

# **FINANCIAL STATEMENTS**

**THU DAU MOT WATER JOINT STOCK COMPANY**

for Quarter 1, 2023

## CONTENTS

	Page
Report of the Board of General Directors	02 - 03
Financial Statements	04 - 36
Statement of Financial position	04 - 05
Statement of income	06 - 07
Statement of Cash flows	08 - 09
Notes to the Financial Statements	10 - 36



## **REPORT OF THE BOARD OF GENERAL DIRECTORS**

The Board of General Directors of Thu Dau Mot Water Joint Stock Company ("the Company") presents its report and the Company's Financial Statements for Quarter 1, 2023.

### **THE COMPANY**

Thu Dau Mot Water Joint Stock Company was established and operates under the Business Registration Certificate No. 3702226772 on 07 November 2013 by the Department of Planning and Investment of Binh Duong province and the 7th amendment on 01 October 2020.

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

### **BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND SUPERVISORY BOARD**

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

Mr. Nguyen Van Tri	Chairman
Mr. Vo Van Binh	Member
Mr. Nguyen Thanh Phong	Member
Mr. Nguyen Huu Nghia	Member
Ms. Nguyen Thi Dien	Member

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

Mr. Tran The Hung	General Director	
Mr. Nguyen Minh Duc	Deputy General Director	
Mr. Nguyen Van Tan	Deputy General Director	(Appointed on 21 March 2023)

The members of the Supervisory Board are:

Ms. Nguyen Ngoc Thanh	Head
Ms. Nguyen Thi Mong Thuong	Member
Ms. Le Bach Lien	Member

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

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

- Establish and maintain of an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of 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 Financial Statements;
- Prepare and present the 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 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 Financial Statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Thu Dau Mot Water Joint Stock Company**

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

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

**Other commitments**

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

Binh Duong, 18 April 2023

**On behalf of the Board of Directors**

General Director



Tran The Hung

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

Code	ASSETS	Note	31-03-2023 VND	01-01-2023 VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>643,199,713,715</b>	<b>296,606,750,756</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>3</b>	<b>268,088,909,094</b>	<b>33,519,726,324</b>
111	1. Cash		124,088,909,094	18,519,726,324
112	2. Cash equivalents		144,000,000,000	15,000,000,000
<b>120</b>	<b>II. Short-term investments</b>	<b>4</b>	<b>20,000,000,000</b>	<b>-</b>
123	1. Held-to-maturity investments		20,000,000,000	-
<b>130</b>	<b>III. Short-term receivables</b>		<b>290,564,175,724</b>	<b>195,254,856,383</b>
131	1. Short-term trade receivables	5	43,700,800	14,222,577,969
132	2. Short-term prepayments to suppliers	6	48,671,222,564	33,305,683,689
136	3. Other short-term receivables	7	241,849,252,360	147,726,594,725
<b>140</b>	<b>IV. Inventories</b>	<b>8</b>	<b>60,641,452,164</b>	<b>60,564,132,759</b>
141	1. Inventories		60,641,452,164	60,564,132,759
<b>150</b>	<b>V. Other short-term assets</b>		<b>3,905,176,733</b>	<b>7,268,035,290</b>
151	1. Short-term prepaid expenses	12	413,292,966	576,653,877
152	2. Deductible value added tax		3,275,677,359	6,691,381,413
153	3. Taxes and other receivables from the State budget	17	216,206,408	-
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>2,080,086,684,867</b>	<b>2,107,822,676,032</b>
<b>220</b>	<b>II. Fixed assets</b>		<b>688,096,649,552</b>	<b>724,550,579,123</b>
221	1. Tangible fixed assets	10	638,062,324,814	674,121,724,655
222	- Historical cost		1,260,974,780,662	1,260,842,820,662
223	- Accumulated depreciation		(622,912,455,848)	(586,721,096,007)
227	2. Intangible fixed assets	11	50,034,324,738	50,428,854,468
228	- Historical cost		59,508,706,493	59,508,706,493
229	- Accumulated amortization		(9,474,381,755)	(9,079,852,025)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>55,877,026,863</b>	<b>52,822,479,619</b>
242	1. Construction in progress	9	55,877,026,863	52,822,479,619
<b>250</b>	<b>V. Long-term investments</b>	<b>4</b>	<b>1,334,170,173,080</b>	<b>1,328,170,173,080</b>
252	1. Investments in joint-ventures, associates		1,155,193,359,192	1,149,193,359,192
253	2. Equity investments in other entities		196,918,497,495	196,918,497,495
254	3. Provision for devaluation of long-term investments		(17,941,683,607)	(17,941,683,607)
<b>260</b>	<b>VI. Other long-term assets</b>		<b>1,942,835,372</b>	<b>2,279,444,210</b>
261	1. Long-term prepaid expenses	12	1,942,835,372	2,279,444,210
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,723,286,398,582</b>	<b>2,404,429,426,788</b>

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

(Continued)

Code CAPITAL	Note	31-03-2023 VND	01-01-2023 VND
<b>300 C. LIABILITIES</b>		<b>701,977,426,181</b>	<b>363,612,148,268</b>
<b>310 I. Current liabilities</b>		<b>588,147,991,974</b>	<b>249,782,714,061</b>
311 1. Short-term trade payables	16	12,794,735,899	13,878,926,587
313 2. Taxes and other payables to the State budget	17	4,960,635,845	2,858,669,433
314 3. Payables to employees		860,955	-
315 4. Short-term accrued expenses	13	1,442,511,671	4,704,224,836
319 5. Other short-term payables	14	130,126,673,167	108,009,167
320 6. Short-term borrowings and finance lease liabilities	15	342,246,987,906	142,251,076,066
322 7. Bonus and welfare fund		96,575,586,531	85,981,807,972
<b>330 II. Non-current liabilities</b>		<b>113,829,434,207</b>	<b>113,829,434,207</b>
338 1. Long-term borrowings and finance lease liabilities	15	113,829,434,207	113,829,434,207
<b>400 D. OWNER'S EQUITY</b>		<b>2,021,308,972,401</b>	<b>2,040,817,278,520</b>
<b>410 I. Owner's equity</b>	<b>18</b>	<b>2,021,308,972,401</b>	<b>2,040,817,278,520</b>
411 1. Contributed capital		1,000,000,003,750	1,000,000,003,750
411a - Ordinary shares with voting rights		1,000,000,003,750	1,000,000,003,750
412 2. Share premium		397,799,321,818	397,799,321,818
418 3. Development and investment funds		376,480,297,737	321,382,552,246
421 4. Retained earnings		247,029,349,096	321,635,400,706
421a - Retained earnings accumulated till the end of the previous period		118,906,376,658	101,244,418,744
421b - Retained earnings of the current period		128,122,972,438	220,390,981,962
<b>440 TOTAL CAPITAL</b>		<b>2,723,286,398,582</b>	<b>2,404,429,426,788</b>

Preparer

Dinh Thi Thuy Nga

Chief Accountant

Nguyen Duy Khang

Binh Duong, 18 April 2023

General Director



Tran The Hung

## STATEMENT OF INCOME

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

Code ITEMS	Note	Quarter 1		Accumulated to the end of this quarter	
		Current year	Previous year	Current year	Previous year
		VND	VND	VND	VND
01 1. Revenue from sales of goods and rendering of services	20	101,024,018,234	105,069,549,247	101,024,018,234	105,069,549,247
10 2. Net revenue from sales of goods and rendering of services		101,024,018,234	105,069,549,247	101,024,018,234	105,069,549,247
11 3. Cost of goods sold	21	53,853,772,637	54,162,576,977	53,853,772,637	54,162,576,977
20 4. Gross profit from sales of goods and rendering of services		47,170,245,597	50,906,972,270	47,170,245,597	50,906,972,270
21 5. Financial income	22	94,173,348,562	294,586,716	94,173,348,562	294,586,716
22 6. Financial expense	23	5,535,298,394	4,684,567,988	5,535,298,394	4,684,567,988
23 - In which: Interest expense		3,378,748,645	4,367,199,714	3,378,748,645	4,367,199,714
26 7. General and administrative expense	24	3,874,788,166	3,458,488,734	3,874,788,166	3,458,488,734
30 8. Net profit from operating activities		131,933,507,599	43,058,502,264	131,933,507,599	43,058,502,264
31 9. Other income		84,790,908	100,090,908	84,790,908	100,090,908
32 10. Other expense		1,659,627	2,414,550	1,659,627	2,414,550
40 11. Other profit		83,131,281	97,676,358	83,131,281	97,676,358
50 12. Total net profit before tax		132,016,638,880	43,156,178,622	132,016,638,880	43,156,178,622



## STATEMENT OF CASH FLOWS

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

(Indirect method)

Code	ITEMS	Note	Accumulated to the end of this quarter	
			Current year	Previous year
			VND	VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
01	1. Profits before tax		132,016,638,880	43,156,178,622
	2. Adjustments for:			
02	- Depreciation and amortization of fixed assets and investment properties		36,585,889,571	36,210,809,492
05	- Gains / loss from investment		(329,598,562)	(294,586,716)
06	- Interest expense		3,378,748,645	4,367,199,714
08	3. Operating profit before changes in working capital		171,651,678,534	83,439,601,112
09	- Increase/Decrease in receivables		(77,311,953,568)	11,027,694,263
10	- Increase/Decrease in inventories		(77,319,405)	558,815,028
11	- Increase/Decrease in payables (excluding interest payables, enterprise income tax payables)		(2,465,373,342)	90,723,219,830
12	- Increase/Decrease in prepaid expenses		499,969,749	227,999,493
14	- Interest paid		(6,536,893,408)	(4,599,121,154)
15	- Corporate income tax paid		(2,541,289,823)	(1,941,801,287)
17	- Other payments on operating activities		(7,037,499,998)	(4,554,083,333)
20	Net cash flow from operating activities		76,181,318,739	174,882,323,952
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
21	2. Purchase or construction of fixed assets and other long-term assets		(15,964,769,659)	(4,112,958,830)
23	2. Loans and purchase of debt instruments from other entities		(20,000,000,000)	-
25	3. Equity investments in other entities		(6,000,000,000)	(5,000,000,000)
27	4. Interest and dividend received		356,721,850	294,586,716
30	Net cash flow from investing activities		(41,608,047,809)	(8,818,372,114)
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
33	1. Proceeds from borrowings		250,825,040,302	87,999,980,640
34	2. Repayment of principal		(50,829,128,462)	(36,700,000,000)
40	Net cash flow from financing activities		199,995,911,840	51,299,980,640
50	Net cash flows in the period		234,569,182,770	217,363,932,478

## STATEMENT OF CASH FLOWS

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

(Indirect method)

Code ITEMS	Note	Accumulated to the end of this quarter	
		Current year	Previous year
		VND	VND
60 Cash and cash equivalents at beginning of the period		33,519,726,324	86,107,505,200
70 Cash and cash equivalents at end of the period	3	268,088,909,094	303,471,437,678

Preparer

  
Dinh Thi Thuy Nga

Chief Accountant

  
Nguyen Duy Khang

Binh Duong, 18 April 2023

General Director



  
Tran The Hung

## NOTES TO THE FINANCIAL STATEMENTS

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

### 1 . CHARACTERISTICS OF OPERATION OF THE COMPANY

#### Form of capital ownership

Thu Dau Mot Water Joint Stock Company was established and operates under the Business Registration Certificate No. 3702226772 on 07 November 2013 by the Department of Planning and Investment of Binh Duong province and the 7th amendment on 01 October 2020.

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

The Company's charter capital is VND 1,000,000,003,750 (One thousand billion and three thousand seven hundred and fifty dong), equivalent to 100,000,000 shares, with par value of VND 10,000/share.

As at 31 March 2023, the Company have 24 employees (as at 01 January 2023: 22 employees).

#### Business field

The main business field of the Company are producing and supplying treated water.

#### Business activities

Main business activity of the Company are exploiting, treating and supplying water.

#### The Company's operation in the period that affects the Financial Statements

For Quarter 1, 2023, water consumption decreased by 3.79% while clean water prices remained unchanged compared to the same period last year. This leads to an decrease of VND 4.04 billion in Revenue from sales of goods and rendering of services of Quarter 1, 2023 compared with respectively over the same period last year. Simultaneously, the Company also recognised Revenue from dividends and distributed profits with total amount of VND 93.844 billion, increased by VND 93.844 billion compared to the same previous of last year. Other items are not significant increased/decreased. The combination of the above reasons makes the Total net profit before tax of Quarter 1, 2023 increased by VND 88.86 billion compared to the same previous last year.

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

### 2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY

#### 2.1 . Accounting period and accounting currency

Annual accounting period commences from 1st January and ends as at 31st 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 December 22, 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. 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 . Financial Instruments

### *Initial recognition*

#### Financial assets

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

### *Subsequent measurement after initial recognition*

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

## 2.4 . Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

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.

## 2.5 . Financial investments

*Investments in associates* are initially recognized at original cost. After initial recognition, the value of these investments is measured 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 are made at the end of the period as follows:

- *With regard to investments in associates:* provision for devaluation of investments is made when the investee has incurred a loss, based on the Financial Statements of associates at the 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.

## **2.6 . Receivables**

The receivables shall be kept records in details according to period receivables, entities receivables, types of currency receivable and other factors according to requirements for management of the Company. Receivables are classified as short-term and long-term in the Financial Statements based on the remaining maturity of the receivables at the reporting date.

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.

## **2.7 . Inventories**

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

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

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

## **2.8 . Fixed assets**

Tangible fixed assets and intangible fixed assets are initially stated at the historical cost. During the using time, tangible fixed assets and intangible fixed assets are recorded at cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	05 - 15 years
- Machinery, equipment	05 - 15 years
- Transportation equipment	06 - 20 years
- Management equipment	05 - 06 years
- Other fixed assets	05 - 10 years
- Land use rights	20 - 50 years
- Management software	05 - 10 years

## **2.9 . 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.

## **2.10 . 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.

## **2.11 . Prepaid expenses**

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

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

Prepaid expenses of the Company including:

- Tools and instruments include assets held by the Company for use in the ordinary course of business, with cost of each asset less than VND 30 million and therefore ineligible for recording as fixed assets according to current regulations. Cost of tools and instruments is amortized on a straight-line not over than 36 months;
- Expenses for major repair of fixed assets incurred once are amortized for a period not exceeding 36 months;
- Others prepaid expenses are stated at cost and amortized using the straight-line method over their useful lives.

## **2.12 . 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. The payables shall be classified into short-term payables or long-term payables on the Financial Statements according to their remaining terms at the reporting date.

## **2.13 . Borrowings and finance lease liabilities**

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.

## **2.14 . 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.

## **2.15 . Accrued expenses**

Payables to goods or services received from the seller or provided for the seller during a reporting period, but payments of such goods or services have not been made, interest expenses and other accrued which are recorded to operating expenses of the reporting period.

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

## **2.16 . 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.

Dividends to be paid to shareholders are recognised as a payable in the Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

**2.17 Revenues**

Revenue is recognized when it is probable that the economic benefits will flow to the Company, which can be reliably measured. Revenue is determined at the fair value of the amounts received or will be received after deducting trade discounts, sales discounts, sales returns.

*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 Company; 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.

**2.18 . Costs of goods sold**

The recognition of cost of goods sold is matched against revenue in the period and complies 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, etc. is recognized fully and promptly into cost of goods sold in the period.

**2.19 . Financial expenses**

Items recorded into financial expenses consist of:

- Borrowing costs;
- Securities depository expenses;
- Loan guarantee fee;
- Provision for losses from investment in other entities.

The above items are recorded by the total amount arising for the period without offsetting against financial income.

**2.20 . Corporate income tax***a) Current corporate income tax expenses*

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

*b) Tax incentives policies*

The company is enjoying tax incentives as follows:

Document	Summary of tax incentives	Validity period
Decree No. 218/2013/ND-CP dated 26 December 2013 of the Government	The CIT rate of 10% on taxable income from socialization activities (production of clean water)	Throughout the operation period

*c) Current corporate income tax rate*

For Quarter 1, 2023, the Company is entitled to the following corporate income tax rates:

- Tax rate of 10% for production of clean water activities;
- Tax rate of 20% for other activities.

**2.21 . Earning per share**

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

**2.22 . 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 Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

**2.23 . Segment information**

The main business activity of the Company are exploiting, treating and supplying water and it was carried out mainly in territory of Binh Duong province, therefore the Company does not present segment reporting according to business fields and geographic area.

**3 . CASH AND CASH EQUIVALENTS**

	31-03-2023	01-01-2023
	VND	VND
Cash on hand	205,273,340	265,001,848
Demand deposits	123,883,635,754	18,254,724,476
Cash equivalents (*)	144,000,000,000	15,000,000,000
	<u>268,088,909,094</u>	<u>33,519,726,324</u>

(\*) As at 31 March 2023, the cash equivalents is term deposits from 01 month to 02 months at Joint Stock Commercial Banks, Banks Limited and VNDIRECT Securities Joint Stock Company with interest rates from 5.6%/year to 6.3%/year. In which, the term deposit at Tien Phong Commercial Joint Stock Bank - Binh Duong Branch amounted to VND 5,000,000,000 as collateral for the loan at the bank.

4 . FINANCIAL INVESTMENTS

a) Held-to-maturity investments

	31-03-2023		01-01-2023	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term investments				
- Term deposits (*)	20,000,000,000	-	-	-
	20,000,000,000	-	-	-
	20,000,000,000	-	-	-

(\*) As at 31 March 2023, 12-month term deposit at Woori Bank Vietnam Limited - Binh Duong Branch with interest rate 9%/year.

b) Equity investments in other entities

	31-03-2023			01/01/2023		
	Original cost	Provision	Rate of voting rights	Original cost	Provision	Rate of voting rights
Stock code	VND	VND	VND	VND	VND	VND
Investments in associates						
- Binh Duong Water Environment Joint Stock Company	1,155,193,359,192	(17,941,683,607)	37.42%	1,149,193,359,192	(17,941,683,607)	37.42%
	1,061,163,359,192	-		1,061,163,359,192	-	
- Water Supply, Sewerage and Environment Consultancy Joint Stock Company	5,480,000,000	-	25.00%	5,480,000,000	-	25.00%
- Gia Tan Water Joint Stock Company	82,550,000,000	(17,941,683,607)	20.90%	82,550,000,000	(17,941,683,607)	20.90%
- Gia Tan - Cam My Water Supply Service Joint Stock Company	6,000,000,000	-	20.00%	-	-	-
Investments in others entities						
- Dong Nai Water Joint Stock Company	196,918,497,495	-		196,918,497,495	-	
	196,918,497,495	-	12.06%	196,918,497,495	-	12.06%
	1,352,111,856,687	(17,941,683,607)		1,346,111,856,687	(17,941,683,607)	

#### 4 . FINANCIAL INVESTMENTS

The fair value of investments in Binh Duong Water Environment Joint Stock Company ("BWE") is the closing price listed at the HOSE on 30 December 2022 and 31 March 2023. The fair value of investments in Dong Nai Water Joint Stock Company ("DNW") as at 31 December 2022 and 31 March 2023 is the average reference price of the nearest 30 trading days at the date of reporting of this stocks in Upcom.

The Company has not determined the fair value of financial investments in Water Supply, Sewerage and Environment Consultancy Joint Stock Company, Gia Tan Water Joint Stock Company and Gia Tan - Cam My Water Supply Service Joint Stock Company, because Vietnamese Accounting Standards, Vietnamese Corporate Accounting System has not guided in detail on the determination of the fair value.

(i) According to notice No. 01/TB-CNGT-CMY dated 16 December 2022 of Gia Tan - Cam My Water Supply Service Joint Stock Company, Thu Dau Mot Water Joint Stock Company registered to buy 1,200,000 shares of par value. 10,000 VND/share equivalent to VND 12,000,000,000, capital contribution payment plan is divided into 4 installments, specifically as follows:

- Phase 1 contributes 20%, equivalent to 240,000 shares, ending on 30 January 2023;
- Phase 2 contributes 30%, equivalent to 360,000 shares, ending on 30 March 2023;
- Phase 3 contributes 30%, equivalent to 360,000 shares, ending on 30 June 2023;
- Phase 4 contributes 20%, equivalent to 240,000 shares, ending on 30 September 2023.

As of 31 March 2023, the Company has made the 1st and 2nd installment of capital contribution payments according to the schedule on the notice with a total value of contributed capital of VND 6,000,000,000. According to Resolution No. 48/NQ-HĐQT dated 16 November 2022 of Thu Dau Mot Water Joint Stock Company, the Company's voting rate at Gia Tan - Cam My Water Supply Service Joint Stock Company is 20%.



**Investments in associates and investments in others entities**

Detail information on the Company's associates and others entities as at 31 March 2023 as follows:

Name of joint associates	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
Binh Duong Water Environment Joint Stock Company	Binh Duong	37.42%	37.42%	Producing and supplying water
Water Supply, Sewerage and Environment Consultancy Joint Stock Company	Ho Chi Minh	25.00%	25.00%	Construction consulting
Gia Tan Water Joint Stock Company	Dong Nai	20.90%	20.90%	Producing and supplying water
Dong Nai Water Joint Stock Company	Dong Nai	12.06%	12.06%	Producing and supplying water
Gia Tan - Cam My Water Supply Service Joint Stock Company	Dong Nai	20.00%	20.00%	Producing and supplying water

Major transactions between the Company and the Company's associates during the period: details as in Notes No. 32.

**5 . SHORT-TERM TRADE RECEIVABLES**

	31/03/2023		01/01/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>a) Related parties</b>	<b>19,110,800</b>	<b>-</b>	<b>14,197,987,969</b>	<b>-</b>
- Binh Duong Water Environment Joint Stock Company	12,610,800	-	14,191,487,969	-
- Water Supply, Sewerage and Environment Consultancy Joint Stock Company	6,500,000	-	6,500,000	-
<b>b) Other parties</b>	<b>24,590,000</b>	<b>-</b>	<b>24,590,000</b>	<b>-</b>
- Biwase Electric Construction Joint Stock Company	24,590,000	-	24,590,000	-
	<b>43,700,800</b>	<b>-</b>	<b>14,222,577,969</b>	<b>-</b>

**6 . SHORT-TERM PREPAYMENTS TO SUPPLIES**

	31-03-2023		01-01-2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>a) Related parties</b>	<b>1,884,985,927</b>	<b>-</b>	<b>3,692,483,689</b>	<b>-</b>
- Binh Duong Water - Environment Joint Stock Company	535,002,427	-	3,567,500,189	-
- Water Supply, Sewerage and Environment Consultancy Joint Stock Company	-	-	124,983,500	-
<b>b) Other parties</b>	<b>46,786,236,637</b>	<b>-</b>	<b>29,613,200,000</b>	<b>-</b>
- Mr. Le Minh Bang	41,000,000,000	-	26,000,000,000	-
- Others	5,786,236,637	-	3,613,200,000	-
	<b>48,671,222,564</b>	<b>-</b>	<b>33,305,683,689</b>	<b>-</b>

## 7 . OTHER SHORT-TERM RECEIVABLES

	31-03-2023		01-01-2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>a) Details by contents</b>				
- Receivable of amount paid to purchase shares	3,000,000,000	-	3,000,000,000	-
- Dividends, and profits receivables (i)	93,843,750,000	-	-	-
- Deposit interest	-	-	27,123,288	-
- Advances (ii)	144,053,185,403	-	143,783,158,285	-
- Other receivables	952,316,957	-	916,313,152	-
	<b>241,849,252,360</b>	<b>-</b>	<b>147,726,594,725</b>	<b>-</b>
<b>b) Details by objects</b>				
<i>Related parties</i>	<b>97,362,368,482</b>	<b>-</b>	<b>3,518,618,482</b>	<b>-</b>
- Binh Duong Water - Environment Joint Stock Company	93,978,163,622	-	134,413,622	-
- Gia Tan Water Joint Stock Company	3,087,509,927	-	3,087,509,927	-
- Quynh Phuc Production and Trading Company Limited	296,694,933	-	296,694,933	-
<i>Other parties</i>	<b>144,486,883,878</b>	<b>-</b>	<b>144,207,976,243</b>	<b>-</b>
- Mr. Nguyen Minh Duc	143,601,900,000	-	143,596,900,000	-
- Others	884,983,878	-	611,076,243	-
	<b>241,849,252,360</b>	<b>-</b>	<b>147,726,594,725</b>	<b>-</b>

Which includes:

- (i) According to Resolution No. 37/NQ-HĐQT dated 06 January 2023 of the Board of Management of Binh Duong Water - Environment Joint Stock Company and Notice No. 48/TB-SGDHCM dated 12 January 2023 of the Exchange Ho Chi Minh City Securities, the Board of Management of Binh Duong Water - Environment Joint Stock Company approved the advance of the first dividend of 2022 in cash at the rate of 13% of charter capital, corresponding to each share received 1,300 VND dividend. The ex-rights date is 30 January 2023. Accordingly, the Company recorded financial income from distributed dividends totaling VND 93,844 billion.
- (ii) Clause VND 143,601,900,000 mainly an advance to Mr. Nguyen Minh Duc to compensate households with land located in the area where the pipeline passes and land for construction of the project "Construction of Tan Ba 2 water collection works - raw water pumping station and the pipeline to convey raw water to Di An clean water plant" according to Resolution No. 18/NQ-HĐQT dated 12 April 2022 of the Board of Management of Thu Dau Mot Water Joint Stock Company.

## 8 . INVENTORIES

	31-03-2023		01-01-2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Raw materials	60,023,092,164	-	59,945,772,759	-
Tools, supplies	618,360,000	-	618,360,000	-
	<b>60,641,452,164</b>	<b>-</b>	<b>60,564,132,759</b>	<b>-</b>

## 9 . CONSTRUCTION IN PROGRESS

	31-03-2023	01-01-2023
	VND	VND
The Project of pipeline D2500 under the Bau Bang Water Plant - Phase 2 (i)	55,771,286,863	52,716,739,619
Other constructions	105,740,000	105,740,000
	<u>55,877,026,863</u>	<u>52,822,479,619</u>

(i) **Name of project:** Water supply system in Bau Bang area - Bau Bang district - Binh Duong province, item: Water supply system from Phuoc Hoa canal to raw water pumping station - Raw water pipeline route D2500;

- *Location:* Tru Van Tho Commune, Bau Bang District, Binh Duong Province;
- *The purpose of the project:* Construction to increase capacity;
- *Investor:* Thu Dau Mot Water Joint Stock Company;
- *Investment funds:* Using owner's capital and bank loans;
- *Project scale:* The water system from Phuoc Hoa Canal to raw water pumping station to increase capacity of Bau Bang Water Plant to 15,000m<sup>3</sup>/day;
- *Total expected investment:* VND 62,561,595,000 (VAT included);
- *Project start date and expected completion date:* The project commenced in the second quarter of 2021 and is expected to be completed in the second quarter of 2023;
- *Construction status:* Work in progress as at 31 March 2023 includes VND 1.713 billion in compensation and site clearance costs; VND 38.635 billion for the cost of buying pipes and pipeline construction materials; VND 11.95 billion for the cost of installation of pipeline; VND 842 million for drawing design, consulting for estimating and VND 2.63 billion for other expenses such as interest expense, L/C opening cost.....

**Thu Dau Mot Water Joint Stock Company**

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

**Financial Statements  
for Quarter 1, 2023**

**10 . TANGIBLE FIXED ASSETS**

	Buildings	Machine, equipment	Transportation equipment	Management equipment	Others	Total
	VND	VND	VND	VND	VND	VND
<b>Original cost</b>						
Beginning balance	617,479,842,167	306,581,569,679	325,336,829,515	802,444,081	10,642,135,220	1,260,842,820,662
- Purchase in the period	131,960,000	-	-	-	-	131,960,000
<b>Ending balance of the period</b>	<b>617,611,802,167</b>	<b>306,581,569,679</b>	<b>325,336,829,515</b>	<b>802,444,081</b>	<b>10,642,135,220</b>	<b>1,260,974,780,662</b>
<b>Accumulated depreciation</b>						
Beginning balance	305,219,272,662	153,870,966,635	124,166,770,836	376,655,617	3,087,430,257	586,721,096,007
- Depreciation for the period	18,595,927,052	10,238,853,201	7,126,350,339	65,141,853	165,087,396	36,191,359,841
<b>Ending balance of the period</b>	<b>323,815,199,714</b>	<b>164,109,819,836</b>	<b>131,293,121,175</b>	<b>441,797,470</b>	<b>3,252,517,653</b>	<b>622,912,455,848</b>
<b>Net carrying amount</b>						
Beginning of the period	312,260,569,505	152,710,603,044	201,170,058,679	425,788,464	7,554,704,963	674,121,724,655
<b>Ending of the period</b>	<b>293,796,602,453</b>	<b>142,471,749,843</b>	<b>194,043,708,340</b>	<b>360,646,611</b>	<b>7,389,617,567</b>	<b>638,062,324,814</b>

- Ending net book value of tangible fixed assets at the end of the period pledged as loan securities is VND 595,155,757,186.

- Cost of fully depreciated tangible fixed assets at the end of the period but still in use is VND 4,849,677,535.



## 11 . INTANGIBLE FIXED ASSETS

	Land use rights VND	Computer software VND	Total VND
<b>Original cost</b>			
Beginning balance	58,816,676,675	692,029,818	59,508,706,493
<b>Ending balance of the period</b>	<b>58,816,676,675</b>	<b>692,029,818</b>	<b>59,508,706,493</b>
<b>Accumulated amortisation</b>			
Beginning balance	8,529,016,291	550,835,734	9,079,852,025
- Amortisation in the period	376,113,108	18,416,622	394,529,730
<b>Ending balance of the period</b>	<b>8,905,129,399</b>	<b>569,252,356</b>	<b>9,474,381,755</b>
<b>Net carrying amount</b>			
Beginning of the period	50,287,660,384	141,194,084	50,428,854,468
<b>Ending of the period</b>	<b>49,911,547,276</b>	<b>122,777,462</b>	<b>50,034,324,738</b>

- As at 31 March 2023, there were no intangible fixed assets used as collateral for loans.
- Cost of fully depreciated intangible fixed assets at the end of the period but still in use is VND 105,000,000.

## 12 . PREPAID EXPENSES

	31-03-2023 VND	01-01-2023 VND
<b>a) Short-term</b>		
Dispatched tools and supplies	13,292,559	33,667,209
Maintenance and repairing costs	326,049,363	342,808,134
Others	73,951,044	200,178,534
	<b>413,292,966</b>	<b>576,653,877</b>
<b>b) Long-term</b>		
Large repair costs	1,669,332,544	2,006,423,338
Others	273,502,828	273,020,872
	<b>1,942,835,372</b>	<b>2,279,444,210</b>

## 13 . OTHER ASSETS

	31-03-2023 VND	01-01-2023 VND
Accrued interest	138,185,003	3,296,329,766
Cost of purchasing raw water	818,539,200	915,120,900
Cost of electricity to produce water	485,787,468	492,774,170
	<b>1,442,511,671</b>	<b>4,704,224,836</b>

## 14 . ACCRUED EXPENSES

	31-03-2023 VND	01-01-2023 VND
Dividends or profits payables	130,000,000,000	-
Union funds	85,148,000	66,484,000
Others	41,525,167	41,525,167
	<b>130,126,673,167</b>	<b>108,009,167</b>

**Thu Dau Mot Water Joint Stock Company**

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

**Financial Statements  
for Quarter 1, 2023**

**15 . BORROWINGS AND FINANCE LEASE LIABILITIES**

	01-01-2023		During the period		31/03/2023	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
<b>a) Short-term borrowings</b>						
Short-term loans debts	43,184,472,314	43,184,472,314	250,825,040,302	26,076,477,524	267,933,035,092	267,933,035,092
- Standard Chartered Bank (Vietnam)	21,999,995,160	21,999,995,160	117,700,000,000	21,999,995,160	117,700,000,000	117,700,000,000
- Vietnam International Commercial Joint Stock Bank - Sai Gon Branch	21,184,477,154	21,184,477,154	16,016,097,148	4,076,482,364	33,124,091,938	33,124,091,938
- Tien Phong Commercial Joint Stock Bank - Binh Duong Branch	-	-	408,943,154	-	408,943,154	408,943,154
- Woori Bank Viet Nam - Binh Duong Branch	-	-	116,700,000,000	-	116,700,000,000	116,700,000,000
Current portion of long-term debts	99,066,603,752	99,066,603,752	-	24,752,650,938	74,313,952,814	74,313,952,814
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	4,056,000,000	4,056,000,000	-	1,000,000,000	3,056,000,000	3,056,000,000
- Binh Duong Development Investment Fund	87,000,000,000	87,000,000,000	-	21,750,000,000	65,250,000,000	65,250,000,000
- Shinhan Bank Viet Nam Limited – Head Office	8,010,603,752	8,010,603,752	-	2,002,650,938	6,007,952,814	6,007,952,814
	<b>142,251,076,066</b>	<b>142,251,076,066</b>	<b>250,825,040,302</b>	<b>50,829,128,462</b>	<b>342,246,987,906</b>	<b>342,246,987,906</b>
<b>b) Long-term borrowings</b>						
Long-term debts	212,896,037,959	212,896,037,959	-	24,752,650,938	188,143,387,021	188,143,387,021
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch	4,056,000,000	4,056,000,000	-	1,000,000,000	3,056,000,000	3,056,000,000
- Binh Duong Development Investment Fund	180,802,924,835	180,802,924,835	-	21,750,000,000	159,052,924,835	159,052,924,835
- Shinhan Bank Viet Nam Limited – Head Office	28,037,113,124	28,037,113,124	-	2,002,650,938	26,034,462,186	26,034,462,186
	<b>212,896,037,959</b>	<b>212,896,037,959</b>	<b>-</b>	<b>24,752,650,938</b>	<b>188,143,387,021</b>	<b>188,143,387,021</b>
Amount due for settlement within 12 months	(99,066,603,752)	(99,066,603,752)	-	(24,752,650,938)	(74,313,952,814)	(74,313,952,814)
<b>Amount due for settlement after 12 months</b>	<b>113,829,434,207</b>	<b>113,829,434,207</b>			<b>113,829,434,207</b>	<b>113,829,434,207</b>

**Detailed information on Short-term borrowings:**

Detailed information on Short-term borrowings from banks and credit institutions is as follows:

	Currency	Interest rate	Guarantee	31-03-2023	01-01-2023
- Standard Chartered Bank (Vietnam) (i)	VND	9.00%	Stock	117,700,000,000	21,999,995,160
- Vietnam International Commercial Joint Stock Bank - Sai Gon Branch (ii)	VND	Floating	Stock	33,124,091,938	21,184,477,154
- Tien Phong Commercial Joint Stock Bank - Binh Duong Branch (iii)	VND	8.50%	Deposit contract	408,943,154	-
- Woori Bank Viet Nam - Binh Duong Branch (iv)	VND	3M term SOFR + 1,35%/year	Pledge of trust	116,700,000,000	-

**267,933,035,092**

(i) The borrowing from Standard Chartered Bank under Letter Credit BFL/21-30 with the credit limited of USD 5,000,000. The borrowing is subject to serve the demand of working capital of the Company and is secured by 7,000,000 shares of Binh Duong Water - Environment Joint Stock Company (BWE) owned by the Company.

(ii) The borrowing from Vietnam International Commercial Joint Stock Bank - Sai Gon Branch under Credit contract No. 7715994.22 with the credit limited of VND 100,000,000,000. The borrowing is subject to serve the demand of working capital of the Company and is secured by 4,437,500 shares of Binh Duong Water - Environment Joint Stock Company (BWE) owned by the Company.

(iii) The borrowing from Tien Phong Commercial Joint Stock Bank - Binh Duong Branch under Credit contract No. 13/2023/HDTD/BDG with the credit limited of VND 150,000,000,000. The borrowing is subject to serve the demand of working capital of the Company and is secured by Deposit contract No. HDTD/31012023/300/2121393902B at Tien Phong Commercial Joint Stock Bank - Binh Duong Branch with the amount of VND 5,000,000,000.

(iv) The borrowing from Woori Bank Viet Nam - Binh Duong Branch under Credit contract No. AJ/4092467/\_1 with the credit limited of USD 5,000,000. The borrowing is subject to serve the demand of working capital of the Company and unsecured.

**Detailed information on Long-term borrowings:**

Terms and conditions of long-term borrowings are as follows:

	Currency	Interest rate	Year maturity	Guarantee	Long-term loans	In which, current portion of long-term loans	01-01-2023
			y		VND	VND	VND
<b>Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch</b>							
- Contract No. 017D18 dated 19 November 2018	VND	Floating	2023	(1)	3,056,000,000	3,056,000,000	4,056,000,000
					3,056,000,000	3,056,000,000	4,056,000,000

**Thu Dau Mot Water Joint Stock Company**

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

**Financial Statements  
for Quarter 1, 2023**

	Currency	Interest rate	Year maturity	Guarantee	31/03/2023		01/01/2023
					Long-term loans	In which, current portion of long-term loans	
					VND	VND	
<b>Binh Duong Development Investment Fund</b>							
- Contract No. 06/2017/HDTD-TDH dated 01 June 2017	VND	7.00%	2024	(2)	159,052,924,835	65,250,000,000	180,802,924,835
- Contract No. 14/2017/HDQT-TDH dated 29 November 2017	VND	7.00%	2023	(2)	18,000,000,000	13,500,000,000	22,500,000,000
- Contract No. 05A/2019/HDTD-TDH dated 30 December 2019	VND	7.00%	2025	(2)	21,000,000,000	21,000,000,000	28,000,000,000
- Contract No. 13/2020/HDTD-TDH dated 15 October 2020	VND	6.50%	2027	(3)	91,022,924,835	30,000,000,000	101,022,924,835
<b>Shinhan Bank Viet Nam Limited – Head Office</b>							
- Contract No. SHBVN/CMC/07/2021/HDTD/TDMW dated 15 April 2021	VND	6.80%	2025	(4)	29,030,000,000	750,000,000	29,280,000,000
					26,034,462,186	6,007,952,814	28,037,113,124
					26,034,462,186	6,007,952,814	28,037,113,124

Amount due for settlement within 12 months

**Amount due for settlement after 12 months**

- (1) The Loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch to implement the investment project of "Upgrading the Sedimentation Tank" according to the Contract No. 2007/2018/HDK/T/TDMWATER-AEC dated 20 July 2018 signed between the Thu Dau Mot Water Joint Stock Company and the Asia Technical Joint Stock Company. The loan is secured by assets formed from borrowing capital and assets attached to land according to the Amendment Contract of Mortgage Contract No. 061TC16 dated 19 November 2018.
- (2) Loans from Binh Duong Development Investment Fund to implement construction investment in Project of Extension of Southern Thu Dau Mot Water Supply, capacity of 45,000 m3/day; Invest in construction, purchasing machinery and equipment for Bau Bang water plant. Loans are secured by assets formed from borrowings capital, rights of collecting water bills; 30,000,000 shares of Binh Duong Water Environment Joint Stock Company and 200,000 shares of Water Supply, Sewerage and Environment Consultancy Joint Stock Company owned by the Company.
- (3) Loan from Binh Duong Development Investment Fund to pay the cost of investing in water supply system in Bau Bang area phase II - capacity 15,000 m3/day. Loan are mortgaged with assets formed from loans Credit Contract No. 13/2020/HDT-DTH and secured assets for loans under Credit Contract No. 06/2017/HDT-DTH dated 01 June 2017; Credit contract for investment and development No. 14/2017/HDT-DTH dated 29 November 2017.
- (4) Loan from Shinhan Bank Viet Nam Limited - Head Office sponsors the water system from Phuoc Hoa Canal to raw water pumping station - Raw water pipeline D2500 under Bau Bang area water supply system project. Collateral is listed shares of Binh Duong Water - Environment Joint Stock Company with the amount of 3,000,000 shares owned by Thu Dau Mot Water Joint Stock Company.



**16 . SHORT-TERM TRADE PAYABLES**

	31-03-2023		01-01-2023	
	Outstanding	Amount can	Outstanding	Amount can
	balance	be paid	balance	be paid
	VND	VND	VND	VND
<b>a) Related parties</b>	<b>11,702,401,250</b>	<b>11,702,401,250</b>	<b>10,311,476,073</b>	<b>10,311,476,073</b>
Binh Duong Water Environment Joint Stock	11,110,601,250	11,110,601,250	9,719,676,073	9,719,676,073
N.T.P Trading Company Limited	591,800,000	591,800,000	591,800,000	591,800,000
<b>b) Other parties</b>	<b>1,092,334,649</b>	<b>1,092,334,649</b>	<b>3,567,450,514</b>	<b>3,567,450,514</b>
Biwase Electric Construction Joint Stock Company	471,880,749	471,880,749	3,460,768,914	3,460,768,914
Others	620,453,900	620,453,900	106,681,600	106,681,600
	<b>12,794,735,899</b>	<b>12,794,735,899</b>	<b>13,878,926,587</b>	<b>13,878,926,587</b>

**17 . TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET**

	At the beginning	Tax payable in	Tax paid in the	End of the
	of the period	the period	period	period
	VND	VND	VND	VND
Corporate income tax	2,541,289,823	3,893,666,442	2,541,289,823	3,893,666,442
Personal income tax	80,519,350	1,169,297,628	1,223,723,215	26,093,763
Natural resource tax	236,860,260	542,245,000	571,598,620	207,506,640
Licence tax	-	3,000,000	3,000,000	-
Fee for granting water exploitation rights	-	833,369,000	-	833,369,000
	<b>2,858,669,433</b>	<b>6,441,578,070</b>	<b>4,339,611,658</b>	<b>4,960,635,845</b>

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 financial statements could be changed at a later date upon final determination by the tax authorities

18 . INCREASE AND DECREASE IN OWNER'S EQUITY

	Contributed capital	Share premium	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Beginning balance of previous period	1,000,000,003,750	397,799,321,818	239,227,691,627	209,688,834,761	1,846,715,851,956
Profit of the previous period	-	-	-	40,959,187,971	40,959,187,971
Earnings distribution of 2021	-	-	82,154,860,619	(108,444,416,017)	(26,289,555,398)
Ending balance of previous period	1,000,000,003,750	397,799,321,818	321,382,552,246	142,203,606,715	1,861,385,484,529
Beginning balance of this period	1,000,000,003,750	397,799,321,818	321,382,552,246	321,635,400,706	2,040,817,278,520
Profit of the current period	-	-	-	128,122,972,438	128,122,972,438
Dividend payment in 2022 (i)	-	-	-	(130,000,000,000)	(130,000,000,000)
Earnings distribution of 2022	-	-	55,097,745,491	(72,729,024,048)	(17,631,278,557)
Ending balance of current period	1,000,000,003,750	397,799,321,818	376,480,297,737	247,029,349,096	2,021,308,972,401

(i) Pursuant to Resolution No. 03/NQ-HDQT dated 06 January 2023 of the Board of Management on the approval of the first payment of 2022 dividend in cash and plan to hold the Annual General Meeting of Shareholders in 2023 and Notice No. 44/TB-SGDHCM dated 12 January 2023 of Ho Chi Minh City Stock Exchange. Accordingly, the Annual General Meeting of Shareholders has approved Resolution No. 02/NQ-DHDCD dated 28 March 2023 including the 2022 dividend payment of Thu Dau Mot Water Joint Stock Company of 13% of charter capital, equivalent to VND 130 billion. Payment method in cash and payment deadline from 05 May 2023. The last registration date to advance dividend is 07 February 2023.

- (i) According to Resolution No. 15/NQ-DHDCD dated 24 March 2022 issued by General Meeting of shareholders, the Company announced its profit distribution plan of 2021 as follows:

	According to Resolution No. 02/NQ-DHDCD VND	Temporary distribution in 2022 VND	Additional distribution in this period VND
Retained earning in 2021	101,244,418,744		
Profit after corporate income tax in 2022	220,390,981,962		
<b>Total profit distributable</b>	<b>321,635,400,706</b>		
<b>Profit distribution of 2022</b>			
- Development and investment fund	55,097,745,491	-	55,097,745,491
- Dividend payment of 13% of chartered capital (equivalent to VND 1.300 per share)	130,000,000,000	-	130,000,000,000
- Bonus fund	8,815,639,278	-	8,815,639,278
- Welfare fund	2,203,909,820	-	2,203,909,820
- Bonus fund for Executive Board	6,611,729,459	-	6,611,729,459
	<b>202,729,024,048</b>	<b>-</b>	<b>202,729,024,048</b>
<b>Retained earnings</b>	<b>118,906,376,658</b>		
In which:			
- Retained earnings of 2021	101,244,418,744		
- Retained earnings of 2022	17,661,957,914		

**b) Details of Contributed capital**

	31-03-2023 VND	Rate %	01/01/2023 VND	Rate %
Quynh Phuc Production and Trading Company Limited	70,727,270,000	7.07	70,727,270,000	7.07
N.T.P Trading Company Limited	60,000,000,000	6.00	60,000,000,000	6.00
Mr. Pham Van Chien	50,000,000,000	5.00	50,000,000,000	5.00
Others	819,272,733,750	81.93	819,272,733,750	81.93
	<b>1,000,000,003,750</b>	<b>100.00</b>	<b>1,000,000,003,750</b>	<b>100.00</b>

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

	From 01/01/2023 to 31/03/2023 VND	From 01/01/2022 to 31/03/2022 VND
<b>Owner's invested capital</b>		
- At the beginning of the period	1,000,000,003,750	1,000,000,003,750
- At the end of the period	<b>1,000,000,003,750</b>	<b>1,000,000,003,750</b>
<b>Dividends and profit</b>		
- Dividend payable at the beginning of the period	130,000,000,000	120,000,000,000
- Dividend paidt in cash in the period	-	120,000,000,000
+ Dividends distributed on last year profit	-	120,000,000,000
- Dividend payable at the end of the period	<b>130,000,000,000</b>	<b>-</b>

## d) Share

	31-03-2023	01-01-2023
Quantity of authorized issuing shares	100,000,000	100,000,000
Quantity of issued shares	100,000,000	100,000,000
- Common shares	100,000,000	100,000,000
Quantity of circulated shares	100,000,000	100,000,000
- Common shares	100,000,000	100,000,000
Par value per stock: VND 10,000/ stock		

## e) Company's funds

	31-03-2023	01-01-2023
	VND	VND
Development investment funds	376,480,297,737	321,382,552,246
	<u>376,480,297,737</u>	<u>321,382,552,246</u>

## 19 . OFF STATEMENT OF FINANCIAL POSITION ITEMS

## a) Operating asset for leasing

- The Company leases office to Water Supply, Sewerage and Environment Consultancy Joint Stock Company under an annual operating lease. The contract of office lease of 2023 signed on 01 December 2022 with the lease term from 01 December 2022 to 31 December 2023; rental price of VND 6,500,000 per month (included 10% value added tax and water charges; electricity but not exceeding 282KWh/month. If it is exceeded, Water Supply, Sewerage and Environment Consultancy Joint Stock Company must pay the excess KWh to the Company according to the agreed unit price of VND 2,365 including value added tax).
- The Company leases the premises to Biwase Electric Construction Joint Stock under the contract of premises lease No. 17/2021/HDKT/DA-XLD signed on 31 December 2021 and the attached annex with the lease term is from 08 December 2021 to 08 December 2041; rent price of VND 24,590,000 per month (included 10% value added tax).

## b) Operating leased assets

- The Company leases the office of Binh Duong Water Environment Joint Stock Company under a 05 year operating lease. The contract of office lease of 2023 signed on 01 January 2020 with the lease term is from 01 January 2020 to 31 December 2025; rental price of VND 53,865,000 per month (included VAT of 10%).

## 20 . TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Revenue from sale of clean water	99,200,959,574	103,249,663,920
Revenue from sale of raw water	1,823,058,660	1,819,885,327
	<u>101,024,018,234</u>	<u>105,069,549,247</u>
In which: Revenue from relevant parties (Detailed as in Notes No. 32)	<u>101,024,018,234</u>	<u>105,069,549,247</u>

**21 . COST OF GOODS SOLD**

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Cost of clean water	51,890,476,096	52,323,458,243
Cost of raw water	1,963,296,541	1,839,118,734
	<b>53,853,772,637</b>	<b>54,162,576,977</b>

**22 . FINANCIAL INCOME**

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Interest income	329,598,562	294,586,716
Dividends or profits received	93,843,750,000	-
	<b>94,173,348,562</b>	<b>294,586,716</b>
<b>In which: Financial income received from related parties (Detailed as in Notes No. 32)</b>	<b>93,843,750,000</b>	<b>-</b>

**23 . FINANCIAL EXPENSES**

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Interest expenses	3,378,748,645	4,367,199,714
Provision for diminution in value of trading securities and	2,133,000,000	-
Other financial expenses	23,549,749	317,368,274
	<b>5,535,298,394</b>	<b>4,684,567,988</b>

**24 . GENERAL AND ADMINISTRATIVE EXPENSE**

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Raw materials	24,872,979	77,811,044
Labour expenses	1,547,112,861	1,170,419,198
Depreciation expenses	192,389,538	102,846,988
Tax, Charge, Fee	33,161,707	34,589,329
Expenses of outsourcing services	657,838,346	534,851,019
Other expenses in cash	1,419,412,735	1,537,971,156
	<b>3,874,788,166</b>	<b>3,458,488,734</b>

**25 CURRENT CORPORATE INCOME TAX EXPENSES**

	From 01/01/2023 to 31/03/2023 VND	From 01/01/2022 to 31/03/2022 VND
Total profit before tax	132,016,638,880	43,156,178,622
Increase	763,775,544	558,950,000
- <i>Ineligible expenses</i>	763,775,544	558,950,000
Decrease	(93,843,750,000)	-
- <i>Dividends, profits received</i>	(93,843,750,000)	-
Taxed income	38,936,664,424	43,715,128,622
- <i>Taxed income with tax rate of 10%</i>	38,936,664,424	43,640,233,822
- <i>Taxed income with tax rate of 20%</i>	-	74,894,800
Corporate income tax payables	3,893,666,442	4,364,023,382
Exempted corporate income tax	-	(2,182,011,691)
<b>Current corporate income tax expense</b>	<b>3,893,666,442</b>	<b>2,196,990,651</b>
Tax payable at the beginning of period	2,541,289,823	1,941,801,287
Tax paid in the period	(2,541,289,823)	(1,941,801,287)
<b>Corporate income tax payable at the end of the period</b>	<b>3,893,666,442</b>	<b>2,196,990,651</b>

**26 . BASIC EARNING PER SHARE**

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

	From 01/01/2023 to 31/03/2023 VND	From 01/01/2022 to 31/03/2022 VND
Net profit after tax	128,122,972,438	40,959,187,971
Adjustments:	(10,249,837,795)	(3,276,735,038)
- <i>Bonus and welfare fund is distributed from the profit after tax (*)</i>	(10,249,837,795)	(3,276,735,038)
Profit distributed for common shares	117,873,134,643	37,682,452,933
Average circulated common shares in the period	100,000,000	100,000,000
<b>Basic earnings per share</b>	<b>1,179</b>	<b>377</b>

(\*) According to the Resolution No. 02/NQ-DHDCD dated 28 March 2023, the Company plans to appropriate bonus and welfare funds and Reward fund for executive management at the rate of 8% of profit in 2022.

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

## 27 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	From 01/01/2023 to 31/03/2023 VND	From 01/01/2022 to 31/03/2022 VND
Raw materials	2,091,901,110	2,320,842,562
Labour expenses	3,566,705,508	3,159,923,836
Depreciation expenses	36,585,889,571	36,210,809,492
Expenses of outsourcing services	12,294,850,128	12,785,992,913
Other expenses in cash	3,189,214,486	3,143,496,908
	<b>57,728,560,803</b>	<b>57,621,065,711</b>

## 28 . FINANCIAL INSTRUMENTS

**Financial risk management**

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

**Market risk**

The Company's business operations will bear the risks of changes on prices 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 fiscal year, the Company has no plans to sell these investments.

	From over 1 year to 5 years VND	More than 5 years VND	Total VND
<b>As at 31/03/2023</b>			
Short-term investments	20,000,000,000	-	20,000,000,000
Long-term investments	-	196,918,497,495	196,918,497,495
	<b>20,000,000,000</b>	<b>196,918,497,495</b>	<b>216,918,497,495</b>
<b>As at 01/01/2023</b>			
Long-term investments	-	196,918,497,495	196,918,497,495
	<b>-</b>	<b>196,918,497,495</b>	<b>196,918,497,495</b>

**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	From over 1 year to 5 years	Total
	VND	VND	VND
<b>As at 31/03/2023</b>			
Cash and cash equivalents	268,088,909,094	-	268,088,909,094
Trade and other receivables	241,892,953,160	-	241,892,953,160
	<b>509,981,862,254</b>	<b>-</b>	<b>509,981,862,254</b>
<b>As at 01/01/2023</b>			
Cash and cash equivalents	33,519,726,324	-	33,519,726,324
Trade and other receivables	161,949,172,694	-	161,949,172,694
	<b>195,468,899,018</b>	<b>-</b>	<b>195,468,899,018</b>

**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	From over 1 year to 5 years	More than 5 years	Total
	VND	VND	VND	VND
<b>As at 31/03/2023</b>				
Borrowings	342,246,987,906	113,829,434,207	-	456,076,422,113
Trade and other payables	142,921,409,066	-	-	142,921,409,066
Accrued expenses	1,442,511,671	-	-	1,442,511,671
	<b>486,610,908,643</b>	<b>113,829,434,207</b>	<b>-</b>	<b>600,440,342,850</b>
<b>As at 01/01/2023</b>				
Borrowings	142,251,076,066	113,829,434,207	-	256,080,510,273
Trade and other payables	13,986,935,754	-	-	13,986,935,754
Accrued expenses	4,704,224,836	-	-	4,704,224,836
	<b>160,942,236,656</b>	<b>113,829,434,207</b>	<b>-</b>	<b>274,771,670,863</b>

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.

29 . ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS

a) Proceeds from borrowings during the period

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Proceeds from ordinary contracts	250,825,040,302	87,999,980,640

d) Actual repayments on principal during the period

	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
	VND	VND
Repayment on principal from ordinary contracts	50,829,128,462	36,700,000,000

30 . OTHER INFORMATION

As at 28 March 2023, the Annual General Meeting of Shareholders of Thu Dau Mot Water Joint Stock Company approved Resolution No. 02/NQ-DHDCD which included the approval of the report No. 26/TTr-HDQT dated 24 March 2023 on the Plan: *"Offering more shares to the public for existing shareholders in 2023 of Thu Dau Mot Water Joint Stock Company"*. Accordingly, the Company issued another 10,000,000 shares by the method of offering more shares to the public to investors through the method of exercising the right to buy shares. Estimated time of offering for sale in 2023, after being granted a Certificate of Public Offering by the State Securities Commission. As at 31 March 2023, the Company is still in the process of completing documents to conduct a public auction at HOSE in accordance with regulations. The total capital raised from this issuance is expected to be VND 300,000,000,000,000, the intended uses are as follows:

No.	Purpose of using capital	Value (VND)	Estimated time of disbursement	Note
1	Invest in buying shares of Can Tho Water Supply and Sewerage Joint Stock Company	143,000,000,000	In the year 2023	
2	Invest in buying shares of Ca Mau Water Joint Stock Company	54,200,000,000	In the year 2023	
3	Invest in buying shares of Gia Tan Water Joint Stock Company	35,000,000,000	In the year 2023	
4	Repayment of principal loan due to Binh Duong Development Investment Fund	64,500,000,000	In the year 2023 and 2024	
5	Partial payment of principal loan due to Shinhan Bank Vietnam Limited - Head Office	3,300,000,000	In the year 2023	
<b>Total</b>		<b>300,000,000,000</b>		

31 . 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 Financial Statements.

32 . TRANSACTION AND BALANCES WITH RELATED PARTIES

List and relation between related parties and the Company detail as follows:

Related parties	Relation
- Binh Duong Water Environment Joint Stock Company	Associate
- Water Supply, Sewerage and Environment Consultancy Joint Stock Company	Associate
- Gia Tan Water Joint Stock Company	Associate
- Gia Tan - Cam My Water Supply Service Joint Stock Company	Associate
- N.T.P Trading Company Limited	Major shareholder
- Quynh Phuc Production and Trading Company Limited	Major shareholder
- Mr Pham Van Chien	Major shareholder
- Board of Management, Supervisory Board and General Director	Key management personnel

In addition to the information with related parties presented in the above Notes, the Company has the transactions during the period with related parties as follows:

Transactions during the period:

	Relation	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
		VND	VND
<b>Revenue from sale of clean water and raw water</b>		<b>101,024,018,234</b>	<b>105,069,549,247</b>
- Binh Duong Water Environment Joint Stock Company	Associate	101,024,018,234	105,069,549,247
<b>Purchase of goods, services</b>		<b>10,963,689,655</b>	<b>6,808,004,323</b>
- Binh Duong Water Environment Joint Stock Company	Associate	10,963,689,655	6,808,004,323
<b>Dividends, profits received</b>		<b>93,843,750,000</b>	-
- Binh Duong Water Environment Joint Stock Company	Associate	93,843,750,000	-

Transactions with other related parties:

Remuneration to members of Board of Management:

No.	Name	Tittle	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
			VND	VND
1	Mr. Nguyen Van Tri	Chairman	1,622,000,000	784,000,000
2	Mr. Vo Van Binh	Member	476,500,000	240,000,000
3	Mr. Nguyen Thanh Phong	Member	476,500,000	240,000,000
4	Mr. Nguyen Huu Nghia	Member	476,500,000	241,000,000
5	Ms. Nguyen Thi Dien	Member	476,500,000	240,000,000
			<b>3,528,000,000</b>	<b>1,745,000,000</b>

No.	Name	Tittle	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
			VND	VND
1	Ms. Nguyen Thi Ngoc Thanh	Head	591,500,000	316,000,000
2	Ms. Nguyen Thi Mong Thuong	Member	122,000,000	78,000,000
3	Ms. Le Bach Lien	Member	98,000,000	18,000,000
			<b>811,500,000</b>	<b>412,000,000</b>

Salary of General Director and other managers:

No.	Name	Tittle	From 01/01/2023 to 31/03/2023	From 01/01/2022 to 31/03/2022
			VND	VND
1	Mr. Tran The Hung	General Director	907,555,556	581,794,118
2	Mr. Nguyen Minh Duc	Deputy General Director	477,825,758	342,892,157
3	Mr. Nguyen Van Tan (Appointed on 21 March 2023)	Deputy General Director	15,840,000	-
			<b>1,401,221,314</b>	<b>924,686,275</b>

### 33 . CORRESPONDING FIGURES

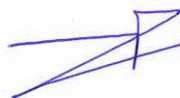
The comparative figures on the Statement of financial position and Notes are taken from the for the fiscal year ended as at 31 December 2022 which was audited by AASC Auditing Firm Company Limited. The comparative figures on the Statement of income, Statement of Cash flows and Notes are taken from the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

**Preparer**



**Dinh Thi Thuy Nga**

**Chief Accountant**



**Nguyen Duy Khang**

*Binh Duong, 18 April 2023*

**General Director**



**Tran The Hung**

