

SEPARATE FINANCIAL STATEMENTS

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

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



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REPORT OF THE BOARD OF GENERAL DIRECTORS

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

THE COMPANY

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

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

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND SUPERVISORY BOARD

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

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

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

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

The members of the Supervisory Board are:

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

AUDITORS

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

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

The Board of General Directors is responsible for preparation of the Separate 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 year. In preparing those Separate Financial Statements, the Board of General Directors is required to:

- Establish and maintain 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 Separate 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 Separate Financial Statements;
- Prepare and present the Separate Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of financial statements;
- Prepare the Separate 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 Separate Financial Statements comply with the current State's regulations. 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 Separate Financial Statements give a true and fair view of the financial position as at 31 December 2020, its operation results and cash flows in the year 2020 of the Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements.

Other commitments

The Board of General Directors pledges that the Company complies with Decree No. 71/2017/ND-CP dated 06 June 2017 of the Government guiding on corporate governance of public companies and the company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 155/2015/TT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Duong, 25 February 2021
On behalf of the Board of General Directors
General Director



Tran Chien Cong



No.: 250221.005/BCTC.KT1

INDEPENDENT AUDITORS' REPORT

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

We have audited the Separate Financial Statements of Binh Duong Water - Environment Joint Stock Company prepared on 25 February 2021, as set out on pages 6 to 52 including: Separate Statement of Financial position as at 31 December 2020, Separate Statement of Income, Separate Statement of Cash flows and Notes to Separate Financial Statements for the year ended as at 31 December 2020.

General Directors' Responsibility

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

Auditor's Responsibility

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

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

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

Auditor's opinion

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



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AASC AUDITING FIRM

Emphasis of Matter

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

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

Our opinion is not modified in respect of this matter.

Hanoi, 25 February 2021

AASC Auditing Firm Company Limited
Deputy General Director



[Signature]
Pham Anh Tuan

Registered Auditor No: 0777-2018-002-1

Auditor

Nguyen Thin Luu

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



SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

Code	ASSETS	Note	31/12/2020 VND	01/01/2020 VND
100	A. CURRENT ASSETS		2,458,334,515,052	1,651,901,010,661
110	I. Cash and cash equivalents	3	681,918,901,089	74,621,333,362
111	1. Cash		127,418,901,089	74,621,333,362
112	2. Cash equivalents		554,500,000,000	-
120	II. Short-term investments	4	336,600,000,000	254,290,000,000
123	1. Held-to-maturity investments		336,600,000,000	254,290,000,000
130	III. Short-term receivables		746,571,261,355	844,317,297,996
131	1. Short-term trade receivables	5	382,248,787,110	347,297,465,977
132	2. Short-term prepayments to suppliers	6	209,688,342,022	346,886,603,430
135	3. Short-term loan receivables	7	6,000,000,000	16,500,000,000
136	4. Other short-term receivables	8	188,362,870,617	160,740,711,414
137	5. Provision for short-term doubtful debts		(39,728,738,394)	(27,107,482,825)
140	IV. Inventories	10	612,933,578,444	469,061,006,096
141	1. Inventories		612,933,578,444	469,061,006,096
150	V. Other current assets		80,310,774,164	9,611,373,207
151	1. Short-term prepaid expenses	12	8,556,250,870	9,553,576,206
152	2. Deductible value added tax		71,428,084,884	57,196,575
153	3. Taxes and other receivables from State budget	18	326,438,410	600,426
200	B. NON-CURRENT ASSETS		5,716,439,827,678	4,468,457,027,680
210	I. Long-term receivables		978,343,027,648	924,112,207,078
215	1. Long-term loans receivables	7	8,000,000,000	-
216	2. Other long-term receivables	8	970,343,027,648	924,112,207,078
220	II. Fixed assets		2,628,623,497,424	2,257,941,415,719
221	1. Tangible fixed assets	13	2,545,835,076,551	2,174,309,256,558
222	- Historical cost		5,784,864,908,948	4,952,364,796,513
223	- Accumulated depreciation		(3,239,029,832,397)	(2,778,055,539,955)
227	2. Intangible fixed assets	14	82,788,420,873	83,632,159,161
228	- Historical cost		92,275,387,447	92,275,387,447
229	- Accumulated amortization		(9,486,966,574)	(8,643,228,286)
240	IV. Long-term assets in progress	11	1,360,487,644,459	597,980,565,916
242	1. Construction in progress		1,360,487,644,459	597,980,565,916
250	V. Long-term investments	4	687,878,356,412	628,385,135,435
251	1. Investments in subsidiaries		49,436,391,019	18,786,391,019
252	2. Equity investments in associates and joint - ventures		207,096,224,416	141,552,884,416
253	3. Equity investments in other entities		505,233,600,000	505,233,600,000
254	4. Provision for devaluation of long-term investments		(83,887,859,023)	(42,187,740,000)
255	5. Held-to-maturity investments		10,000,000,000	5,000,000,000
260	VI. Other long-term assets		61,107,301,735	60,037,703,532
261	1. Long-term prepaid expenses	12	61,107,301,735	60,037,703,532
270	TOTAL ASSETS		8,174,774,342,730	6,120,358,038,341

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

(Continued)

Code CAPITAL	Note	31/12/2020 VND	01/01/2020 VND
300 C. LIABILITIES		4,871,051,507,003	3,984,907,897,543
310 I. Current liabilities		2,024,025,402,601	1,436,376,770,353
311 1. Short-term trade payables	16	265,748,110,079	169,035,973,046
312 2. Short-term prepayments from customers	17	66,384,970,698	22,065,695,762
313 3. Taxes and other payables to State budget	18	40,029,802,750	39,919,043,207
314 4. Payables to employees		51,026,509,125	54,905,543,897
315 5. Short-term accrued expenses	19	32,306,603,783	19,331,325,482
319 6. Other short-term payables	20	247,381,624,992	225,443,610,240
320 7. Short-term borrowings and finance lease liabilities	15	1,278,891,417,162	865,195,327,358
321 8. Provisions for short-term payables	21	12,028,951,164	22,879,986,057
322 9. Bonus and welfare fund		30,227,412,848	17,600,265,304
330 II. Non-current liabilities		2,847,026,104,402	2,548,531,127,190
337 1. Other long-term payables	20	626,793,253,421	760,246,170,821
338 2. Long-term borrowings and finance lease liabilities	15	2,220,232,850,981	1,788,284,956,369
400 D. OWNER'S EQUITY		3,303,722,835,727	2,135,450,140,798
410 I. Owner's equity	22	3,303,722,835,727	2,135,450,140,798
411 1. Contributed capital		1,875,000,000,000	1,500,000,000,000
411a - Ordinary shares with voting rights		1,875,000,000,000	1,500,000,000,000
412 2. Share premium		588,942,364,000	-
418 3. Development and investment funds		440,156,919,891	181,953,713,765
421 4. Retained earnings		301,806,347,805	351,266,172,602
421a - Retained earnings accumulated till the end of the previous year		-	35,951,340,225
421b - Retained earnings of the current year		301,806,347,805	315,314,832,377
422 5. Capital expenditure fund		97,817,204,031	102,230,254,431
440 TOTAL CAPITAL		8,174,774,342,730	6,120,358,038,341

Preparer



Nguyen Thi Mong Thuong

Chief Accountant



Tran Tan Duc

Binh Duong, 25 February 2021

General Director



Tran Chien Cong

SEPARATE STATEMENT OF INCOME

Year 2020

Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
01	1. Revenue from sales of goods and rendering of services	24	3,074,307,661,230	2,525,378,201,291
02	2. Revenue deductions		-	283,807,272
10	3. Net revenue from sales of goods and rendering of services		3,074,307,661,230	2,525,094,394,019
11	4. Cost of goods sold	25	1,833,534,323,095	1,495,194,904,142
20	5. Gross profit from sales of goods and rendering of services		1,240,773,338,135	1,029,899,489,877
21	6. Financial income	26	43,059,072,303	55,902,798,905
22	7. Financial expenses	27	219,823,969,807	128,056,209,080
23	- In which: Interest expenses		155,320,853,693	143,389,491,128
25	8. Selling expenses	28	354,965,459,263	304,838,014,710
26	9. General and administrative expense	29	127,328,171,646	112,686,941,176
30	10. Net profit from operating activities		581,714,809,722	540,221,123,816
31	11. Other income	30	38,515,182,095	50,073,237,532
32	12. Other expense	31	32,830,305,032	62,713,687,136
40	13. Other profit		5,684,877,063	(12,640,449,604)
50	14. Total net profit before tax		587,399,686,785	527,580,674,212
51	15. Current corporate income tax expenses	32	60,593,338,980	62,265,841,835
60	16. Profit after corporate income tax		<u>526,806,347,805</u>	<u>465,314,832,377</u>

Preparer



Nguyen Thi Mong Thuong

Chief Accountant



Tran Tan Duc

Binh Duong, 25 February 2021

General Director



Tran Chien Cong

SEPARATE STATEMENT OF CASH FLOWS

Year 2020
(Indirect method)

Code ITEMS	Note	Year 2020	Year 2019
		VND	VND
I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profits before tax	587,399,686,785	527,580,674,212
	2. Adjustments for:		
02	- Depreciation and amortization of fixed assets and investment properties	463,627,492,484	427,365,903,303
03	- Provisions	44,808,882,569	8,336,061,106
04	- Exchange gains/losses from retranslation of monetary items denominated in foreign currency	15,525,635,075	(1,189,741,015)
05	- Gains/losses from investment	(42,831,390,365)	(54,782,818,681)
06	- Interest expense	156,050,898,557	144,041,356,280
07	- Other adjustments	-	12,740,087,772
08	3. Operating profit before changes in working capital	1,224,581,205,105	1,064,091,522,977
09	- Increase/Decrease in receivables	409,520,801,160	823,089,651,389
10	- Increase/Decrease in inventories	(143,872,572,348)	(129,622,872,149)
11	- Increase/Decrease in payables (excluding interest payables, corporate income tax payable)	(109,972,289,295)	(93,892,996,790)
12	- Increase/Decrease in prepaid expenses	(72,272,867)	(16,329,099,695)
14	- Interest paid	(147,732,183,155)	(140,868,264,429)
15	- Corporate income taxes paid	(62,697,436,593)	(53,879,424,437)
17	- Other payments on operating activities	(80,404,259,088)	(996,167,110,513)
20	Net cash flow from operating activities	1,089,350,992,919	456,421,406,353
II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets	(1,664,015,264,040)	(666,216,545,299)
22	2. Proceeds from disposals of fixed assets and other long-term assets	636,363,636	472,727,273
23	3. Loans and purchase of debt instruments from other entities	(284,100,000,000)	(209,990,000,000)
24	4. Collection of loans and resale of debt instrument of other entities	199,290,000,000	127,000,000,000
25	5. Equity investments in other entities	(131,374,957,500)	(3,045,510,000)
27	6. Interest and dividend received	36,949,072,312	51,771,517,713
30	Net cash flow from investing activities	(1,842,614,785,592)	(700,007,810,313)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Proceeds from issuance of shares and receipt of contributed capital	963,942,364,000	-
33	2. Proceeds from borrowings	2,408,830,286,709	1,702,862,347,509
34	3. Repayment of principal	(1,862,210,759,135)	(1,446,113,654,282)
36	4. Dividends or profits paid to owners	(150,000,000,000)	(105,000,000,000)
40	Net cash flow from financing activities	1,360,561,891,574	151,748,693,227
50	Net cash flows in the year	607,298,098,901	(91,837,710,733)

SEPARATE STATEMENT OF CASH FLOWS

Year 2020
(Indirect method)

Code ITEMS	Note	Year 2020	Year 2019
		VND	VND
60 Cash and cash equivalents at the beginning of the year		74,621,333,362	166,745,863,786
61 Effect of exchange rate fluctuations		(531,174)	(286,819,691)
70 Cash and cash equivalents at the end of the year	3	681,918,901,089	74,621,333,362

Preparer



Nguyen Thi Mong Thuong

Chief Accountant



Tran Tan Duc

Binh Duong, 25 February 2021

General Director



Tran Chien Cong



NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Year 2020

1 . CHARACTERISTICS OF OPERATION OF THE COMPANY

Form of capital ownership

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

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

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

As at 31 December 2020, the Company have 1,107 employees (as at 31 December 2019: 1,137 employees).

Business field

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

Business activities

Main business activities of the Company are:

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

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

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

Semultaneously, due to the market fluctuations, during the year 2020, the Company made the provision for devaluation of long-term financial investments with the total amount of 47.26 billion dong - resulted in item Total net profit before tax is decreased of 63.25 billion dong than the previous year (in the year 2019, the Company made to reversal of provision for devaluation of these investments with amount of 15.99 billion dong). In addition, due to fluctuations in the foreign exchange market, during the year 2020, the Company recorded a loss on foreign exchange differences revaluation at the end of year with the total amount of 15.53 billion dong, resulted total net profit before tax is decreased of 16.72 billion dong than the previous year (in the year 2019, the Company recorded a profit on foreign exchange differences revaluation at the end of year with total amount of 1.19 billion dong). Other items are not significant increased/decreased.

The combination of the above reasons makes the total net profit before tax of the year 2020 increased by 59.82 billion dong compared with the previous year.

The Company's structure:

<u>The Company's member entities</u>	<u>Address</u>	<u>Principal activities</u>
1. Head Office	Thu Dau Mot city, Binh Duong province	General management; supplying treated water.
2. Di An Water Supply Branch	Thuan An Town, Binh Duong Province	Supplying treated water; construction of water supply system.
3. Thu Dau Mot Water Supply Branch	Thu Dau Mot city, Binh Duong province	Supplying treated water; construction of water supply system.
4. Complex Area Water Supply Branch	Tan Uyen Town, Binh Duong Province	Supplying treated water; Investigation services, construction of water supply system.
5. Tan Uyen Water Supply Branch	Tan Uyen district, Binh Duong province	Supplying treated water; Investigation services, construction of water supply system; Trading of materials used for water sector.
6. Thuan An Water Supply Branch	Thuan An Town, Binh Duong Province	Supplying treated water; Investigation services, construction of water supply system; Trading of materials used for water sector.
7. Bau Bang Water Supply Branch	Bau Bang district, Binh Duong province	Supplying treated water; Trading of materials used for water sector.
8. Phuoc Vinh Water Supply Branch	Phu Giao district, Binh Duong province	Supplying treated water; Trading of materials used for water sector.
9. Dau Tieng Water Supply Branch	Dau Tieng district, Binh Duong province	Supplying treated water; Trading of materials used for water sector.
10. Chon Thanh Water Supply Branch	Chon Thanh district, Binh Duong province	Supplying treated water; Trading of materials used for water sector.
11. Waste Treatment Branch	Ben Cat district, Binh Duong province	Collect, transport and treat solid waste; Compost production; Provide service for urban works; etc.
12. Thu Dau Mot Sewage Treatment Branch	Thu Dau Mot city, Binh Duong province	Collecting and treating municipal waste; Providing sewerage service, treating waste water based on requirements from customers.
13. Thuan An Sewage Treatment Branch	Thuan An Town, Binh Duong Province	Collecting and treating municipal waste; installation, connection, maintenance, operation, waste water treatment.
14. Di An Sewage Treatment Branch	Di An Town, Binh Duong Province	Collecting and treating municipal waste; installation, connection, maintenance, operation, waste water treatment.
15. Tan Uyen Sewage Treatment Branch	Tan Uyen Town, Binh Duong Province	Collecting and treating municipal waste; installation, connection, maintenance, operation, waste water treatment.
16. Civil Construction - Mechanical and Electrical Technology Branch	Thu Dau Mot city, Binh Duong province	Design and construction of electric and automatic system.
17. Urban Work Branch	Thu Dau Mot city, Binh Duong province	Manufacturing and trading bottled pure water with Biwase brand; Plant, cultivate and sell ornamental trees.
18. Water Supply Sewerage Consulting Branch	Thu Dau Mot city, Binh Duong province	Environmental consulting service; investigation service, making design of water sewerage system.
19. Con Voi Commerce Branch (*)	Ben Cat Town, Binh Duong province	Trading compost production.

(*) Con Voi Commerce Branch was established in accordance with the Minutes of Meeting and Resolution of the Board of Management No. 21/BB-HDQT dated 10 April 2020 and operates under the Branch Registration Certificate No. 3700145694-024 on 24 April 2020 by the Department of Planning and Investment of Binh Duong province.

Besides that, as at 31 December 2020, the Company also has Tan Hiep Water Factory Project Management Unit ("PMU") which operates with the capital of the Company and borrowings for implementation of construction investment projects for business purpose. The figures of this PMU is also included in the Separate Financial Statements for the fiscal year ended as at 31 December 2020 of the Company.

Information of subsidiary, associated company of the Company are 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 Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Minister of Finance and 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.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplement documents issued by the State. Separate Financial Statements are prepared in accordance with regulations of each standard and supplement documents as well as with current Accounting Standards and Accounting System.

2.3 . Basis for preparation of Separate Financial Statements

Separate Financial Statements are presented based on historical cost principle.

Separate Financial Statements of the Company are prepared based on summarization of transactions incurred, then recorded into accounting books of dependent accounting entities, at the offices of the Company and dependent Project Management Unit.

In the Separate Financial Statements of the Company, the intra-group balances and transactions related to assets, equity, receivables and payable are eliminated in full.

The Users of this Separate Financial Statements should study the Separate Financial Statements combined with the Consolidated Financial Statements of the Company and its subsidiaries ("Group") for the fiscal year ended as at 31 December 2020 of the Company in order to gain enough information regarding the financial position, results of operations and cash flows of the Group.

2.4 . Financial Instruments

Initial recognition

Financial assets

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

Financial liabilities

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

Subsequent measurement after initial recognition

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

2.5 . Foreign currency transactions

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

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

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

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

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

2.6 . Cash and cash equivalents

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

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

2.7 . 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.

Investments in subsidiary, associates are initially recognized in the ledger according to original cost. After initial recognition, the value of these investments is determined at original cost less provision for devaluation of investments.

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

Provision for devaluation of investments is made at the end of the period as follows:

- *With regard to investments in subsidiary, associates:* provision for devaluation of investments is made when the investee has incurred a loss, based on the Financial Statements of subsidiary, associate on provision date.
- *With regard to long-term investments (other than trading securities) without significant influence on the investee:* the provisions shall be made according to the market value of the shares on provision date. The market value of the shares is determined specified as follows:
 - The actual market price of securities listed at the Hanoi Stock Exchange (HNX) and the Ho Chi Minh City Stock Exchange (HOSE) are calculated at the closing price on the dated of provision;

- For stocks registered for trading in unlisted public companies (Upcom), the actual market price of securities is determined as the average reference price within the latest 30 days trading date before making annual financial statements published by Stock Exchange.
- *With regard to investments held to maturity:* the provisions for doubtful debts shall be made according to the recovery under regulatory requirements.

2.8 . Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.9 . Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

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

Inventory is recorded by perpetual method.

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

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

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.10 . Fixed assets

Tangible fixed assets and intangible fixed assets are stated at the historical cost. During the useful lives, tangible fixed assets 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.

2.11 . Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date 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.

2.12 . 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.

2.13 . Prepaid expenses

The expenses incurred but related to operating results of several year are recorded as prepaid expenses and are allocated to the operating results in the following year.

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

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

2.14 . Payables

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

2.15 . 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.

2.16 . Bonds released

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

2.17 . Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.18 . Accrued expenses

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

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.19 . Provision for payables

The provision for payables included payables provision on insuring the construction, 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; and
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- 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 fiscal year. In which:

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

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

Provisions for payables are recorded as operating expenses of fiscal year. In case provision made for the previous fiscal year but not used up exceeds the one made for the current accounting 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 year.

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

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

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

Dividends to be paid to shareholders are recognised as a payable in Separate 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 Revenues

Sales

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

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

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

Services rendered

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

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

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

Revenue from construction contract

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

Financial income

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

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

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

2.22 . 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 year.

2.23 . Financial expenses

Items recorded into financial expenses consist of:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- 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 year without offsetting against financial income.

2.24 . Corporate income tax

a) Current corporate income tax expenses

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

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 (water supply; collect, transport and treat solid waste, waste water) in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014 of the Ministry of Finance. The remaining was applied with tax rate of 20%.

2.25 . 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, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- 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 that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

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

2.26 . Partial information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

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

3 . CASH AND CASH EQUIVALENTS

	31/12/2020	01/01/2020
	VND	VND
Cash on hand	1,014,119,047	1,030,694,051
Demand deposits	124,328,261,129	72,658,403,311
Cash in transit	2,076,520,913	932,236,000
Cash equivalents (*)	554,500,000,000	-
	681,918,901,089	74,621,333,362

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

4 . FINANCIAL INVESTMENTS

a) Held-to-maturity investments

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

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

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

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

Binh Duong Water - Environment Joint Stock Company

No. 11, Ngo Van Tri street, Phu Loi ward, Thu Dau Mot city, Binh Duong province

Separate Financial Statements
for the fiscal year ended as at 31 December 2020

b) Equity investments in other entities

Stock Code	31/12/2020			01/01/2020		
	Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
Investments in subsidiary (*)	49,436,391,019		(5,436,119,023)	18,786,391,019		
- Recycled Green Materials Joint Stock Company (i)	19,436,391,019		(5,436,119,023)	18,786,391,019		
- Biwase Electric - Construction Joint Stock Company (ii)	30,000,000,000		-			
Equity investments in associate (*)	207,096,224,416			141,552,884,416		
- Chanh Phu Hoa Investment - Construction Joint Stock Company (iii)	207,096,224,416			141,552,884,416		
Equity investments in other entities	505,233,600,000	529,467,000,000	(78,451,740,000)	505,233,600,000	520,419,000,000	(42,187,740,000)
- Dong Nai Water Joint Stock Company	273,085,860,000	375,771,000,000	-	273,085,860,000	330,459,000,000	-
- Binh Duong Producing and Trading Goods Corporation	213,760,200,000	141,720,000,000	(72,040,200,000)	213,760,200,000	179,760,000,000	(34,000,200,000)
- Thanh Le General Import - Export Trading Corporation	18,387,540,000	11,976,000,000	(6,411,540,000)	18,387,540,000	10,200,000,000	(8,187,540,000)
	761,766,215,435	529,467,000,000	(83,887,859,023)	665,572,875,435	520,419,000,000	(42,187,740,000)

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

(*) The Company has not determined the fair value of financial investments because Viet Nam Accounting Standards, Vietnamese Corporate Accounting System has not guided in detail on the determination of the fair value.

(i) During the year, the Company was performing transactions to purchased 50,000 shares of Recycled Green Materials Joint Stock Company from other investors, equivalent to total par value of VND 500,000,000 with the purchase cost of VND 650,000,000. After above transactions, as at 31 December 2020, the Company owns 1,647,432 shares of Recycled Green Materials Joint Stock Company, equivalent to the total par value of VND 16,474,320,000, the investment cost of these shares is VND 19,436,391,019. The rate of interest of Company at Recycled Green Materials Joint Stock Company increase from 95.80% to 98.80%.

(ii) Biwase Electric - Construction Joint Stock Company was established according to the Resolution No. 40/NQ-HDQT dated 03/09/2020 by the Board of Management of Binh Duong Water - Environment Joint Stock Company and operates under the Business Registration Certificate No. 3702915564 first issued on 24 September 2020 by the Department of Planning and Investment of Binh Duong province. The total capital the Company contributed to Biwase Electric - Construction Joint Stock Company as at 31 December 2020 and at the reporting date were 30 billion dong and 60 billion dong respectively, corresponding to the rate of 30% and 60% respectively on registered charter capital of Biwase Electric - Construction Joint Stock Company. The rate of interest and rate of voting rights as at 31 December 2020 and at the reporting date are 47.36% and 60% respectively. This investment is presented as an investment in subsidiary, because the Company has the influence on financial or operating policies; right to assign or dismiss most of Board of Directors' members or equivalent; and right to vote a majority of ballots at Board of Directors' meetings or at equivalent management level's meetings in Biwase Electric - Construction Joint Stock Company.

(iii) The Company also purchased 3,277,167 shares of Chanh Phu Hoa Investment - Construction Joint Stock Company, equivalent to the total par value of VND 32,771,670,000 with the investment cost of VND 65,543,340,000. After the above transactions, as at 31 December 2020, the Company owns 13,927,959 shares of Chanh Phu Hoa Investment - Construction Joint Stock Company with the total investment cost of VND 207,096,224,416, the rate of interest of the Company at Chanh Phu Hoa Investment - Construction Joint Stock Company is 43.12%.

Investments in subsidiary

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

Name of subsidiary	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
- Recycled Green Materials Joint Stock Company	Binh Duong	98.80%	98.80%	Recycle scrap, produce construction materials
- Biwase Electric - Construction Joint Stock Company	Binh Duong	47.36%	47.36%	Solar power generation; Installation of electrical systems; Architectural activities and technical consultancy related.

Investments in associate

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

Name of associate	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
- Chanh Phu Hoa Investment - Construction Joint Stock Company	Binh Duong	43.12%	43.12%	Invested in the construction of technical infrastructure of memorial park; Trading cemeteries, funeral homes; Funeral services; ...

Major transactions between the Company and the Company's subsidiaries and associates during the year: Details as in Notes No. 38.

Investments in other entities

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

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

5 . SHORT-TERM TRADE RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Trade receivables detailed by customers with large account balances				
- Biwase Electric Construction Joint Stock Company	48,157,710,744	-	-	-
- Recycled Green Materials Joint Stock Company	12,213,696,460	(4,327,982,934)	15,803,580,935	(7,705,260,907)
- Vietnam - Singapore Industrial Park Joint Venture Company Limited	25,019,343,878	-	22,422,939,582	-
- Natural Resources and Environment Office of Thuan An city	10,591,869,000	-	10,411,494,000	-
- Others	286,266,167,028	(22,530,251,510)	298,659,451,460	(12,094,900,373)
	<u>382,248,787,110</u>	<u>(26,858,234,444)</u>	<u>347,297,465,977</u>	<u>(19,800,161,280)</u>
b) In which: Trade receivables from related parties <i>(Detailed as in Notes No. 38)</i>	<u>87,907,484,055</u>	<u>(4,653,826,134)</u>	<u>25,396,944,142</u>	<u>(7,862,343,707)</u>

6 . SHORT-TERM PREPAYMENTS TO SUPPLIES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Prepayments to supplies detailed by large account balances				
- Vietnam Construction JSC No. 5	-	-	31,000,000,000	-
- Investment and Industrial Development Corporation - Joint Stock Company	-	-	85,858,080,000	-
- Land Fund Development Center of Tan Uyen town (i)	114,387,697,750	-	115,995,463,750	-
- Others	95,300,644,272	(7,307,321,545)	114,033,059,680	(7,307,321,545)
	<u>209,688,342,022</u>	<u>(7,307,321,545)</u>	<u>346,886,603,430</u>	<u>(7,307,321,545)</u>
b) In which: Prepayments to related parties <i>(Detailed as in Notes No. 38)</i>	<u>-</u>	<u>-</u>	<u>86,046,899,532</u>	<u>-</u>

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

7 . SHORT-TERM LOAN RECEIVABLES

	31/12/2020		01/01/2020	
	Value VND	Provision VND	Value VND	Provision VND
a) Short-term				
Recycled Green Materials Joint Stock Company (*)	6,000,000,000	-	16,500,000,000	-
	6,000,000,000	-	16,500,000,000	-
b) Long-term				
Recycled Green Materials Joint Stock Company (*)	8,000,000,000	-	-	-
	8,000,000,000	-	-	-
c) In which: Loan receivables from related parties	14,000,000,000	-	16,500,000,000	-

(Detailed as in Notes No. 38)

(*) Loan receivables from Recycled Green Materials Joint Stock Company under Loan contracts No. 11/2014/ HD.CTN dated 26 November 2014 and Contract No. 01/2018/HD.CPN dated 24 January 2018, combined by Appendix No. 02/2018/HD.CTN dated 01 December 2018. Accordingly, the total balance of 02 contracts mentioned above with an amount of VND 16.5 billion is applied with the same interest rate of 6.5% per year and loan term is extended to 31 December 2020. The loan purpose is to pay for design contracts and supply of construction materials for tuynel bricks with a capacity of 35-40 million bricks /year.

The loan has been approved by the Board of General Directors of the Company to extend the repayment until 31 December 2023, according to Dispatch No. 36/TC.VLX dated 20 August 2020 of the Recycled Green Materials Joint Stock Company. The Company signed the contract appendix No. 03.2018 / HD.CTN on 25 August 2020, accordingly the amount due for settlement within 12 months from the reporting date is 6 billion dong.

8 . OTHER SHORT-TERM RECEIVABLES

	31/12/2020		01/01/2020	
	Amount VND	Provision VND	Amount VND	Provision VND
a) Short-term				
- Advances	56,682,897,342	-	32,522,237,635	-
- Mortgages, deposits	4,525,251,263	-	2,638,831,463	-
- Receivables from materials advanced for construction	13,388,881,615	-	19,689,812,608	-
- Receivables from lending materials	7,318,071,865	-	55,921,536,155	-
- Receivables of advance on site clearance and resettlement compensation of the Projects at Project Management Units	4,800,000,000	-	4,800,000,000	-
- Loan interest receivable, deposit interest receivable	7,616,119,353	-	4,356,129,262	-
- Dividend receivable	13,500,801,900	-	10,650,792,000	-
- Advance for purchasing land use rights	10,440,000,000	-	12,060,000,000	-
- Receivables from invested in purchasing shares of Gia Tan Water Joint Stock Company (i)	35,181,617,500	(5,563,182,405)	-	-
- Other receivables	34,909,229,779	-	18,101,372,291	-
	188,362,870,617	(5,563,182,405)	160,740,711,414	-
b) Long-term				
- Receivables from the Sewerage Project Management Unit in Binh Duong province (ii)	970,343,027,648	-	924,112,207,078	-
	970,343,027,648	-	924,112,207,078	-
	8,538,558,388	-	12,011,098,849	-

c) In which: Other receivables from related parties*(Detailed as in Notes No. 38)*

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

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



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

9 . DOUBTFUL DEBTS

	31/12/2020		01/01/2020	
	Original cost	Recoverable amount	Original cost	Recoverable amount
	VND	VND	VND	VND
Total value of overdue debts	55,670,458,613	21,504,902,624	42,927,320,102	15,819,837,277
- Ngoc Suong Asia Investment and Project Manager Joint Stock Company	5,444,000,000	-	5,444,000,000	-
- Minh Nhat Trading Construction Company Limited	1,770,774,207	-	1,770,774,207	-
- Recycled Green Materials Joint Stock Company	7,760,064,170	3,432,081,236	12,530,074,573	4,824,813,666
- Others	40,695,620,236	18,072,821,388	23,182,471,322	10,995,023,611
	55,670,458,613	21,504,902,624	42,927,320,102	15,819,837,277

10 . INVENTORIES

	31/12/2020		01/01/2020	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw materials	363,384,571,303	-	282,601,481,383	-
Tools, supplies	710,656,706	-	729,946,768	-
Work in progress (*)	220,653,244,984	-	167,428,818,581	-
Finished goods	25,763,295,833	-	18,209,758,290	-
Goods	2,421,809,618	-	91,001,074	-
	612,933,578,444	-	469,061,006,096	-

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

11 . CONSTRUCTION IN PROGRESS

a) Construction in progress

	31/12/2020	01/01/2020
	VND	VND
Procurement of fixed assets	315,115,451,921	62,881,051,321
Land use rights (i)	315,115,451,921	62,881,051,321
Construction in progress	1,045,372,192,538	535,099,514,595
Head Office	934,597,989,881	417,228,226,110
- <i>Project of Water supply in Binh Duong Complex Area (Tan Hiep water plant), the capacity 100,000 m³/day</i>	220,869,985,587	49,888,230,708
- <i>Water supply system project in Becamex - Binh Phuoc Industrial and Urban Complex and surrounding areas</i>	177,875,632,397	-
- <i>The pipeline project under the project of expanding Southern Thu Dau Mot</i>	-	33,183,616,678
- <i>Project of manufacturing, installing compost 3 factory - capacity of 840 tons / day belongs to the South Binh Duong solid waste treatment complex</i>	192,252,661,975	19,445,807,087
- <i>Incinerator with capacity of 8,400 kg / hour belongs to the South Binh Duong solid waste treatment complex</i>	136,382,352,407	43,976,995,590
- <i>Industrial wastewater treatment plant of 250 m³ / day</i>	-	38,438,787,581
- <i>Water Drainage project of Thu Dau Mot town - Phase 1 (ii)</i>	-	34,042,968,844
- <i>Other constructions</i>	207,217,357,515	198,251,819,622
Project Management Unit of Tan Hiep Water Factory (ii)	110,774,202,657	117,871,288,485
	<u>1,360,487,644,459</u>	<u>597,980,565,916</u>

- (i) Including land use rights purchased to expanding and upgrading the capacity of the Complex Area Water Supply Enterprise; expanding Uyen Hung Water Plant; Southern Binh Duong Waste Treatment Complex project; Tan Hiep Water Factory and build the Trade Center and the Office of the Company at New Urban area of Binh Duong Industry - Urban - Service Complex.
- (ii) Decrease due to the Company has handed over assets excluded from the value of enterprise to the Sewerage Project Management Unit in Binh Duong province according to the Decision No. 1711/QD-UBND dated 30 June 2020 of Committee of Binh Duong province with the total value of 41.14 billion dong.

b) Detailed information on the large projects

No.	Items	Project of Water supply in Binh Duong Complex Area (Tan Hiep water plant), the capacity 100,000 m3/day	Project of manufacturing, installing compost 3 factory - capacity of 840 tons / day belongs to the South Binh Duong solid waste treatment complex	Incinerator with capacity of 8400 kg / hour belongs to the South Binh Duong solid waste treatment complex
1	Name of project	Project of Water supply in Binh Duong Complex Area (Tan Hiep water plant), the capacity 100,000 m3/day.	Investment project on manufacturing, installing compost 3 factory - capacity of 840 tons / day.	Incinerator with capacity of 8400 kg / hour belongs to the South Binh Duong solid waste treatment complex.
2	Investor	Binh Duong Water - Environment Joint Stock Company	Binh Duong Water - Environment Joint Stock Company	Binh Duong Water - Environment Joint Stock Company
3	Construction site	Tan Hiep ward, Tan Uyen town, Binh Duong province.	Chanh Phu Hoa ward, Ben Cat town, Binh Duong province.	Chanh Phu Hoa ward, Ben Cat town, Binh Duong province.
4	The goal of the project	Supplement water supply capacity to Thu Dau Mot, Tan Uyen and Ben Cat to the year 2030 with an additional capacity of 100,000 m3/day.	Increase waste treatment capacity at the South Binh Duong solid waste treatment complex by 840 tons / day.	Increase waste treatment capacity at South Binh Duong solid waste treatment complex.
5	Total estimated investment budget	1,129.98 billion dong.	316.32 billion dong.	284.97 billion dong.
6	Invested capital	From the Company's own capital and borrowing capital from the banks.	From the Company's own capital, borrowing capital and others capital.	From the Company's own capital.
7	The time estimated for implementation	24 months.	24 months.	24 months.
8	Construction status	The volume of work in progress as at 31 December 2020 including: 207.64 billion dong for item of water treatment plant technology; 7.53 billion dong for interest expenses and 5.7 billion dong for other general expenses. Simultaneously, accumulated to 31 December 2020, the Company has recorded a temporary increase in fixed assets for the completed raw water pumping station and raw water pipeline with a total amount of 415.44 billion dong.	The volume of work in progress as at 31 December 2020 including: 142.42 billion dong for items of classifying warehouse, composting warehouse, fermenting warehouse and refining warehouse; 45.35 billion dong for item classifying and refining garbage system; 2.07 billion dong for design consultancy expenses and 2.41 billion dong for other general expenses.	The volume of work in progress as at 31 December 2020 including: 121.57 billion dong for item incinerator system; 12.71 billion dong for items tank foundation and cladding warehouse; 0.59 billion dong for design consultancy expenses and 1.51 billion dong for other general expenses.

12 . PREPAID EXPENSES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
Tools and supplies waiting for allocation	3,871,792,328	6,802,423,866
Processing and repairing expenses	2,012,618,310	734,113,030
Premium expenses	1,031,778,354	904,025,686
Others	1,640,061,878	1,113,013,624
	<u>8,556,250,870</u>	<u>9,553,576,206</u>
b) Long-term		
Tools and supplies waiting for allocation	15,041,611,945	16,253,044,077
Substantial expenditure on fixed asset overhaul	5,279,186,253	1,348,012,783
Cost of renovating sidewalks on Ly Thuong Kiet street	1,062,079,450	2,305,551,466
Cost of installing water pipelines	6,984,993,696	3,682,329,538
Land rental costs	24,601,791,557	25,348,425,773
Value of the business advantages of the enterprise	5,823,071,336	6,835,779,392
Others	2,314,567,498	4,264,560,503
	<u>61,107,301,735</u>	<u>60,037,703,532</u>

13 . TANGIBLE FIXED ASSETS

	Buildings		Machine, equipment		Transportation equipment		Management equipment		Perennial and cattle		Others		Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	
Original cost													
Beginning balance	1,352,802,499,547	794,151,674,120	2,738,745,617,238	12,467,514,961	1,234,999,773	52,962,490,874	4,952,364,796,513						
- Purchase in the year	160,000,000	5,652,704,042	35,481,177,997	244,584,840	-	633,072,728	42,171,539,607						
- Completed construction investment	363,856,832,732	35,884,908,365	393,291,898,903	-	-	-	793,033,640,000						
- Liquidation, disposal	-	-	(2,705,067,172)	-	-	-	(2,705,067,172)						
Ending balance of the year	1,716,819,332,279	835,689,286,527	3,164,813,626,966	12,712,099,801	1,234,999,773	53,595,563,602	5,784,864,908,948						
Accumulated depreciation													
Beginning balance	907,772,400,437	412,391,143,954	1,417,232,028,273	7,612,237,843	170,763,259	32,876,966,189	2,778,055,539,955						
- Depreciation for the year	105,548,954,181	77,785,821,550	276,173,641,188	1,119,042,266	135,833,340	2,052,021,515	462,815,314,040						
- Liquidation, disposal	-	-	(1,841,021,598)	-	-	-	(1,841,021,598)						
Ending balance of the year	1,013,321,354,618	490,176,965,504	1,691,564,647,863	8,731,280,109	306,596,599	34,928,987,704	3,239,029,832,397						
Net carrying amount													
Beginning of the year	445,030,099,110	381,760,530,166	1,321,513,588,965	4,855,277,118	1,064,236,514	20,085,524,685	2,174,309,256,558						
Ending of the year	703,497,977,661	345,512,321,023	1,473,248,979,103	3,980,819,692	928,403,174	18,666,575,898	2,545,835,076,551						

- Cost of fully depreciated tangible fixed assets at the end of the year but still in use is VND 574,008,389,926.

14 . INTANGIBLE FIXED ASSETS

	Land use rights	Copyrights and patents	Computer software	Other intangible fixed assets	Total
	VND	VND	VND	VND	VND
Original cost					
Beginning balance	85,027,713,161	49,937,500	6,953,165,536	244,571,250	92,275,387,447
Ending balance of the year	<u>85,027,713,161</u>	<u>49,937,500</u>	<u>6,953,165,536</u>	<u>244,571,250</u>	<u>92,275,387,447</u>
Accumulated amortization					
Beginning balance	2,079,059,342	49,937,500	6,269,660,194	244,571,250	8,643,228,286
- Amortization in the year	589,348,800	-	254,389,488	-	843,738,288
Ending balance of the year	<u>2,668,408,142</u>	<u>49,937,500</u>	<u>6,524,049,682</u>	<u>244,571,250</u>	<u>9,486,966,574</u>
Net carrying amount					
Beginning of the year	82,948,653,819	-	683,505,342	-	83,632,159,161
Ending of the year	<u>82,359,305,019</u>	<u>-</u>	<u>429,115,854</u>	<u>-</u>	<u>82,788,420,873</u>

- Cost of fully depreciated intangible fixed assets at the end of the year but still in use is VND 744,508,750.

15 . BORROWINGS

	01/01/2020		During the year		31/12/2020	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
Short-term debts						
- Vietnam Maritime Commercial Joint Stock Bank - Ho Chi Minh Branch	531,501,906,117	531,501,906,117	1,772,325,044,716	1,452,138,010,444	851,688,940,389	851,688,940,389
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	100,958,432,109	100,958,432,109	283,921,003,794	248,950,917,188	135,928,518,715	135,928,518,715
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	-	-	335,356,874,858	152,323,095,513	183,033,779,345	183,033,779,345
- Military Commercial Joint Stock Bank - Binh Duong Branch	384,043,474,008	384,043,474,008	534,985,577,808	672,411,985,487	246,617,066,329	246,617,066,329
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	-	-	175,325,729,595	102,545,636,016	72,780,093,579	72,780,093,579
- Sai Gon Thuong Tin Commercial Joint Stock Bank - Binh Duong Branch	-	-	153,498,159,074	87,938,205,740	65,559,953,334	65,559,953,334
- Shinhan bank Viet Nam limited - Binh Duong new city Branch	46,500,000,000	46,500,000,000	-	46,500,000,000	-	-
- Vietnam Export Import Commercial Joint Stock Bank - Binh Duong Branch	-	-	80,000,000,000	-	80,000,000,000	80,000,000,000
- Vietnam Prosperity Joint Stock Commercial Bank	-	-	133,344,872,462	125,228,170,500	8,116,701,962	8,116,701,962
- Standard Chartered (Vietnam) - Ho Chi Minh City Branch	-	-	5,628,069,603	-	5,628,069,603	5,628,069,603
- Others	-	-	29,459,757,522	-	29,459,757,522	29,459,757,522
Current portion of long-term debts	333,693,421,241	333,693,421,241	40,805,000,000	16,240,000,000	24,565,000,000	24,565,000,000
	865,195,327,358	865,195,327,358	2,199,527,521,489	1,785,831,431,685	1,278,891,417,162	1,278,891,417,162

Binh Duong Water - Environment Joint Stock Company

No. 11, Ngo Van Tri street, Phu Loi-ward, Thu Dau Mot city, Binh Duong province

Separate Financial Statements
for the fiscal year ended as at 31 December 2020

	01/01/2020		During the year		31/12/2020	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
b) Long-term borrowings						
Long-term debts	1,923,490,239,458	1,923,490,239,458	1,045,317,897,844	520,590,992,564	2,448,217,144,738	2,448,217,144,738
- Vietnam Development Bank - Binh Duong Branch	461,185,805,102	461,185,805,102	14,225,418,021	65,313,925,542	410,097,297,581	410,097,297,581
- Asian Development Bank	471,295,812,412	471,295,812,412	301,635,548,797	34,570,798,584	738,360,562,625	738,360,562,625
- World Bank	386,311,104,643	386,311,104,643	-	21,462,000,000	364,849,104,643	364,849,104,643
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	26,880,000,000	26,880,000,000	123,230,945,487	13,440,000,000	136,670,945,487	136,670,945,487
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	71,289,755,000	71,289,755,000	-	24,276,164,000	47,013,591,000	47,013,591,000
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	46,663,644,995	46,663,644,995	66,530,448,292	12,443,710,200	100,750,383,087	100,750,383,087
- Binh Duong Development Investment Fund	414,492,394,238	414,492,394,238	333,354,537,247	273,492,394,238	474,354,537,247	474,354,537,247
- Binh Duong Environmental Protection Fund	36,621,723,068	36,621,723,068	-	8,404,000,000	28,217,723,068	28,217,723,068
- Vietnam Environmental Protection Fund	8,750,000,000	8,750,000,000	-	2,188,000,000	6,562,000,000	6,562,000,000
- Thu Dau Mot Water Joint Stock Company	-	-	50,000,000,000	50,000,000,000	-	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	-	-	122,600,000,000	-	122,600,000,000	122,600,000,000
- Others	-	-	33,741,000,000	15,000,000,000	18,741,000,000	18,741,000,000
Common bond	198,488,138,152	198,488,138,152	730,044,864	-	199,218,183,016	199,218,183,016
	2,121,978,377,610	2,121,978,377,610	1,046,047,942,708	520,590,992,564	2,647,435,327,754	2,647,435,327,754
Amount due for settlement within 12 months	(333,693,421,241)	(333,693,421,241)	(427,202,476,773)	(333,693,421,241)	(427,202,476,773)	(427,202,476,773)
Amount due for settlement after 12 months	1,788,284,956,369	1,788,284,956,369			2,220,232,850,981	2,220,232,850,981

Detail information on Short-term debts:

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

Detail information on Long-term debts

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

	Currency	Interest rate	Loan Fees	Year maturity	Guarantee	31/12/2020		01/01/2020
						Long-term debts	In which, current portion of long-term debts	Long-term debts
- Vietnam Development Bank - Binh Duong Branch	VND	0.00% - 7.18%	0.20%	2020 - 2028	Pledge of trust	246,529,248,932	43,000,000,000	293,694,762,984
- Vietnam Development Bank - Binh Duong Branch	EUR	0.00%	0.20%	2025 - 2032	Pledge of trust	163,568,048,649	19,798,981,300	167,491,042,118
- Asian Development Bank	USD	LIBOR + 0.5%	0.20%	2037	Pledge of trust	738,360,562,625	37,176,796,193	471,295,812,412
- World Bank	VND	6.75%	0.20%	2037	Pledge of trust	364,849,104,643	21,464,000,000	386,311,104,643
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	VND	6.8% - 8.5%		2021 - 2027	Stock formed from loan (DNW)	136,670,945,487	39,440,000,000	26,880,000,000
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	VND	7.00% - 8.70%		2021 - 2028	Stock formed from loan (DNW)	47,013,591,000	23,176,164,000	71,289,755,000
- Vietnam International Commercial Joint Stock Bank - Binh Duong Branch	VND	Floating rate		2023	Assets formed from projects	100,750,383,087	15,215,812,212	46,663,644,995
- Binh Duong Development Investment Fund	VND	3.60% - 7.00%		2021 - 2028	Assets formed from projects; right to receivables from water supply	474,354,537,247	76,000,000,000	414,492,394,238
- Binh Duong Environmental Protection Fund	VND	4.20%		2021 - 2025	Pledge of trust	28,217,723,068	8,401,723,068	36,621,723,068
- Vietnam Environmental Protection Fund	VND	2.60%		2023	Pledge of trust	6,562,000,000	2,188,000,000	8,750,000,000
- Chanh Phu Hoa Investment - Construction Joint Stock Company	VND	7.51% - 8.22%		2021	Unsecured	122,600,000,000	122,600,000,000	-
- Others	VND	8.15% - 8.22%		2021	Unsecured	18,741,000,000	18,741,000,000	-
Amount due for settlement within 12 months						2,448,217,144,738	427,202,476,773	1,923,490,239,458
						(427,202,476,773)		(333,693,421,241)
Amount due for settlement after 12 months						2,021,014,667,965		1,589,796,818,217

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



Detail information on common bond

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

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

(i) This common bond is secured by:

Land plot No. 278 with area of 1,806.6 m2 of industrial park land (expiry date until July 2048) in An Phu ward, Thuan An town, Binh Duong province; land plot No. 175 with area of 2,357.5 m2 of industrial park land (expiry date to July 2048) and land plot No. 176 with area of 288.5 m2 of industrial park land (expiry date to July 2048) in Binh Hoa ward, Thuan An town, Binh Duong province according to the Certificate of land use right CL470476, the number recorded in the Certificate of CT22189 issued by the Department of Natural Resources and Environment of Binh Duong province on 26 December 2017.

Shares and rights and benefits arising from these shares include:

- Shares of Binh Duong Producing and Trading Goods Corporation - Joint Stock Company (Stock code: PRT, listed in UpCom): the volume of pledged shares is 12,000,000 shares;
- Shares of Thanh Le General Import - Export Trading Corporation (Stock code: TLP, listed in UpCom): the volume of pledged shares is 1,200,000 shares;
- Shares of Dong Nai Water Joint Stock Company (Stock code: DNW, listed in UpCom): the volume of pledged shares is 2,700,000 shares.

- Receivables arising from the Complex Area Water Supply Enterprise (excluding the minimum value of the receivables of VND 100,000,000,000 from the output customers including Vietnam - Singapore Industrial Park Joint Venture Company Limited, Vina Kraft Paper Company Limited, Panko Vina Company Limited and Kumho Vietnam Tire Company Limited); receivables arising from Thu Dau Mot Water Supply Enterprise and Thuan An Water Supply Enterprise.
- Land plots are land use rights formed during the 09 months of additional mortgage commitment, including:
 - The land area of 45,139.7 m2 of the Tan Hiep Water Plant Expansion Project which is owned by the Company and is located in Tan Uyen town, Binh Duong province;
 - The land area of 7,000 m2 of supplementing land fund to expect to build the Company's office, located in Phu Tan ward, Thu Dau Mot city, Binh Duong province;
 - The land area of 20,000 m2 of supplementing land fund to expect to build a commercial housing area for employees, located in My Phuoc 3 Residential Area, Ben Cat town, Binh Duong province.

c) Borrowings from relevant entities are as follows:

Relation	31/12/2020		01/01/2020	
	Principal VND	Interest payables VND	Principal VND	Interest payables VND
- Chanh Phu Hoa Investment - Construction Joint Stock Company	122,600,000,000	2,354,035,505	-	-
- Ms. Dang Thi Muoi	1,000,000,000	20,718,904	-	-
- Ms. Nguyen Thi Dien	200,000,000	3,957,260	-	-
- Mr. Nguyen Thanh Phong	1,500,000,000	30,901,918	-	-
- Ms. Duong Anh Thu	500,000,000	10,359,452	-	-
	125,800,000,000	2,419,973,039		

16 . SHORT-TERM TRADE PAYABLES

	31/12/2020		01/01/2020	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
a) Trade payables detailed by large account balances				
- Vietnam Construction Joint Stock Company No. 5	34,453,809,687	34,453,809,687	-	-
- N.T.P Trading Company Limited	18,306,257,650	18,306,257,650	23,327,915,600	23,327,915,600
- Land Fund Development Center of Ben Cat district	10,292,015,271	10,292,015,271	10,292,015,271	10,292,015,271
- Minh Hung plastics Joint Stock company	9,845,996,402	9,845,996,402	3,075,039,125	3,075,039,125
- Biwase Electric - Construction Joint Stock Company	52,322,834,691	52,322,834,691	-	-
- Thu Dau Mot Water Joint Stock Company	28,031,457,360	28,031,457,360	31,355,702,775	31,355,702,775
- Others	112,495,739,018	112,495,739,018	100,985,300,275	100,985,300,275
	265,748,110,079	265,748,110,079	169,035,973,046	169,035,973,046
b) In which: Trade payables from related parties <i>(Detailed as in Notes No. 38)</i>	112,201,017,015	112,201,017,015	55,920,788,953	55,920,788,953

17 . SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2020		01/01/2020	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
a) Prepayments from customers detailed by large account balances				
- Thu Dau Mot Water Joint Stock Company	-	-	-	574,000,000
- Quynh Phuc Production and Trading Company Limited	-	-	-	7,000,000,000
- Investment and Industrial Development Corporation - Joint Stock Company	1,034,692,692	1,034,692,692	1,034,692,692	1,034,692,692
- Thuan An Town Urban Management Department	4,563,828,000	4,563,828,000	-	-
- Others	60,786,450,006	60,786,450,006	13,457,003,070	13,457,003,070
	66,384,970,698	66,384,970,698	22,065,695,762	22,065,695,762
b) In which: Prepayment from related parties <i>(Detailed as in Notes No. 38)</i>	1,217,336,292	1,217,336,292	8,608,692,692	8,608,692,692



18 . TAXES AND OTHER PAYABLES TO STATE BUDGET

	Tax receivable at beginning of the year	Tax payable at beginning of the year	Tax payable in the year	Tax paid in the year	Tax receivable end of the year	Tax payable end of the year
	VND	VND	VND	VND	VND	VND
Value added tax	-	256,038,349	36,832,375,660	37,386,749,469	298,335,460	-
Corporate income tax	-	22,927,645,907	60,593,338,980	62,697,436,593	-	20,823,548,294
Personal income tax	600,426	308,718	9,900,968,242	9,925,470,766	25,102,950	308,718
Natural resource tax	-	422,374,800	11,892,117,415	11,940,663,455	-	373,828,760
Land tax and land rental	-	-	119,953,584	119,953,584	-	-
Fees, charges and other payables	-	16,312,675,433	81,619,332,998	79,102,891,453	3,000,000	18,832,116,978
	<u>600,426</u>	<u>39,919,043,207</u>	<u>200,958,086,879</u>	<u>201,173,165,320</u>	<u>326,438,410</u>	<u>40,029,802,750</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 Separate Financial Statements could be changed at a later date upon final determination by the tax authorities.

19 . SHORT-TERM ACCRUED EXPENSES

	31/12/2020	01/01/2020
	VND	VND
Accrued interest	18,926,563,107	11,337,892,569
Accrued expense for implementation of construction works	1,208,436,789	1,145,800,084
Accrued expenses of the project which have been recognized revenue	11,297,159,021	6,684,919,193
Other accrued expenses	874,444,866	162,713,636
	<u>32,306,603,783</u>	<u>19,331,325,482</u>

20 . OTHER PAYABLES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
Trade union fee, social insurance, health insurance, unemployment insurance	678,187,763	6,754,979,425
Short-term deposits, collateral received	8,645,472,791	5,641,420,432
Payables on non-interest borrowings	3,000,000,000	5,250,000,000
- <i>Tu Hai Company Limited</i>	2,000,000,000	4,250,000,000
- <i>Mr. Nguyen Van Hoang</i>	1,000,000,000	1,000,000,000
Other payables	235,057,964,438	207,797,210,383
- <i>Depreciation of assets under the project of Thu Dau Mot wastewater treatment plant - payables to State Budget</i>	-	50,000,000,000
- <i>Dividends payables (i)</i>	225,000,000,000	150,000,000,000
- <i>Other payables</i>	10,057,964,438	7,797,210,383
	247,381,624,992	225,443,610,240
b) Long-term		
Long-term deposits, collateral received	7,140,636,688	5,213,005,000
Borrowings received from foreign entities without debt covenant (ii)	44,360,455,325	41,744,453,323
Payables to Project Management Units on capital formed fixed assets which was temporary increased, but not yet approved for final settlement	575,292,161,408	678,728,922,307
Surplus of assets awaiting resolution (iii)	-	34,559,790,191
	626,793,253,421	760,246,170,821

(i) Detailed as in Note No. 22.

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

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

21 . SHORT-TERM PROVISIONS FOR PAYABLES

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

22 . OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Development and investment fund	Retained earnings	Capital expenditure fund (i)	Total
	VND	VND	VND	VND	VND	VND
Beginning balance of the previous year	1,500,000,000,000	-	72,324,893,590	208,225,200,500	2,285,516,359,604	4,066,066,453,694
Profit of the previous year	-	-	-	465,314,832,377	-	465,314,832,377
Decrease in capital of the previous year	-	-	-	-	(2,183,286,105,173)	(2,183,286,105,173)
Profit distribution in 2018	-	-	109,628,820,175	(172,273,860,275)	-	(62,645,040,100)
Temporary dividend payment in 2019 (iii)	-	-	-	(150,000,000,000)	-	(150,000,000,000)
Ending balance of the previous year	1,500,000,000,000	-	181,953,713,765	351,266,172,602	102,230,254,431	2,135,450,140,798
Increase in capital of this year (ii)	375,000,000,000	588,942,364,000	-	-	-	963,942,364,000
Profit of this year	-	-	-	526,806,347,805	-	526,806,347,805
Profit distribution (iii)	-	-	258,203,206,126	(351,266,172,602)	-	(93,062,966,476)
Temporary dividend payment in 2020 (iv)	-	-	-	(225,000,000,000)	-	(225,000,000,000)
Others decrease (v)	-	-	-	-	(4,413,050,400)	(4,413,050,400)
Ending balance of this year	1,875,000,000,000	588,942,364,000	440,156,919,891	301,806,347,805	97,817,204,031	3,303,722,835,727

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

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

(iii) According to Resolution No. 19/NQ-HDQT dated 17 March 2020 issued by General Meeting of Shareholders, the Company announced its profit distribution plan as follows:

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

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

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

b) Details of Contributed capital

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

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

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

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

d) Share

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

e) Company's funds

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

23 . OFF STATEMENT OF FINANCIAL POSITION ITEMS

a) Operating leased assets

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

b) Foreign currencies

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

c) Doubtful debts written-offs

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

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

	Year 2020	Year 2019
	VND	VND
Revenue from sales of goods	2,173,533,050,337	1,751,028,432,665
Revenue from rendering of services	755,461,006,029	658,512,713,741
Revenue from construction contracts	145,313,604,864	115,837,054,885
	<u>3,074,307,661,230</u>	<u>2,525,378,201,291</u>
In which: Revenue from relevant parties <i>(Detailed as in Notes No. 38)</i>	<u>173,348,283,402</u>	<u>74,015,579,188</u>

25 . COST OF GOODS SOLD

	Year 2020	Year 2019
	VND	VND
Cost of goods sold	1,137,456,653,507	893,904,775,404
Cost of rendering of services	582,579,685,851	502,115,577,251
Cost of construction contracts	113,497,983,737	99,174,551,487
	<u>1,833,534,323,095</u>	<u>1,495,194,904,142</u>

26 . FINANCIAL INCOME

	Year 2020	Year 2019
	VND	VND
Interest income	18,272,460,703	18,833,722,236
Dividends or profits received	24,786,611,600	35,879,335,654
Unrealised gain from foreign exchange differences	-	1,189,741,015
	<u>43,059,072,303</u>	<u>55,902,798,905</u>
In which: Financial income from relevant parties <i>(Detailed as in Notes No. 38)</i>	<u>9,146,503,463</u>	<u>21,188,789,162</u>

27 . FINANCIAL EXPENSES

	Year 2020	Year 2019
	VND	VND
Interest expenses	155,320,853,693	143,389,491,128
Realised losses from foreign exchange difference	972,268,637	-
Foreign exchange differences revaluation at the end of year	15,525,635,075	-
Provision/ (Reversal of provision) for impairment of investment	47,263,301,428	(15,985,860,000)
Cost of issuing bonds allocation and other financial expenses	741,910,974	652,577,952
	<u>219,823,969,807</u>	<u>128,056,209,080</u>
In which: Financial expenses from relevant parties <i>(Details as in Notes No. 38)</i>	<u>46,587,175</u>	-

28 . SELLING EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	14,308,682,780	11,735,551,716
Labour expenses	63,536,813,511	56,175,366,575
Depreciation and amortisation expenses	241,105,945,879	210,691,376,356
Expenses of outsourcing services	21,467,013,918	16,462,358,298
Other expenses in cash	14,547,003,175	9,773,361,765
	354,965,459,263	304,838,014,710

29 . ENTERPRISE ADMINISTRATIVE EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	9,841,495,397	14,185,025,751
Labour expenses	64,254,682,475	52,410,687,722
Depreciation and amortisation expenses	6,414,278,556	6,480,045,301
Tax, Charge, Fee	139,453,584	17,000,000
Provision expenses	8,396,616,034	10,986,198,725
Expenses of outsourcing services	19,813,852,661	18,577,784,191
Other expenses in cash	18,467,792,939	10,030,199,486
	127,328,171,646	112,686,941,176

30 . OTHER INCOME

	Year 2020	Year 2019
	VND	VND
Electricity sold to the rental units	22,113,364,468	25,094,651,451
Proceeds from bike racing and sewerage meetings	3,750,000,000	4,960,000,000
Proceeds from sponsorship of the Biogas power generation project	-	9,814,521,040
Reversal of provision on insuring the construction	4,849,112,867	2,368,136,231
10% of environmental protection fee being held	7,342,851,356	6,184,232,068
Other income supported by customers for construction of water supply pipe 150, D100 road DT742	-	1,001,636,362
Others	459,853,404	650,060,380
	38,515,182,095	50,073,237,532

In which: Other income from relevant parties
(Detailed as in Notes No. 38)

20,306,933,760	23,330,740,800
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31 . OTHER EXPENSES

	Year 2020	Year 2019
	VND	VND
Electricity consumed by the rental units	21,692,673,540	23,303,681,132
Cost of bicycle race and water supply and sewerage meetings	3,750,000,000	5,609,999,190
Fines for administrative violations and tax arrears	9,370,795	270,661,607
Handling losses after the equitization of enterprises	5,165,951,427	32,510,376,547
Liquidation and disposal cost	227,681,938	-
Material liquidation	878,950,423	-
Others	1,105,676,909	1,018,968,660
	32,830,305,032	62,713,687,136

32 CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2020 VND	Year 2019 VND
Total profit before tax	587,399,686,785	527,580,674,212
Increase	5,724,268,251	33,731,976,020
- <i>Ineligible expenses</i>	5,724,268,251	33,731,976,020
Decrease	(24,786,611,600)	(35,879,335,654)
- <i>Dividend</i>	(24,786,611,600)	(35,879,335,654)
Taxable income	568,337,343,436	525,433,314,578
- <i>Taxable income with tax rate of 10%</i>	530,741,297,074	428,208,210,804
- <i>Taxable income with tax rate of 20%</i>	37,596,046,362	97,225,103,774
Current corporate income tax expense	60,593,338,980	62,265,841,835
Tax payable at the beginning of the year	22,927,645,907	14,541,228,509
Tax paid in the year	(62,697,436,593)	(53,879,424,437)
Corporate income tax payable at the end of the year	20,823,548,294	22,927,645,907

33 BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2020 VND	Year 2019 VND
Raw materials	885,007,004,472	828,691,440,662
Labour expenses	459,466,253,572	410,145,675,135
Depreciation and amortisation expenses	463,589,425,736	427,036,613,572
Provision expenses	(3,998,553,642)	22,874,988,317
Expenses of outsourcing services	262,816,195,611	253,340,668,028
Other expenses by cash	92,232,187,596	60,146,868,788
	2,159,112,513,345	2,002,236,254,502

34 FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	31/12/2020		01/01/2020	
	Original Cost VND	Provision VND	Original Cost VND	Provision VND
Financial Assets				
Cash and cash equivalents	681,918,901,089	-	74,621,333,362	-
Trade and other receivables	1,540,954,685,375	(32,421,416,849)	1,432,150,384,469	(19,800,161,280)
Loans	360,600,000,000	-	275,790,000,000	-
Long-term investments	505,233,600,000	(78,451,740,000)	505,233,600,000	(42,187,740,000)
	3,088,707,186,464	(110,873,156,849)	2,287,795,317,831	(61,987,901,280)

	Carrying amount	
	31/12/2020	01/01/2020
	VND	VND
Financial Liabilities		
Borrowings and debts	3,499,124,268,143	2,653,480,283,727
Trade and other payables	1,139,922,988,492	1,154,725,754,107
Accrued expenses	32,306,603,783	19,331,325,482
	<u>4,671,353,860,418</u>	<u>3,827,537,363,316</u>

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

Financial risk management

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

Market risk

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

Price Risk:

The Company bears price risk of equity instruments from 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 year, the Company has no plans to sell these investments.

	More than 5 years VND	Total VND
As at 31/12/2020		
Long-term investments	426,781,860,000	426,781,860,000
	<u>426,781,860,000</u>	<u>426,781,860,000</u>
As at 01/01/2020		
Long-term investments	463,045,860,000	463,045,860,000
	<u>463,045,860,000</u>	<u>463,045,860,000</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, loans and other financial instruments), detailed as follows:

	Up to 1 year VND	From over 1 year to 5 years VND	More than 5 years VND	Total VND
As at 31/12/2020				
Cash and cash equivalents	681,918,901,089	-	-	681,918,901,089
Trade and other receivables	538,190,240,878	970,343,027,648	-	1,508,533,268,526
Lending	342,600,000,000	8,000,000,000	10,000,000,000	360,600,000,000
	<u><u>1,562,709,141,967</u></u>	<u><u>978,343,027,648</u></u>	<u><u>10,000,000,000</u></u>	<u><u>2,551,052,169,615</u></u>
As at 01/01/2020				
Cash and cash equivalents	74,621,333,362	-	-	74,621,333,362
Trade and other receivables	488,238,016,111	924,112,207,078	-	1,412,350,223,189
Lending	270,790,000,000	-	5,000,000,000	275,790,000,000
	<u><u>833,649,349,473</u></u>	<u><u>924,112,207,078</u></u>	<u><u>5,000,000,000</u></u>	<u><u>1,762,761,556,551</u></u>

Liquidity Risk

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

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

	Up to 1 year VND	From over 1 year to 5 years VND	More than 5 years VND	Total VND
As at 31/12/2020				
Loans and borrowings	1,278,891,417,162	1,188,467,817,500	1,031,765,033,481	3,499,124,268,143
Trade and other payables	513,129,735,071	626,793,253,421	-	1,139,922,988,492
Accrued expenses	32,306,603,783	-	-	32,306,603,783
	<u><u>1,824,327,756,016</u></u>	<u><u>1,815,261,070,921</u></u>	<u><u>1,031,765,033,481</u></u>	<u><u>4,671,353,860,418</u></u>
As at 01/01/2020				
Loans and borrowings	865,195,327,358	995,137,890,118	793,147,066,251	2,653,480,283,727
Trade and other payables	394,479,583,286	760,246,170,821	-	1,154,725,754,107
Accrued expenses	19,331,325,482	-	-	19,331,325,482
	<u><u>1,279,006,236,126</u></u>	<u><u>1,755,384,060,939</u></u>	<u><u>793,147,066,251</u></u>	<u><u>3,827,537,363,316</u></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.

35 . ADDITIONAL INFORMATION FOR THE ITEMS OF THE SEPARATE STATEMENT OF CASH FLOWS

a) Proceeds from borrowings during the year

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

b) Actual repayments on principal during the year

	<u>Year 2020</u>	<u>Year 2019</u>
	VND	VND
Repayment on principal from ordinary contracts	1,862,210,759,135	1,446,113,654,282

36 . SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

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

37 . SEGMENT REPORTING

a) Under business fields

	Production and trading of water	Waste treatment	Waste-water treatment	Others	Grant total
	VND	VND	VND	VND	VND
Net revenue from sales to external customers	1,792,120,845,923	601,333,043,016	97,742,334,644	583,111,437,647	3,074,307,661,230
Net revenue from business activities	985,911,682,932	132,024,186,750	16,785,890,094	106,051,578,359	1,240,773,338,135
Profit after corporate income tax	429,798,922,646	42,070,604,688	5,996,126,760	48,940,693,711	526,806,347,805
Water production of year 2020 (m3)	176,023,178				
Water loss rate approved	18.00%				
Real average water loss rate in 2020	5.33%				
Estimate water output is saved by reducing water loss rate	27,197,728				
Average production costs in 2020 (dong/m3)	7,505.27				
Estimated profit after CIT increase by reducing in water loss rate	183,713,662,824				183,713,662,824
Profit after corporate income tax	246,085,259,822	42,070,604,688	5,996,126,760	48,940,693,711	343,092,684,981
<i>(excluding profit due to reduced water loss rate)</i>					
The total cost to acquire fixed assets	-	-	-	-	1,597,712,258,150
Segment assets	2,310,345,766,239	1,016,739,437,637	36,010,767,012	497,009,695,853	3,860,105,666,741
Unallocated assets					4,314,668,675,989
Total assets	2,310,345,766,239	1,016,739,437,637	36,010,767,012	497,009,695,853	8,174,774,342,730
Segment liabilities	36,909,376,219	63,585,132,629	15,500,485,972	71,513,555,940	187,508,550,760
Unallocated liabilities					4,683,542,956,243
Total liabilities	36,909,376,219	63,585,132,629	15,500,485,972	71,513,555,940	4,871,051,507,003

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.

38 . TRANSACTION AND BALANCES WITH RELATED PARTIES

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

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

The Company has the transactions during the year and balances with related parties as follows: (particularly borrowings with related parties are detailed in Note 15).

Transactions during the year:

	Year 2020 VND	Year 2019 VND
Revenues from sales of goods and rendering of services	173,348,283,402	74,015,579,188
- Investment and Industrial Development Corporation - Joint Stock Company	57,880,028,103	14,481,274,818
- Thu Dau Mot Water Joint Stock Company	34,926,531,361	48,040,188,814
- Recycled Green Materials Joint Stock Company	3,084,489,943	1,943,070,863
- Biwase Electric - Construction Joint Stock Company	52,323,339,040	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	10,652,372,268	7,675,720,430
- Quynh Phuc Production and Trading Company Limited	14,202,948,271	1,266,019,362
- Dai Phu Thinh Company Limited	278,574,416	609,304,901
Financial income	9,146,503,463	21,188,789,162
- Thu Dau Mot Water Joint Stock Company	-	28,931,507
- Recycled Green Materials Joint Stock Company	625,869,863	1,072,500,001
- Chanh Phu Hoa Investment - Construction Joint Stock Company	8,520,633,600	20,087,357,654
Financial expenses	46,587,175	-
- Thu Dau Mot Water Joint Stock Company	28,150,685	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	18,436,490	-
Other income	20,306,933,760	23,330,740,800
- Thu Dau Mot Water Joint Stock Company	17,982,226,634	20,875,615,400
- Recycled Green Materials Joint Stock Company	1,742,054,676	2,307,160,150
- Chanh Phu Hoa Investment - Construction Joint Stock Company	82,652,450	147,965,250
- Dai Phu Thinh Company Limited	200,000,000	-
- N.T.P Trading Company Limited	300,000,000	-

	Year 2020	Year 2019
	VND	VND
Purchase of goods, services	599,348,263,127	489,192,272,018
- Thu Dau Mot Water Joint Stock Company	385,643,362,193	345,653,806,728
- Recycled Green Materials Joint Stock Company	10,422,998,536	3,224,938,848
- Biwase Electric - Construction Joint Stock Company	47,027,251,966	-
- Quynh Phuc Production and Trading Company Limited	35,757,985,123	59,241,480,442
- Dai Phu Thinh Company Limited	22,862,260,909	-
- N.T.P Trading Company Limited	97,634,404,400	81,072,046,000
Purchase land use rights	252,540,400,000	-
- Investment and Industrial Development Corporation - Joint Stock Company	252,540,400,000	-
Outstanding balances up to the reporting date are as follows:		
	31/12/2020	01/01/2020
	VND	VND
Short-term trade receivables	87,907,484,055	25,396,944,142
- Investment and Industrial Development Corporation - Joint Stock Company	13,045,559,690	2,864,637,800
- Thu Dau Mot Water Joint Stock Company	5,838,677,806	2,941,467,612
- Recycled Green Materials Joint Stock Company	12,213,696,460	15,803,580,935
- Biwase Electric - Construction Joint Stock Company	48,157,710,744	-
- Chanh Phu Hoa Investment - Construction Joint Stock Company	927,839,079	2,397,802,797
- Quynh Phuc Production and Trading Company Limited	7,539,023,376	1,389,454,998
- Dai Phu Thinh Company Limited	184,976,900	-
Short-term prepayments to suppliers	-	86,046,899,532
- Investment and Industrial Development Corporation - Joint Stock Company	-	85,858,080,000
- Quynh Phuc Production and Trading Company Limited	-	188,819,532
Loan receivables	14,000,000,000	16,500,000,000
- Recycled Green Materials Joint Stock Company	14,000,000,000	16,500,000,000
Other short-term receivables	8,538,558,388	12,011,098,849
- Thu Dau Mot Water Joint Stock Company	6,993,572,874	-
- Recycled Green Materials Joint Stock Company	1,250,642,463	1,065,963,798
- Chanh Phu Hoa Investment - Construction Joint Stock Company	-	10,650,792,000
- N.T.P Trading Company Limited	294,343,051	294,343,051
Short-term trade payables	112,201,017,015	55,920,788,953
- Investment and Industrial Development Corporation - Joint Stock Company	1,866,480,000	-
- Thu Dau Mot Water Joint Stock Company	28,031,457,360	31,523,094,303
- Recycled Green Materials Joint Stock Company	1,339,914,187	240,419,791
- Biwase Electric - Construction Joint Stock Company	52,322,834,691	-
- Quynh Phuc Production and Trading Company Limited	4,475,016,468	-
- Dai Phu Thinh Company Limited	5,859,056,659	829,359,259
- N.T.P Trading Company Limited	18,306,257,650	23,327,915,600

	31/12/2020	01/01/2020
	VND	VND
Short-term prepayments from customers	1,217,336,292	8,608,692,692
- Investment and Industrial Development Corporation - Joint Stock Company	1,034,692,692	1,034,692,692
- Thu Dau Mot Water Joint Stock Company	-	574,000,000
- Chanh Phu Hoa Investment - Construction Joint Stock Company	182,643,600	-
- Quynh Phuc Production and Trading Company Limited	-	7,000,000,000
 Transactions with other related parties:		
	Year 2020	Year 2019
	VND	VND
- Remuneration to General Director	798,000,000	780,000,000
- Remuneration to others members of Board of General Directors and Board of Management	2,967,000,000	3,181,318,380

39 . COMPARATIVE FIGURES

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

Preparer

Nguyen Thi Mong Thuong

Chief Accountant

Tran Tan Duc

Binh Duong, 25 February 2021

General Director



Tran Chien Cong