

GIA DINH WATER SUPPLY JOINT STOCK
COMPANY

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - HappinessNumber: **766** /GD-TCHC

Ho Chi Minh City, March 31 year 2025

PERIODIC DISCLOSURE OF FINANCIAL STATEMENTSDear: - State Securities Commission of Vietnam
- Hanoi Stock Exchange

Pursuant to the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC on November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market, Gia Dinh Water Supply Joint Stock Company shall disclose information on its 2024 financial statements (FS) to the Hanoi Stock Exchange as follows:

1. Organization name: GIA DINH WATER SUPPLY JOINT STOCK COMPANY
 - Stock code: GDW
 - Address: 2Bis No Trang Long – Ward 14 – Binh Thanh District – Ho Chi Minh City
 - Contact phone: 19001024 Fax: (028) 38418524
 - Email: gd@giadinhwatervn.vn Website: capnuocgiadinhv.vn
2. Information disclosure content:
 - Financial statements 2024

☒ Separate financial statements (Listed Organization) no subsidiaries and the superior accounting unit has affiliated units);

☐ Consolidated financial statements (Listed Organization has subsidiaries);

☐ Consolidated financial statements (Listed Organization has a affiliated accounting unit with its own accounting apparatus).

- Cases that require explanation:

+ The audit organization gives an opinion that is not an unqualified opinion on the financial statements (for reviewed/audited financial statements):

☐ Yes

☒ No

Explanatory document in case of integration:

☐ Yes

☒ No



☐ Yes

☒ No

Explanatory document in case of integration:

☐ Yes

☒ No

+ Profit after corporate income tax in the business results report of the reporting period changes by 10% or more compared to the same period report of the previous year:

☐ Yes

☒ No

Explanatory document in case of integration:

☐ Yes

☒ No

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

☐ Yes

☒ No

Explanatory document in case of integration:

☐ Yes

☒ No

This information was published on the company's website on:

March 31, 2025 at the link: www.capnuocgiadinh.vn

3. Report on transactions worth 35% or more of total assets in 2024.

In case Listed Organization has transactions, please fully report the following contents:

- Transaction content: wholesale purchase of clean water through the main meter with Saigon Water Corporation – Single Member Limited Liability Company.
- Ratio of transaction value/total asset value of the enterprise 138.89% (based on the most recent financial report): 2024.
- Transaction completion date: December 31, 2024.

We hereby commit that the information published above is true and take full legal responsibility for the content of the published information.

Attached documents:

- Financial statements 2024
- Explanation document No: /GD-KTTC on March 31, 2025

Organization representative

Legal representative/User of the Legal Representative

(Sign, full name, position, seal)



Nguyễn Ngọc Hung

**GIA DINH WATER SUPPLY
JOINT STOCK COMAPY**

**Audited financial statements
for the fiscal year ended 31 December 2024**



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THE BOARD OF DIRECTORS' REPORT

The Board of Directors of Gia Dinh Water Supply Joint Stock Company (briefly called "the Company") has the pleasure in presenting this report and the audited financial statements of the Company for the fiscal year ended 31 December 2024.

1. General information

Gia Dinh Water Supply Joint Stock Company is a state-owned enterprise that was equitized from Gia Dinh Water Supply Branch of Saigon Water Corporation according to Decision No. 6658/QĐ-UBND dated 31 December 2005 by the People's Committee of Ho Chi Minh City about approving the plan and converting the Gia Dinh Water Supply Branch into Gia Dinh Water Supply Joint Stock Company. The Company operates under Business Registration Certificate No. 4103005928 issued the first time on 17 January 2007 and changed for the 6th under Business Registration Certificate No. 0304806225 on 25 April 2022 by the Department of Planning and Investment of Ho Chi Minh City.

Charter capital of the Company at 31/12/2024 and at 01/01/2024 is VND 95,000,000,000 equivalent to 9,500,000 shares which have par value of VND 10,000/share.

The Company's shares (the stock code is GDW) were listed on the Hanoi Stock Exchange according to Decision No. 651/QĐ-SGDHN on 18 December 2018 by the General Director of the Hanoi Stock Exchange.

The Company's head office is located at 2Bis No Trang Long, Ward 14, Binh Thanh District, Ho Chi Minh City, Vietnam.

According to Business Registration Certificate, the Company's business activities are:

- Water collection, treatment and supply. Details: Management and development of the water supply system; providing and trading clean water for consumption and production needs (within the area assigned by the Saigon Water Corporation according to its decision);
- Manufacture of non-alcoholic beverages and mineral waters (not operating at the head office);
- Construction of roads and railways;
- Construction of utility projects;
- Construction of other civil engineering projects. Details: Constructing water supply works. Reinstating the road surface for water supply infrastructure projects and other related works;
- Site preparation. details: Road surface leveling;
- Wholesale of beverages;
- Freight transport by road (except liquefy gas for transportation);
- Trading of own or rented property and land use rights (Implemented in accordance with Clause 1, Article 10 of the Law on Real Estate Business);
- Architectural and engineering activities and related technical consultancy. Details: Consulting on the construction of water supply works, civil and industrial works (Excluding surveying and construction supervision). Design of water supply and drainage works.

In year, the main activities of the Company are management and development of the water supply system; providing and trading clean water for consumption and production needs (within the area assigned according to the decision of Saigon Water Corporation).

2. The members of the Board of Management, the Board of Supervisors and the Board of Executives

The members of the Board of Management, the Board of Supervisors and the Board of Executives of the Company during the fiscal year ended 31 December 2024 and as at the date of this report include:

THE BOARD OF DIRECTORS' REPORT

The Board of Management:

Full name	Position
Mr. Nguyen Thanh Phuc	Chairman
Mr. Nguyen Ngoc Hung	Member
Ms. Vu Phuong Thao	Member
Mr. Ho Thanh Cuong	Member
Mr. Pham Thanh Trung	Member
Mr. Tran Quang Phuong	Member
Mr. Nguyen Anh Tuan	Member

The Board of Supervisors:

Full name	Position
Ms. Huynh Thi Bich Phuong	Chief Supervisor
Ms. Tang My Phung	Member
Mr. Trinh Trong Tam	Member
Ms. Nguyen Thi Ngoc Oanh	Member
Ms. Pham Thi Phuong Linh	Member

The Board of Executives:

Full name	Position
Mr. Nguyen Ngoc Hung	Director
Mr. Dang Ngoc Ha	Deputy Director
Mr. Nguyen Tuan Ngoc	Deputy Director
Ms. Nguyen Thi Quynh Diep	Chief Accountant

Legal representative

The Legal Representative of the Company during the fiscal year ended at 31 December 2024 and at the date of this report is:

Full name	Nationality	Position
Mr. Nguyen Ngoc Hung	Vietnamese	Director

3. The Company's financial position and operating results

The Company's financial position and its operating result for the fiscal year ended 31 December 2024 are reflected in the accompanying financial statements.

4. Events subsequent to the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the Notes to the Financial statements.

5. Auditors

AFC Vietnam Auditing Company Limited has been appointed to audit the Company's financial statements for the fiscal year ended 31 December 2024.

THE BOARD OF DIRECTORS' REPORT

6. Statement of the Board of Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for the financial statements for the fiscal year ended 31 December 2024 which give a true and fair view of the financial position of the Company, as well as of its operation results and its cash flows for the fiscal year ended 31 December 2024. In preparing those 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 standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- Design, implement and maintain the Company's internal control for prevention and detection of fraud and error to preparation and presentation of the financial statements.

The Board of Directors is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the Vietnamese Accounting System. The Board of Directors is also responsible for managing the assets of the Company and therefore has taken the appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors confirmed that the Company has complied with the above requirements in preparing the accompanying financial statements.

7. Approval of the financial statements

The Board of Directors hereby approves the accompanying financial statements which give a true and fair view of the financial position of the Company as at 31 December 2024, the results of its operations and cash flows of the Company for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System and comply with relevant statutory requirements to preparation and presentation of the financial statements.



NGUYEN NGOC HUNG
Director
Ho Chi Minh City, 31 March 2025



Công ty TNHH Kiểm Toán AFC Việt Nam
AFC Vietnam Auditing Co., Ltd.

Thành viên tập đoàn PKF Quốc tế
Member firm of PKF International

No.: 177/2025/BCKT-HCM.00131



INDEPENDENT AUDITOR'S REPORT

**To: The Shareholders, the Board of Management and the Board of Directors
Gia Dinh Water Supply Joint Stock Company**

We have audited the accompanying financial statements of Gia Dinh Water Supply Joint Stock Company ("the Company"), prepared on 31 March 2025, as set out from page 5 to 38, which comprise the Balance sheet as at 31 December 2024, the Income statement, the Cash flow statement for the fiscal year then ended and the Notes to the Financial statements.

Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for the preparation and presentation of these financial statements true and fairly in accordance with comply with Vietnamese Accounting Standards, Vietnamese Accounting regime and legal regulations relating to financial reporting in Vietnam, and such internal control as the Board of Directors determined as necessary to ensure that the preparation and presentation of these financial statements that are free from material misstatement to fraud or error.

Responsibilities of Auditors

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

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

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

Auditor's opinion

In our opinion, the accompanying financial statements give a true and fair view of, in all material respects, the financial position of Gia Dinh Water Supply Joint Stock Company as at 31 December 2024, and the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and Vietnamese Accounting System and comply with relevant statutory requirements to preparation and presentation of the financial statements.



PHAM THI NGOC LIEN
Deputy General Director
Audit Practicing Registration Certificate
No. 1180-2023-009-1

AFC VIETNAM AUDITING COMPANY LIMITED
Ho Chi Minh City, 31 March 2025

LE HUYNH BAO
Auditor
Audit Practicing Registration Certificate
No. 5449-2021-009-1

BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	31/12/2024 VND	01/01/2024 VND
ASSETS				
A - CURRENT ASSETS	100		125,231,925,443	144,514,455,810
I. Cash and cash equivalents	110	5.1	58,519,180,687	81,315,106,752
1. Cash	111		28,519,180,687	51,315,106,752
2. Cash equivalents	112		30,000,000,000	30,000,000,000
II. Short term financial investments	120		13,000,000,000	13,000,000,000
1. Trading securities	121		-	-
2. Provision for diminution in value of trading securities	122		-	-
3. Held-to-maturity investments	123	5.2	13,000,000,000	13,000,000,000
III. Short-term receivables	130		13,902,055,134	11,355,313,988
1. Short-term accounts receivable	131	5.3	9,397,762,867	9,859,427,163
2. Short-term advances to suppliers	132	5.4	2,460,623,933	1,355,422,511
3. Short-term inter-company receivables	133		-	-
4. Construction contract receivables based on progress billings	134		-	-
5. Receivable from short-term loans	135		-	-
6. Other short-term receivables	136	5.5	5,429,711,395	4,010,951,910
7. Provision for doubtful short-term debts	137	5.6	(3,386,043,061)	(3,870,487,596)
8. Deficient assets pending resolution	139		-	-
IV. Inventories	140	5.7	32,346,132,399	31,987,114,147
1. Inventories	141		32,346,132,399	31,987,114,147
2. Provision for decline inventories	149		-	-
V. Other short-term assets	150		7,464,557,223	6,856,920,923
1. Short-term prepayments	151	5.8	7,050,301,039	4,540,694,742
2. VAT deductibles	152		414,256,184	2,316,226,181
3. Other receivables from State budget	153		-	-
4. Transactions to buy, resell government bonds	154		-	-
5. Other short-term assets	155		-	-

BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	31/12/2024 VND	01/01/2024 VND
B - NON-CURRENT ASSETS	200		169,153,004,943	161,904,743,545
I. Long-term receivables	210		332,353,191	993,324,114
1. Long-term receivables from customers	211		-	-
2. Long-term advances to suppliers	212		-	-
3. Business capital in dependent units	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivable from long-term loans	215		-	-
6. Other long-term receivables	216	5.5	332,353,191	993,324,114
7. Provision for doubtful long-term debt	219		-	-
II. Fixed assets	220		158,719,059,374	151,977,076,046
1. Tangible fixed assets	221	5.9	154,066,395,732	148,543,465,532
- Cost	222		596,668,318,890	558,638,607,380
- Accumulated depreciation	223		(442,601,923,158)	(410,095,141,848)
2. Finance leases fixed assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	5.10	4,652,663,642	3,433,610,514
- Cost	228		15,804,392,920	12,832,679,642
- Accumulated depreciation	229		(11,151,729,278)	(9,399,069,128)
III. Investment property	230		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in progress	240		5,906,579,467	5,430,486,024
1. Long-term works in progress	241		-	-
2. Construction in progress	242	5.11	5,906,579,467	5,430,486,024
V. Long-term financial investments	250		-	-
1. Investment in subsidiaries	251		-	-
2. Investment in joint ventures, associates	252		-	-
3. Investments in other entities	253		-	-
4. Provision for diminution in value of long-term financial investments	254		-	-
5. Long-term investments held to maturity	255		-	-
VI. Other non-current assets	260		4,195,012,911	3,503,857,361
1. Long-term prepaid expenses	261	5.8	4,195,012,911	3,503,857,361
2. Deferred income tax assets	262		-	-
3. Long-term equipment, spare parts for replacement	263		-	-
4. Other non-current assets	268		-	-
TOTAL ASSETS	270		294,384,930,386	306,419,199,355

BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	31/12/2024 VND	01/01/2024 VND
RESOURCES				
C – LIABILITIES	300		106,113,398,565	128,538,948,023
I. Current liabilities	310		102,030,172,537	119,488,986,692
1. Trade accounts payable	311	5.12	53,741,001,678	64,038,427,922
2. Short-term advance from customers	312	5.13	513,466,724	551,556,285
3. Taxes and payables to State budget	313	5.14	6,109,944,319	1,816,098,188
4. Payables to employees	314		12,915,031,701	13,337,605,172
5. Short-term accrued expenses	315	5.15	13,959,203	25,175,008
6. Short-term inter-company payables	316		-	-
7. Construction contract payables based on progress billings	317		-	-
8. Short-term unrealized revenues	318		-	-
9. Other current payables	319	5.16	21,788,964,991	32,100,767,117
10. Short-term loans and finance lease liabilities	320	5.17	4,942,664,272	4,942,664,272
11. Provision for short-term payables	321		-	-
12. Bonus and welfare funds	322	5.18	2,005,139,649	2,676,692,728
13. Price Stabilization Fund	323		-	-
14. Transactions to buy, resell government bonds	324		-	-
II. Long-term liabilities	330		4,083,226,028	9,049,961,331
1. Long-term trade payables	331		-	-
2. Long-term advance from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables on capital	334		-	-
5. Long-term payables to inter-company	335		-	-
6. Long-term unrealized revenues	336		-	-
7. Other long-term payables	337	5.16	616,121,617	640,192,648
8. Long-term loans and finance lease liabilities	338	5.17	3,467,104,411	8,409,768,683
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provision for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

BALANCE SHEET

As at 31 December 2024

ITEMS	Code	Notes	31/12/2024 VND	01/01/2024 VND
D - OWNER'S EQUITY	400		188,271,531,821	177,880,251,332
I. Capital	410	5.19	188,271,531,821	177,880,251,332
1. Owners' invested capital	411		95,000,000,000	95,000,000,000
- Ordinary shares with voting rights	411a		95,000,000,000	95,000,000,000
- Preferred shares	411b		-	-
2. Capital surplus	412		-	-
3. Convertible bonds option	413		-	-
4. Other owner's capital	414		-	-
5. Treasury shares (*)	415		-	-
6. Assets revaluation difference	416		-	-
7. Foreign exchange difference	417		-	-
8. Investment and development funds	418		44,005,528,993	41,176,564,165
9. Business arrangements support fund	419		-	-
10. Other owner's funds	420		-	-
11. Retained earnings	421		49,266,002,828	41,703,687,167
Retained earnings brought forward	421a		9,372,090,445	3,439,807,378
Retained earnings for the current year	421b		39,893,912,383	38,263,879,789
12. Construction capital sources	422		-	-
II. Non-business expenditure fund and other funds	430		-	-
1. Non-business expenditure fund	431		-	-
2. Non-business expenditure fund invested in fixed assets	432		-	-
TOTAL RESOURCES	440		294,384,930,386	306,419,199,355


CHAU THI DIEU TAM
Preparer


NGUYEN THI QUYNH DIEP
Chief Accountant


NGUYEN NGOC HUNG
Director
Ho Chi Minh City, 31 March 2025

INCOME STATEMENT

For the fiscal year ended 31 December 2024

ITEMS	Code	Notes	2024 VND	2023 VND
1. Revenues from sale of goods and rendering of services	01		672,772,673,551	654,093,380,539
2. Deductions	02		444,343,534	706,691,621
3. Net revenue from sale of goods and rendering of services	10	6.1	672,328,330,017	653,386,688,918
4. Cost of goods sold	11	6.2	409,701,382,859	391,246,442,350
5. Gross profit from sale of goods and rendering of services	20		262,626,947,158	262,140,246,568
6. Financial income	21	6.3	1,241,716,251	2,027,499,957
7. Financial expenses	22	6.4	776,419,436	1,358,832,466
- In which: Interest expenses	23		776,419,436	1,358,832,466
8. Selling expenses	25	6.5	138,784,838,669	136,314,641,462
9. General and administration expenses	26	6.6	83,997,972,003	79,054,569,392
10. Operating profit/(loss)	30		40,309,433,301	47,439,703,205
11. Other income	31	6.7	10,083,820,244	1,626,859,681
12. Other expenses	32	6.8	247,516,530	816,920,518
13. Other profit/(loss)	40		9,836,303,714	809,939,163
14. Accounting profit before tax	50		50,145,737,015	48,249,642,368
15. Current corporate income tax expense	51	5.14	10,251,824,632	9,985,762,579
16. Deferred corporate income tax expense	52		-	-
17. Net profit after corporate income tax	60		39,893,912,383	38,263,879,789
18. Earnings per share	70	6.9	4,199	2,684

CHAU THI DIEU TAM
Preparer

NGUYEN THI QUYNH DIEP
Chief Accountant



NGUYEN NGOC HUNG
Director
Ho Chi Minh City, 31 March 2025

CASH FLOW STATEMENT

(Indirect method)

For the fiscal year ended 31 December 2024

ITEMS	Code	2024 VND	2023 VND
I. CASH FLOW FROM OPERATING ACTIVITIES			
1. Net profit before tax	01	50,145,737,015	48,249,642,368
2. Adjustments for :			
- Depreciation and amortisation of fixed assets, investment property	02	34,259,441,460	30,052,769,533
- Provisions, (reversal)	03	(484,444,535)	668,150,000
- (Gain), loss foreign exchange rate differences upon revaluation of monetary	04	-	-
- Gain, loss from investing activities	05	(1,241,716,251)	(2,056,499,957)
- Interest expense	06	776,419,436	1,358,832,466
- Other adjustments	07	-	-
3. Operating profit before movements in working capital	08	83,455,437,125	78,272,894,410
- (Increase), decrease in receivables	09	403,647,047	2,895,324,014
- (Increase), decrease in inventories	10	(359,018,252)	(9,800,387,015)
- Increase, (decrease) in account payable (Other than interest payables, CIT payables)	11	(20,725,693,566)	4,881,550,031
- (Increase), decrease in accrued expenses	12	(3,200,761,847)	335,092,529
- Increase, decrease in trading securities	13	-	-
- Interest paid	14	(787,635,241)	(1,365,155,724)
- Corporate income tax paid	15	(6,381,807,616)	(12,888,261,885)
- Other cash inflows	16	115,700,000	109,240,000
- Other cash outflows	17	(13,550,077,595)	(8,042,827,408)
Net cash flow from operating activities	20	38,969,790,055	54,397,468,952
II. CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash outflow for purchasing and construction of fixed assets and other long-term assets	21	(41,477,518,231)	(40,044,902,183)
2. Proceeds from disposal of fixed assets and other long-term assets	22	-	29,000,000
3. Cash outflow for buying debt instruments of other entities	23	(13,000,000,000)	(13,000,000,000)
4. Cash recovered from lending, selling debt instruments of other companies	24	13,000,000,000	13,000,000,000
5. Investment in other entities	25	-	-
6. Cash recovered from investments in other entities	26	-	-
7. Interest income received, dividends received	27	1,338,713,513	2,052,115,026
Net cash flow from investing activities	30	(40,138,804,718)	(37,963,787,157)
III. CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Proceeds from issuing stocks, receiving capital from owners	31	-	-
2. Capital withdrawals, buying treasury shares	32	-	-
3. Proceeds from short-term borrowings	33	-	-
4. Repayment of borrowings	34	(4,942,664,272)	(4,942,664,272)
5. Repayment of obligations under finance lease	35	-	-
6. Dividends paid	36	(16,684,247,130)	(18,876,718,500)
Net cash flow from financing activities	40	(21,626,911,402)	(23,819,382,772)

CASH FLOW STATEMENT

(Indirect method)

For the fiscal year ended 31 December 2024

ITEMS	Code	2024 VND	2023 VND
NET INCREASE/ DECREASE IN CASH IN YEAR (50 = 20 + 30 + 40)	50	(22,795,926,065)	(7,385,700,977)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	60	81,315,106,752	88,700,807,729
Effects of changes in foreign exchange rate	61	-	-
CASH AND CASH EQUIVALENTS AT THE END OF YEAR (70 = 50 + 60 + 61)	70	58,519,180,687	81,315,106,752



CHAU THI DIEU TAM
Preparer



NGUYEN THI QUYNH DIEP
Chief Accountant




NGUYEN NGOC HUNG
Director
Ho Chi Minh City, 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

1. BUSINESS HIGHLIGHTS

1.1 Structure of ownership

Gia Dinh Water Supply Joint Stock Company ("the Company") is a state-owned enterprise that was equitized from Gia Dinh Water Supply Branch of Saigon Water Corporation according to Decision No. 6658/QĐ-UBND dated 31 December 2005 by the People's Committee of Ho Chi Minh City about approving the plan and converting the Gia Dinh Water Supply Branch into Gia Dinh Water Supply Joint Stock Company. The Company operates under Business Registration Certificate No. 4103005928 issued the first time on 17 January 2007 and changed for the 6th under Business Registration Certificate No. 0304806225 on 25 April 2022 by the Department of Planning and Investment of Ho Chi Minh City.

Charter capital of the Company at 31/12/2024 and at 01/01/2024 is VND 95,000,000,000 equivalent to 9,500,000 shares which have par value of VND 10,000/share.

The Company's shares (the stock code is GDW) were listed on the Hanoi Stock Exchange according to Decision No. 651/QĐ-SGDHN on 18 December 2018 by the General Director of the Hanoi Stock Exchange.

The Company's head office is located at 2Bis No Trang Long, Ward 14, Binh Thanh District, Ho Chi Minh City, Vietnam.

1.2 Scope of operating activities

The Company operates in the field of commerce and services.

1.3 Line of business

According to Business Registration Certificate, the Company's business activities are:

- Water collection, treatment and supply. Details: Management and development of the water supply system; providing and trading clean water for consumption and production needs (within the area assigned by the Saigon Water Corporation according to its decision);
- Manufacture of non-alcoholic beverages and mineral waters (not operating at the head office);
- Construction of roads and railways;
- Construction of utility projects;
- Construction of other civil engineering projects. Details: Constructing water supply works. Reinstating the road surface for water supply infrastructure projects and other related works;
- Site preparation. details: Road surface leveling;
- Wholesale of beverages;
- Freight transport by road (except liquefy gas for transportation);
- Trading of own or rented property and land use rights (Implemented in accordance with Clause 1, Article 10 of the Law on Real Estate Business);
- Architectural and engineering activities and related technical consultancy. Details: Consulting on the construction of water supply works, civil and industrial works (Excluding surveying and construction supervision). Design of water supply and drainage works.

In year, the main activities of the Company are management and development of the water supply system; providing and trading clean water for consumption and production needs (within the area assigned according to the decision of Saigon Water Corporation).

1.4 Normal business cycle

Business cycle of the Company is not exceeding 12 months.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

1.5 Declaration on the comparability of information on financial statements

The figures are presented in the financial statements for the fiscal year ended 31 December 2024 compared with the corresponding figures prior year.

1.6 Employees

As at 31 December 2024, the total number of employees of the Company was 309 (as at 31/12/2023 is 309).

2. ACCOUNTING YEAR AND ACCOUNTING CURRENCY

2.1 Fiscal year

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

2.2 Accounting currency

The Company maintains its accounting records in Vietnamese dong (VND) due to the collect and spending are made primarily by currency VND.

3. ACCOUNTING STANDARDS AND REGULATIONS APPLICATION

3.1 Accounting Standards and regulations application

The Company's financial statements are prepared and presented in accordance with Vietnamese Accounting System issued Circular No. 200/2014/TT-BTC on 22 December 2014, the Circular No. 53/2016/TT-BTC on 21 March 2016 issued by the Ministry of Finance guiding the preparation and presentation methods of the financial statements and Vietnam Accounting Standards.

The Company has applied the Vietnamese Accounting Standards, Accounting System according to Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC and other circulars guiding the implementation of accounting standards issued by the Ministry of Finance in Vietnam in relating to the preparation and presentation of financial statements.

3.2 Comply with the Vietnamese Accounting Standards and Vietnamese Accounting System

The Board of Management ensure that complied with the Vietnamese Accounting Standards and Vietnamese Accounting System according to the Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC and as well as the guiding implementation of Accounting Standards issued by the Ministry of Finance in the preparation of financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation the financial statements

The financial statements are prepared on the accrual basis (except for information relating to cash flows).

4.2 Cash and cash equivalents

Cash comprises cash on hand, cash in banks and cash in transit. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from investment day which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value at the report date.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

4.3 Financial investments

Held-to-maturity investments

Investments are classified as held to maturity when the Company has the intention and ability to hold to maturity. Investments held to maturity include: bank deposits with a term and loans held to maturity for the purpose of collecting interest periodically and other held to maturity investments.

Investments held to maturity are initially recognized at cost including purchase price and the expenses related to the purchase of investments. After initial recognition, these investments are stated at recoverable value. Interest income from investments held to maturity after the acquisition date is recognized in the Income statement on an accrual basis. Rates enjoyed before the holding is deducted from the cost of acquisition.

When there is strong evidence suggesting that part or all of the investments may not be recoverable and the damage can be measured reliably, the loss is recorded in financial expenses in the year and reduced directly to investment value.

When an investment is liquidated, the difference between the net disposal proceeds and the carrying amount is recognized as income or expense.

4.4 Receivables

Receivables are presented at historical cost less provision for doubtful debts.

The classification of receivables is trade receivables and other receivables, which is complied with the following principles:

- Trade receivables reflect the nature of the receivables arising from commercial transactions with purchase - sale between the Company and an independent purchaser.
- Other receivables reflect the nature of the receivables arising from non-commercial transactions, and not to be related to the purchase – sale transactions.

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recognised as general and administrative expense in the Income statement.

4.5 Inventories

Inventories are presented at the lower of cost and net realizable value.

The cost of inventories is determined as follows:

- Raw materials, goods: comprising all costs of purchase and related expenses directly incurred in bringing the inventories to their present location and condition.
- Work in progress: it is an expense related to the installation, repair and construction costs of the unfinished water supply system; the estimated amount of clean water remaining in the water supply system.

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

The Company applies the perpetual inventory method of accounting for inventories and the cost is determined on the weighted average method.

Provision for decline of inventories is made for each inventory with the cost greater than the net realisable value. Increases, decreases of the balance of provision for devaluation in inventories need to be made at the end of the fiscal year and are recorded in the cost of goods sold on the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

4.6 Prepaid expenses

Prepaid expenses include actual expenses incurred but related to the results of production and business activities of many financial years. Prepaid expenses of the Company include:

Life insurance expenses

Life insurance expenses are amortized under the straight-line method over a period of 12 months from the date they are incurred.

Tools and equipment; other prepaid expenses

Tools and equipment; other prepaid expenses have been used and are amortized under the straight-line method with the allocation period is not more than 36 months.

4.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The historical cost of tangible fixed assets includes all the expenses that the Company incurs to get fixed assets by the time the asset is put into a state ready for use. Costs incurred after initial recognition is only recorded as increase in cost of fixed assets if these costs are sure to increase economic benefits in the future by using this asset. The costs incurred are not satisfied conditions are recognized as an expense in the period.

When selling or liquidating assets, their cost and accumulated depreciation of the assets are written off in the financial statements and any gain or loss which are arising from disposal are recorded in the income statement.

Depreciation of tangible fixed assets which is calculated under the straight-line depreciation method with useful time of the asset is estimated as follows:

	Year
Building and structures	05 – 25
Machinery and equipment	05 – 10
Transportation	05 – 10
Office equipment	03 – 05

4.8 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated depreciation. The historical cost of intangible fixed assets includes all the expenses that the Company incurs to get fixed assets by the time the asset is put into a state ready for use. Costs relating to intangible assets incurred after initial recognition are recognized in income statement, except for costs which are related to a specific intangible asset and increase its benefits from these assets.

When assets are sold or liquidated, their cost and accumulated amortisation are removed from the balance sheet and any gain or loss resulting from their disposal is recognized in the income statement.

The Company's intangible fixed assets include:

Computer software

The expenses of purchasing computer software, which is not a part associated with the relevant hardware, will be capitalised. The initial cost of computer software includes all the expenses paid until the date the software is put into use. Computer software is amortised according to straight –line method in 3 – 5 years.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

4.9 Construction in progress

Construction in progress represents the costs attribute directly (including related interest expenses matching with the accounting policies of the Company) to the assets which are in the process of construction, machinery was installed to serve the purpose of manufacturing, leasing and management as well as costs related to the repair of fixed assets which are being performed. These assets are recorded at cost and are not amortized.

4.10 Accounts payables and accrued expenses

Accounts payable and accrued payable are recognized for amounts to be paid in the future, which are related to the goods and services received. Accrued payables are recorded based on reasonable estimates of the amounts payable.

The classification of liabilities is trade payable, accrued expenses and other payables are in accordance with the following principles:

- Trade payable reflects the nature of the payables arising from commercial transactions with purchase of goods, services, property between the Company and independent sellers.
- Payable expenses reflect payable amounts for goods or services received from sellers or already supplied to buyers but not paid due to lack of invoices or incomplete accounting dossiers and documents and payments to employees for leave pay, production and business expenses must be made in advance.
- Other payables reflect the nature of the payables of non-commercial, not related to the purchase, sale, service providers.

4.11 Salary

Salaries allocated to expenses during the period are based on the planned salary fund according to the Board of Management's Resolution No. 22/NQ-GD dated 12 September 2024.

In 2024, the Company has set up the Employee Salary Fund in the amount of VND 66,862,877,000 and the Executive Salary Fund with an amount of VND 2,592,000,000 according to Resolution No. 22/NQ-GD dated 12 September 2024 approved by the Company's Board of Management.

4.12 Salary deduction

Social insurance is deducted base on salary under labor contract at a cost of 17.5% and deducted from employees' salaries 8%.

Health insurance is deducted base on salary under labor contract at a cost of 3% and deducted from employees' salaries 1.5%.

Unemployment insurance is deducted base on salary under labor contract at a cost of 1% and deducted from employees' salaries 1%.

Trade unions fees deducted on salaries to the cost of 2%.

4.13 Owners' equity

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

Funds

Funds are appropriated and used in accordance with the Charter of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

4.14 Profit distribution

Profit after corporate income tax is distributed to shareholders after the deduction of funds under the Charter of the Company and the provisions of the law which were approved by the General Meeting of Shareholders.

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

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

4.15 Revenue

Revenues from sales

Revenues from sales shall be recognized if it simultaneously meets the following five (5) conditions:

- (a) The Company has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- (b) The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- (c) Revenues from sales has been determined with relative certainty. When the contract stipulates that the buyer is entitled to return products or goods, purchased under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to pay return products and goods (except for cases customers have the right to return goods in the form of exchange for other goods or services);
- (d) The Company has gained or will gain economic benefits from the good sale transaction;
- (e) It is possible to determine the costs related to the goods sale transaction.

Revenues from services

The revenue of transaction related to the provision of services is recorded when the result of the transaction can be measured reliably. In case that the services are to be provided in many accounting periods, the determination of sales in each period is done on the basis of the service completion rate as of the balance sheet date. The result of this transaction can be measured reliably when satisfy all four (4) conditions:

- (a) Revenue can be measured reliably. When the contract stipulates that the buyer is entitled to return the purchased service under specific conditions, the Company is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the provided service;
- (b) It is possible to obtain economic benefits from the service provision transaction;
- (c) The work volume finished on the date of the accounting balance sheet can be determined; and
- (d) The costs incurred from the service provision transaction and the costs of its completion can be determined.

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.

4.16 Loan expenses

Loan expenses include loan interest and other costs directly related to the loan. Loan expenses are recognised in financial expenses in fiscal year except loan expenses directly related in investing construction or production of uncompleted assets are being recognised in the value of the asset (being capitalization). The capitalization of loan expenses will terminate when the main activities necessary to prepare bringing the uncompleted asset in the use or sale when it's completed.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

4.17 Operating lease

A lease is considered an operating lease when the lessor retains most of the benefits and bears the risk of ownership of the asset.

Operating lease expenses are recognized in the income statement over the lease term on a straight-line basis over the term of the lease.

4.18 Corporate income tax

Corporate income tax expenses for the year only comprise current income tax.

Current income tax

Current income tax is the tax amount is calculated on taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between accounting and tax, non-deductible expenses as well as adjusted income are not taxed and losses be transferred.

Tax settlement of the Company will be assessed by the Tax Department. Due to the application of laws and regulations on taxes for different incurred transactions which can be explained in many different ways, tax payable presented in the financial statements can be immediately changed according to the decision of the tax authorities.

4.19 Segment reporting

A business segment is a distinguishable part of the Company that is engaged in the production or provision of an individual product or service, or a group of related products or services, which is subject to risks and economic returns that are different from those of other business segments.

A geographical segment a distinguishable component that is engaged in providing a product or services in a particular economic environment and that has its own risks and returns which are different from of segment operating in other economic environment.

4.20 Financial instrument

Financial assets

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets of the Company include cash and cash equivalents, customer receivables and other receivables.

At the time of initial recognition, financial assets are determined at cost plus any costs directly transaction of such financial assets.

Financial liabilities

The classification of financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition. Financial liabilities of the Company include payable to suppliers, accrued expenses and other payables.

At the time of initial recognition, except for financial liabilities related to financial leasing and convertible bonds are recorded at cost allocation, other financial liabilities are determined at cost plus costs directly transaction of such financial liabilities.

Amortized cost is determined by the value of the initial recognition of financial liabilities minus principal repayments, plus or minus the cumulative amortization of interest calculated at the actual interest rate method of the difference between the value initially recognized and the maturity value, minus deductions (directly or through the use of a provision) by reducing the value or by irrevocable.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

The real interest method is a method of calculating the amortized cost of one or a Company of financial liabilities and amortizing the interest income or interest expense in the relevant period. Real interest rate is the interest rate discounting the cash flows estimated to be paid or received in future during the expected lifetime of the financial instrument or a shorter, if necessary, return to the current book value net financial liabilities.

Owner's equity instruments

Owner's equity instruments are contracts that prove benefits remaining about asset of Company after deducting all of its obligation.

Offsetting of financial instruments

The financial assets and financial liabilities are offset and the net amount is presented on the balance sheet, and if only:

- The Company has the legal right to offset the values were recognized; and
- It intends to pay on a net basis or recognized assets and paid liabilities at the same time.

4.21 Related parties

The parties are related if having the ability to control or significant influence across the decision making of financial policies and operations. Parties are also considered to be related if they are subjected to common control or common significant influences.

The following individuals/ companies are considered as related parties:

Individual/ Company	Location	Relationship
Saigon Water Corporation	Vietnam	Parent Company
REE Water Company Limited	Vietnam	Major shareholder
Vikki Digital Bank Limited	Vietnam	Major shareholder
Water Design and Consultancy Joint Stock Company	Vietnam	Same-owner company
Water Mechanical Construction Joint Stock Company	Vietnam	Same-owner company
Communications and Public Works Joint Stock Company	Vietnam	Same-owner company
The Board of Management, the Board of Supervisors and the Board of Directors		Key members

5. ADDITIONAL INFORMATION TO ITEMS IN THE BALANCE SHEET

5.1 Cash and cash equivalents

	31/12/2024 VND	01/01/2024 VND
Cash on hand - VND	92,011,000	279,874,000
Cash in bank - VND	28,427,169,687	51,035,232,752
Cash equivalents (*)	30,000,000,000	30,000,000,000
	58,519,180,687	81,315,106,752

- (*) Cash equivalents are term deposits with term from 2-3 months deposited at Vietnam Bank for Agriculture and Rural Development with interest rates from 2.7%/year – 4.2%/year.

5.2 Held-to-maturity investments

	31/12/2024		01/01/2024	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term				
Term deposits	13,000,000,000	13,000,000,000	13,000,000,000	13,000,000,000
	13,000,000,000	13,000,000,000	13,000,000,000	13,000,000,000

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

These are deposits at Joint Stock Commercial Bank for Foreign Trade of Vietnam, Asia Commercial Joint Stock Bank and Vietnam Bank for Agriculture and Rural Development with term from 4-12 months, interest rates from 1.8%/year to 5%/year (2023: interest rates from 3.3%/year to 7.25%/year).

5.3 Short-term trade receivables

	31/12/2024 VND	01/01/2024 VND
Trade receivable – related parties		
Saigon Water Corporation	541,167,763	541,167,763
Trade receivable – other customers		
Receivables from water customers	8,848,418,792	9,314,366,420
Other customers	8,176,312	3,892,980
	9,397,762,867	9,859,427,163

5.4 Short-term advances to suppliers

	31/12/2024 VND	01/01/2024 VND
Advances to suppliers – related parties		
Saigon Water Corporation	400,000	-
Advances to suppliers – other suppliers		
Hoa Hanh Private Enterprise	693,859,004	693,859,004
Khanh Long Hydraulic Works Construction Co., Ltd.	556,428,919	-
Viet Thanh Son Co., Ltd.	417,821,953	-
Dau Home Trading and Service Investment Joint Stock Company	300,000,000	-
Tri Anh Solutions Technology Company Limited	-	137,184,300
Hung Viet Engineering Joint Stock Company	-	139,360,500
Other suppliers	492,114,057	385,018,707
	2,460,623,933	1,355,422,511

5.5 Other receivables

5.5.1 Other short-term receivables

	31/12/2024 Amount VND	Provision VND	01/01/2024 Amount VND	Provision VND
Receivables – related parties				
Water Mechanical Construction Joint Stock Company - borrowed materials	21,944,000	-	21,944,000	-
Communications and Public Works Joint Stock Company - borrowed materials	5,174,170	-	5,174,170	-
Receivables – other individual, organizations				
VAT not yet declared	628,578,083	-	1,261,647,453	-
Accrued deposits interest	254,487,670	-	351,484,932	-
Advance	57,400,000	-	-	-
Pledges, mortgages, collaterals	4,000,000	-	95,402,000	-
Receivables from the maintenance team for material costs	3,843,153,420	-	1,660,325,303	-
Fire hydrant installation costs	614,974,052	-	614,974,052	-
	5,429,711,395	-	4,010,951,910	-

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

5.5.2 Other long-term receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Receivables – other individual, organizations				
Pledges, mortgages, collaterals	332,353,191	-	993,324,114	-
	332,353,191	-	993,324,114	-

5.6 Bad debts

	31/12/2024			01/01/2024		
	Cost VND	Recoverable value VND	Provision VND	Cost VND	Recoverable value VND	Provision VND
Trade receivables						
Receivables – other customers						
Debt overdue over 6 months to under 1 year	-	-	-	37,992,939	26,595,057	(11,397,882)
Debt overdue for more than 1 year to less than 2 years	164,664,137	82,332,069	(82,332,068)	474,326,431	237,163,216	(237,163,215)
Debt overdue for more than 2 years to less than 3 years	404,089,077	121,226,723	(282,862,354)	320,684,890	96,205,467	(224,479,423)
Debt overdue for 3 years or more	2,206,342,543	-	(2,206,342,543)	2,582,940,980	-	(2,582,940,980)
Advances to suppliers						
Advances to suppliers – other suppliers						
Debt overdue for 3 years or more	814,506,096	-	(814,506,096)	814,506,096	-	(814,506,096)
	3,589,601,853	203,558,792	(3,386,043,061)	4,230,451,336	359,963,740	(3,870,487,596)

5.7 Inventories

	31/12/2024		01/01/2024	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	16,397,738,604	-	15,666,202,056	-
Work in progress (*)	15,948,393,795	-	16,320,912,091	-
	32,346,132,399	-	31,987,114,147	-

(*) Including work in progress of the following projects:

	31/12/2024 VND	01/01/2024 VND
Project of installing the main meter tunnel - Saigon Water Corporation	203,784,679	203,784,679
Relocation of water supply system within the project area - Phoenix Group Joint Stock Company	233,218,723	233,218,723
Work in progress costs - clean water consumption	15,080,440,399	15,493,328,940
Other projects	430,949,994	390,579,749
	15,948,393,795	16,320,912,091

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

5.8 Prepaid expenses

5.8.1 Short-term prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Life insurance expenses	5,009,756,853	3,537,042,188
Tools and supplies	226,230,068	337,590,796
Other short-term prepaid expenses	1,814,314,118	666,061,758
	7,050,301,039	4,540,694,742

5.8.2 Long-term prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Tools and supplies	2,965,396,245	2,974,605,113
Other long-term prepaid expenses	1,229,616,666	529,252,248
	4,195,012,911	3,503,857,361

5.9 Increase/ decrease of tangible fixed assets

	Buildings, structures VND	Machinery, equipment VND	Transportation VND	Office equipment VND	Total VND
HISTORICAL COST					
At 01/01/2024	30,775,423,613	23,729,598,573	487,046,665,865	17,086,919,329	558,638,607,380
Purchase in year	-	8,094,010,120	-	7,225,104,016	15,319,114,136
Completion of basic construction investment	-	-	22,710,597,374	-	22,710,597,374
At 31/12/2024	30,775,423,613	31,823,608,693	509,757,263,239	24,312,023,345	596,668,318,890
ACCUMULATED DEPRECIATION					
At 01/01/2024	14,807,550,163	14,224,127,372	370,410,518,619	10,652,945,694	410,095,141,848
Depreciation	1,038,996,540	3,089,166,363	26,107,467,952	2,271,150,455	32,506,781,310
At 31/12/2024	15,846,546,703	17,313,293,735	396,517,986,571	12,924,096,149	442,601,923,158
NET BOOK VALUE					
At 01/01/2024	15,967,873,450	9,505,471,201	116,636,147,246	6,433,973,635	148,543,465,532
At 31/12/2024	14,928,876,910	14,510,314,958	113,239,276,668	11,387,927,196	154,066,395,732

The historical cost of fully depreciated tangible fixed assets but still in use as follow:

At 01/01/2024	5,247,745,413	9,572,970,019	241,281,216,454	8,019,878,670	264,121,810,556
At 31/12/2024	5,247,745,413	11,667,127,747	257,467,426,101	9,253,778,670	283,636,077,931

Net book value of tangible fixed assets has mortgaged to secure loans at Asia Commercial Joint Stock Bank (see Note 5.17).

At 01/01/2024	15,665,616,737	-	6,814,734,582	-	22,480,351,319
At 31/12/2024	14,698,318,457	-	4,146,033,702	-	18,844,352,159

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

5.10 Increase/ decrease of intangible fixed assets

	Computer software VND
HISTORICAL COST	
At 01/01/2024	12,832,679,642
Purchase in year	2,971,713,278
At 31/12/2024	15,804,392,920
ACCUMULATED DEPRECIATION	
At 01/01/2024	9,399,069,128
Depreciation	1,752,660,150
At 31/12/2024	11,151,729,278
NET BOOK VALUE	
At 01/01/2024	3,433,610,514
At 31/12/2024	4,652,663,642

The historical cost of fully depreciated intangible fixed assets but still in use as at 31 December 2024 was VND 9,420,677,024 (as at 31 December 2023 was VND 6,219,712,624).

5.11 Construction in progress

	01/01/2024 VND	Increase VND	Transfer to fixed assets VND	31/12/2024 VND
- Development of the water supply network on the left side of Le Van Sy Street (Dang Van Ngu - Le Van Sy Bridge) in Phu Nhuan District and District 3	2,724,214,725	30,984,686	-	2,755,199,411
- Cost of repairing the deteriorated pipes on Le Quang Dinh Street (from Pham Van Dong – Nguyen Van Nghi), Ward 1, Ward 4, Go Vap District	1,002,775,582	-	-	1,002,775,582
- Cost of repairing the deteriorated pipes on Main Road 30 to Rach Lang, Ward 13, Binh Thanh District	899,523,869	-	-	899,523,869
- Investment cost for replacing deteriorated pipes on Lam Son Street, H19, 48, 57 Lam Son; H40 Nguyen Van Dau (from 40/2 Nguyen Van Dau to Lam Son), Ward 5, Phu Nhuan District, and Ward 6, Binh Thanh District	-	2.838.110.905	(2.838.110.905)	-
- Investment cost for replacing deteriorated pipes on the left side of Pham Van Dong Street (from Phan Van Tri to No Trang Long); alley 327 No Trang Long (from 327/21C to 327/20), Ward 11, Ward 13, Binh Thanh District	-	3.425.957.733	(3.425.957.733)	-
- Investment cost for replacing deteriorated pipes on Dao Duy Anh Street, Ward 9, Phu Nhuan District	-	2.754.163.561	(2.754.163.561)	-
- Other projects	803,971,848	14.137.473.932	(13.692.365.175)	1,249,080,605
	5,430,486,024	23,186,690,817	(22,710,597,374)	5,906,579,467

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

5.12 Short-term trade payables

	31/12/2024		01/01/2024	
	Amount	Payment ability	Amount	Payment ability
	VND	VND	VND	VND
Payables - related parties				
Saigon Water Corporation	36,183,815,719	36,183,815,719	40,280,826,636	40,280,826,636
Water Design and Consultancy Joint Stock Company	69,027,157	69,027,157	111,300,152	111,300,152
Water Mechanical Construction Joint Stock Company	15,892,000	15,892,000	15,892,000	15,892,000
Communications and Public Works Joint Stock Company	137,077,029	137,077,029	137,077,029	137,077,029
Payables - other suppliers				
Other suppliers	17,335,189,773	17,335,189,773	23,493,332,105	23,493,332,105
	53,741,001,678	53,741,001,678	64,038,427,922	64,038,427,922

5.13 Short-term advances from customers

	31/12/2024	01/01/2024
	VND	VND
Advances from other customers		
Song Hoa Company Limited	60,000,000	60,000,000
Other customers	453,466,724	491,556,285
	513,466,724	551,556,285

5.14 Taxes and (receivables)/ payables to State budget

	01/01/2024	Transaction in year			31/12/2024
	Payables	Payables	Paid	Deductibles/ Tax refund	Payables
	VND	VND	VND	VND	VND
Value added tax on domestic consumption	771,514,631	47,621,295,164	(14,476,758,615)	(32,826,942,442)	1,089,108,738
Corporate income tax	770,365,361	10,251,824,632	(6,381,807,616)	-	4,640,382,377
Personal income tax (*)	274,218,196	4,241,934,112	(3,414,277,351)	(721,421,753)	380,453,204
Housing tax, land rent	-	931,500,965	(931,500,965)	-	-
Environmental protection fee (**)	-	10,584,051	(10,584,051)	-	-
License tax	-	3,000,000	(3,000,000)	-	-
	1,816,098,188	63,060,138,924	(25,217,928,598)	(33,548,364,195)	6,109,944,319

(*) In year, the company has refunded the excess personal income tax paid in 2023 to employees with a value of VND 721,421,753 according to the Personal Income Tax Finalization Declaration for the year 2023.

Value added tax

The Company pays value added tax according to the deduction method. The value added tax rate for the sale of clean water is 5%, the rate for other activities is 8% and 10%.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

Corporate income tax ("CIT")

Corporate income tax payable in year is estimated as follow:

	2024 VND	2023 VND
Accounting profit before tax	50,145,737,015	48,249,642,368
Adjusted increases/decreases in accounting profit to determine taxable profit:		
Increase adjustment	1,113,386,143	1,679,170,528
Decrease adjustment	-	-
Taxable income	51,259,123,158	49,928,812,896
CIT rate	20%	20%
Current CIT expenses	10,251,824,632	9,985,762,579

The Company is obliged to pay corporate income tax at the rate of 20% of taxable income.

(**) Environmental protection fee, wastewater drainage and treatment services

According to current regulations, the environmental protection fee is replaced by the wastewater drainage and treatment service fee, which is 25% of the water supply price, applicable in 2024. The company collects the wastewater drainage and treatment service fee on behalf of the authorities and submits this fee based on the actual amount collected to the tax department.

Other taxes

The Company declares and submits according to regulations.

5.15 Short-term accrued expenses

	31/12/2024 VND	01/01/2024 VND
Payables - other organizations and individuals		
Interest expenses	13,959,203	25,175,008
	13,959,203	25,175,008

5.16 Other payables

5.16.1 Short-term other payables

	31/12/2024 VND	01/01/2024 VND
Payables - related parties		
Saigon Water Corporation	-	14,693,171,313
Payables - other organizations and individuals		
Trade Union Fees	219,107,482	389,559,036
Party activity funding	139,386,896	118,933,917
Payables about wastewater drainage and treatment service fee	18,073,936,222	13,591,024,268
Dividend payable	732,692,358	677,132,110
Short-term deposit received	2,354,653,840	2,630,558,280
Other payables	269,188,193	388,193
	21,788,964,991	32,100,767,117

5.16.2 Other long-term payables

	31/12/2024 VND	01/01/2024 VND
Payables - other organizations and individuals		
Long-term deposit received	616,121,617	640,192,648
	616,121,617	640,192,648

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

5.17 Loans and finance lease liabilities

5.17.1 Short-term loans and finance lease liabilities

	31/12/2024		01/01/2024	
	Amount VND	Payment ability VND	Amount VND	Payment ability VND
Long-term loans due for repayment - other organizations				
Long-term loan due at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Song Than Branch (*)	2,847,728,272	2,847,728,272	2,847,728,272	2,847,728,272
Long-term loan due at Asia Commercial Joint Stock Bank (*)	2,094,936,000	2,094,936,000	2,094,936,000	2,094,936,000
	4,942,664,272	4,942,664,272	4,942,664,272	4,942,664,272

(*) This is the balance of long-term loans under item 5.17.2, which will be due for repayment within the next 12 months.

Detail of arising short-term loans in the year are as follows:

	01/01/2024	Reclassified from long-term loans	Paid in year	31/12/2024
	VND	VND	VND	VND
Long-term loans due for repayment	4,942,664,272	4,942,664,272	(4,942,664,272)	4,942,664,272

5.17.2 Long-term loans and finance lease liabilities

	31/12/2024		01/01/2024	
	Amount VND	Payment ability VND	Amount VND	Payment ability VND
Long-term loans and finance lease liabilities - Other organizations and individuals				
Long-term loan at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Song Than Branch (a)	5,698,149,623	5,698,149,623	8,545,877,895	8,545,877,895
Long-term loan at Asia Commercial Joint Stock Bank (b)	2,711,619,060	2,711,619,060	4,806,555,060	4,806,555,060
Long-term loans due for repayment	(4,942,664,272)	(4,942,664,272)	(4,942,664,272)	(4,942,664,272)
	3,467,104,411	3,467,104,411	8,409,768,683	8,409,768,683

- a) Long-term loan at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Song Than Branch under loan contracts with a total maximum credit limit of VND 39,939,000,000 with a loan term of 120 months. The interest rate is 7.5% per year in the first year and equal to the 12-month deposit rate for individuals of four banks (Vietinbank, Vietcombank, BIDV, and Agribank) + a margin of 1.4%/year. The purpose of the loan is to serve the company's investment projects in basic construction. The loans are unsecured.
- b) Long-term loan at Asia Commercial Joint Stock Bank under loan contracts with a total credit limit of VND 22,000,000,000 with a loan term of 120 months. The interest rate is 7.7% per year for the first 12 months, from the 13th month onwards, the interest rate is adjusted every 6 months. The purpose of the loan is to invest in fixed assets for the clean water business operations. The loan is secured by a mortgage on the following assets:
- Real estate at 2Bis No Trang Long, Ward 14, Binh Thanh District, Ho Chi Minh City valued at VND 20,439,000,000.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

- Assets formed from the loan for the project "The phase 3 of year 2015 of the Development of the water supply network in Binh Thanh - Phu Nhuan - Go Vap - District 3" valued at VND 5,239,070,705.
- Assets formed from the loan for the project "Investment in replacing the old DMA 46 pipe, Ward 7, Phu Nhuan District" value at VND 6,641,412,683.
- Assets formed from the loan for the project "Investment in replacing the old DMA pipes No. 3, 4 - Ward 3, Binh Thanh District" valued at VND 16,129,000,000.

Detail of arising Long-term loans and finance lease liabilities in the year are as follows:

	01/01/2024	Reclassified to short-term loans	Paid in year	31/12/2024
	VND	VND	VND	VND
Long-term loans - banks	13,352,432,955	(4,942,664,272)	-	8,409,768,683
Long-term loans due for repayment	(4,942,664,272)	(4,942,664,272)	4,942,664,272	(4,942,664,272)
	<u>8,409,768,683</u>	<u>(9,885,328,544)</u>	<u>4,942,664,272</u>	<u>3,467,104,411</u>

5.18 Bonus and welfare funds

	01/01/2024	Increase in year	Decrease in year	31/12/2024
	VND	VND	VND	VND
Bonus Fund	2,202,429,130	12,489,724,516	(13,161,277,594)	1,530,876,052
Welfare Fund	452,124,512	-	-	452,124,512
Bonus Fund of Management and Executive Board	22,139,086	388,800,000	(388,800,001)	22,139,085
	<u>2,676,692,728</u>	<u>12,878,524,516</u>	<u>(13,550,077,595)</u>	<u>2,005,139,649</u>

5.19 Owner's equity

5.19.1 Owner's equity movements

	Owners' invested capital	Development investment fund	Retained earnings	Total
	VND	VND	VND	VND
Balance at 01/01/2023	95,000,000,000	40,381,736,486	32,234,476,341	167,616,212,827
Profit in year	-	-	38,263,879,789	38,263,879,789
Development investment fund distribution	-	794,827,679	(794,827,679)	-
Distributions to funds	-	-	(8,999,841,284)	(8,999,841,284)
Dividends distribution	-	-	(19,000,000,000)	(19,000,000,000)
Balance at 31/12/2023	<u>95,000,000,000</u>	<u>41,176,564,165</u>	<u>41,703,687,167</u>	<u>177,880,251,332</u>
Balance at 01/01/2024	95,000,000,000	41,176,564,165	41,703,687,167	177,880,251,332
Profit in year	-	-	39,893,912,383	39,893,912,383
Development investment fund distribution	-	2,828,964,828	(2,828,964,828)	-
Distributions to funds	-	-	(12,762,824,516)	(12,762,824,516)
Dividends distribution	-	-	(16,739,807,378)	(16,739,807,378)
Balance at 31/12/2024	<u>95,000,000,000</u>	<u>44,005,528,993</u>	<u>49,266,002,828</u>	<u>188,271,531,821</u>

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

5.19.2 Detail of owner's invested equity

According to the Business Registration Certificate (amended), the Company's charter capital is VND 95,000,000,000. As at 31 December 2024, the Company's charter capital has been fully contributed by the following shareholders:

	31/12/2024			01/01/2024		
	Shares	Value VND	Rate %	Shares	Value VND	Rate %
Saigon Water Corporation	4,865,000	48,650,000,000	51.21	4,865,000	48,650,000,000	51.21
REE Water Company Limited	1,904,688	19,046,880,000	20.05	1,904,688	19,046,880,000	20.05
Vikki Digital Bank Limited	950,000	9,500,000,000	10.00	950,000	9,500,000,000	10.00
Other shareholders	1,780,312	17,803,120,000	18.74	1,780,312	17,803,120,000	18.74
	9,500,000	95,000,000,000	100.00	9,500,000	95,000,000,000	100.00

5.19.3 Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of issued registered shares	9,500,000	9,500,000
Number of shares sold to the public	9,500,000	9,500,000
<i>Common shares</i>	9,500,000	9,500,000
<i>Preferred shares</i>	-	-
Number of repurchased shares	-	-
<i>Common shares</i>	-	-
<i>Preferred shares</i>	-	-
Number of shares in circulation	9,500,000	9,500,000
<i>Common shares</i>	9,500,000	9,500,000
<i>Preferred shares</i>	-	-

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

5.19.4 Profit distribution

In year, the Company has distributed the 2023 profit and retained earnings from 2021 and earlier according to the Resolution of the Annual General Meeting of Shareholders No. 04/NQ-GD dated 24 April 2024 as follows:

	VND
Distribution of 2023 profit	
Distribute dividends to shareholders	: 13,300,000,000
Extract development investment fund	: 2,828,964,828
Extract bonus and welfare funds	: 12,374,024,516
Extract executive board bonus fund	: 388,800,000
Distribution of retained earnings from 2021 and earlier	
Distribute dividends to shareholders	: 3,439,807,378

5.20 Off-balance sheet items

Operating lease assets

Lease from related parties

	31/12/2024 VND	01/01/2024 VND
Lease asset value	42,104,679,661	42,104,679,661

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

The Company leases the water supply network from Saigon Water under the Asset Leasing Agreement No. 2461/HD-TCT-KTTC dated 25 April 2024. The lease term is 1 year from 01/01/2024 to 31/12/2024.

Lease from Other organizations and individuals

Total minimum lease payments in the future of the irrevocable agreements of operating leasing assets are as follows:

	31/12/2024 VND	01/01/2024 VND
From 1 year or less	694,512,000	655,200,000
More than 1 year and up to 5 year	1,620,528,000	2,184,000,000
	<u>2,315,040,000</u>	<u>2,839,200,000</u>

6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT

6.1 Revenues from sale of goods and rendering of services

6.1.1 Net revenues

	2024 VND	2023 VND
Revenue from clean water supply	669,780,262,274	651,960,640,979
Revenue from water meter installation, construction and services	2,134,156,466	1,789,914,892
Revenue from construction	858,254,811	342,824,668
Minus: Sales returns	(444,343,534)	(706,691,621)
Net sales	<u>672,328,330,017</u>	<u>653,386,688,918</u>

6.1.2 Revenues from sale of goods and rendering of services to related parties

	2024 VND	2023 VND
Communications and Public Works Joint Stock Company	-	6,612,962

6.2 Cost of goods sold

	2024 VND	2023 VND
Cost of clean water supply (*)	409,171,194,082	391,121,704,885
Cost of water meter installation, construction and services	328,097,926	90,470,126
Cost of construction	202,090,851	34,267,339
	<u>409,701,382,859</u>	<u>391,246,442,350</u>

(*) In the cost of clean water supply for 2024, according to the Wholesale Water Supply Contract No. 2053/HD-TCT-KDDVKH dated 9 April 2024 and the Contract Appendix No. 1108/PLHD-TCT-KDDVKH dated 27 February 2025 regarding the adjustment of the wholesale clean water price for 2024 signed between the Company and Saigon Water Corporation, the Company has recorded the wholesale clean water price at VND 6,615.74/m³, effective from 01/01/2024 to 31/12/2024 (the price was VND 6,606.49/m³, effective from 01/01/2023 to 31/12/2023).

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

6.3 Financial income

	2024 VND	2023 VND
Interest from bank	1,241,716,251	2,027,499,957
	1,241,716,251	2,027,499,957

6.4 Financial expenses

	2024 VND	2023 VND
Loans interest expense	776,419,436	1,358,832,466
	776,419,436	1,358,832,466

6.5 Selling expenses

	2024 VND	2023 VND
Labor expenses	53,095,258,717	47,997,668,128
tools and equipment expenses	1,432,825,427	1,548,062,423
Depreciation expenses	30,210,194,019	27,272,229,047
Cost of installing and replacing water meters	21,195,593,156	28,872,910,440
Cost of repairing old pipes	27,757,232,196	25,801,387,808
Fixed asset rental expenses	4,210,467,967	4,210,467,967
Other selling expenses	883,267,187	611,915,649
	138,784,838,669	136,314,641,462

6.6 General and administration expenses

	2024 VND	2023 VND
Labor expenses	41,350,737,166	38,570,503,750
Costs of the office supplies	1,093,091,545	1,392,681,332
Depreciation expenses	4,049,247,441	2,780,540,486
Taxes and fees	1,386,434,806	1,364,856,374
Provision expenses	185,700,295	668,150,000
Service expenses	4,314,051,778	3,918,798,033
Other general and administrative expenses	31,618,708,972	30,359,039,417
	83,997,972,003	79,054,569,392

6.7 Other income

	2024 VND	2023 VND
Income from the disposal of old materials	8,368,000,000	-
wastewater drainage and treatment service fee	1,476,638,485	1,154,104,128
Income from opening water meter seal	89,201,366	73,390,980
Income from water meter inspection	39,570,403	150,571,155
Income from liquidation of tools and equipment	3,009,091	47,613,635
Income from liquidation of fixed assets	-	29,000,000
Income from labor discipline	-	107,676,476
Other income	107,400,899	64,503,307
	10,083,820,244	1,626,859,681

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

6.8 Other expenses

	2024 VND	2023 VND
Cost of the disposal of old materials	220,783,658	-
Fines and penalties for late tax payment	-	681,229,080
Other expenses	26,732,872	135,691,438
	247,516,530	816,920,518

6.9 Basic earnings per share

	2024	2023
Accounting profit after CIT	VND 39,893,912,383	38,263,879,789
Adjustments to increase/(decrease) profit to determine the profit allocated to shareholders holding common shares of the Company	VND -	(12,762,824,516)
Profit to calculate basic earnings per share	VND 39,893,912,383	25,501,055,273
Outstanding common shares on average during in year	CP 9,500,000	9,500,000
Basic earnings per share (*)	VND/CP 4,199	2,684

(*) In year, the Company appropriated a bonus and welfare fund from the 2023 profit after tax of VND 12,762,824,516. Therefore, the profit for calculating Basic Earnings per share also decreased by a corresponding amount. This adjustment causes Basic Earnings per share in 2023 was decreased from VND 4,028/share to VND 2,684 /share.

The Company has a plan to distribute bonus and welfare fund from profit after tax in 2024, this plan will be submitted to the General Meeting of Shareholders for approval in the next meeting.

6.10 Production and business costs by cost factor

	2024 VND	2023 VND
Raw materials cost	48,952,825,352	54,674,298,248
Labour expenses	94,445,995,883	86,568,171,878
Depreciation expenses	34,259,441,460	30,052,769,533
Other expenses	45,124,547,977	44,073,971,195
	222,782,810,672	215,369,210,854

7. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT

7.1 Repayment of borrowings

	2024 VND	2023 VND
Repayment of borrowings from loan agreement	4,942,664,272	4,942,664,272

8. FINANCIAL INSTRUMENTS

The Company has financial assets such as customer receivables and other receivables, cash and short-term deposits that occur directly from the operations of the Company. Financial liabilities of the Company mainly include loans, payables to suppliers and other payables. The main purpose of these financial liabilities is to mobilize financial resources to serve the activities of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

The Company has market risk, credit risk and liquidity risk.

Operational risk management is indispensable operations for the entire operations of the Company. The Company has developed control system to ensure balance between the extent reasonable costs incurred when risk and risk management costs. The Board of Directors continuously monitors the risk management process to ensure an appropriate balance between risk and risk control.

The Board of Directors considered and uniformly applies policies to manage each of these risks are summarized below:

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk has four types of risk: interest rate risk, currency risk, goods price risk and other price risk, such as equity price risk.

The Company does not have any significant risks related to market price fluctuations, as its main business activity is the supply of clean water to designated areas under the direction of Saigon Water Corporation. The Company's operating costs are primarily the wholesale water purchase price from the Corporation. The Company mainly also has long-term loans from banks under loan agreements with a 10-year term at a fixed interest rate, and the company's transactions are not related to foreign currencies.

ii. Credit risk

Credit risk is the risk that one party of a financial instrument or contract not performing its obligations, resulting in financial losses. The Company has credit risk from its operating activities (primarily for trade receivables account), and from its financial activities, including bank deposits and other financial instruments.

Trade receivables

The Company regularly monitors the receivables, which is not yet collected. For big customers, the Company considered the decline in the credit quality of each customer at the reporting date. The Company seeks the way to remained the tight control of the receivables and arranging credit control staff to minimize credit risk. On this basis and the trade receivables of the Company related to many different customers, credit risk is not significantly concentrated in a certain customer.

Cash in bank

The Company mainly maintains deposit balances at banks, which is well known in Vietnam. Credit risk of the deposit balances at banks is managed by the treasury department of the Company under the policies of the Company. The Company found that the level of concentration of credit risk on bank deposits is low.

The Company's Board of Directors evaluates that all financial assets are within term and not impaired, except for the receivables presented in note 5.6.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in implementing their financial obligations due to lack of funds. Liquidity risk of the Company mainly arising from financial assets and financial liabilities with maturity mismatches.

The Company minimizes the liquidity risk by maintaining an amount of cash and cash equivalents and bank loans at a level that the Board of Directors supposes it is sufficient to meet the Company's operations and minimize the risks due to the volatility of cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

The table below presents the details of the remaining maturity levels according to the contracts for financial payables and the payment terms as agreed, based on the undiscounted cash flows as of the earliest date the Company is required to settle:

	Less than 1 year VND	From 1 to years VND	Total VND
31 December 2024			
Trade payables	53,741,001,678	-	53,741,001,678
Accrued expenses	13,959,203	-	13,959,203
Other payables	20,697,778,255	616,121,617	21,313,899,872
Loans	4,942,664,272	3,467,104,411	8,409,768,683
	79,395,403,408	4,083,226,028	83,478,629,436
01 January 2024			
Trade payables	64,038,427,922	-	64,038,427,922
Accrued expenses	25,175,008	-	25,175,008
Other payables	30,915,142,054	640,192,648	31,555,334,702
Loans	4,942,664,272	8,409,768,683	13,352,432,955
	99,921,409,256	9,049,961,331	108,971,370,587

The Company considered that the level of concentration risk to the repayment is low. The Company has sufficient access to the necessary capital.

Security Assets

As at 31 December 2024:

- The Company is mortgaging buildings, structures, and some water supply networks formed from the loan to secure the loan at Asia Commercial Joint Stock Bank.
- The Company is holding collateral from another party.

iv. Fair value

The table below shows the financial assets and financial liabilities of the Company:

	Book value		Fair value	
	31/12/2024 VND	01/01/2024 VND	31/12/2024 VND	01/01/2024 VND
Financial assets				
Held-to-maturity investments	13,000,000,000	13,000,000,000	13,000,000,000	13,000,000,000
Trade receivables	9,397,762,867	9,859,427,163	6,826,225,902	6,803,445,663
Other receivables	1,205,814,913	2,055,185,098	1,205,814,913	2,055,185,098
Cash and cash equivalents	58,519,180,687	81,315,106,752	58,519,180,687	81,315,106,752
	82,122,758,467	106,229,719,013	79,551,221,502	103,173,737,513
Financial liabilities				
Trade payables	53,741,001,678	64,038,427,922	53,741,001,678	64,038,427,922
Accrued expenses	13,959,203	25,175,008	13,959,203	25,175,008
Other payables	21,313,899,872	31,555,334,702	21,313,899,872	31,555,334,702
Loans	8,409,768,683	13,352,432,955	8,409,768,683	13,352,432,955
	83,478,629,436	108,971,370,587	83,478,629,436	108,971,370,587

The fair value of financial assets and liabilities is reflected based on the value at which the financial instruments could be exchanged in a current transaction between willing parties, except in cases where sale or liquidation is mandatory.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

The Company has not revalued the financial assets and financial liabilities at fair value because Circular 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance, as well as current regulations do not provide specific guidance on determining fair value. As at 01 January 2024 and 31 December 2024, the fair value of financial assets and financial liabilities is equivalent to their book value. The Board of Directors believes that the fair value of these financial assets and financial liabilities does not differ materially from their book value at the end of the fiscal year.

v. Risk prevention

The Company does not apply a risk hedging accounting policy.

9. OTHER INFORMATION

9.1 Transactions and balances with related parties

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

9.1.1 Transactions and balances with key members of management and the individuals involved with key members

Income of key managers during the year was as follow:

		2024 VND	2023 VND
Salary, bonus, remuneration:			
Mr. Nguyen Thanh Phuc	Chairman of the Board of Management	796,062,354	668,932,459
Mr. Nguyen Anh Tuan	Member of the Board of Management	103,428,571	98,500,000
Mr. Ho Thanh Cuong	Member of the Board of Management	103,428,571	98,500,000
Ms. Vu Phuong Thao	Member of the Board of Management	103,428,571	89,666,667
Mr. Pham Thanh Trung	Member of the Board of Management	103,428,571	89,666,667
Mr. Tran Quang Phuong	Member of the Board of Management	106,428,571	94,666,667
Mr. Nguyen Thanh Su	Former member of the Board of Management	-	8,833,333
Mr. Luc Chanh Truong	Former member of the Board of Management	-	8,833,333
Mr. Nguyen Thanh Tung	Former member of the Board of Management	-	8,833,333
Ms. Huynh Thi Bich Phuong	Chief Supervisor	556,518,251	129,683,372
Mr. Hoang Van Hung	Former Chief Supervisor	127,911,131	428,596,597
Ms. Tang My Phung	Member of the Board of Management	69,714,286	63,250,000
Ms. Nguyen Thi Ngoc Oanh	Member of the Board of Management	63,714,286	55,250,000
Mr. Trinh Trong Tam	Member of the Board of Management	69,714,286	58,833,333
Ms. Pham Thi Phuong Linh	Member of the Board of Management	69,714,286	58,833,333
Ms. Vu Nguyen Thien Kim	Former member of the Board of Management	-	4,416,667
Mr. Nguyen Ngoc Hung	Member of the Board of Management & Director	915,366,481	749,009,874
Mr. Nguyen Cong Minh	Former Director & former member of the Board of Management	-	60,413,499
Mr. Nguyen Tuan Ngoc	Deputy Director	650,851,007	452,016,462
Mr. Dang Ngoc Ha	Deputy Director	667,333,364	595,125,044
Mr. Pham Long Chau	Former Deputy Director	-	11,903,586
Mr. Pham Huynh Ba Dat	Former Deputy Director	-	97,203,172
Ms. Nguyen Thi Quynh Diep	Chief Accountant	619,860,900	543,043,278
		5,126,903,489	4,474,010,678

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

9.1.2 Transactions and balances with other related parties

In year, the Company entered into the significant transactions with other related parties, as follows:

Related parties	Transaction	2024 VND	2023 VND
Saigon Water Corporation			
	Buy wholesale clean water	409,171,194,082	391,121,704,885
	Lease assets	4,210,467,967	4,210,467,967
	Distribute dividends	8,572,130,000	9,730,000,000
	Purchase of materials	-	4,466,389,000
	Training and communication costs	185,195,558	178,786,141
Water Design and Consultancy Joint Stock Company			
	Supervision consultancy costs	-	15,031,913
Water Mechanical Construction Joint Stock Company			
	Purchase of materials	280,000,000	192,000,000
	Cost of testing and inspecting water meters	680,000	7,600,000
Communications and Public Works Joint Stock Company			
	Revenue from water meter relocation	-	6,612,962
Balances with other related parties:			
Related parties	Transaction	31/12/2024 VND	01/01/2024 VND
Saigon Water Corporation			
	Short-term trade receivables	541,167,763	541,167,763
	Advances to suppliers	400,000	-
	Trade payables	36,183,815,719	40,280,826,636
	Other payables	-	14,693,171,313
Water Design and Consultancy Joint Stock Company			
	Trade payables	69,027,157	111,300,152
Water Mechanical Construction Joint Stock Company			
	Trade payables	15,892,000	15,892,000
	Other receivables	21,944,000	21,944,000
Communications and Public Works Joint Stock Company			
	Trade payables	137,077,029	137,077,029
	Other receivables	5,174,170	5,174,170

9.2 Segment information

Segment information is presented based on business field and business location. The primary segment reporting is based on business field, according to the organizational structure and internal management of the Company, as well as its internal financial reporting system, since the Company's business activities are organized and managed according to the nature of the products and services. This is because the Company's risks and profitability are mainly affected by the differences in the products and services it provides.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

9.2.1 Information about the business field

The company has the following main business field:

- Field: providing clean water
- Field: water meter installation and other services

Information on business results, fixed assets and other long-term assets and the value of large non-cash expenses of the Company's business segments are as follows:

	Providing clean water VND	Water meter installation and other services VND	Total VND
2024			
Net revenue from selling goods and providing external services	669,486,615,166	2,841,714,851	672,328,330,017
Net revenue from selling goods and providing services between departments	-	-	-
Net revenue from sale of goods and rendering of services	669,486,615,166	2,841,714,851	672,328,330,017
Cost of goods sold by department	(409,171,194,082)	(530,188,777)	(409,701,382,859)
Gross profit by department	260,315,421,084	2,311,526,074	262,626,947,158
Costs are not allocated by department			(222,782,810,672)
Profits from business activities			39,844,136,486
Financial income			1,241,716,251
Financial expenses			(776,419,436)
Other income			10,083,820,244
Other expenses			(247,516,530)
Current corporate income tax expense			(10,251,824,632)
Deferred corporate income tax expense			-
Net profit after tax			39,893,912,383
2023			
Net revenue from selling goods and providing external services	651,326,373,084	2,060,315,834	653,386,688,918
Net revenue from selling goods and providing services between departments	-	-	-
Net revenue from sale of goods and rendering of services	651,326,373,084	2,060,315,834	653,386,688,918
Cost of goods sold by department	(391,121,704,885)	(124,737,465)	(391,246,442,350)
Gross profit by department	260,204,668,199	1,935,578,369	262,140,246,568
Costs are not allocated by department			(215,369,210,854)
Profits from business activities			46,771,035,714
Financial income			2,027,499,957
Financial expenses			(1,358,832,466)
Other income			1,626,859,681
Other expenses			(816,920,518)
Current corporate income tax expense			(9,985,762,579)
Deferred corporate income tax expense			-
Net profit after tax			38,263,879,789

9.2.2 Information about business location

All of the company's activities just take place within the territory of Vietnam.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

9.3 Retrospective restatement

The year end balances in the financial statements for the fiscal year ending 31 December 2023 have been restated and presented in accordance with the Audit Result Notice No. 26/TB-KV IV dated 11 November 2024 of the State Audit. The Company has restated the prior period figures based on this conclusion. This restatement results in the beginning balance for the financial statements for the fiscal year ending 31 December 2024, being presented as follows:

BALANCE SHEET

ITEMS	Code	31/12/2023 Data published VND	01/01/2024 Data restated VND	Net change VND
1. Inventories	141	29,123,609,968	31,987,114,147	2,863,504,179
3. Taxes and amounts payable to State budget	313	1,243,397,352	1,816,098,188	572,700,836
11. Undistributed profit after tax	421	39,412,883,824	41,703,687,167	2,290,803,343
- Undistributed profit after tax brought forward	421a	3,439,807,378	3,439,807,378	-
- Undistributed profit after tax for the current year	421b	35,973,076,446	38,263,879,789	2,290,803,343

INCOME STATEMENT

ITEMS	Code	2023 Data published VND	2023 Data restated VND	Net change VND
4. Cost of goods sold	11	394,109,946,529	391,246,442,350	(2,863,504,179)
14. Accounting profit before tax	50	45,386,138,189	48,249,642,368	2,863,504,179
15. Current corporate income tax expense	51	9,413,061,743	9,985,762,579	572,700,836
17. Net profit after tax	60	35,973,076,446	38,263,879,789	2,290,803,343

CASH FLOW STATEMENT

ITEMS	Code	2023 Data published VND	2023 Data restated VND	Net change VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Net profit before tax	01	45,386,138,189	48,249,642,368	(2,863,504,179)
2. Adjustments for				
3. Operating income before changes in working capital	08	75,409,390,231	78,272,894,410	(2,863,504,179)
- (Increase)/decrease in inventories	10	(6,936,882,836)	(9,800,387,015)	2,863,504,179

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

9.4 Events subsequent to the Balance sheet date

There have been no significant events occurring after the balance sheet date (31 December 2024) to the date of this report, which would require adjustments or disclosures to be made in the financial statements.



CHAU THI DIEU TAM
Preparer



NGUYEN THI QUYNH DIEP
Chief Accountant



NGUYEN NGOC HUNG
Director
Ho Chi Minh City, 31 March 2025