

# Southern Waterborne Transport Corporation

Consolidated financial statements

For the year end 31 December 2024



# Southern Waterborne Transport Corporation

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# Southern Waterborne Transport Corporation

## GENERAL INFORMATION

### THE COMPANY

Southern Waterborne Transport Corporation ("the Company") was formerly a State-owned enterprise established in accordance with Decision No. 2124/QD-TCCB-LD issued by the Ministry of Transport on 13 August 1996 and the Business Registration Certificate ("BRC") No. 4106000097 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 May 2005.

On 4 July 2008, the Company was equitized as a shareholding company in accordance with Decision No. 854/QD-TTg issued by the Prime Minister of the Socialist Republic of Vietnam. This equitization was formalized by the DPI of Ho Chi Minh City through the issuance of BRC No. 4103013615 on 9 June 2009 and its 2<sup>nd</sup> amendment on 26 April 2012.

On 26 April 2012, the Company obtained Enterprise Registration Certificate ("ERC") No. 0300447173 issued by the DPI of Ho Chi Minh City and its most recent 4<sup>th</sup> amendment on 4 January 2022.

The Company's principal activities are grouped into: inland waterway transport of cargo; cargo road transport by containers; agent services for transport; warehouses and commodity storage (including ICD, inland port); providing direct support services for road and waterway transport; goods loading, other support services related to transport; shipbuilding and float components; repairing and maintaining ships; preparing construction sites; doing business in real-estate, land use rights of owner, users or leased land; provision and management of labour resources; and truck tires commercial trading.

The Company's normal course of business cycle is 12 months.

The Company's registered head office is located at No. 298 Huynh Tan Phat Street, District 7, Ho Chi Minh City, Vietnam. In addition, it also has a branch which is Labour Export Center located at No. 2, Land 1 Le Van Huu Street, Ngo Thi Nham Ward, Hai Ba Trung District, Hanoi City.

### THE BOARD OF DIRECTORS

The Board of Directors ("BOD") during the year and at the date of this report consists of:

Mr Dang Doan Kien	Chairman
Mr Tran Tuan Anh	Member
Mr Dang Vu Thanh	Member

### THE BOARD OF SUPERVISION

The Board of Supervision during the year and at the date of this report consists of:

Mr Nguyen Mai Khanh Trinh	Head
Mr Nguyen Dang Truong	Member
Ms Dinh Thi Phuong Vy	Member

### MANAGEMENT

Management during the year and at the date of this report consists of:

Mr Dang Vu Thanh	General Director
Mr To Huu Hung	Deputy General Director
Mr Pham Hai Anh	Deputy General Director

# Southern Waterborne Transport Corporation

GENERAL INFORMATION (continued)

## **LEGAL REPRESENTATIVE**

The legal representative of the Company during the period and at the date of this report was Mr Dang Vu Thanh.

## **AUDITOR**

The auditor of the Company is Ernst & Young Vietnam Limited.

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# Southern Waterborne Transport Corporation

## REPORT OF MANAGEMENT

Management of Southern Waterborne Transport Corporation ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2024.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group, and of the consolidated results of its operation and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and for ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

For and on behalf of management: ✓

  
  
Dang Vu Thanh  
General Director

Ho Chi Minh City, Vietnam

24 March 2025

Reference: 11844509/67739281/HN

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Southern Waterborne Transport Corporation**

We have audited the accompanying consolidated financial statements of Southern Waterborne Transport Corporation ("the Company") and its subsidiaries (collectively referred to as the "Group"), as prepared on 24 March 2025 and set out on pages 6 to 48, which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

Management is responsible for the preparation and fair presentation of the Group's consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

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

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

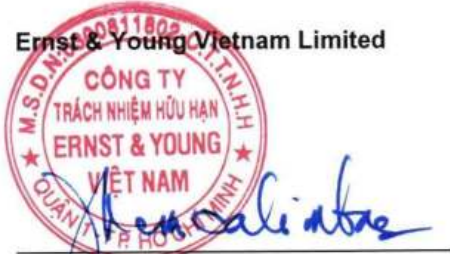
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**Opinion**

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

**Ernst & Young Vietnam Limited**



Maria Cristina M. Calimbas  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 1073-2023-004-1



Ngo Thi Thuy Hoa  
Auditor  
Audit Practicing Registration Certificate  
No. 4171-2022-004-1

Ho Chi Minh City, Vietnam

24 March 2025

ERNST & YOUNG

CONSOLIDATED BALANCE SHEET  
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>689,174,563,125</b>	<b>625,551,098,143</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>426,221,094,240</b>	<b>394,456,896,544</b>
111	1. Cash		61,221,094,240	49,456,896,544
112	2. Cash equivalents		365,000,000,000	345,000,000,000
<b>120</b>	<b>II. Short-term investment</b>	<b>5</b>	<b>60,920,000,000</b>	<b>66,920,000,000</b>
123	1. Held-to-maturity investment		60,920,000,000	66,920,000,000
<b>130</b>	<b>III. Current accounts receivable</b>	<b>6</b>	<b>193,685,345,653</b>	<b>160,512,571,676</b>
131	1. Short-term trade receivables		131,066,776,403	117,406,011,615
132	2. Short-term advances to suppliers		19,672,207,218	36,422,328,233
135	3. Short-term loan receivables	27	25,000,000,000	-
136	3. Other short-term receivables		35,017,097,400	24,005,361,128
137	5. Provision for short-term doubtful receivables	6.2	(17,070,735,368)	(17,321,129,300)
<b>140</b>	<b>IV. Inventory</b>		<b>5,831,256,801</b>	<b>1,611,404,294</b>
141	1. Inventory		5,831,256,801	1,611,404,294
<b>150</b>	<b>V. Other current assets</b>		<b>2,516,866,431</b>	<b>2,050,225,629</b>
151	1. Short-term prepaid expenses	8	1,366,889,733	2,049,237,386
152	2. Deductible value-added tax	14	1,141,976,692	988,243
153	3. Tax receivable from the State		8,000,006	-
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,477,201,110,070</b>	<b>1,320,673,549,380</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>7,071,450,000</b>	<b>7,066,450,000</b>
216	1. Other long-term receivables	7	7,071,450,000	7,066,450,000
<b>220</b>	<b>II. Fixed assets</b>		<b>837,437,137,183</b>	<b>703,152,876,124</b>
221	1. Tangible fixed assets	9	808,911,352,324	693,486,133,204
222	Cost		1,381,321,134,233	1,107,555,863,758
223	Accumulated depreciation		(572,409,781,909)	(414,069,730,554)
227	2. Intangible assets	10	28,525,784,859	9,666,742,920
228	Cost		32,803,991,832	10,761,545,000
229	Accumulated amortization		(4,278,206,973)	(1,094,802,080)
<b>240</b>	<b>III. Long-term asset in progress</b>		<b>41,706,093,437</b>	<b>72,798,990,457</b>
242	1. Construction in progress	11	41,706,093,437	72,798,990,457
<b>250</b>	<b>IV. Long-term investments</b>		<b>585,522,833,538</b>	<b>533,511,213,047</b>
252	1. Investment in joint venture and associates	12.1	584,709,708,899	532,698,088,408
253	2. Investment in other entities	12	813,124,639	813,124,639
<b>260</b>	<b>V. Other long-term assets</b>		<b>5,463,595,912</b>	<b>4,144,019,752</b>
261	1. Long-term prepaid expenses	8	3,929,773,324	2,724,370,819
262	2. Deferred tax assets	26.3	1,533,822,588	1,419,648,933
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,166,375,673,195</b>	<b>1,946,224,647,523</b>



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>268,064,235,964</b>	<b>263,688,870,991</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>193,985,248,749</b>	<b>172,808,777,676</b>
311	1. Short-term trade payables	13.1	71,256,631,072	56,905,175,161
312	2. Short-term advances from customers	13.2	470,643,058	26,062,391,481
313	3. Statutory obligations	14	12,670,428,542	15,289,334,826
314	4. Payable to employees		18,797,884,848	18,855,729,686
315	5. Short-term accrued expenses	15	3,754,349,967	1,868,740,239
318	6. Short-term unearned revenue		1,180,000,000	950,000,000
319	7. Other short-term payables	16	24,662,867,081	34,782,681,186
320	8. Short-term loans	18	56,725,612,422	13,093,705,555
321	9. Short-term provision	17	1,063,675,238	165,287,799
322	10. Bonus and welfare fund	3.14	3,403,156,521	4,835,731,743
<b>330</b>	<b>II. Non-current liabilities</b>		<b>74,078,987,215</b>	<b>90,880,093,315</b>
337	1. Other long-term payables	16	11,161,000,000	13,997,856,000
338	2. Long-term loans	18	59,983,208,965	73,398,480,315
342	3. Long-term provision	3.12	2,934,778,250	3,483,757,000
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,898,311,437,231</b>	<b>1,682,535,776,532</b>
<b>410</b>	<b>I. Owners' equity</b>		<b>1,898,311,437,231</b>	<b>1,682,535,776,532</b>
411	1. Share capital	19.1	671,000,000,000	671,000,000,000
411a	- Ordinary shares with voting rights		671,000,000,000	671,000,000,000
414a	2. Other owners' capital	19.1	530,450,206	530,450,206
414b	3. Consolidation reserve	19.1	(54,497,407,794)	-
418	4. Investment and development fund	19.1	18,113,801,578	18,113,801,578
420	5. Other funds belonging to owners' equity	19.6	49,565,919,026	49,565,919,026
421	6. Undistributed earnings	19.1	1,210,786,398,564	940,140,253,506
421a	- Undistributed earnings as at prior year-end		936,137,211,594	722,005,872,458
421b	- Earnings of current year		274,649,186,970	218,134,381,048
429	7. Non-controlling interests	19.7	2,812,275,651	3,185,352,216
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>2,166,375,673,195</b>	<b>1,946,224,647,523</b>

  
Phạm Quang Minh  
Preparer

  
Trịnh Văn Quy  
Chief Accountant

  
Đặng Vũ Thành  
General Director

Ho Chi Minh City, Vietnam

24 March 2025

CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	20.1	1,151,290,481,902	824,072,620,031
11	2. Cost of goods sold and services rendered	21	(912,923,470,025)	(638,373,043,870)
20	3. Gross profit from sale of goods and rendering of services		238,367,011,877	185,699,576,161
21	4. Finance income	20.2	49,398,905,222	68,460,834,785
22	5. Finance expenses	22	(7,733,606,446)	(9,782,036,002)
23	<i>In which: Interest expense</i>		(7,619,609,187)	(7,699,107,421)
24	6. Share in profit of associates	12.1	52,011,620,491	24,309,369,623
25	7. Selling expenses		(161,552,155)	-
26	8. General and administrative expenses	23	(25,103,845,059)	(18,772,086,982)
30	9. Operating profit		306,778,533,930	249,915,657,585
31	10. Other income	25	15,976,044,385	18,283,174,039
32	11. Other expenses		(573,765,538)	(1,041,375,094)
40	12. Other profit		15,402,278,847	17,241,798,945
50	13. Accounting profit before tax		322,180,812,777	267,157,456,530
51	14. Current corporate income tax expense	26.1	(47,940,415,746)	(40,166,161,634)
52	15. Deferred tax income	26.3	114,173,655	1,452,346,896
60	16. Net profit after corporate income tax		274,354,570,686	228,443,641,792
61	17. Profit after tax attributable to shareholders of the parent		274,191,846,809	228,227,187,703
62	18. Profit after tax attributable to non-controlling interests	19.7	162,723,877	216,454,089
70	19. Basic earnings per share	19.4	4,086	3,386
71	20. Diluted earnings per share	19.4	4,086	3,386

  
Pham Quang Minh  
Preparer

  
Trinh Van Quy  
Chief Accountant

  
Dang Vu Thanh  
General Director

Ho Chi Minh City, Vietnam

24 March 2025

CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Accounting profit before tax</b>		<b>322,180,812,777</b>	<b>267,157,456,530</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	9,10	81,528,563,965	70,762,717,654
03	Reversal of provisions		(250,393,932)	(10,025,256)
04	Foreign exchange (gains) losses arisen from revaluation of monetary accounts denominated in foreign currency		(373,646,520)	1,405,009,013
05	Profit from investing activities		(104,051,927,486)	(92,090,039,554)
06	Interest expense	22	7,619,609,187	7,699,107,421
<b>08</b>	<b>Operating income before changes in working capital</b>		<b>306,653,017,991</b>	<b>254,924,225,808</b>
09	Decrease (increase) in receivables		54,462,469,091	(13,017,383,900)
10	(Decrease) increase in inventories		(4,219,852,507)	3,435,522,610
11	Decrease in payables		(42,166,880,453)	(7,804,170,084)
12	(Decrease) increase in prepaid expenses		(425,367,161)	1,264,015,328
14	Interest paid		(7,619,609,187)	(7,699,107,421)
15	Corporate income tax paid	14	(51,287,817,769)	(33,579,287,497)
17	Other cash outflows for operating activities		(5,429,817,134)	(5,345,718,715)
<b>20</b>	<b>Net cash flows from operating activities</b>		<b>249,966,142,871</b>	<b>192,178,096,129</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(58,144,254,884)	(65,526,442,477)
22	Proceeds from disposal of fixed assets		-	1,355,454,546
23	Loans to other entities and placements in bank term deposits		(78,636,219,178)	(12,174,000,000)
24	Proceeds from bank term deposits		15,211,219,178	19,353,718,170
25	Acquisition of subsidiaries		(101,249,906,000)	(12,728,800,000)
26	Proceeds from sale of investment in other entity		-	3,000,000,000
27	Interest and dividends received		36,161,149,273	54,361,729,108
<b>30</b>	<b>Net cash flows used in investing activities</b>		<b>(186,658,011,611)</b>	<b>(12,358,340,653)</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
34	Repayment of borrowings	18	(31,783,206,086)	(18,973,966,065)
36	Dividends paid	19.5	(83,499,181)	(80,344,725)
<b>40</b>	<b>Cash flows used in financing activities</b>		<b>(31,866,705,267)</b>	<b>(19,054,310,790)</b>
<b>50</b>	<b>Net increase in cash and cash equivalents for the year</b>		<b>31,441,425,993</b>	<b>160,765,444,686</b>
<b>60</b>	<b>Cash and cash equivalents at beginning of year</b>		<b>394,456,896,544</b>	<b>233,682,154,614</b>
61	Impact of foreign exchange rate fluctuation		322,771,703	9,297,244
<b>70</b>	<b>Cash and cash equivalents at end of year</b>	<b>4</b>	<b>426,221,094,240</b>	<b>394,456,896,544</b>



Pham Quang Minh  
Preparer



Trinh Van Quy  
Chief Accountant



Dang Vu Thanh  
General Director

Ho Chi Minh City, Vietnam

24 March 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2024 and for the year then ended

**1. CORPORATE INFORMATION**

The Group comprises Southern Waterborne Transport Corporation and subsidiaries, and its jointly venture and associates. Details are as follows:

***The Company***

Southern Waterborne Transport Corporation ("the Company") was formerly a State-owned enterprise established in accordance with Decision No. 2124/QD-TCCB-LD issued by the Ministry of Transport on 13 August 1996 and Business Registration Certificate ("BRC") No. 4106000097 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 May 2005.

On 4 July 2008, the Company was equitized as a shareholding company in accordance with Decision No. 854/QD-Tagis issued by the Prime Minister of the Socialist Republic of Vietnam. This equitization was formalized by the DPI of Ho Chi Minh City through the issuance of BRC No. 4103013615 on 9 June 2009 and its 2<sup>nd</sup> amendment on 26 April 2012.

On 26 April 2012, the Company obtained Enterprise Registration Certificate No. 0300447173 issued by the DPI of Ho Chi Minh City and its most recent 4<sup>th</sup> amendment on 4 January 2022.

The Company's principal activities are grouped into: inland waterway transport of cargo; cargo road transport by containers; agent services for transport; warehouses and commodity storage (including ICD, inland port); providing direct supporting services for road and waterway transport; goods loading, other support services related to transport; shipbuilding and float components; repairing and maintaining ships; preparing construction sites; doing business in real-estate, land use rights of owner, users or leased land; provision and management of labour resources; and truck tires commercial trading.

The Company's normal course of business cycle is 12 months.

The Company's registered head office is located at 298 Huynh Tan Phat Street, District 7, Ho Chi Minh City, Vietnam. In addition, it also has a branch which is Labour Export Censer located at No. 2, Land 1 Le Van Huu Street, Ngo Thi Nham Ward, Hai Ba Trung District, Hanoi City.

As at 31 December 2024, the Company has four (4) subsidiaries and three (3) joint venture and associates, with details as follows:

<i>Company</i>	<i>Location</i>	<i>Business</i>	<i>Ownership</i> %	<i>Voting</i> <i>right</i> %
<b><i>Subsidiaries</i></b>				
Sowatco Tri Phuong Joint Stock Company ("SWCTP") (*)	Bac Ninh	Port services	99.997	99.997
Engineering Construction Joint Stock Company ("ECCO") (**)	Ho Chi Minh	Building civil engineering works, house rental	96.18	96.18
Can Tho Shipyard Joint Stock Company ("Can Tho Shipyard")	Can Tho	Shipbuilding and float components	70.00	70.00
Southern Waterway Mechanic And Engineering Services Joint Stock Company ("SOWATMES")	Ho Chi Minh	Building civil engineering works	51.00	51.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

1. CORPORATE INFORMATION (continued)

- (\*) On 27 August 2024, the Company completed its purchase of the shares of SWCTP according to Board Resolution No. 08/SWC/NQ-HĐQT signed on 18 June 2024 under joint control with ITL Group Joint Stock Company ("ITL"). The Company's ownership ratio in SWCTP is 99.997%. Cash consideration was paid to ITL. The carrying value of the net assets of SWCTP at the acquisition date was VND 21,920,524,909, and the carrying value of the additional interest acquired was VND 43,000,000,000. The difference of VND 54,497,407,794 between the consideration and the carrying value of the interest acquired has been recognised in consolidation reserve.
- (\*) On 24 and 25 June 2024, the Group acquired all the additional issued shares by ECCO, equivalent to a 2.84% interest in the voting shares, increasing its ownership interest to 99.02% as of this date. Cash consideration was paid to ECCO. The carrying value of the net assets of ECCO Company (excluding goodwill on the original acquisition) at the acquisition date was VND 46,228,674,538, and the carrying value of the additional interest acquired was VND 45,771,990,000. The difference of VND 456,684,538 between the consideration and the carrying value of the interest acquired has been recognised in undistributed earnings.

<i>Company</i>	<i>Location</i>	<i>Business</i>	<i>Ownership</i> %	<i>Voting</i> <i>right</i> %
<b><i>Joint venture and associates</i></b>				
Dong Nai Port Joint Stock Company ("PDN")	Dong Nai	Port services	20.25	20.25
First Logistics Development Joint Venture Company ("VICT")	Ho Chi Minh	Building and operating a container port, performing freight forwarding and container transportation services for customers	37.00	37.00
Southern Waterways General Services Joint Stock Company ("SOWATCOSER")	Ho Chi Minh	Other supporting services related to transport	26.27	26.27

The number of the Group's employees as at 31 December 2024 was 532 (31 December 2023: 542).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 2. BASIS OF PREPARATION

### 2.1 *Applied accounting standards and system*

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND") are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position, the consolidated results of operations and consolidated cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal system.

### 2.3 *Fiscal year*

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

### 2.4 *Accounting currency*

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

### 2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, and highly liquid investments with an original maturity of less than three (3) months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

#### 3.2 *Inventories*

Inventories are measured at historical cost comprising cost of purchase incurred in bringing the inventories to their present location and condition.

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

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories which are valued at the cost of purchase on a weighted average method.

Increases or decreases to the provision balance are recorded as the cost of goods sold in the consolidated income statement.

##### *Provision for obsolete inventories*

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, merchandise and other inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

#### 3.3 *Receivables*

Receivables are presented in the consolidated balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the difference between the provision for doubtful receivables previously made and historical cost of receivables is included in the consolidated income statement.

#### 3.4 *Fixed assets*

Tangible fixed assets and intangible assets are stated at cost less accumulated depreciation and amortisation.

The cost of a fixed asset comprises its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use. Expenditures for additions and improvements are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.4 Fixed assets (continued)

##### *Land use rights (continued)*

Land use rights are recorded as intangible assets representing the value of the right to use the lands acquired by the Group. The useful lives of land use rights are assessed as either definite or indefinite. Accordingly, land use right with definite useful life representing the land lease is amortised over the lease term while land use right with indefinite useful life is not amortised.

#### 3.5 Depreciation and amortisation

Depreciation and amortisation of fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 – 50 years
Machinery and equipment	4 – 10 years
Means of transportation	6 – 15 years
Office equipment	3 – 7 years
Software	8 years

#### 3.6 Construction in progress

Construction in progress represents tangible fixed assets under construction and is stated at cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into use.

#### 3.7 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recognised as an expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

#### 3.8 Prepaid expenses

Prepaid expenses are reported as either short-term or long-term prepaid expenses in the consolidated balance sheet and amortised over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

#### 3.9 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

#### 3.10 Business combination

##### *Business combination involving entities under common control*

A business combination involving entities under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations involving entities under common control are accounted for as follows:

- ▶ The assets and liabilities of the two combined entities are reflected at their carrying amounts on the date of business combination;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.10 *Business combination* (continued)

- ▶ No goodwill is recognised from the business combination;
- ▶ The consolidated income statement reflects the results of the combined entities from the date of the business combination; and
- ▶ Any difference between the consideration paid and the net assets of the acquiree is recorded in equity (*Note 19.1*).

#### 3.11 *Investments*

##### *Investment in associates*

Investment in associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, investment in associates is carried in the consolidated balance sheet at cost

The share in post-acquisition profit (loss) of the associates is presented on the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting year and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

##### *Investment in joint venture*

The Group's investment in jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post joint venture changes in the Group's share of net assets of the jointly controlled entity. The consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

The share in profit (loss) of the jointly controlled entity is presented on the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from jointly controlled entity reduces the carrying amount of the investment.

The financial statements of the jointly controlled entity are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

##### *Investment in other entities*

Investment in other entities is stated at acquisition cost.

##### *Held-to-maturity investment*

Held-to-maturity investment is stated at acquisition cost. After initial recognition, held-to-maturity investment is measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the consolidated income statements and deducted against the value of such investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 *Investments (continued)*

##### *Held-to-maturity investment*

Held-to-maturity investment is stated at acquisition cost. After initial recognition, held-to-maturity investment is measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the consolidated income statements and deducted against the value of such investment.

##### *Provision for diminution in value of investments*

Provision for diminution in value of the investments is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

#### 3.12 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked for more than 12 months at Group/Corporation. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation is adjusted at the end of each reporting year following the average monthly salary of the last 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employees upon termination of their labour contract following Article 46 of the Labour Code.

#### 3.13 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual exchange rates ruling at the date of the transaction, determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rate of the commercial bank designated for collection; and
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rate of the commercial bank designated for payment.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet date, determined as follows:

- ▶ Monetary assets are translated at the buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.14 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to the reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

##### *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operations or of in-depth investments.

##### *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

##### *Dividends*

Final dividends proposed by the Group's Board of Directors are classified as an allocation of undistributed earnings within the equity section of the consolidated balance sheet, until they have been approved by the Group's shareholders at the annual general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability in the consolidated balance sheet.

#### 3.15 Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

#### 3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

##### *Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

##### *Rendering of services*

Revenue is recognised when the services had been performed and completed.

##### *Interest income*

Interest is recognized on an accrual basis based on the time and actual interest rate for each period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.16 Revenue recognition (continued)

##### *Rental income*

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term in the consolidated income statement.

##### *Dividends*

Dividend is recognized when Company is entitled to receive dividends.

#### 3.17 Taxation

##### *Current income tax*

Current income tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

##### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.17 *Taxation* (continued)

##### *Deferred tax* (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### 3.18 *Segment information*

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. The Group's business segments are derived mainly from rendering of freight forwarding and logistic services; shipbuilding and float components; construction works; labour export activities; commercial trading; and investment activities which are mainly taking place within Vietnam.

#### 3.19 *Related parties*

Parties are considered to be related parties of the Group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

#### 4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	3,229,553,126	4,884,379,932
Cash at banks	57,991,541,114	44,572,516,612
Cash equivalents	<u>365,000,000,000</u>	<u>345,000,000,000</u>
<b>TOTAL</b>	<b><u>426,221,094,240</u></b>	<b><u>394,456,896,544</u></b>

Cash equivalents represent short-term deposits in VND at commercial banks with original maturities of less than three (3) months and interest at rates ranging from 3.8% to 4% per annum.

#### 5. SHORT-TERM INVESTMENT

The balance comprises bank deposits in VND with remaining maturity of twelve (12) months and interest at 5.3% per annum. Term deposit at Vietnam Joint stock Commercial Bank for Industry and Trade - Ho Chi Minh Branch amounting to VND 50,000,000,000 was pledged as collateral for the Company's long-term bank loans (*Note 18.1*).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 6. CURRENT ACCOUNTS RECEIVABLE

### 6.1 Details of current accounts receivable

	VND	
	Ending balance	Beginning balance
<b>Short-term trade receivables</b>	<b>131,066,776,403</b>	<b>117,406,011,615</b>
<i>In which:</i>		
<i>Related parties (Note 27)</i>	32,700,435,950	32,069,294,468
<i>MSC Mediterranean Shipping Company S.A</i>	21,655,716,225	11,190,121,918
<i>Tan Cang – Cai Mep International Terminal</i>		
<i>Company Limited</i>	19,366,074,468	16,171,007,049
<i>CMA-CGM VIET NAM JSC</i>	8,555,006,294	12,271,206,070
<i>Tan Cang – Cai Mep Internation Terminal</i>		
<i>Company Limited (TCTT)</i>	3,914,980,306	7,543,403,883
<i>Other customers</i>	44,874,563,160	38,160,978,227
<b>Short-term advances to suppliers</b>	<b>19,672,207,218</b>	<b>36,422,328,233</b>
<i>In which:</i>		
<i>Related party (Note 27)</i>	53,720,317	-
<i>Duy Tuong Technical Service Trading</i>		
<i>Co., Ltd</i>	5,392,400,000	4,928,000,000
<i>Thin Hung Construction Co., Ltd</i>	4,800,000,000	3,200,000,000
<i>Other suppliers</i>	9,426,086,901	28,294,328,233
<b>Other short-term receivables</b>	<b>35,017,097,400</b>	<b>24,005,361,128</b>
<i>In which:</i>		
<i>Related parties (Note 27)</i>	25,085,113,571	12,713,200,000
<i>Interest receivable</i>	1,674,821,917	1,639,311,259
<i>Receivable from agencies for payroll and</i>		
<i>social insurance of crew members</i>	1,438,140,774	1,930,101,698
<i>Others</i>	6,819,021,138	7,722,748,171
<b>Provision for doubtful short-term receivables</b>	<b>(17,070,735,368)</b>	<b>(17,321,129,300)</b>
<b>NET</b>	<b><u>168,685,345,653</u></b>	<b><u>160,512,571,676</u></b>

### 6.2 Provision for doubtful short-term receivables

Movements of provision for doubtful short-term receivables were as follows:

	VND	
	Current year	Previous year
Beginning balance	17,321,129,300	17,331,154,556
Provision made during the year	99,606,068	289,974,744
Reversal of provision during the year	(350,000,000)	(300,000,000)
Ending balance	<u>17,070,735,368</u>	<u>17,321,129,300</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**6. CURRENT ACCOUNTS RECEIVABLE (continued)**

**6.3 Doubtful short-term receivables**

	VND			
	<u>Ending balance</u>		<u>Beginning balance</u>	
	Cost	Recoverable amount	Cost	Recoverable amount
747 Engineering Construction and Trading Joint Stock Company	6,463,918,325	-	6,463,918,325	-
Huu Le Trading Service Company Limited	3,027,910,886	-	3,027,910,886	-
Son Hong Cement Company Limited	1,000,000,000	-	1,000,000,000	-
Others	6,934,783,916	355,877,759	7,185,177,848	355,877,759
<b>TOTAL</b>	<b><u>17,426,613,127</u></b>	<b><u>355,877,759</u></b>	<b><u>17,677,007,059</u></b>	<b><u>355,877,759</u></b>

**7. OTHER LONG-TERM RECEIVABLES**

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deposit for port lease	7,000,000,000	7,000,000,000
Others	71,450,000	66,450,000
<b>TOTAL</b>	<b><u>7,071,450,000</u></b>	<b><u>7,066,450,000</u></b>

Deposit for port lease was made to South Logistics Joint Stock Company, the parent company's owner, to lease ICD Sotrans port area located at Truong Tho Ward, Thu Duc City, Ho Chi Minh City from 1 January 2021 until another agreement becomes effective (Note 27).

**8. LONG-TERM PREPAID EXPENSES**

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
<b>Short-term</b>	<b>1,366,889,733</b>	<b>2,049,237,386</b>
Spare parts, tools and equipment	1,124,586,680	1,850,491,672
Insurance fee	106,260,000	106,260,000
Office rental fees	92,485,714	92,485,714
Others	43,557,339	-
<b>Long-term</b>	<b>3,929,773,324</b>	<b>2,724,370,819</b>
Spare parts, tools and equipment	3,929,773,324	2,564,132,069
Business restructuring service fees in relation to loans	-	160,238,750
<b>TOTAL</b>	<b><u>5,296,663,057</u></b>	<b><u>4,773,608,205</u></b>

# Southern Waterborne Transport Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 9. TANGIBLE FIXED ASSETS

	Buildings and structures	Means of transportation (*)	Machinery and equipment	Office equipment	VND Total
<b>Cost:</b>					
Beginning balance	577,773,054,463	349,063,924,938	180,139,941,463	578,942,894	1,107,555,863,758
Acquisition of subsidiary	62,077,297,412	103,802,809,552	38,226,561,407	-	204,106,668,371
New purchases	-	-	3,508,333,331	37,695,286	3,546,028,617
Transfer from CIP	-	80,447,881,960	-	-	80,447,881,960
Disposal	(14,470,649,800)	-	-	-	(14,470,649,800)
Other increase	135,341,327	-	-	-	135,341,327
Ending balance	625,515,043,402	533,314,616,450	221,874,836,201	616,638,180	1,381,321,134,233
<i>In which:</i>					
Fully depreciated	23,561,665,494	29,166,320,071	11,295,781,667	578,942,894	64,602,710,126
<b>Accumulated depreciation:</b>					
Beginning balance	165,541,318,348	175,450,865,948	72,498,603,364	578,942,894	414,069,730,554
Increase due to purchase of subsidiary	20,393,316,252	58,176,387,044	13,610,027,849	-	92,179,731,145
Depreciation	24,764,642,978	41,167,524,721	14,628,261,007	4,188,368	80,564,617,074
Disposal	(14,404,296,864)	-	-	-	(14,404,296,864)
Ending balance	196,294,980,714	274,794,777,713	100,736,892,220	583,131,262	572,409,781,909
<b>Net carrying amount:</b>					
Beginning balance	412,231,736,115	173,613,058,990	107,641,338,099	-	693,486,133,204
Ending balance	429,220,062,688	258,519,838,737	121,137,943,981	33,506,918	808,911,352,324

(\*) Means of transportation with total carrying amount of VND 77,843,096,772 as at 31 December 2024 were pledged as collateral for the Group's long-term bank loans (Note 18.1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 10. INTANGIBLE ASSETS

	<i>Land use rights (*)</i>	<i>Software</i>	<i>VND Total</i>
<b>Cost:</b>			
Beginning balance	5,202,345,000	5,559,200,000	10,761,545,000
Increase due to purchase of subsidiary	19,517,446,832	-	19,517,446,832
Transfer from CIP	-	1,850,000,000	1,850,000,000
New purchases	-	675,000,000	675,000,000
Ending balance	<u>24,719,791,832</u>	<u>8,084,200,000</u>	<u>32,803,991,832</u>
<b>Accumulated amortisation:</b>			
Beginning balance	-	1,094,802,080	1,094,802,080
Increase due to purchase of subsidiary	2,219,458,002	-	2,219,458,002
Amortisation for the year	<u>177,901,063</u>	<u>786,045,828</u>	<u>963,946,891</u>
Ending balance	<u>2,397,359,065</u>	<u>1,880,847,908</u>	<u>4,278,206,973</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>5,202,345,000</u>	<u>4,464,397,920</u>	<u>9,666,742,920</u>
Ending balance	<u>22,322,432,767</u>	<u>6,203,352,092</u>	<u>28,525,784,859</u>

(\*) As at 31 December 2024, The Group has land use rights located at the following:

- No. 1461 Nguyen Van Linh Street, Tan Phong Ward, District 7, Ho Chi Minh City in accordance with the house sale and purchase contract dated 20 June 2009 with Phu My Hung Development Corporation ("PMH") with historical cost of VND 2,535,120,000. As at the date of these consolidated financial statements, the land use right is in the process of being transferred from PMH to the Group.
- No. 298 Huynh Tan Phat Street, Tan Thuan Tay Ward, District 7, Ho Chi Minh City in accordance with the house sale and purchase contract dated 7 July 1999 with historical cost of VND 2,667,225,000.

On 21 July 2011, the Group obtained Decision No. 3573/QĐ-UBND issued by the People's Committee of Ho Chi Minh City approving the Group to continuously use this land as its office with land use fee and authorising the Finance Department of Ho Chi Minh City to determine the land use fee to be paid by the Group.

On 24 December 2014, the Group obtained Proposal No. 572/TTr-TVC-HD TDGTP issued by the Specialist team to the Appraiser Council of Ho Chi Minh City to consider and approve the land use fee estimated at VND 11,185,314,538. Up to the date of these consolidated financial statements, no further instructions or documents from relevant authorities in connection with the determination of land use fee payable nor the issuance of land use right had been received. Accordingly, management is of the opinion that the ultimate outcome of the matter cannot be presently determined; hence, no provision for any liability which may arise has been recognised in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**11. CONSTRUCTION IN PROGRESS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cost of 2 ships 299 TEUs	41,535,241,537	71,433,138,557
Construction and upgrade cost of ships	82,000,000	82,000,000
eBMS software	-	925,000,000
Others	88,851,900	358,851,900
<b>TOTAL</b>	<b><u>41,706,093,437</u></b>	<b><u>72,798,990,457</u></b>

**12. LONG-TERM INVESTMENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investment in joint venture and associates (Note 12.1)	584,709,708,899	532,698,088,408
Investment in other entities	813,124,639	813,124,639
<b>TOTAL</b>	<b><u>585,522,833,538</u></b>	<b><u>533,511,213,047</u></b>
Provision for dimunition in value of investment	(2,885,001,306)	-
<b>NET</b>	<b><u>582,637,832,232</u></b>	<b><u>533,511,213,047</u></b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 13. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

#### 13.1 Short-term trade payables

	VND	
	Ending balance	Beginning balance
Third party suppliers	55,894,522,154	35,063,857,509
<i>Phuoc An Service Co., Ltd</i>	10,080,242,262	6,306,003,414
<i>Thinh Phat Logistic Trading Co., Ltd</i>	8,759,999,782	5,228,144,509
<i>Ban Mai Media &amp; Communication Co., Ltd</i>	5,472,615,559	5,007,617,944
<i>Focus ASC Construction Trading Service Co., Ltd</i>	3,514,299,502	-
<i>An Huy Consultant and Services JSC</i>	3,242,999,997	-
<i>Warehouse Solutions Trading Service Co., Ltd</i>	2,097,166,500	-
<i>Thang Long Import export Service Trading and Fire Fighting Prevention Equipment Co., Ltd</i>	2,058,252,638	-
<i>Other suppliers</i>	20,668,945,914	18,522,091,642
Related parties (Note 27)	15,362,108,918	21,841,317,652
<b>TOTAL</b>	<b><u>71,256,631,072</u></b>	<b><u>56,905,175,161</u></b>

#### 13.2 Short-term advances from customers

	VND	
	Ending balance	Beginning balance
Third parties	160,393,435	427,624,314
Related parties (Note 27)	310,249,623	25,634,767,167
<b>TOTAL</b>	<b><u>470,643,058</u></b>	<b><u>26,062,391,481</u></b>

### 14. STATUTORY OBLIGATIONS

	VND			
	Beginning balance	Increase during the year	Decrease during the year	Ending balance
<b>Payables</b>				
Corporate income tax	11,963,798,188	47,940,415,746	(51,287,817,769)	8,616,396,165
Value-added tax	2,956,867,320	45,466,526,315	(45,025,628,072)	3,397,765,563
Personal income tax	368,669,318	3,066,234,794	(2,778,637,298)	656,266,814
Others	-	11,679,750,250	(11,679,750,250)	-
<b>TOTAL</b>	<b><u>15,289,334,826</u></b>	<b><u>108,152,927,105</u></b>	<b><u>(110,771,833,389)</u></b>	<b><u>12,670,428,542</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**14. STATUTORY OBLIGATIONS (continued)**

	VND			
	<i>Beginning balance</i>	<i>Increase during the year</i>	<i>Decrease during the year</i>	<i>Ending balance</i>
<b>Receivables</b>				
Value-added tax	988,243	17,008,102,126	(15,867,113,677)	1,141,976,692
Others	-	144,676,235	(136,676,229)	8,000,006
<b>TOTAL</b>	<b>988,243</b>	<b>17,152,778,361</b>	<b>(16,003,789,906)</b>	<b>1,149,976,698</b>

**15. SHORT-TERM ACCRUED EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cost of construction and installation services	2,253,109,562	-
External services	1,410,566,485	1,424,557,463
Others	90,673,920	444,182,776
<b>TOTAL</b>	<b>3,754,349,967</b>	<b>1,868,740,239</b>

**16. OTHER PAYABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Payable to crew members	6,159,413,938	3,850,348,450
Payable to shipping companies	-	3,211,991,813
Unearned revenue	-	2,673,558,937
Insurance for crew members	-	1,112,339,756
Deposits received	-	1,111,705,000
Others	14,209,236,519	22,822,737,230
Related party ( <i>Note 27</i> )	4,294,216,624	-
	<u>24,662,867,081</u>	<u>34,782,681,186</u>
<b>Long-term</b>		
Deposit in relation to the Business Cooperation Contract (*)	10,000,000,000	10,000,000,000
Deposits for house and yard rental	1,161,000,000	1,211,000,000
Deposits received from crew members	-	2,786,856,000
	<u>11,161,000,000</u>	<u>13,997,856,000</u>
<b>TOTAL</b>	<b>35,823,867,081</b>	<b>48,780,537,186</b>

(\*) This represents deposit received from Vietnam Electrical Equipment Joint Stock Company ("GELEX") under the Business Cooperation Contract ("BCC") dated 10 September 2020 with GELEX to jointly implement all related works and procedures as well as maintain the rights and benefits from Property Rights at 02B, Street 13, Long Binh Ward, Thu Duc City, Ho Chi Minh City. According to the BCC, the Group has to pay interest on deposit received amounting to VND 1.3 billion per annum from the date that the Group received the deposit in 2020 until the Group hands over the land to implement the works under the BCC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**17. SHORT-TERM PROVISION**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Maintenance warranty for construction	<u>1,063,675,238</u>	<u>165,287,799</u>

**18. LOANS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Loan from related party (Note 27)	43,803,961,996	-
Current portion of long-term loans	<u>12,921,650,426</u>	<u>13,093,705,555</u>
	56,725,612,422	13,093,705,555
<b>Long-term</b>		
Bank loans	<u>59,983,208,965</u>	<u>73,398,480,315</u>
<b>TOTAL</b>	<b><u>116,708,821,387</u></b>	<b><u>86,492,185,870</u></b>

Movements of loans were as follows:

	VND		
	<i>Short-term loans</i>	<i>Long-term loans</i>	<i>Total</i>
Beginning balance	13,093,705,555	73,398,480,315	86,492,185,870
Acquisition of subsidiary	43,803,961,996	-	43,803,961,996
Transfer to current portion	13,111,150,957	(13,111,150,957)	-
Repayment of loans	(13,283,206,086)	-	(13,283,206,086)
Foreign exchange difference	-	(304,120,393)	(304,120,393)
Ending balance	<u>56,725,612,422</u>	<u>59,983,208,965</u>	<u>116,708,821,387</u>



# Southern Waterborne Transport Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 18. LOANS (continued)

### 18.1 Long-term bank loans

The Group obtained long-term loans under the framework financing agreements (Loan Agreement No. 2613-VIE and No. 2614-VIE on 8 October 2010) between the Vietnamese Government and Asian Development Bank ("ADB") to finance the project under the State-owned Enterprise Reform and Corporate Governance Facilitation Program and the Group's projects, with details as follows:

Bank	Purpose of loans	Ending balance		Repayment term	Interest rate	Description of collateral
		VND	Original amount USD			
<b>Vietnam Development Bank – Headquarters II</b>						
Ordinary Operations Loan Agreement ("OCR Loan")	To finance the Company's financial and corporate restructuring projects	41,654,631,486	1,715,804	Principal and interest are payable on a semi-annual basis falling on 15 May and 15 November, starting from 2015 to 2034	LIBOR + the difference at each time notified by ADB (currently at 1.5% p.a.)	Means of transportation with carrying amounts as at 31 December 2024 of VND 3,044,975,453 (Note 10) and term bank deposit valued at VND 50,000,000,000 (Note 6)
Special Operation Loan Agreement ("ADF Loan")	To finance the Company's operational restructuring and strengthening projects	5,081,623,768	209,318	Principal and interest are payable on a semi-annual basis falling on 15 May and 15 November, starting from 2018 to 2041	1% p.a. on grace period and 1.5% p.a. on principal repayment period (1%)	

# Southern Waterborne Transport Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 18. LOANS (continued)

### 18.1 Long-term bank loans (continued)

Bank	Purpose of loans	Ending balance		Repayment term	Interest rate	Description of collateral
		VND	Original amount USD			
<b>Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch</b>						
Loan - VND	To finance investment in 2 ships with 250 TEUs Project	5,027,750,598	-	Principal is payable on a three-month basis falling on interest payment date, starting from 2019 to 2025	9% p.a. for the first 2 years from 31 January 2020; 3% p.a. plus the basis rate for the 3rd to 7th year;	Means of transportation with carrying amount as at 31 December 2024 of VND 25,330,000,046 (Note 10)
Loan - VND	To finance investment in machinery and equipment for the Long Binh Port Project	21,140,853,539	-	Loan interest is payable on a monthly basis falling on the 25 <sup>th</sup> each month Principal is payable on 31 January 2030 Loan interest is payable on a monthly basis falling on the 25 <sup>th</sup> each month	Then, 3.5% p.a. plus the basis rate for subsequent years 9% p.a. for the first 2 years from the first drawdown date (2018). Then, 3% p.a. plus the basis rate for subsequent years	Means of transportation with carrying amount as at 31 December 2024 of VND 49,468,121,273 (Note 10)

**TOTAL** 72,904,859,391 1,925,122

In which:

Non-current portion 59,983,208,965 1,825,949  
Current portion 12,921,650,426 99,173

## Southern Waterborne Transport Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 19. OWNERS' EQUITY

#### 19.1 Movements in owners' equity

	Share capital	Other owners' capital	Investment and development fund	Other funds belonging to owners' equity	Consolidation reserve	Undistributed earnings	Total	VND
<b>Previous year</b>								
Beginning balance	671,000,000,000	530,450,206	18,113,801,578	49,565,919,026	-	726,312,453,050	1,465,522,623,860	
Net profit for the year	-	-	-	-	-	228,227,187,703	228,227,187,703	
Acquisition of non-controlling interests	-	-	-	-	-	(9,455,039,989)	(9,455,039,989)	
Bonus and other remuneration of the Board of Directors	-	-	-	-	-	(2,711,904,504)	(2,711,904,504)	
Bonus and welfare fund distribution	-	-	-	-	-	(2,232,442,754)	(2,232,442,754)	
Ending balance	671,000,000,000	530,450,206	18,113,801,578	49,565,919,026	-	940,140,253,506	1,679,350,424,316	
<b>Current year</b>								
Beginning balance	671,000,000,000	530,450,206	18,113,801,578	49,565,919,026	-	940,140,253,506	1,679,350,424,316	
Net profit for the year	-	-	-	-	-	274,191,846,809	274,191,846,808	
Acquisition of subsidiary	-	-	-	-	(54,497,407,794)	-	(54,497,407,794)	
Acquisition of non-controlling interests	-	-	-	-	-	457,340,161	457,340,161	
Bonus and other remuneration of the Board of Directors	-	-	-	-	-	(2,525,549,134)	(2,525,549,134)	
Bonus and welfare fund distribution	-	-	-	-	-	(1,477,492,778)	(1,477,492,778)	
Ending balance	671,000,000,000	530,450,206	18,113,801,578	49,565,919,026	(54,497,407,794)	1,210,786,398,564	1,895,499,161,579	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 19. OWNERS' EQUITY (continued)

### 19.2 Shareholders

	<i>Ending balance</i>		
	<i>Number of ordinary share</i>	<i>Charter capital amount (VND)</i>	<i>% ownership</i>
Sotrans Infrastructure Investment One-member Company Limited	56,625,000	566,250,000,000	84.39
South Logistics Joint Stock Company	6,000,000	60,000,000,000	8.94
Others	4,475,000	44,750,000,000	6.67
<b>TOTAL</b>	<b>67,100,000</b>	<b>671,000,000,000</b>	<b>100.00</b>

### 19.3 Shares

	<i>Number of shares</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Ordinary shares authorised to be issued	67,100,000	67,100,000
Ordinary shares issued and fully paid	67,100,000	67,100,000

The par value of each outstanding share: VND 10,000. Shareholders holding ordinary shares of the Company are entitled to receive dividends declared by the Company. Each ordinary share represents a voting right without restriction.

### 19.4 Earnings per share

	<i>Current year</i>	<i>Previous year (As restated)</i>
Net profit after tax attributable to ordinary equity holders of the parent (VND)	274,191,846,809	228,227,187,703
Less: Bonus and welfare fund (VND) (i)	-	(1,029,568,886)
<b>Net profit after tax attributable to ordinary equity holders (VND)</b>	<b>274,191,846,809</b>	<b>227,197,618,817</b>
Weighted average number of ordinary shares	67,100,000	67,100,000
Earnings per share (VND/share)		
- Basic earnings per share	4,086	3,386
- Diluted earnings per share	4,086	3,386

(i) Profit used to compute earnings per share for the year ended 31 December 2024 was not adjusted for the allocation to bonus and welfare fund as the Resolution of the Shareholders' meeting approving the distribution of the profit after tax for the current year is not yet available.

Profit used to compute earnings per share for the year ended 31 December 2023 was adjusted for the allocation to bonus and welfare fund in accordance with the Resolution of the 2024 Annual General Meeting of Shareholders No. 01/SWC/NQ-DHDCC dated 19 June 2024.

There are no potential dilutive ordinary shares during the year and up to the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**19. OWNERS' EQUITY (continued)**

**19.5 Dividends**

	VND	
	Current year	Previous year
Dividends paid during the year	<u>65,708,900</u>	<u>61,929,725</u>
<i>In which:</i>		
Dividends paid to non-controlling interests	60,670,000	60,670,000
Dividends paid to owners	5,038,900	1,259,725

**19.6 Other funds belonging to owners' equity**

	VND	
	Current year	Previous year
Capital expenditures for Long Binh Port's project	47,725,378,239	47,725,378,239
Equitisation fund	<u>1,840,540,787</u>	<u>1,840,540,787</u>
<b>TOTAL</b>	<b><u>49,565,919,026</u></b>	<b><u>49,565,919,026</u></b>

**19.7 Non-controlling interests**

	VND	
	Current year	Previous year
Beginning balance	3,185,352,216	6,318,608,138
Net profit for the year	162,723,877	216,454,089
Dividends paid	(60,670,000)	(60,670,000)
Acquisition of non-controlling interests	(457,340,161)	(3,273,760,011)
Funds distribution	<u>(17,790,281)</u>	<u>(15,280,000)</u>
Ending balance	<u>2,812,275,651</u>	<u>3,185,352,216</u>

**20. REVENUES**

**20.1 Net revenue from sale of construction and rendering of services**

	VND	
	Current year	Previous year
Rendering of services	928,277,041,615	770,271,180,198
Sale of construction	<u>223,013,440,287</u>	<u>53,801,439,833</u>
<b>TOTAL</b>	<b><u>1,151,290,481,902</u></b>	<b><u>824,072,620,031</u></b>
<i>In which:</i>		
Other customers	905,760,172,424	688,445,430,049
Related parties	245,530,309,478	135,627,189,982



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

20. REVENUES (continued)

20.2 Finance income

	VND	
	Current year	Previous year
Dividends and share in profits	33,160,000,000	54,906,149,400
Interest income	15,865,258,702	13,554,685,385
Foreign exchange difference gains	373,646,520	-
<b>TOTAL</b>	<b><u>49,398,905,222</u></b>	<b><u>68,460,834,785</u></b>

21. COST OF CONSTRUCTION AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of services rendered	713,392,411,546	588,004,965,868
Cost of construction	199,531,058,479	50,368,078,002
<b>TOTAL</b>	<b><u>912,923,470,025</u></b>	<b><u>638,373,043,870</u></b>

22. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expense	7,619,609,187	7,699,107,421
Foreign exchange gains	-	1,405,009,013
Loss on disposal of investment	-	561,349,400
Others	113,997,259	116,570,168
<b>TOTAL</b>	<b><u>7,733,606,446</u></b>	<b><u>9,782,036,002</u></b>

23. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Labour costs	13,916,083,130	9,375,329,227
External services	2,637,219,430	2,480,561,585
Depreciation and amortisation	768,965,517	514,275,852
Reversal of provision for doubtful receivables	(250,393,932)	(10,025,256)
Others	8,031,970,914	6,411,945,574
<b>TOTAL</b>	<b><u>25,103,845,059</u></b>	<b><u>18,772,086,982</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 24. OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
External services	625,112,220,415	414,234,645,334
Labour costs	119,911,691,118	100,604,803,566
Depreciation and amortization (Notes 9 and 10)	81,710,052,902	70,762,717,654
Raw materials	92,963,365,949	58,539,030,959
Others	18,329,984,700	13,003,933,339
<b>TOTAL</b>	<b><u>938,027,315,084</u></b>	<b><u>657,145,130,852</u></b>

## 25. OTHER INCOME

	VND	
	<i>Current year</i>	<i>Previous year</i>
Compensation from suppliers	8,032,738,682	870,386,795
Compensation land	7,861,946,490	16,057,332,698
Proceeds from disposal of fixed assets	-	1,355,454,546
Others	81,359,213	-
<b>TOTAL</b>	<b><u>15,976,044,385</u></b>	<b><u>18,283,174,039</u></b>

## 26. CORPORATE INCOME TAX

The statutory corporate income tax rate applicable to the Company and its subsidiaries is 20% of taxable income.

The Company and its subsidiaries' tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

### 26.1 CIT expense

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current tax expense	47,940,415,746	40,166,161,634
Deferred tax income	(114,173,655)	(1,452,346,896)
<b>TOTAL</b>	<b><u>47,826,242,091</u></b>	<b><u>38,713,814,738</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**26. CORPORATE INCOME TAX** (continued)

**26.1 CIT expense** (continued)

Reconciliation between the CIT expense and the accounting profit multiplied by CIT rate is presented below:

	<i>Current year</i>	<i>Previous year</i>
		<i>VND</i>
<b>Accounting profit before tax</b>	<b><u>322,180,812,777</u></b>	<b><u>267,157,456,530</u></b>
At applicable CIT rate of 20%	64,436,162,555	53,431,491,306
<i>Adjustments:</i>		
CIT-exempt income	(6,632,000,000)	(10,981,229,880)
Share in gain of associates	(10,402,324,098)	(4,861,873,925)
Non-deductible expenses	103,145,821	208,275,018
Others	<u>321,257,813</u>	<u>917,152,219</u>
<b>CIT expense</b>	<b><u>47,826,242,091</u></b>	<b><u>38,713,814,738</u></b>

**26.2 Current tax**

The current tax payable is based on taxable income for the year. Taxable income differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**26. CORPORATE INCOME TAX** (continued)

**26.3 Deferred tax**

The deferred tax asset items recognised by the Group and their movements are as follows:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
				VND
Unrealised profit	764,085,090	791,153,355	(27,068,265)	791,153,355
Provisions	586,955,650	696,751,400	(109,795,750)	23,142,375
Consolidation	253,823,501	-	253,823,501	-
Depreciation difference	-	2,785,831	(2,785,831)	(74,218,714)
Provision for investments devaluation	-	-	-	712,269,880
Provision for short-term bad receivables	(71,041,653)	(71,041,653)	-	-
<b>Deferred tax assets</b>	<b><u>1,533,822,588</u></b>	<b><u>1,419,648,933</u></b>		
<b>Deferred tax expense to income statement</b>			<b><u>114,173,655</u></b>	<b><u>1,452,346,896</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 27. RELATED PARTY DISCLOSURES

List of related parties with control relationship and transactions with the Company during the year and as at 31 December 2024 is as follows:

<i>Related party</i>	<i>Relationship</i>
Indo Trans Logistic Corporation	Ultimate parent company
Sowatco Tri Phuong Joint Stock Company	Subsidiary (from 27 August 2024 - formerly Affiliate)
ITL Logistics Da Nang Company Limited	Affiliate
South Logistic Joint Stock Company	Parent company's owner
First Logistics Development Joint Venture Company	Jointly-controlled entity
Southern Waterways General Services Joint Stock Company ("SOWATCOSER")	Associate
Dong Nai Port Joint Stock Company	Associate
Sotrans Logistics One Member Co., Ltd	Affiliate (*)
Vietranstimex Multimodal Transport Holding Company	Affiliate (*)
South Port Joint Stock Company	Affiliate (*)
ITL Logistics Company Limited – Northside Branch	Related party
ITL Logistics Joint Stock Company	Affiliate
Bac Ky Investment Joint Stock Company	Related party
Branch of ITL Joint Stock Company in Central	Affiliate
MLC ITL Logistics - Ha Noi Branch	Affiliate
ITL Binh Duong Company Limited	Affiliate
ITL VSIP Company Limited	Affiliate

(\*) These are affiliates within the Group consisting of South Logistics Joint Stock Company and its subsidiaries.

### *Terms and conditions of transactions with related parties*

Related party transactions include all transactions undertaken with other companies to which the Group is related, either through the investor, investee relationship or because they share a common investor and thus are considered to be a part of the same corporate company. Sales and purchases to/from related parties are made on the basis of negotiated contracts. Outstanding balances at year-end are unsecured and settlement occurs in cash.

Sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Transactions with related parties were approved by the Company's Board of Directors in accordance with Resolution No. 01/SWC/NQ-DHDCĐ dated 19 June 2024 and presented in the Corporate Governance Report of 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**27. RELATED PARTY DISCLOSURES** (continued)

Significant transactions with related parties were as follows:

Related party	Transaction	Current year	VND
			Previous year
Indo Trans Logistics Corporation	Buying shares	101,049,906,000	-
	Rendering of services	-	12,465,743,339
	Purchase of tools and supplies	-	120,069,668
Bac Ky Investment Joint Stock Company	Rendering of services	96,161,553,216	1,241,825,000
	Services received	-	4,445,000,000
ITL VSIP Company Limited	Rendering of services	80,485,503,058	-
South Logistic Joint Stock Company	Services received	64,692,838,464	63,933,261,948
	Rendering of services	42,760,403,505	79,807,400
	Purchase of materials	-	645,773,181
	Received on behalf	-	8,703,704
Sowatco Tri Phuong Joint Stock Company	Lending	44,425,000,000	-
	Purchase of services	17,600,000,000	6,600,000,000
	Lending interest	806,441,547	-
VICT	Rendering of service	41,514,002,720	55,415,442,776
	Dividends received	15,910,000,000	31,094,800,000
	Services received	495,980,482	344,020,846
Southern Port Joint Stock Company	Services received	39,370,527,272	37,134,302,645
Vietranstimex MultiModal Transport Holding Company	Lending	25,000,000,000	-
	Lending interest	1,555,671,229	-
	Rental service	150,000,000	-
	Rendering of services	83,208,365	631,656,945
ITL Logistics Joint Stock Company	Rendering of services	19,908,416,309	30,476,007,067
	Services received	-	480,000,000
Dong Nai Port Joint Stock Company	Dividends received	17,250,000,000	20,250,000,000
	Rendering of services	32,689,813	11,324,239
	Services received	4,520,000	-
Sotrans Logistics One Member Co., Ltd	Rendering of services	4,788,868,181	6,457,941,817
	Services received	39,000,000	-
ITL Binh Duong Company Limited	Rendering of services	2,345,225,113	-
MLC ITL Logistics - Ha Noi Branch	Rendering of services	129,181,800	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**27. RELATED PARTY DISCLOSURES** (continued)

Significant transactions with related parties were as follows (continued):

<i>Related party</i>	<i>Transaction</i>	<i>Current year</i>	<i>VND</i>
			<i>Previous year</i>
ITL Logistics Da Nang Company Limited	Rendering of services	-	22,633,060,874
ITL Logistics Company Limited – Northside Branch	Rendering of services	-	4,870,460,163

Amounts due from and due to related parties were as follows:

<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>VND</i>
			<i>Beginning balance</i>
<b>Short-term trade receivables</b> (Note 6.1)			
Bac Ky Investment Joint Stock Company	Rendering of services	16,378,564,599	25,732,080
VICT	Rendering of services	7,469,067,477	8,308,174,804
ITL Logistics Company Limited Northside Branch	Rendering of services	7,701,334,927	22,218,526,520
Vietranstimex MultiModal Transport Holding Company	Rendering of services	385,000,000	220,000,000
Branch of ITL Joint Stock Company in Central	Rendering of services	-	369,755,429
ITL Logistics Da Nang Company Limited	Rendering of services	-	39,000,000
Others	Rendering of services	766,468,947	888,105,635
		<b><u>32,700,435,950</u></b>	<b><u>32,069,294,468</u></b>
<b>Other short-term receivables</b> (Note 6.1)			
VICT	Dividends	15,910,000,000	12,713,200,000
ITL Logistics Company Limited – Northside Branch	Rendering of services	7,607,045,342	-
Vietranstimex Multimodal Transport Holding Company	Interest received	1,555,671,229	-
Others	Construction cost	12,397,000	-
		<b><u>25,085,113,571</u></b>	<b><u>12,713,200,000</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**27. RELATED PARTY DISCLOSURES** (continued)

Amounts due from and due to related parties were as follows: (continued)

VND

<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term loan receivable</b>			
Vietranstimex Multimodal Transport Holding Company	Lending	<u>25,000,000,000</u>	<u>-</u>
The above unsecured lending earned interest at 6.38% per annum and was fully collected on 10 January 2025.			
<b>Short-term trade payables (Note 13)</b>			
South Logistics Joint Stock Company	Services received	11,860,353,718	5,860,549,012
Southern Port Joint Stock Company	Services received	3,484,540,000	3,512,820,000
ITL Logistics Company Limited – Northside Branch	Services received	17,215,200	518,400,000
Sowatco Tri Phuong Joint Stock Company	Services received	-	7,128,000,000
Bac Ky Investment Joint Stock Company	Services received	-	4,801,500,000
Indo Trans Logistics Corporation	Services received	-	20,048,640
		<u>15,362,108,918</u>	<u>21,841,317,652</u>
<b>Other long-term receivable (Note 7)</b>			
South Logistics Joint Stock Company	Deposit	<u>7,000,000,000</u>	<u>7,000,000,000</u>
<b>Other short-term payable (Note 16)</b>			
Indo Trans Logistics Corporation	Loan interest	<u>4,294,216,624</u>	<u>-</u>
<b>Short-term advances from customers (Note 13.2)</b>			
ITL VSIP Company Limited	Services received	292,106,974	-
ITL Logistics Joint Stock Company	Services received	18,142,649	-
Bac Ky Investment Joint Stock Company	Services received	-	25,634,767,167
		<u>310,249,623</u>	<u>25,634,767,167</u>
<b>Short-term advances to supplier (Note 6.1)</b>			
Bac Ky Investment Joint Stock Company	Services received	<u>53,720,317</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 27. RELATED PARTY DISCLOSURES (continued)

Amounts due from and due to related parties were as follows: (continued)

<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term loan (Note 18)</b>			
Indo Trans Logistic Corporation	Loan	43,803,961,996	-

The above unsecured short-term loan bears interest at 6.8% per annum and is due for repayment on 30 September 2025.

### Other related party transaction

Details of remuneration of the Board of Directors, Board of Supervision and management are as follows:

<i>Individual</i>	<i>Position</i>	<i>VND</i>	
		<i>Remuneration</i>	
		<i>Current year</i>	<i>Previous year</i>
Mr Dang Vu Thanh	General Director cum BOD member	2,333,128,369	1,726,263,378
Mr To Huu Hung	Deputy General Director	860,000,000	574,000,000
Mr Pham Hai Anh	Deputy General Director	854,100,000	540,500,000
Mr Dang Doan Kien	BOD Chairman	675,160,462	667,829,222
Mr Tran Tuan Anh	BOD member	516,128,369	514,263,378
Mr Nguyen Mai Khanh Trinh	Head of Board of Supervision	201,084,054	34,933,333
Ms Dinh Thi Phuong Vy	Board of Supervision member	183,790,115	129,147,249
Mr Nguyen Dang Truong	Board of Supervision member	125,677,533	21,833,333
Ms Trinh Thi Thom	Board of Supervision member (up to 01 April 2023)	-	15,000,000
<b>TOTAL</b>		<b>5,749,068,902</b>	<b>4,223,769,893</b>

## 28. OPERATING LEASE COMMITMENTS

The Group leases land and office under an operating lease arrangement, with minimum rental amounts due as follows:

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Less than 1 year	4,494,176,280	3,365,932,570
From 1 - 5 years	17,976,705,120	13,463,730,278
More than five years	101,118,966,300	80,782,381,669
<b>TOTAL</b>	<b>123,589,847,700</b>	<b>97,612,044,517</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**29. SEGMENT INFORMATION**

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group's business segments are derived mainly from rendering of freight forwarding and logistic services; shipbuilding and float components; construction works; labour export activities; commercial trading; and investment activities which are mainly taking place within Vietnam.

# Southern Waterborne Transport Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 29. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liabilities information regarding the Group's business segments:

	Commercial trading	Shipbuilding and float components	Construction works	Labour export activities	Freight forwarding and logistic services	Investment activities	Total
<b>For the year ended 31 December 2024</b>							
Segment revenue	-	- 224,458,167,938	7,759,565,749	919,072,748,215	99,916,586,777	1,251,207,068,679	
Segment results	-	- 13,693,309,194	3,983,303,586	220,690,399,097	93,164,876,198	331,531,888,075	
<i>Reconciliation:</i>							
Unallocated revenue							15,976,044,385
Interest income							15,865,258,702
Interest expense							(7,619,609,187)
Unallocated expenses							(33,572,769,198)
Accounting profit before tax							322,180,812,777
<b>Other segment information</b>							
Depreciation	-	-	144,858,555	-	80,419,758,519	-	80,564,617,074
Provision for doubtful receivables	-	-	-	-	250,393,932	-	250,393,932
<b>As at 31 December 2024</b>							
Segment assets	-	2,843,369,227	21,664,761,140	- 1,380,890,096,546	651,111,467,458	2,056,509,694,371	
<i>Reconciliation:</i>							
Unallocated assets							111,421,650,053
Total assets							2,166,725,918,220
Segment liabilities	-	-	-	6,159,413,938	67,885,865,059	-	74,045,278,997
<i>Reconciliation:</i>							
Unallocated liabilities							194,018,956,968
Total liabilities							268,064,235,965



# Southern Waterborne Transport Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 29. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liabilities information regarding the Group's business segments:

	Commercial trading	Shipbuilding and float components	Construction works	Labour export activities	Freight forwarding and logistic services	Investment activities	Total
<b>For the year ended 31 December 2023</b>							VND
<b>Segment revenue</b>	-	131,656,945	55,371,503,335	3,193,868,089	765,375,591,662	92,109,860,653	916,182,480,684
<b>Segment results</b>	-	-	4,738,326,293	747,312,812	180,213,937,016	87,475,975,844	273,175,551,965
<i>Reconciliation:</i>							
Unallocated revenue							18,283,174,039
Interest income							13,554,685,385
Interest expense							(7,699,107,421)
Unallocated expenses							(30,156,847,478)
Accounting profit before tax							267,157,456,490
<b>Other segment information</b>							
Depreciation	-	-	143,831,292	-	69,971,788,449	-	70,115,619,741
Provision for doubtful receivables	-	-	-	-	10,025,256	-	10,025,256
<b>As at 31 December 2023</b>							
<b>Segment assets</b>	-	1,206,128,224	3,739,094,256	-1,106,979,967,476	604,000,626,004	-	1,715,925,815,960
<i>Reconciliation:</i>							
Unallocated assets							230,298,831,531
Total assets							1,946,224,647,491
<b>Segment liabilities</b>	-	-	-	14,887,549,571	54,582,503,157	-	69,470,052,728
<i>Reconciliation:</i>							
Unallocated liabilities							194,218,818,263
Total liabilities							263,688,870,991

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**30. SIGNIFICANT EVENT AFTER THE BALANCE SHEET DATE**

There is no significant matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Group.

  
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Pham Quang Minh  
Preparer

  
\_\_\_\_\_

Trinh Van Quy  
Chief Accountant

  
\_\_\_\_\_

Dang Vu Thanh  
General Director

Ho Chi Minh City, Vietnam

24 March 2025

