

CONSOLIDATED FINANCIAL STATEMENTS

**RAILWAY CONSTRUCTION CORPORATION
JOINT - STOCK COMPANY**

For the fiscal year ended as at 31 December 2024

(Audited)



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REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Railway Construction Corporation Joint - Stock Company ("the Corporation") presents its report and the Corporation's Consolidated Financial Statements for the fiscal year ended as at 31 December 2024.

THE CORPORATION

The Railway Construction Corporation Joint - Stock Company was formerly known as the Railway Construction Company. It was established under Decision No. 3745/QĐ-BGTVT dated 07 December 2004, issued by the Ministry of Transport. The Corporation operates under the Business Registration Certificate No. 0103008002, first issued by the Hanoi Department of Planning and Investment on 25 May 2005. It was later changed to No. 3300101075 during the 16th amendment on 21 July 2015, with the most recent (24th) amendment dated 04 July 2024.

The Corporation's head office is located at: 33 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi City, Viet Nam.

BOARD OF DIRECTORS

Members of the Board of Directors during the fiscal year and to the reporting date are:

Mr Mai Thanh Phuong	Chairman	(Appointed Chairman of the Board of Directors on 19 June 2024, previously served as Vice Chairman of the Board of Directors)
Mr Ta Huu Dien	Vice Chairman	(Appointed Vice Chairman of the Board of Directors on 19 June 2024, previously served as Chairman of the Board of Directors)
Mr Vo Van Phuc	Member	
Mr Pham Hong Thang	Independent Member	
Mr Pham Ngoc Quoc Cuong	Member	

THE AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS

Members of the Audit Committee during the fiscal year and to the reporting date are:

Mr Pham Hong Thang	Chairman
Mr Pham Ngoc Quoc Cuong	Member

BOARD OF MANAGEMENT

Members of the Board of Management during the fiscal year and to the reporting date are:

Mr Vo Van Phuc	Director
Mr Kieu Nghi	Vice Director
Ms Vu Thi Hai Yen	Vice Director

LEGAL REPRESENTATIVE

The legal representative of the Corporation during the year and until the preparation of this Consolidated Financial Statements are:

Mr Vo Van Phuc	Director	
Mr Mai Thanh Phuong	Chairman	(From 04 July 2024)
Mr Ta Huu Dien	Vice Chairman	(Until 04 July 2024)

AUDITORS

The auditors of AASC Auditing Firm Company Limited have taken the audit of Consolidated Financial Statements for the Corporation.

STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management is responsible for the Consolidated Financial Statements which give a true and fair view of the financial position of the Corporation, its operating results and its cash flows for the year. In preparing those Consolidated Financial Statements, the Board of Management is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of Directors and Board of Management to ensure the preparation and presentation of Consolidated Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of the Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The Board of Management is responsible for ensuring that accounting records are kept to reflect the financial position of the Corporation, with reasonable accuracy at any time and to ensure that the Consolidated Financial Statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024, its operation results and cash flows in the year 2024 of the Corporation in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Consolidated Financial Statements.

Other commitments

The Board of Management pledges that the Corporation complies with Decree No. 155/2020/ND-CP dated 31 December 2020 on detailing and guiding the implementation of a number of articles of the Law on Securities and the Corporation does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance guiding the disclosure of information on Securities Market and the Circular No. 68/2024/TT-BTC dated 18 September 2024 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 96/2020/TT-BTC.

On behalf of the Board of Management

Vo Van Phuc

Director

Hanoi, 30 March 2025

INDEPENDENT AUDITOR'S REPORT

**To: Shareholders, Board of Directors and Board of Management
Railway Construction Corporation Joint - Stock Company**

We have audited the accompanying Consolidated Financial Statements of Railway Construction Corporation Joint - Stock Company ("The Corporation") prepared on 30 March 2025, from page 06 to page 46, including: Consolidated Statement of Financial position as at 31 December 2024, Consolidated Statement of Income, Consolidated Statement of Cash flows and Notes to Consolidated Financial Statements for the fiscal year ended as at 31 December 2024.

Board of Management' Responsibility

The Board of Management is responsible for the preparation and presentation of Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as directors determines is necessary to enable the preparation and presentation 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 Consolidated Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards and ethical requirements; plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of Consolidated Financial Statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

Basis for Qualified Opinion

As presented in Note 38 of the Consolidated Financial Statements, during the year, the Corporation engaged in advance payment transactions and subsequent recoveries with related parties for investment participation in the Muong Hoa Eco-Tourism Area (Hoa Binh Province) and the acquisition of a stone quarry at Go Truong Mountain (Thanh Hoa Province). These projects were discontinued pursuant to Resolution No. 67/NQ-CTĐS-HĐQT dated 30 December 2024, issued by the Board of Directors, and the Corporation has recovered the advanced amounts. We have been unable to obtain sufficient appropriate audit evidence regarding the nature of these transactions and their impact on the accompanying Consolidated Financial Statements for the financial year ended 31 December 2024.

As presented in Note 13 of the Consolidated Financial Statements, the Corporation acquired 11 million shares in Neo Floor Joint Stock Company pursuant to Resolution No. 67/NQ-CTĐS-HĐQT dated 30 December 2024, issued by the Board of Directors, with a total value of VND 214.5 billion. As of the issuance date of this Independent Audit Report, we have not been able to obtain complete documentation related to this share acquisition transaction. Therefore, we are unable to determine the necessary adjustments (if any) to the accompanying Consolidated Financial Statements concerning this long-term financial investment.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the Consolidated Financial Statements give a true and fair view, in all material respects, of the Financial Position of Railway Construction Corporation Joint - Stock Company as at 31 December 2024, its operating results and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements.



AASC Auditing Firm Company Limited

Phạm Anh Tuan
Deputy General Director
Registered Auditor No: 0777-2023-002-1
Hanoi, 30 March 2025

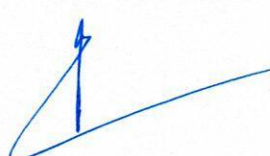
Nguyen Truong Minh
Auditor
Registered Auditor No: 2290-2023-002-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024


Code	ASSETS	Note	31/12/2024	01/01/2024 (Adjusted)
			VND	VND
100	A. CURRENT ASSETS		743,854,633,170	1,086,780,305,558
110	I. Cash and cash equivalents	3	11,626,302,864	324,709,503,614
111	1. Cash		9,956,133,329	303,282,503,614
112	2. Cash Equivalents		1,670,169,535	21,427,000,000
130	II. Short-term receivables		524,820,488,614	486,195,427,802
131	1. Short-term trade receivables	4	329,729,503,172	412,749,367,316
132	2. Short-term prepayments to suppliers	5	197,214,050,617	78,656,215,979
136	3. Other short-term receivables	6	14,292,489,427	10,297,541,363
137	4. Provision for short-term doubtful debts		(16,415,554,602)	(15,507,696,856)
140	III. Inventories	8	178,736,264,575	245,917,649,523
141	1. Inventories		185,076,498,594	256,552,606,828
149	2. Provision for devaluation of inventories		(6,340,234,019)	(10,634,957,305)
150	IV. Other short-term assets		28,671,577,117	29,957,724,619
151	1. Short-term prepaid expenses	9	1,852,148,224	1,478,386,742
152	2. Deductible VAT		25,209,329,638	27,282,933,386
153	3. Taxes and other receivables from State budget	16	1,610,099,255	1,196,404,491
200	B. NON-CURRENT ASSETS		302,700,820,579	110,308,128,180
210	I. Long-term receivables		2,381,574,681	2,144,625,148
216	1. Other long-term receivables	6	2,381,574,681	2,144,625,148
220	II. Fixed assets		72,137,748,241	84,356,082,967
221	1. Tangible fixed assets	10	68,441,462,563	80,523,192,449
222	- Historical cost		295,509,906,916	296,891,832,680
223	- Accumulated depreciation		(227,068,444,353)	(216,368,640,231)
227	2. Intangible fixed assets	11	3,696,285,678	3,832,890,518
228	- Historical cost		5,022,375,400	5,022,375,400
229	- Accumulated depreciation		(1,326,089,722)	(1,189,484,882)
230	III. Investment properties	12	2,994,275,698	3,090,865,234
231	- Historical cost		5,686,065,091	5,686,065,091
232	- Accumulated depreciation		(2,691,789,393)	(2,595,199,857)
240	IV. Long-term assets in progress		-	1,201,818,182
242	1. Long-term work in progress		-	1,201,818,182
250	V. Long-term investments	13	217,527,641,230	6,760,125,208
253	1. Equity investments in other entities		253,389,860,000	38,889,860,000
254	2. Provision for devaluation of long-term investments		(35,862,218,770)	(32,129,734,792)
260	VI. Other long-term assets		7,659,580,729	12,754,611,441
261	1. Long-term prepaid expenses	9	6,831,886,588	11,842,251,659
262	2. Deferred income tax assets	32	827,694,141	912,359,782
270	TOTAL ASSETS		1,046,555,453,749	1,197,088,433,738

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(Continued)

Code	CAPITAL	Note	31/12/2024	01/01/2024 (Adjusted)
			VND	VND
300	C. LIABILITIES		635,331,217,332	792,195,575,986
310	I. Current liabilities		627,255,963,897	782,521,127,051
311	1. Short-term trade payables	14	195,428,209,696	157,620,675,905
312	2. Short-term prepayments from customers	15	34,672,805,891	272,564,205,301
313	3. Taxes and other payables to State budget	16	13,262,842,111	19,021,510,641
314	4. Payables to employees		5,037,245,169	6,018,880,549
315	5. Short-term accrued expenses	17	31,046,892,559	38,939,320,294
318	6. Short-term unearned revenue	18	763,636,368	763,636,368
319	7. Other short-term payables	19	5,227,143,910	7,095,917,416
320	8. Short-term borrowings and finance lease liabilities	20	340,645,759,416	279,398,582,567
322	9. Bonus and welfare fund		1,171,428,777	1,098,398,010
330	II. Non-current liabilities		8,075,253,435	9,674,448,935
333	1. Long-term trade payables	17	371,018,012	800,866,644
336	2. Long-term unearned revenue	18	5,854,545,423	6,618,181,791
337	3. Long-term accrued expenses	19	158,000,000	164,000,000
338	4. Long-term borrowings and finance lease liabilities	20	320,000,000	1,405,555,500
342	5. Provisions for long-term payables		1,371,690,000	685,845,000
400	D. OWNER'S EQUITY		411,224,236,417	404,892,857,752
410	I. Owner's equity	21	411,224,236,417	404,892,857,752
411	1. Contributed capital		320,647,490,000	320,647,490,000
411a	- Ordinary shares with voting rights		320,647,490,000	320,647,490,000
412	2. Share Premium		4,471,159,235	5,332,962,934
414	3. Other capital		1,296,421,018	1,296,421,018
421	4. Retained earnings		46,262,639,263	46,439,064,706
421a	- Retained earnings accumulated to the previous year		46,104,863,861	18,019,341,260
421b	- Retained earnings of the current year		157,775,402	28,419,723,446
429	5. Non - Controlling Interests		38,546,526,901	31,176,919,094
440	TOTAL CAPITAL		1,046,565,453,749	1,197,088,433,738


Le Phu Minh Duc
Preparer


Nguyen Thi Thanh Huyen
Chief Accountant


Vo Van Phuc
Director
Hanoi, 30 March 2025




CONSOLIDATED STATEMENT OF INCOME
Year 2024

Code	ITEMS	Note	Year 2024 VND	Year 2023 (Adjusted) VND
01	1. Revenue from sales of goods and rendering of services	23	776,639,692,661	839,968,366,132
10	2. Net revenue from sales of goods and rendering of services		776,639,692,661	839,968,366,132
11	3. Cost of goods sold and services	24	700,280,248,189	734,894,431,735
20	4. Gross profit from sales of goods and rendering of services		76,359,444,472	105,073,934,397
21	5. Financial income	25	287,754,086	9,347,683,653
22	6. Financial expense	26	30,534,269,910	26,873,764,268
23	<i>In which: Interest expense</i>		26,795,905,932	25,646,133,663
25	7. Selling expense	27	1,208,649,484	2,592,044,969
26	8. General and administrative expenses	28	34,101,360,814	46,548,934,644
30	9. Net profit from operating activities		10,802,918,350	38,406,874,169
31	10. Other income	29	1,148,253,747	901,543,591
32	11. Other expenses	30	2,489,135,662	779,636,910
40	12. Other profit		(1,340,881,915)	121,906,681
50	13. Total net profit before tax		9,462,036,435	38,528,780,850
51	14. Current corporate income tax expense	31	5,631,568,864	9,919,472,169
52	15. Deferred corporate income tax expense	32	84,665,641	258,315,857
60	16. Profit after corporate income tax		<u>3,745,801,930</u>	<u>28,350,992,824</u>
61	17. Profit after tax attributable to owners of the parent		1,313,805,244	25,703,534,275
62	18. Profit after tax attributable to non-controlling interest		2,431,996,686	2,647,458,549
70	19. Basic earnings per share	33		802


Le Phu Minh Duc
Preparer


Nguyen Thi Thanh Huyen
Chief Accountant


Vo Van Phuc
Director
Hanoi, 30 March 2025



CONSOLIDATED STATEMENT OF CASH FLOWS
Year 2024
(Indirect method)

Code	Items	Note	Year 2024 VND	Year 2023 (Adjusted) VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		9,462,036,435	38,528,780,850
	2. Adjustment for:			
02	- Depreciation and amortization of fixed assets and investment properties		14,644,836,888	14,157,651,500
03	- Provisions		1,031,463,438	1,770,042,605
05	- Gains / losses from investment activities		(518,795,127)	(8,835,071,643)
06	- Interest expense		26,795,905,932	25,646,133,663
08	3. Operating profit before changes in working capital		51,415,447,566	71,267,536,975
09	- Increase/decrease in receivables		(37,714,320,110)	22,789,665,850
10	- Increase/decrease in inventories		71,476,108,234	(71,933,687,860)
11	- Increase/decrease in payables		(211,182,671,498)	286,769,525,491
12	- Increase/decrease in prepaid expenses		4,636,603,589	(569,136,882)
14	- Interest paid		(24,601,665,757)	(26,451,325,035)
15	- Corporate income tax paid		(14,841,688,075)	(2,719,772,206)
17	- Other payments on operating activities		(1,255,346,706)	(1,360,100,582)
20	Net cash flow from operating activities		(162,067,532,757)	277,792,705,751
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(1,829,598,858)	(13,207,426,939)
22	2. Proceeds from disposals of fixed assets and other long-term assets		932,545,455	990,222,222
25	3. Equity investments in other entities		(214,500,000,000)	-
26	4. Proceeds from equity investment in other entities		6,104,000,000	-
27	5. Interest and dividend received		305,809,853	11,552,152,601
30	Net cash flow from investing activities		(208,987,243,550)	(665,052,116)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Proceeds from issuance of shares and receipt of contributed capital		-	437,684,569
33	2. Proceeds from borrowings		473,110,482,231	478,407,599,024
34	3. Repayment of principal		(412,948,860,882)	(457,793,480,644)
36	4. Dividends or profits paid to owners		(2,190,045,792)	(2,632,966,199)
40	Net cash flow from financing activities		57,971,575,557	18,418,836,750
50	Net cash flows in the year		(313,083,200,750)	295,546,490,385
60	Cash and cash equivalents at the beginning of the year		324,709,503,614	29,163,013,229
70	Cash and cash equivalents at the end of the year	3	11,626,302,864	324,709,503,614

Le Phu Minh Duc
Preparer

Nguyen Thi Thanh Huyen
Chief Accountant

Võ Văn Phúc
Director
Hanoi, 30 March 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Year 2024

1 GENERAL INFORMATION

Form of ownership

The Railway Construction Corporation Joint - Stock Company was formerly known as the Railway Construction Company. It was established under Decision No. 3745/QĐ-BGTVT dated 07 December 2004, issued by the Ministry of Transport. The Corporation operates under the Business Registration Certificate No. 0103008002, first issued by the Hanoi Department of Planning and Investment on 25 May 2005. It was later changed to No. 3300101075 during the 16th amendment on 21 July 2015, with the most recent (24th) amendment dated 04 July 2024.

The Corporation's head office is located at: 33 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi City, Viet Nam.

The Corporation's charter capital: VND 320,647,490,000, equivalent to 32,064,749 shares par value of one share is VND 10,000.

The total number of employees of the Corporation as of 31 December 2024 is: 181 employees (It was 177 employees as of 01 January 2024).

Business field: Construction, trade, and services.

Business activities: Main business activities of the Corporation include:

- Construction of other civil engineering works. Details: construction of transportation, industrial, residential, and irrigation projects;
- Construction of railway and road projects;
- Specialized design activities;
- Wholesale of other materials and installation equipment in construction. Details: import and export of construction materials, trading of construction materials;
- Wholesale of machinery, equipment, and other spare parts. Details: import and export of materials, machinery, and equipment for the transportation sector; import and export of materials, machinery, equipment, spare parts, and specialized accessories for the railway sector;
- Real estate business, land use rights owned or leased;
- Short-term accommodation services. Details: business operations of guest houses, motels, and catering services;
- Restaurants and mobile catering services.

The Corporation's operation in the year that affects the Consolidated Financial Statements

During the year, in the construction activities: in addition to executing carryover contracts from the previous year, the Corporation signed several new contracts and carried out the construction and acceptance of high-value projects, such as Package XL11 Quy Nhon - Chi Thanh, Package XL-VNT2-03 for the renovation and upgrading of section Km1241+990 - Km1314+930, ... resulting in a slight increase in recorded construction revenue compared to the previous year. However, the total revenue from sales and services rendered in 2024 decreased by VND 63.33 billion (equivalent to a decrease of 7.54%) compared to 2023, the decline primarily occurred in industrial production revenue, as well as revenue from the supply of materials and the leasing of assets, tools, and equipment. Regarding the supply of materials and the leasing of assets, tools, and equipment, the Corporation mainly provides for subcontractors of projects. In 2024, projects/works involving subcontracted construction had nearly completed the construction phase and were only awaiting final acceptance and settlement, resulting in a sharp decrease in revenue from these activities. Industrial production revenue also decreased sharply because currently the projects for which the Corporation supplies sleepers and stones have temporarily imported sufficient quantities according to construction progress.

Additionally, as the Corporation no longer generates profits from the investment cooperation agreement with Hanoi Technology Financial Investment Joint Stock Company as it did in the previous year, financial revenue this year has dropped significantly compared to the previous year.

The main reasons mentioned above have led to a significant decrease in the Corporation's pre-tax profit in 2024 compared to the previous year.

Group structure

The Group's subsidiaries consolidated in Consolidated Financial Statements as at 31 December 2024 include:

Name of Company	Head office	Proportion of voting rights	Main business activities
Hoang Mai Stone Joint Stock Company (i)	Nghe An	50.33%	Industrial production and construction
Da Nang Railway Materials Company Limited (ii)	Da Nang	100.00%	Industrial production, construction, and commerce

(i) Hoang Mai Stone Joint Stock Company ("Hoang Mai Stone") operates under Business Registration Certificate No. 2901437166, first issued by the Department of Planning and Investment of Nghe An Province on 20 October 2011, and amended for the sixth time on 26 November 2021. Hoang Mai Stone is headquartered in Quynh Thien Ward, Hoang Mai Town, Nghe An Province. The main business activities of the subsidiary include: mining stone, sand, gravel, clay, and kaolin; constructing other civil engineering works; casting iron and steel; repairing machinery and equipment; constructing railway and road projects; conducting architectural and related technical consultancy activities; installing machinery and industrial equipment; and leasing machinery, equipment, and other tangible items. During the year, the Corporation transferred 525,000 shares of Hoang Mai Stone pursuant to Resolution No. 42/2024/NQ-CTĐS-HĐQT dated 26 August 2024, of the Board of Directors. As of 31 December 2024, the Corporation's equity interest and voting rights in Hoang Mai Stone stood at 50.33%.

(ii) Da Nang Railway Materials Company Limited ("DRM") operates under Business Registration Certificate No. 0400101813, first issued by the Department of Planning and Investment of Da Nang City on 01 July 2005, and amended for the tenth time on 10 April 2024. DRM is headquartered at 61 Nguyen Van Cu Street, Lien Chieu District, Da Nang City. The subsidiary's main business activities include: wholesale of materials, equipment, and machinery parts; construction of road projects; construction of railway projects; production of precast concrete panels, pipes, columns, and reinforced concrete piles; assembly and production of railway switches and accessories, etc. During the year, the Corporation provided additional capital to DRM amounting to VND 21,333,000,000 under Decision No. 06/QĐ-CTĐS-HĐQT dated 29 March 2024. As of 31 December 2024, the Corporation's equity interest and voting rights in DRM stood at 100%.

Comparability of information in the Consolidated Financial Statements

The information in the consolidated financial statements has been consistently presented by the Corporation and is comparable across fiscal years.

2 ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.

The Corporation maintains its accounting records in Vietnam Dong (VND).

2.2 Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Corporation applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Corporation applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 Basis for the preparation of Consolidated Financial Statements

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Corporation and Financial Statements of its subsidiaries under its control as at 31 December annually. Control right is achieved when the Corporation has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Consistent accounting policies are applied in Financial Statements of subsidiaries and the Corporation. If necessary, adjustments are made to the Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Corporation and its subsidiaries.

Non - controlling interests

Non - controlling interests represents the portion of profit or loss and net assets not held by owners.

Profit and loss when there is a change in the Group's ownership in subsidiaries

In case the Parent company reduces their investment in subsidiaries without losing control over the subsidiaries: Profit/loss recorded into retained earnings in the Consolidated financial statements is the difference between the receipt from divestment and the total value of net assets transferred to non - controlling interests and corresponding goodwill.

2.4 Accounting estimates

The preparation of Consolidated Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the accounting year.

The estimates and assumptions that have a material impact in the Consolidated Financial Statements include:

- Provision for bad debts;
- Provision for devaluation of inventory;
- Estimated allocation of prepaid expenses;
- Estimated useful life of fixed assets;
- Classification and provision of financial investments;
- Estimated income tax.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Corporation and that are assessed by the Board of Management to be reasonable under the circumstances.

2.5 Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.6 Financial investments

Investments in other entities

Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for loss investments shall be made based on the Financial Statements of subsidiaries, joint ventures or associates at the provision date.

2.7 Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Corporation. The receivables shall be classified into short-term receivables or long-term receivables on the consolidated financial statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating possible losses.

2.8 Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year:

- The value of work in progress is recorded for each construction project which is incomplete or revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.
- The value of work in progress is recorded based actual cost incurred for each unfinished product.

Provision for devaluation of inventories made at the end of the period is based on the excess of original cost of inventory over their net realizable value.

2.9 Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Subsequent measurement after initial recognition

If these costs augment future economic benefits obtained from the use of tangible fixed assets are extended to their initial standards conditions, these costs are capitalized as an incremental in their historical cost.

Other costs incurred after tangible fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the Consolidated Statement of Income in the year in which the costs are incurred.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful life as follows:

- Buildings, structures	10 - 25 years
- Other Machinery, equipment	03 - 20 years
- Vehicles, Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 08 years
- Land use rights	32 years
- Land use rights with an indefinite term	No depreciation
- Management software	10 years

2.10 Investment properties

Investment properties are initially recognised at historical cost.

Investment properties held for operating lease are recorded at cost, accumulated depreciation and carrying amount and depreciated using the straight-line method with expected useful life as follows:

- Buildings, structures	25 years
-------------------------	----------

2.11 Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs.

2.12 Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to Statement of Income on a straight-line basis over the period of the lease.

2.13 Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses include:

Prepaid land expenses include prepaid land rental, including those related to leased land for which the Corporation has received certificate of land use right but not eligible for recording as intangible

fixed asset in accordance with the Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance guiding regulation on management, use and depreciation of fixed assets and other expenses related to ensure for the use of leased land. These expenses are recognized in the Consolidated statement of income on a straight-line basis according to the lease term of the contract.

The cost of mineral exploitation rights is recognized based on the amount paid as notified by the competent authorities and is allocated by the Corporation over the mining period.

Tools and supplies include assets which are possessed by the Corporation in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 03 years.

The cost of asset repairs is recognized at historical cost and allocated using the straight-line method over a period of 1 to 3 years.

Other prepaid expenses are recorded at their historical costs and allocated on the straight-line basis from 01 to 03 years.

2.14 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Corporation. The payables shall be classified into short-term payables or long-term payables on the Consolidated Financial Statements according to their remaining terms at the reporting date.

2.15 Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.16 Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.17 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as interest expenses, accrued expenses to construction costs which are recorded as operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.18 Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- The Corporation has a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payables is the most reasonably estimated amount required to settle the current debt obligation at the end of the accounting year.

Only expenses related to the previously recorded provision for payables shall be offset by that provision for payables.

Provisions for payables are recognized as operating expenses in the financial year. The difference between the unused provision for liabilities established in the previous financial year, which exceeds the provision for liabilities established in the reporting period, is reversed and recorded as a reduction in operating expenses for the year, except for the excess difference of provisions for construction warranty liabilities, which is reversed and recorded as other income for the year.

2.19 Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing; interests received in advance when lending are transferred to revenue from sale of goods and rendering of services.

2.20 Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results or from gifts, presents, financing, assets revaluation (if these items are allowed to be recorded as a decrease or increase in the owner's equity).

Retained earnings are used to present the Corporation's operating results (profit, loss) after corporate income tax and profits appropriation or loss handling of the Corporation.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Directors and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

2.21 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns:

Revenue from sale of goods

- The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- The Corporation no longer holds the right to manage the goods as the goods owner, or the right to control the goods;

Revenue from rendering of services

- The percentage of completion of the transaction at the Balance sheet date can be measured reliably.

Revenue from construction contracts

Construction contracts stipulate that contractors are paid based on the value of work performed. When the results of the construction contract are reliably determined and confirmed by the client, the revenue and expenses related to the contract are recognized in proportion to the completed work confirmed by the client and reflected in the issued invoices.

Financial income

Financial incomes include income from assets yielding interest, royalties, dividends and other financial gains by the Corporation shall be recognised when the two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Corporation;
- The amount of the revenue can be measured reliably.

2.22 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudence basis. Cases of loss of materials and goods exceeded the norm, labour cost and fixed manufacturing overheads not allocated to the value of inventory, provision for devaluation of inventory, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year even when products and goods have not been determined as sold.

The Corporation applies the method of calculating the cost of construction works based on Notification No. 1378/TB/CTĐS dated 04 December 2009, issued by the General Director of the Railway Construction Corporation Joint Stock Company. Accordingly, the cumulative cost of construction works is determined by the ratio of cumulative net revenue (value approved by the investor) to the total cumulative production value of the completed works from the commencement of construction to the end of the financial year (calculated based on the actual inspection results of the work performed and multiplied by the unit price according to the contract), multiplied by the total cumulative costs incurred for each project. The construction work cost recognized during the year is calculated as the cumulative cost determined by the above method minus the total cost recognized up to the period before the financial year.

2.23 Financial expenses

Items recorded into financial expenses comprise: borrowing costs; provision for losses from investment in other entities,... are recorded by the total amount arising in the year without offsetting against financial income.

2.24 Selling expenses

Administrative expenses reflect the Corporation's general management costs, which mainly include: salaries for management staff, office material costs, work tools, depreciation of fixed assets used for corporate management, provisions for doubtful debts, outsourced services, and other expenses.

2.25 General and administrative expense

Administrative expenses reflect the Corporation's general management costs, which mainly include: salaries for management staff, office material costs, work tools, depreciation of fixed assets used for corporate management, provisions for doubtful debts, outsourced services, and other expenses.

2.26 Corporate income tax

Deferred income tax asset

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is recognized for taxable temporary differences.

Current corporate income tax expenses and deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

Current corporate income tax rate

The fiscal year ended as at 31 December 2024, the Corporation applies the corporate income tax rate of 20% for the operating activities which has taxable income.

2.27 Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Corporation (after adjusting for the bonus and welfare fund and allowance for Board of Management) by the weighted average number of ordinary shares outstanding during the year.

2.28 Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Corporation's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Corporation or being under the control of the Corporation, or being under common control with the Corporation, including the Corporation's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Corporation that have a significant influence on the Corporation, key management personnel including directors and employees of the Corporation, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Financial Statements, the Corporation should consider the nature of the relationship rather than the legal form of the relationship.

2.29 Segment information

A segment is a distinguishable component of the Corporation that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other ones.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Corporation in order to help users of financial statements better understand and make more informed judgements about the Corporation as a whole.

3 CASH AND CASH EQUIVALENTS

	31/12/2024	01/01/2024
	VND	VND
Cash on hand	244,429,581	257,479,025
Demand deposits	9,711,703,748	303,025,024,589
Cash equivalents (i)	1,670,169,535	21,427,000,000
	11,626,302,864	324,709,503,614

(i) As at 31 December 2024, the cash equivalents are deposits with term of 01 month with the amount of VND 1,670,169,535 at Vietnam Joint Stock Commercial Bank For Industry And Trade at the interest rate of 1.6%/ year to 4.3%/ year.

4 SHORT-TERM TRADE RECEIVABLES

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Related parties	65,771,734,603	-	162,239,273,548	-
Construction JSC	138,827,610	-	11,216,100,467	-
No.791				
792 Construction JSC	2,650,796,160	-	11,415,281,262	-
793 Construction JSC	421,488,500	-	11,891,840,062	-
796 Railway	19,725,833,734	-	32,564,867,281	-
Construction JSC				
798 Mechanical	945,242,514	-	28,674,061,414	-
Excution Construction JSC				
Construction JSC	14,195,269,297	-	24,690,449,528	-
No.875				
878 Mechanical and Construction JSC	26,938,662,488	-	32,222,207,258	-
879 Construction JSC	29,700,000	-	8,999,778,636	-
Thanh Nam Land	725,914,300	-	564,687,640	-
Investment and Development JSC				
Others	263,957,768,569	(10,855,825,929)	250,510,093,768	(10,822,968,183)
Mien Trung	66,029,392,655	-	76,029,392,655	-
Construction Group JSC				
Railway Project Management Board	109,366,005,574	-	72,820,188,857	-
Civil Engineering Construction Corporation NO1 - JSC	8,289,858,145	(8,289,858,145)	8,289,858,145	(8,289,858,145)
Other customers	80,272,512,195	(2,565,967,784)	93,370,654,111	(2,533,110,038)
	329,729,503,172	(10,855,825,929)	412,749,367,316	(10,822,968,183)

5 SHORT-TERM PREPAIDMENTS TO SUPPLIERS

	31/12/2024		01/01/2024	
	Value VND	Provision VND	Value VND	Provision VND
Related parties	183,802,798,932	-	58,747,029,976	-
Construction JSC NO.791	17,018,159,696	-	7,010,234,246	-
792 Construction JSC	20,658,853,484	-	457,519,450	-
793 Construction JSC	35,668,836,020	-	22,759,294,449	-
796 Railway Construction JSC	24,641,788,888	-	8,370,405,266	-
798 Mechanical Excution Construction Construction JSC NO.875	28,176,494,147	-	740,221,489	-
878 Mechanical and Construction JSC	15,203,446,777	-	3,906,545,971	-
879 Construction JSC	12,347,484,882	-	-	-
An Ngoc Investment and Co., Ltd	26,087,735,038	-	11,551,409,105	-
	4,000,000,000	-	3,951,400,000	-
Others	13,411,251,685	(1,712,271,000)	19,909,186,003	(1,712,271,000)
Engineering Consultant and Construction JSC	1,712,271,000	(1,712,271,000)	1,712,271,000	(1,712,271,000)
Van Tin Investment Construction JSC	-	-	5,701,221,300	-
Other customers	11,698,980,685	-	12,495,693,703	-
	197,214,050,617	(1,712,271,000)	78,656,215,979	(1,712,271,000)

6 OTHER RECEIVABLES

	31/12/2024		01/01/2024	
	Value VND	Provision VND	Value VND	Provision VND
a) Short-term				
Advance receivable	8,475,815,905	-	4,434,214,809	-
Interest receivable from deposits	-	-	18,055,767	-
Dividends and profits receivable	875,000,000	(875,000,000)	875,000,000	-
Truong Son Volunteer Youth Group Co., Ltd	1,000,000,000	(1,000,000,000)	1,000,000,000	(1,000,000,000)
Bac Ha Investment Trading and Construction JSC	1,700,000,000	(1,700,000,000)	1,700,000,000	(1,700,000,000)
Other receivables	2,241,673,522	(272,457,673)	2,270,270,787	(272,457,673)
	14,292,489,427	(3,847,457,673)	10,297,541,363	(2,972,457,673)
b) Long-term				
Collateral & deposit	2,381,574,681	-	2,144,625,148	-
	2,381,574,681	-	2,144,625,148	-
c) In which: related parties				
879 Construction JSC	36,233,520	-	-	-
Mr Nguyen Hai Duy	4,219,904,110	-	354,400,000	-
	4,256,137,630	-	354,400,000	-

7 DOUBTFUL DEBTS

Total value of receivables and debts that are overdue or not due but difficult to be recovered:

	31/12/2024		01/01/2024	
	Original cost VND	Recoverable value VND	Original cost VND	Recoverable value VND
Civil Engineering Construction Corporation No.1 - JSC	8,289,858,145	-	8,289,858,145	-
Engineering Consultant and Construction JSC	1,712,271,000	-	1,712,271,000	-
Bac Ha Investment Trading and Construction JSC	1,700,000,000	-	1,700,000,000	-
Truong Son Volunteer Youth Group Co., Ltd	1,000,000,000	-	1,000,000,000	-
Other receivables	4,104,594,703	391,169,246	3,229,594,703	424,026,992
	16,806,723,848	391,169,246	15,931,723,848	424,026,992

The recoverable value mentioned above is determined by the original cost minus the provision for doubtful debts established for these receivables. The Corporation's Board of Management is still implementing measures to recover all of these doubtful receivables.

8 INVENTORIES

	31/12/2024		01/01/2024	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw materials	35,841,583,605	-	47,960,153,762	-
Tools, supplies	365,723,180	-	70,635,124	-
Work in progress (*)	123,459,445,830	(6,340,234,019)	179,890,357,446	(10,634,957,305)
Finished goods	22,257,770,287	-	24,404,283,974	-
Goods	3,151,975,692	-	4,227,176,522	-
	185,076,498,594	(6,340,234,019)	256,552,606,828	(10,634,957,305)

(*) Detailed on Work in progress:

	31/12/2024		01/01/2024	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Bidding package No. 8: Renovation of Chi Linh - Mao Khe under the Lim - Pha Lai Railway Project (i)	42,073,671,789	-	48,126,842,929	-
Package XL02 Van Ninh - Cam Lo Expressway	16,991,321,599	-	21,661,641,100	-
Package XL11 Quy Nhon - Chi Thanh	18,359,294,483	-	17,026,163,884	-
Rach Ong Bridge - Ba Ria Vung Tau	3,710,061,380	-	3,351,534,395	-
Bidding package XL-VNT2-03: Renovation and upgrade of the section from Km1241+990 to Km1314+930 in Khanh Hoa Province	2,307,045,124	-	13,400,228,070	-
Bidding package CP1C: Minh Le Bridge, Khe Net, and Ngan Son	5,051,816,606	(5,051,816,606)	5,051,816,606	(5,051,816,606)
Bidding package 14: Ong Tan Bridge, Yen Lap Bridge - Ha Long - Cai Lan Project	-	-	2,986,692,757	(2,986,692,757)
Other constructions	34,966,234,849	(1,288,417,413)	68,285,437,705	(2,596,447,942)
	123,459,445,830	(6,340,234,019)	179,890,357,446	(10,634,957,305)

(i) The construction value of Package No. 8: Renovation and upgrading of the railway section from Chi Linh to Mao Khe under the contract signed with the Railway Project Management Board in 2015. The project has been temporarily suspended since 2016 due to the Ministry of Transport's inability to allocate funding. On 20 July 2022, the Railway Project Management Board issued Official Letter No. 1738/BQLDAĐS-DA1 to the Ministry of Transport, reporting that

Package No. 08 had been substantially completed and recommending approval for acceptance. The Corporation and the supervision consultant have compiled all necessary legal documents, design records, acceptance and payment records, semi-finished product volumes, unapproved construction volumes, and other related costs, and submitted a report to the Railway Project Management Board at the time of technical suspension. This was done to facilitate the acceptance of completed work once funding is allocated by the relevant authorities. On 10 December 2024, the Corporation continued to issue Official Letter No. 877/CTDS-KT to the Railway Project Management Board regarding confirmation of the remaining construction volume. Subsequently, on 18 December 2024, the Railway Project Management Board responded with Official Letter No. 3533/BQLDAĐS-DA1, stating that they had conducted a review and submitted a report to the Ministry of Transport, requesting that higher authorities consider and allocate funds for the Yen Vien - Pha Lai - Ha Long - Cai Lan railway project to enable payment for completed works.

In February 2025, the Ministry of Transport submitted an investment proposal for the Yen Vien - Pha Lai - Ha Long - Cai Lan railway project. The Board of Management believes that the funding allocation plan will soon be approved, thereby providing the basis for the acceptance and settlement of completed works. The Corporation is continuing to work with the Railway Project Management Board to finalize the documentation in preparation for the acceptance and payment process.

9 PREPAID EXPENSES

	31/12/2024	01/01/2024
	VND	VND
a) Short-term		
Maintenance and repair expenses	971,521,116	985,316,061
Dispatched tools and supplies	619,665,441	150,364,211
Insurance expenses	247,301,289	265,842,998
Others	13,660,378	76,863,472
	<u>1,852,148,224</u>	<u>1,478,386,742</u>
b) Long-term		
Tools and equipment expenses awaiting allocation	3,724,967,064	6,518,124,694
Prepaid land lease expenses for Station 76	649,251,630	685,321,158
Machinery and equipment repair expenses	1,948,450,321	4,233,914,974
Mineral mining rights licensing fees	196,371,769	392,743,533
Others	312,845,804	12,147,300
	<u>6,831,886,588</u>	<u>11,842,251,659</u>

Railway Construction Corporation Joint - Stock Company
Consolidated Financial Statements

Tòa nhà số 33, đường Láng Hạ, phường Thành Công, quận Ba Đình, thành phố Hà Nội

cho năm tài chính kết thúc ngày 31/12/2024

10 TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation equipment	Instrument and tools for management	Total
	VND	VND	VND	VND	VND
Historical cost					
Beginning balance	71,224,328,659	192,764,051,141	31,129,871,900	1,773,580,980	296,891,832,680
Purchase in the year	-	375,935,185	2,655,481,855	-	3,031,417,040
Liquidation, disposal	-	(4,413,342,804)	-	-	(4,413,342,804)
Ending balance of the year	71,224,328,659	188,726,643,522	33,785,353,755	1,773,580,980	295,509,906,916
Accumulated depreciation					
Beginning balance	42,177,503,249	152,730,638,374	19,735,198,859	1,725,299,749	216,368,640,231
Depreciation in the year	1,818,448,643	10,430,506,044	2,033,205,173	129,482,652	14,411,642,512
Liquidation, disposal	-	(3,711,838,390)	-	-	(3,711,838,390)
Reclassification	-	171,874,999	-	(171,874,999)	-
Ending balance of the year	43,995,951,892	159,621,181,027	21,768,404,032	1,682,907,402	227,068,444,353
Net carrying amount					
Beginning balance	29,046,825,410	40,033,412,767	11,394,673,041	48,281,231	80,523,192,449
Ending balance	27,228,376,767	29,105,462,495	12,016,949,723	90,673,578	68,441,462,563

The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the year is VND 44,037,168,805 (as at 01 January 2024 was VND 51,613,056,633).

Cost of fully depreciated tangible fixed assets but still in use at the end of the year is VND 69,811,558,934 (as at 01 January 2024 was VND 71,964,260,511 VND).

11 INTANGIBLE FIXED ASSETS

	Land use rights (i) VND	Computer software VND	Total VND
Historical cost			
Beginning balance	4,862,375,400	160,000,000	5,022,375,400
Ending balance of the year	4,862,375,400	160,000,000	5,022,375,400
Accumulated amortization			
Beginning balance	1,099,506,376	89,978,506	1,189,484,882
Amortization in the year	111,916,668	24,688,172	136,604,840
Ending balance of the year	1,211,423,044	114,666,678	1,326,089,722
Net carrying amount			
Beginning balance	3,762,869,024	70,021,494	3,832,890,518
Ending balance	3,650,952,356	45,333,322	3,696,285,678

(i) Land use rights are classified as intangible fixed assets including: The value of perpetual land use rights of the Corporation at Dong Tan Quarter, Di An Ward, Di An Town, Binh Duong Province, covering an area of 228 m² and the land located in Hung Thinh Commune, Trang Bom District, Dong Nai Province, with an area of 19,306.7 m², with a land use term expiring in March 2046.

12 INVESTMENT PROPERTIES

The Corporation's investment property is an office for lease located at No. 33 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi City, with an original cost of VND 5,686,065,091. As of 31 December 2024, the accumulated depreciation value of the investment property amounted to VND 2,691,789,393, the remaining value of VND 2,994,275,698, and the depreciation expense for the year was VND 96,589,536. The investment property has been pledged as collateral for a loan by the Corporation at the Bank for Investment and Development of Vietnam - Dong Do Branch (Note 20).

During the year, rental revenue generated from investment property leasing activities amounted to VND 6,918,384,769 (compared to VND 6,929,941,099 in 2023).

The rental payments to be received periodically in the future is presented by the Corporation in Note 22.

As of 31 December 2024, the fair value of the investment property has not been officially appraised or determined. However, based on the leasing status and market prices of these assets, the Board of Management of the Corporation believes that fair value of the investment property exceeds its net book value as of the financial year-end.

13 INVESTMENTS

	31/12/2024		01/01/2024	
	Historical cost VND	Provision VND	Historical cost VND	Provision VND
Investments in other entities				
- Construction JSC NO.791	5,831,680,000	(5,708,951,648)	5,831,680,000	(5,590,875,529)
- 792 Construction JSC	6,300,000,000	(6,077,734,855)	6,300,000,000	(4,633,460,943)
- 793 Construction JSC	4,549,930,000	(4,549,930,000)	4,549,930,000	(4,341,147,860)
- 796 Railway Construction JSC	2,500,000,000	(2,500,000,000)	2,500,000,000	(2,500,000,000)
- 798 Mechanical Excution Construction JSC	3,907,600,000	(3,907,600,000)	3,907,600,000	(2,403,530,280)
- Construction JSC NO.875	4,499,700,000	(3,965,643,759)	4,499,700,000	(3,965,643,759)
- 878 Mechanical and Construction JSC	4,850,950,000	(4,850,950,000)	4,850,950,000	(4,850,950,000)
- 879 Construction JSC	6,350,000,000	(4,301,408,508)	6,350,000,000	(3,844,126,421)
- Saigon Railway Material JSC	100,000,000	-	100,000,000	-
- Neo Floor JSC (i)	214,500,000,000	-	-	-
	253,389,860,000	(35,862,218,770)	38,889,860,000	(32,129,734,792)

The Corporation has not determined the fair value of financial investments since Vietnamese Accounting Standards and Vietnamese Corporate Accounting System has not provided any detailed guidance on the determination of the fair value.

- (i) Pursuant to Resolution No. 67/NQ-CTDS-HDQT dated 30 December 2024, issued by the Board of Directors, the Corporation acquired 11 million shares of Neo Floor Joint Stock Company ("Neo Floor") at a price of VND 19,500 per share from Mrs. Tran Thi Hong Lien under the share transfer agreement dated 30 December 2024. On 30 and 31 December 2024, the Corporation completed full payment for the share purchase and successfully acquired ownership of the transferred shares. Neo Floor operates as a joint-stock company under Enterprise Registration Certificate No. 0201576957, initially issued by the Department of Planning and Investment of Hai Phong City on October 16, 2014. Neo Floor's headquarters is located at Lot CN4.1, MP Industrial Zone, Dinh Vu Economic Zone - Cat Hai, Dong Hai 2 Ward, Hai An District, Hai Phong City. Its core business activities include wholesale trading of construction materials and installation equipment.

Detailed information on long-term investments in other entities as at 31 December 2024:

Name of Company	Head office	Rate of interest and voting rights	Main business activities
Construction JSC No.791	Nghe An	18.85%	Construction of Railways and Roads
792 Construction JSC	Quang Binh	18.00%	Construction of Railways and Roads
793 Construction JSC	Quang Tri	12.47%	Construction of Railways and Roads
796 Railway Construction JSC	Ho Chi Minh City	10.00%	Construction of Railways and Roads
798 Mechanical Excution Construction JSC	Ha Noi	10.28%	Construction of Railways and Roads
Construction JSC No.875	Da Nang	10.25%	Construction of Railways and Roads
878 Mechanical and Construction JSC	Thua Thien Hue	10.78%	Construction of Railways and Roads
879 Construction JSC	Thua Thien Hue	17.40%	Construction of Railways and Roads
Saigon Railway Material JSC	Ho Chi Minh City	8.00%	Construction of Railways and Roads
Neo Floor JSC	Hai Phong City	18.33%	Wholesale of Other Construction Materials and Installation Equipment

14 SHORT-TERM TRADE PAYABLES

	31/12/2024		01/01/2024	
	Outstanding	Amount can be	Outstanding	Amount can be
	balance	paid	balance	paid
	VND	VND	VND	VND
Related parties	97,200,000	97,200,000	-	-
An Ngoc Investment and Co., Ltd	97,200,000	97,200,000	-	-
Others	195,331,009,696	195,331,009,696	157,620,675,905	157,620,675,905
Vietnam Railways	43,963,047,788	43,963,047,788	61,379,330,833	61,379,330,833
Northern Nhanluat JSC	6,563,829,573	6,563,829,573	3,606,890,852	3,606,890,852
BKT JSC	63,038,367,005	63,038,367,005	15,008,442,166	15,008,442,166
Indochina Railway Investment and Construction Co., Ltd	20,529,313,400	20,529,313,400	40,334,195,200	40,334,195,200
Yen Lao Railway JSC	-	-	8,473,056,696	8,473,056,696
Viet Nam TH Equipments & Material JSC	7,698,797,922	7,698,797,922	7,834,446,852	7,834,446,852
Thanh Binh Private Enterprise	1,110,039,017	1,110,039,017	1,455,471,181	1,455,471,181
Thai Cuong JSC	1,668,644,999	1,668,644,999	2,168,644,999	2,168,644,999
Other suppliers	50,758,969,992	50,758,969,992	17,360,197,126	17,360,197,126
	195,428,209,696	195,428,209,696	157,620,675,905	157,620,675,905

15 SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2024	01/01/2024
	VND	VND
Others		
Project Management Board 85	19,358,767,600	142,563,293,339
Railway Project Management Board	5,543,116,965	70,949,908,536
Ho Chi Minh Road Project Management Board	8,345,285,000	58,357,703,000
Others	1,425,636,326	693,300,426
	34,672,805,891	272,564,205,301
In which: Buyers pay in advance overdue		
Duc Toan Co., Ltd	21,500,000	21,500,000
Viet Tuan Construction and Trading JSC	36,344,000	36,344,000
Railway Construction Company 1 - Thanh Hoa	32,000,000	32,000,000
	89,844,000	89,844,000

16 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Opening receivables	Opening payables (adjusted)	Payables in the year	Actual payment in the year	Closing receivable	Closing payable
	VND	VND	VND	VND	VND	VND
Value-added tax	-	197,959,255	7,662,609,625	6,850,184,545	-	1,010,384,335
Corporate income tax	1,196,404,491	16,764,260,387	5,631,568,864	14,841,688,075	1,610,099,255	7,967,835,940
Personal income tax	-	1,182,177,103	353,526,895	704,100,314	-	831,603,684
Natural resource tax	-	48,488,000	984,527,950	878,193,750	-	154,822,200
Land tax and land rental	-	114,392,360	4,250,205,588	2,850,162,181	-	1,514,435,767
Other taxes	-	414,551,091	213,988,958	618,774,490	-	9,765,559
Fees, charges and other payables	-	299,682,445	2,092,570,538	618,258,357	-	1,773,994,626
	1,196,404,491	19,021,510,641	21,188,998,418	27,361,361,712	1,610,099,255	13,262,842,111

The Corporation's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Consolidated Financial Statements could be changed at a later date upon final determination by the tax authorities.

17 ACCRUED EXPENSES

	31/12/2024	01/01/2024
	VND	VND
a) Short-term		
Interest expense	380,749,256	197,995,985
Accrued construction expenses	30,655,741,240	38,734,644,857
- Tam Giang Bridge - Nui Thanh District - Quang Nam	3,030,062,811	5,560,393,924
- Bidding package XL02 Van Ninh - Cam Lo Expressway - Ho Chi Minh Road Project Management Board	-	7,573,927,538
- Bidding package XL-NTSG2-02 Nha Trang - Saigon	-	5,590,716,546
- Bidding package 04: Hoa Xuan bridge	9,038,758,753	3,845,610,082
- Bidding package XL-VNT2-01A	5,611,294,436	-
- Other accrued construction expenses	12,975,625,240	16,163,996,767
Other accrued expenses	10,402,063	6,679,452
	<u>31,046,892,559</u>	<u>38,939,320,294</u>
b) Long-term		
Accrued expenses for asset leasing	371,018,012	800,866,644
	<u>371,018,012</u>	<u>800,866,644</u>

18 UNEARNED REVENUES

	31/12/2024	01/01/2024
	VND	VND
a) Short-term		
Revenue received in advance from leasing assets	763,636,368	763,636,368
	<u>763,636,368</u>	<u>763,636,368</u>
b) Long-term		
Revenue received in advance from leasing assets	5,854,545,423	6,618,181,791
	<u>5,854,545,423</u>	<u>6,618,181,791</u>

19 OTHER PAYABLES

	31/12/2024	01/01/2024
	VND	VND
a) Short-term		
Trade union fee	88,090,525	84,365,456
Social insurance	129,048,202	-
Short-term deposits, collateral received	47,896,800	60,896,800
Dividends or profits payable (i)	87,400,787	87,400,787
Interest payable	2,011,486,904	-
Remuneration for the Board of Directors and the Board of Supervisors	1,416,000,000	1,536,000,000
Import Export & General Trading One Member Co., Ltd	-	3,403,758,342
Other payables	1,447,220,692	1,923,496,031
	5,227,143,910	7,095,917,416
b) Long-term		
Training expenses for officers and employees	158,000,000	164,000,000
	158,000,000	164,000,000
c) In which: Other payables to related parties		
Mr. Nguyen Hai Duy	1,585,289,644	-
793 Construction JSC	39,458,185	41,321,455
Construction JSC NO.875	9,279,360	9,279,360
878 Mechanical and Construction JSC	26,895,980	26,895,980
796 Railway Construction JSC	10,182,560	10,182,560
Construction JSC NO.791	3,598,080	3,598,080
Sai Gon - Ha Noi Securities JSC	60,000,000	60,000,000
	1,734,703,809	151,277,435

(i) The remaining dividends from 2009 to 2016 that individual shareholders have not claimed from the Corporation are still uncollected.

20 BORROWINGS

	01/01/2024		During the year		31/12/2024	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
Short-term debts (i)	278,157,391,567	278,157,391,567	473,110,482,231	411,501,419,882	339,766,453,916	339,766,453,916
Current portion of long-term debts	1,241,191,000	1,241,191,000	1,085,555,500	1,447,441,000	879,305,500	879,305,500
	279,398,582,567	279,398,582,567	474,196,037,731	412,948,860,882	340,645,759,416	340,645,759,416
b) Long-term borrowings						
Long-term debts (ii)	2,646,746,500	2,646,746,500	-	1,447,441,000	1,199,305,500	1,199,305,500
	2,646,746,500	2,646,746,500	-	1,447,441,000	1,199,305,500	1,199,305,500
Amount due for settlement within 12 months	(1,241,191,000)	(1,241,191,000)			(879,305,500)	(879,305,500)
Amount due for settlement after 12 months	1,405,555,500	1,405,555,500			320,000,000	320,000,000
(i) Detailed information on Short-term borrowings are as follows:						
	Currency	Interest Rate	Loan Purpose	Guarantee	31/12/2024	01/01/2024
					VND	VND
Related parties						
Mr. Nguyen Hai Duy	VND	12-14%	Business Operations	Unsecured	26,733,000,000	-
					26,733,000,000	-
Others						
Joint Stock Commercial bank for Investment and Development of Vietnam - Dong Do Branch	VND	Floating	Supplement working capital	Mortgaged (*)	313,033,453,916	278,157,391,567
Sai Gon - Ha Noi Commercial Joint Stock Bank - Hanoi Branch	VND	Floating	Supplement working capital	Mortgaged (*)	299,894,483,771	268,957,391,567
Joint Stock Commercial bank for Investment and Development of Vietnam - Phu Dien Branch	VND	5.3%	Supplement working capital	Mortgaged (*)	6,019,970,145	-
Mrs. Nguyen Thi Khoa	VND	0%	Supplement working capital	Unsecured	-	9,200,000,000
Mr. Nguyen Huu Duc	VND	12%	Business Operations	Unsecured	500,000,000	-
					6,619,000,000	-
					339,766,453,916	278,157,391,567

(ii) Detailed information on Long-term borrowings are as follows:

	Currency	Interest Rate	Date due	Year of maturity	Loan purpose	Guarantee	31/12/2024	01/01/2024
							VND	VND
Joint Stock Commercial bank for Investment and Development of Vietnam - Dong Do Branch								
- Contract 02/2021/580058/HĐTD dated 14/09/2021	VND	Floating	60 months	2026	Procurement of fixed assets	Mortgaged (*)	752,000,000	1,184,002,000
- Contract 01/2022/580058/HĐTD dated 20/04/2022	VND	Floating	36 months	2025	Procurement of fixed assets	Mortgaged (*)	155,637,500	466,912,500
- Contract 01/2022/580058/HĐTD dated 19/09/2022	VND	Floating	24 months	2024	Procurement of fixed assets	Mortgaged (*)	-	412,500,000
- Contract 01/2023/580058/HĐTD dated 19/01/2023	VND	Floating	36 months	2026	Procurement of fixed assets	Mortgaged (*)	291,668,000	583,332,000
							1,199,305,500	2,646,746,500
Amount due for settlement within 12 months							(879,305,500)	(1,241,191,000)
Amount due for settlement within 12 months							320,000,000	1,405,555,500

(*) Loans from banks and other credit institutions have been secured by collateral agreements with the lenders and have been fully registered as secured transactions.

21 OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Other capital	Retained earnings	Non - Controlling Interest	Total
	VND	VND	VND	VND	VND	VND
Beginning balance of previous year (adjusted)	320,043,640,000	5,499,128,365	1,296,421,018	22,142,999,771	31,245,649,716	380,227,838,870
Increase in capital in previous year	603,850,000	(166,165,431)	-	-	-	437,684,569
Profit for previous year (adjusted)	-	-	-	25,703,534,275	2,647,458,549	28,350,992,824
Cash dividend	-	-	-	-	(2,600,865,544)	(2,600,865,544)
Bonus and welfare funds	-	-	-	(1,375,368,685)	(115,323,627)	(1,490,692,312)
Other decrease	-	-	-	(32,100,655)	-	(32,100,655)
Ending balance of previous year (adjusted)	320,647,490,000	5,332,962,934	1,296,421,018	46,439,064,706	31,176,919,094	404,892,857,752
Profit for this year	-	-	-	1,313,805,244	2,431,996,686	3,745,801,930
Cash dividend	-	-	-	-	(2,190,045,792)	(2,190,045,792)
Bonus and welfare fund	-	-	-	(1,196,004,545)	(132,372,928)	(1,328,377,473)
Due to reduction of investment capital in subsidiaries	-	(861,803,699)	-	(294,226,142)	7,260,029,841	6,104,000,000
Ending balance of this year	320,647,490,000	4,471,159,235	1,296,421,018	46,262,639,263	38,546,526,901	411,224,236,417

The profit distribution during the year was carried out by the Corporation and its subsidiaries as follows:

	Parent company	Distributed in Subsidiaries		
		Total	Parent company	Non - controlling interests
	VND	VND	VND	VND
Bonus and welfare fund	1,000,000,000	328,377,473	196,004,545	132,372,928
Dividend payment		5,432,845,792	3,242,800,000	2,190,045,792

b) Details of Contributed capital

	31/12/2024	Rate	01/01/2024	Rate
	VND	%	VND	%
Mr. Ta Huu Dien	62,410,750,000	19.46	62,410,750,000	19.46
Sai Gon - Ha Noi Commercial Joint Stock Company	31,057,500,000	9.69	31,057,500,000	9.69
Mr. Nguyen Xuan Cuong	27,704,300,000	8.64	20,704,300,000	6.46
Mr. Nguyen Hai Duy	27,387,600,000	8.54	27,387,600,000	8.54
Mr. Dau Hoang Viet	20,662,400,000	6.44	20,662,400,000	6.44
Others	151,424,940,000	47.23	158,424,940,000	49.41
Total	320,647,490,000	100	320,647,490,000	100

c) Capital transactions with owners and distribution of dividends and profits

	Year 2024	Year 2023
	VND	VND
Owner's contributed capital		
- At the beginning of the year	320,647,490,000	320,043,640,000
- Increase in the year	-	603,850,000
- At the end of the year	320,647,490,000	320,647,490,000
Distributed dividends and profit		
- Dividend payable at the beginning of the year	87,400,787	87,400,787
- Dividend payable during the year	2,190,045,792	2,632,966,199
+ Dividend payment from last year's profit	2,190,045,792	2,632,966,199
- Dividend paid during the year	2,190,045,792	2,632,966,199
+ Dividend payment from last year's profit	2,190,045,792	2,632,966,199
- Dividend payable at the end of the year	87,400,787	87,400,787

d) Share

	31/12/2024	01/01/2024
	VND	VND
Quantity of Authorized issuing shares	32,064,749	32,064,749
Quantity of issued shares	32,064,749	32,064,749
- Common shares	32,064,749	32,064,749
Quantity of outstanding shares in circulation	32,064,749	32,064,749
- Common shares	32,064,749	32,064,749
Par value per share: VND 10,000/share		

22 OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT

a) Operating Lease Commitments

The Corporation has signed a lease agreement for a 120.8 m² plot located at No. 22, Alley 371, Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City, to be used as an office. The lease term is from 15 October 1993 to 15 October 2043. Under this agreement, the Corporation made a one-time lump-sum payment for the entire lease period.

In addition to the above contract, the Corporation also has land lease agreements at the following locations:

No	Location	Area (m ²)	Purpose	Land lease term
1	No. 33 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi	2,005.2	Office for work and business services	30 years (from 26/12/2001 to 26/12/2031)
2	Tan Thoi Hiep Ward, Ho Chi Minh City	1,220.5	Business production facility	50 years (from 25/05/2005 to 25/05/2055)
3	No. 187 Hung Vuong Street, Thua Thien Hue City	2,120.0	Material warehouse	30 years (from 11/04/2001 to 11/04/2031)
4	No. 131 Thach Han Street, Thuan Hoa Ward, Thua Thien Hue City	5,976.0	Construction land	30 years (from 21/03/2001 to 21/03/2031)
5	No. 61 Nguyen Van Cu Street, Lien Chieu District, Da Nang City	78,422.00	Office for work	Until 01/01/2046
6	37, 42 Nguyen Phuoc Chu Street, Hiep Hoa Bac Ward, Lien Chieu District, Da Nang City	2,237.30	Lease back	Until 03/07/2029
7	Quynh Thien Ward, Hoang Mai Town, Nghe An Province	185,415.20	Office for work, material warehouses, mineral exploitation,...	Until 23/10/2025

b) Operating asset for leasing

The company is currently leasing assets under operating leases contracts. As at 31 December 2024, total future minimum lease income under operating lease contracts are presented as follows:

	31/12/2024 VND	01/01/2024 VND
Under 1 year	4,485,451,222	5,327,632,466
From 1 year to 5 years	1,009,231,388	2,962,122,182

c) Doubtful debts written-off

	31/12/2024	01/01/2024
	VND	VND
Doubtful debts written-off	5,217,432,383	5,217,432,383

23 TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Year 2024	Year 2023
	VND	VND
Revenue from construction activities	712,228,129,040	705,682,229,774
Revenue from industrial production	34,295,137,250	59,596,361,434
Revenue from material, goods supply	7,197,675,514	43,596,254,637
Revenue from fixed asset and tool rental	11,675,755,550	20,404,190,711
Revenue from office leasing	6,718,384,769	6,929,941,099
Other revenue	4,524,610,538	3,759,388,477
	776,639,692,661	839,968,366,132
In which: Revenue from related parties (Detailed in Note 38)	14,880,304,928	37,884,357,091

24 COST OF GOODS SOLD

	Year 2024	Year 2023
	VND	VND
Cost of goods sold for construction activities	647,069,089,296	630,127,922,711
Cost of goods sold for industrial production	25,359,698,240	44,671,512,491
Cost of goods sold for material, goods supply	7,546,829,172	36,158,770,403
Cost of goods sold for fixed asset and tool rental	16,386,549,245	17,341,106,240
Cost of goods sold for office leasing	5,840,899,886	4,392,102,590
Cost of goods sold for other services	2,371,905,636	2,203,017,300
Reversal of provision for devaluation of inventories	(4,294,723,286)	-
	700,280,248,189	734,894,431,735
In which: Purchase from related parties Total purchase value: (Detailed in Note 38)	133,169,646,437	193,678,147,014

25 FINANCIAL INCOME

	Year 2024	Year 2023
	VND	VND
Interest income	287,754,086	286,039,817
Gains from business cooperation agreements	-	9,061,643,836
	287,754,086	9,347,683,653

26 FINANCIAL EXPENSES

	Year 2024	Year 2023
	VND	VND
Interest expenses	26,795,905,932	25,646,133,663
Provision for impairment of long-term investments	3,732,483,978	1,227,630,605
Other financial expenses	5,880,000	-
	<u>30,534,269,910</u>	<u>26,873,764,268</u>
In which: Financial expenses paid to related parties (Detailed in Note 38)	1,585,289,644	-

27 SELLING EXPENSES

	Year 2024	Year 2023
	VND	VND
Labour expenses	63,900,000	138,244,000
Depreciation expenses	45,479,616	44,277,143
Expenses of outsourcing services	1,099,269,868	2,409,523,826
	<u>1,208,649,484</u>	<u>2,592,044,969</u>

28 GENERAL AND ADMINISTRATIVE EXPENSE

	Year 2024	Year 2023
	VND	VND
Raw materials	428,409,868	288,042,678
Labour expenses	16,986,465,779	17,362,909,401
Cost of tools, equipment, supplies	79,486,772	112,729,416
Depreciation expenses	3,534,900,220	3,523,157,865
Tax, Charge, Fee	421,826,388	428,079,783
Provision expenses/ (Reversal) of provision expenses	907,857,746	(143,433,000)
Expenses of outsourcing services	9,244,501,886	20,395,439,453
Other expenses in cash	2,497,912,155	4,582,009,048
	<u>34,101,360,814</u>	<u>46,548,934,644</u>
In which: General and administrative expenses purchased from related parties (Detailed in Note 38)	448,000,000	513,000,000

29 OTHER INCOME

	Year 2024	Year 2023
	VND	VND
Gain from liquidation, disposal of fixed assets	231,041,041	11,190,798
Collected fines	18,305,969	42,013,929
Income from debt settlement not payable	-	29,147,842
Reduction in land lease fees	762,966,444	729,019,065
Others	135,940,293	90,171,957
	1,148,253,747	901,543,591
In which: Other income from related parties (Detailed in Note 38)	178,602,144	-

30 OTHER EXPENSES

	Year 2024	Year 2023
	VND	VND
Expenses from liquidation, disposal of fixed assets	-	523,802,808
Fines	1,813,886,622	251,490,101
Others	675,249,040	4,344,001
	2,489,135,662	779,636,910

31 CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2024	Year 2023
	VND	(Adjusted) VND
Current corporate income tax expense in parent	3,404,661,498	7,838,182,851
Current corporate income tax expense in subsidiaries	1,881,931,470	2,081,289,318
Total current corporate income tax expense	5,286,592,968	9,919,472,169
Adjustments to corporate income tax expenses of previous years into current corporate income tax this year	344,975,896	-
Tax payable at the beginning of the year	15,567,855,896	8,368,155,933
Tax paid in the year	(14,841,688,075)	(2,719,772,206)
Total corporate income tax payable at the end of the year	6,357,736,685	15,567,855,896

32 DEFERRED INCOME TAX

a) Deferred income tax assets

	31/12/2024	01/01/2024
	VND	VND
Corporate income tax rate used to determine deferred income tax assets	20%	20%
Deferred income tax assets related to deductible temporary differences	827,694,141	912,359,782
	827,694,141	912,359,782

b) Deferred corporate income tax expense

	Year 2024	Year 2023
	VND	VND
Deferred CIT expense relating to reversal of deferred income tax assets	84,665,641	258,315,857
	84,665,641	258,315,857

c) Temporary differences with uncertain future usability

Loan interest costs exceeding 30% of EBITDA

The portion of loan interest cost which is non-deductible under Decree No. 132/2020/NĐ-CP dated 05 November 2020 issued by the Ministry of Finance is carried forward to the next taxable period for the determination of total loan interest cost deductible if total loan interest cost deductible in the next taxable period is lower than the amount prescribed. The loan interest costs may be carried forward for a maximum consecutive period of 05 years, counting from the year following the year in which non-deductible loan interest costs arise. The actual loan interest costs carried forward to subsequent years for tax purposes will depend on the examination and approval of the tax authorities and may differ from the amounts presented in the Consolidated Financial Statements. The loan interest costs exceeding 30% of EBITDA under regulations of the Decree No. 132/2020/NĐ-CP dated 05 November 2020 issued by the Ministry of Finance, are estimated to be offset against the Corporation's future taxable income as follows:

Year incurred	Deductible loan interest carry-forward period	Tax authority review status	Loan interest costs exceeding 30% of EBITDA which non-deductible in the following years	Non-deductible loan interest utilized and expired as of 31/12/2024	Non-deductible loan interest carry-forward to subsequent tax years as of 31/12/2024
			VND	VND	VND
2020	2025	Inspected	4,886,696,996	-	4,886,696,996
2021	2026	Inspected	3,608,699,589	-	3,608,699,589
2022	2027	Inspected	3,482,597,980	-	3,482,597,980
2023	2028	Inspected	4,378,092,161	-	4,378,092,161
2024	2029	Not yet inspected	13,144,652,137	-	13,144,652,137
			29,500,738,863	-	29,500,738,863

The General Director assesses that the Corporation's ability to carry forward these non-deductible loan interest costs to subsequent years is uncertain. Therefore, no deferred tax assets related to these amounts have been recognized in the Statement of Financial Position of this year.

33 BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the company are calculated as follows

	Year 2024	Year 2023 (Adjusted)
	VND	VND
Net profit after tax	1,313,805,244	25,703,534,275
Profit distributed to common shares	1,313,805,244	25,703,534,275
Average number of outstanding common shares in circul	32,064,749	32,052,507
Basic earnings per share	41	802

The Corporation has not planned to make any distribution to Bonus and welfare fund, bonus for the Board of Directors from the net profit after tax at the date of preparing Consolidated Financial Statements.

As at 31 December 2024, the Corporation does not have shares with dilutive potential for earnings per share.

34 BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2024	Year 2023
	VND	VND
Raw materials	262,369,269,985	300,947,230,027
Labour expenses	35,181,155,668	42,084,218,340
Cost of tools, equipment, supplies	290,095,026	812,411,552
Depreciation expenses	14,439,535,452	14,121,581,972
Tax, Charge, Fee	5,983,505,857	4,777,072,284
Provision expenses	907,857,746	(143,433,000)
Expenses of outsourcing services	344,852,222,670	425,056,772,734
Other expenses in cash	8,724,031,900	18,186,702,405
	672,747,674,304	805,842,556,314

35 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS

	Year 2024	Year 2023
	VND	VND
Proceeds from borrowings during the year		
Proceeds from ordinary contracts	473,110,482,231	478,407,599,024
Actual repayments on principal during the year		
Repayment on principal from ordinary contracts	412,948,860,882	457,793,480,644

36 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Consolidated Financial Statements.

37 SEGMENT REPORTING

a) Under business fields

	Construction	Industrial production	Other activities	Total from all segments	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	712,228,129,040	34,295,137,250	30,116,426,371	776,639,692,661	-	776,639,692,661
Cost of goods sold	647,069,089,296	25,359,698,240	27,851,460,653	700,280,248,189	-	700,280,248,189
Profit from business activities	65,159,039,744	8,935,439,010	2,264,965,718	76,359,444,472	-	76,359,444,472
The total cost of acquisition of fixed assets	1,676,942,458	152,656,400	-	-	-	1,829,598,858
Segment assets	685,681,851,662	55,732,456,637	46,158,941,093	787,573,249,392	(16,399,885,354)	771,173,364,038
Unallocated assets				275,382,089,711	-	275,382,089,711
Total assets	685,681,851,662	55,732,456,637	46,158,941,093	1,062,955,339,103	(16,399,885,354)	1,046,555,453,749
Segment liabilities	292,706,022,640	2,658,567,187	8,121,134,273	303,485,724,100	(38,222,454,131)	265,263,269,969
Unallocated liabilities				370,067,947,363	-	370,067,947,363
Total liabilities	292,706,022,640	2,658,567,187	8,121,134,273	673,553,671,463	(38,222,454,131)	635,331,217,332

b) Under geographical areas

	Ha Noi	Nghe An	Da Nang	Total from all segments	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	739,781,593,786	24,631,634,750	12,226,464,125	776,639,692,661	-	776,639,692,661
Segment assets	1,017,776,705,613	91,319,113,504	48,374,047,146	1,157,469,866,263	(111,742,106,656)	1,045,727,759,607
The total cost of acquisition of fixed assets	1,676,942,458	152,656,400	-	1,829,598,858	-	1,829,598,858

38 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

List and relation between related parties and the Company are as follows:

Related parties	Relation
Construction JSC NO. 791	The Corporation is a major shareholder
792 Construction JSC	The Corporation is a major shareholder
793 Construction JSC	The Corporation is a major shareholder
796 Railway Construction JSC	The Corporation is a major shareholder
798 Mechanical Excution Construction JSC	The Corporation is a major shareholder
878 Mechanical and Construction JSC	The Corporation is a major shareholder
879 Construction JSC	The Corporation is a major shareholder
Construction JSC NO. 875	The Corporation is a major shareholder
Thu Ngan JSC	Related party with member of the Board of Directors
Thanhnam Land Investment and Development JSC	Related party with member of the Board of Directors
Long Giang Investment and Urban Development JSC	Related party with member of the Board of Directors
Ha Long Construction JSC	Related party with member of the Board of Directors
Minh Cam Minerals JSC	Related party with member of the Board of Directors
Pha Le Plastics Manufacturing and Technology JSC	Related party with member of the Board of Directors
An Phat Securities JSC	Related party with member of the Board of Directors
Sai Gon - Ha Noi Securities JSC	Major shareholder of the Corporation
Mr. Nguyen Hai Duy	Major shareholder of the Corporation
An Ngoc Investment and Co., Ltd	The legal representative of this Company is a related party with a Member to the Board of Directors
Neo Floor JSC	The Chairman of the Board of Directors is the legal representative of this company
The members of the Board of Directors, the Board of Management, and other managers of the Company	Key management personnel of the Company

In addition to the information with related parties presented in the above Notes, during the year, the Company has transactions with related parties as follows:

	Year 2024 VND	Year 2023 VND
Sales of Goods and Rendering of Services	14,880,304,928	37,884,357,091
Construction JSC NO. 791	532,547,600	95,049,643
792 Construction JSC	4,249,690,255	1,658,180,592
793 Construction JSC	2,132,746,091	2,854,935,413
796 Railway Construction JSC	3,212,895,849	3,034,082,969
798 Mechanical Excution Construction JSC	988,367,540	17,781,516,769
Construction JSC NO. 875	1,506,926,095	8,728,288,235
878 Mechanical and Construction JSC	1,549,926,414	1,242,463,546
879 Construction JSC	200,831,757	2,003,056,751
Thanhnam Land Investment and Development JSC	146,569,691	216,930,446
Sai Gon - Ha Noi Securities JSC	359,803,636	269,852,727

	Year 2024 VND	Year 2023 VND
Purchases of Goods and Services	133,169,646,437	193,678,147,014
Construction JSC NO. 791	9,282,060,708	8,964,686,941
792 Construction JSC	20,930,946,297	33,334,356,935
793 Construction JSC	18,936,560,164	16,021,912,393
796 Railway Construction JSC	29,537,664,867	25,090,536,075
798 Mechanical Excution Construction JSC	18,040,620,283	50,394,488,493
Construction JSC NO. 875	16,352,006,963	36,249,476,809
878 Mechanical and Construction JSC	10,491,195,487	13,315,063,957
879 Construction JSC	9,598,591,668	10,307,625,411
Gain from liquidation, disposal of fixed assets	178,602,144	-
Construction JSC NO. 875	178,602,144	-
General and Administrative Expenses	448,000,000	513,000,000
878 Mechanical and Construction JSC	168,000,000	168,000,000
Sai Gon - Ha Noi Securities JSC	100,000,000	165,000,000
An Ngoc Investment and Co., Ltd	180,000,000	180,000,000
Purchases of Fixed assets	277,777,778	-
Construction JSC NO. 791	277,777,778	-
Interest expenses	1,585,289,644	-
Mr. Nguyen Hai Duy	1,585,289,644	-

Terms and conditions of related-party transactions

The Corporation primarily engages in sales and service transactions with construction and infrastructure companies that are related parties operating in the railway construction sector. These related parties act as subcontractors for the Corporation, receiving materials, leasing machinery, and tools from the Corporation to execute projects. Under these arrangements, the Corporation assigns work to related parties through economic contracts for each project. The unit price and execution volume are mutually agreed upon and specified in the contracts. Upon completion of the project or specific work items, the accepted value is determined based on the acceptance report of the completed work volume and the final valuation document confirmed by both parties. The Corporation also supplies materials such as steel and railway tracks and leases various types of machinery and tools tailored to each project. Prices are applied based on the market rates at the time of delivery and are mutually agreed upon. Payment is made via bank transfer or debt offsetting.

For other transactions with related parties, pricing and contractual terms are applied similarly to those with non-related parties.

Transactions with insiders and key management members:

	Year 2024 VND	Year 2023 VND
Advances payment (i)	373,893,402,672	432,727,043,672
Mr. Ta Huu Dien	239,148,822,836	318,297,645,672
Mrs. Vu Thi Hai Yen	134,744,579,836	114,429,398,000
Reimbursement of advance payment (i)	373,893,402,672	489,764,043,672
Mr. Ta Huu Dien	239,148,822,836	318,297,645,672
Mrs. Vu Thi Hai Yen	134,744,579,836	171,466,398,000

(i) In 2024, the Board of Directors of the Corporation issued resolutions approving advance payments to Mr. Ta Huu Dien and Ms. Vu Thi Hai Yen for their participation in the Muong Hoa Ecotourism Project (Hoa Binh Province) and the purchase of a stone mine at Go Truong Mountain (Thanh Hoa Province). These approvals were based on Resolution 01A/2024/NQ-CTDS-HĐQT, dated 02 January 2024. However, on December 30, 2024, the Board of Directors issued Resolution 67/NQ-CTDS-HĐQT, revising the investment plan. Instead of proceeding with the Go Truong stone mine acquisition and the Muong Hoa Ecotourism Project, the Corporation decided to acquire 11 million shares of Neo Floor Joint Stock Company at a price of VND 19,500 per share. Consequently, both individuals fully reimbursed the advance payments they had received.

Remuneration, salaries, and other income of the Board of Directors, General Director, and other management personnel are as follows:

	Position	Year 2024 VND	Year 2023 VND
Mr. Mai Thanh Phuong	Chairman	111,000,000	111,000,000
Mr. Ta Huu Dien	Vice Chairman	954,660,000	811,000,000
Mr. Vo Van Phuc	Member of the Board of Directors and General Director	566,862,600	583,180,000
Mr. Pham Hong Thang	Independent Member of the Board of Directors	33,300,000	55,000,000
Mr. Pham Ngoc Quoc Cuong	Member of the Board of Directors	111,000,000	111,000,000
Mr. Kieu Nghi	Deputy General Director	254,581,640	277,764,000
Mrs. Vu Thi Hai Yen	Deputy General Director	463,914,010	491,742,000
Mr. Le Phuoc Quy Chau	Deputy General Director (Resigned on 01/02/2023)	-	12,400,000
Mrs. Nguyen Thi Thanh Huyen	Chief Accountant	342,929,010	354,394,000

In addition to the above-related parties' transactions, other related parties did not have any transactions during the year and have no balance at the end of the fiscal year with the Corporation.

39 COMPARATIVE FIGURES

The comparative figures are figures in the Consolidated Financial Statements for the fiscal year ended as at 31 December 2023, which was audited by AASC Auditing Firm Limited Company.


The Board of Management of the Corporation has decided to retrospectively adjust some items in the Consolidated Financial Statements for the fiscal year ended 31 December 2023 based on the results of the tax audit for the period of 2022–2023 conducted by the Hanoi Tax Department. Accordingly, the Corporation has made the following specific adjustments:

	Code	Figures on previous year's Consolidated Financial Statements	Adjusted figures	Difference	Note
		VND	VND	VND	
a) Consolidated Statement of Financial Position					
- Deductible VAT	152	27,570,762,906	27,282,933,386	(287,829,520)	(i)
- Taxes and other payables to State budget	313	16,314,560,478	19,021,510,641	2,706,950,163	(ii)
- Retained earnings accumulated to previous	421a	19,281,442,488	18,019,341,260	(1,262,101,228)	(ii)
- Retained earnings of the current year	421b	30,152,401,901	28,419,723,446	(1,732,678,455)	(ii)
b) Consolidated Statement of Income					
- Other expenses	32	592,206,858	779,636,910	187,430,052	(i)
- Current corporate income tax expense	51	8,374,223,766	9,919,472,169	1,545,248,403	(ii)
- Basic earnings per share	70	856	802	(54)	
c) Consolidated Statement of Cash Flows					
- Total profit before tax	01	38,716,210,902	38,528,780,850	(187,430,052)	(i)
- Increase, decrease in receivables	09	22,602,235,798	22,789,665,850	187,430,052	(i)

- (i) Adjustments related to input value-added tax (VAT) on invalid invoices.
(ii) Adjustments related to an increase in corporate income tax (CIT) obligations.


Le Phu Minh Duc
Preparer


Nguyen Thi Thanh Huyen
Chief Accountant


Vo Van Phuc
Director
Hanoi, 30 March 2025

