

**VINH LONG WATER SUPPLY  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence – Freedom – Happiness**

No: 29 /CNVL

Re: *Disclosure of the Audited Financial  
Statements for the fiscal year ended  
December 31, 2024*

Vinh Long, March 21, 2025

**DISCLOSURE OF INFORMATION ON STATE SECURITIES COMMISSION  
OF VIETNAM PORTAL**

To: State Securities Commission

Company Name: **Vinh Long Water Supply Joint Stock Company**

Head Office Address: No. 02 Hung Dao Vuong Street, Ward 1, Vinh Long City, Vinh Long Province

Telephone: 0270.3822583

Fax: 0270.3829432

Person Disclosing Information: Dang Tan Chien

Address: No. 59/1 Pham Thai Buong Street, Ward 4, Vinh Long City, Vinh Long Province

Telephone (Mobile, Office, Home): 0916804444 - 02703.822583

Fax: 0270.3829432

Type of Information Disclosure: ☐ 24hours ☐ 72hours ☐ Upon Request ☐ Extraordinary  
☒ Periodic

Content of Information Disclosure: **The Audited Financial Statements for the fiscal year ended December 31, 2024**

This information has been disclosed on the company's website: [www.capnuocvl.com.vn](http://www.capnuocvl.com.vn).  
We hereby certify that the information disclosed above is truthful and we assume full responsibility before the law for the content of the disclosed information.

Recipients: 

- As above
- Company Website
- Archives;

**AUTHORIZED DISCLOSURE  
REPRESENTATIVE**

**Legal Representative**

(Signed, full name, and stamped)



**DANG TAN CHIEN**

**VINH LONG WATER SUPPLY JOINT STOCK COMPANY**  
(Established in the Socialist Republic of Vietnam)

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



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

The Chairman of the Board of Directors and the Board of General Directors of Vinh Long Water Supply Joint Stock Company (hereinafter referred to as the "Company") submit this report together with the Company's financial statements for the fiscal year ended 31/12/2024.

### **BOARD OF DIRECTORS, BOARD OF SUPERVISORS AND BOARD OF GENERAL DIRECTORS**

The members of the Board of Directors, Board of Supervisors and Board of General Directors of the Company who have managed the Company during the year and up to the date of this report are:

#### **Board of Directors**

|                        |                                         |
|------------------------|-----------------------------------------|
| Mr. Dang Tan Chien     | Chairman                                |
| Mrs. Le Thi Quyen      | Member                                  |
| Mr. Tran Tan Duc       | Member                                  |
| Mr. Van Kim Hung Phong | Member                                  |
| Mr. Huynh Ngoc Chien   | Member (Appointed on February 19, 2025) |

#### **Board of Supervisors**

|                            |        |
|----------------------------|--------|
| Mrs. Bui Thien Ngoc Minh   | Head   |
| Mr. Nguyen Huu Binh        | Member |
| Mrs. Nguyen Thi Hong Nhung | Member |

#### **Board of General Directors**

|                      |                                                   |
|----------------------|---------------------------------------------------|
| Mr. Huynh Ngoc Chien | General Director (Appointed on February 19, 2025) |
| Mr. Nguyen Quoc Dat  | Deputy General Director                           |
| Mr. Luong Minh Triet | Deputy General Director                           |

#### **Legal Representative**

The legal representative of the Company during the year and up to the date of this report is Mr. Dang Tan Chien - Chairman of the Board of Directors of the Company.

### **AUDITORS**

The financial statements for the fiscal year ended December 31, 2024 were audited by International Audit Company Limited - Member of AGN International.

### **RESPONSIBILITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE BOARD OF GENERAL DIRECTORS**

The Chairman of the Board of Directors and the Board of General Directors of the Company are responsible for preparing the financial statements that fairly present the financial position of the Company as of December 31, 2024, as well as the results of operations and cash flows for the fiscal year ended on that date, in accordance with Vietnamese accounting standards, accounting regulations for enterprises, and relevant legal regulations on the preparation and presentation of financial statements. In preparing these financial statements, the Chairman of the Board of Directors and the Board of General Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make reasonable and prudent judgments and estimates;
- State whether applicable accounting principles have been followed, and whether there are any material misstatements that need to be disclosed and explained in the financial statements;
- Prepare financial statements on a going concern basis unless it is not possible to assume that the Company will continue in operation; and
- Design and implement an effective internal control system for the purpose of preparing and presenting reasonable financial statements to mitigate risks and fraud.



**REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE BOARD OF GENERAL DIRECTORS (continued)**

**RESPONSIBILITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE BOARD OF GENERAL DIRECTORS (continued)**

The Chairman of the Board of Directors and the Board of General Directors of the Company are responsible for ensuring that accounting records are properly maintained to fairly reflect the Company's financial position at any given time and that the Financial Statements comply with accounting standards, the Vietnamese accounting regime for enterprises, and relevant legal regulations on the preparation and presentation of financial statements. The Chairman of the Board of Directors and the Board of General Directors are also responsible for safeguarding the Company's assets and implementing appropriate measures to prevent and detect fraud and other irregularities.

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

On behalf of and representing the Chairman of the Board of Directors and the Board of General Directors,



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**Dang Tan Chien**  
**Chairman of the Board of Directors**

*Vinh Long, 19 March 2025*



No: 2082/2025/BCKT-ICPA.SG

## INDEPENDENT AUDITORS' REPORT

**To:** **The Shareholders**  
**The Board of Directors, Board of Supervisory and Board of Management**  
**Vinh Long Water Supply Joint Stock Company**

We have audited the accompanying financial statements of Vinh Long Water Supply Joint Stock Company (hereinafter referred to as "the Company"), prepared on 19 March 2025, as set out from page 4 to page 36, which comprise the Balance Sheet as at 31 December 2024, the Statement of Income, and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### The Chairman and the Board of Management's Responsibility

The Chairman and the Board of Management are responsible for the preparation and presentation of these financial statements in accordance with Vietnamese accounting standards, accounting regime for enterprises, and prevailing relevant regulations in the financial statements preparation and disclosure and for such internal control as the Chairman and the Board of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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

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

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

### Opinion

In our opinion, the financial statements give a true and fair view in all material respects of the financial position of the Company as at 31 December 2024 and the results of 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.



**Phạm Thị Toàn**  
**Deputy Branch Director**  
Audit Practising Registration Certificate  
No. 2767-2024-072-1



**Trieu Thi Thuy Linh**  
**Auditor**  
Audit Practising Registration Certificate  
No. 3779-2021-072-1

*Ho Chi Minh city, 19 March 2025*



**BALANCE SHEET**  
As of December 31, 2024

Unit: VND

| ASSETS                                          | Code No.   | Note        | 31/12/2024             | 01/01/2024             |
|-------------------------------------------------|------------|-------------|------------------------|------------------------|
| <b>A. CURRENT ASSETS</b>                        | <b>100</b> |             | <b>318,710,013,496</b> | <b>293,702,139,150</b> |
| <b>I. Cash and cash equivalents</b>             | <b>110</b> | <b>V.1</b>  | <b>15,256,178,200</b>  | <b>22,083,263,283</b>  |
| 1. Cash                                         | 111        |             | 15,256,178,200         | 7,083,263,283          |
| 2. Cash equivalents                             | 112        |             | -                      | 15,000,000,000         |
| <b>II. Short-term financial investments</b>     | <b>120</b> |             | <b>275,835,000,000</b> | <b>200,670,000,000</b> |
| 1. Held-to-maturity investments                 | 123        | V.2         | 275,835,000,000        | 200,670,000,000        |
| <b>III. Short-term receivables</b>              | <b>130</b> |             | <b>14,071,501,089</b>  | <b>50,782,593,629</b>  |
| 1. Short-term receivables from customers        | 131        | V.3         | 9,588,536,272          | 27,444,003,997         |
| 2. Prepayments to suppliers                     | 132        | V.4         | 2,029,368,700          | 14,757,173,213         |
| 3. Other short-term receivables                 | 136        | V.5         | 3,775,821,140          | 10,168,805,192         |
| 4. Allowance for doubtful accounts              | 137        | V.6         | (1,322,225,023)        | (1,587,388,773)        |
| <b>IV. Inventories</b>                          | <b>140</b> | <b>V.7</b>  | <b>11,984,240,966</b>  | <b>18,637,199,350</b>  |
| 1. Inventories                                  | 141        |             | 11,984,240,966         | 18,637,199,350         |
| <b>V. Other current assets</b>                  | <b>150</b> |             | <b>1,563,093,241</b>   | <b>1,529,082,888</b>   |
| 1. Short-term prepaid expenses                  | 151        | V.8         | 1,246,781,259          | 1,508,602,038          |
| 2. Value-added tax deductible                   | 152        |             | 310,098,957            | -                      |
| 3. Taxes and other receivables State            | 153        | V.14        | 6,213,025              | 20,480,850             |
| <b>B. LONG-TERM ASSETS</b>                      | <b>200</b> |             | <b>293,956,265,795</b> | <b>263,033,778,844</b> |
| <b>I. Fixed assets</b>                          | <b>220</b> |             | <b>241,467,517,646</b> | <b>236,490,562,804</b> |
| 1. Tangible fixed assets                        | 221        | V.9         | 241,196,026,251        | 236,248,325,707        |
| - Original cost                                 | 222        |             | 646,864,355,080        | 617,814,104,058        |
| - Accumulated depreciation                      | 223        |             | (405,668,328,829)      | (381,565,778,351)      |
| 2. Intangible fixed assets                      | 227        | V.10        | 271,491,395            | 242,237,097            |
| - Original cost                                 | 228        |             | 856,768,985            | 766,834,100            |
| - Accumulated amortisation                      | 229        |             | (585,277,590)          | (524,597,003)          |
| <b>II. Long-term work in progress</b>           | <b>240</b> |             | <b>44,702,223,536</b>  | <b>18,843,531,239</b>  |
| 1. Construction in progress                     | 242        | V.11        | 44,702,223,536         | 18,843,531,239         |
| <b>III. Long-term financial investments</b>     | <b>250</b> | <b>V.12</b> | <b>7,210,754,818</b>   | <b>7,210,754,818</b>   |
| 1. Investments in joint ventures and associates | 252        |             | 6,910,754,818          | 6,910,754,818          |
| 2. Equity investments in other entities         | 253        |             | 300,000,000            | 300,000,000            |
| <b>IV. Other long-term assets</b>               | <b>260</b> |             | <b>575,769,795</b>     | <b>488,929,983</b>     |
| 1. Long-term prepaid expenses                   | 261        | V.8         | 575,769,795            | 488,929,983            |
| <b>TOTAL ASSETS</b><br>(270 = 100 + 200)        | <b>270</b> |             | <b>612,666,279,291</b> | <b>556,735,917,994</b> |

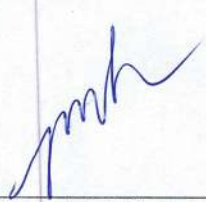



**BALANCE SHEET (continued)**

As of December 31, 2024

Unit: VND

| RESOURCES                                        | Code No.   | Note        | 31/12/2024             | 01/01/2024             |
|--------------------------------------------------|------------|-------------|------------------------|------------------------|
| <b>C. LIABILITIES</b>                            | <b>300</b> |             | <b>135,999,779,482</b> | <b>96,533,648,558</b>  |
| <b>I. Current liabilities</b>                    | <b>310</b> |             | <b>77,688,578,523</b>  | <b>60,496,094,978</b>  |
| 1. Accounts payable to suppliers                 | 311        | V.13        | 8,753,990,171          | 2,871,325,436          |
| 2. Advances from customers                       | 312        |             | 117,496,260            | 201,940,000            |
| 3. Taxes payable and statutory obligations       | 313        | V.14        | 13,623,556,240         | 4,183,930,766          |
| 4. Payable to employees                          | 314        |             | 9,241,652,529          | 15,230,792,016         |
| 5. Short-term accrued expenses                   | 315        | V.15        | 814,550,686            | 695,117,769            |
| 6. Other short-term payables                     | 319        | V.16        | 3,243,733,594          | 3,325,576,192          |
| 7. Short-term loans and finance lease            | 320        | V.17        | 10,307,480,000         | 5,307,480,000          |
| 8. Bonus and welfare fund                        | 322        | V.18        | 31,586,119,043         | 28,679,932,799         |
| <b>II. Non-current liabilities</b>               | <b>330</b> |             | <b>58,311,200,959</b>  | <b>36,037,553,580</b>  |
| 1. Long-term loans and finance leases            | 338        | V.17        | 47,010,267,636         | 20,311,071,636         |
| 2. Development fund for science and tech         | 343        | V.19        | 11,300,933,323         | 15,726,481,944         |
| <b>D. OWNER'S EQUITY</b>                         | <b>400</b> |             | <b>476,666,499,809</b> | <b>460,202,269,436</b> |
| <b>I. Owner's equity</b>                         | <b>410</b> | <b>V.20</b> | <b>476,666,499,809</b> | <b>460,202,269,436</b> |
| 1. Share capital                                 | 411        |             | 289,000,000,000        | 289,000,000,000        |
| - Ordinary shares with voting rights             | 411a       |             | 289,000,000,000        | 289,000,000,000        |
| 2. Investment and development fund               | 418        |             | 111,845,855,226        | 89,915,932,659         |
| 3. Retained earnings                             | 421        |             | 75,820,644,583         | 81,286,336,777         |
| - Retained earnings accumulated to previous year | 421a       |             | 34,410,536,777         | 34,410,332,301         |
| - Undistributed profit of this year              | 421b       |             | 41,410,107,806         | 46,876,004,476         |
| <b>TOTAL RESOURCES</b><br>(440 = 300 + 400)      | <b>440</b> |             | <b>612,666,279,291</b> | <b>556,735,917,994</b> |

  
**Nguyen Thi Phuong Minh**  
 Preparer

  
**Le Van Thang**  
 Chief Accountant



**Dang Tan Chien**  
 Chairman

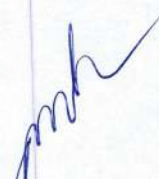
19 March 2025




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

Unit: VND

| ITEMS                                                                        | Code No. | Note | 2024            | 2023            |
|------------------------------------------------------------------------------|----------|------|-----------------|-----------------|
| 1. Revenue from sales of goods and rendering of services                     | 01       | VI.1 | 195,257,957,234 | 186,994,110,662 |
| 2. Revenue deductions                                                        | 02       |      | 62,130,255      | -               |
| 3. Net revenue (10 = 01 - 02)                                                | 10       |      | 195,195,826,979 | 186,994,110,662 |
| 4. Cost of goods sold                                                        | 11       | VI.2 | 70,227,396,071  | 66,021,625,691  |
| 5. Gross profit from sales of goods and rendering of services (20 = 10 - 11) | 20       |      | 124,968,430,908 | 120,972,484,971 |
| 6. Financial income                                                          | 21       | VI.3 | 16,234,265,284  | 19,627,237,346  |
| 7. Financial expenses                                                        | 22       |      | 64,729,924      | 80,674,476      |
| - In which: Interest expenses                                                | 23       |      | 64,729,924      | 80,674,476      |
| 8. Selling expenses                                                          | 25       | VI.4 | 34,024,297,057  | 30,945,590,869  |
| 9. Administration expenses                                                   | 26       | VI.5 | 24,919,571,934  | 27,899,719,573  |
| 10. Operating profit [30 = 20 + (21 - 22) - (25 + 26)]                       | 30       |      | 82,194,097,277  | 81,673,737,399  |
| 11. Other Income                                                             | 31       | VI.6 | 8,026,329,392   | 7,171,777,273   |
| 12. Other Expenses                                                           | 32       | VI.7 | 1,073,324,964   | 1,078,497,389   |
| 13. Other Profit (40 = 31 - 32)                                              | 40       |      | 6,953,004,428   | 6,093,279,884   |
| 14. Profit Before Tax (50 = 30 + 40)                                         | 50       |      | 89,147,101,705  | 87,767,017,283  |
| 15. Current corporate income tax expense                                     | 51       | VI.8 | 16,047,359,815  | 6,843,258,367   |
| 16. Net profit after tax (60 = 50 - 51)                                      | 60       |      | 73,099,741,890  | 80,923,758,916  |
| 17. Basic Earnings Per Share                                                 | 70       | VI.9 | 2,192           | 2,462           |

  
Nguyen Thi Phuong Minh  
Preparer

  
Le Van Thang  
Chief Accountant



  
Dang Tan Chien  
Chairman

19 March 2025



**STATEMENT OF CASH FLOWS***(Indirect Method)*


For the year ended December 31, 2024

Unit: VND

| ITEMS                                                                                      | Code No.  | 2024                    | 2023                    |
|--------------------------------------------------------------------------------------------|-----------|-------------------------|-------------------------|
| <b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>                                              |           |                         |                         |
| 1. Profit before tax                                                                       | 01        | 89,147,101,705          | 87,767,017,283          |
| 2. Adjustments for                                                                         |           |                         |                         |
| Depreciation of Fixed Assets                                                               | 02        | 25,340,001,698          | 24,392,173,258          |
| Provisions                                                                                 | 03        | (265,163,750)           | 962,740,389             |
| Profit from Investing Activities                                                           | 05        | (16,177,738,459)        | (19,494,082,990)        |
| Interest expense                                                                           | 06        | 64,729,924              | 80,674,476              |
| Other adjustments                                                                          | 07        | (4,425,548,621)         | (3,465,915,660)         |
| 3. Profit from Operating Activities Before Changes in Working Capital                      | 08        | 93,683,382,497          | 90,242,606,756          |
| Decrease/(Increase) in Receivables                                                         | 09        | 17,388,240,445          | (7,873,538,198)         |
| Decrease in Inventory                                                                      | 10        | 6,652,958,384           | 1,417,905,406           |
| (Decrease)/Increase in Payables (Excluding Interest Payable, Corporate Income Tax Payable) |           |                         |                         |
| payable, corporate income tax payable)                                                     | 11        | (6,005,256,863)         | 5,609,781,180           |
| Decrease in Prepaid Expenses                                                               | 12        | 174,980,967             | 1,175,941,732           |
| Interest paid                                                                              | 14        | (68,798,991)            | (84,743,545)            |
| Corporate income tax paid                                                                  | 15        | (6,781,746,624)         | (4,427,841,026)         |
| Other Cash Receipts from Operating Activities                                              | 16        | 24,390,000              | 52,490,000              |
| Other Cash Payments for Operating Activities                                               | 17        | (6,877,915,273)         | (6,903,736,816)         |
| <b>Net Cash Flow from Operating Activities</b>                                             | <b>20</b> | <b>98,190,234,542</b>   | <b>79,208,865,489</b>   |
| <b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>                                             |           |                         |                         |
| 1. Cash paid to purchase, construct fixed assets and other long-term assets                | 21        | (37,483,611,149)        | (41,873,773,972)        |
| 2. Cash received from disposal of fixed assets and other long-term assets                  | 22        | -                       | 5,394,907               |
| 3. Cash paid for loans, purchase of debt instruments of other entities other units         | 23        | (480,226,000,000)       | (267,720,000,000)       |
| 4. Cash received from loan recovery, resale of debt instruments of other entities          | 24        | 405,061,000,000         | 247,640,000,000         |
| 5. Cash received from loan interest, dividends and distributed profits                     | 27        | 22,799,285,484          | 16,650,792,120          |
| <b>Net cash flow from investing activities</b>                                             | <b>30</b> | <b>(89,849,325,665)</b> | <b>(45,297,586,945)</b> |
| <b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>                                            |           |                         |                         |
| 1. Cash received from borrowings                                                           | 33        | 37,006,676,000          | 1,734,635,000           |
| 2. Cash paid for loan principal repayment                                                  | 34        | (5,307,480,000)         | (5,307,480,000)         |
| 3. Dividends, profit paid to owners                                                        | 36        | (46,867,189,960)        | (28,892,400,000)        |
| <b>Net cash flow from financing activities</b>                                             | <b>40</b> | <b>(15,167,993,960)</b> | <b>(32,465,245,000)</b> |
| <b>Net cash flow during the year (50 = 20 + 30 + 40)</b>                                   | <b>50</b> | <b>(6,827,085,083)</b>  | <b>1,446,033,544</b>    |



|                                                        |    |                |                |
|--------------------------------------------------------|----|----------------|----------------|
| Cash and cash equivalents at the beginning of the year | 60 | 22,083,263,283 | 20,637,229,739 |
| Cash and cash equivalents at the end of the year       |    |                |                |
| (70 = 50 + 60)                                         |    | 15,256,178,200 | 22,083,263,283 |

  
\_\_\_\_\_  
Nguyen Thi Phuong Minh  
Preparer

  
\_\_\_\_\_  
Le Van Thang  
Chief Accountant



\_\_\_\_\_  
Dang Tan Chien  
Chairman

19 March 2025

**FINANCIAL STATEMENT NOTES**

For the fiscal year ended 31/12/2024

**I. GENERAL INFORMATION****Ownership Structure**

Vinh Long Water Supply Joint Stock Company (hereinafter referred to as "the Company") is a State-owned company, equitized from Vinh Long Water Supply One- Member Limited Liability Company under Decision No. 378/QĐ-UBND dated March 13, 2015 by the People's Committee of Vinh Long Province. The Company officially operates in the form of a joint stock company under the Enterprise Registration Certificate No.1500174831 first issued on March 3, 2008 by the Department of Planning and Investment of Vinh Long province and the 8th certificate of change dated September 23, 2021 regarding the change of information of the legal representative.

The charter capital of the Company is VND 289,000,000,000, divided into 28,900,000 equal shares, with a par value of VND 10,000 per share, of which the State, represented by the People's Committee of Vinh Long Province, owns 51% of the capital.

The Company's English trading name is Vinh Long Water Supply Joint Stock Company, abbreviated as VWACO.

The company's head office is located at No. 2, Hung Dao Vuong Street, Ward 1, Vinh Long City, Vinh Long Province.

The Company's shares are currently listed on the UpCom at the Hanoi Stock Exchange, stock code: VLW.

The Company's total number of employees as of 31/12/2024 and 01/01/2024 were 233 and 239, respectively.

**Business Lines**

The Company's business lines are production, commerce, and services.

**Main Business Activities and Operations**

The Company's business lines are: Production and trading of clean water; bottled water production; trading of bottled drinking water; construction and installation of infrastructure technical works; investment in and construction of water supply projects; trading of water supply projects; construction consultancy, including: design, supervision, and project management of infrastructure technical works.

The Company's main activity during the year was the production and trading of clean water.

**Explanation of Comparability of Information in the Financial Statements**

The Company consistently applies accounting policies in accordance with the corporate accounting regime issued under Circular No. 200/2014/TT-BTC dated 2014-12-22 by the Ministry of Finance, Circular No. 53/2016/TT-BTC dated 2016-03-21 by the Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC, as well as circulars guiding the implementation of Vietnamese Accounting Standards (VAS) by the Ministry of Finance in preparing and presenting financial statements. Therefore, the information and figures presented in the financial statements are comparable.

**Normal operating cycle**

The Company's normal operating cycle is completed within 12 months.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**I. GENERAL INFORMATION (continued)****Corporate structure**

As of 31/12/2024, the Company has direct investments in two (2) associates, as detailed below:

| Company Name                                          | 31/12/2024                    |                             |                  |                    | 01/01/2024                    |                             |                  |                    | Place of Incorporation and Operation | Main Activities                          |
|-------------------------------------------------------|-------------------------------|-----------------------------|------------------|--------------------|-------------------------------|-----------------------------|------------------|--------------------|--------------------------------------|------------------------------------------|
|                                                       | Voting Rights Percentage Held | Percentage of Interest Held |                  |                    | Voting Rights Percentage Held | Percentage of Interest Held |                  |                    |                                      |                                          |
|                                                       |                               | Total Percentage            | Direct Ownership | Indirect Ownership |                               | Total Percentage            | Direct Ownership | Indirect Ownership |                                      |                                          |
|                                                       |                               |                             |                  |                    |                               |                             |                  |                    |                                      |                                          |
|                                                       |                               |                             |                  |                    |                               |                             |                  |                    |                                      |                                          |
| (%)                                                   | (%)                           | (%)                         | (%)              | (%)                | (%)                           | (%)                         | (%)              |                    |                                      |                                          |
| 1. Binh Tan Water and Environment Joint Stock Company | 25%                           | 25%                         | 25%              | 0%                 | 25%                           | 25%                         | 25%              | 0%                 | Vinh Long Province                   | Water exploitation, treatment and supply |
| 2. Cuu Long Water and Environment Joint Stock Company | 20%                           | 20%                         | 20%              | 0%                 | 20%                           | 20%                         | 20%              | 0%                 | Vinh Long Province                   | Water exploitation, treatment and supply |

**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

The Company's subsidiaries include:

| <b>Company Name</b>                                  | <b>Address</b>                                                                          |
|------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Hung Dao Vuong Water Plant                           | No. 02 Hung Dao Vuong, Ward 1, Vinh Long City, Vinh Long Province                       |
| Truong An Water Plant                                | No. 519, Tan Vinh Thuan Hamlet, Tan Ngai Commune, Vinh Long City, Vinh Long Province    |
| Tra On Water Supply Branch                           | Group 2, My Loi Hamlet, Thien My Commune, Tra On District, Vinh Long Province           |
| Vung Liem Water Supply Branch                        | Group 9B, Trung Tin Hamlet, Vung Liem Town, Vung Liem District, Vinh Long Province      |
| Tam Binh Water Supply Branch                         | No. 390/8 Hamlet 4, Tam Binh Town, Tam Binh District, Vinh Long Province                |
| Cai Ngang Water Supply Branch                        | Group 3, Hamlet 8, My Loc Commune, Tam Binh District, Vinh Long Province                |
| Long Ho Water Supply Branch                          | Group 32, Long Thuan B Hamlet, Long Phuoc Commune, Long Ho District, Vinh Long Province |
| Viet Uc Bottled Water Production and Business Branch | 54 Nguyen Hue Street, Ward 2, Vinh Long City, Vinh Long Province                        |
| Construction and Installation Enterprise             | 02 Hung Dao Vuong Street, Ward 1, Vinh Long City, Vinh Long Province                    |



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**II. BASIS OF FINANCIAL STATEMENT PREPARATION AND FISCAL YEAR****Basis of financial statement preparation**

The accompanying financial statements are presented in Vietnam Dong (VND), based on the historical cost principle and in accordance with Vietnamese Accounting Standards (VAS), the Vietnamese accounting system for enterprises, and relevant legal regulations on financial statement preparation and presentation.

The consolidated financial statements are prepared by aggregating the financial statements of the subsidiaries. Intercompany transactions and balances are eliminated in the consolidation process.

The accompanying financial statements are not intended to reflect the financial position, results of operations, and cash flows in accordance with generally accepted accounting principles (GAAP) in countries other than Vietnam.

**Fiscal year and accounting period**

The Company's fiscal year begins on January 1st and ends on December 31st each year.

**III. APPLIED ACCOUNTING STANDARDS AND SYSTEM**

The Chairman of the Board of Directors and the Board of General Directors of the Company ensures compliance with the requirements of Vietnamese Accounting Standards (VAS) and the Vietnamese accounting system for enterprises as promulgated under Circular No. 200/2014/TT-BTC ("Circular 200") dated 2014-12-22 of the Ministry of Finance guiding the accounting regime for enterprises and Circular No. 53/2016/TT-BTC dated 2016-03-21 of the Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC as well as circulars guiding the implementation of VAS in the preparation and presentation of financial statements.

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following are the significant accounting policies applied by the Company in preparing the financial statements:

**Accounting estimates**

The preparation of financial statements in accordance with Vietnamese Accounting Standards (VAS), the Vietnamese accounting system for enterprises, and relevant legal regulations on financial statement preparation and presentation requires the The Chairman of the Board of Directors and the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the disclosure of contingent assets and liabilities at the reporting date, as well as the reported amounts of revenues and expenses during the reporting period. Although accounting estimates are made using the best knowledge of The Chairman of the Board of Directors and the Board of General Directors of the Company, actual results may differ from these estimates and assumptions.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less, readily convertible to cash, and subject to insignificant risk of changes in value.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Financial Investments**Held-to-Maturity Investments

Held-to-maturity investments include investments that the Company has the intent and ability to hold until maturity. Held-to-maturity investments include: term bank deposits (including certificates of deposit, promissory notes), bonds, preferred shares that the issuer is obligated to repurchase at a certain point in the future, and other held-to-maturity investments.

Held-to-maturity investments are recognized from the purchase date and initially measured at cost plus transaction costs.

Interest income from held-to-maturity investments after the purchase date is recognized in the statement of comprehensive income on an accrual basis. Interest earned before the Company's acquisition is deducted from the original cost at the time of purchase.

When there is firm evidence that a portion or all of the investment may not be recoverable, and the amount of the loss is reliably determined, the loss is recognized in finance costs in the year and directly reduces the investment's value.

Held-to-maturity investments are measured at cost less allowance for doubtful accounts. The allowance for doubtful accounts for held-to-maturity investments is established according to current accounting regulations.

Investments in Associates

An associate is an entity over which the Company has significant influence but is not a subsidiary or a joint venture of the Company. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company initially recognizes investments in associates at cost. The Company recognizes in the statement of comprehensive income its share of the investee's cumulative net profit arising after the investment date. Amounts other than the share of profit received by the Company are considered a recovery of investments and are recognized as a reduction in the cost of the investment. Dividends received in shares are only tracked for the increased number of shares, without recognizing the value of the shares received and the revenue from share dividends.

Investments in associates are presented in the statement of financial position at cost less any impairment losses (if any).

Investments in Equity Instruments of Other Entities

Investments in equity instruments of other entities reflect equity investments where the Company does not have control, joint control, or significant influence over the investee.

Investments in equity instruments of other entities are presented in the statement of financial position at cost less any impairment losses (if any).



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Financial Investments (continued)***Impairment of Investments in Other Entities*

Impairment of investments in associates and investments in equity instruments of other entities is recognized as follows:

- For investments in listed shares or where the fair value of the investment is reliably determined, the impairment is based on the market value of the shares.
- For investments without a determinable fair value at the reporting date, the provision is based on the investee's loss, calculated as the difference between the actual contributed capital of the parties in the other entity and the actual equity, multiplied by the Company's ownership percentage compared to the total actual contributed capital of the parties in the other entity. If the investee is a subject of consolidated financial statements, the basis for determining the impairment provision is the consolidated financial statements.

Increases or decreases in the allowance for impairment losses on investments in associates and investments in equity instruments of other entities required at the end of the reporting period are recognized in finance costs during the year.

**Receivables**

Receivables represent amounts recoverable from customers or other parties. Receivables are presented at their carrying amount less allowance for doubtful accounts.

Allowance for doubtful accounts is made for: receivables overdue according to economic contracts, loan agreements, contractual commitments or debt commitments, and receivables not yet due but unlikely to be collected. The allowance for overdue receivables is based on the original principal repayment schedule in the sales contract, excluding any debt extensions between the parties, and for receivables not yet due but where the debtor is bankrupt or undergoing liquidation, missing, or absconded.

Increases or decreases in the allowance for doubtful accounts required at the end of the reporting period are recognized in general and administrative expenses during the year.

**Inventories**

Inventories are stated at the lower of cost and net realizable value. The cost of inventories comprises direct materials, direct labor, and manufacturing overhead to bring the inventories to their present location and condition. The cost of inventories is determined using the weighted-average method. Net realizable value is the estimated selling price less the estimated costs of completion and the estimated costs to market, sell, and distribute.

The Company's inventory obsolescence reserve is established according to current accounting regulations. Accordingly, the Company is allowed to establish an allowance for obsolete, damaged, and substandard inventories and in cases where the cost of inventories is higher than the net realizable value at the reporting date. The expense for the allowance for obsolete, damaged, and substandard inventories is not tax-deductible until the goods are disposed of.

Increases or decreases in the allowance for inventory obsolescence required at the end of the reporting period are recognized in the cost of goods sold during the year.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Prepaid Expenses**

Prepaid expenses include actual expenses incurred but related to the production and business results of multiple accounting periods.

Prepaid expenses include prepaid insurance, the value of small tools, components, and other prepaid expenses considered likely to provide future economic benefits to the Company. These expenses are capitalized as prepaid expenses and allocated to production and business expenses using the straight-line method and the actual number of uses, in accordance with current accounting regulations.

**Property, Plant and Equipment and Depreciation**

Tangible fixed assets are presented at original cost less accumulated depreciation.

The original cost of tangible fixed assets includes the purchase price and all other costs directly related to bringing the assets into a ready-to-use state.

The original cost of self-made or self-constructed tangible fixed assets includes actual construction costs, production costs incurred plus installation and trial run costs.

Tangible fixed assets are depreciated using the straight-line method based on their estimated useful lives. Specific depreciation periods are as follows:

|                          | <u>Number<br/>of Years</u> |
|--------------------------|----------------------------|
| Buildings and Structures | 5 - 50                     |
| Machinery and Equipment  | 5 - 15                     |
| Motor vehicles           | 6 - 30                     |
| Office equipment         | 3 - 8                      |

The Company's tangible fixed assets are revalued upon equitization of the State-owned enterprise. The original cost and accumulated depreciation are adjusted according to the revaluation results approved by competent authorities as regulated.

Gains or losses arising from the disposal or sale of assets are the difference between the proceeds from disposal and the remaining value of the assets and are recorded in the statement of profit or loss.

**Intangible fixed assets and amortization**

Intangible fixed assets are presented at original cost less accumulated amortization. The Company's intangible fixed assets are the value of software programs, amortized using the straight-line method over 5 years.

**Construction in progress**

Assets under construction for production, rental, administrative, or any other purposes are recorded at cost. This cost includes service costs and related interest expenses in accordance with the Company's accounting policies. Depreciation of these assets is applied in the same manner as other assets, commencing when the asset is in a ready-to-use state.

**Payables**

Payables are tracked in detail by due date, payee, currency, and other factors as required by the Company's management. Payables to sellers include trade payables arising from purchase and sale transactions and payables upon import through authorized recipients (in entrusted import transactions). Other payables include non-trade payables not related to purchase and sale transactions. Payables are classified as current or non-current on the financial statements based on the remaining maturity of the payables at the reporting date.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Accrued expenses**

Accrued expenses include payables for goods and services received from sellers or provided to buyers during the reporting period but not yet paid due to the lack of invoices or insufficient accounting records and documents, and are recorded in the production and business expenses of the reporting period.

**Development fund for science and tech**

Development fund for science and tech is accounted for in the enterprise management expenses to determine the business results of the period.

The Company sets aside and uses the Development Fund in accordance with the provisions of Circular No. 05/2022/TT-BKHCN dated May 31, 2022 of the Ministry of Science and Technology; Circular No. 67/2022/BTC dated November 7, 2022 of the Ministry of Finance.

The annual deduction rate is from 3% to 10% of taxable income. The specific deduction rate in 2024 is based on the Company's ability and need to use capital for science and technology activities at 3%.

**Equity Recognition**

Owner's contributed capital is recorded at the actual contributed capital of shareholders.

Share premium is recorded as the difference between the actual issue price and the par value of shares upon initial issuance, additional issuance, or re-issuance of treasury shares.

The principle for recognizing retained earnings is the profit (or loss) from the Company's business operations less (-) corporate income tax expense for the current period and adjustments due to retrospective application of changes in accounting policies and retrospective adjustments of material prior year errors.

Dividends are declared and paid from retained earnings based on the approval of the General Meeting of Shareholders at the Company's Annual General Meeting.

Reserves and funds from after-tax profits are appropriated based on the Company's charter and the approval of the General Meeting of Shareholders.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Revenue Recognition**Sales Revenue

Sales revenue is recognized when all five (5) of the following conditions are met:

- (a) The Company has transferred the significant risks and rewards of ownership of the product or goods to the buyer;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) Revenue is relatively certain. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist, and the buyer no longer has the right to return the products or goods (except when the customer has the right to return goods in exchange for other goods or services);
- (d) The Company will derive economic benefits from the sales transaction; and
- (e) The costs relating to the sales transaction can be reliably measured.

The Company's sales revenue is mainly revenue from providing clean water to people in Vinh Long Province with water prices applied according to the Decision of the Provincial People's Committee for each period. Water prices are only adjusted after being approved by the competent State agency.

Service Revenue

Revenue from service transactions is recognized when the outcome of the transaction can be estimated reliably. For service transactions spanning multiple periods, revenue is recognized in the period based on the percentage of completion at the balance sheet date of that period. The outcome of a service transaction can be estimated reliably when all four (4) of the following conditions are met:

- (a) Revenue is relatively certain. When the contract stipulates that the buyer has the right to return the purchased services under specific conditions, revenue is only recognized when those specific conditions no longer exist, and the buyer no longer has the right to return the services provided;
- (b) It is probable that the economic benefits associated with the service transaction will flow to the Company;
- (c) The stage 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 service transaction can be measured reliably.

Finance Income

Interest income from deposits and loans is recognized on an accrual basis, determined based on the outstanding balance of deposit and loan accounts and the applicable interest rate.

Dividends and profit sharing are recognized when the Company is entitled to receive dividends or profits from its investments. Dividends received in the form of shares are only tracked in terms of the number of additional shares received; the value of the shares received and revenue from share dividends are not recognized.

Revenue from the Company's construction contracts is recognized in accordance with the Company's accounting policy for construction contracts. Revenue and costs of construction contracts are recognized as follows:

*When the outcome of the contract can be estimated reliably:*

- For construction contracts that stipulate payment to the contractor based on planned progress, revenue and costs related to the contract are recognized in proportion to the stage of completion determined by the Company at the end of the accounting period.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

- For construction contracts that stipulate payment to the contractor based on the value of completed work, revenue and costs related to the contract are recognized in proportion to the stage of completion confirmed by the customer and reflected on the issued invoice.

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

*When the outcome of a construction contract cannot be estimated reliably, then:*

- Revenue is recognized only to the extent of contract costs incurred for which recovery is probable.
- Contract costs are recognized as expenses when incurred.

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

**Cost of Sales Recognition**

Cost of goods sold and services provided is recognized at actual cost incurred and aggregated by value and quantity of finished goods, merchandise, materials sold, and services provided to customers, ensuring compliance with the matching principle and the principle of prudence. Costs exceeding normal levels for inventory and services provided are recognized immediately in the operating results for the year.

**Borrowing Costs**

Borrowing costs are recognized as expenses in the year they are incurred, unless capitalized in accordance with the "Borrowing Costs" accounting standard. Accordingly, borrowing costs directly attributable to the acquisition, construction, or production of assets that 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 ready for their intended use or sale. Income earned from the temporary investment of specific borrowings is deducted from the cost of the related asset. For loans specifically used for the construction of fixed assets and investment properties, interest is capitalized even if the construction period is less than 12 months.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Taxes**

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

Current tax payable is calculated based on taxable income for the year. Taxable income differs from net profit presented in the Statement of Comprehensive Income because taxable income excludes income or expenses taxed or deducted in other years (including loss carryforwards, if any) and also excludes non-taxable or non-deductible items.

Deferred tax is calculated on temporary differences between the carrying amount and the tax base of assets or liabilities recognized in the financial statements. Deferred tax liabilities are recognized for all temporary differences, while deferred tax assets are recognized only when it is probable that sufficient taxable profit will be available in the future to offset the temporary differences.

Deferred tax is determined using tax rates expected to apply in the year the asset is realized or the liability is settled. Deferred tax is recognized in the Statement of Comprehensive Income and charged or credited to equity only when the tax relates to items charged or credited directly to equity.

Deferred tax assets and deferred tax liabilities are offset when the Company has a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax liability on a net basis.

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

Other taxes are applied according to current tax laws in Vietnam.

**Basic Earnings Per Share**

Basic earnings per share is calculated by dividing the profit or loss after tax allocated to the Company's common shareholders (after adjustments for bonus and welfare funds) by the weighted average number of outstanding common shares during the year.

**Related Parties**

Related parties are considered to be enterprises - including parent companies, subsidiaries, affiliated companies - individuals, directly or indirectly through one or more intermediaries, who have control over the Company or are controlled by the Company, or share joint control with the Company. Affiliated parties, individuals who directly or indirectly hold the Company's voting rights and have significant influence over the Company, key management personnel such as the General Director, officers of the Company, close family members of these individuals or affiliated parties, or companies affiliated with these individuals are also considered related parties.

In considering the relationship of each related party, the substance of the relationship is considered rather than the legal form.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET****1. Cash and cash equivalents**

|                      | 31/12/2024<br>VND     | 01/01/2024<br>VND     |
|----------------------|-----------------------|-----------------------|
| Cash                 | 2,840,000             | 17,748,000            |
| Non-term Deposits    | 15,253,338,200        | 7,065,515,283         |
| Cash Equivalents (i) | -                     | 15,000,000,000        |
| <b>Total</b>         | <b>15,256,178,200</b> | <b>22,083,263,283</b> |

Non-term bank deposits as of 31/12/2024 include 292,672,931 VND used to guarantee the performance of construction contracts (as of 01/01/2024: 276,174,431 VND).

**2. Held-to-maturity investments**

|                             | 31/12/2024<br>VND | 01/01/2024<br>VND |
|-----------------------------|-------------------|-------------------|
| Term Deposits over 3 Months | 275,835,000,000   | 200,670,000,000   |

These are deposits at commercial banks including terms of 6 to 12 months, deposits with maturities of less than 12 months at commercial banks with interest rates ranging from 5.2% to 5.5%/year.

**3. Short-term receivables from customers**

|                                                                                      | 31/12/2024<br>VND    | 01/01/2024<br>VND     |
|--------------------------------------------------------------------------------------|----------------------|-----------------------|
| Receivables for Domestic Water Usage and Environmental Protection Fees Environmental | 6,472,392,750        | 17,892,210,741        |
| Vinh Long City Urban Management Department                                           | 990,780,250          | 1,053,173,350         |
| Vinh Long City Land Development Fund Center                                          | 521,533,100          | 5,240,769,600         |
| Other Receivables from Customers                                                     | 1,603,830,172        | 3,257,850,306         |
| <b>Total</b>                                                                         | <b>9,588,536,272</b> | <b>27,444,003,997</b> |

**4. Short-term prepayments to suppliers**

|                                                | 31/12/2024<br>VND    | 01/01/2024<br>VND     |
|------------------------------------------------|----------------------|-----------------------|
| Thanh Cong Construction Co., Ltd.              | 1,672,453,700        | 128,676,213           |
| Hoang Quan Technology Electrical Construction  | 231,621,000          | -                     |
| Service Trading Consulting Joint Stock Company | -                    | 14,538,131,000        |
| Asia Engineering Corporation                   | -                    | 90,366,000            |
| Others                                         | 125,294,000          |                       |
| <b>Total</b>                                   | <b>2,029,368,700</b> | <b>14,757,173,213</b> |

**5. Other short-term receivables**

|                                 | 31/12/2024<br>VND    | 01/01/2024<br>VND     |
|---------------------------------|----------------------|-----------------------|
| Interest receivable on deposits | 3,201,621,393        | 9,766,641,593         |
| Advances to employees           | 134,227,734          | 173,378,898           |
| Other receivables               | 439,972,013          | 228,784,701           |
| <b>Total</b>                    | <b>3,775,821,140</b> | <b>10,168,805,192</b> |

**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****6. Allowance for doubtful short-term receivables**

|                                       | 31/12/2024                  |                              |                        | 01/01/2024                  |                              |                        |
|---------------------------------------|-----------------------------|------------------------------|------------------------|-----------------------------|------------------------------|------------------------|
|                                       | Historical<br>amount<br>VND | Recoverable<br>amount<br>VND | Allowance<br>VND       | Historical<br>amount<br>VND | Recoverable<br>amount<br>VND | Allowance<br>VND       |
| Short-term receivables from customers | 2,153,249,683               | 831,024,660                  | (1,322,225,023)        | 2,022,723,187               | 435,334,414                  | (1,587,388,773)        |
| <b>Total</b>                          | <b>2,153,249,683</b>        | <b>831,024,660</b>           | <b>(1,322,225,023)</b> | <b>2,022,723,187</b>        | <b>435,334,414</b>           | <b>(1,587,388,773)</b> |

**Status of changes in allowance for doubtful receivables:**

|                                    | 2024<br>VND            | 2023<br>VND            |
|------------------------------------|------------------------|------------------------|
| Beginning balance                  | (1,587,388,773)        | (624,648,384)          |
| Additional allowance               | -                      | (962,740,389)          |
| Allowance reversal during the year | 265,163,750            | -                      |
| <b>Ending balance</b>              | <b>(1,322,225,023)</b> | <b>(1,587,388,773)</b> |



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****7. Inventories**

|                     | 31/12/2024            |                  | 01/01/2024            |                  |
|---------------------|-----------------------|------------------|-----------------------|------------------|
|                     | Cost<br>VND           | Allowance<br>VND | Cost<br>VND           | Allowance<br>VND |
| Raw materials       | 9,313,521,008         | -                | 16,183,575,819        | -                |
| Tools and equipment | 194,187,604           | -                | 230,573,758           | -                |
| Work in progress    | 2,231,245,255         | -                | 2,010,846,040         | -                |
| Finished goods      | 245,287,099           | -                | 212,203,733           | -                |
| <b>Total</b>        | <b>11,984,240,966</b> | <b>-</b>         | <b>18,637,199,350</b> | <b>-</b>         |

**8. Prepaid expenses**

|                                   | 31/12/2024<br>VND    | 01/01/2024<br>VND    |
|-----------------------------------|----------------------|----------------------|
| <b>a. Short-term</b>              |                      |                      |
| Consumed tools and equipment      | 77,682,230           | 153,700,000          |
| Insurance expense                 | 25,559,614           | 668,826,140          |
| Other short-term prepaid expenses | 1,143,539,415        | 686,075,898          |
| <b>Plus</b>                       | <b>1,246,781,259</b> | <b>1,508,602,038</b> |
| <b>b. Long-term</b>               |                      |                      |
| Consumable tools and equipment    | 353,087,571          | 356,933,473          |
| Other long-term prepaid expenses  | 222,682,224          | 131,996,510          |
| <b>Plus</b>                       | <b>575,769,795</b>   | <b>488,929,983</b>   |
| <b>Total prepaid expenses</b>     | <b>1,822,551,054</b> | <b>1,997,532,021</b> |

**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****9. Tangible fixed assets**

|                                 | Buildings and<br>structures | Machinery and<br>equipment | Vehicles<br>transport,<br>transmission | Equipment,<br>management<br>tools | Total                  |
|---------------------------------|-----------------------------|----------------------------|----------------------------------------|-----------------------------------|------------------------|
|                                 | VND                         | VND                        | VND                                    | VND                               | VND                    |
| <b>Historical cost</b>          |                             |                            |                                        |                                   |                        |
| As of 01/01/2024                | 117,149,311,782             | 96,833,377,404             | 402,215,719,923                        | 1,615,694,949                     | 617,814,104,058        |
| Purchase during the year        | -                           | 149,074,630                | -                                      | 44,227,272                        | 193,301,902            |
| Completed construction          | 11,814,432,637              | 3,014,664,102              | 15,261,849,839                         | -                                 | 30,090,946,578         |
| Liquidation, sale               | (83,579,668)                | (179,814,473)              | (969,903,317)                          | -                                 | (1,233,297,458)        |
| Decrease during the year        | (400,000)                   | -                          | (300,000)                              | -                                 | (700,000)              |
| <b>As of 31/12/2024</b>         | <b>128,879,764,751</b>      | <b>99,817,301,663</b>      | <b>416,507,666,445</b>                 | <b>1,659,922,221</b>              | <b>646,864,355,080</b> |
| <b>Accumulated depreciation</b> |                             |                            |                                        |                                   |                        |
| As of 01/01/2024                | 69,019,019,203              | 75,881,232,739             | 235,361,313,982                        | 1,304,212,427                     | 381,565,778,351        |
| Depreciation during the year    | 4,674,641,664               | 5,945,125,113              | 14,562,551,969                         | 97,002,365                        | 25,279,321,111         |
| Liquidation, sale               | (72,716,426)                | (167,881,612)              | (936,172,595)                          | -                                 | (1,176,770,633)        |
| <b>As of 31/12/2024</b>         | <b>73,620,944,441</b>       | <b>81,658,476,240</b>      | <b>248,987,693,356</b>                 | <b>1,401,214,792</b>              | <b>405,668,328,829</b> |
| <b>Remaining value</b>          |                             |                            |                                        |                                   |                        |
| As of 01/01/2024                | 48,130,292,579              | 20,952,144,665             | 166,854,405,941                        | 311,482,522                       | 236,248,325,707        |
| <b>As of 31/12/2024</b>         | <b>55,258,820,310</b>       | <b>18,158,825,423</b>      | <b>167,519,973,089</b>                 | <b>258,707,429</b>                | <b>241,196,026,251</b> |

The original cost of fully depreciated tangible fixed assets still in use as of 31/12/2024 and 01/01/2024 was 202,492,973,337 VND and 174,111,968,128 VND.

The Company used assets with remaining values as of 31/12/2024 and 01/01/2024 of 44,240,432,171 VND and 50,172,080,465 VND, respectively, to secure loans at Vietnam Development Bank Can Tho Branch - Vinh Long Transaction Office (see details in Note V.17).



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****10. Intangible fixed assets**

|                                 | Computer software<br>VND |
|---------------------------------|--------------------------|
| <b>Historical cost</b>          |                          |
| As of 01/01/2024                | 766,834,100              |
| Purchased during the year       | 89,934,885               |
| <b>As of 31/12/2024</b>         | <b>856,768,985</b>       |
| <b>Accumulated depreciation</b> |                          |
| As of 01/01/2024                | 524,597,003              |
| Depreciation for the year       | 60,680,587               |
| <b>As of 31/12/2024</b>         | <b>585,277,590</b>       |
| <b>Residual value</b>           |                          |
| As of 01/01/2024                | 242,237,097              |
| <b>As of 31/12/2024</b>         | <b>271,491,395</b>       |

The original cost of fully depreciated intangible fixed assets still in use as of 31/12/2024 and 01/01/2024 is 463,834,100 VND.

**11. Construction in progress**

|                                                                                                                                                                | 31/12/2024<br>VND     | 01/01/2024<br>VND     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Vung Liem Water Plant Expansion Project, Vinh Long Province, increasing capacity from 3,000m <sup>3</sup> /day and night to 9,600m <sup>3</sup> /day and night | 42,975,183,593        | 4,213,650,458         |
| Project to build a 2,000 m <sup>3</sup> clean water tank at Long Ho booster station, Long Ho district, Vinh Long province                                      | -                     | 5,641,321,364         |
| D280 transmission pipeline project, National Highway 53 from Vinh Long city to Long Ho booster station                                                         | -                     | 4,738,430,656         |
| Others                                                                                                                                                         | 1,727,039,943         | 4,250,128,761         |
| <b>Total</b>                                                                                                                                                   | <b>44,702,223,536</b> | <b>18,843,531,239</b> |

The status of changes in construction in progress costs during the year is as follows:

|                                            | 2024<br>VND           | 2023<br>VND           |
|--------------------------------------------|-----------------------|-----------------------|
| <b>Beginning balance</b>                   | <b>18,843,531,239</b> | <b>5,433,293,114</b>  |
| Investment costs during the year           | 72,749,639,351        | 37,360,577,706        |
| Transferred to fixed assets                | (30,090,946,578)      | (10,341,800,645)      |
| Transfer of surplus materials to warehouse | (181,385,315)         | (265,928,985)         |
| Recorded in expenses during the year       | (16,618,615,161)      | (13,342,609,951)      |
| <b>Ending balance</b>                      | <b>44,702,223,536</b> | <b>18,843,531,239</b> |



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****12. Long-term financial investments**

|                                                           | 31/12/2024         |                       |                  |                   | 01/01/2024         |                       |                  |                   |
|-----------------------------------------------------------|--------------------|-----------------------|------------------|-------------------|--------------------|-----------------------|------------------|-------------------|
|                                                           | Quantity<br>shares | Original price<br>VND | Provision<br>VND | Fair value<br>VND | Quantity<br>shares | Original price<br>VND | Provision<br>VND | Fair value<br>VND |
| <b>a. Investment in associates</b>                        |                    |                       |                  |                   |                    |                       |                  |                   |
| Binh Tan Water and<br>Environment Joint Stock<br>Company  | 500,000            | 5,000,000,000         | -                | (i)               | 500,000            | 5,000,000,000         | -                | (i)               |
| Cuu Long Water and<br>Environment Joint Stock<br>Company  | 180,000            | 1,910,754,818         | -                | (i)               | 180,000            | 1,910,754,818         | -                | (i)               |
| <b>Total</b>                                              |                    | <b>6,910,754,818</b>  | <b>-</b>         |                   |                    | <b>6,910,754,818</b>  | <b>-</b>         |                   |
| <b>b. Investment in other entities</b>                    |                    |                       |                  |                   |                    |                       |                  |                   |
|                                                           | 31/12/2024         |                       |                  |                   | 01/01/2024         |                       |                  |                   |
|                                                           | Quantity<br>Shares | Original cost<br>VND  | Provision<br>VND | Fair value<br>VND | Quantity<br>Shares | Original cost<br>VND  | Provision<br>VND | Fair value<br>VND |
| Mang Thit Water and<br>Environment Joint Stock<br>Company | 30,000             | 300,000,000           | -                | (i)               | 30,000             | 300,000,000           | -                | (i)               |

(i) The fair value of associated companies and investments in other entities is not determined for disclosure in the financial statements due to the lack of market listing. Market information and transactions for these investments are not readily available. The fair value of these investments may differ from their carrying amounts.

**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****13. Accounts payable to suppliers**

|                                                                                      | 31/12/2024<br>Value, which is also the realizable value<br>VND | 01/01/2024<br>VND    |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------|
| Asia Engineering Corporation                                                         | 4,320,464,000                                                  | -                    |
| Song Xanh Development and Investment Consulting One Member Limited Liability Company | 1,335,699,000                                                  | -                    |
| Viet Hong Ha Telecommunication Company Limited                                       | 695,741,140                                                    | 448,912,000          |
| Payable to related party vendors (See Note VII.3)                                    | 662,378,535                                                    | 619,839,675          |
| Others                                                                               | 1,739,707,496                                                  | 1,802,573,761        |
| <b>Total</b>                                                                         | <b>8,753,990,171</b>                                           | <b>2,871,325,436</b> |

**14. Taxes and amounts receivable and payable to the State**

|                                 | 01/01/2024<br>VND    | Payable during the year<br>VND | Paid during the year<br>VND | 31/12/2024<br>VND     |
|---------------------------------|----------------------|--------------------------------|-----------------------------|-----------------------|
| <b>a. Receivables</b>           |                      |                                |                             |                       |
| Excess value added tax input    | -                    | -                              | 6,213,025                   | 6,213,025             |
| Excess land and land rental tax | 20,480,850           | 20,480,850                     | -                           | -                     |
| <b>Total</b>                    | <b>20,480,850</b>    | <b>20,480,850</b>              | <b>6,213,025</b>            | <b>6,213,025</b>      |
| <b>b. Payables</b>              |                      |                                |                             |                       |
| Value added tax                 | 27,786,689           | 3,401,330,818                  | 3,429,117,507               | -                     |
| Corporate income tax            | 3,030,756,889        | 16,047,359,815                 | 6,781,746,624               | 12,296,370,080        |
| Personal income tax             | 133,225,269          | 1,154,752,332                  | 879,761,761                 | 408,215,840           |
| Environmental fee               | 959,301,099          | 10,065,693,579                 | 10,148,004,158              | 876,990,520           |
| Resource tax                    | 32,860,820           | 456,159,260                    | 447,040,280                 | 41,979,800            |
| Land and rental tax             | -                    | 88,976,858                     | 88,976,858                  | -                     |
| License tax                     | -                    | 12,000,000                     | 12,000,000                  | -                     |
| <b>Total</b>                    | <b>4,183,930,766</b> | <b>31,226,272,662</b>          | <b>21,786,647,188</b>       | <b>13,623,556,240</b> |



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****15. Short-term accrued expenses**

|                              | 31/12/2024<br>VND  | 01/01/2024<br>VND  |
|------------------------------|--------------------|--------------------|
| Prepaid electricity expenses | 623,601,871        | 584,916,093        |
| Other accrued expenses       | 190,948,815        | 110,201,676        |
| <b>Total</b>                 | <b>814,550,686</b> | <b>695,117,769</b> |

**16. Other payables**

|                                             | 31/12/2024<br>VND    | 01/01/2024<br>VND    |
|---------------------------------------------|----------------------|----------------------|
| Short-Term Deposits and Guarantees Received | 1,606,232,910        | 1,175,391,891        |
| Personal income tax payable                 | 1,020,049,949        | 598,589,251          |
| Dividends payable                           | 23,230,540           | 14,620,500           |
| Other payables                              | 594,220,195          | 1,536,974,550        |
| <b>Total</b>                                | <b>3,243,733,594</b> | <b>3,325,576,192</b> |

**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 2022-12-31

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****17. Loans and finance lease**

|                                                       | 31/12/2024                                | Incurred During the Year |                      | 01/01/2024                                |
|-------------------------------------------------------|-------------------------------------------|--------------------------|----------------------|-------------------------------------------|
|                                                       | Value (Also the<br>Amount Payable)<br>VND | Increase<br>VND          | Decrease<br>VND      | Value (Also the<br>Amount Payable)<br>VND |
| <b>A. Short-term</b>                                  |                                           |                          |                      |                                           |
| Long-term Debt Due Within One Year (See Note b)       | 10,307,480,000                            |                          |                      | 5,307,480,000                             |
| <b>b. Long-term</b>                                   |                                           |                          |                      |                                           |
| Vietnam Development Bank                              |                                           |                          |                      |                                           |
| Can Tho Region - Vinh Long Transaction Office (i)     | 18,576,436,636                            | -                        | 5,307,480,000        | 23,883,916,636                            |
| Vinh Long Provincial Development Investment Fund (ii) | 38,741,311,000                            | 37,006,676,000           | -                    | 1,734,635,000                             |
| Less: Amount Payable Within 12 Months                 | (10,307,480,000)                          |                          |                      | (5,307,480,000)                           |
|                                                       | <b>47,010,267,636</b>                     |                          |                      | <b>20,311,071,636</b>                     |
| <b>Total Loans</b>                                    | <b>57,317,747,636</b>                     | <b>37,006,676,000</b>    | <b>5,307,480,000</b> | <b>25,618,551,636</b>                     |

(i) Loan from Vietnam Development Bank, Can Tho Branch - Vinh Long Transaction Office for investment in construction and equipment for the water supply system expansion project with an interest rate of 0.3%/year, a term of 180 months from the first disbursement date, maturing in March 2028, with a grace period of 36 months. The loan is repaid every 6 months. This loan is secured by a mortgage on fixed assets (see details in Note V.9).

(ii) Loan from Vinh Long Province Development Investment Fund for the investment in the expansion of Vung Liem water plant - Vinh Long province, increasing capacity from 3,000 m3/day to 9,600 m3/day with an interest rate of 7%/year, a term of 10 years from the day following the first disbursement date. The loan is repaid every 6 months. This loan is secured by future assets of the project under mortgage contract No. 35/2023.HĐTC dated 2023-05-09.



**FINANCIAL STATEMENT NOTES (CONTINUED)**

For the fiscal year ended 2022-12-31

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****18. Loans and finance lease (continued)**

Long-term loans are repaid according to the following schedule:

|                                    | 31/12/2024<br>VND     | 01/01/2024<br>VND     |
|------------------------------------|-----------------------|-----------------------|
| Within one year                    | 10,307,480,000        | 5,307,480,000         |
| Within two year                    | 10,307,480,000        | 7,042,115,000         |
| From Year Three to Year Five       | 22,961,476,636        | 13,268,956,636        |
| After five years                   | 13,741,311,000        | -                     |
|                                    | <b>57,317,747,636</b> | <b>25,618,551,636</b> |
| Less: Amounts due within 12 months | (10,307,480,000)      | (5,307,480,000)       |
| <b>Amounts due after 12 months</b> | <b>47,010,267,636</b> | <b>20,311,071,636</b> |

**19. Bonus and welfare fund**

|                                                                           | 2024<br>VND           | 2023<br>VND           |
|---------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Beginning Balance</b>                                                  | <b>28,679,932,799</b> | <b>25,760,552,850</b> |
| Appropriations during the year                                            | 9,759,711,517         | 9,770,626,765         |
| Reward collection from Vinh Long Provincial<br>Department of Home Affairs | 24,390,000            | 52,490,000            |
| Fund utilization during the year                                          | (6,877,915,273)       | (6,903,736,816)       |
| <b>Ending Balance</b>                                                     | <b>31,586,119,043</b> | <b>28,679,932,799</b> |

**20. Development fund for science and tech**

|                                    | 2024<br>VND           | 2023<br>VND           |
|------------------------------------|-----------------------|-----------------------|
| <b>Beginning Balance</b>           | <b>15,726,481,944</b> | <b>19,192,397,604</b> |
| Appropriations during the year     | 2,467,752,967         | 2,622,708,741         |
| Fund Reinstatement during the year | (6,893,301,588)       | (6,088,624,401)       |
| <b>Ending Balance</b>              | <b>11,300,933,323</b> | <b>15,726,481,944</b> |

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

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****20. Equity****Statement of changes in equity**

|                                           | Owner's<br>contribution | Investment and<br>development fund | Retained<br>profits   | Total                  |
|-------------------------------------------|-------------------------|------------------------------------|-----------------------|------------------------|
|                                           | VND                     | VND                                | VND                   | VND                    |
| <b>As of 01/01/2023</b>                   | <b>289,000,000,000</b>  | <b>65,638,804,984</b>              | <b>63,310,332,301</b> | <b>417,949,137,285</b> |
| Profit for the year                       | -                       | -                                  | 80,923,758,916        | 80,923,758,916         |
| Dividend Distribution                     | -                       | -                                  | (28,900,000,000)      | (28,900,000,000)       |
| Allocation to Development Investment Fund | -                       | 24,277,127,675                     | (24,277,127,675)      | -                      |
| Allocation to Reward and Welfare Fund     | -                       | -                                  | (9,770,626,765)       | (9,770,626,765)        |
| <b>As of 01/01/2024</b>                   | <b>289,000,000,000</b>  | <b>89,915,932,659</b>              | <b>81,286,336,777</b> | <b>460,202,269,436</b> |
| Profit for the year                       | -                       | -                                  | 73,099,741,890        | 73,099,741,890         |
| Dividend Distribution                     | -                       | -                                  | (46,875,800,000)      | (46,875,800,000)       |
| Allocation to Development Investment Fund | -                       | 21,929,922,567                     | (21,929,922,567)      | -                      |
| Allocation to Reward and Welfare Fund     | -                       | -                                  | (9,759,711,517)       | (9,759,711,517)        |
| <b>As of 31/12/2024</b>                   | <b>289,000,000,000</b>  | <b>111,845,855,226</b>             | <b>75,820,644,583</b> | <b>476,666,499,809</b> |

The Company appropriated the development investment fund from profit after tax according to Resolution No. 04/NQ-DHDCD of the 2024 Annual General Meeting of Shareholders dated 27/06/2024.

**Details of equity**

| Shareholder Name                                     | As of 31/12/2024   |              |                        | As of 01/01/2024   |              |                        |
|------------------------------------------------------|--------------------|--------------|------------------------|--------------------|--------------|------------------------|
|                                                      | Quantity<br>Shares | Ratio<br>(%) | Value<br>VND           | Quantity<br>Shares | Ratio<br>(%) | Value<br>VND           |
| Vinh Long Provincial People's Committee              | 14,739,000         | 51,00%       | 147,390,000,000        | 14,739,000         | 51,00%       | 147,390,000,000        |
| Biwase Construction - Electrical Joint Stock Company | 9,725,862          | 33,65%       | 97,258,620,000         | 9,725,862          | 33,65%       | 97,258,620,000         |
| Dong Bang Water and Environment Joint Stock Company  | 1,445,000          | 5,00%        | 14,450,000,000         | 1,445,000          | 5,00%        | 14,450,000,000         |
| Other shareholders                                   | 2,990,138          | 10,35%       | 29,901,380,000         | 2,990,138          | 10,35%       | 29,901,380,000         |
| <b>Total</b>                                         | <b>28,900,000</b>  | <b>100%</b>  | <b>289,000,000,000</b> | <b>28,900,000</b>  | <b>100%</b>  | <b>289,000,000,000</b> |



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

For the fiscal year ended 31/12/2024

**V. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET (continued)****20. Equity (continued)****Shares**

|                                          | 31/12/2024<br>Shares | 01/01/2024<br>Shares |
|------------------------------------------|----------------------|----------------------|
| Number of shares authorized for issuance | 28,900,000           | 28,900,000           |
| Number of shares issued to the public    | 28,900,000           | 28,900,000           |
| + <i>Common Stock</i>                    | 28,900,000           | 28,900,000           |
| Number of treasury shares                | -                    | -                    |
| + <i>Common Stock</i>                    | -                    | -                    |
| Number of outstanding shares             | 28,900,000           | 28,900,000           |
| + <i>Common Stock</i>                    | 28,900,000           | 28,900,000           |
| Par value of share: 10,000 VND/share     |                      |                      |

**Dividend**

According to Resolution No. 04/NQ-DHDCD of the 2024 Annual General Meeting of Shareholders dated 2024-06-27, the 2023 dividend was approved at a rate of 16.22%, equivalent to 1,622 VND/outstanding share. The dividend payment from 2024 after-tax profit is expected to be at least 9% of charter capital, and during the year, the Company paid dividends from 2023 profit at a rate of 16.22%. The official dividend rate for 2024 will be approved by the next year's Annual General Meeting of Shareholders.

**21. Off-Balance Sheet Items**

|                                  | 31/12/2024<br>VND | 01/01/2024<br>VND |
|----------------------------------|-------------------|-------------------|
| <b><i>Bad debt processed</i></b> |                   |                   |
| Accounts receivable              | 115,166,287       | 115,166,287       |

**VI. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF INCOME****1. Revenue from sales of goods and provision of services**

|                                 | 2024<br>VND            | 2023<br>VND            |
|---------------------------------|------------------------|------------------------|
| Revenue from clean water supply | 176,948,814,624        | 172,024,536,759        |
| Revenue from bottled water      | 5,949,777,752          | 5,692,678,456          |
| Revenue from construction       | 4,630,153,805          | 9,043,654,108          |
| Revenue from other activities   | 7,729,211,053          | 233,241,339            |
| <b>Total</b>                    | <b>195,257,957,234</b> | <b>186,994,110,662</b> |
| Revenue deductions              | (62,130,255)           | -                      |
| <b>Net revenue</b>              | <b>195,195,826,979</b> | <b>186,994,110,662</b> |

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

For the fiscal year ended 31/12/2024

**VI. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF INCOME (continued)****2. Cost of goods sold**

|                            | 2024<br>VND           | 2023<br>VND           |
|----------------------------|-----------------------|-----------------------|
| Cost of clean water supply | 55,471,848,827        | 53,218,917,624        |
| Cost of bottled water      | 4,785,988,230         | 4,700,153,784         |
| Cost of construction       | 3,690,137,120         | 7,883,737,031         |
| Cost of other activities   | 6,279,421,894         | 218,817,252           |
| <b>Total</b>               | <b>70,227,396,071</b> | <b>66,021,625,691</b> |

**3. Financial income**

|                       | 2024<br>VND           | 2023<br>VND           |
|-----------------------|-----------------------|-----------------------|
| Bank deposit interest | 13,771,265,284        | 17,411,237,346        |
| Dividends received    | 2,463,000,000         | 2,216,000,000         |
| <b>Total</b>          | <b>16,234,265,284</b> | <b>19,627,237,346</b> |

**4. Selling expenses**

|                                                                                                                                     | 2024<br>VND           | 2023<br>VND           |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Sales Staff Expenses                                                                                                                | 2,689,607,581         | 2,828,189,585         |
| Fixed Asset Depreciation Expense                                                                                                    | 14,208,298,589        | 13,821,768,394        |
| Maintenance Expenses for Connections, Meter Installations, replacement of expired calibration meters, and Major Fixed Asset Repairs | 14,782,262,792        | 12,456,728,809        |
| External Service Expenses                                                                                                           | 2,344,128,095         | 1,838,904,081         |
| <b>Total</b>                                                                                                                        | <b>34,024,297,057</b> | <b>30,945,590,869</b> |

**5. Administrative expenses**

|                                                       | 2024<br>VND           | 2023<br>VND           |
|-------------------------------------------------------|-----------------------|-----------------------|
| Management Staff costs                                | 14,484,488,880        | 15,223,699,229        |
| Provision for Science and Technology Development Fund | 2,467,752,967         | 2,622,708,741         |
| Fixed asset depreciation expense                      | 869,085,372           | 1,027,004,549         |
| (Reversal)/Provision for Doubtful Receivables         | (265,163,750)         | 962,740,389           |
| External Service Expenses and Other Cash Expenses     |                       |                       |
| Others                                                | 7,363,408,465         | 8,063,566,665         |
| <b>Total</b>                                          | <b>24,919,571,934</b> | <b>27,899,719,573</b> |



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

For the fiscal year ended 31/12/2024

**VI. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF PROFIT OR LOSS (continued)****6. Other income**

|                                                                                   | 2024<br>VND          | 2023<br>VND          |
|-----------------------------------------------------------------------------------|----------------------|----------------------|
| Reversal of Unused Science and Technology<br>Development Fund from Previous Years | 6,893,301,588        | 6,088,624,401        |
| Retained Environmental Protection Fee                                             | 1,035,565,185        | 987,165,661          |
| Compensation Support Revenue                                                      | 78,726,977           | 21,487,239           |
| Other Income                                                                      | 18,735,642           | 74,499,972           |
| <b>Total</b>                                                                      | <b>8,026,329,392</b> | <b>7,171,777,273</b> |

**7. Other expenses**

|                                                                   | 2024<br>VND          | 2023<br>VND          |
|-------------------------------------------------------------------|----------------------|----------------------|
| Environmental Protection Fee Collection Staff<br>Support Expenses | 880,230,408          | 839,090,813          |
| Fixed Asset Disposal Expenses                                     | 56,526,825           | 133,154,356          |
| Other Expenses                                                    | 136,567,731          | 106,252,220          |
| <b>Total</b>                                                      | <b>1,073,324,964</b> | <b>1,078,497,389</b> |

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

For the fiscal year ended 31/12/2024

**VI. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF PROFIT OR LOSS (continued)****8. Current corporate income tax expense**

|                                                       | Year 2024                       |                       |                       | Year 2023                       |                       |                       |
|-------------------------------------------------------|---------------------------------|-----------------------|-----------------------|---------------------------------|-----------------------|-----------------------|
|                                                       | Clean Water Business Activities | Other Activities      | Total                 | Clean Water Business Activities | Other Activities      | Total                 |
| <b>Profit Before Tax</b>                              | <b>65,825,008,543</b>           | <b>23,322,093,162</b> | <b>89,147,101,705</b> | <b>66,657,365,072</b>           | <b>21,109,652,211</b> | <b>87,767,017,283</b> |
| <b>Adjustments for taxable income</b>                 |                                 |                       |                       |                                 |                       |                       |
| Non-taxable income adjustments                        | (6,893,301,588)                 | (2,463,000,000)       | (9,356,301,588)       | (6,088,624,401)                 | (2,216,000,000)       | (8,304,624,401)       |
| Non-deductible expenses                               | 421,488,983                     | 24,509,973            | 445,998,956           | 292,391,036                     | 93,733,198            | 386,124,234           |
| <b>Taxable Income</b>                                 | <b>59,353,195,938</b>           | <b>20,883,603,135</b> | <b>80,236,799,073</b> | <b>60,861,131,707</b>           | <b>18,987,385,409</b> | <b>79,848,517,116</b> |
| Loss Carryforward                                     | -                               | -                     | -                     | -                               | -                     | -                     |
| <b>Taxable income</b>                                 | <b>59,353,195,938</b>           | <b>20,883,603,135</b> | <b>80,236,799,073</b> | <b>60,861,131,707</b>           | <b>18,987,385,409</b> | <b>79,848,517,116</b> |
| Standard Tax Rate                                     | 20%                             | 20%                   |                       | 10%                             | 20%                   |                       |
| Corporate Income Tax Payable                          | 11,870,639,188                  | 4,176,720,627         | 16,047,359,815        | 6,086,113,171                   | 3,797,477,081         | 9,883,590,252         |
| CIT Reduction due to Tax Incentives                   | -                               | -                     | -                     | (3,043,056,586)                 | -                     | (3,043,056,586)       |
| Supplementary Corporate Income Tax from Previous Year | -                               | -                     | -                     | 2,724,701                       | -                     | 2,724,701             |
| <b>Current Corporate Income Tax</b>                   | <b>11,870,639,188</b>           | <b>4,176,720,627</b>  | <b>16,047,359,815</b> | <b>3,045,781,286</b>            | <b>3,797,477,081</b>  | <b>6,843,258,367</b>  |
| <b>Total Current Corporate Income Tax Expense</b>     |                                 |                       | <b>16,047,359,815</b> |                                 |                       | <b>6,843,258,367</b>  |

The Company was established by converting its business type, whereby the Company is entitled to corporate income tax incentives related to clean water production and business activities in the field of socialization. However, the enterprise before the conversion was not entitled to corporate income tax incentives according to the preferential tax sector, so it is entitled to tax incentives as a new investment project from the time of conversion, according to the provisions of Section d, Clause 3, Article 10 of Circular No. 96/2015/TT-BTC dated 22/06/2015. Specifically, the corporate income tax rate is 10% of the taxable income of socialization activities throughout the operating period, and the company is exempt from tax for 4 years and reduces 50% of the corporate income tax payable in the next 5 years from the time of conversion of the business type. In 2024, the company did not calculate socialization incentives because it did not meet the criteria for key staff according to Decision 693/QĐ-TTg dated 06/05/2013 of the Prime Minister.



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

For the fiscal year ended 31/12/2024

**VI. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF PROFIT OR LOSS (continued)****9. Basic earnings per share**

|                                                                           | 2024<br>VND           | 2023<br>VND           |
|---------------------------------------------------------------------------|-----------------------|-----------------------|
| Profit after corporate income tax                                         | 73,099,741,890        | 80,923,758,916        |
| Less: Appropriation for Bonus and Welfare Funds and Executive Board Bonus | (9,759,711,517)       | (9,770,626,765)       |
| <b>Basic earnings per share</b>                                           | <b>63,340,030,373</b> | <b>71,153,132,151</b> |
| Weighted average number of ordinary shares                                | 28,900,000            | 28,900,000            |
| <b>Basic Earnings per Share</b>                                           | <b>2.192</b>          | <b>2.462</b>          |

The amount set aside for the welfare and reward fund this year, deducted from the profit used to calculate basic earnings per share, is recorded in the financial statements according to the 2024 profit distribution plan approved by the General Meeting of Shareholders.

**10. Manufacturing costs by factors**

|                                                       | 2024<br>VND            | 2023<br>VND            |
|-------------------------------------------------------|------------------------|------------------------|
| Material costs                                        | 51,362,885,081         | 46,860,319,306         |
| Labor Costs                                           | 38,260,262,838         | 37,717,413,194         |
| Depreciation Expense of Fixed Assets                  | 25,330,032,534         | 24,392,173,258         |
| Allocation to Science and Technology Development Fund | 2,467,752,967          | 2,622,708,741          |
| Outsourced service costs                              | 2,785,661,449          | 2,479,707,740          |
| Others                                                | 8,964,670,193          | 10,794,613,894         |
| <b>Total</b>                                          | <b>129,171,265,062</b> | <b>124,866,936,133</b> |

**VII. OTHER INFORMATION****1. Segment reporting by business segment and geographical area****Segment reporting by business segment**

The Company's main activities are the production and trading of clean water; construction and installation of water supply systems; bottled water production; trading of materials and equipment specializing in water supply. The financial information presented in the Balance Sheet as of 31/12/2024 and all revenues and expenses presented in the Statement of Profit or Loss for the fiscal year ending on the same date are related to the production and business activities mentioned above. Accordingly, there is no segment reporting by business segment to be presented. Revenue and cost of sales by each production and business activity are presented in Notes VI.1 and VI.2.

**Segments by geographical area**

All of the Company's business activities occur within Vinh Long Province, Vietnam. Therefore, the Company does not prepare segment reports by geographical area.

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

For the fiscal year ended 31/12/2024

**VII. OTHER INFORMATION (continued)****2. Operating lease**

The Company is implementing land lease contract No. 29/HD-TD at Ward 2, Vinh Long City, Vinh Long Province for use as a business production facility. The land lease term is from 19/10/2007 to 01/01/2046. The total leased land area is 1,083.5 m<sup>2</sup>, including 500 m<sup>2</sup> of land area exempt from land rent.

Accordingly, the Company must pay annual land rent until the contract expiration date in accordance with current State regulations. The land rent unit price will be determined and adjusted periodically based on Government regulations on land and water surface rent collection.

In addition, the Company also leases state-owned land at other locations in Vinh Long province with a total leased land area of 59,383 m<sup>2</sup> for use in clean water production and business, which is exempt from land rent.

**3. Related Party****Related Party****Relationship**

Vinh Long Provincial People's Committee

Major shareholder

Biwase Construction - Electrical JSC

Major shareholder

Binh Tan Water and Environment JSC

Associated company

Cuu Long Water and Environment JSC

Associated company

***Details of significant transactions with related parties during the year:***

|                                                | 2024<br>VND    | 2023<br>VND    |
|------------------------------------------------|----------------|----------------|
| <b>Binh Tan Water and Environment JSC</b>      |                |                |
| Dividends distributed                          | 1,500,000,000  | 1,250,000,000  |
| <b>Cuu Long Water and Environment JSC</b>      |                |                |
| Clean water purchase expenses                  | 7,553,375,700  | 7,467,548,400  |
| Dividends distributed                          | 900,000,000    | 900,000,000    |
| <b>Vinh Long Provincial People's Committee</b> |                |                |
| Dividend payment                               | 23,906,658,000 | 14,739,000,000 |
| <b>Biwase Construction - Electrical JSC</b>    |                |                |
| Dividend payment                               | 15,775,348,164 | 9,725,862,000  |

***Major balances with related parties at the end of the fiscal year:***

|                                    | 31/12/2024<br>VND | 01/01/2024<br>VND |
|------------------------------------|-------------------|-------------------|
| <b>Short-term payables</b>         |                   |                   |
| Cuu Long Water and Environment JSC | 662,378,535       | 619,839,675       |



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

For the fiscal year ended 31/12/2024

**VII. OTHER INFORMATION (continued)****3. Related Party (continued)****Income of the Board of Directors, General Directors and Board of Supervisors received during the year:**

|                                       | 2024<br>VND   | 2023<br>VND   |
|---------------------------------------|---------------|---------------|
| Salaries, bonuses, and other benefits | 2,644,533,773 | 3,252,085,486 |

**Year 2024**

| Full name                                            | Position                      | Salary<br>VND        | Remuneration<br>VND | Total<br>VND         |
|------------------------------------------------------|-------------------------------|----------------------|---------------------|----------------------|
| <b>Board of Directors</b>                            |                               | <b>536,931,746</b>   | <b>216,000,000</b>  | <b>752,931,746</b>   |
| Mr. Dang Tan Chien                                   | Chairman                      | 536,931,746          | -                   | 536,931,746          |
| Mrs. Le Thi Quyen                                    | BOD<br>Member                 | -                    | 72,000,000          | 72,000,000           |
| Mr. Van Kim Hung Phong                               | BOD<br>Member                 | -                    | 72,000,000          | 72,000,000           |
| Mr. Tran Tan Duc                                     | BOD<br>Member                 | -                    | 72,000,000          | 72,000,000           |
| <b>Board of General Directors and other managers</b> |                               | <b>1,342,329,364</b> | <b>-</b>            | <b>1,342,329,364</b> |
| Mr. Nguyen Quoc Dat                                  | Deputy<br>General<br>Director | 462,357,892          | -                   | 462,357,892          |
| Mr. Luong Minh Triet                                 | Deputy<br>General<br>Director | 462,357,892          | -                   | 462,357,892          |
| Mr. Le Van Thang                                     | Chief<br>Accountant           | 417,613,580          | -                   | 417,613,580          |
| <b>Board of Supervisors</b>                          |                               | <b>477,272,663</b>   | <b>72,000,000</b>   | <b>549,272,663</b>   |
| Mrs. Bui Thien Ngoc Minh                             | Head of<br>Board              | 477,272,663          | -                   | 477,272,663          |
| Ms. Nguyen Thi Hong Nhung                            | Member                        | -                    | 24,000,000          | 24,000,000           |
| Mr. Nguyen Huu Binh                                  | Member                        | -                    | 48,000,000          | 48,000,000           |
| <b>Total</b>                                         |                               | <b>2,356,533,773</b> | <b>288,000,000</b>  | <b>2,644,533,773</b> |



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

For the fiscal year ended 31/12/2024

**VII. OTHER INFORMATION (continued)****3. Related Party (continued)****Income of the Board of Directors, General Directors and Board of Supervisors received during the year (continued)****Year 2023**

| Full Name                                            | Position                                                  | Salary<br>VND        | Remuneration<br>VND | Total<br>VND         |
|------------------------------------------------------|-----------------------------------------------------------|----------------------|---------------------|----------------------|
| <b>Board of Directors</b>                            |                                                           | <b>534,979,676</b>   | <b>288,000,000</b>  | <b>822,979,676</b>   |
| Mr Dang Tan Chien                                    | Chairman                                                  | 534,979,676          | -                   | 534,979,676          |
| Mr Nguyen Tan Phat                                   | Member of the Board of Directors cum General Director BOD | -                    | 72,000,000          | 72,000,000           |
| Mrs. Le Thi Quyen                                    | Member BOD                                                | -                    | 72,000,000          | 72,000,000           |
| Mr. Van Kim Hung Phong                               | Member BOD                                                | -                    | 36,000,000          | 36,000,000           |
| Mr. Tran Tan Duc                                     | Member BOD                                                | -                    | 36,000,000          | 36,000,000           |
| Mr. Dang Thanh Binh                                  | Member BOD                                                | -                    | 36,000,000          | 36,000,000           |
| Mr. Nguyen Truong Anh                                | Member                                                    | -                    | 36,000,000          | 36,000,000           |
| <b>Board of General Directors and other managers</b> |                                                           | <b>1,857,568,320</b> | <b>-</b>            | <b>1,857,568,320</b> |
| Mr. Nguyen Tan Phat                                  | Member of the Board of Directors cum General Director     | 520,119,130          | -                   | 520,119,130          |
| Mr. Nguyen Quoc Dat                                  | Deputy General Director                                   | 460,676,943          | -                   | 460,676,943          |
| Mr. Luong Minh Triet                                 | Deputy General Director Chief                             | 460,676,943          | -                   | 460,676,943          |
| Mr. Le Van Thang                                     | Accountant                                                | 416,095,304          | -                   | 416,095,304          |
| <b>Board of Supervisors</b>                          |                                                           | <b>475,537,490</b>   | <b>96,000,000</b>   | <b>571,537,490</b>   |
| Mrs. Bui Thien Ngoc Minh                             | Head of Board                                             | 475,537,490          | -                   | 475,537,490          |
| Mrs. Nguyen Thi Hong Nhung                           | Member                                                    | -                    | 48,000,000          | 48,000,000           |
| Mr. Nguyen Huu Binh                                  | Member                                                    | -                    | 24,000,000          | 24,000,000           |
| Mrs. Nguyen Thi Thu Ha                               | Member                                                    | -                    | 24,000,000          | 24,000,000           |
| <b>Total</b>                                         |                                                           | <b>2,868,085,486</b> | <b>384,000,000</b>  | <b>3,252,085,486</b> |



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

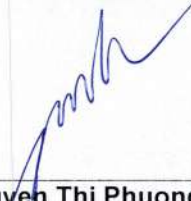

For the fiscal year ended 31/12/2024

**4. Comparative figures**

Comparative figures are those of the audited financial statements for the fiscal year ended 31/12/2023.

**5. Events after the reporting period**

There were no significant events occurring after the reporting date that require adjustment to or disclosure in the financial statements.

  
\_\_\_\_\_  
**Nguyen Thi Phuong Minh**  
Preparer  
\_\_\_\_\_  
**Le Van Thang**  
Chief Accountant\_\_\_\_\_  
**Dang Tan Chien**  
Chairman

19 March 2025



**VINH LONG WATER SUPPLY  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence – Freedom – Happiness**

No: 28../CNVL

Vinh Long, March 21, 2025

To: Hanoi Stock Exchange

In compliance with Clauses 3 and 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, providing guidance on the disclosure of information in the securities market, Vinh Long Water Supply Joint Stock Company discloses its Audited Financial Statements for the fiscal year ended December 31, 2024 to the Hanoi Stock Exchange as follows:

**1. Audited Financial Statements for the fiscal year ended December 31, 2024**

- The Audited Financial Statements for the fiscal year ended December 31, 2024 are prepared in accordance with Clause 3, Article 14 of Circular No. 96/2020/TT-BTC, including:

☒ Separate Financial Statements (applicable to listed companies without subsidiaries or as a higher-level accounting entity with subordinate accounting units);

☐ Consolidated Financial Statements (applicable to listed companies with subsidiaries);

☐ Combined Financial Statements (applicable to listed companies with subordinate accounting units operating under a separate accounting system).;

- Explanatory documents required to be disclosed along with the Audited Financial Statements under Clause 4, Article 14 of Circular No. 96/2020/TT-BTC include:

+ After-tax profit in the Income Statement of the reporting period changed by 10% or more compared to the same period last year?

☐ Yes

☒ No

Explanatory document for changes in profit by 10% compared to the same period last year:

☐ Yes

☐ No

+ After-tax profit in the reporting period incurred a loss or changed from profit in the same period last year to a loss or vice versa?

☐ Yes

☒ No

Explanatory document for after-tax profit incurring a loss or changing from profit in the same period last year to a loss or vice versa:

☐ Yes

☐ No

**Representative of the Organization**

Legal Representative/Authorized Information

Disclosure Representative

(Signed, full name, title, and stamped)

