

**PERIODIC INFORMATION DISCLOSURE  
OF FINANCIAL STATEMENTS**

To: Ha Noi Stock Exchange

*In accordance with Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, guiding the disclosure of information on the stock market, Sonadezi Environment Joint Stock Company hereby discloses its Audited Financial Statements (FS) for 2024 to the Hanoi Stock Exchange as follows*

1. Organization name: Sonadezi Environment Joint Stock Company
  - Stock code: SZE
  - Address: No. 12, Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province
  - Contact phone number: 02513.951771 and Support hotline: 1900 3160
  - Email: info@sze.com.vn Website: <https://sze.com.vn/>
2. Contents of disclosed information:
  - Audited Financial Statements for 2024
    - Separate Financial Statements (The listed company does not have subsidiaries and the parent accounting entity has no subordinate units);
    - Consolidated financial statements (The listed company has subsidiaries);
    - Combined Financial Statements (The listed company has subordinate accounting units with independent accounting systems).
  - Circumstances requiring explanation:
    - + The auditing organization has issued a non-unqualified opinion on the financial statements (for the audited financial statements of 2024).
      - Yes  No
  - Explanation document provided, tick yes:
    - Yes  No
  - + The net profit for the reporting period has a difference of 5% or more before and after the audit, changing from a loss to a profit or vice versa (for the audited financial

statements of 2024):

Yes

No

Explanation document provided, tick yes:

Yes

No

+ The net profit after corporate income tax in the income statement for the reporting period has changed by 10% or more compared to the same period of the previous year:

Yes

No

Explanation document provided, tick yes:

Yes

No

+ Profit after tax for the reporting period is a loss, shifting from a profit in the same period of the previous year to a loss in the current period, or vice versa:

Yes

No

Explanation document provided, tick yes:

Yes

No

This information was disclosed on the company's website on: 19/03/2025 at the link: <https://sze.com.vn/>

We hereby certify that the information provided above is true and correct and we take full responsibility to the law for our information disclosure. *3*

**Enclosed documents:**

- Audited Financial Statements for 2024

  
**GENERAL DIRECTOR** *3*  
*Quach Ngoc Buu*  
**QUACH NGOC BUU**

**FINANCIAL STATEMENTS**  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024

**SONADEZI ENVIRONMENT  
JOINT STOCK COMPANY**

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**STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of Sonadezi Environment Joint Stock Company (hereinafter referred to as “the Company”) presents this statement together with the Financial Statements for the fiscal year ended 31 December 2024.

**Business highlights**

Sonadezi Environment Joint Stock Company was established by equitizing Dong Nai Urban Environmental Services Company Limited (formerly known as Bien Hoa Urban Environmental Services Company Limited) according to the Document No. 8835/UBND-KT dated 28 October 2015 of the People’s Committee of Dong Nai Province. The Company has been operating in line with the Business Registration Certificate No. 3600274914, registered for the first time on 07 August 2008 and amended for the 12<sup>th</sup> time on 07 December 2020, granted by Dong Nai Province Department of Planning and Investment.

The Company’s shares were listed on the Hanoi Stock Exchange under the stock code of SZE according to the Decision No. 760/QĐ-SGDHN dated 22 November 2016 of the Hanoi Stock Exchange on granting a share listing license to the Company.

**Head office**

- Address : No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam
- Tel. : +84 (0251) 395 1771
- Fax : +84 (0251) 395 2505

The Company’s principal business activity as in the Business Registration Certificate is to collect non-hazardous waste. Details: To collect household waste (not operating at the head office; only operating when meeting the conditions as prescribed by the environmental law and the Circular No. 12/2011/TT - BTNMT dated 14 April 2011 on the management of hazardous waste; not storing goods at the head office, only operating when the competent authority approves the location).

**Board of Management and Executive Board**

The Board of Management and the Executive Board of the Company during the year and as of the date of this statement include:

***The Board of Management***

Full name	Position	Appointing date
Mr. Vo Huynh Trung Hung	Chairman	10 April 2020
Mr. Tran Anh Dung	Member	10 April 2020
Ms. Tran Vo Hoai Huong	Member	10 April 2020
Ms. Quach Ngoc Buu	Member	10 April 2020
Mr. Vo Thanh Tam	Member	10 April 2020
Ms. Phi Thi Le Thuy	Member	10 April 2020
Mr. Nguyen Thanh Phuc	Member	10 April 2020

***The Supervisory Board***

Full name	Position	Appointing date
Ms. Ngo Thi Chau Loan	Chief of the Board	10 April 2020
Ms. Nguyen Bach Thao	Member	10 April 2020
Ms. Pham Thuy Trang	Member	26 April 2022

***The Board of Directors***

Full name	Position	Appointing date
Ms. Quach Ngoc Buu	General Director	01 December 2020
Ms. Tran Vo Hoai Huong	Deputy General Director	28 April 2020
Ms. Phi Thi Le Thuy	Deputy General Director	01 October 2023



# SONADEZI ENVIRONMENT JOINT STOCK COMPANY

## STATEMENT OF THE BOARD OF DIRECTORS (cont.)

### Legal Representative

The Company's legal representative during the year and as of the date of this statement is Ms. Quach Ngoc Buu - General Director (appointed on 01 December 2020).

### Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Company's Financial Statements for the fiscal year ended 31 December 2024.

### Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for the preparation of the Financial Statements to give a true and fair view of the financial position, the financial performance and the cash flows of the Company during the year. In order to prepare these Financial Statements, the Board of Directors must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates reasonably and prudently;
- state clearly whether the accounting standards applied to the Company are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- prepare the Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system to minimize the risks of material misstatements due to frauds or errors in the preparation and presentation of the Financial Statements.

The Board of Directors hereby ensures that all the proper accounting books of the Company have been fully recorded and can fairly reflect the financial position of the Company at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Company's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Financial Statements.

### Approval of the Financial Statements

The Board of Directors hereby approves the accompanying Financial Statements, which give a true and fair view of the financial position as of 31 December 2024 of the Company, its financial performance and its cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Financial Statements.

For and on behalf of the Board of Directors,



**Quach Ngoc Buu**  
General Director

Date: 12 March 2025





Head Office : 02 Truong Son St., Ward 2, Tan Binh Dist., Ho Chi Minh City, Vietnam  
Branch in Ha Noi : 40 Giang Vo St., Dong Da Dist., Ha Noi City, Vietnam  
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No. 1.0341/25/TC-AC

**INDEPENDENT AUDITOR’S REPORT**

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

We have audited the accompanying Financial Statements of Sonadezi Environment Joint Stock Company (hereinafter referred to as “the Company”), which were prepared on 12 March 2025 (from page 05 to page 37) including the Balance Sheet as of 31 December 2024, the Income Statement, the Cash Flow Statement for the fiscal year then ended and the Notes to the Financial Statements.

**Responsibility of the Board of Directors**

The Company’s Board of Directors is responsible for the preparation, true and fair presentation of the Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Financial Statements; and responsible for the internal control as the Company’s Board of Directors determines necessary to enable the preparation and presentation of the Financial Statements to be free from material misstatement due to fraud or error.

**Responsibility of Auditors**

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 standards and 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 auditor’s judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and true 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 the Company’s Board of Directors, 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.

**Opinion of Auditors**

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position as of 31 December 2024 of Sonadezi Environment Joint Stock Company, its financial performance and its cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Financial Statements.

For and on behalf of  
A&C Auditing and Consulting Co., Ltd.



**Hoang Thai Vuong**  
**Partner**

Audit Practice Registration Certificate No. 2129-2023-008-1  
Authorized Signatory

**Vo Thanh Cong**  
**Auditor**

Audit Practice Registration Certificate No. 1033-2023-008-1

Ho Chi Minh City, 12 March 2025

**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**BALANCE SHEET**

As of 31 December 2024

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>272.865.731.727</b>	<b>257.480.639.452</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>49.210.209.418</b>	<b>52.597.888.860</b>
1. Cash	111		49.210.209.418	42.597.888.860
2. Cash equivalents	112		-	10.000.000.000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>57.000.000.000</b>	<b>63.000.000.000</b>
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2a	57.000.000.000	63.000.000.000
<b>III. Short-term receivables</b>	<b>130</b>		<b>107.908.597.786</b>	<b>131.520.725.149</b>
1. Short-term trade receivables	131	V.3	106.759.446.395	130.138.631.149
2. Short-term prepayments to suppliers	132	V.4	2.389.050.399	2.853.454.060
3. Short-term inter-company receivables	133		-	-
4. Receivables according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5	2.645.727.023	2.778.010.494
7. Allowance for short-term doubtful debts	137	V.6	(3.885.626.031)	(4.249.370.554)
8. Deficit assets for treatment	139		-	-
<b>IV. Inventories</b>	<b>140</b>		<b>55.983.642.526</b>	<b>9.742.174.479</b>
1. Inventories	141	V.7	57.476.724.356	9.742.174.479
2. Allowance for devaluation of inventories	149	V.7	(1.493.081.830)	-
<b>V. Other current assets</b>	<b>150</b>		<b>2.763.281.997</b>	<b>619.850.964</b>
1. Short-term prepaid expenses	151	V.8a	629.307.730	496.220.693
2. Deductible VAT	152		-	-
3. Taxes and other receivables from the State	153	V.15	2.133.974.267	123.630.271
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-



**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>B- NON-CURRENT ASSETS</b>	<b>200</b>		<b>344.676.452.360</b>	<b>368.940.896.705</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>227.896.283.605</b>	<b>251.111.870.515</b>
1. Tangible fixed assets	221	V.9	227.773.126.685	250.957.838.591
- Historical cost	222		595.531.521.052	586.493.731.745
- Accumulated depreciation	223		(367.758.394.367)	(335.535.893.154)
2. Financial leased assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.10	123.156.920	154.031.924
- Initial cost	228		308.750.000	308.750.000
- Accumulated amortization	229		(185.593.080)	(154.718.076)
<b>III. Investment property</b>	<b>230</b>		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
<b>IV. Long-term assets in process</b>	<b>240</b>		<b>57.557.642.815</b>	<b>57.529.593.582</b>
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.11	57.557.642.815	57.529.593.582
<b>V. Long-term financial investments</b>	<b>250</b>		<b>7.500.000.000</b>	<b>7.500.000.000</b>
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252		-	-
3. Investments in other entities	253	V.2b	7.500.000.000	7.500.000.000
4. Provisions for devaluation of long-term financial investments	254		-	-
5. Held-to-maturity investments	255		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>51.722.525.940</b>	<b>52.799.432.608</b>
1. Long-term prepaid expenses	261	V.8b	49.048.186.541	51.035.595.499
2. Deferred income tax assets	262	V.12	2.674.339.399	1.763.837.109
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>617.542.184.087</b>	<b>626.421.536.157</b>

**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

ITEMS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>C - LIABILITIES</b>	<b>300</b>		<b>256.040.132.942</b>	<b>267.144.091.651</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>217.587.132.942</b>	<b>202.111.091.651</b>
1. Short-term trade payables	311	V.13	44.864.163.171	51.280.830.885
2. Short-term advances from customers	312	V.14	7.596.526.465	1.207.537.500
3. Taxes and other obligations to the State Budget	313	V.15	3.508.817.676	4.743.727.047
4. Payables to employees	314	V.16	23.408.299.522	19.598.038.018
5. Short-term accrued expenses	315	V.17	22.493.079.548	15.808.353.365
6. Short-term inter-company payables	316		-	-
7. Payables according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318	V.18	21.635.043.460	18.295.161.935
9. Other short-term payables	319	V.19	50.782.491.731	50.369.935.908
10. Short-term borrowings and financial leases	320	V.20a	26.580.000.000	26.580.000.000
11. Provisions for short-term payables	321	V.21	153.198.136	153.198.136
12. Bonus and welfare funds	322	V.22	16.565.513.233	14.074.308.857
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
<b>II. Non-current liabilities</b>	<b>330</b>		<b>38.453.000.000</b>	<b>65.033.000.000</b>
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338	V.20b	38.453.000.000	65.033.000.000
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>361.502.051.145</b>	<b>359.277.444.506</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>361.502.051.145</b>	<b>359.277.444.506</b>
1. Owner's capital	411	V.23	300.000.000.000	300.000.000.000
- Ordinary shares carrying voting rights	411a		300.000.000.000	300.000.000.000
- Preferred shares	411b		-	-
2. Share premiums	412		-	-
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415		-	-
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.23	25.100.688.718	22.165.216.543
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.23	36.401.362.427	37.112.227.963
- Retained earnings accumulated to the end of the previous period	421a		5.829.494.743	37.112.227.963
- Retained earnings of the current period	421b		30.571.867.684	-
12. Construction investment fund	422		-	-
<b>II. Other sources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>		<b>617.542.184.087</b>	<b>626.421.536.157</b>



Nguyen Ngoc Dung  
Preparer



Nguyen Hoang Cam Giang  
Chief Accountant



Dong Nai, 12 March 2025

Quach Ngoc Bui  
General Director

M.H.H. \* M.A.



**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**INCOME STATEMENT**  
For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Revenue from sales of goods and provisions of services	01	VI.1	396.436.407.429	425.898.585.068
2. Revenue deductions	02		-	-
3. Net revenue	10		396.436.407.429	425.898.585.068
4. Cost of sales	11	VI.2	333.799.424.758	366.288.412.079
5. Gross profit	20		62.636.982.671	59.610.172.989
6. Financial income	21	VI.3	4.918.166.987	6.723.910.844
7. Financial expenses	22		2.262.016.000	3.132.943.000
In which: Loan interest expenses	23		2.262.016.000	3.132.943.000
8. Selling expenses	25		-	-
9. General and administration expenses	26	VI.4	29.358.346.575	28.005.780.292
10. Net operating profit	30		35.934.787.083	35.195.360.541
11. Other income	31	VI.5	4.445.007.151	2.141.044.560
12. Other expenses	32	VI.6	707.659.953	153.100.766
13. Other profit	40		3.737.347.198	1.987.943.794
14. Total accounting profit before tax	50		39.672.134.281	37.183.304.335
15. Current income tax	51	V.15	10.010.768.887	8.574.055.514
16. Deferred income tax	52	V.12	(910.502.290)	(745.472.931)
17. Profit after tax	60		<u>30.571.867.684</u>	<u>29.354.721.752</u>
18. Basic earnings per share	70	VI.7	<u>870</u>	<u>832</u>
19. Diluted earnings per share	71	VI.7	<u>870</u>	<u>832</u>



Nguyen Ngoc Dung  
Preparer



Nguyen Hoang Cam Giang  
Chief Accountant



Dong Nai, 12 March 2025

Quach Ngoc Bui  
General Director

**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**CASH FLOW STATEMENT**

(Indirect method)

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit/(loss) before tax	01		39.672.134.281	37.183.304.335
2. Adjustments				
- Depreciation/(Amortization) of fixed assets and investment properties	02	V.9; V.10	32.253.376.217	36.339.970.936
- Provisions and allowances	03	V.6, V.7	1.129.337.307	813.935.877
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04		-	-
- Gain/(loss) from investing activities	05	VI.3	(4.918.166.987)	(6.723.910.844)
- Loan interest expenses	06		2.262.016.000	3.132.943.000
- Others	07		-	-
3. Operating profit/(loss) before changes of working capital	08		70.398.696.818	70.746.243.304
- Increase/(decrease) of receivables	09		20.107.270.261	414.774.402
- Increase/(decrease) of inventories	10		(47.734.549.877)	(799.071.554)
- Increase/(decrease) of payables	11		13.918.243.914	7.701.830.940
- Increase/(decrease) of prepaid expenses	12		1.854.321.921	2.193.117.656
- Increase/(decrease) of trading securities	13		-	-
- Interests paid	14		(2.382.183.000)	(3.164.388.000)
- Corporate income tax paid	15	V.15	(9.165.200.715)	(8.219.192.878)
- Other cash inflows	16	V.22	180.500.000	36.600.000
- Other cash outflows	17	V.22	(2.036.556.669)	(4.159.999.647)
<b>Net cash flows from operating activities</b>	20		<b>45.140.542.653</b>	<b>64.749.914.223</b>
<b>II. Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other non-current assets	21	V.9 V.11; VII.	(8.883.397.303)	(11.977.414.291)
2. Proceeds from disposals of fixed assets and other non-current assets	22		-	-
3. Cash outflow for lending, buying debt instruments of other entities	23	V.2a	(65.000.000.000)	(36.000.000.000)
4. Cash recovered from lending, selling debt instruments of other entities	24	V.2a	71.000.000.000	26.900.000.000
5. Investments in other entities	25		-	-
6. Withdrawals of investments in other entities	26		-	-
7. Interest earned, dividends and profits received	27	V.5; VI.3	4.935.175.208	6.692.732.761
<b>Net cash flows from investing activities</b>	30		<b>2.051.777.905</b>	<b>(14.384.681.530)</b>

**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

## FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

**Cash Flow Statement (cont.)**

ITEMS	Code	Note	Current year	Previous year
<b>III. Cash flows from financing activities</b>				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from borrowings	33	V.20	-	1.985.000.000
4. Repayment for loan principal	34	V.20	(26.580.000.000)	(26.580.000.000)
5. Payments for financial lease principal	35		-	-
6. Dividends and profit paid to the owners	36	V.23	(24.000.000.000)	(24.000.000.000)
<i>Net cash flows from financing activities</i>	40		<u>(50.580.000.000)</u>	<u>(48.595.000.000)</u>
<b>Net cash flows during the year</b>	50		<b>(3.387.679.442)</b>	<b>1.770.232.693</b>
<b>Beginning cash and cash equivalents</b>	60	V.1	<b>52.597.888.860</b>	<b>50.827.656.167</b>
Effects of fluctuations in foreign exchange rates	61		-	-
<b>Ending cash and cash equivalents</b>	70	V.1	<u><b>49.210.209.418</b></u>	<u><b>52.597.888.860</b></u>



Nguyen Ngoc Dung  
Preparer



Nguyen Hoang Cam Giang  
Chief Accountant



Dong Nai, 12 March 2025

Quach Ngoc Bui  
General Director

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# SONADEZI ENVIRONMENT JOINT STOCK COMPANY

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

## FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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### NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### I. GENERAL INFORMATION

1. **Ownership form**

Sonadezi Environment Joint Stock Company (hereinafter referred to as “the Company”) is a joint stock company.

2. **Operating field**

The Company’s operating field is servicing.

3. **Principal business activities**

The Company’s principal business activity is to provide urban environmental services.

4. **Normal operating cycle**

The normal operating cycle of the Company is within 12 months.

5. **Statement of information comparability on the Financial Statements**

The corresponding figures of the previous year can be comparable with figures of the current year.

6. **Headcount**

As of the balance sheet date, the Company’s headcount is 571 (headcount at the beginning of the year: 586).

#### II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. **Fiscal year**

The fiscal year of the Company is from 01 January to 31 December annually.

2. **Accounting currency unit**

The accounting currency unit is Vietnamese Dong (VND) because the Company’s transactions are primarily made in VND.

#### III. ACCOUNTING STANDARDS AND SYSTEM

1. **Accounting System**

The Company applies the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Financial Statements.

2. **Statement of the compliance with the Accounting Standards and System**

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Financial Statements.

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## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Financial Statements (cont.)

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#### IV. ACCOUNTING POLICIES

##### 1. Accounting convention

All the Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

##### 2. Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are short-term investments of which the due dates do not exceed 3 months from the dates of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value as of the balance sheet date.

##### 3. Financial investments

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

Investments are classified as held-to-maturity investments that the Company intends and is able to hold to maturity. The Company's held-to-maturity investments include term deposits.

Held-to-maturity investments are initially recognized at cost. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received.

When there is reliable evidence proving that a part or the whole investment cannot be recovered and the loss is reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

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

Investments in equity instruments of other entities include such investments in equity instruments that do not enable the Company to have the control, joint control or significant influence on these entities.

Investments in equity instruments of other entities are initially recognized at costs, including cost of acquisition plus other directly attributable transaction costs. Dividends incurred prior to the acquisition of investments are deducted into investment costs. Dividends incurred after the acquisition of investments are recorded into the Company's financial income. Particularly, the dividends paid in form of shares are not recorded as an increase in costs, but the increases in quantity of shares is followed up.

Provisions for impairment of investments in equity instruments of other entities are made as follows:

- For investments in listed shares or fair value of investments which is reliably measured, provisions are made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provision is made based on the losses suffered by investees, with the amount defined by the difference between owners' actual contributed capital and the total owners' equity as of the balance sheet date multiplied (x) by the Company's rate of charter capital owning in these investees.

Increases/(decreases) in the provisions for impairment of investments in equity instruments of other entities as of the balance sheet date are recorded into financial expenses.



## **SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

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### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Financial Statements (cont.)**

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#### **4. Receivables**

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Company and customers who are independent to the Company.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

#### **5. Inventories**

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials, merchandise and tools: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs comprise costs of direct materials, direct labor and directly relevant general manufacturing expenses.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Allowance for devaluation of inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/(decreases) in the obligatory allowance for devaluation of inventories as of the balance sheet date are recorded into costs of sales.

#### **6. Prepaid expenses**

Prepaid expenses comprise actual expenses incurred and relevant to financial performance in several accounting periods. Prepaid expenses of the Company mainly include compensation, land rental and repair expenses. These prepaid expenses are allocated over the prepayment period or period in which corresponding benefits are realized.

##### ***Compensation***

Compensation incurred once with high value is allocated into expenses in accordance with the straight-line method over the remaining land lease term (i.e. 43 years).

##### ***Land rental***

Prepaid land rental reflects the rental prepaid for the land being used by the Company and is allocated into expenses in accordance with the straight-line method over the remaining lease term (i.e. 43 years).

##### ***Repair expenses***

Expenses of fixed asset repairs incurred once with high value are allocated into expenses in accordance with the straight-line method for the maximum period of 36 months.



## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Financial Statements (cont.)

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#### 7. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	04 - 25
Machinery and equipment	03 - 10
Vehicles	06 - 10
Office equipment	03 - 05
Other tangible fixed assets	04 - 07

#### 8. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Company to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the year only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

The Company's intangible fixed asset only includes computer software. Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Company until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 10 years.

#### 9. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Company) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

#### 10. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.



## **SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Financial Statements (cont.)**

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The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Company.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Balance Sheet on the basis of their remaining term as of the balance sheet date.

#### **11. Provisions for environmental risks and compensation for environmental damage**

Provisions are recorded when the Company has present obligations (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

If time causes material effects, the provisions will be determined by deducting the amount to be spent in future to settle the liability at the pre-tax discount rate that reflects the assessments of the time value of money and the specific risks from this liability in the current market. The increase in provisions due to the effect of time will be recognized as a financial expense.

The extraction rate of provisions for environmental risks, compensation for environmental damage is 0,5% of annual net revenue (excluding internal revenue between the Parent Company and its subsidiaries and vice versa) for hazardous waste collection, transportation and treatment activities (including temporary storage of hazardous waste for treatment) and does not exceed 5% of annual pre-tax profit. The provision for environmental risks and compensation for environmental damage does not exceed 10% of charter capital.

#### **12. Owner's capital**

The contributed capital is recorded according to the actual amounts invested by shareholders.

#### **13. Profit distribution**

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Company as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notification on dividend payment of the Board of Management.

#### **14. Recognition of revenue and income**

##### ***Revenue from sales of merchandise***

Revenue from sales of merchandise shall be recognized when all of the following conditions are satisfied:

- The Company transfers most of risks and benefits incident to the ownership of merchandise to customers.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandise sold.



## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

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### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Financial Statements (cont.)

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- The amount of revenue can be measured reliably. When the contracts stipulate that buyers have the right to return merchandise purchased under specific conditions, the revenue is recorded only when those specific conditions are no longer exist and buyers retains no right to return merchandise (except for the case that such returns are in exchange for other goods or services).
- The Company received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

#### *Revenue from provisions of services*

Revenue from provisions of services shall be recognized when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, the revenue is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Company received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In the case that the services are provided in several accounting periods, the determination of revenue is done on the basis of the volume of work done as of the balance sheet date.

#### *Interest*

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

#### *Dividends and profit shared*

Dividends and profit shared are recognized when the Company has the right to receive dividends from the capital contribution. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity of shares is followed up.

### 15. Borrowing costs

Borrowing costs are interest and other costs that the Company directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the year, except for particular borrowings serving the purpose of obtaining a specific asset.

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## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Financial Statements (cont.)

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#### 16. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

#### 17. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

##### *Current income tax*

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

##### *Deferred income tax*

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Company shall offset deferred tax assets and deferred tax liabilities if:

- The Company has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
  - Of the same subject to corporate income tax; or
  - The Company has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.





## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

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### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Notes to the Financial Statements (cont.)

#### 18. Related parties

A party is considered a related party of the Company in case that party is able to control the Company or to cause material effects on the financial decisions as well as the operations of the Company. A party is also considered a related party of the Company in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

#### 19. Segment reporting

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Financial Statements of the Company.

### V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

#### 1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	649.008.255	276.863.110
Demand deposits in banks	48.561.201.163	42.321.025.750
Cash equivalents (bank deposits of which the principal maturity is from 3 months or less)	-	10.000.000.000
<b>Total</b>	<b><u>49.210.209.418</u></b>	<b><u>52.597.888.860</u></b>

#### 2. Financial investments

The financial investments of the Company include held-to-maturity investments and investments in other entities. The Company's financial investments are as follows:

##### 2a. Held-to-maturity investments

This item reflects over-3-month deposits at banks. Details are as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
VietinBank – Dong Nai Branch	42.000.000.000	52.000.000.000
BIDV – Dong Nai Branch	15.000.000.000	11.000.000.000
<b>Total</b>	<b><u>57.000.000.000</u></b>	<b><u>63.000.000.000</u></b>

The term deposit of VND 10.000.000.000 at BIDV – Dong Nai Branch and the entire term deposit at VietinBank – Dong Nai Branch have been used to secure the Company's full and timely fulfillment of its repayment obligations to the Company's loan from Dong Nai Province Environmental Protection Fund (see Note No. V.20).

**SONADEZI ENVIRONMENT JOINT STOCK COMPANY**

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**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****2b. Investments in other entities**

	Ending balance		Beginning balance	
	Original amount	Fair value	Original amount	Fair value
Sonadezi Services Joint				
- Stock Company	7.500.000.000	15.500.000.000	7.500.000.000	15.050.000.000
<b>Total</b>	<b>7.500.000.000</b>	<b>15.500.000.000</b>	<b>7.500.000.000</b>	<b>15.050.000.000</b>

This item reflects the investment in Sonadezi Services Joint - Stock Company (stock code: SDV). As of the balance sheet date, the Company holds 500.000 shares, equivalent to 10% of charter capital of Sonadezi Services Joint - Stock Company (beginning balance: 500.000 shares, equivalent to 10% of charter capital).

*Fair value*

Fair value is measured at the listed price as of the balance sheet date.

**3. Short-term trade receivables**

	Ending balance	Beginning balance
<i>Receivables from related parties</i>	<i>191.112.218</i>	<i>3.532.883.621</i>
Sonadezi Chau Duc Shareholding Company	-	3.376.053.715
Dong Nai Water Joint Stock Company	76.403.048	71.804.806
Sonadezi College of Technology and Management	38.102.400	26.082.000
Sonadezi Giang Dien Shareholding Company	25.887.600	23.274.000
Dong Nai Port Joint- Stock Company	18.122.400	17.496.000
Industrial Urban Development Joint - Stock Company No 2 (D2D)	5.524.920	5.524.920
Dong Nai Number One Logistics Corporation	4.379.400	5.637.000
Dong Nai Construction Joint- Stock Company	4.301.100	4.301.100
Dong Nai Material & Building Investment Joint - Stock Company	2.936.550	1.500.480
Sonadezi An Binh Joint Stock Company	1.501.200	1.209.600
Sonadezi Long Binh Share Holding Company	8.380.800	-
Sonadezi Long Thanh Shareholding Company	5.572.800	-
<i>Receivables from other customers</i>	<i>106.568.334.177</i>	<i>126.605.747.528</i>
Bien Hoa City Division of Natural Resources and Environment	-	54.237.839.523
Bien Hoa Division of Urban Management	17.663.080.391	45.280.610.203
Bien Hoa Public Services Management Board	30.990.206.441	-
Other customers	57.915.047.345	27.087.297.802
<b>Total</b>	<b>106.759.446.395</b>	<b>130.138.631.149</b>

**4. Short-term prepayments to suppliers**

	Ending balance	Beginning balance
<i>Prepayments to related party</i>	<i>1.136.190</i>	<i>1.136.190</i>
Sonadezi Chau Duc Shareholding Company	1.136.190	1.136.190
<i>Prepayments to other suppliers</i>	<i>2.387.914.209</i>	<i>2.852.317.870</i>
Hop Luc Civil and Industrial Construction Company Limited	-	1.841.249.408
Harding Construction Development Investment Joint Stock Company	613.476.962	613.476.962
Ha An Cuong Company Limited	1.213.951.747	-
Other suppliers	560.485.500	397.591.500
<b>Total</b>	<b>2.389.050.399</b>	<b>2.853.454.060</b>



## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

Address: No. 12 Huynh Van Nghe Street, Buu Long Ward, Bien Hoa City, Dong Nai Province, Vietnam

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Notes to the Financial Statements (cont.)

#### 5. Other short-term receivables

	<u>Ending balance</u>	<u>Beginning balance</u>
Interest to be received	834.739.725	851.747.946
Short-term deposits	11.404.781	11.389.145
Bien Hoa Environment Enterprise – Receivables for street garbage disposal	866.548.657	1.357.621.754
Advance	542.506.637	175.961.592
Social insurance premiums, Health insurance premiums, Unemployment insurance premiums	149.474.304	150.557.597
Other short-term receivables	241.052.919	230.732.460
<b>Total</b>	<b><u>2.645.727.023</u></b>	<b><u>2.778.010.494</u></b>

#### 6. Overdue debts

	Overdue period	Ending balance		Overdue period	Beginning balance	
		Original amount	Recoverable amount		Original amount	Recoverable amount
Blue Diamond Construction Services Company Limited – Receivables for service provision	More than 3 years	1.925.013.640		More than 3 - years	1.925.013.640	-
Bien Hoa Project Management Unit – Receivables for service provision	More than 3 years	759.173.073		More than 3 - years	997.671.378	223.492.305
Dona Transportation Construction Joint_Stock Company – Receivables for service provision	More than 3 years	236.852.000		More than 3 - years	236.852.000	-
Receivables from other customers for service provision	From 2 years to more than 3 years	987.047.298	22.459.980	From 6 months to more than 3 years	2.551.953.704	1.238.627.863
Other receivables from other organizations and individuals	From 2 years to more than 3 years	230.732.460	230.732.460			
<b>Total</b>		<b><u>4.138.818.471</u></b>	<b><u>253.192.440</u></b>		<b><u>5.711.490.722</u></b>	<b><u>1.462.120.168</u></b>

Changes in allowances for doubtful debts are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	4.249.370.554	3.435.434.677
Extraction for/(reversal of) additional allowance	(363.744.523)	813.935.877
<b>Ending balance</b>	<b><u>3.885.626.031</u></b>	<b><u>4.249.370.554</u></b>

#### 7. Inventories

	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Materials and supplies	1.741.081.774	-	1.839.711.561	-
Tools	1.140.577.799	-	724.114.520	-
Work-in-process	54.070.832.647	(1.493.081.830)	6.637.738.249	-
Merchandise	524.232.136	-	540.610.149	-
<b>Total</b>	<b><u>57.476.724.356</u></b>	<b><u>(1.493.081.830)</u></b>	<b><u>9.742.174.479</u></b>	<b><u>-</u></b>

Changes in allowances for devaluation of inventories are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	-	-
Extraction for additional allowance	1.493.081.830	-
<b>Ending balance</b>	<b><u>1.493.081.830</u></b>	<b><u>-</u></b>

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### 8. Prepaid expenses

#### 8a. Short-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Tools	340.298.912	189.627.860
Other short-term prepaid expenses	289.008.818	306.592.833
<b>Total</b>	<b><u>629.307.730</u></b>	<b><u>496.220.693</u></b>

#### 8b. Long-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Compensation	30.743.113.272	31.574.008.224
Land rental	14.278.878.212	14.664.793.844
Repair expenses	768.442.015	1.199.797.938
Other long-term prepaid expenses	3.257.753.042	3.596.995.493
<b>Total</b>	<b><u>49.048.186.541</u></b>	<b><u>51.035.595.499</u></b>

### 9. Tangible fixed assets

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Other tangible fixed assets</u>	<u>Total</u>
<b>Historical costs</b>						
Beginning balance	260.581.316.450	181.400.671.427	97.156.815.824	1.369.691.353	45.985.236.691	586.493.731.745
Acquisition during the year	-	66.500.000	-	-	-	66.500.000
Completed constructions	-	-	-	-	8.971.289.307	8.971.289.307
<b>Ending balance</b>	<b><u>260.581.316.450</u></b>	<b><u>181.467.171.427</u></b>	<b><u>97.156.815.824</u></b>	<b><u>1.369.691.353</u></b>	<b><u>54.956.525.998</u></b>	<b><u>595.531.521.052</u></b>
<i>In which:</i>						
Assets fully depreciated but still in use	71.247.219.903	16.902.764.984	87.249.980.642	361.305.900	45.158.642.971	220.919.914.400
Assets waiting for liquidation	-	-	-	-	-	-
<b>Depreciation</b>						
Beginning balance	134.022.726.962	66.246.028.396	92.265.222.961	685.560.703	42.316.354.132	335.535.893.154
Depreciation during the year	12.360.411.526	14.558.707.165	1.140.911.304	158.458.238	4.004.012.980	32.222.501.213
<b>Ending balance</b>	<b><u>146.383.138.488</u></b>	<b><u>80.804.735.561</u></b>	<b><u>93.406.134.265</u></b>	<b><u>844.018.941</u></b>	<b><u>46.320.367.112</u></b>	<b><u>367.758.394.367</u></b>
<b>Carrying values</b>						
Beginning balance	126.558.589.488	115.154.643.031	4.891.592.863	684.130.650	3.668.882.559	250.957.838.591
<b>Ending balance</b>	<b><u>114.198.177.962</u></b>	<b><u>100.662.435.866</u></b>	<b><u>3.750.681.559</u></b>	<b><u>525.672.412</u></b>	<b><u>8.636.158.886</u></b>	<b><u>227.773.126.685</u></b>
<i>In which:</i>						
Assets temporarily not in use	-	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-	-

### 10. Intangible fixed assets

	<u>Computer software</u>
<b>Initial costs</b>	
Beginning balance	308.750.000
<b>Ending balance</b>	<b><u>308.750.000</u></b>
<i>In which:</i>	
Assets fully amortized but still in use	-
Assets waiting for liquidation	-



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	<b>Computer software</b>
<b>Amortization</b>	
Beginning balance	154.718.076
Amortization during the year	30.875.004
<b>Ending balance</b>	<b>185.593.080</b>
<b>Carrying values</b>	
Beginning balance	154.031.924
<b>Ending balance</b>	<b>123.156.920</b>
<i>In which:</i>	
Assets temporarily not in use	-
Assets waiting for liquidation	-

**11. Construction-in-progress**

	<b>Beginning balance</b>	<b>Increase during the year</b>	<b>Inclusion into fixed assets during the year</b>	<b>Inclusion into expenses during the year</b>	<b>Ending balance</b>
<b>Acquisition of fixed assets</b>	<b>318.000.000</b>	<b>94.549.233</b>	<b>(66.500.000)</b>	<b>-</b>	<b>346.049.233</b>
HR management software	18.000.000	-	-	-	18.000.000
Management and administration software	280.000.000	-	-	-	280.000.000
Crane truck	20.000.000	28.049.233	-	-	48.049.233
Tsurumi submersible centrifugal pump	-	66.500.000	(66.500.000)	-	-
<b>Construction-in-progress</b>	<b>57.211.593.582</b>	<b>8.971.289.307</b>	<b>(8.971.289.307)</b>	<b>-</b>	<b>57.211.593.582</b>
Waste treatment area in Vinh Cuu District <sup>(i)</sup>	57.072.725.049	8.971.289.307	(8.971.289.307)	-	57.072.725.049
Trang Dai landfill	138.868.533	-	-	-	138.868.533
<b>Large repair of fixed assets</b>	<b>-</b>	<b>9.385.531.100</b>	<b>-</b>	<b>(9.385.531.100)</b>	<b>-</b>
<b>Total</b>	<b>57.529.593.582</b>	<b>18.451.369.640</b>	<b>(9.037.789.307)</b>	<b>(9.385.531.100)</b>	<b>57.557.642.815</b>

(i) The waste treatment area in Vinh Cuu District, specifically the land clearance costs of VND 47.382.461.015 payable to Dong Nai Province Land Fund Development Center by Vinh Cuu District (see Note No. V.19), has not yet been handed over to Dong Nai Province Land Fund Development Center due to incomplete legal documents. The remaining part primarily relates to shared facilities and technical infrastructure.

**12. Deferred income tax assets**

Deferred income tax assets are related to temporarily deductible differences. Details during the year are as follows:

	<b>Beginning balance</b>	<b>Inclusion into operation results during the year</b>	<b>Ending balance</b>
Accrued expenses	-	310.216.366	310.216.366
Depreciation/(amortization) of fixed assets	1.763.837.109	600.285.924	2.364.123.033
<b>Total</b>	<b>1.763.837.109</b>	<b>910.502.290</b>	<b>2.674.339.399</b>

The corporate income tax rates used for determining deferred income tax assets for accrued expenses and depreciation/(amortization) of fixed assets are 20% and 10% respectively.

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**13. Short-term trade payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<b>842.849.865</b>	<b>2.807.202.247</b>
Sonadezi An Binh Joint Stock Company	9.040.000	1.970.716.327
Sonadezi Security Services Co., Ltd.	827.820.000	827.820.000
Sonadezi Services Joint - Stock Company	5.765.040	8.665.920
Dong Nai Water Joint Stock Company	224.825	-
<i>Payables to other suppliers</i>	<b>44.021.313.306</b>	<b>48.473.628.638</b>
Khoi Anh Phat One Member Company Limited	5.456.000.625	11.388.282.588
Quoc Dai Thanh Environment Joint Stock Company	176.000.000	5.645.817.612
Thien Thanh Stone Company Limited	4.129.272.000	3.754.296.000
Viet Phap International Commercial and Services Joint Stock Company – Ho Chi Minh City Branch	4.805.475.120	2.496.494.520
Other suppliers	29.454.565.561	25.188.737.918
<b>Total</b>	<b><u>44.864.163.171</u></b>	<b><u>51.280.830.885</u></b>

The Company has no overdue trade payables.

**14. Short-term advances from customers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Bien Hoa Public Services Management Board	5.740.446.114	-
Bien Hoa Division of Urban Management	965.706.637	-
Hoang Vinh Transport Construction Company Limited	30.272.000	300.000.000
Other customers	860.101.714	907.537.500
<b>Total</b>	<b><u>7.596.526.465</u></b>	<b><u>1.207.537.500</u></b>

**15. Taxes and other obligations to the State Budget**

	<u>Beginning balance</u>		<u>Increase during the year</u>		<u>Ending balance</u>	
	<u>Payables</u>	<u>Receivables</u>	<u>Amount payable</u>	<u>Amount paid</u>	<u>Payables</u>	<u>Receivables</u>
VAT on local sales	2.000.675.775	-	10.244.612.998	(14.276.680.460)	-	2.031.391.687
Corporate income tax	2.662.786.944	-	10.010.768.887	(9.165.200.715)	3.508.355.116	-
Personal income tax	-	123.630.271	1.764.105.871	(1.743.058.180)	-	102.582.580
Natural resource tax	61.148.220	-	268.655.660	(329.341.320)	462.560	-
Land rental	-	-	2.171.187.539	(2.171.187.539)	-	-
Other taxes	-	-	10.000.000	(10.000.000)	-	-
Fees, legal fees, and other duties	19.116.108	-	98.416.340	(117.532.448)	-	-
<b>Total</b>	<b><u>4.743.727.047</u></b>	<b><u>123.630.271</u></b>	<b><u>24.567.747.295</u></b>	<b><u>(27.813.000.662)</u></b>	<b><u>3.508.817.676</u></b>	<b><u>2.133.974.267</u></b>

**Value added tax (VAT)**

The Company has paid VAT in accordance with the deduction method. The tax rates applied are as follows:

- Lighting system, park, burial, cremation services	Not subject to tax
- Septic tank suction, garbage, medical waste collection	0%
- Other services <sup>(i)</sup>	10%

- <sup>(i)</sup> The Company has been entitled to the VAT rate of 8% from 01 January 2024 to 30 June 2024 according to the Government's Decree No. 94/2023/NĐ-CP dated 28 December 2023 and the Resolution No. 110/2023/QH15 dated 29 November 2023 of the National Assembly.



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From 01 July 2024 to 31 December 2024, the VAT rate applied to some goods and services is 8% according to the Government's Decree No. 72/2024/NĐ-CP dated 30 June 2024 prescribing VAT reduction policy under the Resolution No. 142/2024/QH15 dated 29 June 2024 of the National Assembly.

**Corporate income tax**

According to the Investment License No. 47121000435 issued by the People's Committee of Dong Nai Province on 11 November 2014, the Company is entitled to a preferential tax rate of 10% for waste and wastewater collection and treatment activities in Vinh Tan Commune, Vinh Cuu District, Dong Nai Province for the domestic and industrial waste treatment area project.

Income from other activities is subject to the corporate income tax at the rate of 20%.

Estimated corporate income tax payable during the year is as follows:

	<u>Current year</u>	<u>Previous year</u>
Total accounting profit before tax	39.672.134.281	37.183.304.335
Increases/(decreases) of accounting profit to determine profit subject to corporate income tax:		
- Increases	12.520.291.539	7.466.387.936
- Decreases	(890.077.407)	(279.414.700)
Income subject to tax	51.302.348.413	44.370.277.571
Income exempted from tax	(1.000.000.000)	(1.500.000.000)
Taxable income	50.302.348.413	42.870.277.571
In which:		
- Taxable income subject to 10% tax rate	497.007.959	-
- Taxable income subject to 20% tax rate	49.805.340.454	42.870.277.571
<b>Corporate income tax payable at common tax rate</b>	<b>10.060.469.683</b>	<b>8.574.055.514</b>
<b>Differences due to the application of rate other than common tax rate</b>	<b>(49.700.796)</b>	<b>-</b>
<b>Corporate income tax to be paid</b>	<b>10.010.768.887</b>	<b>8.574.055.514</b>

Determination of corporate income tax liability of the Company is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Financial Statements can be changed upon the inspection of tax authorities.

**Other taxes**

The Company has declared and paid these taxes in line with the prevailing regulations.

**16. Payables to employees**

This item reflects salary and bonus to be paid to employees.

**17. Short-term accrued expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan interest expenses	-	120.167.000
Costs of waste treatment facility construction	12.268.237.148	11.066.564.913
Costs for residual water treatment at Vinh Tan waste treatment area	9.953.668.000	3.537.200.000
Other short-term accrued expenses	271.174.400	1.084.421.452
<b>Total</b>	<b>22.493.079.548</b>	<b>15.808.353.365</b>

**18. Short-term unearned revenues**

Unearned revenues are related to the lease of night market stalls and maintenance of tombs and burial vaults.



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**19. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade Union's expenditure	83.397.200	85.571.300
Social insurance premiums	385.678.583	379.976.522
Dong Nai Province Land Source Development Center – Costs for land clearance in Vinh Cuu District (see Note No. V.11)	47.382.461.015	47.382.461.015
Bien Hoa Environment Enterprise – Payables for construction of tombs and burial vaults	2.335.404.000	1.785.375.000
Other short-term payables	595.550.933	736.552.071
<b>Total</b>	<b><u>50.782.491.731</u></b>	<b><u>50.369.935.908</u></b>

The Company has no other overdue payables.

**20. Borrowings****20a. Short-term borrowings**

This item reflects the current portions of long-term loan from Dong Nai Province Environmental Protection Fund (see Note No. V.20b).

The Company is solvent over short-term loans.

Details of increases/(decreases) of short-term borrowings during the year are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	26.580.000.000	26.580.000.000
Transfer from long-term borrowings	26.580.000.000	26.580.000.000
Amount repaid	(26.580.000.000)	(26.580.000.000)
<b>Ending balance</b>	<b><u>26.580.000.000</u></b>	<b><u>26.580.000.000</u></b>

**20b. Long-term borrowings**

The loan from Dong Nai Province Environmental Protection Fund is to invest in the following projects:

- Project "21,7-hectare domestic and industrial solid waste treatment area" at the interest rate of 3%/year. The loan term is 7 years from the first disbursement date and the grace period is 6 months. This loan is guaranteed by a guarantee contract issued by VietinBank - Dong Nai Branch through the mortgage of some term deposits of the Company at VietinBank - Dong Nai Branch (see Note No. V.2a).
- Project "Waste classification line with a capacity of 200 tons/day (8 hours/day) - Package 3D2 of the Plant for recycling domestic solid waste into Compost with a capacity of 450 tons/day" at the domestic and industrial solid waste treatment area with an area of 21,7 hectares in Vinh Tan Commune, Vinh Cuu District, Dong Nai Province. The loan is at the interest rate of 2,6%/year, the loan term is 5,5 years, and the grace period is 6 months. This loan is guaranteed by a guarantee contract issued by BIDV - Dong Nai Branch through the mortgage of some term deposits of the Company at BIDV - Dong Nai Branch (see Note No. V.2a).

The Company is solvent over long-term loans.

Repayment schedule of long-term borrowings is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	26.580.000.000	26.580.000.000
More than 1 year to 5 years	38.453.000.000	65.033.000.000
<b>Total</b>	<b><u>65.033.000.000</u></b>	<b><u>91.613.000.000</u></b>



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Details of increase/(decrease) of the loan from Dong Nai Province Environmental Protection Fund are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	65.033.000.000	89.628.000.000
Increase	-	1.985.000.000
Transfer to short-term borrowings	<u>(26.580.000.000)</u>	<u>(26.580.000.000)</u>
<b>Ending balance</b>	<b><u>38.453.000.000</u></b>	<b><u>65.033.000.000</u></b>

**20c. Overdue borrowings**

The Company has no overdue loans.

**21. Provisions for short-term payables**

This item reflects the provision related to compensation for environmental damage.

**22. Bonus and welfare funds**

	<u>Beginning balance</u>	<u>Increase due to appropriation from profit</u>	<u>Other increases</u>	<u>Disbursement during the year</u>	<u>Ending balance</u>
Bonus fund	3.201.145.856	1.467.736.087	40.500.000	(1.213.216.803)	3.496.165.140
Welfare fund	7.891.912.140	1.467.736.088	-	(116.400.000)	9.243.248.228
Bonus fund for the Executive Board	-	237.600.000	-	(237.600.000)	-
Community social work fund	1.601.941.626	587.094.435	-	(259.339.866)	1.929.696.195
Bonus fund for relevant individuals and entities	<u>1.379.309.235</u>	<u>587.094.435</u>	<u>140.000.000</u>	<u>(210.000.000)</u>	<u>1.896.403.670</u>
<b>Total</b>	<b><u>14.074.308.857</u></b>	<b><u>4.347.261.045</u></b>	<b><u>180.500.000</u></b>	<b><u>(2.036.556.669)</u></b>	<b><u>16.565.513.233</u></b>

**23. Owner's equity****23a. Statement of changes in owner's equity**

	<u>Owner's capital</u>	<u>Investment and development fund</u>	<u>Retained earnings</u>	<u>Total</u>
Beginning balance of the previous year	300.000.000.000	19.412.240.723	38.532.480.179	357.944.720.902
Profit in the previous year	-	-	29.354.721.752	29.354.721.752
Appropriation for funds in the previous year	-	2.752.975.820	(6.774.973.968)	(4.021.998.148)
Dividend distribution in the previous year	-	-	(24.000.000.000)	(24.000.000.000)
<b>Ending balance of the previous year</b>	<b><u>300.000.000.000</u></b>	<b><u>22.165.216.543</u></b>	<b><u>37.112.227.963</u></b>	<b><u>359.277.444.506</u></b>
Beginning balance of the current year	300.000.000.000	22.165.216.543	37.112.227.963	359.277.444.506
Profit in the current year	-	-	30.571.867.684	30.571.867.684
Appropriation for funds in the current year	-	2.935.472.175	(7.282.733.220)	(4.347.261.045)
Dividend distribution in the current year	-	-	(24.000.000.000)	(24.000.000.000)
<b>Ending balance of the current year</b>	<b><u>300.000.000.000</u></b>	<b><u>25.100.688.718</u></b>	<b><u>36.401.362.427</u></b>	<b><u>361.502.051.145</u></b>

**23b. Details of owner's capital**

	<u>Ending balance</u>	<u>Beginning balance</u>
Sonadezi Corporation	192.128.460.000	192.128.460.000
Other shareholders	<u>107.871.540.000</u>	<u>107.871.540.000</u>
<b>Total</b>	<b><u>300.000.000.000</u></b>	<b><u>300.000.000.000</u></b>

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**Notes to the Financial Statements (cont.)****23c. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	30.000.000	30.000.000
Number of shares sold to the public	30.000.000	30.000.000
- Common shares	30.000.000	30.000.000
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	30.000.000	30.000.000
- Common shares	30.000.000	30.000.000
- Preferred shares	-	-

Face value of outstanding shares: VND 10.000.

**23d. Profit distribution**

During the year, the Company distributed the profit of 2023 according to the Resolution No. 73/NQ-SZE-DHĐCĐ dated 16 April 2024 of 2024 Annual General Meeting of Shareholders as follows:

	<u>Amount (VND)</u>
Appropriation for Investment and development fund (10% of profit after tax)	2.935.472.175
Appropriation for Bonus and welfare funds (10% of profit after tax)	2.935.472.175
Appropriation for Bonus fund for the Company's Executive Board (0,81% of profit after tax)	237.600.000
Appropriation for Bonus fund for relevant individuals and entities (2% of profit after tax)	587.094.435
Appropriation for community and social activity fund (2% of profit after tax)	587.094.435
Distribution of dividends to shareholders	24.000.000.000
<b>Total</b>	<b><u>31.282.733.220</u></b>

**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT****1. Revenue from sales of goods and provisions of services****1a. Gross revenue**

	<u>Current year</u>	<u>Previous year</u>
Revenue from sales of merchandise	2.241.297.089	2.036.604.282
Revenue from provisions of services	394.195.110.340	423.861.980.786
<b>Total</b>	<b><u>396.436.407.429</u></b>	<b><u>425.898.585.068</u></b>

**1b. Revenue from sales of goods and provisions of services to related parties**

Sales of goods and service provisions to related parties are as follows:

	<u>Current year</u>	<u>Previous year</u>
<b><i>Dong Nai Port Joint- Stock Company</i></b>		
Provision of garbage transport and treatment services	231.350.000	187.913.500
<b><i>Dong Nai Water Joint Stock Company</i></b>		
Provision of ornamental flower and tree care services	164.779.997	154.310.472
Provision of garbage transport and treatment services	63.040.754	83.722.875
<b><i>Sonadezi Giang Dien Shareholding Company</i></b>		
Provision of garbage transport and treatment services	268.120.000	236.390.000



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**Notes to the Financial Statements (cont.)**

	<u>Current year</u>	<u>Previous year</u>
<i>Sonadezi An Binh Joint Stock Company</i>		
Provision of garbage transport and treatment services	16.010.000	13.860.000
Construction and repair	111.900.000	-
<i>Sonadezi College of Technology and Management</i>		
Provision of garbage transport and treatment services	145.070.000	107.590.000
<i>Sonadezi Services Joint - Stock Company</i>		
Provision of garbage transport and treatment services	12.710.000	15.390.000
<i>Sonadezi Long Binh Share Holding Company</i>		
Provision of garbage transport and treatment services	79.805.000	65.430.000
<i>Sonadezi Long Thanh Shareholding Company</i>		
Provision of garbage transport and treatment services	55.595.000	97.680.000
<i>Dongnai Paint Corporation</i>		
Provision of garbage transport and treatment services	46.000.000	44.920.000
<i>Dong Nai Material &amp; Building Investment Joint - Stock Company</i>		
Provision of garbage transport and treatment services	13.852.866	13.347.000
<i>Dong Nai Housing Joint - Stock Company</i>		
Provision of garbage transport and treatment services	4.046.442	4.362.000
Provision of lighting pole relocation services	64.249.074	-
<i>Dong Nai Construction Joint- Stock Company</i>		
Provision of garbage transport and treatment services	17.970.616	16.357.500
<i>Industrial Urban Development Joint - Stock Company No 2</i>		
Provision of lighting service	-	90.909.091
Provision of garbage transport and treatment services	6.673.221	6.672.000
<i>Sonadezi Chau Duc Shareholding Company</i>		
Project construction	-	3.069.139.741
<i>Dong Nai Number One Logistics Corporation</i>		
Provision of garbage transport and treatment services	67.885.000	-
<b>2. Costs of sales</b>		
	<u>Current year</u>	<u>Previous year</u>
Costs of merchandise sold	1.804.718.626	1.632.191.152
Costs of services provided	330.501.624.302	364.656.220.927
Allowance for devaluation of inventories	1.493.081.830	-
<b>Total</b>	<u><b>333.799.424.758</b></u>	<u><b>366.288.412.079</b></u>

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Notes to the Financial Statements (cont.)

**3. Financial income**

	<u>Current year</u>	<u>Previous year</u>
Bank deposit interest	3.918.166.987	5.223.910.844
Dividends shared	1.000.000.000	1.500.000.000
<b>Total</b>	<b><u>4.918.166.987</u></b>	<b><u>6.723.910.844</u></b>

**4. General and administration expenses**

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	13.156.670.917	13.333.949.854
Office supplies	935.047.420	1.004.253.414
Office stationery	1.198.584.344	1.783.719.646
Depreciation/(amortization) of fixed assets	653.374.070	672.819.629
Taxes, fees and legal fees	636.460.222	735.361.262
Allowance/(Reversal of allowance) for doubtful debts	(363.744.523)	813.935.877
Expenses for external services	2.273.711.467	2.536.193.171
Other cash expenses	10.868.242.658	7.125.547.439
<b>Total</b>	<b><u>29.358.346.575</u></b>	<b><u>28.005.780.292</u></b>

**5. Other income**

	<u>Current year</u>	<u>Previous year</u>
Liquidation of scraps, damaged materials and tools that cannot be used	-	106.059.806
Income from selling over-excavated soil at Vinh Tan waste treatment area	3.443.361.817	789.921.819
Other income	1.001.645.334	1.245.062.935
<b>Total</b>	<b><u>4.445.007.151</u></b>	<b><u>2.141.044.560</u></b>

**6. Other expenses**

	<u>Current year</u>	<u>Previous year</u>
Taxes on natural resources and environmental protection for mineral exploitation	348.468.216	79.940.088
Cost of granting mineral exploitation right and optimizing over-excavated soil at Vinh Tan waste treatment area	102.267.846	23.460.678
Other expenses	256.923.891	49.700.000
<b>Total</b>	<b><u>707.659.953</u></b>	<b><u>153.100.766</u></b>

**7. Earnings per share****7a. Basic/diluted earnings per share**

	<u>Current year</u>	<u>Previous year</u>
Accounting profit after corporate income tax	30.571.867.684	29.354.721.752
Appropriation for bonus and welfare funds (*)	(4.475.721.429)	(4.391.466.374)
Profit used to calculate basic/diluted earnings per share	26.096.146.255	24.963.255.378
The average number of ordinary shares outstanding during the year	30.000.000	30.000.000
<b>Basic/diluted earnings per share</b>	<b><u>870</u></b>	<b><u>832</u></b>



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**Notes to the Financial Statements (cont.)**

- (\*) The Bonus and welfare funds for employees, Bonus fund for managers, Community and social activity fund and Bonus fund for relevant individuals and entities are temporarily appropriated at the respective rates of 10%, 0,64%, 2% and 2% of the Company's accounting profit after tax according to the Resolution No. 73/NQ-SZE-ĐHĐCĐ dated 16 April 2024 of the Company's 2024 Annual General Meeting of Shareholders.

**7b. Other information**

There is no transaction over the common share or potential common share from the balance sheet date until the date of these Financial Statements.

**8. Operating costs by factors**

	<u>Current year</u>	<u>Previous year</u>
Materials and supplies	202.839.568.526	198.749.940.510
Labor costs	104.889.313.966	100.998.970.124
Depreciation/(amortization) of fixed assets	32.253.376.217	36.471.721.461
Expenses for external services	41.081.183.379	38.874.298.381
Other expenses	27.209.533.454	18.372.053.145
<b>Total</b>	<b><u>408.272.975.542</u></b>	<b><u>393.466.983.621</u></b>

**VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE CASH FLOW STATEMENT**

Balances related to acquisition of fixed assets are as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Payables for acquisition of fixed assets	938.156.417	2.596.964.588
Prepayments for acquisition of fixed assets	275.511.500	2.116.760.908

**VIII. OTHER DISCLOSURES****1. Transactions and balances with related parties**

The Company's related parties include key managers, their related individuals and other related parties.

**1a. Transactions and balances with the key managers and their related individuals**

The Company's key managers include the Board of Management, the Board of Directors and the Supervisory Board. The key managers' related individuals are their close family members.

The Company has no transactions and balances with the key managers and their related individuals.

Salary and remuneration of the key managers are as follows:

Unit: VND

Salary, bonus and remuneration of the Board members:

<b>Full name</b>	<b>Position</b>	<u>Current year</u>	<u>Previous year</u>
Mr. Vo Huynh Trung Hung	Chairman	96.000.000	96.000.000
Mr. Tran Anh Dung	Member	72.000.000	72.000.000
Mr. Nguyen Thanh Phuc	Member	72.000.000	72.000.000
Mr. Vo Thanh Tam	Member	72.000.000	72.000.000
<b>Total</b>		<b><u>312.000.000</u></b>	<b><u>312.000.000</u></b>

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**Notes to the Financial Statements (cont.)**

Salary, bonus and remuneration of the Supervisory Board:

<b>Full name</b>	<b>Position</b>	<b>Current year</b>	<b>Previous year</b>
Ms. Ngo Thi Chau Loan	Chief of the Board	336.000.000	334.000.000
Ms. Nguyen Bach Thao	Member	36.000.000	36.000.000
Ms. Pham Thuy Trang	Member	36.000.000	36.000.000
<b>Total</b>		<b>408.000.000</b>	<b>406.000.000</b>

Salary, bonus and remuneration of the General Director and other key managers:

<b>Full name</b>	<b>Position</b>	<b>Current year</b>	<b>Previous year</b>
Ms. Quach Ngoc Bui	General Director	472.800.000	470.800.000
Mr. Nguyen Duy Hoang	Former Deputy General Director	-	151.500.000
Ms. Tran Vo Hoai Huong	Deputy General Director	440.400.000	438.400.000
Ms. Phi Thi Le Thuy	Deputy General Director	440.400.000	72.000.000
Mr. Nguyen Hoang Duong	Former Chief Accountant	-	112.227.273
Ms. Nguyen Hoang Cam Giang	Chief Accountant	219.845.455	-
<b>Total</b>		<b>1.573.445.455</b>	<b>1.244.927.273</b>

**1b. Transactions and balances with other related parties**

Other related parties of the Company include:

<b>Other related parties</b>	<b>Relationship</b>
Sonadezi Corporation	Parent Company
Sonadezi Giang Dien Shareholding Company	Group Company
Dong Nai Water Joint Stock Company	Group Company
Dong Nai Material & Building Investment Joint - Stock Company	Group Company
Sonadezi Services Joint - Stock Company	Group Company
Industrial Urban Development Joint - Stock Company No 2	Group Company
Dongnai Paint Corporation	Group Company
Sonadezi An Binh Joint Stock Company	Group Company
Sonadezi Chau Duc Shareholding Company	Group Company
Sonadezi Long Binh Share Holding Company	Group Company
Sonadezi Long Thanh Shareholding Company	Group Company
Dong Nai – No.1 Civil and Industrial Construction Joint Stock Company	Group Company
Dong Nai Housing Joint - Stock Company	Group Company
Dong Nai Port Joint- Stock Company	Group Company
Dong Nai Construction Joint- Stock Company	Group Company
Sonadezi College of Technology and Management	Group Company
Dong Nai Number One Logistics Corporation	Group Company
Sonadezi Security Services Co., Ltd.	Group Company

**Transactions with other related parties**

Apart from sales of goods and service provisions to other related parties presented in Note No. VI.1b, the Company also has other transactions with other related parties as follows:

	<b>Current year</b>	<b>Previous year</b>
<b>Sonadezi Services Joint - Stock Company</b>		
Purchase of services	44.038.000	17.947.000
Dividends shared	1.000.000.000	1.500.000.000
<b>Dong Nai Water Joint Stock Company</b>		
Purchase of services	2.892.608.697	279.254.938



## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

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### FINANCIAL STATEMENTS

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Notes to the Financial Statements (cont.)

	<u>Current year</u>	<u>Previous year</u>
<i>Sonadezi College of Technology and Management</i>		
Purchase of services	10.000.000	76.900.000
<i>Sonadezi Security Services Co., Ltd.</i>		
Purchase of services	4.918.291.920	5.230.200.000
<i>Sonadezi An Binh Joint Stock Company</i>		
Purchase of services	8.370.370	-

The prices of merchandise and services supplied to other related parties are agreed by the parties involved by themselves. The purchases of merchandise and services from other related parties are done at the agreed prices.

#### *Receivables from and payables to other related parties*

Receivables from and payables to other related parties are presented in Notes No. V.3, V.4 and V.13.

The receivables from other related parties are unsecured and will be paid in cash. No allowances have been made for the receivables from other related parties.

## 2. Segment information

The Company's segment information is presented according to business segment. The main segment report is for business segments based on the internal organizational and management structure as well as the internal financial reporting system of the Company, and profitability of the Company is substantially affected by differences on its products and services provided.

The Company has the following business segments:

- Garbage transport;
- Street garbage collection;
- Garbage treatment;
- Care of public parks, median strips;
- Others: funeral, cremation and cemetery services, wastewater treatment, etc.

Segment information according to the Company's business segments is presented in the attached Appendix.

The Company operates in one geographical area which is Vietnam.

## 3. Capital commitments

Commitments on fixed asset formation expenditures that have been contracted at the balance sheet date but not yet accounted are as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Construction of waste treatment area in Vinh Tan Commune, Vinh Cuu District, Dong Nai Province	11.494.498.511	14.696.666.368

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**FINANCIAL STATEMENTS**


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Notes to the Financial Statements (cont.)

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**4. Subsequent events**

There are no material subsequent events which are required adjustments or disclosures in the Financial Statements.


Dong Nai, 12 March 2025 



**Nguyen Ngoc Dung**  
Preparer



**Nguyen Hoang Cam Giang**  
Chief Accountant



**Quach Ngoc Bui**  
General Director



## SONADEZI ENVIRONMENT JOINT STOCK COMPANY

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### FINANCIAL STATEMENTS

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#### Appendix: Segment information according to the business segments

Unit: VND

Information on the Company's financial performance, fixed assets, other non-current assets and values of remarkable non-cash expenses according to the business segments is as follows:

	<u>Garbage transport</u>	<u>Collection service</u>	<u>Garbage treatment</u>	<u>Public parks, median strips</u>	<u>Others</u>	<u>Total</u>
<b>Current year</b>						
Net external revenue	105.261.483.836	64.337.274.806	76.008.485.322	38.593.441.342	112.235.722.123	396.436.407.429
Net inter-segment revenue	-	-	-	-	-	-
<b>Total net revenue</b>	<b>105.261.483.836</b>	<b>64.337.274.806</b>	<b>76.008.485.322</b>	<b>38.593.441.342</b>	<b>112.235.722.123</b>	<b>396.436.407.429</b>
Segment financial performance	16.354.687.698	11.203.902.774	(3.688.071.550)	6.009.390.907	32.757.072.842	62.636.982.671
Expenses not attributable to segments						(29.358.346.575)
Operating profit						33.278.636.096
Financial income						4.918.166.987
Financial expenses						(2.262.016.000)
Other income						4.445.007.151
Other expenses						(707.659.953)
Current income tax						(10.010.768.887)
Deferred income tax						910.502.290
<b>Profit after tax</b>						<b>30.571.867.684</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>7.790.000</b>	<b>-</b>	<b>11.204.271.327</b>	<b>65.530.000</b>	<b>62.994.225</b>	<b>11.340.585.552</b>
<b>Total depreciation/(amortization) and allocation of long-term prepayments</b>	<b>719.451.092</b>	<b>-</b>	<b>30.470.368.799</b>	<b>1.068.786.604</b>	<b>3.590.915.283</b>	<b>35.849.521.778</b>
<b>Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(363.744.523)</b>	<b>(363.744.523)</b>

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**Appendix: Segment information according to the business segments (cont.)**

	<u>Garbage transport</u>	<u>Collection service</u>	<u>Garbage treatment</u>	<u>Public parks, median strips</u>	<u>Others</u>	<u>Total</u>
<b>Previous year</b>						
Net external revenue	122.915.634.284	77.938.375.165	95.888.886.700	40.418.827.322	88.736.861.597	425.898.585.068
Net inter-segment revenue	-	-	-	-	-	-
<b>Total net revenue</b>	<b>122.915.634.284</b>	<b>77.938.375.165</b>	<b>95.888.886.700</b>	<b>40.418.827.322</b>	<b>88.736.861.597</b>	<b>425.898.585.068</b>
Segment financial performance	19.698.450.239	23.391.008.918	(9.362.941.099)	7.099.910.883	18.783.744.048	59.610.172.989
Expenses not attributable to segments						(28.005.780.292)
Operating profit						31.604.392.697
Financial income						6.723.910.844
Financial expenses						(3.132.943.000)
Other income						2.141.044.560
Other expenses						(153.100.766)
Current income tax						(8.574.055.514)
Deferred income tax						745.472.931
<b>Profit after tax</b>						<b>29.354.721.752</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>73.010.000</b>	<b>-</b>	<b>19.722.687.746</b>	<b>139.484.000</b>	<b>286.697.000</b>	<b>20.221.878.746</b>
<b>Total depreciation/(amortization) and allocation of long-term prepayments</b>	<b>1.997.694.915</b>	<b>-</b>	<b>33.482.093.144</b>	<b>1.039.177.660</b>	<b>4.724.490.433</b>	<b>41.243.456.152</b>
<b>Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>813.935.877</b>	<b>813.935.877</b>





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**Appendix: Segment information according to the business segments (cont.)**

The Company's assets and liabilities according to the business segments are as follows:

	<u>Garbage transport</u>	<u>Collection service</u>	<u>Garbage treatment</u>	<u>Public parks, median strips</u>	<u>Others</u>	<u>Total</u>
<b>Ending balance</b>						
Direct assets of segment	103.789.763.279	15.792.126	298.010.137.635	37.216.466.775	52.538.065.085	491.570.224.900
Unallocated assets						125.971.959.187
<b>Total assets</b>						<b>617.542.184.087</b>
Direct liabilities of segment	14.552.030.844	820.404	137.804.977.814	1.768.423.384	57.083.967.249	211.210.219.695
Unallocated liabilities						44.829.913.247
<b>Total liabilities</b>						<b>256.040.132.942</b>
<b>Beginning balance</b>						
Direct assets of segment	114.653.028.588	-	305.324.361.459	17.224.821.221	58.894.922.986	496.097.134.254
Unallocated assets						130.324.401.903
<b>Total assets</b>						<b>626.421.536.157</b>
Direct liabilities of segment	18.854.033.506	-	156.399.123.612	340.340.143	50.727.832.123	226.321.329.384
Unallocated liabilities						40.822.762.267
<b>Total liabilities</b>						<b>267.144.091.651</b>



Nguyen Ngoc Dung  
Preparer



Nguyen Hoang Cam Giang  
Chief Accountant



Dong Nai, 12 March 2025 *+*

Quach Ngoc Bui  
General Director

