

**SONGHONG JOINT STOCK CORPORATION**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2024**

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## SONGHONG JOINT STOCK CORPORATION

No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi

### STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Songhong Joint Stock Corporation presents this report together with the Corporation's Audited Consolidated Financial Statements for the year ended 31<sup>st</sup> December 2024.

#### CORPORATION

Songhong Joint Stock Corporation (hereinafter referred to as the "Corporation") is the successor of a state-owned enterprise established under Decision No. 2410/QĐ-BXD dated December 30, 2005 and Decision No. 1219/QĐ-BXD dated August 25, 2006 issued by the Minister of Construction, based on the reorganization of Song Hong Construction Corporation pursuant to Business Registration Certificate No. 110561 issued by the Department of Planning and Investment of Phu Tho Province. The Corporation was granted the Enterprise Registration Certificate No. 2600104283 by the Hanoi Department of Planning and Investment for the first time on June 2, 2010, and changed for the 8<sup>th</sup> time on October 15, 2024.

Abbreviated name: Songhong Corp.

The Corporation's Charter capital under the Certificate of Business Registration number 2600104283 changed for the 8<sup>th</sup> time on October 15, 2024 is VND 270,000,000,000 (In Word: Two hundred seventy billion Vietnamese Dong), divided into 27,000,000 shares with a par value of VND 10,000 per share.

The Corporation's stock is currently listed on the UpCOM Stock Exchange with stock code: SHG

The Corporation's shares are subject to trading restrictions on the UpCOM trading system pursuant to Decision No. 1133/QĐ-SGDHN dated October 21, 2024, issued by the Hanoi Stock Exchange.

The Corporation's registered office is located at: No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi.

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

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

##### Board of Management

Mr. Phan Viet Anh	Chairman (Appointed Chairman and Dismissed Member of Board of Management from 01/10/2024)
Mr. Tran Huyen Linh	Chairman (Dismissed from 01/10/2024)
Mr. Le Xuan Thi	Vice Chairman
Mr. Dang Minh Quang	Member (Appointed from 17/02/2024)
Mr. Pham Xuan Vinh	Member (Appointed from 17/02/2024)
Mr. Pham Van Nghia	Member (Dismissed from 17/02/2024)

##### Board of Supervisors

Mr. Cao Tien Trung	Head of the Board (Appointed from 17/02/2024)
Mrs. Vu Thi Kim Thanh	Member (Appointed from 17/02/2024)
Mrs. Le Thi Hong Hanh	Member (Appointed from 17/02/2024)

##### Board of General Directors

Mr. Dang Minh Quang	General Director (Appointed from 01/10/2024)
Mr. Phan Viet Anh	General Director (Dismissed from 01/10/2024)
Mr. Nguyen Duc Toan	Deputy General Director (Dismissed from 08/08/2024)
Mr. Tran Phi Hoang	Deputy General Director
Mr. Nguyen Minh Quan	Deputy General Director
Mr. Tran Anh Tai	Deputy General Director (Dismissed from 17/03/2025)
Mr. Trinh Xuan Duong	Deputy General Director



## SONGHONG JOINT STOCK CORPORATION

No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi

### STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONTINUED)

#### SUBSEQUENT EVENTS

According to the Board of General Directors, except for the event disclosed in Note 7.3 to The Consolidated 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 Corporation which would require adjustments to or disclosures to be made in the Consolidated Financial Statements for the year ended 31<sup>st</sup> December 2024.

#### AUDITORS

The Corporation's Consolidated financial statements for the year ended 31<sup>st</sup> December 2024 have been audited by CPA VIETNAM Auditing Company limited - A Member Firm of INPACT.

#### RESPONSIBILITY OF THE BOARD OF GENERAL DIRECTORS

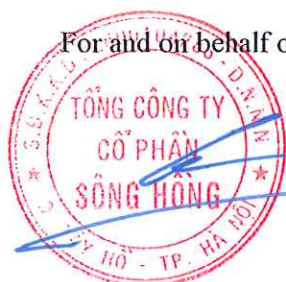
The Corporation's Board of General Directors is responsible for preparing the Consolidated Financial Statements, which give a true and fair view of the financial position of the Corporation as at 31/12/2024 as well as of its Consolidated Income and Consolidated Cash flows Statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Enterprise Accounting System and relevant regulations in preparation and disclosure of financial statements. In preparing these Consolidated financial statements, the Board of General 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 Consolidated Financial Statements;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Consolidated Financial Statements are free from material misstatements due to frauds or errors;
- Prepare the Consolidated Financial Statements of the Corporation on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

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

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

For and on behalf of the Board of General Directors,



**Dang Minh Quang**  
General Director  
Hanoi, 22 May 2025



**Head Office in Hanoi:**

8<sup>th</sup> floor, VG Building, No. 235 Nguyen Trai Str.,  
Thanh Xuan Dist., Hanoi, Vietnam

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No: 175/2025/BCKTHN-CPA VIETNAM-NVI

**INDEPENDENT AUDITORS' REPORT**

**To:**                    **Boards of Management, Supervisors and General Directors**  
                         **Songhong Joint Stock Corporation**

We have audited the accompanying Consolidated financial statements of Songhong Joint Stock Corporation as set out on pages 06 to page 43, prepared on 22/05/2025 including the Consolidated Balance Sheet as at 31/12/2024, and the Consolidated Income Statement, and Consolidated Cash flows Statement for the year then ended, and Notes to the Consolidated financial statements.

**Responsibility of the Board of General Directors**

The Corporation's Board of General Directors is responsible for the true and fair preparation and presentation of these Consolidated financial statements in compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the Consolidated financial statements, and for the internal control as the Board of General Directors determines is necessary to enable the preparation of Consolidated 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 Consolidated 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 Corporation's Consolidated 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 Corporation'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 Corporation'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 Consolidated financial statements.

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

**Basis for Qualified Opinion**

We were unable to obtain sufficient confirmations for the receivables totaling VND 127.7 billion of the Corporation and its subsidiaries as at 31 December 2024 (including trade receivables of VND 54.9 billion, repayments to suppliers of VND 17 billion, and other receivables of VND 55.8 billion); and VND 117.6 billion as at 31 December 2023 (including trade receivables of VND 51.3 billion, repayments to suppliers of VND 16.5 billion, and other receivables of VND 49.8 billion). Although we performed alternative audit procedures, we were also unable to obtain sufficient appropriate audit evidence regarding the existence, accuracy, completeness, and collectability of these receivables as at 31 December 2024. Accordingly, we were unable to express an opinion on the existence, accuracy, completeness, and collectability of these receivables as at 31 December 2024 or on the potential impact of these matters on the Corporation's Consolidated financial statements for the year then ended.



We were unable to obtain sufficient confirmations for the payables totaling VND 355 billion of the Corporation and its subsidiaries as at 31 December 2024 (including trade payables of VND 166.2 billion, prepayments from customers of VND 67.2 billion, other payables of VND 77 billion, and short-term borrowings of VND 44.6 billion); and VND 350.2 billion as at 31 December 2023 (including trade payables of VND 156.7 billion, prepayments from customers of VND 67.3 billion, other payables of VND 77.4 billion, and short-term borrowings of VND 48.8 billion). Although we performed alternative audit procedures, we were also unable to obtain sufficient appropriate audit evidence regarding the completeness, existence, and accuracy of these payables as at 31 December 2024. Accordingly, we were unable to express an opinion on the completeness, existence, and accuracy of these payables or on the potential impact of this matter on the Corporation's Consolidated financial statements for the year then ended.

Due to limitations imposed by the subsidiaries, the auditors were not able to attend the physical inventory counts conducted by the subsidiaries as at December 31, 2024. Based on the information provided and the alternative audit procedures performed, we were still unable to assess the existence, completeness, and valuation of inventories amounting to VND 207.7 billion as at December 31, 2024 (VND 211.2 billion as at December 31, 2023), as well as the required allowance for inventory obsolescence in the accompanying consolidated financial statements of the Corporation. Accordingly, we are unable to express an opinion on the existence, completeness, and valuation of such inventories, or on the required allowance for inventory obsolescence and their impact on other items in the consolidated financial statements of the Corporation for the year ended December 31, 2024.

The Corporation has not obtained the financial statements for the year ended December 31, 2024 of Song Hong Da Nang Joint Stock Company, a subsidiary of the Corporation, as the company has ceased operations and has no management or accounting personnel. The data used for consolidation was based on the unaudited financial statements for the year ended December 31, 2016, in which total assets amounted to VND 50.97 billion, total liabilities were VND 62.05 billion, and equity was negative VND 11.07 billion. Therefore, we are unable to assess the appropriateness of such data, and accordingly, we are unable to express an opinion on the fair value of the aforementioned investment or determine whether any adjustments to these balances are necessary.

The Corporation has not obtained the financial statements for the year ended December 31, 2024 of its associates with a total investment value of VND 114.5 billion (VND 19.0 billion as at December 31, 2023), and of other long-term investees with a total investment value of VND 5.9 billion (VND 1.69 billion as at December 31, 2023). As a result, we are unable to express an opinion on the existence and valuation of these financial investments or on their impact on other items in the consolidated financial statements of the Corporation for the year ended December 31, 2024.

As disclosed in Note 5.7 to the Consolidated Financial Statements, the balance of construction-in-progress for the Vung Ang I Thermal Power Plant Project was VND 166.71 billion as at 31 December 2024 (and VND 166.71 billion as at 31 December 2023). Due to changes in design and unit prices, the Corporation and the EPC contractor – Vietnam Machinery Installation Corporation – are currently reconciling the additional work volume executed by the Corporation. In addition, interest expenses recoverable from subcontractors will also be adjusted upon agreement between the Corporation and those subcontractors. The auditors were unable to estimate the potential impact of these matters on the Corporation's Consolidated financial statements for the year ended 31 December 2024.

### **Qualified Opinion**

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" section, the accompanying Consolidated financial statements present fairly, in all material respects, the financial position of Songhong Joint Stock Corporation as at December 31, 2024, and its financial performance and cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, and applicable legal regulations concerning the preparation and presentation of Consolidated financial statements.



*Emphasis of Matter*

As disclosed in Note 4 to the Consolidated Financial Statements, as at 31 December 2024, the Corporation's current liabilities exceeded its current assets by VND 1,095.74 billion. For the financial year then ended, net cash flows from operating activities amounted to negative VND 1.09 billion. The Corporation had accumulated losses of VND 1,337.18 billion and a negative equity of VND 1,031.5 billion as at 31 December 2024. The Corporation's ability to continue as a going concern depends on the recovery of receivables, the improvement of leasing business performance, and financial support from shareholders. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Corporation's ability to continue as a going concern.

As disclosed in Note 5.16 to the Consolidated Financial Statements, the item "Accrued expenses" as at 31 December 2024 includes accrued cost of sales for construction projects, which were recognised based on the subcontracting ratios stated in the subcontract agreements. According to the Corporation's assessment, these accrued expenses will be settled upon the finalisation of the projects with the respective subcontractors.

Our qualified opinion is not related to these matters.



A blue ink signature, likely of the auditor, written in a cursive style.

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**Phan Thanh Nam**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 1009-2023-137-1  
*Authorised paper No: 02/2025/UQ-CPA VIETNAM dated 02 January 2025 of Chairman*  
For and on behalf of  
**CPA VIETNAM AUDITING COMPANY LIMITED**  
A member firm of INPACT  
*Hanoi, 22 May 2025*

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**Luu Anh Tuan**  
**Auditor**  
Audit Practising Registration Certificate  
No. 1026-2024-137-1



**CONSOLIDATED BALANCE SHEET**

As at 31<sup>st</sup> December 2024

ASSETS	Code	Note	31/12/2024	01/01/2024
			VND	VND
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>790,211,456,089</b>	<b>934,138,028,951</b>
(100 = 110+120+130+140+150)			-	-
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>3,194,747,607</b>	<b>142,269,240,338</b>
1. Cash	111		3,194,747,607	142,269,240,338
<b>II. Short-term financial investments</b>	<b>120</b>		<b>400,000,000</b>	<b>400,000,000</b>
1. Short-term financial investments	123		400,000,000	400,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>366,622,017,728</b>	<b>367,700,609,283</b>
1. Short-term receivables from customers	131	5.2	165,172,706,906	170,020,071,780
2. Prepayments to suppliers in short-term	132	5.3	279,707,127,474	280,523,604,747
3. Other short-term receivables	136	5.4	193,669,544,299	193,694,631,436
4. Short-term allowances for doubtful debts	137	5.5	(277,650,985,880)	(282,261,323,609)
5. Shortage of assets awaiting resolution	139	5.6	5,723,624,929	5,723,624,929
<b>IV. Inventories</b>	<b>140</b>	<b>5.7</b>	<b>407,645,257,829</b>	<b>411,134,223,761</b>
1. Inventories	141		407,645,257,829	411,134,223,761
<b>V. Other current assets</b>	<b>150</b>		<b>12,349,432,925</b>	<b>12,633,955,569</b>
1. Short-term prepaid expenses	151	5.8	3,107,984,225	3,109,039,791
2. Deductible value added tax	152		8,608,910,396	8,374,960,145
3. Taxes and other receivables from, payables to the State	153	5.9	632,538,304	1,149,955,633
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>100,060,970,671</b>	<b>178,974,891,046</b>
(200 = 210+220+230+240+250+260)			-	-
<b>I. Long-term receivables</b>	<b>210</b>		<b>44,494,017,064</b>	<b>44,494,017,064</b>
1. Long-term trade receivables	216	5.4	44,494,017,064	44,494,017,064
<b>II. Fixed assets</b>	<b>220</b>		<b>2,525,063,680</b>	<b>2,788,544,109</b>
1. Tangible fixed assets	221	5.12	2,525,063,680	2,788,544,109
- Historical costs	222		67,837,314,399	77,459,476,896
- Accumulated depreciation	223		(65,312,250,719)	(74,670,932,787)
2. Intangible fixed assets	227		-	-
- Historical costs	228		10,700,000	10,700,000
- Accumulated depreciation	229		(10,700,000)	(10,700,000)
<b>III. Investment properties</b>	<b>230</b>	<b>5.10</b>	-	-
1. Historical costs	231		55,396,530,173	55,396,530,173
2. Accumulated depreciation	232		(55,396,530,173)	(55,396,530,173)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>37,969,757,459</b>	<b>37,969,757,459</b>
1. Construction in progress	242	5.11	37,969,757,459	37,969,757,459
<b>V. Long-term investments</b>	<b>250</b>	<b>5.13</b>	<b>14,196,107,029</b>	<b>92,991,693,304</b>
1. Investments in joint ventures and associates	252		9,546,707,029	86,172,579,362
2. Investments in equity of other entities	253		7,886,400,000	11,215,113,942
3. Allowances for long-term investments	254		(3,237,000,000)	(4,396,000,000)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>876,025,439</b>	<b>730,879,110</b>
1. Long-term prepaid expenses	261	5.8	876,025,439	730,879,110
<b>TOTAL ASSETS</b>	<b>270</b>		<b>890,272,426,760</b>	<b>1,113,112,919,997</b>
(270 = 100+200)				

**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31<sup>st</sup> December 2024

RESOURCES	Code Note	31/12/2024 VND	01/01/2024 VND
<b>C- LIABILITIES (300 = 310+330)</b>	<b>300</b>	<b>1,921,769,984,786</b>	<b>2,143,499,315,100</b>
<b>I. Short-term liabilities</b>	<b>310</b>	<b>1,885,947,182,694</b>	<b>1,895,196,663,135</b>
1. Short-term trade payables	311 5.14	254,419,402,443	254,980,001,644
2. Short-term prepayments from customers	312 5.15	82,875,479,764	72,994,558,878
3. Taxes and other payables to government budget	313 5.9	29,122,839,226	31,241,591,022
4. Payables to employees	314	17,522,327,239	17,422,773,314
5. Short-term accrued expenses	315 5.16	877,690,771,778	940,051,417,007
6. Short-term unearned revenues	318	2,810,725,581	5,539,781,818
7. Other short-term payments	319 5.17	318,951,454,518	259,482,207,530
8. Short-term borrowings and finance lease liabilities	320 5.19	301,939,558,237	312,869,708,014
9. Short-term provisions	321 5.18	401,091,346	401,091,346
10. Bonus and welfare fund	322	213,532,562	213,532,562
<b>II. Long-term liabilities</b>	<b>330</b>	<b>35,822,802,092</b>	<b>248,302,651,965</b>
1. Long-term trade payables	333 5.16	29,339,344,633	29,339,344,633
2. Other long-term payables	337 5.17	4,679,502,059	4,679,502,059
3. Long-term borrowings and finance lease liabilities	338 5.19	1,803,955,400	1,803,955,400
4. Long-term provisions	342 5.18	-	212,479,849,873
<b>D- OWNERS' EQUITY (400 = 410+430)</b>	<b>400</b>	<b>(1,031,497,558,026)</b>	<b>(1,030,386,395,103)</b>
<b>I. Owners' equity</b>	<b>410 5.20</b>	<b>(1,031,502,301,026)</b>	<b>(1,030,391,138,103)</b>
1. Contributed capital	411	270,000,000,000	270,000,000,000
- Ordinary shares with voting rights	411a	270,000,000,000	270,000,000,000
2. Capital surplus	412	24,126,376,429	24,126,376,429
3. Other capital	414	1,072,018,933	1,072,018,933
4. Treasury shares	415	(390,000,000)	(390,000,000)
5. Development and investment funds	418	26,413,502,573	26,413,502,573
6. Enterprise reorganization assistance fund	419	25,981,000	25,981,000
7. Other equity funds	420	6,158,136,532	6,158,136,532
8. Undistributed profit after tax	421	(1,337,180,063,185)	(1,336,244,766,456)
- Undistributed profit after tax brought forward	421a	(1,336,268,978,430)	(1,265,847,819,897)
- Undistributed profit after tax for the current year	421b	(911,084,755)	(70,396,946,559)
9. Non-controlling Interests	429	(21,728,253,308)	(21,552,387,114)
<b>II. Funding sources and other funds</b>	<b>430</b>	<b>4,743,000</b>	<b>4,743,000</b>
1. Funding sources	432	4,743,000	4,743,000
<b>TOTAL RESOURCES</b>	<b>440</b>	<b>890,272,426,760</b>	<b>1,113,112,919,997</b>
<b>(440 = 300+400)</b>			

Hanoi, 22 May 2025

Preparer

Deputy Manager of Finance  
and Accounting Department (In charge of)

General Director

Nguyen Thi Khanh Hau

Le Thi Hong Hanh

Dang Minh Quang



**CONSOLIDATED INCOME STATEMENT**

For the year ended 31 December 2024

(ITEMS)	Code	Note	Year 2024	Year 2023
			VND	VND
1. Revenues from sales and services rendered	01	6.1	12,007,159,186	8,995,873,211
2. Revenue deductions	02		-	-
3. Net revenues from sales and services rendered (10 = 01-02)	10		12,007,159,186	8,995,873,211
4. Costs of goods sold	11	6.2	6,082,268,582	1,503,026,752
5. Gross revenues from sales and services rendered (20 = 10-11)	20		5,924,890,604	7,492,846,459
6. Financial income	21	6.3	3,636,513,182	2,243,497,555
7. Financial expenses	22	6.4	100,103,858,728	63,564,820,709
<i>In which: interest expenses</i>	23		56,188,640,271	63,564,820,709
8. Share of profit or loss of associates and joint ventures	24		180,093,446	5,044,807,298
9. Selling expenses	25		-	-
10. General administrative expenses	26	6.5	7,276,265,554	25,504,247,054
11. Net profits from operating activities {30 = 20+(21-22)+24-(25+26)}	30		(97,638,627,050)	(74,287,916,451)
12. Other income	31	6.6	102,441,212,658	5,269,299,899
13. Other expenses	32	6.6	5,889,536,557	1,318,655,059
14. Other profits (40 = 31-32)	40		96,551,676,101	3,950,644,840
15. Total net profit before tax (50 = 30+40+45)	50		(1,086,950,949)	(70,337,271,611)
16. Current corporate income tax expenses	51		-	42,308,611
17. Deferred corporate income tax expenses	52		-	-
18. Profits after corporate income tax (60 = 50-51-52)	60		(1,086,950,949)	(70,379,580,222)
19. Profit after tax attributable to owners of the parent	61		(911,084,755)	(70,396,946,559)
20. Profit after tax attributable to non-controlling interests	62		(175,866,194)	17,366,337
21. Basic earnings per share	70	6.7	(33.8)	(2,611.1)

Preparer

Deputy Manager of Finance  
and Accounting Department (In charge of)

Hanoi, 22 May 2025  
General Director

Nguyen Thi Khanh Hau

Le Thi Hong Hanh

Dang Minh Quang



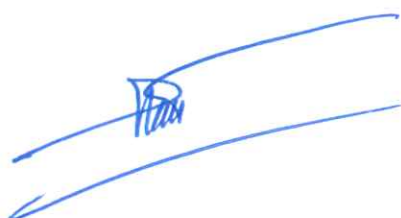
**CONSOLIDATED CASH FLOW STATEMENT**

*(Indirect method)*

For the year ended 31 December 2024

ITEM	CodeNote	Year 2024 VND	Year 2023 VND
<b>I. Net cash flows from operating activities</b>			
1. Profit before tax	01	(1,086,950,949)	(70,337,271,611)
2. Adjustments for:			
- Depreciation of fixed assets and investment properties	02	94,114,480	222,232,408
- Provisions	03	(5,769,337,729)	17,023,274,038
- Gains (losses) on investing activities	05	(25,224,924,331)	(2,243,497,555)
- Interest expenses	06	56,188,640,271	63,564,820,709
- Other adjustments	07	(6,700,000,000)	-
3. Operating profit before changes in working capital	08	17,501,541,742	8,229,557,989
- Increase (decrease) in receivables	09	85,625,832,860	(6,939,821,061)
- Increase (decrease) in inventories	10	3,488,965,932	(6,439,967,259)
- Increase (decrease) in payables	11	(266,842,666,833)	139,606,625,267
- Increase (decrease) in prepaid expenses	12	(144,090,763)	21,321,936
Net cash flows from operating activities	20	(160,370,417,062)	134,477,716,872
<b>II. Cash flows from investing activities</b>			
1. Proceeds from disposal or transfer of fixed assets and other long-term assets	22	247,138,048	359,000,000
2. Proceeds from equity investment in other entities	26	23,871,862,164	-
3. Proceeds from interests, dividends and distributed profits	27	1,105,924,119	1,098,582,277
Net cash flows from investing activities	30	25,224,924,331	1,457,582,277
<b>III. Cash flows from financial activities</b>			
1. Proceeds from borrowings	33	-	1,679,000,000
2. Repayment of principal	34	(3,929,000,000)	-
Net cash flows from financial activities	40	(3,929,000,000)	1,679,000,000
Net cash flows during the period (50 = 20+30+40)	50	(139,074,492,731)	137,614,299,149
Cash and cash equivalents at the beginning of the period	60	142,269,240,338	4,654,941,189
Cash and cash equivalents at the end of the period (70 = 50+60)	70 5.1	3,194,747,607	142,269,240,338

Preparer



Nguyen Thi Khanh Hau

Deputy Manager of Finance  
and Accounting Department (In charge of)



Le Thi Hong Hanh

Hanoi, 22 May 2025

General Director



Dang Minh Quang

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2024

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

Songhong Joint Stock Corporation is the successor of a state-owned enterprise established under Decision No. 2410/QĐ-BXD dated December 30, 2005 and Decision No. 1219/QĐ-BXD dated August 25, 2006 issued by the Minister of Construction, based on the reorganization of Song Hong Construction Corporation pursuant to Business Registration Certificate No. 110561 issued by the Department of Planning and Investment of Phu Tho Province. The Corporation was granted the Enterprise Registration Certificate No. 2600104283 by the Hanoi Department of Planning and Investment for the first time on June 2, 2010, and changed for the 8th time on October 15, 2024.

Abbreviated name: Songhong Corp.

The Corporation's Charter capital under the Certificate of Business Registration number 2600104283 changed for the 8th time on October 15, 2024 is VND 270,000,000,000 (In Word: Two hundred seventy billion Vietnamese Dong), divided into 27,000,000 shares with a par value of VND 10,000 per share.

The Corporation's stock is currently listed on the UpCOM Stock Exchange with stock code: SHG.

The Corporation's shares are subject to trading restrictions on the UpCOM trading system pursuant to Decision No. 1133/QĐ-SGDHN dated October 21, 2024, issued by the Hanoi Stock Exchange.

The Corporation's registered office is located at: No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi.

The total number of the Corporation's employees as at 31/12/2024 is 26 (as at 31/12/2023 is 29).

**1.2. Operating industries and principal activities**

- Construction of other civil engineering works;

Details: Execution of civil, industrial, transportation, irrigation, bridges, hydropower, telecommunication, foundation, urban and industrial infrastructure engineering works; construction of power transmission lines and transformer stations; offshore platform works, river ports, and seaports; installation of medical water systems, clean gas systems, laboratory equipment, and environmental treatment systems in healthcare facilities.

- Architectural and related engineering consultancy activities;
- Technical testing and analysis;
- Other professional, scientific, and technological activities not elsewhere classified;
- Real estate business, including ownership, use rights, or leased assets;
- Installation of electrical systems;
- Installation of other construction systems;
- Installation of water supply, drainage, heating, and air conditioning systems;
- Mechanical processing; metal treatment and coating;
- Wholesale of metals and metal ores;
- Installation of industrial machinery and equipment;
- General wholesale trade;
- Manufacture of electric wires, cables, and other electronic conductors;
- Rental of machinery, equipment, and other tangible goods;
- Wholesale of machinery, equipment, and spare parts;

The principal activities of the Corporation during the year: Leasing of premises and offices, and construction of civil engineering works.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**1.3. Normal operating cycle**

The Corporation's normal operating cycle is 12 months.

**1.4. Statement of information comparability on the Consolidated financial statements**

The Board of General Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and Vietnamese Enterprise Accounting 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 December 22, 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the Consolidated financial statements are comparable.



**SONGHONG JOINT STOCK CORPORATION**

No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi

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

For the year ended 31 December 2024

**1.5. The Corporation structure**

As at 31/12/2024, the Corporation has subsidiaries, associates as follows:

Name	Address	Major business lines	Voting Ratio (%)	Capital contribution ratio (%)	Benefit ratio (%)
<b>Subsidiaries</b>					
Song Hong An Duong One Member Limited Liability Company	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	100,00%	100,00%	100,00%
Song Hong Mechanization and Construction One Member Limited Liability Company	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	100,00%	100,00%	100,00%
Reenco Song Hong Investment Joint Stock Company	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	55,00%	66,31%	66,31%
Song Hong Civil and Infrastructure Construction JSC	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	55,00%	66,31%	66,31%
Song Hong Da Nang Joint Stock Company	61/3 Tieu La Street, Hoa Cuong Nam Ward, Hai Chau District, Da Nang City	Civil construction	65,00%	65,00%	65,00%
Song Hong Thang Long Joint Stock Company	No. 69, Group 18, Gia Sang Ward, Thai Nguyen City	Civil construction	55,73%	55,73%	55,73%
Song Hong Urban Consulting and Construction Joint Stock Company	No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi City	Architecture and technical consulting	51,00%	57,08%	57,08%
<b>Associates</b>					
Song Hong Steel Joint Stock Company	Doan Ket Street, Bach Hac Ward, Viet Tri City, Phu Tho Province	Steel production	32,9%	32,9%	32,9%
Song Hong Construction No. 1 Joint Stock Company	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	43,25%	43,25%	43,25%
Song Hong 36 Joint Stock Company	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	48,75%	48,75%	48,75%
Hanoi Transport Construction and Trading Investment Joint Stock Company	No.70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi	Civil construction	22,51%	20,00%	20,00%
Song Hong Import-Export and Construction JSC	No. 561, Hung Vuong Boulevard, Ben Got Ward, Viet Tri City, Phu Tho Province	Site preparation	21,00%	21,00%	21,00%
Song Hong Sai Gon Joint Stock Company	No. 36/6 Giai Phong Road, Ward 4, Tan Binh District, Ho Chi Minh City	Civil construction	37,98%	25,11%	25,11%
Song Hong 8 Joint Stock Company	No. 70, An Duong Street, Yen Phu Ward, Tay Ho District, Hanoi City	Civil construction	20,00%	20,00%	20,00%
Hanoi Song Hong Real Estate Joint Stock Company	3rd Floor, Sapphire Palace Building, No. 4 Chinh Kinh Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi City	Real estate business	22,51%	7,33%	7,33%
Song Hong Tay Do Joint Stock Company	243 Cai Son Hang Bang, An Binh Ward, Ninh Kieu District, Can Tho City	Civil construction	45,45%	45,45%	45,45%
Song Hong Construction Consulting Joint Stock Company	No. 164, Lo Duc Street, Dong Mac Ward, Hai Ba Trung District, Hanoi City	Technical consulting	21,00%	21,00%	21,00%



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

For the year ended 31 December 2024

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

The Corporation's fiscal year applicable for the preparation of its Consolidated financial statements starts on 1<sup>st</sup> January and ends on 31<sup>st</sup> December of solar year.

**Accounting currency**

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

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

The Corporation applied to Vietnamese Enterprise 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 March 21, 2016 amending and supplementing a number of articles of Circular 200/2014/TT- BTC dated December 22, 2014.

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

The Board of General Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and Vietnamese Enterprise Accounting System, which were issued to guide the preparation and presentation of the Consolidated financial Statements for the year ended 31 December 2024.

**Accounting Method applied**

The Corporation applies the journal voucher accounting form and maintains accounting records using computerized systems.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Basis of preparation of the Consolidated financial statements**

The consolidated financial statements of the Corporation are prepared in accordance with Circular 202/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance on Guidance on methods of preparing and presenting consolidated financial statements, specifically:

The accompanying consolidated financial statements are presented in Vietnamese Dong (VND), on the historical cost basis, and in compliance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations relating to the preparation and presentation of consolidated financial statements.

The consolidated financial statements have been prepared by consolidating the separate financial statements of the Corporation and the financial statements of subsidiaries controlled by the Corporation as of December 31 each year. Control is deemed to exist when the Corporation has the power to govern the financial and operating policies of the investees so as to obtain benefits from their activities. The accompanying consolidated financial statements have been prepared for the financial year ended December 31, 2024.

As at the date of closing the books for the preparation of the consolidated financial statements, the Corporation had not obtained the financial statements for the year ended December 31, 2024 of Song Hong Da Nang Joint Stock Company, a subsidiary of the Corporation, as the company has ceased operations and no longer has management or accounting personnel. The data used for consolidation was based on the unaudited financial statements for the financial year ended December 31, 2016.

The results of operations of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the date of acquisition or up to the date of disposal, respectively.

Where necessary, the financial statements of subsidiaries are adjusted to ensure that accounting policies applied are consistent with those adopted by the Corporation and other subsidiaries.



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

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Basis of preparation of the Consolidated financial statements (Continued)**

All intra-group transactions and balances between the Corporation and subsidiaries and among subsidiaries themselves have been eliminated in the consolidation process.

Non-controlling interests are presented separately in the consolidated balance sheet under equity. Non-controlling interests include the value of the interests held by minority shareholders at the date of initial business combination and their share of changes in the total equity of the subsidiary since the date of acquisition. Losses incurred by subsidiaries are allocated to non-controlling interests in proportion to their ownership, even if such allocation results in a deficit balance of non-controlling interests in the net assets of the subsidiary.

The accompanying consolidated financial statements do not reflect the consolidated financial position, consolidated results of operations, or consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**Business Combination**

The assets, liabilities, and contingent liabilities of a subsidiary are recognized at their fair values as at the acquisition date. Any excess of the acquisition cost over the total fair value of the identifiable net assets acquired is recognized as goodwill. Any shortfall of the acquisition cost below the total fair value of the identifiable net assets acquired is recognized in the consolidated income statement for the period in which the acquisition occurs.

The non-controlling interests at the acquisition date are determined based on the proportionate share of the fair value of the recognized assets, liabilities, and contingent liabilities.

**Going concern assumption**

As at December 31, 2024, the Corporation's current liabilities exceeded its current assets by VND 1,095.74 billion. For the financial year then ended, the Corporation incurred a consolidated net loss of VND 1.09 billion. As at the same date, the Corporation had an accumulated consolidated loss of VND 1,337.18 billion and a negative equity balance of VND 1,031.5 billion. The Corporation's operation continuance depends on its recovery of receivables, improving the efficiency of leasing operations, and the financial support from shareholders.

The Board of Management and the Board of General Directors continuously evaluate and decisively implement plans to maximize the Corporation's ability to operate as a going concern. The specific measures undertaken include:

- Efforts to recover receivables;
- Optimizing available resources through reducing workspace, repairing and renovating offices, and increasing revenue from leasing office space.

The Board of General Directors believes that the accompanying Consolidated financial statements prepared on a going concern basis are appropriate.

**Accounting estimates**

The preparation of the Consolidated financial statements in conformity with Vietnamese Accounting Standards requires the Board of General 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 Consolidated financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.



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

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Cash and cash equivalents**

Cash comprises cash on hand, bank deposits.

Cash and bank deposits are recognized based on the actual cash inflows and outflows.

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

Held to maturity investments includes: term bank deposits with original maturities of more than 3 months.

Held-to-maturity investments are stated at cost less allowance for bad debts. Allowance for bad debts of held-to-maturity investments is made in conformity with current accounting regulations.

***Investments in associates and other investments***

Investments in joint ventures and associates over which the Corporation has significant influence are accounted for using the equity method in the consolidated financial statements.

Other investments: are recorded at cost, including purchase price plus directly attributable acquisition costs. After the initial recognition, these investments are measured at cost less allowance for diminution in value of investments.

***Allowance for loss of investments***

Allowance for losses of investments in subsidiaries, contributions to joint ventures, investments in associates and investments in equity instruments of other entities is made when there is apparent evidence for impairment in value of the investments as at the balance sheet date.

**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.

**Inventories**

Inventories are stated at cost. Where the cost of inventories is higher than their net realizable value, inventories are written down to net realizable value. The cost of inventories comprises direct materials, direct labor, and an appropriate proportion of production overheads, if any, incurred in bringing the inventories to their present location and condition.

Net realizable value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale, including marketing, selling, and distribution expenses. Inventories are accounted for using the perpetual method and valued using the weighted average method.

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.

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

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****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 Corporation to bring the asset to its working condition for its intended use.

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

	<u>Useful life</u> <u>(Year)</u>
Buildings, structures	10 - 15
Machinery and equipment	03 - 08
Motor vehicles	06 - 10
Office equipment	03 - 08

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 Corporation's intangible fixed assets comprise computer software programs, which are stated at cost less accumulated amortization.

The cost of intangible fixed assets includes all expenses incurred by the Corporation to acquire the assets and bring them to their condition and location necessary for their intended use.

Intangible fixed assets are amortized on a straight-line basis over their estimated useful lives. As of the reporting date, the intangible fixed assets have been fully amortized.

**Investment properties**

The Corporation's investment properties comprise the value of commercial areas on the 1st floor, mezzanine, office space, and basement areas at the I1, I2, I3 high-rise residential projects and the Thanh Cong 2 office-for-lease project. Currently, the Corporation has leased out these properties for the entire duration of the land use rights and has recognized revenue and cost of sales from these transactions, although the final settlement of the allocated property value from these projects between the parties has not yet been completed.

The historical cost of investment property includes all expenses (cash and cash equivalents) paid by the Corporation, or the fair value of other amount exchanged to acquire the investment property by the time of purchase or construction of the investment property.

Cost related to investment property incurred after initial recognition must be recognized as Cost for Production and Business in the year, unless the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of investment property beyond its originally assessed standard of performance, the expenditure is capitalized as an additional cost of investment property.

The Corporation's investment properties are fully depreciated to cost of sales during the period, as the Corporation has recognized revenue in full for the entire amount of advance payments received from the lease of these investment properties.

Liquidation: Gains and losses from disposal of investment property are measured by the difference between net proceeds from disposal and the remaining amount of the investment property and are recognized as income or expense in the Income Statement.



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

For the year ended 31 December 2024

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

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods. The Corporation'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 3 years.

***Goodwill***

The cost of land lot advantages is allocated on a straight-line basis over a period of 10 years.

**Construction in progress**

Construction in progress reflects the Properties in progress for production, leasing, administrative purposes, or for any other purposes are recognized at the historical cost. This cost includes relevant service fees, interest fees in accordance with the Corporation's accounting policies. Depreciation of these assets is the same as the other assets, commencing from these assets are ready for their intended use.

**Payables**

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

The account payables include payables as trade payables, loans 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 sellers (who are independent entities, including amounts payable between the parent company and its subsidiaries, joint ventures, and associates).
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

**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 Corporation recognizes accrued expenses as follows:

- Accrued Interest Expense: Accrued based on the bank's interest notice up to the date of preparation of the Consolidated financial statements.
- Cost of Goods Sold: Accrued based on the revenue ratio derived from the revenue recognized upon acceptance with the project owner.

**Provisions (for payables)**

The recognized amount of a provision for payables is the best estimate of the amount that will be required to settle the present obligation as at the fiscal year end date or balance sheet date.

Only expenses related to the provision for payables made initially will be offset by such provision.

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

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Loans and finance lease liabilities**

Loans and finance lease liabilities include loans, excluding loans in the form of bonds or preference shares with terms that the issuer is required to repurchase at a certain point in the future.

The Corporation monitors loan amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

**Recognition and capitalization 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".

**Owners' equity**

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

Share Premium is recognized based on the difference, whether positive or negative, between the actual issuance price and the par value of shares during the initial public offering, additional share issuances, or reissuance of treasury shares.

Retained Earnings are determined based on the profit after corporate income tax and the appropriation of profit or loss settlement by the Corporation.

Profit After Tax of the Corporation is distributed as dividends to shareholders upon approval by the General Meeting of Shareholders at the Corporation's Annual General Meeting and after allocations to various funds in accordance with the Corporation's Charter.

Equity Funds are appropriated in accordance with the provisions of the Corporation's Charter.

**Revenue and other income*****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 consolidated balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

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



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

For the year ended 31 December 2024

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

***Revenue from interest income, dividends and profits received and other income***

The revenue is recognized when the Corporation 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 service, production cost of construction products 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 borrowing costs, provision for loss of investments in other entities.

***Current corporate income tax expense and other tax expense***

Corporate income tax expenses (or corporate income tax income): is total current and deferred income tax expenses (or total current and deferred tax) in determining profit or loss of a period.

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

The determination of the Corporation'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.

Other Taxes are applied in accordance with the prevailing tax laws and regulations of Vietnam.

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

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Basic 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 Corporation by the weighted average number of ordinary shares outstanding during the year.

**Related parties**

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. 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 Corporation 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 General Directors confirms that the Corporation has only one business segment and operates in a single geographical area, which is Vietnam. Therefore, segment reporting is not prepared.

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

	31/12/2024	01/01/2024
	VND	VND
Cash	2,857,832,351	2,955,693,618
Bank deposits	336,915,256	139,313,546,720
<b>Total</b>	<b>3,194,747,607</b>	<b>142,269,240,338</b>

**5.2 Receivables from customers**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term receivables from customers</b>	<b>165,172,706,906</b>	<b>170,020,071,780</b>
Hanoi Urban Transport Development Investment Project Management Unit	14,740,131,074	14,740,131,074
Vietnam National Textile and Garment Group	7,072,391,072	7,072,391,072
BQP - Dong Do Property Investment Joint Stock Company	6,190,508,339	6,190,508,339
Others	137,169,676,421	142,017,041,295
<b>Total</b>	<b>165,172,706,906</b>	<b>170,020,071,780</b>
<i>Receivables from related parties</i>	<i>24,976,031,505</i>	<i>24,976,031,505</i>

*Details in Note 7.1*



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

For the year ended 31 December 2024

**5.3 Repayments to suppliers**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term repayments to suppliers</b>	<b>279,707,127,474</b>	<b>280,523,604,747</b>
Song Hong Sai Gon Joint Stock Company	126,390,086,131	126,390,086,131
Song Hong 24 Construction Joint Stock Company	43,574,509,655	43,574,509,655
Others	109,742,531,688	110,559,008,961
<b>Total</b>	<b>279,707,127,474</b>	<b>280,523,604,747</b>
<i>Repayments to related parties</i>	<i>146,267,359,886</i>	<i>146,267,359,886</i>

*Details in Note 7.1***5.4 Other receivables***Unit: VND*

	31/12/2024		01/01/2024	
	Book value	Allowances	Book value	Allowances
<b>Short-term</b>	<b>193,669,544,299</b>	<b>(142,440,138,204)</b>	<b>193,694,631,436</b>	<b>(143,037,161,172)</b>
Advances	29,911,913,754	(12,979,916,849)	30,506,149,470	(13,576,939,817)
Deposits	209,188,415	-	209,188,415	-
Receivables from privatization	5,115,072,141	(4,807,785,060)	5,115,072,141	(4,807,785,060)
Song Hong 6 Joint Stock Company	35,470,547,873	(35,470,547,876)	35,470,547,873	(35,470,547,876)
Others	122,962,822,116	(89,181,888,419)	122,393,673,537	(89,181,888,419)
<b>Long-term</b>	<b>44,494,017,064</b>	<b>-</b>	<b>44,494,017,064</b>	<b>-</b>
Deposits	928,000,000	-	928,000,000	-
Project Management Board of Thai Ha (capital contributions to the project and other receivables)	31,874,039,685	-	31,874,039,685	-
Others	11,691,977,379	-	11,691,977,379	-
<b>Total</b>	<b>238,163,561,363</b>	<b>(142,440,138,204)</b>	<b>238,188,648,500</b>	<b>(143,037,161,172)</b>

*Other receivables from related parties**78,378,767,884**78,391,367,884**Details in Note 7.1*

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

For the year ended 31 December 2024

**5.5 Bad debts***Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Recoverable amount	Original value	Recoverable amount
Total value of receivables, loans that are overdue or not pass due but hardly recoverable	397,192,939,992	119,541,954,112	401,966,919,481	119,705,595,872

*The Corporation determines the recoverable amount of bad debts as the original carrying amount of the receivables less the short-term allowance for doubtful debts related to these counterparties.*

Company name	Amount VND
Song Hong Joint Stock Corporation	361,646,976,604
Song Hong One Member Limited Liability Company – Mechanization and Construction	7,068,841,543
Song Hong An Duong One Member Limited Liability Company	5,802,694,676
Song Hong Thang Long Joint Stock Company	18,544,521,691
Song Hong Da Nang Joint Stock Company	4,129,905,478
<b>Total</b>	<b>397,192,939,992</b>

**5.6 Shortage of assets awaiting resolution**

	31/12/2024 VND	01/01/2024 VND
Cash	1,799,027,494	1,799,027,494
Inventories	3,159,495,402	3,159,495,402
Fixed assets	499,172,496	499,172,496
Others	265,929,537	265,929,537
<b>Total</b>	<b>5,723,624,929</b>	<b>5,723,624,929</b>

**5.7 Inventories***Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Allowances	Original value	Allowances
Raw materials	18,944,486	-	18,944,486	-
Tools and supplies	154,449,140	-	154,449,140	-
Work in progress	383,134,793,933	-	386,623,759,865	-
- Vung Ang I Thermal Power Plant Project	166,716,096,300	-	166,716,096,300	-
- Others	216,418,697,633	-	219,907,663,565	-
Real estate inventories (i)	24,337,070,270	-	24,337,070,270	-
<b>Total</b>	<b>407,645,257,829</b>	<b>-</b>	<b>411,134,223,761</b>	<b>-</b>

(i) The land lot located in the Tay Ho villa area has been transferred. The proceeds from the sale have been recorded under the item "Prepayments from customers" in the Consolidated Financial Statements, amounting to VND 24,655,500,000.



**SONGHONG JOINT STOCK CORPORATION**No. 70, An Duong Street, Yen Phu Ward,  
Tay Ho District, Hanoi

Form B 09 – DN/HN

Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

**5.8 Prepaid expenses**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>3,107,984,225</b>	<b>3,109,039,791</b>
Prepaid materials, tools and supplies expenses	3,107,984,225	3,109,039,791
<b>Long-term</b>	<b>876,025,439</b>	<b>730,879,110</b>
Prepaid materials, tools and supplies expenses	76,484,885	7,919,353
Advantage related to the land lot at Lao Cai Branch	222,475,342	222,475,342
Others	577,065,212	500,484,415
<b>Total</b>	<b>3,984,009,664</b>	<b>3,839,918,901</b>

**5.9 Taxes and other receivables, payables to the government budget***Unit: VND*

	01/01/2024	Additions	Paid	31/12/2024
<b>Payables</b>	<b>31,241,591,022</b>	<b>5,569,467,973</b>	<b>7,688,219,769</b>	<b>29,122,839,226</b>
VAT	20,544,805,470	1,863,355,754	1,847,224,922	20,560,936,302
Corporate income tax	339,335,899	-	-	339,335,899
Personal income tax	441,302,052	23,543,998	40,412,633	424,433,417
Land tax, Land rental charges	6,338,218,585	3,674,568,221	5,792,582,214	4,220,204,592
Others	441,272,844	8,000,000	8,000,000	441,272,844
Fee, charges and other payables	3,136,656,172	-	-	3,136,656,172

	01/01/2024	Additions	Paid	31/12/2024
<b>Receivables</b>	<b>1,149,955,633</b>	<b>90,909,091</b>	<b>608,326,420</b>	<b>632,538,304</b>
VAT	440,272,844	-	-	440,272,844
Corporate income tax	92,821,146	90,909,091	-	183,730,237
Land tax, Land rental charges	608,326,420	-	608,326,420	-
Fee, charges and other payables	8,535,223	-	-	8,535,223

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

For the year ended 31 December 2024

**5.10 Investment properties**

Items	01/01/2024 VND	Increase VND	Decrease VND	31/12/2024 VND
Investment property for lease				
History cost	55,396,530,173	-	-	55,396,530,173
- Buildings	55,396,530,173	-	-	55,396,530,173
Accumulated depreciation	55,396,530,173	-	-	55,396,530,173
- Buildings	55,396,530,173	-	-	55,396,530,173
Net book value	-	-	-	-
- Buildings	-	-	-	-

Investment properties represent the value of the commercial areas on the ground floor and mezzanine floor, office areas, and basement areas at the high-rise residential projects I1, I2, I3, and the Thanh Cong 2 office-for-lease project. Currently, the Corporation has leased out these properties for the entire remaining land use term of the respective projects and has recognized revenue and cost of sales from these transactions, although the project finalization procedures have not yet been completed.

In accordance with Vietnamese Accounting Standard No. 05 – Investment Property, the fair value of investment properties as at 31 December 2024 is required to be disclosed. However, the the Corporation does not have sufficient information to determine the fair value of these assets as at the date of preparation of the Consolidated Balance Sheet.

**5.11 Construction in progress**

	31/12/2024 VND	01/01/2024 VND
Royal Song Hong Hotel (i)	35,602,635,193	35,602,635,193
Linh Nam Project	502,947,394	502,947,394
Others	1,864,174,872	1,864,174,872
<b>Total</b>	<b>37,969,757,459</b>	<b>37,969,757,459</b>

(i) The Royal Song Hong Hotel Project was implemented under Decision No. 108/QĐ-HĐQT-TCT dated 03 April 2008 of the Board of Management of Song Hong Joint Stock Corporation, with a total investment capital of VND 36.7 billion. Official Letter No. 2240/BXD-KHTC dated 20 September 2017 issued by the Ministry of Construction approved, in principle, the Corporation's proposal to seek a partner for the transfer of the project. Pursuant to Resolution No. 23/NQ-HĐQT dated 28 February 2024 approving the debt settlement and judgment enforcement plan of the Corporation, and based on the meeting minutes between the Corporation and Trieu Chau One Member Limited Liability Company dated 01 March 2024, both parties agreed to settle the Corporation's obligations to Trieu Chau Company by transferring/selling the Royal Song Hong Hotel Project (including the assets attached to land and land use rights). The value to be offset against the obligation is VND 10,000,000,000. Currently, the Corporation is carrying out the necessary procedures to transfer/sell the project to the individual or legal entity designated by Trieu Chau One Member Limited Liability Company.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

## 5.12 Tangible fixed assets

Unit: VND

HISTORY COST	Buildings and Structures	Machinery, equipment	Transportation means	Office equipment	Total
As at 01/01/2024	20,055,650,992	42,843,843,429	13,540,031,827	1,019,950,648	77,459,476,896
Increase	-	-	-	-	-
Decrease	5,647,813,951	169,954,546	3,582,840,727	221,553,273	9,622,162,497
Disposal	-	169,954,546	3,582,840,727	221,553,273	3,974,348,546
Other decreases	5,647,813,951	-	-	-	5,647,813,951
As at 31/12/2024	14,407,837,041	42,673,888,883	9,957,191,100	798,397,375	67,837,314,399
ACCUMULATED DEPRECIATION					
As at 01/01/2024	17,671,207,300	42,573,970,433	13,405,804,406	1,019,950,648	74,670,932,787
Increase	129,253,008	-	-	-	129,253,008
Depreciation	94,114,480	-	-	-	94,114,480
Other increases	35,138,528	-	-	-	35,138,528
Decrease	5,647,813,951	169,954,546	3,448,613,306	221,553,273	9,487,935,076
Disposal	-	169,954,546	3,413,474,778	221,553,273	3,804,982,597
Other decreases	5,647,813,951	-	35,138,528	-	5,682,952,479
As at 31/12/2024	12,152,646,357	42,404,015,887	9,957,191,100	798,397,375	65,312,250,719
NET BOOK VALUE					
As at 01/01/2024	2,384,443,692	269,872,996	134,227,421	-	2,788,544,109
As at 31/12/2024	2,255,190,684	269,872,996	-	-	2,525,063,680

History cost of tangible fixed assets which are fully depreciated but still in use as at 31/12/2024 is VND 46,949,858,462 (as at 31/12/2023: VND 55,688,850,959).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

## 5.13 Long-term investments

Unit: VND

	31/12/2024		01/01/2024	
	Valuation under the Equity Method		the Equity Method	
	Original value	Fair value (*)	Original value	Fair value (*)
a) Joint ventures and associates	146,622,144,580	9,546,707,029	190,220,364,580	86,172,579,362
Song Hong Steel Joint Stock Company	102,000,000,000	-	102,000,000,000	-
Song Hong 36 Joint Stock Company	9,750,000,000	-	9,750,000,000	-
Song Hong Import Export and Construction JSC	5,250,000,000	480,912,114	5,250,000,000	480,912,114
Song Hong Sai Gon Joint Stock Company	5,022,404,482	180,093,446	5,022,404,482	-
Song Hong 8 JSC (Metroco Song Hong)	4,000,000,000	-	4,000,000,000	-
Song Hong Energy Joint Stock Company (i)	-	-	36,498,220,000	70,816,554,842
Hanoi Song Hong Real Estate Joint Stock Company	2,200,000,000	2,949,028,817	2,200,000,000	2,949,028,817
Song Hong Binh Tay Joint Stock Company	-	-	-	-
Hanoi Transportation Construction Investment and Trading Joint Stock Company	6,000,000,000	4,374,920,871	6,000,000,000	4,374,920,871
Song Hong Construction Consulting JSC	364,681,268	344,772,685	364,681,268	344,772,685
Song Hong No.1 Construction Joint Stock Company	11,035,058,830	-	11,035,058,830	-
Song Hong Tay Do Joint Stock Company	1,000,000,000	1,216,979,096	1,000,000,000	1,216,979,096
Song Hong Central Region Joint Stock Company (ii)	-	-	7,100,000,000	5,989,410,937

(i) Transfer of 3,649,822 shares in Song Hong Energy Joint Stock Company in accordance with Resolution No. 23/NQ-HDQT dated 28 February 2024 of the Board of Management of Song Hong Joint Stock Corporation. The ownership and voting rights ratios after the transfer of investment capital are 0%.

(ii) Transfer of 710,000 shares in Song Hong Central Region Joint Stock Company, 50,000 shares in Thao Nguyen Technology and Investment Joint Stock Company, and 156,309 shares in Song Hong Real Estate Investment Joint Stock Company in accordance with Resolution No. 10/NQ-HDQT dated 29 January 2024 of the Board of Management of Song Hong Joint Stock Corporation. The ownership and voting rights ratios after the transfer of investment capital in the above companies are 0%.

(iii) Transfer of 91 shares in Song Hong Construction Joint Stock Company and 100,000 shares in Song Hong Aluminium Joint Stock Company in accordance with Resolution No. 41/NQ-HDQT dated 05 August 2025 of the Board of Management of Song Hong Joint Stock Corporation. The ownership and voting rights ratios after the transfer of investment capital are 0%.

The Corporation has not yet collected the Financial Statements for the fiscal year ending December 31, 2024 of the following Associate Companies: Song Hong Steel JSC, Song Hong 36 JSC, Song Hong Import-Export and Construction JSC, Song Hong 8 JSC (Metroco Song Hong), Hanoi Song Hong Real Estate JSC, Hanoi Traffic Construction and Trade Investment JSC, Song Hong Construction Consulting JSC, Song Hong Tay Do JSC with an investment value of VND 114.5 billion.

(\*) Associates are unlisted companies, and under the current Vietnamese Accounting System and Vietnamese Accounting Standards, there is no specific guidance on determining the fair value of unlisted investments using valuation methods. The fair value may differ from the carrying amount.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

## 5.11 Long-term investments (Continued)

	31/12/2024			01/01/2024		
	Original value VND	Fair value (*)	Allowances VND	Original value VND	Fair value (*)	Allowances VND
b) Other long-term investments	7,886,400,000	-	(3,237,000,000)	11,215,113,942	-	(4,396,000,000)
Song Hong Construction Joint Stock Company (iii)	-	-	-	1,038,110	-	-
Song Hong Aluminum Shalumi Group Joint Stock Company (iii)	-	-	-	1,264,586,273	-	-
Thao Nguyen Investment and Technology Joint Stock Company (ii)	-	-	-	500,000,000	-	-
Song Hong Real Estate Investment Joint Stock Company (ii)	-	-	-	1,563,089,559	-	-
Song Hong Dai Phat Joint Stock Company	1,000,000,000	-	(1,000,000,000)	1,000,000,000	-	(1,000,000,000)
Song Hong 9 Investment and Construction Joint Stock Company	2,000,000,000	-	-	2,000,000,000	-	-
Song Hong Construction and Trading Joint Stock Company	1,700,000,000	-	(1,700,000,000)	1,700,000,000	-	(1,700,000,000)
Reenco Thang Long Joint Stock Company	1,490,400,000	-	-	1,490,400,000	-	-
Song Hong Binh Tay Corporation	1,696,000,000	-	(537,000,000)	1,696,000,000	-	(1,696,000,000)

The Corporation has not yet collected the Financial Statements for the fiscal year ending December 31, 2024 of the Companies receiving long-term investments, namely: Song Hong Dai Phat Joint Stock Company, Song Hong Trading and Construction Joint Stock Company (Song Hong 6 Joint Stock Company), Song Hong Binh Tay Joint Stock Company, Reenco Thang Long Joint Stock Company with an investment value of VND 5.9 billion.

(\*) Other long-term investments are unlisted companies, and under the current Vietnamese Accounting System and Vietnamese Accounting Standards, there is no specific guidance on determining the fair value of unlisted investments using valuation methods. The fair value may differ from the carrying amount.

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

For the year ended 31 December 2024

**5.14 Trade payables**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Repayable amount	Original value	Repayable amount
<b>Short-term</b>	<b>254,419,402,443</b>	<b>(*)</b>	<b>254,980,001,644</b>	<b>(*)</b>
Song Hong Urban Construction JSC	27,249,548,436		27,249,548,436	
Song Hong No.1 Construction JSC	19,170,145,785		19,170,145,785	
Song Hong Tay Do Joint Stock Company	17,814,866,775		17,814,866,775	
Dong Bac Shipbuilding Industry JSC	5,705,182,639		5,705,182,639	
Others	184,479,658,808		185,040,258,009	
<b>Total</b>	<b>254,419,402,443</b>	<b>-</b>	<b>254,980,001,644</b>	<b>-</b>
<i>Payables to related parties</i>	<i>82,445,464,946</i>		<i>79,837,100,518</i>	
<i>Details in Note 7.1</i>				

(\*) The Corporation has not yet assessed its solvency and determined the amount of debt it can pay at the time of preparing the Consolidated Financial Statements for the fiscal year ending December 31, 2024.

**5.15 Prepayments from customers**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>82,875,479,764</b>	<b>72,994,558,878</b>
Tay Ho Villa Project (i)	24,655,500,000	24,655,500,000
Trieu Chau One Member Limited Liability Company (ii)	9,090,909,091	-
Others	49,129,070,673	48,339,058,878
<b>Total</b>	<b>82,875,479,764</b>	<b>72,994,558,878</b>

(i) The advance received from the transfer of the land lot in the Tay Ho villa area has been recorded under the item "Inventories" in the Consolidated Financial Statements with an amount of VND 24,337,070,270.

(ii) This amount represents a payable that Trieu Chau One Member Limited Liability Company has agreed to settle with the Corporation through the transfer of the Royal Song Hong Hotel project, in accordance with Agreement No. 02/2024/SHG dated 29 March 2024. As at the date of preparation of the Consolidated Financial Statements for the financial year ended 31 December 2024, the procedures for project handover have not yet been completed.



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

For the year ended 31 December 2024

**5.16 Accrued expenses**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>877,690,771,778</b>	<b>940,051,417,007</b>
Interest expense	591,308,101,084	535,162,905,258
Accrued cost of sales of investment properties	27,671,075,628	27,671,075,628
Accrued cost of construction works (i)	231,772,352,756	231,772,352,756
Accrued interest expense payable to Trieu Chau One Member Limited Liability Company (ii)	-	118,549,285,500
Accrued interest expense payable to the Head Office	626,155,557	582,711,112
Others	26,313,086,753	26,313,086,753
<b>Long-term</b>	<b>29,339,344,633</b>	<b>29,339,344,633</b>
Interest expense	29,339,344,633	29,339,344,633
<b>Total</b>	<b>907,030,116,411</b>	<b>969,390,761,640</b>

- (i) Accrued expenses without VAT invoices, accrued over many fiscal years and not yet settled as of December 31, 2024.
- (ii) According to Appellate Commercial Judgment No. 45/2018/KDTM-PT dated 12 April 2018 of the People's Court of Hanoi City and Decision No. 01/QD-CCTHADS dated 13 December 2018 of the Civil Judgment Enforcement Department of Tay Ho District, Hanoi City, Song Hong Joint Stock Corporation was required to continue paying overdue interest (on the outstanding principal amount of VND 95.43 billion) that had not yet been settled to the Vietnam Asset Management Company (VAMC) from the day following the first-instance trial date (19 June 2017). As of 31 December 2021, a portion of the principal debt had been transferred to Trieu Chau One Member Limited Liability Company, amounting to VND 89.74 billion. During the period, pursuant to Resolution No. 23/NQ-HDQT dated 28 February 2024 approving the Corporation's debt settlement and judgment enforcement plan, and the meeting minutes between the Corporation and Trieu Chau One Member Limited Liability Company dated 01 March 2024, Trieu Chau Company agreed to write off part of the Corporation's judgment enforcement obligation amounting to VND 94,139,171,706, as well as the entire overdue interest on the principal debt from 01 July 2023.

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

For the year ended 31 December 2024

**5.17 Other short-term payments**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>318,951,454,518</b>	<b>259,482,207,530</b>
Trade Union fees	1,014,686,261	1,001,625,388
Social insurance	6,191,672,979	6,166,499,610
Health insurance	603,634,421	597,541,399
Privatization payables	4,176,729,883	4,176,729,883
Unemployment insurance	253,896,262	251,400,754
Short-term deposits received	40,477,647	40,477,647
Others	306,670,357,065	247,247,932,849
-Payable to Tsingshan Vietnam Stainless Steel Import-Export Company Limited (i)	200,000,000,000	-
-Payable for proceeds from the auction of state-owned shares under the Ministry of Construction (ii)	1,792,460,627	138,902,600,000
- Others	104,877,896,438	108,345,332,849
<b>Long-term</b>	<b>4,679,502,059</b>	<b>4,679,502,059</b>
Long-term deposits and collaterals received for land use right certificate issuance of Villa D3	200,000,000	200,000,000
Payable to individuals contributing capital to Song Hong Construction No. 1 Joint Stock Company	174,205,096	174,205,096
Others	4,305,296,963	4,305,296,963
<b>Total</b>	<b>323,630,956,577</b>	<b>264,161,709,589</b>
<b>Payables to related parties</b>	<b>15,721,690,790</b>	<b>15,721,690,790</b>
Details in Note 7.1		

(i) According to Notice No. 59/2024/TC-TB dated 24 April 2024, the debt collection right in the amount of VND 200,000,000,000 previously held by Trieu Chau One Member Limited Liability Company has been transferred to Inox Tsingshan Vietnam Import - Export Company Limited.

(ii) In 2023, the Corporation received proceeds from the auction of State-owned shares divested from the Corporation. However, the procedures for the transfer of ownership rights from the Ministry of Construction to the new shareholder, Song Hong Real Estate Investment Joint Stock Company, had not been completed at that time. On 16 January 2024, the Vietnam Securities Depository and Clearing Corporation confirmed the successful transfer of securities. The Corporation has remitted the proceeds from the public auction of State-owned shares, amounting to VND 137,240,139,373, to the Central Government Budget. The remaining amount of VND 1,792,460,627 was temporarily transferred to the Corporation's account. The Corporation is responsible for remitting the remaining amount (if any) to the Central Government Budget after deducting the share transfer costs as approved by the Ministry of Construction based on the finalized settlement.



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

For the year ended 31 December 2024

**5.17 Provisions**

	31/12/2024	01/01/2024
	VND	VND
Short-term	401,091,346	401,091,346
Others	401,091,346	401,091,346
Long-term	-	212,479,849,873
Trieu Chau One Member Limited Liability Company (i)	-	212,479,849,873
<b>Total</b>	<b>401,091,346</b>	<b>212,880,941,219</b>

- (i) According to Appellate Commercial Judgment No. 45/2018/KDTM-PT dated 12 April 2018 of the People's Court of Hanoi City and Decision No. 01/QĐ-CCTHADS dated 13 December 2018 of the Civil Judgment Enforcement Department of Tay Ho District, Hanoi City regarding the enforcement of Judgment Enforcement Decision No. 492/QĐ-CCTHADS dated 22 August 2018, Song Hong Joint Stock Corporation was obligated to pay Vietnam Asset Management Company (VAMC) an amount of VND 238,974,988,001, and to continue paying overdue interest on the principal debt of VND 95.43 billion.

According to Notification No. 01/TB-TANDCC-KDTM dated 2 January 2019 from the High People's Court in Hanoi, Song Hong Joint Stock Corporation had no legal grounds to file a cassation review against Appellate Commercial Judgment No. 45/2018/KDTM-PT dated 12 April 2018 issued by the People's Court of Hanoi City.

A portion of the provision for payable to VAMC was transferred to Trieu Chau One Member Limited Liability Company under Decision No. 01/QĐ-CCTHADS dated 20 December 2021 of the Civil Judgment Enforcement Department of Tay Ho District, with a value of VND 233,284,357,901.

During the year, pursuant to Resolution No. 23/NQ-HDQT dated 28 February 2024 approving the Corporation's debt settlement and judgment enforcement plan, and the meeting minutes dated 01 March 2024 between the Corporation and Trieu Chau One Member Limited Liability Company, the two parties agreed on a debt settlement plan under which a portion of the Corporation's enforcement obligation was reduced through the transfer/sale of assets. The total amount reduced from the Corporation's enforcement obligation was VND 36,700,000,000, including: All shares held by Song Hong Joint Stock Corporation in Song Hong Energy Joint Stock Company (3,649,822 shares), with a reduction value of VND 26,700,000,000; and the Royal Song Hong Hotel Project (assets on land and land use rights), with a reduction value of VND 10,000,000,000.

According to Notification No. 59/2024/TC-TB dated 24 April 2024, the debt collection right in the amount of VND 200,000,000,000 previously held by Trieu Chau One Member Limited Liability Company was transferred to Tsingshan Vietnam Stainless Steel Import and Export Company Limited.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

## 5.18 Borrowings and finance lease liabilities

*Unit: VND*

	31/12/2024		Movement during the year		01/01/2024
	Carrying value	Repayable amount	Increase	Decrease	Carrying value
<b>Short-term borrowings</b>	301,939,558,237	301,939,558,237	-	10,930,149,777	312,869,708,014
Hoan Kiem Branch – Vietnam Bank for Agriculture and Rural Development	67,378,692,253	67,378,692,253	-	-	67,378,692,253
Phu Tho Branch – Bank for Investment and Development of Vietnam	34,221,454,880	34,221,454,880	-	-	34,221,454,880
Ha Tinh Branch – Ocean Commercial Joint Stock Bank (i)	191,809,390,313	191,809,390,313	-	-	191,809,390,313
Others (ii)	8,530,020,791	8,530,020,791	-	10,930,149,777	19,460,170,568
<b>Long-term borrowings</b>	1,803,955,400	1,803,955,400	-	-	1,803,955,400
Others (ii)	1,803,955,400	1,803,955,400	-	-	1,803,955,400
<b>Total</b>	<b>303,743,513,637</b>	<b>303,743,513,637</b>	<b>-</b>	<b>10,930,149,777</b>	<b>314,673,663,414</b>
<b>Borrowings from related parties</b>	<b>38,850,223</b>			<b>301,149,777</b>	<b>340,000,000</b>

(Details in Note 7.1)

(i) Loan under Credit Line Agreement No. 0036/2011/HBTĐ1 dated 01 December 2011 with Modern Bank of Vietnam Limited - Ha Tinh Branch (formerly Ocean Commercial Joint Stock Bank) with a total credit limit of VND 200,000,000,000. As at 31 December 2015, the outstanding loan balance was VND 193,102,141,087. The credit facility term was 12 months from 01 December 2011. Interest rates were applied based on Ocean Bank's regulations at the time of each disbursement. The loan was intended to supplement working capital and to provide guarantees for Party B in the construction of the Vung Ang 1 Thermal Power Plant project. To secure repayment obligations, Song Hong Joint Stock Corporation agreed to allow MBV – Ha Tinh Branch to manage the revenue generated from the construction activities related to the EPC contract of the Vung Ang 1 Thermal Power Plant project. According to the sixth addendum to the credit line agreement dated 26 November 2014, the loan maturity was extended to 31 January 2016, with both principal and interest payable in full at maturity.

(ii) Individual borrowings for business operation purposes, with terms of less than 12 months, bearing interest rates ranging from 0% to 8.5% per annum



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

## 5.19 Owners' equity

## a. Changes of owners' equity

*Unit: VND*

	Share capital	Share premium	Other capital	Treasury Shares	Development and Investment Fund	Enterprise Reorganization Support Fund	Other funds	Retained profits	Non-controlling Interests	Total
As at 01/01/2023	270,000,000,000	24,126,376,429	1,072,018,933	(390,000,000)	26,413,502,573	25,981,000	6,158,136,532	(1,265,847,819,897)	(21,569,753,451)	(960,011,557,881)
Increase	-	-	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	-	-	-	(70,396,946,559)	17,366,337	(70,379,580,222)
Loss in the previous year	-	-	-	-	-	-	-	(70,396,946,559)	17,366,337	(70,379,580,222)
As at 31/12/2023	270,000,000,000	24,126,376,429	1,072,018,933	(390,000,000)	26,413,502,573	25,981,000	6,158,136,532	(1,336,244,766,456)	(21,552,387,114)	(1,030,391,138,103)
As at 01/01/2024	270,000,000,000	24,126,376,429	1,072,018,933	(390,000,000)	26,413,502,573	25,981,000	6,158,136,532	(1,336,244,766,456)	(21,552,387,114)	(1,030,391,138,103)
Increase	-	-	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	-	-	-	(935,296,729)	(175,866,194)	(1,111,162,923)
Loss in the previous year	-	-	-	-	-	-	-	(911,084,755)	(175,866,194)	(1,086,950,949)
Other decrease	-	-	-	-	-	-	-	(24,211,974)	-	(24,211,974)
As at 31/12/2024	270,000,000,000	24,126,376,429	1,072,018,933	(390,000,000)	26,413,502,573	25,981,000	6,158,136,532	(1,337,180,063,185)	(21,728,253,308)	(1,031,502,301,026)

## b. Details of owners' equity

	31/12/2024	01/01/2024
	VND	VND
Capital contributed by the State (*)	-	132,412,000,000
Nguyen Thuong Huyen	67,093,780,000	-
Nguyen Thi Huong	66,150,000,000	-
Tran Bich Thuy	66,150,000,000	-
Tran Thi Thanh Ha	25,810,000,000	-
Others	44,796,220,000	137,588,000,000
<b>Total</b>	<b>270,000,000,000</b>	<b>270,000,000,000</b>

(\*) As of January 16, 2024, the Corporation completed all procedures related to the transfer of ownership rights from the Ministry of Construction to the new shareholder, Song Hong Real Estate Investment Joint Stock Company.

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

For the year ended 31 December 2024

**5.19 Owners' equity (Continued)**

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

	Year 2024 VND	Year 2023 VND
<b>Shareholders' capital</b>		
Opening balance	270,000,000,000	270,000,000,000
Increased during the period	-	-
Decreased during the period	-	-
Closing balance	270,000,000,000	270,000,000,000
<b>Dividend, Profit distribution</b>	-	-

**d. Shares**

	31/12/2024 Shares	01/01/2024 Shares
<b>Quantity of registered shares</b>	27,000,000	27,000,000
<b>Quantity of issued shares</b>	27,000,000	27,000,000
Common shares	27,000,000	27,000,000
<b>Purchased shares (treasury shares)</b>	39,000	39,000
Common shares	39,000	39,000
<b>Outstanding shares</b>	26,961,000	26,961,000
Common shares	26,961,000	26,961,000
<i>Par value of outstanding shares (VND/share)</i>	10,000	10,000

**e. The Company's funds**

	31/12/2024 VND	01/01/2024 VND
Development investment fund	26,413,502,573	26,413,502,573
Fund for enterprise support and restructuring	25,981,000	25,981,000
Other funds under owner's equity	6,158,136,532	6,158,136,532

**6. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT**

**6.1 Revenue from sales of goods and provision of services**

	Year 2024 VND	Year 2023 VND
Revenue from provision of services	12,007,159,186	8,995,873,211
<b>Total</b>	<b>12,007,159,186</b>	<b>8,995,873,211</b>
<i>Revenue from related parties</i>	-	2,337,236,363

*Details in Note 7.1*



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

For the year ended 31 December 2024

**6.2 Cost of goods sold**

	Year 2024 VND	Year 2023 VND
Cost of goods and services	6,082,268,582	1,503,026,752
<b>Total</b>	<b>6,082,268,582</b>	<b>1,503,026,752</b>

**6.3 Financial income**

	Year 2024 VND	Year 2023 VND
Interest income from deposits	10,977,519	3,765,966
Dividends received	1,094,946,600	2,189,731,589
Gains from deferred sales	-	50,000,000
Profit from disposal of investments	2,530,589,063	-
<b>Total</b>	<b>3,636,513,182</b>	<b>2,243,497,555</b>

**6.4 Financial expenses**

	Year 2024 VND	Year 2023 VND
Interest expense	56,145,195,826	55,991,793,651
Reversal of allowance for financial investment	(1,159,000,000)	-
Losses on disposal of financial investments	45,074,218,457	-
Interest expense payable to Trieu Chau One Member Limited Company	-	7,284,729,835
Other interest expense payable	43,444,445	288,297,223
<b>Total</b>	<b>100,103,858,728</b>	<b>63,564,820,709</b>

**6.5 General and administrative expenses**

	Year 2024 VND	Year 2023 VND
<b>General and administrative expenses</b>	<b>7,276,265,554</b>	<b>25,504,247,054</b>
Employee expenses	4,899,554,936	4,275,395,657
Materials expenses	80,858,589	52,955,732
Office supplies expenses	119,191,095	48,260,550
Amortization and Depreciation expenses	94,114,480	116,237,408
Charges and fee	21,359,599	615,757,268
Provision expenses	(4,492,727,872)	17,023,274,038
Outsourcing expenses	616,010,917	296,253,290
Other cash expense	5,937,903,810	3,076,113,111

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

For the year ended 31 December 2024

**6.6 Other income/ Other expenses**

	Year 2024 VND	Year 2023 VND
<b>Other income</b>		
Rental income from premises	72,525,926	168,000,000
Debt written off, no longer payable to Investment and Construction Joint Stock Company No. 4	-	3,445,830,385
Debt written off, no longer payable to Trieu Chau MTV Company Limited (*)	101,041,288,373	-
Disposals of fixed assets	247,138,048	655,369,403
Others	1,080,260,311	1,000,100,111
<b>Total</b>	<b>102,441,212,658</b>	<b>5,269,299,899</b>
<b>Other expenses</b>		
Expenses for late payment penalties of social insurance and administrative fines related to tax regulations	1,191,382,201	567,839,688
Project cost adjustment according to Decision No. 109/QĐ-UBND issued by the People's Committee of Da Nang City dated January 8, 2019	3,980,670,741	-
Enforcement costs	-	513,796,036
Others	717,483,615	237,019,335
<b>Total</b>	<b>5,889,536,557</b>	<b>1,318,655,059</b>
<b>Net other income/ expenses</b>	<b>96,551,676,101</b>	<b>3,950,644,840</b>

(\*) According to the minutes of the meeting between the Corporation and Trieu Chau One Member Limited Liability Company dated March 1, 2024, both parties agreed on the settlement plan for the enforcement obligation between the Corporation and Trieu Chau One Member Limited Liability Company, whereby the enforcement obligation of Song Hong Joint Stock Corporation is reduced by VND 101,041,288,373

**6.7 Basic earnings per share**

	Year 2024 VND	Year 2023 VND
<b>Profit after corporate income tax (VND)</b>	<b>(1,086,950,949)</b>	<b>(70,379,580,222)</b>
Profit after tax attributable to the parent company	(911,084,755)	(70,396,946,559)
Profit after tax attributable to non-controlling interests	(175,866,194)	17,366,337
<b>Profit/ Loss distributable to common shareholders (VND)</b>	<b>(911,084,755)</b>	<b>(70,396,946,559)</b>
Average quantity of outstanding common shares	27,000,000	27,000,000
Treasury shares (shares)	39,000	39,000
Weighted average number of ordinary shares outstanding during the period (shares)	26,961,000	26,961,000
<b>Basic earnings per share (VND/ share)</b>	<b>(33.8)</b>	<b>(2,611.1)</b>



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

For the year ended 31 December 2024

**6.8 Production and business expenses by factors**

	Year 2024	Year 2023
	VND	VND
Raw material expenses	80,858,589	52,955,732
Employee expenses	4,899,554,936	4,275,395,657
Amortization and Depreciation expenses	94,114,480	222,232,408
Provision expenses	(4,492,727,872)	17,023,274,038
Outsourcing expenses	616,010,917	296,253,290
Other cash expenses	6,132,999,964	3,794,676,389
<b>Total</b>	<b>7,330,811,014</b>	<b>25,664,787,514</b>

**7. OTHER INFORMATION**

**7.1 Transactions with related parties and Related party balance**

**a. Information of related parties**

Related parties	Relations
Nguyen Thuong Huyen	Major shareholders
Nguyen Thi Huong	Major shareholders
Tran Bich Thuy	Major shareholders
Tran Thi Than Ha	Major shareholders
Song Hong Steel Joint Stock Company	Associate company
Song Hong 36 Joint Stock Company	Associate company
Song Hong Investment Import - Export and Construction Joint Stock Company	Associate company
Song Hong Saigon Joint Stock Company	Associate company
Song Hong No.8 Joint Stock Company	Associate company
Song Hong Energy Joint Stock Company	Associate company
Ha Noi Song Hong Property Joint Stock Company	Associate company
Ha Noi Invest Trading and Traffic Building Construction Joint Stock Company	Associate company
Song Hong Investment Construction Joint Stock Company	Associate company
Song Hong Construction No. 1 Joint Stock Company	Associate company
Song Hong Tay Do Joint Stock Company	Associate company
Song Hong Binh Tay Corporation	Other long-term investments
Song Hong Dai Phat Joint Stock Company	Other long-term investments
Song Hong 9 Investment and Construction Joint Stock Company	Other long-term investments
Song Hong Construction and Trading Joint Stock Company	Other long-term investments
Members of the Board of Directors, the Supervisory Board, the Executive Board, other management personnel, and close family members of these individuals	Significant influence

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

For the year ended 31 December 2024

**7.1 Transactions with related parties and Related party balance (Continued)**

**b. Transactions with Key Management Personnel and Shareholders**

Full name	Position	Year 2024 VND	Year 2023 VND
<b>Remuneration for Board of Management and Board of Supervisors</b>			
Tran Huyen Linh	Chairman (Dismissed from 01/10/2024)	315,685,832	290,434,950
Phan Viet Anh	Chairman (Appointed from 01/10/2024)	310,194,474	-
Cao Tien Trung	Head of the Board of Supervisors	248,679,678	145,197,872
<b>Remuneration for Board of General Directors and others</b>			
Dang Minh Quang	General Director (Appointed from 01/10/2024)	77,807,228	-
La Tuan Hung	General Director (Dismissed from 29/12/2023)	-	269,609,234
Tran Phi Hoang	Deputy General Director (Appointed from 29/12/2023)	241,022,644	-
Phan Viet Anh	Deputy General Director	-	120,400,182
Tran Anh Tai	Deputy General Director cum Chief Accountant (Dismissed from 17/3/2025)	278,739,070	232,296,964
Nguyen Duc Toan	Deputy General Director (Dismissed from 8/8/2024)	-	36,712,716
Trinh Xuan Duong	Deputy General Director	42,746,236	229,350,722
Nguyen Minh Quan	Deputy General Director	67,298,671	
Nguyen Hoang Anh	Authorized Person for Information Disclosure	221,438,178	186,121,358
<b>Total</b>		<b>1,803,612,011</b>	<b>1,510,123,998</b>



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

For the year ended 31 December 2024

**7.1 Transactions with related parties and Related party balance (Continued)****c. Related Party Balance**

Receivables	Nature of transaction	31/12/2024 VND	01/01/2024 VND
<b>a) Joint ventures and associates</b>			
Song Hong Steel Joint Stock Company	Receivables from customers	3,897,962,892	3,897,962,892
Song Hong 36 Joint Stock Company	Receivables from customers	13,505,443,049	13,505,443,049
Song Hong Investment Import - Export and Construction Joint Stock Company	Receivables from customers	205,990,037	205,990,037
Song Hong Saigon Joint Stock Company	Receivables from customers	19,785,826	19,785,826
Song Hong Binh Tay Corporation	Receivables from customers	73,870,335	73,870,335
Song Hong Construction No. 1 Joint Stock Company	Receivables from customers	3,191,001,774	3,191,001,774
<b>b) Other long-term investments</b>			
Song Hong Construction and Trading Joint Stock Company	Receivables from customers	4,081,977,592	4,081,977,592
<b>Total</b>		<b>24,976,031,505</b>	<b>24,976,031,505</b>

Receivables	Nature of transaction	31/12/2024 VND	01/01/2024 VND
<b>a) Joint ventures and associates</b>			
Song Hong Steel Joint Stock Company	Repayments to suppliers	2,800,000,000	2,800,000,000
Song Hong 36 Joint Stock Company	Repayments to suppliers	7,100,654,421	7,100,654,421
Song Hong Investment Import - Export and Construction Joint Stock Company	Repayments to suppliers	6,000,000,000	6,000,000,000
Song Hong Saigon Joint Stock Company	Repayments to suppliers	126,390,086,131	126,390,086,131
Ha Noi Invest Trading and Traffic Building Construction Joint Stock Company	Repayments to suppliers	1,373,400,000	1,373,400,000
Song Hong Investment Construction Joint Stock Company	Repayments to suppliers	1,000,000,000	1,000,000,000
Song Hong Construction No. 1 Joint Stock Company	Repayments to suppliers	1,143,596,893	1,143,596,893
<b>b) Other long-term investments</b>			
Song Hong Construction and Trading Joint Stock Company	Repayments to suppliers	459,622,441	459,622,441
<b>Total</b>		<b>146,267,359,886</b>	<b>146,267,359,886</b>

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

For the year ended 31 December 2024

**7.1 Transactions with related parties and Related party balance (Continued)**

**c. Related Party Balance (Continued)**

Receivables	Nature of transaction	31/12/2024 VND	01/01/2024 VND
<b>a) Joint ventures and associates</b>			
Song Hong 36 Joint Stock Company	Other receivables	26,527,320,279	26,527,320,279
Song Hong Investment Import - Export and Construction Joint Stock Company	Other receivables	1,929,686,382	1,929,686,382
Song Hong Saigon Joint Stock Company	Other receivables	8,792,920,720	8,792,920,720
Ha Noi Song Hong Property Joint Stock Company	Other receivables	3,320,000,000	3,320,000,000
Ha Noi Invest Trading and Traffic Building Construction Joint Stock Company	Other receivables	862,285,019	862,285,019
Songhong Urban Construction Joint Stock Company	Other receivables	528,916,364	528,916,364
Song Hong Investment Construction Joint Stock Company	Other receivables	874,539,347	874,539,347
Song Hong Construction No. 1 Joint Stock Company	Other receivables	59,951,900	59,951,900
<b>b) Other long-term investments</b>			
Song Hong Construction and Trading Joint Stock Company	Other receivables	35,483,147,873	35,495,747,873
<b>Total</b>		<b>78,378,767,884</b>	<b>78,391,367,884</b>

Accounts payable and other payables	Nature of transaction	31/12/2024 VND	01/01/2024 VND
<b>a) Joint ventures and associates</b>			
Song Hong 36 Joint Stock Company	Trade payables	75,267,249	75,267,249
Song Hong Saigon Joint Stock Company	Trade payables	1,275,927,812	1,275,927,812
Song Hong 8 Joint Stock Company (Song Hong Metroco)	Trade payables	6,123,693,316	4,737,157,555
Song Hong Hanoi Real Estate Joint Stock Company	Trade payables	2,528,899,709	2,528,899,709
Hanoi Investment, Trading & Traffic Construction Joint Stock Company	Trade payables	2,330,952,761	2,330,952,761
Song Hong Urban Construction Joint Stock Company	Trade payables	27,249,548,436	27,249,548,436
Song Hong Construction Consulting Joint Stock Company	Trade payables	197,063,812	197,063,812
Song Hong Construction No. 1 Joint Stock Company	Trade payables	19,170,145,785	19,170,145,785
Song Hong Tay Do Joint Stock Company	Trade payables	17,814,866,775	17,814,866,775
<b>b) Other long-term investments</b>			
Song Hong Dai Phat Joint Stock Company	Trade payables	1,324,178,612	1,324,178,612
Song Hong 9 Investment and Construction Joint Stock Company	Trade payables	277,675,257	277,675,257
Song Hong Trading and Installation Joint Stock Company (Song Hong 6 Joint Stock Company)	Trade payables	4,077,245,422	2,855,416,755
<b>Total</b>		<b>82,445,464,946</b>	<b>79,837,100,518</b>



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

For the year ended 31 December 2024

**7.1 Transactions with related parties and Related party balance (Continued)****c. Related Party Balance (Continued)**

Payables	Nature of transaction	31/12/2024 VND	01/01/2024 VND
<b>a) Joint ventures and associates</b>			
Song Hong Saigon Joint Stock Company	Other Payables	9,578,124,594	9,578,124,594
Song Hong Hanoi Real Estate Joint Stock Company	Other Payables	101,120,000	101,120,000
Hanoi Investment Trading and Traffic Construction Joint Stock Company	Other Payables	37,269,382	37,269,382
Song Hong Construction Consulting Joint Stock Company	Other Payables	18,083,013	18,083,013
Song Hong Construction No. 1 Joint Stock Company	Other Payables	2,125,000,000	2,125,000,000
<b>b) Other long-term investments</b>			
Song Hong Aluminum Shalumi Group Joint Stock Company	Other Payables	3,862,093,801	3,862,093,801
<b>Total</b>		<b>15,721,690,790</b>	<b>15,721,690,790</b>
		<b>31/12/2024</b>	<b>01/01/2024</b>
<b>Loans and borrowings</b>	<b>Relations</b>	<b>VND</b>	<b>VND</b>
Pham Van Nghia	Board of Management	38,850,223	340,000,000

**d. Transactions with related parties**

Sales of goods and services	Nature of transaction	Year 2024 VND	Year 2023 VND
<b>Associate company</b>			
<b>Other long-term investments</b>			
Song Hong Technology and Construction Joint Stock Company	Leasing of premises		2,337,236,363
<b>Total</b>		<b>-</b>	<b>2,337,236,363</b>

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

For the year ended 31 December 2024

**7.2 Other information**

- (i) According to Contract No. 280909/LILAMA-SHC dated September 28, 2009, between the Corporation and Vietnam Installation Mechanical Joint Stock Corporation (LILAMA), the contract value for the Corporation's construction work on the Vung Ang 1 Thermal Power Plant Project was VND 1,315.8 billion, which was fully assigned to the Project Management Board of the Vung Ang 1 Thermal Power Plant Construction Project for management and execution. According to Resolution No. 686/NQ-DKVN dated January 27, 2014, the Vietnam Oil and Gas Group (PVN) approved unforeseen additional costs for the entire Vung Ang 1 Thermal Power Plant project of approximately VND 1,090 billion. Furthermore, on March 14, 2016, PVN issued Document No. 1429/QĐ-DKVN approving the second adjusted total investment for the Vung Ang 1 Thermal Power Plant Project at VND 33,576.29 billion. Accordingly, the estimated value after appraisal for the construction scope executed by the Corporation increased by approximately VND 213.8 billion compared to the signed contract. The general contractor requested PVN to consider adjusting the unforeseen additional costs of this project. As of the date of this Consolidated financial statement, PVN has approved the adjustment of the total investment for the project, including the unforeseen additional costs. The Corporation is currently working to reconcile the volume of work performed with the general contractor.

**7.3 Subsequent events**

- (i) Song Hong Joint Stock Corporation is currently the defendant in a lawsuit filed by Lilama 10 Joint Stock Company requesting payment of the remaining amount under Economic Contract No. 160312/LILAMA10-BDHVA1 dated March 16, 2012. The case was accepted by the Tay Ho District People's Court as per the Notice of Acceptance of Commercial Litigation Case No. 01/2025/TLST-KDTM dated January 10, 2025. The lawsuit concerns a request for payment of the value of construction work that has been inspected and settled by both parties, but the Corporation delayed payment. Specifically, Lilama 10 requested the Corporation to pay the remaining amount of VND 3,703,714,740 after a prior advance payment of VND 628,652,940. Currently, the case is in the reconciliation and evidence submission stage. The Corporation has not yet fully determined other possible arising financial obligations including court fees and other costs (if any), and therefore has not made a provision in the Consolidated financial statements for the year 2024. The Corporation will adjust the Consolidated financial statements when an official court judgment is issued.

**7.4. Comparative figures**

Comparative figures are taken from the consolidated financial statements for the year ended 31 December 2023 which are audited by CPA VIETNAM Auditing Company Limited – A Member of INPACT.

Preparer

Deputy Manager of Finance  
and Accounting Department (In charge of)Hanoi, 22 May 2025  
General Director
  
 Nguyen Thi Khanh Hau

  
 Le Thi Hong Hanh

  
 Dang Minh Quang
