

**SONG DA WATER INVESTMENT JOINT STOCK COMPANY**  
*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED FINANCIAL  
STATEMENTS**

**For the year ended 31 December 2024**

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**SONG DA WATER INVESTMENT JOINT STOCK COMPANY**

Vat Lai Hamlet, Thinh Minh Commune, Hoa Binh City  
Hoa Binh Province, S.R. Vietnam

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**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Song Da Water Investment Joint Stock Company (the “Company”) presents this report together with the Company’s financial statements for the year ended 31 December 2024.

**THE BOARDS OF DIRECTORS AND MANAGEMENT**

The members of the Boards of Directors and Board of Management of the Company during the year and to the date of this report are as follows:

**Board of Directors**

Mr. Le Van Thang	Chairman
Mr. Truong Khac Hoanh	Vice Chairman (Non – executive member)
Mr. Nguyen Xuan Quy	Member
Mr. Nguyen Anh Tuan	Non – executive member
Mr. Bui Dang Khoa	Non – executive member

**Board of Management**

Mr. Nguyen Xuan Quy	General Director
Mr. Luu Viet Thinh	Deputy General Director
Mr. Trinh Van Nam	Deputy General Director
Mr. Le Van Thang	Deputy General Director

**THE BOARD OF MANAGEMENT’S STATEMENT OF RESPONSIBILITY**

The Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

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**SONG DA WATER INVESTMENT JOINT STOCK COMPANY**


Vat Lai Hamlet, Thinh Minh Commune, Hoa Binh City  
Hoa Binh Province, S.R. Vietnam

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**STATEMENT OF THE BOARD OF MANAGEMENT (Continued)**

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Board of Management, 



**Nguyen Xuan Quy**  
**General Director**

03 March 2025



No.: 0540 /VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Board of Directors and Board of Management  
Song Da Water Investment Joint Stock Company**

We have audited the accompanying financial statements of Song Da Water Investment Joint Stock Company (the "Company"), prepared on 03 March 2025 as set out from page 05 to page 31, which comprise the balance sheet as at 31 December 2024, and the statement of income, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

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

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

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

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## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



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**Hoang Lan Huong**  
Deputy General Director  
Audit Practising Registration Certificate  
No. 0898-2023-001-1

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**Nguyen Khuong Duy**  
Auditor  
Audit Practising Registration Certificate  
No. 5063-2025-001-1

**DELOITTE VIETNAM AUDIT COMPANY LIMITED**

03 March 2025  
Hanoi, S.R. Vietnam

**BALANCE SHEET**

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>389,040,320,400</b>	<b>252,766,170,402</b>
<b>I. Cash</b>	<b>110</b>	<b>4</b>	<b>48,755,631,917</b>	<b>34,775,642,122</b>
1. Cash	111		48,755,631,917	34,775,642,122
<b>II. Short-term financial investments</b>	<b>120</b>		<b>6,105,863,014</b>	-
1. Held-to-maturity investments	123	12	6,105,863,014	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>238,200,016,241</b>	<b>136,076,616,004</b>
1. Short-term trade receivables	131	5	108,889,946,419	105,298,509,621
2. Short-term advances to suppliers	132	6	55,924,519,716	10,498,193,032
3. Other short-term receivables	136	7	73,385,550,106	20,279,913,351
<b>IV. Inventories</b>	<b>140</b>	<b>8</b>	<b>31,514,809,530</b>	<b>23,172,812,188</b>
1. Inventories	141		35,023,035,635	24,449,860,489
2. Provision for devaluation of inventories	149		(3,508,226,105)	(1,277,048,301)
<b>V. Other short-term assets</b>	<b>150</b>		<b>64,463,999,698</b>	<b>58,741,100,088</b>
1. Short-term prepayments	151		105,805,552	2,744,396
2. Value added tax deductibles	152		64,358,194,146	58,738,355,692
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>3,478,663,521,504</b>	<b>3,424,603,575,644</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>164,838,000</b>	<b>167,142,000.00</b>
1. Other long-term receivables	216	7	164,838,000	167,142,000
<b>II. Fixed assets</b>	<b>220</b>		<b>3,073,218,438,908</b>	<b>3,252,708,082,448</b>
1. Tangible fixed assets	221	10	3,073,218,438,908	3,252,708,082,448
- Cost	222		4,910,650,076,083	4,849,714,636,384
- Accumulated depreciation	223		(1,837,431,637,175)	(1,597,006,553,936)
2. Intangible assets	227		-	-
- Cost	228		878,969,151	878,969,151
- Accumulated amortisation	229		(878,969,151)	(878,969,151)
<b>III. Long-term assets in progress</b>	<b>240</b>		<b>268,510,262,578</b>	<b>38,799,649,862</b>
1. Construction in progress	242	11	268,510,262,578	38,799,649,862
<b>IV. Long-term financial investments</b>	<b>250</b>		<b>122,509,325,759</b>	<b>122,509,325,759</b>
1. Equity investments in other entities	253	12	120,859,325,759	120,859,325,759
2. Held-to-maturity investments	255	12	1,650,000,000	1,650,000,000
<b>V. Other long-term assets</b>	<b>260</b>		<b>14,260,656,259</b>	<b>10,419,375,575</b>
1. Long-term prepayments	261	9	9,426,152,569	5,107,380,970
2. Long-term reserved spare parts	263	8	4,834,503,690	5,311,994,605
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>3,867,703,841,904</b>	<b>3,677,369,746,046</b>

The accompanying notes are an integral part of these financial statements

**BALANCE SHEET (Continued)**

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>2,661,120,277,985</b>	<b>2,378,203,328,931</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>283,975,694,246</b>	<b>192,786,947,111</b>
1. Short-term trade payables	311	14	44,507,431,880	36,648,219,557
2. Taxes and amounts payable to the State budget	313	13	2,412,600,421	11,919,460,604
3. Payables to employees	314		11,260,019,833	9,556,376,998
4. Short-term accrued expenses	315	15	22,379,982,299	36,087,851,668
5. Other current payables	319	16	9,675,380,635	1,469,323,700
6. Short-term loans	320	17	193,361,196,201	96,726,631,607
7. Bonus and welfare funds	322		379,082,977	379,082,977
<b>II. Long-term liabilities</b>	<b>330</b>		<b>2,377,144,583,739</b>	<b>2,185,416,381,820</b>
1. Long-term trade payables	331	14	-	122,882,473,158
2. Long-term loans	338	17	2,377,144,583,739	2,062,533,908,662
<b>D. EQUITY</b>	<b>400</b>		<b>1,206,583,563,919</b>	<b>1,299,166,417,115</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>18</b>	<b>1,206,583,563,919</b>	<b>1,299,166,417,115</b>
1. Owners' contributed capital	411		750,000,000,000	750,000,000,000
- Ordinary shares carrying voting rights	411a		750,000,000,000	750,000,000,000
2. Investment and development fund	418		2,202,126,044	2,202,126,044
3. Retained earnings	421		454,381,437,875	546,964,291,071
- Retained earnings to the prior year end	421a		546,964,291,071	512,919,445,792
- (Loss)/Retained earnings of the current year	421b		(92,582,853,196)	34,044,845,279
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>3,867,703,841,904</b>	<b>3,677,369,746,046</b>

Nguyen Minh Duc  
Preparer

Dao Gia Thang  
Chief Accountant



Nguyen Xuan Quy  
General Director

03 March 2025

The accompanying notes are an integral part of these financial statements



## INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold	01	20	594,399,968,012	573,502,579,532
2. Net revenue from goods sold (10=01)	10		594,399,968,012	573,502,579,532
3. Cost of sales	11	21	450,520,699,128	391,518,804,496
4. Gross profit from goods sold (20=10-11)	20		143,879,268,884	181,983,775,036
5. Financial income	21	23	6,231,700,674	5,977,768,761
6. Financial expenses	22	24	154,430,459,618	104,066,232,491
- In which: Interest expense	23		154,430,459,618	103,893,723,831
7. General and administration expenses	26	25	80,960,587,106	44,825,877,514
8. Operating (loss)/profit (30=20+(21-22)-26)	30		(85,280,077,166)	39,069,433,792
9. Other income	31		-	15,272,727
10. Other expenses	32	26	7,302,776,030	525,801,855
11. (Losses) from other activities (40=31-32)	40		(7,302,776,030)	(510,529,128)
12. Accounting (loss)/profit before tax (50=30+40)	50		(92,582,853,196)	38,558,904,664
13. Current corporate income tax expense	51	27	-	4,514,059,385
14. Net (loss)/profit after corporate income tax (60=50-51)	60		(92,582,853,196)	34,044,845,279
15. Basic (loss)/earnings per share	70	28	(1,234)	454

Nguyen Minh Duc  
Preparer

Dao Gia Thang  
Chief Accountant



Nguyen Xuan Quy  
General Director

03 March 2025

The accompanying notes are an integral part of these financial statements

## CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. <b>(Loss)/Profit before tax</b>	01	<b>(92,582,853,196)</b>	<b>38,558,904,664</b>
2. <b>Adjustments for:</b>			
Depreciation and amortisation of fixed assets	02	240,425,083,239	160,829,628,950
Provisions	03	2,231,177,804	-
Gain from investing activities	05	(6,231,700,674)	(5,895,865,227)
Interest expense	06	154,430,459,618	103,893,723,831
3. <b>Operating profit before movements in working capital</b>	08	<b>298,272,166,791</b>	<b>297,386,392,218</b>
(Increase)/decrease in receivables	09	(62,314,608,007)	47,494,522,638
(Increase)/decrease in inventories	10	(10,095,684,231)	1,676,564,878
Increases in payables (excluding accrued loan interest and corporate income tax payable)	11	143,714,984,432	61,514,919,417
Increases in prepaid expenses	12	(4,421,832,755)	(1,492,158,581)
Interest paid	14	(149,023,034,369)	(98,379,663,602)
Corporate income tax paid	15	(1,514,059,385)	(6,871,148,000)
Other cash outflows	17	-	(23,500,000)
<b>Net cash generated by operating activities</b>	20	<b>214,617,932,476</b>	<b>301,305,928,968</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(612,009,020,012)	(1,215,085,278,034)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	15,272,727
3. Cash outflow for lending, buying debt instruments of other entities	23	(6,105,863,014)	(1,650,000,000)
4. Interest earned, dividends and profits received	27	6,231,700,674	5,880,592,500
<b>Net cash used in investing activities</b>	30	<b>(611,883,182,352)</b>	<b>(1,210,839,412,807)</b>

The accompanying notes are an integral part of these financial statements

**CASH FLOW STATEMENT (Continued)**  
 For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	606,414,240,628	1,448,372,071,340
2. Repayment of borrowings	34	(195,169,000,957)	(467,481,002,980)
3. Dividends and profits paid	36	-	(74,950,243,000)
<b>Net cash generated by financing activities</b>	<b>40</b>	<b>411,245,239,671</b>	<b>905,940,825,360</b>
<b>Net increase/(decrease) in cash (50=20+30+40)</b>	<b>50</b>	<b>13,979,989,795</b>	<b>(3,592,658,479)</b>
<b>Cash at the beginning of the year</b>	<b>60</b>	<b>34,775,642,122</b>	<b>38,368,300,601</b>
<b>Cash at the end of the year (70=50+60)</b>	<b>70</b>	<b>48,755,631,917</b>	<b>34,775,642,122</b>



Nguyen Minh Duc  
Preparer



Dao Gia Thang  
Chief Accountant



Nguyen Xuan Quy  
General Director

03 March 2025

**NOTES TO THE FINANCIAL STATEMENTS**

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

**1. GENERAL INFORMATION****Structure of ownership**

Song Da Water Investment Joint Stock Company ("the Company") was incorporated under the Enterprise Registration Certificate No. 5400310164 firstly issued by Hoa Binh Department of Planning and Investment on 17 December 2009 and its subsequent amended Enterprise Registration Certificates with the latest (6th) amendment dated 24 February 2020.

The Company's shares have been traded on UPCoM from 23 November 2016.

The parent company of the Company is GELEX Infrastructure Joint Stock Company. The ultimate parent is GELEX Group Joint Stock Company.

The number of employees as at 31 December 2024 was 148 (31 December 2023: 147).

**Operating industry and principal activities**

The operating industry of the Company comprise:

- Water extraction, treatment and supply (production of tap water);
- Producing non-alcoholic beverages, mineral water;
- Specialized construction activities: installation of water supply and drainage systems and other construction installation;
- Wholesale and retail: tap water, machinery, equipment and supplies for the water industry; and
- Architectural activities and related technical consulting (geological survey of water resources).

The current principal activity of the Company is to produce tap water under the Project on Investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong according to the Investment Registration Certificate No. 5208412646 dated 17 November 2010, as amended, with the latest (7<sup>th</sup>) amendment dated 16 April 2024.

**Normal production and business cycle**

The Company's normal production and business cycle is carried out for the time period of 12 months or less.

**Disclosure of information comparability in the financial statements**

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2023.

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**

**Accounting convention**

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

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

**Financial year**

The Company's financial year begins on 01 January and ends on 31 December.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

**Estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

**Cash**

Cash comprise cash on hand and bank demand deposits.

**Financial investments**

***Equity investments in other entities***

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

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

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits and bonds to earn periodic interest.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for impairment of held-to-maturity investments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

#### Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

#### Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and cost of purchases and other directly attributable expenses. Cost is calculated using the specific identification method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The Company applies the perpetual method of accounting for inventories.

The evaluation of necessary provision for inventory obsolescence follows the prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Long-term reserved equipment, supplies, and spare parts which comprise supplies and spare parts reserved for replacement and repair of assets are stated at net value after netting off provision for devaluation (if any).

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives, details are as follows:

	<u>Years</u>
Buildings and structures	06 - 20
Machinery and equipment	05 - 10
Office equipment	03 - 07
Motor vehicles and transmission equipment	03 - 08

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognised in the income statement.

### Intangible assets and amortization

Intangible assets are stated at cost less accumulated amortization.

The costs of intangible assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions for their intended use.

Intangible assets are amortized using the straight-line method over their estimated useful lives, details are as follows:

	<u>Years</u>
Computer software	02 - 03

### Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

### Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses include tools and dies issued for consumption and fixed assets overhaul.

These expenditures are expected to provide future economic benefits to the Company and are allocated to the income statement using the straight-line method in accordance with the prevailing accounting regulations.

### Accrued expenses

Accrued expenses include payables for goods and services received from suppliers in the reporting period but not yet paid for due to insufficient invoices and documentation, and accruals for interest expense which are recognized based on loan principal and interest rate.

### Revenue recognition

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company;
- and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The revenue from water supply is determined and calculated based on the water tariff prescribed by the Hanoi People's Committee and the monthly record of acceptance of water volume between the Company and its customers.



Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognized when the Company's right to receive payment has been established.

#### **Borrowing costs**

Borrowing costs are recognized in the income statement in the year when incurred unless they are capitalized in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalized even when the construction period is under 12 months.

#### **Taxation**

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with applicable tax laws in Vietnam.



4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	889,283,479	2,265,949,970
Bank demand deposits	47,866,348,438	32,509,692,152
	<u>48,755,631,917</u>	<u>34,775,642,122</u>

5. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Viwaco Joint Stock Company	58,514,652,531	62,638,285,518
Ha Dong Clean Water One Member Limited Liability Company	19,042,100,942	16,151,467,060
Western Hanoi Clean Water Joint Stock Company	9,145,980,900	6,720,066,990
Dong Tien Thanh Capital Company Limited	7,695,891,000	6,329,100,645
Join Company Comerrial & Geological Service	6,763,370,010	6,888,249,396
Others	7,727,951,036	6,571,340,012
	<u>108,889,946,419</u>	<u>105,298,509,621</u>
<b>In which: Short-term trade receivables form related parties (Details stated in Note 29)</b>	9,145,980,900	6,720,066,990

6. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Construction Joint Stock Company No 5 (i)	51,647,389,235	-
Bao Anh Investment and Construction Company Limited	-	5,512,045,807
Construction Technology, Equipment and Inspection Consulting Joint Stock Company - CONINCO	-	1,177,574,322
Others	4,277,130,481	3,808,572,903
	<u>55,924,519,716</u>	<u>10,498,193,032</u>

- (i) Represents the advance to the Construction Joint Stock Company No. 5 to carry out the tender package for design and construction drawing design, supply, installation of equipment, and construction of the clean water treatment section in phase 2 - the Project on Investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong, to upgrade the projects' capacity to 600,000 m<sup>3</sup>.

7. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
<b>a. Short-term</b>		
Advance to employees (i)	73,212,012,192	20,106,993,600
Others	173,537,914	172,919,751
	<b>73,385,550,106</b>	<b>20,279,913,351</b>
<b>b. Long-term</b>		
Deposits	164,838,000	167,142,000
	<b>164,838,000</b>	<b>167,142,000</b>

(i) Including approximately VND 72.8 billion as an advance to implement upstream construction items of phase 2 - the Project on Investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong, to upgrade the projects' capacity to 600,000 m<sup>3</sup>.

8. INVENTORIES AND LONG-TERM RESERVED SPARE PARTS

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
<b>a. Inventories</b>				
Raw materials	34,521,164,432	(3,508,226,105)	23,930,521,522	(1,277,048,301)
Tools and supplies	501,871,203	-	519,338,967	-
	<b>35,023,035,635</b>	<b>(3,508,226,105)</b>	<b>24,449,860,489</b>	<b>(1,277,048,301)</b>
<b>b. Long-term reserved spare parts</b>	<b>4,834,503,690</b>	-	<b>5,311,994,605</b>	-

During the year, VND 2,231,177,804 was provided for slow-moving, damaged and sub-standard inventories (2023: VND 0).

9. LONG-TERM PREPAYMENTS

	Closing balance VND	Opening balance VND
Asset overhaul	7,789,224,038	4,390,939,708
Tools and dies issued for consumption	1,636,928,531	716,441,262
	<b>9,426,152,569</b>	<b>5,107,380,970</b>

SONG DA WATER INVESTMENT JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles, transmission equipment	Office equipment	Total
	VND	VND	VND	VND	VND
<b>COST</b>					
Opening balance	4,497,940,335,407	330,161,931,911	19,027,596,364	2,584,772,702	4,849,714,636,384
Purchase in the year	-	-	-	156,540,000	156,540,000
Transfer from construction in progress	829,491,667	-	59,949,408,032	-	60,778,899,699
<b>Closing balance</b>	<b>4,498,769,827,074</b>	<b>330,161,931,911</b>	<b>78,977,004,396</b>	<b>2,741,312,702</b>	<b>4,910,650,076,083</b>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	1,395,151,000,282	184,391,967,264	15,107,670,501	2,355,915,889	1,597,006,553,936
Charge for the year	215,789,749,829	21,521,307,903	2,981,890,355	132,135,152	240,425,083,239
<b>Closing balance</b>	<b>1,610,940,750,111</b>	<b>205,913,275,167</b>	<b>18,089,560,856</b>	<b>2,488,051,041</b>	<b>1,837,431,637,175</b>
<b>NET BOOK VALUE</b>					
Opening balance	3,102,789,335,125	145,769,964,647	3,919,925,863	228,856,813	3,252,708,082,448
Closing balance	2,887,829,076,963	124,248,656,744	60,887,443,540	253,261,661	3,073,218,438,908

As presented in Note 17, the Company has pledged its buildings and structures which have the carrying value as at 31 December 2024 of approximately VND 3,006 billion (31 December 2023: approximately VND 3,198 billion) to secure banking facilities granted to the Company (Note 17).

The cost of the Company's tangible fixed assets includes VND 585.8 billion (31 December 2023: VND 560.6 billion) of assets which have been fully depreciated but are still in use.

11. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
Phase 2 - Project on Investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong, to upgrade the projects' capacity to 600,000 m <sup>3</sup> (i)	268,182,889,881	34,912,141,193
Others	327,372,697	3,887,508,669
	<b>268,510,262,578</b>	<b>38,799,649,862</b>

- (i) Future assets to be formed under Phase 2 - Project on Investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong, to upgrade the projects' capacity to 600,000 m<sup>3</sup> are pledged to secure bank loans as stated in Note 17.

The total interest expense of Phase 2 - Project on Investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong, to upgrade the projects' capacity to 600,000 m<sup>3</sup> which has been capitalised into the cost of construction in progress during the year 2024 is VND 8,478,126,269 (2023: VND 31,842,016,802).

12. EQUITY INVESTMENTS IN OTHER ENTITIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Carrying amount	Cost	Carrying amount
<b>a. Held-to-maturity investments</b>				
<b>a1. Short-term</b>	<b>6,105,863,014</b>	<b>6,105,863,014</b>	-	-
Term deposits (i)	6,105,863,014	6,105,863,014	-	-
<b>a2. Long-term</b>	<b>1,650,000,000</b>	<b>1,650,000,000</b>	<b>1,650,000,000</b>	<b>1,650,000,000</b>
Bonds (ii)	1,650,000,000	1,650,000,000	1,650,000,000	1,650,000,000

- (i) Reflects a 6-month term deposit with an interest rate of 3.5%/annum at Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Dong branch. This contains a term deposit with the amount of VND 6,000,000,000 which is used to secure a short-term loan at Vietnam Joint Stock Commercial Bank for Investment and Development - Ha Dong Branch as presented in Note 17.
- (ii) Reflects the 10 – year term bond of Vietnam Joint Stock Commercial Bank For Industry And Trade with interest rate equal to the reference interest rate plus 1.3% per annum. As presented in Note 17, this bond is used to secure a short-term loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoa Binh Branch.

	Closing balance		Opening balance	
	Cost	VND Provision	Carrying amount	VND Provision
<b>b. Investments in other entities</b>	<b>120,859,325,759</b>	-	<b>120,859,325,759</b>	-
Viwaco Joint Stock Company (iii)	120,734,325,759	-	120,734,325,759	-
Vinaconex Dung Quat Joint Stock Company (iv)	125,000,000	-	125,000,000	-

(iii) As at 31 December 2024, the Company held 4,829,400 shares of Viwaco Joint Stock Company. The fair value of the investment as at 31 December 2024 is VND 241,470,000,000 (as at 31 December 2023: VND 179,170,740,000) which is determined based on the closing price of VAV shares on the UpCoM stock exchange at the balance sheet date (the last trading date of the year) and the number of shares held by the Company.

(iv) The Company has not determined the fair value of financial investments in Vinaconex Dung Quat Joint Stock Company at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of financial investments which are shares of unlisted companies or those traded on UpCoM stock exchange.

In 2024, the Company received dividends from the business results in 2023 of Viwaco Joint Stock Company with the amount of VND 5,795,280,000 and of Vinaconex Dung Quat Joint Stock Company with the amount of VND 95,062,500 (in 2023, the Company received VND 5,795,280,000 and VND 85,312,500).

### 13. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	Opening balance	Payable during the year/Other adjustments	Paid during the year	Closing balance
	VND	VND	VND	VND
Forest environment service fee	9,638,274,960	(2,005,156,332)	5,950,483,220	1,682,635,408
Corporate income tax	1,514,059,385	-	1,514,059,385	-
Natural resource consumption tax	587,293,224	5,966,489,173	5,951,484,107	602,298,290
Personal income tax	173,757,461	1,393,034,259	1,447,667,596	119,124,124
Other charges	6,075,574	71,897,084	69,430,059	8,542,599
	<b>11,919,460,604</b>	<b>5,426,264,184</b>	<b>14,933,124,367</b>	<b>2,412,600,421</b>

14. TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	VND Amount able to be paid off	Amount	VND Amount able to be paid off
<b>a. Short-term trade payable</b>				
Vietnam Water and Environment Joint Stock Company	8,257,429,719	8,257,429,719	3,015,615,437	3,015,615,437
Viwaseen 3 Joint Stock Company	5,440,230,061	5,440,230,061	12,561,556,795	12,561,556,795
Truong An Trading Technology Company Limited	3,300,545,944	3,300,545,944	2,164,314,816	2,164,314,816
Hoa Binh Power Company - Hoa Binh City Power Branch	2,980,779,686	2,980,779,686	2,578,594,917	2,578,594,917
Hai Duong Pump Manufacturing Joint Stock Company	502,200,000	502,200,000	97,976,100	97,976,100
LICOGI 16 Joint Stock Company	313,775,276	313,775,276	313,775,274	313,775,274
Vietnam Water and Environment Investment Corporation - JSC (Viwaseen)	-	-	3,204,182,798	3,204,182,798
Others	23,712,471,194	23,712,471,194	12,712,203,420	12,712,203,420
	<b>44,507,431,880</b>	<b>44,507,431,880</b>	<b>36,648,219,557</b>	<b>36,648,219,557</b>
<b>b) Long-term trade payables</b>				
Vietnam Water and Environment Investment Corporation - JSC (Viwaseen)	-	-	93,257,429,719	93,257,429,719
Viwaseen 3 Joint stock Company	-	-	14,015,933,603	14,015,933,603
Water supply and drainage Investment and Construction Joint Stock Company	-	-	9,652,765,774	9,652,765,774
Others	-	-	5,956,344,062	5,956,344,062
	-	-	<b>122,882,473,158</b>	<b>122,882,473,158</b>

15. SHORT-TERM ACCRUED EXPENSES

	Closing balance		Opening balance	
	Amount	VND	Amount	VND
Interest expense	19,017,452,408		15,054,219,301	
Project survey and consultancy expenses	3,252,327,490		17,277,760,303	
Others	110,202,401		3,755,872,064	
	<b>22,379,982,299</b>		<b>36,087,851,668</b>	

16. SHORT-TERM OTHER PAYABLES

	Closing balance		Opening balance	
	Amount	VND	Amount	VND
Board of Directors' remuneration expenses	360,000,000		360,000,000	
Forest environmental expenses	8,066,301,344		-	
Others	878,926,791		739,171,200	
Dividends payable	370,152,500		370,152,500	
	<b>9,675,380,635</b>		<b>1,469,323,700</b>	

17. LOANS

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	VND Decreases	Amount	VND Amount able to be paid off
<b>Short-term loans</b>	<b>69,813,609,419</b>	<b>69,813,609,419</b>	<b>179,983,180,512</b>	<b>156,051,258,931</b>	<b>93,745,531,000</b>	<b>93,745,531,000</b>
Bank loan	69,813,609,419	69,813,609,419	179,983,180,512	156,051,258,931	93,745,531,000	93,745,531,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoa Binh Branch (i)	69,813,609,419	69,813,609,419	128,310,066,767	132,725,073,793	65,398,602,393	65,398,602,393
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Dong Branch (i)	-	-	51,673,113,745	23,326,185,138	28,346,928,607	28,346,928,607
<b>Current portion of long-term loans (Details stated in long-term loans)</b>	<b>26,913,022,188</b>	<b>26,913,022,188</b>	<b>111,820,385,039</b>	<b>39,117,742,026</b>	<b>99,615,665,201</b>	<b>99,615,665,201</b>
	<b>96,726,631,607</b>	<b>96,726,631,607</b>	<b>291,803,565,551</b>	<b>195,169,000,957</b>	<b>193,361,196,201</b>	<b>193,361,196,201</b>

(i) Details of short-term loans by banks are as follows:

Lenders	Closing balance (VND)	Opening balance (VND)	Interest rate (%/annum)	Term and Payment schedule	Purpose	Guarantee form
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoa Binh Branch	65,398,602,393	69,813,609,419	6.5-7.8	- Each loan term is stated on each debt receipt note, up to 6 months.	Implement working capital	16,500,000 bonds of the Vietnam Joint Stock Commercial Bank for Industry and Trade, with face value of VND 1,650,000,000 (Note 12)
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Dong Branch	28,346,928,607	-	6.5	- The loan term is specified on each debt receipt note, up to 6 months.	Implement working capital	- Term deposit valued at VND 6,000,000,000 (Note 12) - Motor vehicles (Note 10)



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	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	VND Decreases	Amount	VND Amount able to be paid off
<b>Long-term loans</b>						
Bank loans	2,089,446,930,850	2,089,446,930,850	538,251,445,155	150,938,127,065	2,476,760,248,940	2,476,760,248,940
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tay Ho Branch (i)	2,039,088,453,409	2,039,088,453,409	538,251,445,155	146,025,104,876	2,431,314,793,688	2,431,314,793,688
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tay Ho Branch and Joint Stock Commercial Bank for Investment and Development of Vietnam - Cau Giay Branch (i)	50,358,477,441	50,358,477,441	-	4,913,022,189	45,445,455,252	45,445,455,252
	<b>2,089,446,930,850</b>	<b>2,089,446,930,850</b>	<b>538,251,445,155</b>	<b>150,938,127,065</b>	<b>2,476,760,248,940</b>	<b>2,476,760,248,940</b>

**In which:**

- Amount due for settlement within 12 months	26,913,022,188	99,615,665,201
- Amount due for settlement after 12 months	2,062,533,908,662	2,377,144,583,739



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(i) Details of long-term loans by banks are as follows:

Lenders	Closing balance (VND)	Opening balance (VND)	Interest rate (%/annum)	Term and Payment schedule	Purpose	Guarantee form
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tay Ho Branch (Contract No. 01/2018/HDTD/VIWA SUPCO-VCB)	2,123,222,963,714	1,739,397,090,172	6.7 - 7.1	- 216 months from the next day of the first disbursement date, grace period is 48 months. - After the grace period, the loan principal and interest are payable quarterly.	Pay for reasonable, valid and lawful expenses of Phase 2 - Project on investment and Construction of Water Supply System for the urban chain of Son Tay - Hoa Lac - Xuan Mai - Mieu Mon - Hanoi - Ha Dong, to upgrade the projects' capacity to 600,000 m3.	- Assets attached to land, machinery and equipment under Project Phase 1 and assets formed from the loan and property rights arising from the whole project (Note 10). - 4,829,400 VAV shares of Viwaco Joint Stock Company with amounting VND 48,294,000,000 deposited at the Vietnam Securities Depository (Note 12).
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tay Ho Branch (Contract No. 23/TAH/8106002/HD CVTDH/01)	308,091,829,974	299,691,363,237	6.7- 7.2	- 180 months from the day following the first disbursement, with a grace period of 12 months. - After the grace period, principal and interest are paid quarterly.	- Financing of legitimate, reasonable, and valid credit needs related to the investment plan for transmission network level II of Song Da Water Supply System. - Payment to offset lawful, reasonable, and valid costs exceeding the minimum equity contribution required under the credit approval Plan granted by Joint Stock Commercial Bank for Foreign Trade of Vietnam for the investment plan.	- Future assets formed from the investment plan for the investment of development plan for transmission network level II of Song Da Water Supply System, financed by the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Note 10). - Property rights arising from the investment of development plan for transmission network level II of Song Da Water Supply System, financed by the Joint Stock Commercial Bank for Foreign Trade of Vietnam.

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SONG DA WATER INVESTMENT JOINT STOCK COMPANY  
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Lenders	Closing balance (VND)	Opening balance (VND)	Interest rate (%/annum)	Term and Payment schedule	Purpose	Guarantee form
Group of Banks: Vietnam Joint Stock Commercial Bank for Foreign Trade – Tay Ho Branch and Bank for Investment and Development of Vietnam – Cau Giay Branch	45,445,455,252	50,358,477,441	7.375- 7.95	- 216 months from the day following the first disbursement, with a 48- month grace period. - After the grace period, principal and interest are paid quarterly. - Interest is paid monthly, and the principal is repaid upon maturity.	Payment of reasonable and valid expenses for Stage 1 of Phase 2 of the Project on Investment and Construction of Water Supply System for the urban chain of Son Tay – Hoa Lac – Xuan Mai – Mieu Mon – Hanoi – Ha Dong, to upgrade the projects' capacity to 600,000 m <sup>3</sup> .	Assets formed from the loan (Note 10).
	<b>2,476,760,248,940</b>	<b>2,089,446,930,850</b>				

Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	99,615,665,201	26,913,022,188
In the second year	99,615,665,204	75,206,225,528
In the third to fifth year inclusive	640,410,131,796	525,310,039,821
After five years	1,637,118,786,739	1,462,017,643,313
	<b>2,476,760,248,940</b>	<b>2,089,446,930,850</b>
Less: amount due for settlement within 12 months (shown under current liabilities)	99,615,665,201	26,913,022,188
<b>Amount due for settlement after 12 months</b>	<b>2,377,144,583,739</b>	<b>2,062,533,908,662</b>

## 18. OWNERS' EQUITY

Change of owners' equity:

	Owners' contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Prior year's opening balance	750,000,000,000	2,202,126,044	587,919,445,792	1,340,121,571,836
Profit for the year	-	-	34,044,845,279	34,044,845,279
Dividends	-	-	(75,000,000,000)	(75,000,000,000)
Prior year's closing balance	<b>750,000,000,000</b>	<b>2,202,126,044</b>	<b>546,964,291,071</b>	<b>1,299,166,417,115</b>
Current year's opening balance	750,000,000,000	2,202,126,044	546,964,291,071	1,299,166,417,115
(Loss) for the year	-	-	(92,582,853,196)	(92,582,853,196)
Current year's closing balance	<b>750,000,000,000</b>	<b>2,202,126,044</b>	<b>454,381,437,875</b>	<b>1,206,583,563,919</b>

### Charter capital

According to the latest amended Enterprise Registration Certificate, the Company's charter capital is VND 750 billion (as at 31 December 2023: VND 750 billion). As at 31 December 2024, the charter capital has been fully contributed by shareholders as follows:

	Contributed capital			
	Closing balance		Opening balance	
	VND	%	VND	%
GELEX Infrastructure Joint Stock Company	468,480,000,000	62.46	468,480,000,000	62.46
REE Water Company Limited	269,600,000,000	35.95	269,600,000,000	35.95
Other shareholders	15,560,000,000	1.59	15,560,000,000	1.59
	<b>750,000,000,000</b>	<b>100</b>	<b>750,000,000,000</b>	<b>100</b>

Shares	Closing balance	Opening balance
Number of shares issued to the public	75,000,000	75,000,000
<i>Ordinary shares</i>	75,000,000	75,000,000
Number of outstanding shares in circulation	75,000,000	75,000,000
<i>Ordinary shares</i>	75,000,000	75,000,000

Par value of common shares is 10,000 VND/share.

#### 19. BUSINESS SEGMENTS

The principal activities of the Company during the year are mainly production and supply of tap water. At the same time, the Company's production and business activities are mainly carried out in the territory of Hanoi city, Vietnam. Therefore, the Company's risks and profitability are not materially affected by differences in the products offered by the Company or because the Company operates in different geographical areas. Accordingly, the Board of Management believes that the Company has only one segment by business activity and geographical area and that the segment reporting is not required.

#### 20. REVENUE

	Current year	Prior year
	VND	VND
Revenue from selling tap water	594,399,968,012	573,502,579,532
	<b>594,399,968,012</b>	<b>573,502,579,532</b>
<b>In which: Revenue from related parties</b> (Details in Note 29)	30,712,296,000	33,302,256,003

#### 21. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of selling tap water	450,520,699,128	391,518,804,496
	<b>450,520,699,128</b>	<b>391,518,804,496</b>

#### 22. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials and consumables	69,853,271,309	33,995,308,830
Labour	45,111,629,125	42,382,762,744
Depreciation and amortisation	240,425,083,239	160,829,628,950
Out-sourced services	109,031,193,316	128,243,494,631
Other monetary expenses	67,063,457,010	70,893,486,855
	<b>531,484,633,999</b>	<b>436,344,682,010</b>

23. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Dividend income	5,890,342,500	5,880,592,500
Loan interest	341,358,174	97,176,261
	<u>6,231,700,674</u>	<u>5,977,768,761</u>

24. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expense	154,430,459,618	103,893,723,831
Others	-	172,508,660
	<u>154,430,459,618</u>	<u>104,066,232,491</u>
<b>In which: Interest expense from related parties</b> (Details in Note 29)	-	11,913,342,466

25. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Labor	18,849,786,608	18,166,425,049
Out-sourced services	6,524,809,692	5,592,278,504
Depreciation and amortization	3,196,253,182	3,097,066,852
Others	52,389,737,624	17,970,107,109
	<u>80,960,587,106</u>	<u>44,825,877,514</u>

26. OTHER EXPENSES

	Current year	Prior year
	VND	VND
Reduction in deductible input value-added tax (VAT) (i)	6,383,434,617	-
Others	919,341,413	525,801,855
	<u>7,302,776,030</u>	<u>525,801,855</u>

- (i) Reflect the adjustment to reduce the declared input VAT of the investment project and some other production and business expenses of the Company according to the decision of the tax authorities.

27. CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
<b>Current corporate income tax expense</b>		
Corporate income tax expense based on taxable profit in the current year	-	4,514,059,385
<b>Total current corporate income tax expense</b>	<b>-</b>	<b>4,514,059,385</b>

The current corporate income tax expense for the year was computed as follows:

	Current year	Prior year
	VND	VND
<b>(Loss)/Profit before tax</b>	<b>(92,582,853,196)</b>	<b>38,558,904,664</b>
Adjustments for taxable profit		
<i>Less: Dividends and profits paid</i>	5,890,342,500	5,880,592,500
<i>Add back: non-deductible expenses</i>	20,271,243,344	57,505,699,269
<b>Taxable profit</b>	<b>(78,201,952,352)</b>	<b>90,184,011,433</b>
<i>Taxable profit at incentive tax rate of 10%</i>	(78,201,952,352)	97,176,261
<i>Taxable profit at incentive tax rate of 5%</i>	-	90,086,835,172
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>-</b>	<b>4,514,059,385</b>

In accordance with Investment Registration Certificates, the Company is entitled to incentive corporate income tax rate of 10% of the profit from the water plant project for 15 years commencing from the first year of operation (from 2009 to 2023). From 2024 onwards, the applicable tax rate is the normal tax rate of 20%. Besides, the Company is entitled to CIT exemption for 4 years commencing from the first year in which taxable profit is earned (from 2012 to 2015), and 50% CIT reduction of the applicable CIT tax rate for the following 09 years (from 2016 to 2024). 2024 is the last year the Company is entitled to a 50% reduction from the normal corporate income tax rate of 20%. Therefore, the applicable tax rate in 2024 is 10%.

Taxable losses are carried forward within 5 consecutive years from the year losses incurred. The Company's unused taxable losses as at 31 December 2024 are as follows:

Incurring year	Forfeited year	Taxable losses (VND)	Carried forward losses as of 31/12/2024 (VND)	Unused taxable losses as of 31/12/2024 (VND)
2024	2029	(78,201,952,352)	-	(78,201,952,352)

No deferred tax asset has been recognised for the tax losses due to uncertainty of future taxable profit.

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could be changed upon final determination by the tax authorities.

28. BASIC EARNINGS PER SHARE

	Current year	Prior year
	VND	VND
Accounting (loss)/ profit after corporate income tax	(92,582,853,196)	34,044,845,279
Profit or loss attributable to ordinary shareholders (VND)	(92,582,853,196)	34,044,845,279
Average ordinary shares in circulation for the year	75,000,000	75,000,000
<b>Basic (loss)/ earnings per share</b>	<b>(1,234)</b>	<b>454</b>

29. RELATED PARTY TRANSACTIONS AND BALANCES

*List of related parties with significant transactions and balances for the year:*

<u>Related parties</u>	<u>Relationship</u>
GELEX Group Joint Stock Company	Ultimate Parent Company
GELEX Infrastructure Joint Stock Company	Parent Company
Hanoi Electromechanical Manufacturing Joint Stock Company	Affiliate
REE Water Company Limited	Major shareholder
Western Hanoi Water Joint Stock Company	Related parties of members of the Board of Management, from 24 December 2024, becomes an affiliate

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

	Current year	Prior year
	VND	VND
<b>Revenue from sale of tap water</b>	<b>30,712,296,000</b>	<b>33,302,256,003</b>
Western Hanoi Water Joint Stock Company	30,712,296,000	33,302,256,003
<b>Principle payment</b>	<b>-</b>	<b>307,000,000,000</b>
GELEX Infrastructure Joint Stock Company	-	212,200,000,000
REE Water Company Limited	-	94,800,000,000
<b>Dividends paid</b>	<b>-</b>	<b>74,386,018,350</b>
GELEX Infrastructure Joint Stock Company	-	47,926,018,350
REE Water Company Limited	-	26,460,000,000
<b>Interest expenses</b>	<b>-</b>	<b>11,913,342,466</b>
GELEX Infrastructure Joint Stock Company	-	8,127,534,249
REE Water Company Limited	-	3,785,808,217

*Significant related party balances as at the balance sheet date were as follows:*

	Closing balance	Opening balance
	VND	VND
<b>Short-term trade receivable</b>	<b>9,145,980,900</b>	<b>6,720,066,990</b>
Western Hanoi Clean Water Joint Stock Company	9,145,980,900	6,720,066,990

*Remuneration of the Board of Directors, the Board of Supervisory, the Board of Management and other managerial personnel for the year is as follows:*

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Remuneration of the Board of Directors</b>	<b>1,440,000,000</b>	<b>1,690,000,000</b>
Le Van Thang	600,000,000	350,000,000
Nguyen Xuan Quy	360,000,000	360,000,000
Truong Khac Hoanh	360,000,000	360,000,000
Nguyen Anh Tuan	360,000,000	360,000,000
Bui Dang Khoa	360,000,000	210,000,000
Nguyen Hoang Long	-	250,000,000
Bui Le Khoa	-	150,000,000

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Remuneration of the Board of Management</b>	<b>3,455,630,516</b>	<b>3,391,589,770</b>
Nguyen Xuan Quy	1,552,611,200	1,584,045,600
Luu Viet Thinh	914,353,200	927,016,410
Trinh Van Nam	914,062,116	880,527,760
Le Van Thang	74,604,000	-

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Remuneration of other managerial personnel</b>	<b>608,021,310</b>	<b>704,698,600</b>
Dao Gia Thang	608,021,310	704,698,600

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Remuneration of the Board of Supervisors</b>	<b>600,000,000</b>	<b>600,000,000</b>
Nguyen Viet Trung	360,000,000	360,000,000
Le Huy	120,000,000	120,000,000
Nguyen Thi Ngoc Oanh	120,000,000	120,000,000

### 30. COMMITMENTS

#### Construction commitments

As at 31 December 2024, the Company has commitments related to construction contracts with a value of VND 1,703,110,605,239 (as at 31 December 2023: VND 4,955,093,420).



31. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

**Supplemental non-cash disclosures**

Cash outflows for purchases of fixed assets and construction in progress during the year exclude an amount of VND 137,640,422,524 (prior year: VND 367,994,196,753), representing an addition in fixed assets during the year that has not yet been paid. Consequently, changes in accounts payable have been adjusted by the same amount.

Cash outflows for purchases of fixed assets and construction in progress during the year include an amount of VND 55,924,519,716 (prior year: VND 10,498,193,032), which is the advance payment for purchases of fixed assets and construction in progress arising during the year. Consequently, changes in accounts receivable have been adjusted by the same amount.



Nguyen Minh Duc  
Preparer



Dao Gia Thang  
Chief Accountant



Nguyen Xuan Quy  
General Director

03 March 2025