

HANOI WATER SUPPLY NUMBER 2 JSC

AUDITED FINANCIAL REPORTS OF THE OFFICE

For the year ended December 31, 2024



HANOI WATER SUPPLY NUMBER 2 JSC

Address: Km01 - Nguyen Van Linh Street - Phuc Dong Ward - Long Bien District - Hanoi City, Vietnam

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HANOI WATER SUPPLY NUMBER 2 JSC STATEMENT OF THE BOARD OF MANAGEMENT

Address: Km01 - Nguyen Van Linh Street - Phuc Dong

attached to the Office Financial Statements

Ward - Long Bien District - Hanoi City, Vietnam

for the year ended December 31, 2024

STATEMENT OF THE BOARD OF MANAGEMENT

We, members of Executive Board of Hanoi Water Supply Number 2 JSC ("the Company") presents this report together with the Company's audited Office Financial Statements for the year ended December 31,

Board of Management

The members of Board of Directors and Board of Management of the Company during the year ended December 31, 2024 and to the date of this report, include:

Board of Directors

Mr. Duong Quoc Tuan	Chairman
Mr. Ta Ky Hung	Member
Ms. Tran Thi Phuong Thao	Member
Mr. Ngo Van Duc	Member
Mr. Le Van Thinh	Member

Board of Management

Mr. Ta Ky Hung	Director
Ms. Tran Thi Phuong Thao	Deputy Director
Mr. Ngo Van Duc	Deputy Director
Mr. Pham Anh Tuan	Deputy Director

Respective responsibilities of Board of Management

Board of Management of the Company is responsible for preparing Office Financial Statements which give a true and fair view of the financial position, business operation results and cash flows of the Company in the year, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Office Financial Statements. In the preparation of these Office Financial Statements, Board of Management is required to:

- Select suitable accounting policies and then consistently apply them;
- Make judgments and estimates that are reasonable and prudent;
- State whether appropriate accounting standards are respected or any application of material misstatements needs to be disclosed and justified in Office Financial Statements;
- Prepare the Office Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the Office Financial Statements so as to minimize risks and frauds.

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

Board of Management confirms that the Company has complied with the above requirements in preparing these Office Financial Statements.

HANOI WATER SUPPLY NUMBER 2 JSC STATEMENT OF THE BOARD OF MANAGEMENT

Address: Km01 - Nguyen Van Linh Street - Phuc Dong
Ward - Long Bien District - Hanoi City, Vietnam

*attached to the Office Financial Statements
for the year ended December 31, 2024*

STATEMENT OF THE BOARD OF MANAGEMENT

(continued)

Approve Office Financial Statements

We, the Board of Management and Board of Directors of Hanoi Water Supply Number 2 JSC, approve the General Financial Statements for the year ended December 31, 2024 of the Company.

Hanoi, February 25, 2025

For and on behalf of Board of Directors

Duong Quoc Tuan
Chairman

Hanoi, February 25, 2025

For and on behalf of Board of Management



Ta Ky Hung
Director

No. 2602.01-25/BC-TC/VAE

Hanoi, February 26, 2025

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders
The Management Board
Hanoi Water Supply Number 2 JSC**

We have audited the accompanying Office Financial Statements of Hanoi Water Supply Number 2 JSC (the "Company"), prepared on February 25, 2025 as set out from page 06 to page 40, which comprise: the Office Balance sheet as at December 31, 2024, the Office Income Statement and Office Cash Flow Statement for the year then ended and Notes to the Office Financial Statements.

Management Board's Responsibility

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

Auditors' Responsibility

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

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

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

Opinion

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

INDEPENDENT AUDITORS' REPORT

(continued)

Emphasis of Matter

As presented in Note No. IV.7.1 of the Notes to the Office Financial Statements, in 2024, the Company changed the depreciation period of some tangible fixed assets, as approved by the Director on June 18, 2024. This increased the depreciation expense of tangible fixed assets by VND 16,472,483,271 compared to last year.

Our opinion is not modified in respect of this matter.



Ngô Ba Duy

Deputy General Director - Audit Director
Audit Practising Registration Certificate
No. 1107-2023-034-1

For and on behalf of

VIETNAM AUDITING AND EVALUATION CO., LTD

Dang Thi Thu Hang

Auditor

Audit Practising Registration Certificate
No. 3744-2021-034-1

HANOI WATER SUPPLY NUMBER 2 JSCAddress: Km01 - Nguyen Van Linh Street - Phuc Dong Ward -
Long Bien District - Hanoi City, Vietnam**OFFICE FINANCIAL STATEMENTS**

For the year ended December 31, 2024

Form B 01 - DN

OFFICE BALANCE SHEET

As at December 31, 2024

ASSETS		Codes	Notes	31/12/2024	Unit: VND 01/01/2024
A	CURRENT ASSETS	100		281,463,653,872	232,748,881,376
I	Cash and cash equivalents	110	V.1.	91,915,251,217	57,407,054,895
1	Cash	111		78,915,251,217	39,107,054,895
2	Cash equivalents	112		13,000,000,000	18,300,000,000
II	Short-term financial investments	120	V.2.	121,465,196,780	91,286,878,335
1	Held-to-maturity investments	123		121,465,196,780	91,286,878,335
III	Short-term receivables	130		21,566,783,418	42,794,337,412
1	Short-term trade receivables	131	V.3.	10,726,349,730	12,882,752,731
2	Short-term advances to suppliers	132	V.4.	8,237,223,535	645,524,952
3	Other short-term receivables	136	V.6.	4,840,116,019	31,724,241,172
4	Provision for short-term doubtful debts	137		(2,236,905,866)	(2,458,181,443)
IV	Inventories	140	V.8.	27,559,595,472	27,864,032,390
1	Inventories	141		27,559,595,472	27,864,032,390
V	Other short-term assets	150		18,956,826,985	13,396,578,344
1	Short-term prepayments	151	V.13.	862,534,714	1,282,554,396
2	Value added tax deductibles	152		17,960,510,457	12,114,023,948
3	Taxes and other receivables from the State budget	153	V.8.	133,781,814	-
B	NON-CURRENT ASSETS	200		1,271,886,981,683	1,203,099,222,795
I	Long-term receivables	210		50,000,000	250,000,000
1	Long-term internal receivables	214	V.5.	-	200,000,000
2	Other long-term receivables	216	V.6.	50,000,000	50,000,000
II	Fixed assets	220		1,153,620,738,515	1,068,481,060,653
1	Tangible fixed assets	221	V.10.	1,151,257,240,648	1,065,687,206,055
-	Cost	222		2,518,157,303,573	2,288,688,919,678
-	Accumulated depreciation	223		(1,366,900,062,925)	(1,223,001,713,623)
2	Finance lease assets	224	V.9.	1,819,981,088	2,144,385,956
-	Cost	225		2,270,834,091	2,270,834,091
-	Accumulated depreciation	226		(450,853,003)	(126,448,135)
3	Intangible fixed assets	227	V.11.	543,516,779	649,468,642
-	Cost	228		2,043,777,890	2,043,777,890
-	Accumulated amortization	229		(1,500,261,111)	(1,394,309,248)
III	Investment property	230		-	-
IV	Long-term assets in progress	240		42,782,093,677	65,337,551,495
1	Construction in progress	242	V.12.	42,782,093,677	65,337,551,495
VI	Other long-term assets	260		75,434,149,491	69,030,610,647
1	Long-term prepayments	261	V.13.	75,434,149,491	69,030,610,647
TOTAL ASSETS (270=100+200)		270		1,553,350,635,555	1,435,848,104,171

(Notes from page 11 to page 40 are an integral part of these Financial Statements)

HANOI WATER SUPPLY NUMBER 2 JSCAddress: Km01 - Nguyen Van Linh Street - Phuc Dong Ward -
Long Bien District - Hanoi City, Vietnam**OFFICE FINANCIAL STATEMENTS**

For the year ended December 31, 2024

Form B 01 - DN

OFFICE BALANCE SHEET

As at December 31, 2024

(continued)

Unit: VND

RESOURCES	Codes	Notes	31/12/2024	01/01/2024
C LIABILITIES	300		965,707,240,421	852,561,157,475
I Current liabilities	310		229,744,494,635	203,049,343,599
1 Short - term trade payables	311	V.14.	52,829,638,140	36,532,717,562
2 Short - term advances from customers	312	V.15.	15,871,955,154	15,220,570,110
3 Taxes and amounts payable to the State budget	313	V.16.	3,686,888,874	5,513,901,736
4 Payables to employees	314		31,774,436,965	21,817,654,596
5 Short-term accrued expenses	315	V.17.	9,093,580,724	7,893,033,744
6 Other current payables	319	V.18.	62,730,617,269	61,320,750,130
7 Short-term loans and obligations under finance leases	320	V.19.	47,826,989,520	49,038,489,520
8 Bonus and welfare funds	322		5,930,387,989	5,712,226,201
II Long-term liabilities	330		735,962,745,786	649,511,813,876
1 Other long-term payables	337	V.18.	265,050,599,848	280,729,192,093
2 Long-term loans and obligations under finance leases	338	V.19.	470,912,145,938	368,782,621,783
D EQUITY	400		587,643,395,134	583,286,946,696
I Owner's equity	410	V.20.	587,383,159,073	583,012,555,535
1 Owners' contributed capital	411		568,000,000,000	568,000,000,000
- Ordinary shares with voting rights	411a		568,000,000,000	568,000,000,000
2 Retained earnings	421		19,383,159,073	15,012,555,535
- Retained earnings accumulated to the prior year end	421a		-	-
- Retained earnings of the current year	421b		19,383,159,073	15,012,555,535
II Other resources and funds	430		260,236,061	274,391,161
1 Funds for fixed assets acquisition	432		260,236,061	274,391,161
TOTAL RESOURCES (440=300+400)	440		1,553,350,635,555	1,435,848,104,171

Hanoi, February 25, 2025

Prepared by

Chief Accountant

Director

Dao Thi Huong

Le Thi Ngoc Lan

Ta Ky Hung



(Notes from page 11 to page 40 are an integral part of these Financial Statements)

HANOI WATER SUPPLY NUMBER 2 JSCAddress: Km01 - Nguyen Van Linh Street - Phuc Dong
Ward - Long Bien District - Hanoi City, Vietnam**OFFICE FINANCIAL STATEMENTS**

For the year ended December 31, 2024

Form B 02 - DN

OFFICE INCOME STATEMENT

For the year ended December 31, 2024

Items	Codes	Notes	Unit: VND	
			Year 2024	Year 2023
1. Gross revenue from goods sold and services rendered	01	VI.1.	739,806,069,024	552,277,059,810
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		739,806,069,024	552,277,059,810
4. Cost of sales	11	VI.2.	382,589,312,056	311,812,439,269
5. Gross profit from goods sold and services rendered (20=10-11)	20		357,216,756,968	240,464,620,541
6. Financial income	21	VI.3.	4,730,407,767	6,808,178,796
7. Financial expenses	22	VI.4.	27,774,722,015	23,540,941,173
In which: Interest expense	23		27,774,722,015	23,540,941,173
8. Selling expenses	25	VI.5.	280,353,309,454	187,318,692,774
9. General and administration expenses	26	VI.5.	51,251,719,576	40,967,637,245
10. Operating profit {30=20+(21-22)-(25+26)}	30		2,567,413,690	(4,554,471,855)
11. Other income	31	VI.6.	21,851,279,468	23,359,371,404
12. Other expenses	32	VI.7.	82,324,879	5,159,639
13. Profit from other activities (40=31-32)	40		21,768,954,589	23,354,211,765
14. Accounting profit before tax (50=30+40)	50		24,336,368,279	18,799,739,910
15. Current corporate income tax expense	51	VI.9.	4,953,209,206	3,787,184,375
16. Deferred corporate tax (income)/expense	52		-	-
17. Net profit after corporate income tax (60=50-51-52)	60		19,383,159,073	15,012,555,535

Hanoi, February 25, 2025

Prepared by

Chief Accountant

Director



Dao Thi Huong

Le Thi Ngoc Lan

Ta Ky Hung

(Notes from page 11 to page 40 are an integral part of these Financial Statements)

OFFICE CASH FLOWS STATEMENT

(Under indirect method)

For the year ended December 31, 2024

				Unit: VND
Items	Codes	Notes	Year 2024	Year 2023
I. Cash flows from operating activities				
1. Profit before tax	01		24,336,368,279	18,799,739,910
2. Adjustments for				
- Depreciation and amortisation of fixed assets and investment properties	02		144,314,550,933	117,842,847,132
- Provisions	03		(221,275,577)	586,399,494
- Gain, loss from investing activities	05		(4,730,407,767)	(6,808,178,796)
- Interest expense	06		27,774,722,015	23,540,941,173
3. Operating profit before movements in working capital	08		191,473,957,883	153,961,748,913
- Increase, decrease in receivables	09		3,175,559,658	(35,540,595,800)
- Increase, decrease in inventories	10		(112,182,495,903)	(43,252,302,387)
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11		112,537,997,080	55,784,433,771
- Increase, decrease in prepaid expense	12		11,135,988,545	(22,198,421,248)
- Interest paid	14		(27,215,318,595)	(23,183,323,558)
- Corporate income tax paid	15		(7,582,604,948)	(2,029,631,353)
- Other cash inflows	16		159,960,000	43,880,000
- Other cash outflows	17		(7,457,572,334)	(8,620,627,500)
Net cash flows from operating activities	20		164,045,471,386	74,965,160,838
II. Cash flows from investing activities				
1. Acquisition and construction of fixed assets and other long-term assets	21		(197,846,118,009)	(199,646,571,826)
2. Cash outflow for lending, buying debt instruments of other entities	23		(73,741,997,125)	(35,529,142,092)
3. Cash recovered from lending, selling debt instruments of other entities	24		43,563,678,680	33,025,171,779
4. Interest earned, dividends and profits received	27		5,066,737,235	6,555,279,101
Net cash flows used in investing activities	30		(222,957,699,219)	(195,595,263,038)
III. Cash flows from financing activities				
1. Proceeds from borrowings	33		157,032,813,675	168,071,526,822
2. Repayment of borrowings	34		(55,762,085,520)	(31,711,274,604)
3. Repayment of obligations under finance leases	35		(352,704,000)	(879,776,706)
4. Dividends and profits paid	36		(7,497,600,000)	(7,043,200,000)
Net cash flows from financing activities	40		93,420,424,155	128,437,275,512

(Notes from page 11 to page 40 are an integral part of these Financial Statements)

HANOI WATER SUPPLY NUMBER 2 JSC

Address: Km01 - Nguyen Van Linh Street - Phuc Dong Ward -
Long Bien District - Hanoi City, Vietnam

OFFICE FINANCIAL STATEMENTS

For the year ended December 31, 2024

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OFFICE CASH FLOWS STATEMENT

(Under indirect method)

For the year ended December 31, 2024

(continued)

Unit: VND

Items	Codes	Notes	Year 2024	Year 2023
Net cash flows during the year (50 = 20+30+40)	50		34,508,196,322	7,807,173,312
Cash and cash equivalents at the beginning of the year	60		57,407,054,895	49,599,881,583
Effects of changes in foreign exchange rates	61		-	-
Cash and cash equivalents at the end of the year (70=50+60+61)	70	V.01	91,915,251,217	57,407,054,895

Hanoi, February 25, 2025

Prepared by

Chief Accountant

Director









Dao Thi Huong

Le Thi Ngoc Lan

Ta Ky Hung

(Notes from page 11 to page 40 are an integral part of these Financial Statements)

NOTES TO THE OFFICE FINANCIAL STATEMENTS*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***I. General information****1. Structure of ownership**

Hanoi Water Supply Number 2 JSC (hereinafter referred to as "the Company") is a Joint Stock Company converted from a State-owned Enterprise - Hanoi Water Supply Number 2 One Member Co., Ltd. The Company operates under Business Registration Certificate No. 0100106088 issued by the Hanoi Department of Planning and Investment on June 26, 2015. The Company has changed its Business Registration Certificate 7 times.

According to Business Registration Certificate No. 0100106088 dated September 16, 2020, the Company's charter capital is VND 568,000,000,000 (Five hundred sixty-eight billion VND)

Shares of the Company were listed on the UPCOM Stock Exchange under the securities code of NS2.

2. Operating industry

The Company operates in the field of water exploitation and supply.

3. Principal activities

- Water exploitation, treatment and supply;
- Architectural activities and related technical consulting;
- The remaining business support service activities have not been classified yet. Details: Import and export of the company's business items;
- Other dedicated construction activities;
- Water exploitation, treatment and supply;
- Installation of other construction systems. Details: construction, and installation of fire prevention and fighting systems;
- Installation of industrial machinery and equipment. Details: Assembly of fire prevention and fighting equipment and vehicles;
- Install water supply and drainage systems, heating and air conditioning;
- Research and develop experiments in natural sciences and engineering. Details: research and experimental development of natural sciences;
- Technical testing and analysis. Details: Water quality testing, cold water meter testing;
- Scientific research and technological development in the field of science, engineering and technology. Details: research and experimental development of science and technology;
- Motor vehicle rental;
- Installing electrical systems;
- Construction of other public works. Details: public utility construction;
- Constructing other civil engineering projects.

The Company's Head Office: Km01 - Nguyen Van Linh Street - Phuc Dong Ward - Long Bien District - Hanoi City, Vietnam

4. Normal production and business cycle

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

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***5. The Company's structure***- The list of subordinate units includes:*

Name	Address
Hanoi Water Supply Number 2 JSC Branch - Long Bien Clean Water Enterprise	Km01 - Nguyen Van Linh Street - Phuc Dong Ward - Long Bien District - Hanoi City
Hanoi Water Supply Number 2 JSC Branch - Dong Anh Clean Water Enterprise	Kinh No Village - Uy No Commune - Dong Anh District - Hanoi City
Hanoi Water Supply Number 2 JSC Branch - Gia Lam Clean Water Enterprise	Village 7 - Dinh Xuyen Commune - Gia Lam District - Hanoi City
Hanoi Water Supply Number 2 JSC Branch - Construction Enterprise	Village 7 - Dinh Xuyen Commune - Gia Lam District - Hanoi City
Hanoi Water Supply Number 2 JSC Branch - Design survey consulting Enterprise	Km01 - Nguyen Van Linh Street - Phuc Dong Ward - Long Bien District - Hanoi City
Hanoi Water Supply Number 2 JSC Branch - Water Meter Inspection and Repair Center	Village 7 - Dinh Xuyen Commune - Gia Lam District - Hanoi City

6. Disclosure of information comparability in the Office Financial Statements

Comparative figures are the figures of the Company's audited Office Financial Statements for the year ended December 31, 2024.

7. Number of employees

As at December 31, 2024, the Company has 529 employees (As at December 31, 2023: 518 employees)

II. Accounting period, accounting convention**1. Accounting period**

The Company's accounting period begins on 01 January and ends on 31 December of the calendar year.

2. Accounting currency

The currency used in accounting is Vietnam dong ("VND") accounted under the principle of historical cost, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and the legal regulations related to the preparation and presentation of Office Financial Statements.

III. Applied accounting regime and standards**1. Applied accounting regime and standards**

The Company applies Vietnamese Accounting regime and Vietnamese Accounting Standards for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22/12/2014 by Ministry of Finance guiding the Accounting Regime for Enterprises and Circular No. 53/2016/TT-BTC dated 21/03/2016 by Ministry of Finance regarding amendment to some articles of Circular No. 200/2014/TT-BTC.

NOTES TO THE OFFICE FINANCIAL STATEMENTS *(continued)**(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***2. Statement on the compliance to Accounting Standards and Accounting regime**

The Company's Office Financial Statements are prepared and presented in accordance with Vietnamese Accounting Standards and current Vietnamese Accounting regime for enterprises and the laws and regulations in relation to the preparation and presentation of Office Financial Statements.

IV. Summary of Significant accounting policies**1. Basis for the consolidation of Office Financial Statements preparation**

The Office Financial Statements are prepared as the Financial Statements of the Company's Office excluding figures of its subsidiaries. At the same time, the Company also prepares the Combined Financial Statements of the Company's Office and its subsidiaries for the year ending December 31, 2024, by Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Regime and legal regulations related to the preparation of Financial Statements.

Users of the Office Financial Statements should read them together with the Combined Financial Statements in order to obtain full information on the consolidated financial position, consolidated results of operations, and Combined Cash Flows of the Company.

2. Accounting estimates

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

3. Principle of recognizing cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4. Accounting principle for financial investments***Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity. Held-to-maturity investments include term deposits.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the Office income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for doubtful debts (if any).

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

NOTES TO THE OFFICE FINANCIAL STATEMENTS *(continued)**(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***5. Accounting principle for receivables**

Receivables are presented as net book value less allowance for doubtful and bad debts. Classification of receivables is made on the following principle:

- Trade accounts receivable consist of receivables with their commercial nature arising from transactions with their purchasing-selling nature between the Company and buyers who are independent entities from the Company.
- Internal receivables reflect receivables from affiliated units without legal entity status that are dependent on accounting
- Other receivables consist of receivables with their non-commercial nature, not related to transactions with their purchasing-selling nature.

Provision for bad debts is set aside for overdue receivables recorded in economic contracts, contract commitments, or debt repayment commitments that the enterprise has claimed many times but has not yet recovered, or receivable debts that the debtor is unlikely to be able to pay due to liquidation, bankruptcy or similar difficulties.

Increase, decrease in provision for bad and doubtful debts to be made at the cut-off date for Office Financial Statements shall be recognized into general administration expenses.

6. Principle for recognizing inventories

Inventories are recognized at the lower price between historical cost and net realizable value. Historical cost of inventories consists of expenses of acquisition, processing and other directly related expenses (if any) incurred to bring inventories to their present location and condition.

Net realizable value is determined as the estimated selling price of inventories during the normal business period minus the estimated costs to complete and necessary estimated costs to sell.

Value of inventories is determined under using the weighted average method and accounted for by perpetual method.

As of December 31, 2024, the Company does not have inventory that requires a provision for devaluation.

7. Principle for fixed asset recognition and depreciation**7.1 Principle for tangible fixed asset recognition and depreciation**

Tangible fixed assets are recognized at their historical cost, presented in the Office Balance Sheet under the items of historical cost, accumulated depreciation and carrying amount.

The historical cost of procured tangible fixed assets includes their purchase price (excluding trade discount or other discount), taxes and directly related costs to bring such assets into the ready-for-use state.

Historical cost of fixed assets which are constructed by contractors includes value of completed and handover works, directly-related costs and stamp duty.

The historical cost of procured tangible fixed assets include actual price of tangible fixed assets which are self-constructed or self-made and their installation and commissioning expense.

The expenses incurred after the initial recognition of tangible fixed assets are recorded as the increases of historical cost of assets when these expenses are sure to increase economic benefits in the future. The incurred expenses which do not satisfy the above conditions are recognized into production and business operation expense in the year.

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

The Company applied straight-line depreciation method to tangible fixed assets. Tangible fixed assets are accounted and classified into groups by their nature and purpose of utilization in the Company's production and business operation, including:

<i>Type of fixed assets</i>	<i>Depreciation duration <years></i>	
	<i>Year 2023</i>	<i>Year 2024</i>
Building and structures	05 - 30	05 - 20
Machinery, equipment	03 - 10	03 - 10
Means of transport, transmission equipment	06 - 30	05 - 25
Office equipment and tools	03 - 05	03 - 05

In 2024, the Company changed the depreciation period of some tangible fixed assets, as approved by the Director on June 18, 2024. This will result in an increase in depreciation expenses of VND 16,472,483,271 compared to the same period last year. Accordingly, the accumulated depreciation value of tangible fixed assets on the Office's Balance Sheet as of December 31, 2024, will increase by VND 16,472,483,271. Depreciation expenses will increase, and pre-tax accounting profit will decrease by a corresponding value of VND 16,472,483,271

7.2 Principle for intangible fixed asset recognition and amortization

Intangible fixed assets are recognized at their historical cost, presented in the Office Balance Sheet under the items of historical cost, accumulated amortization and carrying amount.

The historical cost of intangible fixed assets includes all costs that the Company must spend to acquire the fixed asset up to the time the asset is put into a ready-to-use state. Expenses related to intangible fixed assets incurred after initial recognition are recognized as production and business expenses in the period, unless these expenses are associated with a specific intangible asset and increase the economic benefits from these assets.

When fixed assets are sold and liquidated, their original cost and accumulated depreciation are written off and profits and losses arising from liquidation are recorded in income or expenses during the year.

Intangible fixed asset of the Company is Computer software

Computer software

Costs in relation to translation computer software are not an integral part of the relevant capitalized hardware. Historical costs of computer softwares is the whole expenditure paid by the Company until the softwares are put into use. Computer softwares are amortized on straight line basis from 02 to 20 years.

8. Principle for finance lease assets recognition and depreciation

Leases are classified as finance leases if substantially all the risks and rewards incidental to ownership of the asset remain with the lessee. Finance leased fixed assets are stated at cost less accumulated depreciation. The cost of a finance leased fixed asset is the lower of the fair value of the leased asset at the inception of the lease contract and the present value of the minimum lease payment.

The discount rate to calculate the present value of the minimum rental payment for a property lease is the interest rate implicit in the property lease contract or the interest rate stated in the contract. In case the interest rate implicit in the lease contract cannot be determined, the loan interest rate at the beginning of the asset lease is used.

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

Finance leased fixed assets are depreciated using the straight-line method over their estimated useful lives. In cases where there is no reasonable certainty that the Company will obtain ownership at the end of the lease term, the fixed assets are depreciated over the shorter of the lease term and the estimated useful life. The depreciation years for the various types of leased fixed assets are as follows:

<i>Type of fixed assets</i>	<i>Depreciation duration <years></i>
Means of transport	07

9. Principle for recognizing construction in progress

The Company's construction-in-progress costs include renovating water supply stations, renovating and upgrading water supply systems, and other works recorded at cost. These costs include construction, service, and related expenses to the Company's accounting policy.

10. Principle for recognition and allocation of prepayment expenses

Prepaid expenses include expenses that have been incurred but are actually related to production and business results of many accounting periods. Prepaid expenses include costs of chemicals awaiting allocation; costs of installing water machines in the allocated waiting house; replacing centralized meters awaiting allocation and costs of repairing and renovating the water supply network.

Chemical costs awaiting allocation are allocated to the General Business Results Report according to water production output during the period.

Costs of installing water machines in the distribution waiting house; costs of replacing centralized meters awaiting distribution and costs of repairing and renovating the water supply network are allocated to the Office income statement using the straight-line method from 24 to 36 months.

11. Accounting principle for liabilities

Liabilities are amounts payable to suppliers and other subjects. Liabilities comprise trade accounts payable and other payables. Liabilities are not recorded at lower amounts than payment obligation. Classification of liabilities is made on the following principle:

- Trade accounts payable comprise liabilities with their commercial nature arising from purchasing goods, services, and assets and the suppliers are independent buyers.
- Internal payables include amounts payable between superior units and subordinate units that do not have dependent accounting legal status;
- Other amounts payable comprise amounts payable with their non-commercial nature, not related to transactions of purchasing, selling and supplying goods, services.

Liabilities are monitored by details of each item and due date.

12. Principle for recognizing loans and obligations under finance lease

Loans and financial lease liabilities are recorded on the basis of receipts, bank documents, contracts and loan and financial lease contracts.

Loans and financial leases are tracked by subject, term, and currency.

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***13. Principle for recognition and capitalization of borrowing costs**

Borrowing costs include loan interest and other costs incurred directly related to the loans.

Borrowing costs are recorded in production and business expenses in the period in which they arise, unless capitalized according to the provisions of Accounting Standards "Borrowing costs". Accordingly, borrowing costs directly related to the purchase, construction investment or production of assets that take a relatively long time to complete and put into use or business are added to the historical cost of the asset for until that asset is put into use or business. Income from temporary investment in loans is recorded as a reduction in the cost of the relevant asset. For separate loans serving the construction of fixed assets or investment real estate, interest is capitalized even if the construction period is less than 12 months.

14. Principle for recognizing accrued expense

The Company's payable expenses include: accrued loan interest expenses and accrued forest environmental service fees which are actual expenses incurred in the reporting period but have not yet been paid due to the lack of invoices. Invoices or incomplete accounting records and documents are recorded in production and business expenses of the reporting period and payables that have not yet arisen because goods and services have not been recorded but are included in advance expenses. Production and business expenses this period to ensure that when they arise, they are zero causing sudden changes in production and business costs.

Accrued expenses on production and business expenses in the period are calculated strictly with reasonable and reliable evidence on the expenses to be accrued in the period to ensure the accounting expenses payable to be accounted will match the actual costs incurred.

15. Principle for recognizing owner's equity

Capital investment of the Company's owners is recognized by shareholders' actual capital contribution.

Profit after corporate income tax is allocated to shareholders right after funds are made for under the Corporation Article of the Company as well as legal regulations and upon approval of the Annual General Meeting.

Retained earnings are the profit amounts from enterprise's business operation after deducting CIT expense this year and the retroactive adjustments due to changes in accounting policies and the retroactive adjustment of material misstatements in the previous years.

Dividend is recognized as a payable upon approval by the Annual General Meeting.

16. Principle and method of recognizing other revenue, income

The Company's revenue includes revenue from clean water sales, construction and design activities, and services, and other revenue from interest on bank deposits.

Revenue from sales of clean water

Revenue from sales of clean water is recognised when all five (5) following conditions are satisfied:

- The Company has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- Turnover is determined with relative certainty;
- The Company gained or will gain economic benefits from the sale transaction; and

NOTES TO THE OFFICE FINANCIAL STATEMENTS *(continued)**(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)*

- It is possible to determine the costs related to the goods sale transaction.

Revenue from services rendered

Revenue from a service transaction is recognized when the outcome of such transaction is determined reliably. In case such transaction of services rendered is related to many periods, the revenue is recognized in the period corresponding to the completed work item as at the date of Office Financial Statements for such period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- Turnover is determined with relative certainty. In case the contract specifies that buyers have the right to return services that were bought under specific terms, the revenue is only recognized when these specific terms no longer exist and the buyers have no right to return services rendered;
- It is possible to obtain economic benefits from the service provision transaction;
- The work volume completed on the cut-off date of the Office Financial Statements can be determined; and
- The costs incurred from the transaction and the costs of its completion can be determined.

Revenue from construction contracts

When the results of contract performance are reliably estimated:

- For construction contracts that stipulate that the contractor is paid according to the planned progress, revenue and costs related to the contract are recorded corresponding to the completed work as determined by the Company at the end of the year. Closing date of Financial Statements.
- For construction contracts where the contractor is paid according to the value of the volume performed, revenue and costs related to the contract are recorded corresponding to the completed work confirmed by the customer. and are reflected on the invoice issued

Increases and decreases in construction volume, compensation, and other revenues are only recorded as revenue when agreed with customers.

When the results of the performance of a construction contract cannot be estimated reliably, then:

- Revenue is only recognized as equivalent to the contract costs incurred, whose repayment is relatively certain.
- Contract costs are recognized as expenses only when incurred.

The difference between the total cumulative revenue of the construction contract recorded and the cumulative amount recorded on the invoice for payment according to the planned progress of the contract is recorded as receivable or payable according to the planned progress of the construction contracts.

Interest income

Interest amounts are recognized on accrual basis, being determined on balances of deposits and actual interest rate in the period.

17. Principle and method of recognizing financial expense

Financial expense recognized in the Office Income Statement is the total financial expense incurred in the period, without offset with revenue from financing activities, including interest expense.

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

18. Tax liabilities

Value added tax (VAT)

The Company declares and calculates VAT under the guidelines of current Taxation Law.

Corporate income tax

Corporate income tax represents the total amount of current tax payable.

Current tax payable is calculated on taxable profit in the period. Taxable income differs from net profit presented in the Income Statement because taxable income does not include assessable incomes or expenses or deductible one in other years (including losses carried forward, if any) and it further excludes items that are non-taxable or non-deductible.

The Company applies the corporate income tax rate of 20% on taxable profits.

The corporate income tax of the Company is determined in conformity with current tax regulations. However, these regulations may change from time to time and the final determination of corporate income tax depending on the tax check results of the competent tax authorities.

Other taxes

Other taxes and fees are declared and paid by businesses to local tax authorities according to current tax laws in Vietnam.

V. Additional information of items presented in the Office Balance Sheet

1. Cash and cash equivalents

	31/12/2024	01/01/2024
	VND	VND
Cash	78,915,251,217	39,107,054,895
Cash on hand	5,128,817,921	3,541,393,327
Cash in bank	73,786,433,296	35,565,661,568
Cash equivalents	13,000,000,000	18,300,000,000
Bank deposits with original term not exceeding 3 months (*)	13,000,000,000	18,300,000,000
Total	91,915,251,217	57,407,054,895

(*) Bank deposits with an original term of no more than 3 months with interest rates from 1.9% - 3.6%/year.

2. Financial investments

Held-to-maturity investments

	31/12/2024		01/01/2024	
	Cost	Carrying amount	Cost	amount
Short-term				
Term Deposit (*)				
Bank for Investment and Development of Cambodia - Hanoi Branch	10,000,000,000	10,000,000,000	-	-

Unit: VND

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

Vietnam Joint Stock Commercial Bank for Industry and Trade - North Ha Noi Branch	52,855,728,287	52,855,728,287	27,265,782,385	27,265,782,385
Military Commercial Joint Stock Bank - Dien Bien Phu Branch	7,000,000,000	7,000,000,000	7,000,000,000	7,000,000,000
Finance leasing Company Limited - Vietnam Joint Stock Commercial bank for Industry and Trade	-	-	42,021,095,950	42,021,095,950
Vietnam Prosperity Joint Stock Commercial Bank	26,609,468,493	26,609,468,493	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hong Ha Branch	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch	17,000,000,000	17,000,000,000	12,000,000,000	12,000,000,000
Shinhan Bank Vietnam Limited - Pham Hung Branch	5,000,000,000	5,000,000,000	-	-
Total	121,465,196,780	121,465,196,780	91,286,878,335	91,286,878,335

(*) These are deposits with terms from 5 months to 12 months with interest rates from 2.64%/year to 5.4%/year.

3. Trade receivables

	31/12/2024		01/01/2024	
	VND		VND	
	Amount	Provision	Amount	Provision
Short - term				
An Phat Construction and Architecture Consultant JSC	1,090,080,000	(1,090,080,000)	1,321,874,640	(1,321,874,640)
The city budget supports clean water for daily use in the 3 communes of Nam Son, Bac Son and	4,880,124,863	-	4,802,392,060	-
Receivables from Gia Lam Clean Water	2,088,385,411	(425,577,304)	1,143,980,266	(571,990,133)
Others	2,667,759,456	(413,703,192)	5,614,505,765	(256,771,300)
Total	10,726,349,730	(1,929,360,496)	12,882,752,731	(2,150,636,073)

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***4. Advances to suppliers**

	31/12/2024 VND	01/01/2024 VND
<i>Short - term</i>		
Minh Vu Construction Company Limited	-	353,274,000
Ky Anh Trading Company Limited	2,738,762,000	-
Hung Anh Hanoi Trading and Service Company Limited	2,580,014,000	-
Thang Ha Steel JSC	1,746,242,000	-
Others	1,172,205,535	292,250,952
Total	8,237,223,535	645,524,952

5. Internal receivables

	31/12/2024 VND	01/01/2024 VND
<i>Long-term</i>		
Water Meter Inspection and Repair Center	-	200,000,000
Total	-	200,000,000

6. Other receivables

	31/12/2024 VND		01/01/2024 VND	
	Amount	Provision	Amount	Provision
a) Short - term	4,840,116,019	(307,545,370)	31,724,241,172	(307,545,370)
Advances	-	-	897,400,000	-
Other receivables	4,840,116,019	(307,545,370)	30,826,841,172	(307,545,370)
Accrued interest from deposit	858,253,326	-	1,193,764,207	-
VAT on purchase of materials, electricity, clean water, finance leased cars	248,170,466	-	1,178,525,360	-
Other receivables of Long Bien Clean Water Enterprise	389,133,433	-	734,677,390	-
Other receivables of Dong Anh Clean Water Enterprise	621,158,461	-	1,771,464,961	-
Other receivables of Construction Enterprise	1,019,348,049	(307,545,370)	1,863,834,723	(307,545,370)
Receivable under the local budget support plan	-	-	23,248,323,000	-
Others	1,704,052,284	-	836,251,531	-
b) Long- term	50,000,000	-	50,000,000	-
Collaterals, deposits	50,000,000	-	50,000,000	-
Total	4,890,116,019	(307,545,370)	31,774,241,172	(307,545,370)

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

7. Bad debts	31/12/2024		01/01/2024	
	VND		VND	
	Cost	Provision	Cost	Provision
Total value of receivables, that are overdue or not overdue but difficult to recover;				
<i>Trade receivables</i>	2,450,117,541	520,757,045	2,899,763,906	749,127,833
An Phat Construction and Architecture Consultant JSC	1,090,080,000	-	1,321,874,640	-
Receivables from Gia Lam Clean Water	683,999,301	258,421,997	1,143,980,266	571,990,133
Management Board of Project to Renovate and upgrade Provincial Road 179, the section from Doc Loi to Road 181	219,895,000	92,844,580	219,895,000	177,137,700
Others	456,143,240	169,490,468	214,014,000	-
<i>Other receivables</i>	307,545,370	-	307,545,370	-
Other receivables of Construction Enterprise	307,545,370		307,545,370	-
Total	2,757,662,911	520,757,045	3,207,309,276	749,127,833

8. Inventories	31/12/2024		01/01/2024	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	25,611,158,125	-	25,237,828,520	-
Tools and supplies	3,122,476	-	3,122,476	-
Work in progress	1,945,314,871	-	2,623,081,394	-
Total	27,559,595,472	-	27,864,032,390	-

9. Increases, decreases in Finance lease assets		Unit: VND	
Items	Means of transport	Total	
<i>Cost</i>			
Balance as at 01/01/2024	2,270,834,091	2,270,834,091	
Balance as at 31/12/2024	2,270,834,091	2,270,834,091	
<i>Accumulated depreciation</i>			
Balance as at 01/01/2024	126,448,135	126,448,135	
Depreciation in the year	324,404,868	324,404,868	
Balance as at 31/12/2024	450,853,003	450,853,003	
<i>Net book value</i>			
As at 01/01/2024	2,144,385,956	2,144,385,956	
As at 31/12/2024	1,819,981,088	1,819,981,088	

HANOI WATER SUPPLY NUMBER 2 JSC

Address: Km01 - Nguyen Van Linh Street - Phuc Dong Ward - Long Bien District - Hanoi City, Vietnam

OFFICE FINANCIAL STATEMENTS

For the year ended December 31, 2024

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NOTES TO THE OFFICE FINANCIAL STATEMENTS *(continued)**(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***10. Increases, decreases in tangible fixed assets**

Items	Building and structures	Machinery, equipment	Means of transport, transmission	Office equipment and tools	Unit: VND Total
<i>Cost</i>					
Balance as at 01/01/2024	299,471,346,471	95,891,892,247	1,891,397,512,137	1,928,168,823	2,288,688,919,678
Purchase in the year	-	1,268,295,000	-	-	1,268,295,000
Completed construction	-	-	228,200,088,895	-	228,200,088,895
Balance as at 31/12/2024	299,471,346,471	97,160,187,247	2,119,597,601,032	1,928,168,823	2,518,157,303,573
<i>Accumulated depreciation</i>					
Balance as at 01/01/2024	173,441,351,284	60,685,160,162	987,071,250,637	1,803,951,540	1,223,001,713,623
Depreciation in the year	19,688,077,870	7,454,320,674	116,720,718,218	35,232,540	143,898,349,302
Balance as at 31/12/2024	193,129,429,154	68,139,480,836	1,103,791,968,855	1,839,184,080	1,366,900,062,925
<i>Net book value</i>					
As at 01/01/2024	126,029,995,187	35,206,732,085	904,326,261,500	124,217,283	1,065,687,206,055
As at 31/12/2024	106,341,917,317	29,020,706,411	1,015,805,632,177	88,984,743	1,151,257,240,648

Closing net book value of tangible fixed assets used for mortgage, collateral to secure borrowing amounts: VND 527,337,656,392 (As at 31/12/2023: VND 429,363,669,279)

Historical cost of fixed assets which have been fully depreciated but still in use: VND 352,118,518,887 (As at 31/12/2023: VND 293,519,761,459)

(*) In 2024, the Company changed the depreciation period of some tangible fixed assets, resulting in an increase in depreciation expense in 2024 of VND 16,472,483,271 compared to the same period last year.

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***11. Increases, decreases in intangible fixed assets**

Unit: VND

Items	Software program	Total
<i>Cost</i>		
Balance as at 01/01/2024	2,043,777,890	2,043,777,890
Purchase in the year	-	-
Balance as at 31/12/2024	2,043,777,890	2,043,777,890
<i>Accumulated amortization</i>		
Balance as at 01/01/2024	1,394,309,248	1,394,309,248
Amortization in the year	105,951,863	105,951,863
Balance as at 31/12/2024	1,500,261,111	1,500,261,111
<i>Net book value</i>		
As at 01/01/2024	649,468,642	649,468,642
As at 31/12/2024	543,516,779	543,516,779
- Historical cost of indefinite land use right without amortization: VND 620,500,000 (As at 31/12/2023: VND 620,500,000).		

12. Construction in progress

	31/12/2024 VND	01/01/2024 VND
Sai Dong water supply station improvement project	-	2,940,553,507
Project to build a transmission pipeline connecting Long Bien ring network in 2022	22,482,193,256	131,723,776
Investment project to expand and complete the centralized water supply network in Soc Son area - Phase 4	20,105,865,329	-
Installation and repair expenses	75,576,712	4,894,265,313
Construction investment project to expand and complete the centralized water supply network in Dong Anh area - Phase I	-	56,927,216,912
Other projects	118,458,380	443,791,987
Total	42,782,093,677	65,337,551,495

13. Prepayments

	31/12/2024 VND	01/01/2024 VND
<i>a) Short-term</i>	<i>862,534,714</i>	<i>1,282,554,396</i>
Chemical costs awaiting allocation	862,534,714	1,040,887,730
Fees for issuing electronic invoices	-	241,666,666
<i>b) Long-term</i>	<i>75,434,149,491</i>	<i>69,030,610,647</i>
The cost of installing a water engine into the house is awaiting allocation	53,594,130,120	41,887,037,015
Meter replacement costs are concentrated and awaiting allocation	7,047,068,498	20,785,501,926
Repair and renovate water supply networks	14,792,950,873	6,358,071,706
Total	76,296,684,205	70,313,165,043

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NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***14. Trade payables**

	31/12/2024		01/01/2024	
	VND		VND	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
a) Short - term				
Song Duong Water Plant	10,237,265,220	10,237,265,220	3,781,070,977	3,781,070,977
Hanoi Water Limited	8,806,665,000	8,806,665,000	15,433,542,825	15,433,542,825
Lien Thang Trading Company Limited	15,027,685,088	15,027,685,088	-	-
Thanh Binh Clean Water and Water Materials Trading JSC	-	-	5,420,157,984	5,420,157,984
DNP HAWACO JSC	8,229,735,000	8,229,735,000	8,567,100,000	8,567,100,000
Others	10,528,287,832	10,528,287,832	3,330,845,776	3,330,845,776
Total	52,829,638,140	52,829,638,140	36,532,717,562	36,532,717,562

b) Trade payables from related parties: Details are presented in Note VIII.2**15. Advances from customers**

	31/12/2024	01/01/2024
	VND	VND
Short - term		
Project Advance Payment	14,540,823,532	14,780,037,383
Collect water machine installation fee	1,206,098,929	332,863,231
Collect fees for other services	125,032,693	107,669,496
Total	15,871,955,154	15,220,570,110

16. Taxes and amounts payable to the State budget

	01/01/2024	Payable during the year	Paid during the year	Unit: VND
				31/12/2024
a) Payables				
Corporate income tax	2,495,613,928	4,953,209,206	7,448,823,134	-
Personal income tax	82,454,322	5,750,928,723	5,693,563,236	139,819,809
Resource tax	460,981,600	5,723,748,000	5,719,854,800	464,874,800
Housing tax, land rent	-	1,065,332,671	1,065,332,671	-
Other taxes	-	815,150,079	732,825,200	82,324,879
Fees, charges, and other payables	2,474,851,886	34,777,520,762	34,252,503,262	2,999,869,386
Total	5,513,901,736	53,085,889,441	54,912,902,303	3,686,888,874
b) Receivable				
Corporate income tax	-	-	133,781,814	133,781,814
Total	-	-	133,781,814	133,781,814

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

17. Accrued expenses

	31/12/2024	01/01/2024
	VND	VND
<i>Short - term</i>		
Accrued interest	1,699,133,696	1,242,673,956
Forest environmental protection fee payable	7,394,447,028	6,650,359,788
Total	9,093,580,724	7,893,033,744

18. Other payables

	31/12/2024	01/01/2024
	VND	VND
<i>a) Short-term</i>	<i>62,730,617,269</i>	<i>61,320,750,130</i>
Other payables	62,730,617,269	61,320,750,130
Other payables of Long Bien Clean Water Enterprise	1,353,666,491	665,699,826
Other payables of Dong Anh Clean Water Enterprise	423,530,116	483,577,789
Other payables of Construction Enterprise	19,010,486,184	20,016,303,675
Other payables of Design survey consulting Enterprise	2,697,647,370	1,590,813,235
Other payables of Gia Lam Clean Water Enterprise	7,534,577,463	7,026,663,616
Hanoi Water Limited Company (*)	19,818,735,626	19,818,735,626
Hanoi City Budget (**)	5,882,381,432	5,882,381,432
Others	6,009,592,587	5,836,574,931
<i>b) Long-term</i>	<i>265,050,599,848</i>	<i>280,729,192,093</i>
Collaterals, deposits received	113,157,000	-
Other payables	264,937,442,848	280,729,192,093
Hanoi Water Limited Company (*)	156,089,445,376	165,998,813,189
Hanoi City Budget (**)	108,847,997,472	114,730,378,904
Total	327,781,217,117	342,049,942,223

(*) Amounts payable in terms of advance investment capital from the State Budget are reimbursed by depreciation of fixed assets through Hanoi Clean Water Company Limited.

(**) Amounts payable in terms of advance investment capital from the State Budget are reimbursed by depreciation of fixed assets through the Investment Fund.

c) Other payables from related parties: Details are presented in Note VIII.2

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18. Loans and obligations under finance leases

	31/12/2024		In the year		01/01/2024	
	VND		VND		VND	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
a) Short - term	47,826,989,520	47,826,989,520	54,903,289,520	56,114,789,520	49,038,489,520	49,038,489,520
a1) Long-term loan due	47,474,285,520	47,474,285,520	54,550,585,520	55,762,085,520	48,685,785,520	48,685,785,520
Bank for Investment and Development of Cambodia - Hanoi Branch (1)	3,344,000,000	3,344,000,000	3,344,000,000	3,344,000,000	3,344,000,000	3,344,000,000
Vietnam Joint Stock Commercial Bank For Industry and Trade - North Ha Noi Branch (2)	5,684,000,000	5,684,000,000	5,684,000,000	5,684,000,000	5,684,000,000	5,684,000,000
Vietnam Prosperity Joint Stock Commercial Bank - Head Office Branch (3)	-	-	6,238,800,000	18,457,800,000	12,219,000,000	12,219,000,000
Hanoi Investment Fund for Development (4)	21,310,000,000	21,310,000,000	22,147,500,000	11,140,000,000	10,302,500,000	10,302,500,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Chuong Duong Branch (5)	1,468,400,000	1,468,400,000	1,468,400,000	1,468,400,000	1,468,400,000	1,468,400,000
Shinhan Bank Vietnam Limited - Pham Hung Branch (6)	15,667,885,520	15,667,885,520	15,667,885,520	15,667,885,520	15,667,885,520	15,667,885,520
a2) Short-term finance lease debt	352,704,000	352,704,000	352,704,000	352,704,000	352,704,000	352,704,000
Finance leasing Company Limited - Vietnam Joint Stock Commercial bank for Industry and Trade (7)	352,704,000	352,704,000	352,704,000	352,704,000	352,704,000	352,704,000
b) Long - term	470,912,145,938	470,912,145,938	157,032,813,675	54,903,289,520	368,782,621,783	368,782,621,783
b1) Long - term loan	469,266,196,938	469,266,196,938	157,032,813,675	54,550,585,520	366,783,968,783	366,783,968,783
Bank for Investment and Development of Cambodia - Hanoi Branch (1)	13,343,863,459	13,343,863,459	-	3,344,000,000	16,687,863,459	16,687,863,459
Vietnam Joint Stock Commercial Bank For Industry and Trade - North Ha Noi Branch (2)	11,300,887,283	11,300,887,283	-	5,684,000,000	16,984,887,283	16,984,887,283
Vietnam Prosperity Joint Stock Commercial Bank - Head Office Branch (3)	-	-	-	6,238,800,000	6,238,800,000	6,238,800,000
Hanoi Investment Fund for Development (4)	337,417,882,770	337,417,882,770	157,032,813,675	22,147,500,000	202,532,569,095	202,532,569,095

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	31/12/2024		In the year		01/01/2024	
	VND		VND		VND	
<i>b1) Long - term loan (continued)</i>	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Chuong Duong Branch (5)	7,132,805,968	7,132,805,968	-	1,468,400,000	8,601,205,968	8,601,205,968
Shinhan Bank Vietnam Limited - Pham Hung Branch (6)	100,070,757,458	100,070,757,458	-	15,667,885,520	115,738,642,978	115,738,642,978
<i>b2) Long-term finance lease debt</i>	<i>1,645,949,000</i>	<i>1,645,949,000</i>	<i>-</i>	<i>352,704,000</i>	<i>1,998,653,000</i>	<i>1,998,653,000</i>
Finance leasing Company Limited - Vietnam Joint Stock Commercial bank for Industry and Trade (7)	1,645,949,000	1,645,949,000	-	352,704,000	1,998,653,000	1,998,653,000
Total	518,739,135,458	518,739,135,458	211,936,103,195	111,018,079,040	417,821,111,303	417,821,111,303

(*) Details of loans and financial leases:

Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(1) Bank for Investment and Development of Cambodia - Hanoi Branch				16,687,863,459	3,344,000,000		
01/2019/100783	18/06/2019	120 months	According to the Bank's notification	5,914,438,405	1,316,000,000	Implement the project "Renovation and upgrading of traditional water treatment line of Dong Anh water supply line".	Mortgage all assets formed after investment from the project "Renovation and upgrading of traditional water treatment line of Dong Anh water supply line".
02/2019/100783/HDT D	18/06/2019	120 months	According to the Bank's notification	4,153,200,054	924,000,000	Implement the project "Renovation and addition of filtration technology phase 2 for Kieu Ky Water Supply Station"	Mortgage all assets formed after investment from the project "Renovation and addition of filtration technology phase 2 for Kieu Ky Water Supply Station"

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Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(1) Bank for Investment and Development of Cambodia - Hanoi Branch (continued)							
01/2020/100783/HDT D	28/08/2020	120 months	According to the Bank's notification	6,620,225,000	1,104,000,000	Implement the project "Completing the water supply system for Tien Duoc commune, Soc Son district"	Mortgage all assets formed after investment from the project "Completing the water supply system for Tien Duoc commune, Soc Son district"
(2) Vietnam Joint Stock Commercial Bank For Industry and Trade - North Ha Noi Branch				16,984,887,283	5,684,000,000		
419/2016/HDTDDA	05/10/2016	120 months	According to the Bank's notification	6,463,301,114	3,160,000,000	Completing the water supply system in Bac Duong area: Sourced from Yen Vien - Gia Lam water plant	Secured by assets formed from loan capital
068/2018-HDDC VDADDT/NHCT129-NUOCSACH	02/02/2018	120 months	According to the Bank's notification	2,759,044,011	852,000,000	The investment project to expand the water supply system in the Northern Hanoi area	Secured by assets formed from loan capital
627/2018-HDDC VDDADDT/NHCT129-NUOCSACH	14/12/2018	120 months	According to the Bank's notification	2,311,650,113	572,000,000	The project to complete the Dong Anh Town water supply system is sourced from the Dong Anh water supply station	Secured by assets formed from loan capital
390A/2019-HDCVĐAT/NHCT129-NUOCSACH SO2HANOI	10/09/2019	120 months	According to the Bank's notification	5,450,892,045	1,100,000,000	Project to renovate and replace water supply network, prevent loss of revenue in Long Bien ward in 2019	Secured by assets formed from loan capital
(3) Vietnam Prosperity Joint Stock Commercial Bank - Head Office Branch							
HDTD/VPB-NUOCSACH	26/06/2017	96 months	According to the Bank's notification	The loan was paid off during the year		Complete the water supply network for Bac Son, Nam Son, and Hong Ky communes in the environmental impact zone, within a radius of 500-1000m from the Soc Son Wastewater Treatment Complex, Soc Son district	Secured by assets formed from loan capital

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Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(4) Hanoi Investment Fund for Development				358,727,882,770	21,310,000,000		
03/2018/HDTD-NSS2	12/06/2018	126 months	According to the investment fund's announcement	5,739,634,480	1,450,000,000	Build water supply systems for the remaining areas of Yen Thuong commune, Gia Lam district	Guaranteed by Guarantee Contract of Military Commercial Joint Stock Bank - Dien Bien Phu Branch
05/2018/HDTD-NSS2	14/09/2018	114 months	According to the investment fund's announcement	3,111,326,083	800,000,000	Renovating and replacing the water supply network to prevent loss and revenue loss in Viet Hung Ward	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
06/2018/HDTD-NSS2	13/12/2018	114 months	According to the investment fund's announcement	5,013,284,874	1,025,000,000	Construction of water supply system for Uy No commune, Dong Anh district, phase I.	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
04/2019/HDTD-NSS2	30/09/2019	132 months	According to the investment fund's announcement	8,298,637,525	1,147,500,000	Completion of water supply system in Van Noi commune - Dong Anh district	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch
05/2019/HDTD-NSS2	30/09/2019	114 months	According to the investment fund's announcement	6,932,035,987	1,500,000,000	Completion of water supply system in Nguyen Khe commune - Dong Anh district	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch
No. 01/2020/HDTD-NSS2	18/02/2020	120 months	According to the investment fund's announcement	7,171,489,028	975,000,000	Completion of water supply system in Tien Duong commune - Dong Anh district	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
No. 02/2020/HDTD-NSS2	18/02/2020	120 months	According to the investment fund's announcement	5,960,395,187	737,500,000	Completion of water supply system in Xuan Non commune - Dong Anh district	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
No. 03/2020/HDTD-NSS2	17/04/2020	120 months	According to the investment fund's announcement	8,508,191,417	1,400,000,000	Additional water supply pipeline connection for Dong Anh clean water factory area in 2019	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.

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Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(4) Hanoi Investment Fund for Development (continued)							
No. 04/2021/HDTD-NSS2	04/02/2021	120 months	According to the investment fund's announcement	7,268,828,659	1,100,000,000	Renovation and replacement of the water supply network will be necessary in 2020 to prevent revenue loss in the area managed by the Company, Long Bien area	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank for Investment and Development of Vietnam - Hong Ha Branch
No. 01/2023/HDTD-NSS2	11/01/2023	120 months	According to the investment fund's announcement	30,633,181,581	1,875,000,000	Invest in the construction of projects to renovate and upgrade the water system according to local infrastructure progress in Co Loa commune, Dong Anh district	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
No.11/2023/HDTD-NS2	05/07/2023	120 months	According to the investment fund's announcement	11,121,156,627	550,000,000	Additional bidding to strengthen water supply pipeline for Soc Son district in 2022	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank For Foreign Trade of Vietnam-Chuong Duong Branch
No. 15/2023/HDTD-NS2	27/10/2023	120 months	According to the investment fund's announcement	52,319,019,170	3,500,000,000	Investing in expanding and completing the centralized water supply network in Dong Anh district - Phase I	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
No. 16/2023/HDTD-NS2	07/11/2023	120 months	According to the investment fund's announcement	55,544,728,149	3,500,000,000	Investing in expanding and completing the centralized water supply network in Soc Son district - Phase I	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch
No. 01/2024/HDTD-NS2	16/04/2024	120 months	According to the investment fund's announcement	55,208,400,497	1,750,000,000	Investing in expanding and completing the centralized water supply network in Soc Son district - Phase II	Guaranteed by Guarantee Contract of Vietnam Joint Stock Commercial Bank for Industry and Trade - North Hanoi Branch.
No. 09/2024/HDTD-NS2	10/10/2024	120 months	According to the investment fund's announcement	58,194,006,866	-	Investing in expanding and completing the centralized water supply network in Soc Son district - Phase III	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank For Foreign Trade Of Vietnam-Chuong Duong Branch

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Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(4) Hanoi Investment Fund for Development (continued)							
No. 10/2024/HDTD-NS2	06/11/2024	120 months	According to the investment fund's announcement	8,367,496,724		- Additional bidding to strengthen the water supply pipeline for Soc Son Clean Industrial Park and neighboring areas, Soc Son district in 2023	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch
No.12/2024/HDTD-NS2	18/12/2024	120 months	According to the investment fund's announcement	29,336,069,916		- Invest in building a transmission pipeline connecting the water supply network in Long Bien district to ensure safe water supply in 2022	Guaranteed by Guarantee Contract of Joint Stock Commercial Bank For Foreign Trade Of Vietnam-Chuong Duong Branch
(5) Joint Stock Commercial Bank for Foreign Trade of Vietnam - Chuong Duong Branch				8,601,205,968	1,468,400,000		
HD01/20/TDH/VCB. CD - NS2	18/08/2020	120 months	According to the Bank's notification	3,722,725,000	620,000,000	Completing the water supply system for Uy No commune, Dong Anh district, phase II (including the remaining villages of Uy No commune).	Mortgage all assets formed after investment from the Project "Completing the water supply system for Uy No commune, Dong Anh district, phase II (including the remaining villages of Uy No commune).
HD02/20/TDH/VCB- NS2	18/08/2020	120 months	According to the Bank's notification	4,878,480,968	848,400,000	Completing the water supply system for Xuan Non commune, Dong Anh district (phase 2) including Duong village and Kim Tien village.	Mortgage all assets formed from the Project "Completing the water supply system for Xuan Non commune, Dong Anh district (phase 2) including Duong village and Kim Tien village."
(6) Shinhan Bank Vietnam Limited - Pham Hung Branch				115,738,642,978	15,667,885,520		
SHBHNC/HDTD/495 4.DA	22/12/2020	120 months	According to the Bank's notification	6,270,248,046	1,045,041,344	Additional water supply pipeline connection to Dong Anh Clean Water Enterprise area in 2020	Mortgage all assets formed after investment from the Project "Additional water supply pipeline connection in Dong Anh Clean Water Enterprise area in 2020".

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Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(6) Shinhan Bank Vietnam Limited - Pham Hung Branch (continued)							
SHBHNC/HDTD/495 4.GL	22/12/2020	120 months	According to the Bank's notification	7,714,066,141	1,285,677,692	Additional water supply pipeline connection in the Gia Lam area in 2020	Mortgage all assets formed after investment from the Project "Additional construction of water supply pipeline in Gia Lam area in 2020".
SHBHNC/HDTD/112 65.GL	16/09/2021	120 months	According to the Bank's notification	8,468,529,120	1,209,789,880	Additional water supply pipeline connection to Dong Anh Clean Water Enterprise area in 2021.	Mortgage all assets formed after investment from the Project "Additional water supply pipeline connection in Dong Anh Clean Water Enterprise area in 2021".
SHBHNC/HDTD/112 80.GL	16/09/2021	120 months	According to the Bank's notification	8,101,523,887	1,157,360,560	Renovation and replacement of the CN network, prevention of revenue loss in the area managed by the Company - Long Bien clean water factory area in 2021.	Mortgage all assets formed after investment from the Project "Renovation, replacement of branch network, prevention of revenue loss in the area of the Management Company - Long Bien clean water factory area in 2021."
SHBHNC/HDTD/112 72.GL	16/09/2021	120 months	According to the Bank's notification	8,274,645,802	1,182,092,260	Investment in construction and expansion of centralized water supply network in the area managed by Dong Anh Clean Water Enterprise in 2020.	Mortgage all assets formed after investment from the Project "Investment in construction and expansion of centralized water supply network in the area managed by Dong Anh Clean Water Enterprise in 2020
SHBHNC/HDTD/142 30	24/01/2022	120 months	According to the Bank's notification	8,507,297,699	1,173,420,368	Additional water supply pipeline connection in Soc Son district in 2021	Mortgage all assets formed after investment from the Project "Additional construction of water supply pipelines in Soc Son district in 2021"
SHBHNC/HDTD/159 22	15/04/2022	120 months	According to the Bank's notification	3,283,217,823	437,762,376	Additional water supply pipeline project for Sai Dong team area, Long Bien in 2020	Mortgage all assets formed after investment from the Project "Additional construction of water supply pipelines in Sai Dong team area, Long Bien in 2020""

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Contract No	Date of contract	Loan term	Loan interest rate (%/year)	Outstanding loan principal as of 31/12/2024 (VND)	Long-term debts due (VND)	Purpose of loan	Collateral
(6) Shinhan Bank Vietnam Limited - Pham Hung Branch (continued)							
SHBHNC/HDTD/15930	15/04/2022	120 months	According to the Bank's notification	4,422,208,180	589,627,752	Renovate and replace the water supply network, and prevent loss of revenue in the area of Dong Anh Clean Water Enterprise area management company in 2021.	Mortgage all assets formed after investment from the Project "Renovate and replace the water supply network, and prevent loss of revenue in the area of Dong Anh Clean Water Enterprise area management company in 2021"
SHBHNC/HDTD/22112	18/11/2022	120 months	According to the Bank's notification	25,654,739,733	3,206,842,464	Renovate and upgrade the water supply system according to the progress of local infrastructure renovation in the Dong Anh area.	Mortgage all assets formed after investment from the Project " Renovate and upgrade the water supply system according to the progress of local infrastructure renovation in the Dong Anh area."
SHBHNC/HDTD/22105	18/11/2022	120 months	According to the Bank's notification	20,094,278,210	2,511,784,780	Renovate and upgrade the water supply system according to the progress of local infrastructure renovation in Soc Son area.	Mortgage all assets formed after investment from the Project "Renovate and upgrade the water supply system according to the progress of local infrastructure renovation in Soc Son area.
SHBHNC/HDTD/22120	18/11/2022	120 months	According to the Bank's notification	14,947,888,337	1,868,486,044	Completion of the water supply system for Quang Minh town, Chi Dong-Me Linh district	Mortgage all assets formed after investment from the Project "Completion of the water supply system for Quang Minh town, Chi Dong-Me Linh district."
(7) Finance leasing Company Limited - Vietnam Joint Stock Commercial bank for Industry and Trade				1,998,653,000	352,704,000		
No 02.098/2023/TSC-CTTC	07/08/2023	84 months	According to the notice of the lessor	1,998,653,000	352,704,000	Serving legal production and business activities according to Party B's project/finance leasing plan.	Secured by a deposit according to the contract
Total				518,739,135,458	47,826,989,520		

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20. Owner's equity

a) Changes in owners' equity

Items	Owner's contributed capital	Retained earnings	Unit: VND
			Total
Balance as at 01/01/2023	568,000,000,000	14,160,054,545	582,160,054,545
Profit for the year	-	15,012,555,535	15,012,555,535
Profit from Water Meter Inspection and Repair Center	-	1,012,693	1,012,693
Distribution of funds	-	(7,117,867,238)	(7,117,867,238)
Dividends paid	-	(7,043,200,000)	(7,043,200,000)
Balance as at 31/12/2023	568,000,000,000	15,012,555,535	583,012,555,535
Profit for the year	-	19,383,159,073	19,383,159,073
Profit from Water Meter Inspection and Repair Center	-	818,587	818,587
Distribution of funds (*)	-	(7,515,774,122)	(7,515,774,122)
Dividends paid (*)	-	(7,497,600,000)	(7,497,600,000)
Balance as at 31/12/2024	568,000,000,000	19,383,159,073	587,383,159,073

(*) Dividends and distribution of funds according to Resolution of the 2024 Annual General Meeting of Shareholders No. 20/NQ-DHDCD dated April 26, 2024, of Hanoi Water Supply Number 2 JSC.

b) Details of owner's equity contribution

	31/12/2024 VND	01/01/2024 VND
Hanoi Water Limited Company	548,914,000,000	548,914,000,000
Others	19,086,000,000	19,086,000,000
Total	568,000,000,000	568,000,000,000

c) Capital transactions with owners, dividend distribution and shared profit

	Year 2024 VND	Year 2023 VND
Owners' contributed capital	568,000,000,000	568,000,000,000
Contributed at current period's opening balance	568,000,000,000	568,000,000,000
Contributed capital increased during the year	-	-
Contributed capital decreased during the year	-	-
Contributed at current period's closing balance	568,000,000,000	568,000,000,000
Paid dividend, shared profit	7,497,600,000	7,043,200,000

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d) Shares

	31/12/2024	01/01/2024
	Shares	Shares
Number of shares registered for issue	56,800,000	56,800,000
Number of shares issued to the public	56,800,000	56,800,000
- Ordinary shares	56,800,000	56,800,000
Number of outstanding shares in circulation	56,800,000	56,800,000
- Ordinary shares	56,800,000	56,800,000

A common share has par value of VND 10,000 per share

e) Dividends

According to the Resolution of the 2024 Annual General Meeting of Shareholders No. 20/NQ-DHDCD dated April 26, 2024, of Hanoi Water Supply Number 2 JSC, the General Meeting of Shareholders decided to pay dividends from profits Profit after corporate income tax in 2023 at a rate of 1.32% of charter capital, equivalent to a value of VND 7,497,600,000.

VI. Additional information for items presented in the Office Income Statement
1. Gross revenue from goods sold and services rendered

	Year 2024	Year 2023
	VND	VND
Revenue		
Revenue from sales of clean water	713,944,925,580	525,784,319,210
Revenue from construction contracts	22,354,034,967	23,562,535,048
Others	3,507,108,477	2,930,205,552
Total	739,806,069,024	552,277,059,810

2. Cost of sales

	Year 2024	Year 2023
	VND	VND
Cost of clean water sales	360,665,907,104	289,211,049,613
Cost of construction contracts	21,874,448,840	22,480,101,873
Others	48,956,112	121,287,783
Total	382,589,312,056	311,812,439,269

3. Financial income

	Year 2024	Year 2023
	VND	VND
Bank interest	4,730,407,767	6,808,178,796
Total	4,730,407,767	6,808,178,796

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)
(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)
4. Financial expenses

	Year 2024 VND	Year 2023 VND
Interest expense	27,774,722,015	23,540,941,173
Total	27,774,722,015	23,540,941,173

5. Selling expenses and general and administration expenses

	Year 2024 VND	Year 2023 VND
a) Selling expenses incurred in the year	280,353,309,454	187,318,692,774
Labour cost	42,352,733,934	32,916,381,140
Raw materials and consumables	26,014,695,966	2,214,966,077
Depreciation of fixed assets	117,421,194,815	92,871,395,259
Others expenses	94,564,684,739	59,315,950,298
b) General administration expenses incurred in the year	51,887,381,966	40,967,637,245
Labour cost	25,461,844,142	22,120,866,586
Fixed asset depreciation	2,468,516,732	2,187,413,436
Taxes, fees and charges	1,482,178,698	1,081,702,888
Provision expenses	414,386,813	586,399,494
Other monetary expenses	22,060,455,581	14,991,254,841
c) Deduction from general administration expenses	(635,662,390)	-
Reversal of provisions for accounts receivable	(635,662,390)	-

6. Other income

	Year 2024 VND	Year 2023 VND
Funding to support domestic water prices for households in 3 communes Nam Son, Bac Son, Hong Ky in Soc Son district and Chi Dong and Quang Minh towns in Me Linh district	21,823,157,245	23,248,323,000
Collect compensation for damage to well H6 incident at the water supply station.	3,122,223	23,567,044
Other	25,000,000	87,481,360
Total	21,851,279,468	23,359,371,404

7. Other expenses

	Year 2024 VND	Year 2023 VND
Fees for administrative violations and insurance	-	5,159,639
Tax penalty and tax collection costs	82,324,879	-
Total	82,324,879	5,159,639

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***8. Production cost by nature**

	Year 2024 VND	Year 2023 VND
Raw materials and consumables	45,024,047,844	21,092,223,464
Labour cost	114,110,914,881	96,065,022,431
Depreciation and amortisation	144,314,550,933	117,842,847,132
Out-sourced services	14,735,365,849	26,547,259,404
Other monetary expenses	149,137,031,537	85,653,631,144
Total	467,321,911,044	347,200,983,575

9. Current corporate income tax expense

	Year 2024 VND	Year 2023 VND
Total accounting profit before tax	24,336,368,279	18,799,739,910
Corporate income tax non-deductible expense	178,158,319	42,514,072
Corporate income taxable income	24,514,526,598	18,842,253,982
Current corporate income tax rate	20%	20%
Corporate income tax expense based on taxable profit in the current year	4,902,905,319	3,768,450,797
Adjustments for corporate income tax expense in previous years to the current year	50,303,887	18,733,578
Total current corporate income tax expense	4,953,209,206	3,787,184,375

10. Basic earnings per share

The Board of Management confirms that, in the opinion of the Board of Management, in all material respects, no unusual events are occurring after the accounting balance sheet date that affects the financial situation and operations of the Company that require adjustment or presentation in the Office Financial Statements for the year ended December 31, 2024 of the Company.

VII. Additional information for items presented in the Office Cash Flow Statement

	Year 2024 VND	Year 2023 VND
1. Actual receipt of borrowing amounts in the year		
Proceeds from borrowings under normal agreement	157,032,813,675	168,071,526,822
2. Principal amount paid in the year		
Payment of borrowing principal under normal agreement	55,762,085,520	31,711,274,604
Repayment of obligations under finance leases	352,704,000	879,776,706

VIII. Other information**1. Subsequent events after reporting date**

The Board of Management confirms that, in all material respects, there are no unusual events arising after the balance sheet date that affect the financial position and operation of the Company and need to be adjusted or presented on the Office Financial Statements for the year ended December 31, 2024.

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)*(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)***2. Transactions and balances with related parties**

Related parties of the Corporation include: key members, individuals who are related to key members and other related parties.

a) List of related parties with significant transactions and balances for the year:

<u>Related parties</u>	<u>Relationship</u>
Hanoi Water Limited Company	Parent company
Water Meter Inspection and Repair Center	Subordinate units

b) List of related parties with significant transactions and balances for the year:

	<u>Year 2024</u>	<u>Year 2023</u>
	<u>VND</u>	<u>VND</u>
Purchase		
Hanoi Water Limited Company	144,037,573,051	110,689,017,643
Water Meter Inspection and Repair Center	12,588,278,911	8,119,271,311

Dividends paid

Hanoi Water Limited Company	7,245,664,800	6,806,533,600
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c) Balance with related parties

	<u>31/12/2024</u>	<u>01/01/2024</u>
	<u>VND</u>	<u>VND</u>
Internal receivables		
Water Meter Inspection and Repair Center	-	200,000,000
Trade payables		
Hanoi Water Limited Company	8,806,665,000	15,433,542,825
Other payables		
Hanoi Water Limited Company	175,908,181,002	185,817,548,815

d) The income of key management members during the year is as follows:

	<u>Year 2024</u>	<u>Year 2023</u>
	<u>VND</u>	<u>VND</u>
Salaries and bonuses of key management members	2,864,400,000	2,831,430,000
Remuneration of the Board of Directors and the Board of Supervisor	324,000,000	324,000,000
Total (*)	3,188,400,000	3,155,430,000

() Details of income earned by key management members during the year as follows:*

<u>Name</u>	<u>Title</u>	<u>Year 2024</u>	<u>Year 2023</u>
		<u>VND</u>	<u>VND</u>
1. Salaries and bonuses of key management members		2,864,400,000	2,831,430,000
Mr. Duong Quoc Tuan	Chairman	430,777,583	432,910,215
Mr. Ta Ky Hung	Director	430,777,583	436,214,874
Mr. Ngo Van Duc	Deputy Director	405,039,300	407,179,606
Mr. Pham Anh Tuan	Deputy Director	405,039,300	408,252,871

NOTES TO THE OFFICE FINANCIAL STATEMENTS (continued)

(These notes are an integral part of and should be read in conjunction with the accompanying Office Financial Statements)

Ms. Tran Thi Phuong Thao	Deputy Director	405,039,300	391,925,481
Ms. Le Thi Ngoc Lan	Chief Accountant	382,687,633	372,039,781
Ms. Tran Thi Ngoc Bich	Head of board of Supervisors	405,039,300	382,907,172
2. Remuneration of the Board of Directors		259,200,000	259,200,000
Mr. Ta Ky Hung	Member	64,800,000	64,800,000
Mr. Ngo Van Duc	Member	64,800,000	64,800,000
Ms. Tran Thi Phuong Thao	Member	64,800,000	64,800,000
Mr. Le Van Thinh	Member	64,800,000	64,800,000
3. Remuneration of the Board of Supervisors		64,800,000	64,800,000
Ms. Dang Thu Hai	Member	32,400,000	32,400,000
Mr. Quach Manh Cuong	Member	32,400,000	32,400,000
Total		3,188,400,000	3,155,430,000

3. Comparative information

Comparative figures are the figures of the audited Office Financial Statements for the year ended 31/12/2023 of Hanoi Water Supply Number 2 JSC by Vietnam Auditing and Evaluation Co., Ltd.

Hanoi, February 25, 2025

Prepared by

Chief Accountant

Director









Dao Thi Huong

Le Thi Ngoc Lan

Ta Ky Hung