

CONSOLIDATED FINANCIAL STATEMENTS

**BINH DUONG WATER - ENVIRONMENT JOINT
STOCK COMPANY**

for the fiscal year ended as at 31 December 2020
(Audited)

M.S.D.V.
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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Binh Duong Water - Environment Joint Stock Company ("the Company") presents its report and the Company's Consolidated Financial Statements for the fiscal year ended as at 31 December 2020.

THE COMPANY

Binh Duong Water - Environment Joint Stock Company was transformed from Binh Duong Water Supply Sewerage and Environment One-member Company Limited under the Decision No. 4259/QD-UBND dated 24 December 2014 of People's Committee of Binh Duong province. The Company operates under the Business Registration Certificate No. 3700145694 on 07 February 2006 by the Department of Planning and Investment of Binh Duong province and the 14th amendment under the Enterprise Registration Certificate of Joint Stock Company dated 04 December 2020.

The Company's head office is located at No. 11, Ngo Van Tri street, Phu Loi ward, Thu Dau Mot city, Binh Duong province.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND SUPERVISORY BOARD

The members of the Board of Management during the fiscal year and to the reporting date are:

Mr. Nguyen Van Thien	Chairman
Mr. Tran Chien Cong	Member
Mr. Duong Hoang Son	Member
Ms. Nguyen Thi Thu Van	Member
Mr. Nguyen Van Tri	Member
Mr. Nguyen Thanh Phong	Member
Mr. Ta Trong Hiep	Member

The members of the Board of General Directors during the fiscal year and to the reporting date are:

Mr. Tran Chien Cong	General Director	
Mr. Duong Hoang Son	Deputy General Director	
Mr. Le Van Gon	Deputy General Director	(Resigned on 12 March 2020)
Mr. Ngo Van Lui	Deputy General Director	
Mr. Ngo Van Lui	Deputy General Director	(Appointed on 12 March 2020)

The members of the Supervisory Board are:

Ms. Duong Anh Thu	Head	
Ms. Tran Thi Kim Oanh	Member	(Resigned on 17 March 2020)
Ms. Nguyen Kim Lien	Member	(Appointed on 17 March 2020)
Mr. Nguyen Duc Bao	Member	

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Consolidated Financial Statements for the Company.

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, the Board of Management and Board of General Directors
Binh Duong Water - Environment Joint Stock Company**

We have audited the Consolidated Financial Statements of Binh Duong Water - Environment Joint Stock Company prepared on 25 February 2021, as set out on pages 6 to 51 including: Consolidated Statement of Financial position as at 31 December 2020, Consolidated Statement of Income, Consolidated Statement of Cash flows and Notes to the Consolidated Financial Statements for the year ended as at 31 December 2020.

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of financial statements and for such internal control as management determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Consolidated Financial Statements that give a true and fair view 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, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

Auditor's opinion

In our opinion, the Consolidated Financial Statements give a true and fair view, in all material respects, of the financial position of Binh Duong Water - Environment Joint Stock Company as at 31 December 2020, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of financial statements.

Emphasis of Matter

We would like to draw readers' attention to the following issue:

The audit procedures have been performed solely for the purpose of providing an audit opinion on the Consolidated Financial Statements of Binh Duong Water - Environment Joint Stock Company, but do not include audit procedures required by the Vietnam Standards on Auditing No. 1000 - Audit of settlement project report. Therefore, the figures related to the items of "Construction in progress" and "Fixed assets" on the Consolidated Financial Statements may change after being checked and audited in accordance with the regulations of the State on finalization of construction investment projects.

Our opinion is not modified in respect of these matter.

Hanoi, 25 February 2021

AASC Auditing Firm Company Limited

Deputy General Director



Pham Anh Tuan

Registered Auditor No: 0777-2018-002-1

Auditor

Nguyen Thin Luu

Registered Auditor No.: 4393-2018-002-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

Code	ASSETS	Note	31/12/2020 VND	01/01/2020 VND
100	A. CURRENT ASSETS		2,459,069,706,072	1,647,257,289,458
110	I. Cash and cash equivalents	4	728,002,889,164	74,716,954,777
111	1. Cash		173,502,889,164	74,716,954,777
112	2. Cash equivalents		554,500,000,000	-
120	II. Short-term investments	5	336,600,000,000	254,290,000,000
123	1. Held-to-maturity investments		336,600,000,000	254,290,000,000
130	III. Short-term receivables		690,744,308,041	824,530,813,940
131	1. Short-term trade receivables	6	324,369,943,047	339,869,023,953
132	2. Short-term prepayments to suppliers	7	210,769,200,522	347,417,794,254
136	3. Other short-term receivables	8	191,251,217,309	156,730,471,751
137	4. Provision for short-term doubtful debts		(35,646,052,837)	(19,486,476,018)
140	IV. Inventories	10	621,717,698,385	484,074,036,789
141	1. Inventories		621,717,698,385	484,074,036,789
150	V. Other current assets		82,004,810,482	9,645,483,952
151	1. Short-term prepaid expenses	12	8,812,314,724	9,559,321,389
152	2. Deductible value added tax		72,866,057,348	85,562,137
153	3. Taxes and other receivables from State budget	19	326,438,410	600,426
200	B. NON-CURRENT ASSETS		5,786,773,750,318	4,560,225,230,825
210	I. Long-term receivables		970,343,027,648	924,112,207,078
216	1. Other long-term receivables	8	970,343,027,648	924,112,207,078
220	II. Fixed assets		2,678,799,850,417	2,297,540,076,477
221	1. Tangible fixed assets	13	2,595,913,109,651	2,213,903,250,668
222	- Historical cost		5,849,368,152,523	5,003,645,661,062
223	- Accumulated depreciation		(3,253,455,042,872)	(2,789,742,410,394)
227	2. Intangible fixed assets	14	82,886,740,766	83,636,825,809
228	- Historical cost		92,445,387,447	92,345,387,447
229	- Accumulated amortization		(9,558,646,681)	(8,708,561,638)
240	IV. Long-term assets in progress		1,355,352,625,995	597,980,565,916
242	1. Construction in progress	11	1,355,352,625,995	597,980,565,916
250	V. Long-term investments	5	719,700,763,961	679,790,017,208
252	1. Equity investments in associates and joint - ventures		282,918,903,961	211,744,157,208
253	2. Equity investments in other entities		505,233,600,000	505,233,600,000
254	3. Provision for devaluation of long-term investments		(78,451,740,000)	(42,187,740,000)
255	4. Held-to-maturity investments		10,000,000,000	5,000,000,000
260	VI. Other long-term assets		62,577,482,297	60,802,364,146
261	1. Long-term prepaid expenses	12	61,154,169,643	60,037,703,532
262	2. Deferred income tax assets	34	753,249,229	-
269	3. Goodwill	15	670,063,425	764,660,614
270	TOTAL ASSETS		8,245,843,456,390	6,207,482,520,283

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

(Continued)

Code	CAPITAL	Note	31/12/2020 VND	01/01/2020 VND
300	C. LIABILITIES		4,836,484,817,397	4,007,720,334,196
310	I. Current liabilities		1,987,505,892,604	1,457,648,154,825
311	1. Short-term trade payables	17	223,546,310,239	178,462,826,121
312	2. Short-term prepayments from customers	18	67,895,527,360	22,970,387,636
313	3. Taxes and other payables to State budget	19	40,578,607,669	40,108,415,930
314	4. Payables to employees		51,562,806,446	59,355,077,226
315	5. Short-term accrued expenses	20	32,318,544,693	20,724,212,454
319	6. Other short-term payments	21	248,596,315,023	225,581,678,003
320	7. Short-term borrowings and finance lease liabilities	16	1,280,751,417,162	869,965,306,094
321	8. Provisions for short-term payables	22	12,028,951,164	22,879,986,057
322	9. Bonus and welfare fund		30,227,412,848	17,600,265,304
330	II. Non-current liabilities		2,848,978,924,793	2,550,072,179,371
337	1. Other long-term payables	21	626,793,253,421	760,246,170,821
338	2. Long-term borrowings and finance lease liabilities	16	2,220,232,850,981	1,788,284,956,369
341	3. Deferred income tax payables	34	1,952,820,391	1,541,052,181
400	D. OWNER'S EQUITY		3,409,358,638,993	2,199,762,186,087
410	I. Owner's equity	23	3,409,358,638,993	2,199,762,186,087
411	1. Contributed capital		1,875,000,000,000	1,500,000,000,000
411a	- Ordinary shares with voting rights		1,875,000,000,000	1,500,000,000,000
412	2. Share premium		588,942,364,000	-
418	3. Development and investment funds		440,156,919,891	181,953,713,765
421	4. Retained earnings		373,846,076,571	414,878,947,586
421a	- Retained earnings accumulated till the end of the year		63,461,949,743	88,613,721,680
421b	- Retained earnings of the current year		310,384,126,828	326,265,225,906
422	5. Capital expenditure fund		97,817,204,031	102,230,254,431
429	6. Non-Controlling Interest		33,596,074,500	699,270,305
440	TOTAL CAPITAL		8,245,843,456,390	6,207,482,520,283

Preparer



Nguyen Thi Mong Thuong

Chief Accountant



Tran Tan Duc

Binh Duong, 25 February 2021

General Director




Tran Chien Cong

CONSOLIDATED STATEMENT OF INCOME

Year 2020

Code	ITEMS	Note	Year 2020 VND	Year 2019 VND
01	1. Revenue from sales of goods and rendering of services	25	3,025,337,455,580	2,545,960,560,613
02	2. Revenue deductions		-	283,807,272
10	3. Net revenues from sales of goods and rendering of services		3,025,337,455,580	2,545,676,753,341
11	4. Cost of goods sold	26	1,789,258,947,036	1,510,715,243,446
20	5. Gross profit from sales of goods and rendering of services		1,236,078,508,544	1,034,961,509,895
21	6. Financial income	27	42,457,996,078	44,179,839,925
22	7. Financial expenses	28	214,600,628,063	128,531,591,970
23	- In which: Interest expenses		155,533,630,972	143,864,874,018
24	8. Profit or loss in joint ventures and associates		16,282,502,783	16,367,378,756
25	9. Selling expenses	29	356,175,239,117	309,317,467,193
26	10. General and administrative expense	30	132,884,167,797	107,133,257,085
30	11. Net profit from operating activities		591,158,972,428	550,526,412,328
31	12. Other income	31	36,755,032,691	49,859,574,624
32	13. Other expense	32	31,677,697,469	60,420,631,884
40	14. Other profit		5,077,335,222	(10,561,057,260)
50	15. Total net profit before tax		596,236,307,650	539,965,355,068
51	16. Current corporate income tax expenses	33	61,147,378,857	62,265,841,835
52	17. Deferred corporate income tax expenses	34	(341,481,019)	1,454,525,581
60	18. Profit after corporate income tax		<u>535,430,409,812</u>	<u>476,244,987,652</u>
61	19. Profit after tax attributable to shareholders of the parent		535,384,126,828	476,265,225,906
62	20. Profit after tax attributable to non-controlling interests		46,282,984	(20,238,254)
70	21. Basic earnings per share	35	2,748	2,540

Preparer



Nguyen Thi Mong Thuong

Chief Accountant



Tran Tan Duc

Binh Duong, 25 February 2021

General Director




Tran Chien Cong

CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2020
(Indirect method)

Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	<i>1. Profits before tax</i>		<i>600,106,920,562</i>	<i>539,965,355,068</i>
	<i>2. Adjustments for:</i>			
02	- Depreciation and amortization of fixed assets and investment properties		466,037,552,999	430,314,879,776
03	- Provisions		42,911,084,796	1,063,433,199
04	- Exchange gains/losses from retranslation of monetary items denominated in foreign currency		15,525,635,075	(1,189,741,015)
05	- Gains/losses from investment		(58,512,816,923)	(59,427,238,457)
06	- Interest expense		156,263,675,836	144,516,739,170
07	- Other adjustments		143,205,829	12,740,087,772
08	<i>3. Operating profit before changes in working capital</i>		<i>1,222,475,258,174</i>	<i>1,067,983,515,513</i>
09	- Increase/Decrease in receivables		469,645,178,323	822,869,107,664
10	- Increase/Decrease in inventories		(137,643,661,596)	(132,423,401,726)
11	- Increase/Decrease in payables (excluding interest payables, corporate income tax payable)		(113,047,940,885)	(87,868,605,741)
12	- Increase/Decrease in prepaid expenses		(369,459,446)	(16,158,716,911)
14	- Interest paid		(147,944,960,434)	(141,343,647,319)
15	- Corporate income taxes paid		(62,733,905,922)	(53,993,390,833)
17	- Other payments on operating activities		(80,404,259,088)	(996,167,110,513)
20	<i>Net cash flow from operating activities</i>		<i>1,149,976,249,126</i>	<i>462,897,750,134</i>
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase or construction of fixed assets and other long-term assets		(1,732,293,614,377)	(667,725,224,390)
22	2. Proceeds from disposals of fixed assets and other long-term assets		636,363,636	472,727,273
23	3. Loans and purchase of debt instruments from other entities		(284,100,000,000)	(209,990,000,000)
24	4. Collection of loans and resale of debt instrument of other entities		196,790,000,000	127,000,000,000
25	5. Equity investments in other entities		(101,374,957,500)	(3,045,510,000)
27	6. Interest and dividend received		32,650,511,838	51,490,491,634
30	<i>Net cash flow from investing activities</i>		<i>(1,887,691,696,403)</i>	<i>(701,797,515,483)</i>
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	1. Proceeds from issuance of shares and receipt of contributed capital		997,292,364,000	-
33	2. Proceeds from borrowings		2,408,830,286,709	1,702,862,347,509
34	3. Repayment of principal		(1,865,120,737,871)	(1,451,313,654,282)
36	4. Dividends or profits paid to owners		(150,000,000,000)	(105,000,000,000)
40	<i>Net cash flow from financing activities</i>		<i>1,391,001,912,838</i>	<i>146,548,693,227</i>

CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2020
(Indirect method)

Code ITEMS	Note	Year 2020	Year 2019
		VND	VND
50 Net cash flows in the year		653,286,465,561	(92,351,072,122)
60 Cash and cash equivalents at beginning of the year		74,716,954,777	167,354,846,590
61 Effect of exchange rate fluctuations		(531,174)	(286,819,691)
70 Cash and cash equivalents at end of the year	4	728,002,889,164	74,716,954,777

Preparer



Nguyen Thi Mong Thuong

Chief Accountant



Tran Tan Duc

Binh Duong, 25 February 2021

General Director



Tran Chien Cong

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year 2020

1 . CHARACTERISTICS OF OPERATION OF THE COMPANY

Form of capital ownership

Binh Duong Water - Environment Joint Stock Company was transformed from Binh Duong Water Supply Sewerage and Environment One-member Company Limited under the Decision No. 4259/QĐ-UBND dated 24 December 2014 of People's Committee of Binh Duong province. The Company operates under the Business Registration Certificate No. 3700145694 on 07 February 2006 by the Department of Planning and Investment of Binh Duong province and the 14th amendment under the Enterprise Registration Certificate of Joint Stock Company dated 04 December 2020.

The Company's head office is located at No. 11, Ngo Van Tri street, Phu Loi ward, Thu Dau Mot city, Binh Duong province.

The Company's charter capital is VND 1,875,000,000,000 (One thousand eight hundred and seventy five billion dong), equivalent to 187,500,000 shares, with par value of VND 10,000/share.

As at 31 December 2020, the Company have 1,166 employees (as at 31 December 2019: 1,208 employees).

Business field

The main business field of the Company are producing and supplying treated water; waste treatment and waste-water treatment in Binh Duong province.

Business activities

Main business activities of the Company are:

- Construction works, repairing water supply and drainage system;
- Collection, transportation and treatment of solid waste (municipal waste, industrial waste and hazardous waste);
- Production of mineral water;
- Trading of materials used for water sector;
- Investing, exploiting, treating and supplying water;
- Wholesale of scrap, metal scrap, non-metal;
- Providing services for urban works such as cleaning canal, sucking cesspool and washing road;
- Plant, cultivation and trading of ornamental trees;
- Compost production.

The Company's operations in the year that affects the Consolidated Financial Statements

Due to the speed of urbanization, the demand for clean water in the province increases. This leads to the number of customers using clean water and the volume of clean water consumed in the year 2020 is higher than the last year. Besides, revenue from material transfer activities in this year increased compared to the previous year. These are the main reasons for the high increase in revenue from sales of goods and rendering of services in this year compared to the last year.

Simultaneously, due to the market fluctuations, during the year 2020, the Company made the provision for devaluation of long-term financial investments with the total amount of 41.83 billion dong - resulted in item Total net profit before tax is decreased of 57.82 billion dong than the previous year (in the year 2019, the Company made to reversal of provision for devaluation of these investments with amount of 15.99 billion dong). In addition, due to fluctuations in the foreign exchange market, during the year 2020, the Company recorded a loss on foreign exchange differences revaluation at the end of year with the total amount of 15.53 billion dong, resulted total net profit before tax is decreased of 16.72 billion dong than the previous year (in the year 2019, the Company recorded a profit on foreign exchange differences revaluation at the end of year with total amount of 1.19 billion dong). Other items are not significant increased/decreased.

The combination of the above reasons makes the total net profit before tax of the year 2020 increased by 56.27 billion dong compared with the previous year.

The Company's Structure:

The Company has two (02) subsidiaries which have consolidated in consolidated financial statements as at 31/12/2020 include:

<u>Name of companay</u>	<u>Head office</u>	<u>Proportion of ownership</u>	<u>Voting rights held by the Group</u>	<u>Principal activities</u>
Recycled Green Materials Joint Stock Company	Binh Duong	98.80%	98.80%	Recycle scrap, produce construction
Biwase Electric - Construction Joint Stock Company (*)	Binh Duong	47.36%	47.36%	Electric production, electrical system construction, architectural activities

(*) Biwase Electric - Construction Joint Stock Company was established in accordance with the Resolution of the Board of Management No. 40/NQ-HDQT dated 03 September 2020 and operates under the Business Registration Certificate No. 3702915564 on 24 September 2020 by the Department of Planning and Investment of Binh Duong province.

The Company has the influence on financial or operating policies; right to assign or dismiss most of Board of Directors' members or equivalent; and right to vote a majority of ballots at Board of Directors' meetings or at equivalent management level's meetings in Biwase Electric - Construction Joint Stock Company.

Information of associated company of the Company is provided in Note No. 5.

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 . Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.
 The Company maintains its accounting records in VND.

2.2 . Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and documents guiding the current Accounting Standards and Corporate Accounting System.

2.3 . Basis for preparation of Consolidated Financial Statements

Consolidated financial statements are prepared based upon consolidating Separate Financial Statements of the Company and its subsidiaries under its control for for the fiscal year ended as at 31 december 2020. Control right is in practice when the Company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Financial statements of subsidiaries is applied accounting policies in consistence with the Company's financial statements. If necessary, adjustments are made to the Financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company and its subsidiaries.

The remaining balance, main incomes and expenses, including unrealized profits/loss from intra-group transactions are eliminated in full from Consolidated Financial Statements.

Non-controlling interest

Non-controlling interest is the benefits in profits or losses, and in the net assets of subsidiaries not held by the Company.

2.4 . Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash and cash equivalents, trade receivables and other receivables, lending loans and long-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, common bonds, trade payables and other payables, accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expense directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

There are currently no regulations on revaluation of financial instruments after initial recognition.

2.5 . Foreign currency transactions

The foreign currency transactions during the year are converted into Vietnam dong with the real exchange rate at the transaction date. Real exchange rates are determined as the following principles:

- When recording receivables, applying the bid rate of the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;
- When purchasing assets or paying immediately in foreign currency, applying the bid rate of the commercial bank where the Company makes payments.

Real exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the period are recorded immediately to operating results of the fiscal year. The Company must not distribute its profit nor pay dividend on the exchange gains arising from the retranslation of the monetary items denominated in foreign currencies at the end of the year.

2.6 . Cash and cash equivalents

Cash includes cash on hand, demand deposits at Bank and deposits at the Treasury.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7 . Goodwill

Goodwill arises on the business consolidation is initially measured at its cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. If the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income. After initial recognition, goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis during its estimated useful life over 10 years. Annually, the Group shall assess impairment loss of goodwill at subsidiaries, whether there is any indication that impaired loss of goodwill is higher than the goodwill allocated, the Group shall recognise the impaired loss immediately in year that incurred.

2.8 . Financial investments

Investments held to maturity include: term deposits, bonds, lending loans, ... held to maturity to earn profits periodically and other held to maturity investments.

In the Consolidated Financial Statements, investments in joint ventures and associates are accounted for using equity method. Under this method, the investments are initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share in net assets of the associate after acquisition date. Goodwill incurred from the investment in the associates is reflected in the carrying amount of the investment in the associate. The Group will not allocate such goodwill but assess annually to determine whether the goodwill is under impaired loss or not.

The share of investor in post-acquisition profits or losses of the associate is recognised in the consolidated income statement, and the share of investor in post-acquisition movements in equity of the associate is recognised in equity. The post-acquisition accumulated changes are adjusted to carrying amount of investments. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Financial Statements of associates are prepared in the same period with the Group's consolidated financial statements and use the consistent accounting policies with the Group's policies. Adjustment shall be made if necessary to ensure the consistence with the Group's accounting policies.

Equity investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments are made at the end of the year as follows:

- *With regard to long-term investments (other than trading securities) without significant influence on the investee:* the provisions shall be made according to the market value of the shares on provision date. The market value of the shares is determined specified as follows:
 - The actual market price of securities listed at the Hanoi Stock Exchange (HNX) and the Ho Chi Minh City Stock Exchange (HOSE) are calculated at the closing price on the date of provision;
 - For stocks registered for trading in unlisted public companies (Upcom), the actual market price of securities is determined as the average reference price within the latest 30 days trading date before making annual financial statements published by Stock Exchange.
- *With regard to investments held to maturity:* the provisions for doubtful debts shall be made according to the recovery under regulatory requirements.

2.9 . Receivables

The receivables shall be kept records in details according to period receivables, entities receivables, types of currency receivable and other factors according to requirements for management of the Company.

The allowances for doubtful debts is created when: An overdue debt under an economic contract, a loan agreement, a contractual commitment or a promissory note and debts are not due but difficult recovery. Accordingly, the provisions for overdue debts shall be made according to time in which the principal is repaid according to the sale contract, exclusive of the debt rescheduling between contracting parties and the debts are not due but the debtor is close to bankruptcy or undergone procedures for dissolution, or the debtor is missing or makes a getaway.

2.10 . Inventories

Inventories are initially recognized at original cost included: the purchase price, costs of conversion and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the time the financial statements are prepared if the net realizable value is lower than cost, inventories should be measured at the net realizable value.

The cost of inventory is calculated by mobile weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year:

- The value of work in progress is recorded for each construction project that is incomplete or of which revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.
- For the manufactured products such as: water, fertilizer, ... work in progress is obtained based on actual cost incurred for each kind of unfinished products.
- For brick products, the value of work in progress is recorded based on the ratio of the equivalent units of finished product.

Allowances for devaluation of inventories made at the end of the year are the excess of original cost of inventory over their net realizable value.

2.11 . Fixed assets

Tangible and intangible fixed assets are stated at the historical cost. During the useful lives, tangible and intangible fixed assets are recorded at cost, accumulated depreciation and net book value.

Depreciation and amortization is provided on a straight-line basis which are estimated as follows:

- Buildings, structures	07 - 25 years
- Machinery, equipment	06 - 08 years
- Transportation equipment	06 - 30 years
- Management equipment	03 - 08 years
- Perennial plants, working and producing animals	06 - 12 years
- Other tangible assets	05 - 13 years
- Land use rights	49 years
- Computer software	03 years
- Copyrights and patents	02 years
- Other intangible assets	03 years

Permanent land use rights are recorded at historical cost and are not amortized.

2.12 . Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the fiscal year ended and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.13 . Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.14 . Prepaid expenses

The expenses incurred but related to results of business operations of several year are recorded as prepaid expenses and are amortised to the income statement in the following year.

The calculation and allocation of long-term prepaid expenses to operating expenses in each year should be based on nature of those expenses to select a reasonable method and allocated factors. Prepaid expenses are allocated partly into operating expenses on a straight-line basis.

Goodwill incurred when equitization of state-owned enterprise is allocated gradually for within 10 years.

2.15 . Payables

The payables shall be kept records in details according to period payables, entities payables, types of currency payable and other factors according to requirements for management of the Company.

2.16 . Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.17 . Bonds released

Bond released shall be recorded on net basis, determining by bond value at Par minus (-) Bond discount and plus (+) Bond premium. At the time of initial record, the cost of issuing bonds is recorded a decrease in par value of the bond. After initial recognition, the cost of issuing bonds is allocated periodically by recording an increase in the par value and recording in financial expense in the year in accordance with the bond life by the straight line method.

2.18 . Borrowing costs

Borrowing costs are recognized into operating costs in the year, except for which directly attributable to the construction or production of unfinished asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in VAS No. 16 "Borrowing costs". Beside, regarding loans serving the construction of fixed assets, investment properties, and the interests shall be capitalized even if the construction duration is under 12 months.

2.19 . Accrued expenses

Payables to goods or services received from the seller or provided for the seller during the year, but payments of such goods or services have not been made and other payables such as accrued expenses of the project which have been recognized revenue, accrued interest expenses and other accrued, ... which are recorded to operating expenses of the year.

The recording of accrued expenses to operating expenses during the year shall be carried out in conformity with revenues and expenses incurring during the year. Accrued expenses payable are settled with actual expenses incurred. The difference between accrual and actual expenses are reverted.

2.20 . Provision for payables

Provision for payables only record when meet all following conditions:

- The Company have a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement; and
- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the year. In which:

- *Provision on insuring the construction*: is made for each project or completed work item and handed over in the period with the rate of 5% of the turnover of each project, work item;
- *Provision on waste and wastewater treatment expenses*: is made based on the carrying amount of wastes to be treated at the end of the year and the average cost of waste treatment in the year.

Only expenses related to the previously recorded provision for payable shall be offset by that provision for payable.

Provisions for payables are recorded as operating expenses of the year. In case provision made for the previous year but not used up exceeds the one made for the current year, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the year.

2.21 . Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium shall record the difference between the par value, direct costs related to the issuing shares and issue price of shares (including the case of re-issuing stock fund) and can be a positive premium (if the issue price is higher than par value and direct costs related to the issuance of shares) or negative premium (if the issue price is lower than par value and direct costs related to the issuance of shares).

Undistributed profit after tax is used to record business results (profit, loss) after corporate income tax and situation of income distribution or loss handling of Company. The distribution of profits are made when the undistributed profit after tax of company shall not exceed the undistributed profit after tax on Consolidated Financial Statements after eliminating the impact of profits recorded from cheap purchase. In case payment of dividends, profits for the owners exceeding the undistributed profit after tax shall be essentially decrease of contributed capital. Undistributed profit after tax can be distributed to investors based on capital contribution rate after approval by General Meeting of Shareholders and after making appropriation to funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

The Company appropriates the following reserve funds from its net profit after tax under the proposal of the Board of Management and is approved by the shareholders at the Annual General Meeting of Shareholders:

- Development investment fund: this fund is set up and used for expansion investment of business and production scale, or for intensive investment of enterprises.
- Bonus and welfare funds and bonus for the Executive Board: are deducted from post-corporate income tax profits of enterprises to use for reward and encouragement of physical benefits, bringing common benefits and improving the welfare of employees and are presented as a liability on the Consolidated Consolidated of Financial position.

Dividends to be paid to shareholders are recognised as a payable in the Consolidated Consolidated Statement of Financial position after declaration from the Board of Management and announcement closing date receipt dividends of Securities Depository Center of Vietnam.

2.22 . Revenues

Sales

Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:

- The entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliable.

Services rendered

Services rendered shall be recognised when all the following conditions have been satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of the completion of the transaction at the end of the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliable.

The stage of the completion of the transaction may be determined by surveys of work completed methods.

Revenue from construction contract

In case the construction contract defines that the contractor shall be entitled to payment basing on value of volume achieved, when achieved results of construction contract are estimated reliably and confirmed by customers, then revenues and expenditures related to the contract recorded in proportion to the completed work confirmed by the customer in the year are recorded in the bills set up.

Financial income

Revenue arising from interest, dividends, distributed profits and other financial income shall be recognised when both (2) following conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The amount of the revenue can be measured reliably.

Dividends, distributed profits shall be recognised when the Company is entitled to receive dividends or profit from the capital contribution.

2.23 . Costs of good sold

Cost of goods sold is recognized in accordance with revenue arising and ensure compliance with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned,... are recognized fully and promptly into cost of goods sold in the year.

2.24 . Financial expenses

Items recorded into financial expenses consist of:

- Expenses or losses relating to financial investment activity;
- Expenses of capital borrowing;
- Provision for losses from investment in other entities, losses from exchange rate, etc.

The above items are recorded by the total amount arising within the year without compensation to financial revenue.

2.25 . Corporate income tax

a) Deferred income tax assets and Deferred income tax payable

Deferred income tax assets is determined based on total deductible temporary difference. Deferred income tax payable is determined based on taxable temporary difference amount.

Deferred income tax assets and Deferred income tax payable are determined based on corporate income tax rate estimates to change in the future if the deferred income tax asset or deferred income tax payable are reverted when the new tax rates have been taken effect, based on tax rates and tax laws in effect at the fiscal year ended.

b) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the period, and current corporate income tax rate.

c) Tax incentives policies

From 2014, the Company is entitled to a preferential corporate income tax rate of 10% on taxable income from socialization activities (clean water supply; collection, transportation and treatment of solid waste, waste water) in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014 of the Ministry of Finance.

Simultaneously, according to the Decree No. 218/2013/ND-CP dated 26 December 2013, the Company is applied with CIT rate of 10% within 15 years, exempt from CIT in 04 years and is subject to 50% reduction of CIT payable in the next 09 years for the taxable income from producing solar power generation (in a subsidiary - Biwase Electric - Construction Joint Stock Company).

Due to the first fiscal year of subsidiary - Biwase Electric - Construction Joint Stock Company operated less than 12 months, the Company decided to apply tax incentives for solar power generation as:

- CIT rate of 20% for the first year;
- Apply incentives for the taxable income from producing solar power generation from year 2021. Tax rate of 10% within 15 years (from 2021 - 2035); exempt from CIT in 04 years (from 2021 - 2024); and 50% reduction of CIT payable in the next 09 years (from 2026 - 2033).

d) Current corporate income tax rate

For the fiscal year ended 31 December 2020, the Company is entitled to the following corporate income tax rates:

- Tax rate of 10% for taxable income from clean water supply; collection, transportation and treatment of solid waste, waste water;
- Tax rate of 20% for other taxable income.

2.26 . Earning per shares

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Directors) by the weighted average number of ordinary shares outstanding during the year.

2.27 . Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Enterprises, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and affiliated companies;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises due to the above-mentioned individuals directly or indirectly hold an important part of the voting rights or have significant influence on the Company.

In considering the relationship of related parties to serve for the preparation and presentation of Consolidated Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.28 . Partial information

A part is a separate identifiable component of the Company that engages in the provision of related products or services (business fields), or provides products or services in a specific economic environment (geographical areas). Each of these departments is subject to risks and benefits distinct from other parts.

Segment information is prepared in accordance with the accounting policy applicable to the preparation and presentation of the financial statements of the Company in order to help users of the financial statements to understand and evaluate the financial position of the Company comprehensively.

3 . BUSINESS COMBINATION

Acquisiting additional share of subsidiary and transactions made change the holding interest rate in subsidiary

During the year, the Company acquisited additional 3.0% of shares of Recycled Green Materials Joint Stock Company, increasing the Company's interest by 98.80% on 03 January 2020. The cost of acquisition was paid in cash to non-controlled interest with the amount of VND 650,000,000. The book value of the Recycled Green Materials Joint Stock Company's net assets at 03 January 2020 is VND 16,656,938,323. The difference between acquisition cost and book value of newly acquired interest is VND 150,521,211 to be recognized to retained earnings on the Consolidated Statement of Financial position.

4 . CASH AND CASH EQUIVALENTS

	31/12/2020	01/01/2020
	VND	VND
Cash on hand	1,089,350,286	1,115,390,317
Demand deposits	170,337,017,965	72,669,328,460
Cash in transit	2,076,520,913	932,236,000
Cash equivalents (*)	554,500,000,000	-
	<u>728,002,889,164</u>	<u>74,716,954,777</u>

(*) As at 31 December 2020, the cash equivalents is term deposits with term from 01 months to 03 months deposited at commercial banks with interest from 3.20% / year to 3.80% / year.

5 . FINANCIAL INVESTMENTS

a) Held-to-maturity investments

	31/12/2020		01/01/2020	
	Original cost VND	Provision VND	Original cost VND	Provision VND
Short-term investments				
- Term deposits (i)	336,600,000,000	-	254,290,000,000	-
	336,600,000,000	-	254,290,000,000	-
Long-term investments				
- Bonds (ii)	10,000,000,000	-	5,000,000,000	-
	10,000,000,000	-	5,000,000,000	-
	<u>346,600,000,000</u>	<u>-</u>	<u>259,290,000,000</u>	<u>-</u>

(i) Term deposits from 04 months to 13 months at commercial banks with interest rate of from 4.0%/year to 8.10%/year. At 31 December 2020, the term deposits value at 82.6 billion dong was used as collateral for borrowings/ guarantees from the commercial banks.

(ii) Investments in purchasing bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade:

- + 500 bonds with a term of 07 years (maturity date of 27 September 2026); face value of VND 10,000,000 / 01 bond; Bond interest rate is the reference interest rate + 1.0% / year.
- + 50,000 bonds with a term of 10 years (maturity date of 30 July 2030); face value of VND 100,000 / 01 bond; Bond interest rate is the reference interest rate + 1.0% / year.

b) Equity investments in associate

	31/12/2020			01/01/2020			
	Address	Proportion of ownership	Voting rights held by the Group	Value by equity method	Address	Proportion of ownership	Voting rights held by the Group
- Chanh Phu Hoa Investment - Construction Joint Stock Company	Binh Duong	43.12%	43.12%	282,918,903,961 VND	Binh Duong	43.12%	43.12%
							Accounting book value
							211,744,157,208
				<u>282,918,903,961</u>			<u>211,744,157,208</u>

Major transactions between the Company and associate during the year: detailed as in Notes 41.

c) Equity investments in other entities

Stock code	31/12/2020			01/01/2020		
	Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
- Dong Nai Water Joint Stock Company	273,085,860,000	375,771,000,000	-	273,085,860,000	330,459,000,000	-
- Binh Duong Producing and Trading Goods Corporation	213,760,200,000	141,720,000,000	(72,040,200,000)	213,760,200,000	179,760,000,000	(34,000,200,000)
- Thanh Le General Import - Export Trading Corporation	18,387,540,000	11,976,000,000	(6,411,540,000)	18,387,540,000	10,200,000,000	(8,187,540,000)
	<u>505,233,600,000</u>	<u>529,467,000,000</u>	<u>(78,451,740,000)</u>	<u>505,233,600,000</u>	<u>520,419,000,000</u>	<u>(42,187,740,000)</u>

The fair value of investments in Dong Nai Water Joint Stock Company ("DNW"), Binh Duong Producing and Trading Goods Corporation ("PRT") and Thanh Le General Import - Export Trading Corporation ("TLP") as at 31 December 2019 and 31 December 2020, they are the average reference price of the nearest 30 trading days at the date of reporting of these stocks in Upcom.

Detailed information on the Company's other entities as at 31 December 2020 as follows:

Name of company	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
- Dong Nai Water Joint Stock Company	Dong Nai	17.70%	17.70%	Supplying water.
- Binh Duong Producing and Trading Goods Corporation	Binh Duong	4.00%	4.00%	Trading business, industrial zone.
- Thanh Le General Import - Export Trading Corporation	Binh Duong	0.51%	0.51%	Trading petroleum; water transportation and real estate business.

6 . SHORT-TERM TRADE RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Trade receivables detailed by customers with large account balances				
- Vietnam - Singapore Industrial Park Joint Venture Co., Ltd	25,019,343,878	-	22,422,939,582	-
- Department of Natural Resources and Environment of Thuan An Town	10,591,869,000	-	10,411,494,000	-
- Others	288,758,730,169	(22,775,548,887)	307,034,590,371	(12,179,154,473)
	<u>324,369,943,047</u>	<u>(22,775,548,887)</u>	<u>339,869,023,953</u>	<u>(12,179,154,473)</u>
b) In which: Trade receivables from related parties <i>(Detailed as in Notes No. 41)</i>	<u>38,821,934,232</u>	<u>(325,843,200)</u>	<u>10,405,541,310</u>	<u>(157,082,800)</u>

7 . SHORT-TERM PREPAYMENTS TO SUPPLIES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Prepayments to supplies detailed by large account balances				
- Vietnam Construction JSC No. 5	-	-	31,000,000,000	-
- Investment and Industrial Development Corporation - Joint Stock Company	-	-	85,858,080,000	-
- Jindal Saw Gulf L.L.C	-	-	12,601,256,118	-
- Land Fund Development Center of Tan Uyen town (i)	114,387,697,750	-	115,995,463,750	-
- Others	96,381,502,772	(7,307,321,545)	101,962,994,386	(7,307,321,545)
	<u>210,769,200,522</u>	<u>(7,307,321,545)</u>	<u>347,417,794,254</u>	<u>(7,307,321,545)</u>
b) In which: Prepayments to related parties <i>(Detailed as in Notes No. 41)</i>	<u>-</u>	<u>-</u>	<u>86,046,899,532</u>	<u>-</u>

- (i) This is an advance of the compensation fund according to Contract No. 01/HD-GPMB dated 20 April 2018 on the implementation of compensation and site clearance of the Project "Tan Hiep Water Plant Expansion" and Decision No. 293/TTPTQD-HC dated 16 August 2018 on the proposal of payment of transferring funds of compensation and resettlement support to pay households affected by the Project.

8 . OTHER SHORT-TERM RECEIVABLES

	31/12/2020		01/01/2020	
	Amount VND	Provision VND	Amount VND	Provision VND
a) Short-term				
- Advances	59,647,155,357	-	37,727,539,113	-
- Mortgages, deposits	1,625,251,263	-	2,638,831,463	-
- Receivables from materials advanced for construction	13,388,881,615	-	19,689,812,608	-
- Receivables from lending materials	7,318,071,865	-	55,921,536,155	-
- Receivables of advance on site clearance and resettlement compensation of the Projects at Project Management Units	4,800,000,000	-	4,800,000,000	-
- Loan interest receivable, deposit interest receivable	6,377,026,892	-	3,290,165,464	-
- Dividend receivable	13,500,801,900	-	-	-
- Advance for purchasing land use rights	10,440,000,000	-	12,060,000,000	-
- Receivables from invested in purchasing shares of Gia Tan Water Joint Stock Company (i)	35,181,617,500	(5,563,182,405)	-	-
- Other receivables	38,972,410,917	-	20,602,586,948	-
	191,251,217,309	(5,563,182,405)	156,730,471,751	-
b) Long-term				
- Receivables from the Sewerage Project Management Unit in Binh Duong province (ii)	970,343,027,648	-	924,112,207,078	-
	970,343,027,648	-	924,112,207,078	-
c) In which: Other receivables from related parties (Detailed as in Notes No. 41)	7,287,915,925	-	10,945,135,051	-

(i) Pursuant to Meeting Minutes and Resolution No. 03/BB-HDQT dated 09 January 2020 of the Board of Management of Binh Duong Water - Environment Joint Stock Company, the Board of Management has agreed on investing in Gia Tan Water Joint Stock Company by receiving shares transferred from the shareholders of Gia Tan Water Joint Stock Company. Accordingly, during the year, the Company was performing transactions to receive shares transferred from D&B Trading and Technical Services Company Limited and other individual shareholders with total shares of 1,997,234 shares and 601,665 shares respectively, equivalent to total par value of VND 19,972,340,000 and VND 6,016,650,000; with the purchase cost of VND 25,659,140,000 and VND 9,522,477,500 respectively. After above transactions, as at 31 December 2020, the Company owns 2,598,899 shares of Gia Tan Water Joint Stock Company, rate of interest is 25.99% and the total investment cost of these shares is VND 35,181,617,500.

Under the Share transfer contracts, the Company is entitled all benefits and bears the risks associated to these shares transferred mention above since the time of fully settlement of shares purchasing to transfer parties. Up to the date of Consolidated Financial Statements, the procedure to transfer ownership of these shares to the Company has not been completed.

- (ii) Receivables from the Sewerage Project Management Unit in Binh Duong province after the Company handed over assets, liabilities of units, including: Project Management Unit for Southern Thu Dau Mot Water Supply project; Water Supply - Sewerage - Environment Project Management Unit; Project Management Unit for Water drainage and Waste water treatment in Di An, Thuan An and Tan Uyen and South Binh Duong Water Environment Improvement Project Management Unit according to Decision No. 340/QD-UBND dated 13 February 2019 of the People's Committee of Binh Duong province on consolidating Project Management Units in the field of water drainage and wastewater treatment; Decision No. 2909/UBND-KTN dated 19 June 2019 and Decision No. 3466/UBND-KTN dated 16 July 2019 of the People's Committee of Binh Duong Province on the transfer of investors of ongoing projects to the Sewerage Project Management Unit in Binh Duong province. In which, receivable of VND 696.01 billion which the Company has granted to Project Management Units and VND 274.33 billion from the Project Management Units related to the capital that form assets in progress at the Project Management Units which were previously included in the valuation report when equitizing.

9 . DOUBTFUL DEBTS

	31/12/2020		01/01/2020	
	Original cost	Recoverable amount	Original cost	Recoverable amount
	VND	VND	VND	VND
Total value of overdue debts	48,209,235,125	18,126,364,693	30,481,499,629	10,995,023,611
- Ngoc Suong Asia Investment and Project Manager JSC	5,444,000,000	-	5,444,000,000	-
- Minh Nhat Trading Construction Co., Ltd	1,770,774,207	-	1,770,774,207	-
- Others	40,994,460,918	18,126,364,693	23,266,725,422	10,995,023,611
	48,209,235,125	18,126,364,693	30,481,499,629	10,995,023,611

10 . INVENTORIES

	31/12/2020		01/01/2020	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw materials	363,541,233,215	-	291,660,518,387	-
Tools, supplies	754,602,178	-	3,606,237,702	-
Work in progress (*)	226,147,930,493	-	167,428,818,581	-
Finished goods	28,852,122,881	-	21,287,461,045	-
Goods	2,421,809,618	-	91,001,074	-
	621,717,698,385	-	484,074,036,789	-

- (*) Including the Project of social housing and green park in An Phu ward, Thuan An town, Binh Duong province with the accumulated amount until 31 December 2020 is VND 163,679,737,043. Total design capacity of the Project include 12 floors, 216 apartments with the floor area of 16,689.8 m²; standard of 25m²/person with reception capacity of about 667 people. The scale of the project is defined as a construction work - level I, including 01 basement, 01 ground and 11 top floors over the total area of 4,613.6 m². Estimated total investment for the whole project is VND 207,113,593,074. The main invested capital is the borrowing capital from the Binh Duong Development Investment Fund and the Company's own capital. The investment purpose of the project is to build house for students, workers, civil servants, officials, armed forces, and people with low-income in Binh Duong province. At the reporting date, the project has completed the crude construction and is in the process of interior finishing, and other auxiliary items. At the reporting date, the project has been completed and the was been implementing necessary procedures for acceptance and overall handover in order to putting in use.

11 . CONSTRUCTION IN PROGRESS

a) Construction in progress

	31/12/2020	01/01/2020
	VND	VND
Procurement of fixed assets	315,115,451,921	62,881,051,321
Land use rights (i)	315,115,451,921	62,881,051,321
Construction in progress	1,038,275,710,070	535,099,514,595
Head office	927,501,507,413	417,228,226,110
- Project of Water supply in Binh Duong Complex Area (Tan Hiep water plant), the capacity 100,000 m3/day	220,869,985,587	49,888,230,708
- Water supply system project in Becamex - Binh Phuoc Industrial and Urban Complex and surrounding areas	170,723,831,844	-
- The pipeline project under the project of expanding Southern Thu Dau Mot	-	33,183,616,678
- Project of manufacturing, installing compost 3 factory - capacity of 840 tons / day belongs to the South Binh Duong solid waste treatment complex	192,252,661,975	19,445,807,087
- Incinerator with capacity of 8,400 kg / hour belongs to the South Binh Duong solid waste treatment complex	136,382,352,407	43,976,995,590
- Industrial wastewater treatment plant of 250 m3 / day	-	38,438,787,581
- Water Drainage project of Thu Dau Mot town - Phase 1 (ii)	-	34,042,968,844
- Other constructions	207,272,675,600	198,251,819,622
PMU of Tan Hiep Water Factory (ii)	110,774,202,657	117,871,288,485
Major repairs of fixed assets	1,961,464,004	-
Other repairs	1,961,464,004	-
	<u>1,355,352,625,995</u>	<u>597,980,565,916</u>

(i) Including land use rights purchased to expanding and upgrading the capacity of the Complex Area Water Supply Enterprise; expanding Uyen Hung Water Plant; Southern Binh Duong Waste Treatment Complex project; Tan Hiep Water Factory and build the Trade Center and the Office of the Company at New Urban area of Binh Duong Industry - Urban - Service Complex.

(ii) Decrease due to the Company has handed over assets excluded from the value of enterprise to the Sewerage Project Management Unit in Binh Duong province according to the Decision No. 1711/QD-UBND dated 30 June 2020 of Committee of Binh Duong province with the total value of 41.14 billion dong.

b) Detailed information on the large projects

No.	Items		
1	Project of Water supply in Binh Duong Complex Area (Tan Hiep water plant), the capacity 100,000 m3/day	Investment project on manufacturing, installing compost 3 factory - capacity of 840 tons / day belongs to the South Binh Duong solid waste treatment complex	Incinerator with capacity of 8400 kg / hour belongs to the South Binh Duong solid waste treatment complex
2	Project of Water supply in Binh Duong Complex Area (Tan Hiep water plant), the capacity 100,000 m3/day.	Investment project on manufacturing, installing compost 3 factory - capacity of 840 tons / day.	Incinerator with capacity of 8400 kg / hour belongs to the South Binh Duong solid waste treatment complex.
3	Binh Duong Water - Environment Joint Stock Company	Binh Duong Water - Environment Joint Stock Company	Binh Duong Water - Environment Joint Stock Company
4	Tan Hiep ward, Tan Uyen town, Binh Duong province.	Chanh Phu Hoa ward, Ben Cat town, Binh Duong province.	Chanh Phu Hoa ward, Ben Cat town, Binh Duong province.
5	Supplement water supply capacity to Thu Dau Mot, Tan Uyen and Ben Cat to the year 2030 with an additional capacity of 100,000 m3/day.	Increase waste treatment capacity at the South Binh Duong solid waste treatment complex by 840 tons / day.	Increase waste treatment capacity at South Binh Duong solid waste treatment complex.
6	Total estimated investment budget	316.32 billion dong.	284.97 billion dong.
7	Invested capital	From the Company's own capital, borrowing capital and others capital.	From the Company's own capital.
8	The time estimated for implementation	24 months.	24 months.
9	Construction status	The volume of work in progress as at 31 December 2020 including: 142.42 billion dong for items of classifying warehouse, composting warehouse, fermenting warehouse and refining warehouse; 45.35 billion dong for item classifying and refining garbage system; 2.07 billion dong for design consultancy expenses and 3.34 billion dong for other general expenses.	The volume of work in progress as at 31 December 2020 including: 121.57 billion dong for item incinerator system; 12.71 billion dong for items tank foundation and cladding warehouse; 0.59 billion dong for design consultancy expenses and 1.51 billion dong for other general expenses.

12 . PREPAID EXPENSES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
Tools and supplies waiting for allocation	3,892,108,995	6,808,169,049
Processing and repairing expenses	2,012,618,310	734,113,030
Premium expenses	1,031,778,354	904,025,686
Others	1,875,809,065	1,113,013,624
	8,812,314,724	9,559,321,389
b) Long-term		
Tools and supplies waiting for allocation	15,041,611,945	16,253,044,077
Substantial expenditure on fixed asset overhaul	5,279,186,253	1,348,012,783
Cost of renovating sidewalks on Ly Thuong Kiet street	1,062,079,450	2,305,551,466
Costs of installing water pipelines	6,984,993,696	3,682,329,538
Land rental costs	24,601,791,557	25,348,425,773
Value of the business advantages of the enterprise	5,823,071,336	6,835,779,392
Others	2,361,435,406	4,264,560,503
	61,154,169,643	60,037,703,532

13 . TANGIBLE FIXED ASSETS

	Buildings, structures		Machine, equipment		Transportation equipment		Management equipment		Perennial and cattle		Others		Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	
Original cost													
Beginning balance	1,374,712,748,961	819,423,640,485	2,742,292,781,463	12,557,514,961	1,234,999,773	53,423,975,419	5,003,645,661,062						
- Purchase in the year	1,086,162,750	6,568,644,042	34,802,853,904	244,584,840	-	633,072,728	43,335,318,264						
- Completed construction investment	363,724,700,419	35,884,908,365	393,291,898,903	-	-	12,442,515,409	805,344,023,096						
- Liquidation, disposal	-	-	(2,705,067,172)	-	-	-	(2,705,067,172)						
- Other decrease	(251,782,727)	-	-	-	-	-	(251,782,727)						
Ending balance of the year	1,739,271,829,403	861,877,192,892	3,167,682,467,098	12,802,099,801	1,234,999,773	66,499,563,556	5,849,368,152,523						
Accumulated depreciation													
Beginning balance	911,166,787,882	418,627,838,172	1,419,124,015,859	7,687,587,843	170,763,259	32,965,417,379	2,789,742,410,394						
- Depreciation for the year	106,708,548,371	79,339,002,814	276,172,897,409	1,133,692,266	135,833,340	2,172,256,774	465,662,230,974						
- Liquidation, disposal	-	-	(1,841,021,598)	-	-	-	(1,841,021,598)						
- Other decrease	(108,576,898)	-	-	-	-	-	(108,576,898)						
Ending balance of the year	1,017,766,759,355	497,966,840,986	1,693,455,891,670	8,821,280,109	306,596,599	35,137,674,153	3,253,455,042,872						
Net carrying amount													
Beginning of the year	463,545,961,079	400,795,802,313	1,323,168,765,604	4,869,927,118	1,064,236,514	20,458,558,040	2,213,903,250,668						
Ending of the year	721,505,070,048	363,910,351,906	1,474,226,575,428	3,980,819,692	928,403,174	31,361,889,403	2,595,913,109,651						

- Cost of fully depreciated tangible fixed assets at the end of the year but still in use is VND 576,079,935,380.

16 . BORROWINGS

	01/01/2020		During the year		31/12/2020	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
Short-term debts						
- Vietnam Maritime Commercial Joint Stock Bank - Ho Chi Minh Branch	531,501,906,117	531,501,906,117	1,772,325,044,716	1,452,138,010,444	851,688,940,389	851,688,940,389
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	100,958,432,109	100,958,432,109	283,921,003,794	248,950,917,188	135,928,518,715	135,928,518,715
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	-	-	335,356,874,858	152,323,095,513	183,033,779,345	183,033,779,345
- Military Commercial Joint Stock Bank - Binh Duong Branch	384,043,474,008	384,043,474,008	534,985,577,808	672,411,985,487	246,617,066,329	246,617,066,329
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	-	-	175,325,729,595	102,545,636,016	72,780,093,579	72,780,093,579
- Sai Gon Thuong Tin Commercial Joint Stock Bank - Binh Duong Branch	-	-	153,498,159,074	87,938,205,740	65,559,953,334	65,559,953,334
- Shinhan Bank Vietnam Limited - Binh Duong Branch	46,500,000,000	46,500,000,000	-	46,500,000,000	-	-
- Vietnam Export Import Commercial Joint Stock Bank - Binh Duong Branch	-	-	80,000,000,000	-	80,000,000,000	80,000,000,000
- Vietnam Prosperity Joint Stock Commercial Bank	-	-	133,344,872,462	125,228,170,500	8,116,701,962	8,116,701,962
- Standard Chartered (Vietnam) - Ho Chi Minh City Branch	-	-	5,628,069,603	-	5,628,069,603	5,628,069,603
- Others	-	-	29,459,757,522	-	29,459,757,522	29,459,757,522
Current portion of long-term debts - Parent Company	333,693,421,241	333,693,421,241	40,805,000,000	16,240,000,000	24,565,000,000	24,565,000,000
Current portion of long-term debts - Subsidiary	4,769,978,736	4,769,978,736	-	2,909,978,736	1,860,000,000	1,860,000,000
	869,965,306,094	869,965,306,094	2,199,527,521,489	1,788,741,410,421	1,280,751,417,162	1,280,751,417,162

	01/01/2020		During the year		31/12/2020	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	
					VND	VND
b) Long-term borrowings						
Long-term debts	1,928,260,218,194	1,928,260,218,194	1,045,317,897,844	523,500,971,300	2,450,077,144,738	2,450,077,144,738
- Vietnam Development Bank - Binh Duong Branch	461,185,805,102	461,185,805,102	14,225,418,021	65,313,925,542	410,097,297,581	410,097,297,581
- Asian Development Bank	471,295,812,412	471,295,812,412	301,635,548,797	34,570,798,584	738,360,562,625	738,360,562,625
- World Bank	386,311,104,643	386,311,104,643	-	21,462,000,000	364,849,104,643	364,849,104,643
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	26,880,000,000	26,880,000,000	123,230,945,487	13,440,000,000	136,670,945,487	136,670,945,487
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	71,289,755,000	71,289,755,000	-	24,276,164,000	47,013,591,000	47,013,591,000
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	46,663,644,995	46,663,644,995	66,530,448,292	12,443,710,200	100,750,383,087	100,750,383,087
- Binh Duong Development Investment Fund - at Parent Company	414,492,394,238	414,492,394,238	333,354,537,247	273,492,394,238	474,354,537,247	474,354,537,247
- Binh Duong Development Investment Fund - at Subsidiary	4,769,978,736	4,769,978,736	-	2,909,978,736	1,860,000,000	1,860,000,000
- Binh Duong Environmental Protection Fund	36,621,723,068	36,621,723,068	-	8,404,000,000	28,217,723,068	28,217,723,068
- Vietnam Environmental Protection Fund	8,750,000,000	8,750,000,000	-	2,188,000,000	6,562,000,000	6,562,000,000
- Thu Dau Mot Water Joint Stock Company	-	-	50,000,000,000	50,000,000,000	-	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	-	-	122,600,000,000	-	122,600,000,000	122,600,000,000
- Others	-	-	33,741,000,000	15,000,000,000	18,741,000,000	18,741,000,000
Common bond	198,488,138,152	198,488,138,152	730,044,864	-	199,218,183,016	199,218,183,016
	<u>2,126,748,356,346</u>	<u>2,126,748,356,346</u>	<u>1,046,047,942,708</u>	<u>523,500,971,300</u>	<u>2,649,295,327,754</u>	<u>2,649,295,327,754</u>
Amount due for settlement within 12 months	(338,463,399,977)	(338,463,399,977)	(427,202,476,773)	(336,603,399,977)	(429,062,476,773)	(429,062,476,773)
Amount due for settlement after 12 months	<u>1,788,284,956,369</u>	<u>1,788,284,956,369</u>			<u>2,220,232,850,981</u>	<u>2,220,232,850,981</u>

Detail information on Short-term debts:

	Currency	Interest rate	Guarantee	31/12/2020	01/01/2020
				VND	VND
- Vietnam Maritime Commercial Joint Stock Bank - Ho Chi Minh Branch	VND	5.80%	Unsecured	135,928,518,715	100,958,432,109
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	VND	4.00% - 5.30%	Inventories; DNW shares	183,033,779,345	-
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	VND	4.00% - 6.60%	Claim for debts	246,617,066,329	384,043,474,008
- Military Commercial Joint Stock Bank - Binh Duong Branch	VND	4.90% - 6.50%	Pledge of trust	72,780,093,579	-
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	VND	5.30% - 6.20%	Claim for debts	65,559,953,334	-
- Sai Gon Thuong Tin Commercial Joint Stock Bank - Binh Duong Branch	VND	7.80%	Claim for debts	-	46,500,000,000
- Shinhan Bank Vietnam Limited - Binh Duong Branch	VND	4.50% - 5.00%	Term deposits	80,000,000,000	-
- Vietnam Export Import Commercial Joint Stock Bank - Binh Duong Branch	VND	5.00%	Unsecured	8,116,701,962	-
- Vietnam Prosperity Joint Stock Commercial Bank	VND	7.40%	Unsecured	5,628,069,603	-
- Standard Chartered (Vietnam) - Ho Chi Minh City Branch	VND	3.90%	Unsecured	29,459,757,522	-
- Others	VND	7.57% - 8.22%	Unsecured	24,565,000,000	-
				851,688,940,389	531,501,906,117

Detail information on Long-term loans

Terms and conditions of long-term loans is as follows:

	Currency	Interest rate	Fees	Year maturity	Guarantee	31/12/2020		01/01/2020	
						Long-term debts	In which, current portion of long-term debts	Long-term debts	Long-term debts
						VND	VND	VND	VND
- Vietnam Development Bank - Binh Duong Branch	VND	0.00% - 7.18%	0.20%	2020 - 2028	Pledge of trust	246,529,248,932	43,000,000,000	293,694,762,984	
- Vietnam Development Bank - Binh Duong Branch	EUR	0.00%	0.20%	2025 - 2032	Pledge of trust	163,568,048,649	19,798,981,300	167,491,042,118	
- Asian Development Bank	USD	LIBOR + 0.5%	0.20%	2037	Pledge of trust	738,360,562,625	37,176,796,193	471,295,812,412	
- World Bank	VND	6.75%	0.20%	2037	Pledge of trust	364,849,104,643	21,464,000,000	386,311,104,643	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	VND	6.8% - 8.5%		2021 - 2027	Stock formed from loan (DNW)	136,670,945,487	39,440,000,000	26,880,000,000	
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	VND	7.00% - 8.70%		2021 - 2028	Stock formed from loan (DNW)	47,013,591,000	23,176,164,000	71,289,755,000	
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	VND	Floating rate		2023	Assets formed from projects	100,750,383,087	15,215,812,212	46,663,644,995	
- Binh Duong Development Investment Fund - at Parent Company	VND	3.60% - 7.00%		2021 - 2028	Assets formed from projects; right to receivables from water supply	474,354,537,247	76,000,000,000	414,492,394,238	
- Binh Duong Development Investment Fund - at Subsidiary	VND	7.00%		2021	Right to receive dividends	1,860,000,000	1,860,000,000	4,769,978,736	
- Binh Duong Environmental Protection Fund	VND	4.20%		2021 - 2025	Pledge of trust	28,217,723,068	8,401,723,068	36,621,723,068	
- Vietnam Environmental Protection Fund	VND	2.60%		2023	Pledge of trust	6,562,000,000	2,188,000,000	8,750,000,000	
- Chanh Phu Hoa Investment - Construction Joint Stock Company	VND	7.51% - 8.22%		2021	Unsecured	122,600,000,000	122,600,000,000	-	
- Others	VND	8.15% - 8.22%		2021	Unsecured	18,741,000,000	18,741,000,000	-	
						<u>2,450,077,144,738</u>	<u>429,062,476,773</u>	<u>1,928,260,218,194</u>	
						<u>(429,062,476,773)</u>		<u>(338,463,399,977)</u>	
						<u>2,021,014,667,965</u>		<u>1,589,796,818,217</u>	

Amount due for settlement within 12 months

Amount due for settlement after 12 months

Loans from banks and other credit institutions are secured by the mortgage contract/ pledging with the lender and registered fully secured transactions.

Detailed information on common bond

	31/12/2020	01/01/2020
	VND	VND
Par value	200,000,000,000	200,000,000,000
Cost of issuing bonds	(781,816,984)	(1,511,861,848)
	<u>199,218,183,016</u>	<u>198,488,138,152</u>

Release agent	Bondholders	Quantity	Value	Interest rate	Maturity	Purpose	Secured
			VND				
Tien Phong Commercial Joint Stock Bank	Tien Phong Commercial Joint Stock Bank	2,000	200,000,000,000	The interest rate applicable to interest payment periods will be determined by the Payment Agent at the date of interest rate determination and equal to the reference interest rate plus (+) the amplitude of 3.5%/ year. The interest rate for the first interest period is 9.5%/ year.	Year 2022	Supplement the mobilizing capital of the Company	(i)
		<u>2,000</u>	<u>200,000,000,000</u>				

(i) This common bond is secured by:

- Land plot No. 278 with area of 1,806.6 m2 of industrial park land (expiry date until July 2048) in An Phu ward, Thuan An town, Binh Duong province; land plot No. 175 with area of 2,357.5 m2 of industrial park land (expiry date to July 2048) and land plot No. 176 with area of 288.5 m2 of industrial park land (expiry date to July 2048) in Binh Hoa ward, Thuan An town, Binh Duong province according to the Certificate of land use right CL470476, the number recorded in the Certificate of CT22189 issued by the Department of Natural Resources and Environment of Binh Duong province on 26 December 2017.
- Shares and rights and benefits arising from these shares include:
 - Shares of Binh Duong Producing and Trading Goods Corporation - Joint Stock Company (Stock code: PRT, listed in UpCom): the volume of pledged shares is 12,000,000 shares;
 - Shares of Thanh Le General Import - Export Trading Corporation (Stock code: TLP, listed in UpCom): the volume of pledged shares is 1,200,000 shares;
 - Shares of Dong Nai Water Joint Stock Company (Stock code: DNW, listed in UpCom): the volume of pledged shares is 2,700,000 shares.
- Receivables arising from the Complex Area Water Supply Enterprise (excluding the minimum value of the receivables of VND 100,000,000,000 from the output customers including Vietnam - Singapore Industrial Park Joint Venture Company Limited, Vina Kraft Paper Company Limited, Panko Vina Company Limited and Kumho Vietnam Tire Company Limited); receivables arising from Thu Dau Mot Water Supply Enterprise and Thuan An Water Supply Enterprise.

- Land plots are land use rights formed during the 09 months of additional mortgage commitment, including:

- The land area of 45,139.7 m² of the Tan Hiep Water Plant Expansion Project which is owned by the Company and is located in Tan Uyen town, Binh Duong province;
- The land area of 7,000 m² of supplementing land fund to expect to build the Company's office, located in Phu Tan ward, Thu Dau Mot city, Binh Duong province;
- The land area of 20,000 m² of supplementing land fund to expect to build a commercial housing area for employees, located in My Phuoc 3 Residential Area, Ben Cat town, Binh Duong province.

c) Borrowings from relevant entities are as follows:

	Relation	31/12/2020		01/01/2020	
		Principal		Principal	
		VND	Interest payables	VND	Interest payables
- Chanh Phu Hoa Investment - Construction Joint Stock Company	Associate	122,600,000,000	2,354,035,505	-	-
- Ms. Dang Thi Muoi	Chairman's wife	1,000,000,000	20,718,904	-	-
- Ms. Nguyen Thi Dien	Head of Financial and Accounting - Mr. Duong Hoang Son's wife	200,000,000	3,957,260	-	-
- Mr. Nguyen Thanh Phong	Member of Board of Management	1,500,000,000	30,901,918	-	-
- Ms. Duong Anh Thu	Head of Supervisory board	500,000,000	10,359,452	-	-
		125,800,000,000	2,419,973,039	-	-



17 . SHORT-TERM TRADE PAYABLES

	31/12/2020		01/01/2020	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
a) Trade payables detailed by large account balances				
- Vietnam Construction Joint Stock Company No. 5	34,453,809,687	34,453,809,687	-	-
- N.T.P Trade Company Limited	18,306,257,650	18,306,257,650	23,327,915,600	23,327,915,600
- Land Fund Development Center of Ben Cat district	10,292,015,271	10,292,015,271	10,292,015,271	10,292,015,271
- Minh Hung plastics Joint Stock company	9,845,996,402	9,845,996,402	3,075,039,125	3,075,039,125
- Thu Dau Mot Water Joint Stock Company	28,031,457,360	28,031,457,360	31,355,702,775	31,355,702,775
- Others	122,616,773,869	122,616,773,869	110,412,153,350	110,412,153,350
	<u>223,546,310,239</u>	<u>223,546,310,239</u>	<u>178,462,826,121</u>	<u>178,462,826,121</u>
b) In which: Trade payables from related parties (Detailed as in Notes No. 41)	<u>58,538,268,137</u>	<u>58,538,268,137</u>	<u>55,680,369,162</u>	<u>55,680,369,162</u>

18 . SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2020		01/01/2020	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
a) Prepayments from customers detailed by large account balances				
- Thu Dau Mot Water Joint Stock Company	-	-	-	574,000,000
- Quynh Phuc Production and Trading Company Limited	-	-	-	7,000,000,000
- Investment and Industrial Development Corporation - Joint Stock Company	1,034,692,692	1,034,692,692	1,034,692,692	1,034,692,692
- Thuan An Town Urban Management Department	4,563,828,000	4,563,828,000	-	-
- Others	62,297,006,668	62,297,006,668	14,361,694,944	14,361,694,944
	<u>67,895,527,360</u>	<u>67,895,527,360</u>	<u>22,970,387,636</u>	<u>22,970,387,636</u>
b) In which: Prepayment from related parties (Detailed as in Notes No. 41)	<u>1,217,336,292</u>	<u>1,217,336,292</u>	<u>8,608,692,692</u>	<u>8,608,692,692</u>



19 . TAXES AND OTHER PAYABLES TO STATE BUDGET

	Tax receivable at beginning of the year	Tax payable at beginning of the year	Tax payable in the year	Tax paid in the year	Tax receivable end of the year	Tax payable end of the year
	VND	VND	VND	VND	VND	VND
Value added tax	-	428,060,628	37,009,828,250	37,705,106,777	298,335,460	31,117,561
Corporate income tax	-	22,927,645,907	61,147,378,857	62,733,905,922	-	21,341,118,842
Personal income tax	600,426	17,659,162	9,935,558,191	9,977,294,349	25,102,950	425,528
Natural resource tax	-	422,374,800	11,892,117,415	11,940,663,455	-	373,828,760
Land tax and land rental	-	-	119,953,584	119,953,584	-	-
Fees, charges and other payables	-	16,312,675,433	81,623,332,998	79,106,891,453	3,000,000	18,832,116,978
	<u>600,426</u>	<u>40,108,415,930</u>	<u>201,728,169,295</u>	<u>201,583,815,540</u>	<u>326,438,410</u>	<u>40,578,607,669</u>

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Consolidated Financial Statements could be changed at a later date upon final determination by the tax authorities.

20 . SHORT-TERM ACCRUED EXPENSES

	31/12/2020	01/01/2020
	VND	VND
Accrued interest	18,926,563,107	11,337,892,569
Accrued expense for implementation of construction works	1,208,436,789	1,145,800,084
Accrued expenses of the project which have been recognized revenue	11,297,159,021	6,684,919,193
Other accrued expenses	886,385,776	1,555,600,608
	<u>32,318,544,693</u>	<u>20,724,212,454</u>

21 . OTHER PAYABLES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
Trade union fee, social insurance, health insurance, unemployment insurance	789,300,363	6,866,092,025
Short-term deposits, collateral received	8,645,472,791	5,641,420,432
Payables on non-interest borrowings	3,340,000,000	5,250,000,000
- <i>Tu Hai Company Limited</i>	2,000,000,000	4,250,000,000
- <i>Mr. Nguyen Van Hoang</i>	1,000,000,000	1,000,000,000
- <i>Ms. Trần Thị Huỳnh Mai</i>	340,000,000	-
Other payables	235,821,541,869	207,824,165,546
- <i>Depreciation of assets under the project of Thu Dau Mot wastewater treatment plant - payables to State Budget</i>	-	50,000,000,000
- <i>Dividends payables (i)</i>	225,000,000,000	150,000,000,000
- <i>Other payables</i>	10,821,541,869	7,824,165,546
	248,596,315,023	225,581,678,003
b) Long-term		
Long-term deposits, collateral received	7,140,636,688	5,213,005,000
Borrowings received from foreign entities without debt covenant (ii)	44,360,455,325	41,744,453,323
Payables to Project Management Units on capital formed fixed assets which was temporary increased, but not yet approved for final settlement	575,292,161,408	678,728,922,307
Surplus of assets awaiting resolution (iii)	-	34,559,790,191
	626,793,253,421	760,246,170,821

(i) Detailed as in Note No. 23.

(ii) Amount advanced or direct disbursement from lender to the suppliers. However, debt covenant has not been made between the Company and the Banks.

(iii) Decrease due to the Company has handed over the correspondingly formed capital of assets excluded from the value of enterprise of the Water Drainage System in Thu Dau Mot town - Phase 1 to the Sewerage Project Management Unit in Binh Duong province with the value of VND 34,042,968,844 and paying to the State Budget with amount of VND 516,821,347 of the difference between the allocated capital and the value of above assets formed.

22 . SHORT-TERM PROVISIONS FOR PAYABLES

	31/12/2020	01/01/2020
	VND	VND
Provision for construction warranty	5,041,111,618	3,844,538,848
Waste and wastewater treatment expenses	6,987,839,546	19,035,447,209
	12,028,951,164	22,879,986,057

23 . OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital		Share premium		Development an investment fund		Retained earnings		Capital expenditure fund (i)		Non-Controlling Interest		Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	1,500,000,000,000	-	72,324,893,590	264,805,821,746	2,285,516,359,604	3,127,498,132	4,125,774,573,072							
Profit of the previous year	-	-	-	476,265,225,906	-	(20,238,254)	476,244,987,652							
Decrease in capital of the previous year	-	-	-	-	(2,183,286,105,173)	-	(2,183,286,105,173)							
Purchased additional shares of subsidiary	-	-	-	(637,520,427)	-	(2,407,989,573)	(3,045,510,000)							
Other changes in equity investments in associate	-	-	-	267,517,580	-	-	267,517,580							
Profit distribution in 2018 at the Parent	-	-	109,628,820,175	(172,273,860,275)	-	-	(62,645,040,100)							
Temporary dividend payment in 2019 (iv)	-	-	-	(150,000,000,000)	-	-	(150,000,000,000)							
Associated distribution bonus and welfare funds and executive bonus funds	-	-	-	(3,548,236,944)	-	-	(3,548,236,944)							
Ending balance of previous year	1,500,000,000,000	-	181,953,713,765	414,878,947,586	102,230,254,431	699,270,305	2,199,762,186,087							
Increase in capital of this year (ii)	375,000,000,000	588,942,364,000	-	-	-	33,350,000,000	997,292,364,000							
Profit of the current year	-	-	-	535,383,822,798	-	46,282,984	535,430,105,782							
Purchased additional shares of subsidiary (iii)	-	-	-	(150,521,211)	-	(499,478,789)	(650,000,000)							
Profit distribution at the Parent (iv)	-	-	258,203,206,126	(351,266,172,602)	-	-	(93,062,966,476)							
Temporary dividend payment in 2020 (v)	-	-	-	(225,000,000,000)	-	-	(225,000,000,000)							
Other decreases (vi)	-	-	-	-	(4,413,050,400)	-	(4,413,050,400)							
Ending balance of current year	1,875,000,000,000	588,942,364,000	440,156,919,891	373,846,076,571	97,817,204,031	33,596,074,500	3,409,358,638,993							

(i) The Company's capital expenditure fund allocated by the State capital to the Project Management Units for implementation of capital construction which were assigned by the People's Committee of Binh Duong province. When the final settlement of investment capital is approved, the assets formed from this fund will be transferred to other units under Decision of the People's Committee of Binh Duong province. The outstanding balance of capital expenditure fund as at 31 December 2020 is capital expenditure fund allocated by the State capital to Tan Hiep Water Factory Project Management Unit.

(ii) Increase capital according to the results of public issuance of shares through public auctions with the number of 37,500,000 shares. The ending date of the offering is 27 October 2020. Total amount collected from the capital issuance is used by the Company in accordance with the purpose in Resolution No. 19/NQ-HDQT dated 17 March 2020 of the Annual General Meeting of Shareholders of Binh Duong Water - Environment Joint Stock Company.

- (iii) Acquiring additional share of subsidiary - Recycled Green Materials Joint Stock Company after achieving control (Detailed at Note No. 03).
- (iv) According to Resolution No. 19/NQ-HDQT dated 17 March 2020 issued by General Meeting of shareholders, the Company announced its profit distribution plan of as follows:

	According to Resolution No. 19/NQ-HDQT VND	Temporary distribution in 2019 VND	Additional distribution in the current year VND
Retained earning in 2018 in Separate Financial Statements	35,951,340,225		
Profit after corporate income tax in Separate Financial Statements of 2019	465,314,832,377		
Total profit distributable	501,266,172,602		
Profit distribution			
- Development and investment fund	258,203,206,126	-	258,203,206,126
- Dividend payment of 10% of chartered capital (equivalent to VND 1,000 per share)	150,000,000,000	150,000,000,000	-
- Bonus fund	65,144,076,533	-	65,144,076,533
- Welfare fund	4,653,148,324	-	4,653,148,324
- Bonus fund for Executive Board	23,265,741,619	-	23,265,741,619
	501,266,172,602	150,000,000,000	351,266,172,602
Retained earnings in Separate Financial Statements	-		

- (v) Dividends for 2020 must be paid according to the Resolution of the Board of Management No. 52/NQ-HDQT dated 03 December 2020 approving the first dividend advance of 2020 by cash and plan to organize the Annual General Meeting of Shareholders 2021 and Notification No. 2046/TB-SGDHCM dated 09 December 2020. Accordingly, the Board of Management has approved the first dividend advance of 2020 of Binh Duong Water - Environment Joint Stock Company with the rate of 12% of charter capital, equivalent to 225 billion dong. Cash payment method and payment deadline from 07 April 2021. The last registration date to advance dividends and organize the Annual General Meeting of Shareholders 2021 is 07 January 2021.

- (vi) Decrease due to the Company has handed over the correspondingly formed capital of assets excluded from the value of enterprise to the Sewerage Project Management Unit in Binh Duong province with the total value of 4.41 billion dong.

b) Details of Contributed capital

	31/12/2020 VND	Rate %	01/01/2020 VND	Rate %
Investment and Industrial Development Corporation - Joint Stock Company	375,000,000,000	20.00	375,000,000,000	25.00
Thu Dau Mot Water Joint Stock Company	721,875,000,000	38.50	577,500,000,000	38.50
TSK Corp. Co., Ltd	120,000,000,000	6.40	-	-
Other shareholders	658,125,000,000	35.10	547,500,000,000	36.50
	1,875,000,000,000	100.00	1,500,000,000,000	100.00

c) Capital transactions with owners and distribution of dividends and profits

	Year 2020	Year 2019
	VND	VND
Owner's invested capital		
- At the beginning of the year	1,500,000,000,000	1,500,000,000,000
- Increase in the year	375,000,000,000	-
- At the end of the year	<u>1,875,000,000,000</u>	<u>1,500,000,000,000</u>

	Year 2020	Year 2019
	VND	VND
Dividends and profit		
- Dividends, profit payable at the beginning of the year	150,000,000,000	105,000,000,000
- Dividends, profit payable during the year	225,000,000,000	150,000,000,000
+ <i>Dividends distributed on this year profit</i>	<i>225,000,000,000</i>	<i>150,000,000,000</i>
- Dividends, profits paid in money	150,000,000,000	105,000,000,000
+ <i>Dividends distributed on last year profit</i>	<i>150,000,000,000</i>	<i>105,000,000,000</i>
- At the end of the year	<u>225,000,000,000</u>	<u>150,000,000,000</u>

d) Share

	31/12/2020	01/01/2020
Quantity of authorized issuing shares	187,500,000	150,000,000
Quantity of issued shares	187,500,000	150,000,000
- <i>Common shares</i>	<i>187,500,000</i>	<i>150,000,000</i>
Quantity of outstanding shares in circulation	187,500,000	150,000,000
- <i>Common shares</i>	<i>187,500,000</i>	<i>150,000,000</i>
Par value per stock: VND 10,000/stock		

e) Company's funds

	31/12/2020	01/01/2020
	VND	VND
Development and investment funds	440,156,919,891	181,953,713,765
	<u>440,156,919,891</u>	<u>181,953,713,765</u>

24 . OFF STATEMENT OF FINANCIAL POSITION ITEMS

a) Operating leased assets

The Company signed Land lease Contract at Nam Tan Uyen Industrial Zone, Vietnam - Singapore Industrial Zone, Complex Area and Chon Thanh district with the purpose of installing raw water pumping stations and booster stations. The lease term is from 22 years to 49 years. Land rental is paid once for the entire term of the lease.

b) Foreign currencies

	31/12/2020	01/01/2020
USD	9,513.04	9,516.24
EUR	176.00	197.30

c) Doubtful debts written-offs

Doubtful debts written-offs as at 31 December 2019 and 31 December 2020 are receipts from selling water meter and other receivables with total amount of VND 1,061,266,800 and VND 2,431,499,363 respectively.

25 . TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Year 2020	Year 2019
	VND	VND
Revenue from sales of goods	2,123,219,115,551	1,771,610,791,987
Revenue from rendering of services	755,461,006,029	658,512,713,741
Revenue from construction contracts	146,657,334,000	115,837,054,885
	3,025,337,455,580	2,545,960,560,613
In which: Revenue from relevant parties <i>(Detailed as in Notes No. 41)</i>	118,057,970,422	75,234,345,313

26 . COST OF GOODS SOLD

	Year 2020	Year 2019
	VND	VND
Cost of goods sold	1,092,236,894,778	909,425,114,708
Cost of rendering of services	582,579,685,851	502,115,577,251
Cost of construction contracts	114,442,366,407	99,174,551,487
	1,789,258,947,036	1,510,715,243,446

27 . FINANCIAL INCOME

	Year 2020	Year 2019
	VND	VND
Interest income	17,671,384,478	17,761,555,256
Dividends or profits received	24,786,611,600	25,228,543,654
Realised gain from foreign exchange differences	-	1,189,741,015
	42,457,996,078	44,179,839,925
In which: Financial income from relevant parties <i>(Detailed as in Notes No. 41)</i>	8,520,633,600	9,465,497,161

28 . FINANCIAL EXPENSES

	Year 2020	Year 2019
	VND	VND
Interest expenses	155,533,630,972	143,864,874,018
Realised losses from foreign exchange difference	972,268,637	-
Unrealised losses from foreign exchange differences	15,525,635,075	-
Provision/ (Reversal of provision) for impairment of investment	41,827,182,405	(15,985,860,000)
Cost of issuing bonds allocation and other financial expenses	741,910,974	652,577,952
	214,600,628,063	128,531,591,970
In which: Financial expenses from relevant parties <i>(Details as in Notes No. 41)</i>	46,587,175	-

29 . SELLING EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	14,310,630,080	11,747,355,619
Labour expenses	63,865,068,255	56,759,045,951
Depreciation and amortisation expenses	241,107,410,879	210,693,176,356
Expenses of outsourcing services	22,177,089,092	20,138,533,832
Other expenses in cash	14,715,040,811	9,979,355,435
	356,175,239,117	309,317,467,193

30 . GENERAL AND ADMINISTRATIVE EXPENSE

	Year 2020	Year 2019
	VND	VND
Raw materials	9,868,098,979	14,267,212,298
Labour expenses	65,168,929,759	53,386,373,300
Depreciation and amortisation expenses	7,101,093,201	6,952,884,857
Tax, Charge, Fee	154,919,840	24,256,216
Provision expenses	11,934,937,284	3,713,570,818
Expenses of outsourcing services	19,826,813,268	18,580,973,340
Other expenses in cash	18,829,375,466	10,207,986,256
	132,884,167,797	107,133,257,085

31 . OTHER INCOME

	Year 2020	Year 2019
	VND	VND
Electricity sold to the rental units	20,371,309,792	22,787,491,301
Proceeds from bike racing and sewerage meetings	3,750,000,000	4,960,000,000
Proceeds from sponsorship of the Biogas power generation project	-	9,814,521,040
Reversal of provision on insuring the construction	4,849,112,867	2,368,136,231
10% of environmental protection fee being held	7,342,851,356	6,184,232,068
Other income supported by customers for construction of water supply pipe 150, D100 road DT742	-	1,001,636,362
Others	441,758,676	2,743,557,622
	36,755,032,691	49,859,574,624
In which: Other income from relevant parties <i>(Detailed as in Notes No. 41)</i>	18,564,879,084	21,023,580,650

32 . OTHER EXPENSES

	Year 2020	Year 2019
	VND	VND
Electricity consumed by the rental units	19,950,618,864	20,996,520,982
Cost of bicycle race and water supply and sewerage meetings	3,750,000,000	5,609,999,190
Fines for administrative violations and tax arrears	38,110,558	270,661,607
Handling losses after the equitization of enterprises	5,165,951,427	32,510,376,547
Liquidation and disposal cost	227,681,938	-
Material liquidation	878,950,423	-
Others	1,666,384,259	1,033,073,558
	31,677,697,469	60,420,631,884

33 . CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2020	Year 2019
	VND	VND
Binh Duong Water - Environment Joint Stock Company	60,593,338,980	62,265,841,835
Recycled Green Materials Joint Stock Company	-	-
Biwase Electric - Construction Joint Stock Company	517,570,548	-
Current corporate income tax expense	61,110,909,528	62,265,841,835
Adjustment of tax expenses in previous years into current year	36,469,329	-
Tax payable at the beginning of the year	22,927,645,907	14,655,194,905
Tax paid in the year	(62,733,905,922)	(53,993,390,833)
Corporate income tax payable at the end of the year	21,341,118,842	22,927,645,907

34 . DEFERRED INCOME TAX

a) Deferred income tax assets

	31/12/2020	01/01/2020
	VND	VND
Deferred income tax assets related to deductible temporary differences	753,249,229	-
Deferred income tax assets	753,249,229	-

b) Deferred income tax payable

	31/12/2020	01/01/2020
	VND	VND
Corporate income tax rate used to determine the value of Deferred income tax payable	20%	20%
Deferred income tax payable raised from taxable temporary difference	1,952,820,391	1,541,052,181
Deferred income tax payable	1,952,820,391	1,541,052,181

b) Deferred corporate income tax expenses

	Year 2020	Year 2019
	VND	VND
Deferred CIT expense relating to taxable temporary difference	1,087,223,805	1,454,525,581
Returned of deferred income tax assets	1,076,685	-
Deductible temporary differences	(754,325,914)	-
Returned of deferred income tax payable	(675,455,595)	-
	(341,481,019)	1,454,525,581

35 . BASIC EARNING PER SHARE

Basic earnings per share distributed to common shareholders of the Company are calculated as follows:

	Year 2020	Year 2019
	VND	VND
Profit after corporate income tax	535,384,126,828	476,265,225,906
Adjustments:		
- Bonus and welfare fund is distributed from the profit after tax (*)	(107,076,825,366)	(95,253,045,181)
Profit distributed for common shares	428,307,301,462	381,012,180,725
Average circulated common shares in the year	155,856,164	150,000,000
Basic earnings per share	2,748	2,540

(*) According to the Resolution No. 19/NQ-HDQT dated 17 March 2020, the Company plans to appropriate bonus and welfare funds and Reward fund for executive management at the rate of 20% of profit in 2020.

36 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2020	Year 2019
	VND	VND
Raw materials	883,474,568,112	833,039,328,305
Labour expenses	465,381,783,590	418,244,833,026
Depreciation and amortisation expenses	465,999,486,251	429,890,992,856
Provision expenses	(460,232,392)	15,602,360,410
Expenses of outsourcing services	265,353,900,782	259,042,491,596
Other expenses in cash	92,687,040,461	60,541,605,945
	2,172,436,546,804	2,016,361,612,138

37 . FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	31/12/2020		01/01/2020	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	728,002,889,164	-	74,716,954,777	-
Trade and other receivables	1,485,964,188,004	(28,338,731,292)	1,420,711,702,782	(12,179,154,473)
Lending loans	346,600,000,000	-	259,290,000,000	-
Long-term investments	505,233,600,000	(78,451,740,000)	505,233,600,000	(42,187,740,000)
	3,065,800,677,168	(106,790,471,292)	2,259,952,257,559	(54,366,894,473)

	Carrying amount	
	31/12/2020	01/01/2020
	VND	VND
Financial Liabilities		
Borrowings and debts	3,500,984,268,143	2,658,250,262,463
Trade and other payables	1,098,935,878,683	1,164,290,674,945
Accrued expenses	32,318,544,693	20,724,212,454
	4,632,238,691,519	3,843,265,149,862

Financial assets and financial liabilities are not revalued according to fair value at the year ended because Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and additional note for financial instruments but do not provide any relevant instructions for assessment and recognition of fair value of financial assets and liabilities, excluding provisions for bad debts and provision for devaluation of long-term investments which are presented in relevant notes.

Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes on prices, exchange rates and interest rates.

Price Risk:

The Company bears price risk of equity instruments from short-term and long-term security investments due to uncertainty on future prices of the securities. Long-term securities are held for long-term strategies, at the end of the fiscal year, the Company has no plans to sell these investments.

	More than 5 years	Total
	VND	VND
As at 31/12/2020		
Long-term investments	426,781,860,000	426,781,860,000
	426,781,860,000	426,781,860,000
As at 01/01/2020		
Long-term investments	463,045,860,000	463,045,860,000
	463,045,860,000	463,045,860,000

Exchange rate risk:

The Company bears the risk of exchange rate due to fluctuation in fair value of future cash flows of a financial instrument according to changes in exchange rates if loans, revenues and expenses of the Company are done in foreign currencies other than VND.

Interest rate risk:

The Company bears the risk of interest rates due to fluctuation in fair value of future cash flow of a financial instrument according to changes in market interest rates if the Company has time or demand deposits, loans and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain any interest profitable for its operation purpose.

Credit Risk

Credit risk is risk in which the potential loss may be incurred if a counterpart fails to perform its obligations under contractual terms or financial instruments. The Company has credit risk from operating activities (mainly for trade receivables) and financial activities (including bank deposits, borrowings and other financial instruments), detailed as follows:

	Up to 1 year VND	From over 1 year to 5 years VND	More than 5 years VND	Total VND
As at 31/12/2020				
Cash and cash equivalents	728,002,889,164	-	-	728,002,889,164
Trade and other receivables	487,282,429,064	970,343,027,648	-	1,457,625,456,712
Lending	336,600,000,000	-	10,000,000,000	346,600,000,000
	<u>1,551,885,318,228</u>	<u>970,343,027,648</u>	<u>10,000,000,000</u>	<u>2,532,228,345,876</u>
As at 01/01/2020				
Cash and cash equivalents	74,716,954,777	-	-	74,716,954,777
Trade and other receivables	484,420,341,231	924,112,207,078	-	1,408,532,548,309
Lending loans	254,290,000,000	-	5,000,000,000	259,290,000,000
	<u>813,427,296,008</u>	<u>924,112,207,078</u>	<u>5,000,000,000</u>	<u>1,742,539,503,086</u>

Liquidity Risk

Liquidity risk is the risk in which the Company has trouble in settlement of its financial obligations due to lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Up to 1 year VND	From over 1 year to 5 years VND	More than 5 years VND	Total VND
As at 31/12/2020				
Borrowings and debts	1,280,751,417,162	1,188,467,817,500	1,031,765,033,481	3,500,984,268,143
Trade and other payables	472,142,625,262	626,793,253,421	-	1,098,935,878,683
Accrued expenses	32,318,544,693	-	-	32,318,544,693
	<u>1,785,212,587,117</u>	<u>1,815,261,070,921</u>	<u>1,031,765,033,481</u>	<u>4,632,238,691,519</u>
As at 01/01/2020				
Borrowings and debts	869,965,306,094	995,137,890,118	793,147,066,251	2,658,250,262,463
Trade and other payables	404,044,504,124	760,246,170,821	-	1,164,290,674,945
Accrued expenses	20,724,212,454	-	-	20,724,212,454
	<u>1,294,734,022,672</u>	<u>1,755,384,060,939</u>	<u>793,147,066,251</u>	<u>3,843,265,149,862</u>

The Company believes that risk level of loan repayment is can be controlled. The Company has the ability to pay debts matured from cash flows from its operating activities and cash received from matured financial assets.

38 . ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS

a) Proceeds from borrowings during the year

	<u>Year 2020</u>	<u>Year 2019</u>
	VND	VND
Proceeds from ordinary contracts	2,408,830,286,709	1,702,862,347,509

b) Actual repayments on principal during the year

	<u>Year 2020</u>	<u>Year 2019</u>
	VND	VND
Repayment on principal from ordinary contracts	1,865,120,737,871	1,451,313,654,282

39 . EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Consolidated Financial Statements.

40 . SEGMENT REPORTING

a) Under business fields:

	Production and trading of water	Waste treatment	Waste-water treatment	Others	Grant total
	VND	VND	VND	VND	VND
Net revenue from sales to external customers	1,792,120,845,923	601,333,043,016	97,742,334,644	534,141,231,997	3,025,337,455,580
Net revenue from business activities	985,911,682,932	132,024,186,750	16,785,890,094	101,356,748,768	1,236,078,508,544
	<u>429,798,922,646</u>	<u>42,070,604,688</u>	<u>5,996,126,760</u>	<u>57,564,755,718</u>	<u>535,430,409,812</u>
Water production of year 2020 (m3)	176,023,178				
Water loss rate approved	18.00%				
Real average water loss rate in 2020	5.33%				
Estimate water output is saved by reducing water loss rate	27,197,728				
Average production costs in 2020 (dong/m3)	7,505.27				
Estimated profit after CIT increase by reducing in water loss rate	183,713,662,824				183,713,662,824
Profit after corporate income tax (excluding profit due to reduced water loss rate)	<u>246,085,259,822</u>	<u>42,070,604,688</u>	<u>5,996,126,760</u>	<u>57,564,755,718</u>	<u>351,716,746,988</u>
The total cost to acquire fixed assets	-	-	-	-	1,606,151,401,439
Segment assets	2,310,345,766,239	1,016,866,977,137	36,010,767,012	538,944,526,784	3,902,168,037,172
Unallocated assets					4,343,675,419,218
Total assets	<u>2,310,345,766,239</u>	<u>1,016,866,977,137</u>	<u>36,010,767,012</u>	<u>538,944,526,784</u>	<u>8,245,843,456,390</u>
Segment liabilities	36,909,376,219	63,712,672,129	15,500,485,972	35,746,843,134	151,869,377,454
Unallocated liabilities					4,684,615,439,943
Total liabilities	<u>36,909,376,219</u>	<u>63,712,672,129</u>	<u>15,500,485,972</u>	<u>35,746,843,134</u>	<u>4,836,484,817,397</u>

b) Under geographical areas

The Company's operations are carried out in territory of Vietnam, therefore the Company does not present segment reporting according to geographic area.

41 . TRANSACTION AND BALANCES WITH RELATED PARTIES

The list related parties and the relationship between the related parties and the Company are detailed as follows:

Related parties	Relation
- Investment and Industrial Development Corporation - Joint Stock Company	Major shareholder
- Thu Dau Mot Water Joint Stock Company	Major shareholder
- TSK Corp. Co., Ltd	Major shareholder
- Chanh Phu Hoa Investment - Construction Joint Stock Company	Associate
- Quynh Phuc Production and Trading Company Limited	Related parties of the Board of Management
- Dai Phu Thinh Company Limited	Related parties of the Board of Management
- N.T.P Trading Company Limited	Related parties of the Board of Management
- Board of Management, Supervisory Board and General Director	Key management personnel

The Company has the transactions during the year and balances with related parties as follows: (particularly borrowings with related parties are detailed in Note 16).

Transactions during the year:

	Year 2020 VND	Year 2019 VND
Revenues from sales of goods and rendering of services	118,057,970,422	75,234,345,313
- Investment and Industrial Development Corporation - Joint Stock Company	57,880,028,103	14,481,274,818
- Thu Dau Mot Water Joint Stock Company	34,926,531,361	48,040,188,814
- Chanh Phu Hoa Investment - Construction Joint Stock Company	10,769,888,271	8,108,110,147
- Quynh Phuc Production and Trading Company Limited	14,202,948,271	3,995,466,633
- Dai Phu Thinh Company Limited	278,574,416	609,304,901
Financial income	8,520,633,600	9,465,497,161
- Thu Dau Mot Water Joint Stock Company	-	28,931,507
- Chanh Phu Hoa Investment - Construction Joint Stock Company	8,520,633,600	9,436,565,654
Financial expensives	46,587,175	-
- Thu Dau Mot Water Joint Stock Company	28,150,685	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	18,436,490	-
Other income	18,564,879,084	21,023,580,650
- Thu Dau Mot Water Joint Stock Company	17,982,226,634	20,875,615,400
- Chanh Phu Hoa Investment - Construction Joint Stock Company	82,652,450	147,965,250
- Dai Phu Thinh Company Limited	200,000,000	-
- N.T.P Trading Company Limited	300,000,000	-
Purchase of goods, services	541,898,012,625	485,967,333,170
- Thu Dau Mot Water Joint Stock Company	385,643,362,193	345,653,806,728
- Quynh Phuc Production and Trading Company Limited	35,757,985,123	59,241,480,442
- Dai Phu Thinh Company Limited	22,862,260,909	-
- N.T.P Trading Company Limited	97,634,404,400	81,072,046,000
Purchase land use rights	252,540,400,000	-
- Investment and Industrial Development Corporation - Joint Stock Company	252,540,400,000	-

Outstanding balances up to the reporting date are as follows:

	31/12/2020	01/01/2020
	VND	VND
Short-term trade receivables	38,821,934,232	10,405,541,310
- Investment and Industrial Development Corporation - Joint Stock Company	13,045,559,690	2,864,637,800
- Thu Dau Mot Water Joint Stock Company	5,838,677,806	2,941,467,612
- Chanh Phu Hoa Investment - Construction Joint Stock Company	12,213,696,460	2,422,513,987
- Quynh Phuc Production and Trading Company Limited	7,539,023,376	2,176,921,911
- Dai Phu Thinh Company Limited	184,976,900	-
Short-term prepayments to suppliers	-	86,046,899,532
- Investment and Industrial Development Corporation - Joint Stock Company	-	85,858,080,000
- Quynh Phuc Production and Trading Company Limited	-	188,819,532
Other short-term receivables	7,287,915,925	10,945,135,051
- Thu Dau Mot Water Joint Stock Company	6,993,572,874	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	-	10,650,792,000
- N.T.P Trading Company Limited	294,343,051	294,343,051
Short-term trade payables	58,538,268,137	55,680,369,162
- Investment and Industrial Development Corporation - Joint Stock Company	1,866,480,000	-
- Thu Dau Mot Water Joint Stock Company	28,031,457,360	31,523,094,303
- Quynh Phuc Production and Trading Company Limited	4,475,016,468	-
- Dai Phu Thinh Company Limited	5,859,056,659	829,359,259
- N.T.P Trading Company Limited	18,306,257,650	23,327,915,600
Short-term prepayments from customers	1,217,336,292	8,608,692,692
- Investment and Industrial Development Corporation - Joint Stock Company	1,034,692,692	1,034,692,692
- Thu Dau Mot Water Joint Stock Company	-	574,000,000
- Recycled Green Materials Joint Stock Company	182,643,600	-
- Quynh Phuc Production and Trading Company Limited	-	7,000,000,000
Transactions with other related parties:		
	Year 2020	Year 2019
	VND	VND
- Remuneration to General Director	798,000,000	780,000,000
- Remuneration to others members of Board of General Directors and Board of Management	2,967,000,000	3,181,318,380

42 . COMPARATIVE FIGURES

The comparative figures are the figures in the Consolidated Financial Statements for the fiscal year ended as at 31 December 2019, which was audited by AASC Auditing Firm Company Limited.

Preparer

Chief Accountant

Binh Duong, 25 February 2021

General Director





Tran Chien Cong

Nguyen Thi Mong Thuong

Tran Tan Duc