

PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS

To: - Hanoi Stock Exchange

Pursuant to the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market, Bac Ha Hydropower Joint Stock Company shall disclose information on its 2024 financial statements (FS) to the Hanoi Stock Exchange as follows:

1. Name of organization:

- Stock code: BHA
- Address: Lung Xa Village, Coc Ly Commune, Bac Ha District, Lao Cai Province
- Contact IPhone/Te: +84 214 6294668 Fax: +84 214 6268606
- Email: *thanluanvu155@gmail.com* Website: *https://thuydienbacha.vn*

2. Disclosed information:

- Financial statements 2024

Separate financial statements (TCNY does not have subsidiaries and superior accounting units with affiliated units);

Consolidated financial statements (TCNY with subsidiaries);

General financial statements (TCNY has an accounting unit under its own accounting apparatus).

- Cases subject to explanation of causes:

+ The auditing organization gives an opinion that is not a full acceptance of the financial statements (for audited financial statements in 2024):

Yes

No

Written explanation in case of integration:

Yes

No

+ Profit after tax in the reporting period has a difference before and after the audit of 5% or more, transferred from loss to profit or vice versa (for audited financial statements in 2024):

Yes

No

Written explanation in case of integration:

Yes

No

+ Profit after corporate income tax in the income statement of the reporting period varies from 10% or more compared to the same period of the previous year:

Yes

No

Written explanation in case of integration:

Yes

No

+ Profit after tax in the reporting period is lost, transferred from profit in the same period last year to loss in this period or vice versa:

Yes

No

Written explanation in case of integration:

Yes

No

This information was published on the company's website date 05 month 03 year 2025 at the link <https://thuydienbacha.vn>

Attachments: 

- Financial statements 2024;
- Document explaining No: 114/2025/CV-BHHC-TCKT date 04 month 03 year 2025.

LEGAL REPRESENTATIVE
GENERAL DIRECTOR




Nguyen Thanh Hung

**JOINT STOCK COMPANY
BAC HA HYDROPOWER
Stock code: BHA**

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

Lao Cai, date *14* month *03* year 2025

No.: *14*/2025/CV-BHHC-TCKT

Re: Explanation of changes in business results in 2024. Profit after corporate income tax in the Business Income Statement of the reporting period varies from 10% or more compared to the same period last year.

and : - State Securities Committee
- Hanoi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the disclosure of information;

Pursuant to the 2023 financial statements

Pursuant to the 2024 financial statements;

Bac Ha Hydropower Joint Stock Company would like to explain the profit after corporate income tax, Profit after corporate income tax in the income statement of the reporting period changed from 10% or more compared to the same period last year as follows

The specific data are as follows:

By the end of 2024, the profit after corporate income tax of Bac Ha Hydropower Joint Stock Company reached VND 163,603,114,068, an increase of 51.92% compared to 2023.

Items	Y2024	Y2023	Increase/Decrease	
			Amount	%
Profit before taxes	169.584.534.959	112.727.796.228	56.856.738.731	50.44
Revenue from sales and services	364.125.331.903	307.776.844.027	56.348.487.876	18.31
Gross profit from sales and service provision	243.193.484.990	192.768.915.529	50.424.569.461	26.16
Financial Income	1.095.778.293	1.683.028.369	-587.250.076	-34.89
Financial costs	55.015.918.435	73.376.296.081	-18.360.377.646	-25.02
Net operating profit	176.371.294.119	111.860.326.847	64.510.967.272	57.67
Other profits	-6.786.759.160	867.469.381	-7.654.228.541	-882.36
Corporate Income Tax (CIT)	5.981.420.891	5.036.053.374	945.367.517	18.77
Profit after taxes	163.603.114.068	107.691.742.854	55.911.371.214	51.92

The company would like to explain in detail as follows:

Profit after tax in 2024 reached VND 163.6 billion, an increase of VND 55.9 billion compared to 2023. principal cause:

+ The average water flow to the lake in 2024 will increase more than in 2023, leading to an increase in revenue from sales and service provision.

+ Financial costs in 2024 will decrease compared to 2023.

We would like to explain to the State Securities Commission and the Hanoi Stock Exchange.

Thank you!

Recipients:

- As "To";
- Save: TCKT, TCHC.



M.S.D.N: 5300240587
GENERAL DIRECTOR
CÔNG TY
CỔ PHẦN
THỦY ĐIỆN
BẮC HÀ
T. BẮC HÀ T. LAO
Nguyễn Thanh Hưng

BAC HA HYDROPOWER JOINT STOCK COMPANY
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



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STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Bac Ha Hydropower Joint Stock Company ("the Company") presents this report together with the Company's financial statements for the year ended 31 December 2024.

THE BOARD OF DIRECTORS, BOARD OF SUPERVISORY, BOARD OF GENERAL DIRECTORS

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

The Board of Directors

Mr Dong Quoc Cuong	Chairman
Mr Phan Thanh Hai	Vice Chairman
Mr Nguyen Canh Son	Member
Mr Nguyen Danh Quan	Member
Mr Nguyen Thanh Hung	Member

The Board of General Directors

Mr Nguyen Thanh Hung	General Director
Mr Nguyen Van Tinh	Deputy General Director

The Board of Supervisory

Mr Pham Ngoc Tan	Head of the Supervisory Board
Mr Nguyen Anh Dung	Member
Mr Do Van Chinh	Member

Legal Representative

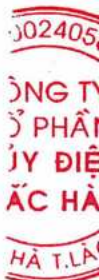
The legal representative of the Company during the period and at the date of this report is Mr. Nguyen Thanh Hung - General Director.

RESPONSIBILITY OF MANAGEMENT

The Board of General Directors 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 ended then 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;
- 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 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.



BAC HA HYDROPOWER JOINT STOCK COMPANY
Lung Xa Village, Coc Ly Commune, Bac Ha District, Lao Cai Province

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONTINUED)

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

For and on behalf of the Board of General Directors,



Nguyen Khanh Hung
General Director
28 February 2025



No. 022802/2025/BCKT-iCPA

INDEPENDENT AUDITORS' REPORT

To: The Shareholder, the Board of Directors and the Board of General Directors
of Bac Ha Hydropower Joint Stock Company

We have audited the accompanying financial statements of Bac Ha Hydropower Joint Stock Company ("the Company"), prepared on 28 February 2025 as set out from page 6 to page 26 which comprise the balance sheet as at 31 December 2024, and the statement of income, and statement of cash flows for the year ended 31 December 2024 and a summary of significant accounting policies and other explanatory information.

Responsibility of Board of General Directors

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 management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 auditor's 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 auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

Auditor's opinion

In our opinion, the accompanying 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 ended then in accordance with Vietnamese accounting standards, accounting regime and legal regulations relating to financial statement preparation and presentation.

BALANCE SHEET
As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		156,442,874,815	132,679,956,065
I. Cash and cash equivalents	110	V.1	122,043,769,533	70,049,778,358
1. Cash	111		11,543,769,533	10,049,778,358
2. Cash equivalents	112		110,500,000,000	60,000,000,000
III. Short-term receivables	130		33,851,857,294	62,236,431,662
1. Short-term trade receivables	131	V.2	28,314,773,938	54,667,355,816
2. Short-term advances to suppliers	132	V.3	3,011,834,892	5,857,253,147
3. Other short-term receivables	136		2,525,248,464	1,711,822,699
V. Other short-term assets	150		547,247,988	393,746,045
1. Short-term prepayments	151	V.4a	547,247,988	393,746,045
B. NON-CURRENT ASSETS	200		1,383,805,197,443	1,484,940,329,517
II. Fixed assets	220		1,383,784,271,517	1,484,940,329,517
1. Tangible fixed assets	221	V.5	1,383,784,271,517	1,484,940,329,517
- Cost	222		2,607,768,668,981	2,607,768,668,981
- Accumulated depreciation	223		(1,223,984,397,464)	(1,122,828,339,464)
VI. Other long-term assets	260		20,925,926	-
1. Long-term prepayments	261	V.4b	20,925,926	-
TOTAL ASSETS	270		1,540,248,072,258	1,617,620,285,582

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Emphasis of Matter

We would like to draw the readers' attention to Note II in the Notes to the Company's Financial Statements. As of December 31, 2024, the Company's short-term liabilities exceeded its short-term assets by VND 39,712,947,785 (compared to VND 60,713,605,054 as of January 1, 2024). The Company's ability to continue as a going concern will depend on the implementation of its business plan and financial support from credit institutions. These conditions, along with other issues as outlined in Note II, indicate the presence of significant uncertainties that may cast doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.





Nguyen Thi Thanh Hoa
Deputy General Director
Audit Practising Registration Certificate
No. 1402-2023-072-01
International Auditing Company Limited (iCPA)
Ha Noi, 28 February 2025



Nguyen Huy Hung
Auditor
Audit Practising Registration Certificate
No. 2335-2023-072-1



BALANCE SHEET (CONTINUED)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		553,897,997,252	733,255,735,771
I. Current liabilities	310		196,155,822,600	193,393,561,119
1. Short-term trade payables	311	V.6	1,328,097,566	2,891,444,339
2. Short-term advances from customers	312		2,544,796,157	2,162,953,296
3. Taxes and amounts payable to the State budget	313	V.7	6,823,167,391	14,041,813,614
4. Payables to employees	314		970,927,025	889,880,197
5. Short-term accrued expenses	315	V.8a	2,478,740,170	15,035,545,526
6. Other current payables	319	V.9	336,475,300	5,752,162,073
7. Short-term loans and obligations under finance leases	320	V.10a	179,964,139,371	151,448,741,168
8. Bonus and welfare funds	322		1,709,479,620	1,171,020,906
II. Long-term liabilities	330		357,742,174,652	539,862,174,652
1. Long-term accrued expenses	333	V.8b	-	4,120,000,000
2. Long-term loans and obligations under finance leases	338	V.10b	357,742,174,652	535,742,174,652
D. EQUITY	400		986,350,075,006	884,364,549,811
I. Owner's equity	410	V.11	986,350,075,006	884,364,549,811
1. Owner's contributed capital	411		660,000,000,000	660,000,000,000
- Ordinary shares carrying voting rights	411a		660,000,000,000	660,000,000,000
2. Investment and development fund	418		12,185,316,581	7,339,188,153
3. Retained earnings	421		314,164,758,425	217,025,361,658
- Retained earnings accumulated to the prior year end	421a		150,561,644,357	109,333,618,804
- Retained earnings of the current year	421b		163,603,114,068	107,691,742,854
TOTAL RESOURCES	440		1,540,248,072,258	1,617,620,285,582

Ha Thi Thuy
Preparer

Ta Hong Dieu
Chief Accountant

Nguyen Thanh Hung
General Director
28 February 2025

INCOME STATEMENT
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	VI.1	364,125,331,903	307,776,844,027
2. Net revenue from goods sold and services rendered	10		364,125,331,903	307,776,844,027
3. Cost of sales	11	VI.2	120,931,846,913	115,007,928,498
4. Gross profit from goods sold and services rendered	20		243,193,484,990	192,768,915,529
5. Financial income	21	VI.3	1,095,778,293	1,683,028,369
6. Financial expenses	22	VI.4	55,015,918,435	73,376,296,081
- In which: Interest expense	23		55,015,918,435	73,376,296,081
7. General and administration expenses	26	VI.5	12,902,050,729	9,215,320,970
8. Operating profit	30		176,371,294,119	111,860,326,847
9. Other income	31		744,219	1,126,351,246
10. Other expenses	32	VI.6	6,787,503,379	258,881,865
11. Profit from other activities	40		(6,786,759,160)	867,469,381
12. Accounting profit before tax	50		169,584,534,959	112,727,796,228
13. Current corporate income tax expense	51	VI.7	5,981,420,891	5,036,053,374
14. Net profit after corporate income tax	60		163,603,114,068	107,691,742,854
15. Basic earnings per share	70	VI.8	2,428	1,598



Ha Thi Thuy
Preparer



Ta Hong Dieu
Chief Accountant





Nguyen Thanh Hung
General Director
28 February 2025

CASH FLOW STATEMENT
(Indirect method)
For the year ended 31 December 2024

Unit: VND

ITEMS	Code s	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	169,584,534,959	112,727,796,228
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	101,156,058,000	101,156,058,000
(Gain)/loss from investing activities	05	(1,095,778,293)	(1,805,755,642)
Interest expense	06	55,015,918,435	73,376,296,081
3. Operating profit before movements in working capital	08	324,660,733,101	285,454,394,667
(Increase), decrease in receivables	09	28,384,574,368	(42,950,187,660)
Increase, (decrease) in payables	11	(9,006,784,429)	1,826,333,972
(Increase), decrease in prepaid expenses	12	(174,427,869)	70,855,069
Interest paid	14	(77,883,965,564)	(80,773,619,320)
Corporate income tax paid	15	(5,079,468,225)	(5,621,462,653)
Net cash generated by operating activities	20	260,900,661,382	158,006,314,075
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	122,727,273
2. Cash recovered from lending, selling debt instruments of other entities	24	-	9,000,000,000
3. Interest earned, dividends and profits received	27	1,095,778,293	1,683,028,369
Net cash generated by investing activities	30	1,095,778,293	10,805,755,642
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	42,619,398,203	44,761,454,775
2. Repayment of borrowings	34	(192,104,000,000)	(106,111,587,607)
3. Dividends and profits paid	36	(60,517,846,703)	(45,082,153,297)
Net cash generated by financing activities	40	(210,002,448,500)	(106,432,286,129)
Net increase/(decrease) in cash	50	51,993,991,175	62,379,783,588
Cash and cash equivalents at the beginning of the year	60	70,049,778,358	7,669,994,770
Cash and cash equivalents at the end of the year	70	122,043,769,533	70,049,778,358


Ha Thi Thuy
Preparer


Ta Hong Dieu
Chief Accountant




Nguyen Thanh Hung
General Director
28 February 2025

NOTES TO THE FINANCIAL STATEMENTS

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

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

Bac Ha Hydropower Joint Stock Company ("the Company") was established and operates in accordance with Business Registration Certificate No.5300240587 first issued by Lao Cai Provincial Planning and Investment on February 18, 2008.

According to the company's business registration certificate, the 8th change on August 20, 2019, the Company's charter capital is 660,000,000,000 VND (six hundred and sixty billion VND), equivalent to 66,000,000 shares, par value is 10,000 VND/share.

2. Business field

The Company field of business is industrial production.

3. Operating industry

The Company's main business activities include: electricity production, transmission and distribution.

4. Normal production and business cycle

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

5. Notes on comparability of information in financial statements

The comparative figures are those of the audited financial statements for the year ended 31 December 2023.

6. Employees

The total number of employees of the Company as at 31 December 2024 was 48 people (as at 01 January 2024 was 48 people).

II. ACCOUNTING CONVENTION AND ACCOUNTING FINANCIAL YEAR**Accounting convention**

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese accounting standards, accounting regime and legal regulations relating to financial statement preparation and presentation.

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.

The assumption regarding the going concern basis

As at December 31, 2024, the Company's short-term liabilities exceeded its short-term assets by VND 39,712,947,785 (compared to VND 60,713,605,054 as at January 1, 2024). The company's ability to continue as a going concern over the next 12 months will depend on its ability to secure funds from credit institutions, incoming revenue, and other sources to meet debt obligations as they come due (if necessary) and to maintain the working capital needed for continued operations in the near future. The Management board has consistently evaluated and implemented measures to maximize the company's ability to continue as a going concern. The strategies currently in place include:

- The Bac Ha Hydropower Plant, which is operating steadily, will continue to generate significant revenue for the company in the coming 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

II. ACCOUNTING CONVENTION AND ACCOUNTING FINANCIAL YEAR (CONTINUED)**The assumption regarding the going concern basis (Continued)**

- The company will continue to receive credit provisions from Ho Chi Minh City Development Commercial Joint Stock Bank - Lao Cai Branch to ensure sufficient capital for its production and business operations and to pay off debts as they become due.

The Board of General Directors has carefully assessed the business plan, cash flow plan, and the ability to balance funds for paying debts and fulfilling financial obligations as they mature. The Board of General Directors is confident that preparing the accompanying financial statements on a going concern basis is appropriate.

Accounting financial year

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

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

The Company applies Vietnamese Accounting Standards and the Accounting regime for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance guiding the accounting regime for enterprises and Circular No. 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimate

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires 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. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments with original maturity of less than 3 months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments***Held-to-maturity investments***

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)*****Held-to-maturity investments (Continued)***

When there is strong evidence that part or all of the investment may not be recovered and the amount of loss can be reliably determined, the loss is recorded in financial expenses in the year and the investment value is directly deducted.

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.

Trade 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 represents the value of receivables that the Company does not expect to be able to collect at the end of the accounting period. Increases or decreases to the allowance account balance are recorded as administrative expenses in the Income Statement.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation.

The historical cost of purchased tangible fixed assets comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its intended use.

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

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

<u>Fixed asset type</u>	<u>Years</u>
Buildings and structures	14 - 45
Machinery and equipment	04 - 16
Means of transport, transmission	07 - 12

Lease assets

A lease is classified as an operating lease when the lessor retains a significant portion of the rewards and assumes the risks of ownership of the asset. Operating lease expense is recognized in the income statement on a straight-line basis over the lease term. Consideration received or receivable as an incentive to enter into an operating lease is also recognized on a straight-line basis over the lease term.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods.

Prepaid expenses include tools and supplies which are assets held by the Company for use in the normal course of business, with the original cost of each asset being less than VND 30 million and therefore not eligible for recognition as fixed assets under current regulations. The original cost of tools and supplies is depreciated using the straight-line method over a period of 01 to 03 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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Revenue recognition**

Revenue from providing service is recognized when all five (5) of the 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; When the contract stipulates that the buyer is entitled to return the purchased service under specific conditions, Revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to return the service rendered (unless the customer has the right to return the goods in the form of exchange for other goods or services);
- (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.

Interest is recognized on an accrual basis, based on the outstanding balance and applicable interest rate.

Interest from investments is recognized when the Company is entitled to receive the interest..

Borrowing costs

The cost of borrowing includes interest expenses and other directly related costs incurred in connection with loans.

Borrowing costs are recognized as expenses when incurred. However, in cases where borrowing costs are directly attributable to the construction or production of qualifying assets requiring a substantial period (over 12 months) to be ready for their intended use or sale, these borrowing costs are capitalized. For loans specifically used to finance the construction of fixed assets or investment properties, interest expenses are capitalized even if the construction period is less than 12 months. Any income earned from temporary investment of these borrowed funds is deducted from the related asset's carrying amount

For general borrowings where funds are used for the construction or production of qualifying assets, the capitalization of borrowing costs is determined based on the weighted average of accumulated costs incurred for the basic construction or production of those assets. The capitalization rate is calculated using the weighted average interest rate of outstanding borrowings during the year, excluding loans specifically used to form a specific asset.

Taxation

Corporate income tax represents the total amount of current payable taxes and deferred taxes.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Taxation (Continued)**

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.

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.

Tax incentives: According to the current Law on Corporate Income Tax, the Company establishing an investment project in an area with particularly difficult economic conditions is entitled to a 10% corporate income tax incentive for 15 years: from 2012 to the end of 2026; is exempted from corporate income tax payable for 04 years from 2012 to the end of 2015; and is entitled to a 50% reduction in corporate income tax payable for 09 years from 2016 to 2024.

The year 2024 will be the thirteenth year the Company applies a corporate income tax rate of 10% on taxable income generated from the investment project.

Earning per share

Basic earnings per share is calculated by dividing the profit or loss after tax distributed to shareholders owing ordinary shares of the Company (after adjusting for the appropriation of bonus and welfare funds) by weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing the after – tax profit (or loss) to holders of the Company's common shares (after adjusting for dividends on convertible preferred shares change for the weighted average number of ordinary shares outstanding for the year and the weighted average number of ordinary shares to be issued in the event that all potential shares of common stock have an impairments are converted into common shares.

Related parties

Related parties are enterprises - including parent companies, subsidiaries, associates - individuals, that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control. Associates; individuals owning, directly or indirectly in the voting power of the Company that gives them significant influence over the Company, key management personnel such as directors and officers of the Companies; close members of the family of any such individual and associate are also considered as related party.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET****1. Cash and cash equivalents**

	Closing balance VND	Opening balance VND
Cash on hand	29,254,831	25,313,092
Cash in bank	11,514,514,702	10,024,465,266
Cash equivalents (*)	110,500,000,000	60,000,000,000
Total	122,043,769,533	70,049,778,358

(*) Including Term Deposit Contracts with term of 01 - 03 months at Vietnam Bank for Agriculture and Rural Development - Thang Long Branch and Ho Chi Minh City Development Joint Stock Commercial Bank - Lao Cai Branch with interest rate from 1.6 - 3.15%/year.

2. Short-term trade receivables

	Closing balance VND	Opening balance VND
Electricity Power Trading Company - Vietnam Electricity	28,314,773,938	54,608,587,846
Others	-	58,767,970
Total	28,314,773,938	54,667,355,816

Cash flow from Electricity Trading Company - Vietnam Electricity Group is used to secure the loan from Ho Chi Minh City Development Joint Stock Commercial Bank - Lao Cai Branch (details in note V.11 - Loans and obligations under finance leases).

3. Short-term advance to supplier

	Closing balance VND	Opening balance VND
a) Short-term advances to suppliers	3,011,834,892	5,857,253,147
Saigon Ban Mai Trading Ltd	1,819,675,000	-
VINACEE Vietnam Environmental Engineering and Construction JSC	301,598,400	-
Environmental Technology Development JSC	300,000,000	-
Licogi Corporation - JSC - Licogi No. 01 Branch	-	4,837,568,040
Others	590,561,492	1,019,685,107
Total	3,011,834,892	5,857,253,147
b) Advance payment to related parties (Details in note VII.1)	-	4,837,568,040

4. Prepayments

	Closing balance VND	Opening balance VND
a) Current		
Tools and supplies used	547,247,988	393,746,045
Total	547,247,988	393,746,045
b) Non-current		
Tools and supplies used	20,925,926	-
Total	20,925,926	-

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	Buildings and structures	Machinery and equipment	Means of transport, transmission	Total
	VND	VND	VND	VND
COST				
Opening balance	1,679,692,843,378	809,952,160,081	118,123,665,522	2,607,768,668,981
Reclassify	-	(607,328,804)	607,328,804	-
Closing balance	<u>1,679,692,843,378</u>	<u>809,344,831,277</u>	<u>118,730,994,326</u>	<u>2,607,768,668,981</u>
ACCUMULATED DEPRECIATION				
Opening balance	410,710,749,455	602,534,901,839	109,582,688,170	1,122,828,339,464
Charge for the year	38,035,561,045	52,682,896,988	10,437,599,967	101,156,058,000
Reclassify	-	1,289,293,811	(1,289,293,811)	-
Closing balance	<u>448,746,310,500</u>	<u>656,507,092,638</u>	<u>118,730,994,326</u>	<u>1,223,984,397,464</u>
NET BOOK VALUE				
Opening balance	<u>1,268,982,093,923</u>	<u>207,417,258,242</u>	<u>8,540,977,352</u>	<u>1,484,940,329,517</u>
Closing balance	<u>1,230,946,532,878</u>	<u>152,837,738,639</u>	<u>-</u>	<u>1,383,784,271,517</u>

The net book value of tangible fixed assets pledged or mortgaged as collateral for loans as of 31 December 2024 is VND 1,383,784,271,517 (as at 31 December 2023 was VND 1,483,601,291,740).

The original cost of fully depreciated fixed assets still in use as of 31 December 2024 is VND 137,878,288,858 (as at 31 December 2023 was VND 1,917,014,239).



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	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
20 Foundation Engineering and Construction JSC	619,248,529	619,248,529	619,248,529	619,248,529
Vietronic Industrial JSC	295,538,883	295,538,883	295,538,883	295,538,883
Licogi No. 2 Investment and Construction One Member Ltd	-	-	886,008,779	886,008,779
Vietnam Electricity Group (EVN)	-	-	757,419,066	757,419,066
Others	413,310,154	413,310,154	333,229,082	333,229,082
Total	1,328,097,566	1,328,097,566	2,891,444,339	2,891,444,339
Payable to related parties (Details in note VII.1)	619,248,529	619,248,529	1,505,257,308	1,505,257,308

7. Receivables/payables to the State budget

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
Value Added Tax	3,988,209,979	32,454,172,580	36,442,382,559	-
Corporate income tax	5,302,135,417	5,981,420,891	5,079,468,225	6,204,088,083
Personal income tax	15,959,353	959,908,227	916,371,211	59,496,369
Resource tax	4,723,366,626	37,975,124,583	42,151,050,509	547,440,700
Fees, charges and other receivables	12,142,239	3,296,511,000	3,296,511,000	12,142,239
Total	14,041,813,614	80,667,137,281	87,885,783,504	6,823,167,391

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	Closing balance VND	Opening balance VND
a) Current		
Interest expense	-	10,000,000,000
- <i>Grace period interest payable to Vietnam Bank for Agriculture and Rural Development - Thang Long Branch</i>	-	10,000,000,000
Late interest payment of No. 18 Investment and Construction JSC	-	4,427,272,727
Others	2,478,740,170	608,272,799
Total	2,478,740,170	15,035,545,526
b) Non-current		
Interest expense	-	4,120,000,000
- <i>Grace period interest payable to Vietnam Bank for Agriculture and Rural Development - Thang Long Branch</i>	-	4,120,000,000
Total	-	4,120,000,000
c) Overdue debt not paid		
No. 18 Investment and Construction JSC	-	4,427,272,727
Total	-	4,427,272,727

9. Other short-term payable

	Closing balance VND	Opening balance VND
Union dues	170,659,129	151,800,674
Social insurance, Health insurance, Unemployment insurance	165,816,171	161,740,294
Interest payable	-	4,320,774,402
<u>In which</u>		
- <i>Vietnam Bank for Agriculture and Rural Development - Thang Long Branch</i>	-	4,320,774,402
Dividends payable	-	1,117,846,703
Total	336,475,300	5,752,162,073

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	Closing balance		In the year		Opening balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
a) Short-term						
Ho Chi Minh City Development Joint Stock Commercial Bank - Lao Cai Branch (i)	1,964,139,371	1,964,139,371	42,619,398,203	55,100,000,000	14,444,741,168	14,444,741,168
Short-term loans and obligations under finance leases	1,964,139,371	1,964,139,371	42,619,398,203	55,100,000,000	14,444,741,168	14,444,741,168
Long-term debt due	178,000,000,000	178,000,000,000			137,004,000,000	137,004,000,000
Total	179,964,139,371	179,964,139,371			151,448,741,168	151,448,741,168
b) Long-term						
Vietnam Bank for Agriculture and Rural Development - Thang Long Branch (ii)	348,698,469,787	348,698,469,787	-	105,000,000,000	453,698,469,787	453,698,469,787
Ho Chi Minh City Development Joint Stock Commercial Bank - Lao Cai Branch (iii)	187,043,704,865	187,043,704,865	-	32,004,000,000	219,047,704,865	219,047,704,865
Total	535,742,174,652	535,742,174,652	-	137,004,000,000	672,746,174,652	672,746,174,652
Long-term debt due	178,000,000,000	178,000,000,000			137,004,000,000	137,004,000,000
Vietnam Bank for Agriculture and Rural Development - Thang Long Branch	115,000,000,000	115,000,000,000			105,000,000,000	105,000,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank - Lao Cai Branch	63,000,000,000	63,000,000,000			32,004,000,000	32,004,000,000
Total	357,742,174,652	357,742,174,652			535,742,174,652	535,742,174,652

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	Closing balance VND	Số đầu năm VND
Within a year	178,000,000,000	137,004,000,000
From the second year onwards	357,742,174,652	535,742,174,652
Total	<u>535,742,174,652</u>	<u>672,746,174,652</u>
Minus: amount due within 12 months (shown in short-term borrowing section)	178,000,000,000	137,004,000,000
Amount payable after 12 months	<u>357,742,174,652</u>	<u>535,742,174,652</u>

- (i) Loan from Ho Chi Minh City Development Commercial Joint Stock Bank - Lao Cai Branch under Credit Facility Agreement No. 900/22MB/HĐTD dated January 14, 2022. The credit limit is VND 30 billion. The loan term is 36 months, from January 14, 2022, to January 14, 2025. The repayment period for each disbursement and the corresponding interest rate are specified in each individual loan agreement. The purpose of the loan is to supplement working capital for business operations and to pay taxes as required by law. The collateral is the right to claim future receivables arising from the Power Purchase Agreement No. 05/2012/HĐ-NMĐ-TĐ BẮC HÀ dated May 19, 2012, and any amendments or supplements (if applicable) between Vietnam Electricity Group and Bac Ha Hydropower Joint Stock Company, as well as other assets according to the collateral agreement No. 1621/21MB/HĐBĐ dated January 26, 2021, and any Appendices/Amendment Agreements (if applicable)..
- (ii) Loan from the Vietnam Bank for Agriculture and Rural Development - Thang Long Branch under credit contract No. 01/HĐTD-BH/2006 dated October 30, 2006, and its amendments. The credit limit is VND 1,129 billion, with a loan term of 162 months. The loan purpose is to pay for project costs for the Bac Ha Hydropower project. The loan interest rate is the sum of the savings deposit rate and a margin rate of 3.6% per year. The collateral includes land-attached assets, movable property, other property rights, and land-use rights formed from the project.
- (iii) Loan from the Vietnam Development Bank - Lao Cai Branch under the following contracts:
- Loan contract No. 02/2009 dated June 13, 2009. The credit limit is VND 315 billion, with a loan term of 120 months from the first disbursement according to the debt acknowledgment. The grace period is 24 months from the first disbursement. The loan purpose is to invest in items of the Bac Ha Hydropower Plant Project. The interest rate for the loan term is specified for each disbursement, and the overdue interest rate is 150% of the loan term rate. The collateral is the total value of assets formed from the construction of the Bac Ha Hydropower Plant Project.
 - Development investment credit loan contract No. 05/2006/HĐTD dated December 27, 2006, and its amendments. The credit limit is VND 156 billion, with a loan term of 168 months from the first disbursement (October 31, 2007). The grace period is 49 months from the first loan disbursement. The principal repayment period is 119 months, beginning in November 2011. The loan term interest rate is 7.8% per year on the outstanding balance, and the overdue interest rate is 150% of the loan term rate. The loan purpose is to invest in project items, including resettlement, site clearance, and the procurement of domestically produced equipment such as spillway gates, intake gates, pressure pipes, machine hall cranes, draft tubes, and turbines (if any), in accordance with the approved investment project. The collateral is the total value of assets formed from the construction of the Bac Ha Hydropower Plant Project.

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	Owner's contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Prior year's opening balance as previously reported	660,000,000,000	400,000,000	166,611,829,368	827,011,829,368
Profit for the year	-	-	107,691,742,854	107,691,742,854
Provision for the investment and development fund	-	6,939,188,153	(6,939,188,153)	-
Dividend distribution	-	-	(46,200,000,000)	(46,200,000,000)
Provision for the reward and welfare fund	-	-	(4,139,022,411)	(4,139,022,411)
Current year's opening balance	660,000,000,000	7,339,188,153	217,025,361,658	884,364,549,811
Profit for the year	-	-	163,603,114,068	163,603,114,068
Provision for the investment and development fund (i)	-	4,846,128,428	(4,846,128,428)	-
Dividend distribution (i)	-	-	(59,400,000,000)	(59,400,000,000)
Provision for the reward and welfare fund (i)	-	-	(2,217,588,873)	(2,217,588,873)
Current year's closing balance	660,000,000,000	12,185,316,581	314,164,758,425	986,350,075,006

(i) The Company has distributed 2023 profits in accordance with Resolution of the Annual General Meeting of Shareholders No. 234/2024/NQ-BHHC-DHĐCĐ dated April 16, 2024. Accordingly, the Company has set aside a welfare reward fund, a development investment fund and distributed dividends to shareholders.

b. Detail of owner's equity

	Closing balance		Opening balance	
	Ownership ratio %	Amount VND	Ownership ratio %	Amount VND
Licogi Corporation - JSC	41.00%	270,629,830,000	41.01%	270,649,830,000
Bac Ha Investment JSC	24.19%	159,666,000,000	24.19%	159,666,000,000
Other shareholders	34.80%	229,704,170,000	34.80%	229,684,170,000
Total	100%	660,000,000,000	100%	660,000,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****11. Equity (Continued)****c. Shares**

	Closing balance	Opening balance
	Shares	Shares
Number of shares sold to the public	66,000,000	66,000,000
- Common stock	66,000,000	66,000,000
Number of shares outstanding	66,000,000	66,000,000
- Common stock	66,000,000	66,000,000
Outstanding shares par value (VND/share)	10,000	10,000

12. Off balance sheet items

	Closing balance	Opening balance
	VND	VND
Bad debt resolved		
Licogi Corporation - JSC - Licogi No. 01 Branch	4,837,568,040	-
Anh Phuong Hoang Ltd	254,952,997	-
Binh Phat Construction and Transport Ltd	36,900,576	-
GNG Industry and Construction JSC	250,000,000	-
Electricity Construction Survey Enterprise 1	40,710,824	-
Total	5,420,132,437	-

13. Business and geographical segments

A geographical segment is a distinguishable component of a business that engages in the production or supply of products and services within a specific economic environment, where it faces economic risks and benefits different from business segments in other economic environments.

During the year, the company operated only in the field of electricity production, business, and distribution within the northern region (Lao Cai province). Therefore, the company does not prepare segment reports by business line or geographical area.

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT**1. Net revenue from goods sold and services rendered**

	Current year	Prior year
	VND	VND
Revenue from sales of commercial electricity	364,125,331,903	307,776,844,027
Total Gross revenue from goods sold and services rendered	364,125,331,903	307,776,844,027

2. Cost of goods sold

	Current year	Prior year
	VND	VND
Cost of sales of commercial electricity	120,931,846,913	115,007,928,498
Total	120,931,846,913	115,007,928,498

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)****3. Financial income**

	Current year VND	Prior year VND
Interest on deposits and loans	1,095,778,293	1,683,028,369
Total	1,095,778,293	1,683,028,369

4. Financial expenses

	Current year VND	Prior year VND
Interest expense	55,015,918,435	73,376,296,081
Total	55,015,918,435	73,376,296,081

5. General and administrative expenses

	Current year VND	Prior year VND
Labor costs	5,639,859,394	4,927,422,785
Taxes, fees	842,112,807	371,975,995
Cost of hired services	6,420,078,528	3,915,922,190
Total	12,902,050,729	9,215,320,970

6. Other expenses

	Current year VND	Prior year VND
Bad debt write-off (*)	5,420,132,437	-
Handling of advance debt	14,000,830	70,566,000
Penalty for late payment of tax and insurance	1,333,370,112	188,315,865
Others	20,000,000	-
Total	6,787,503,379	258,881,865

(*) The Company shall write off bad debts for advances to contractors for the construction of Bac Ha Hydropower Plant arising in 2018 and earlier according to Resolution No. 763/2024/NQ-BHHC-HĐQT dated October 18, 2024, details in Note V.12.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)****7. Current corporate income tax expense**

	Current year VND	Prior year VND
Accounting profit before tax	169,584,534,959	112,727,796,228
Adjustment for taxable income	(50,826,646,826)	(12,374,910,574)
Adjustments increase	6,787,503,379	258,881,865
Invalid costs	6,787,503,379	258,881,865
Reduced adjustments	(57,614,150,205)	(12,633,792,439)
<i>Interest expenses from previous years cannot be deducted and carried over to this year according to Decree 20/2025/ND-CP</i>	(57,614,150,205)	(12,633,792,439)
Income subject to corporate income tax	118,757,888,133	100,352,885,654
- Taxable income with incentives	118,757,143,914	100,230,158,381
- Taxable income without incentives	744,219	122,727,273
Preferential tax rate	10%	10%
Normal tax rate	20%	20%
Corporate income tax	11,875,863,235	10,047,561,293
<i>Tax incentives</i>	5,937,857,196	5,011,507,919
Collect corporate income tax from previous years	43,414,851	-
Current corporate income tax expense	5,981,420,891	5,036,053,374

8. Basic earnings per share

	Current year VND	Prior year (re-presentation) VND
Net profit after corporate income tax	163,603,114,068	107,691,742,854
Minus: Deduction from welfare reward fund (*)	(3,368,916,091)	(2,217,588,873)
Profit or loss attributable to ordinary shareholders	160,234,197,977	105,474,153,981
Average ordinary shares in circulation for the year	66,000,000	66,000,000
Basic earnings per share	2,428	1,598

- (*) The estimated reward and welfare fund for the fiscal year ending December 31, 2024, is calculated by applying the percentage of the reward and welfare fund set aside from the after-tax profit of 2023 to the undistributed after-tax profit of the fiscal year ending December 31, 2024.

The company adjusted the basic earnings per share indicator for the fiscal year ending December 31, 2023, due to the impact of the allocation to the reward and welfare fund in accordance with the Annual General Meeting of Shareholders' Resolution on April 16, 2024, regarding the distribution of after-tax profits for 2023 as follows:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)****8. Basic earnings per share**

	Number reported VND	Adjust VND	Restatement VND
Net profit after corporate	107,691,742,854	-	107,691,742,854
Minus: Deduction from welfare reward fund	(2,890,573,613)	672,984,740	(2,217,588,873)
Profit/loss to calculate basic earnings per share	104,801,169,241	672,984,740	105,474,153,981
Weighted average number of common shares to calculate basic earnings per share	66,000,000	-	66,000,000
Basic earnings per share	1,588	10	1,598

9. Production cost by nature

	Current year VND	Prior year VND
Labor costs	16,224,214,842	14,695,448,748
Fixed asset depreciation costs	101,156,058,000	101,156,058,000
Taxes, fees	842,112,807	371,975,995
Outsourced service costs & other cash	15,611,511,993	7,999,766,725
Total	133,833,897,642	124,223,249,468

VII. OTHER INFORMATION**1. Commitment to lease operations**

The company signed land lease contract No. 314/HĐTĐ on September 9, 2008, with the People's Committee of Lao Cai Province for the purpose of constructing the Bac Ha Hydropower Plant. The lease term is from September 13, 2007, to December 30, 2047. The leased land area is 8,274,121 square meters, covering the districts of Bac Ha, Muong Khuong, and Si Ma Cai in Lao Cai Province. Under this contract, the company must pay annual land rental fees until the contract expiration date in accordance with current state regulations.

According to Decision No. 1347/QĐ-CT dated June 26, 2014, by the Director of the Lao Cai Provincial Tax Department on land rent exemption, the company is exempt from land rental fees for 19 years, from September 13, 2007, to August 31, 2026, equivalent to an amount of VND 90,711,663,000.

2. Related party transactions and balances**List of related parties:**

<u>Related parties</u>	<u>Relationship</u>
Licogi Corporation - JSC	Major shareholder
Licogi Corporation - JSC - Licogi No. 01 Branch	with the same major shareholder
20 Foundation Engineering and Construction JSC	with the same major shareholder
Licogi No. 2 Investment and Construction One Member	with the same major shareholder
Board of Directors, Management board, Board of	Management

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***VII. OTHER INFORMATION (CONTINUED)***During the year, the Company entered into the following significant transactions with its related parties:*

	Current year VND	Prior year VND
Dividends paid	24,358,484,700	18,945,488,100
Licogi Corporation - JSC	24,358,484,700	18,945,488,100
Debt forgiveness	4,837,568,040	-
Licogi Corporation - JSC - Licogi No. 01 Branch	4,837,568,040	-

Significant related party balances as at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
Short-term advances to suppliers	-	4,837,568,040
Licogi Corporation - JSC - Licogi No. 01 Branch	-	4,837,568,040
Short-term trade payables	619,248,529	1,505,257,308
20 Foundation Engineering and Construction JSC	619,248,529	619,248,529
Licogi No. 2 Investment and Construction One Member	-	886,008,779

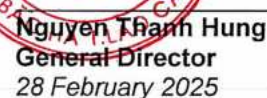
The income of the Board of Directors, the remuneration of the Board of General Directors and the Board of Supervisory during the year is as follows:

	Position	Current year VND	Prior year VND
Mr. Dong Quoc Cuong	Chairman of Board of	204,000,000	194,000,000
Mr. Phan Thanh Hai	Vice Chairman of Board of	170,000,000	162,000,000
Mr. Nguyen Canh Son	Member of Board of Directors	136,000,000	130,000,000
Mr. Nguyen Danh Quan	Member of Board of Directors	136,000,000	130,000,000
Mr. Nguyen Thanh Hung	Member of Board of Directors and General Director	1,012,987,859	902,553,890
Mr. Nguyen Van Tinh	Deputy General Director	659,043,058	521,058,067
Mr. Pham Ngoc Tan	Head of the Supervisory Board	136,000,000	130,000,000
Mr. Nguyen Anh Dung	Member of Supervisory Board	102,000,000	98,000,000
Mr. Do Van Chinh	Member of Supervisory Board	102,000,000	98,000,000
Total		2,658,030,917	2,365,611,957

3. Subsequent events

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


Ha Thi Thuy
Preparer

Ta Hong Dieu
Chief Accountant


Nguyen Thanh Hung
General Director
28 February 2025