

FINANCIAL STATEMENTS

For the fiscal year ended as of December 31, 2024

HUE WATER SUPPLY JOINT STOCK COMPANY



BALANCE SHEET

As at December 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec 31, 2024	Jan 01, 2024
A. SHORT-TERM ASSETS	100		472,795,339,271	465,883,222,321
I. Cash and cash equivalents	110	V.01	141,063,076,907	138,286,608,368
1. Cash	111		21,063,076,907	8,286,608,368
2. Cash equivalents	112		120,000,000,000	130,000,000,000
II. Short-term financial investments	120	V.02	81,162,254,424	75,701,817,005
1. Trading securities	121		-	-
2. securities	122		-	-
3. Held-to-maturity investments	123		81,162,254,424	75,701,817,005
III. Short-term receivables	130		161,781,501,888	160,155,322,018
1. Short-term trade receivables	131	V.03	44,141,016,232	51,380,418,364
2. Short-term prepayments to suppliers	132	V.04	110,866,176,442	103,801,134,629
3. Short-term receivables from related parties	133		-	-
4. Receivables from construction contract	134		-	-
5. Receivables from short-term loans	135		-	-
6. Other short-term receivables	136	V.05	7,384,160,354	5,552,856,573
7. Short-term allowances for doubtful debts	137		(609,851,140)	(579,087,548)
8. Shortage of assets awaiting resolution	139		-	-
IV. Inventories	140	V.06	56,242,656,759	48,813,189,402
1. Inventories	141		56,242,656,759	48,813,189,402
2. Allowances for decline in value of inventories	149		-	-
V. Other short-term assets	150		32,545,849,293	42,926,285,528
1. Short-term prepaid expenses	151		7,742,065,747	895,224,670
2. Deductible VAT	152		22,660,930,971	36,070,569,194
3. Tax and other receivables from the State budget	153	V.14	2,142,852,575	5,960,491,664
4. Trading Government bonds	154		-	-
5. Other short-term assets	155		-	-

These statements should be read in conjunction with the Notes to the Financial Statement

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BALANCE SHEET

As at December 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec 31, 2024	Jan 01, 2024
B. LONG-TERM ASSETS	200		1,519,683,814,518	1,566,058,371,174
I. Long-term receivables	210		301,639,885	174,024,000
1. Long-term trade receivables	211		-	-
2. Long-term advances to suppliers	212		-	-
3. Working capital from subunits	213		-	-
4. Long-term receivables from related parties	214		-	-
5. Long-term loan receivables	215		-	-
6. Other long-term receivables	216		301,639,885	174,024,000
7. Long-term allowances for doubtful debts	219		-	-
II. Fixed assets	220		1,313,783,792,570	1,386,130,674,732
1. Tangible fixed assets	221	V.08	1,311,744,835,921	1,384,241,040,165
- Historical costs	222		3,441,100,069,653	3,373,074,958,697
- Accumulated depreciation	223		(2,129,355,233,732)	(1,988,833,918,532)
2. Finance lease assets	224		-	-
- Historical costs	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.09	2,038,956,649	1,889,634,567
- Historical costs	228		7,482,231,222	6,589,968,000
- Accumulated depreciation	229		(5,443,274,573)	(4,700,333,433)
III. Investment properties	230		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in progress	240		196,738,146,178	173,642,667,364
1. Long-term work in progress	241		-	-
2. Construction in progress	242	V.07	196,738,146,178	173,642,667,364
V. Long-term financial investments	250		-	-
1. Investments in subsidiaries	251		-	-
2. Investment in joint ventures and associates	252		-	-
3. Equity investments in other entities	253		-	-
4. Provision for long-term financial investments	254		-	-
5. Held-to-maturity investments	255		-	-
VI. Other long-term assets	260		8,860,235,885	6,111,005,078
1. Long-term prepaid expenses	261	V.10	8,860,235,885	6,111,005,078
2. Deferred tax assets	262		-	-
3. Long-term equipment, materials and spare parts	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSETS	270		1,992,479,153,789	2,031,941,593,495

These statements should be read in conjunction with the Notes to the Financial Statement

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BALANCE SHEET

As at December 31, 2024

Unit: VND

RESOURCES	Code	Notes	Dec 31, 2024	Jan 01, 2024
C. LIABILITIES	300		872,672,345,824	942,634,224,931
I. Short-term liabilities	310		265,707,545,000	282,836,540,787
1. Short-term trade payables	311	V.11	27,512,029,192	35,442,819,863
2. Short-term prepayments from customers	312	V.12	10,466,490,072	19,120,591,346
3. Taxes and other payables to the State budget	313	V.14	4,782,457,059	8,124,067,620
4. Payables to employees	314	V.13	23,795,368,500	24,500,966,831
5. Short-term accrued expenses	315		5,257,136,340	6,453,753,940
6. Short-term payables to related parties	316		-	-
7. Payables from construction contract	317		-	-
8. Short-term unearned revenue	318		-	-
9. Other short-term payables	319	V.15	113,185,242,295	109,600,739,733
10. liabilities	320		60,349,728,702	59,226,614,024
11. Short-term provision for payables	321	V.17	10,425,157,900	11,229,121,700
12. Bonus and welfare fund	322		9,933,934,940	9,137,865,730
13. Stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Long-term liabilities	330		606,964,800,824	659,797,684,144
1. Long-term trade payables	331		-	-
2. Long-term advance to customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Intercompany payables for business capital	334		-	-
5. Long-term payables to related parties	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337	V.15	6,075,305,000	35,621,976,352
8. Long-term borrowings and finance lease liabilities	338	V.16	600,889,495,824	624,175,707,792
9. Convertible bond	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax payables	341		-	-
12. Long-term provision for payables	342		-	-
13. Science and technology development fund	343		-	-



BALANCE SHEET

As at December 31, 2024

Unit: VND

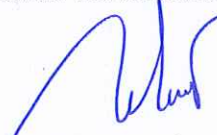
RESOURCES	Code	Notes	Dec 31, 2024	Jan 01, 2024
D. OWNERS' EQUITY	400		1,119,806,807,965	1,089,307,368,564
I. Owners' equity	410	V.18	1,119,806,807,965	1,089,307,368,564
1. Contributed capital	411		876,000,000,000	876,000,000,000
2. Capital surplus	412		-	-
3. Conversion options on convertible bonds	413		-	-
4. Other equity	414		-	-
5. Treasury stocks	415		(2,170,000,000)	(2,170,000,000)
6. Revaluation differences on asset	416		-	-
7. Foreign exchange differences	417		-	-
8. Development and investment funds	418		69,396,571,063	45,882,968,592
9. Enterprise reorganization assistance fund	419		-	-
10. Other equity funds	420		-	-
11. Undistributed profit after tax	421		176,580,236,902	169,594,399,972
<i>Undistributed profit after tax brought forward</i>	<i>421a</i>		<i>41,686,191,501</i>	<i>37,465,426,864</i>
<i>Undistributed profit after tax for the current year</i>	<i>421b</i>		<i>134,894,045,401</i>	<i>132,128,973,108</i>
12. Construction investment fund	422		-	-
II. Funding sources and other funds	430		-	-
1. Funding sources	431		-	-
2. Funds used for fixed asset acquisition	432		-	-
TOTAL RESOURCES	440		1,992,479,153,789	2,031,941,593,495

PREPARE



Nguyen Hung Hai

CHIEF ACCOUNTANT



Vuong Dinh Nam

Hue, January 16, 2025

CHAIRMAN OF BOD



Le Quang Minh




HUE WATER SUPPLY JOINT STOCK COMPANY

Form B02-DN

INCOME STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

ITEMS	Code	Notes	Fourth quarter		Cumulative year-to-date through the end of this quarter	
			Current year	Previous year	Current year	Previous year
1. Revenues from sales and services rendered	01	VI.1	156,998,707,147	157,152,215,797	670,180,413,702	635,006,846,074
2. Revenue deductions	02		-	-	-	-
3. Net revenues from sales and services rendered	10	VI.2	156,998,707,147	157,152,215,797	670,180,413,702	635,006,846,074
4. Costs of goods sold	11	VI.3	101,393,903,253	106,963,845,597	379,149,099,604	370,166,775,960
5. Gross revenues from sales and services rendered (20 = 10 - 11)	20		55,604,803,894	50,188,370,200	291,031,314,098	264,840,070,114
6. Financial income	21	VI.4	2,397,584,960	4,096,793,910	5,862,560,434	10,182,302,082
7. Financial expenses	22	VI.5	13,311,757,973	13,715,261,920	72,149,011,139	59,159,985,242
<i>In which: Interest expenses</i>	23		11,551,724,125	13,715,261,920	44,799,925,020	41,038,926,688
8. Selling expenses	25	VI.6	6,675,392,983	6,028,257,982	23,115,806,072	21,639,158,088
9. General administration expenses	26	VI.6	14,801,003,446	16,230,344,848	58,754,575,275	52,466,993,611
10. Net profit from operating activity (30 = 20 + (21 - 22) - (25 + 26))	30		23,214,234,452	18,311,299,360	142,874,482,046	141,756,235,255
11. Other income	31	VI.7	(4,561,148,425)	20,062,916,020	14,041,017,322	23,346,899,578
12. Other expenses	32	VI.8	(7,344,998,536)	10,078,447,591	2,227,525,273	11,984,455,039
13. Other profit (40 = 31 - 32)	40		2,783,850,111	9,984,468,429	11,813,492,049	11,362,444,539
14. Total net profit before tax (50 = 30 + 40)	50		25,998,084,563	28,295,767,789	154,687,974,095	153,118,679,794
15. Current corporate income tax expenses	51	VI.10	2,310,673,841	7,255,984,415	19,793,928,694	20,989,706,686
16. Deferred corporate income tax expenses	52		-	-	-	-
17. Profits after corporate income tax (60 = 50 - 51 - 52)	60		23,687,410,722	21,039,783,374	134,894,045,401	132,128,973,108
18. Basic earnings per share	70		227	202	1,294	1,267
19. Diluted earnings per share	71		227	202	1,294	1,267

PREPARE


Nguyen Hung Hai

CHIEF ACCOUNTANT



Vuong Dinh Nam



Le Quang Minh

STATEMENT OF CASH FLOWS

(Indirect method)

For the fiscal year ended as of December 31, 2024

Unit: VND

ITEMS	Code	Notes	FY2024	FY2023
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Profit before tax	01		154,687,974,095	153,118,679,794
2. Adjustments for :				
- Depreciation of fixed assets and investment properties	02	V.7	152,484,698,109	152,408,060,802
- Provisions	03		(773,200,208)	3,789,287,542
- Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies	04		26,434,354,523	17,817,305,178
- Gains (losses) on investing activities	05		(5,862,560,434)	(10,157,527,757)
- Interest expense	06	VI.5	44,799,925,020	41,038,926,688
- Other adjustments	07		-	-
3. Operating profit before changes in working capital	08		371,771,191,105	358,014,732,247
- Increase (+), decrease (-) in receivables	09		14,389,803,897	33,429,565,330
- Increase (+), decrease (-) in inventories	10		(7,429,467,357)	(5,069,957,589)
- Increase (+), decrease (-) in payables (exclusive of interest payables, enterprise income tax payables)	11		(43,875,970,851)	(42,779,904,008)
- Increase (+), decrease (-) in prepaid expenses	12		(9,596,071,884)	(2,733,132,791)
- Increase (+), decrease (-) in trading securities	13		-	-
- Interest paid	14		(44,923,870,350)	(39,662,658,693)
- Corporate income tax paid	15	V.12	(23,555,191,159)	(14,700,000,000)
- Other income from business activities	16		-	-
- Other payments on operating activities	17		(20,584,686,790)	(14,322,167,984)
Net cash flows from operating activities	20		236,195,736,611	272,176,476,512
II. CASH FLOWS FROM INVESTING ACTIVITIES				
Expenditures on purchase and construction of fixed assets and long-term assets	21		(101,810,089,689)	(128,643,439,516)
Proceeds from disposal or transfer of fixed assets and other long-term assets	22		-	278,979,051
Expenditures on loans and purchase of debt instruments from other entities	23		(5,460,437,419)	(40,701,817,005)
Proceeds from lending or repurchase of debt instruments from other entities	24		-	5,000,000,000
Expenditures on equity investments in other entities	25		-	-
Proceeds from equity investment in other entities	26		-	-
Proceeds from interests, dividends and distributed profits	27	VI.4	5,462,560,849	7,843,654,776
Net cash flows from investing activities	30		(101,807,966,259)	(156,222,622,694)



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STATEMENT OF CASH FLOWS

(Indirect method)

For the fiscal year ended as of December 31, 2024

Unit: VND

ITEMS	Code	Notes	FY2024	FY2023
III. CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares and receipt of				
1. contributed capital	31		-	-
Repayment of contributed capital and repurchase of				
2. stock issued	32		-	-
3. Proceeds from borrowings	33	VII.1	11,543,025,941	17,024,151,712
4. Repayment of principal	34	VII.2	(60,140,477,754)	(46,139,107,271)
5. Principal repayments of finance leases	35		-	-
6. Dividends and profits paid to owners	36		(83,013,850,000)	(78,644,700,000)
Net cash flows from financing activities	40		(131,611,301,813)	(107,759,655,559)
Net cash flows during the fiscal year (50 = 20+ 30 + 40)	50		2,776,468,539	8,194,198,359
Cash and cash equivalents at the beginning of fiscal year	60		138,286,608,368	130,092,410,109
Effect of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of fiscal year (70 = 50+60+61)	70	V.1	141,063,076,907	138,286,608,368

PREPARE



Nguyen Hung Hai

CHIEF ACCOUNTANT



Vuong Dinh Nam



 Huế, January 16, 2025
 CHAIRMAN OF BOD

 Le Quang Minh



NOTES TO THE FINANCIAL STATEMENT*For the fiscal year ended as of December 31, 2024**Unit: VND***I. NATURE OF OPERATIONS****1. General information:**

Thua Thien Hue Construction and Water Supply State-owned One-Member Limited Liability Company, formerly known as Thua Thien Hue Water Supply Company, was established under Decision No. 878/QD-UBND dated December 16, 1992, issued by the Chairman of the People's Committee of Thua Thien Hue Province.

On November 22, 2005, the People's Committee of Thua Thien Hue Province issued Decision No. 3979/QD-UBND regarding the conversion of Thua Thien Hue Water Supply Company into Thua Thien Hue Construction and Water Supply State-owned One-Member Limited Liability Company.

The Company officially converted into Thua Thien Hue Water Supply Joint Stock Company under Decision No. 3226/QD-UBND dated December 15, 2016, issued by the People's Committee of Thua Thien Hue Province regarding the conversion of Thua Thien Hue Construction and Water Supply State-owned One-Member Limited Liability Company into a Joint Stock Company.

The Company operates under Enterprise Registration Certificate No. 3300101491, issued by the Department of Planning and Investment of Thua Thien Hue Province on December 27, 2005, with the 5th amendment made on December 24, 2021, regarding the change of the Company's legal representative, with the 6th amendment made on January 3, 2025, regarding the change of the Company's name and address.

2. Forms of ownership: Joint Stock Company**3. Principal Scope of Business: Water Supply.****4. Operating activities:**

- Water collection, treatment and supply. Details: Producing and trading clean water.
- Producing non-alcoholic beverages, mineral water. Details: Producing purified bottled water, Linh Chi water.
- Wholesale of beverages. Details: Trading in purified water bottled; trading in alkaline Ionized water.
- Manufacture of other metal products are not classified elsewhere. Details: Manufacture of machinery, supplies, and equipment for the water industry.
- Wholesale of machinery, equipment, and other machine parts. Details: Business of mechanical processing products, machinery, materials, and equipment for the water industry.
- Other professional, scientific, and technological activities are not classified elsewhere. Details: Investment project formulation for urban and rural drainage works.
- Architectural activities and related technical consultancy. Details:
 - + Design of urban and rural water supply and drainage works.
 - + Consultancy for civil, industrial, and technical infrastructure projects.
 - + Design of civil, industrial, and technical infrastructure projects.
 - + Consultancy for the transfer of techniques to reduce non-revenue water.
 - + Consultancy for the transfer of water treatment technology.
 - + Consultancy for the transfer of information technology applications in the water supply sector.
- Construction of other civil engineering works. Details: Construction of urban and rural water supply works. Construction of civil, industrial, and technical infrastructure works.
- Management consultancy activities. Details: Consultancy for urban and rural water supply and drainage works. Consultancy and transfer of safe water supply techniques.
- Manufacture of building materials from clay. Details: Manufacture of building materials.
- Wholesale of other building materials and installation equipment. Details: building materials trading.

NOTES TO THE FINANCIAL STATEMENT*For the fiscal year ended as of December 31, 2024**Unit: VND***4. Operating activities (cont'd)**

- Rental of machinery, equipment, and other tangible goods. Details: Rental of machinery and equipment for the construction of water supply and drainage works.
- Information technology services and other services related to computers. Details: Development of information technology in the water supply and drainage sector.
- Other manufacturing is not classified elsewhere. Details: Manufacture of water treatment technology.
- Technical inspection and analysis. Details: Quality and reliability testing of cold water meters.

5. Normal production and business operating cycle

The Company's normal production and business cycle is 12 months, following the normal fiscal year from January 1st to December 31st.

6. The characteristics of the Company's operations in the fiscal year have an impact on the Financial Statements:

Non.

7. Total number of employees as of December 31, 2024: 512 employees. (As of December 31, 2023: 508 employees)**8. A declaration regarding the Financial Statement information's comparability**

The selection of figures and information to be presented in the financial statements is carried out under the principle of ensuring comparability between corresponding accounting periods.

II. THE FISCAL YEAR, THE CURRENCY USED IN ACCOUNTING**1. The fiscal year**

The Company's annual fiscal year starts on January 1 and ends on December 31.

2. The currency used in accounting

Vietnamese Dong (VND) is used as the currency for accounting records.

III. APPLICABLE ACCOUNTING STANDARDS AND SYSTEM**1. Applicable Accounting Regime**

The Company applied the Vietnamese corporate accounting regime, which was guided under Circular No. 200/2014/TT-BTC dated 22/12/2014, which replaces the Accounting System for enterprises issued under Decision No. 15/2006/QĐ-BTC dated March 20, 2006, by the Minister of Finance and Circular No. 244/2009/TT-BTC dated December 31, 2009, of the Ministry of Finance.

2. Declaration of compliance with accounting standards and regime

We have performed the accounting work to prepare and present the financial statements under Vietnamese Accounting Standards, the Vietnamese Accounting Regime for enterprises, and relevant legal regulations. The financial statements have been presented fairly and accurately, reflecting the financial position, results of operations, and cash flow of the Company.

The selection of figures and information to be disclosed in the Notes to the Financial Statements is carried out based on the materiality principle stipulated in Vietnamese Accounting Standard No. 21 "Presentation of Financial Statements".



NOTES TO THE FINANCIAL STATEMENT*For the fiscal year ended as of December 31, 2024**Unit: VND***IV. APPLICABLE ACCOUNTING POLICIES****1. Cash and cash equivalents recognition principle**

Cash comprises cash on hand, cash in banks

Cash equivalents include term deposits and short-term investments with an original maturity of no more than 3 months at the date of purchase, readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value

2. Financial investments accounting principle**Held-to-maturity investments accounting principle**

Held-to-maturity investments include term deposits with banks.

Held-to-maturity investments are initially stated at historical cost, which includes the purchase price and expenses associated with the purchase of investments.

3. Recognition principle of trade receivables and other receivables:

Receivables recognition principle: at cost less allowance for doubtful debts.

The classification of receivables as trade receivables and other receivables depends on the nature of the transaction or the relationship between the Company and the party from whom the receivable is due.

Method for allowances for doubtful debts: Allowances for doubtful debts are estimated for the impaired value of receivables and investments held to maturity with similar characteristics to overdue receivables, or not yet overdue but may be uncollectible due to the debtor's inability to pay, such as in cases of bankruptcy, liquidation procedures, disappearance, or absconding,...

4. Recognition principle of inventories :

Recognition principle of inventories: Inventory is recognized at cost less (-) allowances for impairment and provisions for obsolete or deteriorated inventory

Inventories' cost is determined that:

- Materials, goods: included purchase cost, transportation costs and other directly related cost occurred to recognize inventories' cost at the current place and status

- Finished goods: include direct materials, direct labor, and general costs allocated based on the cost of direct materials.

- Work-in-progress costs: include direct materials, direct labor, and general costs incurred during the project execution.

Inventory valuation method: Weighted average cost.

Inventory accounting: Perpetual inventory method.

Allowances for inventories method: Allowance for decline in inventories was created when net realizable value was lower than historical cost. Net realizable value is determined by taking the 'estimated selling price' of inventories in the regular course of business minus 'estimated cost for inventories completions and consumptions'. The allowance for decline in inventories is the difference between the cost of inventory and its net realizable value. The provision is made for each inventory item where the cost exceeds its net realizable value.



NOTES TO THE FINANCIAL STATEMENT*For the fiscal year ended as of December 31, 2024**Unit: VND***5. Principles for the recognition and depreciation of fixed assets:****5.1 Recognition principle of tangible fixed assets:**

Tangible fixed assets are stated at cost less (-) accumulated depreciation. The cost of tangible fixed assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready for use state. The costs incurred after the initial recognition of tangible fixed assets shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of these assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

When tangible fixed assets are sold or liquidated, their cost and accumulated depreciation are written off, and arisen gain/loss are recorded into the income or the expenses in the period.

Procurement of tangible fixed assets

The cost of fixed assets includes the purchase price (less (-) trade discounts or reductions), taxes (excluding refundable taxes), and any directly attributable costs to bring the asset into a condition ready for use, such as installation costs, testing costs, expert fees, and other directly related costs.

Fixed assets acquired through construction investment under a contracting method are valued at the final settlement price of the construction project, including any directly related costs and registration fees (if any).

For fixed assets such as buildings and structures attached to land use rights, the value of land use rights is determined separately and recognized as intangible fixed assets.

Self-constructed or self-made tangible fixed assets

The historical cost of tangible fixed assets constructed or manufactured internally is the actual cost of constructing or manufacturing the assets, plus (+) installation and trial run expenses. In cases where the Company uses its own produced goods to convert into fixed assets, the historical cost is the production cost of those goods, plus (+) direct costs related to bringing the assets to a ready-for-use condition. In all such cases, any internal profits are excluded from the historical cost of the assets.

Tangible fixed assets increased from other sources

The cost of tangible fixed assets sponsored or donated is initially recognized at their initial fair value. If not recognized at initial fair value, the Company records them at nominal value, plus (+) direct costs related to bringing the assets to a ready-for-use condition.

5.2 Fixed assets depreciation method

Fixed assets are depreciated on a straight-line method, based on the estimated useful life of the assets. The estimated useful life is the period during which the asset is expected to contribute to business operations.

The estimated useful lives of fixed assets are specified as follows:

<i>Buildings and structures</i>	<i>8-30 years</i>
<i>Machinery and equipment</i>	<i>4-10 years</i>
<i>Transportation and transmission vehicles</i>	<i>7-21 years</i>
<i>Office equipment</i>	<i>4-10 years</i>

6. Recognition principle of prepaid expenses

Prepaid expenses at the Company include actual costs incurred that relate to the results of business operations over multiple accounting periods. The Company's prepaid expenses consist of the following: Goodwill, costs of tools and equipment awaiting allocation, and other related expenses.

NOTES TO THE FINANCIAL STATEMENT*For the fiscal year ended as of December 31, 2024**Unit: VND***6. Recognition principle of prepaid expenses (cont'd)**

The method of allocating prepaid expenses: prepaid expenses are calculated and allocated to business operating expenses for each period using the straight-line method. Based on the nature and extent of each type of expense, the allocation period is as follows: long-term prepaid expenses are allocated over a period ranging from 12 to 36 months.

7. Recognition principle of liabilities

Liabilities are recorded at cost and not less than the payment obligation.

The Company classifies payables into accounts payable to suppliers and other payables, depending on the nature of the transaction or the relationship between the Company and the payable party.

Payables are monitored in detail based on the repayment period, the payable party, the type of currency payable (including the revaluation of payables that meet the definition of items derived from foreign currencies), and other factors based on the Company's management requirements.

At the time of preparing the Financial Statements, the Company recognizes a liability immediately when there is evidence indicating that a loss is likely to occur, in accordance with the prudence principle.

8. Recognition principle of loans and finance lease liabilities

The value of loans is recognized as the total amount borrowed from banks, financial institutions, and other parties (excluding loans in the form of bond issuance or preferred stock issuance with a mandatory redemption clause by the issuer at a specified time in the future).

Finance lease liabilities are recognized as the total amount payable, calculated based on the present value of the minimum lease payments or the fair value of the leased asset.

Loans and finance lease liabilities are monitored in detail by the lender, the debtor, each loan agreement, and each type of borrowed asset.

9. The recognition and capitalization principle for borrowing costs:

The principle for recognizing borrowing costs: Interest expenses and other costs directly associated with the Company's borrowings are recognized as production and business expenses for the period unless these costs arise from borrowings directly related to the construction or production of unfinished assets, in which case they are included in the asset's value (capitalized) when the conditions specified in Accounting Standard No. 16 "Borrowing Costs" are met.

10. The recognition principle of provisions:

A provision for liabilities is only recognized when the following conditions are met: The Company has a present obligation (legal or constructive obligation) as a result of a past event; an outflow of economic benefits will probably be required to settle the obligation; and a reliable estimate can be made of the value of the obligation.

The recorded value of a provision for liabilities is the best reasonably estimated value of the amount of money that will be required to settle the present obligation at the accounting period end date.

The Company's provisions for liabilities include provisions for capital utilization commitment fees



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NOTES TO THE FINANCIAL STATEMENT*For the fiscal year ended as of December 31, 2024**Unit: VND***11. Principles and methods of Revenue and Other income recognition****Principles and methods of recognition of Revenue from sales of goods**

Revenue from sales of merchandise is recognized when the following conditions are simultaneously met as follow: 1. The Company transferred the significant risks and rewards associated with ownership of the product or goods to the buyer; 2. The Company no longer holds the right to manage the goods as the owner, or the right to control the goods; 3. Revenue is determined with relative certainty. Suppose the contract stipulates that the buyer is entitled to return the products, and goods purchased under specific conditions. In that case, revenue is recognized only when these specific conditions no longer exist. The buyer is not entitled to return the products and goods (except where the customer has the right to return the goods in the form of return for other goods and services); 4. The Company has or will gain economic benefits from the good sale transaction; 5. Determine the costs related to the goods sale transaction.

Principles and methods of recognition of Revenue from services rendered

Revenue from service rendered is recognized when the outcome of the transaction can be reliably determined. In cases where the service contract spans multiple periods, revenue is recognized for the period based on the results of the work completed on the date of the Balance Sheet of that period. Revenue from service provision is recognized when all four (4) conditions are simultaneously met: 1. Revenue is determined with relative certainty. When the contract stipulates that the buyer has the right to return the purchased service under specific conditions, the enterprise shall only recognize revenue when those specific conditions no longer exist and the buyer no longer has the right to return the service provided; 2. The Company has received or will receive economic benefits from the service transaction; 3. The portion of the work completed as of the Balance Sheet date can be determined; 4. The costs incurred for the transaction and the costs to complete the service provision can be reliably estimated.

If the outcome of the contract cannot be determined with certainty, revenue will only be recognized to the extent of costs recorded that are expected to be recoverable.

Principles and methods of Revenue from construction contracts recognition

Revenue from construction contracts includes: the initial revenue recognized in the contract; and any increases or decreases during the execution of the contract, as well as bonuses and other payments if these amounts have the potential to change the revenue and can be reliably estimated. The revenue of a construction contract is determined by the fair value of amounts that have been received or will be received. The determination of revenue for the contract is influenced by various uncertain factors, as they depend on future events. Estimates often need to be revised when these events occur and the uncertainties are resolved. Therefore, revenue from the contract may increase or decrease in each period.

Principles and methods of Financial income recognition

Financial income reflects revenue from interest income.

Revenue arising from interest earnings is recognized when both of the following conditions are simultaneously met: 1. Economic benefits will probably be received from the transaction; 2. Revenue is determined relatively reliably.

- Interest earnings are recognized on an accrual basis, using the effective interest rate for each period.

When it is uncollectible to recover an amount previously recorded as revenue, the amount that is likely to be unrecoverable or uncertainly recoverable must be accounted for as an expense incurred in the period, not as a reduction in revenue.

12. Principles and methods of Costs of goods sold recognition

The cost of goods sold reflects the cost of products, services, and the production cost of construction products (for construction companies selling during the period). The cost of goods sold is recognized at the time the transaction occurs or when it is reasonably certain that it will occur in the future, regardless of whether payment has been made. The cost of goods sold and revenue are recognized simultaneously under the matching principle.



NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

13. Principles and methods of Financial expenses recognition**Financial expenses include:** borrowing and lending expenses.

Financial expenses are recognized in detail for each type of cost when they reality occur during the period and can be reliably determined when there is sufficient evidence of these expenses.

14. Principles and methods of current corporate income tax expense recognition

Corporate income tax expenses include current income tax expenses and deferred income tax expenses incurred during the year, which serve as the basis for determining the Company's after-tax business results for the current fiscal year.

Current corporate income tax expenses are calculated based on the taxable income for the year and the applicable corporate income tax rate.

14. Principles and methods of current corporate income tax expense recognition (cont'd)

Taxes payable to the state budget will be finalized with the tax authorities. The difference between the tax payable per the books and the finalization check figures will be adjusted upon receiving the official settlement from the tax authorities. The Company has been inspected for tax finalization through 2016.

The tax policy for the Company in the current year is as follows: a corporate income tax rate of 10% on taxable income from clean water production activities and 20% on taxable income from other activities. The Company has been audited by the State Audit Region II for the year 2020; Thua Thien Hue Provincial Inspectorate inspected in 2019, 2020, and 2021; and the State Audit Region II audit 2023.

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET**1. Cash and cash equivalents**

	<u>Dec 31, 2024</u>	<u>Jan 01, 2024</u>
Cash	21,063,076,907	8,286,608,368
Cash in hand	45,025,948	56,803,202
Cash in banks	21,018,050,959	8,229,805,166
Cash equivalents	120,000,000,000	130,000,000,000
1-month term deposits	80,000,000,000	90,000,000,000
- Joint Stock Commercial Bank for Investment and Development, TT Hue Branch	-	-
- Vietnam Maritime Commercial Join Stock Bank - TT Hue Branch	10,000,000,000	10,000,000,000
- Joint Stock Commercial Bank For Foreign Trade Of Vietnam - TT Hue Branch	15,000,000,000	25,000,000,000
- Vietnam Joint Stock Commercial Bank for Industry and Trade - TT Hue Branch	10,000,000,000	10,000,000,000
- Vietnam Joint Stock Commercial Bank for Industry and Trade - The Southern TT Hue Branch	20,000,000,000	20,000,000,000
- Vietnam Bank for Agriculture and Rural Development - TT Hue Branch	15,000,000,000	20,000,000,000
- Vietnam Bank for Agriculture and Rural Development - The Southern Huong River Branch	10,000,000,000	5,000,000,000
3-months term deposits	40,000,000,000	40,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Viet Nam - TT Hue Branch	-	-
- Vietnam Maritime Commercial Join Stock Bank - TT Hue Branch	10,000,000,000	10,000,000,000
- Joint Stock Commercial Bank For Foreign Trade Of Vietnam - TT Hue Branch	20,000,000,000	20,000,000,000
- Vietnam Bank for Agriculture and Rural Development - The Southern Huong River Branch	10,000,000,000	10,000,000,000
Total	<u>141,063,076,907</u>	<u>138,286,608,368</u>

These statements should be read in conjunction with the Notes to the Financial Statement

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NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

2. Financial investments

	Dec 31, 2024	Jan 01, 2024
Held-to-maturity investments		
More than 3 months to 1 year term deposits	81,162,254,424	75,701,817,005
- Joint Stock Commercial Bank for Investment and Development of Viet Nam - TT Hue Branch	30,000,000,000	30,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Viet Nam - Phu Xuan Branch	25,000,000,000	25,000,000,000
- Bank for Social Policies of Thua Thien Hue	5,000,000,000	-
- Vietnam Bank for Agriculture and Rural Development - TT Hue Branch	10,000,000,000	10,000,000,000
- Saigon-Hanoi Commercial Joint Stock Bank - Hue Branch	11,162,254,424	10,701,817,005
Total	81,162,254,424	75,701,817,005

3. Trade receivables

	Dec 31, 2024		Jan 01, 2024	
	Amount	Allowance	Amount	Allowance
Short-term	44,141,016,232	(609,851,140)	51,380,418,364	(579,087,548)
Domestic customers	44,141,016,232	(609,851,140)	51,380,418,364	(579,087,548)
- Water receivables	29,520,398,320	(609,851,140)	38,020,504,830	(579,087,548)
- Other customers	14,620,617,912	-	13,359,913,534	-
Total	44,141,016,232	(609,851,140)	51,380,418,364	(579,087,548)

4. Short-term prepayments to suppliers

	Dec 31, 2024		Jan 01, 2024	
	Amount	Allowance	Amount	Allowance
Domestic suppliers	110,866,176,442	-	103,801,134,629	-
TNG Investment and Construction JSC.	102,240,495,219	-	97,322,265,205	-
- Other suppliers	8,625,681,223	-	6,478,869,424	-
Total	110,866,176,442	-	103,801,134,629	-

5. Other short-term receivables

	Dec 31, 2024		Jan 01, 2024	
	Amount	Allowance	Amount	Allowance
Advances receivable	92,310,000	-	243,050,000	-
Others	7,291,850,354	-	5,309,806,573	-
Total	7,384,160,354	-	5,552,856,573	-

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

6. Inventories

	Dec 31, 2024		Jan 01, 2024	
	Historical cost	Allowance	Historical cost	Allowance
Raw materials	45,247,804,612	-	38,922,156,996	-
Tools and supplies	7,367,022,888	-	5,628,481,433	-
Work-in-progress	3,510,817,064	-	3,992,676,573	-
Finished goods	117,012,195	-	269,874,400	-
Total	56,242,656,759	-	48,813,189,402	-

- Value of stagnant, inferior, lose-quality inventory with no ability to be sold at year-end: None.
- Reasons and actions taken for stagnant, inferior, lose-quality inventory: None.
- Value of inventory for collateral, mortgaged to ensure the debt at year-end: None.
- Reasons for additional provisions or reversal of allowances for devaluation inventories: None.

7. Long-term assets in progress

	Dec 31, 2024		Jan 01, 2024	
	Amount	Allowance	Amount	Allowance
Construction in progress	196,738,146,178	-	173,642,667,364	-
<i>Cost of new investments in main pipelines, branch pipelines, and constructions serving the water supply system</i>	<i>196,738,146,178</i>	<i>-</i>	<i>173,642,667,364</i>	<i>-</i>
Total	196,738,146,178	-	173,642,667,364	-

(*) Reasons for not being completed within a normal production and business cycle: involves significant value extending over several years

HUE WATER SUPPLY JOINT STOCK COMPANY

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

8. Tangible fixed assets	Items	Buildings and Architecture	Machinery and equipment	Means of transportation & transmitters	Office equipment	Total
Historical cost						
	Balance as of January 01, 2024	478,480,882,131	287,567,992,996	2,597,758,498,806	9,267,584,764	3,373,074,958,697
	Increasing in the period	165,272,727	10,231,693,728	7,089,874,642	820,083,265	18,306,924,362
	Completed construction	1,139,581,140	1,375,175,747	27,362,957,358	-	29,877,714,245
	Other increase	-	-	-	-	-
	Liquidation and sale	-	-	-	-	-
	Other decrease	27,000,000	13,000,582,921	97,709,954	123,818,182	13,249,111,057
	Balance as of December 31, 2024	479,758,735,998	287,286,431,357	2,664,091,052,451	9,963,849,847	3,441,100,069,653
Accumulated depreciation						
	Balance as of January 01, 2024	177,762,815,445	150,374,266,195	1,652,489,674,917	8,207,161,975	1,988,833,918,532
	Depreciation for the period	17,597,973,532	23,120,898,301	110,630,531,818	392,353,318	151,741,756,969
	Liquidation and sale	-	-	-	-	-
	Other decrease	-	11,148,877,920	-	71,563,849	11,220,441,769
	Balance as of December 31, 2024	195,360,788,977	162,346,286,576	1,763,120,206,735	8,527,951,444	2,129,355,233,732
Residual value						
	Balance as of January 01, 2024	300,718,066,686	137,193,726,801	945,268,823,889	1,060,422,789	1,384,241,040,165
	Balance as of December 31, 2024	284,397,947,021	124,940,144,781	900,970,845,716	1,435,898,403	1,311,744,835,921

* The historical cost of fixed assets awaiting disposal at year-end: none.

* Commitments related to the purchase or sale of tangible fixed assets of significant value in the future: none.

* Other changes in tangible fixed assets: none.

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

9. Intangible fixed assets

	Softwares	Total
Historical cost		
Balance as of January 1, 2024	6,589,968,000	6,589,968,000
<i>Increase due to reclassification</i>	-	-
<i>Increase during the year</i>	892,263,222	892,263,222
Balance as of December 31, 2024	7,482,231,222	7,482,231,222
Accumulated depreciation		
Balance as of January 1, 2024	4,700,333,433	4,700,333,433
<i>Depreciation during the year</i>	742,941,140	742,941,140
<i>Increase due to reclassification</i>	-	-
Balance as of December 31, 2024	5,443,274,573	5,443,274,573
Residual value		
Balance as of January 1, 2024	1,889,634,567	1,889,634,567
Balance as of December 31, 2024	2,038,956,649	2,038,956,649

9. Intangible fixed assets (cont'd)

- * The residual value of the intangible fixed asset used as mortgage or pledge to secure the loan: VND 0
- * Cost of fixed assets fully depreciated but still in use at year-end: VND 0
- * The historical cost of fixed assets at year-end pending liquidation : VND 0.
- * Commitments regarding the purchase or sale of tangible fixed assets with significant value in the future: None
- * Other changes in tangible fixed assets: None

10. Prepaid expenses

	Dec 31, 2024	Jan 01, 2024
Short-term prepaid expenses		
Tools and supplies awaiting allocation	7,742,065,747	895,224,670
Total	7,742,065,747	895,224,670
Long-term prepaid expenses		
Bach Ma water bottle shell costs	3,824,506,794	3,321,452,085
Other long-term prepaid expenses	5,035,729,091	2,789,552,993
Total	8,860,235,885	6,111,005,078

11. Trade payables

	Dec 31, 2024		Jan 01, 2024	
	Amount	Amount that can be paid	Amount	Amount that can be paid
Short-term				
Dometric suppliers	27,512,029,192	27,512,029,192	35,442,819,863	35,442,819,863
Total	27,512,029,192	27,512,029,192	35,442,819,863	35,442,819,863

12. Short-term prepayments from customers

	Dec 31, 2024	Jan 01, 2024
Short-term		
Dometric customers	10,466,490,072	19,120,591,346
Total	10,466,490,072	19,120,591,346

13. Payables to employees

	Dec 31, 2024	Jan 01, 2024
Payables to employees	23,795,368,500	24,500,966,831
Total	23,795,368,500	24,500,966,831

HUE WATER SUPPLY JOINT STOCK COMPANY

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

14. Taxes and other payables to State budget

Items	Opening balance		Payable during the fiscal year	Paid amounts during the fiscal year		Closing balance	
	Receivables	Payables		Receivables	Payables	Receivables	Payables
Value added tax	2,142,852,575	0	79,844,483	79,844,483	2,142,852,575	0	0
Corporate income tax	0	3,974,569,815	19,764,220,113	23,555,191,159	0	183,598,769	183,598,769
Personal income tax	3,817,639,089	0	7,611,515,050	2,340,434,635	0	1,453,441,326	1,453,441,326
Natural resource tax	0	894,139,751	2,229,017,340	2,827,140,660	0	296,016,431	296,016,431
Land tax and land rent	0	0	1,189,952,839	1,189,952,839	0	0	0
Other taxes	0	0	18,000,000	18,000,000	0	0	0
Fees, charges and others	0	3,255,358,054	38,729,566,369	39,135,523,890	0	2,849,400,533	2,849,400,533
Total	5,960,491,664	8,124,067,620	69,622,116,194	69,146,087,666	2,142,852,575	4,782,457,059	4,782,457,059

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

	Dec 31, 2024	Jan 01, 2024
15. Short-term accrued expenses		
Accrued expenses	5,257,136,340	6,453,753,940
Total	5,257,136,340	6,453,753,940
16. Other payables		
a. Short-term	113,185,242,295	109,600,739,733
Union fee	102,127	-
Short-term deposit received (water charges)	4,673,014,182	4,185,223,725
Other payables	108,512,125,986	105,415,516,008
<i>Assets receivable in debt with the Provincial People's Committee (*)</i>	17,610,831,352	12,619,234,509
<i>Payable to the Provincial People's Committee of Thua Thien Hue (**)</i>	5,362,592,831	6,128,677,522
<i>Payable for asset leaseback (***)</i>	-	-
<i>Payable for construction works</i>	84,413,384,542	85,989,453,414
<i>Payable to the Provincial Inspectorate of Thua Thien Hue</i>	-	-
<i>Payable dividends</i>	-	-
<i>Other payables</i>	1,125,317,261	678,150,563
b. Long-term	6,075,305,000	35,621,976,352
Long-term deposit received (bottle shells)	6,075,305,000	5,391,905,000
Other payables	-	30,230,071,352
<i>Assets receivable in debt with the Provincial People's Committee (*)</i>	-	30,230,071,352
Total	119,260,547,295	145,222,716,085
c. Other payables to related parties		
<i>Assets receivable in debt with the Provincial People's Committee</i>	17,610,831,352	42,849,305,861
<i>Other payable to the Provincial People's Committee of TT Hue</i>	5,362,592,831	6,128,677,522
Total	22,973,424,183	48,977,983,383

(*) The value of assets recovered by the State for the Joint Stock Company received in debts under Decision No. 1929/QĐ-UBND dated August 18, 2016, is VND 184,203,002,679, and under Decision No. 3499/QĐ-UBND dated December 31, 2016, of the Provincial People's Committee of Thua Thien Hue is VND 35,315,624,746. The remaining value of assets managed by the Company but not yet transferred to the receiving unit is VND 132,154,643. As of December 31, 2024, the Company has repaid the Provincial People's Committee a total of VND 201,907,796,073. The remaining balance as of December 31, 2024, is VND 17,610,831,352.

(**) This represents the additional asset value after verification approval of settlement by the Department of Finance, which the Company is using, and the capital investment for construction projects provided by the Department of Finance to pay for the construction projects that the Company must repay to the Provincial People's Committee of Thua Thien Hue.

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

16. Other payables (cont'd)

Dec 31, 2024

Jan 01, 2024

c. Other payables to related parties (cont'd)

(***) Payable for asset lease in 2017 to the Provincial People's Committee under Decision No. 1929/QĐ-UBND dated August 18, 2016, and the Minutes of the financial mechanism agreement when the Joint Stock Company for Water Supply of Thua Thien Hue leases back State assets on April 13, 2018. According to Decision No. 946/QĐ-UBND dated April 8, 2024, by the Provincial People's Committee of Thua Thien Hue regarding the recovery of leased assets, specifically the Da Vien clean water plant construction, and Decision No. 2162/QĐ-UBND dated August 12, 2024, on the adjustment of the lease asset value starting from April 9, 2024.

+ Increase in assets compared to the 2017 final settlement value of the Department of Finance

3,373,254,821

3,855,148,366

+ Carried forward capital investment for construction projects to debt-acknowledge

1,036,366,332

1,184,418,666

+ Capital contributions from the public to the Huong Binh Water Supply System

294,918,866

337,050,133

+ Received debt capital source to pay the budget of Huong Van Ward water supply system

658,052,812

752,060,357

17. Borrowings and finance lease liabilities

Dec 31, 2024

Jan 01, 2024

	Dec 31, 2024		Jan 01, 2024	
	Amount	Amount that can be paid	Amount	Amount that can be paid
a. Long-term debt is due for payment	60,349,728,702	60,349,728,702	59,226,614,024	59,226,614,024
Bank loan	60,349,728,702	60,349,728,702	59,226,614,024	59,226,614,024
Joint Stock Commercial Bank For Foreign Trade Of Vietnam - TT Hue Branch	16,000,000,000	16,000,000,000	16,000,000,000	16,000,000,000
Vietnam Bank for Agriculture and Rural Development - TT Hue Branch	-	-	840,000,000	840,000,000
The Asian Development Bank - USD	44,349,728,702	44,349,728,702	42,386,614,024	42,386,614,024
b. Long-term loans	600,889,495,824	600,889,495,824	624,175,707,792	624,175,707,792
Bank loans	68,692,752,159	68,692,752,159	73,149,726,218	73,149,726,218
Joint Stock Commercial Bank For Foreign Trade Of Vietnam - TT Hue Branch	68,692,752,159	68,692,752,159	73,149,726,218	73,149,726,218
Vietnam Bank for Agriculture and Rural Development - TT Hue Branch	-	-	-	-
Others (*)	532,196,743,665	532,196,743,665	551,025,981,574	551,025,981,574
The Asian Development Bank - USD	532,196,743,665	532,196,743,665	551,025,981,574	551,025,981,574
Total	661,239,224,526	661,239,224,526	683,402,321,816	683,402,321,816

18. Provision for liabilities

Dec 31, 2024

Jan 01, 2024

Short-term

Provision for accrued expenses

-

-

Provision for salaries

10,425,157,900

11,229,121,700

Total

10,425,157,900

11,229,121,700

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

19. Owner's equity

a. Statement of changes in owners' equity

Items	Contributed capital	Treasury shares	Investment and development fund	Undistributed profit after tax	Total
Balance as of Jan 01, 2023	876,000,000,000	(2,170,000,000)	22,375,583,534	155,628,837,122	1,051,834,420,656
- Increase during the year	-	-	23,507,385,058	132,128,973,108	155,636,358,166
- Adjustment according to the inspection conclusion of Thua Thien Hue Province	-	-	-	-	-
- Reversal of 2021 dividends related to treasury shares	-	-	-	-	-
- Decrease during the year	-	-	-	(118,163,410,258)	(118,163,410,258)
Balance as of Dec 31, 2023	876,000,000,000	(2,170,000,000)	45,882,968,592	169,594,399,972	1,089,307,368,564
Balance as of Jan 01, 2024	876,000,000,000	(2,170,000,000)	45,882,968,592	169,594,399,972	1,089,307,368,564
- Increase during the year	-	-	23,513,602,471	134,894,045,401	158,407,647,872
- Transfer to the development investment fund	-	-	-	(23,513,602,471)	(23,513,602,471)
- Transfer to the bonus and welfare fund for 2023	-	-	-	(21,380,756,000)	(21,380,756,000)
- Dividend distribution	-	-	-	(83,013,850,000)	(83,013,850,000)
Balance as of Dec 31, 2024	876,000,000,000	(2,170,000,000)	69,396,571,063	176,580,236,902	1,119,806,807,965

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

19. Owner's equity (cont'd)

b. Details of investment capital

	Equity	Dec 31, 2024	Jan 01, 2024
	contribution ratio %		
People's Committee of Thua Thien Hue Province	70.01	613,300,000,000	613,300,000,000
Truong Phuoc Tue	6.28	55,000,000,000	62,640,000,000
Nguyen Van Dung	2.85	25,000,000,000	25,000,000,000
Other Shareholder's Equity	20.61	180,530,000,000	172,890,000,000
Treasury Shares	0.25	2,170,000,000	2,170,000,000
Total	100	876,000,000,000	876,000,000,000

c. Capital transactions with owners and dividend, profit distribution

	FY 2024	FY 2023
Owner's Equity	876,000,000,000	876,000,000,000
<i>Capital contribution at the beginning of the period</i>	<i>876,000,000,000</i>	<i>876,000,000,000</i>
<i>Capital contribution at the end of the period</i>	<i>876,000,000,000</i>	<i>876,000,000,000</i>
Dividends and profits distributed	83,013,850,000	78,644,700,000

d. Dividend

	FY 2024	FY 2023
Dividends declared after the end of the financial year		
<i>Dividends declared on ordinary shares</i>	<i>9.5%</i>	<i>9.0%</i>

d. Shares

	December 31st 2024	January 1st 2024
The number of shares registered for issuance	87,600,000	87,600,000
The number of shares issued	87,600,000	87,600,000
<i>Ordinary shares</i>	<i>87,600,000</i>	<i>87,600,000</i>
The number of re-purchased shares	217,000	217,000
<i>Ordinary shares</i>	<i>217,000</i>	<i>217,000</i>
The number of outstanding shares	87,383,000	87,383,000
<i>Ordinary shares</i>	<i>87,383,000</i>	<i>87,383,000</i>
<i>Outstanding shares's face value: VND/share.</i>	<i>10,000</i>	<i>10,000</i>

20. Off-Balance Sheet accounts

	FY 2024	FY 2023
Leased Assets:		
Value of leased assets (*)	8,882,664,513	33,390,711,884
Total	8,882,664,513	33,390,711,884

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

20. Off-Balance Sheet accounts (cont'd)

(*) This represents State assets recovered and leased to the Joint Stock Company under Decision No. 1929/QĐ-UBND dated August 18, 2016, issued by the People's Committee of Thua Thien Hue Province. As per the minutes of consensus on the financial mechanism when leasing back State assets to Thua Thien Hue Water Supply Joint Stock Company dated April 13, 2018: The lease period is effective from January 1, 2017. Annual rental payable: VND 1,832,513,314. According to Decision No. 946/QĐ-UBND dated April 8, 2024, of the People's Committee of Thua Thien Hue Province regarding the repossession of leased assets (the Da Vien Clean Water Plant Construction) and Decision No. 2162/QĐ-UBND dated August 12, 2024, regarding the adjustment of the leased asset value as of April 9, 2024 is: VND 8,882,664,513. Annual rental payable: VND 1,214,348,000.

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENTS

	FY 2024	FY 2023
1. Revenues from sales and services rendered		
Revenues from sales and services rendered	670,180,413,702	635,006,846,074
Total	670,180,413,702	635,006,846,074
2. Net revenues from sales and services rendered		
Net revenues from sales and services rendered	670,180,413,702	635,006,846,074
Total	670,180,413,702	635,006,846,074
3. Costs of goods sold		
Costs of goods sold	379,149,099,604	370,166,775,960
Total	379,149,099,604	370,166,775,960
4. Financial income		
Deposits interest	5,844,335,231	10,121,551,407
Gains on exchange rate differences	18,225,203	60,750,675
Total	5,862,560,434	10,182,302,082
5. Financial expenses		
Loan interest	44,799,925,020	41,038,926,688
Losses on exchange rate differences	914,731,596	-
Realized exchange rate losses due to revaluation	26,434,354,523	18,121,058,554
Total	72,149,011,139	59,159,985,242
6. Selling expenses and General administration expenses		
a. Selling expenses		
Total	23,115,806,072	21,639,158,088
b. General administration expenses		
Total	58,754,575,275	52,466,993,611

These statements should be read in conjunction with the Notes to the Financial Statement

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NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

	FY 2024	FY 2023
7 Other income		
Proceeds from liquidation of fixed assets	-	278,979,091
Handling of materials for processing electrical cabinets for Binh Dien plant in inventory, reducing costs by adjusting project codes	-	569,814,351
Other income	14,041,017,322	22,498,106,136
Total	14,041,017,322	23,346,899,578
8 Other expenses	FY 2024	FY 2023
Gift expenses to customers exceeding the accrued expense for 2022	-	278,979,091
Depreciation of fixed assets for vegetable and melon activities due to cessation of manufacturing	519,242,042	519,242,040
Other expenses	1,708,283,231	11,462,810,435
Total	2,227,525,273	11,984,455,039
9 Current corporate income tax expenses	FY 2024	FY 2023
1. Total accounting profits before tax	154,687,974,095	153,118,679,794
2. Adjustments to increase or decrease accounting profit for determining taxable income for corporate income tax purposes:	2,374,872,201	12,049,455,039
Increasing adjustment	2,374,872,201	12,049,455,039
+ Gift expenses to customers exceeding the accrued expense for 2022	-	2,402,564
+ Depreciation of fixed assets for vegetable and melon activities due to cessation of manufacturing	519,242,042	519,242,040
+ Other improper expenses	1,855,630,159	11,527,810,435
Decreasing adjustment	-	-
3. Current year taxable income (1+2)	157,062,846,296	165,168,134,833
Current year taxable income at 10% tax rate	116,186,405,663	120,439,202,803
Current year taxable income at 20% tax rate	40,876,440,633	44,728,932,030
4. Current corporate income tax rate		
Corporate income tax rate of 10%	10%	10%
Corporate income tax rate of 20%	20%	20%
5. Current corporate income tax expenses	19,793,928,694	20,989,706,686

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

VIII. OTHER INFORMATION

1. Contingent liabilities, commitments, and other financial information

There have been no contingent liabilities or commitments arising since the end of the fiscal year that require adjustments or disclosures in the Financial Statements.

2. Subsequent events

There have been no significant events since the end of the fiscal year that require adjustments or disclosures in the Financial Statements.

3. Comparative information

Some indicators on the 2024 Financial Statements ending on December 31, 2024, are restated to comply with Notification No. 23/TB-KT KV II dated July 6, 2024, of the State Audit - Regional II.

ON THE BALANCE SHEET

ASSETS	Code	Jan 01, 2024 Figures presented	Jan 01, 2024 Restated figures	Diff
A. SHORT-TERM ASSETS	100	466,592,341,565	465,883,222,321	(709,119,244)
III. Short-term receivables	130	159,455,322,018	160,155,322,018	700,000,000
1. Short-term trade receivables	131	50,680,418,364	51,380,418,364	700,000,000
IV. Inventories	140	49,522,308,646	48,813,189,402	(709,119,244)
1. Inventories	141	49,522,308,646	48,813,189,402	(709,119,244)
V. Other short-term assets	150	43,626,285,528	42,926,285,528	(700,000,000)
2. Deductible VAT	152	36,770,569,194	36,070,569,194	(700,000,000)
TOTAL ASSETS	270	2,032,650,712,739	2,031,941,593,495	(709,119,244)
RESOURCES	Code	Jan 01, 2024 Figures presented	Jan 01, 2024 Restated figures	Diff
C. LIABILITIES	300	947,564,108,812	942,634,224,931	(4,929,883,881)
I. Short-term liabilities	310	287,766,424,668	282,836,540,787	(4,929,883,881)
2. Short-term prepayments from customers	312	26,120,591,346	19,120,591,346	(7,000,000,000)
3. Taxes and other payables to State budget	313	6,053,951,501	8,124,067,620	2,070,116,119
D. OWNER'S EQUITY	400	1,085,086,603,943	1,089,307,368,564	4,220,764,621
I. Owner's equity	410	1,085,086,603,943	1,089,307,368,564	4,220,764,621
11. Undistributed profit after tax	421	165,373,635,351	169,594,399,972	4,220,764,621
<i>Undistributed profit after tax for the current year</i>	<i>421b</i>	<i>127,908,208,487</i>	<i>132,128,973,108</i>	<i>4,220,764,621</i>
TOTAL RESOURCES	440	2,032,650,712,755	2,031,941,593,495	(709,119,260)

These statements should be read in conjunction with the Notes to the Financial Statement

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NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

VIII. OTHER INFORMATION

3. Comparative information (cont'd)

Some indicators on the 2024 Financial Statements ending on December 31, 2024, are restated to comply with Notification No. 23/TB-KT KV II dated July 6, 2024, of the State Audit - Regional II.

ON THE INCOME STATEMENT

ITEMS	Code	4th quarter of 2023 Presented	4th quarter of 2023 Restated	Diff
1. Revenues from sales and services rendered	01	150,152,215,797	157,152,215,797	7,000,000,000
Net revenues from sales and services				
3. rendered	10	150,152,215,797	157,152,215,797	7,000,000,000
4. Costs of goods sold	11	105,239,801,393	106,963,845,597	1,724,044,204
Gross revenues from sales and services				
5. rendered (20 = 10 - 11)	20	44,912,414,404	50,188,370,200	5,275,955,796
Net profits from operating activities				
10. (30 = 20 + (21 - 22) - (25 + 26))	30	13,035,343,564	18,311,299,360	5,275,955,796
14. Total net profit before tax (50 = 30 + 40)	50	23,019,811,993	28,295,767,789	5,275,955,796
15. Current corporate income tax expenses	51	6,200,793,256	7,255,984,415	1,055,191,159
Profits after corporate income tax				
17. (60 = 50 - 51 - 52)	60	16,819,018,737	21,039,783,374	4,220,764,637
18. Basic earnings per share	70	160	202	42
19. Diluted earnings per share	71	160	202	42

ITEMS	Code	FY 2023 Presented	FY 2023 Restated	Diff
1. Revenues from sales and services rendered	01	628,006,846,074	635,006,846,074	7,000,000,000
Net revenues from sales and services				
3. rendered	10	628,006,846,074	635,006,846,074	7,000,000,000
4. Costs of goods sold	11	368,442,731,756	370,166,775,960	1,724,044,204
Gross revenues from sales and services				
5. rendered (20 = 10 - 11)	20	259,564,114,318	264,840,070,114	5,275,955,796
Operating profit (30 = 20 + (21 - 22) - (25 +				
10. 26))	30	136,480,279,459	141,756,235,255	5,275,955,796
Net profits from operating activities				
14. (30 = 20 + (21 - 22) - (25 + 26))	50	147,842,723,998	153,118,679,794	5,275,955,796
15. Current corporate income tax expenses	51	19,934,515,527	20,989,706,686	1,055,191,159
Profits after corporate income tax				
17. (60 = 50 - 51 - 52)	60	127,908,208,471	132,128,973,108	4,220,764,637
18. Basic earnings per share	70	1,215	1,267	52
19. Diluted earnings per share	71	1,215	1,267	52

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NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

VIII. OTHER INFORMATION

3. Comparative information (cont'd)

Some indicators on the 2024 Financial Statements ending on December 31, 2024, are restated to comply with Notification No. 23/TB-KT KV II dated July 6, 2024, of the State Audit - Regional II.

ON THE STATEMENT OF THE CASH FLOWS

ITEMS	Code	FY 2023 Presented	FY 2023 Restated	Diff
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Profit before tax	01	147,842,723,998	153,118,679,794	5,275,955,796
Operating profit before changes in working				
3. capital	08	352,738,776,451	358,014,732,247	5,275,955,796
- Increase (+), decrease (-) in inventories	10	(5,779,076,833)	(5,069,957,589)	709,119,244
- Increase (+), decrease (-) in payables (exclusive of interest payables, enterprise income tax payables)	11	(36,794,828,968)	(42,779,904,008)	(5,985,075,040)

NOTES TO THE FINANCIAL STATEMENT

For the fiscal year ended as of December 31, 2024

Unit: VND

VIII. OTHER INFORMATION

3. Comparative information (cont'd)

Some indicators on the 2024 Financial Statements ending on December 31, 2024, are restated to comply with Notification No. 23/TB-KT KV II dated July 6, 2024, of the State Audit - Regional II.

ON THE NOTES TO THE FINANCIAL STATEMENTS

3. Trade receivables

	Jan 01, 2024 Figures presented	Jan 01, 2024 Restated figures	Diff
Short-term	50,680,418,364	51,380,418,364	700,000,000
Domestic customers	50,680,418,364	51,380,418,364	700,000,000
- Other customers	12,659,913,534	13,359,913,534	700,000,000
Total	50,680,418,364	51,380,418,364	700,000,000

	Jan 01, 2024 Figures presented	Jan 01, 2024 Restated figures	Diff
6. Inventories			
Work-in-progress	4,701,795,817	3,992,676,573	(709,119,244)
Total	49,522,308,646	48,813,189,402	(709,119,244)

	Jan 01, 2024 Figures presented	Jan 01, 2024 Restated figures	Diff
12. Prepayments from customers			
Short-term	26,120,591,346	19,120,591,346	(7,000,000,000)
Domestic customers	26,120,591,346	19,120,591,346	(7,000,000,000)
Total	26,120,591,346	19,120,591,346	(7,000,000,000)

	Jan 01, 2024 Figures presented	Jan 01, 2024 Restated figures	Diff
14. Taxes and other payables to State Budget			
Items			
Corporate income tax	2,919,378,656	3,974,569,815	1,055,191,159
Natural resource tax	296,567,111	894,139,751	597,572,640
Fees, charges and others	2,838,005,734	3,255,358,054	417,352,320
Total	6,053,951,501	8,124,067,620	2,070,116,119

4 Information on the going concern: The Company will carry on with its operations in the future.

PREPARE



Nguyen Hung Hai


CHIEF ACCOUNTANT



Vuong Dinh Nam



CHAIRMAN OF BOD



Le Quang Minh

