

# **Separate financial statements and Independent Auditors' Report**

Saigon Water Infrastructure Corporation

For the year ended 31 December 2024

X

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# Report of the Board of Directors

The Board of Directors submits its report together with the audited separate financial statements of Saigon Water Infrastructure Corporation ("the Company") as at 31 December 2024 and for the year then ended.

## Results of operations

The results of the Company's operations for the year ended 31 December 2024 are presented in the separate statement of income.

## Auditors

The Company's separate financial statements for the year ended 31 December 2024 have been audited by Grant Thornton (Vietnam) Limited.

## Board of Management, Board of Directors and Board of Supervisors

The members of the Board of Management, Board of Directors and Audit committee during the year and to the date of this report were:

### Board of Management

Name	Position	Appointed date	Resigned date
Mr. Hoang Minh Hung	Chairman	19 April 2024	-
Mr. Nguyen Van Thanh	Chairman	24 August 2023	19 April 2024
Mr. Nguyen Van Thanh	Member	19 April 2024	28 June 2024
Mr. Ngo Duc Vu	Member	28 September 2022	-
Mr. Leu Manh Huy	Member	28 September 2022	-
Mrs. Phan Thuy Giang	Member	28 September 2022	-
Mr. Nguyen Xuan Giao	Member	17 April 2019	-
Mr. Roberto Jose Rialp Locsin	Member	24 November 2023	-
Mr. Philip Marc L.Hermann	Member	24 November 2023	28 June 2024
Mrs. Nguyen Thi Ngoc Ha	Member	24 November 2023	-
Mr. Celso III Caragay Tagle	Member	28 June 2024	-
Mr. Bui Duc Trung	Member	28 June 2024	-

### Board of Directors

Name	Position	Appointed date	Resigned date
Mr. Leu Manh Huy	General Director	14 September 2023	-
Mrs Nguyen Thi Hong Hanh	Deputy General Director	1 October 2023	-
Mrs Nguyen Thi Ngoc Ha	Deputy General Director	24 November 2023	-
Mr Nguyen Khanh Duy	Technical Director	1 October 2023	-

### Board of Supervisors

Name	Position	Appointed date	Resigned date
Mrs. Rose Ann Luna Badidoy	Chairman	27 April 2023	28 June 2024
Mrs. Azerina Macalinga Bundoc	Chairman	8 January 2025	-
Mrs. Azerina Macalinga Bundoc	Member	28 June 2024	8 January 2025
Mr. Nguyen Van Chinh	Member	27 April 2023	28 June 2024
Mrs. Huynh Thi Bao Tram	Member	27 April 2023	-
Mrs. Le Thi Lien	Member	28 June 2024	-



#### Legal representative

Name	Position
Mr. Leu Manh Huy	General Director
Mr. Hoang Minh Hung	Chairman

### The Board of Directors' responsibility in respect of the separate financial statements

The Board of Directors is responsible for ensuring the separate financial statements are properly drawn up to give a true and fair view of the financial position of the Company as at 31 December 2024 and of the results of its operations and its cash flows for the year ended 31 December 2024. In preparing the separate financial statements, the Board of Directors is required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- comply with the disclosure requirements of Vietnamese Accounting Standards and System for Enterprises and relevant statutory requirements on preparation and presentation of the separate financial statements;
- maintain adequate accounting records and an effective system of internal control;
- prepare the separate financial statements on a going-concern basis unless it is inappropriate to assume that the Company will continue its operations in the foreseeable future; and
- control and direct effectively the Company in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the separate financial statements.

The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing the separate financial statements.

### Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying Separate balance sheet, Separate statement of income and Separate statement of cash flows, together with the notes thereto, have been properly drawn up and give a true and fair view of the financial position of the Company as at 31 December 2024 and the results of its operations and cash flows for the year then ended, in accordance with Vietnamese Accounting Standards and System for Enterprises and relevant statutory requirements on preparation and presentation of the separate financial statements.

On behalf of the Board of Directors,



Nguyen Thi Hong Hanh  
Deputy General Director

Ho Chi Minh City, Vietnam  
28 March 2025

(Mrs. Nguyen Thi Hong Hanh, Deputy General Director was authorized by Mr Leu Manh Huy, General Director and Legal representative to sign the financial statements of the Company in accordance with the Authorization Letter No. 01/2024/SGW/UQ dated 1 March 2024).



# Independent Auditors' Report

on the separate financial statements of  
Saigon Water Infrastructure Corporation  
for the year ended 31 December 2024

Grant Thornton (Vietnam) Limited  
18th Floor  
Hoa Binh International Office Building  
106 Hoang Quoc Viet Street  
Cau Giay District, Hanoi  
Vietnam

T +84 24 3850 1686  
F +84 24 3850 1688

No. 24-11-034-3

To: The Board of Management, Shareholders  
Saigon Water Infrastructure Corporation

We have audited the accompanying separate financial statements of Saigon Water Infrastructure Corporation ("the Company"), prepared on 28 March 2025, which comprise the separate balance sheet as at 31 December 2024 and the separate statement of income, separate statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 28.

## Board of Directors' Responsibility for the separate financial statements

Board of Directors is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards and System for Enterprises and the relevant statutory requirements on preparation and presentation of the separate financial statements, and for such internal control as management determines is necessary to enable the preparation of separate 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 separate 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 separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the entity's preparation and fair presentation of the separate 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the separate financial statements.

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

## Auditors' opinion

In our opinion, the accompanying separate financial statements give a true and fair view, in all material respects, of the separated financial position of Saigon Water Infrastructure Corporation as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards and System for Enterprises and relevant statutory requirements on preparation and presentation of the separate financial statements.

## Other matter

The separate financial statements as at 31 December 2023 and for the year then ended, included for comparison purposes, were audited by other auditors whose audit report dated 25 March 2024 expressed an unmodified opinion.



**GRANT THORNTON (VIETNAM) LIMITED**

**Le The Viet**

Auditor's Practicing Certificate  
No. 0821-2023-068-1  
Deputy General Director

Hanoi, Vietnam  
28 March 2025

**Nguyen Dich Dung**

Auditor's Practicing Certificate  
No. 2484-2024-068-1  
Auditor



# Separate balance sheet

as at 31 December 2024

	Notes	Code	31 December 2024 VND	31 December 2023 VND (Reclassified)
<b>ASSETS</b>				
<b>Current assets</b>		100	<b>750,699,780,138</b>	<b>98,930,148,946</b>
Cash and cash equivalents	5	110	257,458,294,336	4,493,022,390
Cash		111	248,458,294,336	4,493,022,390
Cash equivalents		112	9,000,000,000	-
<b>Short-term receivables</b>		130	<b>456,320,115,800</b>	<b>67,118,760,801</b>
Short-term trade accounts receivable	7	131	7,709,589,517	7,986,811,521
Short-term prepayments to suppliers		132	1,370,743,451	588,132,435
Short-term lendings	8	135	505,671,914,746	126,451,914,746
Other short-term receivables	9	136	15,086,360,546	5,572,993,275
Provision for doubtful debts – short term	10	137	(73,518,492,460)	(73,481,091,176)
<b>Inventories</b>		140	<b>10,349,096,197</b>	<b>8,257,883,187</b>
Inventories	11	141	10,349,096,197	8,257,883,187
<b>Other current assets</b>		150	<b>26,572,273,805</b>	<b>19,060,482,568</b>
Short-term prepaid expenses	12	151	2,404,707,305	129,206,534
Value added tax to be reclaimed		152	8,501,607,111	9,248,306,076
Taxes and amounts receivable from the State Budget	19	153	9,682,969,958	9,682,969,958
Other current assets	13	155	5,982,989,431	-
<b>Non-current assets</b>		200	<b>2,330,833,040,909</b>	<b>2,509,657,000,573</b>
<b>Long-term receivables</b>		210	<b>110,000,000</b>	<b>2,805,000,000</b>
Long-term trade accounts receivable		212	100,000,000	100,000,000
Other long-term receivables		216	10,000,000	2,705,000,000
<b>Fixed assets</b>		220	<b>1,316,644,510,744</b>	<b>1,378,108,040,244</b>
Tangible fixed assets	14	221	1,316,064,615,648	1,376,960,297,216
- Historical cost		222	1,833,312,433,963	1,825,363,448,721
- Accumulated depreciation		223	(517,247,818,315)	(448,403,151,505)
Intangible fixed assets	15	227	579,895,096	1,147,743,028
- Historical cost		228	2,065,354,180	2,065,354,180
- Accumulated amortisation		229	(1,485,459,084)	(917,611,152)
<b>Long-term assets in progress</b>		240	<b>936,611,552</b>	<b>2,676,076,675</b>
Construction in progress	16	242	936,611,552	2,676,076,675
<b>Long-term investments</b>	6	250	<b>1,009,329,395,000</b>	<b>1,118,989,183,611</b>
Investments in subsidiaries		251	885,776,000,000	858,726,000,000
Investments in associates and joint ventures		252	44,100,000,000	183,359,788,611
Investments in other entities		253	143,153,395,000	143,153,395,000
Provision for long-term investments		254	(63,700,000,000)	(66,250,000,000)
<b>Other non-current assets</b>		260	<b>3,812,523,613</b>	<b>7,078,700,043</b>
Long-term prepaid expenses	12	261	2,097,308,998	539,712,254
Substituted equipment, supplies and spare parts	17	263	1,715,214,615	6,538,987,789
<b>Total assets</b>		270	<b>3,081,532,821,047</b>	<b>2,608,587,149,519</b>

The notes set out on pages from 9 to 28 form an integral part of these separate financial statements

# Separate balance sheet

as at 31 December 2024 (continued)

	Notes	Code	31 December 2024 VND	31 December 2023 VND (Reclassified)
<b>RESOURCES</b>				
<b>Liabilities</b>		300	<b>1,684,623,577,006</b>	<b>1,847,575,010,865</b>
<b>Current liabilities</b>		310	<b>325,700,837,480</b>	<b>97,215,333,907</b>
Short-term trade accounts payable	18	311	21,666,708,290	29,693,004,225
Short-term advances from customers		312	1,435,438,013	685,769,638
Taxes and amounts payable to the State budget	19	313	76,067,814	173,460,506
Payable to employees		314	380,073,509	1,912,160,222
Short-term accrued expenses	20	315	9,305,721,295	7,946,499,715
Other short-term payables	21	319	10,817,036,249	11,635,847,639
Short-term borrowings and finance lease liabilities	22	320	282,019,792,310	45,168,591,962
<b>Long-term liabilities</b>		330	<b>1,358,922,739,526</b>	<b>1,750,359,676,958</b>
Other long-term payables	21	337	966,705,133,514	959,016,730,003
Long-term borrowings and finance lease liabilities	22	338	392,217,606,012	791,342,946,955
<b>Owners' equity</b>		400	<b>1,396,909,244,041</b>	<b>761,012,138,654</b>
Owners' equity	23, 24	410	1,396,909,244,041	761,012,138,654
Share capital	24	411	645,221,040,000	645,221,040,000
Share premium		412	161,811,551,600	161,811,551,600
Investment and development funds		418	16,623,462,173	16,623,462,173
Accumulated losses		421	573,253,190,268	(62,643,915,119)
- Cumulative losses at end of the previous year		421a	(62,643,915,119)	(28,642,395,317)
- Profit/(losses) after tax of the current year		421b	635,897,105,387	(34,001,519,802)
<b>Total resources</b>		440	<b>3,081,532,821,047</b>	<b>2,608,587,149,519</b>

Ho Chi Minh City, Vietnam

28 March 2025



Nguyễn Thị Hồng Hạnh  
Deputy General Director

Ho Thi Xuan  
Chief Accountant

Nguyễn Thị Thanh Bình  
Preparer



# Separate statement of income

for the year ended 31 December 2024

	Notes	Code	Year ended 31 December 2024 VND	Year ended 31 December 2023 VND
Gross sales	25	01	129,039,880,780	114,967,437,360
Less deductions		02	-	-
Net sales		10	129,039,880,780	114,967,437,360
Cost of sales	26, 31	11	(159,283,759,077)	(149,809,348,044)
Gross loss		20	(30,243,878,297)	(34,841,910,684)
Income from financial activities	27	21	766,628,872,037	119,730,363,715
Expenses from financial activities	28	22	(73,316,187,381)	(84,514,689,662)
<i>Including: interest expense</i>		23	(73,056,368,581)	(81,931,182,662)
Selling expenses	29, 31	25	(10,401,553,639)	(11,204,134,461)
General and administrative expenses	30, 31	26	(17,247,469,430)	(23,392,346,545)
Operating profit/(loss)		30	635,419,783,290	(34,222,717,637)
Other income		31	477,322,196	273,054,502
Other expenses		32	(99)	(51,856,667)
Profit from other activities		40	477,322,097	221,197,835
Net accounting profit/(loss) before tax	32	50	635,897,105,387	(34,001,519,802)
Current corporate income tax expense	32	51	-	-
Net profit/(loss) after tax	23	60	635,897,105,387	(34,001,519,802)

Ho Chi Minh, Vietnam

28 March 2025



Nguyễn Thị Hồng Hanh  
Deputy General Director

Ho Thi Xuan  
Chief Accountant

Nguyễn Thị Thanh Bình  
Preparer

# Separate statement of cash flows

(indirect method)

for the year ended 31 December 2024

	Notes	Code	Year ended 31 December 2024 VND	Year ended 31 December 2023 VND
<b>Cash flows from operating activities</b>				
Profit/(loss) before tax		01	635,897,105,387	(34,001,519,802)
<b>Adjustments for:</b>				
Depreciation and amortisation		02	71,767,000,797	69,485,289,934
Changes in provisions		03	(2,512,598,716)	8,715,653,981
Gain from investing activities		05	(764,078,872,037)	(119,730,363,715)
Interest expenses		06	73,056,368,581	81,931,182,662
<b>Operating profit before changes working capital</b>		08	<b>14,129,004,012</b>	<b>6,400,243,060</b>
Changes in accounts receivable		09	3,742,942,682	856,019,737
Changes in inventory		10	16,834,039,589	2,342,132,247
Changes in accounts payable		11	(16,944,982,778)	20,379,936,559
Changes in prepaid expenses		12	(1,859,456,639)	(127,949,834)
Interest paid		14	(67,388,679,067)	(114,962,721,060)
<b>Cash generated used in operating activities</b>		20	<b>(51,487,132,201)</b>	<b>(85,112,339,291)</b>
<b>Cash flows from investing activities</b>				
Acquisitions of fixed assets		21	(24,639,126,475)	(15,143,044,232)
Purchases of debt instruments of other entities		23	(381,020,000,000)	(22,315,000,000)
Proceeds from sales of debt instruments of other entities		24	1,800,000,000	3,500,000,000
Investments in other entities		25	(10,000,000,000)	-
Proceeds from divestments in other entities		26	766,497,000,000	-
Dividends, interest and other investment income		27	102,588,671,217	116,048,337,715
<b>Net cash flows generated from investing activities</b>		30	<b>455,226,544,742</b>	<b>82,090,293,483</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans' principals		33	468,746,965,635	455,296,476,879
Repayments of loans' principals		34	(619,521,106,230)	(450,285,825,702)
<b>Net cash flows (used in)/generated from financing activities</b>		40	<b>(150,774,140,595)</b>	<b>5,010,651,177</b>
<b>Net increase in cash and cash equivalents</b>		50	<b>252,965,271,946</b>	<b>1,988,605,369</b>
<b>Cash and cash equivalents at beginning of the year</b>	5	60	<b>4,493,022,390</b>	<b>2,504,417,021</b>
<b>Cash and cash equivalents at end of the year</b>	5	70	<b>257,458,294,336</b>	<b>4,493,022,390</b>

Hà Chí Minh, Vietnam  
28 March 2025

CÔNG TY  
CỔ PHẦN  
HÀ TĂNG NƯỚC  
SÀI GÒN

Nguyễn Thị Hồng Hạnh  
Deputy General Director

Ho Thi Xuan  
Chief Accountant

Nguyễn Thị Thanh Bình  
Preparer



# Notes to the separate financial statements

for the year ended 31 December 2024

## 1. Nature of operations

Saigon Water Infrastructure Corporation ("the Company") is a joint stock company, established in Vietnam under Enterprise Registration Certificate No 0303476454 issued by Ho Chi Minh City Department of Planning and Investment dated 27 August 2004. Subsequently, the Company had 22 amendments of Enterprise Registration Certificate.

On 19 November 2024, the Company received the latest 22<sup>nd</sup> amended Enterprise Registration Certificates to change its head office address.

The Company's charter capital is 645,221,040,000 VND (in words: Six hundred forty-five billion two hundred twenty-one million and forty thousand Dong).

Total number of shares are 64,522,104 shares.

Par value: 10,000 VND. Security code: SII, transacted on Upcom, Hanoi Stock Exchange.

The principal activities under the Company's Enterprise Registration Certificate are:

- Mining, processing and water supply;
- Management consulting (excluding financial consulting);
- Related architectural activities and technical consultancy;
- Construction of other civil engineering works; and
- Trading of machinery and equipment and other machine parts.

During the year, the Company's principal activities are to operate a water supply network, invest and provide services related to the water sector.

The Company's head office is located at Tasco Building, 220 Bis Nguyen Huu Canh Street, Ward 22, Binh Thanh District, Ho Chi Minh City, Vietnam.

As at 31 December 2024, the Company has 113 employees (31 December 2023: 115 employees).

As at 31 December 2024, the Company has the following subsidiaries and associates:

No	Entity	Address	Principal activities	Ownership(%)	Voting rights (%)
<b>I – Subsidiary</b>					
1	Gia Lai Water Supply Sewerage Joint Stock Company	Gia Lai Province	Mining, processing and water supply	51	51
2	Saigon Dankia Water Supply Corporation	Lam Dong Province	Mining, processing and water supply	90	90
3	Cu Chi Water Supply Sewerage Joint Stock Company	Ho Chi Minh City	Operation of clean water supply network	100	100
4	Saigon – An Khe Water Joint Stock Company	Gia Lai Province	Mining, processing and water supply	77.33	77.33
<b>II – Associate</b>					
1	Saigon – Pleiku Water Supply Corporation	Gia Lai Province	Mining, processing and water supply	49	49

## **2. Fiscal year and accounting currency**

### **2.1 Fiscal year**

The fiscal years of the Company will be from 1 January to 31 December.

### **2.2 Accounting currency**

The separate financial statements are prepared in Vietnamese Dong ("VND").

## **3. Basis of preparation of separate financial statements**

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards and System for Enterprises, and relevant statutory requirements on preparation and presentation of the separate financial statement.

The separate financial statements are not intended to present the financial position and results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than the SR of Vietnam. Furthermore their use is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices.

In addition, the Company has also prepared consolidated financial statements of the Company and its subsidiaries (together referred as "the Group") in accordance with Vietnamese Accounting Standards and System for Enterprises, and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Readers of these separate financial statements of the Company should consider them together with the consolidated financial statements of the Group for the year ended 31 December 2024 in order to obtain sufficient information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group.

## **4. Accounting Policies**

### **4.1 Estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards and System for Enterprises, and prevailing accounting regulations in Vietnam requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **4.2 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and cash in banks as well as short-term highly liquid investments and bank deposits with maturity terms of not more than three (3) months.

### **4.3 Investments**

#### **Investments in subsidiaries**

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are accounted for at cost less provision for diminution in value. Provision for diminution in value is made when there is an impairment of the investments.

#### **Investments in associates**

Investments in associates are investments that the Company has significant influence but not control generally accompanying with a shareholding of 20% to under 50% voting shares of the investee.



Investments in associates are accounted for at cost less provision for diminution in value at the balance sheet date. Provision for diminution in value is made when there is an impairment of the investments. The Company recognises its share of operating result of the investee after the date of acquisition basing on distribution of dividend. Other distributions received from an investee is recorded as reduction of the carrying amount of the investment.

#### **Investments in equity of other entities**

Investments in equity of other entities are investments in equity instruments of other entities without neither controlling rights nor co-controlling rights and without significant influence over investee. These investments are initially recorded at cost. Provision for diminution in value is made when the investees make losses, except when the loss was forecasted by the Management before the date of investment.

#### **4.4 Accounts receivable**

Trade account receivables and other receivables are measured at their net recoverable amount after provision for doubtful debts. The provision for doubtful debts is made based on the Management's assessment on indication that they might not be recoverable. Doubtful debts are written off when they are irrecoverable.

#### **4.5 Lending**

Lendings are loans granted by the Company to other parties for earning interest under agreements among parties which are hold to maturity. Lendings are initialised at cost.

Subsequently, lendings are measured at their net recoverable amount after provision for doubtful lendings. The provision for doubtful lendings is made based on the Management's assessment on indication that they might not be recoverable. Doubtful lendings are written off when they are irrecoverable.

#### **4.6 Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost comprises purchase costs and other related costs incurred to bring the inventories to their present location and condition. Cost is determined primarily on the basis of weighted average cost. Net realisable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution after making provision for damaged, obsolete, defective and slow-moving items. An inventories provision is made for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc) of raw materials owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Inventories are accounted for using the perpetual inventory method.

#### **4.7 Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of income.

##### **Cost**

The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. The initial cost of tangible fixed assets with attached equipment and spare parts for replacement is the total directly attributable costs of bringing the asset to its working condition for its intended use less the value of equipment and spare parts for replacement. Expenditures incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to the statement of income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of a tangible fixed asset beyond its originally assessed standard of performance, the expenditures are capitalised as an additional cost of tangible fixed assets. The initial cost of tangible fixed assets transferred from construction in progress includes installation and trial operation costs less the value of products from trial production.

##### **Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:



	Years
Buildings and structures	20
Transportation and transmission instrument	3 - 30
Office equipment	3 - 5

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of tangible fixed assets.

#### **4.8 Intangible fixed assets**

##### **Computer software**

The cost of computer software which is not an integral part of the related hardware is amortised on a straight-line basis in six (6) years.

#### **4.9 Long-term assets in progress**

##### **Construction in progress**

Construction in progress is the whole value of the fixed assets have been bought, investment of construction in progress includes the cost of buildings, machinery and equipment which are in the process of construction or installation, overhaul of fixed assets in progress, completed fixed assets have not been handover or fixed assets have not been put to use. No depreciation is recorded until the construction and installation is complete and the asset is ready for its intended use at which time the related costs are transferred to tangible fixed assets.

#### **4.10 Prepaid expenses**

##### **Tools and instruments**

Tools and instruments included assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under Circular 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from (1) to (3) years.

##### **Asset repairing costs**

Asset repairing costs include costs for repairing infrastructure, structures, and transmission vehicles, which are recognized in the income statement on a straight-line basis over 2 years.

#### **4.11 Long-term substituted equipment, supplies and spare parts**

Long-term equipment, supplies and spare parts reserved for replacement of broken assets are assets which are not qualified for fixed assets capitalisation and have useful life over 12 months or over a normal business cycle but are not recognised as inventory. Those assets are recorded at cost less provision for impairment.

#### **4.12 Payables and accrued expenses**

Payables and accruals are recognised as amounts to be paid in the future for goods and services received, whether or not billed to the Company.

#### **4.13 Borrowing costs**

Borrowing costs comprising interest and related costs are recognised as an expense in the period in which they are incurred (even period of construction is less than 12 months), except for borrowing costs relating to the acquisition of tangible fixed assets that are incurred during the period of construction and installation of the assets, which are capitalised as a cost of the related assets.

#### **4.14 Provisions for liabilities**

Provisions for liabilities are recognised when the Company has a present obligation (legal or constructive) as a result from a past event and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's reliable estimated of the expenditure required to settle the obligation at the balance sheet date. If the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation.



#### **4.15 Employee benefits**

The Company participates in the compulsory defined contribution plans as required by the Government of Vietnam pursuant to current Vietnamese regulations on labour, employment and relevant areas, which have been managed by Vietnam Social Insurance through its local agencies. The compulsory defined contribution plans include social insurance, health insurance and unemployment insurance which should be paid to the local social insurance agency by the Company for the Company's obligations, and on behalf of participants for participants' obligations.

Participants, the calculations, declarations and payments for obligations for both the Company and participants are based on the prevailing regulations specified to each period of time. The Company has no further obligation to fund the-post employment benefits of its employees.

The Company does not participate in any defined benefit plans.

#### **4.16 Equity**

##### **Share capital**

Share capital represents the nominal value of shares that have been issued.

##### **Share premium**

Share premium includes any premiums received on issuance of share capital. Any transaction costs associated with the issuance of shares are deducted from the premium, net of any related income tax benefits.

##### **(Accumulated losses)/Retained earnings**

(Accumulated losses)/Retained earnings represent the Company's accumulated results of operations (profit, loss) after corporate income tax at the balance sheet date.

##### **Investment and development fund**

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

#### **4.17 Dividend**

Dividend of the Company is recognised as a liability in the Company's separate financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting of shareholders.

#### **4.18 Revenue**

##### **Goods sold**

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding the ultimate receipt of the proceeds, the reasonable estimation of the associated costs of the sale or the possibility of the return of the goods.

##### **Service rendered**

Revenue from services rendered is recognised in the statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

##### **Interest income**

Interest income from bank deposits, lendings and investment co-operation contract is recognised in the statement of income on a time-proportion basis using the effective interest method.

##### **Dividends**

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

#### **4.19 Current and deferred income tax**

Liabilities and/or Current income tax assets comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of income.



Deferred income tax is calculated using the liability method base on temporary differences. This method compare the carrying amounts of assets and liabilities in the balance sheet with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided in full. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against.

Deferred income tax assets and liabilities is determined, without discounting, at the tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Most of changes in deferred income tax assets or liabilities are recognised as a component of tax expense in the statement of income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

#### **4.20 Related parties**

Related parties include shareholders, ultimate parent companies and their subsidiaries and associates.

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

#### **4.21 Financial instruments**

On 6 November 2009, the Ministry of Finance issued Circular 210/2009/TT-BTC providing guidance on the application of International Financial Reporting Standards ("IFRS") on the disclosure of financial instruments ("Circular 210") which is effective for the financial years beginning on or after 1 January 2011.

As Circular 210 only requires disclosure of financial instruments in accordance with IFRS, recognition and measurement of these assets and liabilities on the Company's financial statements are still in accordance with Vietnamese Accounting Standards and System for Enterprises.

#### **Classifications**

In accordance with Circular 210/2009/TT-BTC, the Company classifies its financial assets and financial liabilities in the following categories:

For financial assets:

- financial assets at fair value through profit or loss ("FVTPL")
- held-to-maturity ("HTM") investments
- available-for-sale ("AFS") financial assets
- loans and receivables

For financial liabilities:

- financial liabilities at FVTPL
- other financial liabilities at the amortised cost

#### **4.22 Segment reporting**

A segment is a component which can be separated by the Company engaged in providing related products or services (business segment), or providing products or services within a particular economic environment (geographical segment), each segment is subject to risks and returns that are different from those of other segments.

The Board of Directors assesses that the Company mainly operates in one business sector, which is the production and trading of clean water and related services, and in one geographical area, which is the territory of Vietnam. Therefore, the Company does not prepare segment report.

#### **4.23 Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.



A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

#### 4.24 Subsequent events

Post-year-end events that provide additional information about a company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

#### 4.25 Classification of assets and liabilities as current or non-current

Assets and liabilities are classified as current or non-current on the balance sheet based on their remaining term of such assets and liabilities at the balance sheet date, except the classification is pre-defined and/or specified in Vietnamese Accounting System for Enterprises.

#### 4.26 Off-balance sheet items

Amounts which are defined as off-balance sheet items under the Vietnamese Accounting System for Enterprises are disclosed in the relevant notes to these separate financial statements.

### 5. Cash and cash equivalents

	31 December 2024	31 December 2023
	VND	VND
Cash on hand	1,238,210	14,081,576
Cash in banks	248,457,056,126	4,478,940,814
	248,458,294,336	4,493,022,390
<b>Cash equivalents</b>		
Bank deposits with terms less than 3 months (*)	9,000,000,000	-
	257,458,294,336	4,493,022,390

(\*) One-month term saving deposit at Vietnam Joint Stock Commercial Bank for Industry and Trade with interest rate of 4.2% per annum.

### 6. Investments

#### Long-term investments

As at 31 December, details of the Company's ownership and voting ratios in subsidiaries, joint ventures, associates and other entities are as follows:

	31 December 2024			31 December 2023		
	Share capital according to the Enterprise		Ownership	Voting		Voting
	Registration Certificates	Ownership		right	Ownership	
	31 December 2024	31 December 2023	%	%	%	%
<b>Investment in subsidiaries</b>						
Cu Chi Water Supply Sewerage JSC	630,000,000,000	630,000,000,000	100%	100%	100%	100%
Gia Lai Water Supply Sewerage JSC	180,000,000,000	180,000,000,000	51%	51%	51%	51%
Saigon Dankia Water Supply Corporation	100,000,000,000	100,000,000,000	90%	90%	90%	90%
Enviro Engineering JSC (i)	3,000,000,000	3,000,000,000	-	-	85%	85%
Saigon - An Khe Water JSC	90,000,000,000	40,000,000,000	77.33%	77.33%	49%	49%
<b>Investment in associates</b>						
Tan Hiep Water Investment JSC	240,000,000,000	240,000,000,000	-	-	43%	43%
Saigon - Pleiku Water Supply Corporation	90,000,000,000	90,000,000,000	49%	49%	49%	49%
<b>Investment in other entities</b>						
B.O.O Thu Duc Water JSC	558,000,000,000	558,000,000,000	7.33%	7.33%	7.33%	7.33%



As at December 31, the Company had the following investments in other entities as followed:

	31 December 2024		31 December 2023	
	Historical cost	Provision	Historical cost	Provision
	VND	VND	VND	VND
<b>Investment in subsidiaries</b>				
Cu Chi Water Supply Sewerage JSC	630,000,000,000	-	630,000,000,000	-
Gia Lai Water Supply Sewerage JSC	121,176,000,000	-	121,176,000,000	-
Saigon Dankia Water Supply Corporation	105,000,000,000	-	105,000,000,000	-
Enviro Engineering JSC (i)	-	-	2,550,000,000	(2,550,000,000)
Saigon – An Khe Water JSC (ii)	29,600,000,000	(19,600,000,000)	-	-
	885,776,000,000	(19,600,000,000)	858,726,000,000	(2,550,000,000)
<b>Investment in associates</b>				
Tan Hiep Water Investment JSC (iii)	-	-	119,659,788,611	-
Saigon – An Khe Water JSC (ii)	-	-	19,600,000,000	(19,600,000,000)
Saigon – Pleiku Water Supply Corporation	44,100,000,000	(44,100,000,000)	44,100,000,000	(44,100,000,000)
	44,100,000,000	(44,100,000,000)	183,359,788,611	(63,700,000,000)
<b>Investment in other entities</b>				
BOO Thu Duc Water JSC (iv)	143,153,395,000	-	143,153,395,000	-

The fair value of these companies is not determined for disclosure in the separate financial statements because there is no listed price on the market. Information and transactions on the market for these investments are not available. The Board of Directors of the Company assessed that the original cost of the investments after deducting the provisions is fair value.

- (i) On 22 April 2024, the Company completed the procedures for divesting all shares at Enviro Engineering Joint Stock Company.
- (ii) On 10 December 2024, the Company purchased additional newly issued 5 million shares for existing shareholders of Saigon - An Khe Water Joint Stock Company ("An Khe"). Accordingly, the Company holds 77.33% of An Khe's share capital and becomes the parent company of An Khe.
- (iii) On 18 December 2024, the Company signed a Contract to transfer all shares held at Tan Hiep Water Investment Joint Stock Company ("Tan Hiep"). On 31 December 2024, the Company completed the procedures for divesting 95% of the Company's shares held at Tan Hiep (equivalent to 40.85% of Tan Hiep's share capital) to the transferee. The Company will complete the transfer procedures for the remaining shares in 2025. Accordingly, the Company reclassified the value of the remaining shares to other current assets (Note 13).
- (iv) As at 31 December 2024, 409,114 shares of Thu Duc Water B.O.O Joint Stock Company are being used as collateral for the Company's loan (Note 22).

## 7. Short-term trade accounts receivable

	31 December 2024	31 December 2023
	VND	VND
Customers using clean water in Cu Chi District	7,279,589,517	7,986,811,521
Others	430,000,000	-
	7,709,589,517	7,986,811,521

## 8. Short-term lendings

	31 December 2024	31 December 2023
	VND	VND
<b>Lendings to related parties (note 34)</b>		
Saigon – Pleiku Water Supply Corporation (i)	119,661,134,593	120,461,134,593
Cu Chi Water Supply Sewerage Joint Stock Company	145,000,000	125,000,000
Saigon – An Khe Water Joint Stock Company (ii)	5,865,780,153	5,865,780,153
	125,671,914,746	126,451,914,746
<b>Lendings to the third-parties</b>		
ANA Investment and Development Joint Stock Company (iii)	220,000,000,000	-
Binh An An Production Service Trading Company Limited (iv)	160,000,000,000	-
	380,000,000,000	-
	505,671,914,746	126,451,914,746



- (i) The capital support with an interest rate applicable during the year is 10.5%/year and will mature on 30 December 2025.
- (ii) The capital support with an interest rate applicable during the year is 11%/year and will mature on 30 June 2025.
- (iii) The loan with an interest rate applicable during the year is 11%/year and will mature on 31 March 2025.
- (iv) The loan with an interest rate applicable during the year is 11%/year and will mature on 31 March 2025.

## 9. Other receivables

	31 December 2024	31 December 2023
	VND	VND
<b>Short-term</b>		
<i>Receivables from third-parties</i>		
Mr. Dinh Thai Phien – receivables from transferring shares	800,000,000	800,000,000
Me. Le Van Nam – receivables from transferring shares	2,700,000,000	-
Value of watches being inspected for reuse	989,878,770	1,048,020,355
B.O.O Thu Duc Water Joint Stock Company – dividend	-	3,682,026,000
Tan Hiep Water Investment Joint Stock Company - dividend	10,320,000,000	-
Others	276,481,776	42,946,920
	<b>15,086,360,546</b>	<b>5,572,993,275</b>
<b>Other long-term receivables</b>		
Taxi deposit	10,000,000	5,000,000
Mr. Le Van Nam – receivables from transferring shares	-	2,700,000,000
	<b>10,000,000</b>	<b>2,705,000,000</b>
	<b>15,096,360,546</b>	<b>8,277,993,275</b>

## 10. Provision for doubtful debts

	31 December 2024			31 December 2023		
	Recoverable			Recoverable		
	Cost	amount	Provision	Cost	amount	Provision
	VND	VND	VND	VND	VND	VND
<b>Overdue short-term receivables from customers</b>						
Customers using clean water in						
Cu Chi District	5,526,180,781	152,140,975	(5,374,039,806)	5,570,996,946	234,358,424	(5,336,638,522)
<b>Short-term lendings overdue</b>						
Saigon – Pleiku Water Supply Corporation	119,661,134,593	58,182,462,092	(61,478,672,501)	120,461,134,593	58,982,462,092	(61,478,672,501)
Saigon – An Khe Water Joint Stock Company	5,865,780,153	-	(5,865,780,153)	5,865,780,153	-	(5,865,780,153)
	<b>125,526,914,746</b>	<b>58,182,462,092</b>	<b>(67,344,452,654)</b>	<b>126,326,914,746</b>	<b>58,982,462,092</b>	<b>(67,344,452,654)</b>
<b>Other receivables overdue</b>						
Mr. Dinh Thai Phien - Receivables from transferring shares	800,000,000	-	(800,000,000)	800,000,000	-	(800,000,000)
	<b>131,853,095,527</b>	<b>58,334,603,067</b>	<b>(73,518,492,460)</b>	<b>132,697,911,692</b>	<b>59,216,820,516</b>	<b>(73,481,091,176)</b>

The movement of provision for doubtful debts during the year is as follows:

	31 December 2024	31 December 2023
	VND	VND
Opening balance	73,481,091,176	67,315,437,195
Additional provision during the year	37,401,284	6,165,653,981
<b>Closing balance</b>	<b>73,518,492,460</b>	<b>73,481,091,176</b>

## 11. Inventories

	31 December 2024		31 December 2023	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	10,349,096,197	-	8,257,883,187	-

## 12. Prepaid expenses

	31 December 2024	31 December 2023
	VND	VND
<b>Short-term</b>		
Water purchase costs	1,988,372,149	-
Tools and instruments	179,746,702	19,837,504
Others	236,588,454	109,369,030
	2,404,707,305	129,206,534
<b>Long-term</b>		
Tools and instruments	663,330,369	69,791,853
Asset major repairing costs	1,278,424,359	370,129,841
Others	155,554,270	99,790,560
	2,097,308,998	539,712,254
	4,502,016,303	668,918,788

## 13. Other current assets

	31 December 2024	31 December 2023
	VND	VND
Investments held for transfer	5,982,989,431	-

On 18 December 2024, the Company signed a Contract to transfer all shares held at Tan Hiep Water Investment Joint Stock Company ("Tan Hiep"). On 31 December 2024, the Company completed the procedures to divest 95% of the Company's shares held at Tan Hiep (equivalent to 40.85% of Tan Hiep's share capital) to the transferee. The Company will complete the transfer procedures for the remaining shares in 2025. Accordingly, the Company reclassified the value of the remaining shares into other current assets (Note 6).

## 14. Tangible fixed assets

	Buildings and structures	Transportation and transmission instrument	Office equipment	Total
	VND	VND	VND	VND
<b>Historical cost</b>				
1 January 2024	96,532,991,903	1,727,297,770,727	1,532,686,091	1,825,363,448,721
Transfer from construction in progress	264,973,266	11,748,768,223	-	12,013,741,489
New purchase	-	1,475,445,000	-	1,475,445,000
Disposal (i)	-	(5,395,201,247)	(145,000,000)	(5,540,201,247)
31 December 2024	96,797,965,169	1,735,126,782,703	1,387,686,091	1,833,312,433,963
<b>Accumulated depreciation</b>				
1 January 2024	(33,785,372,338)	(413,799,839,243)	(817,939,924)	(448,403,151,505)
Depreciation charge	(4,826,721,624)	(66,224,694,933)	(147,736,308)	(71,199,152,865)
Disposal	-	2,209,486,055	145,000,000	2,354,486,055
31 December 2024	(38,612,093,962)	(477,815,048,121)	(820,676,232)	(517,247,818,315)
<b>Remaining value</b>				
1 January 2024	62,747,619,565	1,313,497,931,484	714,746,167	1,376,960,297,216
31 December 2024	58,185,871,207	1,257,311,734,582	567,009,859	1,316,064,615,648



The original costs of fully-depreciated tangible fixed assets still in use as of 31 December 2024 is approximately VND1.6 billion (31 December 2023: VND3.2 billion).

As at 31 December 2024, the Company's tangible fixed assets with remaining amount of VND1,248,581,690,135 (31 December 2023: VND 1,343,051,933,812) are used as collateral for bank loans (Note 22).

## 15. Intangible fixed assets

	Computer software VND
<b>Historical cost</b>	
1 January 2024	2,065,354,180
31 December 2024	2,065,354,180
<b>Accumulated amortization</b>	
1 January 2024	(917,611,152)
Amortization charge during the year	(567,847,932)
31 December 2024	(1,485,459,084)
<b>Remaining value</b>	
1 January 2024	1,147,743,028
31 December 2024	579,895,096

The carrying amount of intangible assets used as collateral for loans as at 31 December 2024 is VND478 million (31 December 2023: VND956 million).

## 16. Construction in progress

	31 December 2024 VND	31 December 2023 VND
Investment project to develop and renovate the water supply system in Cu Chi District	936,611,552	2,676,076,675

The movement of construction in progress during the year is as follow:

	Year ended 31 December 2024 VND	Year ended 31 December 2023 VND
Opening balance	2,676,076,675	983,498,397
Addition	12,247,917,242	18,675,180,875
Transferred to tangible fixed assets	(12,013,741,489)	(13,286,780,946)
Transferred to prepaid expenses	(1,973,640,876)	(3,638,045,023)
Others	-	(57,776,628)
Closing balance	936,611,552	2,676,076,675

## 17. Long-term tools, supplies and spare parts

	31 December 2024 VND	31 December 2023 VND
Tools, supplies and spare parts	1,715,214,615	6,538,987,789

## 18. Short-term trade accounts payable

	31 December 2024		31 December 2023	
	Amount	Afford to pay	Amount	Afford to pay
	VND	VND	VND	VND
Kenh Dong Water Supply Joint Stock Company	16,911,000,178	16,911,000,178	24,799,029,223	24,799,029,223
Tuan Loc Construction Investment JSC	3,136,630,836	3,136,630,836	3,136,630,836	3,136,630,836
Others	1,619,077,276	1,619,077,276	1,757,344,166	1,757,344,166
	<b>21,666,708,290</b>	<b>21,666,708,290</b>	<b>29,693,004,225</b>	<b>29,693,004,225</b>

## 19. Taxes and amounts receivable/payable to the State Budget

	31 December 2024		During the year	31 December 2023
	Amount	Payables	Payment/ Offset	Amount
	VND	VND	VND	VND
<b>Taxes receivables</b>				
Corporate income tax	9,682,969,958	-	-	9,682,969,958
	<b>9,682,969,958</b>	<b>-</b>	<b>-</b>	<b>9,682,969,958</b>
<b>Taxes payables</b>				
Personal income tax	39,081,279	505,447,080	(605,977,514)	139,611,713
Other taxes	36,986,535	439,110,755	(435,973,013)	33,848,793
	<b>76,067,814</b>	<b>944,557,835</b>	<b>(1,041,950,527)</b>	<b>173,460,506</b>

## 20. Short-term accrual expense payables

	31 December 2024	31 December 2023
	VND	VND
Interest expenses	6,295,085,586	7,494,179,553
Bonus expenses	2,596,664,998	-
Others	413,970,711	452,320,162
	<b>9,305,721,295</b>	<b>7,946,499,715</b>



## 21. Other payables

	31 December 2024 VND	31 December 2023 VND
<b>Short-term</b>		
<i><b>Payables to third parties</b></i>		
Remuneration of BOM and Supervisory Board	835,289,000	835,289,000
Cost of capital payable	-	105,600,558
Others	14,719,852	153,211,212
	<b>850,008,852</b>	<b>1,094,100,770</b>
<i><b>Payables to related parties (Note 34)</b></i>		
Saigon DanKia Water Supply Corporation - dividend advanced	9,900,000,000	9,900,000,000
DNP Water JSC - interest expenses	67,027,397	641,746,869
	<b>9,967,027,397</b>	<b>10,541,746,869</b>
	<b>10,817,036,249</b>	<b>11,635,847,639</b>
<b>Long-term</b>		
<i><b>Payables to third parties</b></i>		
Bank loan interest expenses (ii)	17,084,646,623	9,537,543,112
<i><b>Payables to related parties (Note 34)</b></i>		
Cu Chi Water Supply Sewerage JSC – investment co-operation (iii)	630,000,000,000	630,000,000,000
Manila Water South Asia Holdings Pte,Ltd - expenses paid on behalf	10,920,486,891	10,779,186,891
Manila Water South Asia Holdings Pte,Ltd (i)	154,350,000,000	154,350,000,000
Viac (No.1) Limited Partnership (i)	154,350,000,000	154,350,000,000
	<b>949,620,486,891</b>	<b>949,479,186,891</b>
	<b>966,705,133,514</b>	<b>959,016,730,003</b>

- (i) The balance of payables to related parties related to the contract for the transfer of shares of Cu Chi Water Supply and Sewerage Joint Stock Company, the Resolution of the Extraordinary General Meeting of Shareholders dated 24 November 2023 approved the conversion of this debt into newly issued shares of the Company, the implementation period is no later than 1 February 2025. At the date of this report, the parties are still in the process of discussing the issuance of new shares.
- (ii) Long-term loan interest expenses of Vietnam Joint Stock Commercial Bank for Industry and Trade - Bien Hoa Industrial Park Branch (note 21), is restructured by the bank. Accordingly, 30% of interest expenses arising from the repayment period from the first quarter of 2023 to 25 October 2027 will be accumulated and divided equally for payments in the repayment period from 25 January 2028 to 27 January 2031.
- (iii) The Company received investment cooperation capital from Cu Chi Water Supply and Drainage Joint Stock Company ("Cu Chi"), a subsidiary, with an amount of VND630 billion to implement the Project of investing in developing and managing the water supply and distribution system in Cu Chi District. The profits from investment cooperation will be distributed when the project generates a profit. However, up to now, the project is still incurring losses.



## 22. Borrowings

	31 December 2024		During the year		31 December 2023	
	Amount VND	Afford to pay VND	Increase VND	Decrease VND	Reclassify VND	Amount VND
<b>Short-term borrowings</b>						
Saigon Dankia Water Supply Corporation (i)	-	-	-	(3,200,000,000)	-	3,200,000,000
Vietinbank – Bien Hoa Industrial Park Branch (ii)	15,019,792,310	15,019,792,310	102,746,965,635	(101,695,765,287)	-	13,968,591,962
DNP Water Industry Investment Joint Stock Company (iii)	233,000,000,000	233,000,000,000	233,000,000,000	-	-	-
<b>Current portions of long-term borrowings</b>						
Vietinbank – Bien Hoa Industrial Park Branch (v)	34,000,000,000	34,000,000,000	-	(38,000,000,000)	44,000,000,000	28,000,000,000
	282,019,792,310	282,019,792,310	335,746,965,635	(142,895,765,287)	44,000,000,000	45,168,591,962
<b>Long-term borrowings</b>						
DNP Water Industry Investment Joint Stock Company (iii)	-	-	-	(339,474,793,000)	-	339,474,793,000
T&D Vietnam Investment Joint Stock Company (iv)	-	-	-	(15,650,547,943)	-	15,650,547,943
Vietinbank – Bien Hoa Industrial Park Branch (v)	392,217,606,012	392,217,606,012	-	-	(44,000,000,000)	436,217,606,012
Saigon Dankia Water Supply Corporation (vi)	-	-	130,000,000,000	(130,000,000,000)	-	-
	392,217,606,012	392,217,606,012	130,000,000,000	(485,125,340,943)	(44,000,000,000)	791,342,946,955
	674,237,398,322	674,237,398,322	465,746,965,635	(628,021,106,230)	-	836,511,538,917

## Additional details for loans as follows:

Object	Amount	Interest rate	Purposes	Payment term	Form of guarantee
<b>Saigon Dankia Water Supply Corporation</b>					
Borrowings (i)	VND3.2 billion	Floating rates	Additional working capital	3 months	No collateral
Borrowings (vi)	VND169 billion	10% per annum	Additional working capital	144 months	No collateral
<b>Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")</b>					
Borrowings (ii)	VND25 billion	Floating rates	Additional working capital	3 months	All assets and property rights of Cu Chi Project and 409,114 shares of Thu Duc Water B.O.O Joint Stock Company
Borrowings (v)	VND640.93 billion	Floating rates	Funding for Cu Chi Project Phase 1	126 months	All assets and property rights of Cu Chi Project
	VND182.4 billion	Floating rates	Funding for Cu Chi Project Phase 2	180 months	All assets and property rights of Cu Chi Project
<b>DNP Water Industry Investment Joint Stock Company</b>					
Borrowings (iii)	VND339.4 billion	10.5% per annum	Additional working capital	2 months	No collateral
<b>T&amp;D Vietnam Investment Joint Stock Company</b>					
Borrowings (iv)	15.6 billion VND	11.5% per annum	Additional working capital	13 months	No collateral



## 23. Owners' equity

The changes in the equities of the Company during the year are as follows:

	Share capital	Share premium	Investment and development funds	(Accumulated losses)/Retained earnings	Total
	VND	VND	VND	VND	VND
1 January 2023	645,221,040,000	161,811,551,600	16,623,462,173	(28,642,395,317)	795,013,658,456
Loss during the year	-	-	-	(34,001,519,802)	(34,001,519,802)
31 December 2023	645,221,040,000	161,811,551,600	16,623,462,173	(62,643,915,119)	761,012,138,654
1 January 2024	645,221,040,000	161,811,551,600	16,623,462,173	(62,643,915,119)	761,012,138,654
Profit during the year	-	-	-	635,897,105,387	635,897,105,387
31 December 2024	645,221,040,000	161,811,551,600	16,623,462,173	573,253,190,268	1,396,909,244,041

## 24. Share capital

Details of share capital as follow:

	31 December 2024		31 December 2023	
	VND	% of ownership	VND	% of ownership
DNP Water Industry Investment JSC	326,537,500,000	50.61%	122,592,000,000	19.00%
Manila Water South Asia Holdings Pte,Ltd	245,160,000,000	38.00%	245,160,000,000	38.00%
Viac (No,1) Limited Partnership	70,347,000,000	10.90%	70,347,000,000	10.90%
Ho Chi Minh City Technical Infrastructure Investment JSC	66,000,000	0.01%	79,743,000,000	12.36%
Other shareholders	3,110,540,000	0.48%	127,379,040,000	19.74%
	645,221,040,000	100%	645,221,040,000	100%

Issued shares:

	31 December 2024	31 December 2023
	Number of shares	Number of shares
Number of shares registered	64,522,104	64,522,104
Number of shares issued		
Ordinary shares	64,522,104	64,522,104
Number of existing shares in circulation		
Ordinary shares	64,522,104	64,522,104

All ordinary shares have par value of VND10,000. Each ordinary share is entitled to one vote at the Company's shareholders' meeting. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares have equal priority over the Company's remaining assets. In the event that the shares are repurchased by the Company, all rights will be suspended until they are reissued.

## 25. Revenue

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Revenue from clean water supply	124,542,400,955	112,950,365,012
Revenue from providing other services	4,497,479,825	2,017,072,348
	129,039,880,780	114,967,437,360

## 26. Cost of sales

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Cost of water supply	157,660,359,471	148,775,875,546
Cost of providing other services	1,623,399,606	1,033,472,498
	<b>159,283,759,077</b>	<b>149,809,348,044</b>

## 27. Income from financial activities

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Interest on deposits and lendings	484,072,083	5,171,715
Dividends income	113,324,599,134	119,725,192,000
Profit from divestment of financial investments (*)	652,820,200,820	-
	<b>766,628,872,037</b>	<b>119,730,363,715</b>

(\*) The profit from the transfer of shares of Enviro Engineering Joint Stock Company and Tan Hiep Water Investment Joint Stock Company (Note 6).

## 28. Expenses from financial activities

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Interest expenses	73,056,368,581	81,931,182,662
Provision for devaluation of investment loss	-	2,550,000,000
Other financial expenses	259,818,800	33,507,000
	<b>73,316,187,381</b>	<b>84,514,689,662</b>

## 29. Selling expenses

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Staff costs	7,760,028,535	10,092,702,878
Depreciation expenses	691,648,836	331,044,660
Outside service costs	1,779,602,693	609,541,417
Others	170,273,575	170,845,506
	<b>10,401,553,639</b>	<b>11,204,134,461</b>

## 30. General and administrative expenses

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Staff costs	13,505,554,195	13,165,612,291
Provision expenses	37,401,284	6,165,653,981
Management consulting service costs	660,000,000	990,000,000
Outside service costs	3,044,513,951	3,071,080,273
	<b>17,247,469,430</b>	<b>23,392,346,545</b>



### 31. Production and operation costs by element

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Material costs	73,547,667,662	69,528,818,818
Staff costs	24,761,568,124	25,514,282,875
Depreciation expenses	71,767,000,797	69,485,289,934
Provision expenses	37,401,284	6,165,653,981
Outside service costs	16,648,870,704	13,540,937,936
Others	170,273,575	170,845,506
	<b>186,932,782,146</b>	<b>184,405,829,050</b>

### 32. Corporate income tax

The Company has an obligation to pay the government corporate income tax ("CIT") at a standard rate on taxable income.

CIT expenses during the year is calculated as follows:

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Profit/(Loss) before tax	635,897,105,387	(34,001,519,802)
Adjustments:		
Non-deductible expenses	125,950,000	851,856,667
Non-deductible interest expenses	-	46,769,435,974
Non-deductible interest expenses brought forward from previous year	(161,355,427,678)	-
Non-taxable dividend income	(113,324,599,134)	(119,725,192,000)
Estimated assessable income	361,343,028,575	(106,105,419,161)
Losses carried forward from previous years	(361,343,028,575)	-
Estimated taxable income	-	(106,105,419,161)
Tax rate	20%	20%
Current corporate income tax expenses	-	-

The calculation of corporate income tax is subject to review and approval by the tax authorities.

#### Tax losses carried forward

Tax losses can be carried forward to offset future years' taxable income of up to five years from the year in which they were incurred. The actual amount of accumulated losses that can be carried forward is subject to the result of a tax review which will be carried out by the local tax authorities. Tax losses available for offset against future taxable income are as follows:

Year	Status of review	Taxable loss VND	Utilized VND	Expired VND	Tax losses carried forward VND	Year of Expiration
2020	Outstanding	90,999,322,493	(90,999,322,493)	-	-	2025
2021	Outstanding	98,940,891,040	(98,940,891,040)	-	-	2026
2022	Outstanding	94,277,326,751	(94,277,326,751)	-	-	2027
2023	Outstanding	106,105,419,161	(77,125,488,291)	-	28,979,930,870	2028
		<b>390,322,959,445</b>	<b>(361,343,028,575)</b>	<b>-</b>	<b>28,979,930,870</b>	

**Interest expenses exceeding the prescribed threshold regulated in Decree 132/2020/ND-CP**

The Company is entitled to carry forward non-deductible interest expense ("non-deductible interest expense") when determine deductible interest expense as regulated under Decree 132/2020/ND-CP on tax management for enterprises with related parties transactions issued by Government date 5 November 2020. The carried forward period is within five years subsequent to the year non-deductible interest expense incurred. At 31 December 2024, the Company has accumulated non-deductible interest expense available to be carried forward as below:

Year	Status of review	Non-deductible		Interest expenses		Year of Expiration
		interest expenses	Utilized	Expired	carried forward	
		VND	VND	VND	VND	
2019	Outstanding	25,488,853,516	(25,488,853,516)	-	-	2025
2020	Outstanding	59,327,273,781	(59,327,273,781)	-	-	2026
2021	Outstanding	62,022,393,445	(62,022,393,445)	-	-	2027
2022	Outstanding	70,420,078,445	(14,516,906,936)	-	55,903,171,509	2028
2023	Outstanding	46,769,435,974	-	-	46,769,435,974	2029
		264,028,035,161	(161,355,427,678)	-	102,672,607,483	

Non-deductible interest expenses carried forward to subsequent years is subject to review and approval by the tax authorities.

**Deferred corporate income tax**

The Company has not recognized a deferred tax asset for the above mentioned tax losses and non-deductible interest expense carried forward because it is uncertain whether the Company will generate taxable income in the future to offset these losses and interest expenses. In addition, deferred tax is not recognized in the separate balance sheet as at 31 December 2024 because the Company has not incurred any significant temporary differences as at 31 December 2024.

**33. Note for non-cash transactions to supplement the statement of cash flows**

	Year ended 31 December 2024	Year ended 31 December 2023
	VND	VND
Offsetting between receivables and borrowings	11,500,000,000	-

**34. Related party transaction and balances**

Details of the key related parties and relationship are given as below:

No	Name of organization/individual	Relationship with the Company
1	DNP Holding Joint Stock Company	Ultimate parent company
2	DNP Water Joint Stock Company	Parent company
3	Gia Lai Water Supply Sewerage Joint Stock Company	Subsidiary
4	Saigon Dankia Water Supply Corporation	Subsidiary
5	Cu Chi Water Supply Sewerage Joint Stock Company	Subsidiary
6	Saigon – An Khe Water Joint Stock Company	Subsidiary
7	Enviro Engineering Joint Stock Company	Former Subsidiary
8	Saigon – Pleiku Water Supply Corporation	Associates
9	Tan Hiep Water Investment Joint Stock Company	Former Associates
10	Viac (No.1) Limited Partnership	Key shareholder
11	Manila Water South Asia Holdings Pte, Ltd	Key shareholder
12	Binh Thuan Water Supply Sewage Joint Stock Company	Under common control
13	DNP HAWACO Southern Joint Stock Company	Under common control

In addition, the related parties also include members of the Board of Directors, Supervisory Board and Board of Management of the Company as presented on page 1.



During the year, the following significant transactions with related parties were recognised:

Related party	Nature of transaction	Year ended	Year ended
		31 December 2024	31 December 2023
		VND	VND
DNP Water Joint Stock Company	Borrowing interest	26,675,637,147	641,746,869
	Borrowing receipt	233,000,000,000	339,474,793,000
	Borrowing interest repayment	27,250,356,619	-
	Borrowing repayment	339,474,793,000	-
Saigon Dankia Water Supply Corporation	Borrowing interest	8,201,731,506	345,987,399
	Borrowing interest repayment	8,201,731,506	345,987,399
	Dividends received	11,700,000,000	10,800,000,000
	Borrowing receipt	130,000,000,000	13,700,000,000
	Borrowing repayment	121,700,000,000	600,000,000
	Offset loans with dividends	11,500,000,000	9,900,000,000
Gia Lai Water Supply Sewerage JSC	Dividends received	2,754,000,000	4,590,000,000
Cu Chi Water Supply Sewerage JSC	Collections of lending	20,000,000	15,000,000
Saigon – An Khe Water JSC	Capital contribution	10,000,000,000	-
Tan Hiep Water Investment JSC	Dividends received	87,415,407,134	92,880,000,000
Saigon – Pleiku Water Supply Corporation	Lending	1,000,000,000	22,300,000,000
	Collections of lending	1,800,000,000	3,500,000,000
Binh Thuan Water Supply Sewage JSC	Inspection fees	103,808,000	-
Manila Water South Asia Holdings Pte, Ltd	Expenses paid on behalf	660,000,000	990,000,000
	Share transfer	-	154,350,000,000
	Payment of expenses paid on behalf	300,000,000	-
VIAC (No.1) Limited Partnership	Share transfer	-	154,350,000,000
Mrs. Nguyen Thi Hong Hanh	Refund of advance	401,923,224	79,000,000
	Advance	412,010,597	5,000,000
Mr. Nguyen Van Thanh	Borrowing interest	-	34,027,397
	Borrowing receipt	-	3,000,000,000
	Borrowing repayment	-	3,000,000,000
DNP HAWACO Southern Joint Stock Company	Purchases of materials	3,025,149,956	5,142,757,976
	Purchases of fixed assets	1,475,445,000	-
	Purchases of tools	207,799,000	-
	Purchases of services	3,670,000	120,796,000
	Late payment interest	226,220,000	-

At 31 December 2024, the Company had outstanding balances with related parties as disclosed in Notes 8, 21, 22.

### 35. Remuneration of Board of Directors

During the year, members of the Board of Directors received total remuneration as follows:

Name	Position	Year ended	Year ended
		31 December 2024	31 December 2023
		VND	VND
Mr. Leu Manh Huy	General Director	1,261,500,000	333,500,000
Mrs. Nguyen Thi Hong Hanh	Deputy General Director	847,500,000	918,453,525
Mr. Nguyen Khanh Duy	Technical Director	725,260,000	230,190,000
Mr. Nguyen Van Thanh	Former General Director	-	986,346,827
Mr. John Walter E.Tendencia	Former Deputy General Director	-	330,000,000
Mr. Le Van Nam	Former Deputy General Director	-	679,805,700
		2,834,260,000	3,478,296,052

### 36. Commitments

#### Operating leases

As at 31 December 2024, the Company was committed under non-cancellable operating lease agreements in the following amounts:

	31 December 2024	31 December 2023
	VND	VND
Within the next year	835,699,200	871,699,200
Within two to five years	273,208,000	691,057,600
	<b>1,108,907,200</b>	<b>1,562,756,800</b>

### 37. Comparative figures

The separate financial statements for the current year cover the year ended 31 December 2024. The corresponding amounts in the separate balance sheet, separated statements of income, separated cash flows and related notes to the separate financial statements are brought forward from the separate financial statements as at 31 December 2023 and for the year then ended which were audited by other auditors.

Certain corresponding figures have been reclassified to conform to the current period's presentation, as follow:

#### Separate balance sheet as at 31 December 2023 (extracted):

	As previously reported	Reclassification	As reclassified
	VND	VND	VND
Short-term trade accounts receivable	11,486,811,521	(3,500,000,000)	7,986,811,521
Other short-term receivables	4,772,993,275	800,000,000	5,572,993,275
Other long-term receivables	5,000,000	2,700,000,000	2,705,000,000
Long-term trade accounts payable	308,700,000,000	(308,700,000,000)	-
Other long-term payables	650,316,730,003	308,700,000,000	959,016,730,003
	<b>975,281,534,799</b>	<b>-</b>	<b>975,281,534,799</b>

### 38. Subsequent events

No significant events have occurred since the reporting date which would impact on the financial position of the Company as disclosed in the Separate Balance Sheet as at 31 December 2024 or on the result of its operation and its cash flows for the year ended.


### 39. Authorisation of separate financial statements

The separate financial statements were approved by the Board of Directors and authorised for issue.

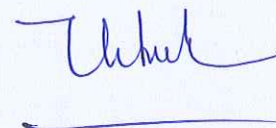
Ho Chi Minh City, Vietnam

28 March 2025

  
**Nguyen Thi Hong Hanh**  
 Deputy General Director



**Ho Thi Xuan**  
Chief Accountant



**Nguyen Thi Thanh Binh**  
Preparer



