

SONG VANG HYDROPOWER JOINT STOCK COMPANY

Audited financial statements

For the year ended 31 December 2024

TABLE OF CONTENTS

	Page(s)
STATEMENT OF THE BOARD OF MANAGEMENT	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
AUDITED FINANCIAL STATEMENTS	
Statement of Financial Position	6 - 7
Statement of Income	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 28

SONG VANG HYDROPOWER JOINT STOCK COMPANY

No. 81 Le Dai Street, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Song Vang Hydropower Joint Stock Company (hereinafter called “the Company”) presents this report together with the audited financial statements of the Company for the year ended 31 December 2024.

GENERAL INFORMATION

Song Vang Hydropower Joint Stock Company is established and operating under the Certificate of Business Registration No. 0400476650 for the first time on 01 December 2004, and the 17th amendment dated 09 June 2022 issued by the Da Nang city Department of Planning and Investment.

THE MEMBERS OF THE BOARD OF DIRECTORS, THE BOARD OF SUPERVISORS, AND THE BOARD OF MANAGEMENT

The members of the Board of Directors, the Board of Supervisors, and the Board of Management of the Company during the year and to the date of this statement are as follows:

The Board of Directors

Full name	Position
Mr. Le Thai Hung	Chairman
Mr. Ung Van Phuc	Member
Mr. Luu Quang Viet	Member

Ban Kiểm soát

Full name	Position
Ms. Luong Thi Ngoc Quynh	Head of BOS
Mr. Ho Ngoc Tuan	Member
Ms. Nguyen Mai Lan	Member

Ban General Director

Full name	Position
Mr. Ung Van Phuc	General Director
Mr. Pham Van Long	Deputy General Director

Legal representatives

The legal representative of the Company during the year and to the date of this statement is Mr. Ung Van Phuc - General Director.

EVENTS ARISING AFTER THE END OF THE YEAR

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in these financial statements.

AUDITORS

International Auditing and Valuation Company Limited has been appointed to audit the financial statements of the Company for the year ended 31 December 2024.

STATEMENT OF THE BOARD OF MANGEMENT (Continue)

DISCLOSURE OF THE BOARD OF MANGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board of Management of the Company is responsible for preparing the financial statements, which 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. In preparing these financial statements, The Board of Management 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;
- Prepare 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 Management of the Company 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 Management 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 Management confirms that the Company has complied with the above requirements in preparing these financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Management approves the attached financial statements. The financial statements reflected truly and fairly the Company's financial position as at 31 December 2024, as well as the financial performance and cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

COMMITMENT ON INFORMATION DISCLOSURE

The Board of Management confirms to have complied with Decree No.155/2020/ND-CP dated 31 December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the securities market, Circular No.68/2024/TT-BTC dated 18 September 2024 amending to Circulars on securities transactions, operations of securities companies, and disclosure of information on securities market.

For and on behalf of The Board of Management,



Ung Van Phuc

General Director

Da Nang, 25 March 2025

No: 0207/2024/BCTC/IAV

INDEPENDENT AUDITORS' REPORT

To: **The shareholders**
The Board of Directors, the Board of Supervisors, and the Board of Management
of Song Vang Hydropower Joint Stock Company

We have audited the accompanying financial statements of Song Vang Hydropower Joint Stock Company (hereinafter called "the Company"), prepared on 25 March 2025, as set out from page 06 to page 28, which comprise the statement of financial position as at 31 December 2024, the statement of income, and statement of cash flows for the year then ended, and the notes to the financial statements.

The Board of Management's Responsibility

The Board of Management of the Company 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 Management 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 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Auditors' Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2024, and of the results of its operations 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.

Other Matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another independent audit firm. The auditor expressed an unmodified opinion on those statements on 18 March 2024.



DUONG VAN THIEU

Deputy Director

Audit Practising Registration Certificate

No. 5353-2025-283-1

INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED

Hanoi, 25 March 2025

NGUYEN PHUONG THUY

Auditor

Audit Practising Registration Certificate

No. 4567-2022-283-1

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
A. SHORT-TERM ASSETS	100		85,426,342,844	85,348,146,868
I. Cash and cash equivalents	110	4.1	12,633,959,521	2,986,065,011
1. Cash	111		12,633,959,521	2,986,065,011
II. Short-term financial investments	120		-	-
III. Short-term receivables	130		65,475,481,793	77,140,776,975
1. Short-term trade receivables	131	4.2	11,878,647,407	16,611,265,797
2. Short-term advances to suppliers	132	4.3	38,819,126,569	45,012,456,415
3. Short-term loan receivables	135	4.4	-	1,237,234,568
4. Other short-term receivables	136	4.5	14,803,059,817	14,305,172,195
5. Short-term allowance for doubtful debts	137		(25,352,000)	(25,352,000)
IV. Inventories	140		-	-
V. Other short-term assets	150		7,316,901,530	5,221,304,882
1. VAT deductibles	152		7,316,901,530	5,221,304,882
B. LONG-TERM ASSETS	200		422,157,110,623	322,092,352,677
I. Long-term receivables	210		-	-
II. Fixed assets	220		181,606,421,184	193,080,950,460
1. Tangible fixed assets	221	4.8	181,606,421,184	193,080,950,460
- Cost	222		450,478,451,778	450,478,451,778
- Accumulated depreciation	223		(268,872,030,594)	(257,397,501,318)
III. Investment properties	230		-	-
IV. Long-term assets in progress	240		240,550,689,439	128,802,844,382
1. Construction in progress	242	4.6	240,550,689,439	128,802,844,382
V. Long-term financial investments	250		-	-
VI. Other long-term assets	260		-	208,557,835
1. Long-term prepaid expenses	261	4.7	-	208,557,835
TOTAL ASSETS	270		507,583,453,467	407,440,499,545

STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
C. LIABILITIES	300		285,303,644,016	216,250,031,623
I. Short-term liabilities	310		89,205,059,984	79,362,724,381
1. Short-term trade payables	311	4.9	22,748,946,164	31,545,724,924
2. Taxes and amounts payable to the State budget	313	4.12	2,883,707,902	3,645,762,019
3. Payables to employees	314		1,086,359,005	1,194,917,886
4. Short-term accrued expenses	315	4.11	264,801,967	294,390,370
5. Other short-term payables	319	4.10	2,892,318,079	2,665,472,508
6. Short-term borrowings and finance lease liabilities	320	4.13	59,328,926,867	40,016,456,674
II. Long-term liabilities	330		196,098,584,032	136,887,307,242
1. Long-term borrowings and finance lease liabilities	338	4.13	196,098,584,032	136,887,307,242
D. EQUITY	400	4.14	222,279,809,451	191,190,467,922
I. Owner's equity	410		222,279,809,451	191,190,467,922
1. Owner's contributed capital	411		148,206,625,000	148,206,625,000
- Ordinary shares with voting rights	411a		148,206,625,000	148,206,625,000
2. Retained earnings	421		74,073,184,451	42,983,842,922
- Retained earnings of the prior year	421a		42,983,842,922	13,322,264,643
- Retained earnings of the current year	421b		31,089,341,529	29,661,578,279
II. Other resources and funds	430		-	-
TOTAL RESOURCES	440		507,583,453,467	407,440,499,545



Preparer

Ha Huy Binh



Chief Accountant

Ha Huy Binh



General Director

Ung Van Phuc

Da Nang, Vietnam

25 March 2025

STATEMENT OF INCOME

For the year ended 31 December 2024

ITEMS	Code	Note	Current year VND	Prior year VND
1. Gross revenue from goods sold and services rendered	01	5.1	59,872,017,097	56,328,580,772
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered	10		59,872,017,097	56,328,580,772
4. Cost of goods sold	11	5.2	18,582,130,583	19,202,740,290
5. Gross profit from goods sold and services rendered	20		41,289,886,514	37,125,840,482
6. Financial income	21	5.3	1,179,519,231	779,790,371
7. Financial expenses	22	5.4	6,726,164,355	8,907,025,778
<i>In which: Interest expense</i>	23		6,726,164,355	8,906,846,294
8. Selling expenses	25		-	-
9. General and administration expenses	26	5.5	2,717,909,984	1,118,203,792
10. Net operating profit	30		33,025,331,406	27,880,401,283
11. Other income	31	5.6	1,156,013,067	5,286,451,518
12. Other expenses	32	5.7	1,249,211,292	1,497,943,481
13. Other profit	40		(93,198,225)	3,788,508,037
14. Accounting profit before tax	50		32,932,133,181	31,668,909,320
15. Current corporate income tax expense	51	5.8	1,842,791,652	2,007,331,041
16. Deferred corporate income tax expense	52		-	-
17. Net profit after corporate income tax	60		31,089,341,529	29,661,578,279
18. Basic earnings per share	70	5.10	2,098	2,001
19. Diluted earnings per share	71	5.10	2,098	2,001



Preparer

Ha Huy Binh



Chief Accountant

Ha Huy Binh



General Director

Ung Van Phuc

Da Nang, Vietnam

25 March 2025

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(Indirect method)

ITEMS	Code	Note	Current year VND	Prior year VND
I. Cash flows from operating activities				
1. Profit before tax	01		32,932,133,181	31,668,909,320
2. Adjustments for:				
- Depreciation and amortisation of fixed assets and investment properties	02		11,474,529,276	11,474,529,276
- (Gains)/losses from investing activities	05		(1,179,519,231)	(779,790,371)
- Interest expense	06		6,726,164,355	8,906,846,294
3. Operating profit before changes in working capital	08		49,953,307,581	51,270,494,519
- Change in receivables	09		8,565,048,352	(22,532,683,138)
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11		(27,559,438,946)	(14,053,610,772)
- Change in prepaid expenses	12		208,557,835	1,137,096,024
- Interest paid	14		(6,726,164,355)	(8,956,846,294)
- Corporate income tax paid	15		(2,141,796,035)	(1,816,991,127)
Net cash flows from operating activities	20		22,299,514,432	5,047,459,212
II. Cash flows from investing activities				
1. Acquisition and construction of fixed assets and other long-term assets	21		(93,359,536,318)	(56,357,964,770)
2. Cash outflow for lending, buying debt instruments of other entities	23		(14,615,168,772)	(12,428,491,988)
3. Cash recovered from lending, selling debt instruments of other entities	24		15,619,818,954	26,510,000,000
4. Interest earned, dividends and profits received	27		1,179,519,231	1,034,944,904
Net cash flows from investing activities	30		(91,175,366,905)	(41,241,511,854)
III. Cash flows from financing activities				
1. Proceeds from borrowings	33	6.1	93,321,310,983	44,339,358,686
2. Repayment of borrowings	34	6.2	(14,797,564,000)	(12,218,424,000)
Net cash flows from financing activities	40		78,523,746,983	32,120,934,686
Net increase/(decrease) in cash for the year	50		9,647,894,510	(4,073,117,956)
Cash and cash equivalents at the beginning of the year	60		2,986,065,011	7,059,182,967
Cash and cash equivalents at the end of the year	70		12,633,959,521	2,986,065,011



Preparer
Ha Huy Binh



Chief Accountant
Ha Huy Binh



General Director
Ung Van Phuc
Da Nang, Vietnam
25 March 2025

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2024

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

1. GENERAL INFORMATION**1.1 Structure of ownership**

Song Vang Hydropower Joint Stock Company is established and operating under the Certificate of Business Registration No. 0400476650 for the first time on 01 December 2004, and the 17th amendment dated 09 June 2022 issued by the Da Nang city Department of Planning and Investment.

The Company's charter capital, as per the 17th amendment of the Certificate of Business Registration, is VND 148,206,625,000, with a total of 14,820,662 shares issued.

The number of employees as at 31 December 2024 was 37 people (31 December 2023: 36 people).

1.2 Business area

The Company's main business area are power generation, transmission and distribution

1.3 Business activities

The Company's main business activities include:

- Electric power generation, transmission and distribution, details: Electricity production and trading;
- Manufacture of concrete and articles of concrete, cement and plaster, details: Production, trading of building materials;
- Quarrying of stone, sand, gravel and clay, details: exploitation, processing, trading of minerals;
- Construction of other civil engineering projects, details: Construction of power lines and transformer stations up to 220 kV;
- Repair of other equipment, details: Repair and maintenance of Hydropower plants;
- Education, details: Training of power plant operators;
- Short term accommodation activities, details: Hotel business, travel and tourism;
- Silviculture and cultivation of forestry, details: afforestation, processing, trading of forest products;
- Trading of own or rented property and land use rights, details: Real estate business, investment in the construction of hydropower, civil, industrial, transport, irrigation projects.

1.4 Normal Operating Cycle

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

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

In 2024, there are no activities that have a significant impact on the indicators on the Company's Financial Statements.

1.6 Disclosure of information comparability in the financial statements

The data presented in the financial statements for the year ended 31 December 2024 are comparable to the corresponding figures of the prior year.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

2.1. Accounting convention

The accompanying financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

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.

2.2. Going concern assumption

There are no events that raise significant doubt about the going concern assumption, and the Company has neither the intention nor the obligation to cease operations or significantly downsize its business scale.

2.3. Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Estimate

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 Management 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 (reporting period). Although these accounting estimates are based on The Board of Management's best knowledge, actual results may differ from those estimates.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.3 Financial investments

Loan receivables

Loan receivables are measured at cost less allowances for doubtful debts. Allowance for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

3.4 Receivables

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

Allowance for doubtful debts is made for each receivables based on the overdue age or the expected level of possible losses, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

3.5 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 and is accounted for using the perpetual inventory 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 allowance 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 statement of financial position date.

3.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of acquired tangible fixed assets includes the purchase price and all directly attributable costs necessary to bring the asset to its intended use.

	Depreciation Period (years)
Buildings and structures	30
Machinery and equipment	03 - 10
Motor vehicles	05 - 08
Office equipment	03 - 06

3.7 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.

3.8 Prepaid expenses

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include the following expenses:

Tools and equipment

The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation no more than 3 years.

Other expenses

Other expenses are allocated to expenses using the straight-line method with an allocation period of no more than 3 years.

3.9 Accounts payable and accrued expenses

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company.
- Accrued expenses represent amounts payable for goods and services received from suppliers or provided to customers but not yet paid due to the absence of invoices or insufficient supporting accounting documentation. They also include amounts payable to employees for accrued leave and other production and business expenses that need to be recognized in advance. When these expenses are incurred in reality, any differences between the actual

- amount and the accrued amount are adjusted accordingly by recognizing additional expenses or reversing previously accrued expenses to reflect the variance.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

3.10 Borrowings and finance lease liabilities

Borrowings are tracked according to each object, each contract and the repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

3.11 Borrowing costs

Borrowing costs are recognised in the statement of income in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

3.12 Owner's equity

Capital is recorded according to the amount actually invested by shareholders.

3.13 Distribution of net profits

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Company as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders and there is a list of shareholders entitled to receive dividends.

3.14 Revenue and earnings

Revenue from sales of finished goods, and merchandise goods

Revenue from sales of finished goods, and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The costs related to the sales transaction can be measured reliably.

Revenue from service rendered

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 statement of financial position date of that period. The outcome of a transaction can be measured reliably when all following conditions are satisfied:

- Revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The stage of completion of the service can be determined as of the end of the financial year.
- The costs incurred for the transaction and the costs to complete the service transaction can be measured reliably

Financial income

Interest

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

3.15 General and administration expenses

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

3.16 Taxation

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

The current tax payable is calculated based on taxable income for the year. Taxable income differs from profit before tax presented in the Statement of Comprehensive Income because taxable income excludes revenues or expenses that are taxable or deductible in different periods (including tax loss carryforwards, if any). Additionally, taxable income does not include non-taxable items or non-deductible expenses.

Deferred tax assets and deferred tax liabilities are offset when the Company has a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and deferred tax liabilities relate to corporate income tax managed by the same tax authority. The Company also intends to settle current income tax on a net basis.

The determination of the tax 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.

The Company is entitled to corporate income tax incentives under Section b, Article 2, Investment Incentive Certificate No. 09/CN-UBND dated 18 July 2006 issued by the People's Committee of Quang Nam Province as follows:

- To enjoy the corporate income tax rate of 10% for a period of 15 years for the income brought by this investment;
- Exemption from corporate income tax for 04 years and 50% reduction of the payable corporate income tax amount for the next 07 years for the income brought by this investment.

2024 is the seventh year that the Company is entitled to a 50% reduction in the payable corporate income tax on income arising in the area.

3.17 Related parties

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF FINANCIAL POSITION

4.1 Cash and cash equivalents

	Closing balance VND	Opening balance VND
Cash on hand	4,023,687,822	2,700,552,202
Demand deposits in banks	8,610,271,699	285,512,809
	12,633,959,521	2,986,065,011

4.2 Short-term trade receivables

	Closing balance VND	Opening balance VND
Central Power Corporation (PC3)	11,878,647,407	16,611,265,797
Total	11,878,647,407	16,611,265,797

4.3 Short-term advances to suppliers

	Closing balance VND	Opening balance VND
Prime Trung Tin Joint Stock Company	18,118,721,641	31,921,534,631
Van Tien Hunan Group Company Limited	16,227,461,000	7,855,625,000
Others	4,472,943,928	5,235,296,784
Total	38,819,126,569	45,012,456,415

4.4 Short-term loans receivables

	Closing balance VND	Opening balance VND
An Nhan Electric Power Investment and Development Joint Stock Company (i)	-	1,237,234,568
Total	-	1,237,234,568
Receivables from loans to related parties (Details presented in Note 7.2)	-	1,237,234,568

(i) Loan under loan contract No. 03.24/SV-AN dated 01 January 2024; interest rate: 7% per annum; loan term: 12 months; security method: unsecured.

4.5 Other short-term receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Mortgage, collateral	8,974,068,075	-	8,337,000,000	-
Advance to employees	3,207,196,939		3,095,972,258	
Central Power Corporation (PC3)	1,570,666,083	-	2,076,245,650	-
Others	1,051,128,720	(25,352,000)	795,954,287	(25,352,000)
Total	14,803,059,817	(25,352,000)	14,305,172,195	(25,352,000)
Other receivables from related parties (Details presented in Note 7.2)	1,762,000,000		1,762,000,000	

4.6 Construction in progress

	Closing balance VND	Opening balance VND
Construction in progress	240,550,689,439	128,802,844,382
An Diem II Expansion Project (i)	240,550,689,439	128,802,844,382
Total	240,550,689,439	128,802,844,382

(i) The company implements the project according to Decision on adjusting investment policy No. 1934/QĐ-UBND dated 20 July 2020 of the People's Committee of Quang Nam province:

- Project objectives and scale: Invest in the construction of a hydropower plant to generate electricity on the national grid with a capacity of 29.6 MW (in which: Phase 1 investment in a hydropower plant with a capacity of 15.6 MW has been put into operation; Phase 2: Investment in hydropower expansion with a capacity of 14 MW).

- Total investment capital phase 2: VND 446,664,093,000.

4.7 Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Tools and equipments	-	119,734,634
Others	-	88,823,201
Total	-	208,557,835

4.8	Increases, decreases in tangible fixed assets	Buildings, structures, VND					Machinery, equipment VND	Motor vehicles VND	Office equipment VND	Total VND
COST										
	Opening balance	340,515,878,283	108,965,581,881	946,900,705	50,090,909	450,478,451,778				
	Closing balance	340,515,878,283	108,965,581,881	946,900,705	50,090,909	450,478,451,778				
ACCUMULATED DEPRECIATION										
	Opening balance	147,682,927,823	108,717,581,881	946,900,705	50,090,909	257,397,501,318				
	Increase during the year									
	Depreciation for the year	11,350,529,276	124,000,000	-	-	11,474,529,276				
	Closing balance	159,033,457,099	108,841,581,881	946,900,705	50,090,909	268,872,030,594				
NET BOOK VALUE										
	Opening balance	192,832,950,460	248,000,000	-	-	193,080,950,460				
	Closing balance	181,482,421,184	124,000,000	-	-	181,606,421,184				

The historical cost of tangible fixed assets fully depreciated but still in use as at 31 December 2024, was VND 109,590,573,495, and as at 01 January 2024 was VND 109,590,573,495.
 The net book value of tangible fixed assets pledged or mortgaged as collateral for loans as at 31 December 2024 was VND 181,482,421,184, and as at 01 January 2024 was VND 192,832,950,460.

4.9 Short-term trade payables

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Vietnam Investment and Infrastructure Development Corporation	2,314,082,000	2,314,082,000	2,314,082,000	2,314,082,000
Vietnam Machinery Installation Corporation	13,086,415,303	13,086,415,303	13,086,415,303	13,086,415,303
Quang Trung Mechanical Engineering Company Limited	1,788,319,259	1,788,319,259	12,155,822,376	12,155,822,376
Others	5,560,129,602	5,560,129,602	3,989,405,245	3,989,405,245
Total	22,748,946,164	22,748,946,164	31,545,724,924	31,545,724,924

4.10 Other short-term payables

	Closing balance VND	Opening balance VND
Trade union fee	32,129,707	15,959,391
Insurances	6,431	3,010,565
Vietnam Machinery Installation Corporation	1,523,615,723	1,523,615,723
Quang Nam Forest Protection Fund	722,685,924	532,511,424
Others	613,880,294	590,375,405
Total	2,892,318,079	2,665,472,508
Other short-term payables to related parties (Details presented in Note 7.2)	278,531,719	-

4.11 Short-term accrued expenses

	Closing balance VND	Opening balance VND
Others	264,801,967	294,390,370
Total	264,801,967	294,390,370

SONG VANG HYDROPOWER JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

Form B 09 - DN

4.12 Taxes and amounts payables to the State budget

	At the beginning of the year		During the year		At the end of the year	
	Receivables VND	Amount payable VND	Amount payable VND	Paid VND	Receivables VND	Amount payable VND
Value added tax	-	-	145,413,157	145,413,157	-	-
Corporate income tax	-	2,007,331,041	1,842,791,652	2,141,796,035	-	1,708,326,658
Personal income tax	-	2,120,599	49,763,706	51,884,305	-	-
Natural resource consumption tax	-	1,476,464,531	5,535,257,571	5,841,634,538	-	1,170,087,564
Land and housing tax, and rental charges	-	-	318,006,500	318,006,500	-	-
Environmental protection tax	-	-	1,383,417,000	1,383,417,000	-	-
Business license tax	-	-	4,000,000	4,000,000	-	-
Fees, charges and other payables	-	159,845,848	204,115,376	358,667,544	-	5,293,680
Total	-	3,645,762,019	9,482,764,962	10,244,819,079	-	2,883,707,902

The Company's tax finalization is subject to examination by the tax authorities. As the application of tax laws and regulations to various transactions may be interpreted differently, the amount of tax presented in the financial statements may be subject to adjustments based on the tax authorities' decisions.

4.13 Borrowings and finance lease liabilities
4.13.1 Long-term borrowings and finance lease liabilities

	Closing balance		In the year		Opening balance	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
Orient Commercial Joint Stock Bank - Thang Long Branch (iii)	196,098,584,032	196,098,584,032	85,167,732,454	25,956,455,664	136,887,307,242	136,887,307,242
Total	196,098,584,032	196,098,584,032	85,167,732,454	25,956,455,664	136,887,307,242	136,887,307,242

4.13.2 Short-term borrowings and finance lease liabilities

	Closing balance		In the year		Opening balance	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
Short-term loans						
Mrs. Tran Thu Huong (i)	33,737,146,203	33,737,146,203	8,153,578,529	-	25,583,567,674	25,583,567,674
An Nhan Electric Power Investment and Development Joint Stock Company (i)	27,379,323,850	27,379,323,850	1,795,756,176	-	25,583,567,674	25,583,567,674
	6,357,822,353	6,357,822,353	6,357,822,353	-	-	-
Current portion of long-term loans						
Orient Commercial Joint Stock Bank - Thang Long Branch (iii)	25,591,780,664	25,591,780,664	23,377,315,664	12,218,424,000	14,432,889,000	14,432,889,000
Total	59,328,926,867	59,328,926,867	31,530,894,193	12,218,424,000	40,016,456,674	40,016,456,674
Short-term borrowings and finance leases from related parties (Details presented in Note 7.2)	6,357,822,353	6,357,822,353	-	-	-	-

(i) Loan contract with Ms. Tran Thu Huong, interest rate 7% per annum. Security method: Unsecured.

(ii) Loan contract with An Nhan Electric Investment and Development Joint Stock Company under Loan contract No. 04.24/SV – AN dated 08 October 2024. Loan term: 12 months, loan interest rate: 7% per annum. Security method: Unsecured.

(iii) Including the following contracts:

(1) Credit contract No. 0009/2022/HDTD-OCB-DN dated 18 January 2022 between Orient Commercial Joint Stock Bank – Nghe An Branch and Song Vang Hydropower Joint Stock Company:

- Credit limit: VND 85,529,000,000;

- Loan term: 84 months;

- Loan interest rate: 8.9% per annum, adjusted each 6 months;

- Secured assets:

+ All construction works on land, auxiliary works and other assets of An Diem II Hydropower Plant with a capacity of 15.6 MW attached to land plots No. 20, 21; map sheets No. 1, 2, 3; area 1,326,794 m².

+ All machinery and equipment of An Diem II Hydropower Plant with a capacity of 15.6 MW.

+ The cluster of Ban Coc hydropower plant in Kim Chau commune, Que Phong district, Nghe An province includes the Executive Office of the Management Board, the house where the generator is located and the machine is operated, the material warehouse, the water barrier and the water collection system. Machinery and equipment at Ban Coc hydropower plant in Kim Chau commune, Que Phong district, Nghe An province are owned by Que Phong Hydropower Joint Stock Company (Co-guarantee with the financial obligations of Que Phong Hydropower Joint Stock Company at OCB).

The balance of Loan Contract No. 0009/2022 to 31 December 2024 was VND 54,404,861,380.

(2) Credit contract No. 0074/2022/HĐTD-OCB-DN dated 23 March 2022 between Orient Commercial Joint Stock Bank – Nghe An Branch and Song Vang Hydropower Joint Stock Company:

- Credit limit: VND 230,000,000,000;

- Loan term: 144 months;

- Loan interest rate: According to each agreement in the Debt Acknowledgement Contract;

- Purpose: Investment funding for An Diem II Hydropower Plant Project;

- Secured assets:

+ All construction works on land, auxiliary works and other assets of An Diem II Hydropower Plant with a capacity of 15.6 MW attached to land plots No. 20, 21; map sheets No. 1, 2, 3; area 1,326,794 m².

+ All machinery and equipment of An Diem II Hydropower Plant with a capacity of 15.6 MW.

+ All construction works on land, machinery and equipment, auxiliary works and other assets formed in the future belong to the An Diem II hydropower plant expansion with a capacity of 14 MW.

The balance of Loan Contract No. 00074/2022 to 31 December 2024 was VND 167,285,503,316.

4.14 Owner's equity

4.14.1 Reconciliation table of equity

	Owner's contributed capital VND	Retained earnings VND	Total VND
Prior year's opening balance	148,206,625,000*	13,322,264,643	161,528,889,643
Profit for the year	-	29,661,578,279	*29,661,578,279
Prior year's closing balance	148,206,625,000	42,983,842,922	191,190,467,922
Current year's opening balance	148,206,625,000	42,983,842,922	191,190,467,922
Profit for the year	-	31,089,341,529	31,089,341,529
Current year's closing balance	148,206,625,000	74,073,184,451	222,279,809,451

4.14.2 Details of owner's investment capital

	Closing balance		Opening balance	
	Contributed capital VND	Ratio %	Contributed capital VND	Ratio %
Trung Son Electricity Joint Stock Company	127,472,000,000	86.01%	127,472,000,000	86.01%
Mr. Le Thai Hung	14,871,000,000	10.03%	14,871,000,000	10.03%
Others	5,863,625,000	3.96%	5,863,625,000	3.96%
Total	148,206,625,000	100%	148,206,625,000	100%

4.14.3 Capital transactions with owners and dividend distribution, profit sharing

	Current year VND	Prior year VND
Owner's equity		
Capital contribution at the beginning of the year	148,206,625,000	148,206,625,000
Capital contribution increased during the year	-	-
Capital contribution decreased during the year	-	-
Capital contribution at the end of the year	148,206,625,000	148,206,625,000

4.14.4 Shares

	Current year Shares	Prior year Shares
Shares registered for issuance	14,820,662	14,820,662
Shares sold to the public	14,820,662	14,820,662
Common shares	14,820,662	14,820,662
Preferred shares	-	-
Repurchased Shares	-	-
Common shares	-	-
Preferred shares	-	-
Outstanding shares	14,820,662	14,820,662
Common shares	14,820,662	14,820,662
Preferred shares	-	-
<i>Par value of outstanding shares (VND/share)</i>		

4.14.5 Profits distribution

	Current year VND	Prior year VND
Unallocated profit at the beginning of the period	42,983,842,922	13,322,264,643
Profit from business operations during the period	31,089,341,529	29,661,578,279
Other adjustments decreasing profit	-	-
Other adjustments increasing profit	-	-
Profit distributed as dividends and allocated to funds during the period	-	-
Remaining unallocated profit	74,073,184,451	42,983,842,922

5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF INCOME

5.1 Revenue from goods sold and services rendered

	Current year VND	Prior year VND
Revenue from sale of electricity	59,872,017,097	56,328,580,772
Total	59,872,017,097	56,328,580,772

5.2 Cost of goods sold and services rendered

	Current year VND	Prior year VND
Cost of electricity sold	18,582,130,583	19,202,740,290
Total	18,582,130,583	19,202,740,290

5.3 Financial income	Curent year VND	Prior year VND
Interests of deposits or loans	1,179,519,231	779,790,371
Total	1,179,519,231	779,790,371
Finance Income during the year with related parties (Details presented in Note 7.2)	232,584,386	773,337,455
5.4 Financial expenses	Curent year VND	Prior year VND
Interest expense	6,726,164,355	8,906,846,294
Foreign exchange loss	-	179,484
Total	6,726,164,355	8,907,025,778
5.5 General and administration expenses	Curent year VND	Prior year VND
Staff expenses	1,247,446,060	850,470,988
Others	1,470,463,924	267,732,804
Total	2,717,909,984	1,118,203,792
5.6 Other income	Curent year VND	Prior year VND
Electricity cost for construction	573,980,067	3,352,730,879
Outstanding debts – Creditors who have ceased or closed business	-	1,933,720,639
Income from site clearance support for increasing the clearance height of the 35KV transmission line connecting to An Diem II Hydropower Plant (TT219)	558,633,000	-
Others	23,400,000	-
Total	1,156,013,067	5,286,451,518
5.7 Other expenses	Curent year VND	Prior year VND
Electricity payment	486,462,916	1,288,223,351
Late tax payment penalties	204,115,376	-
Cost of completed construction work for increasing the clearance height of the 35kV transmission line connecting An Diem II Hydropower Plant.	558,633,000	-
Others	-	209,720,130
Total	1,249,211,292	1,497,943,481

5.8 Corporate income tax expense

	Current year VND	Prior year VND
Current corporate income tax expense		
Corporate income tax must be paid on taxable income (i)	1,708,337,658	1,817,303,351
Adjustment of previous year's corporate income tax	134,453,994	• 190,027,690
Total current corporate income tax expense	1,842,791,652	2,007,331,041

(i) The current corporate income tax expense for the year was computed as follows:

	Current year VND	Prior year VND
Profit/(Loss) before tax	32,932,133,181	31,668,909,320
Tax-Preferred Activities	32,588,631,644	26,897,343,698
Other business activities	343,501,537	4,771,565,622
Adjustments for taxable profit	204,115,376	(3,836,377,272)
Tax-Preferred Activities	204,115,376	(1,902,656,633)
Adjustment increased	204,115,376	209,720,130
Adjustment decreased	-	(2,112,376,763)
Other activities	-	(1,933,720,639)
Adjustment decreased	-	(1,933,720,639)
Taxable income from the previous year	-	(1,933,720,639)
Current taxable income	33,136,248,557	27,832,532,048
Tax-Preferred Activities	32,792,747,020	24,994,687,065
Other business activities	343,501,537	2,837,844,983
Corporate income tax rate		
Tax-Preferred Activities	10%	10%
Other business activities	20%	20%
Corporate income tax payable	3,347,975,009	3,067,037,704
Tax exemptions and reductions	3,279,274,702	2,499,468,707
Other business activities	68,700,307	567,568,997
Tax exemptions and reductions	1,639,637,351	1,249,734,353
Tax-Preferred Activities	1,639,637,351	1,249,734,353
Total current corporate income tax expense	1,708,337,658	1,817,303,351

5.9 Production cost by nature

	Current year VND	Prior year VND
Labor costs	6,185,700,958	6,384,435,488
Depreciation of fixed assets	11,474,529,276	11,474,529,276
Outsourced service expenses	2,898,856,317	3,523,427,872
Other cash expenses	1,466,366,615	226,774,797
Total	22,025,453,166	21,609,167,433

5.10 Basic earnings per share and Diluted earnings per share

	Current year VND	Prior year VND
Accounting profit after corporate income tax	31,089,341,529	29,661,578,279
Profit attributable to ordinary shareholders	31,089,341,529	29,661,578,279
Weighted average number of ordinary shares outstanding during the period (shares)	14,820,662	14,820,662
Basic earnings per share	2,098	2,001
Potential ordinary shares to be issued	-	-
Diluted earning per share	2,098	2,001

6. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF CASH FLOWS

6.1 Actual amounts of borrowings received during the year

	Current year VND	Prior year VND
Proceeds from borrowings under normal contracts	93,321,310,983	44,339,358,686
Total	93,321,310,983	44,339,358,686

6.2 Actual amounts of principal paid during the year

	Current year VND	Prior year VND
Repayment of borrowings under normal contracts	14,797,564,000	12,218,424,000
Total	14,797,564,000	12,218,424,000

7. OTHER INFORMATION

7.1. Commitments

During the year, the Company did not enter into any commitments or guarantees for any third party.

7.2. Transactions and balances with related parties

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

7.2.1 Transactions and balances with key management members, the individuals involved with key management members

Key management members include members of The Board of Directors, the Board of Supervisors, and the Board of Management and Chief Accountant. Individuals associated with key management members are close members in the family of key management members.

Income of key management members:

	Curent year		Prior year		
	Salary VND	Remuneration VND	Salary VND	Remuneration VND	
Board of Director					
Mr. Le Thai Hung	Chairman	-	72,000,000	-	72,000,000
Mr. Luu Quang Viet	Member	-	48,000,000	-	48,000,000
Mr. Ung Van Phuc	Member	-	48,000,000	-	48,000,000
Mr. Pham Van Long	Secretary	-	18,000,000	-	18,000,000
Board of Supervisors					
Ms. Luong Thi Ngoc Quynh	Head of BOS	-	24,000,000	-	24,000,000
Mr. Ho Ngoc Tuan	Member	-	24,000,000	-	24,000,000
Ms. Nguyen Mai Lan	Member	-	24,000,000	-	24,000,000
Board of Management					
Mr. Ung Van Phuc	General director	394,014,001	-	441,337,045	-
Mr. Pham Van Long	Deputy General director	333,890,909	-	368,533,830	-
Mr. Ha Huy Binh	Chief accountant	278,646,792	-	306,308,742	-
Total		1,006,551,703	258,000,000	1,116,179,617	258,000,000

Balances with key management members and individuals associated with key management members.

	Description	Closing balance VND	Opening balance VND
Members of the Board of Directors			
Mr. Le Thai Hung	Advance	1,762,000,000	1,762,000,000

7.2.2 Transactions and balances with other related parties

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

List of other related parties

Other related parties	Relationship
Trung Son Electricity Joint Stock Company	Parent
An Nhan Electric Power Investment and Development Joint Stock Company	The same key management members
Que Phong Hydropower Joint Stock Company	Subsidiary of Trung Son Electricity Joint Stock Company

Transactions with other related parties

During this year, there were major transactions with related companies as follows:

Other transactions	Description	Curent year VND	Prior year VND
Trung Son Electricity Joint Stock Company	Service provision rental	198,936,999	70,380,849
An Nhan Electric Power Investment and Development Joint Stock Company	Loan disbursement	14,382,584,386	11,400,000,000
	Loan repayment	15,619,818,954	26,510,000,000
	Loan interest	232,584,386	773,337,455

Balance of accounts receivable/(payable) with other related parties

	Description	Closing balance VND	Opening balance VND
Short-term loans receivable			
An Nhan Electric Power Investment and Development Joint Stock Company	Loan disbursement	-	1,237,234,568
		-	1,237,234,568

	Description	Curent year VND	Prior year VND
Other short-term receivables			
Trung Son Electricity Joint Stock Company	Management expense	278,531,719	-
		278,531,719	-

	Description	Closing balance VND	Opening balance VND
Short-term borrowings and finance lease liabilities			
An Nhan Electric Power Investment and Development Joint Stock Company	Short-term borrowings	6,357,822,353	-
		6,357,822,353	-

7.3. Information of Department

The company is not required to prepare segment reports because it does not satisfy one of the three conditions for preparing segment reports by geographical area as prescribed in Circular 20/2006/TT-BTC dated 20 March 2006 of the Ministry of Finance regarding guidance on the implementation of six (06) accounting standards issued under Decision No. 12/2005/QD-BTC dated 15 February 2005 of the Ministry of Finance.

7.4. Events occurring after the end of the financial year

The Company's Board of Management confirms that, to the best of its knowledge and assessment, there are no material subsequent events occurring after the financial year-end that would require adjustments to or disclosures in these financial statements.

7.5. Comparative figures

The comparative figures are those presented in the audited financial statements of the Company for the financial year ended at 31 December 2023, which were audited by AFC Vietnam Auditing Company Limited – Northern Branch.



Preparer
Ha Huy Binh



Chief Accountant
Ha Huy Binh



General Director
Ung Van Phuoc
Da Nang, Vietnam
25 March 2025