

Số: 10/CBTT-QNW

Quảng Ngãi, ngày 28 tháng 3 năm 2025

CÔNG BỐ THÔNG TIN ĐỊNH KỲ BÁO CÁO TÀI CHÍNH

Kính gửi: Sở Giao dịch Chứng khoán Hà Nội

Thực hiện quy định tại khoản 3, khoản 4 Điều 14 Thông tư số 96/2020/TT-BTC ngày 16/11/2020 của Bộ Tài chính hướng dẫn công bố thông tin trên thị trường chứng khoán, Công ty cổ phần Cấp thoát nước và Xây dựng Quảng Ngãi thực hiện công bố thông tin báo cáo tài chính (BCTC) năm 2024 với Sở Giao dịch Chứng khoán Hà Nội như sau:

1. Tên tổ chức:

- Mã chứng khoán: QNW
- Địa chỉ: số 17 Phan Chu Trinh, phường Nguyễn Nghiêm, thành phố Quảng Ngãi, tỉnh Quảng Ngãi.
- Điện thoại liên hệ: 02553822693 Fax: 02553822692
- Email: capnuocqng@gmail.com Website: capnuocqni.com.vn

2. Nội dung thông tin công bố

- BCTC năm 2024

- BCTC riêng (TCNY không có công ty con và đơn vị kế toán cấp trên có đơn vị trực thuộc);
- BCTC hợp nhất (TCNY có công ty con);
- BCTC tổng hợp (TCNY có đơn vị kế toán trực thuộc tổ chức bộ máy kế toán riêng);

- Các trường hợp thuộc diện phải giải trình nguyên nhân:

+ Tổ chức kiểm toán đưa ra ý kiến không phải là ý kiến chấp nhận toàn phần đối với BCTC (đối với BCTC năm 2024)

- Có Không

Văn bản giải trình trong trường hợp tích có:

- Có Không

+ Lợi nhuận sau thuế trong kỳ báo cáo có sự chênh lệch trước và sau kiểm toán từ 5% trở lên, chuyển lỗ sang lãi hoặc ngược lại

- Có Không

Văn bản giải trình trong trường hợp tích có:

Có

Không

+ Lợi nhuận sau thuế thu nhập doanh nghiệp tại báo cáo kết quả kinh doanh của kỳ báo cáo có thay đổi từ 10% trở lên so với báo cáo cùng kỳ năm trước?

Có

Không

Văn bản giải trình trong trường hợp tích có:

Có

Không

+ Lợi nhuận sau thuế trong kỳ báo cáo bị lỗ, chuyển từ lãi ở báo cáo cùng kỳ năm trước sang lỗ ở kỳ này hoặc ngược lại?

Có

Không

Văn bản giải trình trong trường hợp tích có:

Có

Không

Thông tin này đã được công bố trên trang thông tin điện tử của Công ty vào ngày 28/3/2025 tại đường dẫn: <https://capnuocqni.com.vn/quan-he-co-dong/bao-cao-tai-chinh/>

Tài liệu đính kèm:

- BCTC;

- Văn bản giải trình.

Đại diện tổ chức

Người đại diện theo Pháp luật - Giám đốc



Nguyễn Đăng Đơ

**QUANG NGAI WATER SUPPLY SEWERAGE AND
CONSTRUCTION JOINT STOCK COMPANY**

Audited separate financial statements
for the year ended 31 December 2024

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Quang Ngai Water Supply sewerage and Construction Joint Stock Company (hereinafter called "the Company") presents this report together with the separate financial statements of the Company for the year ended 31 December 2024.

GENERAL INFORMATION

Quang Ngai Water Supply sewerage and Construction Joint Stock Company was formerly known as Quang Ngai Water Plant, established in 1963. After undergoing several name changes, on 03 February 2010, the People's Committee of Quang Ngai Province issued Decision No. 152/QĐ-UBND on the conversion of Quang Ngai Water Supply, Drainage, and Construction One-Member Limited Liability Company into Quang Ngai water supply sewerage and construction joint stock company.

On 24 February 2010, the Quang Ngai Department of Planning and Investment issued the company's initial Business Registration Certificate No. 3404000001. Throughout its operation, the company has amended its Business Registration Certificate four times, with the most recent amendment being the fourth, on 22 March 2021.

The company's shares are trading on the UpCom exchange under the stock code QNW.

THE MEMBERS OF THE BOARD OF MANAGEMENT, BOARD OF SUPERVISORS, AND BOARD OF DIRECTORS

The members of the Board of Management, Board of Supervisors, and Board of Directors of the Company during the year and to the date of this statement are as follows:

The Board of Management

<u>Full name</u>	<u>Position</u>	
Mr. Hoang Van Duong	Chairman	
Mr. Do Huu Luan	Member	Representative of State Capital in the Company
Mr. Hoang Van Thang	Member	
Mr. Nguyen Dang Do	Member	
Ms. Ngo Thi Phuong Thao	Member	

The Board of Supervisors

<u>Full name</u>	<u>Position</u>
Ms. Le Thi Quy	Head of the Board
Mr. Vo Xuan Vu	Member
Mr. Bui Hai Ninh	Member

The Board Directors and Chief Accountant

<u>Full name</u>	<u>Position</u>
Mr. Nguyen Dang Do	Director
Mr. Hoang Van Thang	Deputy Director
Mr. Pham Dinh Tung	Chief Accountant

Legal representatives

The legal representative of the Company during the year and to the date of this report is Mr. Nguyen Dang Do - Director.

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

AUDITORS

International Auditing and Valuation Company Limited is the auditor performing the audit of the separate financial statements of the Company for the year ended 31 December 2024.

DISCLOSURE OF THE BOARD OF DIRECTORS'S RESPONSIBILITIES FOR THE SEPARATE FINANCIAL STATEMENTS

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

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

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

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

COMMITMENT ON INFORMATION DISCLOSURE

The Board of General Directors commit that the Company complies with Decree 155/2020/ND-CP dated 31 December 2020 of the Prime Minister detailing the implementation of a number of articles of the Securities Law and the Company does not violate the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding the disclosure of information on the stock market, as well as Circular No. 68/2024/TT-BTC dated 18 September 2024, which amends and supplements certain provisions of circulars regulating securities trading on the securities trading system, clearing and settlement of securities transactions, operations of securities companies, and information disclosure in the securities market.

For and on behalf of the Board of Directors,



Nguyen Dang Do
Director
Quang Ngai, 27 March 2025

No: 0906/2024/BCTC/IAV

INDEPENDENT AUDITORS' REPORT

To: **The Shareholders
The Board of Management, Board of Supervisors, and Board of Directors
of Quang Ngai Water supply sewerage and Construction Joint Stock Company.**

We have audited the accompanying separate financial statements of Quang Ngai Water supply sewerage and Construction Joint Stock company (hereinafter called "the Company"), prepared on 27 March 2025, as set out from page 05 to page 34, which comprise the separate balance sheet as at 31 December 2024, the separate income statement, and the separate cash flow statement for the year then ended, and the notes to the separate financial statements.

The Board of Directors's Responsibility

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

Auditors' Responsibility

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

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

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

Auditors' Opinion

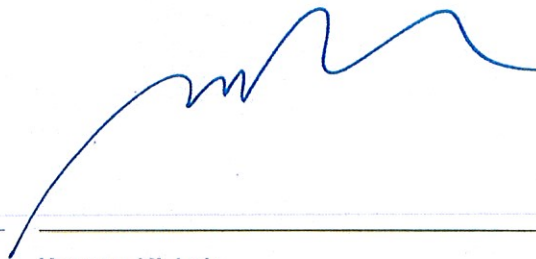
In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2024, and of the results of its separate operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to separate financial statements.

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INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of matter

The Company's separate financial statements for the year ended 31 December 2023, were audited by another independent auditing firm. The auditor issued an unqualified opinion on these financial statements on 29 March



Tran Thanh Trung
Deputy Director
Audit Practising Registration Certificate
No.: 4427-2021-283-1
INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED
Hanoi, 27 March 2025

Nguyen Ki Anh
Auditor
Audit Practising Registration Certificate
No.: 3331-2022-283-1



SEPARATE BALANCE SHEET

As at 31 December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
A. SHORT-TERM ASSETS	100		172,574,555,467	150,832,439,389
I. Cash and cash equivalents	110	4.1	66,493,434,657	43,918,108,040
1. Cash	111		4,179,233,554	4,087,396,187
2. Cash equivalents	112		62,314,201,103	39,830,711,853
II. Short-term investments	120		66,132,588,381	60,248,106,344
1. Held-to-maturity investments	123	4.2	66,132,588,381	60,248,106,344
III. Short-term receivables	130		30,434,726,233	34,873,977,967
1. Short-term trade receivables	131	4.3	11,203,163,819	11,412,129,835
2. Short-term advances to suppliers	132	4.4	22,724,265,452	21,893,899,542
3. Other short-term receivables	136	4.5	4,292,596,775	4,409,384,862
4. Short-term allowance for doubtful debts	137	4.6	(7,785,906,057)	(2,841,672,057)
5. Shortage of assets awaiting resolution	139		606,244	235,785
IV. Inventories	140	4.7	9,099,294,004	11,603,005,075
1. Inventories	141		17,744,059,982	20,507,707,516
2. Allowance for inventories	149		(8,644,765,978)	(8,904,702,441)
V. Other short-term assets	150		414,512,192	189,241,963
1. Short-term prepaid expenses	151	4.8	299,206,948	108,940,886
2. Value added tax deductibles	152		93,011,596	54,481,299
3. Taxes and other receivables from the State budget	153	4.9	22,293,648	25,819,778
B. LONG-TERM ASSETS	200		116,759,802,530	110,762,789,986
I. Long-term receivables	210		114,638,560	114,638,560
1. Other long-term receivables	216	4.5	2,278,710,360	2,278,710,360
2. Long-term allowance for doubtful debts	219	4.6	(2,164,071,800)	(2,164,071,800)
II. Fixed assets	220		82,400,159,701	79,320,666,600
1. Tangible fixed assets	221	4.10	82,400,159,701	79,320,666,600
- Historical cost	222		243,316,348,879	224,143,412,431
- Accumulated depreciation	223		(160,916,189,178)	(144,822,745,831)
2. Intangible fixed assets	227	4.11	-	-
- Historical cost	228		660,245,455	660,245,455
- Accumulated amortisation	229		(660,245,455)	(660,245,455)
III. Long-term assets in progress	240		9,338,768,754	8,112,372,906
1. Construction in progress	242	4.12	9,338,768,754	8,112,372,906
IV. Long-term financial investments	250	4.13	6,417,572,918	4,787,409,257
1. Investments in subsidiaries	251		8,000,000,000	5,973,236,000
2. Allowances for long-term investments	254		(1,582,427,082)	(1,185,826,743)
V. Other long-term assets	260		18,488,662,597	18,427,702,663
1. Long-term prepaid expenses	261	4.8	18,488,662,597	18,427,702,663
TOTAL ASSETS	270		289,334,357,997	261,595,229,375
(270 = 100 + 200)				

SEPARATE BALANCE SHEET (Continued)

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
C. LIABILITIES	300		36,547,142,456	33,185,937,554
I. Short-term liabilities	310		30,680,410,733	25,594,179,263
1. Short-term trade payables	311	4.14	3,582,874,587	9,473,572,536
2. Short-term advances from customers	312	4.15	1,612,432,013	1,297,957,562
3. Taxes and amounts payable to the State budget	313	4.9	2,160,874,333	3,576,121,514
4. Payables to employees	314		7,914,831,264	6,041,011,009
5. Short-term accrued expenses	315	4.16	10,929,632,168	209,742,439
6. Other short-term payables	319	4.17	1,826,494,083	1,588,601,750
7. Short-term borrowings and finance lease liabilities	320	4.18	1,686,641,401	2,041,499,401
8. Short-term provisions	321		-	184,435,824
9. Bonus and welfare fund	322		966,630,884	1,181,237,228
II. Long-term liabilities	330		5,866,731,723	7,591,758,291
1. Long-term accrued expenses	333	4.16	711,144,319	820,551,199
2. Other long-term payables	337	4.17	27,000,000	-
3. Long-term borrowings and finance lease liabilities	338	4.18	5,128,587,404	6,771,207,092
D. EQUITY	400		252,787,215,541	228,409,291,821
I. Owner's equity	410	4.19	251,899,753,982	227,521,830,262
1. Owner's contributed capital	411		200,000,000,000	200,000,000,000
- Ordinary shares with voting rights	411a		200,000,000,000	200,000,000,000
2. Share premium	412		14,651,406	14,651,406
3. Investment and development fund	418		17,365,329,402	16,315,039,432
4. Retained earnings	421		34,519,773,174	11,192,139,424
- Retained earnings accumulated to the prior year end	421a		1,239,885,502	689,239,728
- Retained earnings of the current year	421b		33,279,887,672	10,502,899,696
II. Other resources and funds	430		887,461,559	887,461,559
1. Subsidised funds	431	4.20	887,461,559	887,461,559
TOTAL RESOURCES (440=300+400)	440		289,334,357,997	261,595,229,375

Preparer
Le Nguyen Viet

Chief Accountant
Pham Dinh Tung




Director
Nguyen Dang Do
Quang Ngai, 27th March 2025

SEPARATE INCOME STATEMENT

For the year ended 31 December 2024

ITEMS	Code	Note	Current year	Prior year
			VND	VND
1. Gross revenue from goods sold and services rendered	01	5.1	114,165,281,775	79,957,682,976
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		114,165,281,775	79,957,682,976
4. Cost of goods sold and services rendered	11	5.2	55,132,663,795	57,634,637,832
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		59,032,617,980	22,323,045,144
6. Financial income	21	5.3	3,445,374,883	4,457,858,018
7. Financial expenses	22	5.4	852,954,873	626,805,087
<i>In which: Interest expense</i>	23		456,354,534	578,463,394
8. Selling expenses	25	5.5	4,939,612,170	4,163,733,793
9. General and administration expenses	26	5.6	14,824,290,606	8,573,683,562
10. Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		41,861,135,214	13,416,680,720
11. Other income	31		-	40,595
12. Other expenses	32	5.7	31,968,822	66,231,421
13. Other losses (40 = 31 - 32)	40		(31,968,822)	(66,190,826)
14. Accounting profit before tax (50=30+40)	50		41,829,166,392	13,350,489,894
15. Current corporate income tax expense	51	5.8	8,549,278,720	2,847,590,198
16. Deferred corporate tax expense	52		-	-
17. Net profit after corporate income tax (60 = 50-51-52)	60		33,279,887,672	10,502,899,696


 Preparer
 Le Nguyen Viet


 Chief Accountant
 Pham Dinh Tung


 Director
 Nguyen Dang Do
 Quang Ngai, 27th March 2025

SEPARATE CASH FLOW STATEMENT

For the year ended 31 December 2024
(Indirect method)

ITEMS	Code	Note	Current year VND	Prior year VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Profit before tax	01		41,829,166,392	13,350,489,894
2. Adjustments for:				
- Depreciation and amortisation of fixed assets	02		16,093,443,347	15,897,074,042
- Allowances and provisions	03		5,080,897,876	2,556,930,311
- (Gains)/losses from investing activities	05		(3,445,374,883)	(4,457,858,018)
- Interest expense	06		456,354,534	578,463,394
3. Operating profit before changes in working capital	08			
- Change in receivables	09		(212,519,763)	3,738,332,114
- Change in inventories	10		2,763,647,534	(3,438,875,355)
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11		(13,675,875,839)	6,803,624,335
- Change in prepaid expenses	12		(251,225,996)	(143,201,048)
- Interest paid	14		(567,134,275)	(668,612,929)
- Corporate income tax paid	15		(9,847,590,198)	(1,610,991,074)
- Other cash outflows	17		(949,800,600)	(458,577,444)
Net cash flows from operating activities	20		37,273,988,129	32,146,798,222
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Acquisition and construction of fixed assets and other long-term assets	21		-	(1,456,616,893)
2. Cash outflow for lending, buying debt instruments of other entities	23		(68,265,887,023)	(55,149,804,974)
3. Cash recovered from lending, selling debt	24		62,381,404,986	47,950,000,000
4. Equity investments in other entities	25		(2,026,764,000)	(705,000,000)
5. Interest earned, dividends and profits received	27		3,117,908,213	4,803,133,070
Net cash flows from investing activities	30		(4,793,337,824)	(4,558,288,797)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Repayment of borrowings	34		(1,997,477,688)	(1,953,440,688)
2. Dividends and profits paid	36		(7,907,846,000)	(5,000,000,000)
Net cash flows from financing activities	40		(9,905,323,688)	(6,953,440,688)
Net increase/(decrease) in cash for the year (50=20+30+40)	50		22,575,326,617	20,635,068,737

2024
QUANG NGAI
JULY

SEPARATE CASH FLOW STATEMENT

For the year ended 31 December 2024
(Indirect method)

ITEMS	Code	Note	Current year	Prior year
			VND	VND
Cash and cash equivalents at the beginning of the year	60		43,918,108,040	23,283,039,303
Effects of changes in foreign exchange rates	61		-	-
Cash and cash equivalents at the end of the year	70	4.1	66,493,434,657	43,918,108,040



Preparer
Le Nguyen Viet



Chief Accountant
Pham Dinh Tung



Director
Nguyen Dang Do
Quang Ngai, 27th March 2025



NOTES TO THE SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

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

1. GENERAL INFORMATION

1.1. Structure of ownership

Quang Ngai Water Supply sewerage and Construction Joint Stock Company was formerly known as Quang Ngai Water Plant, established in 1963. After undergoing several name changes, on 03 February 2010, the People's Committee of Quang Ngai Province issued Decision No. 152/QĐ-UBND on the conversion of Quang Ngai Water Supply, Drainage, and Construction One-Member Limited Liability Company into Quang Ngai water supply sewerage and construction joint stock company.

On 24 February 2010, the Quang Ngai Department of Planning and Investment issued the company's initial Business Registration Certificate No. 3404000001. Throughout its operation, the company has amended its Business Registration Certificate four times, with the most recent amendment being the fourth, on 22 March 2021.

The company's shares are trading on the UpCom exchange under the stock code QNW.

The Company's charter capital is VND 200,000,000,000 (In words: Two hundred billion Vietnamese dong). This is equivalent to 20,000,000 shares, with a par value of VND 10,000 per share.

As of 31 December 2024, the Company had a total of 115 employees (as of 31 December 2023: 114 employees).

1.2. Business area

The Company's main business area are in the fields of clean water supply, construction, and commercial business.

1.3. Business activities

- Exploitation, treatment, and supply of water;
- Construction of public utility projects;
- Construction of other civil engineering works;
- Installation of water supply and drainage systems, heating, and air conditioning systems;
- Wholesale of construction materials and other installation equipment;
- Architectural activities and related technical consulting services.

1.4. Normal production and business cycle

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

1.5. The Company's structure

Name	Place of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activities
Subsidiaries				
Dung Quat Water Supply Company Limited	29 Le Khiet Street, Nghia Chanh Ward, Quang Ngai City, Quang Ngai Province	60	60	Water extraction, treatment, and supply
Infrastructure Construction One-Member Limited Liability Company	568 Hai Ba Trung Street, Tran Phu Ward, Quang Ngai City, Quang Ngai Province	100	100	Construction of water supply and drainage works

1.6. Disclosure of information comparability in the separate financial statements

The data presented in the separate financial statements for the year ended 31 December, 2024 are comparable to the corresponding figures of the prior year.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

2.1. Accounting convention

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

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

2.2. Going concern assumption

There have been no events that cast significant doubt on its ability to continue as a going concern. The company neither intends nor is forced to cease operations, or significantly scale back its operations.

2.3. Financial year

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Estimates

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

3.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.3. Financial investments

Held-to-maturity investments

Held-to-maturity investments include investments that the Company has the intention and ability to hold until maturity. These investments consist of term deposits at banks with the purpose of earning periodic interest.

Held-to-maturity investments are measured at cost, net of any allowance for doubtful debts. The allowance for doubtful debts related to held-to-maturity investments is established in accordance with prevailing accounting regulations.

Investments in subsidiaries

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

3.4. Receivables

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

The provision for doubtful debts is established for each doubtful receivable based on the overdue aging of the receivables, the estimated potential loss, or receivables from debtors with low repayment capability due to liquidation, bankruptcy, or similar financial difficulties.

3.5. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

G-Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

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

3.6. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

	Years
Buildings and structures	05 – 25 years
Machinery and equipment	05 – 08 years
Motor vehicles	06 – 10 years
Office equipment	03 – 08 years
Commercial Plantation	06 years
Others	04 – 25 years

3.7. Intangible assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of intangible fixed assets comprises all the expenses incurred to obtain this asset put into use. Costs incurred after the initial recognition are recognized to increase the cost of intangible fixed assets if these costs certainly increase economic benefits in the future due to using this asset.

When intangible fixed assets are sold or retired, their cost and accumulated amortisation are removed from the statement of financial position and any profit or loss resulting from its disposal is included in the income or expense in the year.

3.8. Construction in progress costs

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

3.9. Prepaid expenses

Equipments

Equipment put into use are allocated to expenses using the straight-line method over an allocation period not exceeding 36 months.

Prepaid land rental

Prepaid land rental represents the land lease payments made for the land currently used by the Company. The prepaid land rental is allocated to expenses using the straight-line method over the lease term (68 years).

3.10. Accounts payable and accrued expenses

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue. When these expenses are actually incurred, if there is a difference compared to the accrued amount, the accountant shall record an additional expense or reduce the expense corresponding to the difference.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

3.11. Borrowings and finance lease liabilities

Loans are monitored by each lender, each loan agreement, and the repayment terms of the loans. In the case of foreign currency-denominated loans, detailed tracking is maintained in the original currency.

3.12. Borrowing costs

Borrowing costs are recognized as expenses in the period in which they are incurred, except when they are capitalized in accordance with Vietnamese Accounting Standard No. 16 "Borrowing Costs." Accordingly, borrowing costs directly related to the acquisition, construction, or production of assets that require a substantial period of time to be completed and put into use or operation are included in the cost of the asset until the asset is ready for its intended use or operation. Any income generated from the temporary investment of borrowings is deducted from the carrying amount of the related asset. For specific borrowings used for the construction of fixed assets or investment properties, interest expenses are capitalized even if the construction period is less than 12 months.

3.13. Provisions for payables

Provisions for payables are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle this obligation. Provisions are determined based on management's estimates of the necessary costs to settle the obligation at the reporting date.

The Company's provisions for payables include:

Provision for construction warranty

The provision for construction warranty is established for each construction project with a warranty commitment.

The provision is made at 5% of the revenue from construction projects requiring a warranty. This percentage is estimated based on historical warranty costs from previous years and the weighted probability of all possible outcomes. When the warranty period ends, any unused or partially used warranty provision is recognized as other income.

3.14. Owner's equity

Capital is recorded according to the amount actually invested by shareholders.

3.15. Distribution of net profits

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Company as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

3.16. Revenue and earnings

Revenue from service provision

Revenue from service transactions is recognized when the outcome of the transaction can be reliably determined. If the service is performed over multiple periods, the revenue recognized in each period is based on the portion of work completed as of the reporting date. The outcome of a service transaction is determined when all of the following conditions are met:

- Revenue is reasonably certain.
- There is a probability of economic benefits being received from the service transaction.
- The portion of work completed as of the reporting date can be measured.
- The costs incurred for the transaction and the costs required to complete the service transaction can be determined.

Construction revenue

When the outcome of a construction contract can be reliably estimated:

- For construction contracts where the contractor is paid based on a planned schedule, revenue and related costs are recognized based on the portion of work completed, as determined by the company at the reporting date.
- For construction contracts where the contractor is paid based on the actual volume of work performed, revenue and related costs are recognized based on the portion of work completed as confirmed by the customer and reflected in issued invoices.

Increases or decreases in construction volume, compensation claims, and other revenues are only recognized when they have been agreed upon with the customer.

When the outcome of a construction contract cannot be reliably estimated:

- Revenue is only recognized to the extent that contract costs incurred are expected to be recoverable.
- Contract costs are recognized as expenses when incurred.

The difference between the total cumulative recognized contract revenue and the cumulative amount invoiced based on the contract's planned schedule is recorded as either a receivable or a payable, depending on the contract's progress billing.

Financial income

Interest

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

Dividends and profits received

Dividends and profit shared are recognized when the Company receive the notice of dividends or profit from the capital contribution. Dividends which received by shares, only follow up the number of shares increases, no recognition of the value of shares.

3.17. Cost of goods sold and service provision

Cost of goods sold includes the cost of products, goods, and services provided during the period and is recognized in accordance with the revenue recognized in the period. Direct material costs exceeding normal consumption levels, labor costs, and unallocated fixed manufacturing overhead costs are not included in the inventory value but are immediately recorded as cost of goods sold (after deducting any compensation received, if applicable), even if the products or goods have not yet been recognized as sold.

3.18. Selling expenses

Selling expenses reflect the actual costs incurred in the process of selling goods and providing services. These primarily include employee salaries in the sales department, costs for product promotion, advertising, and sales commissions.



3.19. General and administration expenses

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

3.20. Taxation

Corporate income tax represents the total value of current tax liabilities and deferred tax.

Current tax liabilities are calculated based on taxable income for the year. Taxable income differs from pre-tax profit reported in the Statement of Comprehensive Income as it excludes income or expenses subject to taxation or deduction in other years. Additionally, certain items that are tax-exempt or non-deductible are not included.

Deferred tax is determined based on temporary differences between the carrying value and tax base of assets and liabilities in the financial statements. It is recognized using the Balance Sheet approach. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets are recorded only when there is sufficient future taxable profit to offset the temporary differences.

Deferred tax is calculated at the tax rate expected to apply in the year the asset is realized or the liability is settled. Deferred tax is recognized in the Statement of Comprehensive Income, except when related to items recorded directly in equity.

Deferred tax assets and liabilities are offset when the company has a legal right to settle current tax assets and liabilities on a net basis, and when deferred tax assets and liabilities relate to corporate income tax under the same tax authority, with an intention to settle on a net basis.

The determination of corporate income tax follows prevailing tax regulations in Vietnam. However, these regulations may change periodically, and the final tax determination depends on assessments by the relevant tax authorities.

Other applicable taxes comply with the current tax laws in Vietnam.

3.21. Related parties

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are 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.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF SEPARATE BALANCE SHEET

4.1. Cash and cash equivalents

	Closing balance	Opening balance
	VND	VND
Cash	4,868,876	17,026,420
Demand deposits in banks	4,174,364,678	4,070,369,767
Cash equivalents (i)	62,314,201,103	39,830,711,853
	<u>66,493,434,657</u>	<u>43,918,108,040</u>

(i) As at 31 December 2024, cash equivalents consist of term deposits with maturities ranging from 01 month to 03 months at commercial banks with interest rates ranging from 1.6% to 3.4% per annum.

4.2. Held-to-maturity investments

	Closing balance		Opening balance	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term	66,132,588,381	66,132,588,381	60,248,106,344	60,248,106,344
BIDV- Tay Ho Branch (i)	66,132,588,381	66,132,588,381	60,248,106,344	60,248,106,344
	<u>66,132,588,381</u>	<u>66,132,588,381</u>	<u>60,248,106,344</u>	<u>60,248,106,344</u>

(i) Term deposits with maturities ranging from 01 month to 03 months at Joint Stock Commercial Bank for Investment and Development of Vietnam with interest rates ranging from 4.4% to 4.6% per annum.

4.3. Short-term trade receivables

	Closing balance	Opening balance
	VND	VND
Quang Ngai City water bill receivables	6,018,933,618	5,218,745,591
Da Nang Infrastructure Investment and Development Joint Stock Company (TCCG)	737,234,483	737,234,483
VSIP Quang Ngai Co., Ltd	797,970,216	2,210,252,415
Others	3,649,025,502	3,245,897,346
	<u>11,203,163,819</u>	<u>11,412,129,835</u>

4.4. Short-term advances to suppliers

	Closing balance	Opening balance
	VND	VND
Thien Hai Thai Nguyen Co., Ltd (i)	21,505,125,629	21,505,125,629
Others	1,219,139,823	388,773,913
	<u>22,724,265,452</u>	<u>21,893,899,542</u>
Short-term advances to suppliers from related parties (Details stated in Note 6.2)	<u>721,795,092</u>	-

(i) This is an advance payment to Thien Hai Thai Nguyen Co., Ltd. for the implementation of the project "Expansion of Quang Ngai City Water Supply System, increasing capacity from 20,000m³/day to 45,000m³/day."

4.5. Other receivables

4.5.1. Other Short-term Receivables

	Closing balance		Opening balance	
	Value	Allowance	Value	Allowance
	VND	VND	VND	VND
Advance	262,236,835	-	656,491,592	-
Deposits and mortgages	3,505,348,000	-	3,505,348,000	-
Other payables debt	153,254	-	50,153,254	-
Other receivables	524,858,686	-	197,392,016	-
	4,292,596,775	-	4,409,384,862	-

4.5.2. Other Long-term Receivables

	Closing balance		Opening balance	
	Value	Allowance	Value	Allowance
	VND	VND	VND	VND
Deposits and mortgages	114,638,560	-	114,638,560	-
Other receivables	2,164,071,800	(2,164,071,800)	2,164,071,800	(2,164,071,800)
	2,278,710,360	(2,164,071,800)	2,278,710,360	(2,164,071,800)

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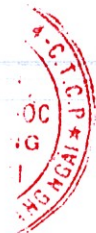
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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4.6. Bad debts

	Overdue	Closing balance		Recoverable amount	Overdue	Opening balance		Recoverable amount
		Cost	Provision			Cost	Provision	
		VND	VND	VND		VND	VND	VND
Total value of receivables, overdue but unlikely to be recovered								
Da Nang Infrastructure Investment and Development Joint Stock Company (TCCG)	Over 3 years	737,234,483	(737,234,483)	-	Over 3 years	737,234,483	(737,234,483)	-
ViNa Film Studio - Tourism Investment Joint Stock Company	Over 3 years	247,678,000	(247,678,000)	-	Over 3 years	247,678,000	(247,678,000)	-
Thana Phat Consulting and Construction One Member Limited Liability Company	Over 3 years	507,641,000	(507,641,000)	-	Over 3 years	607,641,000	(607,641,000)	-
Project Management Office - Dung Quat Economic Zone Water Supply System Expansion	Over 3 years	700,000,000	(700,000,000)	-	Over 3 years	700,000,000	-	-
Thier Hai Thai Nguyen Co., Ltd	Over 6 months	21,505,125,629	(5,044,234,000)	16,460,891,629		-	-	-
Other customers	Over 6 months	2,799,715,052	(2,713,190,374)	86,524,678	Over 6 months	2,899,715,052	(2,713,190,374)	186,524,678
		26,497,394,164	(9,949,977,857)	16,547,416,307		5,192,268,535	(5,005,743,857)	186,524,678

As at 31 December 2024, the Company's Board of Directors conducted a prudent assessment and determined the recoverable value of receivables based on their original cost, less the provision for doubtful debts already recognized.



4.7. Inventories

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Raw materials	13,913,773,201	(6,024,643,030)	16,790,159,886	(6,050,613,330)
Tools and supplies	55,215,787	-	37,595,364	-
Work in progress (i)	3,775,070,994	(2,620,122,948)	3,679,952,266	(2,854,089,111)
	17,744,059,982	(8,644,765,978)	20,507,707,516	(8,904,702,441)

(i) The Company's projects that have been suspended for many years due to construction site clearance issues, changes in project ownership, etc.

The value of stagnant, substandard, and unsellable inventory is as follows:

	Closing balance	Opening balance
	VND	VND
Raw materials	6,024,643,030	6,050,613,330
Work in progress	2,620,122,948	2,854,089,111
	8,644,765,978	8,904,702,441

Work-in-progress production costs.

	Closing balance		Opening balance	
	Cost	Recoverable	Cost	Recoverable
	VND	VND	VND	VND
My Tra - My Khe Industrial park Water supply system phase 1	1,558,293,646	(1,558,293,646)	1,558,293,646	(1,558,293,646)
Anti-erosion embankment combined with rescue road, resettlement area, boat mooring	605,254,763	(605,254,763)	605,254,763	(605,254,763)
Other projects	1,611,522,585	(456,574,539)	1,516,403,857	(690,540,702)
	3,775,070,994	(2,620,122,948)	3,679,952,266	(2,854,089,111)

4.8. Prepaid Expenses

4.8.1. Short-term prepaid expenses

	Closing balance	Opening balance
	VND	VND
Tools and instruments waiting for allocation	299,206,948	108,940,886
	299,206,948	108,940,886

4.8.2. Long-term prepaid expenses

	Closing balance	Opening balance
	VND	VND
Land rent (*)	17,438,691,670	17,772,568,198
Groundwater exploitation license fee	615,241,008	653,717,742
Tools and instruments waiting for allocation	434,729,919	1,416,723
	18,488,662,597	18,427,702,663

(*) According to the Land Use Rights Lease Agreement with VSIP Quang Ngai Co., Ltd. Dated 20 August 2014, regarding the lease of lot No. 78, the land rental payment is made according to the contract. The lease term is 68 years (from 20 August 2014 to 22 April 2082), with a total land rental amount of VND 20,665,800,000.

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 NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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4.9. Taxes and amounts payable to the State budget

	Opening balance		Movement in the year		Closing balance	
	Taxes Payable VND	Taxes Receivable VND	Amount VND	Paid VND	Taxes Payable VND	Taxes Receivable VND
VAT output	-	23,953,612	3,009,979,168	3,008,319,204	-	22,293,648
Corporate income tax	2,833,071,579	-	8,549,278,720	9,847,590,198	1,534,760,101	-
Personal income tax	14,758,947	-	333,541,375	348,300,322	-	-
Tax on use of natural	96,742,302	-	3,911,299,214	3,799,744,835	208,296,681	-
Land and housing tax, land	-	1,866,166	260,549,677	258,683,511	-	-
Fees, charges and other payables	631,548,686	-	7,137,485,514	7,351,216,649	417,817,551	-
	3,576,121,514	25,819,778	23,202,133,668	24,613,854,719	2,160,874,333	22,293,648

The Company's tax finalization is subject to examination by the tax authorities. Since the application of tax laws and regulations to various transactions may be interpreted in different ways, the tax amounts presented in the separate financial statements may be adjusted based on the tax authorities' decisions.

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QUANG NGAI WATER SUPPLY SEWERAGE AND CONSTRUCTION JSC
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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4.10. Increases, decreases in tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
HISTORICAL COST					
Opening balance	35,608,632,331	17,634,648,588	170,828,631,512	71,500,000	224,143,412,431
Increase in the year	-	-	19,172,936,448	-	19,172,936,448
- Transfer from construction in progress	-	-	19,172,936,448	-	19,172,936,448
Closing balance	35,608,632,331	17,634,648,588	190,001,567,960	71,500,000	243,316,348,879
ACCUMULATED DEPRECIATION					
Opening balance	23,644,371,418	12,866,711,131	108,240,163,282	71,500,000	144,822,745,831
Increase in the year	1,172,238,054	1,178,633,806	13,742,571,487	-	16,093,443,347
- Depreciation charged	1,172,238,054	1,178,633,806	13,742,571,487	-	16,093,443,347
Closing balance	24,816,609,472	14,045,344,937	121,982,734,769	71,500,000	160,916,189,178
NET BOOK VALUE					
- Opening balance	11,964,260,913	4,767,937,457	62,588,468,230	-	79,320,666,600
- Closing balance	10,792,022,859	3,589,303,651	68,018,833,191	-	82,400,159,701

The cost of tangible fixed assets fully depreciated but still in use as at 31 December 2024 was VND 72,334,119,247 (as at 31 December 2023 was VND 63,274,042,065).

The netbook value of tangible fixed assets pledged as collateral for loans as of 31 December 2024 was VND 5,454,334,359 (as at 31 December 2023 was VND 7,029,835,469).

4.11. Increases, decreases in intangible fixed assets

	<i>Water management software VND</i>	<i>Groundwater exploitation rights VND</i>	<i>Total VND</i>
HISTORICAL COST			
Opening balance	194,000,000	466,245,455	660,245,455
Increase in the year	-	-	-
Closing balance	194,000,000	466,245,455	660,245,455
ACCUMULATED AMORTIZATION			
Opening balance	194,000,000	466,245,455	660,245,455
Increase in the year	-	-	-
Closing balance	194,000,000	466,245,455	660,245,455
NET BOOK VALUE			
- Opening balance	-	-	-
- Closing balance	-	-	-

The cost of intangible fixed assets fully depreciated but still in use as at 31 December 2024 was VND 660,245,455 (as at 31 December 2023 was VND 660,245,455).

4.12. Construction in progress

	Closing balance VND	Opening balance VND
Project 45,000m3/day	3,566,551,106	5,498,571,847
City development water supply project	5,772,217,648	2,613,801,059
	9,338,768,754	8,112,372,906

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 NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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4.13. Long-term financial investments

Investment in Subsidiaries

	Closing balance		Opening balance	
	Cost VND	Allowance VND	Cost VND	Allowance VND
<i>Investments in subsidiaries</i>				
Dung Quat Water Supply Limited Liability Company (i)	8,000,000,000	(1,582,427,082)	5,973,236,000	(1,185,826,743)
Quang Ngai Infrastructure Construction Limited Liability Company (i)	3,000,000,000	-	3,000,000,000	-
	5,000,000,000	(1,582,427,082)	2,973,236,000	(1,185,826,743)
	<u>8,000,000,000</u>	<u>(1,582,427,082)</u>	<u>5,973,236,000</u>	<u>(1,185,826,743)</u>

(i) The Company has not determined the fair value of these financial investments due to the lack of specific guidance on fair value determination.



4.14. Short-term trade payables

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Quang Ngai Irrigation Works Exploitation Company Limited	723,020,400	723,020,400	714,966,300	714,966,300
Hoang Vu Chemical Trading Company Limited	529,589,670	529,589,670	-	-
SC Construction Design Inspection Joint Stock Company	607,465,209	607,465,209	94,438,209	94,438,209
Quang Ngai Infrastructure Construction Company Limited	-	-	610,099,160	610,099,160
Green Europe Plastic Joint Stock Company	-	-	5,621,177,088	5,621,177,088
Other customers	1,722,799,308	1,722,799,308	2,432,891,779	2,432,891,779
	3,582,874,587	3,582,874,587	9,473,572,536	9,473,572,536
Short-term trade payables to related parties (Details stated in Note 6.2)	-	-	610,099,160	610,099,160

4.15. Short-term advances from customers

	Closing balance	Opening balance
	VND	VND
Phu Dai Phat Construction and Trading Company Limited	400,000,000	400,000,000
Quang Ngai Investment, Construction and Service Trading Company Limited	160,995,000	160,995,000
Phu Nghia Trading and Construction Company Limited	218,848,000	-
Dong Tam Quang Ngai Company Limited	385,031,000	-
Others	447,558,013	736,962,562
	1,612,432,013	1,297,957,562

4.16. Accrued expenses

4.16.1. Short-term accrued expenses

	Closing balance	Opening balance
	VND	VND
Interest expense	22,419,411	23,792,272
Grace fee	54,704,040	54,704,040
Others	10,852,508,717	131,246,127
	10,929,632,168	209,742,439

4.16.2. Long-term accrued expenses

	Closing balance <u>VND</u>	Opening balance <u>VND</u>
Advance deduction of interest expenses	711,144,319	820,551,199
	<u>711,144,319</u>	<u>820,551,199</u>

4.17. Other short-term payables

	Closing balance <u>VND</u>	Opening balance <u>VND</u>
Excess assets awaiting resolution	665,341,848	660,009,972
Union funds	42,030,126	94,920,006
Receive deposits	1,000,000	1,000,000
Other payables	1,118,122,109	832,671,772
	<u>1,826,494,083</u>	<u>1,588,601,750</u>

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QUANG NGAI WATER SUPPLY SEWERAGE AND CONSTRUCTION JSC
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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4.18. Borrowings and finance lease liabilities	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
4.18.1. Short-term borrowings and finance lease liabilities						
<i>Current portion of long-term borrowings (see Note 4.18.2)</i>						
Vietnam Development Bank - Quang Ngai Branch	759,353,688	759,353,688	759,353,688	759,353,688	759,353,688	759,353,688
Quang Ngai Provincial Development Investment Fund	1,282,145,713	1,282,145,713	883,266,000	1,238,124,000	927,287,713	927,287,713
	2,041,499,401	2,041,499,401	1,642,619,688	1,997,477,688	1,686,641,401	1,686,641,401

4.18.2. Long-term borrowings and finance lease liabilities	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<i>Long-term borrowings</i>						
Vietnam Development Bank - Quang Ngai Branch (i)	8,812,706,493	8,812,706,493	-	1,997,477,688	6,815,228,805	6,815,228,805
Quang Ngai Provincial Development Investment Fund (ii)	6,074,829,493	6,074,829,493	-	759,353,688	5,315,475,805	5,315,475,805
	2,737,877,000	2,737,877,000	-	1,238,124,000	1,499,753,000	1,499,753,000
	8,812,706,493	8,812,706,493	-	1,997,477,688	6,815,228,805	6,815,228,805
<i>In which:</i>						
Amount due for settlement within 12 months:	2,041,499,401	2,041,499,401			1,686,641,401	1,686,641,401
Long-term borrowings	2,041,499,401	2,041,499,401			1,686,641,401	1,686,641,401
Long-term borrowings and finance lease liabilities	6,771,207,092	6,771,207,092			5,128,587,404	5,128,587,404

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Detailed information on long-term loan contracts

(i) ODA Capital Credit Agreement No. 02/07/TDNN dated 15 February 2007, with the following detailed terms:

- + Total loan amount: Not exceeding 2,262,919.41 Euros; Contract term: 25 years; Loan interest rate: 5% per annum; Loan source: ODA from the Government of Italy.
- + Loan purpose: Expansion of the water supply system in Quang Ngai Town, Quang Ngai Province, with a capacity of 20,000 m³/day and night.
- + Loan balance as at 31 December 2024: 5,315,475,805 VND, of which the current portion of long-term debt due is 759,353,688 VND.

(ii) Includes 2 credit contracts:

- Credit contract No. 01/2017/HĐTD-QĐTPT dated 20 January 2017, with the following detailed terms:
 - + Maximum loan amount: VND 5,600,000,000; Loan interest rate: 7% per year; Loan term: Up to 120 months from the date of the first disbursement.
 - + Loan purpose: Implementation of the Water Supply Pipeline Project from Tinh Phong Industrial Park to VSIP area and the Booster Pump Station.
 - + Forms of loan security: Water supply pipeline from Tinh Phong Industrial Park to VSIP area.
 - + Loan balance as at 31 December 2024: VND 1,144,922,000, of which long-term debt due is VND 572,465,713.
- Credit contract No. 02/2017/HĐTD-QĐTPT dated 25 May 2017, with the following detailed terms:
 - + Maximum loan amount: VND 10,000,000,000; Loan interest rate: 7% per year; Loan purpose: Development of the water supply network in 2016.
 - + Loan term: Up to 96 months from the date of the first disbursement.
 - + Forms of loan security: Includes 18 water supply pipelines under the Mortgage Contract for Future-Formed Assets No. 02/2017/HĐTC-QĐTPT dated 25 May 2017.
 - + Loan balance as at 31 December 2024: VND 354,822,000, of which long-term debt due is VND 354,822,000.

Long-term borrowings are repayable as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	1,686,641,401	2,041,499,401
In the second year	1,287,797,688	2,041,499,401
In the third to fifth year inclusive	3,840,789,716	4,729,707,691
	6,815,228,805	8,812,706,493
<i>Less: Amount due for settlement within 12 months (shown under short-term borrowings)</i>	<i>1,686,641,401</i>	<i>2,041,499,401</i>
Amount due for settlement after 12 months	5,128,587,404	6,771,207,092

QUANG NGAI WATER SUPPLY SEWERAGE AND CONSTRUCTION JSC
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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4.19. Owner's equity

4.19.1. Reconciliation table of equity

	Owner's contributed capital VND	Share premium VND	Investment and development fund VND	Retained earnings VND	Total VND
Prior year's opening balance	200,000,000,000	14,651,406	15,629,380,253	7,467,593,552	223,111,625,211
Increase in the year	-	-	-	3,724,545,872	4,410,205,051
- Profit for the year	-	-	-	10,502,899,696	10,502,899,696
Decrease in the year	-	-	685,659,179	(6,778,353,824)	(6,092,694,645)
- Profit distribution	-	-	685,659,179	(1,778,353,824)	(1,092,694,645)
- Dividends	-	-	-	(5,000,000,000)	(5,000,000,000)
Prior year's closing balance	200,000,000,000	14,651,406	16,315,039,432	11,192,139,424	227,521,830,262
Current year's opening balance	200,000,000,000	14,651,406	16,315,039,432	11,192,139,424	227,521,830,262
Increase in the year	-	-	-	31,327,633,750	32,377,923,720
- Profit for the year	-	-	-	33,279,887,672	33,279,887,672
Decrease in the year	-	-	1,050,289,970	(9,952,253,922)	(8,901,963,952)
- Profit distribution (i)	-	-	1,050,289,970	(1,952,253,922)	(901,963,952)
- Dividends	-	-	-	(8,000,000,000)	(8,000,000,000)
Current year's closing balance	200,000,000,000	14,651,406	17,365,329,402	34,519,773,174	251,899,753,982

(i) The profit distribution according to the Resolution of the 2024 Annual General Meeting of Shareholders No. 01/2024/NQ-DHĐCĐ dated June 28, 2024, is as follows:

- Allocation to the Board of Directors and Supervisory Board Reward Fund (3% of net profit after tax and 10% of profit exceeding the planned target): 444.789.970 VND
- Allocation to the Executive Board Reward Fund (4% of net profit after tax and 3% of profit exceeding the planned target): 142.086.991 VND
- Allocation to the Development Investment Fund (10% of net profit after tax): 1.050.289.970 VND
- Allocation to the Bonus and welfare Fund (3% of net profit after tax): 315.086.991 VND
- Dividend distribution (4% of par value): 8.000.000.000 VND

4.19.2. Details of Owners' Equity

	Closing balance		Opening balance	
	Actual	Ratio	Actual	Ratio
	VND	%	VND	%
Hoang Thinh Dat Corporation	145,090,120,000	72.55%	145,090,120,000	72.55%
People's Committee of Quang Ngai province	46,711,880,000	23.36%	46,711,880,000	23.36%
Other organizations and individuals	8,198,000,000	4.10%	8,198,000,000	4.10%
	200,000,000,000	100.00%	200,000,000,000	100.00%

4.20. Subsidised funds

	Closing balance	Opening balance
	VND	VND
Opening balance of remaining funds	887,461,559	887,461,559
Closing balance of remaining funds	887,461,559	887,461,559

5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF INCOME

5.1. Revenue from goods sold and services rendered

	Current year	Prior year
	VND	VND
Revenue from construction activities	1,975,923,875	5,268,988,114
Revenue from clean water supply	111,597,123,636	74,349,401,250
Other revenue	592,234,264	339,293,612
	114,165,281,775	79,957,682,976

5.2. Cost of goods sold and services rendered

	Current year	Prior year
	VND	VND
Cost of construction activities	1,091,134,865	4,391,109,874
Cost of clean water supply	54,301,465,393	50,692,939,340
Provision for/(Reversal of) inventory allowance	(259,936,463)	2,550,588,618
	55,132,663,795	57,634,637,832

5.3. Financial income

	Current year	Prior year
	VND	VND
Bank and loan interest	3,445,374,883	4,457,858,018
	3,445,374,883	4,457,858,018

5.4. Financial expenses

	Current year VND	Prior year VND
Interest expense	456,354,534	578,463,394
Allowance for impairment of investments	396,600,339	48,341,693
	<u>852,954,873</u>	<u>626,805,087</u>

5.5. Selling expenses

	Current year VND	Prior year VND
The cost of raw materials	1,170,894,664	1,183,651,899
Labor costs	2,875,815,425	2,420,259,889
Cost of outsourced services	698,371,818	301,439,483
Others	194,530,263	258,382,522
	<u>4,939,612,170</u>	<u>4,163,733,793</u>

5.6. General and administration expenses

	Current year VND	Prior year VND
The cost of raw materials, tools and instruments	184,364,566	100,244,308
Labor costs	5,573,630,236	5,510,571,718
Fixed asset depreciation expense	167,943,012	167,943,012
Contingency expenses (Contingency reimbursement)	4,944,234,000	(42,000,000)
Taxes, charges and fees	249,843,147	175,383,887
Cost of outsourced services	643,450,164	633,439,645
Others	3,060,825,481	2,028,100,992
	<u>14,824,290,606</u>	<u>8,573,683,562</u>

5.7. Other expense

	Current year VND	Prior year VND
Penalty cost for late payment of insurance, tax declarations,...	3,626,229	37,888,828
Other expense	28,342,593	28,342,593
	<u>31,968,822</u>	<u>66,231,421</u>

5.8. Corporate income tax expense

	Current year VND	Prior year VND
Profit/(Loss) before tax	41,829,166,392	13,350,489,894
Adjustments increase	917,227,209	887,461,095
- Expenses are not deductible	917,227,209	887,461,095
Corporate income tax expenses from business activities are subject to a tax rate of 20%	<u>8,549,278,720</u>	<u>2,847,590,198</u>

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

	Current year VND	Prior year VND
Profit/(Loss) before tax	41,829,166,392	13,350,489,894
- Adjustments increase	917,227,209	887,461,095
+) <i>Penalty for late payment of tax and insurance</i>	3,626,229	37,888,828
+) <i>Remuneration of the Board of Directors does not directly operate</i>	607,500,000	502,320,000
+) <i>Expenses are not deductible</i>	306,100,980	347,252,267
Profits subject to corporate income tax	42,746,393,601	14,237,950,989
Income from business activities is subject to a tax rate of 20%	42,746,393,601	14,237,950,989
Estimated corporate income tax payable	-	-
Corporate income tax expenses from business activities are subject to a tax rate of 20%	8,549,278,720	2,847,590,198
Corporate income tax expense based on taxable profit in the current year	8,549,278,720	2,847,590,198

5.9. Production cost by nature

	Current year VND	Prior year VND
Raw materials and consumables	25,804,847,390	23,677,809,788
Labour	20,059,571,278	19,834,783,748
Depreciation and amortisation	14,988,198,569	15,897,074,042
Contingency expenses/Contingency reimbursement	4,944,234,000	(42,000,000)
Taxes, charges and fees	249,843,147	175,383,887
Cost of outsourced services	3,940,337,062	4,295,647,624
Others	4,341,789,025	3,195,936,112
	74,328,820,471	67,034,635,201

6. OTHER INFORMATION

6.1. Events arising after the end of the year

The Board of Directors of the Company affirms that, in the identity of the Board of Directors, in terms of material aspects, no unusual events occurred after the end of the fiscal year that would affect the financial situation and the Company's activities need to be adjusted or presented in these separate financial statements.

6.2. Transactions and balances with related parties

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

6.2.1. Transactions and balances with key management members, the individuals involved with key management members.

Key management personnel include members of the Board of Management and the Executive Board (Board of Directors, Supervisory Board). Individuals associated with key management members are close members in the family of key management members.

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Income of key management personnel

Total remuneration paid to the Company's Board of Management, Board of Supervisor and Board of General Directors as below:

	Content	Current year VND	Prior year VND
The Board of Directors			
Mr. Hoang Van Duong	Chairman	180,000,000	152,880,000
Mr. Do Huu Luan	Member	157,500,000	131,040,000
Mr. Hoang Van Thang	Member	157,500,000	131,040,000
Mr. Nguyen Dang Do	Member	157,500,000	131,040,000
Ms. Ngo Thi Phuong Thao	Member	157,500,000	109,200,000
The Board of Supervisors			
Ms. Le Thi Quy	Head of BOS	112,500,000	43,680,000
Mr. Vo Xuan Vu	Member	67,500,000	65,520,000
Mr. Bui Hai Ninh	Member	67,500,000	65,520,000
The Board of Management			
Mr. Nguyen Dang Do	Director	420,000,000	420,000,000
Mr. Hoang Van Thang	Deputy Director	360,000,000	360,000,000
		1,837,500,000	829,920,000

6.2.2. Transactions and balances with other related parties

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

List of other related parties

Other related parties	Address	Relationship
Quang Ngai Construction Installation Infrastructure Limited Company	Quang Ngai City	Công ty con

Transactions with other related parties

During this fiscal year, there were major transactions with related companies as follows:

Purchase of goods and services	Content	Current year VND	Prior year VND
Quang Ngai Construction Installation Infrastructure Limited Company	Construction works	1,923,350,187	3,259,915,184
		1,923,350,187	3,259,915,184

Balance of accounts receivable/(payable) with other related parties

Short-term trade payables	Current year VND	Prior year VND
Quang Ngai Construction Installation Infrastructure Limited Company	-	610.099.160
	<u>-</u>	<u>610.099.160</u>
Short-term advances to suppliers	Closing balance VND	Opening balance VND
Quang Ngai Construction Installation Infrastructure Limited Company	721,795,092	-
	<u>721,795,092</u>	<u>-</u>

6.3. Comparative Figures

The comparative figures are the figures of the separate financial statements for the fiscal year ended 31 December 2023 audited by an other independent auditor.



Preparer
Le Nguyen Viet



Chief Accountant
Pham Dinh Tung



General Director
Nguyen Dang Do
Quang Ngai, 27th March 2025

