

**VNECO 8 ELECTRICITY CONSTRUCTION  
JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS  
For the year ended 31 December 2024**

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## **STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of VNECO 8 Electricity Construction Joint Stock Company presents this report together with the Company's audited financial statements for the year ended 31 December 2024.

### **COMPANY**

VNECO 8 Electricity Construction Joint Stock Company (hereinafter referred to as the "the Company") was formerly the Tay Nguyen Electricity Construction Enterprise, which belonged to Electricity Construction Company No. 3, and was later transformed into Electricity Construction Joint Stock Company 3.8 under Decision No 132/2003/QĐ-BCN dated 07 August 2003 of the Minister of Industry and was renamed VNECO 8 Electricity Construction Joint Stock Company on 19 January 2006 under Decision 60-QĐ/XLDD3.8-HĐQT of the Chairman of the Board of Directors of Electricity Construction Joint Stock Company 3.8. The Company was granted the Business Registration Certificate No 4003000031 by the Department of Planning and Investment of Dak Lak Province for the first time on 19 November 2003 and changed for the 6th time according to Certificate of Business Registration No 6000442866 by the Department of Planning and Investment of Dak Lak Province dated 02 April 2021.

The Company's Charter capital under the Certificate of Business Registration number 6000442866 changed for the 6th time on 02 April 2021 is VND 18,000,000,000 (*In Word: Eighteen Billion Vietnam Dong*).

The abbreviated name of the company: VNECO 8.

The Company's stock is currently listed on the HNX Stock Exchange with stock code: VE8.

The Company's registered office is located at 10 Dao Duy Tu, Thong Nhat Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam.

### **BOARDS OF MANAGEMENT, SUPERVISORS AND DIRECTORS**

Members of Boards of Management, Supervisors and Directors who held the Company during the year and at the date of this report are as follows

#### **Board of Management**

Mr. Le Van Khoi	Chairman
Mr. Nguyen Cong Dieu	Member
Ms. Nguyen Thi Hoa	Member (Dismissed from 29 June 2024)
Mr. Tong Dinh Thang	Member (Appointed from 29 June 2024)

#### **Board of Supervisors**

Mr. Vo Quang	Head of the Board
Ms. Nguyen Thi Bich Huong	Member (Dismissed from 29 June 2024)
Mr. Tran Ngoc Bau	Member
Ms. Nguyen Thi Hoang Oanh	Member (Appointed from 29 June 2024)

#### **Board of Directors**

Mr. Nguyen Cong Dieu	Director
Mr. Do Chien Thang	Deputy Director (Dismissed from 01 January 2024)
Mr. Dang Phuong	Deputy Director (Dismissed from 01 January 2024)
Mr. Phan Thanh Hoang	Deputy Director (Appointed from 30 March 2024)



**STATEMENT OF THE BOARD OF DIRECTORS (CONTINUED)**

**SUBSEQUENT EVENTS**

According to the Board of Directors, except for the events in Note 7.1 – Notes to the Financial Statements, in all material respects, there have been no other significant events occurring after the balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the Financial Statements for the year ended 31 December 2024.

**AUDITORS**

The Company's Financial Statements for the year ended 31 December 2024 have been audited by CPA VIETNAM Auditing Company limited - A Member Firm of INPACT.

**THE BOARD OF DIRECTORS' RESPONSIBILITY**

The Company's Board of Directors is responsible for preparing the Financial Statements, which give a true and fair view of the financial position of the Company as at 31 December 2024 as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of Financial Statements. In preparing these Financial Statements, the Board of Directors is required to:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to frauds or errors;
- Prepare the Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the Financial Statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparation and presentation of the Financial Statements. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing the Financial Statements.

For and on behalf of the Board of Directors,



**Nguyen Cong Dieu**

**Director**

*Buon Ma Thuot City, 24 March 2025*



**Head Office in Hanoi:**

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No: 133/2025/BCKT-CPA VIETNAM-HCM

**INDEPENDENT AUDITORS' REPORT**

**To:                      Boards of Management and Directors**  
**VNECO 8 Electricity Construction Joint Stock Company**

We have audited the accompanying Financial Statements of VNECO 8 Electricity Construction Joint Stock Company as set out on pages 05 to page 34, prepared on 24 March 2025 including the Balance sheet as at 31 December 2024, and the Income Statement, and Cash flows Statement for the year then ended, and Notes to the Financial Statements.

**Responsibility of the Board of Directors**

The Company's Board of Directors is responsible for the true and fair preparation and presentation of these financial statements in compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the Financial Statements, and for the internal control as the Board of Directors determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of Auditors**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's separate financial statements are there any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements 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 appropriate audit procedures to the actual situation, which is not intended to give 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 management, as well as evaluating the overall presentation of the Financial Statements.

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

**Basis of Qualified opinion**

As of 31 December 2024, the Company had not assessed the recoverability of Receivables from customers of VND 26,117,986,286, Prepayments to sellers of VND 16,433,818,357, and Other short-term receivables of VND 5,509,011,705. We were unable to obtain sufficient and appropriate audit evidence regarding the existence and the Company's management's assessment of the recoverability of these receivables as of 31 December 2024. Therefore, we cannot determine whether adjustments to these amounts are necessary.

**Qualified opinion**

In our opinion, except for the effects of the matters mentioned in the section "Basis for Qualified Opinion", the Financial Statements fairly and accurately reflect, in all material aspects, the financial position of VNECO 8 Electricity Construction Joint Stock Company as of 31 December 2024, as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of Financial Statements.

**Emphasis of Matter**

As presented in Explanation No. 4 - Applied Accounting Policies, Basis for Preparing Financial Statements, and Notes to the Financial Statements. As of 31 December 2024, the Company's current liabilities exceeded its current assets by VND 23,000,949,611. Additionally, the Company has overdue debts including insurance payables of VND 2,067,283,510 and loans with a total balance of VND 60,640,925,924. As of 31 December 2024, the Company has accumulated losses of VND 37,717,474,962, resulting in a shareholders' equity deficit of VND 19,207,518,836. These conditions indicate the existence of significant material uncertainties that may cast substantial doubt on the Company's ability to continue as a going concern.

Our opinion exception is not related to the issue mentioned above.



**Other Matters**

The Financial Statements for the year ended 31 December 2023, were audited by a different auditing company and auditor. A qualified opinion was issued on 10 April 2024, as the previous auditor did not have sufficient grounds to assess the recoverability of an overdue receivable from Ecoplastics Solutions Co., Ltd., with amount of VND 18,595,771,229, which had been overdue for more than six months according to the contractual terms. The qualified audit opinion mentioned above continues to affect the Financial Statements for the year ended 31 December 2024.



\_\_\_\_\_  
**Nguyen Thi Mai Hoa**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 2326-2023-137-1

*Letter of Authorization No. 08/2025/UQ-CPA VIETNAM dated 02 January 2025 of Chairman*

For and on behalf of

**CPA VIETNAM AUDITING COMPANY LIMITED**

**A member firm of INPACT**

*Ha Noi, 24 March 2025*

\_\_\_\_\_  
**Nguyen Thi Tien**

**Auditor**

Audit Practising Registration Certificate

No. 5276-2021-137-1

**BALANCE SHEET**  
As at 31 December 2024

ASSETS	Codes	Notes	31 December 2024	01 January 2024
			VND	VND
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>88,592,027,803</b>	<b>100,101,594,855</b>
<b>(100 = 110+120+130+140+150)</b>				
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>5,015,906,541</b>	<b>738,147,886</b>
1. Cash	111	5.1	5,015,906,541	738,147,886
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>11,527,784,190</b>
1. Investments held to maturity	123	5.2	-	11,527,784,190
<b>III. Short-term receivables</b>	<b>130</b>		<b>48,206,774,733</b>	<b>43,456,171,126</b>
1. Short-term receivables from customers	131	5.3	27,616,053,880	24,038,953,062
2. Prepayments to sellers in short-term	132	5.4	16,543,818,357	14,967,645,561
3. Other short-term receivables	136	5.5	5,727,636,705	5,811,681,712
4. Short-term allowances for doubtful debts	137	5.6	(1,680,734,209)	(1,362,109,209)
<b>IV. Inventories</b>	<b>140</b>	<b>5.7</b>	<b>35,212,381,429</b>	<b>44,276,248,439</b>
1. Inventories	141		35,212,381,429	44,276,248,439
<b>V. Other short-term assets</b>	<b>150</b>		<b>156,965,100</b>	<b>103,243,214</b>
1. Short-term prepaid expenses	151	5.10	-	6,407,200
2. Deductible VAT	152		62,221,899	96,836,014
3. Taxes and receivables from the State Budget	153	5.13	94,743,201	-
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>4,261,968,905</b>	<b>5,759,100,726</b>
<b>(200 = 220+240+260)</b>				
<b>I. Fixed assets</b>	<b>220</b>		<b>4,224,191,893</b>	<b>5,452,193,727</b>
1. Tangible fixed assets	221	5.8	2,966,714,893	4,194,716,727
- Historical costs	222		24,665,867,171	25,977,115,792
- Accumulated depreciation	223		(21,699,152,278)	(21,782,399,065)
2. Intangible fixed assets	227	5.9	1,257,477,000	1,257,477,000
- Historical costs	228		1,287,477,000	1,287,477,000
- Accumulated amortization	229		(30,000,000)	(30,000,000)
<b>II. Long-term unfinished assets</b>	<b>240</b>		<b>-</b>	<b>82,045,872</b>
1. Construction in progress	242		-	82,045,872
<b>III. Other long-term assets</b>	<b>260</b>		<b>37,777,012</b>	<b>224,861,127</b>
1. Long-term prepaid expenses	261	5.10	37,777,012	224,861,127
<b>TOTAL ASSETS</b>	<b>270</b>		<b>92,853,996,708</b>	<b>105,860,695,581</b>
<b>(270 = 100+200)</b>				

## BALANCE SHEET (Continued)

As at 31 December 2024

RESOURCES	Codes	Notes	31 December 2024	01 January 2024
			VND	VND
<b>C- LIABILITIES</b>	<b>300</b>		<b>112,061,515,544</b>	<b>104,783,906,394</b>
<b>(300 = 310+330)</b>				
<b>I. Short-term liabilities</b>	<b>310</b>		<b>111,592,977,414</b>	<b>104,315,368,264</b>
1. Short-term supplier payables	311	5.11	19,774,130,990	9,719,320,438
2. Short-term advances from customers	312	5.12	7,365,957,584	7,967,154,375
3. Taxes and payables to the State Budget	313	5.13	185,874,595	234,882,726
4. Payables to employees	314		2,503,765,266	2,190,147,367
5. Short-term accrued expenses	315	5.14	573,778,355	303,529,779
6. Other short-term payables	319	5.15	20,547,246,486	11,373,729,040
7. Short-term borrowings and finance lease liabilities	320	5.16	60,640,925,924	72,525,306,325
8. Bonus and welfare fund	322		1,298,214	1,298,214
<b>II. Long-term liabilities</b>	<b>330</b>		<b>468,538,130</b>	<b>468,538,130</b>
1. Other long-term payables	331	5.11	468,538,130	468,538,130
<b>D- RESOURCES</b>	<b>400</b>		<b>(19,207,518,836)</b>	<b>1,076,789,187</b>
<b>(400 = 410)</b>				
<b>I. Owner's equity</b>	<b>410</b>	<b>5.17</b>	<b>(19,207,518,836)</b>	<b>1,076,789,187</b>
1. Contributed capital	411		18,000,000,000	18,000,000,000
- Ordinary shares with voting rights	411a		18,000,000,000	18,000,000,000
2. Development and investment funds	418		509,956,126	509,956,126
3. Undistributed profit after tax	421		(37,717,474,962.40)	(17,433,166,939.00)
- Undistributed profit after tax brought forward	421a		(17,433,166,939)	(5,591,012,284)
- Undistributed profit after tax for the current year	421b		(20,284,308,023)	(11,842,154,655)
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>92,853,996,708</b>	<b>105,860,695,581</b>
<b>(430 = 300+400)</b>				

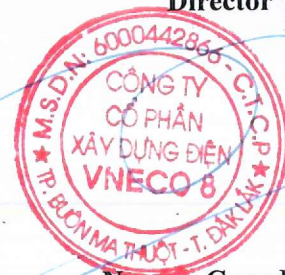
Buon Ma Thuot City, 24 March 2025

Preparer

Accountant in charge

Director





Trinh Van Quang

Trinh Van Quang

Nguyễn Cong Dieu



**INCOME STATEMENT**  
For the year ended 31 December 2024

ITEMS	Codes	Notes	Year 2024 VND	Year 2023 VND
1. Revenues from sales and services rendered	01	6.1	27,574,940,603	33,926,987,969
2. Revenue deductions	02		-	-
3. Net revenues from sales and services rendered (10=01-02)	10		27,574,940,603	33,926,987,969
4. Cost of goods sold	11	6.2	37,263,336,139	36,484,019,168
5. Gross revenues from sales and services rendered (20 = 10-11)	20		(9,688,395,536)	(2,557,031,199)
6. Financial income	21	6.3	27,342,885	584,577,810
7. Financial expenses	22	6.4	8,414,328,457	7,077,877,136
<i>In which: Interest expenses</i>	23		8,414,328,457	7,077,877,136
8. Selling expenses	24		-	-
9. General administrative expenses	25	6.5	2,092,729,545	2,725,006,830
10. Net profits from operating activities {30 = 20+(21-22)-(25+26)}	30		(20,168,110,653)	(11,775,337,355)
11. Other income	31	6.6	-	-
12. Other expenses	32	6.6	116,197,370	66,817,300
13. Other profits (40 = 31-32)	40	6.6	(116,197,370)	(66,817,300)
14. Total net profit before tax (50 = 30+40)	50		(20,284,308,023)	(11,842,154,655)
15. Current corporate income tax expenses	51	6.8	-	-
16. Deferred corporate income tax expenses	52		-	-
17. Profits after corporate income tax (60 = 50-51-52)	60		(20,284,308,023)	(11,842,154,655)
18. Earnings per share	70	6.9	(11,269)	(6,579)
19. Diluted earnings per share	71	6.10	(5,635)	(6,579)

Buon Ma Thuot City, 24 March 2025

Preparer

Accountant in charge

Director

  
 Trinh Van Quang

  
 Trinh Van Quang

  
 Nguyen Cong Dieu

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

ITEMS	Codes	Notes	Year 2024 VND	Year 2023 VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Profit before tax	01		(20,284,308,023)	(11,842,154,655)
2. Adjustments for:				
- Depreciation of fixed assets and investment properties	02		1,214,057,853	1,419,004,625
- Provisions	03		318,625,000	-
- Gains on investing activities	05		68,646,968	(584,577,810)
- Interest expenses	06		8,414,328,457	7,077,877,136
3. Operating profit before changes in working capital	08		(10,268,649,745)	(3,929,850,704)
- (Increase) decrease in receivables	09		(5,129,357,693)	91,504,341,678
- Increase (decrease) in inventories	10		9,063,867,010	(2,585,380,999)
- Increase (decrease) in accounts payable	11		10,775,002,860	(85,505,067,313)
- Increase/decrease in prepaid expenses	12		193,491,315	526,491,587
- Interest paid	14		(27,341,766)	-
Net cash flows from operating activities	20		4,607,011,981	10,534,249
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Cash recovered from lending and selling debt instruments of other companies	24		11,527,784,190	-
2. Proceeds from interests, dividends and distributed profits	27		27,342,885	605,742,768
Net cash flows from investing activities	30		11,555,127,075	605,742,768
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33		1,390,000,000	51,470,000,000
2. Repayment of principal	34		(13,274,380,401)	(56,328,193,675)
Net cash flows from financial activities	40		(11,884,380,401)	(4,858,193,675)
Net cash flows during the fiscal year (50 = 20+30+40)	50		4,277,758,655	(4,241,916,658)
Cash and cash equivalents at the beginning of the fiscal year	60		738,147,886	4,980,064,544
Cash and cash equivalents at the end of the fiscal year (70 = 50+60+61)	70	5.1	5,015,906,541	738,147,886

Buon Ma Thuot City, 24 March 2025

Preparer

Accountant in charge

Director

Trinh Van Quang

Trinh Van Quang

Nguyen Cong Dieu





**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**1. COMPANY INFORMATION****1.1 Ownership structure**

VNECO 8 Electricity Construction Joint Stock Company was formerly the Tay Nguyen Electricity Construction Enterprise, which belonged to Electricity Construction Company No. 3, and was later transformed into Electricity Construction Joint Stock Company 3.8 under Decision No 132/2003/QĐ-BCN dated 07 August 2003 of the Minister of Industry and was renamed VNECO 8 Electricity Construction Joint Stock Company on 19 January 2006 under Decision 60-QĐ/XLDD3.8-HĐQT of the Chairman of the Board of Directors of Electricity Construction Joint Stock Company 3.8. The Company was granted the Business Registration Certificate No 4003000031 by the Department of Planning and Investment of Dak Lak Province for the first time on 19 November 2003 and changed for the 6th time according to Certificate of Business Registration No 6000442866 by the Department of Planning and Investment of Dak Lak Province dated 02 April 2021.

The Company's Charter capital under the Certificate of Business Registration number 6000442866 changed for the 6th time on 02 April 2021 is VND 18,000,000,000 (*In Word: Eighteen Billion Vietnam Dong*).

The abbreviated name of the company: VNECO 8.

The Company's stock is currently listed on the HNX Stock Exchange with stock code: VE8.

The Company's registered office is located at 10 Dao Duy Tu, Thong Nhat Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam.

The total number of the Company's employees as at 31 December 2024 is 07 (as at 01 January 2024 is 32).

**1.2 Operating industries and principal activities**

The business activities of the company as stated in the Certificate of Business Registration include:

- Construction of irrigation works, electrical works, power sources, electrical grids, and substations up to 500KV; production, transmission, and distribution of electricity;
- Production of concrete and products made from cement and gypsum; wholesale of machinery, equipment, and other machine parts;
- Construction of telecommunications works and communication infrastructure;
- Construction of all types of houses, industrial works, and transportation infrastructure including bridges, roads, and culverts;
- Mechanical processing, metal treatment and coating, road freight transportation, wholesale of materials and other equipment for construction installation;
- Mining of stone, sand, gravel, clay; warehousing and goods storage; motor vehicle rental; wholesale of spare parts and accessories for automobiles and other motor vehicles;
- Real estate investment and business, business in housing development and urban infrastructure, industrial zones, new economic zones, and financial investment in stocks, shares, and bonds;
- Training of technical workers and management staff to meet the development needs of the business.

**1.3 Normal operating cycle**

The Company's normal operating cycle is 12 months.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**1.4 The Company structure**

<b>Name</b>	<b>Relation</b>	<b>Address</b>
Branch of VNECO 8 Electric Construction Joint Stock Company	A subsidiary of the company	Tam Thang Industrial Park, Cu Jut District, Dal Nong Province.

**1.5 Statement of information comparability on the Financial Statements**

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the Financial Statements are comparable.

**2. FISCAL YEAR AND ACCOUNTING CURRENCY****Fiscal year**

The Company's fiscal year applicable for the preparation of its Financial Statements starts on 1st January and ends on 31st December of solar year.

**Accounting currency**

The accompanying financial statements are expressed in Vietnam Dong (VND).

**3. ACCOUNTING STANDARDS AND SYSTEM****Accounting System**

The Company applied to Vietnamese Accounting System promulgated under 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 200/2014/TT-BTC dated 22 December 2014.

**Statements for the compliance with Accounting Standards and System**

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Financial Statements.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Below are the major accounting policies adopted by the Company in the preparation of the financial statements:

**Basis of preparation of the financial statements**

The attached Financial Statements are expressed in Vietnam Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of Financial Statements.

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Going concern assumption**

As of 31 December 2024, the Company's current liabilities exceeded its current assets by VND 23,000,949,611. Additionally, the Company has overdue debts, including insurance payables of VND 2,067,283,510, loans with a total balance of VND 60,640,925,924 (of which bank loans amount to VND 53,059,756,300), and overdue loan interest totalling VND 11,758,678,201. During the year, the Company's business operations incurred a loss of VND 20,284,308,023. As of 31 December 2024, the Company has accumulated losses of VND 37,717,474,962, resulting in a shareholders' equity deficit of VND 19,207,518,836. The Company's ability to continue as a going concern depends on its capacity to recover receivables, extend loans and payables with commercial banks and suppliers, and achieve successful business performance in the future. These conditions indicate the existence of significant material uncertainties that may cast substantial doubt on the Company's ability to continue as a going concern.

The Board of Management and the Board of Directors have regularly evaluated and actively implemented crisis management plan to help the Company overcome the difficult period and continue to develop. The Company's solutions have been implemented during the past time are as follows:

- The Company's Board of Directors presented the plan to transfer the entire land use rights and assets attached to the land at 10 Dao Duy Tu Street, Thong Nhat Ward, Buon Ma Thuot City, Dak Lak Province, which was approved by the Company's General Meeting of Shareholders on 29 June 2024;
- The Company has taken measures to cut business costs in line with its scale of operations

The Company's Board of Directors has carefully assessed the business and cash flow plans, as well as the ability of loans recovery to have finance sources in order to pay debts and financial obligations. The Board of Directors believes that the Financial Statements prepared on the going concern basis are appropriate.

**Accounting estimates**

The preparation of the Financial Statements in conformity with Vietnamese Accounting Standards requires the Board of Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

**Cash and cash equivalents**

Cash comprises cash on hand, bank deposits

**Receivables**

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Inventories**

Inventories are measured at the lower of cost and net realizable value. Costs of inventories comprise costs of purchases and other directly relevant costs.

The cost of inventories is determined in accordance with the weighted average method. The Company uses the perpetual inventory method and the inventory cost is calculated via the weighted average method.

Net realizable value is the estimated selling price of inventory items less all estimated costs of completion and costs of marketing, selling and distribution.

The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

**Tangible fixed assets and Depreciation**

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

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

	<u>Years</u>
Buildings, structures	08 - 16
Machinery and equipment	05 - 12
Motor vehicles	08 - 10
Office equipment	03

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

**Intangible fixed assets and Amortization**

The Company's intangible assets are Computer software and Land use rights.

The land use rights with an indefinite term are presented using the cost method, which is the value of the land use rights at 10 Dao Duy Tu, Thong Nhat Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam. Land use rights for indefinite term is not amortized.

Historical costs of intangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Computer software are stated at history cost less accumulated amortization. Computer software is amortized on a straight-line basis over its estimated useful life of 03 years.

**Prepaid expenses**

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods. The Company's prepaid expenses includes:

**Tools and supplies**

Tools and supplies are recorded to expenses and depreciated to on a straight-line basis with useful life of not exceeding 36 months.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Payables**

The account payables are monitored in details by payable terms, payable parties, original currency and other factors depending on the Company's management requirement.

The account payables include payables as trade payables, loans payable, intercompany payable and other payables which are determined almost certainly about the recorded value and term, which is not carried less than amount to be paid. They are classified as follows:

- Trade payables: reflect payables of commercial nature arising from the purchase of goods, services, or assets, payables for import through trustees of which the seller is an independent entity with the Company.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

**Recognition of Borrowing costs**

All other borrowing costs are recognised in the Income statement when incurring, except for the borrowing cost capitalized under Vietnamese Accounting Standards "Borrowing cost".

Borrowing costs directly related to the acquisition, construction, or production of assets that require a relatively long period to complete and be ready for use or operation are capitalized into the cost of the asset until the asset is put into use or operation.

Income arising from the temporary investment of loan funds is deducted from the cost of the related asset.

All other interest expenses are recognized in the income statement when incurred.

**Accrued expenses**

Accrued expenses are those already recorded in operating expenses in the period/year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

The Company recognizes accrued expenses as follows:

- Interest expense: Accrued based on the principal outstanding, the number of days interest is calculated, and the applicable interest rate at the time of calculation, according to the loan agreement.

**Owners' equity**

Capital is recorded according to the actual amounts invested by owners.

Share premium is recognized based on the difference, either greater or smaller, between the actual issue price and the par value of the shares when issuing shares for the first time, additional issuance, or the reissuance of treasury shares.

Dividends are recognized as a liability on the Company's balance sheet after the declaration of dividends by the Company's Board of Directors and the announcement of the dividend entitlement cutoff date by the Vietnam Securities Depository.

The after-tax profit is distributed to shareholders after allocating funds according to the Company's Charter and legal regulations, and is approved by the General Meeting of Shareholders.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Revenue and other income**

The company's revenue includes revenue from sales of goods in the construction sector.

**Revenue from sale of goods**

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

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

**Revenue from services**

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

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company.;
- Identify the completed work as at the balance sheet date; and
- Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that service.

**Revenue of construction**

Revenues of construction are reliably recognized in the following cases:

- For construction contracts stipulating that the contractor is paid according to the planned schedule, the revenue and expenses related to the contract are recognized in equivalent proportion to the completed work determined by the Company as at the balance sheet date.
- For construction contracts stipulating that the contractor is paid according to the value of the volume performed, the revenue and expenses related to the contract are recognized in equivalent proportion to the completed work confirmed by the customer and reflected on the issued invoice.

Increases and decreases in construction volume, compensation and other revenues are recognized as revenue only when agreed with the customer.

Revenues of construction are not recognized in the following cases

- Revenue is recognized in equivalent proportion to contract costs which is probable to be paid.
- The contract costs are recognized to expenses only when they actually incur.

The difference between the total accumulated revenue of the recognized construction contract and the accumulated amount recorded on the payment invoice according to the planned progress of the contract is recorded as a receivable or payable amount according to the planned progress of construction contracts.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Revenue from interest income and other income***

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

***Cost of goods sold.***

Cost of goods sold or services rendered including the cost of goods sold during the period is recorded corresponding to revenue of the period. For cost which is over the normal level of inventories is recorded directly into the cost of goods sold.

***Financial expenses***

Financial expenses reflect expenses incurred during the period, which mainly include interest expenses and payment discounts.

***Current corporate income tax expense and deferred corporate income tax expense***

Corporate income tax expenses: is total current income tax expenses in determining profit or loss of a year.

Current income tax expenses: are corporate income tax payable calculated on taxable profit during the year and current corporate income tax rate. Current income tax is calculated on taxable income and applicable tax rate during the tax period. Difference between taxable income and accounting profit is from adjustment of differences between accounting profit and taxable income in accordance with current tax policies

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the examination results of the competent tax authorities.

***Earnings per share and diluted earnings per share***

Basic earnings per share is calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of outstanding ordinary shares due to the effect of all the dilutive potential ordinary shares including convertible bonds and stock options.

***Related parties***

A party is considered a related party of the Company in case that party is able to control the Company or to cause material effects on the financial decisions as well as the operations of the Company. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

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

***Segment reporting***

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments. The Board of Directors believes that the main business activity of the Company is construction, and it primarily operates within a single geographical area, which is Vietnam. Therefore, the Company does not present segment reports by business field and geographical area as required by Vietnam Accounting Standard No. 28 - Segment Reporting.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET****5.1 Cash and cash equivalents**

	31 December 2024	01 January 2024
	VND	VND
Cash on hand	5,778,061	11,201,789
Cash in bank (on demand)	5,010,128,480	726,946,097
<b>Total</b>	<b>5,015,906,541</b>	<b>738,147,886</b>

**5.2 Financial investments**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Original cost	Book value	Original cost	Book value
Deposits at Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 4	-	-	11,527,784,190	11,527,784,190
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11,527,784,190</b>	<b>11,527,784,190</b>

**5.3 Short-term receivables from customers**

	31 December 2024	01 January 2024
	VND	VND
ECOPLASTICS SOLUTIONS CO., LTD	18,595,771,229	18,595,771,229
Others	9,020,282,651	5,443,181,833
<b>Total</b>	<b>27,616,053,880</b>	<b>24,038,953,062</b>

*In which:*

<b>Short-term receivables from related parties</b> (Details in Note 7.2)	<b>23,760,000</b>	<b>23,760,000</b>
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**5.4 Short-term prepayments to sellers**

	31 December 2024	01 January 2024
	VND	VND
Sao Thai Son JSC	12,924,613,022	12,924,613,022
Mien Tay Cao Bang Electricity Construction Co., Ltd	814,922,349	814,922,349
Others	2,804,282,986	1,228,110,190
<b>Total</b>	<b>16,543,818,357</b>	<b>14,967,645,561</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.5 Other short-term receivables**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Book value	Allowances	Book value	Allowances
Advances	5,473,835,282	-	5,557,880,289	-
Compensation money for 220KV Transmission Line Phan Thiet - Phu My 2	53,356,000	(53,356,000)	53,356,000	-
Compensation money for 500KV Transmission Line Duyen Hai - My Tho	49,867,200	(49,867,200)	49,867,200	-
Compensation money for 500KV Transmission Line BA Substation Duc Hoa	100,000,000	(100,000,000)	100,000,000	-
Compensation money for 110kV Transmission Line Krong Buk - Buon Ma Thuot	15,401,800	(15,401,800)	15,401,800	-
VNECO 12 Electricity Construction JSC	35,176,423	-	35,176,423	-
<b>Total</b>	<b>5,727,636,705</b>	<b>(218,625,000)</b>	<b>5,811,681,712</b>	<b>-</b>
<i>In which:</i>				
<i>Other receivables from related parties (Details in Note 7.2)</i>	<i>35,176,423</i>	<i>-</i>	<i>35,176,423</i>	<i>-</i>

**VNECO 8 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY**

10 Dao Duy Tu, Thong Nhat Ward

Buon Ma Thuot City, Dak Lak Province, Vietnam

**Form B 09 - DN**  
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December 22, 2014 of the Ministry of Finance

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.6 Bad debts**

Name	31 December 2024 (VND)				01 January 2024 (VND)			
	Overdue periods	Original value (+)	Allowances (-)	Recoverable amount	Overdue periods	Original value (+)	Allowances (-)	Recoverable amount
<b>Receivables from customers</b>								
VNECO 5 Electricity Construction JSC	> 3 years	372,167,609	(372,167,609)	-	> 3 years	372,167,609	(372,167,609)	-
Van Xuan VT JSC	> 3 years	979,941,600	(979,941,600)	-	> 3 years	979,941,600	(979,941,600)	-
<b>Other receivables</b>								
220KV Transmission Line Phan Thiet - Phu My 2	> 3 years	53,356,000	(53,356,000)	-		-	-	-
500KV Transmission Line Duyen Hai - My Tho	> 3 years	49,867,200	(49,867,200)	-		-	-	-
500KV Transmission Line BA Substation Duc Hoa	> 3 years	100,000,000	(100,000,000)	-		-	-	-
110kV Transmission Line Krong Buk - Buon Ma Thuot	> 3 years	15,401,800	(15,401,800)	-		-	-	-
<b>Prepayments to sellers</b>								
Khai Thanh Co., Ltd	> 3 years	100,000,000	(100,000,000)	-		-	-	-
Others	> 3 years	10,000,000	(10,000,000)	-	> 3 years	10,000,000	(10,000,000)	-
<b>Total</b>		<b>1,680,734,209</b>	<b>(1,680,734,209)</b>	<b>-</b>		<b>1,362,109,209</b>	<b>(1,362,109,209)</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

### 5.7 Inventories

	31 December 2024 (VND)		01 January 2024 (VND)	
	Original value	Allowances	Original value	Allowances
Raw materials	438,506,853	-	2,307,614,812	-
Tools and supplies	67,200,000	-	67,200,000	-
Work in progress	34,035,236,760	-	40,136,539,540	-
Finished goods	671,437,816	-	1,764,894,087	-
<b>Total</b>	<b>35,212,381,429</b>	<b>-</b>	<b>44,276,248,439</b>	<b>-</b>

### 5.8 Tangible fixed assets

	Unit: VND				
	Buildings and structures	Machineries and equipments	Vehicles	Office equipments	Total
HISTORY COST					
As at 01 January 2024	9,798,041,850	10,336,819,580	5,784,163,452	58,090,910	25,977,115,792
Increase	-	-	-	-	-
Decrease	-	(1,311,248,621)	-	-	(1,311,248,621)
Disposals	-	(1,311,248,621)	-	-	(1,311,248,621)
As at 31 December 2024	9,798,041,850	9,025,570,959	5,784,163,452	58,090,910	24,665,867,171
ACCUMULATED DEPRECIATION					
As at 01 January 2024	8,918,884,826	8,220,858,004	4,584,565,325	58,090,910	21,782,399,065
Increase	242,181,461	355,123,740	616,752,652	-	1,214,057,853
Charged for the year	242,181,461	355,123,740	616,752,652	-	1,214,057,853
Decrease	-	(1,297,304,640)	-	-	(1,297,304,640)
Disposals	-	(1,297,304,640)	-	-	(1,297,304,640)
As at 31 December 2024	9,161,066,287	7,278,677,104	5,201,317,977	58,090,910	21,699,152,278
NET BOOK VALUE					
As at 01 January 2024	879,157,024	2,115,961,576	1,199,598,127	-	4,194,716,727
As at 31 December 2024	636,975,563	1,746,893,855	582,845,475	-	2,966,714,893

History cost of tangible fixed assets which are fully depreciated but still in use as at 31 December 2024 is VND 13,630,368,209 (As at 01 January 2024 is VND 13,900,434,830).

Net book value of tangible fixed assets used to secure bank loans as at 31 December 2024 is VND 1,537,456,073 (As at 01 January 2024 is VND 1,687,456,073).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.9 Intangible fixed assets**

Unit: VND

	Land use rights	Softwares	Total
<b>HISTORY COST</b>			
As at 01 January 2024	1,257,477,000	30,000,000	1,287,477,000
Increase	-	-	-
Decrease	-	-	-
As at 31 December 2024	1,257,477,000	30,000,000	1,287,477,000
<b>ACCUMULATED AMORTIZATION</b>			
As at 01 January 2024	-	30,000,000	30,000,000
Increase	-	-	-
Decrease	-	-	-
As at 31 December 2024	-	30,000,000	30,000,000
<b>NET BOOK VALUE</b>			
As at 01 January 2024	1,257,477,000	-	1,257,477,000
As at 31 December 2024	1,257,477,000	-	1,257,477,000

Land use rights at 10 Dao Duy Tu, Thong Nhat Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam according to the Land Use Rights Certificate No. 276134 QSD/ATM dated 15 December 2005, issued by the People's Committee of Buon Ma Thuot City, with the intended use being land for specialized long-term use.

The remaining value of intangible fixed assets used as collateral or security for loans as at 31 December 2024 is VND 1,257,477,000 (As at 01 January 2024 is VND 1,257,477,000).

The historical cost of intangible fixed assets which have been fully amortized but still in use is VND 30,000,000 (As at 01 January 2024 is VND 30,000,000).

**5.10 Prepaid expenses**

	31 December 2024 VND	01 January 2024 VND
a) Short terms	-	6,407,200
Car insurance fee	-	6,407,200
b) Long term	37,777,012	224,861,127
Tools and equipment awaiting allocation	37,777,012	39,945,019
Interest on deferred payment purchases	-	113,289,474
Fixed asset repair costs	-	71,626,634
<b>Total</b>	<b>37,777,012</b>	<b>231,268,327</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.11 Short-term supplier payables**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Book value	Repayable amount	Book value	Repayable amount
<b>a. Short-term</b>	<b>19,774,130,990</b>	<b>19,774,130,990</b>	<b>9,719,320,438</b>	<b>9,719,320,438</b>
15-8 Co., Ltd	2,065,509,601	2,065,509,601	1,615,109,601	1,615,109,601
Vietnam Electricity Construction Joint Stock Corporation	378,326,790	378,326,790	897,414,760	897,414,760
Gia Phat Quy Nhon Co., Ltd	2,636,264,452	2,636,264,452	937,199,986	937,199,986
Duc Khai Investment Trading Co., Ltd	1,016,338,191	1,016,338,191	-	-
Others	13,677,691,956	13,677,691,956	6,269,596,091	6,269,596,091
<b>b. Long-term</b>	<b>468,538,130</b>	<b>468,538,130</b>	<b>468,538,130</b>	<b>468,538,130</b>
Vietnam Electricity Construction Joint Stock Corporation	468,538,130	468,538,130	468,538,130	468,538,130
<b>Total</b>	<b>20,242,669,120</b>	<b>20,242,669,120</b>	<b>10,187,858,568</b>	<b>10,187,858,568</b>
<i>In which:</i>				
<i>Trade payables from related parties</i>	<i>1,572,313,290</i>	<i>1,572,313,290</i>	<i>1,988,317,180</i>	<i>1,988,317,180</i>
<i>(Details in Note 7.2)</i>				

**5.12 Short-term advances from customers**

	31 December 2024 VND	01 January 2024 VND
Vietnam Electricity Construction Joint Stock Corporation	3,029,829,107	2,974,548,795
Central Rural Electrification Project Management Board	-	365,518,892
Construction JSC No 5	1,500,000,000	1,500,000,000
Central Power Grid Project Management Board	-	1,691,092,723
Dak Lak Power Company	-	487,127,458
Central Power Corporation	1,427,681,988	-
Others	1,408,446,489	948,866,507
<b>Total</b>	<b>7,365,957,584</b>	<b>7,967,154,375</b>
<i>In which:</i>		
<i>Prepayments from customers from related parties</i>	<i>3,029,829,107</i>	<i>2,974,548,795</i>
<i>(Details in Note 7.2)</i>		

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.13 Taxes and payables to, receivables from the State Budget**

	01 January 2024 (VND)	Additions (VND)	Paid (VND)	31 December 2024 (VND)
<b>Payables</b>	<b>234,882,726</b>	<b>118,877,511</b>	<b>167,885,642</b>	<b>185,874,595</b>
VAT	4,202,452	95,669,994	4,377,888	95,494,558
Personal income tax	41,458,614	-	-	41,458,614
Corporate income tax	46,707,885	-	-	46,707,885
Land rental charges	123,692,157	-	123,692,157	-
Business license tax	-	3,000,000	3,000,000	-
Fee, charges and other payables	18,821,618	20,207,517	36,815,597	2,213,538
<b>Receivables</b>	<b>-</b>	<b>-</b>	<b>94,743,201</b>	<b>94,743,201</b>
Land rental charges	-	-	94,743,201	94,743,201

**5.14 Short-term accrued expenses**

	31 December 2024 VND	01 January 2024 VND
Interest expense	115,492,096	115,492,096
Land rental expense	457,339,497	187,090,921
Others expense	946,762	946,762
<b>Total</b>	<b>573,778,355</b>	<b>303,529,779</b>

**5.15 Other short-term payables**

	31 December 2024 VND	01 January 2024 VND
Trade Union fees	187,294,471	179,673,471
Social insurance	2,058,628,595	2,744,334,660
Health insurance	5,993,452	53,046,361
Unemployment insurance	2,661,463	45,507,652
Dividend, Profit payables	2,351,025	2,351,025
Others	18,290,317,480	8,348,815,871
<i>Vietnam Electricity Construction Joint Stock Corporation</i>	<i>2,198,714,744</i>	<i>1,679,626,774</i>
<i>Accrued interest on overdue payments</i>	<i>11,535,025,462</i>	<i>3,426,269,398</i>
<i>Other interest payable</i>	<i>233,586,906</i>	<i>-</i>
<i>Advance payments payable</i>	<i>3,111,581,290</i>	<i>3,157,445,199</i>
<i>Others</i>	<i>1,211,409,078</i>	<i>85,474,500</i>
<b>Total</b>	<b>20,547,246,486</b>	<b>11,373,729,040</b>
<i>In which, the overdue unpaid debt:</i>		
<b>Overdue interest on loans</b>	<b>11,768,612,368</b>	<b>3,426,269,398</b>
<b>Social insurance</b>	<b>2,067,283,510</b>	<b>2,842,888,673</b>
<i>In which:</i>		
<b>Other payables from related parties</b>	<b>2,198,714,744</b>	<b>1,679,626,774</b>
<i>(Details in Note 7.2)</i>		



**VNECO 8 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY**

10 Dao Duy Tu, Thong Nhat Ward  
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**Form B 09 - DN**  
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December 22, 2014 of the Ministry of Finance

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.16 Borrowings and finance lease liabilities**

	31 December 2024 (VND)		In year (VND)		01 January 2024 (VND)	
	Carrying value	Repayable amount	Increase	Decrease	Carrying value	Repayable amount
<b>Short-term borrowings</b>	60,598,789,223	60,598,789,223	1,390,000,000	13,274,380,401	72,483,169,624	72,483,169,624
Vietnam Joint Stock Commercial Bank for Investment and Development - Dak Lak Branch (1)	24,568,000,000	24,568,000,000	-	-	24,568,000,000	24,568,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 4, Ho Chi Minh City (3)	28,449,619,599	28,449,619,599	-	11,550,380,401	40,000,000,000	40,000,000,000
Individual entities (2)	6,597,500,000	6,597,500,000	1,390,000,000	1,724,000,000	6,931,500,000	6,931,500,000
MALBLUE Joint Stock Company (4)	983,669,624	983,669,624	-	-	983,669,624	983,669,624
<b>Long-term loan due for repayment</b>	42,136,701	42,136,701	-	-	42,136,701	42,136,701
Vietnam Joint Stock Commercial Bank for Investment and Development - Dak Lak Branch (5)	42,136,701	42,136,701	-	-	42,136,701	42,136,701
<b>Total</b>	<b>60,640,925,924</b>	<b>60,640,925,924</b>	<b>1,390,000,000</b>	<b>13,274,380,401</b>	<b>72,525,306,325</b>	<b>72,525,306,325</b>

The details of the overdue loans and financial lease liabilities that have not been settled are as follows:

	As at 31 December 2024 (VND)		As at 01 January 2024 (VND)	
	Principal	Interest	Principal	Interest
Vietnam Joint Stock Commercial Bank for Investment and Development - Dak Lak Branch	24,610,136,701	5,701,522,839	24,568,000,000	1,906,466,639
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 4, Ho Chi Minh City	28,449,619,599	5,810,314,470	40,000,000,000	1,519,802,759
MALBLUE Joint Stock Company	983,669,624	125,008,015	-	-
Individual entities	6,597,500,000	121,832,877	-	-
<b>Total</b>	<b>60,640,925,924</b>	<b>11,758,678,201</b>	<b>64,568,000,000</b>	<b>3,426,269,398</b>

**VNECO 8 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY**

10 Dao Duy Tu, Thong Nhat Ward  
Buon Ma Thuot City, Dak Lak Province, Vietnam

**Form B 09 - DN**  
Issued under Circular No. 200/2014/TT-BTC  
December 22, 2014 of the Ministry of Finance

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.16 Borrowings and finance lease liabilities (Continued)****(1) Short-term loan at Vietnam Joint Stock Commercial Bank for Investment and Development - Dak Lak Branch**

Contract number: Credit agreement number 01/2022/717952/HDTD dated 31 May 2022, with a limit of VND 60,000,000,000 of which the short-term borrowing limit is VND 30,000,000,000 and the guarantee and L/C opening limit is VND 30,000,000,000.

Borrowing purpose: Supplement working capital, provide guarantees, and open L/C

Maturity of the contract: Limit issuance period: from the date of signing the contract until 31 May 2023.

Interest rate: The interest rate is determined in each specific credit agreement according to the bank's interest rate policy for each period.

Method of security: Mortgage/pledge/guarantee/deposit contracts (collectively referred to as Guarantee Contracts) entered into before, on the same day, or after the date of this Agreement, in which the terms regarding the scope of security of the Guarantee Contracts include this Agreement

Principle balance as at 31 December 2024: Mortgage contract number 01/2018/717952/HDDDB dated June 5, 2018, and the amendment document dated 02 June 2021  
VND 24,568,000,000 .

**(2) Short-term loan from individuals**

Contract number: Capital arrangement contracts between the Company and individuals;

Borrowing purpose: Borrowing for the construction of electrical works

Maturity of the contract: Until 31 December 2023;

Interest rate: Depending on each contract, there will be different interest rates;

Method of security: No collateral;

Principle balance as at 31 December 2024: VND 6,597,500,000



**VNECO 8 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY**

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.16 Borrowings and finance lease liabilities (Continued)**

**(3) Short-term loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 4, Ho Chi Minh City**

Contract number: Credit limit agreement number 01/2022-HĐCVHM/NHCT908-VNECO8 dated 12 May 2022 with a loan limit of VND 40,000,000,000

Borrowing purpose: Supplement working capital for the Company's business operations.

The limit maintenance period is from 12 May 2022 to 12 May 2023

Maturity of the contract: The loan term for each debt is calculated from the day following the disbursement date by the lender until the day the borrower must repay the full principal and interest. The loan term for each debt is stated on the debt acknowledgment letter but shall not exceed 6 months per Debt Acknowledgment Letter.

1) The interest rate for the term loan of each debt is the rate specified in each Debt Acknowledgment Letter and is effective from the disbursement date until the interest rate is adjusted

2) The interest rate for overdue principal: The borrower must pay interest on the overdue principal balance for the delay period, at an interest rate of 150% of the applicable term loan interest rate at the time the debt becomes overdue

3) Late payment interest rate: In the event that the borrower fails to pay any interest in full and on time according to this Agreement, they must pay late payment interest at a rate of 10% per year, calculated on the overdue interest balance for the corresponding delay period.

Pledge agreement for negotiable instruments number 02/2021/HĐBĐ/NHCT908-VNECO 8 dated 13 May 2021.

Pledge agreement for negotiable instruments number 04/2021/HĐTC BDS/NHCT908-VNECO 8 dated 5 November 2021

Pledge agreement for negotiable instruments number 03/2021/HĐTC BDS/NHCT908-VNECO 8 dated 5 November 2021

And any amendments or supplements (if any).

VND 28,449,619,599

Principle balance as at 31  
December 2024:

**VNECO 8 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY**

10 Dao Duy Tu, Thong Nhat Ward  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.16 Borrowings and finance lease liabilities (Continued)**

**(4) Short-term loan from Malblue Joint Stock Company**

Contract number: Capital arrangement agreement number 01/2023/HĐTXV/MBL-VE8 dated 27 July 2023, with a capital arrangement amount of VND 5,000,000,000.

Borrowing purpose: Supplement the insufficient working capital in order to accelerate the progress of the projects: ĐZ 110kV Phu My - My Thành - Phu Cat - An Nhon.

Loan disbursement period: Within a period of 8 months from the date of funds transfer

Interest rate: 12,5% per annum

Method of security: Unsecured loan

Principle balance as at 31 December 2024: VND 983,669,624

**(5) Long-term loan from Vietnam Joint Stock Commercial Bank for Investment and Development - Dak Lak Branch**

Contract number: Credit agreement number 01/2019/717952/HĐTD dated 28 January 2019, with a loan amount of VND 640,000,000

Borrowing purpose: Payment for the purchase of a brand-new truck (with a crane) 100%, brand MAZ

Maturity of the contract: 60 months (until the end of 28 January 2024)

Interest rate: Floating interest rate, adjusted every 6 months on January 1st and July 1st each year.

Method of security: Mortgage/pledge/guarantee/deposit contracts (collectively referred to as Guarantee Contracts) entered into before, on the same day, or after the date of this Agreement, in which the terms regarding the scope of security of the Guarantee Contracts include this Agreement.

Principle balance as at 31 December 2024: VND 42,136,701



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.17 Owners' equity****a. Changes of owners' equity**

Unit: VND

	Legal capital	Development and Investment Fund	Retained profits	Total
As at 01 January 2023	18,000,000,000	509,956,126	(5,591,012,284)	12,918,943,842
Loss in the previous year	-	-	(11,842,154,655)	(11,842,154,655)
As at 31 December 2023	18,000,000,000	509,956,126	(5,591,012,284)	12,918,943,842
As at 01 January 2024	18,000,000,000	509,956,126	(5,591,012,284)	12,918,943,842
Loss in the current year	-	-	(20,284,308,023)	(20,284,308,023)
As at 31 December 2024	18,000,000,000	509,956,126	(25,875,320,307)	(7,365,364,181)

**b. Details of owners' equity**

Stt	Name	As at 31 December 2024			As at 01 January 2024		
		VND	Ratio (%)	Share capital	VND	Ratio (%)	Share capital
1	Vietnam Electricity Construction Joint Stock Corporation	10,068,090,000	55.93%	1,006,809	10,068,090,000	55.93%	1,006,809
2	Others	7,931,910,000	44.07%	793,191	7,931,910,000	44.07%	793,191
	<b>Total</b>	<b>18,000,000,000</b>	<b>100%</b>	<b>1,800,000</b>	<b>18,000,000,000</b>	<b>100%</b>	<b>1,800,000</b>

**c. Capital transactions with shareholders and dividends**

	Year 2024 VND	Year 2023 VND
Opening balance	18,000,000,000	18,000,000,000
Increased during the year	-	-
Decreased during the year	-	-
Closing balance	18,000,000,000	18,000,000,000

**d. Shares**

	31 December 2024 Shares	01 January 2024 Shares
Quantity of issued shares	1,800,000	1,800,000
Common shares	1,800,000	1,800,000
Outstanding shares	1,800,000	1,800,000
Common shares	1,800,000	1,800,000
Par value of outstanding shares (VND/ shares)	10,000	10,000

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**6. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT****6.1 Revenues from sales and services rendered**

	Year 2024 VND	Year 2023 VND
Revenue from commercial	-	17,783,055,791
Revenue from sales of goods	86,812,000	696,760,910
Revenue from construction contract	27,250,816,704	15,227,412,079
Others	237,311,899	219,759,189
<b>Total</b>	<b>27,574,940,603</b>	<b>33,926,987,969</b>

*In which:**Revenues from related parties*

73,814,526

1,969,476,969

*(Details in Note 7.2)***6.2 Cost of goods sold**

	Year 2024 VND	Year 2023 VND
Cost of commercial	-	17,728,277,433
Cost of sales of goods	149,167,174	1,060,840,730
Cost of construction contract	36,927,090,361	17,560,833,350
Others	187,078,604	134,067,655
<b>Total</b>	<b>37,263,336,139</b>	<b>36,484,019,168</b>

**6.3 Financial income**

	Year 2024 VND	Year 2023 VND
Interest income from deposits	27,342,885	584,577,810
<b>Total</b>	<b>27,342,885</b>	<b>584,577,810</b>

**6.4 Financial expenses**

	Year 2024 VND	Year 2023 VND
Interest expense	8,414,328,457	7,077,877,136
<b>Total</b>	<b>8,414,328,457</b>	<b>7,077,877,136</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**6.5 General administrative expenses**

	Year 2024	Year 2023
	VND	VND
Employee expenses	1,333,207,290	2,118,393,579
Office supplies expenses	53,574,151	49,255,832
Charges and fee	220,124,364	142,162,763
Provision expenses	318,625,000	-
Outsourcing expenses	57,045,787	182,776,022
Other cash expense	110,152,953	232,418,634
<b>Total</b>	<b>2,092,729,545</b>	<b>2,725,006,830</b>

**6.6 Other profits**

	Year 2024	Year 2023
	VND	VND
<i>Other income</i>	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>Other expenses</i>		
Handling the work in progress	82,045,872	-
Remaining value of disposed assets	13,943,981	-
Administrative penalties	20,207,517	66,817,300
<b>Total</b>	<b>116,197,370</b>	<b>66,817,300</b>
<b>Other profits</b>	<b>(116,197,370)</b>	<b>(66,817,300)</b>

**6.7 Production and business expenses by factors**

	Year 2024	Year 2023
	VND	VND
Raw material expenses	2,474,096,115	8,711,019,778
Employee expenses	1,448,269,324	5,135,678,869
Amortization and Depreciation expenses	1,214,057,853	1,419,004,625
Outsourcing expenses	27,734,890,980	7,647,175,469
Other cash expenses	383,448,632	1,311,660,708
<b>Total</b>	<b>33,254,762,904</b>	<b>24,224,539,449</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**6.8 Current corporate income tax expenses**

	Year 2024 VND	Year 2023 VND
Total net profit before tax	(20,284,308,023)	(2,675,618,885)
Adjustment to increase profit before tax	8,434,535,974	2,382,819,305
Administrative violation fines	20,207,517	66,817,300
Interest expense not deductible according to Decree 132/2020/ND-CP	8,414,328,457	2,316,002,005
Adjustments to decrease profit before tax	-	-
Taxable profit	(11,849,772,049)	(292,799,580)
Taxable income	-	-
Corporate Income Tax rate	20%	20%
Current corporate income tax expense	-	-

**6.9 Basic earnings per share**

	Year 2024 VND	Year 2023 VND
Profit after corporate income tax (VND)	(20,284,308,023)	(11,842,154,655)
Profit/loss used to calculate basic earnings per share	(20,284,308,023)	(11,842,154,655)
Average number of outstanding shares in the year	1,800,000	1,800,000
Basic earnings per shares (VND/ share)	(11,269)	(6,579)

**6.10 Diluted earnings per share**

	Year 2024 VND	Year 2023 VND
Profit after corporate income tax (VND)	(20,284,308,023)	(11,842,154,655)
Profit used to calculate diluted earnings per share	(20,284,308,023)	(11,842,154,655)
Quantity of outstanding common share	1,800,000	1,800,000
Quantity of additional common share scheduled to be issued (i)	1,800,000	-
Quantity of common share used to calculate diluted earnings per share	3,600,000	1,800,000
Diluted earnings per shares (VND/ share)	(5,635)	(6,579)

(i) According to Resolution No. 07-10 NQ/VNECO8-HĐQT dated 7 October 2024, regarding the preparation of the shareholder list and the organization of an extraordinary General Meeting of Shareholders, the Company plans to increase its charter capital from VND 18 billion to VND 36 billion through a private placement of shares to certain strategic investors.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**7. OTHER INFORMATION****7.1. Subsequent events**

On 7 January 2025, the Company received a notice regarding the acceptance of the case by the People's Court of Buon Ma Thuot City, Dak Lak Province. According to the notice, Vietnam Joint Stock Commercial Bank for Industry and Trade filed a lawsuit against the Company for delayed payment of principal debt amounting to VND 28,449,619,599, interest within the term of VND 5,575,699,917, and overdue interest as per the terms of the signed credit agreement from 27 November 2024, until the debt is fully repaid. As of the date of the Financial Statements, the Company has not received the final conclusion as the People's Court is still handling the case.

Apart from the above event, there are no other significant events occurring after the end of the accounting period that require adjustment or disclosure in the Company's Financial Statements for the fiscal year ended 31 December 2024.

**7.2. Information of related parties**

In the year, the Company has transactions with related parties as follows:

**a. List of related parties**

<b>Related Parties</b>	<b>Relationship</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company
VNECO 10 Electricity Construstion JSC	Associate of holding company
VNECO - RME JSC	Same parent company
VNECO 12 Electricity Construstion JSC	Same parent company
VNECO 3 Electricity Construstion JSC	Associate of holding company
VNECO 4 Electricity Construstion JSC	Same parent company
VNECO 8 Electricity Construstion JSC	Same parent company
Thuan Nhlen Phong 1 Wind Power Co., Ltd	Same parent company
VNECO - Hoa Thang Solar Power Co., Ltd	Same parent company
South Central Coast VNECO One Member Co., Ltd	Same parent company
VNECO Investment Co., Ltd	Same parent company
VNECO Power Construction One Member Co., Ltd	Same parent company
Members of Boards of Management, Supervisors, Directors, other managers and their immediate family members	Significant influence

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**7.2 Information of related parties (Continued)****b. Remuneration for Boards of Management, Supervisors and Directors**

Related parties	Nature of transaction	Year 2024 VND	Year 2023 VND
Remuneration for Boards of Management, Supervisors and Directors	Salary, remuneration	289,944,000	367,676,704

Related parties	Position	Year 2024 VND	Year 2023 VND
<b>Board of Management</b>		-	<b>102,000,000</b>
Mr. Le Van Khoi	Chairman	-	24,000,000
Mr. Nguyen Cong Dieu	Member	-	18,000,000
Ms. Nguyen Thi Hoa	Member (Dismissed from 29 June 2024)	-	18,000,000
Mr. Vo Quang	Head of the Board	-	18,000,000
Ms. Nguyen Thi Bich Huong	Member (Dismissed from 29 June 2024)	-	12,000,000
Mr. Tran Ngoc Bau	Member	-	12,000,000
<b>Board of Directors</b>		<b>260,138,000</b>	<b>155,137,138</b>
Mr. Nguyen Cong Dieu	Director	260,138,000	66,201,989
Mr. Do Chien Thang	Deputy Director (Dismissed from 01 January 2024)	-	43,871,429
Mr. Dang Phuong	Deputy Director (Dismissed from 01 January 2024)	-	45,063,720
<b>Board of Supervisors</b>		<b>29,806,000</b>	<b>110,539,566</b>
Ms. Nguyen Thi Hoa	Member (Dismissed from 29 June 2024)	29,806,000	35,904,964
Ms. Nguyen Thi Bich Huong	Member (Dismissed from 29 June 2024)	-	40,863,301
Mr. Tran Ngoc Bau	Member	-	33,771,301

**c. Transactions with related parties**

Related parties	Relationship	Nature of transaction	Year 2024 VND	Year 2023 VND
<b>Selling</b>			<b>73,814,526</b>	<b>1,969,476,969</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	Sales and providing services	73,814,526	1,969,476,969
<b>Purchasing</b>			<b>81,376,000</b>	<b>928,545,243</b>
VNECO 10 Electricity Construction JSC	Associate of holding company	Purchase goods and services	81,376,000	507,878,880
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	Purchase goods and services	-	358,195,264
VNECO 12 Electricity Construction JSC	Same parent company	Purchase goods and services	-	62,471,099
<b>Other transactions</b>			<b>519,087,970</b>	<b>131,918,533</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	Payment of interest on capital arrangement	519,087,970	131,918,533



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**7.2 Information of related parties (Continued)****d. Related Party Balance (Continued)**

Related parties	Relationship	31 December 2024	01 January 2024
		VND	VND
<b>Receivables from customers</b>		<b>23,760,000</b>	<b>23,760,000</b>
VNECO 12 Electricity Constrution JSC	Same parent company	23,760,000	23,760,000
<b>Other receivables</b>		<b>35,176,423</b>	<b>35,176,423</b>
VNECO 12 Electricity Constrution JSC	Same parent company	35,176,423	35,176,423
<b>Short-term trade payables</b>		<b>1,103,775,160</b>	<b>1,519,779,050</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	343,524,790	897,414,760
VNECO 10 Electricity Constrution JSC	Associate of holding company	641,746,608	503,860,528
VNECO 12 Electricity Constrution JSC	Same parent company	118,503,762	118,503,762
<b>Long-term trade payables</b>		<b>468,538,130</b>	<b>468,538,130</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	468,538,130	468,538,130
<b>Other payments</b>		<b>2,198,714,744</b>	<b>1,679,626,774</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	2,198,714,744	1,679,626,774
<b>Prepayments from customers</b>		<b>3,029,829,107</b>	<b>2,974,548,795</b>
Vietnam Electricity Construction Joint Stock Corporation	Holding Company	3,029,829,107	2,974,548,795

**7.3. Comparative figures**

Comparative figures are taken from the financial statements for the year ended 31 December 2023 which are audited by ECOVIS AFA VIETNAM Auditing - Valuation and Consulting Company Limited.

Buon Ma Thuot City, 24 March 2025

**Preparer****Accountant in charge****Director**

**Trinh Van Quang**

**Trinh Van Quang****Nguyen Cong Dieu**