

**CONSTRUCTION JOINT STOCK COMPANY NO. 6**

**AUDITED FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

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**STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT AND  
BOARD OF GENERAL DIRECTORS**

The Chairman of the Board of Management and Board of General Directors of Construction Joint Stock Company No. 6 ("the Company") presents this report together with the Company's financial statements for the year ended 31 December 2024.

**BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS**

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

**Board of Management**

Mr. Pham Van Thuy	Chairman
Mr. Phan Hong Ngoc	Member
Mr. Phan Quoc Hieu	Member
Mr. Luong Ba Minh	Member

**Board of General Directors**

Mr. Phan Hong Ngoc	General Director
Mr. Pham Xuan Huy	Deputy General Director (Resigned on 1 December 2024 according to Decision No. 06/QD-HDQT on retirement with pension benefits on 6 November 2024)
Mr. Nguyen Duy Duong	Deputy General Director
Mr. Trinh Van Thuy	Deputy General Director
Mr. Luong Ba Minh	Deputy General Director
Mr. Phan Anh Tuan	Chief Accountant

**Board of Supervisors**

Mr. To Van Tuyen	Head of Board of Supervisors
Mr. Dam Anh Tu	Member
Mr. Luong Van Tuyen	Member

*Legal representative*

The legal representative of the Company during the year and to the date of this report is Mr. Phan Hong Ngoc - General Director.

**CHAIRMAN OF BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS'  
STATEMENT OF RESPONSIBILITY**

The Chairman of Board of Management and Board of General Directors of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Chairman of Board of Management and Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Chairman of Board of Management and Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the accounting records and financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Chairman of Board of Management and Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

**STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT AND  
BOARD OF GENERAL DIRECTORS (CONTINUED)**

**CHAIRMAN OF BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS'  
STATEMENT OF RESPONSIBILITY (CONTINUED)**

In the Chairman of Board of Management and Board of General Directors' opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

For and on behalf of the Chairman of Board of Management and Board of General Directors,



**Phan Hong Ngoc**  
**General Director**  
Hanoi, 18 April 2025



No.: 188 /VACO/BCKiT.NV2

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, the Board of Management and the Board of General Directors  
Construction Joint Stock Company No. 6**

We have audited the accompanying financial statements of Construction Joint Stock Company No. 6 ("the Company"), prepared on 18 April 2025, as set out from page 5 to page 28, which comprise the balance sheet as at 31 December 2024, the income statement, the cash flow statement for the year then ended, and the notes to the financial statements (hereafter called "the financial statements").

### *Chairman of the Board of Management and Board of General Directors' Responsibility*

The Chairman of Board of Management and Board of General Directors of the Company is responsible for the true and fair preparation and presentation of the financial statements of the Company in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Chairman of Board of Management and Board of General Directors determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to frauds or errors.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with the regulations and standards of professional ethics, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidences about the amounts and disclosures in the financial statements. The selected procedures are depended on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to frauds or errors. In making those risk assessments, the auditor considers internal control system relevant to the Company's true and fair preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of General Directors, as well as evaluating the overall presentation of the financial statements.

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

### *Basis for Qualified Opinion*

At the time of preparing the financial statements for the year ended 31 December 2024, the Company has not yet fully determined the recoverability of the value of Package No. 11 - "Renovation and upgrading of Bieu Nghi - Ha Long Railway Section" of the "Pha Lai - Ha Long" sub-project under the "Yen Vien - Pha Lai - Ha Long - Cai Lan Railway" project for the completed construction volume of phase 2 (Details in Note 35). In addition, the Company has not reconciled some related debts and assessed the recoverability. We have also been unable to perform the necessary audit procedures to obtain sufficient appropriate audit evidence to assess the recoverability of these receivables and inventories. Therefore, we could not determine whether we should make provisions for these receivables and inventories.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### *Qualified Opinion*

In our opinion, except for the effect of the matter described in the “Basis for Qualified Opinion” paragraph, the financial statements give a true and fair view of, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

### *Other matter*

The financial statements for the year ended 31 December 2023 were audited by BDO Audit Services Company Limited with the Auditor's report No. BC/BDO/2024.320 dated 5 April 2024 expressing an unqualified opinion.



**Chu Manh Hoan**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 1403-2023-156-1  
*For and on behalf of*  
**VACO AUDITING COMPANY LIMITED**  
*Hanoi, 18 April 2025*

**Vu Anh Tu**  
**Auditor**  
Audit Practising Registration Certificate  
No. 5775-2023-156-1






**BALANCE SHEET**  
*As at 31 December 2024*


Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>173,704,474,974</b>	<b>164,484,039,004</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>5,116,805,076</b>	<b>9,584,914,102</b>
1. Cash	111		5,116,805,076	9,584,914,102
<b>II. Short-term financial investments</b>	<b>120</b>	<b>5</b>	<b>1,183,793,000</b>	<b>1,183,793,000</b>
1. Investments held to maturity	123		1,183,793,000	1,183,793,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>112,432,239,138</b>	<b>89,203,459,858</b>
1. Short-term trade receivables	131	6	115,047,302,789	85,336,319,549
2. Short-term advances to suppliers	132	7	2,088,055,045	8,186,767,241
3. Other short-term receivables	136	8	3,645,070,314	4,028,562,078
4. Provision for doubtful debts	137	9	(8,348,189,010)	(8,348,189,010)
<b>IV. Inventories</b>	<b>140</b>	<b>10</b>	<b>54,682,175,364</b>	<b>64,252,274,591</b>
1. Inventories	141		55,674,450,028	65,244,549,255
2. Provision for devaluation of inventories	149		(992,274,664)	(992,274,664)
<b>V. Other current assets</b>	<b>150</b>		<b>289,462,396</b>	<b>259,597,453</b>
1. Short-term prepayments	151	11	76,081,815	59,597,453
2. Taxes and amounts receivable from the State budget	153	12	213,380,581	200,000,000
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>17,318,010,162</b>	<b>19,057,698,847</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>4,463,556,911</b>	<b>6,224,434,378</b>
1. Tangible fixed assets	221	13	3,317,016,996	5,035,814,459
- Cost	222		69,813,984,032	71,526,842,994
- Accumulated depreciation	223		(66,496,967,036)	(66,491,028,535)
2. Intangible fixed assets	227	14	1,146,539,915	1,188,619,919
- Cost	228		2,104,000,000	2,104,000,000
- Accumulated depreciation	229		(957,460,085)	(915,380,081)
<b>II. Long-term assets in progress</b>	<b>240</b>	<b>15</b>	<b>11,628,751,493</b>	<b>11,628,751,493</b>
2. Construction in progress	242		11,628,751,493	11,628,751,493
<b>III. Other non-current assets</b>	<b>260</b>		<b>1,225,701,758</b>	<b>1,204,512,976</b>
1. Long-term prepayments	261	11	1,225,701,758	1,204,512,976
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>191,022,485,136</b>	<b>183,541,737,851</b>

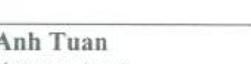
*As at 31 December 2024*



**Phan Hong Ngoc**  
General Director  
*Hanoi, 18 April 2025*



**Phan Anh Tuan**  
Chief Accountant



**Nguyen Quang Thanh Mai**  
Preparer

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

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
<b>1. Revenue from goods sold and services rendered</b>	<b>01</b>	<b>24</b>	<b>168,375,450,321</b>	<b>210,142,813,547</b>
2. Deductions	02	24	-	157,215,129
<b>3. Net revenue from goods sold and services rendered</b> (10 = 01 - 02)	<b>10</b>	<b>24</b>	<b>168,375,450,321</b>	<b>209,985,598,418</b>
4. Cost of goods sold and services rendered	11	25	154,900,667,351	188,083,735,307
<b>5. Gross profit from goods sold and services rendered</b> (20 = 10 - 11)	<b>20</b>		<b>13,474,782,970</b>	<b>21,901,863,111</b>
6. Financial income	21	27	24,487,770	19,886,808
7. Financial expenses	22	28	2,587,445,432	2,333,577,791
- In which: Interest expenses	23		2,583,693,761	2,328,314,725
8. General and administration expenses	26	29	8,951,834,670	11,126,474,941
<b>9. Operating profit</b> {30 = 20 + (21 - 22) - 26}	<b>30</b>		<b>1,959,990,638</b>	<b>8,461,697,187</b>
10. Other income	31	30	324,169,377	655,201,297
<b>11. Profit from other activities (40 = 31)</b>	<b>40</b>		<b>324,169,377</b>	<b>655,201,297</b>
<b>12. Accounting profit before tax</b> (50 = 30 + 40)	<b>50</b>		<b>2,284,160,015</b>	<b>9,116,898,484</b>
13. Current corporate income tax expense	51	31	-	-
<b>14. Net profit after corporate income tax</b> (60 = 50 - 51)	<b>60</b>		<b>2,284,160,015</b>	<b>9,116,898,484</b>
15. Basic earnings per share	70	32	374	1,493



Phan Hong Ngoc  
General Director  
Hanoi, 18 April 2025

Phan Anh Tuan  
Chief Accountant

Nguyen Quang Thanh Mai  
Preparer

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

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. Cash flows from operating activities</b>			
1. Profit before tax	01	2,284,160,015	9,116,898,484
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	1,803,377,467	1,852,585,018
- Provisions	03	162,732,973	1,801,648,049
- Foreign exchange (gain)/ loss arising from translating foreign currency items	04	(73,619)	(74,933)
- (Gain)/loss from investing activities	05	(310,774,517)	(19,811,875)
- Interest expense	06	2,583,693,761	2,328,314,725
3. Operating profit before movements in working capital	08	6,523,116,080	15,079,559,468
- (Increase)/Decrease in receivables	09	(22,645,646,780)	(23,115,758,077)
- (Increase)/Decrease in inventories	10	9,570,099,227	(12,323,929,355)
- Increase/(Decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	730,216,308	27,307,677,467
- (Increase)/Decrease in prepaid expenses	12	(37,673,144)	(36,402,396)
- Interest paid	14	(2,899,874,066)	(2,469,080,072)
- Other cash inflows	16	14,670,000	-
- Other cash outflows	17	-	(10,000,000)
Net cash generated by/(used in) operating activities	20	(8,745,092,375)	4,432,067,035
<b>II. Cash flows from investing activities</b>			
1. Acquisition and construction of fixed assets	21	(42,500,000)	(1,312,316,410)
2. Proceeds from sale, disposal of fixed assets	22	324,169,377	-
3. Cash recovered from investments in other entities	26	-	1,157,000,000
4. Interest earned, dividends and profits received	27	24,487,770	19,829,418
Net cash generated by/(used in) investing activities	30	306,157,147	(135,486,992)
<b>III. Cash flows from financing activities</b>			
1. Proceeds from borrowings	33	18,771,940,678	17,975,358,095
2. Repayment of borrowings	34	(14,801,188,095)	(18,639,317,312)
Net cash generated by/(used in) financing activities	40	3,970,752,583	(663,959,217)
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	(4,468,182,645)	3,632,620,826
Cash and cash equivalents at beginning of year	60	9,584,914,102	5,952,218,343
Effects of changes in foreign exchange rates	61	73,619	74,933
Cash and cash equivalents at end of year (70 = 50 + 60 + 61)	70	5,116,805,076	9,584,914,102



Phan Hong Ngoc  
General Director  
Hanoi, 18 April 2025

Phan Anh Tuan  
Chief Accountant

Nguyen Quang Thanh Mai  
Preparer



**NOTES TO THE FINANCIAL STATEMENTS***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***1. GENERAL INFORMATION****Structure of ownership**

Construction Joint Stock Company No. 6 (hereinafter referred to as “the Company”) is a joint stock company converted from a state-owned enterprise under Decision No 4446/QĐ-BGTVT dated 31 December 2002 of the Minister of Transport. The Company operates under Business Registration Certificate No. 0100104901 dated 29 September 2003 issued by Hanoi Authority for Planning and Investment. During its operation, changes in business functions, charter capital, and branch information of the Company have also been approved by Hanoi Authority for Planning and Investment under the 1<sup>st</sup> to the 12<sup>th</sup> amended Business Registration Certificates on 1 April 2021.

The Company’s head office is located at Group 36, Dong Anh Town, Dong Anh District, Hanoi, Vietnam.

The number of employees as at 31 December 2024 was 100 (as at 31 December 2023: 95).

**Operating industries and principal activities**

The operating industries of the Company are as follows:

- Construction of railway and road works;
- Warehouse and factory for rent;
- Construction material testing;
- Production of precast concrete components.

The principal activity of the Company is railway construction.

**Normal production and business cycle**

The Company’s normal production and business cycle is carried out for a period of 12 months or less.

**Company’s structure:** The Company has the following dependent accounting units:

Affiliated units	Address
Construction Enterprise 601	Group 36, Dong Anh Town, Dong Anh District, Hanoi
Construction Enterprise 605	Group 36, Dong Anh Town, Dong Anh District, Hanoi
Materials and Construction Enterprise	Group 36, Dong Anh Town, Dong Anh District, Hanoi
Materials - Thap Cham Construction Enterprise	Do Vinh Ward, Phan Rang - Thap Cham City, Ninh Thuan Province

**Disclosure of information comparability in the financial statements**

Comparative figures are those on the 2023 financial statements which were audited by another auditing company.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME****Financial year**

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

**Applied accounting regime**

The Company applied Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC, and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

**Declaration of compliance with accounting standard and accounting regime**

The Chairman of the Board of Management and Board of General Directors ensures to comply with the requirements of Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparation of financial statements.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Accounting convention**

The financial statements are prepared on a time basis (except for information relating to cash flows).

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

**Accounting estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Chairman of the Board of Management and Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Chairman of the Board of Management and Board of General Directors' best knowledge, actual results may differ from those estimates.

**Evaluation and recognition at fair value**

The Law on Accounting came into effect from 1 January 2017, which included regulations on evaluation and recognition at fair value. However, there is no specific instruction for this matter; therefore, the Chairman of the Board of Management and Board of General Directors has considered and applied as follows:

- a) *Financial instruments are recognized and revaluated at fair value based on historical cost less provisions (if any) in accordance with current regulations;*
- b) *For assets and liabilities (except item a as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Cash**

Cash comprises cash on hand, and demand deposits.

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

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

Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

**Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition; For trading enterprises: Cost comprises cost of purchases and other directly attributable expenses. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Work in progress in the inventory balance reflects the costs of work in progress, which have not been completed by the end of the year.

Inventories are accounted using the perpetual method.

The provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use. Costs incurred after initial recognition are only recorded as an increase in the cost of fixed assets if it is certain that these costs will increase future economic benefits from the use of such assets. Costs that do not satisfy the above conditions are recorded as expenses in the year.

When fixed assets are disposed of, their cost and accumulated depreciation are reduced, and any gain or loss arising from the disposal is included in income or expenses for the year.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Tangible fixed assets and depreciation (Continued)**

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

	Estimated useful lives (years)
Buildings and structures	06 - 50
Machinery and equipment	03 - 10
Motor vehicles and conveyances	06 - 10
Management equipment	04 - 08
Other tangible fixed assets	06 - 10

**Intangible fixed assets and amortisation**

Intangible fixed assets are stated at cost less accumulated amortisation.

*Land use rights*

Land use rights are recorded as intangible fixed assets when the Company is granted the land use rights certificate. The cost of land use rights comprise any directly attributable costs of bringing the land to their working condition and location for their intended use. Land use rights are amortised using the straight-line method over the land use period.

**Construction in progress**

Construction in progress includes costs that the Company spent on Suoi Kiet quarry project - Binh Thuan province and is recorded at actual costs incurred up to the reporting date.

**Prepayments**

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

Prepayments comprise costs of small tools, supplies and other costs which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method over 1 to 3 years.

**Payables and accrued expenses**

Payables represent the amounts paid to suppliers or others and are stated at their carrying amount.

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the Company. In addition, the Company monitors the amount contributed by the people for the main road in short-term trade payables.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and do not relate to the purchase, sale or supply of goods or services.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Payable provisions**

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Chairman of the Board of Management and Board of Directors' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Payable provisions for warranty of construction works are made for each work/work item which were completed, accepted and put into use during the year. The percentage of provision for warranty of construction works is determined on the basis of the Chairman of the Board of Management and Board of General Directors' estimates on the scale, nature and duration of warranty implementation... of each construction work.

**Equity**

Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

**Profit distribution**

Profit after tax is distributed to shareholders after deducting funds in accordance with the Charter of Company and regulations of the law which has been approved by the General Meeting of Shareholders.

Dividends are recognized as liabilities when having the approval of the General Meeting of Shareholders.

**Revenue recognition**

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

- (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 Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from construction contracts is recognised in accordance with the Company's accounting policy on construction contracts (see below).

Interest income is accrued on an accrual basis, by reference to the principal outstanding and at the applicable interest rate.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Construction contracts**

When the outcome of a construction contract can be reliably estimated and certified by the customer, revenue and costs related to the contract are recognised by reference to the stage of completion of the ~~contract work as certified by the customer, except where this cost is not equivalent to the completed~~ construction volume. This cost may include additional costs, compensation and performance bonuses as agreed with the customer.

When the project is approved by the investor for settlement and the construction contract is liquidated, all revenue and costs of the project are fully and accurately reflected in the Company's accounting books. For large projects lasting many years and with many payment periods in stages, the Company records revenue and estimates the costs transferred for each time and each payment record for completed volume in stages.

**Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is less than 12 months.

All other borrowing costs are recognized in the income statement when incurred.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred income tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred income tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred income tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred income tax is recognised into income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the Company's income tax is based on current tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Related parties**

Parties are considered to be related when one party has ability to control another or has significant influence in making decision related to financial and operational policies. Parties are also considered as related parties when they bear the same control and significant influence.

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

The related parties of the Company include:

<b>Related parties</b>	<b>Relationship</b>
Members of the Board of Management, Board of General Directors, Board of Supervisors, Chief Accountant	Key management

**4. CASH**

	<b>Closing balance</b>	<b>Opening balance</b>
	VND	VND
Cash on hand	170,100,222	203,377,617
Cash in bank	4,946,704,854	9,381,536,485
<b>Total</b>	<b>5,116,805,076</b>	<b>9,584,914,102</b>

**5. HELD-TO-MATURITY INVESTMENTS**

Deposit at Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Anh Branch, with the term of 12 months and the interest rate of 4.5%/year.

**6. SHORT-TERM TRADE RECEIVABLES**

	<b>Closing balance</b>	<b>Opening balance</b>
	VND	VND
<i>Short-term trade receivables from non-related parties</i>		
Vietnam Railways	10,573,198,291	7,822,736,159
Railway Project Management Board under the Ministry of Transport (i)	21,167,496,405	17,577,315,420
Saigon Railway Joint Stock Company	8,756,961,931	3,815,508,480
Yen Lao Railway Joint Stock Company	5,170,533,372	2,386,410,365
Branch of Vietnam National Coal And Mineral Industries Holding Corporation Limited - Cua Ong Coal Company - TKV	8,536,785,802	850,023,742
Branch of Vietnam National Coal And Mineral Industries Holding Corporation Limited - Da Bac Logistics Company - VINACOMIN	10,423,030,874	314,000,000
Others	50,419,296,114	52,570,325,383
<b>Total</b>	<b>115,047,302,789</b>	<b>85,336,319,549</b>

**Note:**

- (i) Including the receivables of the Package No. 11: Renovation and upgrading of Bieu Nghi - Ha Long Railway Section, with the value of VND 12,653,913,689 (Details in Note 35).



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***7. SHORT-TERM ADVANCES TO SUPPLIERS**

	<b>Closing balance</b>	<b>Opening balance</b>
	VND	VND
MHT Works Construction Trading Investment Company Limited	745,800,000	-
Manh Phat Trading and Service Company Limited	-	2,818,261,039
Tien Thanh Construction Project Company Limited	-	2,255,437,855
Others	1,342,255,045	3,113,068,347
<b>Total</b>	<b>2,088,055,045</b>	<b>8,186,767,241</b>

**8. OTHER SHORT-TERM RECEIVABLES**

	<b>Closing balance</b>	<b>Opening balance</b>
	VND	VND
Advances	3,148,847,795	3,594,039,974
Others	496,222,519	434,522,104
<b>Total</b>	<b>3,645,070,314</b>	<b>4,028,562,078</b>

**9. BAD DEBTS**

	<b>Closing balance</b>		<b>Opening balance</b>	
	<b>Amount</b>	<b>Recoverable amount</b>	<b>Amount</b>	<b>Recoverable amount</b>
	VND	VND	VND	VND
Vietnam Railways (Construction Package VNR-WB4-12: Renovation of the Drainage System at Hue Station) (i)	6,743,041,606	3,900,753,628	6,743,041,606	3,900,753,628
NHP Tien Loc Commercial JSC	4,348,108,082	-	4,348,108,082	-
DAP2 – Vinachem Joint Stock Company (ii)	1,181,441,974	945,963,540	1,181,441,974	945,963,540
Anh Binh An Construction JSC	922,314,516	-	922,314,516	-
<b>Total</b>	<b>13,194,906,178</b>	<b>4,846,717,168</b>	<b>13,194,906,178</b>	<b>4,846,717,168</b>

Note:

WB4 and DAP2 are joint venture packages in which the Company is the joint venture leader. The Company has made full provision for the volume that may be damaged if it is unrecoverable under its responsibility. Regarding the volume and materials of other contractors, as agreed, if it is unrecoverable from the investor, the Company is not responsible for paying for this volume and materials.

- (i) Construction Package No. VNR-WB4-12 includes the volume of work performed by Project 3 Construction and Investment Joint Stock Company, with a value of VND 576,328,987, and by Railway Construction Corporation Joint-Stock Company, with a value of VND 3,324,424,641.
- (ii) Package No. 09 - Provision of materials and equipment, construction and installation, testing railways, and loading and unloading yards in the factory includes the supply of materials and the volume of work performed by Long Hung Works Joint Stock Company, Binh Nam Construction Trading Joint Stock Company, and Railway Import - Export and Supply Material Equipment Joint Stock Company, with the values of VND 148,152,920, VND 217,642,000, and VND 580,168,620, respectively.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

## 10. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	5,862,089,198	-	7,811,524,310	-
Tools and supplies	196,160,442	-	164,606,786	-
Work in progress (i)	35,895,091,546	(992,274,664)	37,750,412,436	(992,274,664)
Finished goods	13,721,108,842	-	19,518,005,723	-
<b>Total</b>	<b>55,674,450,028</b>	<b>(992,274,664)</b>	<b>65,244,549,255</b>	<b>(992,274,664)</b>

Note:

(i) Details of works:

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Traffic Project No. 11: Renovation and Upgrading of the Railway Section from Bieu Nghi to Ha Long	14,108,113,593	-	14,108,113,593	-
Repair of the Railway Project from Km 340+500 to Km 343+800 on the Hanoi - Ho Chi Minh City Railway Line	5,194,727,592	-	-	-
Kep Station Railway Project (Bac Giang)	3,168,897,151	(992,274,664)	3,168,897,151	(992,274,664)
Renovation and Upgrading of the Section through Mimosa Pass and Other Works on National Road 20, Lam Dong Province	4,168,142,103	-	-	-
Construction of Ring Road 3, Section through Hoc Mon District, including the Bored Pile Drilling from Pier T10 to T19 and Two Bridge Abutments on National Road 22	3,956,551,564	-	-	-
Construction Package No. 11A	1,212,919,533	-	1,212,919,533	-
Others	4,085,740,010	-	19,260,482,159	-
<b>Total</b>	<b>35,895,091,546</b>	<b>(992,274,664)</b>	<b>37,750,412,436</b>	<b>(992,274,664)</b>

## 11. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
<b>a) Short-term</b>		
Tools and supplies issued for consumption	76,081,815	59,597,453
<b>Total</b>	<b>76,081,815</b>	<b>59,597,453</b>
<b>b) Long-term</b>		
Tools and supplies issued for consumption	1,225,701,758	1,204,512,976
<b>Total</b>	<b>1,225,701,758</b>	<b>1,204,512,976</b>

**CONSTRUCTION JOINT STOCK COMPANY NO. 6**

Group 36, Dong Anh Town, Dong Anh District,  
Hanoi, Vietnam

**FORM B 09-DN**

Issued under Circular No 200/2014/TT-BTC  
dated 22 December 2014 of Ministry of Finance

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

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

**12. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET**

	Opening receivable balance	Opening payable balance	Payable during the year	Paid during the year	Closing receivable balance	Closing payable balance
	VND	VND	VND	VND	VND	VND
Value added tax	-	1,129,870,917	13,820,933,160	12,931,840,774	-	2,018,963,303
Corporate income tax	200,000,000	-	-	-	200,000,000	-
Personal income tax	-	37,639,412	129,383,184	180,403,177	13,380,581	-
Resource tax	-	-	2,500,000	2,500,000	-	-
Land rent, non-agricultural land tax	-	-	2,707,290,099	2,707,290,099	-	-
Business license tax, registration tax	-	-	9,000,000	9,000,000	-	-
Other fees, charges, and payables	-	-	429,371,387	429,371,387	-	-
<b>Total</b>	<b>200,000,000</b>	<b>1,167,510,329</b>	<b>17,098,477,830</b>	<b>16,260,405,437</b>	<b>213,380,581</b>	<b>2,018,963,303</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

## 13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipments	Motor vehicles and conveyances	Management equipment	Other tangible fixed assets	Total
	VND	VND	VND	VND	VND	VND
<b>COST</b>						
Opening balance	19,278,315,491	34,923,629,981	12,532,695,133	710,078,871	4,082,123,518	71,526,842,994
- Purchases during the year	-	42,500,000	-	-	-	42,500,000
- Sales, disposals	-	-	(1,755,358,962)	-	-	(1,755,358,962)
Closing balance	19,278,315,491	34,966,129,981	10,777,336,171	710,078,871	4,082,123,518	69,813,984,032
<b>ACCUMULATED DEPRECIATION</b>						
Opening balance	18,258,497,754	32,298,384,157	12,001,820,724	519,220,271	3,413,105,629	66,491,028,535
- Charges for the year	299,647,008	1,060,071,019	216,537,648	43,801,872	141,239,916	1,761,297,463
- Sales, disposals	-	-	(1,755,358,962)	-	-	(1,755,358,962)
Closing balance	18,558,144,762	33,358,455,176	10,462,999,410	563,022,143	3,554,345,545	66,496,967,036
<b>NET BOOK VALUE</b>						
Opening balance	1,019,817,737	2,625,245,824	530,874,409	190,858,600	669,017,889	5,035,814,459
Closing balance	720,170,729	1,607,674,805	314,336,761	147,056,728	527,777,973	3,317,016,996

The cost of tangible fixed assets that have been fully depreciated but are still in use as at 31 December 2024 was VND 52,920,609,346 (as at 31 December 2023: VND 54,423,018,308).

The net book value of the tangible fixed assets as at 31 December 2024 used as collateral for loans was VND 1,612,369,966 (as at 31 December 2023: VND 2,995,939,706). Details in Note 20.

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

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

**14. INCREASES, DECREASES IN INTANGIBLE FIXED ASSETS**

	Land use rights	Total
	VND	VND
<b>COST</b>		
Opening balance	2,104,000,000	2,104,000,000
Closing balance	2,104,000,000	2,104,000,000
<b>ACCUMULATED AMORTISATION</b>		
Opening balance	915,380,081	915,380,081
- Charges for the year	42,080,004	42,080,004
Closing balance	957,460,085	957,460,085
<b>NET BOOK VALUE</b>		
Opening balance	1,188,619,919	1,188,619,919
Closing balance	1,146,539,915	1,146,539,915

**15. CONSTRUCTION IN PROGRESS**

	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
Suoi Kiet Quarry Project (i)	11,628,751,493	11,628,751,493	11,628,751,493	11,628,751,493
<b>Total</b>	<b>11,628,751,493</b>	<b>11,628,751,493</b>	<b>11,628,751,493</b>	<b>11,628,751,493</b>

Note:

- (i) The Company has made commitments to transfer this project, as presented in Note 35.

**16. SHORT-TERM TRADE PAYABLES**

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Project 3 Construction and Investment Joint Stock Company (i)	16,178,880,686	16,178,880,686	18,438,191,102	18,438,191,102
Ha Ninh Bridges and Roads Mechanism Joint Stock Company	12,331,878,796	12,331,878,796	10,856,245,196	10,856,245,196
Tan Co Consulting and Trading Joint Stock Company	5,648,500,000	5,648,500,000	9,009,520,000	9,009,520,000
Railway Construction Corporation Joint-Stock Company	4,591,544,933	4,591,544,933	4,591,544,933	4,591,544,933
Others	35,859,923,292	35,859,923,292	29,667,559,240	29,667,559,240
<b>Total</b>	<b>74,610,727,707</b>	<b>74,610,727,707</b>	<b>72,563,060,471</b>	<b>72,563,060,471</b>



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

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

**16. SHORT-TERM TRADE PAYABLES (CONTINUED)**

Note:

- (i) Including the payables of the Package No. 11: Renovation and upgrading of Bieu Nghi - Ha Long Railway Section, with the value of VND 15,068,864,044 (Details in Note 35).

**17. SHORT-TERM ADVANCES FROM CUSTOMERS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Phan Thiet Hoa Xa Company Limited (i)	11,900,000,000	6,900,000,000
Thuan Hai Railway Joint Stock Company	1,304,113,337	-
Hai Nam Investment Development Business and Service Company Limited (Restoration and repair of railway line 3A and construction of Ga Kep freight yard)	1,092,528,300	1,092,528,300
Others	1,450,400,456	6,092,660,710
<b>Total</b>	<b>15,747,042,093</b>	<b>14,085,189,010</b>

Note:

- (i) This represents the advances related to commitment to transfer Suoi Kiet Quarry Project, as presented in Note 35.

**18. PAYABLES TO EMPLOYEES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Construction Enterprise 601	2,667,251,860	2,180,549,386
Construction Enterprise 605	472,665,424	3,837,781,924
Materials and Construction Enterprise	690,680,513	956,551,786
Thap Cham Materials and Construction Enterprise	253,973,500	551,591,500
Company Office	779,912,121	1,807,793,313
<b>Total</b>	<b>4,864,483,418</b>	<b>9,334,267,909</b>

**19. SHORT-TERM ACCRUED EXPENSES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Trade union fees	37,810,596	35,145,339
Payable due to termination of employment	106,339,413	106,339,413
Others	737,130,669	537,524,671
<b>Total</b>	<b>881,280,678</b>	<b>679,009,423</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

## 20. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Closing balance		During the year		Opening balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Bank loans</b>						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Anh Branch (i)	16,958,940,678	16,958,940,678	16,971,940,678	13,601,188,095	13,588,188,095	13,588,188,095
<b>Personal loans (ii)</b>						
Mr. Nguyen Van Phong	430,000,000	430,000,000	-	-	430,000,000	430,000,000
Mr. Bui Manh Hai	300,000,000	300,000,000	-	-	300,000,000	300,000,000
Ms. Nguyen Thi Hanh	350,000,000	350,000,000	-	-	350,000,000	350,000,000
Ms. Phan Thi Thanh Hai	600,000,000	600,000,000	-	900,000,000	1,500,000,000	1,500,000,000
Mr. Lai Van Quan	1,000,000,000	1,000,000,000	-	-	1,000,000,000	1,000,000,000
Ms. Le Thi Hai Yen	2,000,000,000	2,000,000,000	-	-	2,000,000,000	2,000,000,000
Ms. Nguyen Thi Huong	500,000,000	500,000,000	-	-	500,000,000	500,000,000
Ms. Le Ha Trang	1,500,000,000	1,500,000,000	1,500,000,000	-	-	-
Mr. Le Van Luong	-	-	300,000,000	300,000,000	-	-
<b>Total</b>	<b>23,638,940,678</b>	<b>23,638,940,678</b>	<b>18,771,940,678</b>	<b>14,801,188,095</b>	<b>19,668,188,095</b>	<b>19,668,188,095</b>

## Note:

- (i) Credit limit contract No. 01/2024/153713/HDTD dated 30 August 2024 to supplement working capital and guarantee (bid guarantees, contract guarantees, advance guarantees, payment guarantees, and construction warranty guarantees) in 2024 - 2025 with a limit of VND 90,000,000,000 (Ninety billion Vietnamese Dong), including the short-term credit limit (working capital loans, LC opening guarantees, and payment guarantees) of VND 20,000,000,000 (Twenty billion Vietnamese Dong). The maximum loan term is 11 months; the interest rate complies with the regulations of the Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV") for each specific loan in each loan term announced at the time of the loan and adjusted under BIDV's policy on the system.

Short-term credit loans are secured by mortgaging the Company's assets, machinery, and equipment under Asset Mortgage Contract No. 01/2023/153713/HDBDBS dated 12 September 2023 and Asset Valuation Minutes dated 27 December 2024, with the valuation value in 2024 of VND 23,291,289,694. In addition to the above assets, the Company also signed contracts to use the assets and real estate of individuals (Tripartite contract: Individual - Bank - Construction Joint Stock Company No. 6) as collateral for the Bank to issue a Letter of Guarantee (Bid guarantees, contract guarantees, advance guarantees, and construction warranty guarantees), with a total value of VND 32,194,645,000 (Valuation period 2024) including Real estate mortgage contract No. 02/2023/153713/HDBD dated 20 March 2023, Real estate mortgage contract No. 03/2022/153713/HDBD dated 23 March 2023, and Real estate mortgage contract No. 04/2023/153713/HDBD dated 23 March 2023.



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

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

**20. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)**

Note (Continued):

- (ii) Loans from individuals, based on the Resolution of the Board of Management and the borrowing needs of each period, under specific loan contracts signed by the General Director, to supplement working capital. The loan term and interest rate are agreed upon. This loan has no collateral; therefore, the interest rate is usually 1% - 3% higher than the bank loan interest rate of the same period but not exceeding the State's regulations to calculate reasonable expenses for tax purposes (Unsecured loans).

**21. LONG-TERM PAYABLES PROVISION**

	Closing balance	Opening balance
	VND	VND
Provision for product warranty	1,131,447,159	779,124,000
Provision for construction warranty	1,587,087,814	1,776,678,000
<b>Total</b>	<b>2,718,534,973</b>	<b>2,555,802,000</b>

**22. OWNER'S EQUITY**

*Movement in owner's equity*

	Owner's contributed capital	Treasury stock	Investment and development fund	Retained earnings	Total
Opening balance of prior year	61,080,780,000	(23,190,000)	5,370,231,737	(12,468,628,514)	53,959,193,223
Profit for the year	-	-	-	9,116,898,484	9,116,898,484
Opening balance of current year	61,080,780,000	(23,190,000)	5,370,231,737	(3,351,730,030)	63,076,091,707
Profit for the year	-	-	-	2,284,160,015	2,284,160,015
Other increase (i)	-	-	-	634,395,711	634,395,711
Closing balance of current year	61,080,780,000	(23,190,000)	5,370,231,737	(433,174,304)	65,994,647,433

Note:

- (i) Representing the profit from 2019 to 2023 of Myanmar Construction Co., Ltd No. 6 (formerly a subsidiary of the Company) under the Debt Reconciliation Minutes dated 05 July 2024.

*Charter capital*

	Closing balance	Opening balance
	VND	VND
Capital contribution of Vietnam Railways	9,704,330,000	9,704,330,000
Phan Quoc Hieu	13,003,050,000	13,003,050,000
Others	38,373,400,000	38,373,400,000
<b>Total</b>	<b>61,080,780,000</b>	<b>61,080,780,000</b>

*Capital transactions with owners and distribution of dividends and profits*

	Current year	Prior year
	VND	VND
Owner's contributed capital	61,080,780,000	61,080,780,000
- Capital contribution at the beginning of the year	61,080,780,000	61,080,780,000
- Capital contribution increased during the year	-	-
- Capital contribution decreased during the year	-	-
- Capital contribution at the end of the year	61,080,780,000	61,080,780,000

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

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

**22. OWNER'S EQUITY (CONTINUED)**

**Shares**

	<b>Closing balance</b>	<b>Opening balance</b>
	Shares	Shares
Number of shares registered for issuance	6,108,078	6,108,078
Number of shares sold to the public	-	-
- Common shares	6,108,078	6,108,078
- Preferred shares	-	-
Number of shares repurchased (treasury share)		
- Common shares	2,319	2,319
- Preferred shares	-	-
Number of shares outstanding		
- Common shares	6,105,759	6,105,759
- Preferred shares	-	-
Par value of outstanding share (VND)	10,000	10,000

**Funds**

	<b>Closing balance</b>	<b>Opening balance</b>
	VND	VND
Investment and development fund	5,370,231,737	5,370,231,737

**23. OFF-BALANCE SHEET ITEMS**

**Foreign currencies**

	<b>Closing balance</b>	<b>Opening balance</b>
Foreign currency (USD)	45.34	71.74

**Bad debt write-off**

Items	Reason	<b>Closing balance</b>	<b>Opening balance</b>
		VND	VND
Xuan Loc Phat Trading and Construction Company Limited	Irrecoverable debt	1,346,651,400	1,346,651,400
Road Company No. 230	The company has ceased operations	503,033,000	503,033,000
Kien Khe Stone Exploitation Company Limited	Irrecoverable debt	551,331,750	551,331,750
Truong Phuoc Loc Company Limited	The company has ceased operations	566,381,835	566,381,835
Da Nang Youth Volunteer Corps	Irrecoverable debt	963,766,356	963,766,356
Investment And Engineering Construction Joint Stock Company 120	Irrecoverable debt	3,579,130,833	3,579,130,833
Others	Irrecoverable debt	2,290,850,003	2,290,850,003
<b>Total</b>		<b>9,801,145,177</b>	<b>9,801,145,177</b>

**Assets held under trust**

As at 31 December 2024, prestressed concrete sleepers of the Yen Vien - Pha Lai - Ha Long - Cai Lan project held under trust from the Railway Project Management Board (RPMU) at Dong Anh Construction Materials Enterprise are 28,560 bars.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

## 24. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Revenue from production serving construction activities	61,313,083,823	63,912,613,271
Revenue from construction activities	107,062,366,498	146,230,200,276
Revenue deductions		
Sales discount	-	157,215,129
<b>Net revenue from goods sold and services rendered</b>	<b>168,375,450,321</b>	<b>209,985,598,418</b>

## 25. COST OF GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Cost of production serving construction activities	50,082,171,035	50,112,956,914
Cost of construction activities	104,818,496,316	137,970,778,393
<b>Total</b>	<b>154,900,667,351</b>	<b>188,083,735,307</b>

## 26. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials	75,683,193,232	114,998,722,224
Labors	30,581,748,121	39,633,160,670
Depreciation and amortisation	1,803,377,467	1,852,585,018
Out-sourced services	31,986,729,989	32,596,875,519
<b>Total</b>	<b>140,055,048,809</b>	<b>189,081,343,431</b>

## 27. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Bank interest	24,414,151	19,811,875
Foreign exchange gain	73,619	7,933
<b>Total</b>	<b>24,487,770</b>	<b>19,819,808</b>

## 28. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expenses	2,583,693,761	2,328,314,725
Other financial expenses	3,751,671	5,263,066
<b>Total</b>	<b>2,587,445,432</b>	<b>2,333,577,791</b>

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

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

**29. GENERAL AND ADMINISTRATION EXPENSES**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Labors	2,694,081,364	3,037,286,529
Depreciation and amortisation	391,094,556	391,094,556
Others	5,866,658,750	7,698,093,856
<b>Total</b>	<b>8,951,834,670</b>	<b>11,126,474,941</b>

**30. OTHER INCOME**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Disposal of materials and fixed assets	286,360,366	-
Others	37,809,011	655,201,297
<b>Total</b>	<b>324,169,377</b>	<b>655,201,297</b>

**31. CURRENT CORPORATE INCOME TAX EXPENSE**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit before tax	2,284,160,015	9,116,898,484
Assessable income	2,284,160,015	9,116,898,484
Accumulated loss carried forward	2,284,160,015	9,116,898,484
<b>Total corporate income tax expense</b>	<b>-</b>	<b>-</b>

The Company is provisionally determining corporate income tax expense based on taxable income for the financial year after adjusting the items as presented above. The ultimate determination depends on the results of the tax authorities' examinations.

**32. BASIC EARNINGS PER SHARE**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit after corporate income tax	2,284,160,015	9,116,898,484
Profit allocated to ordinary shares	2,284,160,015	9,116,898,484
Average number of outstanding shares during the year	6,105,759	6,105,759
<b>Basic earnings per share</b>	<b>374</b>	<b>1,493</b>

**33. SEGMENT REPORTING**

Segment information is presented by business segment and geographical area:

**Geographical area**

The Company's operations are mainly concentrated within the territory of Vietnam. Therefore, the Company does not prepare segment reports by geographical area.



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

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

**33. SEGMENT REPORTING (CONTINUED)**

**Business field**

Indicator	Construction activities	Production serving construction activities	Total reported segments
	VND	VND	VND
<b>Current year</b>			
<b>Net revenue</b>	<b>107,062,366,498</b>	<b>61,313,083,823</b>	<b>168,375,450,321</b>
<b>Business performance results</b>			
Segment performance results	2,243,870,182	11,230,912,788	13,474,782,970
Unallocated expenses			8,951,834,670
Profit from business activities			4,522,948,300
Revenue from investments			24,487,770
Other income (expenses)			324,169,377
Financial expenses			2,587,445,432
Profit before tax			2,284,160,015
Corporate income tax expenses			-
<b>Profit for the year</b>			<b>2,284,160,015</b>
<b>Prior year</b>			
<b>Net revenue</b>	<b>146,230,200,276</b>	<b>63,755,398,142</b>	<b>209,985,598,418</b>
<b>Business performance results</b>			
Segment performance results	8,259,421,883	13,642,441,228	21,901,863,111
Unallocated expenses			11,126,474,941
Profit from business activities			10,775,388,170
Revenue from investments			19,886,808
Other income (expenses)			655,201,297
Financial expenses			2,333,577,791
Profit before tax			9,116,898,484
Corporate income tax expenses			-
<b>Profit for the year</b>			<b>9,116,898,484</b>

**34. RELATED PARTY TRANSACTIONS AND BALANCES**

**Remuneration of key management**

Member	Position	Current year	Prior year
		VND	VND
Mr. Pham Van Thuy	Chairman of Board of Management	402,181,638	447,143,137
Mr. Phan Hong Ngoc	General Director cum Member of Board of Management	409,590,893	485,771,337
Mr. Phan Quoc Hieu	Member of Board of Management	30,000,000	20,000,000
Mr. Luong Ba Minh	Deputy General Director cum Member of Board of Management	405,964,042	368,962,136
Mr. Nguyen Duy Duong	Deputy General Director	348,871,699	335,357,909
Mr. Phan Anh Tuan	Chief Accountant	305,226,200	341,624,827
Mr. To Van Tuyen	Head of Board of Supervisors	230,698,194	254,701,183
Mr. Luong Van Tuyen	Member of Board of Supervisors	184,718,626	175,513,808
Mr. Dam Anh Tu	Member of Board of Supervisors	180,955,992	192,397,144

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***35. OTHER INFORMATION****Suoi Kiet Quarry Project**

Construction in progress as at 31 December 2024 (presented in Note 15) represents the initial costs incurred for the Suoi Kiet Quarry Project from 2010 to 2019 and the charges for granting mining rights in 2020. The project is still in the investment process and has not yet been put into operation. The Company has signed Contract No. 06/HD-PTHX&CT6 dated 22 May 2020 on transferring the "Right to Transfer" of the project to Phan Thiet Hoa Xa Company Limited, with a price of VND 9 billion (excluding VND 5.4 billion of mining rights fee paid by the Company on behalf of).

As at 31 December 2024, Phan Thiet Hoa Xa Company Limited has paid VND 11.9 billion to the Company, as presented in Note 17. After the partner completes the project investment cooperation and meets the conditions under the mineral law to transfer the project, Construction Joint Stock Company No. 6 will complete the transfer documents, record the revenue, and transfer the investment costs without any additional benefits.

**Package No. 11: Renovation and upgrading of Bieu Nghi - Ha Long Railway Section**

As at 31 December 2024, Construction Joint Stock Company No. 6 is the joint venture leader of Package No. 11 - "Renovation and upgrading of Bieu Nghi - Ha Long Railway Section" of the "Pha Lai - Ha Long" sub-project under the "Yen Vien - Pha Lai - Ha Long - Cai Lan Railway" project, with the completed construction volume of phase 2 approved by the Ministry of Transport adjusted in Decision No. 4267/QĐ-BGTVT of VND 31,451,192,932. However, this project has been suspended since the end of 2017 and has not been allocated capital for payment by the State (Represented by the RPMU1 Project Management Board - Ministry of Transport). The data related to the project are as follows:

- Receivables from the RPMU1 Project Management Board - Ministry of Transport of this project (Note 6 above), with the value of VND 12,653,913,689 (If the State allocates capital for the project, the Company will also collect from the RPMU1 Project Management Board an additional VND 17 billion of the completed volume);
- Construction in progress, with the value of VND 14,108,113,593 (Note 10 above), including the value implemented by the Company of VND 905,617,229 and the value implemented by the joint venture contractor (Project 3 Construction and Investment Joint Stock Company) of VND 13,202,496,364;
- Payables to the joint venture contractor when the investor pays capital to Project 3 Construction and Investment Joint Stock Company (Note 16 above), with the value of VND 15,068,864,044.



Phan Hong Ngoc  
General Director  
Hanoi, 18 April 2025

Phan Anh Tuan  
Chief Accountant

Nguyen Quang Thanh Mai  
Preparer