

**CAN THO WATER SUPPLY -
SEWERAGE JOINT STOCK
COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Can Tho City, January 24, 2025

Number: 36 /CTN

Regarding the explanation of the increase in profit for Quarter 4/2024 Consolidated Financial statements compared to the same period last year.

To:

- State Securities Commission of Vietnam.
- Hanoi Stock Exchange.

According to Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance regarding guidance on information disclosure on the securities market;

According to the Income statement in the Consolidated Financial statements for Quarter 4/2024 of Can Tho Water Supply - Sewerage Joint Stock Company,

Can Tho Water Supply - Sewerage Joint Stock Company explains the net profit after tax in the Consolidated Financial statements of Quarter 4/2024 increased by 27.97%, as compared to the same period last year due to the following reasons:

- The sales increased compared to the same period last year.

The above are the reasons for the increase in net profit after tax in Quarter 4/2024 compared to the same period last year. /.

Recipients:

- As mentioned above;
- Board of Directors Chairman;
- Head of the Supervisory Board;
- Board of Management;
- Archive of Administrative and Financial Documents,...

GENERAL DIRECTOR



Nguyen Tung Nguyen



CANTHO WATER SUPPLY - SEWERAGE JOINT STOCK COMPANY

2A Nguyen Trai Street, Tan An Ward, Ninh Kieu District, Can Tho City

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**CAN THO WATER SUPPLY – SEWERAGE
JOINT STOCK COMPANY**

TAX CODE: 1800155244

**Address: 02A Nguyen Trai Street – Tan An Ward - Ninh Kieu
District - Can Tho City**



**CONSOLIDATED
FINANCIAL STATEMENTS
FOR QUARTER 4/ 2024**

Can Tho City, January, 2025

**CAN THO WATER SUPPLY – SEWERAGE
JOINT STOCK COMPANY**

TAX CODE: 1800155244

**Address: 02A Nguyen Trai Street – Tan An Ward - Ninh Kieu
District - Can Tho City**



CANTHOWASSCO

**CONSOLIDATED
FINANCIAL STATEMENTS
FOR QUARTER 4/ 2024**

Can Tho City, January, 2025

CONSOLIDATED BALANCE SHEET

As at Dec. 31, 2024

Unit: VND

| ASSETS | | Code | Notes | Dec. 31, 2024 | Jan. 01, 2024 |
|---------------|--|-------------|--------------|------------------------|------------------------|
| A. | CURRENT ASSETS | 100 | | 168.668.926.146 | 120.028.951.334 |
| I. | Cash and cash equivalents | 110 | V.1 | 56.810.251.812 | 31.174.452.443 |
| 1. | Cash | 111 | | 22.995.885.540 | 16.446.980.984 |
| 2. | Cash equivalents | 112 | | 33.814.366.272 | 14.727.471.459 |
| II. | Short-term financial investments | 120 | V.2 | 35.877.744.978 | 806.950.486 |
| 1. | Trading securities | 121 | | - | - |
| 2. | Provision for devaluation of trading securities | 122 | | - | - |
| 3. | Held-to-maturity investments | 123 | | 35.877.744.978 | 806.950.486 |
| III. | Short-term receivables | 130 | | 21.428.244.796 | 19.185.072.233 |
| 1. | Short-term trade receivables | 131 | V.3 | 11.430.839.102 | 10.010.413.435 |
| 2. | Short-term prepayments to suppliers | 132 | V.4 | 6.913.140.647 | 7.677.714.071 |
| 3. | Short-term intercompany receivables | 133 | | - | - |
| 4. | Construction contract-in-progress receivables | 134 | | - | - |
| 5. | Receivables from short-term loans | 135 | | - | - |
| 6. | Other short-term receivables | 136 | V.5 | 4.841.970.370 | 3.040.726.393 |
| 7. | Provision for doubtful debts | 137 | V.3 | (1.757.705.323) | (1.543.781.666) |
| 8. | Shortage of assets awaiting resolution | 139 | V.5 | - | - |
| IV. | Inventories | 140 | V.7 | 51.477.238.377 | 65.826.216.161 |
| 1. | Inventories | 141 | | 52.481.757.100 | 73.031.208.662 |
| 2. | Provision for decline in value of inventories | 149 | | (1.004.518.723) | (7.204.992.501) |
| V. | Other current assets | 150 | | 3.075.446.183 | 3.036.260.011 |
| 1. | Short-term prepayments | 151 | V.11 | 2.372.723.264 | 2.034.997.518 |
| 2. | Deductible VAT | 152 | | 434.640.278 | 470.841.535 |
| 3. | Taxes and other receivables from the State Budget | 153 | | 268.082.641 | 530.420.958 |
| 4. | Repurchase and sale of Government's bonds | 154 | | - | - |
| 5. | Other current assets | 155 | | - | - |

CONSOLIDATED BALANCE SHEET

As at Dec. 31, 2024

Unit: VND

| ASSETS | | Code | Notes | Dec. 31, 2024 | Jan. 01, 2024 |
|-------------|---|------------|-------------|------------------------|------------------------|
| B. | LONG-TERM ASSETS | 200 | | 642.866.961.736 | 603.762.171.546 |
| I. | Long-term receivables | 210 | | - | 87.904.901 |
| 1. | Long-term trade receivables | 211 | | - | - |
| 2. | Long-term prepayments to suppliers | 212 | | - | - |
| 3. | Working capital from sub-units | 213 | | - | - |
| 4. | Long-term intercompany receivables | 214 | | - | - |
| 5. | Receivables from long-term loans | 215 | | - | - |
| 6. | Other long-term receivables | 216 | V.5 | 165.071.565 | 165.071.565 |
| 7. | Provision for doubtful long-term receivables | 219 | | (165.071.565) | (77.166.664) |
| I. | Fixed assets | 220 | | 576.763.014.614 | 530.128.017.677 |
| 1. | Tangible fixed assets | 221 | V.8 | 576.397.348.805 | 529.762.351.868 |
| | - Cost | 222 | | 1.241.168.559.685 | 1.122.995.540.036 |
| | - Accumulated depreciation | 223 | | (664.771.210.880) | (593.233.188.168) |
| 2. | Finance lease assets | 224 | | - | - |
| | - Cost | 225 | | - | - |
| | - Accumulated depreciation | 226 | | - | - |
| 3. | Intangible fixed assets | 227 | V.9 | 365.665.809 | 365.665.809 |
| | - Cost | 228 | | 1.592.515.809 | 1.592.515.809 |
| | - Accumulated amortization | 229 | | (1.226.850.000) | (1.226.850.000) |
| III. | Investment Properties | 230 | | - | - |
| | - Cost | 231 | | - | - |
| | - Accumulated depreciation | 232 | | - | - |
| IV. | Non-current assets in progress | 240 | V.10 | 44.108.823.613 | 61.749.947.968 |
| 1. | Works in progress | 241 | | - | - |
| 2. | Capital construction in progress | 242 | | 44.108.823.613 | 61.749.947.968 |
| V. | Long-term investments | 250 | | 883.648.947 | 2.083.648.947 |
| 1. | Investments in subsidiaries | 251 | | - | - |
| 2. | Investments in associates, joint-ventures | 252 | | 883.648.947 | 883.648.947 |
| 3. | Investments in equity of other entities | 253 | | - | - |
| 4. | Provision for decline in the value of long-term investments | 254 | | - | - |
| 5. | Held-to-maturity investments | 255 | | - | 1.200.000.000 |
| VI. | Other long-term assets | 260 | | 21.111.474.562 | 9.712.652.053 |
| 1. | Long-term prepaid expenses | 261 | V.11 | 21.111.474.562 | 9.712.652.053 |
| 2. | Deferred income tax assets | 262 | | - | - |
| 3. | Equipment, materials, spare parts | 263 | | - | - |
| 4. | Other long-term assets | 268 | | - | - |
| 5. | Goodwill | 269 | | - | - |
| | TOTAL ASSETS | 270 | | 811.535.887.882 | 723.791.122.880 |

CONSOLIDATED BALANCE SHEET

As at Dec. 31, 2024

Unit: VND

| RESOURCES | | Code | Notes | Dec. 31, 2024 | Jan. 01, 2024 |
|------------------|---|-------------|--------------|------------------------|------------------------|
| C. | LIABILITIES | 300 | | 241.536.691.176 | 231.299.633.734 |
| I. | Current liabilities | 310 | | 142.067.450.685 | 129.723.406.605 |
| 1. | Short-term trade payables | 311 | V.12 | 18.734.070.934 | 15.774.674.863 |
| 2. | Short-term prepayments from customers | 312 | V.13 | 396.962.714 | 612.516.367 |
| 3. | Taxes and other payables to the State Budget | 313 | V.14.a | 7.283.036.499 | 10.540.692.376 |
| 4. | Payables to employees | 314 | | 23.591.574.082 | 16.723.984.514 |
| 5. | Short-term accrued expenses | 315 | V.15 | 2.297.449.739 | 1.421.487.095 |
| 6. | Short-term intercompany payables | 316 | | - | - |
| 7. | Construction contract-in-progress payables | 317 | | - | - |
| 8. | Short-term unrealized revenue | 318 | | 28.929.630 | 243.293.481 |
| 9. | Other short-term payables | 319 | V.16 | 2.016.026.309 | 2.972.397.392 |
| 10. | Short-term borrowings and financial lease liabilities | 320 | V.17 | 74.286.766.161 | 67.602.756.398 |
| 11. | Provision for short-term payables | 321 | V.18 | 8.459.812.104 | 8.238.813.215 |
| 12. | Bonus and welfare fund | 322 | | 4.972.822.513 | 5.592.790.904 |
| 13. | Price stabilization fund | 323 | | - | - |
| 14. | Repurchase and sale of Government's bond | 324 | | - | - |
| II. | Long-term liabilities | 330 | | 99.469.240.491 | 101.576.227.129 |
| 1. | Long-term trade payables | 331 | | - | - |
| 2. | Long-term prepayments from customers | 332 | | - | - |
| 3. | Long-term accrued expenses | 333 | | - | - |
| 4. | Inter-company payables for operating capital received | 334 | | - | - |
| 5. | Long-term intercompany payables | 335 | | - | - |
| 6. | Long-term unrealized revenue | 336 | | - | - |
| 7. | Other long-term payables | 337 | V.16 | 441.866.383 | 500.866.383 |
| 8. | Long-term borrowings and financial lease liabilities | 338 | V.17 | 95.227.374.108 | 101.075.360.746 |
| 9. | Convertible bond | 339 | | - | - |
| 10. | Preferred shares | 340 | | - | - |
| 11. | Deferred income tax liabilities | 341 | | - | - |
| 12. | Provision for long-term liabilities | 342 | | - | - |
| 13. | Fund for science and technology development | 343 | | 3.800.000.000 | - |

CONSOLIDATED BALANCE SHEET

As at Dec. 31, 2024

Unit: VND


| RESOURCES | | Code | Notes | Dec. 31, 2024 | Jan. 01, 2024 |
|------------------------|--|------------|-------------|------------------------|------------------------|
| D. | OWNERS' EQUITY | 400 | | 569.999.196.706 | 492.491.489.146 |
| I. | Owners' equity | 410 | V.19 | 569.999.196.706 | 492.491.489.146 |
| 1. | Owners' paid-in capital | 411 | | 280.000.000.000 | 280.000.000.000 |
| | - Ordinary shares with voting rights | 411a | | 280.000.000.000 | 280.000.000.000 |
| | - Preferred shares | 411b | | - | - |
| 2. | Share premium | 412 | | 6.856.205.581 | 6.856.205.581 |
| 3. | Bond conversion option | 413 | | - | - |
| 4. | Owners' other capital | 414 | | 47.517.488.290 | 43.860.571.772 |
| 5. | Treasury shares | 415 | | (10.447.685) | (10.447.685) |
| 6. | Difference upon assets revaluation | 416 | | - | - |
| 7. | Foreign exchange differences | 417 | | - | - |
| 8. | Investment and development fund | 418 | | 68.032.867.521 | 57.793.998.357 |
| 9. | Fund for support of arrangement of enterprises | 419 | | - | - |
| 10. | Other funds | 420 | | - | - |
| 11. | Retained earnings | 421 | | 94.095.677.849 | 40.570.325.975 |
| | - Retained earnings accumulated to the end of prior period | 421a | | - | 6.237.558.123 |
| | - Retained earnings in this period | 421b | | 94.095.677.849 | 34.332.767.852 |
| 12. | Investment reserve for basic construction | 422 | | 276.000.000 | - |
| 13. | Non-controlling interest | 429 | | 73.231.405.150 | 63.420.835.146 |
| II. | Budget sources and other funds | 430 | | - | - |
| 1. | Budget sources | 431 | | - | - |
| 2. | Fund to form fixed assets | 432 | | - | - |
| TOTAL RESOURCES | | | | 811.535.887.882 | 723.791.122.880 |

Can Tho City, January 22, 2025

PREPAIRER

CHIEF ACCOUNTANT

GENERAL DIRECTOR


PHAN THI PHUNG


DIEP TON KIEN




NGUYEN TUNG NGUYEN

CONSOLIDATED INCOME STATEMENT

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| ITEMS | Code | Notes | Quarter 4/2024 | Quarter 4/2023 | Cumulative from the beginning of the year to the end of Quarter 4 | |
|---|-----------|-------|-----------------------|-----------------------|---|------------------------|
| | | | | | Quarter 4/2024 | Quarter 4/2023 |
| 1. Sales | 01 | VI.1 | 128.270.431.404 | 94.223.402.503 | 495.575.643.536 | 328.620.567.497 |
| 2. Less sales deductions | 02 | | - | - | - | - |
| 3. Net sales | 10 | VI.2 | 128.270.431.404 | 94.223.402.503 | 495.575.643.536 | 328.620.567.497 |
| 4. Cost of sales | 11 | VI.3 | 74.005.543.574 | 55.185.079.704 | 244.519.014.022 | 182.372.175.972 |
| 5. Gross profit (20 = 10 - 11) | 20 | | 54.264.887.830 | 39.038.322.799 | 251.056.629.514 | 146.248.391.525 |
| 6. Financial income | 21 | VI.4 | 610.997.216 | 301.128.111 | 1.330.659.522 | 1.020.265.661 |
| 7. Financial expenses | 22 | VI.5 | 2.636.261.907 | 3.336.957.674 | 9.457.581.869 | 12.645.683.529 |
| <i>In which: loan interest expenses</i> | 23 | | 2.626.357.782 | 3.336.957.674 | 9.447.677.744 | 12.645.683.529 |
| 8. Profit (or loss) from joint ventures, associates | 24 | | - | - | - | - |
| 9. Selling expenses | 25 | VI.6a | 13.462.769.041 | 9.399.505.609 | 50.527.619.208 | 37.530.555.907 |
| 10. General & administration expenses | 26 | VI.6b | 19.729.595.884 | 11.306.544.063 | 56.133.845.051 | 43.527.790.364 |
| 11. Operating profit (30 = 20 + (21 - 22) + 24 - (25 + 26)) | 30 | | 19.047.258.214 | 15.296.443.564 | 136.268.242.908 | 53.564.627.386 |
| 12. Other income | 31 | VI.7 | 789.519.420 | 2.605.839.226 | 2.883.102.635 | 5.866.543.725 |
| 13. Other expenses | 32 | VI.8 | 984.244.162 | 2.470.867.665 | 7.111.248.294 | 6.145.328.340 |
| 14. Other profit (40 = 31 - 32) | 40 | | (194.724.742) | 134.971.561 | (4.228.145.659) | (278.784.615) |
| 15. Net accounting profit before tax (50 = 30 + 40) | 50 | | 18.852.533.472 | 15.431.415.125 | 132.040.097.249 | 53.285.842.771 |
| 16. Corporate income tax - current | 51 | VI.10 | 3.820.273.883 | 3.684.907.495 | 27.594.232.061 | 11.700.701.024 |
| 17. Corporate income tax - deferred | 52 | | - | - | - | - |
| 18. Net profit after corporate income tax | 60 | | 15.032.259.589 | 11.746.507.630 | 104.445.865.188 | 41.585.141.747 |
| Parent company's shareholders | 61 | | 11.267.069.104 | 9.770.401.343 | 89.550.170.254 | 34.371.967.148 |
| Non-controlling shareholders | 62 | | 3.765.190.485 | 1.976.106.287 | 14.895.694.934 | 7.213.174.599 |
| 19. Earnings per share | 70 | VI.11 | 402 | 349 | 3.198 | 1.228 |
| 20. Diluted earnings per share | 71 | VI.11 | 402 | 349 | 3.198 | 1.228 |

PREPAIRER



PHAN THI PHUNG

CHIEF ACCOUNTANT



DIEP TON KIEN

Can Tho City, January 22, 2025

GENERAL DIRECTOR



NGUYEN TUNG NGUYEN

CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| ITEMS | Code | Notes | Cumulative from the beginning of the year to the end of Quarter 4 | |
|--|-----------|-------|---|-------------------------|
| | | | Quarter 4/2024 | Quarter 4/2023 |
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| 1. Net profit before tax | 01 | | 132.040.097.249 | 53.285.842.771 |
| 2. Adjustments for | | | | |
| - Depreciation of fixed assets and investment properties | 02 | V.8,9 | 73.804.491.154 | 67.168.129.533 |
| - Provisions | 03 | V.3 | (5.765.551.232) | 3.319.033.785 |
| - Gains/losses from foreign exchange differences upon revaluation of monetary assets denominated in foreign currencies | 04 | | - | - |
| - Gains/losses from investing activities | 05 | VI.4 | (1.330.659.522) | (1.020.265.661) |
| - Interest expense | 06 | VI.5 | 9.447.677.744 | 12.645.683.529 |
| - Các khoản điều chỉnh khác do hợp nhất | 07 | | 3.800.000.000 | - |
| 3. Profit from operating activities before changes in working capital | 08 | | 211.996.055.393 | 135.398.423.957 |
| - Increase (-)/ decrease (+) in receivables | 09 | | (2.070.651.745) | (2.084.767.632) |
| - Increase (-)/ decrease (+) in inventories | 10 | | 20.549.451.562 | (7.002.634.100) |
| - Increase (+)/ decrease (-) in payables (Other than payables, income tax) | 11 | | (997.071.595) | (17.169.831.073) |
| - Increase (-)/ decrease (+) in prepaid expenses | 12 | | (11.736.548.255) | (146.604.489) |
| - Increase (-)/ decrease (+) in trading securities | 13 | | - | - |
| - Interest paid | 14 | VI.5 | (9.447.677.744) | (12.645.683.529) |
| - Corporate income tax paid | 15 | V.14 | (31.517.085.466) | (28.317.637.391) |
| - Other receipts from operating activities | 16 | | - | - |
| - Other payments on operating activities | 17 | | (4.451.565.366) | (3.144.638.843) |
| Net cash inflows/(outflows) from operating activities | 20 | | 172.324.906.784 | 64.886.626.900 |
| II. CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| 1. Purchase of fixed assets and other long-term assets | 21 | | (90.982.375.475) | (58.777.073.367) |
| 2. Proceeds from disposals of fixed assets and other long-term assets | 22 | | - | - |
| 3. Loans granted, purchases of debt instruments of other entities | 23 | | (47.070.794.492) | (2.136.551.593) |
| 4. Collection of loans, proceeds from sales of debt instruments of other entities | 24 | | 13.200.000.000 | 4.783.513.000 |
| 5. Investments in other entities | 25 | | - | - |
| 6. Proceeds from divestment in other entities | 26 | | - | - |
| 7. Dividends and interest received | 27 | | 1.330.659.522 | 1.020.265.661 |
| Net cash inflows/(outflows) from investing activities | 30 | | (123.522.510.445) | (55.109.846.299) |

CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| ITEMS | Code | Notes | Cumulative from the beginning of the year to the end of Quarter 4 | |
|---|-----------|------------|---|-------------------------|
| | | | Quarter 4/2024 | Quarter 4/2023 |
| III. CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| 1. Proceeds from issue of shares and capital contribution | 31 | | | |
| 2. Repayment of contributed capital and repurchase of stock issued | 32 | | - | - |
| 3. Proceeds from borrowings | 33 | | 170.069.307.004 | 154.825.082.044 |
| 4. Repayments of borrowings | 34 | | (169.233.283.879) | (148.040.699.855) |
| Payments for finance lease liabilities | 35 | | - | - |
| 5. Dividends paid | 36 | | (24.002.620.095) | (26.409.508.607) |
| Net cash inflows/(outflows) from financing activities | 40 | | (23.166.596.970) | (19.625.126.418) |
| Net cash inflows/(outflows) (50 = 20+ 30 + 40) | 50 | | 25.635.799.369 | (9.848.345.817) |
| Cash and cash equivalents at the beginning of the period | 60 | | 31.174.452.443 | 41.022.798.260 |
| Effect of foreign exchange differences | 61 | | - | - |
| Cash and cash equivalents at the end of the period (70 = 50+60+61) | 70 | V.1 | 56.810.251.812 | 31.174.452.443 |

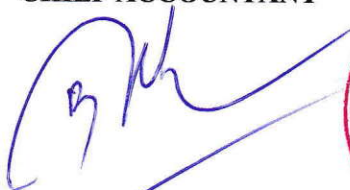
Can Tho City, January 22, 2025

PREPAIRER



PHAN THI PHUNG

CHIEF ACCOUNTANT



ĐIỆP TON KIÊN

GENERAL DIRECTOR



NGUYỄN TUNG NGUYỄN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

I. BUSINESS HIGHLIGHTS

1. Structure of ownership

Can Tho Water Supply and Sewerage Joint Stock Company (referred to as "the Company") is a business entity privatized from Can Tho Water Supply and Sewerage One Member Limited Liability Company under Decision No. 3602/QĐ-UBND, dated December 8, 2014, issued by the People's Committee of Can Tho City. The Company operates under Business Registration Certificate No. 1800155244, first issued on June 28, 2004, by the Department of Planning and Investment of Can Tho City. The 11th revision of the Business Registration Certificate, dated August 31, 2020, records the change of address from An Hoi Ward to Tan An Ward. A confirmation of changes in enterprise registration details dated May 22, 2017, reflects updates in the scope of business activities, including the production of potable water and the trading of potable water. The certificate of confirmation of changes to business registration content, dated May 9, 2022, regarding changes to business registration details and tax registration information. The 12th amendment to the business registration certificate, dated July 15, 2022, concerning the update of the General Director's citizen identification card.

English name: CAN THO WATER SUPPLY - SEWERAGE JOINT STOCK COMPANY.

Short name: CANTHOWASSCO.

Stock code: CTW (Upcom).

Head office: No. 2A Nguyen Trai Street, Tan An Ward, Ninh Kieu District, Can Tho City, Vietnam.

2. Business sector

Production, Services, Commercial Trading, ...

3. The Company's principal activities

Production of Potable Water; Trading of Potable Water.

Landing leveling.

Septic Tank Pumping Services; Sewerage & Wastewater Treatment Services (sewer unclogging and wastewater treatment activities).

Supervision of Civil and Industrial Construction and Finishing; Supervision of Geotechnical Surveys; Supervision of Construction and Completion of Water Supply and Sewerage; Topographic Surveys; Structural Design of Civil and Industrial Works; Design of Water Supply and Sewerage Systems.

Construction of Water Supply and Sewerage; Residential Buildings; Non-residential Buildings; Hydraulic Structures; Other Civil Engineering

Production and Trading of Electricity from Solar Energy.

Trading of Materials and Equipment for the Water Supply and Sewerage Sector.

Manufacturing of Materials and Spare Parts for the Water Supply and Sewerage Sector.

Road Patching.

Pipe Repair and Maintenance.

Calibration of Water Meters from 15mm to 100mm.

Production; Wholesale; Retail of Bottled Purified Water.

Other Professional, Scientific, and Technological Activities Not Elsewhere Classified (excluding bill payment and exchange rate information; securities consulting).

4. Normal operating cycle

Normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning from January 01 and ending on December 31.

5. Operations in the fiscal year affecting the consolidated financial statements: Not applicable.

6. Total employees to Dec. 31, 2024: 454 people (Jan. 01, 2024: 453 people).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

7. Enterprise Structure

7.1 List of subsidiaries:

As at December 31, 2024, the Company has two (02) directly owned companies as follows:

| Company's name and address | Principal activities | Percentage of shareholding | Percentage of owning | Percentage of voting rights |
|--|---|----------------------------|----------------------|-----------------------------|
| Tra Noc - O Mon Water Supply Joint Stock Company | Water Extraction, Treatment, and Supply; Installation of Water Supply and Sewerage Systems. | 65,42% | 65,42% | 65,42% |

Address: Lot 12A, Tra Noc 2 Industrial Zone, O Mon District, Can Tho City, Vietnam.

| Company's name and address | Principal activities | Percentage of shareholding | Percentage of owning | Percentage of voting rights |
|---|--|----------------------------|----------------------|-----------------------------|
| Thot Not Water supply Joint Stock Company | Water Extraction, Treatment, and Supply; | 85,81% | 85,81% | 85,81% |

Address: No. 392, National Highway 91, Long Thanh A, Thot Not Ward, Thot Not District, Can Tho City, Vietnam.

7.2. List of associates applying the equity method in the preparation of consolidated financial statements:

| Company's name Address | Principal activities | Percentage of shareholding | Percentage of owning | Percentage of voting right |
|--|--|----------------------------|----------------------|----------------------------|
| Tan Tien Plastic Joint Stock Company (Can Tho) (*) | Manufacturing and trading uPVC pipes and HDPE fittings for the water supply and sewerage industry. | 30,00% | 30,00% | 30,00% |

Address: 30/4 Street, Xuan Khanh Ward, Ninh Kieu District, Can Tho City.

(*) As of December 31, 2024, Tan Tien Plastic Joint Stock Company (Can Tho) is in the process of dissolution.

8. Disclosure on comparability of information in the consolidated Financial Statements

The selection of figures and information need to be presented in the consolidated financial statements has been implemented on the principle of comparability among corresponding accounting periods.

II. ACCOUNTING PERIOD AND REPORTING CURRENCY

1. Fiscal year

The fiscal year is begun on January 01 and ended December 31 annually.

The accounting period for Quarter 4 is begun on October 31 and ended December 31 annually

2. Reporting currency

Vietnam Dong (VND) is used as a currency unit for accounting records.

III. ADOPTION OF ACCOUNTING STANDARDS AND POLICIES

1. Applicable Accounting System

The company applies the Vietnamese Enterprise Accounting System as instructed in Circular No. 200/2014/TT-BTC issued by the Ministry of Finance of Vietnam dated December 22, 2014, and its amendments and supplements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

1. Applicable Accounting System (cont.)

The company applies Circular 202/2014/TT-BTC ("Circular 202") issued by the Ministry of Finance of Vietnam dated December 22, 2014, which provides guidance on the preparation and presentation of consolidated financial statements. Circular 202 replaces the previous guidance in Section XIII of Circular 161/2007/TT-BTC issued by the Ministry of Finance dated December 31, 2007.

2. Disclosure of compliance with Accounting Standards and the Corporate Accounting System

We conducted our accounting, preparation and presentation of the financial statements in accordance with Vietnamese Accounting Standards and other relevant statutory regulations. The financial statements give a true and fair view of the state of affairs of the Company and the results of its operations as well as its cash flows.

The selection of figures and information presented in the notes to the consolidated financial statements is complied with the material principles in Vietnamese Accounting Standard No.21 - Presentation of the financial statements.

IV. APPLICABLE ACCOUNTING POLICIES

1. Basis of Consolidated Financial Statements

The consolidated financial statements include the financial statements of Can Tho Water Supply and Sewerage Joint Stock Company and its subsidiaries (referred to as "the Company") for Quarter 4/2024.

Subsidiaries are fully consolidated from the acquisition date, which is the date the "Company" obtains effective control over the subsidiaries, and are deconsolidated from the date the "Company" ceases to have control over the subsidiaries.

The financial statements of the subsidiaries are prepared for the same accounting period as those of Can Tho Water Supply and Sewerage Joint Stock Company, following accounting policies consistent with those of Can Tho Water Supply and Sewerage Joint Stock Company. Adjusting entries have been made for any differences in accounting policies to ensure consistency between the subsidiaries and Can Tho Water Supply and Sewerage Joint Stock Company.

All balances between entities within the "Company," as well as revenues, income, and expenses arising from intra-group transactions, including unrealized gains from intra-group transactions that remain within the asset values, are fully eliminated.

Asset values are also eliminated unless the cost causing such losses cannot be recovered.

The interests of non-controlling shareholders represent the portion of profit or loss and net assets of the subsidiaries not owned by the Company. These interests are presented separately in the consolidated statement of income and separately from the shareholders' equity of the Company's shareholders in the Equity section of the consolidated balance sheet.

Losses incurred by subsidiaries are allocated to the non-controlling shareholders in proportion to their ownership interest, even if such losses exceed the non-controlling shareholders' interest in the subsidiary's net assets.

2. Foreign exchange rate applicable in accounting

The Company has translated foreign currencies into Vietnam Dong at the actual rate.

Principles for determining the actual rate

All transactions denominated in foreign currencies which arise during the year (trading foreign currencies, capital contribution or receipt of contributed capital, recording receivables, purchasing assets or costs immediately paid by foreign currencies) are converted at the actual exchange rates ruling at the transaction dates.

Closing balance of monetary items (cash, cash equivalents, payables and receivables, except for prepayments to suppliers, prepayments from customers, pre-paid expenses, deposits and unearned revenue) denominated in foreign currencies are revaluated at the actual rate ruling at the balance sheet date.

Foreign exchange differences, which arise from foreign currency transactions during the year, shall be included in the income statement. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

3. Principles for recording cash and cash equivalents

Cash includes cash on hand, demand deposit and cash in transit.

Cash equivalents comprise term deposits and other short-term investments with an original maturity of three months or less, highly liquid, readily convertible to known amount of cash and subject to an insignificant risk of changes in value.

4. Principles for accounting financial investments

Held-to-maturity investments

Held-to-maturity investments include term deposits (including treasury bills and promisory notes) and held-to-maturity loans for the purpose of periodic interest receiving and other held-to-maturity investments.

The held-to-maturity investments are initially recorded at the original cost including buying price and costs attributable to the acquisition of the investments. After initial recognition, if the provision for doubtful debts has not been made as statutorily required, these investments are revaluated at the recoverable value. When firm evidence shows that a portion or the whole investments may be unrecoverable, the loss will be recorded in financial expenses in the year and recorded in decrease of the investment's value.

Financial investments in Associates

The investment in associate is recorded when the Company has 20% to under 50% of voting rights in those companies and has considerable influence over their decisions on financial and operational policies. The investments in associates are reflected in the consolidated financial statements by equity method.

Under the equity method, initial contributions are recorded at cost and subsequently adjusted for changes in the investor's share of the net assets of the associates after acquisition. The consolidated income statement reflects the Company's share of the associate's operating results after acquisition as a separate line item.

Goodwill arising from investments in associates is included in the carrying amount of the investment. The Company does not amortize this goodwill but performs an annual assessment to determine whether there is any impairment.

The financial statements of the associates are prepared for the same accounting period as the Company's financial statements and use consistent accounting policies. Appropriate consolidation adjustments have been made to ensure that the accounting policies are consistently applied with the Company when necessary.

5. Principles for recording trade receivables and other receivables

Receivables: At original cost less provision for doubtful debts.

The classifying of the receivables as trade receivables, inter-company receivables and other receivables depends on the nature of the transaction or relationship between the company and debtor.

Method of making provision for doubtful debts: Provision for doubtful debts is estimated for the loss value of the receivables, other held-to-maturity investments similar to doubtful debts that are overdue and undue, but are likely to become possibly irrecoverable due to insolvency of debtors who go bankruptcy, making procedures for dissolution, go missing or run away....

6. Principles for recording inventories

Inventories are stated at original cost less (-) the provisions for the decline in value of inventories and obsolete, deteriorated inventories.

Original costs are determined as follows:

- The original cost of raw materials, merchandises inventory consists of costs of purchase, costs of transportation and other costs incurred in bringing the inventories to their present location and condition.
- Work in progress: costs of raw materials, labor and other directly costs for producing inventories incurred in the duration of processing water,...

Method of calculating inventories' value: weighted average method.

Method of accounting for the inventories: Perpetual method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

6. Principles for recording inventories (cont.)

Method of making provision for decline in value of inventories: Provision for decline in value of inventories is made when the net realisable value of inventories is lower than their original cost. Net realisable value is the estimated selling price less the estimated costs of completion and selling expenses. Provision for decline in value of inventories is the difference between the cost of inventories greater than their net realisable value. Provision for decline in value of inventories is made for each inventory with the cost greater than the net realisable value.

7. Principles for recording fixed assets

7.1 Principles for recording tangible fixed assets

Tangible fixed assets are stated at original cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Determination of original costs of tangible fixed assets:

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalisation price of the construction project, other relevant fees plus (+) registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

Tangible fixed assets constructed or produced by the Company itself:

The original cost of a tangible fixed asset which is constructed or produced by the Company itself shall include the actual production cost of the fixed asset plus (+) expenses for installation and trial operation. In case where the Company transfers its self-produced products to fixed assets, the original costs will be the production costs plus (+) other relevant expenses calculated to the time when such fixed asset is put into operation. In such case, all internal gains will not be recorded in the original costs of those fixed assets.

7.2 Principles for recording intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of a intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

Principles for recording intangible fixed assets:

Purchase of separate intangible fixed assets

The original cost of purchased intangible fixed assets shall consist of the actual purchase price payable less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation. The land use rights which are purchased together with buildings, structures will be determined separately and recorded as intangible fixed assets.

Land use rights

The original cost of an intangible fixed asset which is the land use right shall be the payment made to obtain the lawful land use right plus (+) compensatory payments for clearance of site, expenses for levelling the ground, registration fee...

Computer software

The original cost of a in tangible fixed asset which is the computer software shall be the total of actual expenses incurred by the Company to obtain the computer software.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

7.3 Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

The estimated useful life for assets is as follows:

| | |
|--------------------------------------|----------------------|
| <i>Buildings and structures</i> | <i>03 - 25 years</i> |
| <i>Machinery and equipment</i> | <i>02 - 20 years</i> |
| <i>Transportation and facilities</i> | <i>04 - 29 years</i> |
| <i>Office equipment</i> | <i>02 - 08 years</i> |
| <i>Intangible fixed assets</i> | <i>02 - 03 years</i> |

8. Principles for recording construction in progress

Construction in progress is stated at original cost. These are all necessary costs for purchasing fixed assets, building or repairing, improving, extending or equipping of the works such as Expenses of construction of D400 pipeline, D600 water transmission pipeline,...

These costs are capitalised as an additional cost of asset when the works have been completed. After the works have been finalized, the asset will be handed over and put into use.

9. Principles for recording prepaid expenses

Prepaid expenses are all expenses that actually incurred but relate to the operating result of several accounting periods. The Company's prepaid expenses include: Costs of land compensation (calculated based on the actual area used), resettlement costs, land transfer fees, land lease costs for An Binh, brand value, and other related expenses, ...

Method of allocating prepaid expenses: The determining and allocating of prepaid expenses into costs of production and doing business of each period is on a straight-line basis. Based on the nature and level of each expense, the term of allocation is defined as follows: short-term prepaid expenses should be allocated within 12 months; Long-term expenses should be allocated in the term from over 12 months to 36 months. Land lease expenses are allocated over the lease term of 408 months.

10. Principles for recording liabilities

Liabilities are recorded at original cost and not lower than the payment obligation.

Liabilities shall be classified into trade payables, inter-company payables and other payables depending on the nature of transactions and relationship between the Company and debtors.

Liabilities must be kept records in detail according to payment schedule, creditor and other factors according to requirements of the enterprise.

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable shall be recorded according to prudent principle.

11. Principles for recording borrowings and finance lease liabilities

Borrowings are total amounts the Company owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Borrowings and financial lease liabilities are monitored in detail according to creditor, agreement and borrowed asset.

12. Principles for recording and capitalizing borrowing costs:

Borrowing costs: Borrowing costs are loan interest and other costs incurred in direct relation to borrowings of an enterprise; Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs related to borrowings in respect of the construction or production of uncompleted assets, in which case the borrowing costs incurred during the period of construction are computed in those assets' value (capitalised) as part of the cost of the assets concerned when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

12. Principles for recording and capitalizing borrowing costs (cont.)

Capitalized rate: in case of joint capital borrowings, which are used for the purpose of investment in construction or production of an uncompleted asset, the borrowing costs eligible for capitalization in each accounting period shall be determined according to the capitalization rate for weighted average accumulated costs incurred to the investment in construction or production of such asset. The capitalization rate shall be calculated according to the weighted average interest rate applicable to the enterprises borrowings unrepaid in the period, except for particular borrowings for purpose of obtaining an uncompleted asset. The amount of borrowing costs capitalized during a period must not exceed the amount of borrowing costs arising during that period.

13. Principles for recording accruals:

Accruals include expenses to be charged for the term of material costs for construction, accrued costs for inspection, replacement of subscription water meters and filter sand, uniform expenses,... which have been arised in the reporting period, but have not been settled. These costs are recognised on the basis of reasonable estimates on the amounts to be paid in accordance with contracts, agreements.....

14. Principle for the Science and Technology Development Fund.

The company allocates and uses the Science and Technology Development Fund in accordance with the provisions of Joint Circular No. 12/2016/TTLT-BKHHCN-BTC dated June 28, 2016, by the Ministry of Science and Technology and the Ministry of Finance, and Circular No. 05/2022/TT-BKHHCN dated May 31, 2022, by the Ministry of Science and Technology. The allocation rate ranges from 3% to 10% of the taxable income of the company for the tax period.

15. Principles for recording provision liabilities:

Provisions are recognized when the following conditions are satisfied: the Company has a present (legal or constructive) obligations as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Value of provision liability being recorded: The value which is estimated to be the most reasonable for settling the present obligation at the balance sheet date.

Provision liabilities of the company includes provision for salaries.

16. Principles for recording owner's Equity

Principles for recording owner's Equity

The owners' equity is the amount that is initially contributed or supplemented by shareholders. The owners' equity will be recorded at the actual contributed capital by cash or assets calculated according to the par value of issued shares in the early establishment period or additional mobilization to expand operation.

Share premium

Share premium is the difference between the cost over and above the nominal value of the first issued or additionally issued share and the differences (increase or decrease) of the actual receiving amount against the repurchase price when treasury share is reissued. In case where shares are repurchased to cancel immediately at the purchase date, shares' value recorded decrease the business capital source at purchase date is the actual repurchase price and the business resource should be written down according to the par value and share premium of the repurchased shares.

+ **Other owners' capital:** Business resource which is added from the operating result, assets revaluation and residual value of the fair value of the offered, sponsored assets after deducting taxes payable (if any) related to these assets.

Retained earnings

The retained earnings is recorded at the profit (loss) from the Company's result of operation after deducting the current year corporate income tax and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous year.

The retained earnings is based on the charter of the Company and approved by the annual shareholder meeting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

17. Principles for recording treasury shares

The owners' equity instruments acquired by the Company (treasury share) are recorded at original cost and deducted into the owners' equity. The Company does not record gain (loss) when purchasing, selling, issuing or cancelling its equity instruments. Upon reissue, the difference between reissue price and cost will be recorded in item "Share premium".

18. Principles and methods for recording revenues and other income

Revenue from goods sold

Revenue from the sale of good should be recognised when all the five (5) following conditions have been satisfied: 1) The enterprise has transferred to buyer the significant risks and rewards of ownership of the goods; 2) The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold; 3) The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return products, goods (except for changing to other goods, services) 4) The economic benefits associated with the transaction has flown or will flow to the enterprise; 5) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from service rendered

Revenue from services rendered is recorded when the result of the supply of services is determined reliably. In case where the services are rendered in several periods, the revenue will recorded by the part of completed works at the balance sheet. Revenue from services rendered is determined when the following four conditions have been satisfied: 1. The revenue is determined firmly; When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return service; 2. The economic benefits associated with the transaction has flown or will flow from the supply of the provided service; 3. Part of completed works can be determined at the balance sheet date; 4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

If the contract's results can not be determined firmly, the revenue will be recorded at the recoverable level of expenses recorded.

Principles for recording revenues of a construction contract

Revenues of a construction contract include: Initial revenue inscribed in the contract; and increase and decrease amounts in the contract performance, bonuses and other payments, provided that these amounts are capable of changing the revenue and can be reliably determined. Revenue of a construction contract is determined as the reasonable value of received or to be-received amounts. The determination of the contractual revenue is affected by many uncertain factors which depend on future events. The estimation must often be corrected upon the occurrence of such events and the settlement of uncertain factors. As a result, the contractual revenue may be increased or decreased in each specific period.

Construction contract revenues and costs are recognized in the following cases:

In case the construction contract defines that the contractor shall be entitled to payment basing on the progress: when achieving results of construction contract are estimated reliably, then turnover from the construction contract is recorded proportionally to part of works finished, determined by contractors on the date of financial statements without depending on bills under the progress made or not and the amount on the bills.

For fixed price construction contracts, the contract results shall be reliably estimated when the following four (4) conditions are simultaneously met: 1. Total contract revenue can be reliably calculated; 2. Enterprises can get economic benefits from the contract; 3. Costs for completing the contract and the work already completed at the time of compiling financial statements can be reliably calculated; 4. Costs related to the contract can be clearly identified and reliably calculated so that actual total contract cost can be compared with the total cost estimates.

For cost plus construction contracts, the contractual results shall be reliably estimated when the following two conditions are simultaneously met: 1. Enterprises can get economic benefits from the contract; 2. Costs related to the contract can be clearly identified and reliably estimated regardless of whether they are reimbursed or not.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

18. Principles and methods for recording revenues and other income (cont.)

Financial income

Financial incomes include interests, foreign exchange gains upon revaluation,...

Income arising from interests, royalties, distributed dividends and profits of the enterprises shall be recognized if they simultaneously satisfy the two (2) conditions below 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

- Interests recognized on the basis of the actual time and interest rates in each period;

When an amount which has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be accounted as expense incurred in the period, but not recorded as income decrease.

19. Principles and method of recording cost of goods sold

Cost of goods sold is the cost of products, goods, services sold in the period; and other expenses recorded in the cost of goods sold or recorded a decrease in the cost of goods sold in reporting period. The cost of goods sold is recorded at the date the transaction incurs or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principle. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

20. Principles and method of recording financial expenses

Financial expenses include borrowing cost and other financial expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

21. Principles and methods of recording taxes

Corporate income tax includes current corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current tax: is the tax payable on the taxable income and tax rate enacted in current year in accordance with the law on corporate income tax.

Deferred income tax liabilities are the amounts of income tax payable in the future periods arising from the recording of the deferred income tax payable in the year and reversing the deferred income tax being recorded from prior years. The Company does not record in this account the deferred income tax assets or deferred income tax liabilities arising from the transactions being recorded directly in the owners' equity.

Deferred income tax asset is the reduction of deferred tax payable arising from the recording of the deferred income tax payable in the year and reversing the deferred income tax being recorded from prior years.

Deferred income tax assets and deferred income tax liabilities are offset when the Company has the legal right to offset current income tax assets against current income tax liabilities and the deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority of the same subject to corporate income tax and the Company has intention to pay current income tax liabilities and current income tax assets on a net basis.

The tax amounts payable to the State budget will be finalized with the tax office. Differences between the tax amounts payable specified in the book and the tax amounts under finalization will be adjusted when the tax finalization has been issued by the tax office.

The current corporate income tax rate is 20%.

22. Principles for recording earnings per share

Basic earnings per share is calculated by dividing net income available to common shareholders before appropriating to Bonus and Welfare Fund by the weighted-average number of common shares outstanding during the period.

Diluted EPS is calculated by dividing net income available to common shareholders (after adjusting dividends of preferred convertible shares) by the weighted-average number of common share outstanding and the weighted-average number to be issued in case where all dilutive potential common are converted into common shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

23. Financial instruments

Initial recognition

Financial assets

According to Circular No. 210/2009/TT-BTC dated November 06, 2009 (Circular No. 210), financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial assets which are stated at fair value through the Income Statement, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company decides to classify these assets at the date of initial recognition.

At the date of initial recognition, the financial assets are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial assets.

Financial assets of the Company comprise cash, short-term deposits, trade receivables and other receivables, held-to-maturity investments.

Financial liabilities

According to Circular 210, financial liabilities are classified properly, for the purpose of presentation in the financial statements, into the financial liabilities which are stated at fair value through the Income Statement, financial liabilities determined on amortised cost basis. The Company decides to classify these liabilities at the date of initial recognition.

At the date of initial recognition, the financial liabilities are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial liabilities.

Financial liabilities of the Company comprise trade payables, other payables, accrued expenses, borrowings and liabilities.

Re-measurements after initial recognition

Currently, there are no requirements for the re-measurement of the financial instruments after initial recognition.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the report on financial position if, and only if, there is a currently enforceable legal right to offset the financial assets against financial liabilities or vice-versa and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously.

24. Related parties

Related parties include: Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including the Board of Management, Board of Directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

25. Principles for presenting assets, revenue and operating results by segment

A reportable segment includes business segment or a geographical segment.

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED BALANCE SHEET

| | Dec. 31, 2024 | Jan. 01, 2024 |
|---|-----------------------|-----------------------|
| 1. Cash and cash equivalents | | |
| Cash | 22.995.885.540 | 16.446.980.984 |
| Cash on hand | 441.335.309 | 148.309.409 |
| Demand deposits | 22.554.550.231 | 16.298.671.575 |
| Cash equivalents | 33.814.366.272 | 14.727.471.459 |
| Deposit with the term of 3 months (or less) | 33.814.366.272 | 14.727.471.459 |
| Total | 56.810.251.812 | 31.174.452.443 |

2. Financial investments

a. Investments held to maturity

| | Dec. 31, 2024 | | Jan. 01, 2024 | |
|---------------|-----------------------|-----------------------|----------------------|----------------------|
| | Original value | Book value | Original value | Book value |
| Term deposits | 35.877.744.978 | 35.877.744.978 | 2.006.950.486 | 2.006.950.486 |
| Total | 35.877.744.978 | 35.877.744.978 | 2.006.950.486 | 2.006.950.486 |

b. Investment in other entities

| | Dec. 31, 2024 | | Jan. 01, 2024 | |
|--------------------------------------|--------------------|-----------|--------------------|-----------|
| | Original value | Provision | Original value | Provision |
| Tan Tien Plastic Joint Stock Company | 883.648.947 | - | 883.648.947 | - |
| Total | 883.648.947 | - | 883.648.947 | - |

According to the business registration certificate No. 1800661071 issued by the Department of Planning and Investment of Can Tho City, the company has registered an investment of VND 3,000,000,000, equivalent to 30% of the charter capital, in Tan Tien Plastic Joint Stock Company (Can Tho). The company has ceased operations but has not completed the tax code cancellation procedure. The provision for the investment in this company is reflected in the financial statements for the year 2013 (as per the audit result notice No. 44/TB-KVV dated January 16, 2023, from the State Audit Office of Region V)

3. Trade receivables

| | Dec. 31, 2024 | | Jan. 01, 2024 | |
|--|-----------------------|------------------------|-----------------------|------------------------|
| | Amount | Provision | Amount | Provision |
| a. Short-term | 11.430.839.102 | (1.639.805.153) | 10.010.413.435 | (1.543.781.666) |
| Local customers | 11.430.839.102 | (1.639.805.153) | 10.010.413.435 | (1.543.781.666) |
| Technology development of Construction Joint Stock Company | 320.534.195 | (320.534.195) | 320.534.195 | (320.534.195) |
| Nam Quoc Joint Stock Company | 2.104.692.000 | - | 2.581.408.635 | - |
| Water bill receivables | 5.396.438.163 | (269.823.167) | 3.961.338.217 | (177.787.488) |
| Others | 3.609.174.744 | (1.049.447.791) | 3.147.132.388 | (1.045.459.983) |
| Total | 11.430.839.102 | (1.639.805.153) | 10.010.413.435 | (1.543.781.666) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| 4. Prepayments to suppliers | Dec. 31, 2024 | | Jan. 01, 2024 | |
|-------------------------------------|----------------------|----------------------|----------------------|-----------|
| | Amount | Provision | Amount | Provision |
| Short-term | 6.913.140.647 | (117.900.170) | 7.677.714.071 | - |
| Local suppliers | 6.913.140.647 | (117.900.170) | 7.677.714.071 | - |
| <i>Nam Quoc Joint Stock Company</i> | - | - | 1.968.954.845 | - |
| <i>SAMCO Corporation</i> | 3.867.900.000 | - | - | - |
| <i>Other suppliers</i> | 3.045.240.647 | (117.900.170) | 5.708.759.226 | - |
| Total | 6.913.140.647 | (117.900.170) | 7.677.714.071 | - |

| 5. Other receivables | Dec. 31, 2024 | | Jan. 01, 2024 | |
|--|----------------------|----------------------|----------------------|---------------------|
| | Amount | Provision | Amount | Provision |
| a. Short-term | 4.841.970.370 | - | 3.040.726.393 | - |
| Receivables from employees | 555.017.534 | - | 921.562.793 | - |
| Provision of materials to construction teams | 3.554.037.643 | - | 1.449.661.179 | - |
| Others | 732.915.193 | - | 669.502.421 | - |
| b. Long-term | 165.071.565 | (127.398.036) | 165.071.565 | (77.166.664) |
| Others | 165.071.565 | (127.398.036) | 165.071.565 | (77.166.664) |
| Total | 5.007.041.935 | (127.398.036) | 3.205.797.958 | (77.166.664) |

6. Doubtful debts: See page 33

| 7. Inventories | Dec. 31, 2024 | | Jan. 01, 2024 | |
|-------------------|-----------------------|------------------------|-----------------------|------------------------|
| | Giá gốc | Dự phòng | Giá gốc | Dự phòng |
| Raw materials | 42.880.286.328 | (355.689.435) | 41.673.878.134 | (6.556.163.213) |
| Works in progress | 9.601.470.772 | (648.829.288) | 31.357.330.528 | (648.829.288) |
| Total | 52.481.757.100 | (1.004.518.723) | 73.031.208.662 | (7.204.992.501) |

- Book value of inventory used for mortgage or pledge of loan debts: Not applicable.

- Circumstances or events that led to the addition or reversal of provision for decline in value of inventories: Part of inventory is outdated and cannot be used.

8. Tangible fixed assets: See page 34.

| 9. Intangible fixed assets | Land use rights | Managerial software | Total |
|---------------------------------|-----------------|---------------------|----------------------|
| Original cost | | | |
| Opening balance | 365.665.809 | 1.226.850.000 | 1.592.515.809 |
| <i>Purchase</i> | - | - | - |
| <i>Disposal, sale</i> | - | - | - |
| Closing balance | 365.665.809 | 1.226.850.000 | 1.592.515.809 |
| Accumulated depreciation | | | |
| Opening balance | - | 1.226.850.000 | 1.226.850.000 |
| <i>Charge for the period</i> | - | - | - |
| <i>Disposal, sale</i> | - | - | - |
| Closing balance | - | 1.226.850.000 | 1.226.850.000 |
| Net book value | | | |
| Opening balance | 365.665.809 | - | 365.665.809 |
| Closing balance | 365.665.809 | - | 365.665.809 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

9. Intangible fixed assets (cont.)

- * Ending carrying value of intangible fixed assets pledged/mortgaged as loan security: VND 0.
- * Ending original costs of intangible fixed assets—fully depreciated but still in use: VND 1,226,850,000.
- * Ending original costs of intangible fixed assets—waiting to be disposed: Not applicable.
- * Commitments on intangible fixed assets acquisitions, sales of large value in the future: Not applicable.
- * Other changes in intangible fixed assets: Not applicable.

| 10. Non-current assets in progress | Dec. 31, 2024 | | Jan. 01, 2024 | |
|------------------------------------|-----------------------|-----------|-----------------------|-----------|
| | Amount | Provision | Amount | Provision |
| Construction in progress | 44.108.823.613 | - | 61.749.947.968 | - |
| - Purchase | 2.581.172.000 | - | 2.720.136.686 | - |
| - Basic construction | 40.369.755.064 | - | 55.866.731.986 | - |
| + Network infrastructure projects | 20.684.773.624 | - | 40.194.282.662 | - |
| + Construction projects | 19.684.981.440 | - | 15.672.449.324 | - |
| - Major repairs of fixed assets | 1.157.896.549 | - | 3.163.079.296 | - |
| Total | 44.108.823.613 | - | 61.749.947.968 | - |

| 11. Prepaid expenses | Dec. 31, 2024 | Jan. 01, 2024 |
|---|------------------------------------|-----------------------|
| | Short-term prepaid expenses | 2.372.723.264 |
| Tools, supplies and other expenses | 1.233.790.071 | 414.810.463 |
| Repair expenses | 1.138.933.193 | 1.620.187.055 |
| Long-term prepaid expenses | 21.111.474.562 | 9.712.652.053 |
| Repair expenses | 1.988.562.465 | 2.532.595.151 |
| 4s Cello data logger set (90 sets) | 633.333.336 | 1.553.333.336 |
| Land lease expenses for factory construction. | 4.949.718.393 | 3.382.061.715 |
| Amortization for subscription water meters | 1.276.096.333 | 1.455.511.932 |
| Other expenses | 12.263.764.035 | 789.149.919 |
| Total | 23.484.197.826 | 11.747.649.571 |

| 12. Trade payables | Dec. 31, 2024 | | Jan. 01, 2024 | |
|---|-----------------------|--------------------------|-----------------------|--------------------------|
| | Amount | Amount to be able to pay | Amount | Amount to be able to pay |
| Short-term | 18.734.070.934 | 18.734.070.934 | 15.774.674.863 | 15.774.674.863 |
| Local suppliers | 18.734.070.934 | 18.734.070.934 | 15.774.674.863 | 15.774.674.863 |
| <i>Tuong Van Manufacturing and Trading Joint Stock Company</i> | 3.443.644.044 | 3.443.644.044 | - | - |
| <i>Bach Viet Technology Joint Stock Company</i> | 3.267.550.000 | 3.267.550.000 | 2.773.605.084 | 2.773.605.084 |
| <i>Minh Nghi Trading and Services Limited Liability Company</i> | 4.848.434.804 | 4.848.434.804 | 1.689.312.087 | 1.689.312.087 |
| <i>Other suppliers</i> | 7.174.442.086 | 7.174.442.086 | 11.311.757.692 | 11.311.757.692 |
| Total | 18.734.070.934 | 18.734.070.934 | 15.774.674.863 | 15.774.674.863 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| 13. Prepayments from customers | Dec. 31, 2024 | Jan. 01, 2024 |
|--|--------------------|--------------------|
| a. Short-term | 396.962.714 | 612.516.367 |
| <i>Urban Management Department, Binh Thuy District</i> | <i>100.000.000</i> | - |
| <i>Other customers</i> | <i>296.962.714</i> | <i>612.516.367</i> |
| Total | 396.962.714 | 612.516.367 |

Taxes and payables to the

| 14. State Budget | Jan. 01, 2024 | Payable amount | Paid amount | Dec. 31, 2024 |
|--|-----------------------|-----------------------|-----------------------|----------------------|
| VAT | 333.975.404 | 7.395.473.711 | 7.579.458.458 | 149.990.657 |
| Corporate income tax | 7.098.912.092 | 27.594.232.061 | 31.261.907.913 | 3.431.236.240 |
| Personal income tax | 149.978.527 | 1.798.223.905 | 1.684.704.905 | 263.497.527 |
| Resource tax | 162.739.080 | 2.037.135.440 | 2.034.592.480 | 165.282.040 |
| Environmental protection fee for domestic wastewater | 2.050.850.049 | 34.525.842.193 | 33.842.373.601 | 2.734.318.641 |
| Forest environmental protection fee | 528.674.744 | 2.179.031.270 | 2.168.994.620 | 538.711.394 |
| Other taxes | 215.562.480 | 913.211.319 | 1.128.773.799 | - |
| Total | 10.540.692.376 | 76.443.149.899 | 79.700.805.776 | 7.283.036.499 |

| b. Receivables | Jan. 01, 2024 | Số phải nộp trong kỳ | Số đã thực nộp trong kỳ | Dec. 31, 2024 |
|------------------------|--------------------|----------------------|-------------------------|--------------------|
| VAT | - | - | 434.640.278 | 434.640.278 |
| Corporate income tax | - | - | 255.177.553 | 255.177.553 |
| Exploration rights fee | 530.420.958 | 530.420.958 | - | - |
| Personal income tax | - | - | 12.905.088 | 12.905.088 |
| Total | 530.420.958 | 530.420.958 | 702.722.919 | 702.722.919 |

| 15. Accrued expenses | Dec. 31, 2024 | Jan. 01, 2024 |
|------------------------|----------------------|----------------------|
| | 2.297.449.739 | 1.421.487.095 |
| Accrued interest | 210.639.962 | 215.729.478 |
| Electricity expenses | 506.214.968 | 458.618.194 |
| Other accrued expenses | 1.580.594.809 | 747.139.423 |
| Total | 2.297.449.739 | 1.421.487.095 |

| 16. Other payables | Dec. 31, 2024 | Jan. 01, 2024 |
|------------------------------|----------------------|----------------------|
| a. Short-term | | |
| Environmental protection fee | 412.823.927 | 1.199.701.060 |
| Dividend | 18.082.200 | 914.141.642 |
| Other payables | 1.585.120.182 | 858.554.690 |
| Total | 2.016.026.309 | 2.972.397.392 |
| b. Long-term | | |
| Deposits | 123.300.000 | 182.300.000 |
| Other payables | 318.566.383 | 318.566.383 |
| Total | 441.866.383 | 500.866.383 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

17. Borrowings and financial
lease liabilities

| | Dec. 31, 2024 | | Jan. 01, 2024 | |
|---|-----------------------|--------------------------|-----------------------|--------------------------|
| | Amount | Amount to be able to pay | Amount | Amount to be able to pay |
| a. Short-term borrowings and financial lease liabilities | 74.286.766.161 | 74.286.766.161 | 67.602.756.398 | 67.602.756.398 |
| Short-term borrowings | 47.975.130.161 | 47.975.130.161 | 53.792.152.398 | 53.792.152.398 |
| + At Can Tho Water Supply and Sewerage Joint Stock Company | 47.975.130.161 | 47.975.130.161 | 46.811.793.392 | 46.811.793.392 |
| (1) Vietcombank - Can Tho Branch | 25.679.011.193 | 25.679.011.193 | 28.546.996.442 | 28.546.996.442 |
| (2) Vietinbank - Can Tho Branch | 22.296.118.968 | 22.296.118.968 | 18.264.796.950 | 18.264.796.950 |
| + At Tra Noc - O Mon Water Supply Joint Stock Company | - | - | 4.963.853.673 | 4.963.853.673 |
| (5) Vietcombank - West Can Tho Branch | - | - | 3.873.589.353 | 3.873.589.353 |
| (6) Vietinbank - Tay Do Branch | - | - | 1.090.264.320 | 1.090.264.320 |
| + At Thot Not Water Supply Joint Stock | - | - | 2.016.505.333 | 2.016.505.333 |
| (7) Vietinbank - Can Tho Branch | - | - | 2.016.505.333 | 3.298.559.508 |
| Long-term loans due for repayment | 26.311.636.000 | 26.311.636.000 | 13.810.604.000 | 13.810.604.000 |
| + At Can Tho Water Supply and Sewerage Joint Stock Company | 21.616.732.000 | 21.616.732.000 | 9.559.700.000 | 9.559.700.000 |
| Vietcombank - Can Tho Branch | 13.388.732.000 | 13.388.732.000 | 9.559.700.000 | 9.559.700.000 |
| BIDV - Can Tho Branch | 8.228.000.000 | 8.228.000.000 | - | - |
| + At Tra Noc - O Mon Water Supply Joint Stock Company | 1.776.504.000 | 1.776.504.000 | 1.776.504.000 | 1.776.504.000 |
| Vietcombank - West Can Tho Branch | 1.116.000.000 | 1.116.000.000 | 1.116.000.000 | 1.116.000.000 |
| Vietinbank - Tay Do Branch | 660.504.000 | 660.504.000 | 660.504.000 | 660.504.000 |
| + At Thot Not Water Supply Joint Stock | 2.918.400.000 | 2.918.400.000 | 2.474.400.000 | 2.474.400.000 |
| Vietinbank - Can Tho Branch | 444.000.000 | 444.000.000 | - | - |
| Vietcombank - West Can Tho Branch | 2.474.400.000 | 2.474.400.000 | 2.474.400.000 | 2.474.400.000 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| 17. Borrowings and financial lease liabilities (Cont.) | Dec. 31, 2024 | | Jan. 01, 2024 | |
|--|------------------------|--------------------------|------------------------|--------------------------|
| | Amount | Amount to be able to pay | Amount | Amount to be able to pay |
| b. Long-term borrowings and financial lease liabilities | 95.227.374.108 | 95.227.374.108 | 101.075.360.746 | 101.075.360.746 |
| + At Can Tho Water Supply and Sewerage Joint Stock Company | 86.051.948.288 | 86.051.948.288 | 89.154.325.484 | 89.154.325.484 |
| (3) Vietcombank - West Can Tho Branch | 68.365.618.589 | 68.365.618.589 | 75.554.230.589 | 75.554.230.589 |
| (4) BIDV - Can Tho Branch | 17.686.329.699 | 17.686.329.699 | 13.600.094.895 | 13.600.094.895 |
| + At Tra Noc - O Mon Water Supply Joint Stock Company | 6.964.425.820 | 6.964.425.820 | 8.569.635.262 | 8.569.635.262 |
| (5) Vietcombank - West Can Tho Branch | 5.688.611.256 | 5.688.611.256 | 6.633.316.698 | 6.633.316.698 |
| (6) Vietinbank - Tay Do Branch | 1.275.814.564 | 1.275.814.564 | 1.936.318.564 | 1.936.318.564 |
| + At Thot Not Water Supply Joint Stock Company | 2.211.000.000 | 2.211.000.000 | 3.351.400.000 | 3.351.400.000 |
| (7) Vietinbank - Can Tho Branch | 1.334.000.000 | 1.334.000.000 | - | - |
| (8) Vietcombank - West Can Tho Branch | 877.000.000 | 877.000.000 | 3.351.400.000 | 3.351.400.000 |
| Total | 169.514.140.269 | 169.514.140.269 | 168.678.117.144 | 168.678.117.144 |

Notes on borrowings from banks

+ At Can Tho Water Supply and Sewerage Joint Stock Company

(1) Short-term borrowings from Vietcombank - Can Tho Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|---------------|----------------------------|------------------------|----------------|---|
| 58/DN/HM/2023 | Oct. 24, 2024 12 months | Fluctuations over time | 25.679.011.193 | Buildings, structures, machinery and equipments |

(2) Short-term borrowings from Vietinbank - Can Tho Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|-------------------------|----------------------------|------------------------|----------------|------------------|
| 032/2024-HĐCVHM/NHCT820 | Apr. 26, 2024 12 months | Fluctuations over time | 22.296.118.968 | Unsecured loan |

(3) Medium and long-term borrowings from Vietcombank - Can Tho Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|----------------|--------------------------------|------------------------|---------------|------------------|
| 86/DN/TL/2018 | Aug. 24, 2018 Feb. 12, 2033 | 9%/year | 4.444.000.000 | Future assets |
| 97/DN/TDH/2019 | Jun. 18, 2019 Mar. 12, 2033 | 9%/year | 758.200.000 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

**17. Borrowings and financial
lease liabilities (Cont.)**

(3) Medium and long-term borrowings from Vietcombank - Can Tho Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|-----------------|-----------------------------|------------------------|---------------|-------------------------------|
| 76/DN/TDH/2018 | Aug. 16, 2018 120 months | 9%/year | 1.305.000.000 | Transportation and facilities |
| 134/DN/TDH/2018 | Oct. 25, 2018 120 months | 9%/year | 1.535.000.000 | |
| 136/DN/TDH/2018 | Oct. 29, 2018 120 months | 9%/year | 1.367.429.875 | Transportation and facilities |
| 171/DN/TDH/2018 | Dec. 25, 2018 120 months | 9%/year | 2.262.785.545 | |
| 186/DN/TDH/2019 | Jan, 2019 120 months | 7.5%/year | 1.034.182.000 | |
| 146/DN/TDH/2019 | Aug. 27, 2019 120 months | 8.8%/year | 2.077.853.284 | Future assets |
| 167/DN/TDH/2019 | Sep. 16, 2019 120 months | 8.8%/year | 1.897.816.562 | |
| 218/DN/TDH/2019 | Dec. 24, 2019 120 months | 8.8%/year | 2.276.129.044 | |
| 15/DN/TDH/2020 | Jan. 22, 2020 120 months | 8.8%/year | 531.854.328 | Future assets |
| 24/DN/TDH/2020 | Mar. 02, 2020 60 months | 8.8%/year | 278.000.000 | |
| 51/DN/TDH/2020 | Mar. 31, 2020 60 months | 8.8%/year | 187.000.000 | |
| 22/DN/TDH/2020 | Apr. 07, 2020 120 months | 8.8%/year | 957.000.000 | Future assets |
| 58/DN/TDH/2020 | Apr. 28, 2020 120 months | 8.8%/year | 1.713.385.800 | |
| 103/DN/TDH/2020 | Oct. 20, 2020 120 months | 7.8%/year | 623.078.220 | Transportation and facilities |
| 92/DN/TDH/2020 | Sep. 09, 2020 120 months | 7,2%/year | 2.132.098.191 | |
| 117/DN/TDH/2020 | Nov. 25, 2020 120 months | 7%/year | 608.215.483 | Transportation and facilities |
| 122/DN/TDH/2020 | Dec. 11, 2020 120 months | 6.8%/year | 767.454.522 | |
| 130/DN/TDH/2020 | Dec. 24, 2020 120 months | 6.8%/year | 201.529.841 | Transportation and facilities |
| 133/DN/TDH/2020 | Dec. 30, 2020 120 months | 6.8%/year | 349.800.000 | |
| 134/DN/TDH/2020 | Dec. 31, 2020 120 months | 6.8%/year | 314.492.000 | Transportation and facilities |
| 09/DN/TDH/2021 | Jan. 27, 2021 120 months | 6.8%/year | 1.202.499.500 | |
| 13/DN/TDH/2021 | Jan. 29, 2021 120 months | 6.8%/year | 1.759.292.873 | |
| 15/DN/TDH/2021 | Feb. 03, 2021 120 months | 6.8%/year | 1.733.018.000 | Transportation and facilities |
| 32/DN/TDH/2021 | Apr. 02, 2021 120 months | 6.7%/year | 258.500.000 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

17. Borrowings and financial
lease liabilities (Cont.)

(3) Medium and long-term borrowings from Vietcombank - Can Tho Branch are in accordance with the following contracts: (Cont.)

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|-----------------|-----------------------------|---------------------------|---------------|-----------------------------------|
| 44/DN/TDH/2021 | Apr. 28, 2021 120 months | 6.7%/year | 896.694.050 | Transportation and facilities |
| 92/DN/TDH/2021 | Oct. 14, 2021 120 months | 6.7%/year | 1.136.860.000 | |
| 107/DN/TDH/2021 | Oct. 27, 2021 72 months | 6.7%/year | 1.175.200.000 | |
| 111/DN/TDH/2021 | Nov. 04, 2021 120 months | 6.7%/year | 2.573.646.453 | Transportation and facilities |
| 112/DN/TDH/2021 | Nov. 09, 2021 120 months | 6.7%/year | 674.000.000 | |
| 114/DN/TDH/2021 | Nov. 17, 2021 120 months | 6.7%/year | 3.126.350.000 | Transportation and facilities |
| 115/DN/TDH/2021 | Nov. 24, 2021 120 months | 6.7%/year | 370.000.000 | |
| 116/DN/TDH/2021 | Dec. 07, 2021 120 months | 6.7%/year | 505.324.698 | |
| 125/DN/TDH/2021 | Dec. 23, 2021 60 months | 6.7%/year | 1.147.770.620 | Transportation and facilities |
| 128/DN/TDH/2021 | Dec. 28, 2021 96 months | 6.7%/year | 624.945.000 | Transportation and facilities |
| 129/DN/TDH/2021 | Dec. 28, 2021 120 months | 6.7%/year | 1.192.752.000 | |
| 114/DN/TDH/2021 | Apr. 28, 2022 120 months | 7.5%/year | 3.126.350.000 | Transportation and facilities |
| 61/DN/TDH/2022 | Jun. 01, 2022 120 months | 7.9%/year | 532.000.000 | Future machinery and equipment |
| 62/DN/TDH/2022 | Jun. 01, 2022 120 months | 7.9%/year | 1.576.472.700 | |
| 85/DN/TDH/2022 | Aug. 11, 2022 120 months | 8%/year | 552.000.000 | Transportation and facilities |
| 86/DN/TDH/2022 | Aug. 04, 2022 120 months | 8%/year | 411.500.000 | |
| 87/DN/TDH/2022 | Aug. 11, 2022 120 months | 8%/year | 215.745.000 | |
| 88/DN/TDH/2022 | Aug. 11, 2022 120 months | 8%/year | 315.600.000 | Transportation and facilities |
| 89/DN/TDH/2022 | Aug. 11, 2022 120 months | 8%/year | 297.370.000 | |
| 133/DN/TDH/2022 | Dec. 06, 2022 120 months | 10,70% | 845.220.000 | Transportation and facilities |
| 134/DN/TDH/2022 | Dec. 08, 2022 120 months | 10,70% | 4.059.480.000 | |
| 135/DN/TDH/2022 | Dec. 14, 2022 120 months | 10,70% | 752.020.000 | Transportation and facilities |
| 136/DN/TDH/2022 | Dec. 08, 2022 120 months | 10,70% | 655.376.000 | |
| 29/DN/TDH/2023 | Apr. 06, 2023 120 months | 10,20% | 742.225.000 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

**17. Borrowings and financial
lease liabilities (Cont.)**

(3) Medium and long-term borrowings from Vietcombank - Can Tho Branch are in accordance with the following contracts: (Cont.)

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|----------------|-----------------------------|------------------------|---------------|-------------------------------|
| 135/DN/TL/2023 | Nov. 29, 2023 120 months | 7,70% | 712.575.000 | Transportation and facilities |
| 136/DN/TL/2023 | Nov. 29, 2023 120 months | 7,70% | 1.939.630.000 | |
| 137/DN/TL/2023 | Nov. 29, 2023 120 months | 7,70% | 3.049.200.000 | |
| 138/DN/TL/2023 | Nov. 29, 2023 120 months | 7,70% | 3.029.575.000 | Transportation and facilities |
| 139/DN/TL/2023 | Nov. 29, 2023 120 months | 7,70% | 4.007.124.000 | |
| 140/DN/TL/2023 | Nov. 29, 2023 120 months | 7,70% | 5.672.880.000 | |

(4) Medium and long-term borrowings from BIDV - Can Tho Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|----------------------|----------------------------|------------------------|----------------|--|
| 001/2022/447218/HĐTD | Aug. 16, 2022 | 6,83%/year | 948.482.607 | Transportation and facilities |
| 002/2022/447218/HĐTD | Oct. 10, 2022 | 7,00% | 1.355.599.151 | |
| 001/2023/447218/HĐTD | Jun. 02, 2023 | 7,20% | 3.274.700.000 | Future machinery and equipment |
| 002/2023/447218/HĐTD | Jun. 26, 2023 | 7,70% | 1.981.050.000 | |
| 003/2023/447218/HĐTD | Aug. 11, 2023 | 7,20% | 2.617.179.600 | |
| 004/2023/447218/HĐTD | Sep. 15, 2023 | 7,20% | 1.508.683.537 | |
| 001/2023/447218/HĐTD | Jun. 02, 2023 84 months | 7,20% | 3.274.700.000 | Future machinery and equipment |
| 002/2023/447218/HĐTD | Jun. 26, 2023 84 months | 7,70% | 1.981.050.000 | |
| 003/2023/447218/HĐTD | Aug. 11, 2023 84 months | 7,20% | 2.617.179.600 | |
| 004/2023/447218/HĐTD | Sep. 15, 2023 84 months | 7,20% | 1.508.683.537 | |
| 001/2024/447218/HĐTD | Feb. 28, 2024 72 months | 7,60% | 3.838.644.991 | Bong Vang Wastewater Treatment Water Plant |
| 11/2024/447218/HĐTD | Nov. 06, 2024 84 months | 8,00% | 10.389.989.813 | Transportation and facilities |

+ At Tra Noc - O Mon Water Supply Joint Stock Company

(5) Borrowings from Vietcombank - West Can Tho are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|------------------------|-----------------------------|------------------------|---------------|---|
| 13/2023/HĐHM-VCBTCT.KH | Jun. 12, 2023 12 months | 7,60% | 4.096.300.358 | Water supply system, pipelines, and machinery and equipment |
| 31/2020/HĐTL-VCBTCT | Sep. 29, 2020 120 months | 9,20% | 3.266.310.898 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

**17 Borrowings and financial
lease liabilities (Cont.)**

(6) Borrowings from Vietinbank - Tay Do Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|--|----------------------------|------------------------|---------------|--|
| 01/2020 - HĐCVDADT/NHCT824 - CTCP-CAP-NUOC-TRA- NOC-O-MON | Sep. 30, 2020 84 months | 12.5%/year | 2.266.570.564 | Solar power system, D400 cast iron pipelines, D300 cast iron, D315 HDPE, D200, D168, D144, and D60 PVC pipelines in Co Do District |
| 01/2023- HDDCVHM/NHCT824- CTCAPTNUOCTRANOCO MON | May 16, 2023 12 months | 8%-8.5% | 2 billion | 320 KVA transformer station at Co Do Water Plant |

+ At That Not Water Supply Joint Stock Company

(7) Borrowings from Vietinbank - Can Tho Branch are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|--|-----------------------------|------------------------|---------------|----------------------------------|
| 72/2023-HĐCVHM/NHCT 820-THOT NOT WATER SUPPLY JOINT STOCK COMPANY | Jan. 12, 2024 < 6 months | 7%/year | 1.778.000.000 | Transportation and facilities |

(8) Borrowings from Vietcombank - West Can Tho are in accordance with the following contracts:

| Contract | Date Term | Interest rate (%/year) | Balance | From of security |
|--|---|------------------------|---------------|--|
| 01/2021-HĐTDH- VCBTCT-THOT NOT WATER SUPPLY JOINT STOCK COMPANY | 84 months from the date of the first disbursement | 7,6%/year | 1.187.400.000 | Assets formed from borrowed capital |
| 03/2021-HĐTDH- VCBTCT-THOT NOT WATER SUPPLY JOINT STOCK COMPANY | 84 months from the date of the first disbursement | 7,6%/year | 2.164.000.000 | Transportation and facilities |

18. Provision liability

| | Dec. 31, 2024 | Jan. 01, 2024 |
|--------------------|----------------------|----------------------|
| Salaries provision | 8.459.812.104 | 8.238.813.215 |
| Total | 8.459.812.104 | 8.238.813.215 |

19. Owners' equity

a. Comparison schedule for changes in Owner's Equity: See page 35.

b. Details of owners' shareholding

| | % of shareholding | Dec. 31, 2024 | Jan. 01, 2024 |
|---|-------------------|------------------------|------------------------|
| + State-owned capital | 51,00% | 142.800.000.000 | 142.800.000.000 |
| + Binh Duong Water and Environment Corporation - Joint Stock Company | 24,64% | 69.000.000.000 | 69.000.000.000 |
| + Others | 24,36% | 68.189.552.319 | 68.189.552.319 |
| + Treasury shares | 0,00% | 10.447.681 | 10.447.681 |
| Total | 100,00% | 280.000.000.000 | 280.000.000.000 |

* Number of treasury shares: 1,400 shares

* The value of bonds converted into shares during the period: No occurrence.
These notes form an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

19. Owners' equity (Cont.)

**c. Capital transactions with owners
and distribution of dividends, profits**

| | Quarter 4/2024 | Quarter 4/2023 |
|---------------------------------------|------------------|-----------------|
| Owners' equity | 280.000.000.000 | 280.000.000.000 |
| <i>At the beginning of the period</i> | 280.000.000.000 | 280.000.000.000 |
| <i>At the end of the period</i> | 280.000.000.000 | 280.000.000.000 |
| Dividends distributed | (18.479.076.000) | - |

d. Shares

| | Dec. 31, 2024 | Jan. 01, 2024 |
|--|---------------|---------------|
| Number of shares registered to be issued | 28.000.000 | 28.000.000 |
| Number of shares issued shares | 28.000.000 | 28.000.000 |
| <i>Ordinary share</i> | 28.000.000 | 28.000.000 |
| Number of shares repurchased | 1.400 | 1.400 |
| <i>Ordinary share</i> | 1.400 | 1.400 |
| Number of existing shares in issue | 27.998.600 | 27.998.600 |
| <i>Ordinary share</i> | 27.998.600 | 27.998.600 |
| <i>Par value: VND/share.</i> | 10.000 | 10.000 |

e. Funds

| | Dec. 31, 2024 | Jan. 01, 2024 |
|---------------------------------|-----------------------|-----------------------|
| Investment and development fund | 68.032.867.521 | 57.793.998.357 |
| Total | 68.032.867.521 | 57.793.998.357 |

* Purpose of appropriating and using funds

Investment and development fund is established from the profit after tax of the enterprise and used for expanding the operating scale or investing further in the enterprise.

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED INCOME STATEMENT

1. Sales

| | Quarter 4/2024 | Quarter 4/2023 |
|--|------------------------|-----------------------|
| Revenue from water production and sewerage | 123.378.239.115 | 91.189.074.556 |
| Revenue from installation, transfer of materials,... | 4.892.192.289 | 3.034.327.947 |
| Total | 128.270.431.404 | 94.223.402.503 |

2. Net sales

| | Quarter 4/2024 | Quarter 4/2023 |
|--|------------------------|-----------------------|
| Revenue from water production and sewerage | 123.378.239.115 | 91.189.074.556 |
| Revenue from installation, transfer of materials,... | 4.892.192.289 | 3.034.327.947 |
| Total | 128.270.431.404 | 94.223.402.503 |

3. Cost of sales

| | Quarter 4/2024 | Quarter 4/2023 |
|---|-----------------------|-----------------------|
| Cost of water production and sewerage | 71.442.903.905 | 53.484.701.476 |
| Cost of installation, transfer of materials,... | 2.562.639.669 | 1.700.378.228 |
| Total | 74.005.543.574 | 55.185.079.704 |

4. Financial income

| | Quarter 4/2024 | Quarter 4/2023 |
|--------------------------------------|--------------------|--------------------|
| Interest income from deposits, loans | 610.997.216 | 301.128.111 |
| Total | 610.997.216 | 301.128.111 |

5. Financial expenses

| | Quarter 4/2024 | Quarter 4/2023 |
|-----------------------------|----------------------|----------------------|
| Interest expense from banks | 2.666.495.177 | 3.336.957.674 |
| Total | 2.636.261.907 | 3.336.957.674 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| | Quarter 4/2024 | Quarter 4/2023 |
|--|------------------------|-----------------------|
| 6. Selling expenses and General and administration expenses | | |
| a. Selling expenses | | |
| Salaries | 8.086.029.515 | 5.702.556.576 |
| Materials and packaging | 2.720.010.358 | 3.417.477.196 |
| Other expenses | 2.656.729.168 | 279.471.837 |
| Total | 13.462.769.041 | 9.399.505.609 |
| b. General and administration expenses | | |
| Salaries | 9.875.976.939 | 6.634.200.388 |
| Materials, tools and supplies | 277.410.253 | 164.924.936 |
| Office supplies | 590.991.959 | 603.570.915 |
| Depreciation | 68.965.511 | 65.900.286 |
| Taxes, fees and duties | 86.616.089 | 903.906.017 |
| Provision | 209.230.715 | (136.103.310) |
| Outside services | 252.278.608 | 328.033.724 |
| Other expenses paid by cash | 8.368.125.810 | 2.742.111.107 |
| Total | 19.729.595.884 | 11.306.544.063 |
| 7. Other income | Quarter 4/2024 | Quarter 4/2023 |
| Handling of surplus materials and assets with unclear origin | - | 1.282.238.367 |
| Compensation receipt for the relocation of water pipelines | - | 1.064.945.153 |
| Other income | 789.519.420 | 258.655.706 |
| Total | 789.519.420 | 2.605.839.226 |
| 8. Other expenses | Quarter 4/2024 | Quarter 4/2023 |
| Support expenses for operations | 605.250.000 | 1.146.150.000 |
| Social work support expenses | 71.296.296 | 114.850.000 |
| Other expenses | 307.697.866 | 1.209.867.665 |
| Total | 984.244.162 | 2.470.867.665 |
| 9. Costs of production and doing business by factors | Quarter 4/2024 | Quarter 4/2023 |
| Raw materials | 7.694.852.204 | 8.728.149.515 |
| Labor cost | 38.746.191.151 | 27.062.078.020 |
| Depreciation and amortization | 18.827.915.974 | 17.011.257.742 |
| Outside services | 9.438.822.760 | 6.373.082.993 |
| Other expenses paid by cash | 25.459.629.863 | 9.603.434.654 |
| Total | 100.167.411.952 | 68.778.002.924 |
| 10. Current corporate income tax | Quarter 4/2024 | Quarter 4/2023 |
| 1. Corporate income tax liabilities calculated on taxable income of current year (*) | 3.820.273.883 | 3.684.907.495 |
| 3. Total taxable income in current period | 3.820.273.883 | 3.684.907.495 |
| 11. Earnigs per share and diluted earnings per share | Quarter 4/2024 | Quarter 4/2023 |
| Total accounting profit before tax | 11.267.069.104 | 9.770.401.343 |
| Profit or loss allocated to common shareholders | 11.267.069.104 | 9.770.401.343 |
| Average outstanding ordinary shares | 27.998.600 | 27.998.600 |
| Earnings per share | 402 | 349 |
| Diluted earnings per share | 402 | 349 |

(*): The figures for the reward and welfare fund for 2022 have not been approved by the General Meeting of Shareholders. Therefore, the earnings per share and diluted earnings per share are calculated excluding the provision for reward and welfare fund

(*): There are no factors that cause a reduction in ordinary shares as at December 31, 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

12. Objectives and financial risks management policies

Major risks of financial instruments include market risk, credit risk and liquidity risk.

The Board of Management considers the application of management policies for the above risks as follows:

12.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks, for example risk of stock price. Financial instruments affected by the market risks include: borrowings and liabilities, deposits, available-for-sale investments.

The following sensibility analysis relates to the financial position of the Company as at December 31, 2024.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

When calculating the sensibility analysis, the Board of Management assumes that the sensibility of available-for-sale liability in the balance sheet and related items in the income statement is affected by changes in the assumption of corresponding market risks. This analysis is based on the financial assets and liabilities that the Company held as at December 31, 2024 and December 31, 2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market prices. Market risks due to change in interest rate of the Company mainly relate to: borrowings and liabilities, cash and short-term deposits.

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company and still in the limit of its risk management.

Sensibility to interest rate

The Company does not analyze the sensibility to the interest rate since change in the interest rate at the reporting date is insignificant.

12.2. Credit risk

Credit risk is the risk due to the uncertainty in a counterparty's ability to meet its obligations causing the financial loss. The Company bears credit risks from production and doing business activities (mainly trade receivables) and from its financial activities including deposits and other financial instruments.

Trade receivables

The Company minimizes credit risk by only dealing with financially sound entities. The Company regularly monitors receivables closely to urge collection. On this basis, and the Company's receivables are related to many different customers, so credit risk is not concentrated on a certain customer.

Deposit

The Company mainly maintains deposits in big and prestigious banks in Vietnam. The Company realized that the concentration level of credit risk to deposits is low.

The Board of General Directors of the Company has assessed that most financial assets are not overdue and impaired since these financial assets relate to prestigious customers who have good liquidity capacity. The financial assets which are devalued have been fully provided.

12.2. Credit risk (Cont.)

| Dec. 31, 2024 | Not overdue & not impaired | Overdue | |
|-------------------------|-------------------------------|--------------|----------------------|
| | | Not impaired | Impaired |
| Over 181 days | - | - | 1.941.488.963 |
| Total book value | 9.673.133.779 | - | 1.941.488.963 |
| Net value | 9.673.133.779 | - | 1.941.488.963 |
| Jan. 01, 2024 | | | |
| Over 181 days | - | - | 1.813.639.987 |
| Total book value | - | - | 1.813.639.987 |
| Net value | - | - | 1.813.639.987 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

12.3 Liquidity risk

Liquidity risk is the risk that arises from the difficulty in fulfilling financial obligations due to lack of capital. The liquidity risk of the Company mainly arises from difference of maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of Management considers as sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with contract which are not discounted:

| Dec. 31, 2024 | <i>Under 1 year</i> | <i>From 1-5 years</i> | <i>Over 5 years</i> | <i>Total</i> |
|-------------------------------------|-----------------------|-----------------------|-----------------------|------------------------|
| Borrowings and liabilities | 74.286.766.161 | 73.789.793.827 | 21.437.580.281 | 169.514.140.269 |
| Trade payables | 18.734.070.934 | - | - | 18.734.070.934 |
| Other payables and accrued expenses | 3.882.569.921 | 441.866.383 | - | 4.324.436.304 |
| | 96.903.407.016 | 74.231.660.210 | 21.437.580.281 | 192.572.647.507 |
| Jan. 01, 2024 | <i>Under 1 year</i> | <i>From 1-5 years</i> | <i>Over 5 years</i> | <i>Total</i> |
| Borrowings and liabilities | 67.602.756.398 | 33.222.951.019 | 67.852.409.727 | 168.678.117.144 |
| Trade payables | 15.774.674.863 | - | - | 15.774.674.863 |
| Other payables and accrued expenses | 3.423.063.045 | 318.566.383 | - | 3.741.629.428 |
| Total | 86.800.494.306 | 33.541.517.402 | 67.852.409.727 | 188.194.421.435 |

The Company is able to access capital sources and with regards to due borrowings within 12 months, the Company may continue to be lent by its current creditors.

Secured assets

The Company pledged part of tangible fixed assets and future tangible fixed assets of Can Tho Water Supply and Sewerage Joint Stock Company, Tra Noc - O Mon Water Supply Joint Stock Company, Thot Not Water Supply Joint Stock Company as security for short-term and long-term borrowings from banks (See Notes 17 - Borrowings and financial leasing liability).

The Company does not hold any secured assets of the third party as at December 31, 2024 and Dec. 31, 2023.

13. Financial assets and liabilities: See page 36.

The book value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The book value of cash on hand and bank deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short-term.

Except for the above-mentioned items, the fair value of long-term financial assets and financial liabilities has not been valued and determined officially as at December 31, 2024 and December 31, 2023. However, the Board of Management has assessed that the fair value of these financial assets and liabilities is not significantly different from the book value at the fiscal year end.

VIII. OTHER INFORMATION

1. Contingent liabilities, commitments and other information

The Company commits that there are no contingent liabilities, commitments, or other financial information arising after the end of the accounting period that would require adjustments or disclosures in the financial statements.

2. Subsequent events

There are no significant events since the year end that need to be adjusted or noted in the financial statements.

3. Related party transactions

In 2024, transactions and balances with related parties are as follows:

| + Income of the Board of Directors, Board of Management. | | | Quarter 4/2024 | Quarter 4/2023 |
|---|-------------|----------------------------------|-----------------------|-----------------------|
| Key members | Key members | Remuneration, salaries and bonus | 2.410.208.947 | 1.651.390.738 |
| Total | | | 2.410.208.947 | 1.651.390.738 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

4. Presentation of segment asset, revenue and operating result

The company primarily operates in the production and consumption of water, with the majority of its revenue generated within Can Tho City. The Board of Directors defines there is no significant difference in risks and economic benefits between business segments and geographical areas. Therefore, the company does not present segment reporting.

5. Information on going-concern operation: The Company will continue its operation in the future.

PREPAIRER



PHAN THI PHUNG

CHIEF ACCOUNTANT



DIEP TON KIEN

Can Tho City, January 22, 2025

GENERAL DIRECTOR



NGUYEN TUNG NGUYEN

CAN THO WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

6. Doubtful debts

| | Dec. 31, 2024 | | | Jan. 01, 2024 | |
|---|----------------|--------------------|--------------------------------|----------------|--------------------|
| | Original value | Recoverable amount | Debtors | Original value | Recoverable amount |
| Total overdue or undue receivables and loans that are unlikely to recover | 2.059.389.133 | 136.612.245 | | 1.813.639.987 | 192.691.657 |
| Technology Development of Construction Joint Stock Company | 320.534.195 | - | Debt overdue more than 3 years | 320.534.195 | - |
| Tan Thanh Construction Limited Liability Company | 360.863.000 | - | Debt overdue more than 3 years | 360.863.000 | - |
| Others | 1.377.991.938 | 136.612.245 | Debt overdue more than 3 years | 1.132.242.792 | 192.691.657 |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

| V.8. Tangible fixed assets | Buildings & structures | Machinery & equipment | Transportation & facilities | Office equipment | Total |
|--|------------------------|------------------------|-----------------------------|-----------------------|--------------------------|
| Items | | | | | |
| Original cost | | | | | |
| Opening balance | 299.561.700.629 | 160.182.589.038 | 631.724.063.761 | 31.527.186.608 | 1.122.995.540.036 |
| <i>New purchases</i> | - | 12.676.394.499 | - | 517.350.337 | 13.193.744.836 |
| <i>Transfers from construction in pr</i> | 11.035.287.603 | 2.090.994.988 | 95.173.601.073 | 33.000.000 | 108.332.883.664 |
| <i>Disposal, sale</i> | - | - | (3.266.837.451) | - | (3.266.837.451) |
| <i>Other decreases</i> | - | - | (86.771.400) | - | (86.771.400) |
| Closing balance | 310.596.988.232 | 174.949.978.525 | 723.544.055.983 | 32.077.536.945 | 1.241.168.559.685 |
| Accumulated depreciation | | | | | |
| Opening balance | 196.401.670.585 | 120.698.113.941 | 267.710.609.972 | 8.422.793.670 | 593.233.188.168 |
| <i>Charge from the period</i> | 16.536.445.854 | 10.232.475.073 | 46.254.866.911 | 780.703.316 | 73.804.491.154 |
| <i>Disposal, sale</i> | - | - | (2.266.468.442) | - | (2.266.468.442) |
| <i>Other decreases</i> | - | - | - | - | - |
| Closing balance | 212.938.116.439 | 130.930.589.014 | 311.699.008.441 | 9.203.496.986 | 664.771.210.880 |
| Net book value | | | | | |
| Opening balance | 103.160.030.044 | 39.484.475.097 | 364.013.453.789 | 23.104.392.938 | 529.762.351.868 |
| Closing balance | 97.658.871.793 | 44.019.389.511 | 411.845.047.542 | 22.874.039.959 | 576.397.348.805 |

* Ending net book value of tangible fixed assets pledged/mortgaged as loan security: VND 316,319,326,976.

* Ending original costs of tangible fixed assets—fully depreciated but still in use: VND 167,271,819,762.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

Unit: VND

V.19. Owners' equity

a. Comparison schedule for changes in Owner's Equity

| Items | Owner's paid-in capital | Share premium | Owners' other capital | Treasury share | Investment and Development Fund | Other funds | Retained earnings | Non-controlling interests | Total |
|--|-------------------------|----------------------|-----------------------|---------------------|---------------------------------|--------------------|-----------------------|---------------------------|------------------------|
| Prior year opening balance | 280.000.000.000 | 6.856.205.581 | 34.856.698.570 | (10.447.685) | 51.060.677.887 | - | 47.321.218.247 | 61.892.926.335 | 481.977.278.935 |
| Gain in prior year | - | - | - | - | - | - | 34.332.767.852 | 7.200.421.457 | 41.533.189.309 |
| Provision for funds | - | - | - | - | 15.737.193.672 | - | (15.737.193.672) | - | - |
| Provision for the reward and welfare fund in 2022 | - | - | - | - | - | - | (4.039.641.958) | (395.390.240) | (4.435.032.198) |
| Assets formed from the development investment fund | - | - | 9.003.873.202 | - | (9.003.873.202) | - | - | - | - |
| Dividend distributed | - | - | - | - | - | - | (21.306.934.600) | (5.277.122.406) | (26.584.057.006) |
| Other increases/ (decreases) | - | - | - | - | - | - | 110.106 | - | - |
| Prior year closing balance | 280.000.000.000 | 6.856.205.581 | 43.860.571.772 | (10.447.685) | 57.793.998.357 | - | 40.570.325.975 | 63.420.835.146 | 492.491.489.146 |
| Current year opening balance | 280.000.000.000 | 6.856.205.581 | 43.860.571.772 | (10.447.685) | 57.793.998.357 | - | 40.570.325.975 | 63.420.835.146 | 492.491.489.146 |
| Gain in current year | - | - | - | - | - | - | 89.550.170.254 | 14.895.694.934 | 104.445.865.188 |
| Provision for funds | - | - | - | - | 13.895.785.682 | - | (13.895.785.682) | - | - |
| Assets formed from the development investment fund | - | - | 3.656.916.518 | - | (3.656.916.518) | - | - | - | - |
| Capital source for basic construction investment | - | - | - | - | - | 276.000.000 | - | - | 276.000.000 |
| Provision for the reward and welfare fund in 2023 | - | - | - | - | - | - | (3.650.053.851) | (457.640.277) | (4.107.694.128) |
| Dividend distributed | - | - | - | - | - | - | (18.479.076.000) | (4.627.484.653) | (23.106.560.653) |
| Other increases/ (decreases) | - | - | - | - | - | - | 97.153 | - | 97.153 |
| Current year closing balance | 280.000.000.000 | 6.856.205.581 | 47.517.488.290 | (10.447.685) | 68.032.867.521 | 276.000.000 | 94.095.677.849 | 73.231.405.150 | 569.999.196.706 |

CAN THO WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the accounting period from Oct. 10, 2024 to Dec. 31, 2024

VI.13 Financial assets and financial liabilities

The following table specifies book value and fair value of the financial instruments presented in the financial statements.

| | Book value | | | | Fair value |
|--------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | Dec. 31, 2024 | | 01/01/2023 | | Dec. 31, 2024 |
| | Amount | Provision | Amount | Provision | |
| Financial assets | | | | | |
| - Held-to-maturity investments | 35.877.744.978 | - | 2.006.950.486 | - | 35.877.744.978 |
| - Trade receivables | 11.430.839.102 | (1.757.705.323) | 10.010.413.435 | (1.543.781.666) | 9.673.133.779 |
| - Other receivables | 897.986.758 | (165.071.565) | 557.931.081 | (77.166.664) | 732.915.193 |
| - Cash and cash equivalents | 56.810.251.812 | - | 31.174.452.443 | - | 56.810.251.812 |
| TOTAL | 105.016.822.650 | (1.922.776.888) | 43.749.747.445 | (1.620.948.330) | 103.094.045.762 |
| Financial liabilities | | | | | |
| - Borrowings and liabilities | 169.514.140.269 | - | 168.678.117.144 | - | 169.514.140.269 |
| - Trade payables | 18.734.070.934 | - | 15.774.674.863 | - | 18.734.070.934 |
| - Accrued expenses | 2.297.449.739 | - | 1.421.487.095 | - | 2.297.449.739 |
| - Other payables | 2.026.986.565 | - | 2.320.142.333 | - | 2.026.986.565 |
| TOTAL | 192.572.647.507 | - | 188.194.421.435 | - | 192.572.647.507 |

