

Southern Waterborne Transport Corporation

Separate financial statements

For the year ended 31 December 2024



Southern Waterborne Transport Corporation

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of management	3
Independent auditors' report	4 - 5
Separate balance sheet	6 - 7
Separate income statement	8
Separate cash flow statement	9 - 10
Notes to the separate financial statements	11 - 40

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 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 2nd 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 4th 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); provide 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 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, Lane 1, Le Van Huu, Ngo Thi Nham Ward, Hai Ba Trung District, Hanoi City.

THE BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

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

THE BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

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 year and at the date of this report is Mr Dang Vu Thanh.

AUDITOR

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

Southern Waterborne Transport Corporation

REPORT OF MANAGEMENT

Management of Southern Waterborne Transport Corporation (“the Company”) is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2024.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of each financial year which give a true and fair view of the separate financial position of the Company, and of the separate results of its operation and its separate cash flows for the year. In preparing those separate 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 separate financial statements; and
- ▶ prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and for ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company 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 separate financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2024, and of the separate results of its operations and its separate 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 separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements of Circular No. 96/2020/TT-BTC specifically on disclosure of information in the securities market. As required, the Company also prepared the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2024 dated 24 March 2025.

Users of the separate financial statements should read them together with the said consolidated financial statements to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

For and on behalf of management: ✓



Dang Vu Thanh
General Director

Ho Chi Minh City, Vietnam

24 March 2025

Reference: 11844509/67739281

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Southern Waterborne Transport Corporation

We have audited the accompanying separate financial statements of Southern Waterborne Transport Corporation ("the Company"), as prepared on 24 March 2025 and set out on pages 6 to 40, which comprise the separate balance sheet as at 31 December 2024, and the separate income statement and the separate 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 these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the separate 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

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

Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2024, and of the separate results of its operations and its separate 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 separate 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

SEPARATE BALANCE SHEET
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		614,819,442,961	556,660,698,877
110	I. Cash and cash equivalents	4	362,647,486,162	372,870,642,159
111	1. Cash		43,647,486,162	27,870,642,159
112	2. Cash equivalents		319,000,000,000	345,000,000,000
120	II. Short-term investment		50,000,000,000	55,700,000,000
123	1. Held-to-maturity investment	5	50,000,000,000	55,700,000,000
130	III. Current accounts receivable		198,701,212,492	125,465,228,408
131	1. Short-term trade receivables	6	113,176,148,788	115,003,297,935
132	2. Short-term advances to suppliers		9,379,362,625	8,782,300,951
135	3. Short-term loan receivables	26	69,425,000,000	-
136	4. Other short-term receivables		23,062,325,001	18,271,647,376
137	5. Provision for short-term doubtful receivables	6	(16,341,623,922)	(16,592,017,854)
140	IV. Inventory		2,212,831,927	575,590,924
141	1. Inventory		2,212,831,927	575,590,924
150	V. Other current asset		1,257,912,380	2,049,237,386
151	1. Short-term prepaid expenses		1,257,912,380	2,049,237,386
200	B. NON-CURRENT ASSETS		1,406,894,805,167	1,282,504,470,097
210	I. Long-term receivables		7,060,500,000	7,055,500,000
216	1. Other long-term receivables	7	7,060,500,000	7,055,500,000
220	II. Fixed assets		717,351,374,891	707,072,010,680
221	1. Tangible fixed assets	8	705,945,677,799	697,405,267,760
222	Cost		1,174,932,323,603	1,105,409,062,826
223	Accumulated depreciation		(468,986,645,804)	(408,003,795,066)
227	2. Intangible assets	9	11,405,697,092	9,666,742,920
228	Cost		13,286,545,000	10,761,545,000
229	Accumulated amortization		(1,880,847,908)	(1,094,802,080)
240	III. Long-term asset in progress		41,617,241,537	72,710,138,557
242	1. Construction in progress	10	41,617,241,537	72,710,138,557
250	IV. Long-term investments		636,348,959,765	492,212,065,071
251	1. Investment in subsidiaries	11.1	186,067,420,000	39,045,524,000
252	2. Investment in joint venture and associates	11.2	452,507,655,126	452,507,655,126
253	3. Investment in other entities		813,124,639	813,124,639
254	4. Provision for diminution in value of long-term investments	11.2	(3,039,240,000)	(154,238,694)
260	V. Other long-term assets		4,516,728,974	3,454,755,789
261	1. Long-term prepaid expenses	12	3,929,773,324	2,724,370,819
262	2. Deferred tax assets	25.3	586,955,650	730,384,970
270	TOTAL ASSETS		2,021,714,248,128	1,839,165,168,974

SEPARATE BALANCE SHEET (continued)
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		206,559,972,525	232,189,716,926
310	I. Current liabilities		132,780,985,310	141,659,623,611
311	1. Short-term trade payables	13	67,885,865,059	54,582,503,157
312	2. Short-term advances from customers		160,393,435	350,094,135
313	3. Statutory obligations	14	9,857,060,554	14,187,402,977
314	4. Payable to employees		17,940,434,848	18,599,729,686
315	5. Short-term accrued expenses	15	1,410,566,485	1,868,740,239
319	6. Other short-term payables	16	19,940,035,335	34,414,179,299
320	7. Short-term loans	17	12,921,650,426	13,093,705,555
322	8. Bonus and welfare fund		2,664,979,168	4,563,268,563
330	II. Non-current liabilities		73,778,987,215	90,530,093,315
337	1. Other long-term payable	16	10,861,000,000	13,647,856,000
338	2. Long-term loans	17	59,983,208,965	73,398,480,315
342	3. Long-term provision		2,934,778,250	3,483,757,000
400	D. OWNERS' EQUITY		1,815,154,275,603	1,606,975,452,048
410	I. Owners' equity	18.1	1,815,154,275,603	1,606,975,452,048
411	1. Share capital		671,000,000,000	671,000,000,000
411a	- Ordinary shares with voting rights		671,000,000,000	671,000,000,000
418	2. Investment and development fund		16,404,671,898	16,404,671,898
420	3. Other funds belonging to owners' equity	18.4	49,565,919,026	49,565,919,026
421	4. Undistributed earnings		1,078,183,684,679	870,004,861,124
421a	- Undistributed earnings at the end of prior year		867,145,743,104	664,728,850,528
421b	- Earnings of current year		211,037,941,575	205,276,010,596
440	TOTAL LIABILITIES AND OWNERS' EQUITY		2,021,714,248,128	1,839,165,168,974



Pham Quang Minh
Preparer



Trinh Van Quy
Chief Accountant



Dang Vu Thanh
General Director

Ho Chi Minh City, Vietnam

24 March 2025

SEPARATE 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	19.1	923,148,826,845	768,701,116,696
11	2. Cost of goods sold and services rendered	20	(700,447,905,501)	(583,231,669,187)
20	3. Gross profit from sale of goods and rendering of services		222,700,921,344	185,469,447,509
21	4. Finance income	19.2	50,645,144,179	65,764,871,630
22	5. Finance expenses	21	(9,323,670,530)	(6,220,686,602)
23	<i>In which: Interest expense</i>		(6,324,671,965)	(7,699,107,421)
26	6. General and administrative expenses	22	(22,258,901,254)	(16,674,058,358)
30	7. Operating profit		241,763,493,739	228,339,574,179
31	8. Other income	24	15,976,044,385	18,283,174,039
32	9. Other expenses	24	(465,729,111)	(1,041,375,094)
40	10. Other profit	24	15,510,315,274	17,241,798,945
50	11. Accounting profit before tax		257,273,809,013	245,581,373,124
51	12. Current corporate tax expense	25.1	(45,396,438,118)	(39,616,519,523)
52	13. Deferred tax expense	25.3	(143,429,320)	(51,076,339)
60	14. Net profit after corporate income tax		211,733,941,575	205,913,777,262


Pham Quang Minh
Preparer

Trinh Van Quy
Chief AccountantDang Vu Thanh
General Director

Ho Chi Minh City, Vietnam

24 March 2025

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		257,273,809,013	245,581,373,124
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	8, 9	76,173,193,430	70,618,886,362
03	Provisions (reversal of provisions)		2,085,628,624	(3,455,662,781)
04	Foreign exchange (gains) losses arising from revaluation of monetary accounts denominated in foreign currency		(373,646,520)	1,405,009,013
05	Profit from investing activities		(51,760,815,952)	(67,120,326,176)
06	Interest expense	21	6,324,671,965	7,699,107,421
08	Operating profit before changes in working capital		289,722,840,560	254,728,386,963
09	Decrease in receivables		14,962,820,506	5,988,556,437
10	(Decrease) increase in inventories		(1,637,241,003)	3,435,522,610
11	Decrease in payables		(4,758,545,387)	(4,958,347,132)
12	(Decrease) increase in prepaid expenses		(414,077,499)	1,264,015,328
14	Interest paid		(6,324,671,965)	(7,699,107,421)
15	Corporate income tax paid	14	(50,487,049,184)	(32,744,440,034)
17	Other cash outflows for operating activities		(5,447,607,415)	(4,816,036,483)
20	Net cash flows from operating activities		235,616,468,613	215,198,550,268
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(58,008,913,557)	(86,112,017,629)
22	Proceeds from disposal of fixed assets		-	1,355,454,546
23	Loans to other entities and placement in bank term deposits		(76,936,219,178)	(11,104,000,000)
24	Proceeds from bank term deposits		13,211,219,178	18,653,718,170
25	Payment for investment in subsidiary		(147,021,896,000)	(12,167,450,600)
26	Proceeds from sale of investment in other entity		-	3,000,000,000
27	Interest and dividends received		35,881,658,230	53,701,385,353
30	Net cash flows used in investing activities		(232,874,151,327)	(32,672,910,160)

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

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
34	Repayment of borrowings	17	(13,283,206,086)	(18,973,966,065)
36	Dividends paid to owners		(5,038,900)	(4,394,725)
40	Cash flows used in financing activities		(13,288,244,986)	(18,978,360,790)
50	Net (decrease) increase in cash and cash equivalents for the year		(10,545,927,700)	163,547,279,318
60	Cash and cash equivalents at beginning of year		372,870,642,159	209,314,065,597
61	Impact of foreign exchange rate fluctuation		322,771,703	9,297,244
70	Cash and cash equivalents at end of year	4	362,647,486,162	372,870,642,159


Pham Quang Minh
Preparer

Trinh Van Quy
Chief AccountantDang Vu Thanh
General Director

Ho Chi Minh City, Vietnam

24 March 2025

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

1. CORPORATE INFORMATION

Southern Waterborne Transport Corporation (“the Company”) was formerly a State-owned enterprise established in accordance with Decision No. 2124/QĐ-TCCB-LĐ 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/QĐ-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 2nd 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 4th 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); provide 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 The Labour Export Center, located at No. 2, Lane 1, Le Van Huu, Ngo Thi Nham Ward, Hai Ba Trung District, Hanoi City.

The number of the Company’s employees as at 31 December 2024 was 501 (31 December 2023: 524).

2. BASIS OF PREPARATION

2.1 *Purpose of preparing the separate financial statements*

The Company has subsidiaries as disclosed in Note 11.1. The Company prepared these separate financial statements to meet the prevailing requirements of Circular No. 96/2020/TT-BTC specifically on disclosure of information in the securities market. As required, the Company also prepared the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2024 dated 24 March 2025.

Users of the separate financial statements should read them together with the said consolidated financial statements to obtain full information on the consolidated financial position, the consolidated results of operations and the consolidated cash flows of the Group.

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

2. BASIS OF PREPARATION (continued)

2.2 *Applied accounting standards and system*

The separate financial statements of the Company, expressed in Vietnam dong ("VND") are prepared in accordance with the 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 separate 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 separate financial position, and separate results of operations and separate cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 *Applied accounting documentation system*

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

2.4 *Fiscal year*

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

2.5 *Accounting currency*

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

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, highly liquid investments with an original maturity of not more than three 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 and cost of conversion (including raw materials, direct labor cost, other directly related cost and manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of cost and net realisable 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.



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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 *Inventories* (continued)

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 Company, based on appropriate evidence of impairment available at the balance sheet date. When inventories are expired, obsolete, damaged or become useless, the difference between the provision previously made and the historical cost of inventories is included in the separate income statement.

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

3.3 *Receivables*

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

The provision for doubtful receivables represents outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded into general and administrative expense in the separate 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 separate 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 separate 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 separate income statement.

Land use rights

Land use rights are recorded as intangible assets representing the value of the right to use the lands acquired by the Company. The useful lives of land use rights are assessed as either definite or indefinite. Accordingly, the land use right with definite useful lives representing the land lease is amortised over the lease term while the land use right with indefinite useful lives 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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Company incurs in connection with the borrowing of funds and are recognised as an expense during the year when 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 separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.9 Investments

Investment in subsidiaries

Investment in subsidiaries over which the Company has control is carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources which are attributable to period before obtaining controls are considered a recovery of investments and are deducted to the cost of the investments.

Investment in associates

Investment in associates over which the Company has significant influence is carried at cost.

Distributions from accumulated net profits of the associates arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources which are attributable to period before having significant influence are considered a recovery of investment and are deducted to the cost of the investment.

Investment in joint venture

Investment in joint venture over which the Company has joint control is carried at cost.

Distributions from accumulated net profits of the joint venture arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources which are attributable to period before having joint control are considered a recovery of investment and are deducted to the cost of the investment.

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 separate income statements and deducted against the value of such investments.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Investments* (continued)

Provision for diminution in value of investments

Provision for diminution in value of 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 expense in the separate income statement.

3.10 *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 Company.

3.11 *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 the Company. 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 period 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 separate 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 Labor Code.

3.12 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual exchanges 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 Company conducts transactions regularly; and
- ▶ Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Company conducts transactions regularly.

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

3.13 *Appropriation of net profits*

Net profit after tax (excluding negative goodwill arising from a bargain purchase) 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 Company's Charter and Vietnam's regulatory requirements.

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Appropriation of net profits (continued)

Investment and development fund

This fund is set aside for use in the Company'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 separate balance sheet.

Dividends

Dividends proposed by the Company's Board of Directors are classified as an allocation of undistributed earnings within the equity section of the separate balance sheet, until they have been approved by the Company'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 separate balance sheet.

3.14 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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.

Rental income

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

Dividends

Dividend is recognized when Company is entitled to receive dividends.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years 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 separate 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 Company to offset current tax assets against current tax liabilities and when the Company 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.
- ▶ 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.
- ▶ 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.

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 separate 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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Taxation (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company 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 Company 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.

3.16 Related parties

Parties are considered to be related parties of the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company 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.

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	819,846,125	1,973,013,229
Cash at banks	42,827,640,037	25,897,628,930
Cash equivalents	319,000,000,000	345,000,000,000
TOTAL	<u>362,647,486,162</u>	<u>372,870,642,159</u>

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 4.0% per annum.

5. HELD-TO-MATURITY INVESTMENT

The balance represents bank deposits in VND with remaining maturity of twelve (12) months and earn interest at rates 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 to the Company's long-term bank loans (*Note 17.1*).

NOTES TO THE SEPARATE 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
Short-term trade receivables	113,176,148,788	115,003,297,935
<i>In which:</i>		
<i>Related parties (Note 26)</i>	16,677,079,615	31,965,799,463
MSC Mediterranean Shipping Company S.A	21,655,716,225	11,190,121,918
Tan Cang - Cai Mep International Terminal		
Company Limited	19,366,074,468	16,171,007,049
CMA-CGM Viet Nam JSC	8,555,006,294	12,271,206,070
Tan Cang – Cai Mep Thi Vai One Member		
Company Limited	3,914,980,306	7,543,403,883
Other customers	43,007,291,880	35,861,759,552
Short-term advances to suppliers	9,379,362,625	8,782,300,951
<i>In which:</i>		
Duy Tuong Technical Service Trading		
Company Limited	5,392,400,000	4,928,000,000
Other suppliers	3,986,962,625	3,854,300,951
Other short-term receivables	23,062,325,001	18,271,647,376
<i>In which:</i>		
<i>Related parties (Note 26)</i>	18,381,629,530	12,713,200,000
Receivables from agencies for payroll and		
social insurance of crew members	1,438,140,774	1,930,101,698
Interest receivable from term deposits	1,674,821,917	1,639,311,259
Others	1,567,732,780	1,989,034,419
Provision for doubtful short-term receivables	(16,341,623,922)	(16,592,017,854)
NET	129,276,212,492	125,465,228,408

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	16,592,017,854	16,602,043,110
Provision made during the year	99,606,068	289,974,744
Reversal of provision	(350,000,000)	(300,000,000)
Ending balance	<u>16,341,623,922</u>	<u>16,592,017,854</u>

NOTES TO THE SEPARATE 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

	<i>Ending balance</i>		<i>Beginning balance</i>		VND
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>	
747 Engineering Construction and Trading Joint Stock Company	6,463,918,325	-	6,463,918,325	-	
Huu Le Trading Service Company Limited	3,028,001,886	-	3,028,001,886	-	
Son Hong Cement Company Limited	1,000,000,000	-	1,000,000,000	-	
Others	6,205,581,470	355,877,759	6,455,975,402	355,877,759	
TOTAL	16,697,501,681	355,877,759	16,947,895,613	355,877,759	

7. OTHER LONG-TERM RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Deposit for port lease	7,000,000,000	7,000,000,000
Others	60,500,000	55,500,000
TOTAL	7,060,500,000	7,055,500,000

Deposit for port lease was made to South Logistics Joint Stock Company, 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 26).

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

8. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation (*)	Office equipment	VND Total
Cost:					
Beginning balance	576,916,176,182	179,660,662,215	348,253,281,535	578,942,894	1,105,409,062,826
New purchases	-	3,508,333,331	-	37,695,286	3,546,028,617
Transfer from construction in progress	-	-	80,447,881,960	-	80,447,881,960
Disposal	(14,470,649,800)	-	-	-	(14,470,649,800)
Ending balance	562,445,526,382	183,168,995,546	428,701,163,495	616,638,180	1,174,932,323,603
<i>In which:</i>					
Fully depreciated	21,893,497,104	10,888,002,419	28,355,676,668	578,942,894	61,716,119,085
Accumulated depreciation:					
Beginning balance	160,751,005,475	72,033,624,154	174,640,222,543	578,942,894	408,003,795,066
Depreciation	23,110,855,258	13,854,714,361	38,417,389,615	4,188,368	75,387,147,602
Disposal	(14,404,296,864)	-	-	-	(14,404,296,864)
Ending balance	169,457,563,869	85,888,338,515	213,057,612,158	583,131,262	468,986,645,804
Net carrying amount:					
Beginning balance	416,165,170,707	107,627,038,061	173,613,058,992	-	697,405,267,760
Ending balance	392,987,962,513	97,280,657,031	215,643,551,337	33,506,918	705,945,677,799

(*) Means of transportation with total carrying amount of VND 77,843,096,772 as at 31 December 2024 were pledged as collateral to the Company's bank loans (Note 17.1).

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

9. INTANGIBLE ASSETS

	<i>Land use rights (*)</i>	<i>Software</i>	<i>VND Total</i>
Cost:			
Beginning balance	5,202,345,000	5,559,200,000	10,761,545,000
New purchase	-	675,000,000	675,000,000
Transfer from construction in progress	-	1,850,000,000	1,850,000,000
Ending balance	<u>5,202,345,000</u>	<u>8,084,200,000</u>	<u>13,286,545,000</u>
Accumulated amortisation:			
Beginning balance	-	1,094,802,080	1,094,802,080
Amortisation for the year	-	786,045,828	786,045,828
Ending balance	-	<u>1,880,847,908</u>	<u>1,880,847,908</u>
Net carrying amount:			
Beginning balance	<u>5,202,345,000</u>	<u>4,464,397,920</u>	<u>9,666,742,920</u>
Ending balance	<u>5,202,345,000</u>	<u>6,203,352,092</u>	<u>11,405,697,092</u>

(*) As at 31 December 2024, the Company has land use rights at the following locations:

- 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 separate financial statements, the land use right is in the process of being transferred from PMH to the Company.
- 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 Company obtained Decision No. 3573/QĐ-UBND issued by the People's Committee of Ho Chi Minh City approving the Company 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 Company.

On 24 December 2014, the Company obtained Proposal No. 572/TTr-TVC-HDTDGTP 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 separate 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 recognized in the separate financial statements.

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

10. 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
Software eBMS	-	925,000,000
Others	-	270,000,000
TOTAL	<u>41,617,241,537</u>	<u>72,710,138,557</u>

11. LONG-TERM INVESTMENTS

	VND			
	<u><i>Ending balance</i></u>		<u><i>Beginning balance</i></u>	
	<i>Cost of investment</i>	<i>Provision</i>	<i>Cost of investment</i>	<i>Provision</i>
Investment in subsidiaries	186,067,420,000	-	39,045,524,000	-
Investment in joint venture and associates	452,507,655,126	(3,039,240,000)	452,507,655,126	(154,238,694)
Investment in other entities	813,124,639	-	813,124,639	-
TOTAL	<u>639,388,199,765</u>	<u>(3,039,240,000)</u>	<u>492,366,303,765</u>	<u>(154,238,694)</u>

Southern Waterborne Transport Corporation

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

11. LONG-TERM INVESTMENTS (continued)

11.1 Investment in subsidiaries

	Corporate information	Business activity	Status	Registered head office	Ending balance		Beginning balance			
					Interest %	Cost VND	Provision VND	Interest %	Cost VND	Provision VND
Sowatco Tri Phuong Joint Stock Company ("SWCTP") (*)	BRC No. 2301257330 issued by the DPI of Ho Chi Minh City dated 6 September 2023, and as amended subsequently	Port services	Operating	Dinh Village, Tri Phuong Commune, Tien Du District, Bac Ninh Province	99.997	101,249,906,000	-	-	-	-
Engineering Construction Joint Stock Company ("ECCO") (**)	BRC No. 4103000067 issued by the DPI of Ho Chi Minh City dated 15 May 2002, and as amended subsequently	Construction of residential works	Operating	No. 298 Huynh Tan Phat Street, Tan Thuan Tay Ward, District 7, Ho Chi Minh City	99.02	81,439,438,000	-	96.18	35,667,448,000	-
Can Tho Shipyard Joint Stock Company ("Can Tho Shipyard")	BRC No. 5703000110 issued by the DPI of Can Tho City dated 14 September 2004, and as amended subsequently	Shipbuilding	Operating	No. 77B, Tran Phu Street, Cai Khe Ward, Ninh Kieu District, Can Tho City	70.00	3,032,988,000	-	70.00	3,032,988,000	-

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

11. LONG-TERM INVESTMENTS (continued)

11.1 Investment in subsidiaries (continued)

	Corporate information	Business activity	Status	Registered head office	Ending balance		Beginning balance			
					Interest %	Cost VND	Provision VND	Interest %	Cost VND	Provision VND
Southern Waterway Mechanic And Engineering Services Joint Stock Company ("SOWATMES")	BRC No. 4103001933 issued by the DPI of Ho Chi Minh City dated 20 November 2003, and as amended subsequently	Construction of residential works	Operating	No. 59 Pham Ngoc Thach Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City	51.00	345,088,000	-	51.00	345,088,000	-
TOTAL						186,067,420,000	-		39,045,524,000	-

(*) On 27 August 2024, the Company completed its purchase of shares of SWCTP with a value of VND 101,249,906,000 according to Board Resolution No. 08/SWC/NQ-HQQT signed on 18 June 2024 under joint control with ITL Group Joint Stock Company. The Company's ownership ratio in SWCTP is 99.997%.

(**) On 24 June 2024 and 25 June 2024, the Company contributed additional VND 20,000,000,000 and VND 25,771,990,000, respectively, to ECCO according to Board Resolution No. 11/SWC/NQ-HQQT signed on 19 June 2024. Accordingly, ECCO's ownership ratio increased from 96.18% to 99.02%.

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

11. LONG-TERM INVESTMENTS (continued)

11.2 Investment in joint venture and associates

	Corporate information	Business activity	Status	Registered head office	Interest		Ending balance		Beginning balance	
					%	VND	Cost	Provision	Cost	Provision
Joint venture										
First Logistics Development Joint Venture Company ("VICT")	Investment Licence ("IL") No. 996/GP issued by the Ministry of Planning and Investment on 22 September 1994 and as amended subsequently	Construction, port services and logistic	Operating	A5 Street, Hamlet 5, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	37.00	155,730,813,876	-	155,730,813,876	-	-
Dong Nai Port Joint Stock Company ("PDN")	BRC No. 3600334112 issued by the DPI of Dong Nai Province dated 1 April 2006, as amended	Port services	Operating	1B-D3 Binh Duong Neighbourhood, Long Binh Tan Ward, Bien Hoa City, Dong Nai Province	20.25	293,737,601,250	-	293,737,601,250	-	-
Southern Waterways General Services Joint Stock Company ("SOWATCOSER")	BRC No. 0303215396 issued by the DPI of Ho Chi Minh City dated 1 April 2004, as amended	Transportation	Operating	No. 38 Ton That Thuyet Street, Ward 15, District 4, Ho Chi Minh City	26.27	3,039,240,000	(3,039,240,000)	3,039,240,000	(154,238,694)	(154,238,694)
TOTAL						452,507,655,126	(3,039,240,000)	452,507,655,126	(154,238,694)	(154,238,694)

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

12. LONG-TERM PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Spare parts, tools and equipment	3,929,773,324	2,564,132,069
Business restructuring service fees in relation to loans	-	160,238,750
TOTAL	<u>3,929,773,324</u>	<u>2,724,370,819</u>

13. SHORT-TERM TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Third parties	44,286,323,542	32,741,185,505
<i>Phuoc An Service Co., Ltd</i>	10,080,242,262	6,306,003,414
<i>Thin Phat Logistics Trading Co., Ltd.</i>	8,759,999,782	5,228,144,509
<i>Ban Mai Media & Communication Co., Ltd.</i>	5,472,615,559	5,007,617,944
<i>An Huy Consultant And Services JSC</i>	3,242,999,997	-
<i>Other suppliers</i>	16,730,465,942	16,199,419,638
Related parties (Note 26)	23,599,541,517	21,841,317,652
TOTAL	<u>67,885,865,059</u>	<u>54,582,503,157</u>

14. STATUTORY OBLIGATIONS

	VND			
	<i>Beginning balance</i>	<i>Increase during the year</i>	<i>Decrease during the year</i>	<i>Ending balance</i>
Payables				
Corporate income tax ("CIT")	11,754,797,151	45,396,438,118	(50,487,049,184)	6,664,186,085
Value-added tax	2,063,936,508	25,382,929,580	(24,751,078,279)	2,695,787,809
Personal income tax	368,669,318	2,604,326,027	(2,475,908,685)	497,086,660
Land tax	-	10,721,644,835	(10,721,644,835)	-
TOTAL	<u>14,187,402,977</u>	<u>84,105,338,560</u>	<u>(88,435,680,983)</u>	<u>9,857,060,554</u>

15. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
External services	1,410,566,485	1,424,557,463
Others	-	444,182,776
TOTAL	<u>1,410,566,485</u>	<u>1,868,740,239</u>

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

16. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
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	13,780,621,397	22,454,235,343
	<u>19,940,035,335</u>	<u>34,414,179,299</u>
Long-term		
Deposit in relation to the Business Cooperation Contract (*)	10,000,000,000	10,000,000,000
Deposits for house and yard rental	861,000,000	861,000,000
Deposits received from crew members	-	2,786,856,000
	<u>10,861,000,000</u>	<u>13,647,856,000</u>
TOTAL	<u>30,801,035,335</u>	<u>48,062,035,299</u>

(*) 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 Company has to pay interest on deposit received amounting to VND 1.3 billion per annum from the date that the Company received the deposit in 2020 until the Company hands over the land for the implementation of the works under the BCC.

17. LOANS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Current portion of long-term loans	12,921,650,426	13,093,705,555
Long-term		
Bank loans	59,983,208,965	73,398,480,315
TOTAL	<u>72,904,859,391</u>	<u>86,492,185,870</u>

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
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>12,921,650,426</u>	<u>59,983,208,965</u>	<u>72,904,859,391</u>

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

17. LOANS (continued)

17.1 Long-term bank loans

The Company 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 Company's projects, with details as follows:

Bank	Purpose of loans	Ending balance		Repayment term	Interest rate	Description of collateral
		VND	Original amount USD			
Vietnam Development Bank – Headquarters II						
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 amount as at 31 December 2024 of VND 3,044,975,453 (Note 9)
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%)	and term bank deposit valued at VND 50,000,000,000 (Note 5)

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

17. LOANS (continued)

17.1 Long-term bank loans (continued)

Bank	Purpose of loans	Ending balance		Repayment term	Interest rate	Description of collateral
		VND	Original amount USD			
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch						
Loan 1 - VND	To finance investment in 2 ships with 250TEUs Project	5,027,750,598	-	Principal is payable on a three-month basis falling on interest payment date, starting from 2019 to 2025. Loan interest is payable on a monthly basis falling on the 25 th each month	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; Then, 3.5% p.a. plus the basis rate for subsequent years	Means of transportation with carrying amount as at 31 December 2024 of VND 25,330,000,046 (Note 9)
Loan 2 - VND	To finance machinery and equipment for the Long Binh Port Project	21,140,853,539	-	Principal is payable on 31 January 2030. Loan interest is payable on a monthly basis falling on the 25 th each month	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 2023 of VND 49,468,121,273 (Note 9)
TOTAL		72,904,859,391	1,925,122			
<i>In which:</i>						
	Non-current portion	59,983,208,965	1,825,949			
	Current portion	12,921,650,426	99,173			

Southern Waterborne Transport Corporation

B09-DN

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

18. OWNERS' EQUITY

18.1 Movements in owners' equity

	Share capital	Investment and development fund	Other funds belonging to owners' equity	Undistributed earnings	VND Total
Previous year					
Beginning balance	671,000,000,000	16,404,671,898	49,565,919,026	668,650,711,120	1,405,621,302,044
Net profit for the year	-	-	-	205,913,777,262	205,913,777,262
Welfare and bonus distribution	-	-	-	(2,232,442,754)	(2,232,442,754)
Bonus and remuneration of the Board of Directors	-	-	-	(2,327,184,504)	(2,327,184,504)
Ending balance	671,000,000,000	16,404,671,898	49,565,919,026	870,004,861,124	1,606,975,452,048
Current year					
Beginning balance	671,000,000,000	16,404,671,898	49,565,919,026	870,004,861,124	1,606,975,452,048
Net profit for the year	-	-	-	211,733,941,575	211,733,941,575
Welfare and bonus distribution	-	-	-	(1,029,568,886)	(1,029,568,886)
Bonus and remuneration of the Board of Directors	-	-	-	(2,525,549,134)	(2,525,549,134)
Ending balance	671,000,000,000	16,404,671,898	49,565,919,026	1,078,183,684,679	1,815,154,275,603

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended**18. OWNERS' EQUITY (continued)****18.2 Shareholders**

	<i>Ending balance</i>		
	<i>Number of ordinary shares</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
TOTAL	67,100,000	671,000,000,000	100.00

18.3 Shares

	<i>Number of shares</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Ordinary shares authorized 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.

18.4 Other funds belonging to owners' equity

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Capital expenditures for Long Binh Port's project	47,725,378,239	47,725,378,239
Equitisation fund	1,840,540,787	1,840,540,787
TOTAL	49,565,919,026	49,565,919,026

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

19. REVENUES

19.1 Net revenue from rendering of services

	Current year	VND Previous year
Rendering of services	<u>923,148,826,845</u>	<u>768,701,116,696</u>
<i>In which:</i>		
Other customers	857,456,010,312	684,289,411,475
Related parties	65,692,816,533	84,411,705,221

19.2 Finance income

	Current year	VND Previous year
Dividends and profits received (Note 26)	34,685,730,000	52,870,530,000
Interest income	15,585,767,659	12,894,341,630
Foreign exchange gains	373,646,520	-
TOTAL	<u>50,645,144,179</u>	<u>65,764,871,630</u>

20. COST OF SERVICES RENDERED

	Current year	VND Previous year
Cost of services rendered	<u>700,447,905,501</u>	<u>583,231,669,187</u>

21. FINANCE EXPENSES

	Current year	VND Previous year
Interest expense	6,324,671,965	7,699,107,421
Provision (reversal of provision) for diminution in value of investment	2,885,001,306	(3,561,349,400)
Foreign exchange losses	-	1,405,009,013
Loss on disposal of investment	-	561,349,400
Others	113,997,259	116,570,168
TOTAL	<u>9,323,670,530</u>	<u>6,220,686,602</u>

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

22. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Labour cost	12,665,471,223	8,573,498,073
External services	1,901,766,193	1,772,431,446
Depreciation and amortisation	518,464,220	514,275,852
Reversal of provision for doubtful short-term receivables	(250,393,932)	(10,025,256)
Others	7,423,593,550	5,823,878,243
TOTAL	<u>22,258,901,254</u>	<u>16,674,058,358</u>

23. OPERATING COSTS

	VND	
	Current year	Previous year
External services	453,224,860,759	363,015,344,979
Labour cost	112,359,951,586	96,086,734,497
Depreciation and amortization (Notes 9, 10)	76,173,193,430	70,618,886,362
Raw materials	66,009,236,148	58,539,030,959
Others	14,939,564,832	11,645,730,748
TOTAL	<u>722,706,806,755</u>	<u>599,905,727,545</u>

24. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
Other income	15,976,044,385	18,283,174,039
Compensation from suppliers	8,032,738,682	870,386,795
Land compensation	7,861,946,490	16,057,332,698
Gain from disposal of assets	-	1,355,454,546
Others	81,359,213	-
Other expenses	(465,729,111)	(1,041,375,094)
Loss from disposal of assets	(66,352,936)	-
Penalty fee	-	(1,002,136,964)
Others	(399,376,175)	(39,238,130)
NET OTHER PROFIT	<u>15,510,315,274</u>	<u>17,241,798,945</u>

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

25. CORPORATE INCOME TAX

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

The Company's 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 separate financial statements could change at a later date upon final determination by the tax authorities.

25.1 CIT expense

	VND	
	Current year	Previous year
Current tax expense	45,396,438,118	39,616,519,523
Deferred tax expense	143,429,320	51,076,339
TOTAL	<u>45,539,867,438</u>	<u>39,667,595,862</u>

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

	VND	
	Current year	Previous year
Accounting profit before tax	<u>257,273,809,013</u>	<u>245,581,373,124</u>
At applicable CIT rate of 20%	51,454,761,803	49,116,274,623
<i>Adjustments:</i>		
CIT-exempt income	(6,329,298,000)	(10,574,106,000)
Non-deductible expenses	414,403,635	495,956,900
Additional CIT payment	-	629,470,339
CIT expense	<u>45,539,867,438</u>	<u>39,667,595,862</u>

25.2 Current tax

The current tax payable is based on taxable income for the year. Taxable income differs from profit as reported in the separate 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 Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

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

25. CORPORATE INCOME (continued)

25.3 Deferred tax

The deferred tax assets recognised by the Company and their movements are as follows:

	<i>Separate balance sheet</i>		<i>Separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Provision for diminution of investment	-	30,847,739	(30,847,739)	-
Provision for severance allowance	586,955,650	696,751,400	(109,795,750)	23,142,375
Difference in depreciation	-	2,785,831	(2,785,831)	(74,218,714)
Deferred tax assets	586,955,650	730,384,970		
Deferred tax expense to income statement			(143,429,320)	(51,076,339)

26. 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>
In Do Trans Logistics Corporation	Ultimate parent company
South Logistic Joint Stock Company	Parent company's owner (*)
Engineering Construction Joint Stock Company ("ECCO")	Subsidiary
Southern Waterway Mechanic And Engineering Services Joint Stock Company ("SOWATMES")	Subsidiary
Can Tho Shipyard Joint Stock Company	Subsidiary
Sowatco Tri Phuong Joint Stock Company	Subsidiary (from 27 August 2024)
First Logistics Development Joint Venture Company ("VICT")	Joint venture
Southern Waterways General Services Joint Stock Company ("SOWATCOSER")	Associate
Dong Nai Port Joint Stock Company	Associate
ITL Logistics Joint Stock Company	Affiliate (*)
Sotrans Logistics One Member Co., Ltd	Affiliate (*)
Vietranstimex Multimodal Transport Holding Company	Affiliate (*)
Southern Port Joint Stock Company	Affiliate (*)
Bac Ky Investment Joint Stock Company	Related party
ITL Logistics Joint Stock Company – Northside Branch	Related party

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

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

26. RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties

Related party transactions include all transactions undertaken with other companies to which the Company 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.

Significant transactions with related parties were as follows:

<i>Related party</i>	<i>Transaction</i>	<i>Current year</i>	<i>VND</i>
			<i>Previous year</i>
In Do Trans Logistics Corporation	Buying shares	101,049,906,000	-
	Rendering of services	7,537,036	114,694,445
	Services received	-	120,069,668
South Logistic Joint Stock Company	Services received	64,692,838,464	63,933,261,948
	Payment on behalf	74,948,195	-
	Purchase of materials	-	645,773,181
	Deposit	-	8,703,704
VICT	Rendering of services	41,514,002,720	55,415,442,776
	Dividends received	15,910,000,000	31,094,800,000
	Services received	495,980,482	339,746,845
Southern Port Joint Stock Company	Services received	39,370,527,272	37,134,302,645
Sowatco Tri Phuong Joint Stock Company	Services received	26,400,000,000	6,600,000,000
	Lending	44,425,000,000	-
	Lending interest	2,021,081,902	-
Vietranstimex Multimodal Transport Holding Company	Lending	25,000,000,000	-
	Lending interest	1,555,671,229	-
	Rental	150,000,000	-
	Rendering of services	83,208,365	631,656,945
ITL Logistics Joint Stock Company	Rendering of services	19,116,510,418	22,773,726,357
	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	4,221,792,969
	Services received	39,000,000	-
ECCO	Dividends received	1,525,730,000	1,525,730,000
	Services received	-	46,178,462,027
SOWATMES	Payment on behalf	594,000,000	539,999,999

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

26. RELATED PARTY DISCLOSURES (continued)

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

<i>Related party</i>	<i>Transaction</i>	<i>VND</i>	
		<i>Current year</i>	<i>Previous year</i>
Bac Ky Investment Joint Stock Company	Services received	-	4,445,000,000
	Rendering of services	-	1,241,825,000
Southern Waterway General Service Joint Stock Company	Rendering of services	-	1,242,490

Terms and conditions of transactions with related parties

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

<i>Related party</i>	<i>Transaction</i>	<i>VND</i>	
		<i>Ending balance</i>	<i>Beginning balance</i>
<i>Short-term trade receivables (Note 6.1)</i>			
VICT	Rendering of services	7,469,067,477	8,308,174,804
ITL Logistics Joint Stock Company – Northside Branch	Rendering of services	7,701,334,927	22,218,526,520
Others	Rendering of services	1,506,677,211	1,439,098,139
		16,677,079,615	31,965,799,463

Other short-term receivables (Note 6.1)

VICT	Services received	15,910,000,000	12,713,200,000
Vietranstimex Multimodal Transport Holding Company	Lending interest	1,555,671,229	-
Sowatco Tri Phuong Joint Stock Company	Lending interest	915,958,301	-
		18,381,629,530	12,713,200,000

Short-term loans receivable

Sowatco Tri Phuong Joint Stock Company (i)	Lending	44,425,000,000	-
Vietranstimex Multimodal Transport Holding Company (ii)	Lending	25,000,000,000	-
		69,425,000,000	-

The above unsecured loans were obtained to finance the Company's business and production activities with principal repayment dates and interest rates as follows:

- (i) Principal repayment due on 10 June 2025 and interest at 8% per annum.
- (ii) Principal repayment due on 10 January 2025 with interest at 6.38% per annum.

Other long-term receivable (Note 7)

South Logistics Joint Stock Company	Deposit	<u>7,000,000,000</u>	<u>7,000,000,000</u>
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

26. RELATED PARTY DISCLOSURES (continued)

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

Related party	Transaction	VND	
		Ending balance	Beginning balance
Short-term trade payables (Note 13)			
South Logistics Joint Stock Company	Purchase of services	11,860,353,718	5,860,549,012
Sowatco Tri Phuong Joint Stock Company	Purchase of services	8,254,647,799	7,128,000,000
Southern Port Joint Stock Company	Purchase of services	3,484,540,000	3,512,820,000
Bac Ky Investment Joint Stock Company	Purchase of services	-	4,801,500,000
ITL Logistics Joint Stock Company – Northside Branch	Purchase of services	-	518,400,000
In Do Trans Logistics Corporation	Purchase of services	-	20,048,640
		23,599,541,517	21,841,317,652

Other related party transaction

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

Individual	Position	VND	
		Current year	Previous year
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 1 April 2023)	-	15,000,000
TOTAL		5,749,068,902	4,223,769,893

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

27. OPERATING LEASE COMMITMENTS

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

	Current year	VND Previous year
Less than 1 year	4,494,176,280	3,365,932,570
From 1 - 5 years	17,976,705,120	13,463,730,278
Over 5 years	101,118,966,300	79,099,415,384
TOTAL	123,589,847,700	95,929,078,232

28. 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 to be made in the separate financial statements of the Company.



Pham Quang Minh
Preparer



Trinh Van Quy
Chief Accountant



Dang Vu Thanh
General Director

Ho Chi Minh City, Vietnam

24 March 2025