



ANNUAL REPORT

2024



MESSAGE FROM THE CHAIRMAN OF THE BOARD



Dear Shareholders, Valued Customers, Esteemed Partners, and All Employees,

On behalf of the Board of Directors and the Executive Management of First Real Joint Stock Company, I would like to extend my warmest greetings and best wishes for health, prosperity, and success to all of you.

The year 2024 has concluded with numerous new developments shaping the overall landscape of the global and regional economy. The world continues to adapt to rapid changes, from financial policies and investment flows to market demand. Encouraging signs have emerged as major economies begin to ease monetary

policies and lower interest rates to stimulate growth, restoring market confidence. Key industries, including real estate, are gradually regaining their footing. Notably, in the Asia-Pacific region, foreign direct investment continues to rise, reflecting international investors' optimism about the market's potential.

In Vietnam, the real estate market in 2024 has witnessed clearer improvements compared to the previous slowdown. The number of new projects has grown steadily, particularly in the residential and industrial real estate segments, with nearly 81,000 properties launched and an absorption rate of 72%. The government has continued to implement flexible policies, encouraging the development of green and sustainable projects, laying a solid foundation for long-term stability and growth.

The year 2024 also marks a pivotal period for Vietnam's real estate market, with significant legal reforms, including the completion of the Land Law, the Housing Law, the Real Estate Business Law, and other related regulations. These changes not only address existing challenges but also pave the way for greater transparency and sustainable development in the future.

Over the past decade, First Real Joint Stock Company has continuously innovated to adapt to market changes. We understand that to lead, one must have vision and the right strategy. First Real has upheld the principle of "sustainable development with steady progress," focusing on flexible management solutions to maintain operational efficiency. While 2024 did not witness major breakthroughs, we remained stable in our core business areas, continuously reviewing and expanding our land bank, and preparing resources to enter a new growth cycle in the real estate market.

Dear Shareholders and Esteemed Partners,

Looking ahead to 2025, with an improved legal framework and continued government support, experts predict the beginning of a new growth cycle. Segments such as condominiums and land plots are expected to gain momentum due to high demand and market stability. In response, First Real will focus on identifying and developing a clean land bank to drive new project development. Simultaneously, we will continue implementing projects on the land resources we currently own. With thorough preparation in terms of financial capacity and a team of dedicated professionals, we are confident in our ability to expand our operations and achieve even greater milestones in the future.

As we close the chapter on 2024, this is a time for reflection—to take pride in the relentless efforts of our Board of Directors and all First Real employees. Despite numerous challenges, we remain steadfast in our mission to deliver real value to our customers and contribute to the sustainable development of our communities.

On behalf of the Executive Management and all employees of First Real, I would like to express my deepest gratitude to our Shareholders, Partners, and Customers who have continuously trusted, supported, and accompanied us throughout this journey. Your unwavering support is the greatest motivation for First Real to advance confidently on its path of development.

Sincerely,

FIRST REAL JOINT STOCK COMPANY
CHAIRMAN OF THE BOARD

NGUYEN ANH TUAN

I. GENERAL INFORMATION

Overview

- ▶ **Transaction name:** FIRST REAL JOINT STOCK COMPANY
- ▶ **Business Registration Certificate No.:** 0401623121
- ▶ **Charter capital:** VND 642,452,810,000
- ▶ **Owner's investment capital:** VND 642,452,810,000
- ▶ **Address:** 5th Floor, Office Area - Bach Dang Hotel Complex, 50 Bach Dang, Hai Chau I Ward, Hai Chau District, Da Nang City
- ▶ **Phone number:** 0236 3 616 767
- ▶ **Fax number:**
- ▶ **Website:** <http://fir.vn>
- ▶ **Stock code:** FIR



Formation and development process:

▶ 2014

Established First Real Joint Stock Company under the Business Registration Certificate No. 0401623121 issued by the Department of Planning and Investment of Da Nang City, with an initial charter capital of VND 2 billion.

▶ 2016

- The company collaborated with major investors, including Civil Engineering Construction Corporation No.5 - JSC, Bach Dat Trading and Producing Coffee Co., Ltd, Central Region Investment and Development JSC., and 5A Property Co., Ltd., etc. to broker significant projects such as the Southeast Residential Area Project in Chau O Town and An Cu Urban Area Project. In total, the company successfully brokered 270 products across these projects during the year.

- The company increased its charter capital to VND 20 billion to contribute capital to the Resettlement Area Project in Dien Ngoc and Dien Duong Wards (Subdivision 1) under Investment Cooperation Contract No. 07/2017/HDTT-HT between First Real Joint Stock Company and Hoang Tien Co., Ltd.

▶ 2017

- In January 2017, the Company contributed capital to establish a subsidiary, Protech Real Estate Joint Stock Company, with a 90% ownership stake, specializing in the distribution of real estate projects in Da Nang and Quang Nam.

- The Company expanded its business activities from merely real estate brokerage and distribution to include real estate development. In 2017, the Company collaborated with major project investors such as 501 Construction and Investment Joint Stock Company, and Bach Dat Trading and Producing Coffee Co., Ltd to successfully open and sell land lots previously invested by the Company. These projects included Dien Thang Trung Market Quarter Project with 66 out of 118 lots successfully sold, An Phu Quy Urban Area Project with all 4 lots successfully sold, and Urban Area 7B Project (Sentosa City) with all 22 lots successfully sold.

- The Company continues to increase capital to VND 130 billion to invest in the Projects Resettlement Area Project in Dien Ngoc and Dien Duong Wards (Subdivision 1) under Investment Cooperation Contract No. 07/2017/HDTT-HT signed with Hoang Tien Co., Ltd. Additionally, under Investment Cooperation Contract No. 10-HDHTDT/2017 signed on September 9, 2017, with 501 Construction Investment Joint Stock Company, the Company commenced Dien Thang Trung Market Quarter Project.

- The company has successfully signed an exclusive distribution contract for real estate products within the River View Urban Area Project (comprising the Blue Ocean Urban Area, An Binh Riverside Urban Area, and Coco Riverside Urban Area) developed by An Duong Construction, Trading, and Service Co., Ltd.

- The Company was honored with the “Excellent Brand Award 2017” by the Intellectual Property Association of Ho Chi Minh City in collaboration with the American Quality Assessors (AQA International).

- The Company was recognized as one of the “Top 10 National Quality Famous Product Brands” by the Vietnam Association of Small and Medium Enterprises in 2017.

► 2018

- The Company continued to maintain and simultaneously develop its two core business activities: real estate brokerage and investment cooperation in real estate projects in Da Nang and Quang Nam. The Company successfully opened for sale 46 out of 118 land plots previously invested in the Dien Thang Trung Market Quarter Project. Additionally, the Company successfully signed multiple new business cooperation contracts with major investors, including Contract No. 01/2018/HDHT-FRTT with Truong Thinh Group Joint Stock Company, valued at VND 330 billion.

- On June 4, 2018, the Company officially became a Public Company in accordance with the laws on securities and the securities market.

- On October 4, 2018, the Ho Chi Minh City Stock Exchange (HOSE) officially approved the Company’s listing of shares under the stock code FIR.

- On October 18, 2018, 13,000,000 shares of First Real Joint Stock Company were officially listed and began trading on the Ho Chi Minh City Stock Exchange. This milestone marked the Company’s remarkable success and signaled the beginning of a new phase of development, characterized by increased professionalism, transparency, and stability.

► 2019

- March 2019: The Company successfully convened its first Annual General Meeting of Shareholders as a listed company.

- August 2019: The Company contributed capital to establish its subsidiary, Primo Real Estate Investment Joint Stock Company, with a charter capital of VND 200 billion. Of this, the Company registered a capital contribution of VND 199 billion, representing 99.5% of the charter capital. This investment was undertaken with the objective of developing Primo into a reputable real estate developer, dedicated to creating living spaces with prime locations, superior construction quality, expedited timelines, modern designs, diverse amenities, smart technology, professional management, and full legal compliance.

► 2020

- February 2020: The Company increased its charter capital from VND 130 billion to VND 207.999 billion through the issuance of shares, converting equity into share capital.

- May 2020: The Company successfully held its Annual General Meeting of Shareholders for 2020.

- To meet the developmental needs of the new phase, the Company recognized the necessity of enhancing its processes and management systems to achieve greater professionalism. This initiative aims to ensure rigorousness, adherence, and precision while maintaining sufficient openness and flexibility to adapt to and support emerging trends. Accordingly, in 2020, the Company implemented the SPro management system to optimize task management, systematize processes, and monitor human resource KPIs effectively, etc.

- In 2020, the Company also rebranded, transitioning from the Building No. 1 identity to a new logo. The new logo integrates the shapes of a pyramid, a building’s cross-section, and the number “1”, symbolizing the Company’s vision to become a reputable and professional real estate developer. The new brand emphasizes the commitment to delivering high-quality, convenient, legally sound, and reasonably priced products. With its extensive expertise and experience, First Real is confident in creating sustainable value in the real estate market in the future.

- November 2020: The Company increased its charter capital from VND 207.999 billion to VND 270.398 billion through the issuance of shares to pay dividends.

► 2021

March 2021: The Company successfully convened the 2021 Annual General Meeting of Shareholders.

At the same time, the Company also promotes the search and connection with project investors to cooperate, receive transfers or find out bidding and auction information of projects to expand the Company’s land fund.

► 2022

- May 2022: The Company increased its charter capital from VND 270,398,640,000 to VND 446,150,150,000 through the issuance of shares for dividend payments and the offering of shares to existing shareholders.

- June 2022: The Company successfully convened the 2022 Annual General Meeting of Shareholders.

- The Company continued to sustain and develop its dual business operations: real estate brokerage and investment cooperation in real estate projects in Da Nang and Quang Nam.

It successfully signed a contract to acquire land use rights for plots in the An Phu Urban Area Project from Quang Nam Infrastructure Development Investment Joint Stock Company. Simultaneously, the Company successfully launched sales and completed the handover procedures for 270 Certificates of land use rights to the Project's customers.

► 2023

- February 2023: The Company increased its charter capital from VND 446,150,150,000 to VND 535,378,600,000 through the issuance of shares to pay dividends.
- March 2023: The Company successfully convened the 2023 Annual General Meeting of Shareholders.
- March 2023: The Company contributed capital to establish a subsidiary, FQ Vietnam Investment Joint Stock Company, with a charter capital of VND 120 billion, of which the Company's registered capital contribution is VND 64,334,120,000, accounting for 53.61% of the charter capital.
- July 2023: The Company increased its charter capital from VND 535,378,600,000 to VND 642,452,810,000 through the issuance of shares to pay dividends.
- September 2023: First Real officially completed the transfer agreement for nearly 10 million shares of Bach Dang Complex, equivalent to 22% of its charter capital, with a transaction value of VND 200 billion. This transaction is part of First Real's strategic plan to expand its development network and diversify investment real estate segments. Previously focused on land development projects, First Real now demonstrates its ambition to enter the tourism real estate, hotel, and office apartment rental sectors. This strategy will enable First Real to be more proactive in its business and financial plans, especially when the real estate market faces unexpected challenges.
- December 2023: First Real transferred all its contributed capital in Protech Real Estate Joint Stock Company, thereby terminating its shareholder status in Protech Real Estate Joint Stock Company.

► 2024

- March 2024: First Real successfully convened the 2024 Annual General Meeting of Shareholders.
- October 2024: First Real completed the transfer of its entire capital contribution in FQ Vietnam Investment Joint Stock Company, thereby terminating its shareholder status in the company.
- October 2024: The Company contributed capital to establish a subsidiary, An Phu Capital Joint Stock Company, headquartered in Phu Yen. Its main business activities include real estate trading and land use rights management for owners, users, or lessees. This initiative is part of First Real's strategic plan to expand its real estate development operations in Phu Yen Province.



MISSION, VISION, CORE VALUES, AND BUSINESS PHILOSOPHY OF THE COMPANY

Over the past 10 years of operation, the Company has achieved outstanding milestones. Starting with an initial capital of VND 2,000,000,000 in its early days, the Company's actual charter capital has now grown to VND 642,452,810,000. The Company has participated in numerous prominent real estate projects in Da Nang, Quang Binh, and Quang Nam Provinces. The Board of Directors and the Company's Leadership have defined the right vision, mission, and direction, enabling the establishment of a business philosophy that aligns with the goal of making the Company stronger and continually growing. Specifically:

Mission

To create living spaces with convenient locations, high construction quality, completed ahead of schedule, modern designs, diverse utilities, smart technologies, professional operations, and sound legal compliance.

We focus on serving customers aged 25 to 45 who seek their first home according to international standards, creating a civilized community with a distinctive lifestyle in Da Nang.

Core values

Attitude of Integrity - Elevating service standards

Living Ethically - Complying with the law

Speed in Decision-making - Vital to survival

Treat others as you wish to be treated

Business philosophy

There is always a reason for your existence in this world: to make life better and for people to love each other more.

Vision

To be among the Top 10 largest real estate companies listed on the Ho Chi Minh Stock Exchange (HOSE).



2. Business sectors and operating areas

2.1. Business activities

- Wholesale of construction materials and equipment

Details: Wholesale of bamboo, rattan, timber, and processed wood (wood of legal origin).

- Other specialized wholesale activities not classified elsewhere

Details: Wholesale of silk, fibers, yarn, textiles, and rubber.

- Demolition services

- Site preparation

(Excluding blasting services).

- Electrical system installation

(Excluding mechanical processing, waste recycling, and electroplating at the head office).

- Installation of other construction systems

- Construction finishing

- Wholesale of automobile parts and other motor vehicle accessories

- Wholesale of computers, peripherals, and software

(Excluding activities related to the export, import, or distribution of goods listed in the Foreign Investment Goods List, for which foreign investors or foreign-invested economic organizations are not permitted to conduct export, import, or distribution activities as per legal regulations).

- Wholesale of electronic and telecommunications equipment and components

(Excluding the export, import, and distribution of goods listed in the Foreign Investment Goods List, for which foreign investors or foreign-invested economic organizations are not permitted to conduct export, import, or distribution activities as per legal regulations).

- Real estate business, land use rights owned, used, or leased

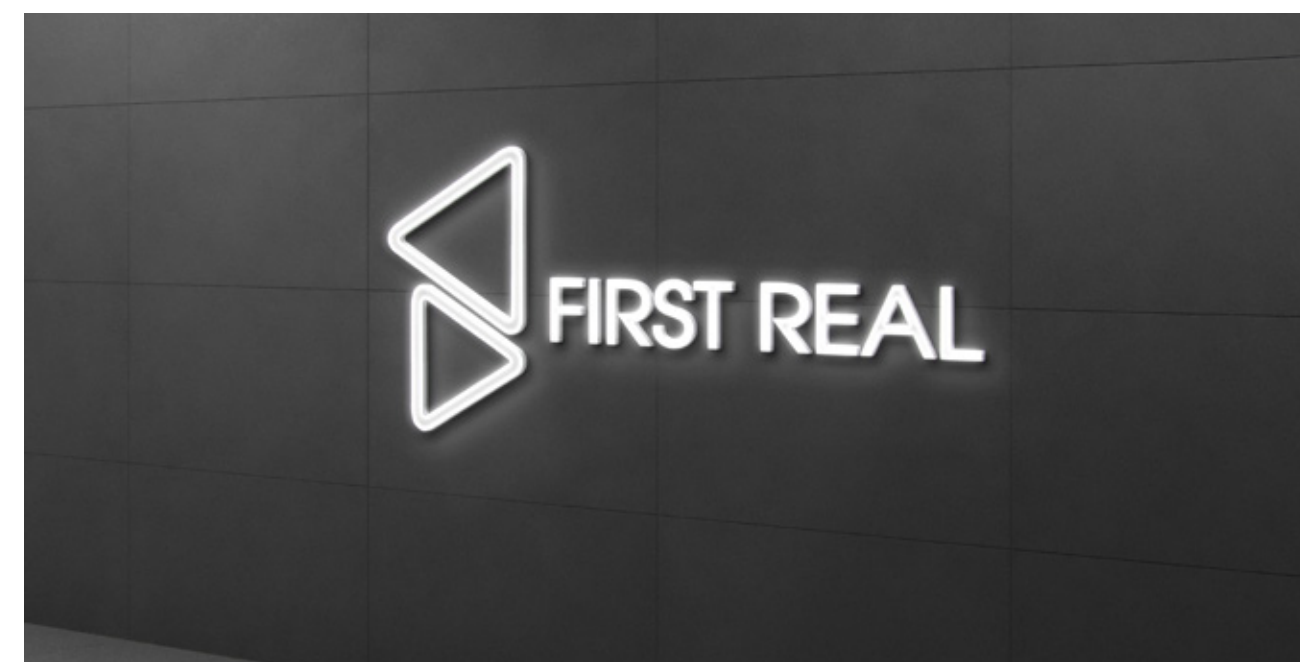
Details: Real estate business. Investment in industrial zones, industrial clusters, urban residential areas, tourist areas, and entertainment complexes. Leasing of land with completed infrastructure. Investment and business of housing for workers in industrial zones, industrial clusters, and urban residential areas. Leasing or sale of houses, factories, and warehouses. (Excluding investment in the construction of cemetery infrastructure to transfer land use rights associated with infrastructure).

- Real estate consultancy, brokerage, auction, and land use rights auction

Details: Real estate consultancy, brokerage, and management. Operating real estate trading floors.

- Installation of water supply, drainage systems, heating, and air conditioning systems

- Wholesale of fabrics, apparel, and footwear
- Residential building construction
- Non-residential building construction
- Railway construction
- Road construction
- Construction of water supply and drainage systems
- Construction of telecommunications and communication systems
- Construction of other public utility projects
- Mining project construction
- Construction of manufacturing and processing projects
- Construction of other civil engineering works

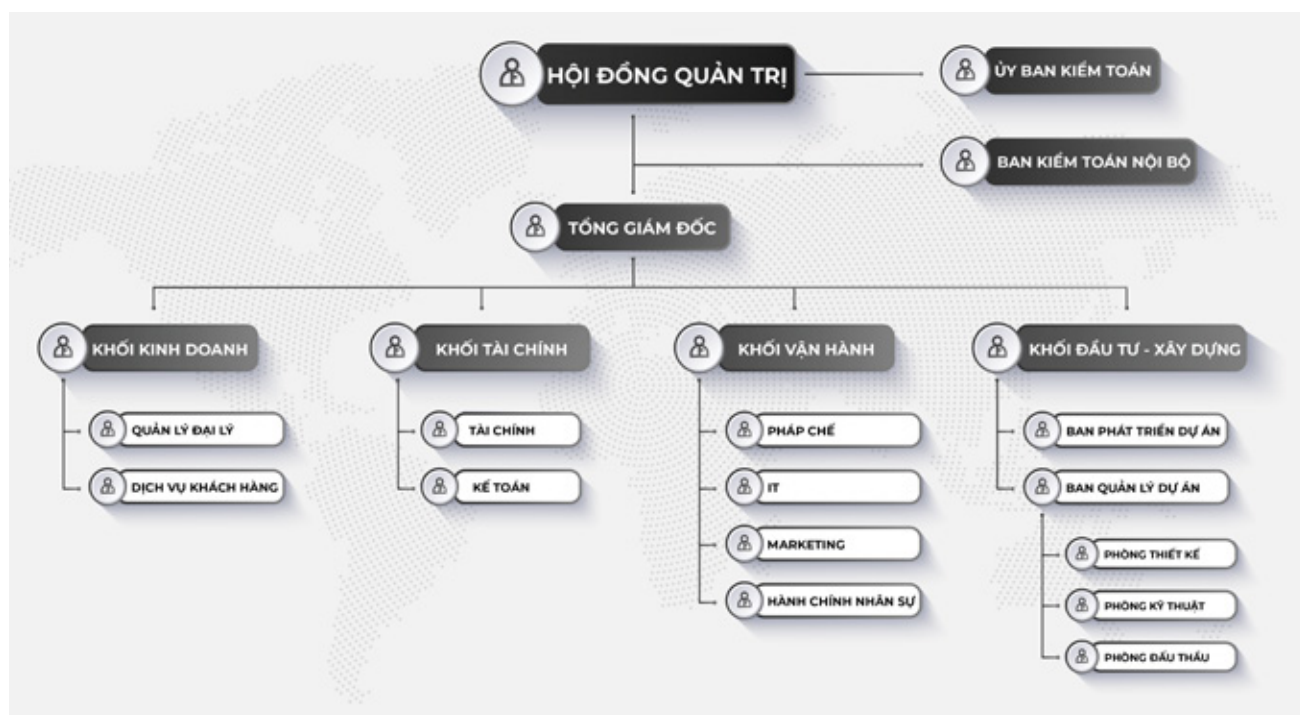


2.2 Operating Areas

With the Company's real estate products focusing on the Central region market (Quang Binh, Quang Nam, Phu Yen, etc.), and its customer base primarily located in Da Nang, Quang Nam, as well as real estate investors from major cities such as Hanoi and Ho Chi Minh City, etc. First Real has determined to focus its real estate business activities on the following markets: Da Nang, Quang Nam, Quang Binh, and Phu Yen. The goal is to become the leading real estate development company in Central Vietnam.

3. Information about the Governance model, Business organization, and Management structure

3.1. Governance model



Management structure diagram
Source: First Real Joint Stock Company

3.2. Structure of the management apparatus

a) General Meeting of Shareholders

The General Meeting of Shareholders is the highest authority of the Company, including all shareholders with voting rights, and convenes at least once per year. The General Meeting of Shareholders decides on matters prescribed by the Law and the Company’s Charter. In particular, the General Meeting of Shareholders will decide on the Company’s development directions and tasks and the Company’s annual and long-term production and business plans; The General Meeting of Shareholders also approves plans for asset utilization, investment in business development, production, and technological advancements. Additionally, the General Meeting of Shareholders is responsible for electing, dismissing, and removing members of the Board of Directors.

b) Board of Directors

The Board of Directors is the Company’s management agency, fully authorized to make decisions on matters related to the Company’s governance and operations in compliance with Vietnamese law, except for those matters under the jurisdiction of the General Meeting of Shareholders.

The Board of Directors has the authority to decide on the Company’s development strategy. The Board of Directors is responsible for supervising the Board of Directors and other managers. The Board of Directors meets at least once a quarter. The rights and obligations of the Board of Directors are stipulated by the Law and the Company’s Charter, the Company’s Internal Regulations and the Resolution of the General Meeting of Shareholders.

The current structure of the Board of Directors of the Company is as follows:

- Mr. Nguyen Anh Tuan Chairman of Board of Directors
- Mr. Ha Than Thuc Luan Member of Board of Directors and General Director
- Mr. Nguyen The Trung Member of Board of Directors and Deputy General Director
- Mr. Le Tuan Member of Independent Board of Directors

c) Audit Committee

Consisting of members with expertise and experience, established in accordance with the Government’s requirements on corporate governance. The Audit Committee is a professional agency under the Board of Directors that performs the functions of governance, risk management, and internal control of the Company’s finance-related activities.

d) Internal Audit Committee

The Internal Audit Board is a department under the Board of Directors that has the role of advising and assisting the Board of Directors in supervising the truthfulness of the Financial Statements, compliance with the Company’s legal regulations and performing its functions, tasks according to the Company’s Internal Governance Regulations.

The Company’s Internal Audit Committee consists of 01 member and has the following structure:

- Pham Thi Phuong Head of Department

e) Board of Directors

Appointed by the Board of Directors shall consist of the General Director, Deputy General Director and Chief Accountant. The General Director appointed by the Board of Directors is the legal representative of the Company, responsible to the Board of Directors, and decides on all matters related to the Company’s day-to-day operations. The Deputy General Director and Chief Accountant shall be appointed by the Board of Directors at the proposal of the General Director.

The Board of Directors of the Company is currently as follows:

- Mr. Ha Than Thuc Luan Member of Board of Directors and General Director
- Mr. Nguyen The Trung Member of Board of Directors and Deputy General Director
- Mr. Nguyen Xuan Trung Chief Accountant

f, Units, Divisions, Departments

- Business Division

The Business Division is the most critical unit of the Company. This division includes departments such as the Agent Management Department and the Customer Service Department.

- + Agent Management Department: This department is responsible for managing the Company's network of agents. The personnel in the Agent Management Department are highly experienced professionals with extensive expertise in the real estate market and its products.
- + Customer Service Department: The Customer Service Department acts as the central point for receiving and addressing customer feedback by coordinating with various departments within the Company. This ensures that customer needs are understood, enabling the Company to develop suitable products before introducing them to the market. The Customer Service team is rigorously trained not only in technical expertise but also in professional ethics, embodying the principle that "The customer comes first".

- Finance - Accounting Division

The Finance - Accounting Division comprises the Finance Department and the Accounting Department. It performs the following functions and duties: Advising the Board of Directors and the Executive Board on financial and accounting management. Recording, managing, and storing all business-related documents in compliance with state regulations and company policies. Managing, utilizing, and controlling the Company's financial resources in accordance with legal requirements.

Establishing and maintaining relationships with banks and financial institutions to facilitate borrowing and capital mobilization. Preparing periodic and annual financial reports and overseeing financial planning, including revenue and expenditure. Monitoring business plans and financial activities, ensuring proper use and preservation of assets and resources, and identifying and addressing any waste or regulatory violations promptly.

- Operations Division

The Operations Division includes departments such as the Human Resources and Administration Department, IT Department, Legal Department, and Marketing Department. This team supports business units and subsidiaries to ensure efficient operations.

- + Human Resources and Administration Department: Responsible for recruiting, training, and developing human resources while allocating personnel strategically to support other departments and drive the Company's overall development. The department develops HR

policies, employee benefits, and initiatives to foster a positive corporate culture, enhance competitiveness, and attract long-term talent. Additionally, it oversees asset management and administrative tasks for other departments.

- + IT Department: Responsible for advising, organizing, and implementing the management of the entire Information Technology (IT) system of the Company; including: Managing network systems, IT application systems for the activities of departments in the Company. Develop IT orientation, strategy and development to apply to all activities of the Company in each stage of development.

- + Marketing Department: Establish marketing and mixed marketing strategies, make marketing plans and marketing activity programs of the enterprise; Research on marketing support measures: Develop product advertising and sales promotion programs; Establish and maintain relationships with the media and press units;

It also addresses media crises, ensures effective communication of the Company's brand identity, and implements community outreach programs.

- + Legal Department: The Legal Department has the function of ensuring compliance with the law in the Company's operations, controlling and preventing legal risks in the Company's operations; advising the Board of Directors and the Company's Board of Directors on internal governance as well as being responsible for promulgating the Company's internal documents.

- Investment - Construction Division

The Investment - Construction Division consists of the Project Development Department and the Project Management Department.

- + Project Development Department: This department formulates investment strategies, orientations for investment in the development of projects, and formulating annual investment plans; Search and develop new projects; Preliminary assessment of economic and technical efficiency of projects planned for development; Make capital plans for investment projects and coordinate with the financial investment department to restructure investment projects to optimize profits; Managing and implementing investment in the construction of ongoing projects, implementing and proposing payment with consultancy contracts, contractors, suppliers, preparing financial plans for payment; Control, monitor and review to supplement and complete investment procedures for projects that have been implemented. Supervise the implementation of contracts, progress and quality of work. Presiding over the acceptance of consultancy dossiers in all stages of project implementation from project development to completion and put into use; Coordinate with departments in the Company and partners to find investment capital for the project; Organize the management and

archiving of legal documents and documents in the development stage of projects. Update legal documents and administrative procedures of state management agencies.

+ Project Management Department: The construction project management board has the function of advising and proposing the management of capital construction investment capital. The Project Management Board consists of departments such as: Design Department, Technical Department and Bidding Department.

- Design Department: With the main goal of creating the best image for the product or project that the company implements, the Design Department has the function of recommending and making proposals for design ideas; Regularly update new trends, research customer tastes to create the most popular and quality design products; Manage progress and design documents; Manage and coordinate with relevant departments such as M&E, structure, infrastructure; To take direct responsibility before the Board of Directors for the technical and fine arts criteria of the drawing dossiers assigned for implementation; Receive project information, advise the Board of Directors on the project's planning development orientation; Planning ideas and architectural styles for the project; Complete the work of developing solutions, handling assigned technical requirements on schedule, ensuring quality; The design meets the requirements of the law & the progress of bidding and construction.

- Technical Department: Has the function of setting the weekly and monthly work implementation schedule of assigned construction items; Make a detailed plan before performing the assigned work; Research, understand and accurately implement drawings and construction measures; Work directly with construction teams, subcontractors, suppliers within the scope of assigned responsibilities; Plan for sample approval, ordering, sample inspection, synthesis of materials and equipment used in the assigned item; Responsible for security and order, labor safety, environmental sanitation, progress and quality of assigned construction items; Responsible for the completeness and accuracy of the payment volume to the construction team, subcontractors, suppliers;

- Bidding Department: Prepare and appraise bidding documents/dossiers of requirements, contractor selection results, contractor selection plans; Evaluation of bids/proposals; Consulting on the process of organizing contractor selection; Establish, monitor and manage the supply of materials and equipment for the project according to the contractual schedule; Manage all costs related to construction projects, optimize cost efficiency and use the budget reasonably, and meet the necessary quality standards for the project; Peel off the volume from the design drawings and peel off the exact volume of the projects; Checking the volume to carry out the acceptance test and payment and settlement for contractors; Contract management: monitor all conditions, scope of work, and progress in contracts signed with contractors throughout the project implementation process.



3.3. Subsidiaries and associated companies

a) Subsidiaries

PRIMO REAL ESTATE INVESTMENT JOINT STOCK COMPANY

Business Registration Certificate No. 0401995440 issued by the Department of Planning and Investment of Da Nang City on August 13, 2019, amended for the second time on November 24, 2021.

Address: No. 320 Street 2/9, Hoa Cuong Bac Ward, Hai Chau District, Da Nang

Primary business activity: Real estate business

Charter capital: VND 200,000,000,000

Ownership percentage of First Real: 99.5% of charter capital

Voting rights of First Real: 99.5%

b) Joint ventures and Associates

AN PHU CAPITAL JOINT STOCK COMPANY

Business Registration Certificate No. 4401114273 issued by the Department of Planning and Investment of Phu Yen Province on December 2, 2024.

Address: No. 190 Le Thanh Phuong Street, Ward 2, Tuy Hoa City, Phu Yen Province

Primary business activity: Real estate business

Charter capital: VND 120,000,000,000

Ownership percentage of First Real: 41.67% of charter capital

Voting rights of First Real: 41.67%

c) Companies controlling First Real Joint Stock Company

None

4. Development orientation

a) The Company's main objectives

As a company specializing in real estate development in Da Nang, the central region in particular, and Vietnam in general, First Real's mission is to realize the dream of homeownership for Vietnamese by providing high-quality, premium products that meet strict criteria: prime locations, diverse amenities, reasonable prices, and long-term value appreciation. First Real aims to become a leading, reputable, and professional real estate developer in Vietnam in the future.

b) Medium- and Long-term development strategies

- Establish First Real as a reputable real estate project investor.
- Expand traditional distribution channels and strengthen the development of a nationwide

distribution network with a team of professionally trained brokers possessing in-depth knowledge of real estate brokerage and business.

- Prioritize project development and real estate business as the main objectives in the coming period, partnering with project investors to contribute capital and execute projects. Simultaneously, identify clean land funds and study market demand to develop future projects.

- Continuously improve management systems, operations, and organizational structures during the development and integration process to meet the company's governance and operational needs.

- Build a highly skilled, dedicated, and knowledgeable management team deeply familiar with the company's business operations.

c) Sustainable development goals and related short- and medium-term programs

- Develop First Real into a real estate project investor that delivers high-quality, convenient, legally secure, and reasonably priced products. Additionally, position First Real as a reputable and professional broker, distributor, consultant, investor, and real estate business operator, not only in Da Nang and Quang Nam but also across the entire country.

- Expand Primo into a reputable real estate investor, creating living spaces with convenient locations, high construction quality, timely project completion, modern designs, diverse amenities, smart technology, professional operations, and legal assurance.

- Transform An Phu Capital into a real estate project investor while also serving as a reputable and professional broker, distributor, consultant, investor, and real estate business operator, focusing on expanding the real estate segment in the central region, particularly in Phu Yen.

5. Risks

5.1. Economic risks

a) Risks related to economic growth rate

The economic growth rate is a factor that directly influences the development of most industries and sectors of the economy. Economic growth generally increases social consumption demand, boosts industrial output, and enables businesses to expand their product markets. According to the Government's report, the Socio-Economic situation improved progressively month-on-month and quarter-on-quarter, with significant achievements in the first nine months across most areas compared to the same period last year. It is estimated that by year-end, 14 out of 15 targets will be achieved or exceeded (the target for GDP per capita will be met if GDP growth exceeds 7%). Notably, the labor productivity growth target has surpassed the set goal after three years of underperformance.

Macroeconomic stability has been maintained, inflation is under control, economic growth exceeds the set target, and major balances are ensured (with significant surpluses). Public debt, government debt, external national debt, and the state budget deficit are all well-managed, staying below allowable limits.

GDP growth in the first nine (9) months reached 6.82%; the annual growth is estimated to be between 6.8% and 7%, exceeding the National Assembly's target (6–6.5%), ranking among the highest growth rates in the region and globally, and receiving high praise from prominent international organizations.

The Consumer Price Index (CPI) for the first nine months increased by 3.88%, (despite a significant wage hike from July 1, 2024).

The foreign exchange market remained stable, and interest rates declined.

Collecting the State budget for the first nine (9) months reached 85.1% of the estimate, up 17.9% year-on-year, even as nearly VND 200 trillion in taxes, fees, charges, and land rental payments were exempted, reduced, or deferred for the year.

Total import and export turnover in the first nine months reached USD 578.5 billion, up 16.3%, with a trade surplus of nearly USD 20.8 billion (as of October 15, 2024, total import-export turnover reached USD 610.5 billion, with a trade surplus of USD 21.24 billion).

Energy security and food security were ensured, and the labor market showed positive recovery.

Investment and development achieved encouraging results. Public investment was focused and prioritized, avoiding widespread dispersion. Many key projects and critical infrastructure works were implemented. Enterprise development continued its positive trajectory. Foreign Direct Investment (FDI) remained a highlight, with realized capital reaching USD 17.3 billion, up 8.9%—the highest level in many years, even as global investment declined.

The economic structure shifted positively toward the development of the digital and green economies, increasing the share of the industrial, construction, and service sectors while reducing the share of agriculture. All major sectors exhibited robust growth. Industry showed positive recovery, serving as an important growth driver. Services maintained strong recovery momentum, with significant developments in e-commerce and tourism. Agriculture, forestry, and fisheries experienced solid growth, with the promotion of ecological, organic, and high-tech agricultural models.

Efforts to restructure Credit Institutions (CIs) in conjunction with resolving bad debt continued to intensify. Weak CIs and underperforming projects and enterprises were actively addressed. The operational efficiency and quality of state-owned corporations and general companies improved. Planning efforts were accelerated, with 110 plans developed,

appraised, approved, and implemented.

While the overall economic performance was more favorable than in previous years, the real estate sector continues to face numerous challenges. These include legal issues such as land valuation methods and land use planning regulations; lack of timely and coordinated mechanisms among departments, sectors, and localities; and difficulties in accessing credit loans, with most businesses unable to mobilize bond capital. Additionally, investor confidence is low, and market liquidity remains subdued, leading to capital shortages, short-term debt pressures, and total liabilities exceeding asset scales for real estate businesses. Moreover, fluctuations in foreign exchange rates, fuel prices, and construction material costs have led to increased expenses, adversely affecting corporate operations.

With core business activities in real estate, tourism, and construction, First Real Joint Stock Company's operational performance is closely tied to economic growth and directly impacted by economic fluctuations. Consequently, in 2024, First Real faced numerous challenges in its business operations.

b) Inflation risk

The global inflation rate remained high in the initial months of 2024. On September 18, 2024, for the first time in over four (4) years, the U.S. Federal Reserve (FED) lowered the interest rate by 0.5 percentage points to 4.75%-5% per annum, initiating a cycle of monetary policy easing amid a weakening U.S. job market and inflation landscape. In September 2024, the inflation rate in the Eurozone increased by 1.8%, marking the lowest level in three years and falling below the European Central Bank's (ECB) target of 2%. Meanwhile, in August 2024, U.S. inflation rose by 2.5% year-on-year, Spain by 2.3%, Germany by 1.9%, and France by 1.8%. In Asia, August 2024 inflation figures stood at 3.7% for India, 3.3% for the Philippines, 3% for Japan, 2.1% for Indonesia, and 2% for Korea. Vietnam managed to control inflation at a reasonable level to support economic growth, with the Consumer Price Index (CPI) rising 2.63% year-on-year in September 2024.

Inflation and price increases pose risks to overall economic spending, impacting all business sectors. Moreover, inflation can elevate production costs as input material prices and labor costs rise.

However, a well-controlled inflation environment can positively support the long-term business and production activities of enterprises. The Company must closely monitor macroeconomic conditions and market forecasts to minimize pricing risks by adjusting business strategies flexibly and appropriately.

To mitigate the impact of inflation risk on business and investment activities, the Company has proactively reviewed and reduced operational costs, tightened investment activities,

enhanced market analysis and forecasting, diversified raw material sources, and improved production processes to reduce product costs, decrease expenses, and boost business efficiency.

c) Interest rate risk

For businesses, interest rate risk arises when the cost of loan interest exceeds their ability to generate profits, with the degree of such risk varying across industries depending on their debt structure.

To finance its production and business activities, the Company utilizes both short-term and long-term loans from banks. Therefore, any changes in monetary policies or interest rates by the State Bank of Vietnam or commercial banks can impact the Company's operations. Interest rates significantly influence business planning and have a profound effect on financial revenues and expenses.

For First Real Joint Stock Company, recent business and investment activities have primarily relied on shareholder equity, internal resources, and retained earnings, with bank loans accounting for a small proportion. As a result, the Company has been minimally affected by interest rate risk. However, with the strategic goal of expanding investment and business operations, the Company may need to increase its reliance on medium- and long-term loans and bonds to finance its investment projects. In such a case, interest rate risk will become a key factor requiring appropriate measures to ensure the effective use of borrowed capital.

d) Foreign exchange risk

Foreign exchange risk arises when economic transactions are conducted in foreign currencies, and exchange rate fluctuations adversely affect the business. However, First Real Joint Stock Company's business operations are primarily conducted in the domestic market, with transactions denominated in the local currency. Thus, exchange rate volatility has minimal impact on the Company's activities. On the other hand, the Company is actively expanding its tourism services to increase foreign currency revenue, thereby balancing foreign exchange risks.

5.2. Legal risks

First Real Joint Stock Company operates under the regulations of the Law on Enterprises, the Law on Securities, the Law on Real Estate Business, the Land Law, the Housing Law, and other relevant legal documents. Changes and amendments to legal documents, especially those issued by the Ministry of Finance, the State Securities Commission of Vietnam, and the Ministry of Natural Resources and Environment, have direct impacts on the Company's operations. As the securities market is a relatively new sector in Vietnam, the legal framework governing

this field is still being supplemented and refined, which may lead to potential risks associated with inconsistencies between the Securities Law and other related laws.

Moreover, in 2024, the National Assembly of the Socialist Republic of Vietnam is passing numerous laws, including the Housing Law 2023, the Real Estate Business Law 2023, and the Land Law 2024, which officially took effect on August 1, 2024—five months earlier than initially planned. These new laws contribute to completing the legal framework for the real estate market, ushering in a new cycle for the market aimed at greater safety, health, and sustainability. Real estate segments, from residential and commercial properties to industrial real estate, are showing positive growth signs with the launch of numerous new projects.

The enforcement of these new regulations significantly affects the Company's operations. To mitigate the impacts of legal risks, the Company's Legal Department, comprising highly qualified legal professionals with expertise in the securities and real estate markets, consistently updates and assesses changes in legal regulations. This ensures the Company's operations comply with the legal framework.

5.3. Specific risks

Real estate brokerage and the sale of land plots from projects invested in by the Company are its primary business activities.

Consequently, the Company may face specific risks directly related to its business operations, such as:

Competitive risks

The Vietnamese Real Estate market, particularly in 3rd Quarter and the first nine (9) months of 2024, has shown positive recovery after a challenging period, supported by the stability of the economy and government assistance policies. Major Company/ Group with substantial real estate projects in Da Nang and Ho Chi Minh City, such as Dat Xanh Group., JSC, Khai Hoan Land Group., JSC, Golden Alpha Bds Co., Ltd, and Kim Oanh Trading Service and Real Estate Construction JSC, etc. are significant competitors of the Company in the land plot sales segment. Currently, the Company's land plot investment projects are concentrated in Da Nang and Quang Nam. To enhance competitiveness and establish its brand position, the Company has focused on market segments that attract and interest investors, emphasizing the sale of land plots to accelerate capital turnover and mitigate market price fluctuations compared to developing apartment or condominium projects.

In its brokerage and real estate distribution activities, the Company may face competition from prominent industry players such as Century Land JSC (CENLAND) and Dat Xanh Group., JSC. However, the Company has certain competitive advantages over other entities in the sector, including a brokerage network and advisory staff with a deep understanding of the Da Nang and Quang Nam real estate markets, which have been strategically developed in

these areas. Additionally, to reduce competitive risks, the Company has partnered with reputable brokerage firms to distribute real estate. Through these partnerships, the Company acts as a collaborative platform for major brokerage firms or exclusive distributors of real estate products in Da Nang and Quang Nam, taking responsibility for identifying potential investors for its projects. Upon successful transactions, the exclusive brokerage firms or partners pay the First Real Joint Stock Company a transaction fee for its services.

Risks of project supply shortages due to insufficient capital from developers

Investing in the real estate market requires substantial medium- to long-term capital and a stable financial plan. While in developed countries, the funding structure for the real estate market is diversified, with contributions from financial institutions, trust funds, savings funds, pension funds, and foreign investment inflows, etc., the Vietnamese real estate market predominantly relies on credit from commercial banks. According to statistics from the Vietnam Association of Real Estate Brokers, Vietnamese real estate businesses typically have equity accounting for only 15% to 20% of total project investment, while 70% to 80% relies on bank loans. Furthermore, 65% of collateral for loans comprises mortgaged real estate projects. Due to the heavy reliance on loan capital from commercial banks, real estate companies, especially the investors of projects, are facing significant challenges in repaying loans, interest, and the lack of funds to disburse in order to complete and finalize the construction. The imbalance in the capital structure of the real estate market has created numerous risks, such as the long-term and medium-term funding requirements for real estate projects, while the credit supply from commercial banks mostly provides short-term loans, primarily funded by people's savings deposits. The result of this capital shortage leads to significant financial risks for companies developing real estate projects in the industry.

First Real Joint Stock Company is a real estate brokerage unit. Therefore, the Company is highly susceptible to impacts and risks from the shortage of project supply from investors. Additionally, the Company has contributed capital to the project investors to purchase projects and invest in infrastructure. When the project is granted land use rights certificates for each lot, the Company will receive its contributed capital in the form of land plots and proceed with distribution. Financial difficulties faced by the project investor can lead to delays in site clearance, the completion of minimum infrastructure to obtain land use rights certificates for each lot, thereby affecting the sales progress and capital recovery for the Company. To mitigate these risks, the Company selects reputable investors with strong financial capabilities and chooses projects that align with the amount of capital the Company can contribute alongside the project investors.

Risk of not recovering deposit amounts for exclusive distribution/transfer of project

products

The deposit, commitment, or escrow amount paid by the Company to the project investor to secure exclusive distribution/transfer and transfer of project products for exploitation and business purposes. To fully recover the initial deposit, commitment, or escrow amount, the Company must distribute a certain quantity of the project products within the validity period of the contract. If the required minimum number of products, as specified in the contract, is not distributed, the Company will lose the entire escrow amount based on the remaining products.

To mitigate this risk, the Company always conducts surveys, evaluations, and detailed measurements of the market demand for the projects the Company is involved in. Therefore, the projects the Company brokers exclusively or acquires for direct business exploitation are those with prime locations, attracting interest from homebuyers and investors right from the pre-sale stage.

For projects where the Company agrees to acquire products for direct exploitation, the Company always prepares a financial plan and sufficient resources to make payments and acquire the products when the project meets the required conditions as stipulated by the regulations and agreements between the parties.

For projects where the Company conducts exclusive distribution, in case the sales speed does not meet the initial expectations of both parties, the Company's leadership plans the necessary financial resources to acquire the remaining unsold products to secure inventory and continue sales in the future, or negotiate with the project investor to extend the exclusive brokerage agreement for a period that suits the actual market conditions.

5.4. Risk from Corporate Governance

The risk arising from poor corporate governance is an inherent risk, but it can significantly affect the long-term and sustainable development of a business, causing damage to shareholders, such as risks related to asset and capital management, human resources, and processes and systems. However, the Company has always proactively minimized governance-related risks by strengthening the effectiveness of its risk management system, complying with regulations and standards for corporate governance for publicly listed companies, and regularly organizing training programs on internal controls, internal audits, and accounting, among others. As a result, the Company's business operations have remained stable and achieved annual growth.

5.5. Other risks

Additionally, the Company's business operations may be affected by other risks, such as

those arising from natural disasters, epidemics, wars, and global political and social changes. If such risks occur, they may cause damage to the Company's people and assets, reduce the number of customers, and destabilize potential markets. These risks, regardless of their scale, will have direct or indirect impacts on the Company's business performance.

II. BUSINESS OPERATIONS IN THE YEAR

1. Business performance

a) Business results for the year

Unit: VND

Indicators	From October 01, 2023 to September 30, 2024	From October 01, 2022 to September 30, 2023	% Increase/Decrease
Total asset value	1.339.407.645.527	1.402.922.223.756	-5%
Net revenue	123.961.564.779	169.124.770.174	-27%
Net Profit from Operating activities	8.691.524.225	35.591.029.202	-76%
Other Profit/Loss	(259.215.913)	(7.816.610.310)	-97%
Total Pre-tax Accounting profit	8.432.308.312	27.774.418.892	-70%
Profit after corporate income tax	610.194.284	19.086.654.877	-97%

b) Performance situation compared to plan

At the end of the 2024 fiscal year, the Company achieved net revenue and after-tax profit of VND 123,961,564,779 and VND 610,194,284, respectively. As a result, net revenue decreased by 27%, and after-tax profit decreased by 97% compared to the results in 2023. At the end of 2024, net revenue and after-tax profit achieved 35% and 1% of the plan approved by the General Assembly of Shareholders, respectively, in the context of signifi-

cant challenges faced by the real estate market nationwide and in the Central region. The efforts by regulatory authorities to review urban development and real estate projects, along with the severe impacts of the Covid-19 pandemic, led to delays in the Company's project implementation and distribution compared to the initial plan. The Company has strengthened its sustainable cooperation with investors and proactively fulfilled financial obligations related to ongoing projects to maintain a stable and high-quality distribution of real estate products. As a result, in 2024, the Company successfully handed over 36 land plot products, a 25% decrease compared to 2023.

2. Organization and Personnel

2.1. List of Executive Board

► Executive Board

No.	Full name	Job title
1	Mr. Ha Than Thuc Luan	General Director
2	Mr. Nguyen The Trung	Deputy General Director
3	Mr. Nguyen Xuan Trung	Chief Accounting

► Changes in the Executive Board:

Ms. Phan Thi Cam Thanh no longer holds the position of Chief Financial Officer as of March 20, 2024.

2.2. Number of Employees

At First Real, developing human resources is considered a core goal and motivation to implement the Company's development strategy. Over the years, recruitment and employee training have always been a priority with the aim of attracting and building a quality workforce for the Company. In 2024, due to the fluctuations in the real estate market, First Real's workforce decreased by 13% compared to 2023. Despite the significant challenges posed by the aftermath of the Covid-19 pandemic, which caused many sectors of the economy to stagnate, with tens of thousands of businesses closing and millions of workers losing their jobs, the leadership of First Real took decisive and flexible measures to ensure that the Company's business and investment activities remained stable. As of September 30, 2024, the number of

full-time employees at First Real is 29, of which 76% hold a university degree or higher, 10% have a college degree, and 14% are from other educational backgrounds. The proportion of female employees at the Company is 52%. The number of employees at First Real is expected to increase in the near future due to the need to strengthen the Company's investment and business activities.

No.	Indicators (By Employee Education Level)	Number of Employees (persons)	Proportion (%)
1	Postgraduate and Undergraduate Degree	22	76%
2	Associate Degree	3	10%
3	Vocational Training	0	0%
4	General Labor	4	14%
Total		29	100%

Average income per employee

Indicators	Unit	Năm 2022	Năm 2023	Năm 2024
Average income	VND/person/month	17.006.246	13.897.154	13.902.348

2.3. Working conditions

The company always ensures sufficient work for employees and fully implements all employee benefits in accordance with the regulations.

Working hours: 8 hours/day. When work progress or business requirements demand, the company may request employees to work overtime and provide appropriate compensation for the extra hours worked. The company always complies with labor laws regarding working hours.

Leave, Holidays, and Festivals: Employees are entitled to public holidays and festivals in

accordance with state regulations.

Sick leave and maternity leave: Employees taking sick or maternity leave are entitled to sick benefits from the Social Insurance Fund as per the Labor Law.

Working environment: The company strives to provide the best working conditions for employees. At the company office as well as in subsidiaries and representative offices, the company ensures that all necessary equipment is available to maintain a 5-star working standard.

2.4. Recruitment policy

Depending on the recruitment position and job title, the company has specific requirements regarding qualifications, conditions, professional expertise, and experience.

The company is focusing on career-oriented activities at universities in Da Nang and neighboring provinces to connect with capable students who could potentially be recruited to the company in the future.

2.5. Training policy

Training and development of human resources are crucial for the company's sustainable development strategy. The company regularly conducts internal training to ensure that each employee is proficient in professional skills, processes, and implementation methods. The company emphasizes professional training for all employees. Therefore, it continuously organizes language courses and specialized training for those interested in further learning. Training is conducted at the company office, with schedules arranged to meet job requirements.

2.6. Salary, bonus, and welfare policy

The company applies a salary system based on job titles, performance, and fixed amounts depending on the job position assigned, ensuring the principle of labor distribution according to job positions to attract skilled employees.

The company maintains allowances for positions and titles with special requirements to encourage long-term employee commitment.

Additionally, the company has a welfare policy for all employees, offering attractive and competitive benefits.

To ensure the health and safety of employees, the company proactively purchases accident insurance for all employees so that they can work with peace of mind.

3. Investment status and project performance

3.1. Major Investments

The Company focuses its business development and investments on land projects, as land has become one of the most active types of real estate transactions in the provinces near Da Nang in recent years. Seizing this trend, First Real has launched several projects that cater to customer preferences, maintaining its position as one of the leading real estate businesses in the Da Nang and Central Vietnam markets. Below are the major projects that the Company has invested in:





a) Resettlement area project in Dien Ngoc - Dien Duong Ward projects:

The Resettlement project in Dien Ngoc - Dien Duong Ward is being developed by Hoang Tien Co., Ltd. The project is located in Dien Duong and Dien Ngoc Wards, Dien Ban Town, with the northwest border adjacent to Montgomerie Links Golf Course, the southeast bordering a resettlement area, the northeast adjoining DT603A Road, and the southwest bordering Co Co River. The total area of the project is 192,180 m².

The project is implemented in cooperation with the investor Hoang Tien Co., Ltd. As per the agreement, once the plots in the project are eligible for transfer under regulations, Hoang Tien Co., Ltd. will transfer them to First Real, and First Real will then transfer them to customers.

Currently, the project has been largely completed, and land use certificates have been issued for most of the plots at the Projects. First Real Joint Stock Company is working with the investor to complete the project 100% and transfer the land use rights to the Company's customers.



b) My Canh Commercial Housing Project in Bao Ninh Commune, Dong Hoi City (“La Riviere and Lamer Luxury Villas”)

The project covers an area of 5.5 hectares, consisting of 120 ecological villa plots (ranging from 120m² to 400m² per unit), located on the Bao Ninh Peninsula in Dong Hoi, Quang Binh. The project enjoys an advantageous ‘Near River - Near Sea’ location along the Nhat Le River, blending into the gateway to the ocean. With its prime location, the project benefits from excellent feng shui, promoting prosperity and luck for all future residents. Residents will be within walking distance to the center of Dong Hoi City, which offers all modern amenities.



The project features a wide range of internal amenities, including restaurants, spas, gyms, swimming pools, a pier, yacht dock, tennis courts, golf courses, children’s playgrounds, water sports facilities, and beaches. This combination provides residents with a complete, luxurious lifestyle, harmonizing both material and spiritual values.

The project was acquired by First Real from the investor, Truong Think Group., JSC. First Real Joint Stock Company has been completed and land use certificates have been issued with long-term validity. First Real is currently working with brokers and agencies to transfer land use rights for the remaining plots to customers.

c) Concordia Tower Project - Phu Yen

Concordia Tower - Phu Yen is strategically located in Tuy Hoa City, occupying a premium “golden” position with frontage on four major roads: Hung Vuong, Nguyen Huu Tho, Pham Ngoc Thach, and an 8-meter planned road. These roads are crucial for connecting to other major streets in Phu Yen.

With a total area of 5,753.77m² (planned height of 90m with 30 floors), the project is being developed into a mixed-use complex, including a shopping mall, condotel apartments, and a luxury hotel. In just 10 minutes, residents can easily access surrounding amenities such as administrative centers, schools, markets, hospitals, entertainment venues, Tuy Hoa Beach, Tuy Hoa Railway Station, Tuy Hoa Airport, and many other popular tourist destinations, such as Vung Ro Bay, Bai Mon, and Mui Dien, O Loan Lagoon, etc.

Upon completion, Concordia Tower - Phu Yen is expected to become a key architectural landmark at the gateway to Tuy Hoa City, setting new living standards and providing an exclusive investment opportunity for customers seeking to tap into the Central Vietnam real estate market. The project was successfully auctioned by the Company in May 2019. The Company is currently planning the development of the project.



d) An Phu Urban Area Project (“The international urban area The Trident City”)

The Trident City project is being developed by Quang Nam Infrastructure Development Investment Joint Stock Company. The project spans 29.9 hectares and is strategically located on key roads, where the “knowledge road” Le Thanh Ton intersects with the “commercial road” Dien Bien Phu and adjacent to Trung Nu Vuong Road. The project aims to transform the appearance of Tam Ky City in the future.

The Trident City is planned as an international-standard urban area, with 62% of the land dedicated to landscapes and green spaces, etc. Notable internal amenities include a Central Park 15,500m², Rang Dong Kindergarten, and planned public facilities such as shopping centers, hospitals, and high-rise buildings, etc.

The development also includes 69-meter-wide central roads, and an ecological waterway as a highlight for the project. The road and sidewalk systems range from 20m to 38m, with premium residential frontage from 7m to 10m. Additionally, the entire project has been equipped with 100% underground power systems.

In just 10 minutes, residents can easily access nearby amenities such as administrative centers, schools, markets, hospitals, entertainment venues, Tuy Hoa Beach, Tuy Hoa Railway Station, Chu Lai Airport, and various other tourist destinations like Tam Thanh Beach, Bich Hoa Village, Phu Ninh Lake, and Ky Anh Tunnels.

In 2022, the investment and development partner, First Real Joint Stock Company, launched the commercial street project and has already put it into operation this year. Additionally, the Trident Park View subdivision, which features two parks—representing the “green living space” values of The Trident City—has been introduced as a prime location for sustainable living and investment opportunities.

As of October 31, 2024, First Real has completed and delivered 94 land use certificates to customers of the project.



3.2. Subsidiaries and associated companies

The financial situation of subsidiaries and associated companies in 2024 is as follows:

- Primo Real Estate Investment Joint Stock Company:

4. FINANCIAL SITUATION

4.1. financial situation

Indicators	From October 01, 2023 to September 30, 2024	From October 01, 2021 to September 30, 2022	% Increase/ Decrease
Total asset value	1.339.407.645.527	1.402.922.223.756	-5%
Net revenue	123.961.564.779	169.124.770.174	-27%
Net Profit from operating Activities	8.691.524.225	35.591.029.202	-76%
Other Profit/Loss	(259.215.913)	(7.816.610.310)	-97%
Total Pre-tax Accounting Profit	8.432.308.312	27.774.418.892	-70%
Profit After Corporate Income Tax	610.194.284	19.086.654.877	-97%

4.2. Key financial indicators

Indicators	2023	2024	Note
1. Liquidity Ratios			
+ Short-term liquidity ratio: Current assets / Current liabilities	1,65	1,60	
+ Quick ratio: (Current assets - Inventories) / Current liabilities	2,79	3,06	
2. Capital structure indicators			
+ Debt / Total assets ratio	0,47	0,45	
+ Debt / Equity ratio	0,89	0,81	
3. Operational efficiency indicators			
+ Inventory turnover: Cost of goods sold / Average inventory	0,20	0,17	
+ Total asset turnover: Net revenue / Average total assets	0,12	0,09	

5. SHAREHOLDER STRUCTURE AND CHANGES IN OWNERSHIP CAPITAL

5.1. Shares

Charter capital	: VND 642,452,810,000
Number of shares issued	: 64,245,281 shares
Par value	: VND 10,000 per share
Common shares	: 64,245,281 shares
Preferred shares	: 0 shares
Number of outstanding shares	: 64,245,281 shares
Number of treasury shares	: 0 shares
Number of freely transferable shares	: 64,245,281 shares
Number of restricted transferable shares	: 0 shares



5.2. Shareholder structure

a) Shareholder composition

No.	Subject	Number of Shareholders	Number of held shares	Percentage of Ownership (%)
1	Domestic shareholders	2801	64.158.457	99,86
	- Organization	8	8.679	0,01
	- Individual	2793	64.149.778	99,85
2	Foreign Shareholders	16	86.824	0,14
	- Organization	5	72.536	0,12
	- Individual	11	14.288	0,02

(According to the list of securities holders as of November 20, 2024, provided by Viet Nam Securities Depository and Clearing Corporation)

b) List of major shareholders

Name (Organization / Individual)	ID/Passport/ Business Registration Number	Address	Number of Shares	Percentage of Charter Capital
Mr. Nguyen Anh Tuan	201816868	Apartment B29.07, HAQL Luxury Apartment Complex, 72 Ham Nghi Street, Thanh Khe District, Da Nang.	9,774,326	15,21
Mr. Vu Hoang Viet	001087025956	Nq11-35 Vinhomes Riverside 2, Phuc Dong Ward, Long Bien District, Ha Noi.	3.964.900	6,17

(According to the list of securities holders as of November 20, 2024, provided by Viet Nam Securities Depository and Clearing Corporation)

5.3. Changes in Owner's Equity Investment

None

5.4. Treasury Stock Transactions

None

5.5. Other Securities

None

III. REPORT AND EVALUATION BY THE BOARD OF DIRECTORS

1. Evaluation of business performance

The Vietnamese real estate market in the first nine (9) months of 2024 exhibited positive recovery after a challenging period, driven by economic stability and supportive government policies. All real estate segments, from residential and commercial to industrial properties, showed positive growth signs, with numerous new projects initiated.

The residential real estate market began showing signs of "heating up", reflected in highly competitive land auctions. These auctions, often conducted "overnight", saw hundreds or even thousands of participants waiting in line for their chance to bid. Winning bids reached record-high prices comparable to fully developed project lands. The market's dynamism was also fueled by the condominium segment, which consistently established new high price benchmarks in both primary and secondary markets. Despite escalating prices, new condominium projects achieved excellent absorption rates.

In the 3rd quarter of 2024, the residential real estate market recorded a supply of 22,412 units available for sale, with approximately 14,750 newly launched units—a 25% decrease compared to the previous quarter but a 60% increase compared to the 3rd quarter of 2024. Although there was a decline in quantity, the 3rd quarter supply marked a growth trend with the emergence of some new projects, including large-scale developments that contributed to a more "vibrant" market.

In the first nine (9) months of 2024, 38,797 new units were introduced to the market, reflecting a significant divergence in supply. Notably, 70% of the new supply came from condominiums, with units priced above VND 50 million per square meter dominating the market. Affordable commercial condominiums were nearly absent. Regionally, the northern region led with 46% of the new supply, followed by the cen-

tral region with 29%, and the southern region with 25%.

Although the supply predominantly consisted of high-end and luxury segments, around 10,400 successful transactions were recorded in the 3rd quarter, equivalent to an absorption rate of 51%. This demonstrated market interest in new real estate products despite the high costs associated with land and development standards. A clear trend towards developing smaller apartment units has emerged, aiming to reduce total unit prices, better catering to the needs and financial capabilities of singles and young families. This segment recorded the best liquidity.

The industrial real estate segment continued its momentum with robust growth in new projects and an increasingly abundant influx of Foreign Direct Investment (FDI). Commercial real estate, including office and retail spaces, showed long-term growth potential due to increasing demand in both scale and quality. Modern, high-end, green-certified office spaces meeting sustainable development standards attracted tenants, particularly foreign enterprises. Newly integrated shopping malls also saw "high demand", while older office buildings and retail centers faced rising vacancy rates due to a lack of upgrades.

The tourism and resort real estate segment remained challenging. In the 3rd quarter of 2024, only 945 new units were introduced—a significant drop to just 35% of the previous quarter's volume and equivalent to the same period in 2023. This decline was mainly attributed to one-off new supply from a large project in the previous quarter. For the first nine (9) months of 2024, the tourism and resort market saw 4,059 newly launched units, up 80% compared to the same period in 2023 but only 25% of the same period in 2022.

These figures indicate that while the real estate market in Q3 and the first nine months of 2024 is recovering, individual segments still face distinct challenges.

For First Real, despite the market's initial recovery and improvements in the first nine months of 2024, the company has not achieved significant progress in its business operations. Specifically, in 2024, First Real recorded net revenue of VND 123,961,564,779, reaching only 35% of the target approved by the General Meeting of Shareholders. Net profit after tax was VND 610,194,284, equivalent to 1% of the set target. Consequently, the company fell short of its 2024 business goals, mainly due to the specific nature of its current products, primarily project land plots and tourism real estate. Persistent challenges include funding difficulties, resource mobilization for project development, new regulatory hurdles, and land clearance processes, all of which have delayed project progress and caused missed market opportunities.

Furthermore, the market heating up in 2024 was primarily concentrated in major cities, while First Real's real estate segments are predominantly located in provincial areas.

Nonetheless, these heating trends present opportunities for spillover effects to neighboring provinces, offering potential for 2025.

The enforcement of the Housing Law 2023, Real Estate Business Law 2023, and Land Law 2024 from August 1, 2024—five months earlier than originally planned—has provided a more comprehensive legal framework, opening a new, safer, healthier, and more sustainable market cycle.

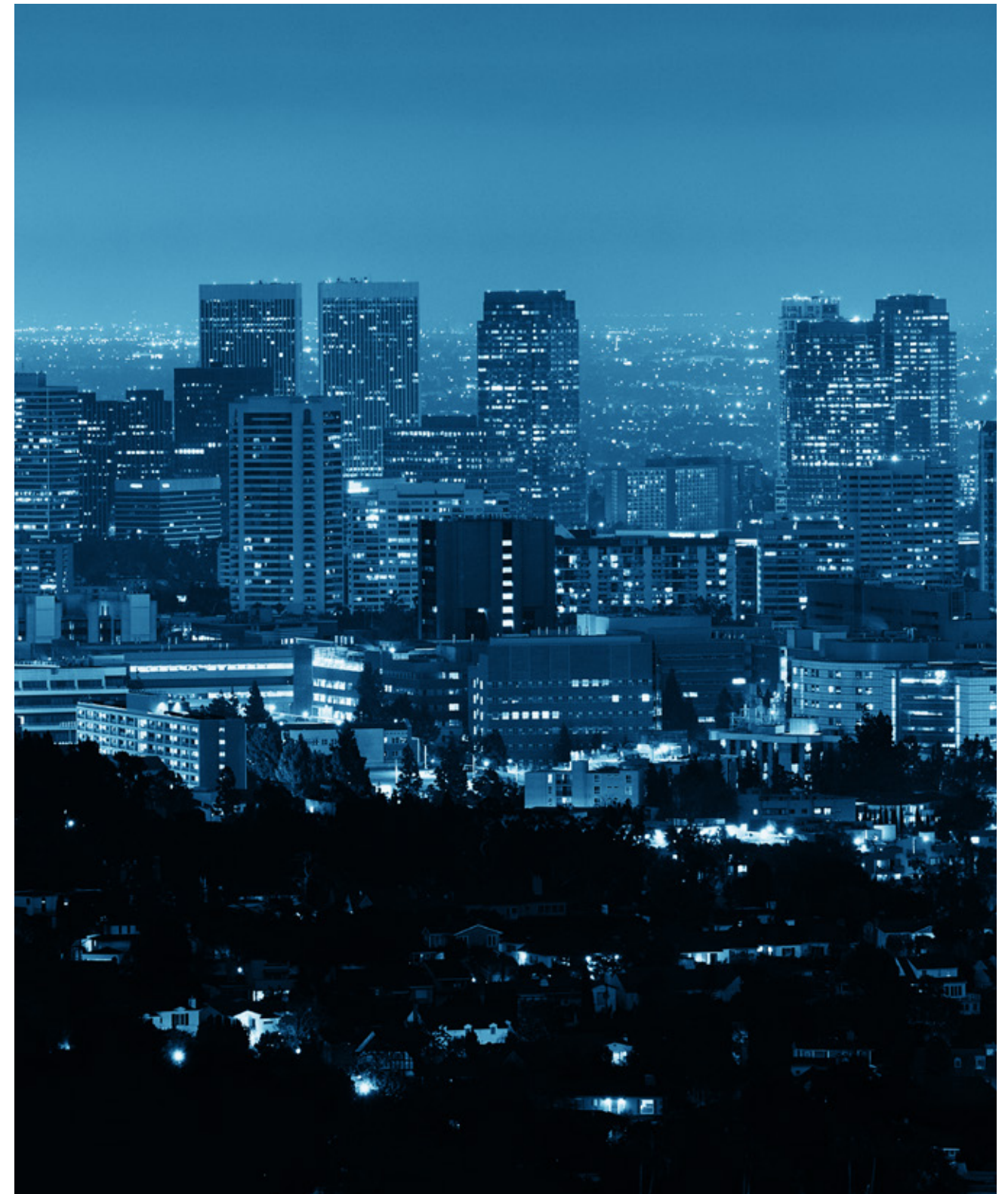
Based on the outcomes recorded in the first nine (9) months of 2024, First Real is confident that if factors such as legal policies, financial stability, and public investment continue to improve, the market is likely to “heat up” further in the year-end period and beyond. The government's enhanced oversight and regulation of the market will ensure stability and proper development. Additionally, the emerging trend of green real estate is expected to lead the market in the new cycle.

The segments poised for recovery include high-end apartments, villas, and townhouses, clean legal land plots attracting investors, and social housing benefiting from new regulations. Industrial real estate is growing, and tourism real estate holds opportunities for improvement.

Amid these developments, First Real's leadership is taking decisive, consistent actions to adapt to new growth trends in the real estate market.

Recognizing the current difficulties as a test of resilience, the company is focusing on restructuring and strategic investments to enhance competitiveness. First Real believes that after each time facing difficulties, challenges, and crises, the Company will definitely stand up stronger and more determined. First Real is making quite thorough preparations for the upcoming baggage. Specifically, First Real is proactively adapting to regulatory changes, revising its business strategies, and aligning with market trends. Efforts include mandatory professional certification for all sales employees, fostering professionalism and credibility, and collaborating with developers to design products tailored to market needs and affordability. Coordinate with investors to promote product research and development in accordance with the trend and affordability of the majority of people. Real estate exchanges must improve their responsibility in the legal appraisal of projects, in order to ensure the selection of quality projects to participate in distribution. These are solid foundations for First Real to break through in the upcoming real estate cycle.

Although 2024 remains a challenging year, First Real is determined to overcome short-term difficulties and sustain long-term growth. The company is committed to building a solid foundation for future breakthroughs in the upcoming real estate cycle.



2. FINANCIAL SITUATION

2.1. Asset situation

Indicators	2024 VND	2023 VND	Increase (decrease) (%)
Short-term assets	815.394.883.921	866.935.374.558	(6%)
Cash and cash exchangeable	5.857.974.132	11.287.141.956	(48%)
Short-term receivables from customers	15.874.200.043	24.326.130.739	(35%)
Short-term prepayments to suppliers	170.887.411.462	235.020.460.418	(27%)
Short-term internal receivables	373.405.200.580	302.245.140.583	24%
Provision for bad short-term receivables)	(19.616.234.047)	(19.616.234.047)	0%
Inventories	266.162.166.740	310.883.838.250	(14%)
Other Short-term assets	2.824.165.011	2.788.896.659	1%
Long-term assets	524.012.761.606	535.986.849.198	2%
Long-term receivables	201.311.000.000	210.246.000.000	(-4%)
Fixed assets	1.511.350.484	2.000.835.899	(24%)
Invested real estate	57.160.127.459	57.750.270.321	(1%)
Long-term-financial investments	51.561.298.908	51.269.299.940	1%
Long-term-financial investments	200.239.613.267	201.476.000.000	(1%)
Other long-term assets	12.229.371.488	13.244.443.038	(8%)
TOTAL ASSETS	1.339.407.645.527	1.402.922.223.756	(5%)

As of the end of the 2024 fiscal year, the Company's total assets are VND 1,339 billion, a decrease of 5% compared to the same period in 2023. The decline in asset value primarily stemmed from the current asset categories. Specifically, the main reductions were in Cash and Cash Equivalents, which decreased by 48%, Short-term Trade Receivables, which fell by 35%, and Short-term Prepayments to Suppliers, which dropped by 27%.

2.2. Financial debt situation

Indicators	2024 VND	2023 VND	Increase (decrease) (%)
Short-term liabilities	509.617.066.010	525.424.755.947	(3%)
Short-term payables to suppliers	1.300.794.622	1.153.615.762	13%
Short term advances received from the customers	112.248.749.803	140.926.943.944	(20%)
Taxes and obligations to state budget	53.724.107.163	56.281.607.743	(5%)
Payables to employees	1.002.871.814	1.367.820.543	(27%)
Accrued expenses	16.953.695.090	1.214.880.731	1296%
Short-term deferred revenue	888.840.000	888.840.000	0%
Other Short-term payables	26.456.466.386	37.791.146.153	(30%)
Short-term loans	297.041.541.132	285.798.801.071	4%
Long term liabilities	87.757.644.588	136.074.727.164	(36%)
Long term deferred revenue	7.362.558.000	8.251.398.000	(11%)
Other long-term liabilities	0	36.520.386	(100%)
Long-term loans and debts	80.153.563.737	127.787.908.778	(37%)
Owner's equity	742.032.934.929	741.422.740.645	0.08%
TOTAL CAPITAL	1.339.407.645.527	1.402.922.223.756	(5%)

As of the end of the 2024 fiscal year, total liabilities of the Company are VND 597 billion, a decrease of 10% compared to the same period in 2023. This reduction was primarily driven by a decrease of VND 47.6 billion (equivalent to 37%) in Long-term loans and debts. Overall, the Company's debt-to-total-assets ratio has consistently been maintained at a stable and safe level, reflecting the Company's commitment to ensuring liquidity as well as safeguarding the interests of customers, shareholders, and other partners.

3. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

To effectively manage the company during its high-growth phase, First Real has focused on upgrading its enterprise management system and has achieved significant transformations. The company particularly prioritizes innovation, enhancing capabilities, and applying information technology.

First Real has a solid foundation in process and management systems. To meet new development demands, these processes and systems need to be improved to ensure both rigor and compliance, while also being flexible enough to embrace and support emerging trends.

Therefore, alongside the company's business operations, the internal restructuring activities are continuously carried out through the updating of management policies, adjusting regulations, and processes to align with practical needs and legal requirements. The company is gradually improving and stabilizing the operations of the Planning Department and the Research and Development Division, with clear distinctions of the objectives, efficiency, and functions of each department according to their professional roles.

4. FUTURE DEVELOPMENT PLANS

Based on the actual situation of the company and the upcoming investment plans, the Company sets its business plan for 2025 as follows:

Indicator	Actual 2024	Plan 2025	% Plan/Actual
Net revenue	123.961.564.779	300.000.000.000	242%
Profit after tax	610.194.284	60.000.000.000	9832.9%
Charter capital	642.452.810.000	642.452.810.000	100%

(Source: First Real JSC, Actual figures of 2024 taken from the audited consolidated financial statements for the fiscal year ending September 30, 2024)

Implementation measures:

- *Business operations, Real estate brokerage:*

- + Continue to strengthen and expand the distribution network for real estate products.
 - Expand the online transaction platform system and representative offices to provinces

with high real estate growth potential across the country. Locations will be selected to add or open new traditional transaction floors and representative offices in regions with strong economic growth such as Da Nang, Quang Nam, etc.

- At the same time, the company focuses on developing a distribution network with affiliated transaction floors and brokerage businesses in local areas. This policy helps reduce fixed costs and operational management expenses. For traditional transaction floors and broker teams, if operations are ineffective, the company will proceed with splitting and merging with other units.

+ Enhance control over project supply

- To ensure a quality and stable supply of real estate products for distribution, the company continues to strengthen and build cooperative relationships with project developers with the aim of accompanying them throughout the product development process.

- The company will increase investment activities and contribute capital to developers to acquire projects. After the project receives land use rights certificates for each plot, the company will receive the corresponding number of land plots based on its initial capital contribution. Partnering with the developer from the start of the project helps ensure a rich project supply for the company.

- *Financial management:*

+ Ensure that the debt ratio within the capital structure of First Real remains within control to establish a stable financial foundation and limit the impact of interest rate fluctuations and financial pressures on business operations. To ensure a healthy financial source and sustainable development in the future, First Real has the following measures:

- Strengthen investor quality assessment, continuously evaluate and monitor receivables from customers to reduce the proportion of bad debts, and improve revenue quality.
- Business departments should regularly analyze and propose financial issues to advise the leadership in a quick, accurate, and comprehensive manner about the financial situation. Emphasize the importance of timely advising on effective solutions for each period and situation.
 - Increase charter capital to enhance financial capacity, meeting the needs for expansion in 2024.
 - Enhance the professional capacity of finance and accounting staff, ensuring timely updates and compliance with the latest financial management regulations.
 - Ensure transparent and timely financial information disclosure.

- *Marketing activities:*

+ Continue to strengthen marketing and communications activities, build the company's image, and develop the brand to assert its position in the real estate market.

+ Diversify marketing methods for the company's products such as real estate websites and advertising for digital channels.

+ Improve the company's websites to provide information on the projects the company distributes or invests in. Alongside traditional advertising methods, the company will expand

new promotional channels on popular media platforms like Facebook, YouTube, etc. This will help expand the company's customer base and increase the number of successfully brokered real estate products.

+ Focus on building the company's image and brand in the eyes of customers.

- *Human Resource Management:*

Operating in the real estate business sector, besides the requirement of having strong financial potential, the quality of human resources plays a key role in the company's business operations. Therefore, the company always pays attention to the material and spiritual well-being of its employees. Labor policies focus on equality, fair compensation based on capabilities, and emphasize the development of each individual's skills. Furthermore, the company strives to create a healthy and friendly working environment for its staff. Annually, employees are provided with health checks, and are encouraged to participate in cultural, sports, volunteer, and social activities, ...

5. BOARD OF DIRECTORS' RESPONSE TO THE AUDIT OPINION:

None

6. REPORT ON THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

6.1. Assessment of environmental indicators (Water consumption, energy usage, emissions, etc.)

In the past year, the Company has encouraged its employees to engage in campaigns for saving resources and reducing emissions as follows: Cleaning the workplace to create a clean working environment, promoting a civilized lifestyle for each employee; Placing green plants around the workplace to enhance the green space, contributing to a comfortable working atmosphere for employees; Utilizing natural light by raising curtains in the morning; Turning off the air conditioning system 10 minutes before the end of the working day; Using reusable water bottles instead of single-use plastic bottles; Saving paper by printing on both sides.

6.2. Assessment related to labor issues

Employees are one of the key factors for the sustainable development of the Company. Amid the bankruptcy of many real estate enterprises and the widespread unemployment wave, First Real has still ensured job security and income for its employees. The management always provides conditions for employees to fully unleash their potential in a dynamic and professional working environment. Training is provided on-site for newly recruited staff, probationers, and professional development for inherited personnel. Additionally, the management continually reforms policies regarding salaries, bonuses, and benefits to improve the material and spiritual life of employees.

First Real ensures that all employees are protected under legal regulations and receive basic entitlements such as salaries, bonuses, allowances, insurance, and safe working conditions. All employment contracts with employees are legally compliant and signed according to the law.

6.3. Assessment related to the company's responsibility towards the local community

In addition to the goal of profit-making and maximizing benefits for shareholders, First Real is also committed to sharing part of its profits for the common development of society and the local community where the Company operates.

The Company's environmental and social responsibility is reflected in all of its development activities. Some of its key policies include:

- When developing a project, First Real always emphasizes the harmony of the overall planning, the aesthetic quality of the design, and the construction quality. This is the first condition to ensure the cultural value, aesthetics, and urban civilization.

- Strictly adhering to the regulation of green space ratios in projects, and never sacrificing this ratio for the sake of increasing revenue and profits.

- Consistently selecting partners, contractors, and suppliers who comply with environmental regulations, ensuring that products are created to meet the best criteria for convenience and environmental quality for both customers and the community.

As First Real continues to expand with an increasing number of projects and products, and as the scale of operations grows, the Company places even more emphasis on investment in environmental and social responsibility. Notably, the Company is committed to monitoring specific indicators such as water consumption, energy usage, and waste management. Its ongoing goal is to choose solutions, technologies, and products that optimize environmental protection from the construction process to the operation and use by Customers in the future.

IV. ASSESSMENT OF THE BOARD OF DIRECTORS ABOUT THE COMPANY'S OPERATIONS

1. Assessment of the Board of Directors on the company's operations, including environmental and social responsibility

From the early months of 2024, the real estate market has experienced a slow recovery. However, this gradual recovery has contributed to a more sustainable market, with increasingly clear signs of improvement, especially in the latter months of 2024.

This is reflected in positive economic figures for the first nine months of 2024, such as: GDP growth estimated at 6.82% compared to the same period last year; FDI increased by 8.9%; improved credit conditions; low interest rates on loans; and accelerated public investment disbursements. These factors will help the Real Estate Market continue to flourish in the remaining months of the year. Furthermore, the official enforcement of the 2024 Land Law, 2023 Housing Law, and 2023 Real Estate Business Law has positively impacted and contribut-

ed to the recovery and growth of the real estate market. These three laws have helped improve and clarify the real estate market, removing long-standing legal barriers and creating new momentum for the market to “thrive” again after a period of stagnation. The changes brought about by these laws are expected to have a positive impact on the real estate and housing markets in Vietnam. The new regulations from these laws will not only address the market’s existing issues but also create a more transparent, fair, and efficient business environment. A transparent real estate market will open up many new opportunities for both buyers and sellers. This, in turn, encourages real estate enterprises to improve the quality of their projects, enhance their competitiveness, and provide consumers with safer and more sustainable investment opportunities.

Despite positive signals from the market in 2024, First Real has not had any standout achievements and has not yet established its business position, as evidenced by the business results for 2024, which did not meet the targets set. Specifically, in 2024, First Real reported a net revenue of VND 123,961,564,779, achieving 35% of the target approved by the General Shareholders’ Meeting, and net profit after tax reached VND 610,194,284, achieving 1% of the target approved by the General Shareholders’ Meeting. Thus, the Company did not meet the business targets set by the General Shareholders’ Meeting for 2024. Although business conditions were challenging, the Company made considerable efforts to overcome the difficulties of 2024 and achieved certain successes:

- The Board of Directors successfully chaired and organized the 2024 Annual General Shareholders’ Meeting, overseeing and ensuring the accurate and transparent disclosure of information in accordance with regulations.
- The members of Board of Directors fulfilled their responsibilities as business managers with a strong commitment to the work and development of the Company.
- The members of Independent Board of Directors actively participated and contributed their opinions in Board meetings with carefulness, dedication, and high responsibility.
- Regarding business plans: The Company continued to maximize its existing resources and leverage its customer base, maintaining sustainable relationships with potential investors, understanding their needs, and preparing to strengthen its business strategies for the next year. The Company maintained its core business activities with two main products: real estate brokerage and investment, real estate business, which have been the Company’s strengths in previous years and will continue to be core activities in 2025.
- Regarding financial matters: The Company proactively arranged substantial funding to maintain its operations, support business activities, and ensure financial balance.

Regarding environmental and social responsibility: The Company places a strong emphasis on sustainable development and ensures compliance with legal regulations on environmental protection, avoiding any violations or administrative penalties related to environmental issues.

2. Assessment of the Board of Directors about the Directors’ Operations

- The supervision activities of the Board of Directors with the Directors are carried out in accordance with the provisions of the Internal Regulations on Corporate Governance and the Operating Regulations of the Board of Directors.
- The Board of Directors shall supervise the Board of Directors through forms such as organizing meetings chaired by the Board of Directors, participating in periodic meetings organized by the General Director, and approving reports of the General Director.
- The Board of Directors discussed and approved the resolutions of the Board of Directors based on the proposals of the Directors.
- The Directors have prepared and reported detailed quarterly and annual business results, as well as forecasts for quarterly and annual business outcomes to the Board of Directors.
- Based on the supervision activities, it is evident that the business results in 2024 did not meet the set targets. However, the Directors have put forward specific strategies, maintaining stability and balancing the company’s financial situation.
- Nevertheless, the Board of Directors highly appreciates the General Directors for the following key strengths:
 - + Leading and managing the team effectively, closely monitoring and evaluating the company’s business activities while adapting flexibly to market fluctuations.
 - + Providing timely proposals and recommendations to the Board of Directors, ensuring the business operations align with legal requirements and achieving the planned targets.
 - + Recognizing the importance of human resources and making investments in human development, not only for the current needs but also to prepare for future demands.
 - + Focusing on the development of the corporate culture, fostering connections, and establishing a unique identity for the company.
 - + Fully meeting obligations to employees, tax obligations, and responsibilities to the community.
- Overall, with the skills, experience, and intellectual contributions of each member, the performance quality of the General Directors has continually improved, creating a dynamic working environment that fosters teamwork, unity, and creativity in making timely decisions that meet the requirements of the Company’s business operations.

3. Plans and Directions of the Board of Directors

- First Real will continue its efforts to maintain its position as one of the leading real estate companies in the Da Nang market and central Vietnam, anticipating Customer demand and pioneering new trends that contribute to shaping and enhancing the living standards of the residents in Da Nang and Central Vietnam.
- In 2025, First Real will continue to focus on land acquisition and development and will proceed with the implementation of projects on the land plots the company currently owns.
- The company will maintain and safeguard the financial health of the business at a balanced and proactive level.
- It will collaborate with investors to finalize the legal procedures for projects to ensure handover to customers.
- In addition to its core business activities, First Real will continue exploring new fields and opportunities with potential for development to serve its business strategy for the new growth cycle of the real estate sector.
- The company sets the following directions for development in its production and business activities:
 - + The company focuses on expanding its distribution network with affiliated real estate agencies and local brokerage firms. This policy helps the company reduce fixed costs and management expenses in operations. If traditional sales offices or brokerage teams are not effective, the company will proceed with restructuring and merging them with other entities.
 - + Strengthening control over the supply of projects.
 - + Continuously enhancing and strengthening sustainable cooperation with investors to maintain a steady and quality supply of real estate products.
 - + The company is intensifying its investment activities, collaborating with investors to acquire projects, and jointly developing these projects from the initiation stage, which ensures a rich supply of projects for the company.
 - + Training and nurturing highly skilled, dynamic, creative, and independent staff, maximizing their potential in their roles and contributing fully to the company's success.
 - + Building a corporate culture that fosters trust, pride, and the voluntary alignment of employees' interests with those of the company. The company pays attention to employees' living standards and reforms its salary and bonus system, linking compensation with job performance.
 - + Completing the internal management regulations and improving corporate governance to increase the effectiveness of the management and operation processes.



V. CORPORATE GOVERNANCE

1. Board of Directors

1.1. Members and Structure of the Board of Directors

- The Board of Directors of the Company consists of 04 members. The list of members is as follows:



MR. NGUYEN ANH TUAN
CHAIRMAN OF THE BOARD OF DIRECTORS



MR. HA THAN THUC LUAN
Member of the Board of
Directors and General Director



MR. NGUYEN THE TRUNG
Member of the Board of
Directors and Deputy General Director



MR. LE TUAN
Member of the Board of Directors



Full name	Nguyen Anh Tuan
Gender	Male
Year of birth	January 01, 1988
Nationality	Vietnamese
Education level	12/12
Professional capacity	Architectural Engineer
Position held in another organization	Chairman of the Board of Directors of An Di High Speed Train Joint Stock Company
Number of shares held	9,774,326 shares. Rate: 15.21%



Full name	Ha Than Thuc Luan
Gender	Male
Year of birth	October 30, 1972
Nationality	Vietnamese
Education level	12/12
Professional capacity	Bachelor of Economics
Position held in another organization	Deputy General Director of Bach Dang Hotel Trading and Service Joint Stock Company
Number of shares held	144,000 shares. Rate: 0.22%



Full name	Le Tuan
Gender	Male
Year of birth	February 13, 1984
Nationality	Vietnamese
Education level	12/12
Professional capacity	Master of Business Administration
Position held in another organization	None
Number of shares held	552,000 shares Rate: 0.86%



Full name	Nguyen The Trung
Gender	Male
Year of birth	November 01, 1989
Nationality	Vietnamese
Education level	12/12
Professional capacity	Civil Engineer
Position held in another organization	Chairman of the Board of Directors of Protech Real Estate Joint Stock Company
Number of shares held	2,174,500 shares Rate: 3.38 %

1.2. Subcommittees under the Board of Directors

None

1.3. Activities of the Board of Directors

Assessment of the Board of Directors' activities, including the number of meetings, their content, and outcomes

In the financial year 2024, the Board of Directors convened several meetings with the participation of the following members:

No.	Member of the Board of Directors	Position	Number of Meetings Attended	Attendance Rate	Reason for Absence
1	Mr. Nguyen Anh Tuan	Chairman of the Board of Directors	08	100%	
2	Mr. Ha Than Thuc Luan	Member of the Board of Directors	08	100%	
3	Mr. Nguyen The Trung	Member of the Board of Directors	08	100%	
4	Ms. Phan Thị Cam Thanh	Member of the Board of Directors	01	100%	(Dismissal from office from March 20, 2024)
5	Mr. Le Tuan	Member of the Board of Directors	08	100%	

Resolutions/Decisions of the Board of Directors approved in 2024:

No.	Resolution/- Decision No.	Date of issuance	Content
1	01/2024/NQ-HĐQT-FIR	16/01/2024	Approval of the 2024 Annual General Meeting plan of First Real JSC.
2	02/2024/NQ-HĐQT-FIR	26/03/2024	Adoption of the Company Charter, Internal Corporate Governance Regulations, and Rules of Operation for the Board of Directors.

3	03/2024/NQ-HĐQT-FIR	27/03/2024	Approval of the dismissal of the Company's Chief Financial Officer.
4	04/2024/NQ-HĐQT-FIR	26/04/2024	Approval of the selection of an audit firm and execution of audit and financial review services for 2024.
5	05/2024/NQ-HĐQT-FIR	01/10/2024	Decisions on utilizing Company real estate as contributed capital and/or transferring properties to partners or clients.
6	06/2024/QĐ-HĐQT-FIR	29/10/2024	Approval of First Real JSC's capital contribution to establish An Phu Capital JSC.
7	07/2024/NQ-HĐQT-FIR	29/10/2024	Approval of the full transfer of equity in FQ Vietnam Investment JSC by First Real JSC.
8	08/2024/NQ-HĐQT-FIR	17/12/2024	Extension of the 2025 Annual General Meeting timeline.

The Company's Board of Directors adhered to the regulations of the Company Charter and legal provisions, operating with four (4) members: Mr. Nguyen Anh Tuan (Chairman), Mr. Ha Than Thuc Luan, Mr. Nguyen The Trung, and Mr. Le Tuan. Among them, one member is non-executive, and three (3) members are executive.

The Board held regular quarterly meetings and extraordinary sessions to strategize and implement decisions related to the Company's business operations. The Board consistently directed the Executive Board and subsidiaries to effectively implement resolutions issued by the General Meeting of Shareholders and the Board of Directors, in compliance with prevailing laws. Key initiatives and oversight by the Board in 2024 included:

- Direct, complete, submit and disclose information on time the audited 2023 Financial Statements and the 2023 Annual Report, the Quarterly Financial Statements, and the reviewed 2024 Semi-Annual Financial Statements; Corporate governance report in 2023 and Corporate Governance report for 6 months/2024; Disclosure of information on abnormal events in accordance with law
- Successfully organized the 2024 Annual General Meeting of Shareholders in accordance with regulations on March 20, 2024;
- Supervise the implementation and completion of the 2024 business plan, the implementation of the investment plan for projects and the expected profit distribution plan in 2023 approved by the 2024 General Meeting of Shareholders;
- Research and implement potential new projects;
- Building corporate culture, improve the efficiency of corporate governance and administration.
- Supervise the implementation of the Resolutions of the Board of Directors and the General Meeting of Shareholders that have been issued, inspect the executive activities of the Board of Directors in business activities; Supervise the management activities of the Board of Directors in order to improve the efficiency of business activities and complete the set targets.
- In 2024, the Company streamlined its organizational structure and optimized resource allocation to maximize individual contributions of Board members. This initiative bolstered the Board's oversight efficiency, ensuring adherence to governance principles across the Company and its subsidiaries.

The Company's shareholder relations department maintained proactive engagement, providing timely and accurate information to shareholders and investors.

1.4. Activities of Independent Board Members and Subcommittees

Independent and non-executive Board members actively participated in governance activities, offering timely recommendations regarding the Company's operations.

1.5. Board Members with Corporate Governance Training Certification

Two Board members have completed corporate governance training courses. Other members continue to enhance their corporate governance knowledge in alignment with best practices and legal requirements.

2. Audit Committee

2.1. . Members and Structure of the Audit Committee

No.	Members of Audit Committee	Position	Start date as a Audit Committee Member	Professional qualifications	Notes
1	Mr. Le Tuan	Chairman of the People's Committee	April 10, 2023	Master of Business Administration	
2	Mr. Nguyen Anh Tuan	Member of the Audit Committee	July 01, 2022	Architectural Engineer	

2.2. Activities of the Audit Committee

2.2.1. Meetings of the Audit Committee

During the fiscal year ended September 30, 2024, the Audit Committee held two meetings with the participation of the following members:

STT	Members of audit committee	Number of meetings attended	Attendance rate	Reason for absence
1	Mr. Nguyen Anh Tuan	02	100%	
2	Mr. Le Tuan	02	100%	

2.2.2. Activities of the Audit Committee in the year

- Evaluated the performance of the business plan, regulations, and policies of the company.
- Inspected and assessed compliance with processes, regulations, policies, and accounting standards.
- Reviewed accounting books and financial statements for 2024.
- Supervised the activities of the Board of Directors (BOD) and Executive Board (EB) through meetings, discussions, and exchanges with the BOD, EB, as well as direct contact with internal and independent auditors.
- Regularly held meetings with the Internal Audit team and Executive Board to discuss issues concerning First Real.
- Checked compliance with legal regulations, the Company's Charter, and the implementation of resolutions passed by the General Meeting of Shareholders and the Board of Directors.

3. Transactions, remuneration, and benefits of the Board of Directors and Executive Board

3.1. Salaries, bonuses, remuneration, and benefits

No.	Full name	Job title	Remuneration (VND) / month	Note
1	Mr. Nguyen Anh Tuan	Chairman of the Board of Directors	5.000.000	
2	Mr. Ha Than Thuc Luan	Member of the Board of Directors	5.000.000	
3	Mr. Nguyen The Trung	Member of the Board of Directors	5.000.000	
4	Ms. Phan Thi Cam Thanh	Member of the Board of Directors	5.000.000	Resignation as a Member of the Board of Directors on March 20, 2024
5	Mr. Le Tuan	Member of the Board of Directors	5.000.000	

3.2. Insider Stock Transactions

None

3.3. Contracts or Transactions with Insiders

None

3.4. Assessment of Compliance with Corporate Governance Regulations

The Company's governance practices strictly adhere to legal regulations, the Company's Charter, internal policies, and established standards to ensure transparency and smooth operations. At the same time, strict compliance with governance regulations also facilitates effective monitoring of business activities, encouraging the optimal use of resources, thereby helping the Company easily pursue goals for the benefit of the Company and shareholders. In 2024, the Company consistently strived to comply with and enforce the legal regulations regarding corporate governance and information disclosure.

To improve governance quality, members of the Board of Directors and the Executive Board are committed to self-improvement and acquiring additional knowledge of corporate governance in line with best practices and current legal provisions.

VI. REPORT OF THE BOARD OF MANAGEMENT

1. GENERAL INFORMATION ABOUT THE COMPANY

Establishment

First Real Joint Stock Company (English name and abbreviation: First Real.JSC) is an enterprise established and operating under Business Registration Certificate No. 0401623121 for joint stock companies, initially registered on September 17, 2014, issued by the Department of Planning and Investment of Da Nang City, with the 12th amendment dated July 12, 2023.

The Company's charter capital as of September 30, 2023, and September 30, 2024, is VND 642,452,810,000.

Head Office: 5th Floor Office Area - Bach Dang Complex, No. 50 Bach Dang Street, Hai Chau I Ward, Hai Chau District, Da Nang City, Vietnam.

Business Activities: Providing consulting services, real estate brokerage registration, land use rights auction, real estate business, trading of land use rights belonging to owners, users, or lessees.

Stock Code: The Company is listed on the Ho Chi Minh City Stock Exchange (HOSE) with the stock code FIR.

2. MEMBERS OF THE BOARD OF DIRECTORS, SUPERVISORY BOARD, AND BOARD OF MANAGEMENT

The members of the Board of Directors, Supervisory Board, and Board of Management for the financial year ended September 30, 2024, and up to the date of this report include:

BOARD OF DIRECTORS

Mr Nguyen Anh Tuan	Chairman
Ms Phan Thi Cam Thanh	Member - Dismissal on March 27, 2024
Mr Nguyen The Trung	Member
Mr Ha Than Thuc Luan	Member
Mr Le Tuan	Member

INTERNAL AUDIT COMMITTEE

Ms Pham Thi Phuong	Head of Internal Audit Committee
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BOARD OF MANAGEMENT

Mr Ha Than Thuc Luan General Director
Mr Nguyen The Trung Deputy General Director

The legal representative of the Company for the year ended 30 September 2024 to the date of this report is as follows:

Mr Ha Than Thuc Luan General Director

3. BUSINESS PERFORMANCE ASSESSMENT

The business performance results of the Company for the financial year ended 30 September 2024 and the financial position as of the same date are presented in the attached Consolidated Financial Statements.

4. SUBSEQUENT EVENTS AFTER THE END OF THE FINANCIAL YEAR

There are no significant events that have occurred since the end of the financial year on 30 September 2024 that require adjustments or disclosures in the notes to the Consolidated Financial Statements.

5. AUDITOR

AFC Vietnam Auditing Company Limited was appointed to audit the Company's Consolidated Financial Statements for the financial year ended 30 September 2024.

6. BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Board of Management is responsible for preparing the consolidated financial statements to accurately and reasonably reflect the financial position, consolidated business results, and consolidated cash flows for the financial year ended 30 September 2024. In preparing those consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently ;
- make judgements 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 consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company and its subsidiaries will continue its business.

- establish and implement an effective internal control system to limit the risk of material misstatement due to fraud or error in the preparation and presentation of consolidated financial statements.

Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and its subsidiaries and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board of Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

7. PUBLICATION OF CONSOLIDATED FINANCIAL STATEMENTS

We hereby publish the attached Consolidated Financial Statements. The Consolidated Financial Statements present fairly and reasonably, in all material respects, the financial position of the Company as of September 30, 2024, and its consolidated business performance and consolidated cash flows for the financial year ended September 30, 2024, in accordance with current Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of Consolidated Financial Statements.



HA THAN THUC LUAN

General Directors

Da Nang City, 25 December 2024

Reference: 155/2024/BCKTHN-HCM.01494

INDEPENDENT AUDITORS' REPORT

To: The shareholders, Board of Directors and Management of First Real Joint Stock Company

We have audited the accompanying financial statements of First Real Joint Stock Company ("the Company"), as prepared on 25 December 2024, and set out on pages 5 to 46, which comprise the consolidated balance sheet as at 30 September 2024, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Board of Management's responsibility

Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 30 September 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Other issues

The consolidated financial statements for the fiscal year ending 30 September 2023, have been audited by the auditor and other audit firms. This auditor has issued an unqualified opinion on these consolidated financial statements as of 29 December 2023.



Trang Đức Nha

Deputy General Director
Audit Practising Registration
Certificate No. 2111-2023-009-1
Vietnam AFC Audit Firm
Ho Chi Minh City, 25 December 2024

Lê Thị Thanh Tâm

Auditor
Audit Practising Registration
Certificate No. 3199-2020-009-1

CONSOLIDATED BALANCE SHEET**As at 30 September 2024**

Code	ASSETS	Notes	30/09/2024 VND	01/10/2023 VND
100	CURRENT ASSETS		815.394.883.921	866.935.374.558
110	Cash and cash equivalents	5.1	5.857.974.132	11.287.141.956
111	Cash		5.857.974.132	11.287.141.956
130	Current accounts receivables		540.550.578.038	541.975.497.693
131	Short-term trade receivables	5.2	15.874.200.043	24.326.130.739
132	Short-term advances to suppliers	5.3	170.887.411.462	235.020.460.418
136	Other short-term receivables	5.4	373.405.200.580	302.245.140.583
137	Provision for doubtful short-term receivables	5.5	(19.616.234.047)	(19.616.234.047)
140	Inventories	5.7	310.883.838.250	310.883.838.250
141	Inventories		310.883.838.250	310.883.838.250
150	Other current assets		2.824.165.011	2.788.896.659
151	Short-term prepaid expenses	5.11	260.860.404	167.586.293
152	Value-added tax deductible	5.15	2.563.304.607	2.638.557.293
200	NON-CURRENT ASSETS		524.012.761.606	535.986.849.198
210	Long-term receivables		201.311.000.000	210.246.000.000
216	Other long-term receivables	5.4	201.311.000.000	210.246.000.000
220	Fixed assets		1.511.350.484	2.000.835.899
221	Tangible fixed assets	5.9	1.511.350.484	2.000.835.899
222	Cost		4.612.522.727	6.684.444.987
223	Accumulated amortisation		(3.101.172.243)	(4.683.609.088)
240	Investment properties	5.10	57.160.127.459	58.450.751.311
241	Cost		59.839.461.277	59.839.461.277
242	Accumulated depreciation		(2.679.333.818)	(1.388.709.966)
240	Long-term assets in progress	5.8	51.561.298.908	51.269.299.940
230	Construction in progress		51.561.298.908	51.269.299.940
250	Long-term investments	5.12	200.239.613.267	201.476.000.000
252	Investment in associate and jointly-controlled entities		200.039.613.267	200.000.000.000
253	Investment in other entities		200.000.000	1.800.000.000
254	Provision for long-term investments		-	(324.000.000)
260	Other long-term assets		12.229.371.488	13.244.443.038
261	Long-term prepaid expenses	5.11	12.229.371.488	13.244.443.038
270	TOTAL ASSETS		1.339.407.645.527	1.402.922.223.756

Code	RESOURCES	Notes	30/09/2024 VND	01/10/2023 VND
300	LIABILITIES		597.374.710.598	661.499.483.111
310	Current liabilities		509.617.066.010	525.423.655.947
311	Short-term trade payables	5.13	1.300.794.622	1.153.615.762
312	Short-term advances from customers	5.14	112.248.749.803	140.926.943.944
313	Statutory obligations	5.15	53.724.107.163	56.281.607.743
314	Payables to employees		1.002.871.814	1.367.820.543
315	Short-term accrued expenses	5.16	16.953.695.090	1.214.880.731
318	Short-term unearned revenues		888.840.000	888.840.000
319	Other short-term payables	5.17	26.456.466.386	37.791.146.153
320	Short-term loan	5.18	297.041.541.132	285.798.801.071
330	Non-current liabilities		87.757.644.588	136.075.827.164
336	Long-term unearned revenues		7.362.558.000	8.251.398.000
337	Other long-term liabilities		-	36.520.386
338	Long-term loans and debts	5.18	80.153.563.737	127.787.908.778
341	Deferred tax liabilities		241.522.851	-
400	OWNERS' EQUITY		742.032.934.929	741.422.740.645
410	Capital	5.19	742.032.934.929	741.422.740.645
411	Share capital		642.452.810.000	642.452.810.000
411a	- Shares with voting rights		642.452.810.000	642.452.810.000
412	Share premium		67.328.240.000	67.328.240.000
421	Undistributed earnings		32.153.011.200	31.541.786.346
421a	- Undistributed earnings up to the prior year-end		31.541.786.346	12.454.811.830
421b	- Undistributed earnings of current period		611.224.854	19.086.974.516
429	Non-controlling interests		98.873.729	99.904.299
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1.339.407.645.527	1.402.922.223.756



NGUYEN XUAN TRUNG
Preparer cum Chief Accountant



HA THAN THUC LUAN
General Director
Da Nang City, 25 December 2024

CONSOLIDATED INCOME STATEMENTS

For the year ended 30 September 2024

Code		Notes	Current year VND	Last year VND
01	Revenues from sale of goods and rendering of services	6.1.1	123.961.564.779	169.124.770.174
02	Revenue deduction		-	-
10	Net revenue		123.961.564.779	169.124.770.174
11	Cost of good solds	6.2	48.152.877.545	69.184.456.256
20	Gross profit		75.808.687.234	99.940.313.918
21	Financial income	6.3	42.835.381	16.984.153.529
22	Financial expenses	6.4	47.034.186.535	52.943.977.138
23	<i>In which: Interest expenses</i>		47.034.186.535	48.475.777.138
24	Shares of profit of associates, joint-controlled entities	6.5	39.613.267	-
25	Selling expenses	6.6.1	4.865.111.173	8.901.484.612
26	General and administration expenses	6.6.2	15.300.313.949	19.487.976.495
30	Operating profits		8.691.524.225	35.591.029.202
31	Other income		1.000.387	100.000.000
32	Other expenses	6.7	260.216.300	7.916.610.310
40	Other profit		(259.215.913)	(7.916.610.310)
50	Accounting profit before tax		8.432.308.312	27.774.418.892
51	Deferred tax income	6.9	7.580.591.177	8.687.764.015
52	Deferred tax expense		241.522.851	-
60	Net profit after tax		610.194.284	19.086.654.877
61	Shareholders of the parent		611.224.854	19.086.974.516
62	Non-controlling interests		(1.030.570)	(319.639)
70	Basic earnings per share	6.11	10	297
71	Diluted earnings per share	6.11	10	297



NGUYEN XUAN TRUNG
Preparer cum Chief Accountant



HA THAN THUC LUAN
General Director
Da Nang City, 25 December 2024

CONSOLIDATED CASH FLOWS (In-direct method)

For the year ended 30 September 2024

Code	Note	Current year VND	Last year VND
	CASH FLOWS FROM OPERATING ACTIVITIES		
01	Accounting profit before tax	8.432.308.312	27.774.418.892
	<i>Adjustment for:</i>		
02	Depreciation and amortisation	1.079.628.277	1.565.064.415
03	Reversal of provisions	(324.000.000)	324.000.000
05	Profits from investing activities	(40.948.648)	(17.070.266.387)
06	Interest expenses	47.110.186.535	48.475.777.138
08	Operating profit before changes in working capital	56.257.174.476	61.068.994.058
09	Increase (-), decrease (+) in receivables	10.417.925.414	(131.156.641.940)
10	Increase (-), decrease (+) in inventories	44.721.671.510	59.756.170.606
11	Increase (+), decrease (-) in payables (exclusive of interest payables, enterprise income tax payables)	(45.474.270.028)	5.312.362.480
12	Increase (-), decrease (+) in inventories	921.797.439	1.798.722.126
13	Increase (-), decrease (+) in trading securities	-	-
14	Interest paid	(30.937.372.176)	(48.334.965.017)
15	Corporate income tax paid	(6.253.825.892)	(61.447.299)
20	Net cash flows used in operating activities	29.653.100.743	(51.616.804.986)

Code	Note	Current year VND	Last year VND
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	(291.998.968)	(442.371.780)
22	Proceeds from disposals of fixed assets	–	100.000.000
23	Loans to other entities and payments for purchase of debt instruments of other entities	–	(8.000.000.000)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities	–	138.000.000.000
25	Payments for investments in other entities and capital redemption	(200.000.000)	(200.000.000.000)
26	proceeds from equity investment in other entities	1.800.000.000	–
27	Interest and dividends received	1.335.381	17.218.074.606
30	Net cash flow from investing activities	1.309.336.413	(53.124.297.174)
CASH FLOWS FROM FINANCIAL ACTIVITIES			
33	proceeds from borrowings	184.606.161.503	338.159.909.098
34	repayment of principal	(220.997.766.483)	(271.267.366.582)
40	Net cash flow from financial activities	(36.391.604.980)	66.892.542.516
50	NET CASH FLOW DURING THE FISCAL YEAR	(5.429.167.824)	(37.848.559.644)
60	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FISCAL YEAR	11.287.141.956	49.135.701.600
70	CASH AND CASH EQUIVALENTS AT THE END OF THE FISCAL YEAR	5.857.974.132	11.287.141.956



NGUYEN XUAN TRUNG
Preparer cum Chief Accountant



HA THAN THUC LUAN
General Director
Da Nang City, 25 December 2024

1. CHARACTERISTICS OF BUSINESS OPERATIONS

1.1. Form of capital ownership

First Real Real Estate Joint Stock Company (English name and abbreviation is First Real JSC) is an enterprise established and operating under the Enterprise Registration Certificate No. 0401623121 first registered on September 17, 2014 issued by the Department of Planning and Investment of Da Nang City and registered for the 12th change on July 12, 2023.

The charter capital of the Company as of 30/09/2023 and 30/09/2024 is 642,452,810,000 VND.

Head office: 5th floor of the office building - Bach Dang Complex, No. 50 Bach Dang, Hai Chau I Ward, Hai Chau District, Da Nang City, Vietnam.

1.2. Business field

Real estate trading.

1.3. Main business lines

Providing consulting services, registering real estate brokerage, auctioning land use rights, real estate business, land use rights belonging to the owner, user or leased.

1.4. Normal production and business cycle

The normal business production cycle of the Company does not exceed 12 months.

1.5. Corporate structure

List of subsidiarires

As at 30 September 2024, the Company has a direct subsidiary with the details as follows:

Entity name	Principal activities	Capital contribution ratio	Ownership rate	Voting rights
Primo Real Estate Investment Joint Stock Company ("Primo")	Real estate trading	99,9%	99,9%	99,9%

List of associated entities

As at 30 September 2024, the Company has a associated entity with the details as follows:

Entity name	Principal activities	Capital contribution ratio	Ownership rate	Voting rights
Bach Dang Hotel Complex Trading – Service JSC	Hotel and apartment rental services	22,22%	22,22%	22,22%

1.6. Statement on the comparability of information in the Consolidated Financial Statements

The figures presented in the consolidated financial statements for the fiscal year ended September 30, 2024, are comparable to the corresponding figures of the previous year.

1.7. Employees

As of September 30, 2024, the total number of employees of the Company was 32 (as of September 30, 2023, it was 38).

2. FINANCIAL YEAR, ACCOUNTING CURRENCY USED

2.1. Financial year

The financial year of the Company starts on October 1 and ends on September 30 each year.

2.2. Accounting currency used.

The accounting currency used is the Vietnam Dong (VND) as most transactions, receipts, and payments are primarily conducted in VND.

3. APPLICABLE ACCOUNTING STANDARDS AND REGULATIONS

3.1. Applicable Accounting Standards and Regulations

The consolidated financial statements are prepared and presented in accordance with the Corporate Accounting System issued under Circular No. 200/2014/TT-BTC dated December 22, 2014 (referred to as "Circular No. 200/2014/TT-BTC"), Circular No. 53/2016/TT-BTC dated March 21, 2016 of the Ministry of Finance, and Vietnamese Accounting Standards.

The Company applies the accounting standards, corporate accounting system, and guidance issued under Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC, and other relevant circulars issued by the Ministry of Finance in preparing and presenting the financial statements.

The Company applies Circular No. 202/2014/TT-BTC ("Circular 202") issued by the Ministry of Finance of Vietnam on December 22, 2014, which guides the preparation and presentation of consolidated financial statements.

3.2. Statement of Compliance with Accounting Standards and Regulations

The Board of Management ensures compliance with the requirements of the Vietnamese Accounting Standards, Corporate Accounting System issued under Circular No. 200/2014/TT-BTC, Circular No. 202/2014/TT-BTC, and other guidance issued by the Ministry of Finance when preparing the consolidated financial statements.

4. KEY ACCOUNTING POLICIES

4.1. Basis for Preparing Consolidated Financial Statements

The consolidated financial statements are prepared based on the accrual basis of accounting (except for information related to cash flows).

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the financial year ending September 30, 2024.

Subsidiaries are fully consolidated from the acquisition date, which is the date the Company obtains control over the subsidiaries, and continue to be consolidated until the date such control ceases.

The financial statements of the Company and its subsidiaries used for consolidation are prepared for the same financial year and apply consistent accounting policies.

Intercompany balances on the consolidated balance sheet, income, and expenses, as well as unrealized profits or losses arising from intercompany transactions, are fully eliminated.

Non-controlling interests

Non-controlling interests represent the portion of profit, loss, and net assets of subsidiaries not held by the Company. These are presented separately in the consolidated income statement and separately from the equity of the Company's shareholders in the consolidated balance sheet.

Investments in associates

An associate is a company in which the Company has significant influence but not control or joint control. Significant influence is demonstrated by the ability to participate in decisions regarding the financial and operating policies of the investee but not to control those policies.

The operating results, assets, and liabilities of associates are incorporated into the financial statements using the equity method. Investments in associates are initially recognized at cost in the balance sheet and subsequently adjusted based on changes in the Company's share of the net assets of the associates. If the Company's share of losses in an associate exceeds the carrying amount of the investment, the Company ceases to recognize further losses. In this case, the investment is presented in the financial statements as zero (0). If the associate subsequently generates profits, the Company only recognizes its share of profits after offsetting previously unrecognized losses.

4.2. Cash and cash equivalents

Cash includes cash on hand, demand deposits, and cash in transit. Cash equivalents are short-term investments with a maturity of no more than three months from the date of investment, which are easily convertible to a known amount of cash and have an insignificant risk of changes in value at the reporting date.

4.3. Financial investments

Accounting principles for investments in subsidiaries

- Investments in subsidiaries where the Company holds control are presented at cost.
- Distributions of profits received by the Company from the cumulative profits of subsidiaries after the control acquisition date are recognized in the consolidated income statement. Distributions made before the control acquisition date are treated as a recovery of the investment and deducted from the investment value.

Accounting principles for investments in associates

- Investments in associates where the Company has significant influence are presented at cost.
- Distributions from the cumulative profits of associates after the date of significant influence are recognized in the consolidated income statement. Other distributions are treated as a recovery of the investment and deducted from the investment value.

Accounting principles for investments in other entities

- Equity contributions to other entities are recognized at cost.

Provision for impairment of investments

- A provision for the impairment of investments is made when there is clear evidence that the value of these investments has decreased as of the end of the financial reporting period.
- Increases or decreases in the provision balance are recognized in financial expenses in the consolidated income statement.

4.4. Receivables

Receivables are recorded at their original cost, net of provisions for doubtful debts.

The classification of receivables into trade receivables and other receivables is based on the following principles:

- Trade receivables reflect amounts due from customers arising from commercial transactions related to purchases and sales between the Company and independent entities.
- Other receivables reflect amounts that are not of a commercial nature and are unrelated to purchase and sale transactions.

The provision for doubtful debts represents the estimated value of losses from receivables that are unlikely to be collected from customers. This provision is based on the outstanding receivables as of the balance sheet date. The recording or reversal of provisions for doubtful debts is recognized in administrative expenses in the consolidated income statement.

4.5. Inventories

Inventories are recorded at the lower of cost or net realizable value.

The cost of inventories is determined as follows:

Real estate inventories:

- Real estate purchased for sale during the normal course of business, not for lease or appreciation, is recorded as real estate inventory at the lower of the cost to bring each item to its current condition and location or its net realizable value.
- The cost of real estate inventories includes direct costs incurred to create the real estate.
- Net realizable value is the estimated selling price of the inventory during normal business conditions, based on market prices at the reporting date, less estimated costs to complete and sell.
- The cost of sold real estate is recognized in the consolidated income statement based on the specific identification method.

Other real estate inventories:

Work-in-progress costs: These include the costs of direct materials, direct labor, and general production costs incurred during the execution process.

Inventory valuation method: Weighted average.

Inventory accounting method: Perpetual inventory system.

The provision for inventory devaluation is made for the estimated loss in value (due to price reduction, damage, poor quality, etc.) that may occur in the inventory owned by the Company, based on reasonable evidence of value impairment as of the end of the fiscal year.

The increase or decrease in the provision for inventory devaluation is recorded in the cost of goods sold on the consolidated statement of profit and loss. When inventory is disposed of due to expiration, quality degradation, damage, or loss of usability, any differences arising between the provision for inventory devaluation previously made and the original cost of the inventory are recorded in the consolidated statement of profit and loss.

4.6. Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets includes all expenses incurred by the Company to acquire the fixed assets up to the point when the assets are ready for use. Subsequent expenditures are only added to the cost of fixed assets if these expenses are certain to increase the future economic benefits derived from the use of the assets. Expenditures that do not meet this condition are recognized as production and business expenses in the period.

When assets are sold or disposed of, their cost and accumulated depreciation are derecognized from the financial statements, and any gains or losses arising from the disposal are recorded in the statement of profit and loss.

Depreciation of tangible fixed assets is calculated using the straight-line method over the estimated useful lives of the assets as follows:

	Years
Transportation and transmission equipment	06
Office equipment	03
Other tangible fixed assets	05

4.7. Intangible Fixed Assets

Intangible fixed assets are recognized at cost less (-) accumulated amortization. The cost of intangible fixed assets includes all expenses incurred by the enterprise to acquire the intangible fixed assets up to the point when the assets are ready for their intended use.

When assets are sold or disposed of, their cost and accumulated amortization are derecognized from the financial statements, and any gains or losses arising from the disposal are recorded in the statement of profit and loss.

Amortization of intangible fixed assets is calculated using the straight-line method over the

estimated useful lives of the assets as follows:

Land use rights with an indefinite term are recorded at historical cost and are not subject to amortization.

4.8. Construction in progress

Construction in progress is recognized at historical cost. These costs include all necessary expenses for purchasing new fixed assets, new construction, repairs, renovations, expansions, or technical re-equipment of facilities, such as: land use fees and other related expenses.

These costs are transferred to increase the asset value when the construction is completed, the overall acceptance testing has been completed, the assets have been handed over and are ready for use.

4.9. Investment properties

Investment properties are stated at cost including related transaction costs less accumulated depreciation. For investment properties held for capital appreciation, the Company does not record depreciation but determines losses due to impairment.

Expenditures relating to investment property incurred after initial recognition are recorded into the remaining value of investment property when the Company has the ability to receive future economic benefits more than the initially assessed performance level of that investment property.

The cost of purchased investment property includes the purchase price and directly related expenses such as: legal consulting service fees, registration tax, and other related expenses. Depreciation of investment property is calculated on a straight-line basis over the estimated useful life of the properties as follows:

The estimated useful life of investment properties is as follows:

Factory, architectural structures	30 years
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4.10. Property lease

The determination of whether an arrangement is a lease is based on the substance of the arrangement at inception: whether the fulfillment of the arrangement is dependent on the use of a specific asset and whether the arrangement conveys a right to use the asset.

A lease is classified as a finance lease if the lessor transfers substantially all the risks and rewards incidental to ownership of the asset to the lessee under the lease agreement. All other leases are classified as operating leases.

Where the Company is the lessee

Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

Where the Company is the lessor

Assets subject to operating leases are recognized as fixed assets or investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognized in the consolidated income statement when incurred.

Income from operating leases is recorded in the consolidated income statement on a straight-line basis over the lease term.

4.11. Prepaid expenses

Prepaid expenses include actual costs incurred but related to the operating results of multiple fiscal years. The Company's prepaid expenses include the following costs:

Tools and equipment put into use are amortized into expenses using the straight-line method with an amortization period from 12 months to 36 months.

Insurance costs incurred are amortized into expenses using the straight-line method with an amortization period from 12 months to 36 months.

4.12. Payables and Accrued Expenses

Payables and accrued expenses are recognized for amounts to be paid in the future related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amounts payable.

The classification of payables into trade payables, accrued expenses, and other payables is carried out according to the following principles:

- Trade payables reflect commercial payables arising from transactions of purchasing goods, services, assets, and where the seller is an independent entity from the Company.
- Accrued expenses reflect amounts payable for goods and services received from sellers or provided to buyers but not yet paid due to lacking invoices or insufficient accounting documents, and amounts payable to employees for vacation pay, and other accrued production and business expenses.
- Other payables reflect non-commercial payables, not related to transactions of buying, selling, or providing goods and services.

4.13. Salary

Salary allocated to expenses during the period is based on the wage rates and allowances that have been agreed upon in the Labor Contract and Collective Labor Agreement.

4.14. Payroll – related Accruals and Provisions

Social insurance is deducted from salary based on labor contracts with 17.5% charged to expenses (before July 1, 2021), 17% charged to expenses (from July 1, 2021 to June 30, 2022), 17.5% charged to expenses (after June 30, 2022) and 8% deducted from employees' salaries. Health insurance contributions are 3% charged to expenses and 1.5% deducted from employees' salaries.

Unemployment insurance is deducted from salary into expenses at 1% (before October 1, 2021), 0% (from October 1, 2021 to September 30, 2022), 1% (after September 30, 2022) and deducted from employee salary at 1%.

Trade union fee is deducted from salary into expenses at 2%.

4.15. Loans and borrowing costs

The value of loans is recognized as the total amount borrowed from banks, organizations, financial companies and other entities (excluding loans in the form of bond issuance or issuance of preferred shares with mandatory terms requiring the issuer to repurchase at a specific time in the future).

Loans are tracked in detail by each lender, creditor, each loan contract and each type of borrowed asset.

Principles for recognizing borrowing costs: interest expenses and other costs directly related to the enterprise's loans are recognized as production and business expenses in the period, unless these costs arise from loans directly related to the investment, construction or production of assets in progress, which are included in the value of those assets (capitalized) when meeting sufficient conditions specified in Accounting Standard No. 16 - Borrowing Costs.

4.16. Owner's equity

Recognition principles for owner's contributed capital

Owner's contributed capital is recognized according to the actual capital contributed by shareholders.

Share premium: Share premium is recognized as the difference between the issue price and par value of shares when first issued, additionally issued, the difference between reissue price and book value of treasury shares, and the equity component of convertible bonds at maturity. Direct costs related to additional share issuance and treasury share reissuance are recorded as a reduction in share premium.

Recognition principles for undistributed profits

Profit after corporate income tax is distributed to shareholders after establishing funds according to the Company's Charter as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to shareholders takes into account non-monetary items in undistributed after-tax profits that may affect cash flow and dividend payment ability, such as gains from revaluation of contributed assets, gains from revaluation of monetary items, financial instruments and other non-monetary items

The Company's profit distribution follows the proposal of the Board of Directors and is approved by shareholders at the Company's annual general meeting of shareholders.

4.17. Revenue

Revenue from service provision

Revenue from service provision transactions is recognized when the outcome of that transaction can be determined reliably. In cases where service provision transactions relate to multiple periods, revenue is recognized in the period according to the completed work portion at the Balance Sheet date of that period. The outcome of a service provision transaction is determined when all four (4) following conditions are met:

- (a) Revenue is determined with reasonable certainty. When the contract stipulates that the buyer has the right to return purchased services under specific conditions, the enterprise only recognizes revenue when those specific conditions no longer exist and the buyer no longer has the right to return the provided services;
- (b) Economic benefits have been or will be received from the service provision transaction;
- (c) The completed portion of work can be determined at the reporting time; and
- (d) The costs incurred for the transaction and costs to complete the service provision transaction can be determined

Revenue from real estate sales

For revenue from sales of land plots: revenue is recognized when simultaneously satisfying 4 conditions:

- (a) Risks and rewards associated with land use rights have been transferred to the buyer;
- (b) Revenue is determined with reasonable certainty;
- (c) Costs related to the land plot transaction can be determined;
- (d) The enterprise has received or will certainly receive economic benefits from the land plot transaction

Financial income

Financial income is recognized when simultaneously satisfying 2 conditions: 1. Ability to obtain economic benefits from that transaction; 2. Revenue is determined with reasonable certainty. Financial income includes: interest income.

Interest is recognized on an accrual basis, determined based on the balance of deposit accounts and actual interest rates for each period.

When an amount previously recorded as revenue cannot be recovered, the potentially unrecoverable or uncertain amount must be recorded as an expense incurred during the period, not as a reduction in revenue.

4.18. Cost of goods sold

Cost of goods sold reflects the cost value of investment properties; expenses related to investment property business activities and other expenses are recorded in cost of goods sold or reduced from cost during the reporting period. Cost of goods sold is recognized at the time the transaction occurs or when it is relatively certain to occur in the future regardless of whether payment has been made. Cost of goods sold and revenue are recognized simultaneously according to the matching principle. Expenses exceeding normal consumption levels are immediately recognized in cost according to the prudence principle.

4.19. Financial expenses

Financial expenses include: Expenses or losses related to financial investment activities, borrowing costs, joint venture and associate investment costs; Provision for diminution in value of financial investments, other financial expenses.

Financial expenses are recorded in detail for each expense item when actually incurred during the period and are reliably determined when there is sufficient evidence of these expenses.

4.20. Current corporate income tax expense

Corporate income tax expense includes current corporate income tax.

Current income tax

Current income tax is the tax amount calculated based on taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting, non-deductible expenses as well as adjustments for non-taxable income and losses carried forward.

The Company's tax returns will be inspected by tax authorities. Due to the application of tax laws for different types of transactions and the interpretation, understanding and approval in different ways, the figures in the financial statements may differ from the figures of tax authorities.

4.21. Segment reporting

A business segment is a distinguishable component engaged in providing products or services and has different risks and economic benefits from other business segments.

A geographical segment is a distinguishable component engaged in providing products or services within a particular economic environment and has different risks and economic benefits from business segments in other economic environments.

4.22. Financial instruments

- Initial recognition

Financial assets

At initial recognition date, financial assets are recognized at cost plus transaction costs directly attributable to the acquisition of such financial assets.

The Company’s financial assets include cash, short-term deposits, trade receivables and other receivables.

Financial liabilities

At initial recognition date, financial liabilities are recognized at cost less transaction costs directly attributable to the issuance of such financial liabilities.

The Company’s financial liabilities include trade and other payables

- Subsequent measurement

Currently, there are no regulations on reassessment of financial instruments after initial recognition.

4.23. Related parties

Parties are considered related if one party has the ability to control or has significant influence over the other party in making financial and operational policy decisions. Parties are also considered related if they are under common control or common significant influence.

The following individuals/companies are considered related parties:

Individual/ Company	Location	Relationship
Primo Real Estate Investment JSC	Vietnam	Subsidiary
Bach Dang Hotel Complex Trading – Service JSC	Vietnam	Associate
Protech Real Estate JSC	Vietnam	Other related parties until 12/12/2023
FQ Vietnam JSC	Vietnam	Other related parties from 07/12/2023
Chairman, General Director		Key members
Mr. Vu Hoang Viet and Ms. Vu Hanh Quyen		Major shareholders
Mr. Nguyen Thanh Tam		Chairman’s brother



5. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET

5.1. Cash and cash equivalents

	30/09/2024 VND	01/10/2023 VND
Cash	1.281.278.888	545.328.741
Demand bank deposits	4.576.695.244	10.741.813.215
TỔNG CỘNG	5.857.974.132	11.287.141.956

5.2. Accounts receivable from customers

	30/09/2024 VND	01/10/2023 VND
Short-term		
Short-term receivables from related parties		
Mr. Nguyen Thanh Tam	-	2.099.133.250
Short-term receivables from other parties		
GAIA Investment Group JSC	9.616.234.047	9.616.234.047
My Canh Project Customers	4.767.502.200	9.174.243.181
An Phu Project Customers	-	4.982.416.250
Other receivables from customers	1.490.463.796	553.237.261
	15.874.200.043	24.326.130.739

5.3. Advances to suppliers

	30/09/2024 VND	01/10/2023 VND
Short-term		
Short-term advances to related parties		
Protech Real Estate JSC	44.304.177.397	61.973.282.851
Short-term advances to other parties		
Lasting Capital JSC (*)	24.566.171.325	54.401.171.325
Stellar Construction and Electromechanical JSC (**)	57.549.820.627	60.347.347.940
C-Media Limited Company (*)	25.451.558.252	32.736.187.797
Dien Ban Investment and Construction JSC	13.181.050.000	13.181.050.000
SCD Real Estate Group Joint Stock Company	2.635.201.622	4.619.200.894
World Building Real Estate Construction Investment JSC	-	4.116.818.712
Other suppliers	3.199.432.239	3.645.400.899
	170.887.411.462	235.020.460.418

(*) These advance payments are secured by shares listed on the stock exchange, and these shares are registered and confirmed to be blocked by the securities company.

(**) Including: advance payment to Stellar Construction and Electromechanical Joint Stock Company amounting to 10 billion according to the general construction contract No. 1511/2023/HĐ-TCXD/PR-ST dated November 15, 2023 and memorandum No. 01/2022/BB-GN/PR-ST dated September 26, 2022 for implementing the Primo Tower office building investment project at 320 2/9 Street, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City.

5.4. Other receivables

	30/09/2024 VND	01/10/2023 VND
Short-term	373.405.200.580	302.245.140.583
Receivables from Quang Nam Infrastructure Development Investment JSC (i)	34.505.005.328	34.505.005.328
Receivables from Hoang Tien Limited Company (ii)	27.045.474.799	27.045.474.799
Contract performance deposits (iii)	78.532.160.454	78.532.160.454
+ Dat Quang - Quang Nam Urban Development Investment JSC	7.433.160.454	7.433.160.454
+ Mr. Luu Thai Hai	38.827.000.000	38.827.000.000
+ Mr. Vu Dinh Cuong	27.272.000.000	27.272.000.000
+ Tan Cuong Thanh JSC	5.000.000.000	5.000.000.000
Advances to employees (iv)	233.097.559.999	162.157.500.002
Other receivables	225.000.000	5.000.000
Long-term	201.311.000.000	210.246.000.000
Other receivables from individuals (v)	201.311.000.000	210.246.000.000
	574.716.200.580	512.491.140.583

(i) This is the deposit and advance payment made by the Company to Quang Nam Infrastructure Development Investment Joint Stock Company to expedite the completion and development of the "An Phu New Urban Area" project in An Phu ward, Tam Ky city, Quang Nam province.

(ii) This is a cooperation contract for capital contribution to implement project construction investment and carry out promotional activities, marketing and distribution of products, finding third parties with demand to purchase products and ensuring all products are distributed. Profits are shared according to the capital contribution ratio.

(iii) These are deposits made to project developers of real estate projects to secure the right to distribute and provide exclusive brokerage services for these projects' products by the Company.

(iv) These are advance payments to employees for investment activities.

(v) These are investment trust funds for individuals to invest in mergers and acquisitions and business development cooperation in services - tourism. These amounts are secured by fixed assets owned by the business cooperation participating units.

Advances to employees, investment trust funds for individuals, and prepayments to suppliers are secured by 17,581,691 shares of the Company and 10,239,500 shares of other listed companies held by major shareholders of the Company based on share pledge agreements signed between the Company and these individual shareholders. These shares have been registered for secured transactions and are blocked at securities companies.

5.5. Provision for short-term doubtful receivables

	30/09/2024 VND	01/10/2023 VND
Receivables from customers		
GAIA Investment Group JSC	9.616.234.047	9.616.234.047
Advances to suppliers		
Dien Ban Investment and Construction JSC	5.000.000.000	5.000.000.000
Other receivables		
Tan Cuong Thanh JSC	5.000.000.000	5.000.000.000
	19.616.234.047	19.616.234.047

5.6. Bad debts

	30/09/2024 VND		01/10/2023 VND	
	Original value VND	Recoverable value (*) VND	Original value VND	Recoverable value (*) VND
GAIA Investment Group JSC	9.616.234.047	-	9.616.234.047	-
Dien Ban Investment and Construction JSC	5.000.000.000	-	5.000.000.000	-
Tan Cuong Thanh JSC	5.000.000.000	-	5.000.000.000	-
	19.616.234.047	-	19.616.234.047	-

5.7. Inventories

	30/09/2024		01/10/2023	
	Value VND	Reserve VND	Value VND	Reserve VND
Work in progress	24.457.914.591	-	21.711.182.523	-
Real estate inventories (*)	241.704.252.149	-	289.172.655.727	-
	266.162.166.740	-	310.883.838.250	-

(*) Real estate inventories are the value of land lots in projects that have received land use right transfers, detailed as follows:

	30/09/2024 VND	01/10/2023 VND
Real estate goods		
An Phu Residential Area Project (*)	199.660.943.284	234.725.491.582
Truong Thinh and My Canh Commercial Housing Project (*)	41.376.875.170	53.780.730.450
Dien Thang Trung Market Street Residential Area Project	370.052.382	370.052.382
Resettlement Area Project for projects in Dien Ngoc and Dien Duong wards - Phase 1	296.381.313	296.381.313
	241.704.252.149	289.172.655.727

(*) As of September 30, 2024, certain land use rights and associated assets at the Truong Thinh and My Canh Commercial Housing Project and An Phu Residential Project, An Phu Ward, Tam Ky City have been used as collateral for the Company's bank loans as presented in Note 5.18.

5.8. Long-term work in progress assets

	30/09/2024		01/10/2023	
	Value VND	Reserve VND	Value VND	Reserve VND
Construction in progress	51.561.298.908	-	51.269.299.940	-
Construction in progress costs for projects				
+ First Real Commercial Service and Tourism Complex Project in Tuy Hoa, Phu Yen (*)	50.897.889.227	-	50.879.454.148	-
+ Design consulting costs for First Real headquarters building	663.409.681	-	389.845.792	-
	51.561.298.908	-	51.269.299.940	-

(*) Mainly includes land use fees and other costs related to the development of First Real Commercial Service and Tourism Complex Project in Tuy Hoa, Phu Yen.

As of September 30, 2024, land use rights and assets attached to land at First Real Commercial Service and Tourism Complex Project in Tuy Hoa, Phu Yen have been used as collateral for the Company's bank loans as presented in Note 5.18.

5.9. Situation of increase and decrease in tangible fixed assets

Items	Means of transportation VND	Office equipment and furnitur VND	Others VND	Total VND
	Cost			
Opening balance	4.547.486.363	65.036.364	2.071.922.260	6.684.444.987
Other decreases	-	-	(2.071.922.260)	(2.071.922.260)
Closing balance	<u>4.547.486.363</u>	<u>65.036.364</u>	<u>-</u>	4.612.522.727
Accumulated depreciation				
Opening balance	2.546.650.464	65.036.364	2.071.922.260	-
Depreciation during the year	489.485.415	-	-	489.485.415
Other decreases	-	-	(2.071.922.260)	(2.071.922.260)
Closing balance	<u>3.036.135.879</u>	<u>65.036.364</u>	<u>-</u>	3.101.172.243
Net carrying amount				
Opening balance	2.000.835.899	-	-	2.000.835.899
Closing balance	<u>1.511.350.484</u>	<u>-</u>	<u>-</u>	1.511.350.484

Details of the investment value in this associate company are as follows:

	Investment value in Bach Dang Complex Company VND	
Investment value		
Opening balance	200.000.000.000	
Increase during the year	-	
Closing balance	200.000.000.000	
Accumulated profit portion when purchasing associates during the year		
Opening balance	-	
Share of profit from associates during the year	39.613.267	
Closing balance	39.613.267	
Remaining vale		
Opening balance	200.000.000.000	
Closing balance	200.039.613.267	

5.13. Short-term accounts payable to suppliers

Payables to related parties	30/09/2024		01/10/2023	
	Value VND	Repayable value VND	Value VND	Repayable value VND
Bach Dang Hotel Complex Trading – Service JSC	510.389.774	510.389.774	212.780.569	212.780.569
Payables to other parties				
Payables to subjects	790.404.848	790.404.848	940.835.193	940.835.193
	1.300.794.622	1.300.794.622	1.153.615.762	1.153.615.762

5.14. Short-term advance payments from customers

	30/09/2024 VND	01/10/2023 VND
Advance payment from customers related to An Phu Residential Area Project, An Phu Ward, Tam Ky City	112.248.749.803	140.926.943.944
	112.248.749.803	140.926.943.944

5.15. Taxes and amounts payable to the State

	01/10/2023 VND	Amount payable during the year VND	Amount paid/offset during the year VND	30/09/2024 VND
Receivables				
Value added taxes	2.621.310.366	39.826.297	97.832.056	2.563.304.607
Total	2.621.310.366	39.826.297	97.832.056	2.563.304.607
Payable				
Value Added Tax	11.538.651.405	4.678.460.163	8.642.444.607	7.574.666.961
Corporate Income Tax	41.392.259.459	7.580.591.177	6.253.825.892	42.719.024.744
Personal Income Tax	89.420.491	298.859.074	219.140.495	169.139.070
Other fees, charges and payables	3.261.276.388	14.692.189	14.692.189	3.261.276.388
	56.281.607.743	12.572.602.603	15.130.103.183	53.724.107.163

Value Added Tax

The company pays value-added tax according to the deduction method. The value-added tax rate for real estate goods and services business is 10%, and other sectors are 10%.

As of September 30, 2023, the Company has VND 31.8 billion in overdue tax payments. As of September 30, 2024, the Company has not received confirmation from the tax authority regarding the amount of overdue tax debt.

5.16. Short-term accrued expenses

	30/09/2024 VND	01/10/2023 VND
Interest expenses	16.903.695.090	730.880.731
Other expenses	50.000.000	484.000.000
	16.953.695.090	1.214.880.731

5.17. Short-term other payables

	30/09/2024 VND	01/10/2023 VND
Trade union funds	424.930.149	367.966.149
Social insurance, health insurance, unemployment insurance	215.155.046	100.381.000
Customers of An Phu Residential Area Project (i)	9.445.250.000	22.924.274.000
Customers of Dien Nam Bac Market Quarter Project in Dien Nam - Dien Ngoc New Urban Area (ii)	12.503.614.189	12.503.614.189
Other payables and obligations	2.367.517.002	394.910.815
Related party short-term payables	1.500.000.000	1.500.000.000
+ Protech Real Estate Joint Stock Company (iii)	1.500.000.000	1.500.000.000
	<u>26.456.466.386</u>	<u>37.791.146.153</u>

(i) These are deposits from customers through the Company to purchase subdivided land plots in the "An Phu Residential Area Project, An Phu Ward, Tam Ky City, Quang Nam Province" invested by Quang Nam Infrastructure Development Investment Joint Stock Company. This project was constructed according to the approved planning under Decision No. 3887/QD-UBND dated November 01, 2017 of the Quang Nam Provincial People's Committee regarding the approval of detailed construction planning (scale 1/500) for An Phu Residential Area, An Phu Ward, Tam Ky City.

(ii) These are deposits from customers to purchase subdivided land plots in the "Dien Nam Bac Market Quarter Project in Dien Nam - Dien Ngoc New Urban Area" invested by Dat Quang - Quang Nam Urban Development Investment Joint Stock Company. This project was constructed according to the approved planning under Decision No. 1912/QD-UBND dated May 29, 2017 of the Quang Nam Provincial People's Committee regarding the approval of adjusted detailed land use planning 1/500 for Dien Nam Bac Market Quarter in Dien Nam - Dien Ngoc New Urban Area.

(iii) This is a deposit to guarantee the brokerage responsibility and distribution of subdivided land plots in the An Phu Residential Area Project.

5.18. Loans and finance lease liabilities

	30/09/2024		01/10/2023	
	Value VND	Repayable value VND	Value VND	SRepayable value VND
Short-term loans	297.041.541.132	297.041.541.132	285.798.801.071	285.798.801.071
Bank loans (5.18.1)	95.048.762.999	95.048.762.999	87.699.296.749	87.699.296.749
Long-term bank loans due (5.18.2)	201.992.778.133	201.992.778.133	198.099.504.322	198.099.504.322
Long-term loans	80.153.563.737	80.153.563.737	127.787.908.778	127.787.908.778
Bank loans (5.18.2)	80.153.563.737	80.153.563.737	127.787.908.778	127.787.908.778
	<u>377.195.104.869</u>	<u>377.195.104.869</u>	<u>413.586.709.849</u>	<u>413.586.709.849</u>

5.18.1. Short-term bank loans

Bank	Closing balance VND	Loan purpose and loan term	Interest rates (%/year)	Security form
An Binh Commercial Joint Stock Bank	11.000.000.000	Working capital financing for business operations, loan term of 12 months according to each debt receipt from the date of loan disbursement.	11,90%	(1)
Bao Viet Commercial Joint Stock Bank	20.000.000.000	Supplementing working capital for business operations of the enterprise, loan term of 12 months according to each debt receipt from the date of loan disbursement.	9,80%	(2)
Kien Long Commercial Joint Stock Bank	9.100.000.000	Supplementing business capital, loan term of 12 months according to each debt receipt from the date of loan disbursement.	11.8%- 12.4%	(3)
Joint Stock Commercial Bank for Foreign Trade of Vietnam	15.999.413.897	Supplementing working capital for business operations of the enterprise, loan term of 12 months according to each debt receipt from the date of loan disbursement.	7%-8%	(4)
Vietnam Maritime Commercial Joint Stock Bank	12.999.349.102	Supplement working capital to serve business production activities, loan term of 6 months according to each debt receipt from the date of loan disbursement.	8,50%	(5)
Vietnam Export Import Commercial Joint Stock Bank – Hung Vuong Branch	4.000.000.000	Supplement working capital to serve business activities of the enterprise, loan term of 6-12 months according to each debt receipt from the date of loan disbursement.	12,50%	Unsecured
Vietnam Thuong Tin Commercial Joint Stock Bank – Da Nang Branch	7.000.000.000	Supplement working capital to serve business activities of the enterprise, loan term of 6-12 months according to each debt receipt from the date of loan disbursement.	7,80%	Unsecured
Vietnam Joint Stock Commercial Bank for Industry and Trade - Ngu Hanh Son Branch	14.950.000.000	Supplement working capital to serve business activities of the enterprise, loan term of 6-12 months according to each debt receipt from the date of loan disbursement.	10,50%	Unsecured
Total	95.048.762.999			

(1) Form of security: Land use rights for several land plots in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province; Residential land use rights and assets attached to land in My Canh Village, Bao Ninh Commune, Dong Hoi City, Quang Binh.

(2) Form of security: Land use rights for several land plots in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province.

(3) Form of security: Land use rights for several land plots in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province.

(4) Form of security: Land use rights for several land plots in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province and real estate on the land plots; house ownership rights and other assets attached to several land plots in the residential resettlement construction investment project in Dien Duong and Dien Ngoc wards (Phase I) in Dien Duong Ward, Dien Ban Town, Quang Nam Province.

(5) Form of security: Land use rights for several land plots in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province.

5.18.2. Long-term bank loans

Bank	Closing balance VND	Loan purpose and loan term	Interest rates (%/year)	Security form
Orient Commercial Joint Stock Bank	85.711.659.791	Transfer of 179 land plots in Blocks CL3, CL4A, CL4B, CL5, CL16, CL8, CL9 of the project at: An Phu Residential Area Housing Construction Investment Project, term 24 months.	12,50%	(1)
Bao Viet Commercial Joint Stock Bank	138.040.759.102	Borrowing to cover legal investment costs of the Land Use Rights Transfer Plan for 120 land plots/parcels in An Phu Residential Area Housing Construction Investment Project, term 24-60 months.	11,70%- 14,30%	(2)
Vietnam Joint Stock Commercial Bank for Industry and Trade	54.582.338.000	Payment for legal costs of the Land Use Rights Transfer Project in An Phu Residential Area Housing Construction Investment Project, term 24-36 months.	11,8%	(3)
Vietnam Maritime Commercial Joint Stock Bank	3.811.584.977	Supplementing working capital for business operations, extended until February 1, 2024.	11,20%	(4)
Total	282.146.341.870			

(1) Form of security: Real estate at land lot No. 352, map sheet No. 256A, address Ward 9, Tuy Hoa City, Phu Yen Province.

(2) Form of security: Residential land use rights and assets attached to land at An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province. Residential land use rights and assets attached to land at 320 2/9 Street, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City. Residential land use rights and assets attached to land at My Canh Village, Bao Ninh Commune, Dong Hoi City, Quang Binh.

(3) Form of security: Land use rights and assets attached to land (present and future) at several land plots on map sheet No. 28 in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province. Land use rights and assets attached to land (present and future) at several land plots on map sheet No. 35 in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province.

(4) Form of security: Land use rights and assets attached to land in An Phu Residential Area, An Phu Ward, Tam Ky City, Quang Nam Province.

5.19. Owner's equity

5.19.1. Statement of changes in owner's equity

	Share capital VND	Share premium VND	Undistributed earnings VND	Non-controlling interests VND	Total VND
Opening balance of previous year	446.150.150.000	67.328.240.000	208.757.471.830	100.223.938	722.336.085.768
Capital increase by issuing dividend shares	196.302.660.000	-	(196.302.660.000)	-	-
Profits	642.452.810.000	-	19.086.974.516	(319.639)	19.086.654.877
Closing balance of previous year	642.452.810.000	67.328.240.000	31.541.786.346	99.904.299	741.422.740.645
Opening balance of current year	642.452.810.000	67.328.240.000	31.541.786.346	99.904.299	741.422.740.645
Profits	-	-	611.224.854	(1.030.570)	610.194.284
Closing balance of current year	642.452.810.000	67.328.240.000	32.153.011.200	98.873.729	742.032.934.929

According to Resolution No. 01/2024/NQ-DHCCD-FIR dated March 20, 2024 of the 2024 Annual General Meeting of Shareholders, the Company will not distribute dividends and will not allocate funds from the 2023 after-tax profit.

5.19.2. Details of owner's capital contribution

Details of owner's capital contribution	Capital contribution ratio	30/09/2024 VND	Capital contribution ratio	01/10/2023 VND
Mr. Nguyen Anh Tuan	15,21%	97.743.260.000	15,21%	97.743.260.000
Mr. Vu Hoang Viet and Ms. Vu Hanh Quyen	6,49%	41.688.000.000	7,82%	50.224.650.000
Mr. Nguyen Hao Hiep	0,00%	-	6,71%	43.085.980.000
Other shareholders	78,30%	503.021.550.000	70,26%	451.398.920.000
	100,00%	642.452.810.000	100,00%	642.452.810.000

5.19.3. Changes in share capital during the year are as follows

	Current year VND	Previous year VND
Owner's contributed capital		
Initial contributed capital	642.452.810.000	446.150.150.000
Increase in contributed capital during the year	-	196.302.660.000
Decrease in contributed capital during the year	-	-
Ending contributed capital	642.452.810.000	642.452.810.000

5.19.4. Dividend

	Current year VND	Previous year VND
Dividends declared after the end of the fiscal year	-	-

5.19.5. Shares

	30/09/2024 Shares	01/10/2023 Shares
Number of shares registered for issuance	64.245.281	64.245.281
Number of shares sold to the public	64.245.281	64.245.281
Common shares	64.245.281	64.245.281
Number of outstanding shares	64.245.281	64.245.281
Common shares	64.245.281	64.245.281
Par value of outstanding shares: Vietnam Dong/share	10.000	10.000

6. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT

6.1. Revenue from sales of goods and services

6.1.1. Net revenue from sales and service provision

	Current year VND	Previous year VND
Real estate transfer revenue	121.608.926.233	149.915.414.311
Real estate brokerage revenue	250.146.328	17.543.186.361
Rental revenue	2.102.492.218	1.666.169.502
	123.961.564.779	169.124.770.174

6.1.2. Revenue from sales and service provision to related parties

	Current year VND	Previous year VND
Real estate transfer revenue	-	21.549.320.761
Real estate brokerage revenue	46.909.091	-
	46.909.091	21.549.320.761

6.2. Cost of goods sold

	Current year VND	Previous year VND
Cost of real estate transfer	47.468.403.578	68.372.310.818
Cost of rental revenue	684.473.967	812.145.438
	48.152.877.545	69.184.456.256

6.3. Financial income

	Current year VND	Previous year VND
Interest from loans and deposits	1.335.381	16.971.003.529
Interest from exchange rate differences	41.500.000	13.150.000
	42.835.381	16.984.153.529

6.4. Financial expenses

	Current year VND	Previous year VND
Interest expense	47.110.186.535	48.475.777.138
Provision/(reversal) for diminution in value of long-term investments	(324.000.000)	-
Other financial expenses	248.000.000	4.468.200.000
	<u>47.034.186.535</u>	<u>52.943.977.138</u>

6.5. Profit/(loss) in associates, joint ventures

	Current year VND	Previous year VND
Bach Dang Hotel Complex Trading – Service JSC (1) ("Bach Dang Complex Company")	39.613.267	-
	<u>39.613.267</u>	<u>-</u>

6.6. Selling expenses and general and administration expenses

6.6.1. Selling expenses

	Current year VND	Previous year VND
External service costs	4.865.111.173	8.898.429.057
Other cash expenses	-	3.055.555
	<u>4.865.111.173</u>	<u>8.901.484.612</u>

6.6.2. General and administration expenses

	Current year VND	Previous year VND
Staff/Personnel expenses	5.604.836.503	9.041.544.727
Depreciation expenses of fixed assets	489.485.416	864.583.425
Taxes, fees and charges	168.989.682	-
Provision for doubtful debts/Allowance for bad debts	-	-
Outside service expenses/Outsourced service costs	2.836.255.167	4.993.268.033
Other monetary expenses	6.200.747.181	4.588.580.310
	<u>15.300.313.949</u>	<u>19.487.976.495</u>

6.7. Other expenses

	Current year VND	Previous year VND
Interest expenses for land lot project in Dien Nam Bac	-	3.324.110.222
Penalties and fines	255.098.514	4.509.020.021
Other expenses	5.117.786	83.480.067
	<u>260.216.300</u>	<u>7.916.610.310</u>

6.8. Production and business costs by elements

	Current year VND	Previous year VND
Cost of real estate transfer	47.668.710.860	68.372.310.818
Labor costs	5.604.836.503	9.041.544.727
Depreciation expense of fixed assets	1.079.628.277	1.565.064.415
Outsourced service costs	7.804.329.045	21.681.859.967
Other cash expenses	6.200.747.181	4.591.635.865
	<u>68.358.251.866</u>	<u>105.252.415.792</u>

6.9. Corporate income tax

6.9.1. Current corporate income tax expense

	Current year VND	Previous year VND
a. Total accounting profit before tax	8.432.308.312	27.774.418.892
b. Adjustments to increase or decrease accounting profit to determine corporate income tax taxable income:	29.705.266.580	15.664.401.185
- Add-back adjustments (increase)	29.705.266.580	15.664.401.185
+ Non-deductible interest expenses	30.692.277.803	10.907.250.585
+ Non-deductible expenses	260.216.300	4.591.737.270
+ Other items	(1.247.227.524)	165.413.330
c. Taxable income for the current year (a+b)	38.137.574.892	43.438.820.077
+ Corporate income tax rate	20%	20%
d. Prior years' tax losses carried forward	(234.619.006)	-
e. Taxable income (c+d)	37.902.955.886	43.438.820.077
f. Current corporate income tax expense	7.580.591.177	8.687.764.015
g. Total current corporate income tax expense	<u>7.580.591.177</u>	<u>8.687.764.015</u>

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

The Company's tax returns are subject to tax authority inspection. Due to varying interpretations of tax laws and regulations, the tax amounts presented in the consolidated financial statements may be subject to change based on the final decision of the tax authorities.

6.9.2. Interest expenses exceeding the prescribed threshold

The Company has the right to carry forward excess interest expenses that were not deductible for Corporate Income Tax ("CIT") purposes in the current year ("non-deductible interest expenses") to subsequent years when determining the total deductible interest expenses for those years. The carry-forward period for such interest expenses is limited to a maximum of 5 consecutive years, beginning from the year following the year in which the non-deductible interest expenses were incurred. As of the fiscal year-end, the Company has accumulated non-deductible interest expenses available for future utilization as follows:

year of occurrence	Can be carried forward as tax deductible interest expenses until	Non-deductible interest expenses incurred for tax purposes	Non-deductible interest expenses carried forward to the following year as of 30/09/2024	Non-deductible interest expenses no longer carried forward to the following year as of 30/09/2024	Undeductible interest expenses not carried forward to the following year as of 30/09/2024
2023	2028	10.907.250.585	-	-	10.907.250.585
2024	2029	30.692.277.803	-	-	30.692.277.803
Total		41.599.528.388	-	-	41.599.528.388

VND

These are estimated non-deductible interest expenses for corporate income tax purposes based on the Company's tax declaration, which have not yet been finalized by the local tax authority as of the date of preparation of this consolidated financial statement.

6.10. Deferred corporate income tax expense

The Company has not recognized deferred tax assets for the aforementioned non-deductible interest expenses as it is not possible to determine whether these non-deductible interest expenses can be utilized within the remaining allowable period.

6.11. Earnings per share (EPS)

	Current year VND	Previous year VND
Net profits after corporate income tax	611.224.854	19.086.974.516
Adjustments to increase or decrease:	-	-
- Increases	-	-
- Decreases	-	-
Profit or loss attributable to ordinary shareholders	611.224.854	19.086.974.516
Weighted average number of ordinary shares in circulation	64.245.281	64.245.281
Basic earnings per share	10	297
Diluted earnings per share (*)	10	297

(*) There were no dilutive effects on ordinary shares as of September 30, 2024..

7. FINANCIAL INSTRUMENTS

The Company has financial assets such as loans, trade receivables, other receivables, cash, and short-term deposits that arise directly from the Company's operations. In addition, the Company issues convertible bonds (applicable in specific cases) to raise financial resources for investment activities. The Company's financial liabilities mainly include bonds, borrowings, trade payables, and other payables. The primary purpose of these financial liabilities is to raise financial resources to support the Company's operations.

The Company is exposed to market risk, credit risk, and liquidity risk.

Risk management is an integral part of the Company's overall business operations. The Company has established a control system to ensure a reasonable balance between the costs of risk occurrence and the costs of risk management. The Company has not implemented measures to hedge these risks due to the lack of a market for financial instruments.

The Board of Directors reviews and agrees on the application of management policies for the aforementioned risks as follows:

i. Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk includes four types of risks: interest rate risk, currency risk, commodity price risk, and other price risks, such as equity price risk.

The sensitivity analyses presented below relate to the Company's financial position as of September 30, 2024, and September 30, 2023.

These sensitivity analyses are prepared based on the value of net liabilities, assuming that

the proportion of fixed interest rate liabilities and floating interest rate liabilities remains unchanged.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's market risk arising from changes in interest rates primarily relates to cash, short-term deposits, bonds, and borrowings.

The Company does not perform sensitivity analyses for interest rates as the risk of changes in interest rates as of the financial reporting date is considered insignificant.

ii. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument or transaction will fail to meet its obligations, resulting in financial loss. The Company is exposed to credit risk from its operating activities (primarily from trade receivables) and from its financial activities, including bank deposits, foreign exchange transactions, and other financial instruments.

Trade Receivables

The Company regularly monitors its outstanding receivables. For major customers, the Company reviews the deterioration in credit quality of each customer at the reporting date. The Company seeks to maintain strict control over its outstanding receivables and assigns credit control staff to minimize credit risk. On this basis and given that the Company's trade receivables relate to a diverse customer base, there is no significant concentration of credit risk with any particular customer.

Bank Deposits

The Company primarily maintains its cash balances with well-known banks in Vietnam. The credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum credit risk exposure for items in the balance sheet at the end of the fiscal year is their carrying value as presented in Note 5.1. The Company considers the concentration of credit risk in respect of bank deposits to be low.

Loans

The Company provides loans to its subsidiaries. The Company considers the concentration of credit risk in respect of these loans to be low.

iii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches in the maturities of financial assets and financial liabilities.

The Company minimizes liquidity risk by maintaining sufficient cash and cash equivalents and banking facilities at levels that management believes are adequate to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	VND			
	Under 1 year	1-5 years	Over 5 years	Total
30 September 2024				
Borrowings and debts	297.041.541.132	80.153.563.737	-	377.195.104.869
Trade payables	1.300.794.622	-	-	1.300.794.622
Other payables	25.816.381.191	-	-	25.816.381.191
Accrued expenses	16.953.695.090	-	-	16.953.695.090
	<u>341.112.412.035</u>	<u>80.153.563.737</u>	<u>-</u>	<u>421.265.975.772</u>
30 September 2023				
Borrowings and debts	285.798.801.071	127.787.908.778	-	413.586.709.849
Trade payables	1.153.615.762	-	-	1.153.615.762
Other payables	37.322.799.004	-	-	37.322.799.004
Accrued expenses	1.214.880.731	-	-	1,214,880,731
	<u>325.490.096.568</u>	<u>127.787.908.778</u>	<u>-</u>	<u>453.278.005.346</u>

The Company believes that the concentration of risk with respect to debt repayment is low.

The Company has sufficient access to required sources of funding.

Collateral Assets

The Company has pledged its real estate inventory as collateral for its borrowings (Note 5.18).

iv. Fair value

Comparison of fair values and carrying amounts

	Fair value		Carrying amounts	
	01/10/2023	30/09/2024	01/10/2023	30/09/2024
	Value VND	Provision VND	Value VND	Provision VND
Financial assets				
- Trade receivables	14,709,896,692	-	24,326,130,739	(9,616,234,047)
- Other receivables	507,491,140,583	-	512,491,140,583	(5,000,000,000)
- Cash and cash equivalents	11,287,141,956	-	11,287,141,956	-
Total	533,488,179,231	(14,616,234,047)	548,104,413,278	(14,616,234,047)
Financial liabilities				
- Borrowings and debts	413,586,709,849	-	413,586,709,849	-
- Trade payables	1,153,615,762	-	1,153,615,762	-
- Other payables	37,322,799,004	-	37,322,799,004	-
- Accrued expenses	1,214,880,731	-	1,214,880,731	-
Total	453,278,005,346	-	453,278,005,346	-

8. OTHER DISCLOSURES**8.1. Contingent Liabilities and Commitments****8.1.1. Contingent Liabilities**

As of September 30, 2023, the Company has overdue tax payables amounting to VND 31.8 billion. The Company has submitted Official Letter No. 286/2023/CV-FIR dated October 31, 2023 to Hai Chau District Tax Department requesting an extension for tax payment but has not received any response. Therefore, these financial statements do not include any adjusting entries that might be necessary should the Tax Department express any different opinion. As of September 30, 2024, the Company has not received confirmation from the tax authorities regarding the amount of overdue tax payables.

8.1.2. Commitments*Operating Lease Commitments*

The Company is currently leasing office space under an operating lease agreement with Bach Dang Hotel Complex Trading – Service JSC. As of the end of the fiscal year, the future minimum lease payments under the operating lease agreement are presented as follows:

	30/09/2024 VND	01/10/2023 VND
Up to 1 year	16,998,456,994	16,998,456,994
Total	16,998,456,994	16,998,456,994

Operating Lease Income Commitments

The Company is currently leasing out office space under operating lease agreements. As of the end of the fiscal year, the future minimum lease payments receivable under the operating lease agreements are presented as follows:

	30/09/2024 VND	01/10/2023 VND
Up to 1 year	127,272,727	218,181,818
1 – 5 years	-	236,363,637
Total	127,272,727	454,545,455

8.2. Related Party Transactions and Balances

8.2.1. Transactions and Balances with Key Management Personnel and Their Related Parties

The Company did not generate any sales and service provision transactions with key management personnel and their related parties. During the period, the Company also did not incur any other transactions with key management personnel but had other transactions with individuals related to key management personnel.

As of the end of the fiscal year, the Company has outstanding balances with key management personnel and their related parties.

Compensation of key management personnel

Name	Position	Current year VND	Previous year VND
Mr. Nguyen Anh Tuan	Chairman	387.000.000	642.000.000
Mr. Ha Than Thuc Luan	Member of Board of Directors cum General Director	445.000.000	750.000.000
Mr. Nguyen The Trung	Member of Board of Directors cum Deputy General Director	445.000.000	766.000.000
Ms. Phan Thi Cam Thanh	Member of Board of Directors	35.000.000	750.000.000
Mr. Le Tuan	Member of Board of Directors	65.000.000	32.258.065
Mr. Than Ha Nhat Thong	Member of Board of Directors until March 17, 2023	-	27.741.935
Ms. Pham Thi Phuong	Head of internal audit	148.363.636	162.000.000
Total		1.525.363.636	3.130.000.000

8.2.2. Transactions and Balances with Other Related Parties

Transactions with Other Related Parties

Other related parties	Type of transactions	Current year VND	Last year VND
Bach Dang Hotel Complex Trading – Service JSC	Receiving management and office rental services	1.644.383.692	1.582.302.712
Protech Real Estate JSC	Refund of advance brokerage fees	16.000.000.000	14.000.000.000
	Advance payment for brokerage services	-	16.000.000.000
	Brokerage expenses	1.669.105.454	5.064.810.111
	Interest income from lending	-	17.028.493.170
Mr. Nguyen Thanh Tam	Brokerage fee refund	808.400.000	-
	Brokerage revenue	46.909.091	-
	Sales	-	16.305.429.365

Balances with Other Related Parties

Other related parties	Type of transactions	Current year VND	Last year VND
Bach Dang Hotel Complex Trading – Service JSC	Premises rental payables	(510.389.774)	(212.780.569)
Protech Real Estate JSC	Trade receivables	27.272.727	27.272.727
	Prepaid brokerage fees	44.304.177.397	61.973.282.851
	Brokerage deposits received	(1.500.000.000)	(1.500.000.000)
	Short-term unearned revenue	(888.840.000)	(888.840.000)
	Long-term unearned revenue	(7.362.558.000)	(8.251.398.000)
Mr. Nguyen Thanh Tam	Trade receivables	-	2.099.133.250
Mr. Vu Hoang Viet	Reservation deposits received	(3.468.750.000)	(3.468.750.000)

Terms and Conditions of Transactions with Related Parties:

The Company purchases and sells goods and services with related parties based on contractual agreements.

The Company's major shareholders have pledged their shares in the Company and shares in certain other companies as collateral for receivables as disclosed in Note 5.4.

Except for the balance of advances to suppliers that have been secured as disclosed in Note 5.3, the outstanding balances of receivables and payables as at September 30, 2024 are unsecured, non-interest bearing and will be settled in cash. For the financial year ended

September 30, 2024, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (September 30, 2023: nil). This assessment is undertaken each year through examining the financial position of the related parties and the market in which the related parties operate.

8.3. Segment Reporting of Assets, Revenue and Operating Results

The Board of Management has determined that the Company's products and services primarily consist of real estate business, concentrated in Quang Nam province. Therefore, the Company does not present segment reporting.

8.4. Events After the Balance Sheet Date

The Company plans to contribute capital to establish An Phu Capital Joint Stock Company. The capital contribution is pursuant to Resolution No. 06/2024/QĐ-HDQT-FIR dated October 29, 2024, of the Board of Directors approving the establishment of this company with a charter capital of VND 200 billion, in which the Company's capital contribution shall not be lower than the recorded book value of the contributed assets at the most recent date and not less than VND 50 billion.

According to Resolution No. 07/2024/NQ-HDQT-FIR dated October 29, 2024, of the Board of Directors, the Company signed a capital transfer agreement on October 29, 2024, with a value of VND 200 million to Mr. Mai Tien Cong.

Other than the above events, there have been no significant events occurring after the balance sheet date up to the date of this Report that would require adjustments or disclosures in the consolidated financial statements.

8.5. Going concern information:

The Company will continue to operate in the future.



NGUYEN XUAN TRUNG
Preparer cum Chief Accountant



HA THAN THUC LUAN
General Director
Da Nang City, 25 December 2024