



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

No 57 Xo Viet Nghe Tinh Street, Hai Chau District, Danang City



# **FINANCIAL STATEMENT (UNCONSOLIDATED)**

## **4<sup>TH</sup> QUARTER 2024**

**TAX CODE 0400101066**

*Danang, January 2025*

BALANCE SHEET (UNCONSOLIDATED)

Form B01-DN

Issued under Circular No. 200/2014/TT - BTC  
dated 22/12/2014 of the Ministry of Finance

December 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec 31, 2024	Dec 31, 2023
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>506,282,868,089</b>	<b>548.053.314.288</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>50,896,601,474</b>	<b>64.133.588.891</b>
1. Cash	111		50,896,601,474	64.133.588.891
2. Cash equivalents	112			-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>359,088,224,415</b>	<b>362.705.964.120</b>
1 Held-to-maturity investments	123	6	359,088,224,415	362.705.964.120
<b>III. Short-term receivables</b>	<b>130</b>		<b>25,996,255,349</b>	<b>26.419.253.195</b>
1. Short-term trade receivables	131	7	15,954,408,182	15.078.947.958
2. Short-term prepayments to suppliers	132	8	1,886,001,013	1.811.502.922
3. Other short-term receivables	136	9	16,144,378,021	17.433.133.559
4. Short-term allowances for doubtful debts	137		(7,988,531,867)	(7.904.331.244)
<b>IV. Inventories</b>	<b>140</b>	<b>10</b>	<b>42,153,409,095</b>	<b>39.518.507.997</b>
1. Inventories	141		42,153,409,095	39.518.507.997
<b>V. Other short-term assets</b>	<b>150</b>		<b>28,148,377,756</b>	<b>55.276.000.085</b>
1. Short-term prepaid expenses	151	11a	416,714,853	241.579.478
2. Deductible VAT	152	17	17,212,060,058	32.891.149.249
3. Taxes and other receivables from State budget	153	17	10,519,602,845	22.143.271.358
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>1,048,302,048,633</b>	<b>1.128.643.776.940</b>
<b>II. Fixed assets</b>	<b>220</b>		<b>997,196,149,514</b>	<b>1.037.422.000.126</b>
1. Tangible fixed assets	221	12	996,994,982,846	1.037.101.591.786
- Historical costs	222		2,570,222,202,095	2.493.892.845.401
- Accumulated depreciation	223		(1,573,227,219,249)	(1.456.791.253.615)
2. Intangible fixed assets	227	13	201,166,668	320.408.340
- Historical costs	228		9,846,575,951	9.696.575.951
- Accumulated depreciation	229		(9,645,409,283)	(9.376.167.611)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>33,236,428,489</b>	<b>73.260.275.460</b>
1. Construction in progress	242	14	33,236,428,489	73.260.275.460
<b>V. Long-term financial investments</b>	<b>250</b>		<b>8,392,345,979</b>	<b>9.146.973.182</b>
1. Investments in subsidiaries	251		10,000,000,000	10.000.000.000
2. Allowances for long-term investments	254		(1,607,654,021)	(853.026.818)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>9,477,124,651</b>	<b>8.814.528.172</b>
1. Long-term prepaid expenses	261	11b	9,477,124,651	8.814.528.172
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1,554,584,916,722</b>	<b>1,676,697,091,228</b>

**BALANCE SHEET (UNCONSOLIDATED) (cont'd)**

*Unit: VND*

RESOURCES	Code	Notes	Dec 31, 2024	Dec 31, 2023
<b>C. LIABILITIES</b>	<b>300</b>		<b>782,750,347,290</b>	<b>886,608,041,010</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>303,340,832,404</b>	<b>330,405,806,616</b>
1. Short-term trade payables	311	15	37,397,392,040	86,369,603,468
2. Short-term prepayments from customers	312	16	712,073,997	651,868,804
3. Taxes and other payables to State budget	313	17	7,142,123,949	6,785,687,708
4. Payables to employees	314		29,399,507,369	25,660,461,025
5. Short-term accrued expenses	315	18	10,274,520,766	2,320,296,950
6. Other short-term payables	319	19a	150,984,584,651	139,309,090,756
7. Short-term borrowings and finance lease liabilities	320	20a	60,483,921,067	61,929,759,608
8. Bonus and welfare fund	322		6,946,708,565	7,379,038,297
<b>II. Long-term liabilities</b>	<b>330</b>		<b>479,409,514,886</b>	<b>556,202,234,394</b>
1. Other long-term payables	337	19b	90,364,937,728	104,761,271,825
2. Long-term borrowings and finance lease liabilities	338	20b	384,575,177,736	445,073,763,147
3. Science and technology development fund	343		4,469,399,422	6,367,199,422
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>771,834,569,432</b>	<b>790,089,050,218</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>771,255,946,223</b>	<b>789,270,996,715</b>
1. Contributed capital	411	21	579,640,610,000	579,640,610,000
- Ordinary shares with voting rights	411a		579,640,610,000	579,640,610,000
2. Capital surplus	412	21	8,993,538,265	8,993,538,265
3. Development and investment funds	418		128,098,140,692	117,103,023,611
4. Undistributed profit after tax	421		54,523,657,266	83,533,824,839
- Undistributed profit after tax brought forward	421a	21	170,605,362	157,985,229
- Undistributed profit after tax for the current year	421b	21	54,353,051,904	83,375,839,610
<b>II. Funding sources and other funds</b>	<b>430</b>		<b>578,623,209</b>	<b>818,053,503</b>
1. Funds used for fixed asset acquisition	432		578,623,209	818,053,503
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>1,554,584,916,722</b>	<b>1,676,697,091,228</b>

Preparer



PHAM HONG MINH

Chief Accountant



PHAN THINH

Danang, January 20, 2025

General Director



HO MINH NAM

INCOME STATEMENT(UNCONSOLIDATED)

Form B 02 - DN

4<sup>th</sup> QUARTER 2024

Issued under Circular No. 200/2014/TT - BTC  
dated 22/12/2014 of the Ministry of Finance

ITEMS	Code	Notes	4 <sup>th</sup> quarter		Accumulated from the beginning of the year to the end of this quarter	
			Current year	Previous year	Current year	Previous year
1. Revenues from sales and services rendered	01	22	159,581,666,175	146,842,567,775	644,393,679,634	595,860,280,562
2. Revenue deductions	02		-		-	-
3. Net revenues from sales and services rendered	10		159,581,666,175	146,842,567,775	644,393,679,634	595,860,280,562
4. Cost of goods sold	11	23	107,178,444,536	127,390,919,035	451,434,472,178	364,185,090,799
5. <b>Gross revenues from sales and services rendered</b>	20		<b>52,403,221,639</b>	<b>19,451,648,740</b>	<b>192,959,207,456</b>	<b>231,675,189,763</b>
6. Financial income	21	24	5,559,939,091	6,903,239,640	24,819,172,778	27,236,823,821
7. Financial expenses	22	25	7,366,677,253	12,528,009,066	29,563,751,403	30,013,987,978
- In which: Interest expenses	23		7,216,039,590	12,363,574,369	28,798,461,146	29,950,386,864
8. Selling expenses	25	25a	9,762,674,275	8,732,783,490	38,100,686,812	35,226,417,367
9. General administration expenses	26	25b	15,553,838,758	14,097,502,405	47,735,910,318	45,136,542,991
10. <b>Net profits from operating activities</b>	30		<b>25,279,970,444</b>	<b>(9,003,406,581)</b>	<b>102,378,031,701</b>	<b>148,535,065,248</b>
11. Other income	31	26	1,614,721,728	1,527,764,216	3,246,302,526	3,005,159,157
12. Other expenses	32	27	25,969,834	487,238,745	30,865,408	551,579,587
13. <b>Other profits</b>	40		<b>1,588,751,894</b>	<b>1,040,525,471</b>	<b>3,215,437,118</b>	<b>2,453,579,570</b>
14. <b>Total net profit before tax</b>	50		<b>26,868,722,338</b>	<b>(7,962,881,110)</b>	<b>105,593,468,819</b>	<b>150,988,644,818</b>
15. Current corporate income tax expenses	51	28	2,685,495,329	(3,239,036,130)	10,665,574,216	15,445,150,307
16. Deferred corporate income tax expenses	52					
17. <b>Profits after corporate income tax</b>	60		<b>24,183,227,009</b>	<b>(4,723,844,980)</b>	<b>94,927,894,603</b>	<b>135,543,494,511</b>

Preparer



PHAM HONG MINH

Chief Accountant



PHAN THINH

Danang, January 20, 2025

General Director



HO MINH NAM

STATEMENT OF CASH FLOWS (UNCONSOLIDATED)

Form B 03 - DN

4<sup>th</sup> Quarter 2024

Issued under Circular No. 200/2014/TT - BTC  
dated 22/12/2014 of the Ministry of Finance

Unit: VND

ITEMS	Code	Notes	Current year	Previous year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Profit before tax	01		105,593,468,819	150,988,644,818
<b>2. Adjustments for</b>				
- Depreciation of fixed assets and investment properties	02	12	116,705,207,306	99,578,526,718
- Provisions	03		754,627,203	35,274,573
- Gains (losses) on exchange rate differences from revaluation of	04		(14,708,753)	(8,417,896)
- Gains (losses) on investing activities	05	24	(24,793,800,958)	(26,497,634,492)
- Interest expenses	06	25	28,798,461,146	29,950,386,864
<b>3. Operating profit before changes in working capital</b>	<b>08</b>		<b>227,043,254,763</b>	<b>254,046,780,585</b>
- Increase (decrease) in receivables	09		422,997,846	30,108,969,682
- Increase (decrease) in inventories	10	10	(2,634,901,098)	(5,244,257,924)
- Increase (decrease) in payables (exclusive of interest payables,	11		103,857,693,720	(25,050,167,321)
- Increase (decrease) in prepaid expenses	12	11	(837,731,854)	(479,941,850)
- Interest paid	14	25;19	(28,798,461,146)	(29,998,504,028)
- Other payments on operating activities	17		(159,618,255,983)	(12,918,291,230)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>139,434,596,248</b>	<b>210,464,587,914</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Expenditures on purchase and construction of fixed assets and other long-term assets	21	12;13	(34,920,355,376)	(67,553,879,268)
2. Expenditures on loans and purchase of debt instruments from other entities	23	6	(286,000,000,000)	(403,113,394,257)
3. Proceeds from lending or repurchase of debt instruments from other entities	24		316,955,717,809	380,316,211,697
4. Proceeds from interests, dividends and distributed profits	27	9;24	(28,798,461,146)	24,994,830,529
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(32,763,098,713)</b>	<b>(65,356,231,299)</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33	20	-	42,646,463,927
2. Repayment of principal	34	20	(61,944,423,952)	(47,041,005,740)
3. Dividends and profits paid to owners	36		(57,964,061,000)	(127,520,934,201)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(119,908,484,952)</b>	<b>(131,915,476,014)</b>
<b>Net cash flows during the fiscal period (20+30+40)</b>	<b>50</b>		<b>(13,236,987,417)</b>	<b>13,192,880,601</b>
Cash and cash equivalents at the beginning of fiscal period	60	5	64,133,588,891	50,932,323,811
Effect of exchange rate fluctuations	61		-	8,384,479
<b>Cash and cash equivalents at the end of fiscal period (70=50+60+61)</b>	<b>70</b>		<b>50,896,601,474</b>	<b>64,133,588,891</b>

Preparer

PHAM HONG MINH

Chief Accountant

PHAN THINH

Danang, January 20, 2025

General Director



HO MINH NAM

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

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

**1. Nature of operations****1.1. General overview**

Danang Water Supply Joint Stock Company (hereinafter referred to as "the Company") was incorporated on the basis of equitization of Da Nang Water Supply Co., Ltd under Decision No. 5354/QD-UBND dated 09/08/2016 by Da Nang City People's Committee. The Company is an independent accounting entity, operating in accordance with Enterprise Registration Certificate No. 0400101066 dated 01/7/2010 by Da Nang City Planning and Investment Department (this Enterprise Registration Certificate has been amended nine times, and the latest amendment was made on 01/11/2021), the Enterprise Law, its Charter and other relevant regulations.

The Company was accepted for trading its common shares on UPCoM at Hanoi Stock Exchange in accordance with Decision No. 509/QD-SGDHN dated 07/07/2017 of the General Director of Hanoi Stock Exchange with stock code DNN. The official trading date of the share was 17/07/2017.

**1.2. Principal scope of business:** Producing and trading in domestic water.

**1.3. Principal activities**

- Water collection, treatment and supply. Detail: Producing and trading in clean water for daily life, production activities and other needs;
- Architectural and engineering activities and related technical consultancy. Detail: Preparing construction investment projects. Consulting, designing and preparing total cost estimates of water supply and sewerage works of medium and small scale. Terrain and geological surveys, verification of design documents and cost estimates, construction supervision, management of the investment and construction of water supply and sewerage projects from Group B downwards;
- Technical examination and analysis. Detail: testing and measuring water meter.
- Production of soft drinks and mineral waters. Detail: Producing and trading in bottled drinking water;
- Water supply and sewerage, heating and air-conditioning system installation activities. Detail: Installation and construction of water supply works;
- Trading in other construction materials and equipment. Detail: Trading in materials and equipment exclusively used for the construction of water supply and sewerage.

**1.4. Normal course of the business cycle**

The Company's normal course of the business cycle is 12 months.

**1.5. Corporate structure at 31.12.2024**

As at December 31, 2024 the Company has 02 dependent units is as follows:

- Construction enterprise;
- Construction project management board.

Total number of employees at the end of the accounting period are 521 persons, management staff are 7 persons.

## 2. Accounting year and functional currency

The Company's accounting year is annually from 1st January to 31st December. Financial statements and accounting transactions are expressed in Vietnam Dong (VND).

## 3. The applicable accounting standards and system

The Company applied Vietnamese Accounting Standards, Vietnamese Corporate Accounting System issued under Circular No. 200/2014/TT-BTC dated 22<sup>nd</sup> December 2014, Circular No. 53/2016/TT-BTC dated 31<sup>st</sup> March 2016 and the guiding of implementation of accounting standards by the Ministry of Finance in preparing the financial statements.

## 4. Significant accounting policies

### 4.1 Exchange rate differences applied in accounting

Transactions denominated in foreign currencies are converted into VND ruling at the exchange rate at the date of the transaction. The balances of monetary items denominated in foreign currencies at the year end are converted at the exchange rate at that date.

Exchange rate used for revaluation of balance of the monetary items denominated in foreign currencies at the end of the fiscal year is determined based on the following principles:

- For foreign currency accounts in banks: the buying rate of the bank where the Company opens its foreign currency account.
- For monetary items denominated in foreign currencies classified as other assets: the buying rate of Vietnam Technological and Commercial Joint Stock Bank (Bank where the Company regularly has transactions).
- For monetary items denominated in foreign currencies classified as liabilities: Foreign currency selling rate of the Bank where the Company regularly transacts with suppliers.

Exchange rate differences are implemented according to the provisions of Vietnamese Accounting Standard No. 10 "Effects of changes in exchange rates". Accordingly, foreign exchange rate differences arising during the period and exchange rate differences due to revaluation of foreign currency balances at the end of the period of foreign currency-based monetary items are reflected in the business performance results during the accounting period.

### 4.2 Cash and cash equivalents

Cash comprises cash on hand, cash at bank, cash in transit and cash equivalents.

Cash equivalents are short-term investments which are collectable or mature within 3 months at the date of purchase, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 4.3 Financial investments

#### *Held-to-maturity investments*

Investments are classified as held to maturity when the Company has the intention and ability to hold until the maturity date. Held-to-maturity investments include term deposits with banks (including treasury bills, promissory notes), bonds and preferred stocks that must be repurchased by issuers at a

certain time in the future and held to maturity loans for the purpose of earning periodic interest and other held to maturity investments.

Held-to-maturity investments are initially stated at historical cost, which includes the purchase price and expenses associated with the purchase of investments. After initial receipt, these investments are recorded at recoverable value. Interest income from held-to-maturity investments after the acquisition date is recognized in the income statement on an accrual basis. Interest earned before the holding of the Company is recorded as a deduction at historical cost at the time of purchase.

When there is solid evidence that a part or all of the investment may not be recoverable and the losses are reliably determined, losses are recognized in financial expenses in the year and reduced direct investment value.

#### *Investments in subsidiary*

Subsidiary is an enterprise which is controlled by the Company. Control is achieved when the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Investments in a subsidiary are initially recognized at historical cost, consisting of the purchase price or capital contribution plus directly investable costs. In the case of investments with non-monetary assets, the cost of the investment is recognized at the fair value of the non-monetary asset at the time it arises.

Dividends and profits for the periods before the investment is purchased are accounted for in the value of the investment itself. Dividends and profit for the periods after the investment is purchased is recognized as revenue. Dividends received in shares are only tracked by the increased number of shares, not recognized the value of shares received/recognized at par value.

Allowance for losses for investments in subsidiaries is made when the subsidiary suffers a loss with the allowance equal to the difference between the actually contributed capital of the parties in the subsidiary and the actual equity capital (X) with the ratio of the Company's capital contribution to the total actual contributed capital of the parties in the subsidiary. If the subsidiary is the subject of the Consolidated Financial Statements, the basis for determining the loss provision is the Consolidated Financial Statements.

Increase or decrease in the amount of allowance for impairment in investments in subsidiaries that need to be made at the balance sheet date is recognized in financial expenses.

#### **4.4 Receivables**

Receivables include: Trade receivable, intra-company receivable and other receivable;

Trade receivables are commercial receivables in nature, arising from transactions with trading nature between the Company and buyers;

Other receivables include non-commercial receivables and non-intra company receivables.

Receivables are recorded at original cost less provision for doubtful debts. Provision represents the expected value of losses at the end of the accounting period for overdue receivables recovered in 6 months or less to maturity but debtors have fallen into bankruptcy or are in the process of dissolution, disappearance, escape, ... The provision for doubtful debts is made in conformity with guidelines of Circular No. 48/2019/TT-BTC dated 8th August 2019 by the Ministry of Finance. The increase, decrease in balance of provision for doubtful debts to be made at the year end are recorded in the administrative expenses.

#### **4.5 Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost comprise costs of purchase, cost of conversion and any directly attributable costs of bringing the inventories to their present



location and condition. Net realizable value is the estimated selling price less the estimated costs of completion the products and the estimated costs needed for their consumption.

The value of inventory at the end of the period is measured using the weighted-average method and inventory recording base on the perpetual inventory method.

Provision for decrease in value of inventories is made when the net realizable value of inventories is less than original cost. The provision is made in accordance with Circular No. 48/2019/TT-BTC date 8th August 2019 by Ministry of Finance. The increase, decrease in balance of provision for decrease in value of inventories to be made at the year end are recorded in the cost of goods sold.

#### 4.6 *Tangible fixed assets*

Original costs

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 economics 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.

Depreciation

Depreciation is computed at the straight-line basis over their estimated useful time in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance:

<u>Kind of assets</u>	<u>Useful life (years)</u>
Buildings, architectures	10 – 25
Machineries, equipments	06 – 15
Means of transport and transmission	05 – 15
Equipment, management tools	04 – 10
Other fixed assets	06 - 12

#### 4.7 *Intangible fixed assets*

Intangible fixed assets are stated at initial cost less accumulated amortization.

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 related to intangible fixed assets arising after initial recognition are recognized as production and business expenses in the year unless these costs are associated with a specific intangible fixed asset. and increase economic benefits from these assets.

When intangible 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.

Intangible fixed assets of the Company as follows.

Software program

The cost associated with computer software programs is not an integral part of the related hardware capitalized. The cost of computer software is all the expenses paid by the Company by the time the software is put into use. Depreciating the cost of computer software is calculated on straight-line method within 04 – 10 years.

#### 4.8 *Prepaid expenses*

Prepaid expenses is classified into short-term prepaid expense and long-term prepaid expenses on the Balance sheet and are allocated over the prepaid period or the period in which economic benefits are generated from these expenses.

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include:

##### *Tools and instruments*

Cost of tools and instruments being put into use are amortized in accordance with the straight-line method for a period of not more than 36 months.

##### *Cost of repairing fixed assets*

- Cost of repairing assets with great value is allocated to cost under the straight-line method for a period of not more than 36 months.

#### 4.9 *Payables*

Payables are classified as trade payables, accruals, internal payables and other payables comply with the following principles:

- Trade payables reflect the commercial elements arising from purchasing transactions of goods, services, assets and the seller is an independent entity, include payables from import by a trustee.
- Accruals reflect the payables to the received goods and services from seller or provided to buyer but not yet paid due to do not have invoice or insufficient accounting records and vouchers and payable to employees on sabbatical salary, operating costs must be accrued.
- Internal payables reflect accounts payable between superior units and affiliated units that do not have the legal status of dependent accounting.

Other payables reflect the non-commercial elements, unrelated to selling - purchasing transactions, rendering of services.

#### 4.10 *Borrowings and finance lease liabilities*

Borrowings and finance lease liabilities are stated at cost and classified as short-term and long-term liabilities as disclosed in the financial statements.

Loans and finance leases liabilities are recorded by the entities, by loan agreements, original maturities, remaining maturities and in original currencies. For financial loans and borrowings being monetary items denominated in foreign currencies, they shall be revalued at the selling rate at the end of the period of the commercial banks where the Company regularly transactions.

Borrowing expenses

Borrowing expenses include interest expenses and other expenses directly relating to the Company's loans. Borrowing expenses shall be accounted for in expenses in the present period unless these expenses arise from loans for purpose of investment, construction in conformity with regulation in Accounting Standard: "Borrowing expenses".

A particular borrowing is used only for the purpose of construction investment or production of an uncompleted asset, the borrowing cost fully eligible for capitalization. In case of joint capital borrowings, which are used for the purpose of investment in construction or production of an uncompleted asset, the borrowing costs eligible for capitalization in each accounting period shall be determined according to the capitalization rate for weighted average accumulated costs incurred to the investment in construction or production of such asset.

The capitalization of borrowing costs shall be temporarily ceased in periods during which the investment in construction or production of uncompleted assets is interrupted, except for cases where such interruption is necessary. The capitalization of borrowing costs shall terminate when the major activities necessary to prepare the uncompleted asset for its intended use or sale are completed.

#### **4.11 Accrued expenses**

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Company. Major accrued expenses of the Company are determined on the basis of actual costs incurred from signed contracts without invoices at the time expenses are recognized.

#### **4.12 Unearned revenues**

Unearned revenue at the Company is money received in advance for one or more accounting periods for services provided to customers, allocated according to the number of periods in which the Company has received money in advance.

#### **4.13 Owners' equity**

##### ***The owner's contributed capital***

The owner's contributed capital reflects the amount of capital actually contributed by the shareholders.

##### ***Capital surplus***

Capital surplus is recognized by the difference between the issuing price and the denomination of shares at the first issue, additional issuance, the difference between the reissue price and the book value of treasury shares and the Capital portion of convertible bonds at maturity. Direct expenses related to the additional issuance of shares and re-issuance of treasury shares are recorded to reduce the capital surplus.

##### ***The owner's other funds***

The owner's other funds are formed by supplementing from the results of business operations, asset revaluation and the remaining value between the fair value of donated assets after subtracting payable tax (if any) related to these assets.

#### **4.14 Recognition of revenue**

Revenue is recognized when the Company has the ability to receive certain economic benefits that can be reliably determined. Revenue are determined at the fair value of the amounts collected or to be earned after deduction of trade discounts, sales devaluation and sales returns.

#### ***Revenue from selling goods and finished products***

Revenue from sales is recognized when all of the following conditions are met:

- The Company has transferred most of risks and benefits associated with ownership of products, goods to the buyer.
- The Company no longer hold the right to manage goods as owners or the right to control goods.
- Revenue is determined with relative certainty.
- The Company has gained or will gain economic benefits from the good sale transaction.
- Costs related to sale transactions may be determined.

#### ***Revenue from services rendered***

Revenue of a service provision transaction is recognized when the outcome of that transaction is determined reliably. In case the service is performed for many periods, the revenue recorded during the period is based on the results of the work completed on the end of the fiscal year date. The outcome of the service provision transaction is determined when all of the following conditions are satisfied:

- Revenue is determined relatively reliably.
- It is possible to obtain economic benefits from the service provision.
- Determine the completed work portion at the end of the fiscal year.
- Determine the costs incurred for the transaction and the cost to complete the transaction to provide that service.

#### ***Revenue from lease operating assets***

Revenue from lease operating assets is recorded on a straight-line method over the term of the lease. Revenue received in advance of many periods are allocated to revenue in accordance with the rental period.

#### ***Interest***

Interest is recognized on an accrual basis, determined on the balance of deposit accounts and actual interest rates for each period.

#### ***Dividends and shared profit***

- Dividends and shared profit are recognized when shareholders are entitled to receive dividends or profits from the capital contribution. Received dividends are shares, that are only monitored for the increase in the number of shares, not for the value of shares received/recorded in denomination.

#### ***4.15 Cost of goods sold***

Cost of goods sold and corresponding revenue are recognized in the correct period and in accordance with the matching principle.

The raw materials, labor costs or costs of heavy-duty machinery in excess to the normal rate and undistributed factory overhead shall be charged out to cost of goods sold in the tax period instead of inventory value.

#### **4.16 Financial expenses**

Financial expenses reflect expenses or losses relating to financial investment activity including: interest expenses on loans, interest of late payment, financial lease interest, payment discounts for buyers, expenses and losses from liquidation, sale of investments; provision for decline in value of trading securities, provision for impairments in other entities, losses incurred when selling foreign currency, losses from exchange rate and other costs of investing activities.

#### **4.17 Selling expenses, General administration expenses**

Selling expenses and General administration expenses recognized in the period are expenses actually incurred in process of selling products, goods, services.

General administration expenses recognized in the period are expenses actually incurred related to the overall administration of enterprises. General administration expenses is reduced when the Company reverts allowance for doubtful debts.

#### **4.18 Current corporate income tax expense**

Current income tax is the tax amount computed based on the taxable income during the period at the tax rates applied as of the balance sheet date. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

#### **4.19 Financial instruments**

##### **Initial recognition**

##### *Financial assets*

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets include cash on hand, cash in bank and other receivables

##### *Financial liabilities*

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities include accrued expenses and other payables.

##### **Subsequent measurement**

Currently, there has been no requirement for subsequent measurement of financial instruments.

#### **4.20 Tax rate and other statutory obligation to the State Treasury**

- Value added tax: Apply tax rate of 5% for water production activities; 8% and 10% for other activities.
- Corporate income tax: The tax rate applied to the water industry is 10%, and to other industries is 20%.
- Other taxes, fees and charges are paid in accordance with relevant regulations.

#### 4.21 Related parties

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

• **Additional information for items shown in the interim balance sheet (separate):**

Regression adjustment of accounting standard guidance No. 29 “Changes in accounting policies, accounting estimates and errors”:

Balance sheet	Figures as of 01/01/2024	Figures as of	Difference	Note
	restated	31/12/2023		
	VND	VND	VND	
Other short-term receivables	18,235,630,655	17,433,133,559	802,497,096	ct 136
Taxes and other receivables from state budget	22,143,271,359	19,881,255,405	2,262,015,953	ct 153
Other short-term payables	139,309,090,756	115,886,434,135	23,422,656,621	ct 319
Undistributed profit after tax	83,533,824,840	103,891,968,411	(20,358,143,572)	ct 421

Income statement	2023 (restated)	2023	Difference	Note
	VND	VND		
	VND	VND	VND	
Costs of goods sold	364,185,090,799	340,762,434,178	23,422,656,621	ct 23
General administration expenses	45,136,542,991	45,939,040,087	(802,497,096)	ct 25b
Current corporate income tax expenses	15,445,150,307	17,707,166,260	(2,262,015,953)	ct 51
Profits after corporate income tax	135,543,494,511	155,901,638,083	(20,358,143,572)	ct 60

	31/12/2024	31/12/2023
<b>5. Cash</b>		
Cash on hand	14,699,440	3,022,427
Cash at bank	50,881,902,034	64,130,566,464
Term deposits of no more than 3 months	-	-
<b>Total</b>	<b>50,896,601,474</b>	<b>64,133,588,891</b>
<b>6. Held-to-maturity investments</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Term deposits over 3 months and not more than 1 year	359,088,224,415	362,705,964,120
<b>Total</b>	<b>359,088,224,415</b>	<b>362,705,964,120</b>
<b>7. Short-term trade receivables</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
BT Nga Ba Hue Trung Nam Co., Ltd	4,090,711,000	4,090,711,000
Water Bills for Institutions and Private Sectors	10,955,973,722	-
Other entities	907,723,460	10,988,236,958
<b>Total</b>	<b>15,954,408,182</b>	<b>15,078,947,958</b>
<b>8. Short-term prepayments to suppliers</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Danang Construction Company (Mr. Hoa)	165,500,000	165,500,000
Hai Duong Pump Manufacturing Joint Stock Company	180,608,600	-

Branch in Hanoi		
Phan Huu Luyen	185,000,001	185,000,001
BETACO Consulting and Construction Joint Stock Company		366,818,691
Gau Hai Technique Co., Ltd		198,918,388
Vi Nam Information Technology Business and Solutions Co., Ltd	314,800,000	
HYDROSCAN Viet Nam Co., Ltd	159,940,000	
Other entities	880,152,412	895,265,842
<b>Total</b>	<b>1,886,001,013</b>	<b>1,811,502,922</b>
<b>9. Other short-term receivables</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Short-term deposit, mortgage, collaterals	1,151,078,852	763,818,000
Advance	2,001,477,808	1,760,829,076
Receivable for state budget to support Khanh Son water bill	231,703,332	221,013,639
Accrued interest	8,687,686,212	11,395,512,416
Other receivables	4,072,431,817	3,291,960,428
<b>Total</b>	<b>16,144,378,021</b>	<b>17,433,133,559</b>
<b>10. Inventories</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Raw materials	40,125,299,972	37,487,222,453
Tools and instruments	363,155,106	366,331,527
Work in progress	1,664,954,017	1,664,954,017
<b>Total</b>	<b>42,153,409,095</b>	<b>39,518,507,997</b>
<b>11. Prepaid expenses</b>		
<b>a. Short-term</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Tools and instruments awaiting for allocation	29,706,047	91,424,475
Employee insurance	122,956,000	150,155,003
Others	264,052,806	-
<b>Total</b>	<b>416,714,853</b>	<b>241,579,478</b>
<b>b. Long-term</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Tools and instruments awaiting for allocation	5,044,360,087	4,754,113,670
Cost of installing branch pipes	4,432,764,564	4,060,414,502
<b>Total</b>	<b>9,477,124,651</b>	<b>8,814,528,172</b>

**12. Tangible fixed assets**

	Buildings and Architecture	Machinery and equipment	Means of transportation & transmitters	Office equipment	Other fixed assets	Total
Historical cost						
Opening balance	186,215,711,071	146,777,509,400	2,151,361,319,269	8,397,148,314	1,141,157,347	2,493,892,845,401
Purchase	-	545,400,000	-	-	-	545,400,000

Completed construction	21,484,611,138	6,865,027,467	47,939,776,215	-	-	76,289,414,820
Increasing/Decreasing during the period	-	206,243,396	299,214,730	-	-	505,458,126
<b>Closing balance</b>	<b>207,700,322,209</b>	<b>153,981,693,471</b>	<b>2,199,001,880,754</b>	<b>8,397,148,314</b>	<b>1,141,157,347</b>	<b>2,570,222,202,095</b>
<b>Depreciation</b>						
Opening balance	157,783,270,872	87,623,369,341	1,204,590,665,751	6,255,589,154	538,358,497	1,456,791,253,615
Depriciation in the period	5,696,132,414	12,741,335,024	97,868,795,230	516,178,670	79,642,062	116,902,083,400
Transfer to another unit						-
Increasing/Decreasing during the period	-	206,243,396	259,874,370	-	-	466,117,766
<b>Closing balance</b>	<b>163,479,403,286</b>	<b>100,158,460,969</b>	<b>1,302,199,586,611</b>	<b>6,771,767,824</b>	<b>618,000,559</b>	<b>1,573,227,219,249</b>
<b>Net book value</b>						
Opening balance	28.432.440.199	59.154.140.059	946.770.653.518	2.141.559.160	602.798.850	1.037.101.591.786
<b>Closing balance</b>	<b>44.220.918.923</b>	<b>53.823.232.502</b>	<b>896.802.294.143</b>	<b>1.625.380.490</b>	<b>523.156.788</b>	<b>996.994.982.846</b>

- Carrying amount of fixed assets mortgaged for loans as of 31.12.2024: VND 1,225,277,981,418.

### 13. Intangible fixed assets

	Accounting Software	Management Software	Other	Total
<b>Historical cost</b>				
Opening balance	54,000,000	9,642,575,951	-	9,696,575,951
Purchase	150,000,000	-	-	150,000,000
Decreasing during the period				-
<b>Closing balance</b>	<b>204,000,000</b>	<b>9,642,575,951</b>	<b>-</b>	<b>9,846,575,951</b>
<b>Depreciation</b>				
Opening balance	54,000,000	9,322,167,611	-	9,376,167,611
Depreciation during the period	-	269,241,672	-	269,241,672
Decreasing during the period				-
<b>Closing balance</b>	<b>54,000,000</b>	<b>9,591,409,283</b>	<b>-</b>	<b>9,645,409,283</b>
<b>Net book value</b>				
Opening balance	-	320,408,340	-	320,408,340
<b>Closing balance</b>	<b>150,000,000</b>	<b>51,166,668</b>	<b>-</b>	<b>201,166,668</b>

### 14. Construction in progress

	31/12/2024	31/12/2023
Increasing the capacity of An Trach saltwater prevention pumping station from 210,000 m3/day to 420,000 m3/day		12,700,934,548
Increasing the capacity of An Trach saltwater prevention pumping station from 210,000 m3/day to 420,000 m3/day	1,809,792,952	
Water supply pipeline D400DI residential road along the railway (Hoa Cam overpass to Cau Do)	2,860,727,273	
Project on expansion Da Nang water supply system period 2012 - 2018	4,578,238,041	13,852,173,296



Construction of technical infrastructure for Red Bridge Water Factory		10,726,470,896
Installation of D225 HDPE, D200 PVC pipeline from DH2 road, Giang Bridge to Hoang Van Thai	2,641,643,164	
Other projects	21,346,027,059	35,980,696,720
<b>Total</b>	<b>33,236,428,489</b>	<b>73,260,275,460</b>

(\* ) The value of assets mortgaged for loans as of 31/12/2024: VND 67,340,675.

<b>15. Short-term trade payables</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
HAWACO M&E Co., Ltd	2,388,614,701	5,024,289,838
Asia Engineering Joint Stock Company		9,320,085,799
Construction Joint Stock Company No. 5	13,094,632,090	18,266,242,690
<b>Danang Water Supply and Drainage Construction Company Limited (related party)</b>	<b>3,092,324,483</b>	<b>3,450,449,643</b>
HAWACO Mien Nam Joint Stock Company	1,863,000,000	-
Danang City Urban Infrastructure Management Center	6,098,526,966	32,519,864,930
GIS-VIETGIS Technology and Solutions Co., Ltd	946,000,000	
Other entities	9,914,293,800	17,788,670,568
<b>Total</b>	<b>37,397,392,040</b>	<b>86,369,603,468</b>

<b>16. Short-term prepayments from customers</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Management Board of Investment and Construction Project of Traffic Works in Da Nang	183,836,674	183,836,674
Nam Viet A Construction Investment and Development Joint Stock Company	258,860,783	258,860,783
Other entities	269,376,540	209,171,347
<b>Total</b>	<b>712,073,997</b>	<b>651,868,804</b>

**17. Taxes and other payables to state budget**

	Opening balance		Payable during the period	Paid amounts during the period	Closing balance	
	Receivables	Payables			Receivables	Payables
Value added tax	32,891,149,249	-	22,752,283,373	7,073,194,182	17,212,060,058	
Corporate income tax	19,994,841,878	-	11,552,879,582	-	8,441,962,295	
Personal income tax	833,839,993	-	1,960,087,806	3,203,888,362	2,077,640,549	
Natural resource tax	-	328,682,500	3,195,372,100	3,151,062,350		372,992,250
Land tax and land rent	1,314,589,487	-	27,536,968,678	26,222,379,191	-	
Other taxes	-	-	13,000,000	13,000,000	-	-
Fees and charges	-	6,457,005,208	90,012,624,717	89,700,498,226		6,769,131,699
<b>Total</b>	<b>55,034,420,607</b>	<b>6,785,687,708</b>	<b>157,023,216,256</b>	<b>129,364,022,311</b>	<b>27,731,662,902</b>	<b>7,142,123,949</b>

<b>18. Short-term accrued expenses</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Costs of using electronic invoices		140,437,850
SMS fee	2,799,607	-
Fee for water fee collection	259,611,000	210,783,000
Data transmission fee	20,000,000	-

Interest payable	322,312,102	396,793,836
Cost of buying water from Hoa Lien water plant	8,066,934,800	-
Danang Electricity Company Limited	1,390,000,039	1,220,642,166
Other entities	212,863,218	351,640,098
<b>Total</b>	<b>10,274,520,766</b>	<b>2,320,296,950</b>
<b>19. Other payables</b>		
<b>a. Short-term</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
<b>Other payables</b>	<b>53,145,120</b>	<b>51,548,858</b>
<b>Internal receivables</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Other payables 3388</b>	<b>149,481,042,735</b>	<b>137,830,331,830</b>
<i>Danang City Water Supply Project Management Board</i>	<i>135,095,629</i>	<i>-</i>
<i>Temporary increase in assets of Hai Van water plant (SG Investment JSC)</i>	<i>1,221,614,989</i>	<i>1,221,614,989</i>
<i>Raw water cost difference</i>	<i>3,405,575,633</i>	<i>7,389,960,356</i>
<i>Capital payable for Budget</i>	<i>16,098,000,000</i>	<i>16,098,000,000</i>
<i>Property handed over from the budget</i>	<i>89,698,099,864</i>	<i>89,698,099,864</i>
<i>Water infrastructure rental payable for the period from 06/2015 to 31/12/2023</i>	<i>38,922,656,620</i>	<i>23,422,656,621</i>
<b>Others</b>	<b>1,449,396,796</b>	<b>1,426,210,068</b>
<b>Total</b>	<b>150,984,584,651</b>	<b>139,309,090,756</b>
<b>b. Long-term</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Long-term deposit received	9,874,491,564	8,172,825,661
Capital payable for Budget	80,490,446,164	96,588,446,164
<b>Total</b>	<b>90,364,937,728</b>	<b>104,761,271,825</b>
<b>20. Borrowings and finance lease liabilities</b>		
<b>a. Short-term borrowings</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Danang City Investment and Development Fund	22,724,800,000	22,724,800,000
Shinhan Bank Vietnam Limited - Danang Branch	25,109,596,136	25,109,595,608
Vietcombank	9,873,820,000	9,583,360,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	2,775,704,931	4,512,004,000
<b>Total</b>	<b>60,483,921,067</b>	<b>61,929,759,608</b>
<b>b. Long-term borrowings</b>	<b>31/12/2024</b>	<b>31/12/2023</b>
Danang City Investment and Development Fund	114,417,367,666	137,142,167,666
Shinhan Bank Vietnam Limited - Danang Branch	194,734,445,541	219,844,042,205
Vietcombank	65,990,375,924	76,112,075,924
Joint Stock Commercial Bank for Investment and Development of Vietnam	9,432,988,605	11,975,477,352
<b>Total</b>	<b>384,575,177,736</b>	<b>445,073,763,147</b>
<b>21. Owner's equity</b>		
<b>a. Statement of changes in owners' equity</b>		

	Contributed capital	Capital surplus	Development and investment funds	Distributed profit after tax	Total
Balance as at Jan 01, 2023	579,640,610,000	8,993,538,265	65,152,916,904	105,195,153,832	758,982,219,001
Increase during the period			36,670,567,404	135,543,494,511	172,214,061,915
Decrease during the period			15,279,539,303	(157,204,823,503)	(141,925,284,200)
<b>Balance as at Dec 31, 2023</b>	<b>579,640,610,000</b>	<b>8,993,538,265</b>	<b>117,103,023,611</b>	<b>83,533,824,839</b>	<b>789,270,996,715</b>
Balance as at Jan 01, 2024	579,640,610,000	8,993,538,265	117,103,023,611	83,533,824,839	789,270,996,715
Increase during the period	-	-	10,995,117,081	94,927,894,603	105,923,011,684
Decrease during the period	-	-	-	123,938,062,177	123,938,062,177
<i>Profit distribution this period</i>	-	-	-	123,938,062,177	123,938,062,177
<b>Balance as at Dec 31, 2024</b>	<b>579,640,610,000</b>	<b>8,993,538,265</b>	<b>128,098,140,692</b>	<b>54,523,657,266</b>	<b>771,255,946,223</b>

b. Details of investment capital	31/12/2024	31/12/2023
People's Committee of Danang City	348,242,170,000	348,242,170,000
Danang - Mien Trung Investment JSC	202,867,440,000	202,867,440,000
Other shareholders	28,531,000,000	28,531,000,000
<b>Total</b>	<b>579,640,610,000</b>	<b>579,640,610,000</b>
c. Undistributed profit after tax	31/12/2024	31/12/2023
Profits brought forward	83,533,824,840	105,195,153,832
Profits after corporate income tax of current period	94,927,894,603	135,543,494,511
Previous year's profit distribution	123,938,062,177	105,037,168,703
<i>Divide the dividend</i>	<i>98,538,903,700</i>	<i>75,353,279,400</i>
<i>Set up Bonus fund</i>	<i>6,909,033,767</i>	<i>9,300,000,000</i>
<i>Set up Welfare fund</i>	<i>6,909,033,766</i>	<i>4,500,000,000</i>
<i>Set up fund of Executive Management Board</i>	<i>585,973,863</i>	<i>604,350,000</i>
<i>Set up development and investment funds</i>	<i>10,995,117,081</i>	<i>15,279,539,303</i>
Current year's profit distribution	-	52,167,654,800
<b>Undistributed profit after tax</b>	<b>54,523,657,266</b>	<b>83,533,824,840</b>

The Company distribute after-tax profits to pay the second dividend of 2023 according to Resolution No. 01/NQ-HĐQT dated June 26, 2024 and the first dividend of 2024 according to Resolution No. 08 dated October 10, 2024.

22. Total revenue	From Jan 1, 2024 to Dec 31, 2024	Từ 1.01.2023 đến 31.12.2023
Revenue from water industry	640,211,211,200	591,802,155,635
Revenue from other activities	4,182,468,434	4,058,124,927
<b>Total</b>	<b>644,393,679,634</b>	<b>595,860,280,562</b>

<b>23. Cost of good sold</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Cost of goods sold from water industry	448,023,754,058	337,280,556,528
Cost of goods sold from other activities	3,410,718,120	26,904,534,271
<b>Total</b>	<b>451,434,472,178</b>	<b>364,185,090,799</b>
<b>24. Financial income</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Deposits, loans interest	24,793,800,971	27,227,905,478
Gains on exchange rate differences	25,371,807	8,918,343
<b>Total</b>	<b>24,819,172,778</b>	<b>27,236,823,821</b>
<b>25. Financial expense</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Interest expense	28,798,461,146	29,950,386,864
Losses on exchange rate differences	10,663,054	500,447
Allowances for investments in subsidiaries	754,627,203	63,100,667
<b>Total</b>	<b>29,563,751,403</b>	<b>30,013,987,978</b>
<b>26. Selling expenses and General administration expenses</b>		
<b>a. Selling expenses</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Cost of raw materials	9,373,591,157	5,333,411,827
Employees cost	24,145,033,127	25,011,720,677
Other expenses	4,582,062,528	4,881,284,863
<b>Total</b>	<b>38,100,686,812</b>	<b>35,226,417,367</b>
<b>b. General administration expenses</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Employees cost	25,326,879,140	23,049,132,072
Fixed asset depreciation	2,757,859,850	2,765,823,092
Set up a science and technology development fund	-	4,000,000,000
Allowances for doubtful debts	84,200,623	179,411,057
Costs of outsourced services	2,846,286,904	2,865,284,684
Other explicit expenses	16,720,683,801	12,276,892,086
<b>Total</b>	<b>47,735,910,318</b>	<b>45,136,542,991</b>
<b>27. Other income</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Overdue debt collection, contract transfer	12,875,528	
Remaining drainage service charges for collection	3,162,749,243	2,943,427,998
Bad debts have been handled and now are recovered		5,123,325
Other income	70,677,755	56,607,834

Total	3,246,302,526	3,005,159,157
<b>28. Other expenses</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Handling backlog construction		128,615,287
Fixed asset liquidation costs	19,754,233	
Fixed asset value reduced damage		413,587,182
Other expenses	11,111,175	9,377,118
<b>Total</b>	<b>30,865,408</b>	<b>551,579,587</b>
<b>29. Current corporate income tax</b>	<b>From Jan 1, 2024 to Dec 31, 2024</b>	<b>From Jan 1, 2023 to Dec 31, 2023</b>
Total accounting profits before corporate income tax	105,593,468,819	150,988,644,818
Adjustment to taxable income	680,151,539	1,619,904,673
- Increasing adjustment (Excluding costs when calculating tax of water industry)	680,151,539	1,619,904,673
- Income from water industry	106,693,770,822	173,688,986,491
- Income from other activities	(1,100,302,003)	(22,700,341,673)
- Income from raw water cost difference paid to the state	4,256,924,605	9,237,405,509
Total tax calculation income	110,530,544,963	161,845,955,000
<b>Current corporate income tax expenses</b>	<b>11,552,879,582</b>	<b>17,347,382,667</b>
<i>In which:</i>		
<b>Current corporate income tax expense incurred this period</b>	<b>10,665,574,216</b>	<b>15,445,150,307</b>
- Corporate income tax from water industry	10,489,940,750	15,021,808,334
- Corporate income tax from other industry	139,713,022	478,093,232
<b>Corporate income tax collected from employees</b>	<b>35,920,444</b>	<b>54,751,259</b>
- Corporate income tax corresponding to the difference in raw water paid to the state	851,384,921	1,847,481,102

**30. Basis earnings per share, Diluted earnings per share**

According to the law of sections 3.19 and 3.20, Clause 3, Article 113 of Circular No. 200/2014/TT-BTC regulating the items basic earnings per share and diluted earnings per share presented in the public financial statements of the joint-stock company is an independent business. For the parent company that is a joint-stock company, this item is only presented in the Consolidated Financial Statements, not on the separate financial statements of the parent company. These are the separate financial statements of the Parent Company and therefore do not present figures for these two indicators.

31. Operating expenses according to elements	From Jan 1, 2024 to Dec 31, 2024	From Jan 1, 2023 to Dec 31, 2023
Cost of raw materials	63,739,209,875	59,059,844,265
Employees cost	115,569,861,012	108,535,433,089
Fixed asset depreciation	117,206,407,304	123,001,183,339
Costs of outsourced services	204,841,813,199	117,004,121,595
Other explicit expenses	36,711,423,133	36,525,697,053

<b>Total</b>	538,068,714,523	444,126,279,341
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### 32. Divisions Report

In accordance with VAS 28 and this Circular guiding this Standard, the Company should prepare a Divisions Report. Accordingly, a division is a distinctly identifiable part of the Company that may be involved in the provision of related products or services (business lines) or product or service provider in a specific economic environment (geographic areas), each of these sectors bears risks and derives different economic benefits from the others. The Board of Directors of the Company assess that the Company operates in the main business division, which is the production and trading of the water industry and in Da Nang City, Vietnam.

### 33. Financial instruments

#### a. Capital risk management

Through capital management, the Company considers and decides to maintain appropriate capital and liability balances in each period to ensure continuous operations while maximizing the benefits of owners.

#### b. Financial risk management

Financial risks include market risk (interest rate risk, commodity price risk), credit risk and liquidity risk.

**Market risk management:** The Company's business operations will be primarily exposed to risks from large fluctuations in interest rates and prices.

##### *Interest Rate Risk Management*

The Company's interest rate risk arises mainly from the loans it has signed. To minimize this risk, the Company has estimated the impact of interest expenses on business results in each period as well as analyzed and forecasted to choose appropriate repayment times. The Board of Directors believes that the Company's risk of unexpected interest rate fluctuations is low.

##### *Price risk management*

The company exploits water resources for production and business, so it only bears the risk of changes in resource tax policies. However, this tax rate is relatively stable and is under the management of the State, so the Board of Directors believes that there is no risk in commodity prices.

##### *Credit risk management*

The Company's customers are all people in society who need to use clean water and always pay on time. The Company's Board of Directors believes that the Company does not have significant credit risk with customers.

##### *Liquidity risk management*

To manage liquidity risks, meet current and future capital and financial obligations, the Company regularly monitors and maintains sufficient cash reserves, optimizes idle cash flows, takes advantage of credit from customers and partners, proactively controls due and upcoming debts in correlation with due assets and revenue that can be generated during that period,...

Summary of the Company's financial liabilities by payment term is as follows:

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

No 57 Xo Viet Nghe Tinh Street, Hai Chau District, Da Nang City

**CONSOLIDATED FINANCIAL STATEMENT**

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

<b>31/12/2024</b>	<b>No more than 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Trade payables	37,397,392,040		37,397,392,040
Accrued expenses	10,274,520,766		10,274,520,766
Borrowings and finance lease liabilities	60,483,921,067	384,575,177,736	445,059,098,803
Other payables	150,984,584,651	90,364,937,728	241,349,522,379
<b>Total</b>	<b>259,140,418,524</b>	<b>474,940,115,464</b>	<b>734,080,533,988</b>

<b>31/12/2023</b>	<b>No more than 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Trade payables	86,369,603,468		86,369,603,468
Accrued expenses	2,320,296,950		2,320,296,950
Borrowings and finance lease liabilities	61,929,759,608	445,073,763,147	507,003,522,755
Other payables	139,309,090,756	104,761,271,825	244,070,362,581
<b>Total</b>	<b>289,928,750,782</b>	<b>549,835,034,972</b>	<b>839,763,785,754</b>

The Company has virtually no liquidity risk and can generate sufficient cash flows to meet its financial obligations as they fall due.

The summary of the Company's existing financial assets is presented on a net asset basis as follows:

<b>31/12/2024</b>	<b>No more than 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Cash and cash equivalents	75,896,601,474		75,896,601,474
Held-to-maturity investments	334,088,224,415		334,088,224,415
Trade receivables	7,965,876,315		7,965,876,315
Other receivables	16,144,378,021		16,144,378,021
<b>Total</b>	<b>434,095,080,225</b>	<b>-</b>	<b>434,095,080,225</b>

<b>31/12/2023</b>	<b>No more than 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Cash and cash equivalents	64,133,588,891		64,133,588,891
Held-to-maturity investments	362,705,964,120		362,705,964,120
Trade receivables	7,174,616,714		7,174,616,714
Other receivables	17,433,133,559		17,433,133,559
<b>Cộng</b>	<b>451,447,303,284</b>	<b>-</b>	<b>451,447,303,284</b>

**34. Salary, remuneration and other benefits of the Executive Board:**

Salary, remuneration and other benefits of the Board of Directors and Board of Supervisors:

<b>No</b>	<b>Board of Management</b>	<b>Position</b>	<b>Form Jan 01, 2024 to Dec 31, 2024</b>		
			<b>Salary</b>	<b>Remuneration</b>	<b>Total</b>
1	Ho Huong	Chairman of BOD	777,600,000	-	777,600,000
2	Dang Thanh Binh	Member of the BOD	-	100,800,000	100,800,000
3	Nguyen Truong Anh	Member of the BOD	-	100,800,000	100,800,000
4	Nguyen Thi Thu Ha	Head of Supervisory Board	648,000,000	-	648,000,000
5	Pham Thi Que Chi	Member of the Supervisory Board	453,600,000	-	453,600,000
6	Thai Quoc Khanh	Member of the Supervisory Board	-	79,200,000	79,200,000
7	Vo Thi Hoa	Member of the	-	-	-

		Supervisory Board			
8	Ho Minh Nam	General Director	734,400,000	-	734,400,000
9	Le Duc Quy	Vice General Director	691,200,000	-	691,200,000
10	Tran Phuoc Thuong	Vice General Director	648,000,000	-	648,000,000
11	Phan Thinh	Chief accountant	648,000,000	-	648,000,000
<b>Total</b>			<b>4,600,800,000</b>	<b>280,800,000</b>	<b>4,881,600,000</b>

No	Board of Management	Position	Form Jan 01, 2023 to Dec 31, 2023		
			Salary	Remuneration	Total
1	Ho Huong	Chairman of BOD	792,302,688	-	792,302,688
2	Dang Thanh Binh	Member of the BOD	-	100,800,000	100,800,000
3	Nguyen Truong Anh	Member of the BOD	-	100,800,000	100,800,000
4	Nguyen Thi Thu Ha	Head of Supervisory Board	660,252,240	-	660,252,240
5	Pham Thi Que Chi	Member of the Supervisory Board	462,176,568	-	462,176,568
6	Thai Quoc Khanh	Member of the Supervisory Board	-	79,200,000	79,200,000
7	Ho Minh Nam	General Director	748,285,872	-	748,285,872
8	Le Duc Quy	Vice General Director	704,269,056	-	704,269,056
9	Tran Phuoc Thuong	Vice General Director	660,252,240	-	660,252,240
10	Phan Thinh	Chief accountant	660,252,240	-	660,252,240
<b>Total</b>			<b>4,687,790,904</b>	<b>280,800,000</b>	<b>4,968,590,904</b>

	Form Jan 01, 2024 to Dec 31, 2024	Form Jan 01, 2023 to Dec 31, 2023
<b>Dividends</b>	113,320,000	81,620,000
<b>Total</b>	<b>522,478,302</b>	<b>513,732,500</b>

### 35. Subsequent events

There have been no significant events occurring after the balance sheet date, which would require adjustments or disclosures to be presented in the interim financial statements (separate).

### 36. Corresponding figures

Corresponding figures taken from the financial statements for the fiscal year end at of December 31, 2023 which were audited by Vietvalues.

Danang, January 20, 2025

<p>Preparer</p>  <p><b>PHAM HONG MINH</b></p>	<p>Chief Accountant</p>  <p><b>PHAN THINH</b></p>	<p>General Director</p>  <p><b>HO MINH NAM</b></p> 
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