

Interim Separate Financial Statements

HAI PHONG WATER JOINT STOCK COMPANY

For the period from 01/01/2025 to 30/06/2025
(Reviewed)

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REPORT OF THE CHAIRMAN

The Chairman of Hai Phong Water Joint Stock Company ("the Company") presents its report and the Company's Interim Separate Financial statements for the period from 01 January 2025 to 30 June 2025.

THE COMPANY

Hai Phong Water Joint Stock Company is an enterprise equitized from Hai Phong Water One Member Co., Ltd., according to Decision No. 732/QĐ-UBND dated 9 April, 2015 of Hai Phong City People's Committee. The company operates under the Business Registration Certificate No. 0200171274 issued for the first time on 3 January, 2007 and amended for the 10th time on 13 April, 2023 by the Department of Planning and Investment of Hai Phong City.

The Company's head office is located at 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City.

Business activities according to business registration, head office and affiliated units included in the Company's Separate Financial Statements are presented in the Notes to the Interim Separate Financial Statements attached to this report.

THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND SUPERVISORY BOARD

Members of the Board of Directors who held office during the year and to the date of this report are:

Mr. Tran Viet Cuong	Chairman of the Board of Directors
Mr. Tran Van Duong	Vice chairman
Mr. Cao Van Quy	Member
Mr. Trinh Anh Tuan	Member
Mr. Dang Huu Dung	Member

Members of the Management Board during the period and at the date of this report are:

Mr. Tran Van Duong	General Director
Mr. Cao Van Quy	Deputy General Director
Mr. Trinh Anh Tuan	Deputy General Director
Mr. Nguyen Danh Quan	Deputy General Director

Members of the Supervisory Board are:

Ms. Le Thi Huong	Head of the Supervisory Board	
Mr. Nguyen Minh Hoang	Member	
Mr. Pham Quang Huy	Member	(Appointed on 17/04/2025)
Mrs. Do Thi Thanh Diep	Member	(Completion of term on 17/04/2025)

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and until the preparation of this Interim Separate Financial Statement is Mr. Tran Viet Cuong – Chairman of the Board of Directors

AUDITORS

AASC Limited has taken the audit of the Interim Separate Financial Statements for the Company.

STATEMENT OF THE CHAIRMAN'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

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

- Establish and maintain an internal control system which is determined necessary by the Board of Directors and Board of Management to ensure the preparation and presentation of Interim

Separate Financial Statements do not contain any material misstatement caused by errors or frauds;

- ▶ Select suitable accounting policies and then apply them consistently;
- ▶ Make judgments and estimates that are reasonable and prudent;
- ▶ State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Interim Separate Financial Statements;
- ▶ Prepare and present the Interim Separate Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Interim Separate Financial Statements;
- ▶ Prepare the Interim Separate Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Chairman is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Chairman confirms that the Interim Separate Financial Statements of the Company for the period from 01 January 2025 to 30 June 2025 prepared by us, give a true and fair view of the financial position, results of its operations and its cash flows for the period in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the Interim Separate Financial Statements.

OTHER COMMITMENTS

The Chairman commits that the Company complies with Decree 155/2020/ND-CP dated 31 December 2020 detailing the implementation of a number of articles of the Securities Law and that the Company does not violate the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding the disclosure of information on the Securities Market and the Circular No. 68/2024/TT-BTC dated 18 September 2024 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 96/2020/TT-BTC.

On behalf of the Board of Directors and Management Board



Tran Viet Cuong

Chairman of the Board of Directors

Hai Phong, 20 August 2025

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To: Shareholders, The Board of Directors and Management
Hai Phong Water Joint Stock Company

We have reviewed the accompanying Interim Separate Financial Statements of Hai Phong Water Joint Stock Company prepared on 20 August 2025, which comprise Interim Separate Statement of financial position as at 30 June 2025, Interim Separate Statement of income, Interim Separate Statement of cash flows and Notes to the interim separate financial statements for the period, as set out on pages 05 to 34.

The Chairman's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Interim Separate Financial Statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagement No. 2410 – Review of Interim Financial Statement by the Independent Auditor.

A review of the Interim Financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matter that might be identified during in an audit. Accordingly, we do not express an audit opinion.

Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Separate Financial Statements does not give a true and fair view, in all material respects, of the financial position of Hai Phong Water Joint Stock Company as at 30 June 2025, and of its financial performance and its cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of Interim Separate Financial Statements.



Do Mạnh Cường
Deputy General Director
Registered Auditor No.
0744-2023-002-1

Hanoi, 20 August 2025

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

Code	ASSETS	Note	30/06/2025 VND	01/01/2025 VND
100	A. CURRENT ASSETS		711,633,441,076	597,265,362,259
110	I. Cash and cash equivalents		15,656,368,793	7,825,224,346
111	1. Cash	3	15,656,368,793	7,825,224,346
120	II. Short-term investment		577,800,000,000	487,800,000,000
123	1. Short-term held to maturity	4	577,800,000,000	487,800,000,000
130	III. Short-term receivables		30,823,575,755	25,100,819,945
131	1. Short-term trade receivables	5	11,217,591,416	9,537,424,620
132	2. Short-term advances to suppliers		3,351,310,434	6,683,562,056
136	3. Other short-term receivables	6	16,987,655,369	9,589,470,674
137	4. Provisions for short-term bad debts		(732,981,464)	(709,637,405)
140	IV. Inventories		78,890,353,844	57,285,967,708
141	1. Inventories	7	78,890,353,844	57,285,967,708
150	V. Other current assets		8,463,142,684	19,253,350,260
151	1. Short-term prepaid expenses	8	116,831,500	359,480,500
152	2. VAT deductibles		7,671,157,496	18,709,009,970
153	3. Tax and other receivables from the State	13	675,153,688	184,859,790
200	B. NON-CURRENT ASSETS		1,310,855,962,379	1,361,974,513,996
220	I. Fixed assets		1,247,917,613,654	1,289,663,768,926
221	1. Tangible fixed assets	9	1,246,696,931,198	1,288,128,866,170
222	- Cost		3,617,258,331,757	3,557,258,593,751
223	- Accumulated depreciation		(2,370,561,400,559)	(2,269,129,727,581)
227	2. Intangible fixed assets	10	1,220,682,456	1,534,902,756
228	- Cost		12,729,936,573	12,729,936,573
229	- Accumulated amortisation		(11,509,254,117)	(11,195,033,817)
240	II. Long-term assets in progress		35,857,472,894	45,348,064,517
242	1. Construction in-progress	11	35,857,472,894	45,348,064,517
250	III. Long-term investments		22,638,000,000	22,638,000,000
251	1. Investments in subsidiaries	4	21,938,000,000	21,938,000,000
255	2. Long-term held to maturity	4	700,000,000	700,000,000
260	IV. Other non-current assets		4,442,875,831	4,324,680,553
261	1. Long-term prepaid expenses	8	4,442,875,831	4,324,680,553
270	TOTAL ASSETS		2,022,489,403,455	1,959,239,876,255

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

As at 30 June 2025
(continued)

Code	RESOURCES	Note	30/06/2025 VND	01/01/2025 VND
300	C. LIABILITIES		1,069,722,086,490	967,289,686,765
310	I. Current liabilities		294,041,239,332	179,453,600,090
311	1. Short-term trade payables	12	7,262,012,366	12,145,137,712
312	2. Short-term advances from customers		1,839,511,832	1,350,767,444
313	3. Tax payables and statutory obligations	13	7,772,125,991	9,137,271,146
314	4. Payables to employees		57,646,833,503	49,406,244,524
315	5. Short-term accrued expenses	14	3,850,923,922	4,205,921,245
319	6. Other short-term payables	17	43,686,914,095	11,208,920,437
320	7. Short-term loans and liabilities	15	73,813,060,456	78,414,701,220
321	8. Provision for short-term payables	16	69,159,402,477	-
322	9. Bonus and welfare funds	18	29,010,454,690	13,584,636,362
330	II. Long-term liabilities		775,680,847,158	787,836,086,675
338	1. Long-term loans and liabilities	15	775,680,847,158	787,836,086,675
400	D. EQUITY		952,767,316,965	991,950,189,490
410	I. Owners' equity	19	952,767,316,965	991,950,189,490
411	1. Contributed charter capital		742,069,400,000	742,069,400,000
411a	- Ordinary shares with voting right		742,069,400,000	742,069,400,000
418	2. Investment and development fund		157,997,290,854	153,161,317,242
421	3. Retained earnings		52,700,626,111	96,719,472,248
421b	- Undistributed profit of this period		52,700,626,111	96,719,472,248
440	TOTAL RESOURCES		2,022,489,403,455	1,959,239,876,255



Tran Viet Cuong
Chairman of the Board of Directors

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 20 August 2025

INTERIM SEPARATE STATEMENT OF INCOME

For the period from 01/01/2025 to 30/06/2025

Code	ITEMS	Note	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
01	1. Gross revenue from goods sold and services rendered	21	604,600,601,406	548,963,525,943
02	2. Less deductions		-	-
10	3. Net revenue from goods sold and services rendered		604,600,601,406	548,963,525,943
11	4. Cost of goods sold and services rendered	22	404,798,358,307	347,317,949,991
20	5. Gross profit from goods sold and services rendered		199,802,243,099	201,645,575,952
21	6. Financial income	23	22,231,589,957	18,700,830,806
22	7. Financial expenses	24	46,954,890,928	65,574,612,985
23	In which: Interest expense		23,799,439,651	29,050,023,150
25	8. Selling expenses	25	75,183,967,912	66,861,057,389
26	9. General administrative expenses	26	43,995,470,076	44,871,645,242
30	10. Operating profit		55,899,504,140	43,039,091,142
31	11. Other income	27	13,678,019,839	6,119,081,028
32	12. Other expenses	28	6,185,191,441	5,791,383,320
40	13. Other profit		7,492,828,398	327,697,708
50	14. Accounting profit before tax		63,392,332,538	43,366,788,850
51	15. Current corporate income tax expense	29	10,691,706,427	6,741,785,470
60	17. Net profit after tax		52,700,626,111	36,625,003,380



Tran Viet Cuong
Chairman of the Board of Directors

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 20 August 2025

INTERIM SEPARATE STATEMENT OF CASH FLOWS

For the period from 01/01/2025 to 30/06/2025

(Indirect method)

Code	ITEMS	Note	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		63,392,332,538	43,366,788,850
	2. Adjustments for:			
02	Depreciation and amortization		101,745,893,278	104,392,750,836
03	Provisions		69,182,746,536	52,238,282,145
04	Losses on exchange differences at the year-end		22,450,470,213	36,524,589,835
05	(Gains) from investment activities		(22,231,589,957)	(18,843,995,084)
06	Interest expense		23,799,439,651	29,050,023,150
08	3. Profit from operating activities before changes in working capital		258,339,292,259	246,728,439,732
09	Decrease in receivables		14,980,600,474	10,731,926,766
10	(Increase) in inventories		(21,604,386,136)	(6,957,888,695)
11	Increase in payables (excluding interest payables/CIT payables)		26,203,292,624	6,522,727,347
12	Decrease in prepaid expenses		124,453,722	550,338,384
14	Interest paid		(24,154,436,974)	(29,151,059,392)
15	Corporate income tax paid		(10,990,586,955)	(12,308,174,654)
17	Other payments on operating activities		(9,671,434,308)	(9,744,378,225)
20	Net cash inflow from operating activities		233,226,794,706	206,371,931,263
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase of fixed assets and other long-term assets		(44,350,488,096)	(14,286,412,517)
22	2. Proceeds from disposals of fixed assets and long-term assets		-	275,428,485
23	3. Loans granted, purchases of debt instruments of other entities		(153,000,000,000)	(108,000,000,000)
24	4. Collection of loans, proceeds from sales of debt instruments		63,000,000,000	6,000,000,000
27	7. Interest, dividends and profit received		14,948,434,331	16,899,992,901
30	Net cash outflow from investing activities		(119,402,053,765)	(99,110,991,131)

INTERIM SEPARATE STATEMENT OF CASH FLOWS

For the period from 01/01/2025 to 30/06/2025

(Indirect method)

(continued)

Code	ITEMS	Note	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
III. CASH FLOWS FROM FINANCING ACTIVITIES				
34	4. Repayment of borrowings		(39,207,350,494)	(37,755,012,462)
36	6. Dividends paid		(66,786,246,000)	(63,075,899,000)
40	Net cash outflow from financing activities		(105,993,596,494)	(100,830,911,462)
50	Net cash flows in the period		7,831,144,447	6,430,028,670
60	Cash and cash equivalents at beginning of the period		7,825,224,346	6,637,452,083
61	Impact of exchange differences		-	-
70	Cash and equivalents at the period-end		15,656,368,793	13,067,480,753



Tran Viet Cuong
Chairman of the Board of Directors

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 20 August 2025

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS

For the period from 01/01/2025 to 30/06/2025

1. GENERAL INFORMATION

Form of ownership

Hai Phong Water Joint Stock Company was equitized from the State-owned Enterprise - Hai Phong Water One Member Limited Liability Company, according to Decision No. 732/QĐ-UBND dated 09 April 2015 of Hai Phong City People's Committee. The company operates under Business Registration Certificate No. 0200171274 dated 03 January 2007 and amended for the 10th time on 13 April 2023 issued by the Department of Planning and Investment of Hai Phong City.

In addition to the Company's headquarters at 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong city, the Company has the following affiliated units:

Unit	Address
An Duong Water Production Enterprise	No. 249 Ton Duc Thang Street, An Bien Ward, Hai Phong City
Central Water Supply Branch	No. 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City
Hai Phong Water Supply Branch 3	Do Nha, An Duong Ward, Hai Phong City
Hai Phong Water Supply Branch 4	Nguyet Ang Village, An Khanh Commune, Hai Phong City
Hai Phong Water Supply Branch 5	Dong Nam Street, Cuu Vien Urban Area, Kien An Ward, Hai Phong City
Hai Phong Water Supply Branch 7	Lung Dong new urban area, Hai An Ward, Hai Phong City
Hai Phong Water Supply Branch 8	361 Street, Hung Dao Ward, Hai Phong City
Pure Water Branch	No. 249 Ton Duc Thang Street, An Bien Ward, Hai Phong City
Network management Enterprise	No. 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City
Water Meter and Installation Enterprise	No. 249B Ton Duc Thang Street, An Bien Ward, Hai Phong City
Vinh Bao Water Supply Branch	Bac Hai Area, Vinh Bao Commune, Hai Phong City
Cat Ba Water Supply Branch	Cat Hai special zone, Hai Phong City
Project Management Unit	No. 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City

The company has a subsidiary, Hai Phong Number Two Water Business JSC (Note 04).

The total number of employees of the company as of 30 June 2025 is 968 people (As of 01 January 2025 is 972 people).

Business field

The main business activities of the Company are to exploit, produce, supply and trade clean water for consumption, production, business and other needs; trade other products and services in the water industry in Hai Phong.

Business sector

The Company's main business activities are:

- ▶ Water exploitation, treatment and supply;
- ▶ Installation of water supply, drainage, heating and air conditioning systems;
- ▶ Production of non-alcoholic beverages, mineral water.

The Company's operation in the year that affects the Interim Separate Financial Statements:

During 2024, the Company adjusted the selling price of clean water in accordance with Decision No. 05/2024/QĐ-UBND dated 19 February 2024, issued by the People's Committee of Hai Phong City, which took effect from 01 March 2024. This, together with the increase in customer consumption volume of this period, resulted in a revenue growth compared to the previous period (Note 21).

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and monetary currency unit

The annual accounting period commences from 1st January and ends as at 31st December. The Company maintains its accounting currency in Vietnam Dong ("VND").

2.2 Accounting Standards and Accounting system

Accounting System

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Statement of compliance with Vietnamese standards and accounting system

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

2.3 Basis for preparation of Interim Separate Financial Statements

Interim Separate Financial Statements are presented based on historical cost principle.

Interim Separate Financial Statements of the Company are prepared based on summarization of the Interim Separate Financial Statements of the Company's Office with the Interim Separate Financial Statements of Project Management Unit - a dependent accounting unit.

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

Users of these Interim Separate Financial Statements should read them in conjunction with the consolidated financial statements of the Company and its subsidiary for the period from 01/01/2025 to 30/06/2025, in order to obtain a full understanding of the financial position, operating results, and cash flows of the Company as a whole.

2.4 Accounting estimates

The preparation of Interim Separate Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to Interim Separate Financial Reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the Interim Separate Financial Statements and the reported amounts of revenues and expenses during the accounting period.

The estimates and assumptions that have a material impact in the Interim Separate Financial Statements include:

- Provision for bad debts
- Provision for payables
- Estimated useful life of prepaid expenses
- Estimated useful life of fixed assets
- Estimated income tax

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Chairman to be reasonable under the circumstances.

2.5 Financial Instruments

Initial recognition

Financial assets

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

Financial liabilities

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

Subsequent measurement after initial recognition

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

2.6 Foreign currency transactions

Foreign currency transactions during the period are translated into Vietnam Dong using the actual rate at transaction date.

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

- ▶ Accounts classified as assets are revaluated at buying exchange rates of commercial banks where the Company regularly conducts transactions;
- ▶ Cash deposited at bank are revaluated at buying exchange rates of commercial bank where the Company opens such foreign bank accounts;

- ▶ Accounts classified as liabilities are revaluated at selling exchange rates of commercial banks where the Company regularly conducts transactions.

All exchange differences arising from foreign currency transaction and from revaluation of remaining foreign currency monetary at the end of the period shall be recorded into the financial income or expense in the period.

2.7 Cash

Cash comprises cash on hand, demand deposits.

2.8 Financial Investment

Held-to-maturity investments are term deposits at banks that are held until maturity for the purpose of earning interest periodically.

Investments in subsidiaries are initially recognized at original cost. After initial recognition, the value of these investments is measured at original cost less provision for devaluation of investments.

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

- ▶ Investments in subsidiaries: provision shall be made based on the Separate Financial Statements of subsidiaries at the provision date.
- ▶ Investments held to maturity: provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.9 Receivables

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

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

2.10 Inventories

At initial recognition, inventories are stated at the cost comprising all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory less the estimated costs to complete the product and the estimated costs to sell the product.

Cost of inventories is calculated by monthly weighted average method.
Inventories are recorded by perpetual method.

The value of work in progress is recorded for each construction project that is incomplete or of which revenue is unrecognised, corresponding to the amount of work in progress at the end of the period.

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

2.11 Fixed assets

Fixed assets (tangible/ intangible) are stated at its historical cost. During the using time, fixed assets are recorded at cost, accumulated depreciation and carrying amount.

Subsequent measurement after initial recognition

If these costs augment future economic benefits obtained from the use of fixed assets are extended to their initial standards conditions, these costs are capitalized as an incremental in their historical cost.

Other costs incurred after fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the Interim Separate Statement of Income in the period in which the costs are incurred.

Depreciation is provided on a straight-line basis so as to write off the cost of each asset evenly over its expected useful lives as follows:

▶ Buildings and structures	05-25 years
▶ Machinery, equipment	05-10 years
▶ Vehicles and transportation equipment	06-15 years
▶ Office equipment and furniture	03-05 years
▶ Software	03-08 years
▶ Other fixed assets	03-05 years

For fixed assets handed over from the completed constructions in this period but not yet approved the settlement, the temporary value which was added to the cost of fixed assets was calculated on the basis of accumulated expenditure up to the time that assets were handed over. When the value of the settlement is approved, the cost of fixed assets will be adjusted according to the approved value.

2.12 Prepaid expenses

Expenses relate to income statement in more than 01 period are recognised as prepaid expenses and are allocated into income statement of following period.

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

Prepaid expenses of the Company include:

- ▶ Tools and supplies include assets held by the Company for use in the ordinary course of business, with cost of each asset less than VND 30 million and therefore ineligible for recording as fixed assets according to current regulations. The cost of tools and equipment is amortized on a straight-line basis over the period from 01 to 02 years.
- ▶ Other prepaid expenses are stated at cost and amortized using the straight-line method over their useful lives from 01 to 02 years.

2.13 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. The payables shall be classified into short-term payables or long-term payables on the Interim Separate Financial Statements according to their remaining terms at the reporting date.

2.14 Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. These costs include construction expenses, machinery and equipment installation costs, and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.15 Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease

2.16 Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.17 Borrowing costs

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

2.18 Payables to employees

Payables to employees are recorded in accordance with the provisions of Decree 44/2025/ND-CP regulating labor management, wages and bonuses in state-owned enterprises. Accordingly, salary expenses during the period are accounted for based on the planned salary fund and the average increase in labor productivity.

2.19 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as interest expenses, major repair cost, and expense for water system installation are recorded as operating expense of the reporting period. Accrued expenses of this period is loan interest.

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

2.20 Provision for payables

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the accounting period.

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

Provisions for payables are recorded as operating expenses of the accounting period. In case provision made for the previous accounting period but not used up exceeds the one made for the current accounting period, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the period.

2.21 Investment and development fund, Bonus and welfare fund

The Investment and development fund, Bonus and welfare fund are extracted from net profit after tax.

2.22 Owner's equity

Owner's equity is stated at actually contributed capital of the Investors.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company

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

2.23 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns. The following specific recognition conditions must also be met when recognizing revenue:

Revenue from sale of goods:

- ▶ The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- ▶ The company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;

Revenue from rendering of services:

- ▶ The percentage of completion of the transaction at the Balance sheet date can be measured reliably.

Financial income

Financial incomes include income from interest and other financial gains earned by the Company should be recognized when these two conditions are satisfied:

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

Dividend income shall be recognised when the Company's right to receive dividend is established.

2.24 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the period, and recorded on the basis of matching with revenue and on a prudence basis.

2.25 Financial expenses

Items recorded into financial expenses consist of:

- ▶ Expenses of capital borrowing;
- ▶ Losses from sale of foreign currency, exchange loss, etc;

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

2.26 Corporate income tax

Current corporate income tax expenses are determined based on taxable income during the period and current corporate income tax rate (20%).

2.27 Related parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- ▶ Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- ▶ Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- ▶ Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

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

2.28 Segment information

The clean water supply segment accounts for more than 90% of the Company's total operations, and all of the Company's activities are conducted within Hai Phong City. Therefore, the Company does not prepare segment reporting by business lines or geographical areas.

3. Cash

	30/06/2025	01/01/2025
	VND	VND
Cash on hand	61,567,253	58,866,906
Cash in bank	15,594,801,540	7,766,357,440
	<u>15,656,368,793</u>	<u>7,825,224,346</u>

4. Financial Investment

Investment held to maturity

a) Short-term

As at 30 June 2025, the investment held to maturity amounting to VND 577.8 billion are term deposits with terms from 06 months to 12 months at commercial banks.

b) Long term

As at 30 June 2025, the investment held to maturity amounting to VND 700 million is term deposit with term of 24 months at Saigon Thuong Tin Commercial Joint Stock Bank – Hai Phong Branch.

Investment in subsidiaries

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Hai Phong Number Two Water Business Joint Stock Company	21,938,000,000	-	21,938,000,000	-
	21,938,000,000	-	21,938,000,000	-

The Company has not determined the fair value of this financial investment because Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Regime do not have specific guidance on determining fair value.

Details of the investment in the subsidiary as at 30/06/2025 are as follows:

Company name	Address	Ownership rate	Voting right	Main activities
Hai Phong Number Two Water Business Joint Stock Company	Resident group 3, Do Nha, An Duong Ward, Hai Phong City	65.29%	65.29%	Clean water extraction, treatment and supply

Significant transactions between the Company and its subsidiaries are presented in Note 33.

5. Short-term trade receivables

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Water bill	6,464,396,274	(216,200,948)	5,070,075,548	(192,856,889)
Water machine	3,994,557,300	(516,780,516)	4,057,744,516	(516,780,516)
Others	758,637,842	-	409,604,556	-
	11,217,591,416	(732,981,464)	9,537,424,620	(709,637,405)

6. Other short-term receivables

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Interest receivables	14,575,307,670	-	7,292,152,044	-
Social insurance and Trade union	19,628,310	-	14,093,201	-
Advance to employees	399,679,554	-	14,572,253	-
Others	1,993,039,835	-	2,268,653,176	-
	16,987,655,369	-	9,589,470,674	-

7. Inventories

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Raw material	76,800,580,127	-	55,430,217,013	-
Tools, supplies	732,758,902	-	687,684,849	-
Work in progress	1,271,494,435	-	1,083,975,534	-
Finished goods	85,520,380	-	84,090,312	-
	78,890,353,844	-	57,285,967,708	-

8. Prepaid expenses

	30/06/2025	01/01/2025
	VND	VND
a) Short-term		
Tools, supplies	116,831,500	359,480,500
	116,831,500	359,480,500
b) Long-term		
Tools, supplies	3,991,507,549	3,840,949,062
Bottle shells and purified water supplies	451,368,282	483,731,491
	4,442,875,831	4,324,680,553

9. Tangible fixed assets

	Buildings VND	Machinery and equipment VND	Vehicles equipment VND	Management equipment VND	Others VND	Total VND
Historical cost						
As at 01/01/2025	1,148,920,340,509	318,283,071,541	2,068,505,114,392	10,497,922,316	11,052,144,993	3,557,258,593,751
Purchase	255,800,000	2,217,860,000	-	-	-	2,473,660,000
Construction Completed	-	-	56,147,981,006	-	-	56,147,981,006
Other increases	-	1,378,097,000	-	-	-	1,378,097,000
As at 30/06/2025	1,149,176,140,509	321,879,028,541	2,124,653,095,398	10,497,922,316	11,052,144,993	3,617,258,331,757
Accumulated depreciation						
As at 01/01/2025	657,527,427,450	216,510,734,564	1,376,183,709,696	8,523,419,221	10,384,436,650	2,269,129,727,581
Depreciation	36,733,822,322	9,144,903,708	55,186,133,716	311,419,054	55,394,178	101,431,672,978
As at 30/06/2025	694,261,249,772	225,655,638,272	1,431,369,843,412	8,834,838,275	10,439,830,828	2,370,561,400,559
Net carrying amount						
As at 01/01/2025	491,392,913,059	101,772,336,977	692,321,404,696	1,974,503,095	667,708,343	1,288,128,866,170
As at 30/06/2025	454,914,890,737	96,223,390,269	693,283,251,986	1,663,084,041	612,314,165	1,246,696,931,198

- Net carrying amount of tangible fixed assets used as collateral for loans (Note 15.iii) is VND 3,472,623,017
- Original cost of fully depreciated tangible fixed assets still in use at as 30 June 2025 is VND 1,214,898,218,477

10. Intangible fixed assets

The Company's intangible fixed assets are computer software with specific information as follows:

- ▶ Historical cost as at 01/01/2025 and 30/06/2025 is VND 12,729,936,573;
- ▶ Amortisation during the period is VND 314,220,300;
- ▶ Accumulated depreciation as at 30/06/2025 is VND 11,509,254,117.

Original cost of fully amortised intangible fixed assets still in use as at 30 June 2025: VND 10,844,614,773

11. Construction in progress

	30/06/2025 VND	01/01/2025 VND
Construction in progress	7,783,499,822	19,930,058,553
Expansion of Cau Nguyet Water Plant Capacity to 60,000 m3/day&night (i)	1,815,391,538	1,815,391,538
Construction of D400 Transmission Pipeline Supplying Western Tien Lang District	-	9,204,256,644
Water Supply for An Tho Commune, An Lao District	-	3,031,183,727
Others	5,968,108,284	5,879,226,644
Major repairs and Free Water machine installation under Decree No. 117/2007/ND-CP (ii)	28,073,973,072	25,418,005,964
	35,857,472,894	45,348,064,517

- (i) Capacity Expansion of Cau Nguyet Water Plant to 60,000 m³/day:
- ▶ Location: An Lao District, Hai Phong City (now An Khanh Commune, Hai Phong City)
 - ▶ Investor: Hai Phong Water Joint Stock Company
 - ▶ Project status as at 30/06/2025: The feasibility study report is being revised to change the project objective to increasing capacity to 100,000 m³/day.
- (ii) Major repair costs and installation costs of household water meters for residents under Decree No. 117/2007/ND-CP remain incomplete.

12. Short-term trade payables

	30/06/2025		01/01/2025	
	Book value	Liquidity	Book value	Liquidity
	VND	VND	VND	VND
Other parties				
Payable to suppliers related to construction activities	225,236,500	225,236,500	6,829,675,241	6,829,675,241
<i>Duc Thinh Technical Trading Joint Stock Company</i>	-	-	2,501,080,980	2,501,080,980
<i>Hai Phong Housing Construction Joint Stock Company</i>	-	-	759,463,360	759,463,360
<i>An Thinh Phat Trading and Services Co., Ltd.</i>	-	-	1,108,152,014	1,108,152,014
<i>An Viet Hai Phong Construction and Trading Services Joint Stock Company</i>	-	-	2,164,168,087	2,164,168,087
<i>Others</i>	225,236,500	225,236,500	296,810,800	296,810,800
Payables to suppliers related to business and production activities	7,036,775,866	7,036,775,866	5,315,462,471	5,315,462,471
<i>Hai Phong Power One-Member Limited Liability Company</i>	2,184,203,297	2,184,203,297	2,036,304,466	2,036,304,466
<i>Irrigation Construction Companies</i>	-	-	487,927,475	487,927,475
<i>Dong A Joint Stock Company</i>	532,456,000	532,456,000	-	-
<i>An Thang Investment and Trading JSC</i>	433,948,200	433,948,200	-	-
<i>My Phat Production and Trading Co., Ltd.</i>	419,235,000	419,235,000	253,463,800	253,463,800
<i>Others</i>	3,466,933,369	3,466,933,369	2,537,766,730	2,537,766,730
	7,262,012,366	7,262,012,366	12,145,137,712	12,145,137,712

13. Tax payables and statutory obligations

	01/01/2025		Movement		30/06/2025	
	Receivables	Payables	Actual payment	Payables	Receivables	Payables
	VND	VND	VND	VND	VND	VND
VAT	184,859,790	-	-	-	184,859,790	-
Corporate income tax	-	6,552,581,828	10,990,586,955	10,691,706,427	-	6,253,701,300
Personal income tax	-	1,182,095,315	4,786,755,697	3,114,366,484	490,293,898	-
Natural resource tax	-	299,445,100	299,445,100	-	-	-
Land tax and land rental	-	-	238,103,908	606,000,000	-	367,896,092
Others	-	-	1,761,705,200	1,761,705,200	-	-
Other payables	-	1,103,148,903	2,204,486,700	2,251,866,396	-	1,150,528,599
	184,859,790	9,137,271,146	20,281,083,560	18,425,644,507	675,153,688	7,772,125,991

The Company's tax finalization is subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Financial Statements could be changed at a later date upon final determination by the tax authorities.

14. Short-term accrued expenses

As at 01 January 2025 and 30 June 2025, accrued expenses represent accrued interest expenses in accordance with loan agreements (Note 15).

15. Loans and liabilities

	01/01/2025		Movement		30/06/2025	
	Book value	Liquidity	Increase	Decrease	Book value	Liquidity
	VND	VND	VND	VND	VND	VND
a) Short-term						
Proportion of long-term loans	78,414,701,220	78,414,701,220	34,605,709,730	39,207,350,494	73,813,060,456	73,813,060,456
2A Project (i)	12,499,380,622	12,499,380,622	-	6,249,690,309	6,249,690,313	6,249,690,313
Minh Duc Project (ii)	294,296,283	294,296,283	-	147,148,138	147,148,145	147,148,145
ADB Project (iii)	65,621,024,315	65,621,024,315	34,605,709,730	32,810,512,047	67,416,221,998	67,416,221,998
	78,414,701,220	78,414,701,220	34,605,709,730	39,207,350,494	73,813,060,456	73,813,060,456
b) Long-term						
2A Project (i)	12,499,380,622	12,499,380,622	-	6,249,690,309	6,249,690,313	6,249,690,313
Minh Duc Project (ii)	294,296,283	294,296,283	-	147,148,138	147,148,145	147,148,145
ADB Project (iii)	853,457,110,990	853,457,110,990	22,450,470,213	32,810,512,047	843,097,069,156	843,097,069,156
	866,250,787,895	866,250,787,895	22,450,470,213	39,207,350,494	849,493,907,614	849,493,907,614
Maturity						
- within next 12 months	(78,414,701,220)	(78,414,701,220)			(73,813,060,456)	(73,813,060,456)
- after 12 months	787,836,086,675	787,836,086,675			775,680,847,158	775,680,847,158

Details of loans for each project are as follows:

- (i) **Kien An Water Supply Project (2A):** The purpose of the loan is to finance construction works, procurement of goods, and consultancy services under the Urban Water Supply Development Project (implemented under the Kien An – Hai Phong subproject). The loan was provided under the Subsidiary Loan Agreement dated 24 May 2006, between the Ministry of Finance, representing the Socialist Republic of Vietnam, and the Company, utilizing a portion of Credit No. 4028-VN from the International Development Association (IDA).

The loan was disbursed through the Hai Phong Branch of the Vietnam Development Bank with a fixed interest rate of 5.4% per annum and is due on 01 December 2025. Principal and interest are repayable semi-annually, commencing on 01 June 2011.

The loan is unsecured.

- (ii) **Minh Duc Township Pilot Water Supply Project:** The purpose of the loan is to finance the Design – Build – Operate Pilot Water Supply Project in Minh Duc township, Thuy Nguyen district, Hai Phong city. The loan was provided under the Subsidiary Loan Agreement dated 21 April 2006, between the Ministry of Finance, representing the Socialist Republic of Vietnam, and the Company, utilizing Grant No. TF-053091 from the Government of Finland.

The loan was disbursed through the Hai Phong Branch of the Vietnam Development Bank with a fixed interest rate of 6.0% per annum and is due on 01 December 2025. Principal and interest are repayable semi-annually, commencing on 01 June 2009.

The loan is unsecured.

- (iii) **Hai Phong City Water Supply System Expansion Project – Phase 2 under Vietnam Water Sector Development Program – Project 2:** The purpose of the loan is to finance the project's expenditures. The loan was provided under the Subsidiary Loan Agreement dated 23 August 2013, between the Ministry of Finance, representing the Socialist Republic of Vietnam, and the Company, utilizing Loan No. 2961-VIE from the Asian Development Bank (ADB).

The loan was disbursed through the Hai Phong Branch of the Vietnam Development Bank with an interest rate based on the Secured Overnight Financing Rate (SOFR) (previously LIBOR for 6-month USD loans, replaced by SOFR since 2022 in accordance with the ADB notification dated 29 October 2021, and the Ministry of Finance's Official Letter No. 14882/BTC-QLN dated 28 December 2021), plus a margin of 0.4% per annum on the outstanding principal and minus a discount rate (subject to semi-annual adjustments); the loan matures on 01 June 2038. Principal and interest are repayable semi-annually, with the first principal repayment due on 01 June 2019, as stipulated in the loan agreement.

The loan is secured by all rights and interests arising from the operation of facilities developed under the Hai Phong Water Supply System Upgrade Project, which have been duly registered under secured transaction regulations.

16. Short-term provision for payables

	30/06/2025	01/01/2025
	VND	VND
Major repair, maintenance, and installation of water machine in accordance with Decree 117 (according to the Company's annual plan)	69,159,402,477	-
	<u>69,159,402,477</u>	<u>-</u>

17. Other short-term payables

	30/06/2025	01/01/2025
	VND	VND
Payables for major repairs and construction investments	17,599,576,213	1,602,470,560
Payables to internal units for unpaid expenses	3,922,736,933	3,895,722,111
Payable for drainage services remitted to the State budget	15,517,017,189	1,030,434,036
Payable for bottle deposit	4,184,000,000	3,932,250,000
Trade union fees	1,082,478,510	-
Others	1,381,105,250	748,043,730
	43,686,914,095	11,208,920,437

18. Bonus and welfare funds

	Bonus and welfare funds	Executive Bonus Fund	Total
	VND	VND	VND
As at 01/01/2024	17,282,438,651	96,216	17,282,534,867
Profit distribution of 2023	21,317,806,255	500,000,000	21,817,806,255
Utilization of fund during the period	(9,672,378,225)	(72,000,000)	(9,744,378,225)
As at 30/06/2024	28,927,866,681	428,096,216	29,355,962,897
As at 01/01/2025	13,584,540,146	96,216	13,584,636,362
Profit distribution of 2024	24,497,252,636	600,000,000	25,097,252,636
Utilization of fund during the period	(9,607,434,308)	(64,000,000)	(9,671,434,308)
As at 30/06/2025	28,474,358,474	536,096,216	29,010,454,690

19. Owners' equity

a) Changes in owner's equity

	Contributed charter capital VND	Development Investment Fund VND	Retained earnings VND	Total VND
As at 01/01/2024	742,069,400,000	148,693,227,492	89,361,795,005	980,124,422,497
Profit of the previous period	-	-	36,625,003,380	36,625,003,380
Distribution of 2023 profit	-	4,468,089,750	(89,361,795,005)	(84,893,705,255)
As at 30/06/2024	742,069,400,000	153,161,317,242	36,625,003,380	931,855,720,622
As at 01/01/2025	742,069,400,000	153,161,317,242	96,719,472,248	991,950,189,490
Profit of the current period	-	-	52,700,626,111	52,700,626,111
Distribution of 2024 profit (*)	-	4,835,973,612	(96,719,472,248)	(91,883,498,636)
As at 30/06/2025	742,069,400,000	157,997,290,854	52,700,626,111	952,767,316,965

(*) The Company distributes profits of 2024 according to Resolution No. 09/NQ-ĐHĐCĐ-2025 dated 17 April 2025 of the 2025 Annual general meeting of shareholders as follows:

	Rate %	Amount VND
Profit distribution during the period	100.00	96,719,472,248
- Appropriation to development investment fund	5.00	4,835,973,612
- Appropriation to bonus and welfare fund	25.33	24,497,252,636
- Appropriation to management fund	0.62	600,000,000
- Dividend payment (equivalent to VND 900 per share)	69.05	66,786,246,000

b) Details of Contributed capital

	30/06/2025		01/01/2025	
	VND	%	VND	%
State capital contribution	597,978,400,000	80.58%	597,978,400,000	80.58%
Other shareholders	144,091,000,000	19.42%	144,091,000,000	19.42%
	742,069,400,000	100%	742,069,400,000	100%

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

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Owner's Capital Contribution		
- Capital contribution at the beginning of the period	742,069,400,000	742,069,400,000
- Capital contribution at the end of the period	742,069,400,000	742,069,400,000
Dividends and Profits		
- Dividends, profits payable at the beginning of the period	-	-
- Dividends, profits payable during the period	66,786,246,000	63,075,899,000
+ Dividends, profits distributed from previous period's earning	66,786,246,000	63,075,899,000
- Dividends, profits paid in cash	66,786,246,000	63,075,899,000
+ Dividends, profits distributed from previous period's earning	66,786,246,000	63,075,899,000
- Dividends, profits payable at the end of the period	-	-

d) Share

	30/06/2025	01/01/2025
Quantity of Authorized issuing shares	74,206,940	74,206,940
Quantity of issued shares and fully paid	74,206,940	74,206,940
- Common shares	74,206,940	74,206,940
Quantity of outstanding shares in circulation	74,206,940	74,206,940
- Common shares	74,206,940	74,206,940
Par value per share: VND 10,000		

20. Off-balance sheet items and operating lease commitments

Assets under Operating Lease

The Company is managing and utilizing 44 land plots located in Hai Phong City with a total area of 389,718.4 square meters, primarily for use as headquarters, office buildings, water treatment plants, enterprise branches, warehouses, pumping stations, and reservoirs. The land use form is land lease with annual rental payments.

Assets Assigned for Management

The Company has been assigned by the Hai Phong City People's Committee to manage certain assets from the An Duong Water Plant Upgrade Project (funded by non-refundable aid from the Government of Japan) for the operation and provision of clean water to residents, serving social welfare purposes.

On 24 June 2022, the Prime Minister promulgated Decree No. 43/2022/ND-CP regulating the management, use, and exploitation of clean water infrastructure under state management. As of 30 June 2025, the Company continues to manage, utilize, and report to the relevant state authorities in accordance with regulations.

Foreign currencies

	30/06/2025	01/01/2025
USD	200.11	200.11

21. Revenues from goods sold and services rendered

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Clean water business	597,444,812,702	542,015,860,260
Water meter installation	1,830,108,719	2,085,594,865
Purified water	5,325,679,985	4,862,070,818
	604,600,601,406	548,963,525,943
In which, revenue from related parties (Note 33)	897,870,212	726,775,248

22. Cost of good solds and services rendered

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Clean water business	398,164,255,206	340,834,371,568
Water meter installation	1,731,637,333	1,958,846,523
Purified water	4,902,465,768	4,524,731,900
	404,798,358,307	347,317,949,991
In which, costs from related parties (Note 33)	88,574,760	271,341,216

23. Financial Income

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Interest on savings	12,297,789,557	8,910,705,099
Dividends, profit distribution	9,933,800,400	9,657,861,500
Gain on exchange difference in the period	-	132,264,207
	22,231,589,957	18,700,830,806
In which, financial income from related parties (Note 33)	9,933,800,400	9,657,861,500

24. Financial expenses

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Interest expense	23,799,439,651	29,050,023,150
Loss on exchange difference in the period	704,981,064	-
Loss on exchange difference at the period-end	22,450,470,213	36,524,589,835
	46,954,890,928	65,574,612,985

25. Selling expenses

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Labor	56,767,239,763	47,807,663,033
Material	203,914,179	50,313,326
Offices tools and supplies	294,804,248	322,066,160
Depreciation and amortization	11,010,530,061	12,202,294,219
External services	6,114,519,382	5,745,882,996
Others by cash	792,960,279	732,837,655
	75,183,967,912	66,861,057,389

26. General administrative expenses

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Labor	23,875,704,681	20,878,619,422
Tools, materials	168,103,258	25,182,154
Offices supplies	1,823,994,728	1,938,293,487
Depreciation and amortization	1,827,490,932	1,726,977,607
Provision expenses	23,344,059	6,740,552
Taxes, fees and charges	3,244,797,586	2,658,745,027
Conference and reception expenses	3,332,806,774	3,368,507,249
External services	6,915,844,597	10,944,390,989
Others	2,783,383,461	3,324,188,755
	43,995,470,076	44,871,645,242

27. Other Income

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Water testing fee	530,550,000	547,180,000
Compensation support	7,349,685,632	-
Collection of drainage service fees	5,628,060,009	5,198,538,500
Others	169,724,198	373,362,528
	13,678,019,839	6,119,081,028

28. Other expenses

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Water testing	415,793,162	416,661,705
Cost of collection of drainage service fees	5,606,290,872	5,170,628,175
Others	163,107,407	204,093,440
	6,185,191,441	5,791,383,320

29. Corporate Income Tax

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Total profit/(loss) before tax:	63,392,332,538	43,366,788,850
Adjustment:		
Ineligible expenses	-	-
Taxable income	63,392,332,538	43,366,788,850
Adjustment:		
- Distributed dividends	(9,933,800,400)	(9,657,861,500)
Taxed income	53,458,532,138	33,708,927,350
Tax rate	20%	20%
Current corporate income tax	10,691,706,427	6,741,785,470
Opening CIT payable	6,552,581,828	5,142,498,073
CIT paid in the period	10,990,586,955	12,308,174,654
Closing CIT payable/ (receivable)	6,253,701,300	(423,891,111)

30. Expenses by nature

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Raw materials	57,403,961,471	51,918,324,637
Labour expenses	142,753,729,026	123,783,805,670
Depreciation expenses	101,745,893,278	104,392,750,836
External services	199,475,626,335	160,505,916,431
Others	22,787,535,154	17,969,843,534
	524,166,745,264	458,570,641,108

31. Financial instrument

Financial risk management

Financial risks that the Company may face risks including: market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Chairman of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company may face with the market risk such as: exchange rates and interest rates.

Exchange rate risk

The Company bears the risk of interest rates due to the transaction made in a foreign currency other than VND such as: borrowings and debts

Interest rate risk:

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Under 1 year	From 1 to 5	Total
	VND	years VND	VND
30/06/2025			
Cash and cash equivalents	15,594,801,540	-	15,594,801,540
Trade and other receivables	27,472,265,321	-	27,472,265,321
Loans	577,800,000,000	700,000,000	578,500,000,000
	620,867,066,861	700,000,000	621,567,066,861
01/01/2025			
Cash and cash equivalents	7,766,357,440	-	7,766,357,440
Trade and other receivables	18,417,257,889	-	18,417,257,889
Loans	487,800,000,000	700,000,000	488,500,000,000
	513,983,615,329	700,000,000	514,683,615,329

Liquidity Risk:

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

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

	Under 1 year VND	More than 1 year VND	Total VND
30/06/2025			
Borrowing and debts	73,813,060,456	775,680,847,158	849,493,907,614
Trade and other payables	50,948,926,461	-	50,948,926,461
Accrued expenses	3,850,923,922	-	3,850,923,922
	128,612,910,839	775,680,847,158	904,293,757,997
01/01/2025			
Borrowing and debts	78,414,701,220	787,836,086,675	866,250,787,895
Trade and other payables	23,354,058,149	-	23,354,058,149
Accrued expenses	4,205,921,245	-	4,205,921,245
	105,974,680,614	787,836,086,675	893,810,767,289

The Company believes that risk level of loan repayment is controllable. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

32. Subsequent events

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

33. Transaction with related parties

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

<u>Related parties</u>	<u>Relationship</u>
Hai Phong Number Two Water Business Joint Stock Company	Subsidiary
Members of the Board of Management, Board of General Directors and Board of Supervisory	

The Company had transactions during the period with related parties as follows:

Company	Transactions	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Hai Phong Number Two Water Business Joint Stock Company	Dividends distributed	9,933,800,400	9,657,861,500
	Clean water sales	897,870,212	726,775,248
	Clean water purchased	88,574,760	271,341,216

Remuneration of the Board of Directors, Management Board and Supervisory Board:

Full name	Position	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
		VND	VND
Tran Viet Cuong	Chairman of the Board of Directors	587,492,650	521,535,865
Tran Van Duong	General Director – Vice Chairman of the Board of Directors	520,501,583	463,904,228
Cao Van Quy	Deputy General Director – Member of the Board of Directors	483,915,442	439,924,243
Trinh Anh Tuan	Deputy General Director – Member of the Board of Directors	469,873,432	427,295,137
Dang Huu Dung	Member of the Board of Directors	123,798,000	126,990,000
Nguyen Dang Ninh	Chief Accountant	410,771,756	371,038,986
Nguyen Danh Quan	Deputy General Director	389,420,917	346,142,789
Le Thi Huong	Head of the Supervisory Board	381,454,922	330,622,136
Nguyen Minh Hoang	Member of the Supervisory Board	198,274,200	153,187,000
Pham Quang Huy	Member of the Supervisory Board (Appointed on 17/04/2025)	204,235,705	-
Do Thi Thanh Diep	Member of the Supervisory Board (Completion of term on 17/04/2025)	43,415,000	73,140,000
		3,813,153,607	3,253,780,385

In addition to the above related parties' transactions, other related parties did not have any transactions during the period and have no balance at the end of the accounting period with the Company.

34. Corresponding figures

The comparative figures on the Interim Separate Statement of Financial Position and corresponding Notes are taken from the Separate Financial Statements for the fiscal year ended as at 31 December 2024, which was audited by AASC Limited.

The comparative figures on the Interim Separate Statement of income, Interim Separate Statement of Cash flows and corresponding Notes are taken from the Interim Separate Financial Statements which have been reviewed for the period from 01/01/2024 to 30/06/2024



Tran Viet Cuong
Chairman of the Board of Directors

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 20 August 2025