

HAI DUONG WATER JOINT STOCK COMPANY

Address: 10 Hong Quang Road, Quang Trung Ward, Hai Duong City, S.R. Viet Nam

Tax code: 0800001348

INTERIM FINANCE STATEMENT

Quarter 4 of 2024

(Full form)

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HẢI DƯƠNG, JANUARY 2025

INTERIM BALANCE SHEET

As of 31 December 2024

Unit: VND

ASSETS	Codes	Notes	31/12/2024	01/01/2024
A - SHORT TERM ASSETS	100		68.742.279.441	70.209.983.614
I. Cash and cash equivalents	110		10.192.762.023	12.181.753.692
1 Cash	111	V.1.	10.192.762.023	12.181.753.692
2 Cash equivalents	112		-	-
II. Short-term financial investments	120		-	-
III. Short-term receivables	130		20.586.001.023	19.455.621.259
1 Short-term trade receivables	131	V.2.	16.281.850.329	15.008.787.963
2 Short-term advances to suppliers	132	V.3.	1.740.814.169	1.838.624.852
3 Other short-term receivables	136	V.4.	2.563.336.525	2.608.208.444
IV. Inventories	140		35.974.456.785	37.492.013.499
1 Inventories	141	V.5.	35.974.456.785	37.492.013.499
V. Other short-term assets	150		1.989.059.610	1.080.595.164
1 Deductible VAT	152		747.988.499	105.855.953
2 Taxes and other receivables to the State budget	154	V.12.	1.241.071.111	974.739.211
B - LONG TERM ASSETS	200		841.792.123.488	882.980.685.085
I. Long-term receivables	210		-	-
II. Fixed assets	220		794.842.591.900	833.240.719.001
1 Tangible fixed assets	221	V.7.	794.756.258.567	833.040.645.672
- Historical cost	222		2.068.148.426.795	1.999.314.169.458
- Accumulated depreciation	223		(1.273.392.168.228)	(1.166.273.523.786)
2 Intangible fixed assets	227	V.6.	86.333.333	200.073.329
- Historical cost	228		855.700.000	855.700.000
- Accumulated depreciation	229		(769.366.667)	(655.626.671)
III. Investment real estate	230		-	-
IV. Long-term assets in progress	240		11.616.986.977	3.838.390.878
2 Cost of construction in progress	242	V.8.	11.616.986.977	3.838.390.878
V. Long-term financial investments	250		-	-
VI. Other long-term assets	260		35.332.544.611	45.901.575.206
1 Long-term prepayments	261	V.9.	35.332.544.611	45.901.575.206
TOTAL ASSETS (270=100+200)	270		910.534.402.929	953.190.668.699

(Notes from page 6 to page 28 are an integral part of these Interim Financial Statements)

INTERIM BALANCE SHEET

As of 31 December 2024

(continued)

Unit: VND

RESOURCES	Codes	Notes	31/12/2024	01/01/2024
C - LIABILITIES	300		452.263.815.235	513.316.644.338
I. Current liabilities	310		103.724.168.191	132.168.216.259
1 Short - term payables to Seller	311	V.10.	56.115.265.035	70.104.347.390
2 Short-term advances from customers	312	V.11.	1.348.512.412	1.900.144.688
3 Taxes and amounts payable to the State budget	313	V.12.	10.986.368.854	6.801.944.124
4 Payables to employees	314		8.879.440.147	6.273.037.456
5 Short-term accrued expenses	315	V.13.	154.241.320	176.275.799
7 Other short-term payables	319	V.14.	9.094.890.827	13.388.022.541
8 Short-term loans and obligations under finance lease	320	V.15.	8.863.582.450	24.949.733.219
9 Bonus and welfare funds	322		8.281.867.146	8.574.711.042
II. Long term liabilities	330		348.539.647.044	381.148.428.079
1 Other long-term payables	337	V.14.	119.692.020.313	126.894.020.313
2 Long-term loans and obligations under finance lease	338	V.15.	228.847.626.731	254.254.407.766
D - EQUITY	400		458.270.587.694	439.874.024.361
I. Owner's equity	410	V.16.	458.270.587.694	439.874.024.361
1 Owner's contributed capital	411		318.824.708.995	318.824.708.995
- Ordinary shares with voting rights	411a		318.824.708.995	318.824.708.995
- Preferential shares	411b		-	-
2 Other capital sourcesA	414		89.826.728.873	82.922.526.064
3 Development and investment fund	418		3.489.180.541	7.273.531.461
4 Retained earnings	421		46.129.969.285	30.853.257.841
- Retained earnings accumulated to the end of the previous year	421a			
- Retained earnings of the current year	421b		46.129.969.285	30.853.257.841
II. Other resources and funds	430		-	-
TOTAL RESOURCES (440 =300+400)	440		910.534.402.929	953.190.668.699

Hai Duong, 17 January 2025

HAI DUONG WATER JOINT STOCK COMPANY

Prepared
Le Thi Quyen

Chief Accountant
Nguyen Thi Huong

General Director
Nguyen Thanh Son
(signed and stamped)




(Notes from page 6 to page 28 are an integral part of these Interim Financial Statements)

HAI DUONG WATER JOINT STOCK COMPANY

Address: 10 Hong Quang Road, Quang Trung Ward, Hai Duong City, S.R. Viet Nam

BẢN DỊCH

Form B 02.a - DN

INTERIM BUSINESS OPERATING RESULTS STATEMENTS

For the period from 01/10/2024 to 31/12/2024

Unit: VND

ITEMS	Codes	Notes	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
1 Gross revenue from goods sold and services rendered	01	VI.1.	150.294.202.822	142.915.227.479	569.438.793.798	543.262.659.045
2 Deductions	02					
3 Net revenue from goods sold and services rendered (10=01-02)	10		150.294.202.822	142.915.227.479	569.438.793.798	543.262.659.045
4 Cost of sales	11	VI.2.	113.569.872.493	98.539.173.111	409.171.669.289	380.418.987.565
5 Gross profit from goods sold and services rendered (20 =10-11)	20		36.724.330.329	44.376.054.368	160.267.124.509	162.843.671.480
6 Financial income	21	VI.3.	4.320.426.067	10.535.286	2.750.114.680	30.604.961
7 Financial expenses	22	VI.4.	3.664.257.071	7.165.777.617	15.012.535.068	21.717.088.416
<i>In which: Interest expense</i>	23		3.664.257.071	4.470.251.833	15.012.535.068	18.124.635.025
8 Selling expenses	24	VI.7.	6.056.438.225	5.582.526.659	22.829.284.735	21.760.866.746
9 General and administration expenses	25	VI.7.	19.452.063.170	16.430.460.890	66.708.320.503	60.889.775.029
10 Operating profit (30=20+(21-22)-(24+25))	30		11.871.997.930	15.207.824.488	58.467.098.883	58.506.546.250
11 Other income	31	VI.5.	327.304.101	10.106.938	1.341.538.076	10.372.713
12 Other expenses	32	VI.6.	377.515.714	209.994.126	1.416.419.869	1.356.896.319
13 Profit from other activities (40 = 31 - 32)	40		(50.211.613)	(199.887.188)	(74.881.793)	(1.346.523.606)
14 Accounting profit before tax (50=30+ 40)	50		11.821.786.317	15.007.937.300	58.392.217.090	57.160.022.644

(Notes from page 6 to page 28 are an integral part of these Interim Financial Statements)

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HAI DUONG WATER JOINT STOCK COMPANY

Address: 10 Hong Quang Road, Quang Trung Ward, Hai Duong City, S.R. Viet Nam

BẢN DỊCH

Form B 02a - DN

INTERIM BUSINESS OPERATING RESULTS STATEMENTS

For the period from 01/10/2024 to 31/12/2024

(Continued)

ITEMS	Codes	Notes	From 01/10/2024 to		From 01/10/2023 to		Unit: VND
			31/12/2024	31/12/2023	31/12/2024	31/12/2023	
15 Current corporate income tax expenses	51	VI.9.	2.558.537.200	3.782.524.288	12.262.247.805	12.590.709.932	
16 Deferred corporate income tax expenses	52		-	-	-	-	
17 Net profit after corporate income tax (60=50-51-52)	60		9.263.249.117	11.225.413.012	46.129.969.285	44.569.312.712	
18 Basic earnings per share	70	VI.10	290,54	352,09	1.446,88	1.397,93	

Hai Duong, January 17, 2025

HAI DUONG WATER JOINT STOCK COMPANY

Prepared

Le Thi Quyen

Chief Accountant

Nguyen Thi Huong

General Director

Nguyen Thanh Son

(signed and stamped)

(Notes from page 6 to page 28 are an integral part of these Interim Financial Statements)

INTERIM CASH FLOWS STATEMENT

(Under direct method)

For the period from 01/01/2024 to 31/12/2024

Unit: VND

ITEMS	Codes	Notes	From 01/01/2024	From 01/01/2023
			to 31/12/2024	to 31/12/2023
I Cash flows from operating activities				
Gains from sales of goods and service provisions and other gains	01		637.408.817.835	613.526.711.760
Payments to suppliers	02		(261.679.027.704)	(214.740.238.009)
Payments to employees	03		(107.398.337.970)	(92.811.902.846)
Loan interests already paid	04		(14.862.234.948)	(18.314.688.797)
Payments for corporate income tax	05		(8.231.179.796)	(17.668.551.083)
Other receivables	06		26.567.820.349	5.367.173.469
Other disbursements	07		(151.459.368.759)	(162.332.688.192)
Net cash flows from operating activities	20		120.346.489.007	113.025.816.302
II Cash flows from investing activities				
Acquisition and construction of fixed assets and other long term assets	21		(58.591.972.717)	(60.934.783.803)
Interest earned, dividends and profits received	27		46.705.890	30.606.061
Net cash flows from investment activities	30		(58.545.266.827)	(60.904.177.742)
III Cash flows from financial activities				
Receivables from issuing shares, owner's capital pooling	31			-
Short and long term loans received	33		23.260.457.575	60.661.541.316
Repayment of loan principal	34		(62.051.136.189)	(79.566.892.757)
Dividends and profits paid to owners	36		(24.999.535.235)	(24.630.420.646)
Net cash flows from financing activities	40		(63.790.213.849)	(43.535.772.087)
Net cash flows in the period (50 = 20+30+40)	50		(1.988.991.669)	8.585.866.473
Cash and cash equivalents at the beginning of the period	60		12.181.753.692	3.595.887.219
Effects of changes in foreign exchange rates	61		-	-
Cash and cash equivalents at the end of the period (70=50+60+61)	70	V.01	10.192.762.023	12.181.753.692

Hai Duong, 17 January 2025

HAI DUONG WATER JOINT STOCK COMPANY

Prepared by
Le Thi Quyen

Chief Accountant
Nguyen Thi Huong

General Director
Nguyen Thanh Son
(signed and stamped)

(Notes from page 6 to page 28 are an integral part of these Interim Financial Statements)

NOTES TO INTERIM INANCIAL STATEMENTS (continued)*(These notes form an integral part and should be read together with the attached Balance Sheet)***I. Operational features of the Enterprise****1. Form of capital ownership**

Hai Duong Water Joint Stock Company (referred to as "Company"), formerly known as Hai Duong Water Supply Single Member Company Limited, was transformed into a Joint Stock Company on 31st March 2017 and is operating under the Business Registration Certificate No. 0800001348, the 5th change registration issued on 5th November 2018 by the Department of Planning and Investment of Hai Duong Province.

According to the Business Registration Certificate No. 0800001348, the 5th change registration issued on 5th November 2018 by the Department of Planning and Investment of Hai Duong Province, the Company's authorized capital is: VND 318,824,700,000 (Three hundred and eighteen billion, eight hundred twenty four million, seven hundred thousand Vietnam Dong).

2. Scope of business

The Company operates in the field of trading safe water

3. Business lines

- Intaking, treating and trading safe water for domestic life, production and other needs in Hai Duong province; Designing, planning and preparing investment project planning; Surveying, designing and construction supervision of water supply and sewerage projects and works;
- Purchasing, processing, and manufacturing equipment, accessories, and specific mechanical products for water supply and drainage sector; Construction and installation of technological equipment, pipeline networks, water supply and drainage facilities, waste and solid waste treatment facilities, electrodynamics and civil works;
- Construction of civil, industrial, transportation and irrigation projects; Treating and trading purified drinking water./.

Head office address: No 10 Hong Quang street, Quang Trung ward, Hai Duong city

4. Normal production and business cycle

The Company's normal business cycle is carried out within a period not exceeding 12 months.

Business structure

- List of affiliated units accounting and reporting:

No	Name of affiliated units	Address
1.	Company Office	No 10 Hong Quang street, Quang Trung ward, Hai Duong city
2.	Water Trading Branch No.1	Viet Hoa ward, Hai Duong city, Hai Duong province
3.	Water Trading Branch No.2	Kinh Mon township, Kinh Mon district, Hai Duong province
4.	Water Trading Branch No.3	Quarter 4, Ninh Giang township, Hai Duong province
5.	Water Trading Branch No.4	Sao Do township, Chi Linh district, Hai Duong province
6.	Water Trading Branch No.6	Thach Khoi Industrial Park, Hai Duong city, Hai Duong province

NOTES TO INTERIM INANCIAL STATEMENTS (continued)*(These notes form an integral part and should be read together with the attached Balance Sheet)*

No	Name of affiliated units	Address
7.	Water Trading Branch No.7	Thanh Hai commune, Thanh Ha district, Hai Duong province
8.	Water Trading Branch No.8	Minh Tan township, Kinh Mon district, Hai Duong province
9.	Water Trading Branch No.9	Thanh Mien township, Thanh Mien district, Hai Duong province
10.	Drinking Water Trading Branch	Viet Hoa ward, Hai Duong city, Hai Duong province
11.	Water Trading Branch No.10	Tan Truong commune, Cam Giang district, Hai Duong province
12.	Water Trading Branch No.11	Nam Sach township, Nam Sach district, Hai Duong province

II. Accounting period, currency unit used in accounting**1. Accounting period (term)**

The Company's annual accounting period begins on 1st January and ends on 31st December every year. This interim financial report is prepared for the operating period from 01st October 2024 to 31st December 2024.

2. Currency unit used in accounting

The currency unit used in accounting is Vietnam Dong ("VND"), accounting on the principle of historical cost, in compliance with Accounting Standards, Vietnamese corporate accounting regime and applicable legal regulations relating to the preparation and presentation of interim financial statements.

III. Applicable accounting standards and regimes**1. Applicable accounting regime**

The Company applies the Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated 22nd December 2014 by Ministry of Finance guiding the Enterprise Accounting Regime and Circular No. 53/2016/TT -BTC dated 21st March 2016 by Ministry of Finance amending and supplementing several articles of Circular No. 200/2014/TT-BTC.

2. Statement on the compliance with Accounting Standards and Accounting Regime

The Company's interim financial statements are prepared and presented in accordance with Vietnamese Accounting Standards, the current Vietnamese Accounting Regime and relevant legal regulations.

IV. Applicable accounting policies**1. Exchange rates applied in accounting**

The exchange rate when re-evaluating monetary items classified as liabilities is the exchange rate announced by the Vietnam Development Bank - Northeast Regional Branch.

Financial assets: At the initial recognition date, financial assets are recorded at cost plus transaction costs directly related to the purchase of that financial asset. The Company's financial assets include cash, cash equivalents, customer receivables, other receivables and financial investments.

Financial debt: At the initial recognition date, financial debt is recorded at cost plus transaction costs directly related to the issuance of that financial debt. The Company's financial

NOTES TO INTERIM INANCIAL STATEMENTS *(continued)*

(These notes form an integral part and should be read together with the attached Balance Sheet)

liabilities include payables to sellers, other payables, payable expenses, financial lease debts, and loans.

Re-valuation after initial recognition

Currently, there are no regulations on re-evaluation of financial instruments after initial recognition.

3. Principles for determining amounts

Money is a general indicator reflecting all available money of the Enterprise at the time of reporting, including cash in the Enterprise's fund and demand deposits in banks, recorded and reported in Vietnam Dong (VND), in accordance with the provisions of Accounting Law No. 88/2015/QH13 dated 20th November 2015.

Liabilities receivable are kept track in detail according to each object and each term of receivables as well as other factors according to the management needs of the Company.

4. Principles of accounts receivable accounting

Receivables are amounts that must be recovered from customers and other entities. Receivables include accounts receivable from customers and other receivables. Receivables are presented at book value subtracting provisions for doubtful debts. Accounts receivable must not be recorded higher than the value to be recovered.

Customer receivables include commercial receivables arising from purchase and sale transactions.

Other receivables include receivables of a non-commercial nature, not relating to purchase and sale transactions.

Receivables are kept track in detail according to each object and term of receivables and other factors according to the management needs of the Enterprise.

5. Principles for recording inventory

Inventories are determined on the basis of the lower of cost and net realizable value. The cost of inventory includes the cost of direct materials, direct labor and manufacturing overhead, if any, to bring the inventory to its present location and condition. The original cost of inventory is determined according to the weighted average method. Net realizable value is determined by the estimated selling price subtracting estimated costs to complete the products and incurred marketing, sales and distribution costs.

Inventory accounting method: The company applies the regular declaration method.

6. Principles of accounting and depreciation of fixed assets

6.1 Recording principles and depreciation methods for tangible fixed assets

Tangible fixed assets are recorded at their original cost, reflected on the Balance Sheet according to the criteria of original price, accumulated depreciation and remaining value.

The recognition and depreciation of tangible fixed assets are performed in accordance with Vietnam Accounting Standard No. 03- Tangible Fixed Assets, Circular No. 200/2014/TT-BTC dated 22nd December 2014 of the Ministry of Finance guiding the corporate accounting regime, Circular 45/2013/TT-BTC dated 25th April 2013 guiding the management, use and depreciation of fixed assets, Circular No. 147/2016/TT-BTC dated 13th October 2016 on amending and supplementing some articles of Circular No. 45/2013/TT-BTC and Circular No. 28/2017/ TT-BTC dated 12th April 2017 amending and supplementing several articles of Circular No. 45/2013/TT-BTC and Circular No. No. 147/2016/TT-BTC dated 13th October 2016.

NOTES TO INTERIM INANCIAL STATEMENTS (continued)*(These notes form an integral part and should be read together with the attached Balance Sheet)*

The original cost of fixed assets formed by purchase includes the purchase price and all other costs directly related to making the asset ready-to-use. For fixed assets formed by capital construction investment with contracting method or self-construction and production method, the original price is the final settlement price of the construction project according to the current Investment and Construction Management Regulations, other directly related costs and registration fees (if any). In case the project has been completed and put into operation but the final settlement has not been approved, the historical cost of the fixed assets is recorded at the provisional price based on the actual costs spent to acquire the fixed assets. The provisionally calculated original price will be adjusted according to the final price approved by the competent authorities.

The fixed assets that the Company receives from the Project Management Board are recorded and depreciated when the decision to approve the final settlement is available and the source of the fixed assets is determined, not subject to the time of completion. handover and put the assets into use.

The company applies the straight-line depreciation method for tangible fixed assets. Accounting for tangible fixed assets is classified into groups of assets with the same nature and purpose of use in the Company's production and business activities, including:

Type of fixes asset	Depreciation time (year)
- Houses, architectural objects	10 - 50
- Machinery and equipment	06 - 12
- Transportation vehicles, transmission devices	08 - 30
- Managerial equipment and tools	04 - 06
- Other tangible fixed assets	04 - 12

6.2 Principles of recognition and methods of depreciation of intangible fixed assets

The recognition and depreciation of intangible fixed assets are carried out in accordance with Vietnam Accounting Standard No. 04- Intangible Fixed Assets, Circular No.200/2014/TT-BTC dated 22nd December 2014 of by Ministry of Finance guiding the corporate accounting regime; Circular 45/2013/TT - BTC dated 25th April 2013 guiding the management, use and depreciation of fixed assets, Circular No. 147/2016/TT-BTC dated 13th October 2016 on amending and supplementing several articles of Circular No. 45/2013/TT-BTC and Circular No. 28/2017/ TT-BTC dated 12th April 2017 amending some articles of Circular No. 45/2013/TT-BTC and Circular No. No. 147/2016/TT-BTC dated 13th October 2016.

Intangible fixed assets are recorded at their original cost, reflected on the Balance Sheet according to the criteria of original price, accumulated depreciation and remaining value.

The company applies the straight-line depreciation method for intangible fixed assets. Accounting for intangible fixed assets is classified into groups of assets with the same feature and purpose of use in the Company's production and business operation, including:

Type of fixes asset	Depreciation time (year)
- Software	05

7. Principles for recognizing construction in progress costs

NOTES TO INTERIM INANCIAL STATEMENTS *(continued)*

(These notes form an integral part and should be read together with the attached Balance Sheet)

The Company's construction in progress costs are investment costs for construction of water supply systems, costs for installing pipelines, pumping stations... recorded at historical cost. This cost includes necessary costs to form assets including construction costs, equipment, other costs and related interest costs in accordance with the Company's accounting policies. These costs will be converted to the historical cost of fixed assets according to the provisional price (if no approved settlement is available) when the assets are handed over and put into operation. According to the State's regulations on investment and construction management, subject to management decentralization, the settlement value of completed basic construction works needs to be approved by the competent authorities. Therefore, the final value of the value of capital construction works may be changed and subject to the settlement approved by the competent authorities.

8. Principles for recognizing and allocating long-term prepaid expenses

Prepaid expenses include actual expenses that have been incurred but are related to the results of production and business activities of many accounting periods. Prepaid expenses include tools and supplies used and awaiting allocation and fixed asset repair costs. Prepaid expenses are allocated to expenses using the straight-line method over a period not exceeding 3 years.

9. Principles of accounting for liabilities

Liabilities include payments to suppliers and other payables. Liabilities include accounts payable to suppliers and other payables. Liabilities are not recorded as lower than payment obligations.

Payables to sellers include trade payables arising from purchases of goods, services, assets and the seller must be an independent unit to the buyer.

Other payables include non-commercial payables, not related to transactions of purchasing or providing goods and services.

Liabilities are kept track in detail by each subject and payment term.

10. Principles for recognizing loans

The Company's loans include loans from Vietnam Development Bank- Northeast Regional Development Branch, Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Duong Branch, and Joint Stock Commercial Bank for Investment and Development of Vietnam- Hai Duong Branch, recorded on the basis of receipts, bank documents, agreements and loan contracts, loan agreements.

The Company has re-evaluated foreign currency loans at the time of preparing the Financial Statements using the exchange rate announced by the Vietnam Development Bank - Northeast Regional Branch.

11. Principles for recognizing payable expenses

Payable expenses are interest expenses payable, which are determined basing on the loan contract, loan agreement and actual loan period.

The accrual of production and business expenses in the period is calculated strictly and there is reasonable and reliable evidence of the expenses that must be accrued in the period, to ensure that the amount of expenses to be accounted for in this account matches the actual expenses incurred.

12. Principles for recognizing and capitalizing borrowing costs

NOTES TO INTERIM INANCIAL STATEMENTS (continued)

(These notes form an integral part and should be read together with the attached Balance Sheet)

Borrowing costs are recorded in production and business expenses in the year when incurred, unless capitalized in accordance with the provisions of Accounting Standards "Borrowing costs". Accordingly, borrowing costs are directly related to the purchase, construction investment or production of assets that take a relatively long time to complete and put into use or business are added to the historical cost of the asset until the assets are put into use or business.

13. Principles for recognizing Owner's equity

The Company Owner's contributed capital is recorded according to the actual amount contributed by the Owner.

Undistributed after-tax profits are the profits from the production and business activities of the Enterprise after deducting this year's corporate income tax expenses.

14. Principles and methods of recognizing revenue and other income

The Company's revenue includes revenue from safe water supply, revenue from pipeline installation, other revenue and revenue from bank deposit interest.

Revenue from supply of safe water

Revenue from safe water supply is recognized when the following conditions are simultaneously satisfied:

- + The Company has transferred most of the risks and benefits associated with ownership of products or goods to the buyer.
- + The company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods.
- + Revenue is determined to be relatively reliable. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return products and goods (except in cases where customers have the right to return goods in the form of exchange for other goods or services).
- + The company has obtained or will receive economic benefits from the sales transaction.
- + Identify costs related to sales transactions.

Revenue from installation of pipelines

When the results of contract performance are reliably estimated:

- + For construction contracts stipulating that the contractor is paid according to the planned progress, revenues and costs related to the contract are recognized corresponding to the completed work as determined by the Company on its own on the date ending the fiscal year.
- + For construction contracts stipulating that the contractor is paid according to the value of the work volume performed, revenues and costs related to the contract are recognized corresponding to the completed work confirmed by the customer and reflected on the issued invoice.

+ Increases and decreases in construction volume, compensation revenues and other revenues are only recognized as revenue when agreed by customers.

+ When the results of performance of a construction contract cannot be reliably estimated:

Revenue is only recognized equivalent to the contract costs incurred whose repayment is relatively certain.

Contract costs are only recognized when the costs have been actually incurred.

NOTES TO INTERIM INANCIAL STATEMENTS (continued)

(These notes form an integral part and should be read together with the attached Balance Sheet)

The difference between the total accumulated revenue of the recorded construction contract and the accumulated amount recognized on the payment invoice according to the planned progress of the contract is recorded as a receivables or payables according to the planned progress of the construction contract.

Revenue from interest on bank deposits: It is recognized on the basis of time and actual interest rate of each term, in compliance with 2 conditions for recording revenue arising from interest, royalties, distributed dividends and profits according to Vietnam Accounting Standard No. 14 - "Revenue and other Income".

Amounts advanced by customers are not recognized as revenue during the period.

Other sources of income and revenues of the Company are recorded on the basis of receipts, bank documents and other relevant accounting documents.

15. Principles for recording cost of goods sold

Cost of goods sold is recorded and grouped according to the value and quantity of finished products, goods, and materials sold to customers, in accordance with the revenue recognized in the period.

The original costs of the pipeline installation business is determined on the basis of the estimate of each project, suitable with actual costs incurred and revenue recorded in the period.

16. Principles of financial cost accounting

Financial expenses include loan interest expenses, recorded in the Interim Business Operation Result Statement (Interim Income Statement), not offset against financial revenue.

17. Other accounting principles and methods

Tax obligations

Value Added Tax (VAT)

The Company applies VAT declaration and calculation according to the guidance of the current tax law.

Corporate income (revenue) tax

Corporate income tax represents the total value of the current tax payable. The current tax payable is calculated on the basis of the taxable income during the year. Taxable income differs from the net profit presented in the Income Statement (Business Operation Result Statement) because taxable income does not include income or expenses that are taxable or deductible in other years (including the carried loss, if any) and does not include non-taxable or non-deductible items.

The company applies a corporate income tax rate of 20% on its taxable profits.

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

Other kinds of tax

Other types of tax and fee are declared and paid by the Company to the local tax authorities in accordance with the current regulations of the Government.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

V. Additional information of items presented in Interim Separate Balance Sheet

1. Cash and cash equivalents

	31/12/2024	01/01/2024
	VND	VND
Cash on hand	1.984.731.087	3.866.636.762
Cash in bank	8.091.908.184	8.315.116.930
Cash in transit	116.122.752	-
Total	10.192.762.023	12.181.753.692

2. Trade receivables

	31/12/2024		01/01/2024	
	VND		VND	
	Amount	Provision	Amount	Provision
Short-term	16.281.850.329	-	15.008.787.963	-
Viet Duc Construction Investment Development Joint Stock Company	5.665.106.213	-	4.768.312.273	-
Dai An Joint Stock Company	2.916.204.400	-	3.656.547.003	-
ISERVICE Joint Stock Company	3.647.062.650	-	1.499.328.600	-
Others	4.053.477.066	-	5.084.600.087	-
Total	16.281.850.329	-	15.008.787.963	-

3. Advances to suppliers

	31/12/2024	01/01/2024
	VND	VND
Short-term		
Thanh Dong Investment and Construction Consulting JSC		767.550.898
Minh Quang Mechanical and Trading Co.,Ltd	496.966.499	228.966.499
Nam Thanh E&C JSC	650.000.000	-
Hai Duong planning and construction designing consulting JSC	438.845.920	
Others	155.001.750	842.107.455
Total	1.740.814.169	1.838.624.852

4. Other receivables

	31/12/2024		01/01/2024	
	VND		VND	
	Amount	Provision	Amount	Provision
Short-term				

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

Mortgage, collateral & short-term deposits	342.118.140	-	342.118.140	-
Department of planning and investment of Hai Duong	342.118.140	-	342.118.140	-
Other short-term receivables	2.221.218.385	-	2.266.090.304	-
Mr. Ngo Hai Lam	1.153.509.000		1.072.638.600	
Mr. Nguyen Ngoc Long	972.120.958		1.113.826.383	
Nguyen Van Kien			-	
Others	95.588.427		79.625.321	-
Total	2.563.336.525	-	2.608.208.444	-

5. Inventories

	31/12/2024		01/01/2024	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	34.949.034.227		35.716.806.350	-
Tools and supplies	666.170.904		1.058.297.032	-
Work in progress	320.549.782		590.337.051	-
Finished products	38.701.872		126.573.066	-
Total	35.974.456.785	-	37.492.013.499	-

6. Increases, decreases in intangible fixed assets

Đơn vị tính: VND

Items	Software program	Cộng
Historical cost		
Balance as of 01/01/2024	855.700.000	855.700.000
Procurement in the year	-	-
Balance as of 31/12/2024	855.700.000	855.700.000
Accumulated amortization		
Balance as at 01/01/2024	655.626.671	655.626.671
Amortization in the period	113.739.996	113.739.996
Balance as at 31/12/2024	769.366.667	769.366.667
Net book value		
As at 01/01/2024	200.073.329	200.073.329
As at 31/12/2024	86.333.333	86.333.333

- Historical cost of intangible fixed assets which has been fully depreciated but still in use has the value of VND 287.000.000

BẢN DỊCH

HAI DUONG WATER JOINT STOCK COMPANY

Address: 10 Hong Quang Road, Quang Trung Ward, Hai Duong City, S.R. Viet Nam

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Separate Financial Statements)

7. Increases, decreases in tangible fixed assets

Unit: VND

Items	Building and Structures	Equipment & machine	Means of transport, transmission equipment	Office equipment and tools	Others	Total
Historical cost						
Balance as of 01/01/2024	485.272.574.785	291.986.518.120	1.198.456.611.115	5.284.232.615	18.314.232.823	1.999.314.169.458
Purchase in the period	-	5.721.051.315	-	620.716.224	-	6.341.767.539
Capital construction investment completed	24.313.281.437	7.274.320.934	34.331.104.098	-	-	65.918.706.469
Reclassification	(2.763.890.008)	9.404.715.777	(6.602.125.769)	(38.700.000)	-	-
Other decreases	(964.857.267)	(909.407.208)	(1.551.952.196)	-	-	(3.426.216.671)
Balance as of 31/12/2024	505.857.108.947	313.477.198.938	1.224.633.637.248	5.866.248.839	18.314.232.823	2.068.148.426.795
Accumulated depreciation						
Balance as of 01/01/2024	263.301.246.914	220.378.638.846	661.017.018.523	3.952.150.234	17.624.469.269	1.166.273.523.786
Depreciation in the period	26.936.811.663	14.098.955.166	67.353.895.724	312.943.275	254.645.717	108.957.251.545
Reclassification	(56.776.623)	-	56.776.617	6	-	-
Other decreases	(697.679.686)	-	(1.140.927.417)	-	-	(1.838.607.103)
Balance as of 31/12/2024	289.483.602.268	234.477.594.012	727.286.763.447	4.265.093.515	17.879.114.986	1.273.392.168.228
Net book value						
As of 01/01/2024	221.971.327.871	71.607.879.274	537.439.592.592	1.332.082.381	689.763.554	833.040.645.672
As of 30/6/2024	216.373.506.679	78.999.604.926	497.346.873.801	1.601.155.324	435.117.837	794.756.258.567

- Historical cost of fixed assets which has been fully depreciated but still in use has the value of VND 412.893.684.703

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

8. Construction in progress

	31/12/2024 VND	01/01/2024 VND
Construction in progress		
Improving Phan Dinh Phung pipeline, from Cam Thuong Water Treatment Plant to Hoang Ngan road	4.638.277.120	-
Construction of booster pump station in Vinh Hong, Binh Giang		2.575.448.764
Construction and improvement of administration office at Sao Do Station of Water Trading Branch No.4	2.960.057.164	-
Removing D225 HDPE pipes, site clearing, upgrading Hiep Luc pipeline, from HCM statue to provincial road 369	2.560.292.433	
Other projects	1.458.360.260	1.262.942.114
Total	11.616.986.977	3.838.390.878

9. Prepayment expenses

	31/12/2024 VND	01/01/2024 VND
Long-term	35.332.544.611	45.901.575.206
Expenses awaiting for allocation	35.332.544.611	45.901.575.206
Total	35.332.544.611	45.901.575.206

10. Trade payables to sellers

	31/12/2024 VND		01/01/2024 VND	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
Short-term				
Phu Thai Import Export Trading Investment Joint Stock Company	1.557.238.600	1.557.238.600	3.318.868.200	3.318.868.200
Ngoc Chau Construction and Trading Co.,Ltd	1.575.955.107	1.575.955.107	4.550.897.107	4.550.897.107
Cuc Phuong Joint Stock Company	20.971.268.354	20.971.268.354	15.911.743.999	15.911.743.999
Huyen Duong Co., Ltd	928.059.861	928.059.861	4.185.284.041	4.185.284.041
DNP Hawaco JSC	5.230.782.900	5.230.782.900	10.484.385.300	10.484.385.300
Europipe Joint Stock Company	3.132.822.658	3.132.822.658	2.484.994.330	2.484.994.330
ECO Vietnam Technology and Equipment JSC	4.285.755.191	4.285.755.191	3.729.710.831	3.729.710.831
Others		-	25.438.463.582	25.438.463.582
Total	37.681.882.671	37.681.882.671	70.104.347.390	70.104.347.390

NOTES TO THE INTERIM FINANCIAL STATEMENTS*(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)***11. Advances from customers**

	31/12/2024 VND	01/01/2024 VND
Short-term		
Hai Duong provincial Department of Construction	-	558.951.910
FLC Group Joint Stock Company	1.102.100.957	1.102.100.957
Others	246.411.455	239.091.821
Total	1.348.512.412	1.900.144.688

12. Taxes and amounts payable to the State budget

Đơn vị tính: VND

Items	01/01/2024	Amounts payable during the term	Amounts paid during the term	31/12/2024
a) Payables				
Corporate income tax	3.249.370.390	12.262.247.805	8.231.179.796	7.280.438.399
Natural resource tax	183.843.170	2.052.799.575	2.053.453.395	183.189.350
Output value added tax	12.121.447	9.292.098.405	9.291.540.204	12.679.648
Fees, charges and other payables	3.356.609.117	40.659.938.783	40.506.486.443	3.510.061.457
Total	6.801.944.124	64.267.084.568	60.082.659.838	10.986.368.854
b) Receivables				
Personal income tax	974.739.211	714.292.295	977.823.141	1.238.270.057
Estate tax, land rent		219.514.679	222.315.733	2.801.054
Total	974.739.211	933.806.974	1.200.138.874	1.241.071.111

13. Accrued expenses

	31/12/2024 VND	01/01/2024 VND
Short-term		
Accrued interest expenses	154.241.320	176.275.799
Total	154.241.320	176.275.799

14. Other payables

	31/12/2024 VND	01/01/2024 VND

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

a) Short-term	9.094.890.827	13.388.022.541
Trade union fee	149.209.928	155.704.399
Other payables	8.945.680.899	13.232.318.142
Mr. Ngo Hai Lam	1.532.013.837	666.935.121
Mr. Vu Ba Long	503.157.369	432.714.295
Mr. Nguyen Duc Hai	744.899.177	851.806.709
Hai Duong Forest Protection and Development Fund	3.001.018.852	
People's Committee of Hai Duong		8.000.000.000
Others	3.164.591.664	3.280.862.017
b) Long-term	119.692.020.313	126.894.020.313
People's Committee of Hai Duong	106.026.000.000	113.228.000.000
Grant in materials of ORET Project – The Netherlands ODA (2)	13.666.020.313	13.666.020.313
Total	128.786.911.140	140.282.042.854

(1): Amounts payable to the People's Committee of Hai Duong province for the budget allocation for rural water supply projects. In addition, according to Decision No. 529/QĐ-UBND dated 10th February 2017 of the People's Committee of Hai Duong province on "Approving the plan for depreciation and payment to the State budget of the State Budget capital supporting the rural clean water supply project", the project's depreciation period is 20 years from the time the project is completed, handed over and put into use. The amount of construction depreciation is paid into the State Budget according to the provisions of Article 21, Circular No. 54/2013/TT-BTC dated 4th May 2013 of the Ministry of Finance.

(2): Amount funded by Dutch ODA via Ministry of Finance to grant materials for the construction of the ORET project- Dutch ODA with the unpaid value: 13,666,020,313 VND

BẢN DỊCH**NOTES TO THE INTERIM FINANCIAL STATEMENTS***(These notes are an integral part of and should be read in conjunction with the accompanying Interim Separate Financial Statements)***15. Loans and obligations under finance lease**

	01/01/2024		Movement during the period		31/12/2024	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
Short-term borrowing	24.949.733.219	24.949.733.219	8.863.582.450	24.949.733.219	8.863.582.450	8.863.582.450
Short-term borrowing	16.086.150.769	16.086.150.769	-	16.086.150.769	-	-
Vietnam Joint Stock Commercial Bank For Industry and Trade - Hai Duong Branch(1)	16.086.150.769	16.086.150.769	-	16.086.150.769	-	-
Long - term loans due to date	8.863.582.450	8.863.582.450	8.863.582.450	8.863.582.450	8.863.582.450	8.863.582.450
Vietnam Development Bank - Dong Bac area Branch (2)	8.863.582.450	8.863.582.450	8.863.582.450	8.863.582.450	8.863.582.450	8.863.582.450
Long-term borrowing	254.254.407.766	254.254.407.766	23.260.457.575	48.667.238.610	228.847.626.731	228.847.626.731
Vietnam Development Bank - Dong Bac area Branch (2)	119.265.896.468	119.265.896.468	-	19.970.927.410	99.294.969.058	99.294.969.058
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hai Duong Branch (3)	30.321.426.095	30.321.426.095	1.516.817.800	3.957.311.200	27.880.932.695	27.880.932.695
Vietnam Joint Stock Commercial Bank For Industry And Trade - Hai Duong Branch(1)	104.667.085.203	104.667.085.203	21.743.639.775	24.739.000.000	101.671.724.978	101.671.724.978
Total	279.204.140.985	279.204.140.985	32.124.040.025	73.616.971.829	237.711.209.181	237.711.209.181

(1): Short-term loan from Vietnam J.S Commercial Bank for Industry and Trade - Hai Duong Branch: Loan under Credit Contract No. 25.10/2023-HDCVHM/NHCT340-KDNSHD dated 27th October 2023 with limit for Loan of VND 31 billion maintaining from 27th October 2023 to 27th October 2024 for the purpose of supplementing floating capital for water trading business. The minimum loan interest rate is 6.5%/year and is an adjustable interest rate. The loan interest rate is adjusted once a month, the overdue penalty interest is equal to 150% of the current loan interest rate.

(2): ODA loans:

- Is the ODA loan sponsored by the Japanese Government. This loan was disbursed by Vietnam Development Bank, Hai Duong - Hung Yen Regional Development Bank Branch according to ODA loan contract No. 01/2004/TDNN dated 24th March 2004. The total loan value is VND 40,471,937,000 with interest rate of 0.45%/month, loan term of 30 years, of which the grace period is the first 5 years. The loan is secured in the form of trust.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Separate Financial Statements)

- ODA Loan funded by the Dutch Government: This loan was disbursed by Bank for Development of Vietnam, Hai Duong - Hung Yen Regional Development Bank Branch under ODA Loan Contract No. 01/2008/HDODA-NHPTVN dated 12th November 2008. The maximum loan value is EUR 8,588,681 equivalent to VND 189,380,416,000. Loan purpose: Investment in the project "Investment in Construction of Hai Duong City Water Supply System in 2006 - 2010 period". The loan term is 25 years, of which the grace period is 08 years counting from 1st April 2008. Principal debt is to be paid on 1st April and 1st October every year, the first repayment instalment is 1st April 2016. Guaranteed assets are the assets formed from the loan capital; Loan interest rate is 0%, in case of overdue debt, late payment interest will be applied.

- The Loan under the On-lending Agreement dated 16th July 2009 between the Ministry of Finance and Hai Duong Water Supply Single Member Company Limited (according to Development Credit Agreement No. 4038-VN dated 15th July 2005). The total loan value is USD 7,245,156, equivalent to VND 123,167,657,884. The purpose of the loan is to finance the Urban Water Supply Development Project - Competitive Route Sub-project. The loan term is 20 years, grace period is 03 years commencing from 16th July 2009. Principal debt is to be paid on 1st June 1 and 1st December every year, the first repayment instalment is 1st December 2012, the loan interest rate is 3.0%/year.

(3): Loans from J.S Commercial Bank for Investment and Development, Hai Duong Branch:

- Loan under Credit Contract No. 01/2018/214051/HDTD dated 11th May 2018. Maximum loan value is VND 19,500,000,000 with floating interest rate of 9.5%/year (applying floating interest rate adjusted every 06 months on the first day of the month of adjustment or adjustment when there's a Bank notice). The loan term is 10 years, of which the grace period is 12 months from the date of first loan disbursement. The loan is secured by assets formed from the loan capital. The purpose of the loan is for the construction of a HDPE D710 raw water pipe line to improve the transmission capacity of Viet Hoa Water Treatment Plant in Hai Duong city. Future -formed Asset Mortgage Contract No. 01/2018/214051/HDBD dated 11th May 2018, the total rounded value of mortgaged assets is: VND 30,779,000,000.

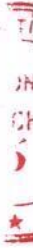
- Loan under credit contract No. 01/2023/214051/HDTD dated 27th April 2023. The maximum loan value is VND 18,170,000,000, the applicable interest rate within 12 months counting from the disbursement date is 9%/year (applying floating interest rate to be adjusted every 06 months on the first day of the adjustment month or adjustment upon the Bank's notice). The loan term is 84 months, of which the grace period is 12 months from the date of first loan disbursement. The loan is secured by assets formed from the loan funds. The purpose of the loan is to invest in the construction and improvement of the basic civil construction facilities and water supply networks. Mortgage contract of future formed assets No. 01/2023/214051/HDTD dated 27th April 2023.

- Loan under credit contract No. 02/2023/214051/HDTD dated 21st September 2023. The maximum total loan value is VND 4,300,000,000 with applicable interest rate at the time of loan is 8.2%/year (fixed for 12 months from the time of disbursement, then floating interest rate adjusted every 6 months). Loan term is 84 months, of which a grace period of 06 months from the first disbursement. The loan is secured by assets formed from the loan capital. The purpose of the loan is to cover the investment costs of the project to build a cluster of sedimentation and filtration facilities with a capacity of 6,000m³/day.

- Loan under credit contract No. 03/2023/214051/HDTD dated 8th November 2023. The total loan value is VND 11,686,264,100, the interest rate applied at the time of loan is 8%/year (fixed for 24 months from the time of disbursement, then floating interest rate adjusted every 6 months). Loan term is 84 months, of which a grace period of 06 months from the first disbursement. The loan is secured by assets formed from loan capital. The purpose of the loan is to invest in the construction and improvement of the Company's water supply pipelines.

(4) Loans from Vietnam Joint Stock Commercial Bank for Industry and Trade:+

- Loan under credit contract No. 12.10/CNHD9/2017/HDCVDADT/KDNS dated 12th October 2017. The loan commitment amount has a total value not exceeding VND 23,000,000,000. The loan term is 120 months from the first disbursement date, the grace period is 12 months from the day following the first disbursement date. The loan interest rate is specified on each individual debt receipt, the loan interest rate at the time of signing the contract is 8.5%/year. The purpose of the loan is to pay for legal investment costs of water supply system projects in Hai Duong province according to the list of loaned projects.



BẢN DỊCH

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Separate Financial Statements)

- Loan under credit contract No. 27.10/CNHD9/2017/HDCVDADT/KDNS dated 27th October 2017. The loan commitment amount has a total value not exceeding VND 8,500,000,000. The loan term is 120 months from the first disbursement date, the grace period is 12 months from the day following the first disbursement date. The loan interest rate is specified on each individual debt receipt, the loan interest rate at the time of signing the contract is 8.5%/year. The purpose of the loan is to offset and pay new construction and equipment procurement costs and other reasonable costs of water supply system investment projects in Hai Duong province according to the list of loaned projects.
- Loan under credit contract No. 27.08/2018-HDCVDADT/NHCT340-KDNSHD. The loan commitment amount has a total value not exceeding 15,000,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 12 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8.5%/year. The purpose of the loan is to pay legal investment costs of the project to build a cluster of sedimentation and filtration tanks at Phu Thai water supply station, to increase the capacity of sedimentation tanks of ORET water treatment plant, and a transmission pipeline from Lien Hong commune to the 395 provincial road, the D400 transmission pipeline from Lai Cach town intersection to Cau Mo, Quy Duong. Guarantee terms are specified in the future formed assets mortgage contract No. 27.08/2018/HDBD/NHCT340/KDNSHD.
- Loan under credit contract No. 30.08/2019-HDCVDADT/NHCT340-KDNSHD dated 30th August 2019. The loan commitment amount has a total value not exceeding 20,600,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 12 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8.5%/year. The purpose of the loan is to pay legal investment costs of the water treatment station improvement project. Guarantee terms are specified in the future formed assets mortgage contract No. 30.08/2019/HDBD/NHCT340/KDNSHD dated 30th August 2019.
- Loan under credit contract No. 13.01/2020-HDCVDADT/NHCT340-KDNSHD dated 15th January 2020. The loan commitment amount has a total value not exceeding 24,000,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 12 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8.5%/year. The purpose of the loan is to pay the legal investment costs of the investment project for the construction of the intake facility and intake pump station and the construction of a cluster of sedimentation and filter tanks under the construction project "Increasing 25,000 m³/day for Viet Hoa Water Treatment Plant capacity. Guarantee terms are specified in the future formed assets mortgage contract No. 13.01/2020/HDBD/NHCT340/KDNSHD/VIETHOA dated 14th January 2020.
- Loan under credit contract No. 10.06/2020-HDCVDADT/NHCT340-KDNSHD dated 12th June 2020. The total loan commitment amount does not exceed 16,428,000,000 VND. Loan term is 84 months from the date of first disbursement, grace period is 06 months from the date of first disbursement. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8.5%/year. The purpose of the loan is to pay legal investment costs of a construction investment projects.
- Loan under credit contract No. 15.10/2020-HDCVDADT/NHCT340-KDNSHD dated 15th October 2020. The total loan commitment amount does not exceed VND 17,500,000,000. Loan term is 84 months from the date of first disbursement, grace period is 06 months from the date of first disbursement. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8.5%/year. The purpose of the loan is to pay legal investment costs of investment projects for the construction of transmission pipelines and distribution pipelines in Hai Duong province to serve the water production and trading business of the Company.
- Loan under credit contract No. 06/2021-HDCVDADT/NHCT340-KDNSHD dated 17th June 2021. The loan commitment amount has a total value not exceeding 24,500,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 12 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to pay the legal investment costs of the loan project to pay for investment costs and disbursed capital that the company has advanced for the construction of a treated water tank with a capacity of 5000m³, distribution pump house, chemical house, technical pipelines under the construction project "Increasing 25,000 m³/day for Viet Hoa Water Treatment Plant capacity" in Viet Hoa ward.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Separate Financial Statements)

- Loan under credit contract No. 21.06/2021-HDCVDADT/NHCT340-KDNSHD dated 25th June 2021. The loan commitment amount has a total value not exceeding VND 6,100,000,000. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to pay the legal investment costs of the loan project to pay invested costs and disbursed capital that the company has advanced for the construction of transmission pipelines and distribution pipelines in Hai Duong province to serve the water production and trading business of the Company.
- Loan under credit contract No. 21.10/2021-HDCVDADT/NHCT340-KDNSHD dated 28th October 2021. The total loan commitment amount does not exceed 24,000,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to pay the legal investment costs of the loan project to pay investment costs and disburse capital that the company has advanced for the construction of transmission and water distribution pipelines in Hai Duong province, serving the water production and trading business of the Company.
- Loan under credit contract No. 25.10/2021-HDCVDADT/NHCT340-KDNSHD dated 28th October 2021. The loan commitment amount has a total value not exceeding VND 6,500,000,000. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to pay the legal investment costs of the loan project to pay the investment costs of the electrical control, electrodynamic, SCADA items under the Project: "Increasing 25,000 m³/day for Viet Hoa Water Treatment Plant capacity.
- Loan under credit contract No. 15.07/2022-HDCVDADT/NHCT340-KDNSHD dated 22nd July 2022. The total loan commitment amount does not exceed 17,000,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to pay for capital construction investment costs.
- Loan under credit contract No. 15.07.01/2022-HDCVDADT/NHCT340-KDNSHD dated 26th July 2022. The total loan commitment amount does not exceed VND 4,100,000,000. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is the interest rate separately stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to pay for the construction costs of the 3-storey office building project - Water Trading Branch No. 10.
- Loan under credit contract No. 21.09/2022-HDCVDADT/NHCT340-KDNSHD dated 27th September 2022. The total loan commitment amount does not exceed VND 8,900,000,000. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8.5%/year. The purpose of the loan is to pay for capital construction investment costs.
- Loan under credit contract No. 02/2024-HDCVDADT/NHCT340-KDNSHD dated 04th March 2024. The total loan commitment amount does not exceed 1,500,000,000 VND. Loan term is 60 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to invest in an automatic 5G bottle washing, filling and capping machine system.
- Loan under credit contract No. 02/2024-HDCVDADT/NHCT340-KDNSHD/ TBVINHHONG dated 11th April 2024. The total loan commitment amount does not exceed 12,000,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is specified on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is to invest in the Vinh Hong Booster Pump Station project.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

- Loan under credit contract No. 03/2024-HDCVDADT/NHCT340-KDNSHD/ THUCKHANG dated 15th May 2024. The total loan commitment amount does not exceed 1,400,000,000 VND. Loan term is 60 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 8%/year. The purpose of the loan is for the construction of a HDPE D160 pipeline to improve water supply capacity for Thuc Khang commune.

- Loan under credit contract No. 06/2024-HDCVDADT/NHCT340-KDNSHD/ VINHHONGGD3 dated 14th June 2024. The total loan commitment amount does not exceed VND 5,400,000,000. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is the interest rate stated on each debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 7%/year. Loan purpose is to build HDPE D400 transmission pipeline to supply water to Vinh Hong booster pump station (stage 3).

- Loan under credit contract No. 07/2024-HDCVDADT/NHCT340-KDNSHD dated 22nd August 2024. The loan commitment amount has a total value not exceeding VND 7,600,000,000. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is stated on each separate debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 7%/year. The purpose of the loan is to construct a transmission pipeline to improve the water supply capacity for Thanh Mien town, and to construct a water supply pipeline to supplement water supply source for Dai An Industrial Expansion Park.

- Loan under credit contract No. 08/2024-HDCVDADT/NHCT340-KDNSHD dated 23rd August 2024. The total loan commitment amount does not exceed 3,200,000,000 VND. Loan term is 84 months from the first disbursement date, grace period is 6 months from the first disbursement date. The loan interest rate of the debt is stated on each individual debt receipt and adjusted once a month, at the time of borrowing the preferential loan interest rate with a minimum interest rate of 7%/year. The purpose of the loan is to pay the costs of construction and improvement of office building for Sao Do station under Water Trading Branch No. 4.

16. Owner's equity

16.1 Movement in owner's equity

Unit: VND

Items	Owner's contributed capital	Other Owner's Capital	Retained earnings	Total
Balance as at 01/01/2023	318.824.708.995	79.500.393.282	24.883.608.889	423.208.711.166
Capital increase in previous year		3.422.132.782		3.422.132.782
Profit for the year			44.569.312.712	44.569.312.712
Dividends paid			(24.868.326.600)	(24.868.326.600)
Distribution of funds			(15.282.289)	(15.282.289)
Profit paid to the State budget			(13.716.054.871)	(13.716.054.871)
Balance as at 31/12/2023	318.824.708.995	82.922.526.064	30.853.257.841	432.600.492.900
Profit in the period			46.129.969.285	46.129.969.285
Capital increase during this term		6.904.202.809		6.904.202.809
Dividends paid			(25.248.931.882)	(25.248.931.882)
Distribution of funds			(5.604.325.959)	(5.604.325.959)
Balance as at 31/12/2024	318.824.708.995	89.826.728.873	46.129.969.285	454.781.407.153

16.2 Details of owner's equity contribution

31/12/2024

01/01/2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

	VND	VND
Hai Duong province People's Committee	207.236.068.995	207.236.068.995
Phuc Hung Hai Duong Water JSC	39.000.000.000	39.000.000.000
Xuan Hung Water JSC	15.000.000.000	15.000.000.000
Mr. Nguyen Duc Thuan	5.000.000.000	5.000.000.000
Others	52.588.640.000	52.588.640.000
Total	318.824.708.995	318.824.708.995

16.3 Corporate funds

Items	Đơn vị tính: VND			
	01/01/2024	Increase	Decrease	31/12/2024
Development Investment fund	7.273.531.461	3.119.851.889	6.904.202.809	3.489.180.541
Total	7.273.531.461	3.119.851.889	6.904.202.809	3.489.180.541

(*) Purpose of fund appropriation:

The Company's development investment fund is appropriated from profits after corporate income tax and is used to supplement the Company's charter capital, invest in expanding production and business scale or make in-depth investments of the Company, in accordance with the provisions of the Company's charter.

VI. Additional information for items presented in the interim Separate Income Statement

1. Gross revenue from goods sold and services rendered

Revenue	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Revenue from safe water supply	147.095.525.100	142.001.425.300
Revenue from pipeline installation	2.716.379.001	2.383.923.904
Others	482.298.721	468.090.619
Total	150.294.202.822	144.853.439.823

2. Cost of sales

Cost of sales	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Cost of safe water supply	111.021.696.697	95.904.559.363
Cost of pipeline installation	2.548.175.796	2.634.613.748
Total	113.569.872.493	98.539.173.111

3. Financial income

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Bank interest	15.488.315	10.535.286
Interest on exchange rate differences after revaluating at term end	4.304.937.752	
Total	4.320.426.067	10.535.286
4. Financial expenses		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Interest expense	3.664.257.071	4.470.251.838
Interest on exchange rate differences after revaluating at term end		2.695.525.784
Total	3.664.257.071	7.165.777.610
5. Other income		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Income from refunds	317.058.102	
Others	10.245.999	10.106.938
Total	327.304.101	10.106.938
6. Other expenses		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Asset liquidation costs	376.555.055	23.315.342
Tax penalty and tax collection costs	554.252	186.568.819
Others	406.407	109.965
Total	377.515.714	209.994.126
7. Selling expenses and general and administration expenses		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
a) General and administration expenses incurred in the period	19.452.063.170	16.430.460.890
Labour cost	6.279.065.471	5.365.501.546
Office supplies	508.221.466	882.779.447
Fixed asset depreciation	2.079.627.829	2.079.627.829

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

Taxes, fees and charges	2.755.818	88.018.610
Out-sourced services	5.033.916.907	6.254.725.517
Other monetary expenses	5.548.475.679	1.759.807.941
b) Selling expenses incurred in the period	6.056.438.225	5.582.526.659
Labour cost	3.919.409.579	3.615.027.754
Tools and supplies expenses	188.422.978	159.713.115
Out-sourced services	1.540.760.668	1.450.405.790
Other expenses in cash	407.845.000	357.380.000
Total	25.508.501.395	22.012.987.549
8. Production cost by nature		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Raw materials and consumables	12.138.209.857	11.540.403.857
Labour cost	33.682.561.165	30.254.649.290
Depreciation and amortisation	27.209.356.934	27.249.182.800
Out-sourced services	29.535.211.613	26.773.953.549
Other monetary expenses	36.189.585.827	24.951.900.239
Total	138.754.925.396	120.770.089.735
9. Current corporate income tax expenses		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Total accounting profit before tax	11.821.786.317	15.007.937.300
Corporate income tax non-deductible expense	970.899.682	1.238.914.650
Corporate income taxable income	12.792.685.999	16.246.851.950
Current corporate income tax rate	20%	20%
Corporate income tax expense based on taxable profit in the current year	2.558.537.200	3.249.370.390
Adjustments for corporate income tax expense in previous years to the current year		533.153.898
Total current corporate income tax expense	2.558.537.200	3.782.524.288
10. Basic earnings per share		
	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
	VND	VND
Accounting profit after corporate income tax	9.263.249.117	11.225.413.012
Average ordinary shares in circulation for the year	31.882.470	31.882.470
Basic earnings per share	290,54	352,09

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)

VII. Additional information for items presented in the Interim Separate Cash Flow Statement

	From 01/01/2024 to 31/12/2024 VND	From 01/01/2023 to 31/12/2023 VND
<i>Non-cash transactions affecting the Cash flow Statement</i>		
- Assessment of decrease in loan balance from Vietnam Development Bank - Northeast Regional Development Bank Branch due to assessment of exchange rate differences at the term-end	2.702.253.190	3.592.453.391
<i>Actual receipt of borrowing amounts in the period</i>		
Proceeds from borrowings under normal agreement	23.260.457.575	60.661.541.316
<i>Principal amount paid in the period</i>		
Payment of borrowing principal under normal agreement	62.051.136.189	79.566.892.757

VIII. Other information

1. Subsequent events after reporting date

Board of General Directors confirms that, according to Board of General Directors, in all material respects, there are no unusual events arising after the balance sheet date which affects the financial position and operation of the Company that needed to be adjusted or presented on the Interim Separate Financial Statements for the for the operating period from 01/10/2024 to 31/12/2024.

2. Transactions and balances with related parties

List of related parties

Related parties

	<u>Relationship</u>
- Hai Duong province People's Committee	Shareholder owning 65% of shares
- Phuc Hung Hai Duong Water Supply Joint Stock Company	Shareholder owning 12% of shares with its representative as a member of Board of Directors

During the period, the Company entered into the following significant transactions with its related parties:

	From 01/10/2024 to 31/12/2024 VND	From 01/10/2023 to 31/12/2023 VND
Purchase		
- Phuc Hung Hai Duong Water Supply Joint Stock Company	3.679.290.000	3.249.759.600

Balances with related parties

	31/12/2024 VND	01/01/2024 VND
Trade payable	1.277.775.880	2.506.563.160
- Phuc Hung Hai Duong Water JSC	1.277.775.880	2.506.563.160
Other payable	109.026.000.000	121.228.000.000
- Hai Duong province People's Committee	109.026.000.000	121.228.000.000

The income of key management members during the period is as follows:

NOTES TO THE INTERIM FINANCIAL STATEMENTS*(These notes are an integral part of and should be read in conjunction with the accompanying Interim Financial Statements)*

	From 01/01/2024 VND	From 01/01/2023 to 31/12/2023 VND
Income of Board of management	1.784.200.016	1.875.909.979
Income of Board of Supervision	617.878.863	553.145.260
Total	<u>2.402.078.879</u>	<u>2.429.055.239</u>

3. Comparative information

Comparative figures are the figures of the Interim Financial Statements for the period from 01/10/2024 to 31/12/2024 and the audited and reviewed Financial Statement for the fiscal year ended 31/12/2023 by Vietnam Auditing and Evaluation Co., Ltd.

*Hai Duong, 17 January 2025***HAI DUONG WATER JOINT STOCK COMPANY****General Director****Nguyen Thanh Son**

(signed and stamped)

**Prepared****Le Thi Quyen****Chief Accountant****Nguyen Thi Huong**

Re: Explaining the difference in
Business Operating Results Statement

Hai Duong, 17th January 2025

To: - The State Securities Commission;
- Hanoi Stock Exchange

Pursuant to Securities Law No. 59/2019/QH14 dated 26th November 2019;

Pursuant to Circular No. 96/2020/TT-BTC dated 16th November 2020 guiding information announcement on the stock market;

Pursuant to the Financial Statement of Quarter 4 of 2024 and Financial Statement of Quarter 4 of 2023;

Hai Duong Water Joint Stock Company with its stock code of HDW, hereby explain the difference in profit after corporate income tax in the Business Operating Results Statement for Quarter 4 of 2024 compared to that of Quarter 4 of 2023 as follows:

Indicator	4 th Quarter 2024 (1)	4 th Quarter 2023 (2)	Difference (1) - (2)
Profit after corporate revenue tax	9,263,249,117	11,225,423,012	- 1,962,163,895

Major reasons include:

- Production and business costs increased compared to that of the same period last year.

Above is the explanation of Hai Duong Water Joint Stock Company on the profit after corporate revenue tax changing over 10% between Quarter 4 of 2024 compared to that of Quarter 4 of 2023.

Sincerely yours,


Copies to:

- As mentioned above;
- On file in Achieves, Accounting Dept.

General Director

NGUYEN THANH SON

(signed and stamped)

CAM ĐOAN CỦA NGƯỜI DỊCH

Tôi, Nguyễn Thị Thanh, căn cước công dân số 030162013545 cấp ngày 22/9/2021 tại Cục Cảnh sát Quản lý hành chính về trật tự xã hội, cam đoan đã dịch chính xác văn bản đính kèm này từ tiếng Việt sang tiếng Anh.

Ngày / Date: 20/01/2025

Người dịch / Translator



TRANSLATOR'S CONFIRMATION

I, Nguyen Thi Thanh, holder of Citizen ID No. 030162013545 issued on 22nd Sep. 2021 by the Police Dept. for Administrative Management of Social Order, hereby confirm that I have correctly translated the attached document from Vietnamese into English.

LỜI CHỨNG CỦA CÔNG CHỨNG VIÊN

Hôm nay, ngày 20/01/2025 (ngày Hai mươi, tháng Một, năm Hai nghìn không trăm Hai lăm), tại Phòng Công chứng số 1, địa chỉ tại 93 Bạch Đằng, phường Trần Hưng Đạo, thành phố Hải Dương, tỉnh Hải Dương, Tôi, *Nguyễn Thị Hồng Vân* Công chứng viên, trong phạm vi trách nhiệm của mình theo quy định của pháp luật,

CHỨNG NHẬN:

- Bản dịch này là do Bà Nguyễn Thị Thanh, cộng tác viên phiên dịch của Phòng Công chứng số 1, tỉnh Hải Dương dịch từ tiếng Việt sang tiếng Anh;
- Chữ ký trong bản dịch đúng là chữ ký của Bà Nguyễn Thị Thanh;
- Nội dung bản dịch là chính xác, không vi phạm pháp luật, không trái đạo đức xã hội;
- Văn bản công chứng này được lập thành 02 bản chính, mỗi bản gồm 31 tờ, 31 trang, lưu 01 bản tại Phòng Công chứng số 1, tỉnh Hải Dương.

NOTARY'S AUTHENTICATION

Today, 20/01/2025 (the Twentieth of January, Two thousand and Twenty five), in the Notary Public Office No.1, located at 93 Bach Dang, Tran Hung Dao ward, Hai Duong city, Hai Duong province,

I, *Nguyễn Thị Hồng Vân*, a Notary Public, within the scope of my liability as provided by the law,

HEREBY NOTARIZE:

- This document was translated from Vietnamese into English by Ms. Nguyen Thi Thanh, a certified translator/interpreter of the Notary Public Office No.1, Hai Duong province;
- The signature appearing in this translation is the genuine signature of Ms. Nguyen Thi Thanh;
- The contents of the document translated are authentic, not law-violated, not contrary to social morals;
- This notarized document is made into 02 originals, 31 sheets, 31 pages each, 01 of which is kept at Notary Public Office No.1, Hai Duong province.

Số công chứng (Notarial No): *210* Quyển số (Book No): 01 / 2025 TP/CC-SCC/BD

CÔNG CHỨNG VIÊN / NOTARY



CÔNG CHỨNG VIÊN
Nguyễn Thị Hồng Vân

