



AAC AUDITING AND ACCOUNTING CO., LTD
A member of PrimeGlobal

SONG DA 505
JOINT STOCK COMPANY
Separate financial statements
For the year ended 31/12/2024



SONG DA 505
JOINT STOCK COMPANY
Separate financial statements
For the year ended 31/12/2024

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REPORT OF MANAGEMENT

Management of Song Da 505 Joint Stock Company has pleasure in submitting this report together with the audited separate financial statements for the year ended 31/12/2024.

Overview

Song Da 505 Joint Stock Company ("the Company") was established on the basis of equitization of Song Da 505 Enterprise attached to Song Da 5 Company of Song Da Corporation, pursuant to Decision No. 980/QĐ-BXD dated 22/06/2004 issued by the Minister of Construction. The Company was granted Business Registration Certificate No. 3903000041 by the Department of Planning and Investment of Gia Lai Province on 09/08/2004. Since its establishment, the Business Registration Certificate (now the Enterprise Registration Certificate No. 5900320629) has been amended 12 times, most recently on 03/04/2024. The Company is an independent accounting entity, operating in conformity with the Enterprise Law, its Charter, and relevant regulations.

The Company registered to list its common shares on the Hanoi Stock Exchange under the ticker symbol S55. The first trading date was 22/12/2006.

Charter capital: VND100,000,000,000.

Paid-in capital as at 31/12/2024: VND100,000,000,000.

Head Office

- Address: Tang Village, IaO Commune, IaGrai District, Gia Lai Province
- Transaction office: Song Da Building - Pham Hung Street - Tu Liem District – Hanoi City
- Tel: (84) 059.3875243
- Fax: (84) 059.3897323
- Email: songda505@vnn.vn
- Website: www.songda505.com.vn

The Company has 5 subsidiaries and 1 associate, namely:

- Subsidiaries:
 - Bac Na Electricity Joint Stock Company
 - Ehula Joint Stock Company
 - S55 Construction Joint Stock Company
 - Ani SH One Member Company Limited
 - Son Hai Lai Chau Investment and Development Joint Stock Company
- Associate: Song Ong Hydropower Joint Stock Company

Principal activities: Construction and services

REPORT OF MANAGEMENT (cont'd)

Employees

As at 31/12/2024, the Company had 817 employees (as at 01/01/2024, the number of employees was 609).

Members of the Board of Directors, Supervisory Board, Management, and Chief Accountant during the year and up to the reporting date are as follows:

Board of Directors

- | | | |
|--------------------------|---------------|---------------------------|
| • Mr. Dang Quang Dat | Chairman | Appointed on 26/03/2024 |
| | Vice Chairman | Appointed on 01/04/2020 |
| | | Resigned on 26/03/2024 |
| • Mr. Dang Tat Thanh | Chairman | Appointed on 01/04/2020 |
| | | Resigned on 26/03/2024 |
| | Member | Appointed on 26/03/2024 |
| • Mr. Dang Van Tuyen | Member | Reappointed on 26/03/2020 |
| • Mr. Nguyen Dinh Phuong | Member | Reappointed on 26/03/2020 |
| • Ms. Nguyen Thuy Duong | Member | Appointed on 06/04/2023 |

Supervisory Board

- | | | |
|----------------------------|------------------|-------------------------|
| • Mr. Dang Thanh Nam | Chief Supervisor | Appointed on 26/03/2024 |
| • Ms. Trinh Thi My Hanh | Chief Supervisor | Appointed on 01/04/2020 |
| | | Resigned on 26/03/2024 |
| • Ms. Dinh Thi Trang Nhung | Supervisor | Appointed on 26/03/2020 |
| • Mr. Nguyen Duc My | Supervisor | Appointed on 26/03/2020 |

Management and Chief Accountant

- | | | |
|--------------------------|------------------|---------------------------|
| • Mr. Dang Tat Thanh | Director | Appointed on 26/03/2024 |
| • Mr. Dang Quang Dat | Director | Reappointed on 01/04/2020 |
| | | Resigned on 26/03/2024 |
| • Mr. Nguyen Dinh Phuong | Deputy Director | Reappointed on 01/04/2020 |
| • Mr. Le Van Khanh | Deputy Director | Appointed on 15/10/2020 |
| • Ms. Nguyen Thuy Duong | Chief Accountant | Appointed on 01/10/2021 |

Independent auditor

These financial statements have been audited by AAC Auditing and Accounting Co., Ltd. (Head office: Lot 78-80, 30 April Street, Hai Chau District, Da Nang City; Phone number: (84) 0236.3655886; Fax: (84) 0236.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

REPORT OF MANAGEMENT (cont'd)

Management's statement of responsibility in respect of the financial statements

The Company's Management is responsible for the preparation and fair presentation of these financial statements on the basis:

- Complying with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and other relevant regulations;
- Selecting suitable accounting policies and then applying them consist;
- Making judgments and estimates that are reasonable and prudent;
- Preparing the financial statements on the going concern;
- Responsibility for such internal control as the Management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Members of the Company's Management hereby confirm that the accompanying financial statements, including the balance sheet, the income statement, the statement of cash flows, and the notes thereto, give a true and fair view of the financial position of the Company as at 31/12/2024, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.

On behalf of the Management



Gia Lai Province, 17 March 2025



No. 288/2025/BCKT-AAC

INDEPENDENT AUDITORS' REPORT

To: The Shareholders, Board of Directors, and Management
Song Da 505 Joint Stock Company

We have audited the separate financial statements prepared on 17/03/2025 of Song Da 505 Joint Stock Company ("the Company") as set out on pages 6 to 35, which comprise the balance sheet as at 31/12/2024, the income statement and the statement of cash flows for the year then ended, and the notes thereto.

Management's Responsibility

The Company's Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of 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 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 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' judgment, including the assessment of the risks of material misstatement of the 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 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 Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31/12/2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.

Emphasis of Matter

We would like to draw your attention to the matter presented in Note 3 of the notes to the financial statements, the accompanying financial statements are the separate financial statements of the Company for the year 2024. These separate financial statements should be read in conjunction with the 2024 consolidated financial statements in order to obtain a comprehensive understanding of the consolidated financial position, consolidated results of operations, and consolidated cash flows of the Company.

Our audit opinion is not modified in respect of this matter.

AAC Auditing and Accounting Co., Ltd.



Tran Thi Phuong Lan – Deputy General Director

Audit Practicing Registration Certificate

No. 0396-2023-010-1

Da Nang City, 17 March 2025

Ho Quang Thao – Auditor

Audit Practicing Registration Certificate

No. 5168-2021-010-1

BALANCE SHEET
As at 31 December 2024

Form B 01 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
A. CURRENT ASSETS	100		199,866,901,723	492,760,653,882
I. Cash and cash equivalents	110	5	10,674,466,289	25,772,003,482
1. Cash	111		6,874,466,289	5,772,003,482
2. Cash equivalents	112		3,800,000,000	20,000,000,000
II. Short-term financial investments	120		73,415,280,000	76,197,253,600
1. Trading securities	121	6.a	193,296,552	193,296,552
2. Provision for decline in value of trading securities	122	6.a	(158,016,552)	(153,782,952)
3. Held-to-maturity investments	123	6.b	73,380,000,000	76,157,740,000
III. Short-term receivables	130		114,990,005,221	389,878,495,016
1. Short-term trade receivables	131	7	108,396,640,939	114,390,324,879
2. Short-term prepayments to suppliers	132	8	270,452,000	270,452,000
3. Short-term loan receivables	135	9.a	79,143,901,351	333,438,450,795
4. Other short-term receivables	136	10.a	37,025,581,963	45,198,367,831
5. Provision for doubtful short-term debts	137	11	(109,846,571,032)	(103,419,100,489)
IV. Inventories	140	12	769,492,137	769,492,137
1. Inventories	141		769,492,137	769,492,137
2. Provision for decline in value of inventories	149		-	-
V. Other current assets	150		17,658,076	143,409,647
1. Short-term prepaid expenses	151	13.a	3,916,672	95,742,418
2. Deductible value-added tax	152		13,704,112	47,629,937
3. Taxes and amounts receivable from the State	153	15	37,292	37,292
B. NON-CURRENT ASSETS	200		690,688,733,375	629,448,293,305
I. Long-term receivables	210		144,285,178,350	176,370,178,350
1. Long-term trade receivables	211		-	-
2. Long-term loan receivables	215	9.b	144,245,178,350	-
3. Other long-term receivables	216	10.b	40,000,000	176,370,178,350
II. Fixed assets	220		-	-
III. Investment properties	230		-	-
IV. Non-current assets in progress	240		-	-
V. Long-term financial investments	250		540,114,390,364	446,543,057,442
1. Investments in subsidiaries	251	6.c	484,270,635,000	384,575,360,000
2. Investments in associates, joint ventures	252	6.c	41,082,000,000	41,082,000,000
3. Equity investments in other entities	253	6.c	21,300,000,000	21,300,000,000
4. Provision for long-term financial investments	254	6.c	(6,538,244,636)	(414,302,558)
VI. Other non-current assets	260		6,289,164,661	6,535,057,513
1. Long-term prepaid expenses	261	13.b	6,289,164,661	6,535,057,513
2. Deferred income tax assets	262		-	-
TOTAL ASSETS	270		890,555,635,098	1,122,208,947,187

BALANCE SHEET (cont'd)
As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
C. LIABILITIES	300		171,534,798,963	451,073,067,751
I. Current liabilities	310		83,833,553,277	338,371,822,065
1. Short-term trade payables	311	14	2,388,065,133	2,823,141,761
2. Taxes and amounts payable to the State	313	15	161,247,097	2,552,857,372
3. Payables to employees	314		69,108,747	170,942,733
4. Short-term accrued expenses	315	16	3,527,326,408	20,423,658,415
5. Short-term unearned revenue	318		178,473,129	169,974,409
6. Other short-term payables	319	17	7,011,520,587	2,141,657,696
7. Short-term loans and finance lease liabilities	320	18.a	68,547,218,388	307,796,015,266
8. Provision for short-term payables	321		937,608,500	1,280,589,125
9. Reward and welfare fund	322		1,012,985,288	1,012,985,288
II. Non-current liabilities	330		87,701,245,686	112,701,245,686
1. Other long-term payables	337		367,912,350	367,912,350
2. Long-term loans and finance lease liabilities	338	18.b	87,333,333,336	112,333,333,336
D. EQUITY	400		719,020,836,135	671,135,879,436
I. Owners' equity	410		719,020,836,135	671,135,879,436
1. Share capital	411	19	100,000,000,000	100,000,000,000
- Common shares with voting rights	411a		100,000,000,000	100,000,000,000
- Preferred shares	411b		-	-
2. Share premium	412	19	63,003,467,265	63,003,467,265
3. Development and investment fund	418	19	419,447,776,812	376,008,916,942
4. Undistributed profit after tax	421	19	136,569,592,058	132,123,495,229
- Undistributed profit up to the prior year-end	421a	19	73,684,635,359	47,479,863,140
- Undistributed profit for the current year	421b	19	62,884,956,699	84,643,632,089
II. Budget sources and other funds	430		-	-
TOTAL RESOURCES	440		890,555,635,098	1,122,208,947,187



Dang Tat Thanh

Director

Gia Lai Province, 17 March 2025


Nguyen Thuy Duong
Chief Accountant


Pham Thi Doan
Preparer

INCOME STATEMENT
For the year ended 31/12/2024

Form B 02 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
1. Revenue from sales and service provision	01	20	1,451,588,872	8,880,527,918
2. Deductions	02		-	-
3. Net revenue from sales and service provision	10		1,451,588,872	8,880,527,918
4. Cost of goods sold	11	21	380,218,285	5,617,207,365
5. Gross profit from sales and service provision	20		<u>1,071,370,587</u>	<u>3,263,320,553</u>
6. Financial income	21	22	93,311,006,415	120,680,279,751
7. Financial expenses	22	23	21,067,038,195	28,538,947,850
Including: Interest expenses	23		14,938,795,134	28,119,887,432
8. Selling expenses	25		-	-
9. Administrative expenses	26	24	10,283,147,328	8,711,273,349
10. Operating profit	30		<u>63,032,191,479</u>	<u>86,693,379,105</u>
11. Other income	31		-	602,007,001
12. Other expenses	32	25	17,187,684	89,693,367
13. Other profit	40		<u>(17,187,684)</u>	<u>512,313,634</u>
14. Accounting profit before tax	50		<u>63,015,003,795</u>	<u>87,205,692,739</u>
15. Current corporate income tax expense	51	26	130,047,096	2,562,060,650
16. Deferred corporate income tax expense	52		-	-
17. Profit after tax	60		<u><u>62,884,956,699</u></u>	<u><u>84,643,632,089</u></u>



Dang Tat Thanh
Director

Gia Lai Province, 17 March 2025


Nguyen Thuy Duong
Chief Accountant


Pham Thi Doan
Preparer

STATEMENT OF CASH FLOWS
For the year ended 31/12/2024

Form B 03 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
I. Cash flows from operating activities				
1. Profit before tax	01		63,015,003,795	87,205,692,739
2. Adjustments for				
- Provisions	03		12,212,665,596	5,175,996,539
- (Profits)/losses from investing activities	05	22	(93,310,813,117)	(107,628,373,797)
- Interest expenses	06	23	14,938,795,134	28,119,887,432
3. Operating profit before changes in working capital	08		(3,144,348,592)	12,873,202,913
- (Increase)/Decrease in receivables	09		5,801,409,575	(126,251,121,759)
- (Increase)/Decrease in inventories	10		-	65,005,000
- Increase/(Decrease) in payables (excluding loan interest and corporate income tax payable)	11		(261,316,163)	(14,284,083,335)
- (Increase)/Decrease in prepaid expenses	12		337,718,598	163,687,550
- (Increase)/Decrease in trading securities	13		-	71,215,000
- Loan interest paid	14	16, 17, 23	(32,311,356,702)	(11,363,806,137)
- Corporate income tax paid	15	15	(2,442,660,650)	(5,485,546,927)
Net cash from operating activities	20		<u>(32,020,553,934)</u>	<u>(144,211,447,695)</u>
II. Cash flows from investing activities				
1. Cash paid for loans, acquisition of debt instruments	23		(338,775,642,917)	(449,099,104,498)
2. Recovery of loans, re-sales of debt instruments	24		627,932,932,361	229,600,000,000
3. Cash paid for capital contribution in other entities	25	6.c	(94,695,275,000)	(646,000,000)
4. Loan interest, dividends and profits received	27	10.a, 22	101,709,799,175	73,585,927,178
Net cash from investing activities	30		<u>296,171,813,619</u>	<u>(146,559,177,320)</u>
III. Cash flows from financing activities				
1. Proceeds from borrowings	33	18	1,112,893,304,905	1,493,576,719,808
2. Repayment of borrowings	34	18	(1,377,142,101,783)	(1,177,812,858,611)
3. Dividends and profits paid to owners	36	19.d	(15,000,000,000)	(15,000,000,000)
Net cash from financing activities	40		<u>(279,248,796,878)</u>	<u>300,763,861,197</u>
Net cash flows for the year	50		<u>(15,097,537,193)</u>	<u>9,993,236,182</u>
Cash and cash equivalents at the beginning of the year	60	5	25,772,003,482	15,778,767,300
Impacts of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of the year	70	5	<u>10,674,466,289</u>	<u>25,772,003,482</u>



Đang Tat Thanh

Director

Nguyen Thuy Duong

Chief Accountant

Pham Thi Doan

Preparer

Gia Lai Province, 17 March 2025

NOTES TO THE FINANCIAL STATEMENTS

(These notes form part of and should be read
in conjunction with the accompanying financial statements)

Form B 09 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

1. Nature of operations

1.1. Overview

Song Da 505 Joint Stock Company ("the Company") was established on the basis of equitization of Song Da 505 Enterprise attached to Song Da 5 Company of Song Da Corporation, pursuant to Decision No. 980/QĐ-BXD dated 22/06/2004 issued by the Minister of Construction. The Company was granted Business Registration Certificate No. 3903000041 by the Department of Planning and Investment of Gia Lai Province on 09/08/2004. Since its establishment, the Business Registration Certificate (now the Enterprise Registration Certificate No. 5900320629) has been amended 12 times, most recently on 03/04/2024. The Company is an independent accounting entity, operating in conformity with the Enterprise Law, its Charter, and relevant regulations.

1.2. Principal scope of business: Construction and services.

1.3. Enterprise structure

As at 31/12/2024, the Company had 5 subsidiaries and 1 associate as follows:

- Subsidiaries:
 - Bac Na Electricity Joint Stock Company
 - Ehula Joint Stock Company
 - S55 Construction Joint Stock Company
 - Ani SH One Member Company Limited
 - Son Hai Lai Chau Investment and Development Joint Stock Company
- Associate:
 - Song Ong Hydropower Joint Stock Company

1.4. Characteristics of the enterprise's operations during the year affecting the financial statements

The Company restructured its operations by transferring construction and installation activities to its subsidiary, S55 Construction Joint Stock Company. Simultaneously, it focused on its core business activities, namely financial investments.

2. Accounting period, currency used in accounting

The Company's annual accounting period starts on 1 January and ends on 31 December.

Financial statements and accounting transactions are expressed in Vietnamese Dong (VND).

3. Applied accounting standards and system

The Company adopts Vietnamese Accounting Standards and Vietnamese Corporate Accounting System as guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 providing amendments and supplements to certain articles of Circular No. 200/2014/TT-BTC promulgated by the Ministry of Finance.

As at 31/12/2024, the Company had subsidiaries. Accordingly, in 2024, the Company prepared both its separate financial statements and consolidated financial statements. The separate financial statements should be read together with the 2024 consolidated financial statements to obtain a comprehensive understanding of the Company's consolidated financial position, consolidated results of operations, and consolidated cash flows.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

4. Summary of significant accounting policies

4.1 Cash and cash equivalents

Cash includes cash on hand, bank demand deposits, and cash in transit.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

4.2 Financial investments

Trading securities

Trading securities are securities held by the Company for business purposes.

Trading securities are initially recorded at cost, comprising: buying price plus (+) buying costs (if any) such as brokerage fees, transaction fees, information provision service fees, taxes, and bank charges. Any dividends or profits received for the period prior to the investment date shall be recorded as a decrease in value of investments.

After initial recognition, trading securities are measured at cost less any provision for decline in value of trading securities. At the end of the accounting period, if there is objective evidence that the market value of the trading securities has declined below their carrying amount, a provision for devaluation shall be made.

Held-to-maturity investments

Held-to-maturity investments are term deposits.

Held-to-maturity investments are recorded at book value upon revaluation. Provision for loss shall be recorded as a decrease directly in the book value of the investments.

Loans

Loan receivables are recorded in the financial statements at cost less provision for doubtful debts.

Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or running away.

Investments in subsidiaries and associates and long-term equity investments in other companies

A subsidiary is an entity controlled by the Company. An entity is considered as a subsidiary if the Company holds (directly or indirectly) more than 50% of the voting shares and has the power to govern the financial and operating policies of the subsidiary.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but not control or joint control over those policies. An entity is considered as an associate if the Company holds (directly or indirectly) from 20% to less than 50% of the voting shares of the entity.

Long-term equity investments in other companies are investments which the Company has no power to control or joint control, no significant influence over the investees.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

Investments in subsidiaries; associates and long-term investments in other companies are recorded at cost less provision. Dividends and profits received in money or non-monetary asset for the period before the investment date shall be recorded as a decrease in value of investments.

Provision

Provision for investments in subsidiaries and associates is made if these investments are impaired or the investees suffer losses leading to the irrecoverability of the Company's investments. Provision for long-term equity investments in other companies is made as follows:

- If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made according to the market value of the shares;
- If the market value of the shares is not identifiable, the provision shall be made based on the loss reported in the financial statements of the investee.

With regards to the investees who are required to prepare the consolidated financial statements, the provision is made based on the consolidated financial statements. For other cases, the provision is made based on the financial statements of the investees.

4.3 Receivables

Receivables include trade receivables and other receivables.

- Trade receivables are trade-related amounts arising from trading activities between the Company and its customers;
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or running away.

4.4 Inventories

Inventories are stated at the lower of cost and net realizable value.

Value of inventories is calculated using the weighted average method and accounted for using the perpetual method. Cost of inventories comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition;

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made for each kind of inventories when the net realizable value of that kind of inventories is less than cost.

4.5 Asset lease

An operating lease is a lease of fixed assets in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

4.6 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary prepayments are as follows:

- Office rent prepayments: Office rentals made in advance for the entire lease term and related expenses are amortized on a straight-line basis over the lease term.
- Tools and instruments put into use: They are amortized using the straight-line method over a maximum period of three years.
- Other prepaid expenses: The Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

4.7 Payables

Payables include trade payables and other payables.

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on their remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and original currencies.

4.8 Accrued expenses

Accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

4.9 Unearned revenue

Unearned revenue of the Company represents advance payments received for one or multiple accounting periods for services rendered to customers, which are amortized over the periods for which the Company has received the advance payments.

4.10 Loans and finance lease liabilities

Loans and finance lease liabilities are reflected at cost and classified into short-term liabilities and long-term liabilities based on their remaining terms at the balance sheet date.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period.

Capitalization of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

4.11 Provision for payables

Provision for payables is a present obligation (legal or constructive) of the Company as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A provision is recognized when the amount of the obligation can be reliably estimated.

4.12 Owners' equity

Share capital

Share capital represents the amount of capital actually contributed by shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of shares; the capital component of convertible bonds as they fall due.

Distribution of profit

Profit after tax is appropriated to funds and distributed to shareholders in accordance with the Company's Charter or resolutions of the General Meeting of Shareholders.

Dividends paid to shareholders shall not exceed the undistributed profit after tax, taking into account non-monetary items within undistributed profits that may impact cash flow and the Company's ability to pay dividends.

4.13 Recognition of revenue and other income

- Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:
 - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods;
 - ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
 - ✓ Interest is recognized on the basis of the actual term and interest rates.
 - ✓ Dividends and profits shared are recognized when the Company has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.
- Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

4.14 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

Costs of inventories and services rendered which are incurred in excess of the ordinary level shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

4.15 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities, including interest expenses, losses and expenses from the disposal of investments, provisions for decline in value of trading securities, provisions for investment losses in other entities, and other expenses attributable to investing activities.

4.16 Administrative expenses

Administrative expenses reflect expenses actually incurred related to the overall administration of the Company.

4.17 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

4.18 Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets comprise cash on hand, short-term deposits, trade receivables, other receivables, and financial investments.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities comprise loans, trade payables, accrued expenses, and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

4.19 Applicable tax rates and charges payable to the State Budget

- Value-added tax (VAT): A 10% VAT rate is applied to office leasing activities. Other activities are subject to the applicable tax rates under current regulations.
- Corporate income tax (CIT): Applicable CIT rate is 20%.
- Other taxes, fees and charges are paid in accordance with prevailing regulations.

4.20 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

Currency: VND

5. Cash

	31/12/2024	01/01/2024
Cash on hand	317,728	3,618,168
Bank demand deposits	6,874,148,561	5,768,385,314
Certificates of deposit with maturities of no more than 3 months	3,800,000,000	20,000,000,000
Total	10,674,466,289	25,772,003,482

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

6. Financial investments

a. Trading securities

	31/12/2024			01/01/2024		
	Cost	Fair value	Provision	Cost	Fair value	Provision
SDC shares	193,296,552	35,280,000	158,016,552	193,296,552	39,513,600	153,782,952
Total	193,296,552	35,280,000	158,016,552	193,296,552	39,513,600	153,782,952

Trading securities are revalued at the lower of cost and market price. Accordingly, for securities listed on stock exchanges, the market value is determined as the closing price at the last trading session of the accounting year.

b. Held-to-maturity investments

	31/12/2024		01/01/2024	
	Cost	Book value	Cost	Book value
Term deposits over 3 months and not exceeding 12 months	11,200,000,000	11,200,000,000	12,517,740,000	12,517,740,000
Certificates of deposit over 3 months and not exceeding 12 months	62,180,000,000	62,180,000,000	63,640,000,000	63,640,000,000
- VPBank Finance Co., Ltd	17,000,000,000	17,000,000,000	63,640,000,000	63,640,000,000
- SHBank Finance Co., Ltd	27,180,000,000	27,180,000,000	-	-
- EVN Finance JSC	18,000,000,000	18,000,000,000	-	-
Total	73,380,000,000	73,380,000,000	76,157,740,000	76,157,740,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

c. Long-term financial investments

	31/12/2024				01/01/2024	
	Operating status	% of equity	Number of shares	Cost	Provision	Cost
Investments in subsidiaries						
- Bac Na Electricity JSC (*)	Operating	51.18%	7,932,936	484,270,635,000	6,538,244,636	384,575,360,000
- Ehula JSC (*)	Operating	75.0%	28,500,000	79,329,360,000	-	79,329,360,000
- S55 Construction JSC (*)	Operating	98.0%	1,960,000	285,000,000,000	-	285,000,000,000
- Ani SH Co., Ltd (*)	Operating	100.0%		19,600,000,000	-	19,600,000,000
- Son Hai Lai Chau Investment and Development JSC (**)	Operating	99.9%	12,487,500	646,000,000	-	646,000,000
				99,695,275,000	6,538,244,636	-
Investments in associates, joint ventures						
- Song Ong Hydropower JSC (*)	Operating	33.76%	2,498,000	41,082,000,000	-	41,082,000,000
Investments in other entities						
- Anzen Investment JSC (*)	Operating	19.0%	2,000,000	41,082,000,000	-	41,082,000,000
- EDABA JSC	Temporarily suspended	-	-	21,300,000,000	-	21,300,000,000
- Energy Da Teh JSC	Operating	5.5%	110,000	20,000,000,000	-	20,000,000,000
				200,000,000	-	200,000,000
				1,100,000,000	-	1,100,000,000
Total				546,652,635,000	6,538,244,636	446,957,360,000
						414,302,558

(*) The most recent financial statements of these companies show profitability, and the invested capital is preserved. Therefore, the Company recognizes these investments at cost and does not make any provisions.

(**) The Company makes provisions for this investment based on the 2024 financial statements of Son Hai Lai Chau Investment and Development Joint Stock Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

7. Short-term trade receivables

	31/12/2024	01/01/2024
Xekaman 3 Hydropower Project Management Unit	64,197,770,402	64,197,770,402
Long Hoi Electricity Investment and Construction JSC	9,140,575,133	9,140,575,133
Ani Power JSC	-	1,925,933,867
Other customers	35,058,295,404	39,126,045,477
Total	108,396,640,939	114,390,324,879

8. Short-term prepayments to suppliers

	31/12/2024	01/01/2024
Duy Ha Gold Co., Ltd	200,000,000	200,000,000
Viet Nam Underground JSC - Hydro Power Construction	18,477,000	18,477,000
Lung Lo 6 Construction JSC	51,975,000	51,975,000
Total	270,452,000	270,452,000

9. Loan receivables

a. Short-term

	31/12/2024	01/01/2024
S55 Construction JSC	-	316,976,261,199
Phuc Thai Energy JSC	11,120,707,003	11,120,707,003
Bac Na Electricity JSC	-	1,270,000,000
Ani SH One Member Co., Ltd	32,118,482,593	4,071,482,593
Ehula JSC	28,704,711,755	-
Son Hai Lai Chau Investment and Development JSC	7,200,000,000	-
Total	79,143,901,351	333,438,450,795

b. Long-term

	31/12/2024	01/01/2024
Anza JSC (*)	144,245,178,350	-
Total	144,245,178,350	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

(*) This balance represents a business cooperation with Anza Joint Stock Company under Business Cooperation Contract No. 0102/HĐKD-505-ANZA dated 01/02/2023 and its accompanying appendices, with a duration of 84 months. The purpose of this cooperation is for Anza to conduct project sourcing and invest in energy-efficient projects. The Company's profit entitlement is 9% per annum (this rate may be adjusted subject to market interest rates and mutual agreement) on the contributed amount under the contract. In 2024, the Company is entitled to a 9% per annum profit according to the Second Contract Appendix No. 0102.1/HĐKD-505-ANZA dated 01/01/2024.

10. Other receivables

a. Short-term

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Dividends receivable	13,499,404,000	-	17,950,000,000	-
Accrued interest income, loan interest	22,813,450,191	-	26,761,840,249	-
Advances	220,000,000	-	-	-
Receivables from employees	76,440,459	-	51,065,735	-
Other receivables	416,287,313	-	435,461,847	-
Total	37,025,581,963	-	45,198,367,831	-

b. Long-term

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Deposits and collaterals	40,000,000	-	40,000,000	-
Anza JSC	-	-	176,330,178,350	-
Total	40,000,000	-	176,370,178,350	-

11. Provision for doubtful short-term debts

	Year 2024	Year 2023
Opening balance	103,419,100,489	98,656,936,108
Provision made during the year	6,427,470,543	4,762,164,381
Reversal of provision during the year	-	-
Closing balance	109,846,571,032	103,419,100,489

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

Including bad debts:

	Cost	31/12/2024		Notes
		Recoverable value	Overdue period	
Xekaman 3 Hydropower Project Management Unit	64,197,770,402	-	> 3 years	
Song Da Corporation	7,988,288,572	-	> 3 years	
Song Da 3 JSC	1,618,562,092	-	> 3 years	
Long Hoi Electricity Investment and Construction JSC	9,140,575,133	-	> 3 years	
Hua Na Hydropower Project Management Unit	1,051,880,076	-	> 3 years	
Truong Son Investment Group JSC	10,492,428,212	-	> 3 years	
Other debtors	18,117,217,572	2,760,151,028	6 months to 3 years	
Total	112,606,722,060	2,760,151,028		

12. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Work in progress	769,492,137	-	769,492,137	-
Total	769,492,137	-	769,492,137	-

13. Prepaid expenses

a. Short-term

	31/12/2024	01/01/2024
Tools and instruments pending allocation	3,916,672	20,742,418
Office rental	-	75,000,000
Total	3,916,672	95,742,418

b. Long-term

	31/12/2024	01/01/2024
Office rental at HH4 Song Da Twin (*)	6,289,164,661	6,535,057,513
Total	6,289,164,661	6,535,057,513

(*) This represents the lease of Floor 12, Block B of HH4 Song Da Twin Tower on Pham Hung Street, Tu Liem District, Hanoi under Lease Contract No. 17/2009/HDTN/TCT-SD505 dated 30/08/2009 signed with Song Da Corporation. The total rent of VND10,327,500,000 was paid in a lump sum. The lease term runs until June 2053.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

14. Short-term trade payables

	31/12/2024	01/01/2024
Ani JSC	-	450,000,000
Hai Minh ShipBuilding and Repairing One Member LLC	1,390,558,210	1,390,558,210
Trong Tin Quang Nam JSC	317,130,752	317,130,752
Other suppliers	680,376,171	665,452,799
Total	2,388,065,133	2,823,141,761

15. Taxes and amounts receivable from / payable to State budget

	Opening balance		Amount to be paid	Actual amount paid	Closing balance	
	Receivable	Payable			Receivable	Payable
Value-added tax	-	-	9,786,747	9,786,747	-	-
Corporate income tax	-	2,442,660,651	130,047,096	2,442,660,650	-	130,047,097
Personal income tax	-	110,196,721	1,217,154,468	1,296,151,189	-	31,200,000
Fees and charges	37,292	-	3,000,000	3,000,000	37,292	-
Total	37,292	2,552,857,372	1,359,988,311	3,751,598,586	37,292	161,247,097

The Company's tax returns would be subject to inspection by the tax authorities. The tax amounts reported in these financial statements could be changed upon final determination by the tax authorities.

16. Short-term accrued expenses

	31/12/2024	01/01/2024
Accrued interest expenses	159,227,861	17,055,559,868
Materials, construction expenses without financial invoices	3,368,098,547	3,368,098,547
Total	3,527,326,408	20,423,658,415

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

17. Other payables

	31/12/2024	01/01/2024
Trade union fees	12,258,480	25,192,361
Dividends and profits payable	60,361,500	60,361,500
Other payables	6,938,900,607	2,056,103,835
- Mr. Tran Quang Hoa (*)	5,000,000,000	-
- Trade union dues	7,030,857	13,076,366
- PIT of employees working in Laos	985,570,770	985,570,770
- Accrued loan interest	100,928,688	577,158,249
- Other payables	845,370,292	480,298,450
Total	7,011,520,587	2,141,657,696

(*) This balance represents other payables to Mr. Tran Quang Hoa under Share Transfer Contract No. 04/2024/HĐCN dated 29/10/2024, regarding the Company's acquisition of shares in Son Hai Lai Chau Investment and Development Joint Stock Company.

18. Loans and finance lease liabilities

a. Short-term

	Opening balance	Increase in the year	Decrease in the year	Closing balance
Short-term loans	279,462,681,934	1,112,893,304,905	1,341,261,368,445	51,094,618,394
- Overdraft facility from VP Bank	-	478,829,083,844	478,829,083,844	-
- Overdraft facility from BIDV - Hoang Mai Branch	6,979,761,096	464,374,470,485	431,741,380,988	39,612,850,593
- Anzen Investment JSC	-	3,650,000,000	3,650,000,000	-
- Bac Na Electricity JSC	-	21,965,544,658	21,965,544,658	-
- Ani SH Co., Ltd	-	7,083,552,221	7,083,552,221	-
- Song Ong Hydropower JSC	1,475,482,593	23,713,722,090	25,189,204,683	-
- S55 Construction JSC	-	46,850,000,000	35,997,582,199	10,852,417,801
- Ehula JSC	491,788,245	10,300,000,000	10,791,788,245	-
- Employees:	270,515,650,000	56,126,931,607	326,013,231,607	629,350,000
+ Mr. Dang Quang Dat	264,964,300,000	42,126,931,607	307,091,231,607	-
+ Other employees	5,551,350,000	14,000,000,000	18,922,000,000	629,350,000
Current portion of long-term loan	28,333,333,332	25,000,000,000	35,880,733,338	17,452,599,994
- Vietcombank - West Saigon Branch	28,333,333,332	25,000,000,000	35,880,733,338	17,452,599,994
Total	307,796,015,266	1,137,893,304,905	1,377,142,101,783	68,547,218,388

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

b. Long-term

	Opening balance	Increase in the year	Decrease in the year	Closing balance
Long-term loan	140,666,666,668	-	35,880,733,338	104,785,933,330
- Vietcombank - West Saigon Branch	140,666,666,668	-	35,880,733,338	104,785,933,330
Total	140,666,666,668	-	35,880,733,338	104,785,933,330
<i>Of which:</i>				
- Long-term loan due within 1 year	28,333,333,332			17,452,599,994
Long-term loans and finance lease liabilities	112,333,333,336			87,333,333,336

The Company obtained a long-term loan from Vietcombank – West Saigon Branch under Loan Agreement No. 017/23/02/0073 dated 26/04/2023, with a 60-month term and an interest rate of 8.6% per annum. The loan is used to finance lawful, reasonable, and valid expenses related to Business Cooperation Contract No. 0102/HĐKD-505-ANZA dated 01/02/2023 (see Note 9.b). Details on collateral are provided in Note 29.e.

19. Owners' equity

a. Statement of changes in owners' equity

	Share capital	Share premium	Development and investment fund	Undistributed profit after tax
As at 01/01/2023	100,000,000,000	63,003,467,265	330,730,669,480	107,758,110,602
Increase in the year	-	-	45,278,247,462	84,643,632,089
Decrease in the year	-	-	-	60,278,247,462
As at 31/12/2023	100,000,000,000	63,003,467,265	376,008,916,942	132,123,495,229
As at 01/01/2024	100,000,000,000	63,003,467,265	376,008,916,942	132,123,495,229
Increase in the year	-	-	43,438,859,870	62,884,956,699
Decrease in the year	-	-	-	58,438,859,870
As at 31/12/2024	100,000,000,000	63,003,467,265	419,447,776,812	136,569,592,058

b. Breakdown of share capital

	31/12/2024	01/01/2024
Anza JSC	74,967,520,000	65,492,520,000
Other shareholders	25,032,480,000	34,507,480,000
Total	100,000,000,000	100,000,000,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

c. Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of shares authorized for issuance	10,000,000	10,000,000
Number of shares issued to the public	10,000,000	10,000,000
- Common shares	10,000,000	10,000,000
- Preferred shares	-	-
Number of outstanding shares	10,000,000	10,000,000
- Common shares	10,000,000	10,000,000
- Preferred shares	-	-
Par value of outstanding shares: VND10,000 each		

d. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	132,123,495,229	107,758,110,602
Profit after corporate income tax for the current year	62,884,956,699	84,643,632,089
Distribution of profit	58,438,859,870	60,278,247,462
- Distribution of prior year's profit (*)	58,438,859,870	60,278,247,462
+ Appropriation to development and investment fund	43,438,859,870	45,278,247,462
+ Dividend payments	15,000,000,000	15,000,000,000
- Interim distribution of current year's profit	-	-
Undistributed profit after tax	<u>136,569,592,058</u>	<u>132,123,495,229</u>

(*) The profit after tax for 2023 was distributed in accordance with Resolution No. 29/NQ-S55-DH24 of the General Meeting of Shareholders dated 26/03/2024.

e. Dividends

The 2024 Annual General Meeting of Shareholders on 26/03/2024 approved the 2023 dividend payment plan in cash at a rate of 15% of charter capital (equivalent to VND15,000,000,000). The Company finalized the list of shareholders entitled to dividends on 02/07/2024, with the payment date set for 31/07/2024.

20. Revenue from sales and service provision

	Year 2024	Year 2023
Construction revenue	-	567,517,795
Other revenue	1,451,588,872	8,313,010,123
Total	<u>1,451,588,872</u>	<u>8,880,527,918</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

21. Cost of goods sold

	Year 2024	Year 2023
Cost of construction activities	-	556,902,115
Cost of other activities	380,218,285	5,060,305,250
Total	380,218,285	5,617,207,365

22. Financial income

	Year 2024	Year 2023
Interest income from deposits and loans	30,640,857,117	44,758,931,809
Dividends and profits received	62,669,956,000	74,903,072,000
Gains from sale of securities	-	29,035,000
Foreign exchange gains	193,298	1,075,254
Late payment interest	-	988,165,688
Total	93,311,006,415	120,680,279,751

23. Financial expenses

	Year 2024	Year 2023
Interest expenses	14,938,795,134	28,119,887,432
Foreign exchange losses	67,383	5,228,260
Provision for diminution in value of investments	6,128,175,678	413,832,158
Total	21,067,038,195	28,538,947,850

24. Administrative expenses

	Year 2024	Year 2023
Materials and tools expenses	32,910,597	12,931,062
Staff costs	1,686,578,540	1,979,381,241
Outsourced service expenses	1,413,865,199	1,139,541,583
Others expenses	722,322,449	817,255,082
(Reversal of) Provision for doubtful debts	6,427,470,543	4,762,164,381
Total	10,283,147,328	8,711,273,349

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

25. Other expenses

	Year 2024	Year 2023
Penalties and tax arrears	17,187,684	43,595,584
Other expenses	-	46,097,783
Total	17,187,684	89,693,367

26. Current corporate income tax expense

	Year 2024	Year 2023
Accounting profit before tax	63,015,003,795	87,205,692,739
Adjustments for taxable income	(62,364,768,316)	(74,691,389,488)
- Incremental adjustments	305,187,684	341,693,367
+ Penalties, tax arrears	17,187,684	43,595,584
+ Remuneration for non-executive Board of Directors members	288,000,000	252,000,000
+ Other non-deductible expenses	-	46,097,783
- Decremental adjustments	62,669,956,000	75,033,082,855
+ Dividends and profits received	62,669,956,000	74,903,072,000
+ Reversal of non-deductible provisions for CIT purposes in prior years	-	130,010,855
Total taxable income	650,235,479	12,514,303,251
Current corporate income tax expense	130,047,096	2,562,060,650
<i>Of which:</i>		
- Current corporate income tax expense for the year	130,047,096	2,502,860,650
- Adjustment of prior year's current corporate income tax expense recorded in the current year	-	59,200,000

27. Operating expenses by element

	Year 2024	Year 2023
Materials expenses	32,910,597	12,931,062
Labor costs	1,686,578,540	5,299,714,224
Outsourced service expenses	1,830,052,859	3,252,106,912
Other cash expenses	722,322,449	936,559,135
Total	4,271,864,445	9,501,311,333

28. Risk management

a. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

b. Financial risk management

Financial risks include market risk (including interest rate risk, exchange rate risk and materials price risk), credit risk and liquidity risk.

Market risk management: The Company's activities expose it primarily to the financial risks of changes in interest rates and prices.

Interest rate risk management

The Company's interest rate risk mainly derives from interest bearing loans which are arranged. To minimize this risk, the Company has estimated the impact of interest expenses to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management assesses that the risk of uncontrollable interest rate fluctuations is low.

Price risk management

Having transferred its construction and installation activities to its subsidiary, the Company incurs an insignificant proportion of material and service costs in its business operations. The Company prioritizes reputable and high-quality suppliers to fulfill its procurement needs. Given these characteristics and its price management policies, the Management assesses that the risk of uncontrollable price fluctuations is low.

Credit risk management

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risks from certain large receivables. To mitigate credit risk, the Company regularly monitors and classifies receivables, assesses outstanding debts, actively pursues debt collection, and makes provisions for overdue accounts.

Liquidity risk management

To ensure the availability of funds to meet present and future financial obligations, the Company manages liquidity risk by regularly monitoring and maintaining sufficient cash reserve, optimizing cash flows, its payments and making use of credit from customers and counterparties, controlling maturing liabilities in relative to maturing assets and the amount of funds that can be generated within that period.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

The Company's aggregate financial liabilities are categorized in line with their maturity as follows:

31/12/2024	Within 1 year	Over 1 year	Total
Trade payables	2,388,065,133	-	2,388,065,133
Accrued expenses	3,527,326,408	-	3,527,326,408
Loans and finance lease liabilities	68,547,218,388	87,333,333,336	155,880,551,724
Other payables	6,992,231,250	367,912,350	7,360,143,600
Total	81,454,841,179	87,701,245,686	169,156,086,865

01/01/2024	Within 1 year	Over 1 year	Total
Trade payables	2,823,141,761	-	2,823,141,761
Accrued expenses	20,423,658,415	-	20,423,658,415
Loans and finance lease liabilities	307,796,015,266	112,333,333,336	420,129,348,602
Other payables	2,103,388,969	367,912,350	2,471,301,319
Total	333,146,204,411	112,701,245,686	445,847,450,097

The Management assesses that the Company has no exposure to liquidity risks and believes that the Company is able to generate sufficient fund to meet financial obligations when they fall due.

The Company's available financial assets are drawn up on a net assets basis as follows:

31/12/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	10,674,466,289		10,674,466,289
Financial investments	73,415,280,000	21,300,000,000	94,715,280,000
Trade receivables	8,359,887,809	-	8,359,887,809
Loan receivables	69,334,083,449	144,245,178,350	213,579,261,799
Other receivables	36,805,581,963	40,000,000	36,845,581,963
Total	198,589,299,510	165,585,178,350	364,174,477,860

01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	25,772,003,482		25,772,003,482
Financial investments	76,197,253,600	21,300,000,000	97,497,253,600
Trade receivables	17,733,568,372	-	17,733,568,372
Loan receivables	326,676,106,813	-	326,676,106,813
Other receivables	45,198,367,831	176,370,178,350	221,568,546,181
Total	491,577,300,098	197,670,178,350	689,247,478,448

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

29. Related party information

a. Related parties

	Relationship
Anza Joint Stock Company	Parent company
Bac Na Electricity Joint Stock Company	Subsidiary
Ehula Joint Stock Company	Subsidiary
S55 Construction Joint Stock Company	Subsidiary
Ani SH One Member Company Limited	Subsidiary
Son Hai Lai Chau Investment and Development Joint Stock Company	Subsidiary
Song Ong Hydropower Joint Stock Company	Associate
Anzen Investment Joint Stock Company	Investee company
Ani Joint Stocks Company	Related company of the Director
Ani Power Joint Stock Company	Related company of the Director
Mr. Dang Quang Dat	Chairman
Mr. Dang Tat Thanh	Director
Ms. Nguyen Thi Huong	Related party of the Chairman
Ms. Nguyen Thuy Duong	Member of the Board of Directors cum Chief Accountant

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

b. Significant related party transactions during the year

	Transactions	Year 2024	Year 2023
Anza Joint Stock Company	Loan granted	49,555,000,000	193,000,000,000
	Loan repayment received	81,640,000,000	16,669,821,650
	Interest income on loans	14,304,374,602	12,033,630,012
	Dividends paid	11,245,128,000	9,823,878,000
Bac Na Electricity Joint Stock Company	Dividends declared	11,899,404,000	15,865,872,000
	Dividends received	-	17,849,106,000
	Loan granted	53,755,000,000	3,270,000,000
	Loan repayment received	55,025,000,000	2,000,000,000
	Interest income on loans	708,095,205	11,969,315
	Borrowings obtained	21,965,544,658	37,169,676,713
	Borrowings repaid	21,965,544,658	37,169,676,713
	Interest expense on borrowings	123,789,305	242,311,336
Ehula Joint Stock Company	Borrowings obtained	10,300,000,000	68,059,530,724
	Borrowings repaid	10,791,788,245	83,053,696,713
	Interest expense on borrowings	35,081,261	511,996,163
	Loan granted	182,404,711,755	40,920,303,287
	Loan repayment received	153,700,000,000	40,920,303,287
	Interest income on loans	1,778,656,422	244,546,428
	Dividends declared	21,375,000,000	14,250,000,000
	Dividends received	35,625,000,000	-
S55 Construction Joint Stock Company	Revenue from construction and installation services	-	1,040,352,715
	Loan granted	100,398,842,352	372,558,390,692
	Loan repayment received	417,375,103,551	94,769,215,790
	Interest income on loans	3,600,671,873	17,261,563,261
	Borrowings obtained	46,850,000,000	-
	Borrowings repaid	35,997,582,199	-
	Interest expense on borrowings	377,251,698	-
	Dividends declared	19,600,000,000	19,600,000,000
	Dividends received	19,600,000,000	19,600,000,000
Ani SH One Member Company Limited	Loan granted	55,839,447,779	15,795,965,186
	Loan repayment received	27,792,447,779	11,724,482,593
	Interest income on loans	874,327,299	89,913,136
	Borrowings obtained	7,083,552,221	1,759,034,814
	Borrowings repaid	7,083,552,221	1,759,034,814
	Interest expense on borrowings	13,361,216	2,030,667
	Revenue from operation management services	-	2,073,115,650
	Services received	-	1,503,767,899

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

	Transactions	Year 2024	Year 2023
Son Hai Lai Chau Investment and Development Joint Stock Company	Loan granted	7,200,000,000	-
	Interest income on loans	2,367,123	-
Song Ong Hydropower Joint Stock Company	Revenue from operation management services	-	3,057,087,943
	Loan granted	2,493,656,362	-
	Loan repayment received	2,493,656,362	-
	Interest income on loans	5,045,870	-
	Proceeds from borrowings	23,713,722,090	50,000,000,000
	Borrowings repaid	25,189,204,683	48,524,517,407
	Interest expense on borrowings	105,716,526	380,591,537
	Dividends declared	8,493,200,000	15,987,200,000
	Dividends received	8,493,200,000	15,987,200,000
Anzen Investment Joint Stock Company	Revenue from operation management services	-	7,223,532,365
	Loan granted	34,941,200,000	450,000,000
	Loan repayment received	34,941,200,000	450,000,000
	Interest income on loans	42,954,658	164,384
	Borrowings obtained	3,650,000,000	27,790,000,000
	Borrowings repaid	3,650,000,000	34,790,000,000
	Interest expense on borrowings	7,647,945	221,641,780
	Dividends declared	1,300,000,000	9,200,000,000
	Dividends received	3,400,000,000	5,500,000,000
Ani Joint Stocks Company	Car rental	-	457,912,454
	Loan granted	27,772,000,000	-
	Loan repayment received	27,772,000,000	-
	Interest income on loans	201,064,283	-
Ani Power Joint Stock Company	Revenue from human resource system development services	-	1,355,304,000
Mr. Dang Quang Dat	Borrowings obtained	42,126,931,607	445,012,300,000
	Borrowings repaid	307,091,231,607	253,749,000,000
	Interest expense on borrowings	3,548,932,469	16,141,809,874
	Loan granted	15,590,024,155	-
	Loan repayment received	15,590,024,155	-
	Interest income on loans	64,896,106	-
Ms. Nguyen Thi Huong	Borrowings obtained	2,000,000,000	9,350,000,000
	Borrowings repaid	6,500,000,000	4,850,000,000
	Interest expense on borrowings	59,068,493	48,221,918
Ms. Nguyen Thuy Duong	Borrowings obtained	6,000,000,000	300,000,000
	Borrowings repaid	6,000,000,000	1,775,000,000
	Interest expense on borrowings	6,312,328	50,181,657

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

c. Outstanding balances with related parties

	Items	31/12/2024	01/01/2024
Anza Joint Stock Company	Other short-term receivables	17,133,386,998	2,829,012,396
	Other long-term receivables	-	176,330,178,350
	Long-term loan receivables	144,245,178,350	-
Bac Na Electricity Joint Stock Company	Short-term loan receivables	-	1,270,000,000
	Other short-term receivables	11,899,404,000	-
	Other short-term payables	-	196,566,712
Ehula Joint Stock Company	Short-term loan receivables	28,704,711,755	-
	Other receivables - Loan interest	1,805,959,436	62,384,276
	Other receivables - Dividends declared	-	14,250,000,000
	Short-term loans and finance lease liabilities	-	491,788,245
S55 Construction Joint Stock Company	Short-term trade receivables	-	182,257,000
	Short-term loan receivables	-	316,976,261,199
	Other short-term receivables	-	19,749,485,356
	Short-term loans and finance lease liabilities	10,852,417,801	-
	Other short-term payables	309,328,063	-
Ani SH One Member Company Limited	Short-term loan receivables	32,118,482,593	4,071,482,593
	Short-term trade receivables	-	222,175,257
	Other short-term receivables	1,355,883,795	82,630,399
Son Hai Lai Chau Investment and Development Joint Stock Company	Short-term loan receivables	7,200,000,000	-
	Other short-term receivables	2,367,123	-
Anzen Investment Joint Stock Company	Other short-term receivables	1,600,000,000	3,700,000,000
Song Ong Hydropower Joint Stock Company	Short-term loans and finance lease liabilities	-	1,475,482,593
	Other short-term payables	-	380,591,537
Ani Joint Stocks Company	Trade payables	-	450,000,000
Ani Power Joint Stock Company	Trade receivables	-	1,925,933,867
Mr. Dang Quang Dat	Loans and finance lease liabilities	-	264,964,300,000
	Short-term accrued expenses	-	16,859,655,052
Ms. Nguyen Thi Huong	Loans and finance lease liabilities	-	4,500,000,000
	Short-term accrued expenses	-	2,589,041
Ms. Nguyen Thuy Duong	Other short-term receivables - Advances	220,000,000	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

d. Income of key management members

Related party	Position	Income, Remuneration	Year 2024	Year 2023
Mr. Dang Quang Dat	Chairman (Appointed on 26/03/2024)	Remuneration	90,000,000	-
	Vice Chairman (Resigned)	Remuneration	24,000,000	96,000,000
	Director (Resigned)	Salary, Bonus, Allowance	-	101,916,894
Mr. Dang Tat Thanh	Chairman (Resigned)	Remuneration	30,000,000	120,000,000
	Board Member	Remuneration	72,000,000	-
Mr. Dang Van Tuyen	Board Member	Remuneration	96,000,000	96,000,000
		Salary, Bonus, Allowance	131,803,000	53,000,000
Mr. Vu Son Thuy	Board Member	Remuneration	-	24,000,000
Mr. Nguyen Dinh Phuong	Board Member	Remuneration	96,000,000	96,000,000
	Deputy Director	Salary, Bonus, Allowance	-	39,303,924
Mr. Dang Thanh Nam	Chief Supervisor	Remuneration	54,000,000	-
Ms. Trinh Thi My Hanh	Chief Supervisor	Remuneration	18,000,000	72,000,000
	(Resigned)			
Ms. Dinh Thi Trang Nhung	Supervisor	Remuneration	48,000,000	48,000,000
Mr. Nguyen Duc My	Supervisor	Remuneration	48,000,000	48,000,000
Mr. Le Van Khanh	Deputy Director	Salary, Bonus, Allowance	-	80,913,409
Ms. Nguyen Thuy Duong	Board Member	Remuneration	96,000,000	72,000,000
	Chief Accountant	Salary, Bonus, Allowance	-	64,270,870

e. Collateral for the Company's loans

e.1. Collateral at BIDV

A term deposit valued at VND97 billion, maturing on 08/03/2025, held by Mr. Dang Quang Dat and Ms. Nguyen Thi Huong, is being used as collateral for the Company's loan under Deposit Pledge Contract No. 01/2024/369585/HĐBĐ dated 20/03/2024.

e.2. Collateral at Vietcombank – West Saigon Branch

The following assets of related parties are pledged as collateral for the Company's loan:

- ✓ All assets of Song Ong Hydropower Plant, owned by Song Ong Hydropower Joint Stock Company, including land use rights (if eligible for pledge under legal regulations), assets attached to land, and machinery & equipment.
- ✓ All shares held by shareholders of Song Ong Hydropower Joint Stock Company.
- ✓ All assets formed from the investment project "Phu Tan 2 Hydropower Plant", owned by Ani Power Joint Stock Company (subordinated collateral).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

30. Events after the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

31. Corresponding figures

Corresponding figures were taken from the separate financial statements for the year ended 31/12/2023, which were audited by AAC.



Dang Tat Thanh
Director

Gia Lai Province, 17 March 2025


Nguyen Thuy Duong
Chief Accountant


Pham Thi Doan
Preparer



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