HAI PHONG ELECTRICITY WATER MACHINE ASSEMBLY JOINT STOCK COMPANY

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2024

March 2025

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STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Hai Phong Electricity Water Machine Assembly Joint Stock Company (the "Company") presents this report together with the Company's audited financial statements for the year ended 31 December 2024.

BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

The members of the Board of Management and the Board of General Directors of the Company who held office during the year and to the date of this report are as follows:

Board of Management

Mr. Do Huy Dat	Chairman
Mr. Le Huu Canh	Member
Mr. Nguyen Trung Kien	Member
Mr. Ta Van Son	Member
Ms. Lai Thi Vinh	Member
Ms. Vu Thi Luong Dung	Member

Board of General Directors

Mr. Le Huu Canh	General Director
Mr. Nguyen Van Thao	Deputy General Director

Legal representative

The legal representative of the Company during the year and to the the date of this report is Mr.. Do Huy Dat - Chairman of the Board of Management.

Mr. Do Huy Dat has authorized Mr. Le Huu Canh - General Director to sign the financial statements for the year ended 31 December 2024 in accordance with Letter of Authorization No. 08/GUQ-DNC dated 7 April 2021.

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of General Directors is responsible for preparing financial statements which give a true and fair view of the financial position, its financial performance, and its cash flows of the Company for the year in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of General Directors 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 principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Pprepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of General Directors 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 that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing these financial statements.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONTINUED)

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (CONTINUED)

In the Board of General Directors' opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

For and on behalf of the Board of General Directors,

M.S.D.N: 0200155561-CTCP
CÔNG TY CỔ PHẦN ĐIỆN NƯỚC LẮP MÁY HẢI PHÒNG
DNC.HP
Q. LÊ CHÂN T.P HẢI PHÒNG

Le Huu Canh
General Director
Hai Phong, 10 March 2025

VACO AUDITING COMPANY LIMITED
12A Floor, 319 Corporation Tower, No. 63 Le Van Luong Street
Trung Hoa Ward, Cau Giay District, Hanoi City
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No.: 061 /VACO/BCKiT.NV2

INDEPENDENT AUDITORS' REPORT

To: Board of Management and Board of General Directors
Hai Phong Electricity Water Machine Assembly Joint Stock Company

We have audited the accompanying financial statements of Hai Phong Electricity Water Machine Assembly Joint Stock Company (the "Company") prepared on 14 March 2025 as set out from page 4 to page 37, which comprise the balance sheet as at 31 December 2024, the income statement, the cash flow statement for the year then ended, and the notes to the financial statements (collectively referred to as the "financial statements").

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of General Directors determines is necessary to enable the preparation 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 Board of General 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.

Opinion

In our opinion, the financial statements give a true and fair view of, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

CÔNG TY TNHH KIỂM TOÁN VACO

Nguyen Phuong Lan
Deputy General Director
Audit Practising Registration Certificate
No. 0917-2023-156-1
For and on behalf of
VACO AUDITING COMPANY LIMITED
Hanoi, 14 March 2025

Vu Manh Hung
Auditor
Audit Practising Registration Certificate
No. 2737-2023-156-1

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Quarter 3, Chanh nghia Ward
Thu Dau Mot City, Binh Duong Province

BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance (Restated)
A. CURRENT ASSETS	**100**		**113,460,963,189**	**98,913,461,985**
I. Cash	**110**	**4**	**20,631,732,678**	**16,262,893,402**
1. Cash	111		20,631,732,678	16,262,893,402
II. Short-term financial investments	**120**		**8,845,622,953**	**16,013,542,328**
1. Trading securities	121	5	9,886,685,075	15,483,542,328
2. Provision for impairment of trading securities	122	5	(1,565,127,875)	-
3. Held-to-maturity investments	123	6	524,065,753	530,000,000
III. Short-term receivables	**130**		**65,484,182,496**	**53,909,220,882**
1. Short-term trade receivables	131	7	38,978,261,330	36,604,635,884
2. Short-term advances to suppliers	132	8	1,266,471,233	1,366,493,107
3. Short-term loan receivables	135		-	100,000,000
4. Other short-term receivables	136	9	25,239,449,933	15,838,091,891
IV. Inventories	**140**	**10**	**16,415,521,396**	**10,640,076,054**
1. Inventories	141		16,581,394,355	10,805,949,013
2. Provision for devaluation of inventories	149		(165,872,959)	(165,872,959)
V. Other short-term assets	**150**		**2,083,903,666**	**2,087,729,319**
1. Short-term prepayments	151	11	1,979,663,268	1,946,476,702
2. Value added tax deductibles	152		23,578,547	141,252,617
3. Taxes and other receivables from the State budget	153	17	80,661,851	-
B. NON-CURRENT ASSETS	**200**		**89,279,966,536**	**74,869,684,909**
I. Fixed assets	**220**		**59,744,826,839**	**54,747,607,928**
1. Tangible fixed assets	221	12	54,483,895,133	50,354,306,565
- Cost	*222*		*134,731,835,425*	*122,444,784,963*
- Accumulated depreciation	*223*		*(80,247,940,292)*	*(72,090,478,398)*
2. Intangible assets	227	13	5,260,931,706	4,393,301,363
- Cost	*228*		*6,148,179,248*	*5,281,629,248*
- Accumulated amortisation	*229*		*(887,247,542)*	*(888,327,885)*
II. Long-term assets in progress	**240**	**14**	**382,687,445**	**889,450,913**
1. Long-term construction in progress	242		382,687,445	889,450,913
III. Long-term financial investments	**250**	**15**	**3,592,670,397**	**3,659,275,976**
1. Investments in joint-ventures, associates	252		4,000,000,000	4,000,000,000
2. Provision for impairment of long-term financial investments	254		(407,329,603)	(340,724,024)
IV. Other long-term assets	**260**		**25,559,781,855**	**15,573,350,092**
1. Long-term prepayments	261	11	25,559,781,855	15,573,350,092
TOTAL ASSETS (270 = 100 + 200)	**270**		**202,740,929,725**	**173,783,146,894**

BALANCE SHEET (CONTINUED)

As at 31 December 2024

Unit: VND

	Codes	Notes	Closing balance	Opening balance (Restated)
C. LIABILITIES	**300**		**69,478,793,392**	**60,338,233,409**
I. Current liabilities	**310**		**68,789,408,743**	**60,179,697,308**
1. Short-term trade payables	311	16	32,452,539,773	30,807,382,831
2. Short-term advances from customers	312		473,797,398	899,218,950
3. Taxes and amounts payable to the State budget	313	17	3,129,243,900	4,254,804,580
4. Payables to employees	314		906,818,300	810,272,131
5. Short-term accrued expenses	315	18	11,334,582,676	10,537,239,334
6. Other current payables	319	19	4,403,248,460	3,105,689,641
7. Short-term loans and obligations under finance leases	320	20	14,456,096,582	8,565,306,014
8. Bonus and welfare funds	322		1,633,081,654	1,199,783,827
II. Long-term liabilities	**330**		**689,384,649**	**158,536,101**
1. Deferred tax liabilities	341		689,384,649	158,536,101
D. EQUITY	**400**		**133,262,136,333**	**113,444,913,485**
I. Owner's equity	**410**	**21**	**133,262,136,333**	**113,444,913,485**
1. Owner's contributed capital	411		80,277,800,000	64,222,580,000
- Ordinary shares carrying voting rights	*411a*		*80,277,800,000*	*64,222,580,000*
2. Share premium	412		(50,000,000)	(50,000,000)
3. Investment and development fund	418		557,368,590	557,368,590
4. Other reserves	420		713,858,604	713,858,604
5. Retained earnings	421		51,763,109,139	48,001,106,291
- Retained earnings accumulated to the prior year end	*421a*		*17,741,254,467*	*17,120,472,848*
- Retained earnings of the current year	*421b*		*34,021,854,672*	*30,880,633,443*
TOTAL RESOURCES (440 = 300 + 400)	**440**		**202,740,929,725**	**173,783,146,894**

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Nguyen Thi Ly	**Mai Thi Thanh Ha**	**Le Huu Canh**
Preparer	**Chief Accountant**	**General Director**

Hai Phong, 14 March 2025

The accompanying notes are an integral part of these financial statements

INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year (Restated)
1. Gross revenue from goods sold and services rendered	**01**		**937,408,787,887**	**802,482,861,535**
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	**10**	**23**	**937,408,787,887**	**802,482,861,535**
4. Cost of sales	11	24	860,603,511,162	734,609,525,271
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	**20**		**76,805,276,725**	**67,873,336,264**
6. Financial income	21	25	1,656,053,081	195,660,787
7. Financial expenses	22	26	2,144,598,839	(2,255,829,123)
- In which: Interest expense	*23*		*512,865,385*	*751,292,121*
8. General and administration expenses	26	28	23,225,477,877	20,314,992,366
9. Operating profit {30 = 20 + (21 - 22) - 26}	**30**		**53,091,253,090**	**50,009,833,808**
10. Other income	31		473,901,526	402,008,216
11. Other expenses	32		371,023,298	2,336,227,915
12. Profit from other activities (40 = 31 - 32)	**40**		**102,878,228**	**(1,934,219,699)**
13. Accounting profit before tax (50 = 30 + 40)	**50**		**53,194,131,318**	**48,075,614,109**
14. Current corporate income tax expense	51	29	10,522,739,007	10,523,277,474
15. Deferred corporate tax expense	52	30	530,848,548	158,536,101
16. Net profit after corporate income tax (60 = 50 - 51 - 52)	**60**		**42,140,543,763**	**37,393,800,534**
17. Basic earnings per share	70	31	6,084	5,227

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Nguyen Thi Ly	Mai Thi Thanh Ha	Le Huu Canh
Preparer	**Chief Accountant**	**General Director**

Hai Phong, 14 March 2025

CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. Cash flows from operating activities			
1. Profit before tax	***01***	***53,194,131,318***	***48,075,614,109***
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment	02	8,415,006,551	7,173,958,457
- Provisions	03	1,631,733,454	(3,027,340,644)
- (Gain)/loss from investing activities	05	(57,804,537)	(195,660,787)
- Interest expense	06	512,865,385	751,292,121
3. Operating profit before movements in working capital	***08***	***63,695,932,171***	***52,777,863,256***
- Increase/(Decrease) in receivables	09	(11,533,652,670)	(34,340,566,031)
- Increase/(Decrease) in inventories	10	(5,529,070,342)	(798,314,743)
- Increase/(Decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	4,656,985,652	32,711,501,362
- Increase/(Decrease) in prepaid expenses	12	(10,019,618,329)	(9,455,248,199)
- (Increase)/Decrease in trading securities	13	5,596,857,253	8,765,111,358
- Interest paid	14	(614,359,280)	(765,544,944)
- Corporate income tax paid	15	(11,479,694,501)	(7,798,808,249)
- Other cash outflows	17	(4,228,858,088)	(2,735,853,839)
Net cash generated by/(used in) operating activities	***20***	***30,544,521,866***	***38,360,139,971***
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(14,489,072,363)	(11,942,321,450)
2. Cash outflow for lending, buying debt instruments of other entities	23	-	(530,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	30,000,000	-
4. Interest earned, dividends and profits received	27	53,764,205	94,059,556
Net cash generated by /(used in) investing activities	***30***	***(14,405,308,158)***	***(12,378,261,894)***
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	87,584,768,823	66,886,477,360
2. Repayment of borrowings	34	(81,693,978,255)	(70,171,171,346)
3. Dividends and profits paid	36	(17,661,165,000)	(16,055,732,375)
Net cash generated by /(used in) financing activities	***40***	***(11,770,374,432)***	***(19,340,426,361)***
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	**50**	**4,368,839,276**	**6,641,451,716**
Cash and cash equivalents at the beginning of the year	**60**	**16,262,893,402**	**9,621,441,686**
Effects of changes in foreign exchange rates	61	-	-
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	**70**	**20,631,732,678**	**16,262,893,402**

M.S.D.N: 0200155561 - CTCP
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Nguyen Thi Ly	**Mai Thi Thanh Ha**	**Le Huu Canh**
Preparer	**Chief Accountant**	**General Director**

Hai Phong, 14 March 2025

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Ownership structure

Hai Phong Electricity Water Machine Assembly Joint Stock Company was converted to its current ownership form under Decision No. 1390/QD-UB dated 1 July 2005 issued by the People's Committee of Hai Phong City. The Company operates under the first Business Registration Certificate No. 0203001815 dated 21 October 2005 issued by the Hai Phong Department of Planning and Investment, the 17th amended certificate No. 0200155561 dated 7 January 2025 issued by the Hai Phong Department of Planning and Investment.

According to the 17th amended Business Registration Certificate dated 7 January 2025, the Company's charter capital is VND 80,277,800,000.

The number of employees as at 31 December 2024 was 161 (as at 31 December 2023: 156).

Operating industry and principal activities

The Company's operating industry is trade, services, and construction.

The Company's principal activities during the year are as follows:

- Generation, transmission, and distribution of electricity. Details: Transmission and distribution of electricity;
- Manufacture of other metal products not classified elsewhere. Details: Manufacturing pre-engineered steel structures and non-standard structures;
- Manufacture of electrical wires, cables, and other electronic components;
- Manufacture of all kinds of electrical wiring equipment;
- Installation of industrial machinery and equipment. Details: Installation of machinery for civil and industrial works;
- Construction of all types of houses;
- Construction of railway and road works;
- Construction of public works. Details: Construction of telecommunications, irrigation, dykes, bridges and culverts; Demolition;
- Installation of electrical systems;
- Installation of water supply, drainage, heating, and air conditioning systems;
- Completion of other construction works. Details: Construction of water supply and drainage systems, water treatment system; Construction of power transmission lines, 220KV transformer stations, wharves, ports, bridges, and culverts;
- Warehousing and storage of goods;
- Real estate business, land use rights owned by the owner, user or lessee. Details: Real estate business;
- Construction of other civil engineering works. Details: Construction of urban and industrial infrastructure, wharves and ports;
- Water exploitation, treatment and supply. Details: Distribution of clean water.

Normal production and business cycle

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

Characteristics of the business activities in the financial year which have impact on the financial statements

No special business activity during the year has an effect on the Company's financial statements.

Declaration on comparability of information on financial statements

Comparative figures are those on the audited financial statements for the year 2023. Some figures of the prior year have been reclassified to conform to the comparison with the figures of the current year as stated in Note 37 - Comparative figures of the Notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

1. GENERAL INFORMATION (CONTINUED)

Company's structure

As at 31 December 2024, the list of affiliated units and associates of the Company is as follows:

No.	Name	Address	Principal business activities
I	**Affiliated units**		
1	Hai Phong Electricity Water Machine Assembly JSC - Ha Long branch	Kiosk C238, Bai Chay Ward, Ha Long City, Quang Ninh Province	Electricity transmission and distribution Clean water distribution
2	Hai Phong Electricity Water Machine Assembly JSC - Ecopark Hai Duong Branch	3rd Floor, Minh Anh Plaza, 76-80 Tran Hung Dao, Tran Hung Dao Ward, Hai Duong City, Hai Duong Province	Electricity transmission and distribution
3	Hai Phong Electricity Water Machine Assembly JSC - Ecopark Hung Yen Branch	1st Floor, A3 Building, Van Giang Commercial and Tourism Urban Area, Xuan Quan Commune, Van Giang District, Hung Yen Province	Electricity transmission and distribution
4	Hai Phong Electricity Water Machine Assembly JSC - Phu Quoc branch	S336, An Thoi Gateway Urban Area, Quarter 6, An Thoi Ward, Phu Quoc City, Kien Giang Province	Electricity transmission and distribution
5	Hai Phong Electricity Water Machine Assembly JSC - Nghe An Branch (i)	TG1-16/LK53-18, Eco Central Park Urban Area, Hung Hoa Commune, Vinh City, Nghe An Province	Electricity transmission and distribution
II	**Associate**		
1	Ha Long Electricity Water Joint Stock Company (ii)	Kiosk C238, Sunworld Old Quarter, Ha Long Road, Bai Chay Ward, Ha Long City, Quang Ninh Province	Electricity transmission and distribution Water exploitation, treatment, and supply

Note:

(i) Hai Phong Electricity Water Machine Assembly Joint Stock Company - Nghe An Branch was established under Decision No. 15/QD-HDQT dated 8 September 2024, and was granted the first Business Registration Certificate for the Branch on 25 September 2024 with Branch code No. 0200155561-005.

(ii) Details in Note 15.

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARD AND REGIME

Financial year

The Company's financial year starts on 1 January and ends on 31 December.

Applied accounting regime

The Company applied Vietnamese accounting standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARD AND REGIME (CONTINUED)

Declaration of compliance with accounting standard and accounting regime

The Board of General Directors ensures to comply with the requirements of Vietnamese accounting standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparation of financial statements.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared on a time basis (except for information relating to cash flows).

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of General Directors' best knowledge, actual results may differ from those estimates.

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of General Directors' best knowledge, actual results may differ from those estimates.

Evaluation and recognition at fair value

As stipulated in Article 28 - Evaluation and recognition at fair value. However, at the time of issuing this report, there is no specific instruction for this matter; therefore, the Board of General Directors]has considered and applied as follows:

a) *Financial instruments are recognized and revaluated at fair value based on historical cost less provisions (if any) in accordance with current regulations.*
b) *For assets and liabilities (except items a as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade receivables, loan receivables, other receivables, and financial investments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities.Financial liabilities of the Company comprise trade and other payables, accrued expenses, and borrowings.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash

Cash comprises cash on hand and demand deposits.

Financial investments

Trading Securities

Trading securities are those the Company holds for trading purpose. Trading securities are recognised from the date the Company obtains the ownership of those securities and initially measured at the fair value of payments made at the transaction date plus directly attributable transaction costs.

In subsequent periods, investments in trading securities are measured at cost less provision for impairment of such investments.

Provision for impairment of trading securities is made in accordance with prevailing accounting regulations.

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 (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised 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 less provision for doubtful debts.

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

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Provision for loss of investments in associates is made when the associates are incurred the loss as equal as the difference between the actual contributed capital of parties in associates and the actual equity multiplied by the percentage of capital contribution between controlling company and its parties.

The change of provision for loss of investments in associates need to be made at the balance sheet date and are recorded in financial expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business cooperation contracts

Business cooperation contracts are agreements in which the Company and other parties conduct economic activities under joint control. Joint control means that strategic decisions related to the operational and financial policies of the joint venture require unanimous consent from all jointly controlling parties.

Income from business cooperation contracts is recognized when it is certain that the economic benefits from these transactions will be received or transferred by the Company and that these benefits can be reliably measured.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made based on an assessment of the recoverability of these receivables.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs

	Years of depreciation
Buildings and structures	05 - 25
Machinery and equipment	03 - 12
Motor vehicles	06 - 10
Management equipment	03

Intangible fixed assets and amortization

Intangible fixed assets including land use rights and computer software are stated at cost less accumulated amortization. In which: Land use rights are amortized using the straight-line method over the land use period (not amortized if the land use rights are indefinite). Computer software is amortized using the straight-line method over five years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments include tools and supplies, insurance costs, repair costs, office renovation costs at 34 Thien Loi, and other expenses. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method with an allocation period of no more than three years. For remote electronic meters, the Company allocates over a period of 6 years according to the inspection cycle of the remote meters.

Payables and accrued expenses

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

The classification of payables into trade payables, accrued expenses, and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the Company, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Equity

Owner's capital contributions: Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

Share premium: Share premium is recognized based on the difference between the issue price and the face value of the shares when they are issued for the first time, additional issuance, the difference between the reissue price and the book value of treasury shares and equity component of convertible bonds upon maturity. Direct expenses related to the issuance of additional shares and reissue of treasury shares are recorded as a decrease in share premium.

Profit distribution

Profit after tax is distributed to shareholders after deducting funds in accordance with the Charter of Company and regulations of the law which has been approved by the General Meeting of Shareholders.

Profit distribution to shareholders is referenced to the non-monetary items included in retained earnings that may affect cash flows and the ability to pay dividends/profits such as gains from revaluation of assets contributed capital, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities when having the approval of the General Meeting of Shareholders.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
b) the Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
c) the amount of revenue can be measured reliably;
d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

a) the amount of revenue can be measured reliably;
b) it is probable that the economic benefits associated with the transaction will flow to the Company;
c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Related parties

Parties are considered to be related parties when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.

List of related parties with significant transactions and balances during the year:

Related parties	Relationship
Ha Long Electricity Water Joint Stock Company	Associate
Board of General Directors, Internal Audit committee, Chief Accountant, and Board of Management of the Company	Key leaders

4. CASH

	Closing balance	Opening balance
	VND	VND
Cash on hand	341,119,202	484,757,029
Demand deposits	20,290,613,476	15,778,136,373
Total	**20,631,732,678**	**16,262,893,402**

5. TRADING SECURITIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Vietnam Import-Export and Construction Joint Stock Corporation - Stock Code: VCG	9,886,685,075	(1,565,127,875)	9,886,685,075	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Stock Code: CTG	-	-	5,596,857,253	-
Total	**9,886,685,075**	**(1,565,127,875)**	**15,483,542,328**	**-**

6. HELD-TO-MATURITY SECURITIES

Reflect the deposit at the Joint Stock Commercial Bank for Investment and Development of Vietnam with a 12-month term and an interest rate ranging from 4.8% per annum.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

7. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Short-term trading receivables	***38,978,261,330***	***36,604,635,884***
The households in An Duong	13,365,967,529	13,749,636,613
Ecopark Hung Yen Electrical Branch	8,860,441,848	7,185,165,002
The households in Thuy Nguyen	6,742,539,123	7,261,940,027
The households in Vinh Bao	3,270,612,815	3,415,879,843
Viet Hung Urban Development and Investment JSC	373,194,565	373,194,565
Others	6,365,505,450	4,618,819,834
Total	**38,978,261,330**	**36,604,635,884**

8. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance	Opening balance
	VND	VND
VTTC Construction Investment Joint Stock Company	765,889,806	504,000,000
Mat Troi Real Estate Management Company Limited	150,000,000	150,000,000
LS-VINA Cable & System Joint Stock Company	137,148,000	6,560,000
Others	213,433,427	705,933,107
Total	**1,266,471,233**	**1,366,493,107**

9. OTHER SHORT-TERM RECEIVABLES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Estimated electricity and water revenue (i)	13,902,999,994	-	9,945,619,537	-
Advances	10,169,568,400	-	5,260,089,766	-
Collateral & Deposit	266,972,455	-	200,000,000	-
Others	899,909,084	-	432,382,588	-
Interest receivables	*4,040,332*	-	*197,026,520*	-
Others	*895,868,752*	-	*235,356,068*	-
Total	**25,239,449,933**	-	**15,838,091,891**	-

Note

(i) Other receivables corresponding to the estimated revenue from electricity and water charges accrued from the final meter reading date to 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

10. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	8,674,874,460	(165,872,959)	5,883,967,341	(165,872,959)
Tools and supplies	236,582,136	-	130,366,341	-
Work in process	7,669,937,759	-	4,791,615,331	-
Total	**16,581,394,355**	**(165,872,959)**	**10,805,949,013**	**(165,872,959)**

As at 31 December 2024, the value of unsold inventories is VND 165,872,959 (as at 31 December 2023: VND 165,872,959); these are specific inventories of the electricity industry, the Company plans to liquidate or reuse these inventories appropriately in the future.

Work in progress is construction works in progress, the closing balance mainly includes the Southeast ring road project of Hai An District. On 12 February 2025, the Construction Investment Project Management Unit - People's Committee of Hai An District issued Notice No. 01/TB-QLDA on continuing to implement the construction of the Southeast ring road of Hai An District, providing guidance on preparing project adjustment documents and construction implementation plans.

11. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
Short-term	***1,979,663,268***	***1,946,476,702***
Tools and supplies for consumption	535,791,828	620,783,946
Insurance expense	36,197,254	40,266,072
Repair expense	573,127,511	47,561,965
Others	834,546,675	1,237,864,719
Long-term	***25,559,781,855***	***15,573,350,092***
Tools and supplies for consumption (i)	21,867,974,248	13,825,140,727
Expenses for 34 Thien Loi project (ii)	524,321,186	1,093,347,052
Repair expense for electrical grid network, and water system	1,838,915,109	-
Others	1,328,571,312	654,862,313
Total	**27,539,445,123**	**17,519,826,794**

Note:

(i) Tools and supplies issued for consumption mainly represent the value of remote electronic meters.

(ii) Reflect the renovation and repair costs of certain items at the Company's Office at 34 Thien Loi.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

12. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Management and equipment	Total
	VND	VND	VND	VND	VND
HISTORICAL COST					
Opening value	**14,356,660,588**	**99,654,986,127**	**8,262,885,998**	**170,252,250**	**122,444,784,963**
Acquisition	-	-	293,804,593	-	293,804,593
Construction	1,787,441,832	10,710,804,037	-	-	12,498,245,869
Other decrease	-	(505,000,000)	-	-	(505,000,000)
Closing value	**16,144,102,420**	**109,860,790,164**	**8,556,690,591**	**170,252,250**	**134,731,835,425**
ACCUMULATED DEPRECIATION					
Opening value	**4,969,005,409**	**62,743,149,447**	**4,208,071,292**	**170,252,250**	**72,090,478,398**
Charge for the year	1,030,495,952	6,566,779,029	818,811,913	-	8,416,086,894
Other decrease	-	(258,625,000)	-	-	**(258,625,000)**
Closing value	**5,999,501,361**	**69,051,303,476**	**5,026,883,205**	**170,252,250**	**80,247,940,292**
NET BOOK VALUE					
Opening value	**9,387,655,179**	**36,911,836,680**	**4,054,814,706**	**-**	**50,354,306,565**
Closing value	**10,144,601,059**	**40,809,486,688**	**3,529,807,386**	**-**	**54,483,895,133**

As stated in Note 20, the Company has pledged tangible fixed assets with the net book value of VND 4,860,790,906 as at 31 December 2024 (as at 31 December 2023: VND 4,929,820,082) as collateral for bank loans.

The cost of the tangible fixed assets includes VND 42,971,792,845 as at 31 December 2024 (as at 31 December 2023: VND 41,890,567,936) which have been fully depreciated but are still in use.

13. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS

	Land use rights	Software program	Total
	VND	VND	VND
HISTORICAL COST			
Opening balance	**4,086,629,248**	**1,195,000,000**	**5,281,629,248**
Acquisition	-	866,550,000	866,550,000
Closing balance	**4,086,629,248**	**2,061,550,000**	**6,148,179,248**
ACCUMULATED AMORTIZATION			
Opening balance	**340,000,002**	**548,327,883**	**888,327,885**
Depreciation expenses	-	338,919,659	338,919,659
Other decrease	(340,000,002)	-	(340,000,002)
Closing balance	**-**	**887,247,542**	**887,247,542**
Carrying value			
Opening balance	**3,746,629,246**	**646,672,117**	**4,393,301,363**
Closing balance	**4,086,629,248**	**1,174,302,458**	**5,260,931,706**

As stated in Note 20, the Company has pledged intangible fixed assets with the net book value of VND 680,000,000 as at 31 December 2024 (as at 31 December 2023: VND 340,000,002) as collateral for bank loans.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

14. LONG-TERM WORK IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Office project construction - Phu Quoc Branch	203,374,878	-
Electrical project in Vinh Bao	137,518,000	137,518,000
Electrical project in An Dong	5,140,000	24,464,697
Electrical project in three communes of An Duong	10,185,185	19,989,461
Electrical project in three communes of Thuy Nguyen	26,469,382	707,478,755
Total	**382,687,445**	**889,450,913**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

15. INVESTMENTS IN ASSOCIATES

	Closing balance			Opening balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
- Investments in subsidiaries	***4,000,000,000***	***407,329,603***		***4,000,000,000***	***340,724,024***	-
Ha Long Electricity Water Joint Stock Company	4,000,000,000	407,329,603	(*)	4,000,000,000	340,724,024	(*)
Total	**4,000,000,000**	**407,329,603**		**4,000,000,000**	**340,724,024**	

Ha Long Electricity Water Joint Stock Company was granted the first Business Registration Certificate No. 5702012647 dated 18 September 2019, and the first amended certificate dated 6 January 2021 issued by the Department of Planning and Investment of Quang Ninh Province, the charter capital is VND 10,000,000,000. Hai Phong Electricity Water Machine Assembly Joint Stock Company registered to contribute an amount of VND 4,000,000,000 (accounting for 40% of the charter capital). As at 31 December 2024, the Company had fully contributed the registered capital.

Ha Long Electricity Water Joint Stock Company registered its address at Kiosk C238, Sunworld Old Quarter, Ha Long Road, Bai Chay Ward, Ha Long City, Quang Ninh Province.

The Company's main business lines are electricity transmission and distribution; water exploitation, treatment and supply.

In 2024, the Company continues to operate normally, providing electricity and water supply services. As at 31 December 2024, the Company had an accumulated loss of negative VND 1,018,324,008.

Note:

(*) The Company has not determined the fair value at the balance sheet date due to the absence of specific guidance in current regulations on determining the fair value of investments. The fair value of these investments may differ from their carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

16. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Cost	Amount able to be paid off	Cost	Amount able to be paid off
	VND	VND	VND	VND
Branch of Hai Phong Power Company Limited - An Duong Power	4,284,795,060	4,284,795,060	7,386,021,307	7,386,021,307
Hung Yen Power Company - Northern Power Corporation	16,629,270,191	16,629,270,191	11,229,873,038	11,229,873,038
Branch of Hai Phong Power Company Limited - Thuy Nguyen Power	3,318,420,350	3,318,420,350	2,559,578,209	2,559,578,209
Branch of Hai Phong Power Company Limited - Vinh Bao Power	2,475,209,971	2,475,209,971	3,113,050,664	3,113,050,664
Other power companies and branches	3,610,382,975	3,610,382,975	3,612,294,269	3,612,294,269
Others	2,134,461,226	2,134,461,226	2,906,565,344	2,906,565,344
Total	**32,452,539,773**	**32,452,539,773**	**30,807,382,831**	**30,807,382,831**

17. TAXES AND AMOUNTS RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance (Restated)	Payable/Receivable during the year	Paid/Received during the year	Closing balance
	VND	VND	VND	VND
Payables				
Value-added tax	256,896,402	6,534,518,522	6,713,361,765	78,053,159
Corporate income tax	3,886,314,118	10,526,345,571	11,479,694,501	2,932,965,188
Personal income tax	111,594,060	2,682,390,661	2,675,759,168	118,225,553
Land rent payable	-	490,271,250	490,271,250	-
Others	-	37,011,210	37,011,210	-
Total	**4,254,804,580**	**20,270,537,214**	**21,396,097,894**	**3,129,243,900**
Receivables				
Value-added tax	-	-	80,661,851	80,661,851
Total	**-**	**-**	**80,661,851**	**80,661,851**

18. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Accrual for 13th-month salary, remuneration of BOM and Internal Audit Committee	2,936,109,854	2,838,534,317
Accrual for electricity and upstream water expenses	6,584,452,498	7,106,345,280
Others	1,814,020,324	592,359,737
Total	**11,334,582,676**	**10,537,239,334**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

19. OTHER SHORT-TERM PAYABLES

	Closing balance	Opening balance
	VND	VND
Contract guarantee deposit for electricity and water supply works, and equipment for the Southeast Ring Road project, Hai An District	1,887,698,148	1,887,698,148
Paybles to Mr. Tran Ngoc Hai regarding payment for construction works	1,080,210,074	-
Interest expense	7,440,291	108,934,186
Others	1,427,899,947	1,109,057,307
Total	**4,403,248,460**	**3,105,689,641**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

20. LOANS AND OBLIGATIONS UNDER FINANCE LEASE

	Opening balance		During the year		Closing balance	
	Amount	Amount able to paid off	Decrease	Increase	Amount	Amount able to paid off
	VND	VND	VND	VND	VND	VND
Short-term loans from other entities	***13,156,096,582***	***13,156,096,582***	***81,693,978,255***	***87,584,768,823***	***7,265,306,014***	***7,265,306,014***
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hai Phong Branch (i)	1,001,142,476	1,001,142,476	27,332,294,651	23,322,568,357	5,010,868,770	5,010,868,770
Joint Stock Commercial Bank For Foreign Trade of Vietnam - Hai Phong Branch (ii)	3,002,259,147	3,002,259,147	33,104,637,777	35,053,144,787	1,053,752,137	1,053,752,137
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Phong Branch (iii)	1,002,694,959	1,002,694,959	11,057,045,827	11,059,055,679	1,000,685,107	1,000,685,107
Vietnam International Commercial Joint Stock Bank	7,990,000,000	7,990,000,000	10,000,000,000	17,990,000,000	-	-
Ms. Nguyen Thi Ly (iv)	160,000,000	160,000,000	200,000,000	160,000,000	200,000,000	200,000,000
Short-term loans from related party	***1,300,000,000***	***1,300,000,000***	-	-	***1,300,000,000***	***1,300,000,000***
Ha Long Electricity Water Joint Stock Company (v)	1,300,000,000	1,300,000,000	-	-	1,300,000,000	1,300,000,000
Total	**14,456,096,582**	**14,456,096,582**	**81,693,978,255**	**87,584,768,823**	**8,565,306,014**	**8,565,306,014**

Note:

(i) Loan under the credit contract No. 01/2024/202969/HDTD dated 5 August 2024 with the regular credit limit of VND 10 billion. The credit limit is granted for 12 months from the date of signing the contract. Loan interest rate and loan term are specified in each specific credit contract. The loan has no collateral (See Note 12).

(ii) Loan under the loan contract No. 01.2024/HDCD/VCB-DNC.HP dated 28 June 2024 with the limit of VND 10 billion. The loan term is 12 months. The loan term for each loan shall not exceed 2 months. The loan interest rate shall be determined at the time of loan disbursement according to the bank's loan interest rate announcement for each period and shall be recorded on the indebtedness certificate.

Collateral:

+ Mortgage of Toyota Land Cruiser Prado with license plate No. 15A-565.75 under vehicle registration certificate No. 098695 issued by the Hai Phong City Police on 17 January 2020 (See Note 12).
+ Mortgage of apartment No. 706 in Building A1, Palm Forest Apartment Complex, Van Giang Commercial and Tourism Urban Area, Xuan Quan Commune, Van Giang District, Hung Yen Province under the land use right, house ownership and other assets attached to land certificate No. DD 448738 issued by the Department of Natural Resources and Environment of Hung Yen Province on 2 December 2021 (See Note 12).
+ Pledge/Mortgage of savings book/deposits of an individual shareholder holding at least 5% of the Company's charter capital (in VND and/or foreign currency): converted to a minimum of VND 10 million.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

20. LOANS AND OBLIGATIONS UNDER FINANCE LEASE (CONTINUED)

(iii) Loan under the loan contract No. 01/2024-HDCVHM/NHCT166-DNC dated 4 March 2024 with a short-term credit limit of VND 20 billion. The credit limit is maintained from 4 March 2024 to 6 January 2025. The loan term and interest rate will be determined on the indebtedness certificate for each loan. The collateral includes a Mercedes car with license plate No. 15A-989.46 under vehicle registration certificate No. 15 051285 dated 8 June 2022, and a 100 m² land plot in Vinh Khe Village, An Dong Commune, An Duong District, Hai Phong City under the land use right certificate No. AC 728098 (See Note 12 and 13).

(iv) Loan under the loan contract No. 01-2024/HDVV dated 1 April 2024. Loan amount: VND 160,000,000 with a term of 1 year. The loan is structured as a one-time borrowing and repayment. The loan interest rate is 5.5% per annum (calculated based on 360 days). Interest is paid quarterly. The loan has no collateral.

(v) Loan under the loan contract No. 01-HDVT dated 15 January 2020, Contract appendix No. 01-2021/PLHDVT dated 2 January 2021, Contract appendix No. 01-2022/PLHDVT dated 2 January 2022, Contract appendix No. 01-2023/PLHDVT dated 2 January 2023, Contract appendix No. 01-2024/PLHDVT dated 2 January 2024, and Contract appendix No. 01-2025/PLHDVT dated 2 January 2025. Loan term: 1 year. Interest rate: 4.6% per annum. Interest is paid quarterly. The loan has no collateral.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

21. OWNERS' EQUITY

a) Movements in owners' equity

	Owner's contributed capital	Share premium	Other reserves	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND	VND
Opening balance of prior year	**64,222,580,000**	**(50,000,000)**	**713,858,604**	**557,368,590**	**29,595,168,317**	**95,038,975,511**
Profit for the year	-	-	-	-	37,393,800,534	37,393,800,534
Funds	-	-	-	-	(1,387,010,235)	(1,387,010,235)
Dividend payment of 2022	-	-	-	-	(9,633,474,375)	(9,633,474,375)
First dividend payment of 2023	-	-	-	-	(6,422,258,000)	(6,422,258,000)
Profit allocation for joint ventures	-	-	-	-	(1,545,119,950)	(1,545,119,950)
Opening balance of current year	**64,222,580,000**	**(50,000,000)**	**713,858,604**	**557,368,590**	**48,001,106,291**	**113,444,913,485**
Profit for the year	-	-	-	-	42,140,543,763	42,140,543,763
Funds (i)	-	-	-	-	(1,727,502,827)	(1,727,502,827)
Capital increase (ii)	16,055,220,000	-	-	-	(16,055,220,000)	-
Second dividend payment of 2023 (i)	-	-	-	-	(9,633,385,000)	(9,633,385,000)
First dividend payment of 2024 (i)	-	-	-	-	(8,027,780,000)	(8,027,780,000)
Profit allocation for joint ventures (i)	-	-	-	-	(2,934,653,088)	(2,934,653,088)
Closing balance of current year	**80,277,800,000**	**(50,000,000)**	**713,858,604**	**557,368,590**	**51,763,109,139**	**133,262,136,333**

Note:

(i) Resolution of the General Meeting of Shareholders No. 02-2024/NQ-DHDCD dated 6 April 2024 approving the profit distribution plan and dividend allocation for 2023 within the year.

Details are as follows:

- Dividend distribution from retained earnings of 2023 for the second installment: 15% of capital, equivalent to VND 9,633,385,000.
- Bonus and welfare fund at 5%: VND 1,727,502,827.
- Profit distribution to partners in joint ventures and business cooperation agreements, including:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

21. OWNERS' EQUITY (CONTINUED)

a) Movements in owners' equity (Continued)

Note (Continued)

- Profit distribution to partners in joint ventures and business cooperation agreements, including:

Company	Amount (VND)
Ecopark Corporation Joint Stock Company	2,610,851,586
VP Trading and Investment Joint Stock Company	167,558,820
Hai Phong Hydraulic Construction Joint Stock Company	65,333,590
Total	**2,843,743,996**

Additionally, during the year, the Company distributed profits to Investment and Construction Trading Joint Stock Company in the amount of VND 90,909,091. This amount is fixed per period and does not depend on the Company's business performance.

- Advance payment of the first dividend installment for 2024 in cash at a rate of 10% of charter capital according to Resolution No. 15/NQ-HDQT dated 6 September 2024 with the total value of VND 8,027,780,000.
  In addition, the Company announced the second advance payment of 2024 dividend with the payment rate of 15% per share, the ex-dividend date is on 7 March 2025.

(ii) According to the Company's charter capital increase Resolution No. 12/NQ-HDQT dated 12 June 2024 regarding the issuance of an additional 1,605,564 shares as dividends for existing shareholders, the par value per share is VND 10,000. Hanoi Stock Exchange decided to approve the additional listing of 1,605,522 common shares under Decision No. 914/QD-SGDHN dated 21 August 2024 with the total issued value of VND 16,055,220,000.

During the year, the total amount of dividends actually paid to shareholders was VND 17,661,165,000.

b) Detailed in owner's contributed capital

	Closing balance	Opening balance
	VND	VND
Owner's contributed capital	80,277,800,000	64,222,580,000
Total	**80,277,800,000**	**64,222,580,000**

c) Capital transactions with owners and distributions of dividends, profit sharing

	Curent year	Prior year
	VND	VND
Owner's investment capital		
- Contributed capital at the beginning of the year	*64,222,580,000*	*64,222,580,000*
- Contributed capital increasing for the year	*16,055,220,000*	-
- Contributed capital at the end of the year	*80,277,800,000*	*64,222,580,000*
Dividends, profit received	33,716,385,000	16,055,732,375

d) Shares

	Closing balance	Opening balance
	Shares	Shares
The number of registered shares issued	-	-
The number of shares sold to the public	8,027,780	6,422,258
- Ordinary shares	*8,027,780*	*6,422,258*
Number of shares acquired (treasury shares)	-	-
- Preference shares (classified as owner's equity)	-	-
The number of shares in circulation	8,027,780	6,422,258
Par value of shares in circulation (VND)	10,000	10,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

22. OFF-BALANCE SHEET ITEMS

	Curent year	Prior year
	VND	VND
Bad debts written-off		
Tam Da Commune Management Board - Tam Da Commune Water Pipeline Project (Hai)	306,598,000	306,598,000
Hai-Tu (Lending interest revenue from Viet Tiep 2 Hospital Project)	143,538,776	143,538,776
Total	**450,136,776**	**450,136,776**

23. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Revenue from goods sold and services rendered	***937,408,787,887***	***802,482,861,535***
Revenue from electric sales	912,123,545,184	776,670,092,834
Revenue from water sales	17,425,584,381	17,502,684,500
Others	7,859,658,322	8,310,084,201
Net revenue from goods sold and services rendered	**937,408,787,887**	**802,482,861,535**

24. COST OF SALES AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Cost of electric sales	841,300,577,838	714,715,092,771
Cost of water sales	16,650,903,527	16,573,605,332
Cost of other services	2,652,029,797	3,320,827,168
Total	**860,603,511,162**	**734,609,525,271**

25. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Income from securities investment activities	1,598,248,544	-
Income from lending	57,804,537	195,660,787
Total	**1,656,053,081**	**195,660,787**

26. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expenses	512,865,385	751,292,121
Provision/Reversal of provision	1,631,733,454	(3,007,121,244)
Total	**2,144,598,839**	**(2,255,829,123)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

27. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Material, tools and supplies	16,501,125,890	16,601,637,172
Labor	32,741,152,338	31,062,022,726
Depreciation and amortisastion	8,415,006,551	7,173,958,457
Out-sourced services	27,977,055,384	16,222,241,729
Other monetary expenses	10,457,150,218	11,252,082,120
Total	**96,091,490,381**	**82,311,942,204**

28. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Employees	12,878,228,341	9,226,760,825
Depreciation and amortisastion	1,484,262,176	831,794,100
Taxes, fees, and charges	633,893,571	562,128,246
Out-sourced services	795,460,531	4,040,387,377
Others	7,433,633,258	5,653,921,818
Total	**23,225,477,877**	**20,314,992,366**

29. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
Profit before tax	**53,194,131,318**	**48,075,614,109**
Adjustments for taxable income	**(580,436,281)**	**4,110,966,267**
Adjustment increase for taxable income	**2,073,806,459**	**4,903,646,770**
- Remuneration of non-executive BOM members	1,061,390,499	812,000,000
- Non-deductible expenses	1,012,415,960	4,091,646,770
Adjustment decrease for taxable income	**2,654,242,740**	**792,680,503**
Difference in prepaid expense allocation	2,654,242,740	792,680,503
Taxable income	**52,613,695,037**	**52,186,580,376**
Corporate income tax rate	20%	20%
Current corporate income tax expense	**10,522,739,007**	**10,437,316,075**
Deferred tax expense	-	85,961,399
Corporate income tax payable during the year	**10,522,739,007**	**10,523,277,474**

The Company is provisionally determining corporate income tax expenses based on the difference between taxable income and accounting income with the amount of VND 580,436,281. The ultimate determination depends on the results of the tax authorities' examinations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

30. DEFERRED CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
Difference in prepaid expense allocation	2,654,242,740	792,680,505
Tax rate	20%	20%
Deferred tax expense	**530,848,548**	**158,536,101**

31. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share allocated to shareholders holding the Company's common shares is based on the following data:

	Current year	Prior year (Restated)
	VND	VND
Profit after tax	42,140,543,763	37,393,800,534
Adjustments to increase or decrease accounting profit to determine profit attributable to common shareholders	90,909,091	4,571,246,823
- Bonus and welfare fund (i)	-	*1,727,502,827*
- Profit allocation for joint ventures (i)	*90,909,091*	*2,843,743,996*
Profit to calculate basic earnings per share	42,231,452,854	41,965,047,357
Weighted average number of ordinary shares used to calculate basic earnings per share (ii)	6,941,303	8,027,780
Basis earning per share	6,084	5,227
Face value per share	10,000	10,000

The Company has not yet determined a specific plan for profit distribution in 2024, the allocation to funds will be carried out in accordance with Resolution of the General Meeting of Shareholders in 2025.

Basic earnings per share for the prior year have been restated for the following reasons:

(i) The Company sets bonus and welfare fund and joint venture profit fund in accordance with Resolution of the General Meeting of Shareholders No. 02-2024/NQ-DHDCD dated 6 April 2024:

(ii) The Company issues 1,605,522 shares to pay dividends to the Company's existing shareholders in accordance with Resolution No. 12/NQ-HDQT dated 12 June 2024 on increasing the Company's charter capital.

Basic earnings per share presented in the 2023 report is VND 5,808/share.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

32. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash) and shareholders' equity (comprising capital, reserves and retained earnings).

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	14,456,096,582	8,565,306,014
Less: Cash and cash equivalents	(20,631,732,678)	(16,262,893,402)
Net debt	(6,175,636,096)	(7,697,587,388)
Equity	133,262,136,333	113,444,913,485
Net debt to equity ratio	**0,0%**	**0,0%**

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 3.

Categories of financial instruments

	Carrying value	
	Current year	Prior year
	VND	VND
Financial assets		
Cash and cash equivalents	20,631,732,678	16,262,893,402
Loan receivables	-	100,000,000
Trade and other receivables	64,217,711,263	52,442,727,775
Held-to-maturity securities	524,065,753	530,000,000
Trading securities	8,321,557,200	15,483,542,328
Long-term financial investments	3,592,670,397	3,659,275,976
Total	**97,287,737,291**	**88,478,439,481**
Financial liabilities		
Trade and other payables	36,855,788,233	33,913,072,472
Accrued expenses	11,334,582,676	10,537,239,334
Loans and obligations under finance leases	14,456,096,582	8,565,306,014
Total	**62,646,467,491**	**53,015,617,820**

The Company has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

32. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including price risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Commodity price risk management

The Company purchases materials, commodities from local and foreign suppliers for business purpose. Therefore, the Company is exposed to the risk of changes in selling prices of materials, commodities.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

32. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk management (Continued)

	Less than 1 year	From 1 year to 5 years	More than 5 years	Total
	VND	VND	VND	VND
Closing balance				
Cash and cash equivalents	20,631,732,678	-	-	20,631,732,678
Trade and other receivables	64,217,711,263	-	-	64,217,711,263
Trading securities	8,321,557,200	-	-	8,321,557,200
Held-to-matury investments	524,065,753	-	-	524,065,753
Long-term financial investments	-	-	3,592,670,397	3,592,670,397
Total	**93,695,066,894**	**-**	**3,592,670,397**	**97,287,737,291**
Closing balance				
Trade and other payables	36,855,788,233	-	-	36,855,788,233
Accrued expenses	11,334,582,676	-	-	11,334,582,676
Loans and obligations under finance leases	14,456,096,582	-	-	14,456,096,582
Total	**62,646,467,491**	**-**	**-**	**62,646,467,491**
Net liquidity gap	**31,048,599,403**	**-**	**3,592,670,397**	**34,641,269,800**

	Less than 1 year	From 1 year to 5 years	More than 5 years	Total
	VND	VND	VND	VND
Opening balance				
Cash and cash equivalents	16,262,893,402	-	-	16,262,893,402
Trade and other receivables	52,442,727,775	-	-	52,442,727,775
Loan receivables	100,000,000	-	-	100,000,000
Trading securities	15,483,542,328	-	-	15,483,542,328
Held-to-matury investments	530,000,000	-	-	530,000,000
Short-term financial investments	-	-	3,659,275,976	3,659,275,976
Total	**84,819,163,505**	**-**	**3,659,275,976**	**88,478,439,481**
Opening balance				
Trade and other payables	33,913,072,472	-	-	33,913,072,472
Accrued expenses	10,537,239,334	-	-	10,537,239,334
Loans and obligations under finance leases	8,565,306,014	-	-	8,565,306,014
Total	**53,015,617,820**	**-**	**-**	**53,015,617,820**
Net liquidity gap	**31.803.545.685**	**-**	**3.659.275.976**	**35.462.821.661**

The Board of General Directors assessed the liquidity risk at low level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

33. OTHER INFORMATION

During the year, the Company engaged in the following joint venture and business cooperation contracts:

- Joint venture contract on electricity management and business at Cuu Vien Urban Area, Kien An District, Hai Phong City (Contract No. 10/2008/ĐN-XDDT dated 8 March 2008) with VP Trading and Investment Joint Stock Company to jointly exploit and operate the electricity business at Cuu Vien Urban Area, Kien An District, Hai Phong City. The exploitable asset includes the power line system and transformer station, which have been completed at the site, with VP Trading and Investment Joint Stock Company as the investor. The cooperation period begins upon project completion, handover, and operational commencement. The minimum required capital is VND 200,000,000, and profit after tax will be distributed between the parties based on their contributions. An Electricity Management Board has been established with financial reporting consolidated into the Company's accounts.

- Joint venture contract on electricity management and business with Hai Phong Hydraulic Construction Joint Stock Company (Contract No. 1208/HDLD dated 12 August 2021) at the project "Investment in Residential Development on Extended Dike and Embankment Land for Capital Generation in the Pilot Investment Project for Dike and Riverbank Reinforcement on the Right Bank of Lach Tray River" (from Km 34+600 to Km 35+950). The exploitable asset includes the low-voltage power system and electrical cabinets at Anh Dung Ward, Duong Kinh District, Hai Phong City, with Hai Phong Hydraulic Construction Joint Stock Company as the investor. The cooperation period is aligned with the validity of the electricity operation license issued by Hai Phong Department of Industry and Trade, replacing Electricity Operation License No. 151 dated 14 September 2011 of the Electricity Regulatory Authority. Profit after tax will be distributed between the parties based on their contributions. An Electricity Management Board, directly operated by the Company, has been established with financial reporting consolidated into the Company's accounts.

- Business cooperation contract No. 01/2020/HDHTKD/HLC-HP dated 30 March 2019 with Ha Long Sun Co., Ltd at the "Sun Premier Village Ha Long Bay Project" and "Sun Plaza Grand World Project". According to the contract, Ha Long Sun Co., Ltd operates by using its assets invested in the project, including electrical system (12 transformer stations with a total capacity of 20,110 KVA, 22KV medium-voltage grid, low-voltage grid, and distribution electrical cabinets); clean water supply system. Hai Phong Electricity Water Machine Assembly Joint Stock Company is responsible for managing and operating the cooperative assets and other related activities. The two parties will divide the business results after tax based on the agreed ratio.

- Business cooperation contract No. 0819/HDHTKD dated 16 August 2019 with Investment and Commercial Construction Joint Stock Company for the electricity sales in Phase 1 (7.3 hectares) belonging to phase 1 of the Urban Area project connecting Lach Tray road with Ho Sen - Cau Rao 2 road in Dong Hai Ward and Du Hang Kien Ward, Le Chan District, Hai Phong City. The contract remains valid from August 2019 until Hai Phong Electricity Water Machine Assembly Joint Stock Company no longer holds an electricity operation license issued by the competent authority. The Company must distribute profits to the partner as per the agreement.

- Business cooperation contract No. 1001/HDHTKD/ECOPARKHD-HP dated 10 January 2020 with Ecopark Hai Duong Investment Joint Stock Company at the Eco-rivers Urban Area Project along the Thai Binh River. According to the contract, Ecopark Hai Duong Investment Joint Stock Company operates by using its assets invested in the project, including: electrical system (21 transformer stations with a total capacity of 35,000 KVA, 22KV medium-voltage grid, low-voltage grid, distribution electrical cabinets, and electricity meters); lighting system; the Hai Phong Electrical and Water Installation Joint Stock Company is responsible for managing and operating the cooperative assets and other related activities. The two parties will divide the business results after tax based on the agreed ratio. If losses occur during business operations, Hai Phong Electricity Water Machine Assembly Joint Stock Company commits to covering the deficit and is entitled to carry forward losses to subsequent years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

33. OTHER INFORMATION (CONTINUED)

- Business cooperation contract with Ecopark Corporation Joint Stock Company under the Contract No. 201/HDHTKD/ECOPARK-DNC dated 28 October 2020 at Van Giang Commercial and Tourism Urban Area (Ecopark), Van Giang District, Hung Yen Province. According to the contract, Ecopark Corporation Joint Stock Company operates by using its assets invested in the project including the transformer station system, 22KV medium-voltage grid, low-voltage electrical system, distribution electrical cabinets, and electricity meters. Hai Phong Electricity Water Machine Assembly Joint Stock Company is responsible for managing and operating the cooperative assets and other related activities. The two parties will divide the business results after tax based on the agreed ratio. If losses occur during business operations, Hai Phong Electricity Water Machine Assembly Joint Stock Company commits to covering the deficit and is entitled to carry forward losses to subsequent years.

- Business cooperation contract with Viet Trung Build and Aggregate Trading Joint Stock Company (Party A) under the Contract No. 01/2021/HDHT dated 15 March 2021 regarding cooperation in managing, operating, and selling electricity for technical infrastructure construction project of North Cam River Resettlement Area. The cooperation period is long-term and divided into phases. Party A authorizes the Company to carry out procedures for obtaining an electricity operation license within the North Cam River Resettlement Area and to account for the revenue and expenses of the electricity business. Profit/loss from the electricity business at the project will be divided among partners according to the agreement.

- Business cooperation contract No. 161/2023/HDHTKD/PQC-HP dated 15 November 2023 with Phu Quoc Sun Co., Ltd at "Gateway Urban Area Project", "Hon Thom - Phu Quoc Cable Car and Marine Entertainment Complex Project", "Bai Khem - Phu Quoc High-end Eco-tourism and Resort Project" and "Premier Village Phu Quoc Resort - High-end Eco-tourism and Resort Project". According to the contract, Phu Quoc Sun Co., Ltd operates by using its assets invested in the project including the electrical system (complete transformer station system, 22KV medium voltage grid system, low voltage grid system and distribution cabinet). Hai Phong Electricity Water Machine Assembly Joint Stock Company is responsible for managing and operating the cooperative assets and other related activities. The two parties will divide the business results after tax based on the agreed ratio.

- Business cooperation agreement No. 152/2024/HDHTKD/VIETLAO-DNC dated 4 September 2024 with Viet Lao Economic Coorperation Corporation (Party A) for cooperation in electricity business operations using the electrical system invested by Party A at the urban and social housing project and the urban and social housing expansion project in Hung Hoa Commune, Vinh City, Nghe An Province. According to the contract, Viet Lao Economic Coorperation Corporation operates by using its assets invested in the project including complete transformer station system; 22KV medium voltage grid system, low voltage grid system, distribution cabinets, and electricity meters. Hai Phong Electricity Water Machine Assembly Joint Stock Company is responsible for managing and operating the cooperative assets and other related activities. The two parties will divide the business results after tax based on the agreed ratio.

34. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

In addition to the balances with related parties as stated in Note 20, during the year, the Company had the following major transactions with related parties:

	Current year	Prior year
	VND	VND
Ha Long Electricity Water Joint Stock Company		
Interest expense	60,796,666	42,736,111
Interest paid	60,796,666	42,736,111

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

34. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (CONTINUED)

Remuneration paid to the Board of General Directors, Internal Audit Committee, Chief Accountant, and Board of Management during the year was as follows:

	Current year	Prior year
	VND	VND
Salaries and bonuses	**6,555,068,094**	**6,357,791,030**
Mr. Do Huy Dat	946,840,000	905,724,500
Mr. Le Huu Canh	1,585,229,077	1,627,553,200
Mr. Nguyen Trung Kien	256,500,000	236,500,000
Ms. Vu Thi Luong Dung	842,733,969	813,885,400
Mr. Ta Van Son	269,500,000	248,500,000
Mr. Nguyen Van Thao	924,217,385	864,546,307
Ms. Lai Thi Vinh	213,000,000	196,000,000
Ms. Nguyen Thi Thu Ha	605,123,012	602,583,215
Ms. Duong Thi Thuy Linh	137,500,000	131,000,000
Ms. Mai Thi Thanh Ha	774,424,651	731,498,408

	Current year	Prior year
	VND	VND
Dividends	**12,582,245,500**	**11,075,259,500**
Mr. Do Huy Dat	4,431,599,000	3,987,040,000
Mr. Le Huu Canh	2,191,317,500	1,992,107,500
Mr. Nguyen Trung Kien	4,785,525,000	3,992,295,000
Ms. Vu Thi Luong Dung	586,685,000	533,350,000
Mr. Ta Van Son	81,526,000	74,115,000
Mr. Nguyen Van Thao	214,940,000	195,400,000
Ms. Lai Thi Vinh	134,398,000	122,180,000
Ms. Nguyen Thi Thu Ha	98,985,000	85,022,000
Ms. Mai Thi Thanh Ha	57,270,000	93,750,000

35. SEGMENT INFORMATION

The Company's business activities take place only in the northern region, so it does not prepare segment reports by geographical area.

Segment information is presented based on the Company's business sectors, including electricity supply, water supply, and construction.

Segment results include directly allocated items as well as those distributed to multiple segments based on a reasonable allocation method. Items not allocated include assets and liabilities, financial income and expenses, selling expenses, general and administration expenses, other income, and corporate income tax.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

35. SEGMENT INFORMATION (CONTINUED)

Below is the analysis of revenue, cost of sales, and service rendered of the Company by business segments:

	Electricity business sector	Water business sector	Others	Total
	VND	VND	VND	VND
Current year				
Net revenue from goods sold and services rendered	912,123,545,184	17,425,584,381	7,859,658,322	937,408,787,887
Total revenue from goods sold and services rendered	**912,123,545,184**	**17,425,584,381**	**7,859,658,322**	**937,408,787,887**
Cost of sales	841,300,577,838	16,650,903,527	2,652,029,797	860,603,511,162
Business results	70,822,967,346	774,680,854	5,207,628,525	76,805,276,725

	Electricity business sector	Water business sector	Others	Total
	VND	VND	VND	VND
Prior year				
Net revenue from goods sold and services rendered	776,670,092,834	17,502,684,500	8,310,084,201	802,482,861,535
Total revenue from goods sold and services rendered	**776,670,092,834**	**17,502,684,500**	**8,310,084,201**	**802,482,861,535**
Cost of sales	714,715,092,771	16,573,605,332	3,320,827,168	734,609,525,271
Business results	61,955,000,063	929,079,168	4,989,257,033	67,873,336,264

36. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash outflows for purchases of fixed assets and construction in progress during the year include an amount of VND 321,348,666, representing the advance payment to contractors under the contracts for purchase and sales of fixed assets and construction services. Consequently, changes in accounts receivable have been adjusted by the same amount.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
These notes are an integral part of and should be read in conjunction with the accompanying financial statements

37. COMPARATIVE INFORMATION

Comparative figures are those on the audited financial statements for the year ended 31 December 2023. Certain figures from the previous reporting period have been reclassified to conform to the comparison with the figures of the current period, specifically as follows:

Items	Reported amount as at 31/12/2023	Restatement	Amount after restatement as at 01/01/2024	Note
	VND	VND	VND	
Balance sheet				
Value added tax deductibles	36,567,506	104,685,111	141,252,617	(i)
Taxes and other receivables from the State budget	12,415,416	(12,415,416)	-	(i)
Taxes and amounts payable to the State budget	4,162,534,885	92,269,695	4,254,804,580	(i)

Note:

(i) The Company has restated value added tax amounts based on the adjusted figures reported in the supplementary tax declarations.

Nguyen Thi Ly	**Mai Thi Thanh Ha**	**Le Huu Canh**
Preparer	**Chief Accountant**	**General Director**

Hai Phong, 14 March 2025