

**AUDITED FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2024*

**SCI JOINT STOCK COMPANY**

## TABLE OF CONTENTS

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	Pages
1. REPORT OF THE BOARD OF DIRECTORS AND BOARD OF GENERAL DIRECTORS	01 - 02
2. INDEPENDENT AUDITOR'S REPORT	03 - 04
3. BALANCE SHEET	05 - 06
4. INCOME STATEMENT	07
5. CASH FLOW STATEMENT	08 - 09
6. NOTES TO THE FINANCIAL STATEMENTS	10 - 43

## SCI JOINT STOCK COMPANY

### REPORT OF THE BOARD OF DIRECTORS AND BOARD OF GENERAL DIRECTORS

*For the financial year ended 31 December 2024*

*The Board of Directors and the Board of General Directors have the honor of submitting this Report together with the audited financial statements for the financial year ended 31 December 2024.*

#### 1. Business highlights

##### Establishment

SCI Joint Stock Company (hereinafter referred to as "the Company"), formerly known as Song Da 909 Joint Stock Company, is a Joint Stock Company established and operated under the first Business Registration Certificate No. 0101405355 dated 28 December 2007 issued by the Hanoi Authority for Planning and Investment, the 21st amended certificate on 10 September 2024.

##### Form of ownership

Joint Stock Company

##### The Company's business activities:

Construction and providing construction machine rental services.

##### Transaction name

**in English:** SCI JOINT STOCK COMPANY

**In short:** SCI

**Listing code:** S99 (HNX)

**Head office:** 3rd Floor, Tower C, Golden Palace Building, Me Tri Street, Me Tri Ward, Nam Tu Liem District, Hanoi

#### 2. Financial position and operating results

The Company's financial position and the results of its operation are presented in the accompanying financial statements.

#### 3. Members of the Board of Directors, Board of General Directors and Chief Accountant

Members of the Board of Directors, Board of General Directors and Chief Accountant during the year and to the date of the financial statements are:

##### Board of Directors

Mr.	Nguyen Cong Hung	Chairman
Mr.	Nguyen Van Phuc	Member
Mr.	Doan The Anh	Member
Mr.	Ngo Vu An	Member
Mr.	Kim Manh Ha	Independent Member
Mr.	Hoang Trong Minh	Independent Member

##### Board of General Directors and Chief Accountant

Mr.	Nguyen Van Phuc	General Director
Mr.	Doan The Anh	Deputy General Director
Mr.	Pham Van Nghia	Deputy General Director
Mr.	Nguyen Van Do	Deputy General Director
Mr.	Vu An Minh	Deputy General Director
Mr.	Phan Duong Manh	Chief Accountant

The legal representatives of the Company during the year and to the date of the financial statements are Mr. Nguyen Van Phuc and Mr. Nguyen Cong Hung

## SCI JOINT STOCK COMPANY

### REPORT OF THE BOARD OF DIRECTORS AND BOARD OF GENERAL DIRECTORS

*For the financial year ended 31 December 2024*

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#### 5. Independent Auditor

Branch of MOORE AISC Auditing and Informatics Services Company Limited has been appointed as an independent auditor for the financial year ended 31 December 2024.

#### 6. Commitment of the Board of Directors and Board of General Directors

The Board of Directors and Board of General Directors are responsible for the preparation of the Financial Statements which give a true and fair view of the financial position of the Company as at 31 December 2024, its results of operation and cash flows for the financial year ended 31 December 2024. In order to prepare these Financial Statements, the Board of Directors and Board of General Directors have considered and complied with the following matters:

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Prepared the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Directors and Board of General Directors are responsible for ensuring that proper accounting records are kept and maintained, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the Financial Statements are prepared in compliance with the accounting regime stated in Notes to the Financial Statements. The Board of Directors and Board of General Directors are also responsible for safeguarding the Company's assets, and hence taking reasonable steps for the prevention and detection of frauds and other irregularities.

#### 7. Confirmation

The Board of Directors and Board of General Directors, in their opinion, confirmed that the Financial Statements including the Balance Sheet as at 31 December 2024, the Income Statement, the Cash Flow Statement and accompanying Notes, which expressed a true and fair view of the financial position of the Company as well as its operating results and cash flows for the financial year ended 31 December 2024.

The Financial Statements are prepared in accordance with Vietnamese Accounting Standards and System.

*Hanoi, 27 March 2025*

**For and on behalf of the Board of Directors and Board of General Directors**



**Nguyễn Cong Hung**

**Chairman of the Board of Directors**



No. A0524060-R/MOOREAISHN-TC

**INDEPENDENT AUDITOR'S REPORT**

**To: Shareholders, Board of Directors and Board of General Directors**  
**SCI Joint Stock Company**

We have audited the accompanying Financial Statements of SCI Joint Stock Company as prepared on 27 March 2025 from pages 05 to 43, which comprise the Balance Sheet as at 31 December 2024, the Income Statement, the Cash Flow Statement for the financial year then ended and the Notes to the Financial Statements.

**Responsibility of the Board of Directors and Board of General Directors**

The Board of Directors and Board of General Directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, and prevailing regulations applicable to the preparation and presentation of the Financial Statements and also for the internal control which the Board of Directors and Board of General Directors consider necessary for the preparation and fair presentation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of the Auditor**

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and Board of General Directors as well as evaluating the overall presentation of the Financial Statements.

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

**Auditor's opinion**

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position of SCI Joint Stock Company as at 31 December 2024 as well as the results of its operation and its cash flows for the financial year ended 31 December 2024 in compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements related to the preparation and presentation of the Financial Statements.

**Other Matter**

The Independent Auditor's Report is prepared in Vietnamese and English. In the event of any discrepancies or inconsistencies between the Vietnamese and English versions, the Vietnamese version shall prevail.

Hanoi, 27 March 2025

**Branch of MOORE AISC Auditing and Informatics Services Co., Ltd**



**Nguyen Thanh Tung**

**Deputy Director**

Audit Practising Registration Certificate

No. 4981-2024-005-1



**Phan Cong Van**

**Auditor**

Audit Practising Registration Certificate

No. 5298-2021-005-1



**BALANCE SHEET**

As at 31 December 2024

Unit: VND

ASSETS	Code	Notes	31/12/2024	01/01/2024
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>752,148,428,173</b>	<b>995,714,710,180</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>10,072,179,237</b>	<b>171,355,331,054</b>
1. Cash	111		10,072,179,237	61,355,331,054
2. Cash equivalents	112		-	110,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>	<b>V.2</b>	<b>113,463,922</b>	<b>58,175,581,971</b>
1. Trading securities	121		499,175,581	65,192,598,687
2. Provision for devaluation of the trading securities	122		(385,711,659)	(7,017,016,716)
<b>III. Short-term receivables</b>	<b>130</b>		<b>740,636,690,210</b>	<b>765,133,777,667</b>
1. Short-term trade receivables	131	V.3	488,601,815,197	469,087,184,105
2. Short-term prepayments to suppliers	132	V.4	231,839,532,929	242,736,723,634
3. Other short-term receivables	136	V.5a	20,195,342,084	53,537,110,536
4. Provision for short-term doubtful receivables	137	V.6	-	(227,240,608)
<b>IV. Other current assets</b>	<b>150</b>		<b>1,326,094,804</b>	<b>1,050,019,488</b>
1. Short-term prepaid expenses	151	V.7a	68,775,051	93,783,372
2. Deductible value added tax	152		1,257,319,753	909,400,261
3. Taxes and other receivables from the State	153		-	46,835,855
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>1,371,079,573,323</b>	<b>1,080,445,766,813</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>220,000,000</b>	<b>220,000,000</b>
1. Other long-term receivables	216	V.5b	220,000,000	220,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>44,617,421</b>	<b>21,874,927</b>
1. Tangible fixed assets	221	V.8	35,242,498	-
- Cost	222		28,273,069,982	28,226,079,982
- Accumulated depreciation	223		(28,237,827,484)	(28,226,079,982)
2. Intangible fixed assets	227	V.9	9,374,923	21,874,927
- Cost	228		342,500,000	342,500,000
- Accumulated amortization	229		(333,125,077)	(320,625,073)
<b>III. Long-term assets in progress</b>	<b>240</b>		<b>8,618,427,695</b>	<b>4,630,784,512</b>
1. Construction in progress	242	V.10	8,618,427,695	4,630,784,512
<b>IV. Long-term financial investments</b>	<b>250</b>	<b>V.2</b>	<b>1,362,180,859,722</b>	<b>1,074,989,192,220</b>
1. Investments in subsidiaries	251		1,392,424,081,099	1,018,932,436,814
2. Investments in joint-ventures, associates	252		-	71,600,000,000
3. Equity investments in other entities	253		30,550,000,000	30,550,000,000
4. Provision for long-term financial investments	254		(60,793,221,377)	(46,093,244,594)
<b>V. Other long-term assets</b>	<b>260</b>		<b>15,668,485</b>	<b>583,915,154</b>
1. Long-term prepaid expenses	261	V.7b	15,668,485	583,915,154
<b>TOTAL ASSETS</b>	<b>270</b>		<b>2,123,228,001,496</b>	<b>2,076,160,476,993</b>

## BALANCE SHEET

As at 31 December 2024

Unit: VND

RESOURCES	Code	Notes	31/12/2024	01/01/2024
<b>C. LIABILITIES</b>	<b>300</b>		<b>889,302,543,220</b>	<b>901,718,506,706</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>848,971,145,960</b>	<b>876,670,284,316</b>
1. Short-term trade payables	311	V.11	587,997,945,638	593,617,740,019
2. Short-term advances from customers	312	V.12	247,372,308,721	248,117,265,798
3. Taxes and other payables to the State	313	V.13	598,880,708	20,702,144,687
4. Payables to employees	314		1,052,349,667	964,282,141
5. Short-term accrued expenses	315	V.14a	-	4,786,713,242
6. Other short-term payables	319	V.15a	5,926,824,086	2,459,301,289
7. Bonus and welfare fund	322		6,022,837,140	6,022,837,140
<b>II. Long-term liabilities</b>	<b>330</b>		<b>40,331,397,260</b>	<b>25,048,222,390</b>
1. Long-term accrued expenses	333	V.14b	331,397,260	2,491,407,390
2. Other long-term payables	337	V.15b	-	56,815,000
3. Long-term borrowings and finance lease liabilities	338	V.16	40,000,000,000	22,500,000,000
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>1,233,925,458,276</b>	<b>1,174,441,970,287</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.17</b>	<b>1,233,925,458,276</b>	<b>1,174,441,970,287</b>
1. Owner's contributed capital	411		991,343,310,000	939,973,690,000
- Common shares with voting rights	411a		991,343,310,000	939,973,690,000
2. Share premium	412		659,066,000	821,066,000
3. Investment and Development Fund	418		8,192,087,059	8,192,087,059
4. Undistributed profit after tax	421		233,730,995,217	225,455,127,228
- Undistributed profit after tax accumulated to the end of the previous period	421a		178,352,687,508	100,318,569,816
- Undistributed profit after tax in the current period	421b		55,378,307,709	125,136,557,412
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>2,123,228,001,496</b>	<b>2,076,160,476,993</b>

Hanoi, 27 March 2025

PREPARER

CHIEF ACCOUNTANT

CHAIRMAN OF THE BOARD OF DIRECTORS



LE Thi Nhung



Phan Duong Manh



Nguyen Cong Hung



## INCOME STATEMENT

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue from goods sold and services rendered	01	VI.1	838,101,086,887	1,308,784,158,500
2. Revenue deductions	02		-	-
3. Net revenue from goods sold and services rendered	10		838,101,086,887	1,308,784,158,500
4. Cost of goods sold	11	VI.2	797,526,668,993	1,228,267,776,476
<b>Gross profit from goods sold and services rendered</b>	<b>20</b>		<b>40,574,417,894</b>	<b>80,516,382,024</b>
<b>(20 = 10 - 11)</b>				
6. Financial income	21	VI.3	63,268,880,521	85,371,033,059
7. Financial expenses	22	VI.4	31,093,388,441	70,337,779,665
<i>In which: Interest expense</i>	23		420,164,383	1,894,273,973
8. Selling expense	25		-	-
9. General and administrative expenses	26	VI.5	14,427,377,234	(52,021,950,585)
<b>10. Net profit from operating activities</b>	<b>30</b>		<b>58,322,532,740</b>	<b>147,571,586,003</b>
<b>(30 = 20 + (21 - 22) - (25 + 26))</b>				
11. Other income	31	VI.6	16,246,289,511	27,791,249,897
12. Other expenses	32	VI.7	18,592,153,329	29,524,133,801
<b>13. Other profit (40 = 31 - 32)</b>	<b>40</b>		<b>(2,345,863,818)</b>	<b>(1,732,883,904)</b>
<b>14. Total accounting profit before tax</b>	<b>50</b>		<b>55,976,668,922</b>	<b>145,838,702,099</b>
<b>(50 = 30 + 40)</b>				
15. Current Corporate income tax expense	51	VI.9	598,361,213	20,702,144,687
16. Deferred Corporate income tax expense	52		-	-
<b>17. Profit after Corporate income tax</b>	<b>60</b>		<b>55,378,307,709</b>	<b>125,136,557,412</b>
<b>(60 = 50 - 51 - 52)</b>				

Hanoi, 27 March 2025

PREPARER



Le Thi Nhung

CHIEF ACCOUNTANT



Phan Duong Manh

CHAIRMAN OF THE BOARD OF DIRECTORS




**CASH FLOW STATEMENT**

(Under indirect method)

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Profit before tax	01		55,976,668,922	145,838,702,099
2. Adjustments for:				
- Depreciation of fixed assets and investment properties	02		24,247,506	1,119,362,525
- Provisions	03		7,841,431,118	(18,731,030,390)
- Gain/losses from foreign exchange differences upon revaluation of monetary items in foreign currencies	04		(13,429,797,303)	(4,740,048,944)
- Gains/losses from investing activities	05		(41,181,619,012)	(40,157,730,150)
- Interest expense	06		420,164,383	1,894,273,973
3. Profit from operating activities before changes in working capital	08		9,651,095,614	85,223,529,113
- Increase (-)/ decrease (+) in receivables	09		37,630,468,153	(189,704,490,633)
- Increase (+)/ decrease (-) in payables (Other than interest payables, income tax payables)	11		(7,652,169,882)	238,416,235,365
- Increase (-)/ decrease (+) in prepaid expenses	12		593,254,990	531,391,406
- Increase (-)/ decrease (+) in trading securities	13		64,693,423,106	(46,409,255,218)
- Interest expense paid	14		(2,580,174,513)	(1,934,976,171)
- Corporate income tax paid	15		(20,829,644,407)	(609,639,598)
Net cash flows from operating activities	20		81,506,253,061	85,512,794,264
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase and construction of fixed assets and other long-term assets	21		(4,034,633,183)	(14,000,000)
Proceeds from disposals of fixed assets and other long-term assets	22		-	167,946,128
Equity investments in other entities	25		(373,491,644,285)	-
Proceeds from divestment in other entities	26		71,600,000,000	-
Proceeds from loan interest, dividends and profit received	27		41,347,988,875	39,989,784,022
Net cash flows from investing activities	30		(264,578,288,593)	40,143,730,150

**CASH FLOW STATEMENT**

(Under indirect method)

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from share issuance and capital contribution	31		4,232,680,000	-
2. Proceeds from borrowings	33		67,000,000,000	-
3. Repayments of loan principal	34		(49,500,000,000)	(42,500,000,000)
Net cash flows from financing activities	40		21,732,680,000	(42,500,000,000)
Net cash flows during the year (50 = 20+ 30 + 40)	50		(161,339,355,532)	83,156,524,414
Cash and cash equivalents at the beginning of the year	60		171,355,331,054	88,107,664,327
Effect of foreign exchange fluctuation	61		56,203,715	91,142,313
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70	V.1	10,072,179,237	171,355,331,054

Hanoi, 27 March 2025

PREPARER



Le Thi Nhung

CHIEF ACCOUNTANT



Phan Duong Manh

CHAIRMAN OF THE BOARD OF  
DIRECTORS

  
 Nguyen Cong Hung



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

**I. BUSINESS HIGHLIGHTS****1. Establishments**

SCI Joint Stock Company (hereinafter referred to as "the Company"), formerly known as Song Da 909 Joint Stock Company, is a Joint Stock Company established and operated under the first Business Registration Certificate No. 0101405355 dated 28 December 2007 issued by the Hanoi Authority for Planning and Investment, the 21st amended certificate on 10 September 2024.

**Form of ownership:**

Joint Stock Company

**Transaction name in****English:** SCI JOINT STOCK COMPANY**In short:** SCI**Listing code:** S99 (HNX)**Head office:** 3rd Floor, Tower C, Golden Palace Building, Me Tri Street, Me Tri Ward, Nam Tu Liem District, Hanoi**2. Business sector**

Construction and providing construction machine rental services.

**3. Principal business lines**

- Maintenance and repair of automobiles and other motor vehicles;
- Repair of machinery and equipment;
- Investing in the construction of hydropower plants, managing and operating hydropower plants, and selling electricity;
- Wholesale of materials and other installation equipment in construction;
- Construction of other civil works: Construction of civil and industrial works, construction of hydropower works, irrigation works, road traffic at all levels, airports, ports, bridges, industrial and urban infrastructure works, leveling foundations, treatment of weak ground, drainage works, processing and installation of technological and pressure pipelines.

**4. Normal operating cycle**

Normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning on 01 January and ending on 31 December.

**5. Total employees as at 31 December 2024: 16 persons**  
(as at 31 December 2023: 15 persons)**6. The Company's structure**

The company has 01 affiliated unit: Factory 1 - SCI Joint Stock Company, its head office is located in Lai Chau province, the principal business activity is construction.

Factory 1 - SCI Joint Stock Company ceased its operations from 25 May 2023 according to Decision No. 09/2023/QĐ-SCI-HĐQT of the Board of Directors of SCI Joint Stock Company.

Please see Note V.2 for information about the Company's subsidiaries, joint ventures, and associates.

**7. Disclosure of the comparability of information in the Financial Statements:**

The selection of figures and information needs to be presented in the Financial Statements based on the principles of comparability among corresponding accounting periods.

**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***II. FINANCIAL YEAR AND REPORTING CURRENCY****1. Financial year**

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

**2. Reporting currency**

Vietnamese Dong (VND) is used as a currency unit for accounting records.

**III. APPLICABLE ACCOUNTING STANDARDS AND REGIMES****1. Applicable accounting regime**

The Company applies the Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime as guided in Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

**2. Disclosure of compliance with Vietnamese Accounting Standards and regime**

The Board of General Directors ensures compliance with the requirements of Vietnamese Accounting Standards and the Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 31 March 2016 on amending, supplementing a number of articles of No. 200/2014/TT-BTC, and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

**IV. APPLICABLE ACCOUNTING POLICIES****1. Basis for preparation of the financial statements**

Financial statements are prepared based on an accrual accounting basis (except for information related to cash flows).

**2. Foreign currency transactions**

The Company translated foreign currencies into Vietnamese Dong at the actual rate and book rate.

**Principles for determining the actual rate**

All transactions denominated in foreign currencies that arise during the year (trading foreign currencies, capital contribution or receipt of contributed capital, recording receivables and payables, purchasing assets or expenses immediately paid by foreign currencies) are recorded at the actual exchange rates ruling as of the transaction dates.

Closing balance of monetary items (cash, cash equivalents, payables and receivables, except for prepayments to suppliers, advances from customers, prepaid expenses, deposits and unearned income) denominated in foreign currencies should be revalued at the actual rate ruling as of the balance sheet date:

Foreign exchange differences, which arise from foreign currency transactions during the year, shall be included in the income statement. Foreign exchange differences due to the revaluation of the monetary items in foreign currencies at the end of the financial year after offsetting their positive differences against negative differences shall be included in the financial income or financial expenses.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***2. Foreign currency transactions (continued)****Principles for determining exchange rates for arising transactions**

The exchange rate used to convert transactions arising in foreign currency is the actual exchange rate at the time of the transaction. Actual exchange rates for transactions in foreign currencies are determined as follows:

Actual exchange rate when buying and selling foreign currencies (spot foreign exchange contracts, forward contracts, futures contracts, options contracts, swap contracts): exchange rate signed in the foreign exchange contracts between the Company and the bank.

For capital contributions or receipt of contributed capital: foreign currency buying rate of the bank at the time the Company opens its account to receive capital from investors at the date of capital contribution.

For receivables: buying rate of the commercial bank where the Company designates the customer to pay at the time the transaction occurs.

For liabilities: selling exchange rate of the commercial bank where the Company intends to transact at the time the transaction occurs.

For asset purchase transactions or expenses paid immediately in foreign currency (not through payable accounts): buying exchange rate of the commercial bank where the Company makes payments.

**Principles for determining exchange rates at the end of the accounting period**

The closing balance of monetary items (cash, cash equivalents, payables and receivables, except for prepayments to suppliers, advances from customers, prepaid expenses, deposits and unearned revenue) denominated in foreign currencies should be revalued at the actual rate ruling as of the balance sheet date:

- The actual exchange rates upon revaluation of monetary items denominated in foreign currencies which have been classified as assets will be the buying transfer rate of the Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV). The buying rate converted as at 31 December 2024 is 25,349 VND/USD.

- The actual exchange rates upon revaluation of monetary items denominated in foreign currencies which have been classified as liabilities will be the selling rate of the Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV). The selling rate converted as at 31 December 2024 is 25,551 VND/USD.

Foreign exchange differences arising during the year from transactions in foreign currencies are recorded in the operating result. Foreign exchange differences due to the revaluation of the monetary items in foreign currencies at the end of the financial year after offsetting their positive differences against negative differences shall be recorded in the operating result.

**Principles for determining book rate**

When recovering receivables, deposits, collaterals or payments for payables in foreign currencies, the Company uses a specific identification book rate.

When making payments in foreign currencies, the Company uses a moving weighted average rate.

**3. Principles for recording cash and cash equivalents**

**Cash** includes cash on hand, demand deposits.

**Cash equivalents** comprise term deposits, short-term investments with an original maturity of three months or less since investment date, high liquidity and are able to convert to a known amount of cash and subject to an insignificant risk of changes in value.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***4. Principles for accounting financial investments****Principles for accounting trading securities**

Trading securities include stocks and bonds listed on the stock market; securities and other financial instruments held for trading purposes (including securities with a maturity of more than 12 months purchased and sold for profit).

Trading securities are recorded at cost, including purchase price plus (+) purchase costs (if any) such as brokerage, transaction, information provision, taxes, fees, and banking charges. The cost of trading securities is determined based on the fair value of the payments at the time of transactions. The time to recognize trading securities is the time when investors have ownership rights, specifically as follows:

- Listed securities are recorded at the time of order matching (T+0);
- Unlisted securities are recognized at the time of official ownership acquired in accordance with the law.

**Provision for devaluation of trading securities** is made for a possible loss in value when there is firm evidence that the market value of securities held by the Company for trading purposes is impaired from book value. Provision is made based on the market value of trading securities at the time of preparation of the financial statements.

**Principles for accounting held-to-maturity investments**

Held-to-maturity investments include term deposits to earn periodic interest.

Held-to-maturity investments are initially recognized at cost, including the purchase price and costs associated with the acquisition of the investments. After initial recognition, if provisions for doubtful debts have not been made as required by law, these investments are evaluated at their recoverable values. When there is firm evidence that part or all of the investment may not be recovered, the loss is recognized as financial expenses during the year and a decrease in the investment value.

**Principles of recording financial investments in subsidiaries, joint ventures, associates**

The investments in subsidiaries are recognized when the Company holds more than 50% of voting rights and has the power to govern the financial and operating policies in order to obtain economic benefits from the subsidiaries' operation. When the Company ceases to control the subsidiaries, the investment in the subsidiaries will be written down.

The investment in joint ventures is recorded when the Company holds joint control over these entities' financial and operating policies. When the Company ceases to control these entities, the investment will be written down.

The investments in associates are recognized when the Company holds from 20% to less than 50% of the voting rights of those companies and has considerable influence over their decisions on the financial and operating policies.

Investments in subsidiaries, joint ventures, associates are initially recognized under original cost and will not be adjusted thereafter for changes in investors' share of net assets of the investee. The historical cost comprises purchase cost and directly attributable expenses to the investment. In a case where the investment is a non-monetary investment, the investment fee is recognized under the fair value of these assets at the date of occurrence.

**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***4. Principle for accounting financial investments (continued)****Principles of recording financial investments in subsidiaries, joint ventures, associates**

Provision for loss of investments in subsidiaries, joint ventures, and associates is made when the investee suffers from loss leading to possible loss of capital of investor or the value of the investments is devalued. The basis for making provisions is based on the consolidated financial statements of the investee (if it is a parent company), and the investee's financial statements (if it is an independent enterprise without subsidiaries).

**Principles for recording equity investments in other entities**

Equity investments in other entities are the investments in other entities' equity instruments but the Company has no control or joint control or has significant influence over the investee.

The investments are stated at the cost including the purchase price and costs directly attributable to the investment. In case of the investments in non-monetary assets, the investment fee should be recorded at the fair value of the non-monetary assets at the date of occurrence.

**5. Principle for recording trade receivables and other receivables**

**Principle for recording receivables:** At cost less provision for doubtful receivables.

The classification of the receivables as trade receivables, internal receivables and other receivables depends on the nature of the transaction or relationship between the company and the debtor.

**Method of making provision for doubtful receivables:** Provision for doubtful debts is estimated for the loss value of the receivables, other held-to-maturity investments similar to doubtful debts that are overdue and undue, but are likely to become possibly irrecoverable due to insolvency of debtors who go bankruptcy, making procedures for dissolution, go missing or run away, etc.

**6. Principle of recording inventories**

**Principle of recording inventories:** Inventories are stated at cost less the provision for the devaluation and provision for obsolete and deteriorated inventories.

**Costs of inventories are determined as follows:**

- **Materials and merchandise:** consists of purchase cost and other directly attributable costs in bringing the inventories to their present location and condition.
- **Work in progress:** includes the cost of direct raw materials, direct labor, and manufacturing overhead costs incurred during the production process. The value of unfinished products at the end of the period is grouped by each type of product that has not been completed or has not been recorded as revenue, corresponding to the work volume and unfinished products at the end of the period.

**Method of calculating inventories' value:** Weighted average method

**Method of accounting for the inventories:** Perpetual method

**Method of making provision for the devaluation of inventories:** Provision for the devaluation of inventories is made when the net realizable value of inventories is lower than their original cost. Net realizable value is the estimated selling price less the estimated costs of completion and selling expenses. Provision for the devaluation of inventories is the difference between the cost of inventories greater than their net realizable value. Provision for the devaluation of inventories is made for each inventory with the cost greater than the net realizable value.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***7. Principles for recording and depreciating fixed assets****7.1. Principles of recording tangible fixed assets**

The original cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are only capitalized if they generate future economic benefits from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the period.

When the assets are sold or disposed of, their original costs and the accumulated depreciation which have been written off, and any gain or loss from the disposal of assets are recorded as income or expense during the period.

The original cost of purchased tangible fixed assets shall consist of the actual purchase price (less trade discounts or reduction) plus taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalization price of the construction project, other relevant fees plus registration fee (if any).

**7.2. Principles for recording intangible fixed assets:**

**Intangible fixed assets** are stated at cost less accumulated amortization. The original cost of an intangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. Costs related to intangible fixed assets incurred after initial recognition are recorded as operating costs in the period unless these costs are associated with a specific intangible fixed asset and increase economic benefits from these assets.

When the assets are sold or disposed of, their original costs and the accumulated depreciation which have been written off, and any gain or loss from the disposal of assets are recorded as income or expense during the year.

*Computer software*

Computer software refers to the total costs incurred by the Company to obtain the software for use, and is amortized under the straight-line basis over its useful life.

*Patents and trademarks*

Patents and trademarks are initially recognized at the purchase price and amortized on a straight-line basis over their estimated useful lives.

**7.3. Method of depreciating fixed assets**

Fixed assets are depreciated on a straight-line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

***The estimated useful lives of the fixed assets are as follows:***

<i>Machinery and equipment</i>	<i>03 - 10 years</i>
<i>Means of transportation</i>	<i>04 - 10 years</i>
<i>Management equipment, tools</i>	<i>03 - 10 years</i>



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***8. Principles for recording construction in progress**

Construction in progress is stated at the cost. These are all necessary costs for purchasing fixed assets, building, or repairing, improving, extending or equipping the works such as expenses of construction, equipment, compensation, support and re-residence, project management, consultancy on construction investment and other expenses.

This cost is carried forward to increase asset value when the project is completed, the overall acceptance is finished and the assets are handed over and put into a ready-to-use state.

**9. Principles for recording prepaid expenses**

Prepaid expenses are expenses incurred but related to the operating result of several accounting periods. Method of allocating prepaid expenses: The determination and allocation of prepaid expenses into the operating cost for each period is on a straight-line basis. Based on the nature and level of each expense, the allocation term is defined as follows: short-term prepaid expenses should be allocated within 12 months; long-term expenses should be allocated in the term from over 12 months.

**10. Principles for recording liabilities**

Liabilities are recorded at the original cost and not lower than the payment obligation.

Liabilities that meet the definition of monetary items denominated in foreign currencies are revalued at the end of the period when preparing financial statements.

The Company classifies liabilities into trade payables, internal payables and other payables depending on the nature of transactions and the relationship between the Company and debtors.

Liabilities must be recorded in detail according to the payment schedule, creditor, original currency (including the revaluation of liabilities that meet the definition of monetary items denominated in foreign currencies) and other factors as per the Company's management

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable will be immediately recorded under prudent principles.

**11. Principles for recording borrowings**

Borrowings are total amounts the Company owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Borrowings are monitored in detail according to creditor, agreement and borrowed asset.

**12. Principles for recording and capitalizing borrowing costs**

**Principles for recording borrowing costs:** Loan interest and other costs incurred in direct relation to borrowings of an enterprise are recognized as a business and production cost in the period, except where these costs incurred from the borrowings directly related to the construction investment or production of uncompleted assets are computed in these assets' value (capitalized) when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***13. Principles for recording accrued expenses**

Accrued expenses are amounts that have to be paid for goods and services that the Company has received from the suppliers in the period but have not yet been paid out due to pending invoices or insufficient accounting documents, and accrued payables to employees on annual leave salary, accrued operating cost.

The accounting of accrued expenses into production and business expenses in the period must comply with the matching principle between revenue and expenses incurred in the period. The incurred expenses must be settled with prepaid expenses, the difference will be reversed or recorded in expenses.

**14. Principles for recording owners' equity****Principle for recording owners' contributed capital**

The owner's contributed capital is the amount that is initially contributed by members and supplemented from the shareholders. The owners' equity will be recorded at the actually contributed capital by cash or assets in the early establishment period or additional mobilization to expand the operation.

**Share Premium:** Reflects the positive difference between the issue price of shares and their par value when shares are first issued or when additional shares are issued, and the increase or decrease in the actual amount received compared to the repurchase price when treasury shares are reissued. In case of repurchasing for immediate cancellation on the purchase date, the value of the shares is recorded as a reduction in business capital at the actual repurchase price and this reduction must be detailed by par value and the share premium of the repurchased shares.

**Principles for recording undistributed profit:**

Undistributed profit after tax is recorded at the profit (loss) from the Company's result of operation after deducting the current period corporate income tax and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous years.

The distribution of profits is based on the Company's charter and approved by the Annual General Meeting of Shareholders.

**15. Principles and methods for recording revenues and other income****Principles and methods for recording revenue from services rendered**

Revenue from a service rendered is recognized when the transaction results can be measured reliably. In a case where the services are rendered in several periods, the revenue will be recorded by the part of completed works at the end of the accounting period.

Revenue from services rendered is recognized when all four (4) of the following conditions are satisfied simultaneously: 1. The revenue is determined firmly. When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have the right to return service; 2. The economic benefits associated with the transaction have flown or will flow from the supply of the provided service; 3. Part of completed works can be determined at the balance sheet date; 4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Principles for recording revenue from construction contracts**

**For contracts stipulating payments to contractors based on schedules:** when the results of contract performance are reliably estimated, revenue and expenses related to the contract are recognized proportionally to the completed work as determined by the contractor on the date of financial statements preparation, regardless of whether payment invoices based on the schedule have been issued or not, and regardless of the amount invoiced.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***15. Principles and methods for recording revenues and other income (continued)**

**For contracts stipulating payment based on the value of work performed:** when the results of contract performance are reliably determined and confirmed by the customer, revenue, and expenses related to the contract are recognized proportionally to the completed work confirmed by the customer in the reporting period stated on the issued invoice.

**Principles and methods for recording financial income**

Interest income is recognized when two conditions are satisfied simultaneously: 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

**Distributed dividends and profits** are recognized when the Company is entitled to receive dividends or profits from capital contributions. Dividends received in shares are only tracked by the number of additional shares rather than their value at par.

When an amount that has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be recorded as an expense incurred in the period, but not recorded as an income decrease.

**16. Principles and methods of recording cost of goods sold**

The cost of goods sold reflects the costs of goods, products and services, investment properties; the production cost of construction products (for construction companies) sold in the period; Costs related to real estate business activities, and other costs recorded in the cost of goods sold or recorded as a decrease in the cost of goods sold in the reporting period. The cost of goods sold is recorded at the date the transaction incurs or is likely to incur in the future regardless of whether payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on the matching principle. Expenses exceeding normal consumption levels are recorded immediately to the cost of goods sold on a prudent principle.

**17. Principles and methods for recording financial expenses**

**Financial expenses** include expenses or losses related to the financial investment, lending and borrowing cost, equity investments in joint ventures, associates, loss from the transfer of short-term securities, expenses for trading securities...; Provision for the devaluation of financial investment, loss from selling foreign currencies, foreign exchange loss, and other financial expenses.

Financial expenses are recorded in detail by their content of actual expenses incurred in the period and determined reliably when there is reliable evidence of these expenses.

**18. Principles and methods for recording current Corporate income tax expense**

Current Corporate income tax expense sets a basis for determining operating results after tax of the Company in the current fiscal year.

Current Corporate tax expense is the tax payable on the taxable income and tax rate enacted in the current year.

Taxes payable to the state budget will be finalized with the tax authorities. The difference between the tax payables on the books and those under finalization will be adjusted when having official finalization with the tax authorities.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***19. Related parties**

According to Accounting Standard No. 26 - Information about related parties at the company is as follows:

(i) Enterprises that directly, or indirectly through one or more intermediaries, control, are controlled by, or are under joint control with, the reporting enterprise. (This includes Parent company, subsidiaries, and fellow subsidiaries);

(ii) Associates (contained in VAS 07 "Accounting for Investments in Associates")

(iii) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, and close members of the family of any such individual. Close members of the family of an individual are those that may be expected to influence, or be influenced by, that person in their dealings with the enterprise, for example: parent, spouse, progeny, siblings, etc;

(iv) Key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the reporting enterprise, including the Company's leaders, management staff and close members of the families of such individuals.

(v) Enterprises in which the individuals listed in case (iii) or case (iv) of Section 1.3 directly or indirectly hold a significant portion of voting rights or through which they can exercise considerable influence over the enterprise. This includes enterprises owned by the leaders or major shareholders of the reporting enterprise and those that share a key member of management with the reporting enterprise.

In considering each related party relationship, attention should be paid to the nature of the relationship, not merely the legal form.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## V. ADDITIONAL INFORMATION FOR ITEMS IN THE BALANCE SHEET

1. Cash and cash equivalents	31/12/2024	01/01/2024
<b>Cash</b>	<b>10,072,179,237</b>	<b>61,355,331,054</b>
Cash on hand	1,249,136,197	10,852,145
Demand deposits	8,823,043,040	61,344,478,909
+ Vietnam Joint Stock Commercial Bank for Industry and Trade (Vietinbank) (VND)	12,120,669	14,100,598
+ Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) (VND)	4,907,909,636	4,478,352,918
+ Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) (VND)	1,721,430	2,751,058
+ Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank) (VND)	4,338,284	85,774,308
+ BIDV (LAK)	3,516,459	112,353,577
+ BIDV (USD)	3,875,257,273	56,651,130,055
+ Sacombank (USD)	18,179,289	16,395
<b>Cash equivalents</b>	<b>-</b>	<b>110,000,000,000</b>
1 month term deposits	-	110,000,000,000
<b>Total</b>	<b>10,072,179,237</b>	<b>171,355,331,054</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## V.2. Financial investments

## a. Trading securities

	31/12/2024		01/01/2024	
	Cost	Fair value (*)	Provision	Cost
			Fair value (*)	Provision
a1. Total value of shares	499,175,581	113,535,300	(385,711,659)	65,192,598,687
SDA	564,800	316,800	(248,000)	564,800
VIX	11,250	9,850	(1,400)	1,119,271
CYC	209,189,174	72,125,000	(137,064,174)	209,189,174
CIC	287,964,935	39,600,000	(248,364,935)	287,964,935
EIB	1,395,422	1,466,800	-	64,693,710,507
Other shares	50,000	16,850	(33,150)	50,000
<b>Total</b>	<b>499,175,581</b>	<b>113,535,300</b>	<b>(385,711,659)</b>	<b>65,192,598,687</b>
				<b>58,175,916,200</b>
				<b>(7,017,016,716)</b>

(\*) The fair value of share investments is determined based on the closing prices of these shares on the HNX and HOSE exchanges as at 31 December 2024.

## The changes in provision for devaluation of trading securities are as follows:

	Year 2024	Year 2023
Opening balance	7,017,016,716	910,979,719
Making additional provisions	3,005,450	6,882,675,442
Reversal of provision	(6,634,310,507)	(776,638,445)
<b>Closing balance</b>	<b>385,711,659</b>	<b>7,017,016,716</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## V.2. Financial investments (continued)

## b. equity investment in other entities

	31/12/2024		01/01/2024	
	Cost	Provision	Fair value (**)	Cost
- Investments in subsidiaries	1,392,424,081,099	(60,793,221,377)		1,018,932,436,814
SCI E&C Joint Stock Company	124,841,371,099	-		124,841,371,099
SCI Nghe An Joint Stock Company (***)	-	-		298,641,065,715
SCI Consulting Joint Stock Company	6,500,000,000	-		6,500,000,000
SCI Lai Chau Joint Stock Company (***)	-	-		588,950,000,000
SCI Energy Company Limited	1,261,082,710,000	(60,793,221,377)		-
- Investments in joint ventures, associates	-	-		71,600,000,000
Huong Linh 8 Wind Power Joint Stock Company (****)	-	-		71,600,000,000
- Equity investments in other entities	30,550,000,000	-		30,550,000,000
Hai Ha Economic Zone Development Investment Joint Stock Company	550,000,000	-		550,000,000
FECON Invest Corporation	30,000,000,000	-		30,000,000,000
<b>Total</b>	<b>1,422,974,081,099</b>	<b>(60,793,221,377)</b>	<b>-</b>	<b>1,121,082,436,814</b>
				<b>(46,093,244,594)</b>

(\*\*) The Company has not determined the fair value of the financial investments as Vietnamese Accounting Standards and Vietnamese Corporate Accounting Regime have not provided specific guidance to determine fair value.

(\*\*\*) During the year, the Company contributed capital to SCI Energy Company Limited with all shares of SCI Joint Stock Company currently owned at SCI Lai Chau Joint Stock Company, SCI Nghe An Joint Stock Company, SCI Quang Tri Joint Stock Company under Resolution of the 2024 Extraordinary General Meeting of Shareholders No. 02/2024/NQ-SCL-DHĐCĐ dated 10 October 2024 and transferred to SCI Energy Company Limited to oversee the Nam Lan 1, Nam Lan 2, Nam Neun Downstream project in Laos as per Decision No. 23/2024/NQ-SCL-HĐQT dated 14 November 2024.

(\*\*\*\*) During the year, the Company transferred its capital contribution in Huong Linh 8 Wind Power Joint Stock Company to SCI Quang Tri Joint Stock Company pursuant to Resolution No. 06/2024/NQ-SCL-HĐQT dated 3 May 2024, of the Board of Directors.

These notes are an integral part of the financial statements



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

V.2. Financial investments (continued)

Details of the Company's subsidiaries as at 31 December 2024, are as follows:

Name	Head office	Benefit ratio	Voting rights ratio	Principal business activities
Investments in subsidiaries				
SCI E&C Joint Stock Company	Hanoi	51.00%	51.00%	Mechanical installation and fabrication, construction of works and infrastructure
SCI Consulting Joint Stock Company	Hanoi	65.00%	65.00%	Design consultancy
SCI Energy Company Limited	Quang Tri	100.00%	100.00%	Investment in energy projects

Changes in provision for equity contributions to other entities are as follows:

	Year 2024	Year 2023
Opening balance	46,093,244,594	1,008,576,721
Making additional provisions	60,793,221,377	46,093,244,594
Reversal of provision	(46,093,244,594)	(1,008,576,721)
Closing balance	60,793,221,377	46,093,244,594

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## V.2. Financial investments (continued)

## c. Transactions with subsidiaries, joint ventures and associates

Significant transactions between the Company and subsidiaries, joint ventures and associates:

	Year 2024	Year 2023
<b>SCI E&amp;C Joint Stock Company</b>		
+ Revenue from leasing infrastructure	2,722,298,449	2,453,822,719
+ Income from selling materials and electricity	12,210,895,736	23,063,301,683
+ Revenue from leasing construction machines	1,506,636,363	2,567,550,573
+ Cost of the construction contracts	795,587,481,919	1,195,529,747,437
<b>SCI Nghe An Joint Stock Company</b>		
+ Dividends	36,246,423,910	36,489,688,500
+ Interest expense payable	88,767,123	1,703,835,617
<b>SCI Consulting Joint Stock Company</b>		
+ Revenue from leasing infrastructure and electricity	1,109,767,773	2,105,779,349
+ Dividends received	2,532,129,600	-
+ Other income	203,327,553	-
+ Cost of the construction contracts	-	30,672,362,973
+ Interest expense payable	-	190,438,356

(\*\*) Equity investments in other entities are used as collateral, pledges, or guarantees.

The Company used 6,170,983 shares invested in SCI E&amp;C Joint Stock Company as collateral to guarantee the project at BIDV.



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

3. Trade receivables	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>a. Short-term</b>	<b>488,601,815,197</b>	<b>-</b>	<b>37,179,101,547</b>	<b>(227,240,608)</b>
Nam Mo 2 Hydropower Company Limited	325,837,780,920	-	56,980,869,506	-
Nam Sam 3 Power Company Limited	158,340,844,312	-	374,927,213,052	-
SCI E&C Joint Stock Company	-	-	15,025,935,533	-
CMC/ITD/Song Da Joint Venture	-	-	17,479,750,000	-
Son La Hydropower Project Management Board	-	-	227,240,608	(227,240,608)
Others	4,423,189,965	-	4,446,175,406	-
<b>Total</b>	<b>488,601,815,197</b>	<b>-</b>	<b>37,179,101,547</b>	<b>(227,240,608)</b>
<b>b. Trade receivables from related parties</b>				
SCI E&C Joint Stock Company	-	-	15,025,935,533	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15,025,935,533</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

4. Prepayments to suppliers	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>a. Short-term</b>	<b>231,839,532,929</b>	<b>-</b>	<b>242,736,723,634</b>	<b>-</b>
SCI E&C Joint Stock Company	231,612,474,622	-	242,612,355,084	-
Others	227,058,307	-	124,368,550	-
<b>Total</b>	<b>231,839,532,929</b>	<b>-</b>	<b>242,736,723,634</b>	<b>-</b>
<b>b. Prepayments from related parties</b>				
SCI E&C Joint Stock Company	231,612,474,622	-	242,612,355,084	-
<b>Total</b>	<b>231,612,474,622</b>	<b>-</b>	<b>242,612,355,084</b>	<b>-</b>
<b>5. Other receivables</b>	<b>31/12/2024</b>		<b>01/01/2024</b>	
	Value	Provision	Value	Provision
<b>a. Short-term</b>	<b>20,195,342,084</b>	<b>-</b>	<b>53,537,110,536</b>	<b>-</b>
Deposits, collaterals	-	-	16,000,000	-
Advances	812,840,210	-	629,100,000	-
SCI E&C Joint Stock Company	-	-	9,727,511,824	-
Vietcombank Securities Co., Ltd	2,591,236	-	24,804,197,149	-
Others	19,379,910,638	-	18,360,301,563	-
<b>b. Long-term</b>	<b>220,000,000</b>	<b>-</b>	<b>220,000,000</b>	<b>-</b>
Deposits, collaterals	220,000,000	-	220,000,000	-
<b>Total</b>	<b>20,415,342,084</b>	<b>-</b>	<b>53,757,110,536</b>	<b>-</b>
<b>c. Other receivables from related parties</b>				
Mr. Nguyen Van Do	203,500,000		203,500,000	
SCI E&C Joint Stock Company	-	-	9,727,511,824	-
SCI Consulting Joint Stock Company	-	-	1,121,753,014	-
<b>Total</b>	<b>203,500,000</b>	<b>-</b>	<b>11,052,764,838</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## V.6. Bad debts

	31/12/2024		01/01/2024	
	Cost	Recoverable value	Overdue time	Cost
				Recoverable value
				Overdue time
Other organizations and individuals				
Short-term	-	-		227,240,608
Short-term trade receivables	-	-		227,240,608
+ Son La Hydropower Project				
Management Board	-	-		227,240,608
Total	-	-		227,240,608
				Over 3 years

Changes in provisions for receivables are as follows:

	Short-term receivables	Long-term receivables	Total
Opening balance	(227,240,608)	-	(227,240,608)
Reversal of provision	227,240,608	-	227,240,608
Closing balance	-	-	-



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

7. Prepaid expenses	31/12/2024	01/01/2024
<b>a. Short-term prepaid expenses</b>	<b>68,775,051</b>	<b>93,783,372</b>
Tools and instruments used	68,775,051	93,783,372
<b>b. Long-term prepaid expenses</b>	<b>15,668,485</b>	<b>583,915,154</b>
Office repair cost	13,272,722	583,915,154
Others	2,395,763	-
<b>Total</b>	<b>84,443,536</b>	<b>677,698,526</b>

## 8. Tangible fixed assets

Items	Machinery, equipment	Means of transportation	Manangement equipment, tools	Total
<b>Original cost</b>				
Opening balance	19,023,723,281	9,105,179,428	97,177,273	28,226,079,982
Purchased for the year	46,990,000	-	-	46,990,000
Closing balance	19,070,713,281	9,105,179,428	97,177,273	28,273,069,982
<b>Accumulated depreciation</b>				
Opening balance	19,023,723,281	9,105,179,428	97,177,273	28,226,079,982
Depreciated for the year	11,747,502	-	-	11,747,502
Closing balance	19,035,470,783	9,105,179,428	97,177,273	28,237,827,484
<b>Net book value</b>				
Opening balance	-	-	-	-
Closing balance	35,242,498	-	-	35,242,498

\* Original cost of tangible fixed assets at the year end fully depreciated but still in use: VND 28,226,079,982.

## 9. Intangible fixed assets

Items	Brands, Trademarks	Computer software	Total
<b>Original cost</b>			
Opening balance	250,000,000	92,500,000	342,500,000
Closing balance	250,000,000	92,500,000	342,500,000
<b>Accumulated amortization</b>			
Opening balance	228,125,073	92,500,000	320,625,073
Amortized for the year	12,500,004	-	12,500,004
Closing balance	240,625,077	92,500,000	333,125,077
<b>Net book value</b>			
Opening balance	21,874,927	-	21,874,927
Closing balance	9,374,923	-	9,374,923

\* Net book value of intangible fixed assets pledged, mortgaged to secure loans: None.

\* Original cost of tangible fixed assets at the year end fully amortized but still in use: VND 92,500,000.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 10. Construction in progress

	01/01/2024	Incurred in the year	Transferred to fixed assets in the year	31/12/2024
Construction in progress	4,630,784,512	3,987,643,183	-	8,618,427,695
Huong Viet Quang Tri Wind Power Project (*)	2,394,562,290	-	-	2,394,562,290
Tan Thanh Wind Power Project (*)	2,236,222,222	2,166,408,183	-	4,402,630,405
Nam Khian 1 Hydropower Project (Laos)	-	509,540,000	-	509,540,000
Nam Khian 2 Hydropower Project (Laos)	-	891,695,000	-	891,695,000
Laos-Vietnam power transmission line	-	420,000,000	-	420,000,000
<b>Total</b>	<b>4,630,784,512</b>	<b>3,987,643,183</b>	<b>-</b>	<b>8,618,427,695</b>

(\*) Huong Viet Quang Tri Wind Power Project and Tan Thanh Wind Power Project are currently undergoing the investment approval process.

## 11. Trade payables

	31/12/2024		01/01/2024	
	Value	Recoverable amount	Value	Recoverable amount
<b>a. Short-term</b>	<b>587,997,945,638</b>	<b>587,997,945,638</b>	<b>593,617,740,019</b>	<b>593,617,740,019</b>
SCI E&C Joint Stock Company	568,114,457,879	568,114,457,879	556,236,094,766	556,236,094,766
SCI Consulting Joint Stock Company	15,492,420,005	15,492,420,005	33,067,721,654	33,067,721,654
Thanh Vinh Trading and Construction Consultant Co., Ltd	851,217,738	851,217,738	867,113,239	867,113,239
Nam Sam 3 Power Company Limited	969,245,686	969,245,686	943,207,380	943,207,380
Others	2,570,604,330	2,570,604,330	2,503,602,980	2,503,602,980
<b>Total</b>	<b>587,997,945,638</b>	<b>587,997,945,638</b>	<b>593,617,740,019</b>	<b>593,617,740,019</b>
<b>b. Trade payables to related parties</b>				
SCI E&C Joint Stock Company	568,114,457,879	568,114,457,879	556,236,094,766	556,236,094,766
SCI Consulting Joint Stock Company	15,492,420,005	15,492,420,005	33,067,721,654	33,067,721,654
<b>Total</b>	<b>583,606,877,884</b>	<b>583,606,877,884</b>	<b>589,303,816,420</b>	<b>589,303,816,420</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

12. Advances from customers	31/12/2024	01/01/2024
<b>a. Short-term</b>	<b>247,372,308,721</b>	<b>248,117,265,798</b>
Nam Sam 3 Power Company Limited	-	132,229,756,605
Nam Mo 2 Hyropower Sole Company Limited	73,822,346,879	115,887,509,193
Nam Sam 3A Power Sole Company	79,347,240,000	-
Nam Mo 1 Hyropower Sole Company Limited	94,202,721,842	-
<b>Total</b>	<b>247,372,308,721</b>	<b>248,117,265,798</b>

## 13. Taxes and payables to the State

	01/01/2024	Payables in the year	Paid in the year	31/12/2024
<b>a. Payables</b>				
Corporate income tax	20,702,144,687	725,860,933	20,829,644,407	598,361,213
Personal income tax		509,118,309	508,598,814	519,495
Other types of tax	-	43,668,654	43,668,654	-
<b>Total</b>	<b>20,702,144,687</b>	<b>1,278,647,896</b>	<b>21,381,911,875</b>	<b>598,880,708</b>
<b>b. Receivables</b>				
Personal income tax	46,835,855	-	46,835,855	-
<b>Total</b>	<b>46,835,855</b>	<b>-</b>	<b>46,835,855</b>	<b>-</b>

## The determination of taxes, and charges payable

## Value added tax

The Company pays value-added tax under the deductible method. Value-added tax rates are as follows:

	Tax rate
- Value added tax rate for exports is 0%	0%
- Value added tax rate for electricity is 8%	8%
- Value added tax rate for domestic construction service is 10%	10%

During the year, the Company is entitled to a VAT reduction according to Decree 72/2024/ND-CP dated 30/06/2024 and Decree No. 94/2023/ND-CP dated 28/12/2023.

## Other types of taxes

The Company declared and paid under the regulations.

14. Accrued expenses	31/12/2024	01/01/2024
<b>a. Short-term</b>	<b>-</b>	<b>4,786,713,242</b>
Accrued supervision cost of Nam Sam 3 hydropower project	-	4,786,713,242
<b>b. Long-term</b>	<b>331,397,260</b>	<b>2,491,407,390</b>
Loan interest	331,397,260	2,491,407,390
<b>Total</b>	<b>331,397,260</b>	<b>7,278,120,632</b>
<b>c. Accrued expenses to related parties</b>		
SCI Consulting Joint Stock Company	-	4,786,713,242
<b>Total</b>	<b>-</b>	<b>4,786,713,242</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

15. Other payables	31/12/2024	01/01/2024		
a. Short-term				
Trade union fee	208,522,176	207,072,556		
SCI E&C Joint Stock Company	1,718,305,855	-		
Contractor tax for NamTheun project	1,809,347,406	-		
Remuneration for the Board of Directors	67,537,450	76,403,200		
Other payables	2,123,111,199	2,175,825,533		
Total	5,926,824,086	2,459,301,289		
b. Long-term				
Long-term deposits, collaterals	-	56,815,000		
Total	-	56,815,000		
c. Other payables to related parties				
SCI E&C Joint Stock Company	1,718,305,855	-		
Total	1,718,305,855	-		
16. Borrowings and finance lease liabilities	31/12/2024	01/01/2024		
	Value	Debt service coverage	Value	Debt service coverage
Long-term Borrowings and finance lease liabilities	40,000,000,000	40,000,000,000	22,500,000,000	22,500,000,000
SCI Nghe An Joint Stock Company	-	-	22,500,000,000	22,500,000,000
Mr. Nguyen Cong Chien	40,000,000,000	40,000,000,000	-	-
Total	40,000,000,000	40,000,000,000	22,500,000,000	22,500,000,000

16.1 Details of borrowings and finance lease liabilities for the year are as follows:

	Long-term		Short-term	
	Current year	Previous year	Current year	Previous year
<b>Opening balance</b>	22,500,000,000	65,000,000,000	-	-
<b>Incurred amount</b>	67,000,000,000	-	-	-
<b>Amount paid</b>	(49,500,000,000)	(42,500,000,000)	-	-
<b>Closing balance</b>	40,000,000,000	22,500,000,000	-	-



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 16. Borrowings and finance lease liabilities (continued)

## 16.2 Term payments of long-term borrowings and finance lease liabilities are as follows:

	Less than 1 year	From 1 to 5 years	Over 5 years	Total liabilities
<b>Closing balance</b>				
Long-term borrowings from individuals	-	40,000,000,000	-	40,000,000,000
<b>Total</b>	-	40,000,000,000	-	40,000,000,000
<b>Opening balance</b>				
Long-term borrowings from organizations	-	22,500,000,000	-	22,500,000,000
<b>Total</b>	-	22,500,000,000	-	22,500,000,000

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## V.17. Owner's equity

## 1. Comparison table for changes in owner's equity

Items	Owner's contributed capital	Share premium	Investment and Development Fund	Undistributed profit	Total
<b>Previous year opening balance</b>	<b>854,540,000,000</b>	<b>821,066,000</b>	<b>8,192,087,059</b>	<b>185,752,259,816</b>	<b>1,049,305,412,875</b>
Capital increase	85,433,690,000	-	-	(85,433,690,000)	-
Profit	-	-	-	125,136,557,412	125,136,557,412
<b>Previous year closing balance</b>	<b>939,973,690,000</b>	<b>821,066,000</b>	<b>8,192,087,059</b>	<b>225,455,127,228</b>	<b>1,174,441,970,287</b>
<b>Current year opening balance</b>	<b>939,973,690,000</b>	<b>821,066,000</b>	<b>8,192,087,059</b>	<b>225,455,127,228</b>	<b>1,174,441,970,287</b>
Capital increase (*)	51,369,620,000	(162,000,000)	-	(46,974,940,000)	4,232,680,000
Profit	-	-	-	55,378,307,709	55,378,307,709
Addi	-	-	-	(127,499,720)	(127,499,720)
<b>Current year closing balance</b>	<b>991,343,310,000</b>	<b>659,066,000</b>	<b>8,192,087,059</b>	<b>233,730,995,217</b>	<b>1,233,925,458,276</b>

(\*) According to Resolution of the Annual General Meeting of Shareholders No. 01/NQ-DHDCD dated 29 April 2024, the Company increased capital under Resolution No. 11/2024/NQ-SCI-HDQT dated 10 June 2024 on the plan to issue shares to pay dividends. The number of shares issued to pay dividends in 2023 is 4,697,494 shares, equivalent to VND 46,974,940,000 and increased capital under Resolution No. 12/2024/NQ-SCI-HDQT dated 10 June 2024 on the plan to issue shares under the employee stock option program (ESOP), the number of shares issued is 439,468 shares, equivalent to VND 4,394,680,000.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***V.17. Owner's equity (continued)****General information about the share offering to pay dividends**

- Name of share: share of SCI Joint Stock Company
- Share type: Common share
- Par value: 10,000 VND/share
- Listing code: S99
- Total shares in circulation: 93,997,369 shares
- Number of shares to be issued: 4,699,868 shares
- Total value of share to be issued at par value: VND 46,998,680,000.
- Source of capital for issuance: From undistributed profit after tax on the audited separate financial statements for 2023 and does not exceed the undistributed profit after tax on the audited consolidated financial statements for 2023.
- Record date to allocate rights: 01/08/2024
- Closing date of the offering: 01/08/2024
- Purpose of offering: Issuing shares to pay dividends

**Result of share issuance:**

Number of shares to be distributed: 4,697,494 shares, in which:

- Number of shares distributed to shareholders according to the rate: 4,697,494 shares for 5,641 shareholders;
- Number of fractional shares handled: 2,374 shares ((The fractional shares were canceled and not issued under the Plan for handling fractional shares approved by the General Meeting of Shareholders under the Resolution of the General Shareholder Meeting No. 01/2024/NQ-SCL-DHDCD dated 29/04/2024)
- Number of shares after issuance: 99,134,331 shares;
- Number of shares in circulation: 99,134,331 shares;
- Number of treasury shares: 0 share.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 17. Owners' equity (continued)

2. Owners' equity in detail	Capital contribution ratio	31/12/2024	01/01/2024
Mr. Nguyen Cong Hung	21.76%	215,705,230,000	191,248,150,000
Other shareholders	78.24%	775,638,080,000	748,725,540,000
<b>Total</b>	<b>100.00%</b>	<b>991,343,310,000</b>	<b>939,973,690,000</b>

## Capital contribution of charter capital is as follows:

As at 31 December 2024, the Company has fully contributed the charter capital as stated in the Business Registration Certificate No. 0101405355, 21st amended certificate dated 10 September 2024, valuing at VND 991,343,310,000.

## 3. Capital transactions with owners and distribution of dividends, profit

## Contributed capital of owners

At the beginning of the year

939,973,690,000 854,540,000,000

Increase in the period

51,369,620,000 85,433,690,000

At the end of the year

991,343,310,000 939,973,690,000

## Dividends, profits received

## 4. Shares

	31/12/2024	01/01/2024
Number of registered shares	99,134,331	93,997,369
Number of registered shares sold out to public	99,134,331	93,997,369
Common shares	99,134,331	93,997,369
Number of shares in circulation	99,134,331	93,997,369
Common shares	99,134,331	93,997,369
Par value of share in circulation: VND per share	10,000	10,000

## 5. Enterprise's funds

## Investment and Development Fund

31/12/2024	01/01/2024
8,192,087,059	8,192,087,059

## Total

31/12/2024	01/01/2024
8,192,087,059	8,192,087,059

\* Purpose of creating and utilizing funds

Investment and development fund is appropriated from the Company's profit after tax and used for expanding scale of production and business activities or in-depth investment of the Company.

## 18. Off-balance sheet items

## a. Foreign currencies

	31/12/2024		01/01/2024	
	Quantity	Value (VND)	Quantity	Value (VND)
USD	153,593.30	3,893,436,562	2,349,695.00	56,651,146,450
Lao Kip (LAK)	3,951,077.68	3,516,459	124,837,307.66	112,353,577
<b>Total</b>	<b>4,104,670.98</b>	<b>3,896,953,021</b>	<b>127,187,002.66</b>	<b>56,763,500,027</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

1. Revenue from goods sold and services rendered	Year 2024	Year 2023
<b>a. Revenue</b>		
Revenue from goods sold and services rendered	1,506,636,363	2,567,550,573
Revenue from construction contracts	836,594,450,524	1,306,216,607,927
<b>Total</b>	<b>838,101,086,887</b>	<b>1,308,784,158,500</b>
<b>b. Revenue from related parties</b>	<b>Year 2024</b>	<b>Year 2023</b>
SCI E&C Joint Stock Company	1,506,636,363	2,567,550,573
<b>Total</b>	<b>1,506,636,363</b>	<b>2,567,550,573</b>
<b>2. Cost of goods sold</b>	<b>Year 2024</b>	<b>Year 2023</b>
Cost of services rendered	-	889,789,721
Cost of construction contracts	797,526,668,993	1,227,377,986,755
<b>Total</b>	<b>797,526,668,993</b>	<b>1,228,267,776,476</b>
<b>3. Financial income</b>	<b>Year 2024</b>	<b>Year 2023</b>
Interest from loans, deposits	1,090,025,502	500,095,522
Profits from the sale of investments	-	24,352,825,636
Dividends, profit received	40,091,593,510	39,489,688,500
Foreign exchange gains due to revaluation of monetary items denominated in foreign currency	13,429,797,303	4,740,048,944
Foreign exchange gain	8,632,624,555	16,288,374,457
Others	24,839,651	-
<b>Total</b>	<b>63,268,880,521</b>	<b>85,371,033,059</b>
<b>4. Financial expenses</b>	<b>Year 2024</b>	<b>Year 2023</b>
Loan interest expense	420,164,383	1,894,273,973
Foreign exchange losses	18,743,576,385	16,919,564,398
Cost of securities	3,815,342,121	-
Provision/(Reversal) for devaluation of trading securities and investment losses	8,068,671,726	51,190,704,870
Others	45,633,826	333,236,424
<b>Total</b>	<b>31,093,388,441</b>	<b>70,337,779,665</b>



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND*

<b>5. General and administrative expenses</b>	<b>Year 2024</b>	<b>Year 2023</b>
Staff cost	6,487,749,644	6,244,820,878
Office supplies	1,306,739,087	1,134,427,589
Fixed asset depreciation	24,247,506	157,854,139
Taxes, fees, charges	1,222,464,738	554,067,966
Provision/(Reversal) for doubtful debts	(227,240,608)	(63,090,167,687)
External service costs	3,964,683,168	2,372,775,428
Others	1,648,733,699	604,271,102
<b>Total</b>	<b>14,427,377,234</b>	<b>(52,021,950,585)</b>
<b>6. Other income</b>	<b>Year 2024</b>	<b>Year 2023</b>
Disposals, resales of the fixed assets	-	167,946,128
Income from sale of materials for Nam Sam 3 project	-	7,453,548,871
Income from electricity for Nam Sam 3 Project	12,210,895,736	15,609,752,812
Others	4,035,393,775	4,560,002,086
<b>Total</b>	<b>16,246,289,511</b>	<b>27,791,249,897</b>
<b>7. Other expenses</b>	<b>Year 2024</b>	<b>Year 2023</b>
Invalid expenses	536,527,955	1,901,758,779
Expenses for buying materials of Nam Sam 3 project	-	7,453,548,871
Expense for electricity for Nam Sam 3 Project	12,210,884,193	15,609,752,812
Others	5,844,741,181	4,559,073,339
<b>Total</b>	<b>18,592,153,329</b>	<b>29,524,133,801</b>
<b>8. Business cost by factors</b>	<b>Year 2024</b>	<b>Year 2023</b>
Raw materials	1,306,739,087	1,134,427,589
Labor cost	6,487,749,644	6,384,346,784
Fixed asset depreciation	24,247,506	1,047,643,860
External service costs	799,552,165,087	1,229,611,236,277
Other costs in cash	4,810,385,427	1,158,339,068
<b>Total</b>	<b>812,181,286,751</b>	<b>1,239,335,993,578</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 9. Current Corporate income tax expense

Corporate income tax payable during the year is estimated as follows:

	Year 2024	Year 2023
<b>1. Total accounting profit before tax</b>	<b>55,976,668,922</b>	<b>145,838,702,099</b>
<b>2. Adjustments to increase, decrease the accounting profit when determining the taxable corporate income tax</b>	<b>(52,984,862,858)</b>	<b>(42,327,978,665)</b>
2.1. Adjustments to increase	536,527,955	1,901,758,779
Non-deductible expenses	536,527,955	1,901,758,779
2.2. Adjustments to decrease	(53,521,390,813)	(44,229,737,444)
Dividends, profit distributed	(40,091,593,510)	(39,489,688,500)
Foreign exchange gain	(13,429,797,303)	(4,740,048,944)
<b>3. Taxable income</b>	<b>2,991,806,064</b>	<b>103,510,723,434</b>
4. Loss of previous years carried forward	-	-
<b>5. Assessable income</b>	<b>2,991,806,064</b>	<b>103,510,723,434</b>
6. Corporate income tax rate	20%	20%
7. Corporate income tax must be paid at the common tax rate	598,361,213	20,702,144,687
<b>8. Corporate income tax payable</b>	<b>598,361,213</b>	<b>20,702,144,687</b>
<b>9. Total current corporate income tax expense</b>	<b>598,361,213</b>	<b>20,702,144,687</b>

## VII. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The risks from the financial instruments include market risk, credit risk, and liquidity risk.

The Board of Directors and Board of Management consider the application of management policies for the above risks as follows:

## 1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks such as the risk of the stock price. Financial instruments affected by the market risks include borrowings and liabilities, deposits, available-for-sale investments.

## 1.1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks due to change in the interest rate of the Company mainly relate to the borrowings and liabilities, cash and short-term deposits.

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company and still within the limit of its risk management.

**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***1.2. Foreign exchange risk**

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the exchange rate. The Company bears risks due to changes in the exchange rate of currencies other than VND related directly to the Company's business.

The Company manages foreign exchange risk by considering current and expected market status when it outlines plans for future transactions in foreign currencies. The Company does not use any derivative instruments to prevent foreign exchange risks.

**2. Credit risk**

Credit risk is the risk that one party to a financial instrument or customer contract will cause a financial loss for the other party by failing to discharge an obligation. The Company bears credit risks from operating activities (mainly trade receivables) and from its financial activities including bank deposits, foreign exchange operations and other financial instruments.

*Trade receivables*

The Company minimizes the credit risk by only doing business with entities that have good financial capacity and closely keeping track of the liabilities to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

*Bank deposits*

The Company mainly maintains deposits in big and prestigious banks in Vietnam. The Company realized that the concentration level of credit exposure to deposits is low.

The Board of Directors and the Board of Management assess that most of the financial assets are mature and not impaired because these financial assets are related to reputable customers with good payment ability.

**3. Liquidity risk**

Liquidity risk is the risk that arises from the difficulty in fulfilling financial obligations due to lack of capital. The liquidity risk of the Company mainly arises from difference in maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of General Directors considers as sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.



**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***3. Liquidity risk (continued)**

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with the contract which are not discounted:

<b>As at 31 December 2024</b>	<i>Less than 1 year</i>	<i>From 1-5 years</i>	<i>Over 5 years</i>	<i>Total</i>
Borrowings and liabilities	-	40,000,000,000	-	40,000,000,000
Trade payables	587,997,945,638	-	-	587,997,945,638
Other payables and accrued expenses	5,650,764,460	331,397,260	-	5,982,161,720
<b>Total</b>	<b>593,648,710,098</b>	<b>40,331,397,260</b>	<b>-</b>	<b>633,980,107,358</b>

**As at 31 December 2023**

Borrowings and liabilities	-	22,500,000,000	-	22,500,000,000
Trade payables	593,617,740,019	-	-	593,617,740,019
Other payables and accrued expenses	6,962,538,775	2,548,222,390	-	9,510,761,165
<b>Total</b>	<b>600,580,278,794</b>	<b>25,048,222,390</b>	<b>-</b>	<b>625,628,501,184</b>

The Company has the ability to access capital sources and loans that are due within 12 months can be renewed with existing lenders.

**4. Secured assets**

The Company does not hold any secured assets of the third party as at 31 December 2024 and 31 December 2023.

**VIII. FINANCIAL ASSETS AND LIABILITIES**

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short term.

Except for the above-mentioned items, the fair value of financial assets and financial liabilities has not been valued and determined officially as at 31 December 2024 and 31 December 2023. However, the Board of Directors and Board of Management have assessed that the fair value of financial assets and liabilities is not significantly different from the book value at the financial year end.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## VIII. Financial assets and liabilities:

The following table specifies book value and fair value of the financial instruments presented in the financial statements.

	Book value		Fair value	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	Value	Provision	Value	Provision
<b>Financial assets</b>				
- Cash and cash equivalents	10,072,179,237	-	171,355,331,054	-
- Trade receivables	488,601,815,197	-	469,087,184,105	(227,240,608)
- Other receivables	19,602,501,874	-	52,908,010,536	-
- Short-term investments	499,175,581	(385,711,659)	65,192,598,687	(7,017,016,716)
- Long-term investments	30,550,000,000	-	30,550,000,000	-
<b>TOTAL</b>	<b>549,325,671,889</b>	<b>(385,711,659)</b>	<b>789,093,124,382</b>	<b>(7,244,257,324)</b>
<b>Financial liabilities</b>				
- Borrowings and liabilities	40,000,000,000	-	22,500,000,000	-
- Trade payables	587,997,945,638	-	593,617,740,019	-
- Other payables	5,982,161,720	-	9,510,761,165	-
<b>TOTAL</b>	<b>633,980,107,358</b>	<b>-</b>	<b>625,628,501,184</b>	<b>-</b>
			<b>633,980,107,358</b>	<b>625,628,501,184</b>

**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***IX. OTHER INFORMATION****1. Events occurred after the balance sheet date**

There are no significant events occurring after the balance sheet date that require adjustment and presentation in the financial statements.

**2. Transactions and balances with related parties**

Parties related to the Company include: key management members, individuals related to key management members and other related parties.

**2a. Transactions and balances with key management members and individuals related to key management members**

Key management members include the Board of Directors and the Board of Management (Board of Management, chief accountant). Individuals related to key management members are their close family members.

**2a.1. Transaction on goods sold and services rendered**

The Company did not have transactions related to goods sold and services rendered to key management members and individuals related to them.

**2a.2. Liabilities to key management members and individuals related to key management members**

At the end of the fiscal year, the Company did not have any liabilities with key management members and individuals related to them.

**2a.3. Income of key management members**

	Position	Nature of income	Year 2024	Year 2023
Nguyen Cong Hung	Chairman of the Board of Directors	Renumeration	480,000,000	480,000,000
Ngo Vu An	Member of the Board of Directors	Renumeration	96,000,000	96,000,000
Nguyen Van Phuc	Member of the Board of Directors cum General Director	Salary and remuneration	1,015,647,364	915,935,931
Doan The Anh	Member of the Board of Directors cum Deputy General Director	Renumeration	96,000,000	96,000,000
Kim Manh Ha	Independent member of the Board of Directors	Renumeration	96,000,000	56,000,000
Hoang Trong Minh	Independent member of the Board of Directors	Renumeration	96,000,000	56,000,000
Pham Van Nghia	Deputy General Director	Salary	206,982,819	392,371,362
Nguyen Van Do	Deputy General Director	Salary	479,431,908	459,505,362
Vu An Minh	Deputy General Director	Salary	325,157,575	386,505,362
<b>Total</b>			<b>2,891,219,666</b>	<b>2,978,318,017</b>

*These notes are an integral part of the financial statements*



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

**2. Transactions and balances with other related parties (continued)****2b. Transactions and balances with other related parties**

Other related parties to the Company include subsidiaries, jointly controlled companies, individuals with direct or indirect voting rights in the company, close family members, companies managed by key management personnel, and individuals with direct or indirect voting rights in the company and their close family members.

Other related parties	Relationship
SCI E&C Joint Stock Company	Subsidiary
SCI Consulting Joint Stock Company	Subsidiary
SCI Lai Chau Joint Stock Company	Subsidiary
SCI Nghe An Joint Stock Company	Subsidiary
SCI Energy Company Limited	Subsidiary
Huong Linh 8 Wind Power Joint Stock Company	Associate

**2b.1. Transaction with other related parties**

Transactions involving subsidiaries, joint ventures, and associates have been presented in Note V.2c.

**2b.2. Liabilities with other related parties**

Liabilities with related parties are presented in the receivables and payables in Notes V.3b; V.4b; V.5c; V.11b; V.14c; V.15c.

**3. Comparative information**

Comparative figures as at 01/01/2024 on the Balance Sheet and on the Income Statement, and the Cash Flow Statement for the year ended 31 December 2023 were audited by Branch of MOORE AISC Auditing and Informatics Services Co., Ltd.

**4. Information on the going-concern operation: The Company will continue operating in the future.**

Hanoi, 27 March 2025

PREPARER



Le Thi Nhung

CHIEF ACCOUNTANT



Phan Duong Manh

CHAIRMAN OF THE BOARD OF  
DIRECTORS

  
 Nguyen Cong Hung