

No: 203/CV-NSBG

*Bac Giang, April 18, 2025*

**REGULAR DISCLOSURE OF FINANCIAL REPORTS**

Kính gửi: Sở giao dịch chứng khoán Hà Nội

In compliance with the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020, by the Ministry of Finance guiding the disclosure of information on the securities market, Bac Giang Clean Water Joint Stock Company hereby discloses the Independent Audit Report on the financial statements for the fiscal year ending on December 31, 2024, to the Hanoi Stock Exchange as follows:

1. **Organization Name:** Bac Giang Clean Water Joint Stock Company  
**Stock Code:** BGW  
**Address:** 386 Xuong Giang Street, Ngo Quyen Ward, Bac Giang City, Bac Giang Province  
**Phone:** 02043 855 757  
**Email:** capnuocbg@gmail.com – **Website:** bacgiangwsc.com.vn
2. Disclosure Information Content

- The audited financial statements for the first quarter of year 2025.

- Standalone Financial Statements (The parent company does not have any subsidiaries, and the higher-level accounting unit has affiliated units);
- Consolidated Financial Statements (The parent company has subsidiaries);
- Combined Financial Statements (The parent company has an affiliated accounting unit with a separate accounting system);

- Cases that require an explanation of the reasons:

+ The audit firm gives an opinion that is not an unqualified opinion on the financial statements (for the audited financial statements of 2025):

Yes  No

Explanatory document in cases where applicable:

Yes  No

+ The net profit after tax in the reporting period shows a difference of 5% or more before and after the audit, or changes from a loss to a profit or vice versa (for the audited financial statements of 2025):

Yes

No

Explanatory document in cases where applicable:

Yes

No

+ The net profit after corporate income tax in the income statement for the reporting period changes by 10% or more compared to the same period of the previous year?:

Yes

No

Explanatory document in cases where applicable:

Yes

No

+ The net profit after tax in the reporting period shows a loss, changing from a profit in the same period of the previous year to a loss in the current period, or vice versa:

Yes

No

Explanatory document in cases where applicable:

Yes

No

This information has been disclosed on the company's website on: .../.../2025 at the following link:

<https://bacgiangwsc.com.vn/category/quan-he-co-dong/bao-cao-tai-chinh/>

We hereby confirm that the disclosed information is accurate and take full responsibility before the law for the content of the disclosed information.

**Recipients:**

- As addressed;
- Archive: Clerical, Library./.

**Attached documents:**

- The financial statements for the first quarter of year 2025;
- Explanatory document on increase in after-tax profit compared to the same period last year.

**Legal Representative  
Chairman of the Board of Directors**



**Huong Xuan Cong**

**BAC GIANG CLEAN WATER JOINT STOCK COMPANY**

**FINANCIAL STATEMENTS  
QUARTER 1**

**YEAR 2025**

**BALANCE SHEET**  
**QUARTER 1 YEAR 2025**

Item	Code	Notes	Ending balance	Begining balance
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>	<b>100</b>		<b>79.033.248.441</b>	<b>86.026.534.234</b>
<b>Cash and cash equivalents</b>	<b>110</b>		<b>49.613.878.402</b>	<b>56.679.997.901</b>
Cash	111		7.579.063.479	5.075.531.930
Cash equivalents	112		42.034.814.923	51.604.465.971
<b>Investment in short-term financial</b>	<b>120</b>		-	-
Trading securities	121		-	-
Provision for devaluation of held for trading securities	122		-	-
Investments held to maturity	123		-	-
<b>Short-term receivables</b>	<b>130</b>		<b>21.362.659.512</b>	<b>21.013.640.079</b>
Receivables from customers	131		5.002.978.710	1.977.019.211
Advanced payments to suppliers	132		16.252.996.972	18.726.962.033
Intra-company current receivables	133		-	-
Receivables based on stages of construction contract schedu	134		-	-
Current loans receivable	135		-	-
Short-term other receivables	136		308.930.830	511.905.835
Provision for doubtful short-term debts receivables	137		(202.247.000)	(202.247.000)
Shortage of assets awaiting solution	139		-	-
<b>Inventories</b>	<b>140</b>		<b>8.056.710.527</b>	<b>8.332.896.254</b>
Inventories	141		8.056.710.527	8.332.896.254
Provision for devaluation of inventories	142		-	-
<b>Other current assets</b>	<b>150</b>		-	-
Short-term prepaid expenses	151		-	-
Value added tax deductible	152		-	-
Tax and other receivables from the State	153		-	-
Government bond trading transaction	154		-	-
Other current assets	155		-	-
<b>LONG TERM ASSETS</b>	<b>200</b>		<b>143.397.547.084</b>	<b>144.284.024.874</b>
<b>Long-term receivables</b>	<b>210</b>		-	-
Long-term trade receivables	211		-	-
Long-term advanced payments to suppliers	212		-	-
Working capital provided to sub-units	213		-	-
Intra-company long-term receivables	214		-	-
Long-term loan receivables	215		-	-
Other long-term receivables	216		-	-
Provision for long-term doubt debts	219		-	-
<b>Fixed assets</b>	<b>220</b>		<b>100.368.506.743</b>	<b>103.298.768.564</b>
Tangible fixed assets	221		100.368.506.743	103.298.768.564
- Historical cost	222		351.107.693.646	350.448.462.583
- Accumulated depreciation	223		(250.739.186.903)	(247.149.694.019)
Finance lease fixed assets	224		-	-

- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
Intangible assets	227		-	-
- Historical cost	228		579.777.977	579.777.977
- Accumulated amortization	229		(579.777.977)	(579.777.977)
<b>Investment properties</b>	<b>230</b>		-	-
- Historical cost	231		-	-
- Accumulated depreciation	232		-	-
<b>Long-term construction in progress</b>	<b>240</b>		<b>40.375.654.250</b>	<b>38.311.074.067</b>
Long term work in progress	241		-	-
Construction in progress	242		40.375.654.250	38.311.074.067
<b>Long-term financial investment</b>	<b>250</b>		-	-
Investments in subsidiaries	251		-	-
Investments in associates and joint-ventures	252		-	-
Investments in equity of other entities	253		-	-
Provision for long-term financial investments	254		-	-
Held to maturity investments	255		-	-
<b>Other long-term assets</b>	<b>260</b>		<b>2.653.386.091</b>	<b>2.674.182.243</b>
Long-term prepaid expenses	261		2.653.386.091	2.674.182.243
Deferred income tax assets	262		-	-
Long term equipment, supplies and spare parts for replacement	263		-	-
Other long-term assets	268		-	-
Commercial advantage	269		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>222.430.795.525</b>	<b>230.310.559.108</b>
<b>LIABILITIES</b>				
<b>LIABILITIES</b>	<b>300</b>		<b>27.675.439.379</b>	<b>37.581.821.506</b>
<b>Current liabilities</b>	<b>310</b>		<b>27.675.439.379</b>	<b>37.581.821.506</b>
Short-term payables	311		260.572.734	634.402.602
Short-term advances from customers	312		73.000.000	198.000.000
Taxes and statutory obligations	313		1.603.461.223	2.191.069.947
Payables to employees	314		5.365.636.300	13.374.319.900
Current payable expenses	315		18.831.279.882	19.415.231.819
Intra-Company current payables	316		-	-
Payables based on stages of construction contract schedule	317		-	-
Current unrealized revenue	318		-	-
Other current payables	319		419.222.002	303.000.000
Current loans and finance lease liabilities	320		-	-
Provision for current payables	321		-	-
Bonus and welfare fund	322		1.122.267.238	1.465.797.238
Price stabilization fund	323		-	-
Government bond purchased for resale	324		-	-
<b>Long-term liabilities</b>	<b>330</b>		-	-
Long-term payables	331		-	-
Long-term advances from customers	332		-	-
Long term payable expenses	333		-	-
Intra-company payables for operating capital received	334		-	-
Long-term internal payables	335		-	-
Long term unrealized revenue	336		-	-
Other long term payables	337		-	-
Long term loans and finance lease liabilities	338		-	-
Transition bonds	339		-	-

Preference stocks	340	-	-
Deferred income tax payable	341	-	-
Provision for long term payables	342	-	-
Science and technology development fund	343	-	-
<b>OWNERS' EQUITY</b>	<b>400</b>	<b>194.755.356.146</b>	<b>192.728.737.602</b>
<b>Capital</b>	<b>410</b>	<b>194.755.356.146</b>	<b>192.728.737.602</b>
Owners's invested equity	411	<b>181.494.460.205</b>	<b>181.494.460.205</b>
- Ordinary shares with voting rights	411a	181.494.460.205	181.494.460.205
- Preferred shares	411b	-	-
Capital surplus	412	-	-
Conversion option on convertible bonds	413	-	-
Owners' other capital	414	-	-
Treasury stocks	415	-	-
Differences upon asset revaluation	416	-	-
Exchange rate differences	417	-	-
Development investment fund	418	881.673.248	881.673.248
Enterprise reorganization assistance fund	419	-	-
Other equity fund	420	-	-
Undistributed profit after tax	421	<b>12.379.222.693</b>	<b>10.352.604.149</b>
<i>Undistributed profit after tax brought forward</i>	421a	10.352.604.149	13.620.772
<i>Undistributed profit after tax for the current period</i>	421b	2.026.618.544	10.338.983.377
Construction investment fund	422	-	-
Non-controlling interests	429	-	-
<b>Funds and other funds</b>	<b>430</b>	<b>-</b>	<b>-</b>
Funds	431	-	-
Funds that form fixed assets	432	-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>	<b>222.430.795.525</b>	<b>230.310.559.108</b>

Bac Giang, April 17, 2025

Preparer



TRAN DUC THANH

Chief accountant



NGUYEN THI PHUONG THAO



Director  
TRAN DANG DIEU

## INCOME STATEMENT QUARTER 1 YEAR 2025

Items	Code	Notes	This year current period	Previous year current period	Cumulative total from the beginning of the year to the end of this quarter (This year)	Cumulative total from the beginning of the year to the end of this quarter (Previous year)
1.Revenues from sale of goods and rendering of services	01		45.748.459.684	38.981.413.182	45.748.459.684	38.981.413.182
2.Deductions	02		-	-	-	-
3.Net revenues from sale of goods and rendering of services	10		45.748.459.684	38.981.413.182	45.748.459.684	38.981.413.182
4.Cost of goods sold	11		28.880.253.546	25.953.865.884	28.880.253.546	25.953.865.884
5.Gross profit from sale of goods and rendering of services	20		16.868.206.138	13.027.547.298	16.868.206.138	13.027.547.298
6.Income from financial activities	21		179.501.968	214.176.020	179.501.968	214.176.020
7.Expenses from financial activities	22		-	-	-	-
8.Share of profit or loss in associates and joint ventures	23		-	-	-	-
- In which: Interest expenses	24		-	-	-	-
9.Selling expenses	25		9.827.521.349	7.543.617.341	9.827.521.349	7.543.617.341
10.General and administration expenses	26		4.973.452.194	3.914.106.902	4.973.452.194	3.914.106.902
11.Operating profit( loss)	30		2.246.734.563	1.783.999.075	2.246.734.563	1.783.999.075
12.Other income	31		289.913.617	212.257.815	289.913.617	212.257.815
13.Other expenses	32		-	41.540.417	-	41.540.417
14.Other profit	40		289.913.617	170.717.398	289.913.617	170.717.398
15.Profit before tax	50		2.536.648.180	1.954.716.473	2.536.648.180	1.954.716.473
16.Corporate income tax	51		510.029.636	400.399.921	510.029.636	400.399.921
17.Chi phí thuế thu nhập doanh nghiệp hoãn lại	52		-	-	-	-
18.Profit after tax	60		2.026.618.544	1.554.316.552	2.026.618.544	1.554.316.552
18.1 Parent company's profit after tax	61		-	-	-	-
18.2 Profit after tax attributable to non-controlling interests	62		-	-	-	-
19.Basic earnings on shares	70		112	86	112	86
20. Interest decline on shares	71		-	-	-	-

Preparer



Tran Duc Thanh

Chief Accountant



Nguyen Thi Phuong Thao



Bac Giang, April 17, 2025

Tran Dang Dieu

**STATEMENT OF CASH FLOW (Under direct method)  
QUARTER 1 YEAR 2025**

Items	Code	Notes	Year-to-date as of this quarter (current year)	Year-to-date as of this quarter (previous year)
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Receipts from customers	01		47.514.789.331	42.195.205.649
2. Payments to suppliers	02		(25.548.228.184)	(25.955.075.099)
3. Payments to employees	03		(19.828.905.350)	(21.918.073.800)
4. Interest paid	04		-	-
5. Income taxes paid	05		(1.253.738.254)	(1.001.428.025)
6. Other receipts from business operations	06		1.219.543.318	1.150.749.765
7. Other payments from business operations	07		(7.840.336.609)	(7.075.996.092)
<b>Net cash from operating activities</b>	<b>20</b>		<b>(5.736.875.748)</b>	<b>(12.604.617.602)</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Cash outflows from purchasing of fixed assets and other long-term assets	21		(1.622.745.719)	(778.526.827)
2. Proceeds from disposals of fixed assets and other long-term assets	22		-	-
3. Cash payments to acquire shares or debentures of other enterprises	23		-	-
4. Cash receipts from sales of shares or debentures of other enterprises	24		-	10.224.383.600
5. Cash outflows from investing to other entities.	25		-	-
6. Proceeds from sales of investments in other entities	26		-	-
7. Proceeds from loan interest, dividend and profit sharing	27		293.501.968	131.792.420
<b>Net cash inflow( outflows) from investing activities</b>	<b>30</b>		<b>(1.329.243.751)</b>	<b>9.577.649.193</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>				
1. Cash inflows from issuing shares, receiving owner capital			-	-
2. Cash outflows from paying owners capital, repurchase share of equity	32		-	-
3. Proceeds from borrowings	33		-	-
4. Cash Repayments of borrowings	34		-	-
5. Payment of finance lease liabilities	35		-	-
6. Dividends paid	36		-	-
<b>Net cash flows from/(used in) investing activities</b>	<b>40</b>		<b>-</b>	<b>-</b>
<b>Net cash inflows/(outflows) (50=20+30+40)</b>	<b>50</b>		<b>(7.066.119.499)</b>	<b>(3.026.968.409)</b>
Cash and cash equivalents at the beginning of the year	60		56.679.997.901	31.291.148.161
Impact of exchange rate fluctuation	61		-	-
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>		<b>49.613.878.402</b>	<b>28.264.179.752</b>

Preparer



Tran Duc Thanh

Chief Accountant



Nguyen Thi Phuong Thao

Bac Giang, April 17, 2025



Director

Tran Dang Dieu



# **NOTE TO FINANCIAL STATEMENTS**

**For the accounting period from 01 January, 2025 to 31 March, 2025**

## **I. OPERATION FEATURES**

### **1. Forms of ownership**

Bac Giang Clean Water Joint Stock Company (hereinafter referred to as "Company") is a Joint Stock Company.

At the end of the first quarter of year 2025, Company contributed 100% of the charter capital.

### **2. Business sectors**

Manufacturing clean water, construction.

### **3. Business activities**

The main activity of the Company is:

- Producing and trading in clean water.
- Construction of water supply and drainage works, low voltage electrical works from 35KV or less.

### **4. The cycle of business**

Production cycle of normal business of the Company is not exceeding 12 months.

### **5. Statement on the comparability of information in the Financial Statements**

The accounting information and figures presented are comparative across different accounting periods.

### **6. Employees**

At the end of the first quarter of year 2025, the company had 270 employees are working.

## **II. ACCOUNTING PERIOD AND REPORTING CURRENCY**

### **1. Accounting period**

The company's fiscal year starts on 01 January and finishes on 31 December.

### **2. Reporting currency**

The standard currency unit used is Vietnam Dong (VND) because the revenues and expenditures are made primarily by currency VND.

## **III. ADOPTED ACCOUNTING POLICIES**

### **1. Applicable accounting policies**

The Company applied the accounting standards, corporate accounting regime of Vietnam issued Circular No. 200/2014/TT - BTC of December 22<sup>nd</sup>, 2014 and the circular guiding the implementation of accounting standards the Ministry of Finance in the preparation and presentation of financial statements.

Accordingly, the balance sheet, income statement, statement of cash flow and notes to the financial statements are presented together. The use of this report is not intended for subjects not provided information about accounting procedures, principles and practices in Viet Nam and over again is not intended to present the financial position, results of operations and cash flows in accordance with the accounting principles and practices general accepted in countries and territories outside Viet Nam.

## 2. Disclosed compliance with Vietnamese accounting standards and systems

The Board of Directors ensures compliance was required by the accounting standards, corporate accounting regime of Vietnam issued Circular No. 200/2014/TT - BTC of 22 December, 2014 as well as the circulars guiding the implementation of accounting standards by the Ministry of Finance in preparing the financial statements.

## IV. APPLIED ACCOUNTING POLICIES

### 1. Basic of financial statements making

The financial statements are prepared on the accrual accounting basis (except for information relating to cash flows).

### 2. Cash and cash equivalents

Cash includes cash, bank deposits with a term not and money in transit.

The cash equivalents are short-term investments with maturity or maturity not exceeding 3 months from the date of purchase (the original term is no more than 3 months), easily convertible to known amounts of cash and there is no risk in the transformation in value at the time of the report.

### 3. Financial investments

#### *Held-to-maturity investments*

Investments are classified as held to maturity when the Company has an intention and ability to hold until maturity. Held-to-maturity investments include: term bank deposits (including bills, promissory notes), bonds and preferred shares issued by the issuer required to be redeemed at a certain future time and maturity loans for the purpose of collecting interest and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost including purchase price and other costs related to the acquisition of investments. After initial receipt, these investments are recorded at recoverable value. Interest income from held-to-maturity investments after the acquisition date is recognized in the statement of income on an accrual basis. Interest earned before the Company holds is recorded as a deduction from the original price at the time of purchase.

When there is strong evidence that part or all of the investment may be irrecoverable and the amount of loss determined reliably, the loss is recorded as financial expense during the year and reduced direct deduction of investment value.

### 4. Account receivables

Accounts receivable are stated at book value minus the provision for bad debts.

The classification of receivables is trade receivables and other receivables shall comply with the following principles:

- Customer receivables reflects the nature of the receivables arising from commercial transactions to buy properties - selling between the Company and the buyer is a unit independent of the Company, including accounts receivable export sales of the money entrusted to other units.
- Intercompany receivables receivables reflect the subordinate units without legal personality dependent accounting.
- Other receivables reflects not commercial, not related to the purchase – sale.

Provision for bad debts is made based on the following principles:

The provision for bad debts is established for each receivable deemed difficult to collect, based on the aging of overdue debts or the estimated potential loss, specifically as follows:

- For overdue receivables:

- 30% of the value for receivables overdue from over 6 months to under 1 year.

- 50% of the value for receivables overdue from 1 year to under 2 years.
- 70% of the value for receivables overdue from 2 years to under 3 years.
- 100% of the value for receivables overdue for 3 years or more.
- For receivables not yet overdue but considered unlikely to be collected: the provision is made based on the estimated potential loss.

Increases or decreases in the balance of the provision for bad debts that need to be recognized as of the financial year-end are recorded in administrative expenses.

## 5. Inventories

Inventories are stated at the lower of cost and net realizable value are now.

The cost of inventories is determined as follows:

- Materials: including purchase costs and expenses directly related to incurred in bringing the inventories to the location and current status.
- Finished goods: including the cost of materials, direct labor and factory overhead costs related to allocated based on normal production.

Net realizable value means the estimated selling price of inventories in a normal production and business period minus (-) the estimated cost for completing the products and the estimated cost needed for their consumption.

The value of inventories is calculated according to the weighted average method and is accounted for using the perpetual inventory method.

Provision for decline in inventories is established for each item of inventory costs is higher than the net value realizable. Increase or decrease the balance of provision for impairment of inventories should be set aside at the end of the financial year is recognized in cost of goods sold.

## 6. Prepaid expenses

Prepaid expenses include the actual costs incurred, but is related to the results of operations and business of many accounting periods. Prepaid expenses of the Company include the following costs:

### *Tools*

Tools and instruments have been put into use are charged to expense under the straight-line method to allocate period not exceeding 3 years.

### *Repair costs of fixed assets*

The cost of repairing once-off assets of large value shall be amortized to the straight-line cost no more than 3 years.

## 7. Tangible assets

Tangible fixed assets are stated at cost less accumulated amortization. The historical cost of tangible fixed assets include all the expenses that the company incurs to get fixed assets as of the time the assets is put into a state ready for use. The cost incurred after the initial recognition is only recorded as increase in prices of fixed assets if these costs will undoubtedly lead to economic benefits in the future due to the use of these assets. The cost incurred are not satisfied these conditions are recognized as cost of production, sales in period.

When tangible fixed assets are sold or retired, their cost and accumulated depreciation are written off and profits and losses arising on disposal are recognized as income or expense in the year.

Tangible fixed assets are depreciated using the straight-line method based on estimated useful life. The depreciation years of the kind of tangible fixed assets as follows:

<u>Kind of tangible fixed assets</u>	<u>Number of years</u>
Houses and architectural objects	05 - 25 years
Machinery and equipment	03 - 15 years
Means of transport, conveyance equipment	06 - 30 years
Management equipment	03 - 10 years
Other tangible fixed assets	03 - 25 years

## 8. Intangible assets

Intangible fixed assets are stated at cost less accumulated amortization.

The historical cost of intangible fixed assets include all the expenses that the Company incurs to get fixed assets as of the time the asset is put into a state ready for use. Costs relating to intangible assets incurred after initial recognition are recognized as cost of production, sales in the period, unless these costs are associated with an intangible asset specific and increase economic benefits from these assets.

When intangible fixed assets are sold or retired, their cost and accumulated depreciation are written off and profits and losses arising on disposal are recognized as income or expense in the year.

### *The right to use land*

Land use rights are all the actual costs the company has spent directly related to land use, including money spent to have the right to use the land, the cost of compensation and site clearance, leveling, registration fees... Land use rights with definite term is amortized using the straight line method in 10 years according to the allocation of time (10 years). Land use rights is not amortized if it is indefinite term.

### *Software program*

The costs associated with computer software programs are not an integral part of capitalized related hardware. The cost of computer software is all the expenses paid by the Company by the time the software is put into use. Computer software is amortized on a straight-line basis over 5 years.

## 9. Construction in progress

Construction in progress represents direct costs (including related interest expenses in accordance with the Company's accounting policy) to the assets in progress, machinery and equipment are being installed for production, leasing and management purposes as well as expenses related to the ongoing repair of fixed assets. These assets are recorded at cost and are not amortized.

## 10. Account payable and accrued expense

The accounts payable and accrued expenses are recognized for amounts to be paid in the future related to the goods and services received. Accrued expenses are recognized based on a reasonable estimate of the amount due.

The classification is payable to payable to suppliers, accrued expenses and other payables are carried out in accordance with the following principles:

- Payable reflects payable commercial nature arising from purchases of goods and services, property and the seller is an independent unit with the Company, including amounts to be paid when imported through a trustee.
- Accrued expenses reflect the amounts payable for goods and services received from the seller or the buyer has provided but not paid due to no or insufficient billing records, accounting records and payable to employees on vacation wages, production costs, sales to accruals.
- Other payables reflects non-commercial, not related to the purchase, sale and supply of goods and services.

## 11. Owner's Equity

### *Owner's Equity*

Capital contributed by owners is recorded at the actual amount of capital contributed by the owners.

## 12. Profit Distribution

The profit after tax is distributed to the owner after appropriating funds in accordance with the Charter of the Company as well as the provisions of the law and approved by the General meeting of shareholders.

Profit distribution to owners considered that non-monetary items included in retained earnings might influence on cash flow and the ability to pay dividends such as gain from revaluation of assets contributed as capital and profit from revaluation of monetary items, financial instruments and other non-monetary items.

Profit is recorded as a liability after General meeting of shareholders.

## 13. Recognition of revenue and income

Revenue is recognized when the company has the ability to achieve the economic benefits can be identified with certainty. Revenue is determined by the fair value of the consideration received or receivable after deducting trade discounts, sales discounts and sales returns.

### *Revenue from selling clean water*

Revenue from sales of goods and finished products are recognized when simultaneously satisfy the following conditions:

- The Company has transferred substantially all risks and rewards associated with ownership of the goods to the buyer.
- Company no longer retains management of goods as cargo owners or control of goods.
- The revenue can be measured reliably. When the contract regulated that buyers can repay the goods purchased under specific conditions, the company has only recognized revenue when specific conditions no longer exist. Buyers can't repay goods (except customers has the right to repay goods in order to get other goods or services);
- The Company has obtained or will obtain economic benefits from the sale transaction.
- Determine the costs related to sales transactions.

### *Construction revenue and water meter installation revenue*

When the results of contract performance are estimated reliably:

- For construction contracts that require the contractor to be paid according to the value of the work performed, revenue and costs related to the contract recorded corresponding to the completed work which is confirmed by the customer and reflected on the invoice.

The increase and decrease of construction and installation volume, compensation and other revenues are recorded as revenue only when agreed with customers.

When the results of construction contracts cannot be estimated reliably, then:

- Revenue is only recognized as equivalent to the cost of the contract that has arisen but the return is relatively certain.
- The cost of the contract is only recorded as expenses when incurred.

The difference between the total accumulated revenue of a construction contract has been recognized and the accumulated amount recorded on the payment bill according to the contract schedule of the contract is recorded as receivable or payable according to the schedule of construction contracts.

### ***Interest***

Interest is recognized on an accrual basis, determined on the balance of deposit accounts and actual interest rates for each period.

#### **14. Deduction from gross revenue**

Deductions from gross revenue are reductions from gross revenue, comprising good return in the year.

#### **15. Cost of good sold**

Cost of goods sold is total cost of sourcing goods and other cost which is recorded to cost of goods sold and deduction from cost of goods.

#### **16. Selling and managing expense**

Selling and managing costs are all the expenses incurred on the sale of products, goods and service providers and the general management costs of the company.

#### **17. Corporating income tax**

##### ***Current income tax***

Current income tax is the tax amount is calculated based on taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting, non-deductible expenses as well as adjusted earnings are not taxed and losses transfer.

#### **18. Principles and methods of tax records and payments of the state budget**

- Value added tax: according to the deduction method
- Corporate income tax: Tax rate of 20%.
- Other taxes in accordance with current regulations at the time of annual tax payment.

#### **19. Segment reporting**

Parts of the business sector is a part that can be defined separately involved in the production or supply of products and services and has different risks and economic benefits than other business divisions.

Parts according to geographical area is part can determine the individual involved in the process of producing or providing products or services within an economic environment and specific risks and economic benefits different from business divisions in other economic environments.

#### **20. Related parties**

The parties are considered to be related if one party has the ability to control or significantly influence the other party in the decision-making of financial policies and activities. Parties are also considered to be related if they are subject to common control or common significant influences.

In considering the relationship of the parties involved, the nature of the relationship is more emphasis legal form.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE PRESENTATION SHEET (UNIT :VND)

1. Cash and Cash equivalents

Code	Item	31/03/2025	Beginning balance
1.1	Cash on hand	1.975.075.104	1.280.638.682
1.2	Cash at banks	5.603.988.375	3.794.893.248
1.3	Cash equivalents	42.034.214.923	51.604.465.971
<b>Total</b>		<b>49.613.278.402</b>	<b>56.679.997.901</b>

1.2 Cash at banks

Code	Item	31/03/2025	Beginning balance
1.2	Viet Nam Cash	<b>5.603.988.375</b>	<b>3.794.893.248</b>
1.2.1	BIDV Bac Giang	660.776.096	346.052.660
1.2.2	Agribank Bac Giang	2.044.621.340	1.814.452.373
1.2.3	Techcombank Bac Giang	797.830.822	221.126.118
1.2.4	Vietinbank Bac Giang	464.707.381	548.220.498
1.2.5	Vietcombank Bac Giang	1.635.491.012	864.480.151
1.2.6	Co-operative Bank of Vietnam - Bac Giang Branch	561.724	561.448
<b>Total</b>		<b>5.603.988.375</b>	<b>3.794.893.248</b>

1.3 Cash equivalents

Deposits with term of less than 3 months at banks, interest rates prescribed for each deposit contract. Details are as follow:

Code	Item	31/03/2025	Beginning balance
1.3.1	Term deposit with Agribank	6.112.551.800	6.078.075.200
1.3.2	Term deposit with Techcombank	16.875.164.361	19.479.809.124
1.3.3	Term deposit with Vietinbank	3.010.126.027	4.041.653.408
1.3.4	Term deposit with Vietcombank	4.278.462.163	7.264.685.363
1.3.5	Term deposit with BIDV	2.020.886.274	5.061.121.202
1.3.6	Term deposit with Co-operative Bank of Vietnam – Bac Giang Branch	5.215.123.626	5.177.850.479
1.3.7	Term deposit with Agribank – Yen Dung Branch	2.188.963.200	2.179.076.800
1.3.8	Term deposit with MSB – Bac Giang	2.333.537.472	2.322.194.395
<b>Tổng cộng</b>		<b>42.034.814.923</b>	<b>51.604.465.971</b>

2. Held-to-maturity investments

These are term deposits with a maturity of more than 3 months at a bank, with interest rates specified according to each deposit agreement.

- No transactions occurred during the period.

3. Short-term receivables of the customer

	31/03/2025	Beginning balance
Details are as follow:		
<b>Others receivable</b>	202.247.000	202.247.000
Luc Ngan 2 High School *	4.800.731.710	1.774.772.211
Others		
<b>Total</b>	<b>5.002.978.710</b>	<b>1.977.019.211</b>

(\*): The company has made a provision for bad debts

4. Advanced payments to suppliers

	31/03/2025	Beginning balance
Details are as follow:		
Minh Ngoc Investment-Construction-Import-Export Joint Stock Company (*)	2.600.000.000	2.600.000.000
Others	13.652.996.972	16.126.962.033
<b>Total</b>	<b>16.252.996.972</b>	<b>18.726.962.033</b>

(\*) This is an advance payment to the consulting contractor to implement the project of the No. 2 water plant.

5. Other shortterm receivables

Code	Item	31/03/2025	Beginning balance
5.1	Advance	40.000.000	98.500.000
5.2	Other shortterm receivable	268.930.830	413.405.835
	<b>Tổng cộng</b>	<b>308.930.830</b>	<b>511.905.835</b>

5.1 Advance

	31/03/2025	Beginning balance
Details are as follow:		
<b>Advance to related parties</b>	<b>40.000.000</b>	<b>98.500.000</b>
<b>Total</b>	<b>40.000.000</b>	<b>98.500.000</b>

5.2 Other shortterm receivable

	31/03/2025	Beginning balance
Details are as follow:		
<b>Receivable of related parties</b>	-	413.405.835
<b>Others receivable</b>		
Receivable of personal income tax	8.930.830	9.405.835
Pre-calculated interest on deposits with a term	0	114.000.000
Others	256.959.998	290.000.000
<b>Total</b>	<b>265.890.828</b>	<b>413.405.835</b>

6. Bad debt

	31/03/2025	Beginning balance
Details are as follow:		
<b>Receivable of related parties</b>	-	-
<b>Others receivable</b>		
Luc Ngan 2 High School	(202.247.000)	(202.247.000)
	(202.247.000)	(202.247.000)



7. Inventories

Mã số	Chỉ tiêu	31/03/2025		Beginning balance	
		Historical cost	Provision	Historical cost	Provision
7.1	Raw material, material	8.056.710.527		7.533.876.706	-
7.2	Tools and instruments			-	-
7.3	Work-in-progress (WIP) production costs			799.019.548	-
<b>Total</b>		<b>8.056.710.527</b>		<b>8.332.896.254</b>	

7.1 Raw material, materials

Inventory value of construction materials such as iron, steel ... and raw materials for water production such as chlorine, alum, chemical ...

8. Operating capital at affiliated units

Details are as follow:

Advance payments of the construction enterprise

31/03/2025	Beginning balance
-	-

9. Tangible fixed assets

Details are as follow:

Items	Houses and architectural objects	Machinery and equipment	Means of transport, conveyance equipment	Other fixed assets	Total
<b>I. Historical cost</b>					
1. Beginning balance	68.819.730.336	72.076.690.139	209.552.042.108	0	350.448.462.583
2. Increase in this period	-	516.420.000	147.061.097	0	663.481.097
- <i>New purchase</i>	-	516.420.000	147.061.097	0	663.481.097
3. Decrease in this period	-	-	4.250.034	-	4.250.034
- <i>Liquidation and disposal</i>	-	-	-	-	-
- <i>Other</i>	-	-	4.250.034	-	4.250.034
4. Ending balance	68.819.730.336	72.593.110.139	209.694.853.171	0	351.107.693.646
<b>II. Accumulated depreciation</b>					
1. Beginning balance	61.815.543.231	58.388.971.245	126.945.179.543	0	247.149.694.019
2. Increase in this period	903.481.667	1.093.977.377	1.592.033.840	0	3.589.492.884
- <i>Depreciation for this period</i>	903.481.667	1.093.977.377	1.592.033.840	0	3.589.492.884
- <i>Other</i>	-	-	-	-	-
3. Decrease in this year	-	-	-	-	-
- <i>Liquidation and disposal</i>	-	-	-	-	-
- <i>Other</i>	-	-	-	-	-
4. Ending balance	62.719.024.898	59.482.948.622	128.537.213.383	-	250.739.186.903
<b>III. Net book value</b>					
1. Beginning balance	7.004.187.105	13.687.718.894	82.606.862.565	-	103.298.768.564
2. Ending balance	6.100.705.438	13.110.161.517	81.157.639.788	-	100.368.506.743

In which: Unit does not bring any fixed assets to pledge or mortgage.

### 10. Intangible fix assets

Item	Land use rights	Water billing software	Total
<b>I. Historical costs</b>			
1. Beginning balance	519.777.977	60.000.000	579.777.977
2. Increase in this period	-	-	-
3. Decrease in this period	-	-	-
4. Balance at 31/03/2025	519.777.977	60.000.000	579.777.977
<b>II. Accumulated Amortization</b>			
1. Beginning balance	519.777.977	60.000.000	579.777.977
2. Increase in this period	-	-	-
- Depreciation for this period	-	-	-
3. Decrease in this period	-	-	-
4. Ending balance at 31/03/2025	519.777.977	60.000.000	579.777.977
<b>III. Net book value</b>			
1. Beginning balance	-	-	-
2. Balance at 31/03/2025	-	-	-

### 11. Basic construction costs

Details are as follow:	31/03/2025	Beginning balance
Project No. 2 water plant	12.002.822.443	12.002.822.443
Clean water supply system project for Ngoc Ly commune, Tan Yen district	10.738.939.716	10.284.049.021
Clean water supply system project for Tam Di commune and Tien Nha commune, Luc Nam district	17.232.163.883	15.541.698.263
Others	401.728.208	482.504.340
<b>Total</b>	<b>40.375.654.250</b>	<b>38.311.074.067</b>

### 12. Long-term prepaid expenses

Details are as follow:	31/03/2025	Beginning balance
Tools and instrument, Repair costs of fixed assets	2.653.386.091	2.674.182.243
<b>Total</b>	<b>2.653.386.091</b>	<b>2.674.182.243</b>

### 13. Short-term payables

Details are as follow:	31/03/2025	Beginning balance
<b>Others payables</b>	<b>260.572.734</b>	<b>634.402.602</b>
M&Q Construction Trading and Services Joint Stock Company	0	39.501.000
Dang Dung Construction and Trading Joint Stock Company	47.539.850	47.539.850
Other subjects	213.032.884	547.361.752
<b>Total</b>	<b>260.572.734</b>	<b>634.402.602</b>

14. Short-term advance payments from customers

Details are as follow:	31/03/2025	Beginning balance
Advance to related parties	-	-
Advanced to others	73.000.000	198.000.000
Others	73.000.000	198.000.000
<b>Total</b>	<b>73.000.000</b>	<b>198.000.000</b>

15. Taxes and amounts payable to the State

Details are as follow:	Beginning balance		Arising this year		At the end of 31/03/2025	
	Payable	Receivable	Payable in year	Paid in year	Payable	Receivable
VAT output	76.463.928		567.535.039	555.132.738	88.866.229	-
CIT	1.253.738.254		510.029.636	1.253.738.254	510.029.636	-
PIT	15.795.635		339.016.965	341.047.320	13.765.280	-
Resource tax	40.616.738		97.127.963	109.834.276	27.910.425	-
Domestic wastewater fee	804.455.392		2.501.282.697	2.342.848.436	962.889.653	-
Other tax	-		149.570.327	149.570.327	-	-
<b>Total</b>	<b>2.191.069.947</b>		<b>4.164.562.627</b>	<b>4.752.171.351</b>	<b>1.603.461.223</b>	<b>-</b>

*Value Added Tax*

The company applies the value-added tax (VAT) method of deduction. The VAT rates for various activities are as follows: The VAT rate for construction activities is 10% (from 01/07/2023, it will be 8%), the VAT rate for the supply of clean water is 5%, the VAT rate for providing services to export processing zones is 0%.

*Corporate Income Taxes*

Income from business activities must pay corporate income tax at the rate of 20%. The table of CIT estimates for the period is estimated as the following table:

	Q1/2025
Total accounting profit before tax	2.536.648.180
Adjustments to increase or decrease accounting profits to determine profits subject to enterprise income tax:	
- Adjustments increase	13.500.000
- Adjustments decrease	
Taxable income	2.550.148.180
Income is exempt from tax	20%
Losses of previous years were transferred	510.029.636
Tax calculation income	
Enterprise income tax rate	510.029.636
<i>Corporate income tax must be paid at the common tax rate</i>	
<i>The corporate income tax is different due to the application of other tax rates</i>	510.029.636

*Tax expense Corporate income is based on estimated taxable income that can be considered and adjusted when the tax authority finalizes it.*

*Resource tax*

Resource tax is calculated on the volume of raw water exploited in the year. The unit price for resource tax is VND 3.750/m<sup>3</sup>.

*Other taxes*

This includes fees for water extraction rights, business license tax, ....

**16. Payable to employees**

Details are as follow:	31/03/2025	Beginning balance
Salary	5.365.636.300	13.374.319.900
<b>Total</b>	<b>5.365.636.200</b>	<b>13.374.319.900</b>

**17. Short-term accrued expenses**

Details are as follow:	31/03/2025	Beginning balance
Advance deduction of depreciation costs for fixed assets of Doi Ngo water supply system, Luc Nam district	13.804.726.250	13.804.726.250
Others	5.026.553.632	5.610.505.569
<b>Total</b>	<b>18.831.279.882</b>	<b>19.415.231.819</b>

**18. Bonus and welfare fund**

Details are as follow:

Beginning balance	<b>1.465.797.238</b>
Increase due to deductions from profits	
Other increases	119.270.000
Fund expenditure	462.800.000
Other decreases	-
<b>Balance at 31/03/2025</b>	<b>1.122.267.238</b>

**19. Owning Capital**

*19a. Owning Capital Reconcile Table*

Items	Owner's Equity	Development investment fund	Revaluation surplus	Capital source for construction investment	Retained earning	Total
Balance at 1 January 2025	181.494.460.205	881.673.248	-	-	10.352.604.149	192.728.737.602
Increase in this period	-	-	-	-	2.026.618.544	2.026.618.544
+ Profit	-	-	-	-	2.026.618.544	2.026.618.544
+ Increase from profit distribution	-	-	-	-	-	-
Decrease in this period	-	-	-	-	-	-
+ Dividends payment	-	-	-	-	-	-
+ Provision for development investment fund	-	-	-	-	-	-
+ Other decreases	-	-	-	-	-	-
+ Provision for reward and welfare fund	-	-	-	-	-	-
Ending balance at 31/03/2025	181.494.460.205	881.673.248	-	-	12.379.222.693	194.755.356.146

### 19b. *Owning capital in detail*

Authorized Capital contribution status as follow:

#### *(\*)Owning capital sources*

<b>Owner</b>	<b>Ratio</b>	<b>31/03/2025</b>	<b>Beginning balance</b>
Capital contributed by the State	51%	92.562.490.205	92.562.490.205
DNP Hawaco JSC	24,99%	45.355.000.000	45.355.000.000
Huong Xuan Cong	1,29%	2.350.000.000	2.250.000.000
Tran Dang Dieu	0,55%	1.001.000.000	1.001.000.000
Others	22,16%	40.225.970.000	40.325.970.000
<b>Total</b>	<b>100%</b>	<b>181.494.460.205</b>	<b>181.494.460.205</b>

### 19c. *Shares*

Details are as follow:

	<b>31/03/2025</b>	<b>Beginning balance</b>
Number of shares sold to the public	18.149.446	18.149.446
- <i>Common shares</i>	-	-
- <i>Preferred shares</i>	-	-
Number of shares bought back	-	-
- <i>Common shares</i>	-	-
- <i>Preferred shares</i>	-	-
Number of outstanding shares	18.149.446	18.149.446
- <i>Common shares</i>	18.149.446	18.149.446
- <i>Preferred shares</i>	-	-
Outstanding shares par value (VND/share)	10.000	10.000

## VI. **ADDITION INFORMATION FOR ITEMS IN THE INCOME STATEMENT (UNIT: VND)**

### 1. **Sales and revenues**

#### *1a. Sales*

Details are as follow:

	<b>Q1/2025</b>	<b>Q1/2024</b>
Revenue from selling clean water in Bac Giang city	42.611.407.067	36.244.403.725
Revenue from water supply clean water factory Luc Nam	1.997.237.711	1.366.795.015
Construction revenue	1.139.814.906	1.370.214.442
<b>Total</b>	<b>45.748.459.684</b>	<b>38.981.413.182</b>

#### *1b. Sales revenue and service provision for related parties*

The company does not generate sales with related parties.

### 2. **The revenue deductions**

Details are as follow:

	<b>Q1/2025</b>	<b>Q1/2024</b>
Discount sales	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

3. **Cost of good sold**

Details are as follow:	Q1/2025	Q1/2024
Cost of goods sold for water production and construction	28.880.253.546	25.953.865.884
<b>Total</b>	<b>28.880.253.546</b>	<b>25.953.865.884</b>

4. **Financial Income**

Details are as follow:	Q1/2025	Q1/2024
Interest on savings deposits	179.501.968	214.176.020
<b>Total</b>	<b>179.501.968</b>	<b>214.176.020</b>

5. **Financial operating expenses**

Details are as follow:	Q1/2025	Q1/2024
Interest expenses	-	-
Foreign exchange losses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

6. **Selling expense**

	Q1/2025	Q1/2024
<b>Total</b>	<b>9.827.521.349</b>	<b>7.543.617.341</b>

7. **Administration expense**

	Q1/2025	Q1/2024
<b>Total</b>	<b>4.973.452.194</b>	<b>3.914.106.902</b>

8. **Other income**

Details are as follow:	Q1/2025	Q1/2024
Collected 10% (fee income is retained)	252.654.817	180.757.815
Other income	37.258.800	31.500.000
<b>Total</b>	<b>289.913.617</b>	<b>212.257.815</b>

9. **Other expense**

Details are as follow:	Q1/2025	Q1/2024
Remaining cost of fixed assets	-	41.540.417
Penalty cost	-	-
<b>Total</b>	<b>-</b>	<b>41.540.417</b>

10. **Basic interest on shares**

Item	Q1/2025	Q1/2024
- Accounting profit after corporate income tax	2.026.618.544	1.554.316.552
- Adjustments to increase or decrease accounting profits to determine profit or loss attributable to shareholders owning common shares:		
- <i>Deduction for bonus and welfare fund</i>	-	-
- Profit or loss attributable to shareholders owning		



common shares		
- Common shares outstanding Average during the period (share)	18.149.446	18.149.446
Basic interest on shares (dong /share)	112	86

Ordinary shares in issue during the quarter average is calculated as follows:

	Q1/2025	Q1/2024
Common shares are circulating at the beginning of the quarter	18.149.446	18.149.446
Influence of redemption of common shares	-	-
Influence of common shares issuing share surplus	-	-
Influence of ordinary shares issued from development investment fund	-	-
Influence of ordinary shares issued from undistributed after-tax profit	-	-
<b>Common shares outstanding average during the period</b>	<b>18.149.446</b>	<b>18.149.446</b>

#### 11. Production cost in elements

Details are as follow:	Q1/2025	Q1/2024
Material cost	4.203.904.920	5.286.524.231
Labor cost	12.027.167.550	8.321.392.377
Fixed asset depreciation	3.589.492.884	3.282.746.948
Outside purchasing services cost	10.737.297.781	9.234.416.957
Other expense in cash	13.123.363.954	11.286.509.614
<b>Total</b>	<b>43.681.227.089</b>	<b>37.411.590.127</b>

#### VII. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CASH FLOW STATEMENT (UNIT: VND)

##### 1. Transactions are not in cash

In Q1/2025, The company does not incur transactions without cash.

##### 2. Cash and cash equivalents which the Company holds but is not allowed to use

At 31/03/2025, The Company does not incur cash and cash equivalents which the Company holds but is not allowed to use.

#### VIII. OTHER INFORMATION (UNIT: VND)

##### 1. Potential assets

Company that does not have potential assets affecting the Financial Statements are required to have data adjustments or disclosures in the Financial Statements.

##### 2. Potential debt

Company that does not have potential debt affecting the Financial Statements are required to have data adjustments or disclosures in the Financial Statements.

### 3. Transaction and Balance with related parties

**Related parties of the Company include:** key management members and individuals related to key management members.

<b>Other related parties</b>	<b>Relationship</b>
DNP Hawaco JSC	Mr. Nguyen Trong Hieu has been a member of the Board of Management of Bac Giang Clean Water Joint Stock Company (BGW) since April 2024 and is concurrently the Chairman of the Board of Management of DNP Hawaco Joint Stock Company. DNP Hawaco JSC has also been a major shareholder of BGW since November 2024.

*Transactions with other related parties:*

<b>Related parties</b>	<b>Content</b>	<b>Transaction volume for Q1/2025</b>
DNP Hawaco JSC	Purchase	859.507.200
	Paid the supplier	859.507.200

### 3a. Transaction and Balance with main administrators and individuals related to main administrators

**The key management members include:** Members of the Board of managements and the Board of Directors.

- The company does not generate sales and provide services to key management members. Other transactions during the year have transactions on salaries, bonuses, allowances and dividends in the year for key management members

### 4. Segment reporting

Department information is presented by business sector and geographic area.

**Presentation of department reports according to business sector:**

During the quarter, the company's main business is selling clean water and installing water meters.

**Presentation of department reports according to geographic area:**

During the quarter, the entire operation of the Company is in Bac Giang province.

**5. The Company's continued ability to operate**

At the time of preparing the Financial Statements, there are no factors that could affect the Company's ability to continue as a going concern. Therefore, the Financial Statements for the first quarter of year 2025 (from 01<sup>st</sup> January, 2025 to 31<sup>st</sup> March, 2025) are based on the assumption that the Company operates continuously.

*Bac Giang, 17, April 2025*

**Prepared by**

**Chief Accountant**

**Director**



**TRAN DUC THANH**

**NGUYEN THI PHUONG THAO**

**TRAN DANG DIEU**