

SU PAN 2 HYDROPOWER JOINT STOCK COMPANY

Audited financial statements
for the fiscal year ended 31 December 2024

CONTENTS

CONTENTS	Pages
REPORTS OF THE BOARD OF DIRECTORS	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
AUDITED FINANCIAL STATEMENTS	
Separate Balance Sheet	6 - 7
Separate Income Statement	8
Separate Cash Flows Statement	9
Separate Notes to the Financial Statement	10 - 31



REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Su Pan 2 Hydropower Joint Stock Company ("the Company") is pleased to present its report and the audited Financial Statements of the Company for the fiscal year ended 31 December 2024.

CORPORATE INFORMATION

Su Pan 2 Hydropower Joint Stock Company (formerly Song Da - Hoang Lien Hydropower Joint Stock Company), has been established according to the firstly Business Registration Certificate of a joint stock company No. 1203000045 issued by Lao Cai Department of Planning and Investment dated 09 March 2006. During the operation, the changes business activities, the Company's name, the chartered capital, the legal representative of the Company; the Company's address were also approved by Lao Cai Department of Planning and Investment in the Amended Registration Certificates from the first to the 21st amended dated 25 March 2024. The business registration certificate number of the joint stock company was changed to business registration number No. 5300226455 in the 7th amended of the business registration certificate on 25 November 2011.

Authorized Capital of the Company under the 21st Amended Enterprise Registration Certificate No.5300226455 dated 25 March 2024 is VND 207,460,000,000 (*In word: Two hundred and seven billion and four hundred and sixty million dong*).

The Company's shares have been transacted on Unlisted Public Company Market (UPCOM) with stock symbol of SP2.

The Company's head office is located at Hoang Lien village, Ban Ho commune, Sa Pa town, Lao Cai province.

THE BOARD OF DIRECTORS AND MANAGEMENT

The members of the Board of Directors and Management during the fiscal year and at the date of this report include:

Board of Director

Mr. Tran Duc Thanh	Chairman (<i>Resigned from 15 March 2024</i>)
Mr. Nguyen Xuan Hong	Chairman (<i>Appointed from 15 March 2024</i>)
Mr. Nguyen Quang Luan	Member
Mr. Nguyen Phong Danh	Member
Mr. Mai Dinh Nhat	Member
Mr. Nguyen Xuan Hong	Member (<i>Resigned from 15 March 2024</i>)
Mr. Tran Duc Thanh	Member (<i>Appointed from 15 March 2024</i>)

Board of Management

Mr. Nguyen Quang Luan	General Director
Mr. Bui Quang Chung	Vice General Director
Mr. Bui Que Lam	Vice General Director

Board of Supervisors

Mr. Ngo Quang Tien	Head of Supervisory board
Mr. Pham Van Tuyen	Member
Ms. Ha Thi Hai Yen	Member

EVENTS SINCE THE BALANCE SHEET DATE

As at the date of this report, in all material respect, the Board of Management confirmed there have been no significant events that require adjustments or disclosures in the audited financial statements of the Company at the fiscal year ended at 31 December 2024.

REPORT OF THE BOARD OF DIRECTORS (Continued)

AUDITORS

CPA VIETNAM Auditing Company Limited - Northern Branch has audited the Su Pan 2 Hydropower Joint Stock Company's Financial Statements for the year ended at 31 December 2024.

THE MANAGEMENT BOARD'S RESPONSIBILITY

The Management Board is responsible for preparing the Financial Statements for the year ended at 31 December 2024, which give a true and fair view of the Company's financial position as at 31 December 2024 and of its results and cash flows for the fiscal year then ended, in according with Vietnamese Accounting Standards, Corporate Accounting System of Vietnam and the prevailing regulations relevant to prepared and present financial statements. In preparing those Financial Statements, the Management Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed (if any) and explained in the financial statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;
- Design, implement and maintain an effective internal control system for the purpose of preparing and presenting the Financial Statements to minimize errors and frauds.

The Management Board is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accompanying Financial Statements comply with Vietnamese Accounting Standards, Corporate Accounting System of Vietnam and the prevailing regulations. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Management Board confirms that the Company has complied with the above requirements in preparing the Financial Statements.

On behalf of the Board of Management,

General Director



Nguyễn Quang Luan

Sa Pa, 18 March 2025

No: 05 /2025/BCKT - CPAMB1

INDEPENDENT AUDITOR'S REPORT

To: The shareholders
The Board of Directors and Management of
Su Pan 2 Hydropower Joint Stock Company

We have audited the accompanying Financial Statements of Su Pan 2 Hydropower Joint Stock Company prepared on 18 March 2025, as set out from page 06 to page 31 including: Balance sheet as at 31 December 2024, Income Statement, Cash Flow Statement and Notes to the Financial Statements for the fiscal year then ended.

Responsibilities of the Management Board

The Management Board are responsible for the preparation and fair presentation of the Company's Financial Statements in accordance with Vietnamese accounting standards, Vietnamese Corporate accounting system and other prevailing legal regulations, and for such internal control as the Directors determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or errors.

Responsibilities of auditors

Our responsibility is to express an opinion on these Financial Statements based on our audit. We have 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 Financial Statements. The procedures selected depend on the auditors' judgments, including the assessment of the risks of material misstatements on the Financial Statements, whether due to fraud or errors. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design 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 the Directors, as well as evaluating the overall presentation of the Financial Statements.

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

Unqualified audit opinion

In our opinion, in all material respect, the accompanying Financial Statements give a true and fair view of the financial position of Su Pan 2 Hydropower Joint Stock Company as at 31 December 2024, and of its financial performance and its cash flows for the fiscal year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations on preparation and presentation of the Financial Statements.

Emphasis matters

Not to negate the above audit opinion, we also want to recommend the readers: the Company's current liabilities exceeds its current assets by VND 376,236,831,978. The Company's accumulated loss as at 01 January 2024 is VND 140,819,880,425 and as at 31 December 2024 is VND 86,851,854,604. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Other matters

Comparative figures are figures on the Company's Financial Statements for the fiscal year ended 31 December 2023, which have been audited by another auditing firm. The reports have issued an qualified audit opinion on the recoverability of the receivables from loan to Son Lac Vien Company Limited due to the lack of collateral asset, with the balance as at 31 December 2023 was VND 45,670,000,000. However, this loan has been fully recovered in the fiscal year ended 31 December 2024 by the Company.



Nguyen Thi Hong Lien

Director

Certificate for Audit application registration: 0445-2023-137-1

On behalf and representative for

CPA VIETNAM AUDITING COMPANY LIMITED - NORTHERN BRANCH

Hanoi, 18 March 2025

Nguyen Quynh Trang

Auditor

Certificate for Audit application registration: 1469-2023-137-1



BALANCE SHEET

As at 31 December 2024

Currency: VND

ASSETS	CODE	NOTES	31 December 2024	01 January 2024
A. CURRENT ASSETS	100		97,594,643,215	101,386,624,046
I. Cash and cash equivalents	110	5.1	80,421,849,987	15,010,015,508
1. Cash	111		23,248,340,290	4,710,015,508
2. Cash equivalents	112		57,173,509,697	10,300,000,000
II. Current financial investments	120		-	-
III. Current receivables	130		16,879,921,965	86,121,465,337
1. Current trade receivables	131	5.2	15,077,037,202	31,554,702,494
2. Current advance to suppliers	132	5.3	94,104,458	2,987,583,313
3. Current receivables from loan	135	5.4	-	45,670,000,000
4. Other current receivables	136	5.6	1,708,780,305	5,909,179,530
5. Provision for current doubtful bad debts (*)	137		-	-
IV. Inventories	140	5.7	126,486,000	85,272,000
1. Inventories	141		126,486,000	85,272,000
2. Provision for obsolete inventory (*)	149		-	-
V. Other current assets	150		166,385,263	169,871,201
1. Current prepaid expenses	151	5.8	166,385,263	169,871,201
2. Deductible value added tax	152		-	-
3. Taxes and other receivables from the State	153		-	-
B. NON - CURRENT ASSETS	200		507,547,918,130	555,552,349,070
I. Non - current receivables	210		-	-
II. Fixed assets	220		493,238,594,625	545,685,979,333
1. Tangible fixed assets	221	5.9	493,238,594,625	545,685,979,333
- Historical cost	222		1,159,781,964,907	1,158,562,356,859
- Accumulated depreciation (*)	223		(666,543,370,282)	(612,876,377,526)
2. Financial leases fixed assets	224		-	-
3. Intangible fixed assets	227		-	-
- Historical cost	228		-	-
- Accumulated depreciation (*)	229		-	-
III. Investment properties	230		-	-
- Historical cost	231		-	-
- Accumulated depreciation (*)	232		-	-
IV. Non - current assets in progress	240		-	-
V. Non - current financial investments	250	5.5	1,250,000,000	1,250,000,000
1. Investments in subsidiaries	251		-	-
2. Investments in associates, jointly controlled entities	252		4,000,000,000	4,000,000,000
3. Provision for diminution in value of non - current investments (*)	254		(2,750,000,000)	(2,750,000,000)
4. Held-to-maturity investment	255		-	-
VI. Other non - current assets	260		13,059,323,505	8,616,369,737
1. Non - current prepaid expenses	261	5.8	13,059,323,505	8,616,369,737
TOTAL ASSETS	270		605,142,561,345	656,938,973,116

BALANCE SHEET

As at 31 December 2024

(Continued)

Currency: VND

RESOURCES	CODE	NOTES	31 December 2024	01 January 2024
A. LIABILITIES	300		486,497,965,639	592,262,403,267
I. Current liabilities	310		473,831,475,157	389,394,854,371
1. Current trade payables	311	5.10	2,375,938,276	4,721,120,339
2. Current prepayments from customers	312		-	-
3. Taxes and other payables to the State	313	5.11	3,204,799,506	3,285,411,942
4. Payables to employees	314		1,919,417,510	2,307,540,491
5. Current accrual expenses	315	5.12	256,171,823,778	295,997,680,004
6. Current inter - company payables	316		-	-
7. Payables according to the progress of construction contracts	317		-	-
8. Current unrealized revenue	318	5.13.1	1,902,748,414	1,902,748,414
9. Other current payables	319	5.14	6,340,389,169	6,404,304,675
10. Current loans and finance lease liabilities	320	5.15	201,916,358,504	74,776,048,506
II. Non - current liabilities	330		12,666,490,482	202,867,548,896
1. Non - current trade payables	331		-	-
2. Non - current prepayments from customers	332		-	-
3. Non - current accrual expenses	333		-	-
4. Inter - company payables on working capital	334		-	-
5. Non - current inter - company payables	335		-	-
6. Non - current unrealized revenue	336	5.13.2	11,416,490,482	13,319,238,896
7. Other non - current payables	337	5.14	1,250,000,000	1,250,000,000
8. Non - current loans and finance lease liabilities	338	5.15	-	188,298,310,000
B. OWNER'S EQUITY	400		118,644,595,706	64,676,569,849
I. Owner's equity	410	5.16	118,644,595,706	64,676,569,849
1. Contributed capital	411		207,460,000,000	207,460,000,000
- Ordinary shares with voting rights	411a		207,460,000,000	207,460,000,000
- Preference shares	411b		-	-
2. Share capital surplus	412		(450,529,676)	(450,529,676)
3. Treasury stocks (*)	415		(1,513,020,050)	(1,513,020,050)
4. Undistributed post-tax profits	421		(86,851,854,568)	(140,819,880,425)
- Undistributed post-tax profits accumulated by the end of the previous period	421a		(140,819,880,425)	(164,792,052,136)
- Undistributed post-tax profits of current period	421b		53,968,025,857	23,972,171,711
II. Other funds	430		-	-
TOTAL LIABILITIES AND OWNERS' EQUITY	440		605,142,561,345	656,938,973,116

Prepared

Chief Accountant

Sa Pa, 18 March 2025

General Manager

NGUYEN THO HOANG

NGUYEN THO HOANG

NGUYEN QUANG LUAN

INCOME STATEMENT

For the fiscal year ended 31 December 2024

Currency: VND

ITEMS	CODE	NOTES	2024	2023
1. Revenue from sale of goods and rendering of services	01	6.1	178,427,247,654	151,133,481,582
2. Revenue deductions	02		-	-
3. Net revenue from sale of goods and rendering of services	10		178,427,247,654	151,133,481,582
4. Costs of goods sold	11	6.2	93,068,301,132	90,316,836,601
5. Gross profit/(loss) from sale of goods and rendering of services	20		85,358,946,522	60,816,644,981
6. Finance income	21	6.3	2,244,889,641	5,110,339,720
7. Finance expenses	22	6.4	24,694,679,237	34,066,902,817
- In which: Interest expense	23		24,694,679,237	33,999,864,791
8. Selling expenses	25		-	-
9. General and administrative expenses	26	6.5	5,868,266,642	5,461,746,089
10. Net profit/(loss) from operating activities	30		57,040,890,284	26,398,335,795
11. Other income	31	6.6	305,503,400	-
12. Other expenses	32	6.6	66,172,173	200,625,000
13. Other profit/(loss)	40		239,331,227	(200,625,000)
14. Profit /(loss) before tax	50		57,280,221,511	26,197,710,795
15. Current corporate income tax expense	51	6.8	3,312,195,654	2,225,539,084
16. Deferred corporate income tax expense	52		-	-
17. Net profit /(loss) after tax	60		53,968,025,857	23,972,171,711
18. Earnings per share	70	6.9	2,601	1,162
19. Diluted earnings per share	71		2,601	1,162

Prepared

Chief Accountant

Sa Pa, 18 March 2025

General Manager



NGUYEN THO HOANG



NGUYEN THO HOANG



NGUYEN QUANG LUAN

CASH FLOW STATEMENT

Indirect method

For the fiscal year ended 31 December 2024

Currency: VND

ITEMS	CODE	2024	2023
I. CASH FLOW FROM OPERATING ACTIVITIES			
1. Net profit/(loss) before tax	01	57,280,221,511	26,197,710,795
2. Adjustment for:			
- Depreciation	02	54,680,677,974	54,545,223,138
- Unrealized foreign exchange (gains)/losses	05	(2,550,393,041)	(5,110,339,720)
- Interest expense	06	24,694,679,237	33,999,864,791
3. Operating profit/(loss) before changes in working capital	08	134,105,185,681	109,632,459,004
- Increase/(decrease) in receivables	09	34,537,125,169	(8,368,736,305)
- Increase/(decrease) in inventories	10	(41,214,000)	(38,769,500)
- Increase/(decrease) in payables (Other than interest, corporate income tax payable)	11	(17,074,404,185)	(2,122,783,579)
- Increase/(decrease) in prepaid expenses	12	(4,439,467,830)	3,449,153,383
- Interest paid	14	(63,031,999,998)	(64,748,673,702)
- Corporate income tax paid	15	(3,406,908,334)	(2,150,025,061)
Net cash inflows (outflows) from operating activities	20	80,648,316,503	35,652,624,240
II. CASH FLOW FROM INVESTING ACTIVITIES			
1. Purchase and construction of fixed assets and other long - term assets	21	(2,765,062,593)	(32,000,000)
2. Proceeds from sale, disposals of fixed assets and other long - term assets	22	837,272,727	-
3. Lending, buying debt instruments of other entities	23	(27,200,000,000)	(135,100,000,000)
4. Loan recovery, resale of debt instruments of other entities	24	72,870,000,000	103,090,000,000
5. Acquisition of investments in other entities	25	-	-
6. Interest and dividends received	27	2,179,307,844	720,036,721
Net cash inflows (outflows) from investing activities	30	45,921,517,978	(31,321,963,279)
III. CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Borrowing received	33	-	-
2. Borrowing repayment	34	(61,158,000,002)	(49,424,595,288)
Net cash inflows (outflows) from financial activities	40	(61,158,000,002)	(49,424,595,288)
NET CASH INFLOWS (OUTFLOWS)	50	65,411,834,479	(45,093,934,327)
Cash and cash equivalents at the beginning of the year	60	15,010,015,508	60,103,949,835
Effect of foreign exchange on cash and cash equivalents	61	-	-
Cash and cash equivalents at the end of the year	70	80,421,849,987	15,010,015,508

Prepared

Chief Accountant

NGUYEN THO HOANG

NGUYEN THO HOANG



Sa Pa, 18 March 2025

General Manager

NGUYEN QUANG LUAN

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

1. CORPORATE INFORMATION**1.1 Formal equity**

Su Pan 2 Hydropower Joint Stock Company (formerly Song Da - Hoang Lien Hydropower Joint Stock Company), has been established according to the firstly Business Registration Certificate of a joint stock company No. 1203000045 issued by Lao Cai Department of Planning and Investment dated 09 March 2006. During the operation, the changes business activities, the Company's name, the chartered capital, the legal representative of the Company; the Company's address were also approved by Lao Cai Department of Planning and Investment in the Amended Registration Certificates from the first to the 21st amended dated 25 March 2024. The business registration certificate number of the joint stock company was changed to business registration number No. 5300226455 in the 7th amended of the business registration certificate on 25 November 2011.

Authorized Capital of the Company under the 21st Amended Enterprise Registration Certificate No.5300226455 dated 25 March 2024 is VND 207,460,000,000 (*In word: Two hundred and seven billion and four hundred and sixty million dong*).

The Company's shares have been transacted on Unlisted Public Company Market (UPCOM) with stock symbol of SP2.

The Company's head office is located at Hoang Lien village, Ban Ho commune, Sa Pa town, Lao Cai province.

The number of Company's employees as at 31 December 2024 was 34 people, of which manager was 03. (The number of Company's employees as at 31 December 2023 was 38 people).

1.2 Principal business and activities

The Company's main activities is to provide commercial electricity.

The principal activities of the Company are:

- *Electricity production, transmission and distribution (Details: Electricity distribution);*
- *Electrical system installation;*
- *Installation of other construction systems (Details: Installation of industrial equipment systems in the construction and civil construction industry such as: Elevators, automatic stairs; Automatic doors; Lighting systems; Vacuum systems; Sound systems; Entertainment equipment systems);...*

The Company's main activity during the year was provide commercial electricity.

1.3 Normal business cycle:

The Company's normal production and business cycle is carried out for a time period of 12 months.

1.4 Declaration on comparative information in the Financial Statements

The Company consistently applies accounting policies according to the Corporate Accounting System issued together with Circular No. 200/2014/TT/BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular No. 200/2014/TT - BTC dated 22 December 2014 issued by the Ministry of Finance, therefore, information and data are presented in the Financial Statements is comparable.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

2. ACCOUNTING CURRENCY AND ACCOUNTING PERIOD**2.1 Accounting period**

The Company's fiscal year starts on 01 January and ends on 31 December of the calendar years.

2.2 Accounting currency

The Company maintains its accounting records in Vietnam dong (VND).

3. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM APPLIED**3.1 Accounting system applied**

The Financial Statements of the Company, which are prepared in accordance with Vietnamese Corporate Accounting System approved by the Ministry of Finance in Circular No. 200/2014/TT - BTC dated at 22 December 2014 and Circular 53/2016/TT - BTC dated 21 March 2016 amending and supplementing some articles of Circular No. 200/2014/TT - BTC.

3.2 Declaration of compliance with Accounting Standards and Accounting System

The Company's Management board ensures full compliance with Vietnamese Accounting Standards and the current Vietnamese Corporate Accounting System that has been promulgated and is in effect in connection with the preparation and presentation of these Financial Statement.

4. ACCOUNTING POLICIES APPLIED

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

Basis for preparing financial statements

The accompanying Financial Statements are presented in Vietnam Dong (VND), prepared on the principle of cost and in accordance with Vietnamese Accounting Standards, prevailing Vietnamese corporate accounting systems and legal regulation related to preparation and presentation of financial statements. Financial Statements are not intended to present the financial position, operation results and cash flows in accordance with accounting principle and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting estimates

To comply with Accounting Standards, Accounting System and prevailing regulations in Vietnam, the Management Board have been required to have the estimates and assumptions influence on liability, assets, contingent liability and assets as at the date of the financial statements as well as revenue and expenditure in the fiscal year. Actual business results could differ from those estimates and assumptions.

Accounting principle of Cash and cash equivalents

Cash is include of cash on hand and cash at banks.

Cash equivalent comprise current investments with maturity of less than three months can be transferred easily to cash without any risks in transferring since the date of purchase.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

4. ACCOUNTING POLICIES APPLIED (Continued)**Accounting principle of Financial investments*****Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits held to maturity to earn periodic interest.

Held to maturity investment are recognized on a trade basis and are initially measured at acquisition price plus directly attributable transaction cost. Post-acquisition interest income from held to maturity investments is recognized in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost subtract provision for doubtful debt.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Receivables from loans

Receivable from loans are measured at cost minus provision for doubtful debt.

Provision for doubtful debt relating to loan receivables is made in accordance with prevailing accounting regulation.

Investments in associates

Investments in associates and joint ventures in which the Company has significant influence are presented according to the cost method in the financial statements.

Profit distributions that the Company receives from the accumulated profits of its subsidiaries since the date the Company takes control are recorded in the Company's operating results in the period. Other distributions are considered returns of investments and are minus in the investment value.

Provision for loss of investments

Provision for devaluation of investments associates and investments in other entities is made when there is solid evidence showing a decline in the value of these investments at the balance sheet date. An increase or decrease in the provision account balance is recognized as a financial expense in the Income Statement.

Accounting principle of receivables

Receivables are amounts that can be collected from customers or other entities. Receivables are presented in the Separate Financial Statements at the carrying amounts less the estimated provision for doubtful debts.

The provision for doubtful debts are assessed and considered for receivables that are overdue and difficult to collect, or receivables that the debtors is unable to payment due to liquidation, bankruptcy or similar difficulties.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

4. ACCOUNTING POLICIES APPLIED (Continued)

Accounting principle of Inventories

Inventories are determined at cost, unless the cost is higher than net realizable value. Cost of inventories includes direct materials, direct labor and overheads, if any, that have been incurred in bringing the inventories to their present location and condition. Net realizable value is determined as the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Method of record inventories: Perpetual method.

Method of inventories evaluation: Weighted average

An inventories provision is made when there is reliable evidence of a decline in the net realizable value compared to the original cost of the inventory.

Accounting principle and depreciation of Tangible fixed assets

Tangible fixed assets is measured at historical cost less accumulated depreciation. The historical cost of tangible fixed asset comprises of its purchase price and any directly attributable costs to bring the tangible fixed asset into working condition for its intended use.

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

<i>Fixed assets</i>	<i>Years</i>
Buildings and structures	05 - 25 years
Machinery and equipment	05 - 18 years
Means of transport, transmission equipment	06 - 18 years
Office equipments	03 - 05 years

Accounting principle of prepaid expenses

Prepaid expenses include expenses actually incurred but related to the result of business activities of many financial periods. Prepaid expense include the following expenses:

Tools and supplies

Tools and instruments that have been put into used are amortized to expense on a straight - line basis over the amortization period from 12 to 84 months.

Others

Other prepaid costs include insurance, equipment inspection, fixed asset repaired expense, environmental license application fee, software, domain name, and digital signature costs. Asset repair costs are allocated to expenses over a period of 24 to 26 months; inspection costs are allocated over 36 to 60 months; environmental license application fee are allocated over 120 months, and the others are allocated over a period of 24 to 54 months.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

4. ACCOUNTING POLICIES APPLIED (Continued)**Accounting principle of payables**

Payables shall be recorded specifically to original term and remaining term as at reporting date, original currencies and each object.

Payables including trade payables, debt payables, intra-company payables and other payables are liabilities which can be measured reliably at the amount and time, and recognised not less than the obligation to pay, classified as follows:

- Trade payables: includes trade payables arising from the purchase of goods, services and assets between the Company and the seller who is an independent unit of the Company.
- Other payables include payables of non-commercial nature, unrelated to the purchase, sale and provision of goods and services.

Accounting principle of borrowing

Includes borrowings excluding borrowings in the form of an issue of bonds or preferred shares with a provision that obliges the issuer to redeem it at a specified time in the future.

Borrowing shall be recorded specifically to object and classified current and non - current by repayment period.

Expenses that are directly attributable to the borrowing are recognized as finance expense, except for cost incurred on a separate borrowing for investment, construction or production in progress, which are capitalized under Accounting Standard Borrowing expense.

Accounting principle of accrual expenses

Accrued expenses include expenses have been recorded into the operating cost, but not actually paid at the end of the fiscal year to ensure the consistency between revenues and expenses. By the time actually spent, any difference (if any) between record value and conduct value will be added or reduced. . Accrued expenses at the balance sheet date include interest expense payable, hydropower project settlement costs and other payables.

Accounting principle of unrealized revenue

Unrealized revenue include revenue received in advance such as: Amount of money paid by the customer in advance for one or more financial years for leasing assets.

On a periodic basis, unrealized revenue is calculated, recognized, and transferred into revenue for the corresponding period in line with the asset lease term.

Accounting principle of owner's equity

Owner's equity is recognized under actual contribution of the shareholders

Share premium is recognized according to the difference between the issue price and par value of shares when additionally issued. Direct expenses related to the additional issuance of shares and the re-issuance of treasury shares are recorded as a reduction in share premium.

Treasury shares are shares of the Company that have been issued and repurchased by the Company at the actual purchase price, including the repurchase price and costs directly related to the repurchase of shares, such as transaction and information costs. The receiving from reissuing or selling treasury shares after deducting costs directly related to the reissuance or selling treasury shares is included in the equity portion.

Profit after corporate income tax is distributed to shareholders in accordance with the Company's Charter as well as the provision of Law and has been approved by the General Meeting of shareholders.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

4. ACCOUNTING POLICIES APPLIED (Continued)**Accounting principle of Revenue and other revenue**

The Company's revenue includes revenue from the sale of commercial electricity and providing line rental.

Revenue from sales of goods

Sales revenue is recognized when all five (5) following conditions are satisfied:

- The company has transferred the significant risks and rewards associated with the ownership of the product or goods to the buyer;
- The company no longer retains control over the goods as the owner or has the ability to control the goods;
- The revenue can be measured reliably;
- It is likely to obtain economic benefits from the sales transaction.
- Determine the costs incurred for the transaction and the cost to complete the sales transaction.

Revenue from operating lease

Operating lease revenue is recognized on a straight-line basis over the lease term. Rentals received in advance for multiple periods are allocated to revenue in accordance with the lease term.

Revenue from interest and other income

Revenue is recognized when it is probable that the economic benefits associated with the activities will flow to the Company and it can be measured reliably.

Accounting principle of cost of goods sold

Cost of goods sold reflect the cost of goods sold and services provide during period. Cost of goods sold is recorded on the principle of matching with revenue.

Principle and method of recording finance expense

Finance expense reflects financial operating cost including expenses of lending.

Principle and method of recording corporate income tax expense

Corporate income tax expense (or corporate tax income): The sum of current tax expense and deferred tax expense (or current tax income and deferred taxable income) when determined the profit or loss for a period.

Current corporate income tax (CIT): is the payable corporate income tax amount calculated on the taxable income for the year and the current corporate income tax rate. Current income tax is calculated based on taxable income and the applicable tax rate for the tax period. The difference between the taxable income and the accounting profit is due to the adjustment of the differences between the accounting profit and the taxable income according to the current tax regulation.

According to the provisions of Clause 4, Article 20 of Circular No. 78/2014/TT - BTC dated 18 June 2014 of the Ministry of Finance, the Company is entitled to corporate income tax incentives as follows:

- + *Preferential tax rate of 10% for a period of 15 years for income of enterprises from implementing new investment projects in the fields of power plants;*
- + *Tax exemption period is 04 years and 50% reduction of tax payable in the next 09 years for income of enterprises from implementing new investment projects;*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

4. ACCOUNTING POLICIES APPLIED (Continued)**Principle and method of recording corporate income tax expense (Continued)**

In 2012, the Company recognized revenue from a project but has not yet incurred taxable income eligible for preferential tax treatment. For the fiscal year ended 31 December 2024, the Company is benefiting from a 50% reduction in the tax payable on income derived from the new investment project and the fiscal year 2024 is the 6th year of receiving the 50% tax reduction incentive.

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

Related parties

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or common significant influence.

In considering related party relationships, the nature of the relationship is emphasized more than the legal form.

Basic earnings per share

Basic earnings per share for ordinary shares is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other business segments. The Management board considers that the Company operates in business segments that are the sale of commercial electricity and in one geographical segment that is primarily Vietnam. Accordingly, the Company does not prepare segment reporting in accordance with this Standard.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET

5.1 Cash and cash equivalents

	31 December 2024	01 January 2024
	VND	VND
Cash on hand	459,908,506	44,680,279
Cash at bank	22,788,431,784	4,665,335,229
Cash equivalents (*)	57,173,509,697	10,300,000,000
Total	80,421,849,987	15,010,015,508

(*): Cash equivalents are 1-month term deposits at commercial banks, details as follows:

	31 December 2024
	VND
+ Term deposit contracts with a term of 01 month at Vietnam Bank for Agriculture and Rural Development - Tay Ho Branch (Interest rate 2.1%/year)	17,973,509,697
+ Term deposit contracts with a term of 01 month at Vietnam Bank for Agriculture and Rural Development - Lang Ha Branch (Interest rate 2.1%/year)	35,000,000,000
+ Term deposit contracts with a term of 01 month at Vietnam Joint Stock Commercial Bank for Investment and Development (Interest rate 1.6%/year)	4,200,000,000
Total	57,173,509,697

5.2 Current trade receivables

	31 December 2024	01 January 2024
	VND	VND
Electricity Power Trading Company (*)	15,077,037,202	31,554,702,494
Total	15,077,037,202	31,554,702,494

(*): The right to claim debt from electricity sales revenue of Su Pan 2 Hydropower Project is collateral asset for the Company's loan with Vietnam Joint Stock Commercial Bank for Investment and Development - Lao Cai Branch (Details at Note 5.15).

5.3 Current advance to suppliers

	31 December 2024	01 January 2024
	VND	VND
Tan An Phat Equipment Company Limited	16,524,000	-
Quang Ly Company Limited	-	2,722,632,242
Quang Khai Construction Company Limited	-	164,967,354
An Architecture Company Limited	51,000,000	-
International Auditing Company Limited	-	44,000,000
Asia Investment Consulting Joint Stock Company	25,000,000	-
Others	1,580,458	55,983,717
Total	94,104,458	2,987,583,313

5.4 Receivables from loan

	31 December 2024	01 January 2024
	VND	VND
Current	-	45,670,000,000
Son Lac Viet Company Limited (i)	-	45,670,000,000
Non - current	-	-
Total	-	45,670,000,000

(i): Receivable from Son Lac Vien Company Limited's loan accprding to Loan Agreement No. 2311/2022/HDVV/SP2-SLV dated 23 November 2022 with loan amount of VND 7,870,000,000 and extension appendices; Loan Agreement No. 0401/2023/HDVV/SP2-SLV dated 04 January 2023 with loan amount of VND 37,800,000,000 and attached appendices. The purpose of the loan is to serve the business activities of Son Lac Vien Company Limited. The loan is unsecured. The loan interest rate is from 7.7% to 8%/year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)

5.5 Financial investments

a. Investment in other entities

	Ratio	31 December 2024 (VND)				01 January 2024 (VND)			
		Equity held	Voting rights	Original cost	Fair value (i)	Provision	Original cost	Fair value	Provision
Investment in subsidiaries						-	-		-
Investments in associates				4,000,000,000		(2,750,000,000)	4,000,000,000		(2,750,000,000)
Song Da - Hoang Lien Construction JSC (ii)	40%		40%	4,000,000,000		(2,750,000,000)	4,000,000,000		(2,750,000,000)
Total				4,000,000,000		(2,750,000,000)	4,000,000,000		(2,750,000,000)

(i) The Company has not determined the fair value of the financial investments in subsidiaries and associates as at the balance sheet date because there is currently no comprehensive guidance on determination of fair value of these financial investments.

(ii) Song Da - Hoang Lien Construction Joint Stock Company has announced to temporarily suspend operations but has not completed the procedures for closing the enterprise tax code, so the Company has made provisions for the diminution in value of the above investment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)

5.6 Other receivables

	31 December 2024 (VND)	01 January 2024 (VND)
Current	1,708,780,305	5,909,179,530
- Current mortgages, collateral, deposits	-	-
- Accrued interest on term deposits	85,174,740	-
- Accrued interest on loan receivables	-	4,635,909,360
- Advance	962,468,605	1,191,172,950
- Others	661,136,960	82,097,220
+ Receivable from Viet Long Industrial Joint Stock Company	182,117,150	82,097,220
+ Receivable from Construction and Trading 299 JSC in Lao Cai	479,019,810	-
Non - current	-	-
- Non - current mortgages, collateral, deposits	-	-
Total	1,708,780,305	5,909,179,530
In which:		
Other receivables balance with related party (Details at Note 7.1)	7,000,000	5,001,000

5.7 Inventories

	31 December 2024 (VND)		01 January 2024 (VND)	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Raw materials	126,486,000	-	85,272,000	-
Total	126,486,000	-	85,272,000	-

5.8 Prepaid expenses

	31 December 2024 (VND)	01 January 2024 (VND)
Current	166,385,263	169,871,201
- Insurance expense	161,535,260	154,309,035
- Tools and supplies	4,850,003	15,562,166
- Others	-	-
Non - current	13,059,323,505	8,616,369,737
- Fixed asset repaired expense	5,908,434,772	6,814,086,173
- Tools and supplies	6,223,609,702	891,614,228
- Inspection expense	555,018,251	-
- Environmental license application fee	237,191,358	-
- Others	135,069,422	910,669,336
Total	13,225,708,768	8,786,240,938

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)**5.9 Tangible fixed assets**

	Building and structure	Machinery and equipment	Means of transportation	Office equipment	Other tangible fixed assets	Total
HISTORICAL COST						
As at 01 January 2024	569,227,727,436	477,403,685,712	111,375,764,711	555,179,000	-	1,158,562,356,859
Purchased	-	-	2,672,470,000	-	-	2,672,470,000
Transferred from construction in progress	92,592,593	-	-	-	-	92,592,593
Other increase	-	-	-	-	-	-
Transfer to investment properties	-	-	-	-	-	-
Disposal	-	-	(1,545,454,545)	-	-	(1,545,454,545)
Other decrease	-	-	-	-	-	-
As at 31 December 2024	569,320,320,029	477,403,685,712	112,502,780,166	555,179,000	-	1,159,781,964,907
ACCUMULATED DEPRECIATION						
As at 01 January 2024	274,088,057,347	274,740,584,063	63,537,666,944	510,069,172	-	612,876,377,526
Depreciation in year	22,860,451,370	25,483,213,339	6,311,903,452	25,109,813	-	54,680,677,974
Other increase	-	-	-	-	-	-
Transfer to investment properties	-	-	-	-	-	-
Disposal	-	-	(1,013,685,218)	-	-	(1,013,685,218)
Other decrease	-	-	-	-	-	-
As at 31 December 2024	296,948,508,717	300,223,797,402	68,835,885,178	535,178,985	-	666,543,370,282
NET BOOK VALUE						
As at 01 January 2024	295,139,670,089	202,663,101,649	47,838,097,767	45,109,828	-	545,685,979,333
As at 31 December 2024	272,371,811,312	177,179,888,310	43,666,894,988	20,000,015	-	493,238,594,625

In which: Historical cost of tangible fixed assets fully depreciated but still in use:

Historical cost of fixed assets temporarily unused:

Carrying value of fixed assets pledged as security for liabilities:

VND
1,523,879,329
VND
-
VND
516,076,459,401

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)

5.10 Current trade payables

	31 December 2024 (VND)		01 January 2024 (VND)	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
Song Da 12 Joint Stock Company	-	-	2,737,964,535	2,737,964,535
Hoa Thang Import Export Company Limited	228,842,125	228,842,125	228,842,125	228,842,125
C&P Financial Consulting Company Limited	392,200,000	392,200,000	392,200,000	392,200,000
Vinacomin - Investment, Trade and Service Joint Stock Company	230,228,281	230,228,281	243,567,606	243,567,606
Song Da 8.02 Branch	488,323,471	488,323,471	488,323,471	488,323,471
Power Investigation and Designing No. 1 Company Limited	236,332,814	236,332,814	236,332,814	236,332,814
Lao Cai Power Company - Branch of Northern Power Corporation	509,803,351	509,803,351	-	-
Others	290,208,234	290,208,234	393,889,788	393,889,788
Total	2,375,938,276	2,375,938,276	4,721,120,339	4,721,120,339

5.11 Taxes and other payables to the State

	Currency: VND		
	01 January 2024	Payable in the year	Paid in the year
Value added tax	611,067,726	12,843,385,848	(12,891,456,062)
Corporate income tax	1,225,539,084	3,312,195,654	(3,406,908,334)
Personal income tax	4,748,534	47,687,351	(45,058,581)
Natural resource consumption tax	555,993,010	15,118,311,813	(15,130,250,717)
Fee, charges and others	888,063,588	7,088,530,916	(7,017,050,324)
Total	3,285,411,942	38,410,111,582	(38,490,724,018)

5.12 Current accrued expenses

	31 December 2024 (VND)	01 January 2024 (VND)
Accrued payable for Hydropower project according to settlement	3,830,092,863	3,830,092,863
Interest expense payable (*)	252,253,628,915	292,052,985,141
Others	88,102,000	114,602,000
Total	256,171,823,778	295,997,680,004

(*): According to the amended credit contract No. 03/2012 dated 28 December 2012; the lender and the Company agreed to adjust the interest payment date as follows:

The Company shall pay the accrued unpaid interest: (i) On the interest payment date of the next interest period and the final date is 27 September 2025; (ii) On the prepayment date (on the prepaid amount); (iii) On the maturity date (including shortening the loan term in other ways and; (iv) Upon demand (after the maturity date).

The accrued interest between the banks and the Company does not have a specific agreement on the interest payment schedule, only ensuring the final payment date is 27 September 2025. Currently, the Company has agreed with the bank to control the cash inflows from the Company's business activities to ensure the principal and interest payment schedule to the banks in accordance with the signed agreements between the two parties.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)

5.13 Unrealized revenue

5.13.1 *Current unrealized revenue*

	31 December 2024 (VND)	01 January 2024 (VND)
Revenue received in advance from line rental activities	1,902,748,414	1,902,748,414
Total	1,902,748,414	1,902,748,414

5.13.2 *Non - current unrealized revenue*

	31 December 2024 (VND)	01 January 2024 (VND)
Revenue received in advance from line rental activities	11,416,490,482	13,319,238,896
Total	11,416,490,482	13,319,238,896

5.14 Other payables

	31 December 2024 (VND)		01 January 2024 (VND)	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
Current	6,340,389,169	6,340,389,169	6,404,304,675	6,404,304,675
Trade Union fees	289,657,737	289,657,737	250,557,737	250,557,737
Others	6,050,731,432	6,050,731,432	6,153,746,938	6,153,746,938
+ Payable to BIDV Insurance Corporation	5,500,000,000	5,500,000,000	5,500,000,000	5,500,000,000
+ Output VAT has not been invoiced	546,402,067	546,402,067	572,329,785	572,329,785
+ Others	4,329,365	4,329,365	81,417,153	81,417,153
Non - current	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000
Trust capital from employees for investment in Song Da - Hoang Lien Construction Joint Stock Company	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000
Total	7,590,389,169	7,590,389,169	7,654,304,675	7,654,304,675

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)**5.15 Loans and finance leases**

	31 December 2024 (VND)		During the year		01 January 2024 (VND)	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
Current loan	23,632,272,506	23,632,272,506	-	(2,000,000,000)	25,632,272,506	25,632,272,506
Song Da Corporation (i)	23,632,272,506	23,632,272,506	-	(2,000,000,000)	25,632,272,506	25,632,272,506
+ <i>Loan principle</i>	5,591,787,103	5,591,787,103	-	(2,000,000,000)	7,591,787,103	7,591,787,103
+ <i>Interest on principal</i>	18,040,485,403	18,040,485,403	-	-	18,040,485,403	18,040,485,403
Non-current loan due to date	178,284,085,998	178,284,085,998	188,298,310,000	(59,158,000,002)	49,143,776,000	49,143,776,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Lao Cai Branch	89,473,342,962	89,473,342,962	92,343,200,000	(29,022,906,038)	26,153,049,000	26,153,049,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch	88,810,743,036	88,810,743,036	95,955,110,000	(30,135,093,964)	22,990,727,000	22,990,727,000
Non-current loan	-	-	-	(188,298,310,000)	188,298,310,000	188,298,310,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Lao Cai Branch (ii)	-	-	-	(92,343,200,000)	92,343,200,000	92,343,200,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch (ii)	-	-	-	(95,955,110,000)	95,955,110,000	95,955,110,000
Total	201,916,358,504	201,916,358,504	188,298,310,000	(249,456,310,002)	263,074,358,506	263,074,358,506

(i) Loan with Song Da Corporation under Current Credit Contract No. 06/2011/HDTĐ/TDSD-SDHL dated 16 September 2011 with principal balance of VND 15 billion. The annual interest of this loan and the late interest arising from the trade payable are included in the principal of the loan by the Company, accumulated to 01 January 2019 was VND 18,040,485,403.

(ii) Non - current loan according to the financial contract between Vietnam Joint Stock Commercial Bank for Investment and Development - Lao Cai Branch and Vietnam Oil and Gas Finance Corporation (now as Vietnam Public Joint Stock Commercial Bank) and the amended and supplemented documents of Credit Contract No. 03/2012/HD dated 28 December 2012 and No. 01/2013/HD dated 17 May 2013. The maximum loan limit is VND 813,817,430,279; the loan term is 216 months from the first disbursement date (grace period is 48 months). The current loan interest rate is 10.1% per year. The mortgaged assets are all assets formed from the Su Pan 2 Hydropower Project and the Land Use Rights at the Su Pan 2 Hydropower Project of the Company (Detail at Note 5.9) and the right to claim the trade receivables from selling electricity of the Su Pan 2 Hydropower Project (Detail at Note 5.2).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)

5.16 Owner's equity

a. Increase and decrease in owner's equity

Currency: VND

	Contributed legal capital	Share premium	Treasury stocks	Undistributed earnings	Total
Beginning balance of previous year	207,460,000,000	(450,529,676)	(1,513,020,050)	(164,792,052,136)	40,704,398,138
Capital increase in the previous year	-	-	-	-	-
Profit/loss from previous year	-	-	-	23,972,171,711	23,972,171,711
Other increase	-	-	-	-	-
Capital decrease in the previous year	-	-	-	-	-
Dividend to shareholders	-	-	-	-	-
Other decrease	-	-	-	-	-
Ending balance of previous year/ Beginning balance of current year	207,460,000,000	(450,529,676)	(1,513,020,050)	(140,819,880,425)	64,676,569,849
Capital increase in this year	-	-	-	-	-
Profit/loss for this year	-	-	-	53,968,025,857	53,968,025,857
Other increase	-	-	-	-	-
Dividend to shareholders	-	-	-	-	-
Other decrease	-	-	-	-	-
Ending balance	207,460,000,000	(450,529,676)	(1,513,020,050)	(86,851,854,568)	118,644,595,706

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

5. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET (Continued)

5.16 Owner's equity (Continued)

b. Detail of owner's equity

	31 December 2024 (VND)	01 January 2024 (VND)
REE Energy Company Limited	59,568,000,000	59,568,000,000
An Xuan Energy Joint Stock Company	52,044,300,000	52,044,300,000
Vietnam Industrial Park Investment Joint Stock Company	33,885,500,000	33,885,500,000
Mr. Mai Dinh Nhat	21,114,500,000	21,114,500,000
Other shareholders	40,847,700,000	40,847,700,000
Total	207,460,000,000	207,460,000,000

c. Capital transactions with owners and distribution of dividends, profits:

	For the Financial Statement ended 31 December 2024 (VND)	For the Financial Statement ended 31 December 2023 (VND)
Contributed capital		
+ Beginning balance	207,460,000,000	207,460,000,000
+ Increase	-	-
+ Decrease	-	-
+ Ending balance	207,460,000,000	207,460,000,000

d. Shares

	31 December 2024 Shares	01 January 2024 Shares
Number of shares registered for issuance	20,746,000	20,746,000
Number of shares sold to the public	20,746,000	20,746,000
Common shares	20,746,000	20,746,000
Numer of shares re-bought Common shares	-	-
Number of shares outstanding Common shares	20,746,000	20,746,000
Par value of outstanding shares:	10,000 VND per share	

5.17 Off consolidated balance sheet items

Bad debt resolved

	31 December 2024 (VND)	01 January 2024 (VND)
Mr. Bui Khac Hoang	825,000,000	825,000,000
Nam Cun Project	14,654,688,095	14,654,688,095
Phu Duc Company Limited	875,036,951	875,036,951
Dai Phuc Construction Joint Stock	331,284,942	331,284,942
368 Trading and Construction JSC	47,464,154	47,464,154
Northern High Voltage Power Plant Factory	311,500,000	311,500,000
VFI Law Company Limited	270,500,000	270,500,000
Law Office (Song Da 7 lawsuit)	50,000,000	50,000,000
Vinabiz Law Firm Company Limited	15,000,000	15,000,000
Mr. Truong Quang Thinh	298,964,000	298,964,000
Total	17,679,438,142	17,679,438,142



NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

6. ADDITIONAL INFORMATION FOR ITEMS ON THE INCOME STATEMENT

6.1 Revenues from sales of goods and rendering of services

	2024 VND	2023 VND
Revenue from sales of commercial electricity	176,524,499,240	149,230,733,168
Revenue from providing line rental services	1,902,748,414	1,902,748,414
Other revenue	-	-
Total	178,427,247,654	151,133,481,582

6.2 Cost of goods sold and services rendered

	2024 VND	2023 VND
Cost of commercial electricity sold	92,489,500,796	89,633,363,066
Cost of providing line rental service	578,800,336	683,473,535
Others	-	-
Total	93,068,301,132	90,316,836,601

6.3 Finance income

	2024 VND	2023 VND
Bond, deposits and loan receivable interest	2,244,889,641	5,110,339,720
Unrealized gain from exchange rate	-	-
Realized gain from foreign exchange rate	-	-
Interest on sales on credit, payment discounts	-	-
Total	2,244,889,641	5,110,339,720

6.4 Finance expense

	2024 VND	2023 VND
Loan interest	24,694,679,237	33,999,864,791
Realized loss from foreign exchange rate	-	-
Provision for devaluation of investment	-	-
Others	-	67,038,026
Total	24,694,679,237	34,066,902,817

10197
NG T
NH
M TO
VIETNA
NHAN
EN BA
A N

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

6. ADDITIONAL INFORMATION FOR ITEMS ON THE INCOME STATEMENT (Continued)

6.5 Selling expenses and general and administrative expenses

	2024 VND	2023 VND
General and administrative expenses		
Employee expenses	3,542,242,316	3,585,739,784
Expenses of office equipments	9,880,334	8,881,437
Depreciation expenses of fixed assets	420,584,416	273,575,748
Made/(Reversal) provision for bad debt	-	-
Taxes and fee	27,438,187	10,960,030
Outsourcing services	1,228,998,696	1,035,293,162
Other cash expenses	639,122,693	547,295,928
Total	5,868,266,642	5,461,746,089

6.6 Other income and expense

	2024 VND	2023 VND
Other income	305,503,400	-
- Liquidation, sale of fixed assets and tools	305,503,400	-
- Adjustments of trade payables and receivables	-	-
- Others	-	-
Other expense	66,172,173	200,625,000
- Liquidation, sale of fixed assets and tools	-	-
- Tax collection and administrative fines	65,902,173	200,625,000
- Others	270,000	-
Other profit/loss (Net)	239,331,227	(200,625,000)

6.7 Production and operating cost

	2024 VND	2023 VND
Raw materials	72,426,834	279,222,937
Labor costs	8,978,871,864	9,028,000,328
Depreciation expenses of fixed assets	54,680,677,974	54,545,223,138
Outsourcing services	33,742,495,911	11,740,908,368
Other cash expenses	1,462,095,191	20,185,227,919
Total	98,936,567,774	95,778,582,690

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

6. ADDITIONAL INFORMATION FOR ITEMS ON THE INCOME STATEMENT (Continued)

6.8 Current corporate income tax (CIT)

	2024 VND	2023 VND
Net profit / (loss) before tax	57,280,221,511	26,197,710,795
Adjustments to increase/(decrease) profit/(loss) according to accounting	358,360,372	190,000,000
Invalid expense	358,360,372	190,000,000
Unrealized gain/loss from foreign exchange rate	-	-
Non-taxable income (because it was calculated in the previous year)	-	-
Adjusted profit/(loss) before tax has not deducted previous year's loss	57,638,581,883	26,387,710,795
Income subject to corporate income tax	57,638,581,883	26,387,710,795
Taxable income from preferential activities	54,770,138,149	20,347,520,501
Taxable income from non-preferential activities	2,868,443,734	6,040,815,294
Corporate income tax rate		
Preferential tax rate (sales of commercial electricity)	5%	5%
Tax rate of normal business activities	20%	20%
Adjustment of under/ (over) corporate income tax of the previous year	-	-
Current corporate income tax (CIT)	3,312,195,654	2,225,539,084
Current corporate income tax	3,312,195,654	2,225,539,084

6.9 Earnings per share

	2024 VND	2023 VND
Accounting profit after corporate income tax	53,968,025,857	23,972,171,711
Adjustments	-	-
Profits distributed to common share holders	53,968,025,857	23,972,171,711
Average outstanding common shares during the period (shares)	20,746,000	20,623,000
Earnings per share (VND/share)	2,601	1,162

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

7. OTHER INFORMATION

7.1 Related parties

List of related parties with significant transactions and balance in the year:

Related parties	Relationship
Song Da - Hoang Lien Construction Joint Stock Company	Associate
REE Energy Company Limited	Major sharehoder
An Xuan Energy Joint Stock Company	Major sharehoder
Vietnam Industrial Park Investment Joint Stock Company	Major sharehoder
Mr. Mai Dinh Nhat	Major sharehoder/Member of BOD
Members of the Board of Directors, Board of Directors, other managers and close individuals in the families of these members	Significant influence

a. Remuneration of the Board of Directors and Management

Remuneration paid to members of the Board of Directors and Management of the Company during the year, details are as follows:

	2024 VND	2023 VND
Salary and allowances	1,969,978,000	1,919,614,099
Total	1,969,978,000	1,919,614,099

Remuneration of the Board of Directors

Name	Position	2024 VND	2023 VND
Mr. Doan Hai Chien	Chairman (Resigned on 08 April 2023)	-	227,720,000
Mr. Tran Duc Thanh	Chairman (Resigned on 15 March 2024)	205,040,000	368,080,000
Mr. Nguyen Xuan Hong	Chairman (Appointed on 15 March 2024)	483,691,428	49,470,000
Mr. Nguyen Phong Danh	Member	48,000,000	48,000,000
Mr. Mai Dinh Nhat	Member	48,000,000	48,000,000
Total		784,731,428	741,270,000

Salaries of the Board of Management and other managers

Name	Position	2024 VND	2023 VND
Mr. Nguyen Quang Luan	General Director	129,360,000	211,040,000
Mr. Bui Quang Chung	Vice General Director	284,000,000	311,800,000
Mr. Bui Que Lam	Vice General Director	397,628,476	326,422,813
Ms. Bui Lan Huong	Chief Accountant (Resigned on 02 December 2024)	254,258,096	209,081,286
Total		1,065,246,572	1,058,344,099

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

7. OTHER INFORMATION (Continued)

7.1 Related parties (Continued)

Salaries of the Board of Supervisor

Name	Position	2024 VND	2023 VND
Mr. Nguyen Truong Tan Dat	Head of Supervisory Board (Resigned on 08 April 2023)	-	16,000,000
Mr. Ngo Quang Tien	Head of Supervisory Board (Appointed on 08 April 2023)	48,000,000	32,000,000
Mr. Pham Van Tuyen	Member	36,000,000	36,000,000
Ms. Bui Hai Yen	Member	36,000,000	36,000,000
Total		120,000,000	120,000,000

b. Transactions with related parties

Related parties	Relationship	Transaction	2024 VND	2023 VND
Advance				
Mr. Bui Quang Chung	Vice General Director	Advance	11,411,200	-
Mr. Bui Quang Chung	Vice General Director	Refund	9,412,200	-

c. Balances with related parties

Related parties	Relationship	31 December 2024 VND	01 January 2024 VND
Other receivables			
Mr. Bui Quang Chung	Vice General Director	7,000,000	5,001,000

7.2 Subsequent events since the balance sheet date

There were no extraordinary events occurring after the balance sheet date that affected the financial position and operations of the Company which required adjustment or disclosure in the consolidated for the fiscal year ended 31 December 2024.

7.3 Going concern assumption

As at 31 December 2024, the Company's current liabilities exceeds its current assets by VND 376,236,831,978. The Company's accumulated loss as at 01 January 2024 is VND 140,819,880,425 and as at 31 December 2024 is VND 86,851,854,604. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Board of Directors and the Board of Management find that the cash flows from operating activities in recent years have remained positive and the Company's business results in recent years have been profitable. Therefore, the Board of Directors and the Board of Management believe that the Company's financial statements for the fiscal year ended 31 December 2024 are prepared on the basis of the going concern assumption.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the fiscal year ended 31 December 2024

7. OTHER INFORMATION (Continued)

7.4 Comparative figures

Comparative information on the financial statements is the consolidated financial statements for the fiscal year ended 31 December 2023 which have been audited by International Auditing Company Limited.

Prepared

Chief Accountant

Sa Pa, 18 March 2025

General Manager



NGUYEN THO HOANG



NGUYEN THO HOANG



NGUYEN QUANG LUAN



