

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 consolidated 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 Consolidated 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 Quang Ngai Water Plant, established in 1963. After several name changes, on 03 February 2010, the Quang Ngai province People's Committee issued Decision No. 152/QĐ-UBND to convert Quang Ngai Water supply sewerage and Construction One-Member Company Limited 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 initial Business Registration Certificate No. 3404000001. During its operation, the Company has undergone four amendments to its Business Registration Certificate, with the most recent amendment being the fourth, dated 22 March 2021.

The Company's stock is 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	Authorized Representative of State Capital at the Company
Mr. Hoang Van Thang	Member	
Mr. Nguyen Dang Do	Member	
Ms. Ngo Thi Phuong Thao	Member	

Board of supervisors

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

Board of 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 statement 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 consolidated financial statements of the Company for the year ended 31 December 2024. An entity qualified to audit public-interest entities and entities operating in the securities sector in accordance with the regulations of the Ministry of Finance and the State Securities Commission.

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

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

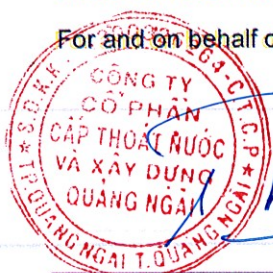
The Board of Directors of the Company is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated financial statements.

COMMITMENT ON INFORMATION DISCLOSURE

The Board of 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.

For and on behalf of the Board of Directors



Nguyen Dang Do

Director

Quang Ngai, 27 March 2025

No: 0906.1/2024/BCTC/IAV

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of Quang Ngai Water supply sewerage and Construction Joint Stock Company (hereinafter called "the Company"), prepared on date 27 March 2025, as set out from page 05 to page 36, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, and consolidated cash flow statement for the year then ended, and the notes to the consolidated 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 consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 consolidated 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 consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Quang Ngai Water supply sewerage and Construction Joint Stock Company as at 31 December 2024, and of the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Other Matter

The Company's consolidated financial statements for the year ended 31 December 2023 were audited by another independent audit firm. The auditors issued an unqualified opinion on this financial statements on 29 March 2024.



Tran Thanh Trung

Deputy Director

Audit Practising Registration Certificate

No. 4427-2021-283-1

Nguyen Ki Anh

Auditor

Audit Practising Registration Certificate

No. 3331-2022-283-1

INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED

Hanoi, 27 March 2025



CONSOLIDATED BALANCE SHEET

As at 31 December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
A. SHORT-TERM ASSETS	100		182,914,335,489	158,206,599,200
I. Cash and cash equivalents	110	4.1	68,664,721,196	44,013,378,107
1. Cash	111		6,350,520,093	4,181,666,254
2. Cash equivalents	112		62,314,201,103	39,831,711,853
II. Short-term investments	120		71,562,588,381	65,498,106,344
1. Held-to-maturity investments	123	4.2	71,562,588,381	65,498,106,344
III. Short-term receivables	130		30,286,429,017	35,408,862,444
1. Short-term trade receivables	131	4.3	11,435,903,490	11,605,595,835
2. Short-term advances to suppliers	132	4.4	22,172,184,360	21,976,329,542
3. Other short-term receivables	136	4.5	4,463,640,980	4,668,373,339
4. Short-term allowance for doubtful debts	137	4.7	(7,785,906,057)	(2,841,672,057)
5. Shortage of assets awaiting resolution	139		606,244	235,785
IV. Inventories	140	4.6	11,896,869,679	13,033,832,652
1. Inventories	141		20,541,635,657	21,938,535,093
2. Allowance for inventories	149		(8,644,765,978)	(8,904,702,441)
V. Other short-term assets	150		503,727,216	252,419,653
1. Short-term prepaid expenses	151	4.8	340,503,468	126,759,321
2. Value added tax deductibles	152		140,930,100	99,840,554
3. Taxes and other receivables from the State budget	153	4.14	22,293,648	25,819,778
B. LONG-TERM ASSETS	200		111,457,035,397	107,222,128,145
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	4.7	(2,164,071,800)	(2,164,071,800)
II. Fixed assets	220		82,939,904,714	79,941,967,177
1. Tangible fixed assets	221	4.9	82,939,904,714	79,941,967,177
- Historical Cost	222		244,114,864,434	224,941,927,986
- Accumulated depreciation	223		(161,174,959,720)	(144,999,960,809)
2. Intangible fixed assets	227	4.10	-	-
- 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		9,913,829,526	8,687,433,678
1. Construction in progress	242	4.11	9,913,829,526	8,687,433,678
IV. Other long-term assets	260		18,488,662,597	18,478,088,730
1. Long-term prepaid expenses	261	4.8	18,488,662,597	18,478,088,730
TOTAL ASSETS	270		294,371,370,886	265,428,727,345
(270=100+200)				



CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
C. LIABILITIES	300		38,409,188,146	34,003,885,582
I. Short-term liabilities	310		32,542,456,423	26,412,127,291
1. Short-term trade payables	311	4.12	3,913,814,295	9,696,836,400
2. Short-term advances from customers	312	4.13	2,816,138,013	1,397,957,562
3. Taxes and amounts payable to the State budget	313	4.14	2,182,755,995	3,732,162,477
4. Payables to employees	314		8,175,798,084	6,349,438,710
5. Short-term accrued expenses	315	4.15	10,929,632,168	209,742,439
6. Other short-term payables	319	4.16	1,871,045,583	1,618,817,250
7. Short-term borrowings	320	4.17	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	4.15	711,144,319	820,551,199
2. Other long-term payables	337	4.16	27,000,000	-
3. Long-term borrowings	338	4.17	5,128,587,404	6,771,207,092
D. EQUITY	400		255,962,182,740	231,424,841,763
I. Owner's equity	410	4.18	255,074,721,181	230,537,380,204
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		35,224,753,492	11,801,469,388
- Retained earnings accumulated to the prior year end	421a		1,892,407,216	1,237,694,500
- Retained earnings of the current year	421b		33,332,346,276	10,563,774,888
5. Non-controlling shareholder interests	422		2,469,986,881	2,406,219,978
II. Other resources and funds	430		887,461,559	887,461,559
1. Subsidised funds	431	4.19	887,461,559	887,461,559
TOTAL RESOURCES (440=300+400)	440		294,371,370,886	265,428,727,345

Le Nguyen Viet
Preparer

Pham Dinh Tung
Chief Accountant




Nguyen Dang Do
Director


Quang Ngai, 27 March 2025


CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

ITEMS	Code	Note	Current year VND	Prior year VND
1. Gross revenue from goods sold and services rendered	01	5.1	114,504,400,294	80,338,975,854
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		114,504,400,294	80,338,975,854
4. Cost of goods sold and services rendered	11	5.2	55,152,164,492	57,281,904,687
5. Gross profit from goods sold and services rendered (20=10-11)	20		59,352,235,802	23,057,071,167
6. Financial income	21	5.3	3,651,191,501	4,797,667,330
7. Financial expenses	22	5.4	456,354,534	578,463,394
<i>In which: Interest expense</i>	23		456,354,534	578,463,394
9. Selling expenses	25	5.5	4,939,612,170	4,163,733,793
10. General and administration expenses	26	5.6	15,536,836,812	9,326,210,985
11. Net operating profit (30=20+(21-22)-(25+26))	30		42,070,623,787	13,786,330,325
12. Other income	31		-	40,595
13. Other expenses	32	5.7	42,185,824	100,792,333
14. Other losses (40=31-32)	40		(42,185,824)	(100,751,738)
15. Accounting profit before tax (50=30+40)	50		42,028,437,963	13,685,578,587
16. Current corporate income tax expense	51	5.8	8,589,133,034	2,914,607,937
17. Deferred corporate tax expense	52		-	-
18. Net profit after corporate income tax (60=50-51-52)	60		33,439,304,929	10,770,970,650
19. Profit after tax attributable to the Holding Company	61		33,375,538,026	10,663,742,268
20. Profit after tax attributable to non-controlling shareholders	62		63,766,903	107,228,382
21. Basic earnings per share	70	5.9	1,669	488


Le Nguyen Viet
Preparer


Pham Dinh Tung
Chief Accountant


Nguyen Dang Do
Director

Quang Ngai, 27 March 2025



CONSOLIDATED 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		42,028,437,963	13,685,578,587
2. Adjustments for:				
- Depreciation and amortisation of fixed assets and investment properties	02		16,174,998,911	15,991,023,576
- Allowances and provisions	03		4,684,297,537	2,508,588,618
- (Gains)/losses from investing activities	05		(3,651,191,501)	(4,797,667,330)
- Interest expense	06		456,354,534	578,463,394
3. Operating profit before changes in working capital	08		59,692,897,444	27,965,986,845
- Change in receivables	09		385,493,366	3,538,267,680
- Change in inventories	10		1,396,899,436	(3,432,286,898)
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11		(12,626,383,802)	6,303,429,151
- Change in prepaid expenses	12		(224,318,014)	(152,493,029)
- Interest paid	14		(567,134,275)	-
- Corporate income tax paid	15		(9,892,838,887)	(668,612,929)
- Other cash inflows	16		-	(1,659,681,118)
- Other cash outflows	17		(949,800,600)	-
Net cash flows from operating activities	20		37,214,814,668	31,436,032,258
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		(79,045,887,023)	(54,281,413,193)
3. Cash recovered from lending, selling debt instruments of other entities	24		72,981,404,986	46,831,608,219
4. Interest earned, dividends and profits received	27		3,406,334,146	5,098,580,738
Net cash flows from investing activities	30		(2,658,147,891)	(3,807,841,129)

QUANG NGAI WATER SUPPLY SEWERAGE AND CONSTRUCTION JOINT STOCK COMPANY

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2024

(Indirect method)

ITEMS	Code	Note	Current year	Prior year
			VND	VND
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)
<i>Net cash flows from financing activities</i>	40		(9,905,323,688)	(6,953,440,688)
Net increase/(decrease) in cash for the year (50=20+30+40)	50		24,651,343,089	20,674,750,441
Cash and cash equivalents at the beginning of the year	60		44,013,378,107	23,338,627,666
Effects of changes in foreign exchange rates	61		-	-
Cash and cash equivalents at the end of the year (70=50+60+61)	70	4.1	68,664,721,196	44,013,378,107



Le Nguyen Viet
Preparer



Pham Dinh Tung
Chief Accountant



Nguyễn Dang Do
Director

Quang Ngai, 27 March 2025

NOTES TO THE CONSOLIDATED 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 Consolidated financial statements.

1. GENERAL INFORMATION

1.1. Structure of ownership

Quang Ngai Water supply sewerage and Construction Joint Stock Company was formerly Quang Ngai Water Plant, established in 1963. After several name changes, on 03 February 2010, the Quang Ngai province People's Committee issued Decision No. 152/QĐ-UBND to convert Quang Ngai Water supply sewerage and Construction One-Member Company Limited 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 initial Business Registration Certificate No. 3404000001. During its operation, the Company has undergone four amendments to its Enterprise Registration Certificate, with the most recent amendment being the fourth, dated 22 March 2021.

The Company's stock is trading on the UpCom under the stock code QNW.

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

The number of employees as at 31 December 2024 was 115 people (at as 31 December 2023 was 114 people).

1.2. Business area

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

1.3. Normal production and business cycle

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

1.4. The Company's structure

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

1.5. Disclosure of information comparability in the consolidated financial statements

The data presented in the consolidated 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 consolidated 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 consolidated financial reporting.

The accompanying consolidated 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 consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the consolidated financial year. Although these accounting estimates are based on the Board of Directors' best knowledge, actual results may differ from those estimates.

3.2. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 31 December each year. 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.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3.3. Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3.4. 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.

3.5. Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

Allowance for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

3.6. 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.

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3.7. 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.

3.8. 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

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

3.9. Tangible fixed 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.

The Company's intangible fixed assets include:

The groundwater extraction rights are amortized using the straight-line method over 5 to 10 years, while the water management software is amortized over 2 years.

3.10. Construction in progress

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.

3.11. Prepaid expenses

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

Tools and Equipment

Tools and equipment include assets held by the Company for use in its normal business operations, with an original cost of less than VND 30 million per asset.

Tools and equipment in use are allocated to expenses using the straight-line method over a period not exceeding 3 years.

Prepaid Land Rental

Prepaid land rental represents the land lease payments made for the land currently used by the Company. These payments are allocated to expenses using the straight-line method over the lease term of 68 years.

3.12. 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.

3.13. Borrowings and finance lease liabilities

Loan balances do not include borrowings in the form of bonds or preferred shares with mandatory redemption provisions at a specific future date. The Company tracks loan details by individual creditors and classifies them as short-term or long-term based on their repayment periods.

Direct costs related to loans are recorded as finance expenses, except for costs incurred from general-purpose borrowings used for investment, construction, or the production of unfinished assets, which are capitalized.

3.14. Borrowing costs

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

3.15. Provision for payables

Provisions are recognized when the Company has a present obligation as a result of an event that happened, the payment obligation is likely to lead to an outflow of economic benefits and value of the obligation can be a reliable estimate.

Provisions for payables include:

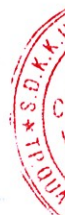
Provision for warranty for construction works

Provision for warranty for construction works is made for each building has warranty protection.

The level of provision for warranty for construction works is by 5% on sales of construction works have warranty. This rate is estimated based on data on warranty costs in the previous year and the percentage weighting of all the consequences that may occur with the corresponding. Upon to expiry of the warranty, the provision for warranty for construction works has not used or not used entirely is recorded in other income.

Provisions for Payables

Provisions for payables represent actual expenses that have not yet been incurred but are recognized in the production and business costs of the period in advance. This ensures that when the actual costs arise, they do not cause sudden fluctuations in production and business expenses while adhering to the principle of matching revenue and expenses. When these expenses occur, if there is a difference from the provisioned amount, the accounting department will record additional expenses or reduce the expense accordingly.



Accrued Expenses reflect amounts payable for goods and services received from suppliers or provided to customers but not yet paid due to the absence of invoices or incomplete supporting documents. Additionally, they include amounts payable to employees for leave wages and other production and business costs that need to be accrued in advance.

3.16. Owner's equity

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

Share premium is recognized as the difference between the issuance price and the par value of shares during the initial issuance, additional issuance, the difference between the reissuance price and the book value of treasury shares, and the equity component of convertible bonds upon maturity. Direct costs related to the additional issuance of shares and the reissuance of treasury shares are deducted from the share premium.

After-tax profits are allocated to funds as approved by the General Meeting of Shareholders in accordance with the Company's resolutions.

The utilization of these funds must be approved by the General Meeting of Shareholders, the Board of Management, or Director, depending on the nature of the transaction, as stipulated in the Company's Charter and financial management regulations.

3.17. 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.

3.18. Revenue and earnings

Revenue from service rendered

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all following conditions are satisfied:

- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from sales from construction contract

When the results of the construction contract were estimated reliably as follows:

- For construction contract that the contractors are paid according to the progress of the plan, revenues and expenses related to these contracts are recognized in proportion to the work completed by the Company determined in fiscal year end.
- For construction contract that the contractors are paid according to the value of the mass execution, revenue and expenses related to these contracts are recognized in proportion to the work completed by customers confirm and is reflected on the invoices made.

The increases, decreases of volume of construction, compensation and other income are recorded only when revenue has been agreed with the customer.

When the results of a construction contract cannot be estimated reliable, present as follow:

- Revenue is recognized only equivalent to the cost of the contract incurred that reimbursement is relatively certain.
- The cost of the contract is recognized only for the costs has incurred.

The difference between the total accumulated revenue of construction contracts recorded and accumulated amounts invoiced in accordance with progress in payment are recorded as accounts receivable or payable under the progress of the construction contract.

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.

3.19. Cost of goods sold and service rendered

Cost of goods sold includes the cost of products, goods and service rendered during the year and is recorded in accordance with revenue during the year.

3.20. Selling expenses

Selling expenses reflect the actual expenses in the process of sales of goods and services rendered.

3.21. 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.

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3.22. Taxation

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

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

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

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

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

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

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

3.23. 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.

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4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON CONSOLIDATED BALANCE SHEET

4.1. Cash and cash equivalents

	Closing balance VND	Opening balance VND
Cash	28,982,016	36,150,396
Demand deposits in banks	6,321,538,077	4,145,515,858
Cash equivalents (i)	62,314,201,103	39,831,711,853
	68,664,721,196	44,013,378,107

(i) Term deposits at commercial banks with maturities ranging from 01 to 03 months and interest rates ranging from 1.6% to 4.4% per annum.

4.2. Financial investments

	Closing balance		Opening balance	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term	71,562,588,381	71,562,588,381	65,498,106,344	65,498,106,344
Term deposits (i)	71,562,588,381	71,562,588,381	65,498,106,344	65,498,106,344
	71,562,588,381	71,562,588,381	65,498,106,344	65,498,106,344

(i) Term deposits at commercial banks with maturities ranging from 06 to 12 months and interest rates ranging from 4.4% to 4.6% per annum.

4.3. Trade receivables

	Closing balance VND	Opening balance VND
Receivables from city water fees	6,018,933,618	5,218,745,591
Da Nang Infrastructure Development JSC	737,234,483	737,234,483
VSIP Quang Ngai Co., Ltd.	797,970,216	2,210,252,415
Receivables from other customers	3,881,765,173	3,439,363,346
	11,435,903,490	11,605,595,835

4.4. Advances to suppliers

	Closing balance VND	Opening balance VND
Thien Hai Thai Nguyen Company Limited (i)	21,505,125,629	21,505,125,629
Other short-term advances to suppliers	667,058,731	471,203,913
	22,172,184,360	21,976,329,542

(*) This is an advance to suppliers to Thien Hai Thai Nguyen Co., Ltd. for the project "Expansion of Quang Ngai City's water supply system, increasing capacity from 20,000 m³/day to 45,000 m³/day."

4.5. Other receivables

4.5.1. Short-term other receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Advance	321,866,999	-	754,076,373	-
Deposit, collateral	3,505,348,000	-	3,522,728,340	-
Other receivables	636,425,981	-	391,568,626	-
	4,463,640,980	-	4,668,373,339	-

4.5.2. Long-term other receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Deposit, collateral	114,638,560	-	114,638,560	-
Others	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)

4.6. Inventories

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Raw materials	14,103,639,561	(6,024,643,030)	16,869,897,334	(6,050,613,330)
Tools and supplies	55,513,169	-	39,045,364	-
Work in progress (*)	6,382,482,927	(2,620,122,948)	5,029,592,395	(2,854,089,111)
	20,541,635,657	(8,644,765,978)	21,938,535,093	(8,904,702,441)

(*) The Company's projects have been ongoing for many years but had to be temporarily suspended due to site clearance issues, changes in project ownership, etc.

The value of damaged, obsolete and non-consumable inventories are as follows:

	Closing balance VND	Opening balance 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

Short-term work in progress

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision 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)
Others	4,218,934,518	(456,574,539)	2,866,043,986	(690,540,702)
	6,382,482,927	(2,620,122,948)	5,029,592,395	(2,854,089,111)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4.7. 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 Development JSC	Over 3 years	737,234,483	(737,234,483)	-	Over 3 years	737,234,483	(737,234,483)	-
ViNa Universal Co.	Over 3 years	247,678,000	(247,678,000)	-	Over 3 years	247,678,000	(247,678,000)	-
Thanh Phat Consulting and Construction One Member Co., Ltd.	Over 3 years	507,641,000	(507,641,000)	-	Over 3 years	607,641,000	(607,641,000)	-
Project Management Board - Dung Cuat Economic Zone Expansion	Over 3 years	700,000,000	(700,000,000)	-	Over 3 years	700,000,000	(700,000,000)	-
Thien Hai Thai Nguyen Company Limited	Over 6 months	21,505,125,629	(5,044,234,000)	16,460,891,629		-	-	-
Others	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 Board of Directors of the Company conducted a prudent assessment and determined the recoverable value of receivables based on their original cost, less the allowance for doubtful debts that had been already recognized

4.8. Prepaid expenses

4.8.1. Short-term prepaid expenses

	Closing balance VND	Opening balance VND
Tools and equipment issued for use	340,503,468	126,759,321
	340,503,468	126,759,321

4.8.2. Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Tools and equipment issued for use	434,729,919	51,802,790
Groundwater extraction licensing fee	615,241,008	653,717,742
Land rental payment (i)	17,438,691,670	17,772,568,198
	18,488,662,597	18,478,088,730

(i) According to the land use right lease contract with VSIP Quang Ngai Co., Ltd. dated 20 August 2014, regarding the lease of Lot No. 78, the land rental payment is made as per 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.

QUANG NGAI WATER SUPPLY SEWERAGE AND
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4.9. 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	18,135,015,995	171,126,779,660	71,500,000	224,941,927,986
Increase in the year	-	-	19,172,936,448	-	19,172,936,448
- Transfer from construction	-	-	19,172,936,448	-	19,172,936,448
Closing balance	35,608,632,331	18,135,015,995	190,299,716,108	71,500,000	244,114,864,434
ACCUMULATED DEPRECIATION					
Opening balance	23,644,371,418	12,991,737,653	108,292,351,738	71,500,000	144,999,960,809
Increase in the year	1,172,238,054	1,230,374,554	13,772,386,303	-	16,174,998,911
- Depreciation charged	1,172,238,054	1,230,374,554	13,772,386,303	-	16,174,998,911
Closing balance	24,816,609,472	14,222,112,207	122,064,738,041	71,500,000	161,174,959,720
NET BOOK VALUE					
- Opening balance	11,964,260,913	5,143,278,342	62,834,427,922	-	79,941,967,177
- Closing balance	10,792,022,859	3,912,903,788	68,234,978,067	-	82,939,904,714

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



4.10. Increases, decreases in intangible fixed assets

	<i>Water management software</i>	<i>Groundwater extraction rights</i>	<i>Total</i>
	<i>VND</i>	<i>VND</i>	<i>VND</i>
HISTORICAL COST			
Opening balance	194,000,000	466,245,455	660,245,455
Increase in the year	-	-	-
Decrease in the year	-	-	-
Closing balance	194,000,000	466,245,455	660,245,455
ACCUMULATED AMORTISATION			
Opening balance	194,000,000	466,245,455	660,245,455
Increase in the year	-	-	-
Decrease 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).

4.11. Construction in progress

	Closing balance	Opening balance
	<i>VND</i>	<i>VND</i>
Construction in progress	9,913,829,526	8,687,433,678
45,000 m ³ /ngđ project	3,566,551,106	5,498,571,847
Urban Water Supply Development Project	5,772,217,648	2,613,801,059
Other projects	575,060,772	575,060,772
	9,913,829,526	8,687,433,678

4.12. 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 and Drainage Management One partner Ltd Co.	723,020,400	723,020,400	714,966,300	714,966,300
Survey, Designe & Inspection Joint Stock Company	607,465,209	607,465,209	94,438,209	94,438,209
Hoang Vu Chemical & Trading Company	529,589,670	529,589,670	-	-
Quang Ngai Construction Installation Infrastructure Ltd Co.	-	-	5,621,177,088	5,621,177,088
Minh Anh Equipment Supplies Co., ltd.	-	-	610,099,160	610,099,160
Others	2,053,739,016	2,053,739,016	2,656,155,643	2,656,155,643
	3,913,814,295	3,913,814,295	9,696,836,400	9,696,836,400

4.13. Short-term advances from customers

	Closing balance	Opening balance
	VND	VND
Phu Dai Phat Construction and Trading Co., Ltd.	400,000,000	400,000,000
Dong Tam Quang Ngai Company Limited	385,031,000	-
Phu Nghia Trading and Construction Company Limited	218,848,000	-
Quang Ngai Investment, Construction and Service Trading One Member Company Limited	160,995,000	160,995,000
Others	1,651,264,013	836,962,562
	2,816,138,013	1,397,957,562

QUANG NGAI WATER SUPPLY SEWERAGE AND
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4.14. Taxes and amounts payables to the State budget

	Opening balance		Movement in the year			Closing balance	
	Taxes Payable VND	Taxes Receivable VND	Amount payable VND	Paid VND	Taxes Payable VND	Taxes Receivable VND	
Value added tax	128,788,837	23,953,612	3,190,976,668	3,318,081,630	23,911	22,293,648	
Corporate income tax	2,860,323,705	-	8,589,133,034	9,892,838,887	1,556,617,852	-	
Personal income tax	14,758,947	-	338,383,878	353,142,825	-	-	
Resource tax	96,742,302	-	3,911,299,214	3,799,744,835	208,296,681	-	
Land rental tax	-	1,866,166	260,549,677	258,683,511	-	-	
Other	631,548,686	-	7,147,270,165	7,361,001,300	417,817,551	-	
	3,732,162,477	25,819,778	23,437,612,636	24,983,492,988	2,182,755,995	22,293,648	

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

4.15. Accrued expenses

4.15.1. Short-term accrued expenses

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

4.15.2. Long-term accrued expenses

	Closing balance VND	Opening balance VND
Loan interest expense	711,144,319	820,551,199
	711,144,319	820,551,199

4.16. Other short-term payables

	Closing balance VND	Opening balance VND
Excess assets awaiting resolution	665,341,848	660,009,972
Deposits and collateral	1,000,000	1,000,000
Union funds	42,030,126	120,655,506
Social insurance	44,551,500	-
Other payables and payables	1,118,122,109	837,151,772
	1,871,045,583	1,618,817,250

QUANG NGAI WATER SUPPLY SEWERAGE AND
CONSTRUCTION JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Form B 09 – DN/HN

4.17. Borrowings and finance lease liabilities
4.17.1. Short-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
Current portion of long-term borrowings	2,041,499,401	2,041,499,401	1,642,619,688	1,997,477,688	1,686,641,401	1,686,641,401
Quang Ngai Development Bank (i)	759,353,688	759,353,688	759,353,688	759,353,688	759,353,688	759,353,688
Quang Ngai Provincial Development Investment Fund (ii)	1,282,145,713	1,282,145,713	883,266,000	1,238,124,000	927,287,713	927,287,713
Short-term borrowings and finance lease liabilities	2,041,499,401	2,041,499,401	1,642,619,688	1,997,477,688	1,686,641,401	1,686,641,401

4.17.2. 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
Long-term borrowings	8,812,706,493	8,812,706,493	-	1,997,477,688	6,815,228,805	6,815,228,805
Quang Ngai Development Bank (i)	6,074,829,493	6,074,829,493	-	759,353,688	5,315,475,805	5,315,475,805
Quang Ngai Provincial Development Investment Fund (ii)	2,737,877,000	2,737,877,000	-	1,238,124,000	1,499,753,000	1,499,753,000
<i>in which:</i>	8,812,706,493	8,812,706,493	-	1,997,477,688	6,815,228,805	6,815,228,805
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



Detailed Information on Long-Term Loan Agreements

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

- + Total loan amount: Not exceeding €2,262,919.41; Contract term: 25 years; Interest rate: 5% per annum; Loan source: ODA from the Italian government
- + Purpose: Expansion of the water supply system in Quang Ngai town, Quang Ngai province, with a capacity of 20,000 m³/hours.
- + Outstanding loan balance as of December 31, 2024: VND 5,315,475,805, of which the current portion of long-term debt is VND 759,353,688.

(ii) Includes two credit agreements:

- Credit Agreement No. 01/2017/HĐTD-QĐTPT dated January 20, 2017, with the following details:

- + Maximum loan amount: VND 5,600,000,000; Interest rate: 7% per annum; Loan term: Up to 120 months from the date of first disbursement
- + Purpose: Implementation of the water pipeline project from Tinh Phong Industrial Park to VSIP and Booster Pump Station
- + Collateral: Water pipeline from Tinh Phong Industrial Park to VSIP
- + Outstanding loan balance as of December 31, 2024: VND 1,144,922,000, of which the current portion of long-term debt is VND 572,465,713.

- Credit Agreement No. 02/2017/HĐTD-QĐTPT dated May 25, 2017, with the following details:

- + Maximum loan amount: VND 10,000,000,000; Interest rate: 7% per annum; Purpose: Expansion of the water supply network in 2016
- + Loan term: Up to 96 months from the date of first disbursement
- + Collateral: 18 water pipelines under the Future Asset Mortgage Agreement No. 02/2017/HĐTC-QĐTPT dated May 25, 2017
- + Outstanding loan balance as of December 31, 2024: VND 354,822,000, with the entire amount classified as the current portion of long-term debt.

Long-term loans are repaid according to the following schedule:

	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	1,686,641,401
In the third to fifth year	3,840,789,716	5,084,565,691
	6,815,228,805	8,812,706,493
<i>Less: Amount due for settlement within 12 months</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
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4.18. Owner's equity	Owner's contributed capital VND	Share premium VND	Investment and development fund VND	Retained earnings VND	Non-controlling shareholder interests VND	Total VND
4.18.1. Reconciliation table of equity						
Prior year's opening balance	200,000,000,000	14,651,406	15,629,380,253	7,916,080,944	2,298,991,596	225,859,104,199
Increase in the year	-	-	-	10,663,742,268	107,228,382	-
- Profit for the year	-	-	-	10,663,742,268	107,228,382	10,770,970,650
Giảm trong năm trước	-	-	685,659,179	(6,778,353,824)	-	(6,092,694,645)
- Appropriation to development investment fund	-	-	685,659,179	(1,778,353,824)	-	(1,092,694,645)
- Dividends declared	-	-	-	(5,000,000,000)	-	(5,000,000,000)
Prior year's closing balance	200,000,000,000	14,651,406	16,315,039,432	11,801,469,388	2,406,219,978	230,537,380,204
Current year's opening balance	200,000,000,000	14,651,406	16,315,039,432	11,801,469,388	2,406,219,978	230,537,380,204
Increase in the year	-	-	-	33,375,538,026	63,766,903	33,439,304,929
- Profit for the year	-	-	-	33,375,538,026	63,766,903	33,439,304,929
Decrease in the year	-	-	1,050,289,970	(9,952,253,922)	-	(8,901,963,952)
- Appropriation to development investment fund (i)	-	-	1,050,289,970	(1,952,253,922)	-	(901,963,952)
- Dividends declared (i)	-	-	-	(8,000,000,000)	-	(8,000,000,000)
Current year's closing balance	200,000,000,000	14,651,406	17,365,329,402	35,224,753,492	2,469,986,881	255,074,721,181

(i) Profit Distribution According to the Resolution of the 2024 Annual General Meeting of Shareholders No. 01/2024/NQ-DHĐCĐ dated June 28, 2024, as follows:

- Bonus fund for the BOM and Supervisory Board (3% of NPAT and 10% of profit exceeding the plan): VND 444,789,970

- Executive Management bonus (4% of NPAT and 3% of profit exceeding the plan): VND 142,086,991

- Development Investment fund (10% of NPAT): VND 1,050,289,970

- Welfare and Bonus fund (3% of NPAT): VND 315,086,991

- Dividend distribution (4% of par value): VND 8,000,000,000

4.18.2. Details of owner's investment capital

	Closing balance		Opening balance	
	Actual contributed capital	Ratio	Actual contributed capital	Ratio
	VND	%	VND	%
Hoang Thinh Dat Corporation	145,090,120,000	72.55%	145,090,120,000	72.55%
Quang Ngai Provincial People's Committee	46,711,880,000	23.36%	46,711,880,000	23.36%
Others	8,198,000,000	4.10%	8,198,000,000	4.10%
	200,000,000,000	100.00%	200,000,000,000	100.00%

4.18.3. Shares

	Closing balance VND	Opening balance VND
- Number of shares registered for issuance	20,000,000	20,000,000
- Number of shares issued to the public	20,000,000	20,000,000
+ <i>Ordinary shares</i>	20,000,000	20,000,000
- Number of outstanding shares in circulation	20,000,000	20,000,000
+ <i>Ordinary shares</i>	20,000,000	20,000,000

An ordinary share has par value of 10,000 VND/share

4.18.4. Profit distribution

	Current year VND	Prior year VND
Undistributed profit at the beginning of the year	11,801,469,388	7,916,080,944
Profit from business activities in the year	33,375,538,026	10,663,742,268
Other adjustments to increase profit	-	-
Other items adjusted to increase profits	-	-
Dividends or distributed profits to funds during the year	45,177,007,414	18,579,823,212
Distribution of funds and dividends, including:	(9,952,253,922)	(6,778,353,824)
- <i>Dividends this year</i>	(8,000,000,000)	(5,000,000,000)
- <i>Appropriation for development investment fund</i>	(1,050,289,970)	(685,659,179)
- <i>Appropriation for bonus and welfare funds</i>	(901,963,952)	(1,092,694,645)
Remaining undistributed profit	35,224,753,492	11,801,469,388

4.19. Subsidised funds

	Closing balance VND	Opening balance VND
Opening balance of remaining funds	887,461,559	887,461,559
Funds granted in the year	-	-
Business expenditures	-	-
Closing balance of remaining funds	887,461,559	887,461,559

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

5.1. Revenue from goods sold and services rendered

	Current year VND	Prior year VND
Revenue from clean water supply	111,597,123,636	74,349,401,250
Revenue from construction contract	2,315,042,394	5,650,280,992
Other revenue	592,234,264	339,293,612
	114,504,400,294	80,338,975,854

5.2. Cost of goods sold and services rendered

	Current year VND	Prior year VND
Cost of clean water supply	54,301,465,393	50,692,939,340
Cost of construction activities	1,110,635,562	4,038,376,729
Provision/Reversal for inventories devaluation	(259,936,463)	2,550,588,618
	55,152,164,492	57,281,904,687

5.3. Financial income

	Current year VND	Prior year VND
Bank and loan interest	3,651,191,501	4,797,667,330
	3,651,191,501	4,797,667,330

5.4. Financial expenses

	Current year VND	Prior year VND
Interest expense	456,354,534	578,463,394
	456,354,534	578,463,394

5.5. Selling expenses

	Current year VND	Prior year VND
Cost of materials and packaging	1,170,894,664	1,183,651,899
Staff 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
	4,939,612,170	4,163,733,793

5.6. General and administration expenses

	Current year VND	Prior year VND
Cost of materials management	229,886,689	135,368,673
Management staff costs	6,138,509,467	6,112,626,949
Fixed asset depreciation expense	167,943,012	167,943,012
Taxes, charges and fees	254,117,147	177,466,387
Provision/Reversal expenses	4,944,234,000	(42,000,000)
Cost of outsourced services	737,048,016	674,594,741
Others	3,065,098,481	2,100,211,223
	15,536,836,812	9,326,210,985

5.7. Other expenses

	Current year VND	Prior year VND
Penalty, late payment, and tax arrears expenses	7,964,747	37,888,828
Other costs	34,221,077	62,903,505
	42,185,824	100,792,333

5.8. Corporate income tax expense

	Current year VND	Prior year VND
Corporate income tax expense of Holding Company	8,549,278,720	2,847,590,198
Corporate income tax expense at subsidiaries	39,854,314	67,017,739
Total current corporate income tax expense	8,589,133,034	2,914,607,937

5.9. Basic earnings per share and Diluted earnings per share

The calculation of basic earnings per share for the fiscal year ended December 31, 2024, is based on the profit attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares, which are 20,000,000 shares, as detailed below:

	Current year (VND)	Prior year (VND) Restated
Basic earnings per share		
Accounting profit after corporate income tax (VND)	33,375,538,026	10,663,742,268
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:		
- Appropriation to bonus and welfare fund (i)	-	(901,963,952)
Profit or loss attributable to ordinary shareholders (VND)	33,375,538,026	9,761,778,316
<i>Average ordinary shares in circulation for the year (shares)</i>	<i>20,000,000</i>	<i>20,000,000</i>
Basic earnings per share (VND/Share)	1,669	488

(i) As of the date of preparing this consolidated financial statement, the Company has not yet determined the amount to be allocated to the bonus and welfare fund from the 2024 operating results. Therefore, the basic earnings per share (EPS) for 2024 may change when the Company makes a decision regarding the fund allocation in the future.

The allocation to the bonus and welfare fund for 2023 has been restated based on the resolutions and decisions of the Company and its subsidiaries regarding the distribution of 2023 profits. Accordingly, the restated basic earnings per share for 2023 are as follows:

Basic earnings per share	Prior year	
	Restated VND	Amount reported VND
Accounting profit after corporate income tax (VND)	10,663,742,268	10,663,742,268
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:	(901,963,952)	-
- <i>Appropriation to bonus and welfare fund</i>	(901,963,952)	-
Profit or loss attributable to ordinary shareholders (VND)	9,761,778,316	10,663,742,268
<i>Average ordinary shares in circulation for the year (shares)</i>	20,000,000	20,000,000
Basic earnings per share (VND/Share)	488	533

5.10. Production cost by nature

	Current year	Prior year
	VND	VND
Raw materials and consumables	26,921,719,832	24,216,664,342
Labour	22,568,140,937	22,319,038,697
Depreciation and amortisation	15,069,754,133	15,991,023,576
Taxes, charges and fees	254,117,147	177,466,387
Cost of outsourced services	4,137,961,291	4,737,168,017
Others	4,346,062,025	3,275,534,862
Provision/Reversal expenses	4,944,234,000	(42,000,000)
	78,241,989,365	70,674,895,881

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 consolidated 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 members include members of the Board of Management, the Board of Supervisors, and the Board of Directors. Individuals associated with key management members are close members in the family of key management members.


Income of key management members:


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


	Description	Current year VND	Prior year VND
Board of Management			
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
Board of Supervisors			
Ms. Le Thi Quy	Head of Board	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
Board of Directors			
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

6.3. Comparative Figures

The comparative figures are those presented in the 2023 consolidated financial statements, which were audited by another independent auditing firm.


Le Nguyen Viet
Preparer


Pham Dinh Tung
Chief Accountant


Nguyen Dang Do
Director
Quang Ngai, 27 March 2025

