

CONSOLIDATED FINANCIAL STATEMENTS

BINH DUONG WATER - ENVIRONMENT
CORPORATION - JOINT STOCK COMPANY

for Quarter 1, 2023

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Binh Duong Water - Environment Corporation - Joint Stock Company ("the Company") presents its report and the Company's Consolidated Financial Statements for Quarter 1, 2023.

THE COMPANY

Binh Duong Water - Environment Corporation - Joint Stock Company (formerly known as Binh Duong Water Environment Joint Stock 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 18th amendment under the Enterprise Registration Certificate of Joint Stock Company dated 20 April 2023.

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 period and to the reporting date are:

| | |
|------------------------|----------------|
| Mr. Nguyen Van Thien | Chairman |
| Mr. Tran Chien Cong | Vice president |
| Mr. Duong Hoang Son | Member |
| Mr. Pham Thanh Vu | 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 period and to the reporting date are:

| | |
|---------------------|-------------------------|
| Mr. Tran Chien Cong | General Director |
| Mr. Duong Hoang Son | Deputy General Director |
| Mr. Ngo Van Lui | Deputy General Director |
| Mr. Pham Thanh Hung | Deputy General Director |
| Mr. Mai Song Hao | Deputy General Director |

The members of the Supervisory Board are:

| | | |
|--------------------------|--------|------------------------------|
| Ms. Duong Anh Thu | Head | |
| Ms. Nguyen Thi Thu Trang | Member | (Appointed on 31 March 2023) |
| Ms. Tang To Van | Member | (Resigned on 31 March 2023) |
| Mr. Nguyen Duc Bao | Member | |

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of General Directors is responsible for preparation of the Consolidated Financial Statements which give a true and fair view of the financial position of the Company and of results of its operation and its cash flows for the period. In preparing those Consolidated Financial Statements, the Board of General Directors is required to:

- Establish and maintain of an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Consolidated Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;

- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements;
- Prepare and present the Consolidated Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the current requirements relevant to preparation and presentation of consolidated financial statements;
- Prepare the Consolidated Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Consolidated Financial Statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the Consolidated Financial Statements give a true and fair view of the financial position as at 31 March 2023, its operation results and cash flows for Quarter 1, 2023 of the Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Other commitments

The Board of General Directors pledges that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 of the Government guiding some articles of Securities Law and the Company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Duong, 25 April 2023

On behalf of the Board of General Directors
General Director



Tran Chien Cong

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

| Code | ASSETS | Note | 31/03/2023 VND | 01/01/2023 VND |
|------|---|------|---------------------------|--------------------------|
| 100 | A. CURRENT ASSETS | | 2,614,996,181,676 | 2,786,194,240,014 |
| 110 | I. Cash and cash equivalents | 3 | 306,289,629,839 | 275,261,970,068 |
| 111 | 1. Cash | | 90,989,629,839 | 203,161,970,068 |
| 112 | 2. Cash equivalents | | 215,300,000,000 | 72,100,000,000 |
| 120 | II. Short-term investments | 4 | 397,835,622,466 | 871,911,342,466 |
| 123 | 1. Held-to-maturity investments | | 397,835,622,466 | 871,911,342,466 |
| 130 | III. Short-term receivables | | 1,077,580,121,999 | 912,083,198,836 |
| 131 | 1. Short-term trade receivables | 5 | 394,751,093,535 | 467,336,526,269 |
| 132 | 2. Short-term prepayments to suppliers | 6 | 76,730,713,504 | 79,629,152,638 |
| 135 | 3. Short-term loan receivables | | 5,000,000,000 | - |
| 136 | 4. Other short-term receivables | 7 | 643,134,906,666 | 407,154,111,635 |
| 137 | 5. Provision for short-term doubtful debts | | (42,036,591,706) | (42,036,591,706) |
| 140 | IV. Inventories | 9 | 819,378,318,652 | 713,823,785,462 |
| 141 | 1. Inventories | | 819,378,318,652 | 713,823,785,462 |
| 150 | V. Other current assets | | 13,912,488,720 | 13,113,943,182 |
| 151 | 1. Short-term prepaid expenses | 10 | 11,337,685,998 | 9,371,695,773 |
| 152 | 2. Deductible value added tax | | 1,920,366,811 | 3,443,410,521 |
| 153 | 3. Taxes and other receivables from State budget | 17 | 654,435,911 | 298,836,888 |
| 200 | B. NON-CURRENT ASSETS | | 7,386,661,005,875 | 7,201,097,917,909 |
| 210 | I. Long-term receivables | | 952,062,290,878 | 952,062,290,878 |
| 216 | 1. Other long-term receivables | 7 | 952,062,290,878 | 952,062,290,878 |
| 220 | II. Fixed assets | | 3,498,959,084,547 | 3,616,648,154,874 |
| 221 | 1. Tangible fixed assets | 12 | 3,394,799,096,189 | 3,512,155,476,057 |
| 222 | - <i>Historical cost</i> | | 7,742,499,963,256 | 7,724,903,205,553 |
| 223 | - <i>Accumulated depreciation</i> | | (4,347,700,867,067) | (4,212,747,729,496) |
| 227 | 2. Intangible fixed assets | 13 | 104,159,988,358 | 104,492,678,817 |
| 228 | - <i>Historical cost</i> | | 117,452,783,047 | 117,372,783,047 |
| 229 | - <i>Accumulated amortization</i> | | (13,292,794,689) | (12,880,104,230) |
| 240 | IV. Long-term assets in progress | | 1,074,720,580,612 | 999,951,284,685 |
| 242 | 1. Construction in progress | 11 | 1,074,720,580,612 | 999,951,284,685 |
| 250 | V. Long-term investments | 4 | 1,679,803,089,784 | 1,446,730,017,941 |
| 252 | 1. Equity investments in associates and joint - ventures | | 1,080,798,429,364 | 847,725,357,521 |
| 253 | 2. Equity investments in other entities | | 589,004,660,420 | 589,004,660,420 |
| 255 | 3. Held-to-maturity investments | | 10,000,000,000 | 10,000,000,000 |
| 260 | VI. Other long-term assets | | 181,115,960,054 | 185,706,169,531 |
| 261 | 1. Long-term prepaid expenses | 10 | 177,867,809,995 | 182,692,652,342 |
| 262 | 2. Deferred income tax assets | 32 | 3,248,150,059 | 3,013,517,189 |
| 270 | TOTAL ASSETS | | 10,001,657,187,551 | 9,987,292,157,923 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023
(Continued)

| Code CAPITAL | Note | 31/03/2023 VND | 01/01/2023 VND |
|---|------|---------------------------|--------------------------|
| 300 C. LIABILITIES | | 5,700,549,453,423 | 5,449,453,701,636 |
| 310 I. Current liabilities | | 2,364,863,075,898 | 1,989,020,330,518 |
| 311 1. Short-term trade payables | 15 | 152,689,939,259 | 183,655,673,136 |
| 312 2. Short-term prepayments from customers | 16 | 148,064,209,575 | 122,463,022,423 |
| 313 3. Taxes and other payables to State budget | 17 | 33,114,622,119 | 75,933,726,945 |
| 314 4. Payables to employees | | 16,996,391,508 | 101,726,502,913 |
| 315 5. Short-term accrued expenses | 18 | 99,181,868,655 | 76,090,603,924 |
| 319 6. Other short-term payments | 19 | 277,735,177,395 | 22,544,730,953 |
| 320 7. Short-term borrowings and finance lease liabilities | 14 | 1,486,417,085,726 | 1,326,161,975,853 |
| 321 8. Provisions for short-term payables | 20 | 5,433,503,556 | 5,433,503,556 |
| 322 9. Bonus and welfare fund | | 145,230,278,105 | 75,010,590,815 |
| 330 II. Non-current liabilities | | 3,335,686,377,525 | 3,460,433,371,118 |
| 337 1. Other long-term payables | 19 | 763,637,508,242 | 763,247,758,242 |
| 338 2. Long-term borrowings and finance lease liabilities | 14 | 2,565,621,650,148 | 2,691,765,337,754 |
| 341 3. Deferred income tax payables | 32 | 6,427,219,135 | 5,420,275,122 |
| 400 D. OWNER'S EQUITY | | 4,301,107,734,128 | 4,537,838,456,287 |
| 410 I. Owner's equity | 21 | 4,301,107,734,128 | 4,537,838,456,287 |
| 411 1. Contributed capital | | 1,929,200,000,000 | 1,929,200,000,000 |
| 411a - Ordinary shares with voting rights | | 1,929,200,000,000 | 1,929,200,000,000 |
| 412 2. Share premium | | 621,342,364,000 | 621,342,364,000 |
| 418 3. Development and investment funds | | 1,135,138,700,481 | 888,750,111,957 |
| 421 4. Retained earnings | | 481,020,358,826 | 956,656,429,405 |
| 421a - Retained earnings accumulated till the end of the period | | 340,244,271,258 | 213,814,222,618 |
| 421b - Retained earnings of the current period | | 140,776,087,568 | 742,842,206,787 |
| 422 5. Capital expenditure fund | | 97,817,204,031 | 97,817,204,031 |
| 429 6. Non-Controlling Interest | | 36,589,106,790 | 44,072,346,894 |
| 440 TOTAL CAPITAL | | 10,001,657,187,551 | 9,987,292,157,923 |

Preparer



Vo Thanh Nhan

Chief Accountant



Nguyen Thi Mong Thuong

General Director



Tran Chien Cong

Binh Duong, 25 April 2023

CONSOLIDATED STATEMENT OF INCOME

From 01/01/2023 to 31/03/2023

| Code ITEMS | Note | Quarter 1 | | Accumulated to the end of this quarter | |
|------------|------|------------------|------------------|--|------------------|
| | | Current year | Previous year | Current year | Previous year |
| | | VND | VND | VND | VND |
| 01 | 23 | 680,630,228,466 | 733,325,577,475 | 680,630,228,466 | 733,325,577,475 |
| 10 | | 680,630,228,466 | 733,325,577,475 | 680,630,228,466 | 733,325,577,475 |
| 11 | 24 | 347,965,496,870 | 385,534,035,305 | 347,965,496,870 | 385,534,035,305 |
| 20 | | 332,664,731,596 | 347,791,542,170 | 332,664,731,596 | 347,791,542,170 |
| 21 | 25 | 45,991,837,123 | 14,235,953,908 | 45,991,837,123 | 14,235,953,908 |
| 22 | 26 | 73,152,286,663 | 38,646,288,804 | 73,152,286,663 | 38,646,288,804 |
| 23 | | 73,152,286,663 | 37,543,537,367 | 73,152,286,663 | 37,543,537,367 |
| 24 | | (20,623,351,957) | (20,747,002,396) | (20,623,351,957) | (20,747,002,396) |
| 25 | 27 | 87,306,946,779 | 74,346,632,303 | 87,306,946,779 | 74,346,632,303 |
| 26 | 28 | 39,105,213,302 | 27,917,461,002 | 39,105,213,302 | 27,917,461,002 |
| 30 | | 158,468,770,018 | 200,370,111,573 | 158,468,770,018 | 200,370,111,573 |
| 31 | 29 | 8,978,890,472 | 9,200,001,320 | 8,978,890,472 | 9,200,001,320 |
| 32 | 30 | 8,904,272,210 | 7,782,807,178 | 8,904,272,210 | 7,782,807,178 |
| 40 | | 74,618,262 | 1,417,194,142 | 74,618,262 | 1,417,194,142 |
| 50 | | 158,543,388,280 | 201,787,305,715 | 158,543,388,280 | 201,787,305,715 |

CONSOLIDATED STATEMENT OF INCOME

From 01/01/2023 to 31/03/2023

| Code ITEMS | Note | Quarter 1 | | Accumulated to the end of this quarter | |
|------------|---|------------------------|------------------------|--|------------------------|
| | | Current year | Previous year | Current year | Previous year |
| | | VND | VND | VND | VND |
| 51 | 15. Current corporate income tax expenses | 17,043,791,374 | 26,552,261,540 | 17,043,791,374 | 26,552,261,540 |
| 52 | 16. Deferred corporate income tax expenses | 772,311,143 | (1,144,801,169) | 772,311,143 | (1,144,801,169) |
| 60 | 17. Profit after corporate income tax | <u>140,727,285,763</u> | <u>176,379,845,344</u> | <u>140,727,285,763</u> | <u>176,379,845,344</u> |
| 61 | 18. Profit after tax attributable to shareholders of the parent | 140,776,087,568 | 176,817,023,129 | 140,776,087,568 | 176,817,023,129 |
| 62 | 19. Profit after tax attributable to non-controlling interests | (48,801,805) | (437,177,785) | (48,801,805) | (437,177,785) |
| 70 | 20. Basic earnings per share | 606 | 761 | 606 | 761 |

Preparer



Vo Thanh Nhan

Chief Accountant



Nguyen Thi Mong Thuong

Binh Duong, 25 April 2023

General Director



CONSOLIDATED STATEMENT OF CASH FLOWS

From 01/01/2023 to 31/03/2023

(Indirect method)

| Code | ITEMS | Note | Accumulated to the end of this quarter | |
|------|---|------|--|-------------------|
| | | | Current year | Previous year |
| | | | VND | VND |
| | I. CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| 01 | <i>1. Profits before tax</i> | | 158,543,388,280 | 201,787,305,715 |
| | <i>2. Adjustments for:</i> | | | |
| 02 | - Depreciation and amortization of fixed assets and investment properties | | 135,357,938,069 | 120,949,318,190 |
| 03 | - Provisions | | - | (899,646,039) |
| 05 | - Gains/losses from investment | | (18,528,485,166) | 6,775,623,830 |
| 06 | - Interest expense | | 73,152,286,663 | 37,595,309,491 |
| 08 | <i>3. Operating profit before changes in working capital</i> | | 348,525,127,846 | 366,207,911,187 |
| 09 | - Increase/Decrease in receivables | | (8,189,156,160) | 235,298,186,812 |
| 10 | - Increase/Decrease in inventories | | (105,554,533,190) | (65,748,581,873) |
| 11 | - Increase/Decrease in payables (excluding interest payables, corporate income tax payable) | | (54,718,100,517) | (82,964,203,754) |
| 12 | - Increase/Decrease in prepaid expenses | | 2,858,852,122 | 4,726,873,798 |
| 14 | - Interest paid | | (72,910,608,905) | (39,944,864,155) |
| 15 | - Corporate income taxes paid | | (52,688,037,387) | (36,850,178,502) |
| 17 | - Other payments on operating activities | | (51,234,430,671) | (43,451,525,523) |
| 20 | <i>Net cash flow from operating activities</i> | | 6,089,113,138 | 337,273,617,990 |
| | II. CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| 21 | 1. Purchase or construction of fixed assets and other long-term assets | | (96,755,145,867) | (260,183,091,985) |
| 23 | 2. Loans and purchase of debt instruments from other entities | | (148,300,000,000) | (56,250,000,000) |
| 24 | 3. Collection of loans and resale of debt instrument of other entities | | 617,375,720,000 | 268,000,000,000 |
| 25 | 4. Equity investments in other entities | | (402,797,316,556) | (102,049,625,000) |
| 27 | 5. Interest and dividend received | | 21,303,866,789 | 19,281,417,168 |
| 30 | <i>Net cash flow from investing activities</i> | | (9,172,875,634) | (131,201,299,817) |
| | III. CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| 33 | 1. Proceeds from borrowings | | 607,427,799,116 | 607,684,661,780 |
| 34 | 2. Repayment of principal | | (573,316,376,849) | (641,673,500,037) |
| 40 | <i>Net cash flow from financing activities</i> | | 34,111,422,267 | (33,988,838,257) |

CONSOLIDATED STATEMENT OF CASH FLOWS

From 01/01/2023 to 31/03/2023

(Indirect method)

| Code ITEMS | Note | Accumulated to the end of this quarter | |
|---|------|--|-----------------|
| | | Current year | Previous year |
| | | VND | VND |
| 50 Net cash flows in the period | | 31,027,659,771 | 172,083,479,916 |
| 60 Cash and cash equivalents at beginning of the period | | 275,261,970,068 | 476,004,690,173 |
| 70 Cash and cash equivalents at end of the period | 3 | 306,289,629,839 | 648,088,170,089 |

Preparer



Vo Thanh Nhan

Chief Accountant



Nguyen Thi Mong Thuong

General Director



Tran Chien Cong

Binh Duong, 25 April 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

From 01/01/2023 to 31/03/2023

1 . CHARACTERISTICS OF OPERATION OF THE COMPANY

Form of capital ownership

Binh Duong Water - Environment Corporation - Joint Stock Company (formerly known as Binh Duong Water Environment Joint Stock 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 18th amendment under the Enterprise Registration Certificate of Joint Stock Company dated 20 April 2023.

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 1,929,200,000,000 (One thousand nine hundred and twenty-nine billion, two hundred million dong), equivalent to 192,920,000 shares, with par value of VND 10,000/share.

As at 31 March 2023, the Company have 1,120 employees (as at 01 January 2023: 1,120 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:

- Investing, exploiting, treating and supplying water;
- Collection, transportation and treatment of solid waste (municipal waste, industrial waste and hazardous waste);
- Treating municipal waste;
- Construction works, repairing water supply and drainage system;
- Production of mineral water;
- Trading of materials used for water sector;
- 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 period that affects the Consolidated Financial Statements

Due to the Company's efforts and with the influence of the speed of urbanization in Binh Duong province, during the period, the number of customers using clean water and the volume of clean water consumed increased compared with the same previous last year. This leads to a high increase in revenue from water production in the Quarter 1 of 2023 compared with the same period of last year. However, due to the revenue from material transfer activities in this period decreased, the total of revenue from sales of goods and rendering of services decreased compared to the previous period.

The combination of the above reasons makes the Total net profit before tax of the current period decreased by 43.24 billion dong compared with the same previous last year.

The Company's structure:

The Company has one (01) subsidiary which have consolidated in consolidated financial statements as at 31/03/2023 include:

| <u>Name of company</u> | <u>Head office</u> | <u>Proportion of ownership</u> | <u>Voting rights held by the Group</u> | <u>Principal activities</u> |
|--|--------------------|--------------------------------|--|--|
| Biwase Electric - Construction Joint Stock Company | Binh Duong | 60.00% | 60.00% | Electric production, electrical system construction, architectural activities and technical consulting |

Information of associated companies of the Company is provided in Note No. 4.

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. Consolidated 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 quarter 1, 2023. 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.

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

The results from operations of subsidiary disposed during the period is included in the Consolidated Financial Statements up to the effective date of disposal.

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

Financial assets and financial liabilities are not revalued according to fair value at the end of the period because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes to financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities.

2.5 . Foreign currency transactions

Foreign currency transactions during the year are translated into Vietnam Dong using the actual rate at transaction date.

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

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

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in 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 or gain on a purchase is measured as the difference between the cost of investment and the fair value of the subsidiary's net identifiable assets at the acquisition date held by the parent. (the time when the parent company holds control of the subsidiary). Low interest (if any) will be recognized in the consolidated statement of income. Goodwill is amortized on a straight-line basis over an estimated useful life of 10 years. Periodically, the Company will evaluate the loss of goodwill at the subsidiary, if there is evidence that the loss of goodwill is greater than the annual allocation, it will be allocated according to the amount of goodwill lost. loss in the year of arising.

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.

For the adjustment of the value of investments in associates from the date of investment to the beginning of the reporting period, the Company shall:

- For the adjustment to the income statement of previous periods: make an adjustment to the undistributed profit after tax according to net adjusted accumulated amount to the beginning of the reporting period.
- For the adjustment due to the difference in revaluation of assets and the difference in foreign exchange rates, recorded in the balance sheet of the previous periods: determine the adjustment to the corresponding items on the balance sheet according to net accumulated adjusted amount.

For the adjustment of the value of investments in joint ventures and associates arising in the period, the Company shall exclude the preferred dividends of other shareholders (if preferred shares are classified as Owner's capital); expected number of deductions for bonus and welfare funds of joint ventures and associates; share of profits related to transactions of joint ventures, associates contributing capital or selling assets to the Company before determining the Company's share in the profit or loss of the joint venture or associated company during the reporting period. The Company then adjusts the value of the investment in proportion to its share in profits and losses of joint ventures and associates and immediately recognizes it in the consolidated income statement.

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.

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 period as follows:

- *Long-term investments (other than trading securities) without significant influence on the investee:* based on the Financial Statements at the provision date of the investee.
- *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. Receivables are classified as short-term and long-term in the Consolidated Financial Statements based on the remaining maturity of the receivables at the reporting date.

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 Consolidated 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 period:

- 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 period.
- 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 period 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 ended of the period 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 period are recorded as prepaid expenses and are amortised to the income statement in the following period.

The calculation and allocation of long-term prepaid expenses to operating expenses in each period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Prepaid expenses of the Company including:

- Prepaid land expensive include prepaid land rental, including those related to leased land for which the Company has received the Certificates of land use rights but is not eligible to recognize intangible fixed assets under Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013, guiding regulation on management, use and depreciation of fixed asset and other costs related to the guarantee for the use of leased land. These costs are recognized in the Consolidated Financial Statements on a straight-line basis over the term of the land lease agreement;
- Tools and instruments include assets held by the Company for use in the ordinary course of business, with cost of each asset less than VND 30 million and therefore ineligible for recognition are fixed assets according to current regulations. Cost of tools and instruments is amortized on a straight-line not over than 36 month;
- Goodwill arising from the equitization of state-owned enterprise is allocated gradually within no more than 10 years.
- Others prepaid expenses are stated at cost and amortized using the straight-line method over their useful lives.

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. Payables are classified as short-term and long-term in the Consolidated Financial Statements based on the remaining maturity of the receivables at the reporting date.

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 . 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.

2.18 . 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 period.

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

2.19 . Provision for payables

The provision for payables included payables provision on waste and wastewater treatment expenses. Provision for payables is only recognized when meeting all of the 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 period. In which:

- Provision on wastes treatment expenses is made based on the carrying amount of wastes to be treated at the end of the period and the average cost of waste treatment in the period.

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 period. In case provision made for the previous period but not used up exceeds the one made for the current period, 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 period.

2.20 . 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 the Company.

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

2.21 . Revenue

Revenue is recognized when it is probable that the economic benefits will flow to the Company which can be reliably measured. Revenue is determined as the reasonable value of received or receivable amounts minus (-) trade discount, reductions in the price of goods sold and value of returns of goods sold.

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.

2.22 . 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 period.

2.23 . 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 in the period without offsetting against financial income.

2.24 . Corporate income tax

a) Current corporate income tax expenses and Deferred corporate income tax expenses

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

Deferred corporate income tax expenses are determined based on deductible temporary difference, the taxable temporary differences and income tax rate.

Do not offsetting current corporate income tax expenses and deferred corporate income tax expenses.

b) 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 2025 - 2033).

c) Current corporate income tax rate

For Quarter 1, 2023, 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;
- Tax rate of 20% for other taxable income.

2.25 . 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 period.

2.26 . 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.

2.27 . 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 . CASH AND CASH EQUIVALENTS

| | 31/03/2023 | 01/01/2023 |
|----------------------|------------------------|------------------------|
| | VND | VND |
| Cash on hand | 938,667,171 | 1,199,424,452 |
| Demand deposits | 88,683,956,525 | 199,953,990,329 |
| Cash in transit | 1,367,006,143 | 2,008,555,287 |
| Cash equivalents (*) | 215,300,000,000 | 72,100,000,000 |
| | <u>306,289,629,839</u> | <u>275,261,970,068</u> |

(*) As at 31 March 2023, the cash equivalents is term deposits from 01 month to 03 months deposited at commercial banks with interest from 4.6% / year to 6.0%/ year.

4 . FINANCIAL INVESTMENTS

a) Held-to-maturity investments

| | 31/03/2023 | | 01/01/2023 | |
|------------------------|------------------------|-----------|------------------------|-----------|
| | Original cost | Provision | Original cost | Provision |
| | VND | VND | VND | VND |
| Short-term investments | 397,835,622,466 | - | 871,911,342,466 | - |
| Term deposits (i) | 397,835,622,466 | - | 871,911,342,466 | - |
| Long-term investments | 10,000,000,000 | - | 10,000,000,000 | - |
| Bonds (ii) | 10,000,000,000 | - | 10,000,000,000 | - |
| | <u>407,835,622,466</u> | <u>-</u> | <u>881,911,342,466</u> | <u>-</u> |

(i) Term deposits from 06 months to 13 months at commercial banks with interest rate of from 5.3% /year to 11% /year. At 31 March 2023, the term deposits value at 60 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:

- 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.
- 50,000 bonds with a term of 10 years (maturity date of 18 November 2031); face value of VND 100,000 / 01 bond; Bond interest rate is the reference interest rate + 1.0% / year.

b) Equity investments in associates

| | 31/03/2023 | | | 01/01/2023 | | |
|---|------------|-------------------------|---------------------------------|------------|-------------------------|---------------------------------|
| | Address | Proportion of ownership | Voting rights held by the Group | Address | Proportion of ownership | Voting rights held by the Group |
| | | | | | | |
| | | | | | | Value by equity method |
| | | | | | | VND |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | Binh Duong | 43.48% | 43.48% | Binh Duong | 43.48% | 433,367,393,887 |
| - Gia Tan Water Joint Stock Company | Dong Nai | 31.52% | 31.52% | Dong Nai | 31.52% | 111,099,180,679 |
| - Can Tho 2 Water Supply Joint Stock Company | Can Tho | 48.86% | 48.86% | Can Tho | 48.86% | 149,415,651,073 |
| - Can Tho Water Supply - Sewerage Joint Stock Company | Can Tho | 24.64% | 24.64% | Can Tho | 24.64% | 153,843,131,882 |
| - Long An Water Supply Sewerage Joint Stock Company (i) | Long An | 24.50% | 24.50% | | | |
| - Quang Binh Water Supply Joint Stock Company (i) | Quang Binh | 25.00% | 25.00% | | | |
| - DNP - Long An Water Infrastructure Investment Joint Stock Company (i) | Long An | 25.44% | 25.44% | | | |
| | | | | | | <u>1,080,798,429,364</u> |
| | | | | | | <u>847,725,357,521</u> |

(i) According to the Minutes of the meeting and Resolution No. 33/BB-HHQ dated 23 November 2022, the Board of Management of the Company has agreed on investing in companies in filed of water supply through the transferring of shares owned by DNP Water Joint Stock Company (“DNPW”) and other investors. As result, during the period, the Company has performed to:

- Sign the Principle Contract of Share Transfer dated 14 March 2023 with the seller - DNPW. The subject of the Contract is 2,989,000 shares of Long An Water Supply Sewerage Joint Stock Company (“LAW”) owned by DNPW, equivalent to 24.50% of charter capital of LAW with total transfer value is VND 59,780,000,000. Transactions are made according to the agreement in accordance with the provisions of law on securities trading registered for trading at UpCom and were completed on 15 March 2023. Accordingly, the LAW officially became an equity investment in associate of the Company since 15 March 2023. As at 31 March 2023, the Company owns 2,989,000 shares of LAW, equivalent to the rate of voting rights of 24.50%; total original cost of VND 59,839,780,000.
- Sign the Share Transfer Contract No. 1803/2023/HDN-T-NQB/DNPW-BIWASE dated 15 March 2023 with the seller - DNPW. The subject of the Contract is 4,307,000 shares of Quang Binh Water Supply Joint Stock Company (“NQB”) owned by DNPW, equivalent to 25.00% of charter capital of NQB with total transfer value is VND 57,713,800,000. Transactions are made according to the agreement in accordance with the provisions of law on securities trading registered for trading at UpCom and were completed on 21 March 2023. Accordingly, the NQB officially became an equity investment in associate of the Company since 21 March 2023. As at 31 March 2023, the Company owns 4,307,000 shares of NQB, equivalent to the rate of voting rights of 25.00%; total original cost of VND 57,771,513,800.
- Sign the Share Transfer Contract No. 0702/2023/HDCN.1-DNP-LA/DNPW-BIWASE dated 07 February 2023 with the seller - DNPW. The subject of the Contract is 15,778,000 shares of DNP - Long An Water Infrastructure Investment Joint Stock Company (“DNP Long An”) owned by DNPW with total transfer value is VND 277,219,460,000. Based on the signed contract, the Company has completed the procedures for transferring 6,309,000 shares of DNP Long An, equivalent to 19.59% of charter capital of DNP Long An with total transfer value is VND 110,849,130,000. Transactions of shares transferred were completed on 24 March 2023.

Simultaneously, according to the Resolution of the Extraordinary General Meeting of Shareholders No. 02/2023/NQ-DHCD dated 23 February 2023 of DNP Long An on the issuance of shares to increase charter capital for existing shareholders, the Company purchased of 2,523,600 shares, equivalent to total par value and purchase cost of VND 25,236,000,000. After above transactions, as at 31 March 2023, the Company owns 8,832,600 shares, equivalent to total par value of VND 88,326,000,000; with the purchase cost of VND 136,085,130,000. The rate of voting rights of the DNP Long An as at 31 March 2023 is 25.44 %. Therefore, DNP Long An officially became an equity investment in associate of the Company since 24 March 2023.

Major transactions between the Company and associates during the year: detailed as in Notes 40.

c) Equity investments in other entities

| Stock code | 31/03/2023 | | 01/01/2023 | | Rate of voting rights % | Rate of voting rights % |
|--|------------------------|---------------|------------------------|---------------|-------------------------|-------------------------|
| | Original cost VND | Provision VND | Original cost VND | Provision VND | | |
| - Dong Nai Water Joint Stock Company | 351,937,586,000 | - | 351,937,586,000 | - | 18.53% | 18.53% |
| - Binh Duong Producing and Trading Goods Corporation | 213,760,200,000 | - | 213,760,200,000 | - | 4.00% | 4.00% |
| - Thanh Le General Import - Export Trading Corporation | 18,387,540,000 | - | 18,387,540,000 | - | 0.51% | 0.51% |
| - Sonadezei Corporation | 4,919,334,420 | - | 4,919,334,420 | - | 0.04% | 0.04% |
| | <u>589,004,660,420</u> | <u>-</u> | <u>589,004,660,420</u> | <u>-</u> | | |

The Company has not determined the fair value of financial investments since Vietnamese Accounting Standards and Vietnamese Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

Detailed information on the Company's other entities as at 31 March 2023 as follows:

| Name of investee company | Place of establishment and operation | Rate of interest | Principle activities |
|--|--------------------------------------|------------------|---|
| - Dong Nai Water Joint Stock Company | Dong Nai | 18.53% | Supplying clean water. |
| - Binh Duong Producing and Trading Goods Corporation | Binh Duong | 4.00% | Trading business, industrial zone. |
| - Thanh Le General Import - Export Trading Corporation | Binh Duong | 0.51% | Trading petroleum; water transportation and real estate business. |
| - Sonadezei Corporation | Dong Nai | 0.04% | Investment in industrial cities and industrial zone. |

5 . SHORT-TERM TRADE RECEIVABLES

| | 31/03/2023 | | 01/01/2023 | |
|---|------------------------|-------------------------|------------------------|-------------------------|
| | Value | Provision | Value | Provision |
| | VND | VND | VND | VND |
| a) Related parties | 85,470,798,942 | - | 89,411,600,197 | - |
| Investment and Industrial Development Corporation - Joint Stock Company | 4,548,984,732 | - | 2,632,933,807 | - |
| Thu Dau Mot Water Joint Stock Company | 13,174,903,982 | - | 13,212,724,987 | - |
| Chanh Phu Hoa Investment - Construction Joint Stock Company | 7,370,709,889 | - | 10,615,638,705 | - |
| Gia Tan Water Joint Stock Company | 50,205,206,763 | - | 53,692,088,994 | - |
| Quynh Phuc Production and Trading Company Limited | 9,977,086,056 | - | 9,228,610,560 | - |
| N.T.P Trading Company Limited | 2,420,000 | - | 1,535,000 | - |
| Dai Phu Thinh Company Limited | 191,487,520 | - | 28,068,144 | - |
| b) Other parties | 309,280,294,593 | (42,036,591,706) | 377,924,926,072 | (42,036,591,706) |
| Vietnam - Singapore Industrial Park Joint Venture Company Limited | 30,726,768,403 | - | 31,724,013,635 | - |
| Department of Natural Resources and Environment of Tan Uyen town | - | - | 24,152,080,536 | - |
| Department of Natural Resources and Environment of Di An city | - | - | 16,383,661,634 | - |
| Others | 278,553,526,190 | (42,036,591,706) | 305,665,170,267 | (42,036,591,706) |
| | 394,751,093,535 | (42,036,591,706) | 467,336,526,269 | (42,036,591,706) |

6 . SHORT-TERM PREPAYMENTS TO SUPPLIES

| | 31/03/2023 | | 01/01/2023 | |
|---|------------------------------|-----------------|------------------------------|-----------------|
| | Value | Provision | Value | Provision |
| | VND | VND | VND | VND |
| a) Related parties | 652,113,132 | - | 3,895,168,332 | - |
| Quynh Phuc Production and Trading Company Limited | 188,819,532 | - | 188,819,532 | - |
| N.T.P Trading Company Limited | 463,293,600 | - | 3,706,348,800 | - |
| b) Other parties | 76,078,600,372 | - | 75,733,984,306 | - |
| Duc Long Transport Commercial Construction Industry Joint Stock Company | 3,246,000,000 | - | 2,490,000,000 | - |
| Land Fund Development Center of Ben Cat district | 3,700,538,600 | - | 4,108,761,134 | - |
| Bosch Vietnam Company Limited | 7,985,674,440 | - | 7,985,674,440 | - |
| Phuong Linh Trading and Electrical Engineering Production Company Limited | 8,854,401,600 | - | 8,854,401,600 | - |
| Others | 52,291,985,732 | - | 52,295,147,132 | - |
| | <u>76,730,713,504</u> | <u>-</u> | <u>79,629,152,638</u> | <u>-</u> |

7 . OTHER RECEIVABLES

7.1 Other short-term receivables

| | 31/03/2023 | | 01/01/2023 | |
|---|------------------------|-----------|------------------------|-----------|
| | Value | Provision | Value | Provision |
| | VND | VND | VND | VND |
| a) Detailed by content | | | | |
| Advances | 103,193,094,892 | - | 61,524,372,269 | - |
| Mortgages, deposits | 1,055,925,263 | - | 1,391,959,263 | - |
| Receivables from materials advanced for construction | 76,604,875,482 | - | 50,806,070,552 | - |
| Receivables from lending materials | 13,396,952,501 | - | 13,245,164,486 | - |
| Loan interest receivable, deposit interest receivable | 10,290,555,600 | - | 19,994,585,266 | - |
| Dividend receivable | 27,552,000,000 | - | - | - |
| Deposit to buy shares of water supply companies (i) | 349,100,892,756 | - | 200,000,000,000 | - |
| Other receivables | 61,940,610,172 | - | 60,191,959,799 | - |
| | 643,134,906,666 | - | 407,154,111,635 | - |
| b) Detailed by customer | | | | |
| <i>Related parties</i> | 41,622,491,362 | - | 14,118,703,346 | - |
| Investment and Industrial Development Corporation - Joint Stock Company | 700,000,000 | - | 900,000,000 | - |
| Chanh Phu Hoa Investment - Construction Joint Stock Company | 27,552,000,000 | - | - | - |
| Gia Tan Water Joint Stock Company | 13,076,148,311 | - | 12,924,360,295 | - |
| N.T.P Trading Company Limited | 294,343,051 | - | 294,343,051 | - |
| <i>Other parties</i> | 601,512,415,304 | - | 393,035,408,289 | - |
| DNP Water Joint Stock Company (i) | 245,277,407,065 | - | 100,000,000,000 | - |
| T&D Vietnam Investment Joint Stock Company (i) | 50,000,000,000 | - | 100,000,000,000 | - |
| Mr. Tran Manh Hieu (i) | 50,000,000,000 | - | - | - |
| Ms. Nguyen Thuy Dung (i) | 3,823,485,691 | - | - | - |
| Others | 252,411,522,548 | - | 193,035,408,289 | - |
| | 643,134,906,666 | - | 407,154,111,635 | - |

7.2 Other long-term receivables

| | 31/03/2023 | | 01/01/2023 | |
|---|------------------------|-----------|------------------------|-----------|
| | Value | Provision | Value | Provision |
| | VND | VND | VND | VND |
| Receivables from the Sewerage Project Management Unit in Binh Duong province (ii) | 952,062,290,878 | - | 952,062,290,878 | - |
| | <u>952,062,290,878</u> | <u>-</u> | <u>952,062,290,878</u> | <u>-</u> |

- (i) According to the Minutes of the meeting and Resolution No. 33/BB-HĐQT dated 23 November 2022, the Board of Management of the Company has agreed on investing in companies in filed of water supply through the transferring of shares owned by DNP Water Joint Stock Company ("DNPW") and other investors. As result, the Company has performed to signed a Deposit Agreement and Agreement of Transferring of shares with the sellers; the subject of these Agreement are all shares owned by sellers/or arranged to be transferred by DNPW. At the date of Reporting, the outstanding of deposit to secure the performance of these transactions is 349.10 billion dong.
- (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 677.73 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.

8 . DOUBTFUL DEBTS

| | 31/03/2023 | | 01/01/2023 | |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Original cost | Recoverable amount | Original cost | Recoverable amount |
| | VND | VND | VND | VND |
| Total value of overdue debts | 78,694,381,901 | 36,657,790,195 | 70,577,370,354 | 28,540,778,648 |
| - Kim Cat Tuong Company Limited | 8,188,328,274 | 1,048,717,857 | 8,188,328,274 | 1,048,717,857 |
| - Others | 70,506,053,627 | 35,609,072,338 | 62,389,042,080 | 27,492,060,791 |
| | <u>78,694,381,901</u> | <u>36,657,790,195</u> | <u>70,577,370,354</u> | <u>28,540,778,648</u> |

9 . INVENTORIES

| | 31/03/2023 | | 01/01/2023 | |
|----------------------|------------------------|-----------|------------------------|-----------|
| | Original cost | Provision | Original cost | Provision |
| | VND | VND | VND | VND |
| Raw materials | 379,352,991,444 | - | 362,659,580,912 | - |
| Tools, supplies | 923,025,843 | - | 767,789,417 | - |
| Work in progress (*) | 385,639,088,389 | - | 306,701,199,561 | - |
| Finished goods | 51,886,101,691 | - | 41,734,819,552 | - |
| Goods | 1,577,111,285 | - | 1,960,396,020 | - |
| | 819,378,318,652 | - | 713,823,785,462 | - |

(*) 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 March 2023 is VND 186,182,850,402. 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 was been implementing necessary procedures for acceptance and overall handover in order to putting in use.

10 . PREPAID EXPENSES

| | 31/03/2023 | 01/01/2023 |
|---|------------------------|------------------------|
| | VND | VND |
| a) Short-term | | |
| Tools and supplies waiting for allocation | 6,012,792,277 | 6,373,969,411 |
| Processing and repairing expenses | 597,528,715 | 375,638,226 |
| Premium expenses | 2,221,431,223 | 1,324,336,036 |
| Others | 2,505,933,783 | 1,297,752,100 |
| | 11,337,685,998 | 9,371,695,773 |
| b) Long-term | | |
| Tools and supplies waiting for allocation | 6,411,588,475 | 6,030,171,064 |
| Substantial expenditure on fixed asset overhaul | 5,302,319,490 | 6,265,730,929 |
| Costs of installing water pipelines | 6,267,786,689 | 7,977,446,875 |
| Land rental costs | 22,921,864,571 | 23,108,523,125 |
| Cost of compensation and site clearance for expansion of the Tan Hiep Water Plant (i) | 118,386,464,536 | 119,239,511,779 |
| Value of the business advantages of the enterprise | 3,544,478,210 | 3,797,655,224 |
| Others | 15,033,308,024 | 16,273,613,346 |
| | 177,867,809,995 | 182,692,652,342 |

- (i) This is compensation and site clearance of the Project "Tan Hiep Water Plant Expansion". The total cost of compensation and site clearance is 121.90 billion dong. In which, the total value of compensation and support was approved under the Decision No. 7049/QD-UBND dated 29 October 2019 of People's Committee of Binh Duong province is 115.99 billion dong; the cost of implementation of compensation for Land Fund Development Center of Tan Uyen town is 2.32 billion dong and the other cost of compensation is 3.59 billion dong. The Project is leased land by the State and offset value of compensation and site clearance which was paid by the Company with the land rent fees during the lease term. In which, the total value of compensation and site clearance to be offset with land rent is 10.52 billion dong and the remaining compensation value of 111.38 billion dong which are allocated over the lease term of 442 months. The total value allocated accumulated to 31 March 2023 is 3.52 billion dong. In which, the value allocated during the period is 0.85 billion dong.

11 . CONSTRUCTION IN PROGRESS

a) Construction in progress

| | 31/03/2023 | 01/01/2023 |
|--|---------------------------------|-------------------------------|
| | VND | VND |
| Procurement of fixed assets | 398,957,012,608 | 399,035,456,741 |
| Land use rights (i) | 398,957,012,608 | 399,035,456,741 |
| Construction in progress | 674,274,856,408 | 599,629,790,204 |
| - Investment project on manufacturing, installing compost 4 factory - capacity of 840 tons / day | 60,358,832,489 | 35,772,240,835 |
| - Incinerator with capacity of 8,400 kg / hour belongs to the South Binh Duong solid waste treatment complex | 136,830,364,150 | 123,507,270,764 |
| - Project of improving water supply capacity of the Company's water plants | 194,229,133,270 | 170,287,533,193 |
| - Other constructions | 282,856,526,499 | 270,062,745,412 |
| Major repairs of fixed assets | 1,488,711,596 | 1,286,037,740 |
| Other repairs | 1,488,711,596 | 1,286,037,740 |
| | <u>1,074,720,580,612</u> | <u>999,951,284,685</u> |

- (i) Including land use rights purchased to build the Trade Center and the Office of the Company at New Urban area of Binh Duong Industry - Urban - Service Complex; expanding Southern Binh Duong Waste Treatment Complex project and expanding the water supply plants of the Company.

b) Detailed information on the large projects

| No. | Items | Biwase's Water Improvement Project | Supply Capacity | Investment project on manufacturing, installing compost 4 factory - capacity of 840 tons / day | Incinerator with capacity of 8,400 kg / hour belongs to the South Binh Duong solid waste treatment complex |
|-----|----------------------------|---|-----------------|--|---|
| 1 | Name of project | Biwase's Water Improvement Project | Capacity | Investment project on manufacturing, installing compost 4 factory - capacity of 840 tons / day. | Incinerator with capacity of 8,400 kg / hour belongs to the South Binh Duong solid waste treatment complex. |
| 2 | Investor | Binh Duong Water - Environment Joint Stock Company, now is Binh Duong Water - Environment Corporation - Joint Stock | | Binh Duong Water - Environment Joint Stock Company, now is Binh Duong Water - Environment Corporation - Joint Stock | Binh Duong Water - Environment Joint Stock Company, now is Binh Duong Water - Environment Corporation - Joint Stock |
| 3 | Construction site | Binh Duong province and a part of Binh Phuoc province. | | Chanh Phu Hoa ward, Ben Cat town, Binh Duong province. | Chanh Phu Hoa ward, Ben Cat town, Binh Duong province. |
| 4 | The goal of the project | Improving water supply capacity of Tan Hiep, Uyen Hung, Bau Bang and Chon Thanh water plants. | | Increase waste treatment capacity at the South Binh Duong solid waste treatment complex by 840 tons / day. | Expand service of collection and treatment of waste and industrial waste of all kinds to urban areas, residential areas and industrial zones. |
| 5 | Total estimated investment | 903.55 billion dong. | | 363.49 billion dong. | 284.97 billion dong. |
| 6 | Invested capital | From the Company's own capital, borrowing capital and others capital. | | From the Company's own capital, borrowing capital and others capital. | From the Company's own capital, borrowing capital and others capital. |
| 7 | The time estimated for | 24 months. | | 24 months. | 24 months. |
| 8 | Construction status | The volume of work in progress as at 31 March 2023 including: 185.78 billion dong for construction of water transmission pipelines; 8.45 billion dong for other general expenses. | | The volume of work in progress as at 31 March 2023 including: 12.08 billion dong for items of classifying warehouse, composting warehouse, fermenting warehouse and refining warehouse; 32.86 billion dong for item classifying and refining garbage system; 8.71 billion dong of control system and 6.71 billion dong for other general expenses. | The volume of work in progress as at 31 March 2023 including: 65.48 billion dong for item incinerator system; 71.14 billion dong for ancillary processing equipment systems and 0.21 billion dong for other general expenses. |

12 . TANGIBLE FIXED ASSETS

| | Buildings, structures | | Machine, equipment | | Transportation equipment | | Management equipment | | Perennial and cattle | | Others | | Total |
|-------------------------------------|--------------------------|--|--------------------------|--|--------------------------|--|-----------------------|--|----------------------|--|------------------------|--|--------------------------|
| | VND | | VND | | VND | | VND | | VND | | VND | | |
| Original cost | | | | | | | | | | | | | |
| Beginning balance | 2,264,030,362,295 | | 1,232,027,851,747 | | 4,064,914,339,563 | | 13,710,093,456 | | 1,234,999,773 | | 148,985,558,719 | | 7,724,903,205,553 |
| - Purchase in the period | - | | 1,077,473,665 | | 10,326,342,538 | | 134,500,000 | | - | | - | | 11,538,316,203 |
| - Completed construction investment | - | | 1,136,457,756 | | 4,921,983,744 | | - | | - | | - | | 6,058,441,500 |
| Ending balance of the period | 2,264,030,362,295 | | 1,234,241,783,168 | | 4,080,162,665,845 | | 13,844,593,456 | | 1,234,999,773 | | 148,985,558,719 | | 7,742,499,963,256 |
| Accumulated depreciation | | | | | | | | | | | | | |
| Beginning balance | 1,262,559,899,572 | | 699,946,866,592 | | 2,189,016,628,982 | | 10,681,683,162 | | 578,263,279 | | 49,964,387,909 | | 4,212,747,729,496 |
| - Depreciation for the period | 26,715,179,036 | | 28,412,156,113 | | 77,113,959,831 | | 183,258,049 | | 33,958,335 | | 2,494,626,207 | | 134,953,137,571 |
| Ending balance of the period | 1,289,275,078,608 | | 728,359,022,705 | | 2,266,130,588,813 | | 10,864,941,211 | | 612,221,614 | | 52,459,014,116 | | 4,347,700,867,067 |
| Net carrying amount | | | | | | | | | | | | | |
| Beginning of the period | 1,001,470,462,723 | | 532,080,985,155 | | 1,875,897,710,581 | | 3,028,410,294 | | 656,736,494 | | 99,021,170,810 | | 3,512,155,476,057 |
| Ending of the period | 974,755,283,687 | | 505,882,760,463 | | 1,814,032,077,032 | | 2,979,652,245 | | 622,778,159 | | 96,526,544,603 | | 3,394,799,096,189 |

- Cost of fully depreciated tangible fixed assets at the end of the period but still in use is VND 1,358,101,285,479.

13 . INTANGIBLE FIXED ASSETS

| | Land use rights VND | Copyrights and patents VND | Computer software VND | Other intangible fixed assets VND | Total VND |
|-------------------------------------|------------------------|----------------------------------|--------------------------|---|------------------------|
| Original cost | | | | | |
| Beginning balance | 109,346,490,461 | 98,555,800 | 7,683,165,536 | 244,571,250 | 117,372,783,047 |
| - Purchase in the period | - | - | 80,000,000 | - | 80,000,000 |
| Ending balance of the period | 109,346,490,461 | 98,555,800 | 7,763,165,536 | 244,571,250 | 117,452,783,047 |
| Accumulated amortization | | | | | |
| Beginning balance | 5,396,794,567 | 69,323,825 | 7,169,414,588 | 244,571,250 | 12,880,104,230 |
| - Amortization in the period | 329,629,083 | 10,144,714 | 72,916,662 | - | 412,690,459 |
| Ending balance of the period | 5,726,423,650 | 79,468,539 | 7,242,331,250 | 244,571,250 | 13,292,794,689 |
| Net carrying amount | | | | | |
| Beginning of the period | 103,949,695,894 | 29,231,975 | 513,750,948 | - | 104,492,678,817 |
| Ending of the period | 103,620,066,811 | 19,087,261 | 520,834,286 | - | 104,159,988,358 |

- Cost of fully depreciated intangible fixed assets at the end of the period but still in use is VND 6,859,674,286.

14 . BORROWINGS

| | 01/01/2023 | | During the period | | 31/03/2023 | |
|--|--------------------------|--------------------------|------------------------|------------------------|--------------------------|--------------------------|
| | 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 | | | | | | |
| - Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch | 904,472,379,856 | 904,472,379,856 | 527,257,817,455 | 399,723,260,216 | 1,032,006,937,095 | 1,032,006,937,095 |
| - Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch | 314,567,567,560 | 314,567,567,560 | 172,039,020,641 | 108,424,489,067 | 378,182,099,134 | 378,182,099,134 |
| - Shinhan Bank Vietnam Limited - Binh Duong Branch | 43,754,757,032 | 43,754,757,032 | 141,319,291,111 | 26,896,425,936 | 158,177,622,207 | 158,177,622,207 |
| - Kasikornbank Public Company Limited - Ho Chi Minh Branch | 15,135,608,037 | 15,135,608,037 | 77,824,618,314 | 15,135,608,037 | 77,824,618,314 | 77,824,618,314 |
| - Standard Chartered Bank (Mauritius) Limited | 189,880,000,000 | 189,880,000,000 | - | 189,880,000,000 | - | - |
| - HSBC Bank (Vietnam) Limited | 72,044,447,227 | 72,044,447,227 | 88,266,084,583 | 45,716,737,176 | 114,593,794,634 | 114,593,794,634 |
| - Hongkong and Shanghai Banking Corporation Limited - Singapore Branch | 237,350,000,000 | 237,350,000,000 | - | - | 237,350,000,000 | 237,350,000,000 |
| - Others | 31,740,000,000 | 31,740,000,000 | 12,850,000,000 | 13,670,000,000 | 30,920,000,000 | 30,920,000,000 |
| Current portion of long-term debts - Parent Company | 421,689,595,997 | 421,689,595,997 | 213,213,669,267 | 180,493,116,633 | 454,410,148,631 | 454,410,148,631 |
| | 1,326,161,975,853 | 1,326,161,975,853 | 740,471,486,722 | 580,216,376,849 | 1,486,417,085,726 | 1,486,417,085,726 |

| | 01/01/2023 | | During the period | | 31/03/2023 | |
|--|--------------------------|--------------------------|-----------------------|------------------------|--------------------------|--------------------------|
| | Outstanding balance | Amount can be paid | Increase | Decrease | Outstanding balance | Amount can be paid |
| | VND | VND | VND | VND | VND | VND |
| b) Long-term borrowings | | | | | | |
| Long-term debts | 3,113,454,933,751 | 3,113,454,933,751 | 87,069,981,661 | 180,493,116,633 | 3,020,031,798,779 | 3,020,031,798,779 |
| - Vietnam Development Bank - Binh Duong Branch | 270,769,804,355 | 270,769,804,355 | - | 4,689,045,150 | 266,080,759,205 | 266,080,759,205 |
| - Asian Development Bank | 887,519,071,641 | 887,519,071,641 | - | 14,457,200,000 | 873,061,871,641 | 873,061,871,641 |
| - Japan International Cooperation Agency | 189,880,000,000 | 189,880,000,000 | - | 14,457,200,000 | 175,422,800,000 | 175,422,800,000 |
| - World Bank | 321,925,104,643 | 321,925,104,643 | - | - | 321,925,104,643 | 321,925,104,643 |
| - Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch | 130,795,657,537 | 130,795,657,537 | - | 4,000,000,000 | 126,795,657,537 | 126,795,657,537 |
| - Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch | 112,481,243,933 | 112,481,243,933 | - | 97,138,243,933 | 15,343,000,000 | 15,343,000,000 |
| - Vietnam International Commercial Joint Stock Bank - Binh Duong Branch | 86,957,514,395 | 86,957,514,395 | - | 7,423,427,550 | 79,534,086,845 | 79,534,086,845 |
| - Binh Duong Development Investment Fund | 472,054,537,247 | 472,054,537,247 | - | 34,850,000,000 | 437,204,537,247 | 437,204,537,247 |
| - Binh Duong Environmental Protection Fund | 45,517,000,000 | 45,517,000,000 | - | 2,929,000,000 | 42,588,000,000 | 42,588,000,000 |
| - Vietnam Environmental Protection Fund | 2,180,000,000 | 2,180,000,000 | - | 549,000,000 | 1,631,000,000 | 1,631,000,000 |
| - DEG - Deutsche Investitions und Entwicklungsgesellschaft mbH | 593,375,000,000 | 593,375,000,000 | - | - | 593,375,000,000 | 593,375,000,000 |
| - HSBC Bank (Vietnam) Limited | - | - | 87,069,981,661 | - | 87,069,981,661 | 87,069,981,661 |
| | 3,113,454,933,751 | 3,113,454,933,751 | 87,069,981,661 | 180,493,116,633 | 3,020,031,798,779 | 3,020,031,798,779 |
| * Amount due for settlement within 12 months | (421,689,595,997) | (421,689,595,997) | (213,213,669,267) | (180,493,116,633) | (454,410,148,631) | (454,410,148,631) |
| Amount due for settlement after 12 months | 2,691,765,337,754 | 2,691,765,337,754 | | | 2,565,621,650,148 | 2,565,621,650,148 |

Detail information on Short-term debts:

| | Currency | Interest rate | Guarantee | 31/03/2023 | 01/01/2023 |
|--|----------|---------------|---------------------|--------------------------|------------------------|
| | | | | VND | VND |
| - Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch | VND | 6.60% - 7.50% | Inventories; stocks | 378,182,099,134 | 314,567,567,560 |
| - Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch | VND | 7.80% - 8.50% | Claim for debts | 158,177,622,207 | 43,754,757,032 |
| - Shinhan Bank Vietnam Limited - Binh Duong Branch | VND | 5.50% | Unsecured | 77,824,618,314 | 15,135,608,037 |
| - Kasikornbank Public Company Limited - Ho Chi Minh Branch | VND | 8.35% - 8.58% | Unsecured | 34,958,802,806 | - |
| - Standard Chartered Bank (Mauritius) Limited | USD | 6.20% | Unsecured | - | 189,880,000,000 |
| - HSBC Bank (Vietnam) Limited | VND | 6.50% - 7.30% | Unsecured | 114,593,794,634 | 72,044,447,227 |
| - Hongkong and Shanghai Banking Corporation Limited - Singapore Branch | USD | USD SOFR + 2% | Unsecured | 237,350,000,000 | 237,350,000,000 |
| - Others | VND | 7.16% - 9.67% | Unsecured | 30,920,000,000 | 31,740,000,000 |
| | | | | <u>1,032,006,937,095</u> | <u>904,472,379,856</u> |

Detail information on Long-term loans

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

| | Currency | Interest rate | Loan Fees | Year maturity | Guarantee | 31/03/2023 | | 01/01/2023 | |
|--|----------|----------------------|-----------|---------------|---|--------------------------|--|--------------------------|-----------------|
| | | | | | | 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 | 5.80% - 7.18% | 0.20% | 2020 - 2028 | Pledge of trust | 160,529,248,932 | 43,000,000,000 | 160,529,248,932 | |
| - Vietnam Development Bank - Binh Duong Branch | EUR | 0.00% | 0.20% | 2025 - 2032 | Pledge of trust | 105,551,510,273 | 17,894,461,900 | 110,240,555,423 | |
| - Asian Development Bank | USD | LIBOR + 0.5% | 0.25% | 2037 | Pledge of trust | 697,639,071,641 | 46,274,128,561 | 697,639,071,641 | |
| - Asian Development Bank | USD | LIBOR USD 6M + 3.80% | | 2029 | Right to receivables from water supply | 175,422,800,000 | 29,055,896,000 | 189,880,000,000 | |
| - Japan International Cooperation Agency | USD | LIBOR USD 6M + 2.65% | | 2029 | Right to receivables from water supply | 175,422,800,000 | 29,055,896,000 | 189,880,000,000 | |
| - World Bank | VND | 6.75% | 0.20% | 2037 | Pledge of trust | 321,925,104,643 | 21,462,000,000 | 321,925,104,643 | |
| - Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch | VND | 9.40% - 10.20% | | 2021 - 2027 | Stocks; Assets formed from borrowing | 126,795,657,537 | 17,000,000,000 | 130,795,657,537 | |
| - Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch | VND | 9.40% | | 2021 - 2028 | Stocks; Assets formed from borrowing, right to receivables from waste treatment | 15,343,000,000 | 3,612,000,000 | 112,481,243,933 | |
| - Vietnam International Commercial Joint Stock Bank - Binh Duong Branch | VND | 10.10% - 11.60% | | 2023 | Assets formed from projects | 79,534,086,845 | 23,471,586,845 | 86,957,514,395 | |
| - Binh Duong Development Investment Fund | VND | 3.60% - 7.00% | | 2021 - 2028 | Assets formed from projects; right to receivables from water supply and waste treatment | 437,204,537,247 | 112,150,000,000 | 472,054,537,247 | |
| - Binh Duong Environmental Protection Fund | VND | 4.20% | | 2021 - 2025 | Pledge of trust; term deposits | 42,588,000,000 | 11,716,000,000 | 45,517,000,000 | |
| - Vietnam Environmental Protection Fund | VND | 2.60% | | 2023 | Term deposits | 1,631,000,000 | 1,631,000,000 | 2,180,000,000 | |
| - DEG - Deutsche Investitions und Entwicklungsgesellschaft mbH | USD | 6.97% | | 2030 | Right to receivables from water supply | 593,375,000,000 | 84,339,285,917 | 593,375,000,000 | |
| - HSBC Bank (Vietnam) Limited | VND | 8.40% | | 2028 | Land use rights and properties on land | 87,069,981,661 | 13,747,893,408 | - | |
| | | | | | | <u>3,020,031,798,779</u> | <u>454,410,148,631</u> | <u>3,113,454,933,751</u> | |
| | | | | | | (454,410,148,631) | | (421,689,595,997) | |
| | | | | | | <u>2,565,621,650,148</u> | | <u>2,691,765,337,754</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.

15 . SHORT-TERM TRADE PAYABLES

| | 31/03/2023 | | 01/01/2023 | |
|--|------------------------|------------------------|------------------------|------------------------|
| | Outstanding balance | Amount can be paid | Outstanding balance | Amount can be paid |
| | VND | VND | VND | VND |
| a) Related parties | | | | |
| - Investment and Industrial Development Corporation - Joint Stock Company | 58,229,659,649 | 58,229,659,649 | 69,520,531,479 | 69,520,531,479 |
| - Thu Dau Mot Water Joint Stock Company | 16,487,240,000 | 16,487,240,000 | 16,487,240,000 | 16,487,240,000 |
| - Gia Tan Water Joint Stock Company | 37,200,800 | 37,200,800 | 14,216,077,969 | 14,216,077,969 |
| - N.T.P Trading Company Limited | - | - | 2,882,283,001 | 2,882,283,001 |
| - Dai Phu Thinh Company Limited | 32,554,421,260 | 32,554,421,260 | 26,784,132,920 | 26,784,132,920 |
| b) Other parties | | | | |
| - Tri Lam Environment Technology & Construction Investment Company Limited | 94,460,279,610 | 94,460,279,610 | 114,135,141,657 | 114,135,141,657 |
| - Kim Ngan Thuy Transport Trading One Member Company Limited | 9,235,354,545 | 9,235,354,545 | 6,257,714,545 | 6,257,714,545 |
| - Land Fund Development Center of Ben Cat district | 7,321,338,144 | 7,321,338,144 | 6,735,634,815 | 6,735,634,815 |
| - Others | 10,292,015,271 | 10,292,015,271 | 10,292,015,271 | 10,292,015,271 |
| | 67,611,571,650 | 67,611,571,650 | 90,849,777,026 | 90,849,777,026 |
| | <u>152,689,939,259</u> | <u>152,689,939,259</u> | <u>183,655,673,136</u> | <u>183,655,673,136</u> |

16 . SHORT-TERM PREPAYMENTS FROM CUSTOMERS

| | 31/03/2023 | | 01/01/2023 | |
|---|------------------------|------------------------|------------------------|------------------------|
| | Outstanding balance | Amount can be paid | Outstanding balance | Amount can be paid |
| | VND | VND | VND | VND |
| a) Related parties | | | | |
| - Investment and Industrial Development Corporation - Joint Stock Company | 5,032,657,672 | 5,032,657,672 | 4,917,999,244 | 4,917,999,244 |
| - Thu Dau Mot Water Joint Stock Company | 1,034,692,692 | 1,034,692,692 | 1,034,692,692 | 1,034,692,692 |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | 3,732,158,617 | 3,732,158,617 | 3,567,500,189 | 3,567,500,189 |
| - Quynh Phuc Production and Trading Company Limited | 259,000,000 | 259,000,000 | 259,000,000 | 259,000,000 |
| - Dai Phu Thinh Company Limited | 1,170,000 | 1,170,000 | 51,170,000 | 51,170,000 |
| b) Other parties | | | | |
| - Department of Natural Resources and Environment of Thu Dau Mot city | 143,031,551,903 | 143,031,551,903 | 117,545,023,179 | 117,545,023,179 |
| - Kien An Water Joint Stock Company | 24,889,000,000 | 24,889,000,000 | - | - |
| - Others | 5,973,811,200 | 5,973,811,200 | 5,973,811,200 | 5,973,811,200 |
| | 112,168,740,703 | 112,168,740,703 | 111,571,211,979 | 111,571,211,979 |
| | <u>148,064,209,575</u> | <u>148,064,209,575</u> | <u>122,463,022,423</u> | <u>122,463,022,423</u> |

17 . TAXES AND OTHER PAYABLES TO STATE BUDGET

| | Tax receivable at beginning of the period | Tax payable at beginning of the period | Tax payable in the period | Tax paid in the period | Tax receivable end of the period | Tax payable end of the period |
|----------------------------------|---|--|------------------------------|---------------------------|-------------------------------------|----------------------------------|
| | VND | VND | VND | VND | VND | VND |
| Value added tax | 298,335,460 | 9,393,803,795 | 8,659,017,723 | 18,052,821,518 | 298,335,460 | - |
| Corporate income tax | - | 48,142,349,348 | 17,043,791,374 | 52,688,037,387 | - | 12,498,103,335 |
| Personal income tax | 501,428 | 58,975,273 | 6,148,270,755 | 6,562,536,333 | 356,100,451 | 308,718 |
| Natural resource tax | - | 458,203,620 | 7,205,812,541 | 7,216,559,557 | - | 447,456,604 |
| Land tax and land rental | - | - | 111,561,179 | 111,561,179 | - | - |
| Fees, charges and other payables | - | 17,880,394,909 | 27,174,876,299 | 24,886,517,746 | - | 20,168,753,462 |
| | <u>298,836,888</u> | <u>75,933,726,945</u> | <u>66,343,329,871</u> | <u>109,518,033,720</u> | <u>654,435,911</u> | <u>33,114,622,119</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.

18 . SHORT-TERM ACCRUED EXPENSES

| | 31/03/2023 | 01/01/2023 |
|--|-----------------------|-----------------------|
| | VND | VND |
| Accrued interest | 27,614,973,106 | 27,373,295,348 |
| Accrued expense for implementation of construction works | 64,192,415,089 | 39,700,612,403 |
| Accrued expenses of the project which have been recognized revenue | 1,982,390,743 | 3,773,110,156 |
| Other accrued expenses | 5,392,089,717 | 5,243,586,017 |
| | <u>99,181,868,655</u> | <u>76,090,603,924</u> |
| In which: Accrued expenses with related parties | | |
| - Ms. Dang Thi Muoi | - | 49,413,699 |
| | <u>-</u> | <u>49,413,699</u> |

19 . OTHER PAYABLES

| | 31/03/2023 | 01/01/2023 |
|--|------------------------|------------------------|
| | VND | VND |
| a) Short-term | | |
| Trade union fee, social insurance, unemployment insurance | 771,633,296 | 659,845,148 |
| Short-term deposits, collateral received | 6,883,872,691 | 7,009,322,691 |
| Other payables | 270,079,671,408 | 14,875,563,114 |
| - <i>Dividends payables (i)</i> | 250,796,000,000 | - |
| - <i>Dividends payables - at subsidiary</i> | 5,200,000,000 | - |
| - <i>Other payables</i> | 14,083,671,408 | 14,875,563,114 |
| | <u>277,735,177,395</u> | <u>22,544,730,953</u> |
| b) Long-term | | |
| Long-term deposits, collateral received | 8,647,386,688 | 8,257,636,688 |
| Payables to Project Management Units on capital formed fixed assets which was temporary increased, but not yet approved for final settlement | 754,990,121,554 | 754,990,121,554 |
| | <u>763,637,508,242</u> | <u>763,247,758,242</u> |

(i) Detailed as in Note No. 21.

20 . SHORT-TERM PROVISIONS FOR PAYABLES

| | 31/03/2023 | 01/01/2023 |
|---|----------------------|----------------------|
| | VND | VND |
| Waste and wastewater treatment expenses | 5,433,503,556 | 5,433,503,556 |
| | <u>5,433,503,556</u> | <u>5,433,503,556</u> |

21 . OWNER'S EQUITY

a) Changes in owner's equity

| | Contributed capital | | Share premium | | Development and investment fund | | Retained earnings | | Capital expenditure fund (i) | | Non-Controlling Interest | | Total | |
|---|--------------------------|----------|------------------------|----------|---------------------------------|----------|------------------------|----------|------------------------------|----------|--------------------------|----------|--------------------------|--|
| | VND | | VND | | VND | | VND | | VND | | VND | | VND | |
| Beginning balance of previous period | 1,929,200,000,000 | - | 621,342,364,000 | - | 624,539,141,623 | - | 605,632,211,216 | - | 97,817,204,031 | - | 46,805,489,907 | - | 3,925,336,410,777 | |
| Profit of the previous period | - | - | - | - | - | - | 176,817,023,129 | - | - | - | (437,177,785) | - | 176,379,845,344 | |
| Profit distribution of 2021 at the Parent | - | - | - | - | 257,875,756,225 | - | (383,129,694,963) | - | - | - | - | - | (125,253,938,738) | |
| Profit distribution of 2021 at the subsidiary | - | - | - | - | 6,335,214,109 | - | (8,688,293,635) | - | - | - | (6,368,719,684) | - | (8,721,799,210) | |
| Ending balance of previous period | <u>1,929,200,000,000</u> | <u>-</u> | <u>621,342,364,000</u> | <u>-</u> | <u>888,750,111,957</u> | <u>-</u> | <u>390,631,245,747</u> | <u>-</u> | <u>97,817,204,031</u> | <u>-</u> | <u>39,999,592,438</u> | <u>-</u> | <u>3,967,740,518,173</u> | |
| Beginning balance of current period | 1,929,200,000,000 | - | 621,342,364,000 | - | 888,750,111,957 | - | 956,656,429,405 | - | 97,817,204,031 | - | 44,072,346,894 | - | 4,537,838,456,287 | |
| Profit of the current period | - | - | - | - | - | - | 140,776,087,568 | - | - | - | (48,801,805) | - | 140,727,285,763 | |
| Profit distribution of 2022 at the Parent (ii) | - | - | - | - | 238,568,054,473 | - | (605,239,966,645) | - | - | - | - | - | (366,671,912,172) | |
| Profit distribution of 2022 at the subsidiary (iii) | - | - | - | - | 7,820,534,051 | - | (11,172,191,502) | - | - | - | (7,434,438,299) | - | (10,786,095,750) | |
| Ending balance of current period | <u>1,929,200,000,000</u> | <u>-</u> | <u>621,342,364,000</u> | <u>-</u> | <u>1,135,138,700,481</u> | <u>-</u> | <u>481,020,358,826</u> | <u>-</u> | <u>97,817,204,031</u> | <u>-</u> | <u>36,589,106,790</u> | <u>-</u> | <u>4,301,107,734,128</u> | |

(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 March 2023 is capital expenditure fund allocated by the State capital to Tan Hiep Water Factory Project Management Unit.

(ii) According to Resolution No. 31/NQ-DHCD dated 31 March 2023 issued by General Meeting of Shareholders, the Company announced its profit distribution plan as follows:

| | According to Resolution No. 31/NQ-DHCD VND | Temporary distribution in 2022 VND | Additional distribution in the current period VND |
|---|---|---|--|
| Retained earning in 2021 in Separate Financial Statements | 134,217,036,477 | | |
| Profit after corporate income tax in Separate Financial Statements of 2022 | 681,623,012,779 | | |
| Total profit distributable | <u>815,840,049,256</u> | | |
| Profit distribution | | | |
| - Development and investment fund | 238,568,054,473 | - | 238,568,054,473 |
| - Dividend payment of 13% of chartered capital (<i>equivalent to VND 1,300 per share</i>) | 250,796,000,000 | - | 250,796,000,000 |
| - Bonus fund | 88,610,991,661 | - | 88,610,991,661 |
| - Welfare fund | 6,816,230,128 | - | 6,816,230,128 |
| - Bonus fund for Executive Board | 20,448,690,383 | - | 20,448,690,383 |
| | <u>605,239,966,645</u> | - | <u>605,239,966,645</u> |
| Retained earnings in Separate Financial Statements | <u>210,600,082,611</u> | | |

(iii) Biwase Electricity - Construction Joint Stock Company distributed profits according to the Resolution of the General Meeting of Shareholders No. 46/NQ-DHCD dated 25 March 2023.

b) Details of Contributed capital

| | 31/03/2023 VND | Rate % | 01/01/2023 VND | Rate % |
|---|---------------------------------|----------------------|---------------------------------|----------------------|
| Investment and Industrial Development Corporation - Joint Stock Company | 375,000,000,000 | 19.44 | 375,000,000,000 | 19.44 |
| Thu Dau Mot Water Joint Stock Company | 721,875,000,000 | 37.42 | 721,875,000,000 | 37.42 |
| ECORBIT Co., Ltd | 120,000,000,000 | 6.22 | 120,000,000,000 | 6.22 |
| Other shareholders | 712,325,000,000 | 36.92 | 712,325,000,000 | 36.92 |
| | <u>1,929,200,000,000</u> | <u>100.00</u> | <u>1,929,200,000,000</u> | <u>100.00</u> |

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

| | From 01/01/2023 to 31/03/2023 VND | From 01/01/2022 to 31/03/2022 VND |
|----------------------------------|---|---|
| Owner's invested capital | | |
| - At the beginning of the period | 1,929,200,000,000 | 1,929,200,000,000 |
| - At the end of the period | <u>1,929,200,000,000</u> | <u>1,929,200,000,000</u> |

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Dividends and profit | | |
| - Dividends, profit payable at the beginning of the period | - | 231,504,000,000 |
| - Dividends, profit payable during the period | 255,996,000,000 | 4,800,000,000 |
| + <i>Dividends distributed on last period profit</i> | 255,996,000,000 | 4,800,000,000 |
| | <u>255,996,000,000</u> | <u>236,304,000,000</u> |
| - At the end of the period | | |

d) Share

| | 31/03/2023 | 01/01/2023 |
|---|-------------|-------------|
| Quantity of authorized issuing shares | 192,920,000 | 192,920,000 |
| Quantity of issued shares | 192,920,000 | 192,920,000 |
| - <i>Common shares</i> | 192,920,000 | 192,920,000 |
| Quantity of outstanding shares in circulation | 192,920,000 | 192,920,000 |
| - <i>Common shares</i> | 192,920,000 | 192,920,000 |
| Par value per stock: VND 10,000/stock | | |

e) Company's funds

| | 31/03/2023 | 01/01/2023 |
|----------------------------------|--------------------------|------------------------|
| | VND | VND |
| Development and investment funds | 1,135,138,700,481 | 888,750,111,957 |
| | <u>1,135,138,700,481</u> | <u>888,750,111,957</u> |

22 . 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

| | 31/03/2023 | 01/01/2023 |
|-------|------------|------------|
| - USD | 17,851.04 | 17,774.14 |
| - EUR | 121.37 | 131.98 |

c) Doubtful debts written-offs

Doubtful debts written-offs as at 31 March 2023 are receipts from selling water meter and other receivables with total amount of VND 12,616,579,335 (as at 31 December 2022: VND 12,616,579,335).

| 23 . TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES | From 01/01/2023 | From 01/01/2022 |
|---|------------------------|------------------------|
| | to 31/03/2023 | to 31/03/2022 |
| | VND | VND |
| Revenue from sales of goods | 562,532,387,973 | 551,686,120,908 |
| Revenue from rendering of services | 102,545,680,582 | 167,258,786,017 |
| Revenue from construction contracts | 15,552,159,911 | 14,380,670,550 |
| | <u>680,630,228,466</u> | <u>733,325,577,475</u> |
| In which: Revenue from relevant parties <i>(Detailed as in Notes No. 40)</i> | <u>11,996,363,446</u> | <u>8,526,193,983</u> |
| | | |
| 24 . COST OF GOODS SOLD | From 01/01/2023 | From 01/01/2022 |
| | to 31/03/2023 | to 31/03/2022 |
| | VND | VND |
| Cost of goods sold | 249,169,593,578 | 252,428,353,003 |
| Cost of rendering of services | 83,473,226,247 | 120,221,090,011 |
| Cost of construction contracts | 15,322,677,045 | 12,884,592,291 |
| | <u>347,965,496,870</u> | <u>385,534,035,305</u> |
| | | |
| 25 . FINANCIAL INCOME | From 01/01/2023 | From 01/01/2022 |
| | to 31/03/2023 | to 31/03/2022 |
| | VND | VND |
| Interest income | 11,599,837,123 | 1,671,378,566 |
| Dividends or profits received | 27,552,000,000 | 12,300,000,000 |
| Realised gain from foreign exchange differences | 6,840,000,000 | - |
| Other financial incomes | - | 264,575,342 |
| | <u>45,991,837,123</u> | <u>14,235,953,908</u> |
| In which: Financial income from relevant parties <i>(Detailed as in Notes No. 40)</i> | <u>27,552,000,000</u> | <u>12,602,659,725</u> |

26 . FINANCIAL EXPENSES

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Interest expenses | 73,152,286,663 | 37,543,537,367 |
| Reversal of provision for impairment of investment | - | 1,040,400,000 |
| Cost of issuing bonds allocation and other financial expenses | - | 62,351,437 |
| | <u>73,152,286,663</u> | <u>38,646,288,804</u> |
| In which: Financial expenses from relevant parties <i>(Details as in Notes No. 40)</i> | <u>-</u> | <u>631,232,876</u> |

27 . SELLING EXPENSES

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Raw materials | 14,477,436,226 | 3,762,756,567 |
| Labour expenses | 18,500,295,447 | 17,001,643,167 |
| Depreciation and amortisation expenses | 43,860,635,330 | 45,930,818,014 |
| Expenses of outsourcing services | 4,189,182,548 | 3,250,930,470 |
| Other expenses in cash | 6,279,397,228 | 4,400,484,085 |
| | <u>87,306,946,779</u> | <u>74,346,632,303</u> |

28 . GENERAL AND ADMINISTRATIVE EXPENSE

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Raw materials | 3,180,944,985 | 3,119,554,142 |
| Labour expenses | 21,205,861,619 | 17,834,302,466 |
| Depreciation and amortisation expenses | 1,382,255,816 | 1,131,583,020 |
| Tax, Charge, Fee | 243,575,150 | 177,548,041 |
| Provision expenses | - | (3,281,170,166) |
| Expenses of outsourcing services | 5,757,036,206 | 3,262,428,337 |
| Other expenses in cash | 7,335,539,526 | 5,673,215,162 |
| | <u>39,105,213,302</u> | <u>27,917,461,002</u> |

29 . OTHER INCOME

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|---|----------------------------------|----------------------------------|
| | VND | VND |
| Electricity sold to the rental units | 4,964,118,608 | 4,970,974,907 |
| Proceeds from bike racing and sewerage meetings | 3,730,000,000 | 2,700,000,000 |
| Proceeds from sponsorship for prevention of COVID-19 | - | 700,000,000 |
| Others | 284,771,864 | 829,026,413 |
| | <u>8,978,890,472</u> | <u>9,200,001,320</u> |
| In which: Other income from relevant parties <i>(Detailed as in Notes No. 40)</i> | <u>5,959,464,694</u> | <u>6,204,486,564</u> |

30 . OTHER EXPENSES

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|---|----------------------------------|----------------------------------|
| | VND | VND |
| Electricity consumed by the rental units | 4,835,167,223 | 4,865,214,291 |
| Cost of bicycle race and water supply and sewerage meetings | 4,030,000,000 | 2,900,000,000 |
| Others | 39,104,987 | 17,592,887 |
| | <u>8,904,272,210</u> | <u>7,782,807,178</u> |

31 . CURRENT CORPORATE INCOME TAX EXPENSES

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Binh Duong Water - Environment Joint Stock Company | 16,716,755,882 | 24,858,075,248 |
| Biwase Electric - Construction Joint Stock Company | - | 1,694,186,292 |
| Current corporate income tax expense | <u>17,038,353,115</u> | <u>26,552,261,540</u> |
| Adjustment of tax expenses in previous years into current period | 5,438,259 | - |
| Tax payable at the beginning of the period | 48,142,349,348 | 33,063,517,708 |
| Tax paid in the period | (52,688,037,387) | (36,850,178,502) |
| Corporate income tax payable at the end of the period | <u>12,498,103,335</u> | <u>22,765,600,746</u> |

32 . DEFERRED INCOME TAX

a) Deferred income tax assets

| | 31/03/2023 | 01/01/2023 |
|--|----------------------|----------------------|
| | VND | VND |
| Deferred income tax assets related to deductible temporary differences | 3,248,150,059 | 3,013,517,189 |
| Deferred income tax assets | <u>3,248,150,059</u> | <u>3,013,517,189</u> |

| b) Deferred income tax payable | 31/03/2023 | 01/01/2023 |
|--|----------------------------------|----------------------------------|
| | 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 | 6,427,219,135 | 5,420,275,122 |
| Deferred income tax payable | 6,427,219,135 | 5,420,275,122 |
| c) Deferred corporate income tax expenses | | |
| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
| | VND | VND |
| Deferred CIT expense relating to taxable temporary difference | 1,006,944,013 | 484,753,382 |
| Deductible temporary differences | (234,632,870) | (1,629,554,551) |
| | 772,311,143 | (1,144,801,169) |

33 . BASIC EARNING PER SHARE

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

| | | |
|---|----------------------------------|----------------------------------|
| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
| | VND | VND |
| Profit after corporate income tax | 140,776,087,568 | 176,817,023,129 |
| Adjustments: | (23,931,934,887) | (30,058,893,932) |
| - Bonus and welfare fund is distributed from the profit after tax (*) | (23,931,934,887) | (30,058,893,932) |
| Profit distributed for common shares | 116,844,152,681 | 146,758,129,197 |
| Average circulated common shares in the period | 192,920,000 | 192,920,000 |
| Basic earnings per share | 606 | 761 |

(*) According to the Resolution No. 31/NQ-DHDCD dated 31 March 2023, the Company plans to appropriate bonus and welfare funds and Reward fund for executive management at the rate of 17% of profit in 2023.

As at 31 March 2023, the Company did not have shares with dilutive potential for earnings per share.

34 . BUSINESS AND PRODUCTIONS COST BY ITEMS

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Raw materials | 214,079,404,836 | 214,906,377,109 |
| Labour expenses | 116,120,438,341 | 105,479,464,015 |
| Depreciation and amortisation expenses | 135,348,523,763 | 121,278,650,915 |
| Provision expenses | - | (1,940,046,039) |
| Expenses of outsourcing services | 71,907,717,322 | 73,535,806,730 |
| Other expenses in cash | 25,266,438,307 | 21,809,450,868 |
| | <u>562,722,522,569</u> | <u>535,069,703,598</u> |

35 . FINANCIAL INSTRUMENTS

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 may face market risks such as 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 period, the Company has no plans to sell these investments.

| | More than 5 years | Total |
|-------------------------|------------------------|------------------------|
| | VND | VND |
| As at 31/03/2023 | | |
| Long-term investments | 589,004,660,420 | 589,004,660,420 |
| | <u>589,004,660,420</u> | <u>589,004,660,420</u> |
| As at 01/01/2023 | | |
| Long-term investments | 589,004,660,420 | 589,004,660,420 |
| | <u>589,004,660,420</u> | <u>589,004,660,420</u> |

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 31/03/2023 | | | | |
| Cash and cash equivalents | 306,289,629,839 | - | - | 306,289,629,839 |
| Trade and other receivables | 995,849,408,495 | 952,062,290,878 | - | 1,947,911,699,373 |
| Lending | 397,835,622,466 | - | 10,000,000,000 | 407,835,622,466 |
| | <u>1,699,974,660,800</u> | <u>952,062,290,878</u> | <u>10,000,000,000</u> | <u>2,662,036,951,678</u> |
| As at 01/01/2023 | | | | |
| Cash and cash equivalents | 275,261,970,068 | - | - | 275,261,970,068 |
| Trade and other receivables | 832,454,046,198 | 952,062,290,878 | - | 1,784,516,337,076 |
| Lending loans | 871,911,342,466 | - | 10,000,000,000 | 881,911,342,466 |
| | <u>1,979,627,358,732</u> | <u>952,062,290,878</u> | <u>10,000,000,000</u> | <u>2,941,689,649,610</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.

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 31/03/2023 | | | | |
| Borrowings and debts | 1,486,417,085,726 | 1,594,795,494,849 | 970,826,155,299 | 4,052,038,735,874 |
| Trade and other payables | 430,425,116,654 | 763,637,508,242 | - | 1,194,062,624,896 |
| Accrued expenses | 99,181,868,655 | - | - | 99,181,868,655 |
| | <u>2,016,024,071,035</u> | <u>2,358,433,003,091</u> | <u>970,826,155,299</u> | <u>5,345,283,229,425</u> |
| As at 01/01/2023 | | | | |
| Borrowings and debts | 1,326,161,975,853 | 1,642,227,860,274 | 1,049,537,477,480 | 4,017,927,313,607 |
| Trade and other payables | 206,200,404,089 | 763,247,758,242 | - | 969,448,162,331 |
| Accrued expenses | 76,090,603,924 | - | - | 76,090,603,924 |
| | <u>1,608,452,983,866</u> | <u>2,405,475,618,516</u> | <u>1,049,537,477,480</u> | <u>5,063,466,079,862</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.

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

a) Proceeds from borrowings during the period

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|----------------------------------|----------------------------------|----------------------------------|
| | VND | VND |
| Proceeds from ordinary contracts | 607,427,799,116 | 607,684,661,780 |

b) Actual repayments on principal during the period

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--|----------------------------------|----------------------------------|
| | VND | VND |
| Repayment on principal from ordinary contracts | 573,316,376,849 | 541,673,500,037 |
| Repayment on principal of common bonds | - | 100,000,000,000 |

37 . OTHER INFORMATION

During the year 2020, the Company successfully issued 37,500,000 shares to the public through public offering by auction at Ho Chi Minh City Stock Exchange and collected total amount of VND 963,942,364,000 after deducting issuance costs. Accordingly, the Company's charter capital increase from 1,500 billion dong to 1,875 billion dong after successfully issuing. The Company has used the total capital proceed from shares issuance in accordance with the purposes of using capital stated at:

- Resolution No. 19/NQ-HDQT dated 17 March 2020 of the Annual General Meeting of Shareholders on approving Proposal No. 17/TT dated 16 March 2020 of the Board of Management regarding the shares issuance to increase charter capital;
- Meeting Minutes and Resolution No. 27/BB-HDQT dated 02 June 2020 of the Board of Management approving plan on issuing shares to increase charter capital;
- Meeting Minutes and Resolution No. 28/BB-HDQT dated 02 June 2020 of the Board of Management adjusting the Plan on issuing shares to increase charter capital;
- Resolution No. 45/NQ-HDQT dated 28 October 2020 by the Board of Management of the Company on approving the result of shares offering of shares to increase charter capital in 2020.

Detail information of the progress of using capital proceed from shares issuance to increase charter capital from VND 1,500 billion to VND 1,875 billion of the Company accumulated to 31 March 2023 as follows:

| No. | Purpose of using capital | According to the plan of using capital | Used amount accumulated to 31/03/2023 | Unused amount accumulated to 31/03/2023 | Progress accumulated to 31/03/2023 | Note |
|--------------|---|--|---------------------------------------|---|------------------------------------|------|
| | | VND | VND | VND | | |
| | | (1) | (2) | (3) = (1) - (2) | | |
| 1 | The 1st payment for bond principal BWEBOND2018 | 100,000,000,000 | 100,000,000,000 | - | 100% | |
| 2 | Reimbursement for 02 categories of the Project of Investment in Water supply in Binh Duong Complex (expansion, raising the capacity of Tan Hiep water plant by 100,000 m3/day) | 109,428,586,000 | 109,428,586,000 | - | 100% | |
| 3 | Preparing for the investment capital for the Project of construction investment in incinerator, capacity of 8,400 kg/hour at the Southern Binh Duong Waste Treatment Complex. | 85,490,060,691 | 85,490,060,691 | - | 100% | |
| 4 | Preparing for the investment capital for the Project of construction investment in compost production factory, capacity increased by 840 tons/day at the Southern Binh Duong Waste Treatment Complex. | 112,167,934,731 | 112,167,934,731 | - | 100% | |
| 5 | Reimbursement for the counterpart fund that the Company has paid according to the commitment of capital contribution to Chanh Phu Hoa Investment - Construction Joint Stock Company (phase 1/2020). | 65,543,340,000 | 65,543,340,000 | - | 100% | |
| 6 | Capital contribution for the phase 2/2020 to Chanh Phu Hoa Investment - Construction Joint Stock Company. | 49,157,502,000 | 49,157,502,000 | - | 100% | |
| 7 | Reimbursement for the counterpart fund that the Company paid for land (phase 1, phase 2) to prepare land fund to serve the plan of construction of BIWASE Office Building in the New City of Binh Duong province. | 175,449,120,000 | 175,449,120,000 | - | 100% | |
| 8 | Land payment (phase 3, phase 4) to serve the plan of construction of BIWASE Office Building in the New City of Binh Duong province. | 116,966,080,000 | 102,345,320,000 | 14,620,760,000 | 88% | |
| 9 | Additional capital for production and business activities | 149,739,740,578 | 149,739,740,578 | - | 100% | |
| | - Depreciation payments for drainage projects to the State Budget | 50,000,000,000 | 50,000,000,000 | - | 100% | |
| | - Pay salary and loans interest | 99,739,740,578 | 99,739,740,578 | - | 100% | |
| Total | | 963,942,364,000 | 949,321,604,000 | 14,620,760,000 | | |

38 . SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD

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

39 . 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 | 519,799,852,325 | 68,587,433,073 | 23,171,770,840 | 69,071,172,228 | 680,630,228,466 |
| Net revenue from business activities | 305,969,725,087 | 10,426,022,644 | 3,849,836,040 | 12,419,147,825 | 332,664,731,596 |
| Profit after corporate income tax | 133,629,829,461 | 1,683,417,987 | 817,559,375 | 4,596,478,940 | 140,727,285,763 |
| Water production of the Quarter 1, 2023 (m3) | 46,045,313 | | | | |
| Water loss rate approved | 18.00% | | | | |
| Real average water loss rate in this period | 5.20% | | | | |
| Estimate water output is saved by reducing water loss rate | 7,187,561 | | | | |
| Average production costs in this period (<i>dong/m3</i>) | 7,599.04 | | | | |
| Estimated profit after CIT increase by reducing in water loss rate | 49,156,707,187 | | | | 49,156,707,187 |
| Profit after corporate income tax <i>(excluding profit due to reduced water loss rate)</i> | 84,473,122,274 | 1,683,417,987 | 817,559,375 | 4,596,478,940 | 91,570,578,576 |
| The total cost to acquire fixed assets | - | - | - | - | 92,446,053,630 |
| Segment assets | 3,276,794,787,741 | 1,325,067,629,408 | 86,157,070,679 | 326,041,573,065 | 5,014,061,060,893 |
| Unallocated assets | | | | | 4,987,596,126,658 |
| Total assets | 3,276,794,787,741 | 1,325,067,629,408 | 86,157,070,679 | 326,041,573,065 | 10,001,657,187,551 |
| Segment liabilities | 18,250,064,063 | 96,466,321,413 | 23,791,539,945 | 129,745,059,923 | 268,252,985,344 |
| Unallocated liabilities | | | | | 5,432,296,468,079 |
| Total liabilities | 18,250,064,063 | 96,466,321,413 | 23,791,539,945 | 129,745,059,923 | 5,700,549,453,423 |

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.

40 . 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 |
| - ECORBIT Co., Ltd | Major shareholder |
| - Recycled Green Materials Joint Stock Company | Subsidiary (<i>Dissoluted since 29 June 2022</i>) |
| - Biwase Electric - Construction Joint Stock Company | Subsidiary |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | Associate |
| - Gia Tan Water Joint Stock Company | Associate |
| - Can Tho 2 Water Supply Joint Stock Company | Associate |
| - Can Tho Water Supply - Sewerage Joint Stock Company | Associate |
| - Long An Water Supply Sewerage Joint Stock Company | Associate |
| - Quang Binh Water Supply Joint Stock Company | Associate |
| - DNP - Long An Water Infrastructure Investment Joint Stock | Associate |
| - Binh Duong Producing and Trading Goods Corporation | Mr. Nguyen Van Thien - Chairman of the Company, is also member of the Board of Management of this Company |
| - Dong Nai Water Joint Stock Company | Mr. Nguyen Van Thien - Chairman of the Company, is also Vice president of this Company |
| - Quynh Phuc Production and Trading Company Limited | Mr. Nguyen Van Tri - member of the Company's Board of Management is also the Director of this Company |
| - N.T.P Trading Company Limited | Mr. Nguyen Thanh Phong - the Company's member of the Board of Management is also the Director of this Company |
| - Cho Lon Water Supply Joint Stock Company | Mr. Nguyen Thanh Phong - Company's member of the Board of Management is also the member of the Board of Management of this Company |
| - Trung An Water Supply Joint Stock Company | Mr. Nguyen Thanh Phong - Company's member of the Board of Management is also the member of the Board of Management of this Company |
| - Phu An Water Joint Stock Company | Mr. Nguyen Thanh Phong - the Company's member of the Board of Management is also the Chairman of this Company |
| - Dai Phu Think Company Limited | Brother of Mr. Ta Trong Hiep - member of the Company's Board of Management - is also the Director of this Company |
| - Hiep Thanh Phu Import Export Trading Joint Stock Company | Mr. Ta Trong Hiep - the Company's member of the Board of Management is also the Chairman of this Company |
| - Anh Huy Water Supply and Sewerage Trading Construction Consultant Company Limited | Ms. Duong An Thu - the Company's Head of Supervisory Board is also the member of the Board of Management of this Company |
| - Board of Management, Supervisory Board and General Director | Key management personnel |

Except for the information with related parties are presented at Notes above, the Company has the transactions during the period and balances with related parties as follows:

Transactions during the period:

| | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|---|----------------------------------|----------------------------------|
| | VND | VND |
| Revenues from sales of goods and rendering of services | 11,996,363,446 | 8,526,193,983 |
| - Investment and Industrial Development Corporation - Joint Stock Company | 3,069,040,215 | 2,518,577,026 |
| - Thu Dau Mot Water Joint Stock Company | 5,982,137,557 | 2,972,347,707 |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | 827,215,148 | 2,169,809,796 |
| - Gia Tan Water Joint Stock Company | 1,322,717,645 | - |
| - DNP - Long An Water Infrastructure Investment Joint Stock Company | 25,043,146 | - |
| - Quynh Phuc Production and Trading Company Limited | 749,728,448 | 849,568,479 |
| - N.T.P Trading Company Limited | 3,331,818 | 4,199,748 |
| - Dai Phu Thinh Company Limited | 17,149,469 | 11,691,227 |
| Financial income | 27,552,000,000 | 12,602,659,725 |
| - Thu Dau Mot Water Joint Stock Company | - | 264,575,342 |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | 27,552,000,000 | 12,300,000,000 |
| - Dai Phu Thinh Company Limited | - | 38,084,383 |
| Financial expensives | - | 631,232,876 |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | - | 631,232,876 |
| Other income | 5,959,464,694 | 6,204,486,564 |
| - Thu Dau Mot Water Joint Stock Company | 5,250,277,744 | 5,195,155,564 |
| - Chanh Phu Hoa Investment - Construction Joint Stock Company | 159,186,950 | 9,331,000 |
| - Quynh Phuc Production and Trading Company Limited | 50,000,000 | 700,000,000 |
| - N.T.P Trading Company Limited | 500,000,000 | 300,000,000 |
| Purchase of goods, services | 139,559,275,869 | 178,203,396,847 |
| - Thu Dau Mot Water Joint Stock Company | 101,091,081,869 | 105,114,549,247 |
| - Dai Phu Thinh Company Limited | - | 33,000,000 |
| - N.T.P Trading Company Limited | 38,468,194,000 | 73,055,847,600 |

Transactions with other related parties:

Remuneration to members of Board of Management:

| No. | Name | Title | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--------------|------------------------|----------|----------------------------------|----------------------------------|
| | | | VND | VND |
| 1 | Mr. Nguyen Van Thien | Chairman | 463,000,000 | 322,000,000 |
| 2 | Mr. Tran Chien Cong | Member | 40,000,000 | 30,000,000 |
| 3 | Mr. Duong Hoang Son | Member | 40,000,000 | 30,000,000 |
| 4 | Mr. Nguyen Van Tri | Member | 42,000,000 | 36,000,000 |
| 5 | Mr. Nguyen Thanh Phong | Member | 42,000,000 | 36,000,000 |
| 6 | Mr. Ta Trong Hiep | Member | 42,000,000 | 36,000,000 |
| 7 | Mr. Pham Thanh Vu | Member | 42,000,000 | 36,000,000 |
| Total | | | 711,000,000 | 526,000,000 |

Remuneration to members of Supervisory Board

| No. | Name | Tittle | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--------------|--|--------|----------------------------------|----------------------------------|
| | | | VND | VND |
| 1 | Ms. Duong Anh Thu | Head | 254,500,000 | 126,000,000 |
| 2 | Mr. Nguyen Duc Bao | Member | 21,000,000 | 18,000,000 |
| 3 | Ms. Tang To Van <i>(Appointed on 31 March 2022 Resigned on 31 March 2023)</i> | Member | 21,000,000 | - |
| 4 | Ms. Nguyen Thi Thu Trang <i>(Appointed on 31 March 2023)</i> | Member | - | - |
| Total | | | 296,500,000 | 144,000,000 |

Salary of General Director and other managers:

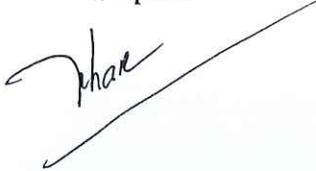
| No. | Name | Tittle | From 01/01/2023 to 31/03/2023 | From 01/01/2022 to 31/03/2022 |
|--------------|---|-------------------------|----------------------------------|----------------------------------|
| | | | VND | VND |
| 1 | Mr. Tran Chien Cong | General Director | 370,400,000 | 249,600,000 |
| 2 | Mr. Duong Hoang Son | Deputy General Director | 277,800,000 | 193,200,000 |
| 3 | Mr. Ngo Van Lui | Deputy General Director | 110,000,000 | 100,000,000 |
| 4 | Mr. Pham Thanh Hung | Deputy General Director | 277,800,000 | 193,200,000 |
| 5 | Mr. Mai Song Hao <i>(Appointed on 08 March 2022)</i> | Deputy General Director | 245,500,000 | 57,500,000 |
| Total | | | 1,281,500,000 | 793,500,000 |

Except for the transactions with related party as mentioned above, other related parties have no transaction during the period and no closing balance as at the balance sheet date with the Company.

41 . COMPARATIVE FIGURES

The comparative figures on the Consolidated Consolidated Statement of financial position and Notes are taken from the Consolidated Financial Statements for the fiscal year ended as at 31 December 2022, which was audited by AASC Auditing Firm Company Limited. The comparative figures on the Consolidated Consolidated Statement of income, Consolidated Consolidated Statement of Cash flows and Notes are taken from the Consolidated Consolidated Financial Statements for the Quarter 1 of 2022, which has been prepared and disclosed by the Company.

Preparer



Vo Thanh Nhan

Chief Accountant



Nguyen Thi Mong Thuong

Binh Duong, 25 April 2023

General Director



Tran Chien Cong