014,021,867,221
310	I. Current liabilities		1,017,131,896,612	1,011,355,877,693
311	1. Short-term trade payables	12	61,143,544,116	79,427,699,204
312	2. Short-term advances from customers	15	541,303,421,326	575,184,852,256
313	3. Tax payables and statutory obligations	13	38,134,917,095	19,862,806,796
314	4. Payables to employees		146,431,876,424	128,194,841,349
315	5. Short-term accrued expenses	16	86,083,323,359	58,910,080,423
317	6. Payable relating to construction contracts under percentage of completion method		1,067,451,852	1,067,451,852
318	7. Short-term unrealized revenue		395,350,000	431,000,000
319	8. Other short-term payables	17	114,418,978,205	104,850,895,544
320	9. Short-term loans and liabilities	14	4,060,807,509	20,515,925,496
321	10. Provision for short-term payables		2,000,000,000	14,280,000,000
322	11. Bonus and welfare funds		22,092,226,726	8,630,324,773
330	II. Long-term liabilities		2,286,644,904	2,665,989,528
336	1. Long-term unrealized revenue		545,454,545	545,454,545
337	2. Other long-term payables	17	1,189,257,000	1,255,601,628
338	3. Long-term loans and liabilities	14	551,933,359	864,933,355
400	D. EQUITY		298,359,116,204	320,624,866,834
410	I. Owners' equity	18	298,359,116,204	320,624,866,834
411	1. Contributed charter capital		125,000,000,000	125,000,000,000
411a	- Ordinary shares with voting right		125,000,000,000	125,000,000,000
412	2. Share premium		815,232,000	815,232,000
414	3. Other owner's equity		26,086,235,108	26,086,235,108
416	4. Revaluation different on assets		(9,876,529,675)	(9,876,529,675)
418	5. Investment and development fund		89,435,416	89,435,416
421	6. Retained earnings		74,802,962,710	84,579,732,888
421a	- Retained earnings accumulated to previous period		36,797,959,942	21,741,692,437
421b	- Undistributed profit of this period		38,005,002,768	62,838,040,451
429	7. Non - controlling interests		81,441,780,645	93,930,761,097
440	TOTAL RESOURCES		1,317,777,657,720	1,334,646,734,055


Doan Thanh Ha
Preparer

Hanoi, 23 August 2023


Tang Thi Thu Hien
Chief Accountant


Phạm Hữu Sơn
General Director



INTERIM CONSOLIDATED STATEMENT OF INCOME
For the period from 01/01/2023 to 30/06/2023

Code	ITEMS	Note	This period VND	Previous period VND
01	1. Revenue from services rendered	20	742,704,683,417	497,269,952,282
02	2. Less deductions	21	693,979,733	687,872,022
10	3. Net revenue from services rendered		742,010,703,684	496,582,080,260
11	4. Cost of services rendered	22	570,710,775,723	382,797,143,220
20	5. Gross profit from services rendered		171,299,927,961	113,784,937,040
21	6. Financial income	23	4,417,553,384	2,852,216,529
22	7. Financial expenses	24	371,220,706	1,897,892,187
23	<i>In which: Interest expense</i>		371,220,706	1,891,065,203
25	9. Selling expenses		-	-
26	10. General administrative expenses	25	111,743,480,912	80,653,994,670
30	11. Operating profit		63,602,779,727	34,085,266,712
31	12. Other incomes		1,287,711,195	409,909,593
32	13. Other expenses		1,096,358,149	358,044,750
40	14. Other profit		191,353,046	51,864,843
50	15. Accounting profit before tax		63,794,132,773	34,137,131,555
51	16. Corporate income tax - current	26	13,559,610,669	6,905,119,272
52	17. Corporate income tax - deferred		9,161,665	2,865,746
60	18. Net profit after tax		50,225,360,439	27,229,146,537
61	19. Profit after tax attributable to owners of the parent		38,005,002,768	17,761,982,948
62	20. Profit after tax attributable to non-controlling interests		12,220,357,671	9,467,163,589
71	21. EPS	27	3,040	1,202



Doan Thanh Ha
Preparer

Hanoi, 23 August 2023



Tang Thi Thu Hien
Chief Accountant




Phạm Hữu Sơn
General Director

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 01/01/2023 to 30/06/2023

(Indirect method)

Code	ITEMS	Note	This period	Previous period
			VND	VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Profit before tax		63,794,132,773	34,137,131,555
	2. Adjustments for:			
02	Depreciation and amortization		6,262,627,398	5,982,483,159
03	Provisions		(12,918,534,539)	(1,640,534,077)
05	(Gains) from investment activities		(4,459,335,135)	(3,139,183,559)
06	Interest expense		371,220,706	1,891,065,203
08	3. Profit from operating activities before changes in working capital		53,050,111,203	37,230,962,281
09	(Increase)/Decrease in receivables		8,113,409,555	(63,622,388,267)
10	(Increase)/Decrease in inventories		40,139,584,598	(20,907,153,189)
11	Increase/(Decrease) in payables (excluding interest payables/CIT payables)		(1,093,945,695)	112,085,087,970
12	(Increase)/Decrease in prepaid expenses		(244,845,604)	80,943,934
14	Interest paid		(371,220,706)	(1,891,065,203)
15	Corporate income tax paid		(9,069,924,237)	(7,478,606,662)
17	Other payments on operating activities		(10,945,823,081)	(8,165,092,582)
20	Net cash inflow from operating activities		79,577,346,033	47,332,688,282
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase of fixed assets and other long-term assets		(2,816,504,863)	(7,995,360,547)
22	2. Proceeds from disposals of fixed assets and long-term assets		50,000,000	360,909,091
23	3. Loans granted, purchases of debt instruments of other entities		(70,746,000,000)	(11,205,167,360)
24	4. Collection of loans, proceeds from sales of debt instruments		6,211,000,000	2,730,000,000
27	5. Interest, dividends and profit received		3,600,973,198	2,313,664,407
30	Net cash (outflow) from investing activities		(63,700,531,665)	(13,795,954,409)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 01/01/2023 to 30/06/2023

(Indirect method)

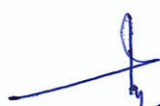
(Continued)

Code	ITEMS	Note	This period	Previous period
			VND	VND
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	1. Proceeds from issue of shares and capital contribution		-	394,155,865
33	2. Proceeds from borrowings		2,727,439,273	62,151,008,262
34	3. Repayment of borrowings		(19,495,557,256)	(60,930,399,349)
36	4. Dividends paid		(30,632,484,828)	(1,499,272,602)
40	Net cash inflows/(outflows) from financing activities		(47,400,602,811)	115,492,176
50	Net cash flows in the period		(31,523,788,443)	33,652,226,049
60	Cash and cash equivalents at beginning of the period	3	189,722,780,688	119,820,498,467
70	Cash and equivalents at the end of the period	3	158,198,992,245	153,472,724,516



Doan Thanh Ha
Preparer

Hanoi, 23 August 2023



Tang Thi Thu Hien
Chief Accountant




Pham Huu Son
General Director

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period from 01/01/2023 to 30/06/2023

1. GENERAL INFORMATION OF THE COMPANY

Form of ownership

Transport Engineering Design Inc (“the Company”) was established under the Business Certificate No. 0100107839 dated 28/09/2010 and its amendments issued by Hanoi Department of Planning and Investment.

Charter capital of the company at 30 June 2023 is VND 125 billion, equivalent to 12,500,000 shares, par value per share is VND 10,000.

The number of employees of the Parent Company as at 30 June 2023 was 577 (as at 31 December 2022: 448).

The number of employees of the Subsidiaries as at 30 June 2023 was 1,123 (as at 31 December 2022: 1,174).

Business field

Main business activities of the Company include:

- ▶ Construction consultancy, design, supervision, relating technical assessment (bridge, tunnel; port - waterway construction; railway, etc.);
- ▶ Technical inspection and analysis, measurement of construction materials as well as indicators of geological, hydrological and environmental; transport, civil and industrial engineering works; Quality control, load testing of civil and industrial transportation engineering works.

The Company’s operation in the period that affects the Interim Consolidated Financial Statements

In the first 6 months of 2023, the value accepted and accepted for payment increased compared to the same period last year because of completing progress of the works and the acceptance of the investors. This resulted in an increase in revenue, cost of goods sold and profit compared to the same period last year.

Group structure

The Company’s subsidiaries consolidated in Interim Consolidated Financial Statements as at 30 June 2023 include:

<u>Company</u>	<u>Address</u>	<u>Interest rate and Voting right</u>	<u>Business activities</u>
1. Bridge – Tunnel Engineering Consultant JSC	Hanoi	51.00%	Transport construction consultancy
2. Road and Bridge Engineering Consultants JSC	Hanoi	50.96%	Consulting construction, inspection and controlling quality of transport engineering
3. Highway Engineering Consultant JSC	Hanoi	51.00%	Transport construction consultancy
4. Port & Waterway Engineering Consultant JSC	Hanoi	51.00%	Port and waterway construction consultancy

<u>Company</u>	<u>Address</u>	<u>Interest rate and Voting right</u>	<u>Business activities</u>
5. Waterway engineering consultant JSC	Hanoi	51.60%	Transport construction consultancy
6. Geotechnical and Inspection design consultant JSC	Hanoi	66.66%	Consulting construction, inspection and controlling quality of transport engineering
7. Transport engineering Consultant No.2 JSC	Hanoi	51.00%	Transport construction consultancy
8. Transport engineering Consultant No.4 JSC	Nghe An	51.00%	Transport construction consultancy
9. Consultant Construction Transport engineering No.5	Da Nang	51.00%	Transport construction consultancy
10.Asia Pacific Engineering Consultant Company	Hanoi	67.26%	Provide engineering consultant service

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and accounting currency

Annual accounting period commences from 01 January and ends on 31 December. The Company maintains its accounting records in Vietnam Dong (VND).

2.2 Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC and Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

Statement of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 Basis for the preparation of Interim Consolidated Financial Statements

Interim Consolidated Financial Statements are prepared based on Interim Consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control for the period from 01/01/2023 to 30/06/2023. Control right is achieved when the company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Consistent accounting policies are applied in the Financial Statements of subsidiaries and the Company. Where necessary, the financial statements of subsidiaries are adjusted to ensure consistency in the accounting policies applied at the Company and its subsidiaries.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from the Consolidated Financial Statements.

Non-controlling interests represents the portion of profit or loss and net assets of subsidiaries not held by the Company.

2.4 Financial instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

Financial assets and financial liabilities are not revalued according to fair value at the end of the period because the Circular No.210/2019/TT-BTC and prevailing statutory regulations require to present Financial statements and Notes to financial instruments but not provide any relevant instruction for assessment and recognition of fair value of financial assets and financial liabilities.

2.5 Foreign currency transactions

Foreign currency transactions during the period are translated into Vietnam Dong using the actual rate at transaction date.

Real exchange rate when revaluing monetary items denominated in foreign currencies at the reporting date of Interim Consolidated Financial Statements is determined under the following principles:

- ▶ For asset accounts: applying the bid rate of Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV);
- ▶ For foreign currency deposited in bank: applying the bid rate of the commercial bank where the Company opens the accounts;
- ▶ For liability accounts: applying the offer rate of Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV).

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the period.

2.6 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7 Financial investments

Investments held to maturity comprise term deposits held to maturity to earn profits periodically.

Provision for investments held to maturity is made at the end of the period based on the recovery capacity in accordance with statutory regulations.

2.8 Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. Receivables are classified as short-term and long-term in the Interim Consolidated Financial Statements based on the remaining term of the receivables at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimate possible loss.

2.9 Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory less the estimated costs of completion and the estimated costs of selling the product.

The cost of inventory is calculated using specific identification method.
Inventory is recorded by perpetual method.

Cost for work in progress is gathered for each unfinished work or unrecognized revenue, corresponding to the volume of work in progress at the end of the period.

Provision for devaluation of inventories made at the end of the period is based on the excess of original cost of inventory over their net realizable value.

2.10 Fixed assets

Tangible fixed assets, intangible fixed assets are initially recognized at cost. In the course of use, tangible fixed assets, and intangible fixed assets are recorded at cost, accumulated amortization and carrying amount.

Subsequent measurement after initial recognition

If these costs increase the future economic benefits expected to be derived from the use of tangible fixed assets over the initially assessed standard of performance, these costs are capitalized as an incremental cost of tangible fixed assets.

Other costs incurred after fixed assets have been put into operation, such as repair, maintenance, and overhaul costs, are recognized in the separate statement of income in the period in which the costs are incurred.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

▶ Buildings, structures	05 – 50 years
▶ Machinery, equipment	03 – 20 years
▶ Transportation equipment	06 – 30 years
▶ Office equipment	03 – 10 years
▶ Other tangible fixed assets	04 – 25 years
▶ Computer software	03 – 08 years
▶ Other intangible fixed assets	02 – 20 years

2.11 Operating leases

Operating leases is fixed asset leasing in which a significant portion of the risks and reWards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.12 Business Cooperation Contract (BCC)

Business cooperation contract (BCC) is a contractual agreement between two or more parties to jointly carry out economic activities without forming an independent legal entity. According to the terms agreed at BCC, the Company is entitled to receive a fixed profit on a regular basis, regardless of the business results of the contract, and to recognize revenue from BCC for the divided amount upon notification from BCC.

2.13 Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting period.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature, degree of each expense to select a reasonable allocation method and criteria.

Prepaid expenses of the Company include:

- ▶ Tools and supplies include assets held by the Company for use in the ordinary course of business, with cost of each asset less than VND 30 million and therefore ineligible for recognition as fixed assets according to current regulations. Cost of tools and supplies is amortized on a straight-line basis over a period of 05 months to 60 months.
- ▶ Goodwill arising from the equitization of state-owned enterprise is allocated gradually within no more than 03 years.
- ▶ Repair expenses are allocated on a straight-line basis over their useful lives from 24 months to 36 months.
- ▶ Expenses for major repair of fixed assets, including maintenance and repair expenses for buildings and structures of the Company, are amortized over a maximum of 03 years.
- ▶ Other prepaid expenses are recognized at cost and allocated on a straight-line basis over their useful lives from 12 months to 72 months.

2.14 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. Payables are classified as short-term and long-term in the consolidated financial statements based on the remaining term of the payables at the reporting date.

2.15 Borrowings

Borrowings and finance lease liabilities shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings and finance lease liabilities.

2.16 Borrowing costs

Borrowing costs are recognized as operating expenses in the period, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". In addition, for separate loans for the construction of fixed assets and investment real estate, interest is capitalized even if the construction period is less than 12 months.

2.17 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers during the reporting period, but the payments for such goods or services have not been made and are recorded as operating expenses of the reporting period for instance: accrued sub-contractors expense on acceptance of quantity that are recorded as revenue leading to carried forward to Cost of services rendered,... which are recorded as operating expenses of the reporting period.

The recording of accrued expenses as operating expenses during the period shall be carried out under the matching principle between revenues and expenses during the period. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.18 Deferred revenue

Deferred revenue includes the following prepayment: prepaid amounts from customers for one or more accounting periods on asset lease and other deferred revenues.

Deferred revenue is transferred to revenue from rendering of services the amount matching each accounting period.

2.19 Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- ▶ The Company have a present debt obligation (legal obligation or joint obligation) as a result of past events;
- ▶ It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- ▶ Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the period.

Only expenses related to the previously recorded provision for payable shall be offset by that provision for payable.

Provisions for payables are recorded as operating expenses of the accounting period. In case provision made for the previous accounting period but not used up exceeds the one made for the current accounting period, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the period.

2.20 Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital represents the amount of business capital raised from the addition of the business performance or from donation, sponsorship and revaluation of assets (when an add or less in owner's equity is recognized).

Treasury shares are shares issued and bought-back by the issuing company itself. Treasury shares shall be recorded at the actual buyback price and must be recorded as a decrease in charter capital within 10 days from the day on which payment for the repurchased shares is fully made as prescribed in Article 134 of the Law on Enterprises No. 59/2020/QH14 dated 17 June 2020 and

Article 36 of the Law on Securities No. 54/2019/QH14 dated 06 December 2019, except for selling the shares immediately after repurchasing that permitted by law or handling the treasury shares purchased before 01/01/2021.

Differences arising from asset revaluation shall be recorded when having the decision of State on asset revaluation, or when carrying out the equitization of State-owned enterprises and other cases in accordance with the provisions of the law.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profits appropriation or loss handling of the Company.

Distributed dividends are recognised as a payable in the Interim Consolidated Statement of Financial position after the resolution from the General Meeting of Shareholders.

2.21 Revenues

Revenue is recognized when it is probable that the economic benefits, which can be measured reliably, will flow to the Company. Revenue is determined at the fair value of amounts received or expect to get after deducting services.

Financial incomes

Financial incomes include income from interest, foreign exchange gain, distributed profits and other financial incomes earned by the Company should be recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Company's right to receive dividend from capital contribution is established.

2.22 Revenue deductions

Revenue deductions from service provisions arising in the period is trade discounts.

Trade discount incurred in the same period of rendering of services are recorded as a decrease in revenue in the incurring period. In case services are rendered in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Consolidated Financial Statements of the reporting period (the previous period); and if it is incurred after the issuance of Consolidated Financial Statements, it is recorded as a decrease in revenue of incurring period (the next period).

2.23 Cost of services rendered

The recognition of cost of services rendered is matched against revenue in the period and complies with the prudence principle.

2.24 Financial expenses

Items recorded into financial expenses comprise:

- ▶ Borrowing costs;
- ▶ Loss due to foreign exchange differences foreign currencies.

The above items are recorded by the total amount arising in the period without offsetting against financial incomes.

2.25 Corporate income tax

Current corporate income tax expenses and Deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the period and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

Current corporate income tax rate

The Company is subject to corporate income tax of 20% for the period from 01/01/2023 to 30/06/2023.

2.26 Basic earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and bonus for Board of General Directors) by the weighted average number of ordinary shares outstanding during the period.

2.27 Related parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- ▶ Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- ▶ Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- ▶ Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Interim Consolidated Financial Statements, the Company considers the nature of the relationship, not just the legal form of the relationship.

2.28 Segment information

The Company's operating activities are mainly design consultancy, supervision consultancy for traffic works in the territory of Vietnam. As the total revenue from all sectors or from divisions of other fields accounts for a modest proportion of the total revenue of all divisions, the Company does not prepare segment reports by business sector and geographic area.

3. Cash and cash equivalents

	30/06/2023	01/01/2023
	VND	VND
Cash on hand	6,934,561,868	2,408,746,208
Cash in bank	98,393,954,082	155,256,412,980
Cash equivalents (i)	52,870,476,295	32,057,621,500
	158,198,992,245	189,722,780,688

- (i) As at 30 June 2023, cash equivalents consist of 01 month to 03 months term deposit at commercial banks with interest rates ranging from 3.0% per year to 6.7% per year.

4. Short-term financial investments

	30/06/2023	01/01/2023
	VND	VND
Term deposits (i)	110,794,511,476	46,102,866,571
Investment capital contribution (ii)	1,690,110,667	1,690,110,667
	112,484,622,143	47,792,977,238

- (i) As at 30 June 2023, held-to-maturity bank deposits are those with original term more than 03 months and the remaining term of less than 12 months at commercial banks with interest from 4.0% per year to 9.5% per year. The total value of term deposits as collateral for loans as at 30 June 2023 is VND 10 billion (details in Note 14).
- (ii) Financial investments are capital contributions to business cooperation with Construction Investment and Design Consultancy JSC with the aim of earning interest on a quarterly basis, the interest rate is 10% per year, regardless of the business results of the enterprise managing the business cooperation fund.

5. Short-term trade receivables

	30/06/2023		01/01/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Van Don Infrastructure Development and Investment Co., Ltd	28,475,381,823	-	29,545,228,851	-
PMU Thang Long	25,865,810,532	-	5,430,584,917	-
Hai Phong Traffic Construction Investment PMU	22,358,725,802	-	18,844,077,659	-
Nam Dinh Department of Transport	18,796,227,000	-	6,608,721,000	-
Construction PMU of Transport Works in Bac Giang Province	16,475,470,000	-	18,897,480,000	-
PMU No. 6	16,128,392,422	-	33,354,482,065	-
PMU of Investment and Construction of Traffic Works in Hanoi City	15,934,962,737	(1,197,923,409)	10,352,436,137	(1,197,923,409)
Trung Nam Wind Power JSC Dak Lak 1	13,013,402,363	-	349,471,363	-
BOT Bien Cuong JSC	12,466,655,481	(1,650,909,070)	12,766,655,481	(1,650,909,070)
Trung Luong - My Thuan BOT JSC	10,453,870,166	-	26,764,083,128	-
PMU of Ho Chi Minh Road	8,874,737,908	-	25,935,360,686	-
Hung Yen Department of Transport	2,167,498,000	-	9,324,424,000	-
Others	316,740,795,325	(46,130,673,946)	337,395,110,291	(46,099,045,021)
	507,751,929,559	(48,979,506,425)	535,568,115,578	(48,947,877,500)

6. Short-term prepayments to suppliers

	30/06/2023		01/01/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Transport Engineering Consultant JSC No. 7	5,896,218,786	-	6,237,583,700	-
Yooshin Engineering Corporation	989,232,872	-	1,867,038,925	-
Long Thanh Survey and Construction JSC	6,246,486,278	-	5,373,820,628	-
GEO TEST JSC	769,476,200	-	9,234,097,778	-
Phap Hoa Construction and Traffic JSC	4,700,000,000	-	2,330,000,000	-
Trades Transformation Company Limited	5,373,820,628	-	5,373,820,628	-
Others	62,631,616,210	(323,000,000)	59,367,798,851	(323,000,000)
	86,606,850,974	(323,000,000)	89,784,160,510	(323,000,000)

7. Other short-term receivables

	30/06/2023		01/01/2023	
	Value VND	Provision VND	Value VND	Provision VND
Details by content				
Advance (i)	80,926,265,933	(2,570,000)	57,666,838,009	-
Mortgages	3,416,244,768	-	5,101,918,338	-
Corporate income tax	3,430,170,575	-	5,271,935,632	-
Social insurance receivables	1,422,252,276	-	1,443,693,716	-
Others	9,713,331,079	(858,044,800)	6,792,321,356	(854,044,800)
	98,908,264,631	(860,614,800)	76,276,707,051	(854,044,800)
Detail by object				
Department, Production Center	47,077,302,260	-	34,034,461,517	-
Others	51,830,962,371	(860,614,800)	42,242,245,534	(854,044,800)
	98,908,264,631	(860,614,800)	76,276,707,051	(854,044,800)

(i) Advance to the Company's departments and staffs for consulting, surveying and design activities.

8. Inventories

	30/06/2023		01/01/2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	268,509,566	-	267,519,051	-
Tools, supplies	167,453,035	-	83,463,935	-
Work in progress	321,093,672,548	(4,136,416,423)	361,318,236,761	(4,813,149,887)
North-South Expressway in the Eastern part of Hanoi to Ho Chi Minh City	13,214,077,276	-	13,210,614,106	-
Ring Road 4 - Hanoi capital area, section of National Highway 32 - National Highway 6	10,714,558,400	-	10,714,558,400	-
Project of Renovating and Upgrading Railway Lines Hanoi - Ho Chi Minh City - Vinh Nha Trang, Nha Trang - Ho Chi Minh City	4,888,676,917	-	6,233,681,391	-
Others	292,276,359,955	(4,136,416,423)	331,159,382,864	(4,813,149,887)
	321,529,635,149	(4,136,416,423)	361,669,219,747	(4,813,149,887)

9. Prepaid expenses

	30/06/2023	01/01/2023
	VND	VND
Short-term		
Others	83,580,018	366,608,629
	83,580,018	366,608,629
Long-term		
Office repair and renovation expenses	5,310,719,314	6,506,244,627
Tools and supplies	7,434,164,155	5,163,895,435
Goodwill	650,200,499	1,004,855,333
Others	1,560,873,984	1,753,088,342
	14,955,957,952	14,428,083,737

10. Intangible fixed assets

	Computer software	Others	Total
	VND	VND	VND
Historical cost			
As at 01/01/2023	17,828,241,046	198,055,179	18,026,296,225
Purchase	823,126,000	-	823,126,000
As at 30/06/2023	18,651,367,046	198,055,179	18,849,422,225
Accumulated amortisation			
As at 01/01/2023	14,315,613,646	198,055,179	14,513,668,825
Amortisation	594,935,340	-	594,935,340
As at 30/06/2023	14,910,548,986	198,055,179	15,108,604,165
Net carrying amount			
As at 01/01/2023	3,512,627,400	-	3,512,627,400
As at 30/06/2023	3,740,818,060	-	3,740,818,060

Cost of fully amortized intangible fixed assets but still in use at the end of the period: VND 11,090,119,066.

11. Tangible fixed assets

	Buildings, structures VND	Machinery, equipment VND	Transportation vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 01/01/2023	112,186,395,222	69,239,721,340	49,874,903,643	12,027,761,964	2,140,681,394	245,469,463,563
Purchase	-	428,417,090	-	1,661,871,773	-	2,090,288,863
Liquidating, disposal	-	-	(971,461,818)	(140,000,000)	-	(1,111,461,818)
As at 30/06/2023	112,186,395,222	69,668,138,430	48,903,441,825	13,549,633,737	2,140,681,394	246,448,290,608
Accumulated depreciation						
As at 01/01/2023	70,856,875,782	57,791,510,338	36,995,454,033	7,938,018,863	2,081,787,794	175,663,646,810
Depreciation	1,313,689,635	1,777,872,384	1,784,131,724	782,106,315	9,892,000	5,667,692,058
Liquidating, disposal	-	-	(971,461,818)	(140,000,000)	-	(1,111,461,818)
As at 30/06/2023	72,170,565,417	59,569,382,722	37,808,123,939	8,580,125,178	2,091,679,794	180,219,877,050
Net carrying amount						
As at 01/01/2023	41,329,519,440	11,448,211,002	12,879,449,610	4,089,743,101	58,893,600	69,805,816,753
As at 30/06/2023	40,015,829,805	10,098,755,708	11,095,317,886	4,969,508,559	49,001,600	66,228,413,558

The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the year: VND 1,876,979,648;
The historical cost of fully-depreciated tangible fixed assets which are still in use: VND 82,059,059,038.

12. Short-term trade payables

	30/06/2023		01/01/2023	
	Book value VND	Liquidity VND	Book value VND	Liquidity VND
Long Thanh Survey And Construction JSC	8,734,885,694	8,734,885,694	10,997,329,994	10,997,329,994
Engineering Construction Design investigate JSC	-	-	2,385,636,363	2,385,636,363
T&S Technology Development Co., Ltd	3,846,402,167	3,846,402,167	8,406,203,167	8,406,203,167
Apex International Trading and Construction Investment Consultant JSC	1,832,241,710	1,832,241,710	2,071,241,710	2,071,241,710
Others	46,730,014,545	46,730,014,545	55,567,287,970	55,567,287,970
	61,143,544,116	61,143,544,116	79,427,699,204	79,427,699,204

13. Tax and other statutory obligations

	01/01/2023		This period		30/06/2023	
	Receivables VND	Payables VND	Payables VND	Actual payment VND	Receivables VND	Payables VND
Value-added tax	-	9,362,811,856	50,345,515,836	36,579,371,082	1,092,596,865	24,221,553,475
Corporate income tax	117,306,524	5,524,158,275	14,467,254,735	9,069,924,237	-	10,804,182,249
Personal income tax	-	4,859,945,665	10,066,025,080	12,680,862,215	21,931,142	2,267,039,672
Land tax and land rental	57,637,650	115,891,000	1,702,127,893	918,239,544	-	842,141,699
Other taxes	-	-	207,620,224	207,620,224	-	-
Fees, charges and other payables	-	-	377,265,536	377,265,536	-	-
	174,944,174	19,862,806,796	77,165,809,304	59,833,282,838	1,114,528,007	38,134,917,095

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Consolidated Financial Statements could be changed at a later date upon final determination by the tax authorities.

14. Loans and liabilities

	01/01/2023		This period		30/06/2023	
	Book value VND	Liquidity VND	Increase VND	Decrease VND	Book value VND	Liquidity VND
a) Short-term loans						
Military Commercial Joint Stock Bank	13,168,217,297	13,168,217,297	3,371,153	13,171,588,450	-	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam	1,800,000,000	1,800,000,000	-	1,800,000,000	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam (i)	149,260,203	149,260,203	2,724,068,120	2,684,640,810	188,687,513	188,687,513
Individual loans (ii)	4,772,448,000	4,772,448,000	-	1,526,328,000	3,246,120,000	3,246,120,000
Current portion of long-term loans						
Military Commercial Joint Stock Bank - Thanh Xuan Branch (iii)	625,999,996	625,999,996	312,999,996	312,999,996	625,999,996	625,999,996
	20,515,925,496	20,515,925,496	3,040,439,269	19,495,557,256	4,060,807,509	4,060,807,509
b) Long-term loans						
Military Commercial Joint Stock Bank - Thanh Xuan Branch (iii)	1,490,933,351	1,490,933,351	-	312,999,996	1,177,933,355	1,177,933,355
	1,490,933,351	1,490,933,351	-	312,999,996	1,177,933,355	1,177,933,355
Maturity within next 12 months	(625,999,996)	(625,999,996)	(312,999,996)	(312,999,996)	(625,999,996)	(625,999,996)
Maturity after 12 months	864,933,355	864,933,355			551,933,359	551,933,359

Detailed information on Short-term loans

- (i) Credit limit contract No. 01/2023/134643/HDTD dated 05/06/2023 with Bank for Investment and Development of Vietnam - Hanoi Branch with total credit limit of VND 210 billion.

The credit extension period is until 31/05/2024, the interest rate is specified according to each specific contract.

The collateral is Mortgage/guarantee/escrow contracts entered into before, on the same day and after the signing date of this credit contract with a total value of VND 10 billion with the Joint Stock Commercial Bank for Investment and Development of Vietnam (details in Note 04).

- (ii) Personal loan contract with interest rate from 9.0%/year to 13.5%/year, loan period from 06 months - 12 months. The form of security is unsecured, with the purpose of borrowing to serve business activities.

Detailed information on Long-term borrowings

- (iii) Including loan contracts for the purpose of buying automobiles for production and business activities. The loan term is 60 months from the next day of disbursement. The loan interest rate is determined according to the floating interest rate and specified in the debt receipts:

- Loan under loan contract No. 23229.19.014.3588549.TD dated 19/06/2019. Loan balance as at 30/06/2023 is VND 454,133,349, of which the current portion is VND 419,199,966. Loan secured by Toyota car with original price of VND 2,486,518,182.

- Loan under loan contract No. 67587.21.014.3588549.TD dated December 20, 2021 with Loan balance as at 30/06/2023 is VND 723,800,006, the current portion is VND 206,800,000. The loan is secured by a Ford Everest car with the original price of VND 1,441,516,364.

15. Short-term advances from customers

	30/06/2023	01/01/2023
	VND	VND
PMU No. 2	39,732,896,862	35,826,609,162
PMU No. 6	38,149,181,589	46,728,301,993
PMU of Investment and Construction of Traffic Works in Hanoi City	36,618,909,909	20,458,393,000
Him Lam Corporation - Ha Noi Branch	20,914,263,600	20,914,263,600
PMU Hanoi City Civil Engineering Construction Investment	20,745,547,000	2,601,641,000
Traffic PMU of Cai Mep - Thi Vai port area	20,225,240,160	21,998,164,500
PMU No. 85	19,063,735,000	23,530,884,000
Ministry of Infrastructure Development	17,406,917,037	28,505,110,569
Hai Phong PMU of Transport Construction	14,152,019,926	13,640,832,550
Thang Long PMU	8,992,649,343	45,159,153,410
PMU No. 7	7,515,508,999	30,055,320,796
Nam Dinh Department of Transportation	4,037,723,000	15,287,723,000
Others	293,748,828,901	270,478,454,676
	541,303,421,326	575,184,852,256

16. Short-term accrued expenses

	30/06/2023	01/01/2023
	VND	VND
Accrued production costs	18,929,697,100	-
Accrued subcontracting expenses	67,153,626,259	58,910,080,423
	86,083,323,359	58,910,080,423

17. Other payables

	30/06/2023	01/01/2023
	VND	VND
a) Short-term		
a.1) Details by content		
Compulsory insurance, Trade union fee	1,903,143,689	1,082,639,139
Payables production and business expenses	89,209,924,906	89,011,384,932
Dividends or profits payables	16,517,738,342	1,832,595,170
Others	6,788,171,268	12,924,276,303
	114,418,978,205	104,850,895,544
a.2) Details by object		
Department, Production Center	92,346,737,556	81,831,593,699
Others	22,072,240,649	23,019,301,845
	114,418,978,205	104,850,895,544
b) Long-term		
b.1) Details by content		
Long-term deposits, collateral received	1,189,257,000	1,255,601,628
	1,189,257,000	1,255,601,628
b.2) Details by object		
Other payables	1,189,257,000	1,255,601,628
	1,189,257,000	1,255,601,628

18. Owner's equity

a) Changes in owner's equity

	Contributed capital VND	Share premium VND	Other capital VND	Treasury shares VND	Asset revaluation differences VND	Investment development fund VND	Retained earnings VND	Non-Controlling Interest VND	Total VND
As at 01/01/2022	125,000,000,000	815,232,000	19,540,090,000	(652,800)	(9,876,529,675)	89,435,416	62,247,923,730	78,507,816,007	276,323,314,678
Profit for previous period	-	-	-	-	-	-	17,761,982,948	9,467,163,589	27,229,146,537
Capital increase	-	-	-	-	-	-	-	394,155,865	394,155,865
Dividend payment	-	-	6,546,145,108	-	-	-	(31,546,145,108)	(7,798,374,955)	(32,798,374,955)
Bonus and welfare fund contribution	-	-	-	-	-	-	(9,098,917,269)	(4,680,947,999)	(13,779,865,268)
Other increase	-	-	-	652,800	-	-	7,569,103	4,244,751	12,466,654
As at 30/06/2022	125,000,000,000	815,232,000	26,086,235,108	-	(9,876,529,675)	89,435,416	39,372,413,404	75,894,057,258	257,380,843,511
As at 01/01/2023	125,000,000,000	815,232,000	26,086,235,108	-	(9,876,529,675)	89,435,416	84,579,732,888	93,930,761,097	320,624,866,834
Profit for current period	-	-	-	-	-	-	38,005,002,768	12,220,357,671	50,225,360,439
Dividend payment (i)	-	-	-	-	-	-	(28,750,000,000)	(16,567,628,000)	(45,317,628,000)
Bonus and welfare fund contribution, executive board (i)	-	-	-	-	-	-	(18,567,387,282)	(7,915,646,752)	(26,483,034,034)
Other decrease	-	-	-	-	-	-	(464,385,664)	(226,063,371)	(690,449,035)
As at 30/06/2023	125,000,000,000	815,232,000	26,086,235,108	-	(9,876,529,675)	89,435,416	74,802,962,710	81,441,780,645	298,359,116,204

- (i) According to the Resolution of the General Meeting of Shareholders No. 11-BB/TEDI-DHDCD dated 05/05/2023, the Company announced the distribution of profits for 2022 as follows:

	Rate %	Amount VND
Net Profit after tax		42,519,433,636
Dividend payment (equivalent to 2,300 VND/share)	67.62	28,750,000,000
Bonus and Welfare fund	15.38	6,541,433,636
Bonus for the Board of General Directors	3.50	1,488,000,000
Bonus for the Sales fund	3.50	1,488,000,000

Subsidiaries distribute profit after tax as follows:

	Distributed in Subsidiaries	
	Parent company VND	Non - controlling VND
Dividend payment	19,148,452,000	16,567,628,000
Bonus and Welfare fund	9,049,953,646	7,915,646,752

b) Details of Contributed capital

	30/06/2023 VND	Rate %	01/01/2023 VND	Tỷ lệ %
Oriental Consultant Company Global Ltd.,	43,737,100,000	34.99	42,669,100,000	34.14
Trans Across VP Inc.	320,000,000	0.26	320,000,000	0.26
Mr. Pham Huu Son	10,623,500,000	8.50	10,623,500,000	8.50
Red One Infrastructure Investment fund	37,640,500,000	30.11	37,640,500,000	30.11
Union shareholders	350,000,000	0.28	350,000,000	0.28
Others	32,328,900,000	25.86	33,396,900,000	26.72
	125,000,000,000	100.00	125,000,000,000	100.00

c) Shares

	30/06/2023 Share	01/01/2023 Share
Quantity of Authorized issuing shares	12,500,000	12,500,000
Quantity of issued shares	12,500,000	12,500,000
- Common shares	12,500,000	12,500,000
Quantity of outstanding shares in circulation	12,500,000	12,500,000
- Common shares	12,500,000	12,500,000
Par value per share (VND)	10,000	10,000

d) Capital transactions with owners and distribution of dividends and profits

	<u>This period</u>	<u>Previous period</u>
	VND	VND
Owner's contributed capital		
- At the beginning of the period	<u>125,000,000,000</u>	<u>125,000,000,000</u>
- At the end of the period	<u>125,000,000,000</u>	<u>125,000,000,000</u>
Distributed dividends:		
- Distributed dividends payable at the beginning of the period	1,832,595,170	1,604,666,024
- Distributed dividends payable in the period	45,317,628,000	32,798,374,955
+ Dividend payment from last year's profit	45,317,628,000	32,798,374,955
- Distributed dividends paid by cash	30,632,484,828	1,499,272,602
+ Dividend payment from last year's profit	<u>30,632,484,828</u>	<u>1,499,272,602</u>
Distributed dividends payable at the end of the period	<u>16,517,738,342</u>	<u>32,903,768,377</u>

19. Off Statement of Financial Position items

Foreign currencies

	<u>30/06/2023</u>	<u>01/01/2023</u>
USD	656,437.44	164,613.07
SBD	127,234.13	339,036.72

Operating leased assets

The Company leases land and pays the annual rental according to announcements of tax authority for the usage of head office and working offices, details are as follows:

<u>Land</u>	<u>Contract</u>	<u>Rental period</u>	<u>Area (m2)</u>
Transport Engineering Design Inc			
No. 278 Ton Duc Thang, Hang Bot Ward, Dong Da District	No. 708/HDTD-STNMT-PC dated 25/08/2016	50 years	5,533 m2
No. 237 Luong The Vinh, Trung Van Ward, Nam Tu Liem District	No. 279/HDTD dated 17/07/2015	50 years	1,357 m2
No. 10 Trung Kinh, Trung Hoa Ward, Cau Giay District	No. 301/HDTD dated 29/07/2015	50 years	2,581 m2
No. 15A Hoang Hoa Tham, Ward 6, Binh Thanh District	No. 7188/HD-TNMT-QLSDD dated 09/10/2014	50 years	322.9 m2
Transport Engineering Consultant JSC No.5			
No. 229 Truong Chinh, An Khe Ward, Thanh Khe District, Da Nang	No. 424/HD-TD dated 20/9/2007 & PLHD 45/2017/PL-HDTD dated 31/07/2017	15 years	3,441 m2
No. 569 Nguyen Tat Thanh, Tuy Hoa City, Phu Yen Province	No. 94/PK-HDTD dated 22/09/2011 and Appendix 45/2017/PL-HDTD dated 15/06/2017	15 years	1,520 m2

<u>Land</u>	<u>Contract</u>	<u>Rental period</u>	<u>Area (m2)</u>
-------------	-----------------	----------------------	------------------

Transport Engineering Design Consultant JSC No.4

No. 2 Le Ninh Street, Quan Bau Ward, Vinh City, Nghe An Province	Decision No. 362/QD-UBND.DC dated 15/08/2007 by People's Committee of Nghe An Province	40 years	2,435.4 m2
--	--	----------	------------

Waterway Engineering Consultant JSC

No. 57, lane 29, Khuong Ha street, Khuong Dinh Ward, Thanh Xuan District, Hanoi	No. 78-07/HDTDTN dated 22/02/2007	27 years 10 months and 10 days	2,569 m2
---	-----------------------------------	--------------------------------	----------

No. 19B, Thanh Luong Ward, Hai Ba Trung District, Hanoi	No. 02-2006/HDTDTN dated 19/01/2006	30 years	1,993.4 m2
---	-------------------------------------	----------	------------

Port & Waterway Engineering Consultant JSC

No. 2 Ben Binh, Minh Khai Ward, Hong Bang District, Hai Phong	No. 457/QD - UBND dated 18/03/2009 by People's Committee of Hai Phong Province	50 years	1,096 m2
---	--	----------	----------

Highway Engineering Consultant JSC

Group 113, cluster 20, Vinh Tuy Ward, Hai Ba Trung District, Hanoi	Decision 6059/QD-UBND dated 07/10/2013 by Hanoi People's Committee	50 years	591.3 m2
--	--	----------	----------

Geotechnical and Inspection - Design Consultant Construction JSC

No. 237 Luong The Vinh, Trung Van Ward, Nam Tu Liem District, Hanoi	No. 707/HDTD-STNMT-PC dated 24/08/2016	50 years	1,962 m2
---	--	----------	----------

No. 13 Nguyen An Ninh, Tuong Mai Ward, Hoang Mai District, Hanoi	No. 455/HDTD-STNMT-CCQLDD dated 16/08/2018	Annual	511 m2
--	--	--------	--------

20. Revenue from rendering of services

	<u>This period</u> VND	<u>Previous period</u> VND
Revenue from rendering of services	742,704,683,417	497,269,952,282
	742,704,683,417	497,269,952,282

21. Revenue deductions

	<u>This period</u> VND	<u>Previous period</u> VND
Deduction for the revenue from rendering of services	693,979,733	687,872,022
	693,979,733	687,872,022

22. Cost of services rendered

	This period VND	Previous period VND
Cost of services rendered	570,710,775,723	382,797,143,220
	570,710,775,723	382,797,143,220

23. Financial incomes

	This period VND	Previous period VND
Interest income	3,809,335,135	1,765,484,710
Dividends or profits received	600,000,000	1,080,000,000
Gains from foreign exchange difference in the period	8,218,249	6,731,819
	4,417,553,384	2,852,216,529

24. Financial expenses

	This period VND	Previous period VND
Interest expenses	371,220,706	1,891,065,203
Loss from foreign exchange difference in the period	-	6,767,914
Other financial expenses	-	59,070
	371,220,706	1,897,892,187

25. General and administrative expenses

	This period VND	Previous period VND
Raw materials	1,899,935,409	2,363,059,749
Labour expenses	60,721,530,443	37,143,834,102
Offices supplies	1,473,935,705	1,134,508,381
Depreciation and amortization expenses	2,821,039,798	2,625,005,658
Tax, Charge and Fee	3,963,059,773	3,450,831,032
Provision expenses/(reversal of provision)	(1,392,053,377)	3,359,465,923
Expenses of outsourcing services	12,291,426,003	8,566,073,681
Others	29,964,607,158	22,011,216,144
	111,743,480,912	80,653,994,670

26. Current income tax ("CIT") expenses

	This period VND	Previous period VND
Current corporate income tax expenses in Parent Company	6,094,727,549	1,478,033,716
Current corporate income tax expenses in Subsidiaries	7,464,883,120	5,427,085,556
Total current corporate income tax expense	13,559,610,669	6,905,119,272

27. Basic earning per share

The calculation of earnings per share which can be distributed to the shareholders of ordinary shares of the Company is implemented based on the following data:

	This period	Previous period
Net profit after tax	38,005,002,768	17,761,982,948
Profit distributed to common shares	38,005,002,768	15,020,921,662
Average number of outstanding common shares in circulation in the period	12,500,000	12,500,000
	3,040	1,202

The Company has not yet planned to distribute the Bonus, Welfare Fund and the Executive Board's Bonus Fund on profit after tax at the time of preparation of the Interim Consolidated Financial Statements.

As at 30/06/2023, the Company dose not have shares with dilutive potential for earnings per share.

28. Business and productions cost by items

	This period VND	Previous period VND
Raw materials	53,807,140,733	54,980,246,025
Labour expenses	277,509,810,020	182,325,929,906
Insurance expenses, Trade union fee	10,938,858,120	10,616,581,272
Depreciation and amortization expenses	6,262,627,398	5,982,483,159
Provision expenses	(1,392,053,377)	3,359,465,923
Expenses of outsourcing services	85,409,927,979	65,179,332,107
Other expenses	103,226,484,177	80,119,002,910
Expenses from subcontracting	107,143,630,836	81,794,232,395
	642,906,425,886	484,357,273,697

29. Financial instruments

Financial risk management

Financial risks that the Company may face risks including: market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company may face with the market risk such as: exchange rates and interest rates.

Exchange rate risk:

The Company bears the risk of interest rates due to the transaction made in a foreign currency other than VND such as: borrowings and debts, revenue, cost, importing materials, good, machinery and equipment, etc.

Interest rate risk:

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or

demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments).

	Under 1 year VND	From 1 to 5 years VND	More than 5 years VND	Total VND
As at 30/06/2023				
Cash and cash equivalents	151,264,430,377	-	-	151,264,430,377
Trade and other receivables	556,497,072,965	-	-	556,497,072,965
Loans	112,484,622,143	-	-	112,484,622,143
	820,246,125,485	-	-	820,246,125,485
As at 01/01/2023				
Cash and cash equivalents	187,314,034,480	-	-	187,314,034,480
Trade and other receivables	561,719,900,329	-	-	561,719,900,329
Loans	47,792,977,238	-	-	47,792,977,238
	796,826,912,047	-	-	796,826,912,047

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its due date financial obligations due to the lack of funds. The Company's liquidity risk mainly arises from the fact that financial assets and financial liabilities have different maturities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year VND	From 1 to 5 years VND	More than 5 years VND	Total VND
As at 30/06/2023				
Borrowing and debts	4,060,807,509	551,933,359	-	4,612,740,868
Trade and other payables	175,562,522,321	1,189,257,000	-	176,751,779,321
Accrued expenses	86,083,323,359	-	-	86,083,323,359
	265,706,653,189	1,741,190,359	-	267,447,843,548
As at 01/01/2023				
Borrowing and debts	20,515,925,496	864,933,355	-	21,380,858,851
Trade and other payables	184,278,594,748	1,255,601,628	-	185,534,196,376
Accrued expenses	58,910,080,423	-	-	58,910,080,423
	263,704,600,667	2,120,534,983	-	265,825,135,650

The Company believes that risk level of loan repayment is controllable. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

30. Subsequent events after the reporting period

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Interim Consolidated financial statements.

31. Transactions and balances with related parties

Remuneration to the Board of Management, Board of General Directors and Board of Supervision as follow:

	This period	Previous period
	VND	VND
Board of Management	164,400,000	37,820,000
Mr. Hitoshi Yahaghi	91,320,000	-
Mr. Phung Tien Trung (Resigned on 06/05/2022)	-	37,820,000
Mrs. Do Thi Phuong Lan (Appointed on 06/05/2022)	73,080,000	-
Board of General Directors	3,034,942,089	2,604,237,087
Mr. Pham Huu Son (i)	746,325,180	674,265,651
Mr. Do Minh Dung (i)	633,739,086	538,922,862
Mr. Dao Ngoc Vinh (i)	629,010,207	551,322,995
Mr. Nguyen Manh Ha	567,223,122	459,517,539
Mr. Bui Tran Long	458,644,494	380,208,040
Board of Supervision	893,448,638	648,390,627
Mrs. Pham Thi Hong Nhung (Resigned on 06/05/2022)	-	29,900,000
Mr. Mach Thanh Toan (Appointed on 06/05/2022)	54,780,000	-
Mr. Ngo Nam Ha (ii)	372,361,411	269,773,462
Mr. Vo Hoang Anh (ii)	466,307,227	348,717,165
	4,092,790,727	3,290,447,714

- (i) Including salary, bonus, allowance and remuneration for Board of Management.
(ii) Including salary, bonus and allowance of other positions in the Company.

In addition to the above related party transactions, other related parties did not have any transactions during the period and do not have a balance at the end of the period with the Company.

32. Comparative figures

The comparative figures on the Interim Consolidated Statement of Financial Position and corresponding notes were taken from the Financial Statements for the fiscal year ended 31 December 2022, which was audited by AASC Limited.

The comparative figures on the Interim Consolidated Statement of Income, Interim Consolidated Statement of Cash flows and corresponding notes are taken from the Interim Consolidated Financial Statements which have been reviewed by AASC Limited for the period from 01/01/2022 to 30/06/2022.

33. Approval of the Interim Consolidated Financial Statements

The Interim Consolidated Financial Statements were approved by the Board of General Directors and authorized for issuance on 23 August 2023.



Doan Thanh Ha
Preparer

Hanoi, 23 August 2023



Tang Thi Thu Hien
Chief Accountant



Phạm Hữu Sơn
General Director

