

Interim consolidated Financial statements

HAI PHONG WATER JOINT STOCK COMPANY

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



CONTENTS

	Page
Report of The Chairman	02-03
Review report on Interim Financial Information	04
Reviewed Interim Consolidated Financial Statements	05-34
Interim Consolidated Statement of Financial position	05-06
Interim Consolidated Statement of Income	07
Interim Consolidated Statement of Cash flows	08-09
Notes to the Interim Consolidated Financial Statements	10-34

Hai Phong Water Joint Stock Company

54 Dinh Tien Hoang, Hong Bang ward, Hai Phong city

REPORT OF THE CHAIRMAN

The Chairman of Hai Phong Water Joint Stock Company ("the Company") presents its report and the Company's Interim Consolidated 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 09 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 03 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 Interim Consolidated Financial Statements are presented in the Notes to the Interim Consolidated Financial Statements attached to this report.

BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISION

Members of the Board of Directors during the period and to the reporting date are:

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

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

Mrs. 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 Consolidated Financial Statements is Mr. Tran Viet Cuong – Chairman of the Board of Directors.

AUDITORS

The auditors of AASC Auditing Firm Company Limited have taken the audit of Interim Consolidated Financial Statements for the Company.

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

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

54 Dinh Tien Hoang, Hong Bang ward, Hai Phong city

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

Other commitments

On behalf of the Board of Directors and the Management Board



Hai Phong, 20 August 2025



No: 200825.004/BCTC.FIS1

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 Consolidated Financial Statements of Hai Phong Water Joint Stock Company prepared on 20 August 2025, which comprise Interim Consolidated Statement of financial position as at 30 June 2025, Interim Consolidated Statement of income, Interim Consolidated Statement of cash flows and Notes to the Interim Consolidated 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 Consolidated 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 Consolidated Financial information and for such internal control as the Chairman determines is necessary to enable the preparation and presentation of these Interim Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Financial Statements.



Do Manh Cuong
Deputy General Director
Registered Auditor No.
0744-2023-002-1

Hanoi, 20 August 2025

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INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

Code	ASSETS	Note	30/06/2025 VND	01/01/2025 VND
100	A. CURRENT ASSETS		782,951,749,189	673,141,738,931
110	I. Cash and cash equivalents	3	23,088,018,794	17,332,691,799
111	1. Cash		23,088,018,794	13,332,691,799
112	2. Cash equivalents		-	4,000,000,000
120	II. Short-term investment		619,800,000,000	539,800,000,000
123	1. Short-term held to maturity	4	619,800,000,000	539,800,000,000
130	III. Short-term receivables		48,410,762,151	34,837,904,549
131	1. Short-term trade receivables	5	21,919,606,586	18,768,545,334
132	2. Short-term advances to suppliers	6	9,528,329,383	6,713,562,056
136	3. Other short-term receivables	7	17,803,370,743	10,174,324,404
137	4. Provisions for short-term bad debts	5	(840,544,561)	(818,527,245)
140	IV. Inventories		82,320,714,279	60,587,358,753
141	1. Inventories	8	82,320,714,279	60,587,358,753
150	V. Other current assets		9,332,253,965	20,583,783,830
151	1. Short-term prepaid expenses	9	294,005,639	624,891,997
152	2. VAT deductibles		8,363,094,638	19,774,032,043
153	3. Tax and other receivables from the State	14	675,153,688	184,859,790
200	B. NON-CURRENT ASSETS		1,353,767,712,142	1,402,586,126,463
220	I. Fixed assets		1,305,000,590,612	1,350,771,032,376
221	1. Tangible fixed assets	10	1,303,779,908,156	1,349,236,129,620
222	- Cost		3,786,338,266,424	3,726,343,950,269
223	- Accumulated depreciation		(2,482,558,358,268)	(2,377,107,820,649)
227	2. Intangible fixed assets	11	1,220,682,456	1,534,902,756
228	- Cost		13,024,936,573	13,024,936,573
229	- Accumulated amortisation		(11,804,254,117)	(11,490,033,817)
240	II. Long-term assets in progress		43,090,599,200	46,072,714,514
242	1. Construction in-progress	12	43,090,599,200	46,072,714,514
250	III. Long-term investments		700,000,000	700,000,000
255	1. Long-term held to maturity	4	700,000,000	700,000,000
260	IV. Other non-current assets		4,976,522,330	5,042,379,573
261	1. Long-term prepaid expenses	9	4,976,522,330	5,042,379,573
270	TOTAL ASSETS		2,136,719,461,331	2,075,727,865,394

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

(Continued)

Code	RESOURCES	Note	30/06/2025 VND	01/01/2025 VND
300	C. LIABILITIES		1,093,321,394,786	987,340,954,200
310	I. Current liabilities		317,640,547,628	199,504,867,525
311	1. Short-term trade payables	13	12,914,184,183	22,867,270,132
312	2. Short-term advances from customers		2,062,837,290	1,446,881,501
313	3. Tax payables and statutory obligations	14	9,666,366,556	10,254,630,238
314	4. Payables to employees		61,973,342,661	53,174,011,201
315	5. Short-term accrued expenses	16	4,051,576,700	4,913,609,023
319	6. Other short-term payables	17	46,714,059,342	13,819,645,029
320	7. Short-term loans and liabilities	15	73,813,060,456	78,414,701,220
321	8. Provision for short-term payables	18	74,807,832,931	-
322	9. Bonus and welfare funds	19	31,637,287,509	14,614,119,181
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		1,043,398,066,545	1,088,386,911,194
410	I. Owners' equity	20	1,043,398,066,545	1,088,386,911,194
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
412	2. Share premium		559,419,000	559,419,000
414	3. Other owner's equity		41,527,948,438	33,249,781,250
418	4. Investment and development fund		158,763,600,670	159,283,689,499
421	5. Retained earnings		61,406,961,603	112,138,728,453
421a	- Retained earnings accumulated to previous year		9,933,800,400	9,657,861,500
421b	- Undistributed profit of this period		51,473,161,203	102,480,866,953
429	6. Non-controlling interest		39,070,736,834	41,085,892,992
440	TOTAL RESOURCES		2,136,719,461,331	2,075,727,865,394



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 CONSOLIDATED 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	22	671,061,252,703	605,829,570,625
02	2. Less deductions		-	-
10	3. Net revenue from goods sold and services rendered	22	671,061,252,703	605,829,570,625
11	4. Cost of goods sold and services rendered	23	438,054,433,047	372,035,685,206
20	5. Gross profit from goods sold and services rendered		233,006,819,656	233,793,885,419
21	6. Financial income	24	13,573,160,794	9,963,062,257
22	7. Financial expenses	25	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	26	82,327,035,949	74,225,998,972
26	9. General administrative expenses	27	54,701,446,905	53,991,965,325
30	10. Operating profit		62,596,606,668	49,964,370,394
31	11. Other income	28	14,421,258,207	6,744,175,191
32	12. Other expenses	29	6,891,172,892	6,385,222,777
40	13. Other profit		7,530,085,315	358,952,414
50	14. Accounting profit before tax		70,126,691,983	50,323,322,808
51	15. Current corporate income tax	30	14,025,338,396	10,064,664,562
60	17. Net profit after tax		<u>56,101,353,587</u>	<u>40,258,658,246</u>
61	Profit after tax attributable to owners of the parent		51,473,161,203	35,628,734,441
62	Profit after tax attributable to non-controlling interest		4,628,192,384	4,629,923,805
70	18. EPS	31	694	480



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 CONSOLIDATED 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		70,126,691,983	50,323,322,808
	2. Adjustments for:			
02	Depreciation and amortization		105,764,757,919	108,134,588,657
03	Provisions		74,829,850,247	54,840,535,591
04	Losses on exchange differences at the year-end		22,450,470,213	36,524,589,835
05	(Gains) from investment activities		(13,573,160,794)	(10,106,226,535)
06	Interest expense		23,799,439,651	29,050,023,150
08	3. Profit from operating activities before changes in working capital		283,398,049,219	268,766,833,506
09	Decrease in receivables		7,635,772,000	6,836,519,547
10	(Increase) in inventories		(21,733,355,526)	(7,526,613,549)
11	Increase in payables (excluding interest payables/CIT payables)		27,648,940,011	7,859,428,527
12	Decrease in prepaid expenses		396,743,601	799,968,294
14	Interest paid		(24,154,436,974)	(29,151,059,392)
15	Corporate income tax paid		(13,470,586,955)	(14,728,174,654)
17	Other payments on operating activities		(12,000,084,308)	(12,046,094,890)
20	Net cash inflow from operating activities		247,721,041,068	220,810,807,389
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase of fixed assets and other long-term assets		(56,850,561,503)	(16,630,380,941)
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		(164,500,000,000)	(125,500,000,000)
24	4. Collection of loans, proceeds from sales of debt instruments		84,500,000,000	23,500,000,000
27	7. Interest, dividends and profit received		6,159,143,524	7,732,068,187
30	Net cash outflow from investing activities		(130,691,417,979)	(110,622,884,269)

INTERIM CONSOLIDATED 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		(72,066,945,600)	(68,209,912,500)
40	Net cash outflow from financing activities		(111,274,296,094)	(105,964,924,962)
50	Net cash flows in the year		5,755,326,995	4,222,998,158
60	Cash and cash equivalents at beginning of the period		17,332,691,799	14,803,560,312
61	Impact of exchange differences		-	-
70	Cash and equivalents at the period-end	3	23,088,018,794	19,026,558,470



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 CONSOLIDATED 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.

The Company's head office is located at No. 54 Dinh Tien Hoang, Hong Bang ward, Hai Phong city.

The total number of employees of the parent company as at 30 June 2025 was 968 (as at 01 January 2025: 972 employees).

The total number of employees of the subsidiary as at 30 June 2025 was 86 (as at 01 January 2025: 86 employees).

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 period that affects the Interim Consolidated Financial Statements:

In 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, resulted in a revenue growth compared to the previous year (Note 22).

Company structure

As at 30 June 2025, the Company has one subsidiary that is consolidated in the financial statements, which is:

Company name	Address	Ownership Ratio	Voting rights ratio	Main Activities
Hai Phong Number Two Water Business Joint Stock Company	Do Nha, An Duong ward, Hai Phong city	65.29%	65.29%	Extraction treatment, and supply of clean water

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and accounting currency

Annual accounting period commences from 1 January and ends as at 31 December.
The Company maintains its accounting records in Vietnam Dong (VND).

2.2 Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, 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 and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

Declaration of compliance with Accounting 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 the preparation of the Interim Consolidated Financial Statements

Interim Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control for the period from 01/01/2025 to 30/06/2025.

Consistent accounting policies are applied in Interim Financial Statements of subsidiaries and the Company. If necessary, adjustments are made to the Interim Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Company and its subsidiaries.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from Interim Consolidated financial statements.

Non – controlling interests represents the portion of profit or loss and net assets of subsidiaries not held by owners.

2.4 Accounting estimates

The preparation of Interim Consolidated Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires The Chairman 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 Consolidated 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 Consolidated Financial Statements include:

- Provision for bad debts
- Provision for payables
- Estimated allocation 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's Consolidated Financial Statements 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, cash equivalents, trade receivables, other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and 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.210/2019/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 Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For cash deposited in bank, applying the bid rate of the commercial bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transactions.

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the period.

2.7 Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.8 Financial investments

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

Provision for devaluation of investments held to maturity: based on the ability to recover, set up provisions for doubtful debts according to the provisions of law.

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 shall be classified into short-term receivables or long-term receivables on the interim consolidated financial statements according to their remaining terms at the reporting date.

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

2.10 Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. 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 minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average.
Inventory is recorded by perpetual method.

The value of work in progress is recorded for each construction project which is incomplete or 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 and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Subsequent measurement after initial recognition

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

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

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

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

For fixed assets handed over from the completed constructions in this year 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 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.

2.13 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.

2.14 Prepaid expenses

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

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

Types of prepaid expenses include:

- ▶ Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dongs and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 02 years.
- ▶ Other prepaid expenses are recorded at their historical costs and allocated on the straight-line basis from 01 to 02 years.

2.15 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 consolidated financial statements according to their remaining terms at the reporting date.

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 period, 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 which are recorded as operating expenses of the reporting period.

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

2.20 Provision for payables

Value recorded as a provision for payables is the most reasonably estimated amount required to settle the current 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 payables.

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 owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profits 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 Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

2.23 Revenue

Revenue is recognized to extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measures regardless of when payment is being made. Revenue is measured at 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 assets yielding interest, royalties, dividends and other financial gains by the company shall be recognised when the two conditions are satisfied:

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

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 comprise:

- ▶ Borrowing costs;
- ▶ Losses from sale of foreign currency, exchange loss.

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

2.26 Earnings per share

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

2.27 Corporate income tax

a) Current corporate income tax expenses

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

b) Current corporate income tax rate

The Company is currently applying a corporate income tax rate of 20% for the period from 01/01/2025 to 30/06/2025.

2.28 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 Interim Consolidated Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.29 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 and cash equivalents

	30/06/2025	01/01/2025
	VND	VND
Cash on hand	74,040,432	88,159,669
Cash in bank	23,013,978,362	13,244,532,130
Cash equivalents	-	4,000,000,000
	<u>23,088,018,794</u>	<u>17,332,691,799</u>

4. Held to maturity investments

a) Short-term

As at 30 June 2025, the investment held to maturity amounting to VND 619.8 billion is 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 deposits with term of 24 months at Saigon Thuong Tin Commercial Joint Stock Bank – Hai Phong Branch.

5. Short-term trade receivables

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Water bill	16,911,357,763	(323,764,045)	14,058,344,581	(301,746,729)
Water machine installation	4,249,610,981	(516,780,516)	4,300,596,197	(516,780,516)
Others	758,637,842	-	409,604,556	-
	21,919,606,586	(840,544,561)	18,768,545,334	(818,527,245)

6. Short-term advances to suppliers

	30/06/2025	01/01/2025
	VND	VND
Phu Gia Technical Investment Joint Stock Company	1,294,036,660	1,294,036,660
An Viet Hai Phong Construction and Trading Services Joint Stock Company	-	726,058,058
Hai Phong Housing Construction Joint Stock Company	-	660,418,000
ACC Construction and Trading Joint Stock Company	3,420,818,846	3,477,377,338
ARK Vietnam Co., Ltd.	-	356,400,000
Bach Dang Construction Corporation - JSC	3,344,890,166	-
Others	1,468,583,711	199,272,000
	9,528,329,383	6,713,562,056

7. Other short-term receivables

	30/06/2025	01/01/2025
	VND	VND
Interest receivables	15,290,970,684	7,876,953,414
Social insurance, trade union	19,628,310	14,093,201
Advances to employees	499,679,554	14,572,253
Others	1,993,092,195	2,268,705,536
	17,803,370,743	10,174,324,404

8. Inventories

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Raw material	80,090,764,629	-	58,541,878,779	-
Tools, supplies	870,932,902	-	819,558,849	-
Work in progress	1,273,496,368	-	1,141,830,813	-
Finished goods	85,520,380	-	84,090,312	-
	82,320,714,279	-	60,587,358,753	-

9. Prepaid expense

	30/06/2025	01/01/2025
	VND	VND
a) Short-term		
Dispatched tools and supplies	294,005,639	624,891,997
	294,005,639	624,891,997
b) Long-term		
Dispatched tools and supplies	4,525,154,048	4,558,648,082
Bottle shells and purified water supplies	451,368,282	483,731,491
	4,976,522,330	5,042,379,573

10. 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	1,180,939,671,670	337,207,475,011	2,179,700,364,938	14,214,372,555	14,282,066,095	3,726,343,950,269
Construction completed	-	-	56,147,981,006	-	-	56,147,981,006
Purchase	255,800,000	2,217,860,000	-	-	-	2,473,660,000
Other increases	-	1,378,097,000	-	-	-	1,378,097,000
Adjust the estimated cost in advance	(21,347,777)	-	-	15,925,926	-	(5,421,851)
As at 30/06/2025	1,181,174,123,893	340,803,432,011	2,235,848,345,944	14,230,298,481	14,282,066,095	3,786,338,266,424
Accumulated depreciation						
As at 01/01/2025	671,452,456,468	230,936,491,864	1,451,236,285,437	10,514,610,719	12,967,976,161	2,377,107,820,649
Depreciation	37,451,233,841	9,760,348,609	57,610,775,140	490,989,544	137,190,485	105,450,537,619
As at 30/06/2025	708,903,690,309	240,696,840,473	1,508,847,060,577	11,005,600,263	13,105,166,646	2,482,558,358,268
Net carrying amount						
As at 01/01/2025	509,487,215,202	106,270,983,147	728,464,079,501	3,699,761,836	1,314,089,934	1,349,236,129,620
As at 30/06/2025	472,270,433,584	100,106,591,538	727,001,285,367	3,224,698,218	1,176,899,449	1,303,779,908,156

- The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the period is VND 3,472,623,017 (Note 15.iii).
- Cost of fully depreciated tangible fixed assets but still in use at the end of the period is VND 1,280,918,489,130.

11. 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 13,024,936,573;
- ▶ Amortisation during the period is VND 314,220,300;
- ▶ Accumulated amortisation as at 30/06/2025 is VND 11,804,254,117.

Cost of fully amortised intangible fixed assets but still in use at the end of the period is VND 11,139,614,773.

12. Construction in-progress

	30/06/2025 VND	01/01/2025 VND
Construction in progress	14,412,831,904	20,551,760,736
Construction of D400 water supply pipeline to the western area of Tien Lang district	-	9,204,256,644
Expansion of Cau Nguyet Water Plant Capacity to 60,000 m3/day&night (i)	1,815,391,538	1,815,391,538
Construction of water supply pipeline D400 Highway 10	5,963,557,331	-
Water Supply for An Tho Commune, An Lao District	-	3,031,183,727
Others	6,633,883,035	6,500,928,827
Major repairs, maintenance, and free installation of water dispensers according to Decree No. 117/2007/ND-CP (iii)	28,677,767,296	25,520,953,778
	43,090,599,200	46,072,714,514

- (i) Increase the capacity of Cau Nguyet NMN to 60,000 m3/day:
- ▶ Construction location: An Lao district, Hai Phong city (now An Khanh commune, Hai Phong city)
 - ▶ Investor: Hai Phong Water Joint Stock Company
 - ▶ Project status at 30 June 2025: adjusting the feasibility study report to convert the project to increase the capacity to 100,000 m3.
- (ii) Construction of D400 water supply pipeline Highway 10:
- ▶ Construction location: An Duong ward, Hai Phong city
 - ▶ Investor: Hai Phong Number Two Water Business Joint Stock Company
 - ▶ Project status at 30 June 2025: Phase 1 has been completed and is expected to be completed and put into use in the third quarter of 2025.
- (iii) Major repair costs and water installation costs for residents according to Decree 117/2007/ND-CP have not been completed.

13. 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	8,798,934,136	8,798,934,136
<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>Viet Phap Investment, Construction and Trading Joint Stock Company</i>	-	-	1,862,689,779	1,862,689,779
<i>Others</i>	225,236,500	225,236,500	403,379,916	403,379,916
Payables to suppliers related to business and production activities	12,688,947,683	12,688,947,683	14,068,335,996	14,068,335,996
<i>Northern branch of Nha Be garment Corporation - JSC</i>	-	-	1,191,632,920	1,191,632,920
<i>Quoc Quyet Construction Mechanical Trading Co., Ltd.</i>	902,625,537	902,625,537	2,931,438,020	2,931,438,020
<i>Minh Khang Electromechanical JSC</i>	-	-	1,602,276,552	1,602,276,552
<i>Hai Phong Power One-Member Limited Liability Company</i>	2,184,203,297	2,184,203,297	2,181,353,466	2,181,353,466
<i>An Thang Trading & Investment Joint Stock Company</i>	433,948,200	433,948,200	-	-
<i>Mai Phuong Mechanical Co., Ltd.</i>	1,691,767,863	1,691,767,863	-	-
<i>My Phat Production and Trading Co., Ltd.</i>	1,637,712,153	1,637,712,153	253,463,800	253,463,800
<i>Green Europe Plastic Co., Ltd.</i>	-	-	918,737,489	918,737,489
<i>Dong A Joint Stock Company</i>	532,456,000	532,456,000	-	-
<i>Others</i>	5,306,234,633	5,306,234,633	4,989,433,749	4,989,433,749
	12,914,184,183	12,914,184,183	22,867,270,132	22,867,270,132

14. Tax and other payables to the state budget

	01/01/2025		Movement		30/06/2025	
	Receivables	Payables	Actual payment	Payables	Receivables	Payables
	VND	VND	VND	VND	VND	VND
VAT	184,859,790	-	479,246,357	479,246,357	184,859,790	-
Corporate income tax	-	7,388,008,520	13,470,586,955	14,025,338,396	-	7,942,759,961
Personal income tax	-	1,334,239,615	5,897,684,696	4,147,663,483	490,293,898	74,512,300
Natural resource tax	-	299,445,100	299,445,100	-	-	-
Land tax and land rental	-	-	240,867,058	608,763,150	-	367,896,092
Others	-	-	1,899,609,200	1,899,609,200	-	-
Other payables	-	1,232,937,003	2,450,906,172	2,499,167,372	-	1,281,198,203
	184,859,790	10,254,630,238	24,738,345,538	23,659,787,958	675,153,688	9,666,366,556

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

15. Loans

	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)
Maturity 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 fully registered under secured transaction regulations.

16. Short-term accrued expenses

	30/06/2025	01/01/2025
	VND	VND
Interest expense	3,850,923,922	4,205,921,245
Others	200,652,778	707,687,778
	4,051,576,700	4,913,609,023

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	17,648,949,466	2,842,187,599
Union funds	1,167,358,105	115,837,091
Payable for bottle deposit	4,184,000,000	3,932,250,000
Others	2,191,438,625	1,431,177,668
	46,714,059,342	13,819,645,029

18. Provision for short-term payables

	30/06/2025	01/01/2025
	VND	VND
Major repair, maintenance, installation of water machine according to Decree No. 117/2007/ND-CP (according to the Company's annual plan)	74,807,832,931	-
	74,807,832,931	-

19. Bonus and welfare funds

	Bonus and welfare funds	Executive Bonus Fund	Total
	VND	VND	VND
As at 01/01/2024	18,337,828,240	348,162,311	18,685,990,551
Profit distribution of 2023	24,543,806,255	1,200,000,000	25,743,806,255
Other increase	5,400,000	-	5,400,000
Utilization of funds during the period	(11,457,828,225)	(593,666,665)	(12,051,494,890)
As at 30/06/2024	31,429,206,270	954,495,646	32,383,701,916
As at 01/01/2025	14,613,623,535	495,646	14,614,119,181
Profit distribution of 2024	27,723,252,636	1,300,000,000	29,023,252,636
Utilization of funds during the period	(11,616,084,308)	(384,000,000)	(12,000,084,308)
As at 30/06/2025	30,720,791,863	916,495,646	31,637,287,509

20. Owner's equity

a) Changes in owner's equity

	Contributed charter capital VND	Share premium VND	Other owner's equity VND	Treasury shares VND	Retained earnings VND	Non-controlling interest VND	Total VND
As at 01/01/2024	742,069,400,000	559,419,000	33,249,781,250	152,397,442,564	104,001,164,742	39,385,848,088	1,071,663,055,644
Profit of the previous period	-	-	-	-	35,628,734,441	4,629,923,805	40,258,658,246
Distribution of 2023 profit	-	-	-	6,886,246,935	(94,343,303,242)	(6,496,662,448)	(93,953,718,755)
As at 30/06/2024	742,069,400,000	559,419,000	33,249,781,250	159,283,689,499	45,286,595,941	37,519,109,445	1,017,967,995,135
As at 01/01/2025	742,069,400,000	559,419,000	33,249,781,250	159,283,689,499	112,138,728,453	41,085,892,992	1,088,386,911,194
Profit of the current period	-	-	-	-	51,473,161,203	4,628,192,384	56,101,353,587
Increase of capital in subsidiary	-	-	8,278,167,188	(8,278,167,188)	-	-	-
Distribution of 2024 profit (*)	-	-	-	7,758,078,359	(102,204,928,053)	(6,643,348,542)	(101,090,198,236)
As at 30/06/2025	742,069,400,000	559,419,000	41,527,948,438	158,763,600,670	61,406,961,603	39,070,736,834	1,043,398,066,545

(*) The distribution of 2024 profits between the parent company and its subsidiaries has led to the formation of the following items on the consolidated balance sheet:

	From 01/01/2025 to 30/06/2025		
	Parent Company (1)	Subsidiary distribute	
		Parent Company	Non-controlling interest (2)
			Total (3) = (1) + (2)
Appropriation to development investment	4,835,973,612	2,922,104,747	1,553,358,810
Appropriation to bonus and welfare fund	24,497,252,636	2,106,309,167	1,119,690,833
Appropriation to management fund	600,000,000	457,041,667	242,958,333
Dividend payment	66,786,246,000	9,933,800,400	5,280,699,600
	96,719,472,248	15,419,255,981	8,196,707,576
			104,916,179,824

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%
Others 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	From 01/01/2024 to 30/06/2024
	VND	VND
Owner's Capital Contribution		
Capital contribution at the beginning of the year	742,069,400,000	742,069,400,000
Capital contribution at the end of the year	742,069,400,000	742,069,400,000
Dividends and Profits		
Dividends, profits payable at the beginning of the year	-	-
Dividends, profits payable during the period	72,066,945,600	68,209,912,500
+ Dividends, profits distributed from previous year's earnings	72,066,945,600	68,209,912,500
- Dividends, profits paid in cash	72,066,945,600	68,209,912,500
+ Dividends, profits distributed from previous year's earnings	72,066,945,600	68,209,912,500
- 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		

21. Off statement of financial position items and operating lease commitment

Assets under Operating Lease

The Parent 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.

The subsidiary is currently using a land plot located in Residential Group 3 Do Nha, An Duong Ward, Hai Phong City, with a total area of 7,368.4 square meters, under Contract No. 70/HĐ-TĐ dated 10 September 2018, signed with the People's Committee of Hai Phong City. The purpose of the land use is for constructing a factory and office headquarters. The subsidiary is exempt from land rent for this area from October 2018 to October 2043.

Assets assigned for Management

The Company was assigned by the Hai Phong City People's Committee to manage assets from the An Duong Water Plant Upgrade Project (non-refundable aid from the Japanese government) to manage operations and provide clean water to people, serving social security purposes.

As at 24 June 2022, the Prime Minister issued Decree 43/2022/ND-CP regulating the management, use and exploitation of clean water infrastructure managed by the State. As at 30 June 2025, the Company is still continuing to manage, use and report to state agencies as prescribed.

Foreign currencies

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

22. Revenue from goods sold and services rendered

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Clean water business	663,766,445,478	598,753,421,612
Water meter installation	1,969,127,240	2,214,078,195
Purified water	5,325,679,985	4,862,070,818
	671,061,252,703	605,829,570,625

23. Cost of goods sold and services rendered

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Clean water business	431,291,121,482	365,434,626,064
Water dispenser installation	1,860,845,797	2,076,327,242
Purified water	4,902,465,768	4,524,731,900
	438,054,433,047	372,035,685,206

24. Financial income

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Interest on savings	13,573,160,794	9,830,798,050
Gain on exchange difference at the period-end	-	132,264,207
	13,573,160,794	9,963,062,257

25. 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 end of the period	22,450,470,213	36,524,589,835
	46,954,890,928	65,574,612,985

26. Selling expenses

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Labor	60,610,256,621	52,053,510,031
Materials and supplies	290,208,454	171,125,419
Offices tools and supplies	392,183,912	376,337,990
Depreciation and amortization	13,391,253,393	14,581,169,422
External services	6,664,880,728	6,099,564,424
Others by cash	978,252,841	944,291,686
	82,327,035,949	74,225,998,972

27. General and administrative

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Labor	31,856,273,790	28,227,928,518
Material	443,802,400	232,007,884
Offices tools and supplies	1,823,994,728	1,938,293,487
Depreciation and amortization	2,292,962,103	1,945,614,659
Provision cost	23,344,059	6,740,552
Taxes, fees, and charges	3,256,645,791	2,668,384,580
Conference and reception expenses	3,332,806,774	3,368,507,249
External services	8,126,798,076	11,430,287,476
Others by cash	3,544,819,184	4,174,200,920
	54,701,446,905	53,991,965,325

28. Other income

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Water testing	530,550,000	547,180,000
Collection of drainage service fees	6,371,198,377	5,823,632,663
Compensation support	7,349,685,632	-
Others	169,824,198	373,362,528
	14,421,258,207	6,744,175,191

29. Other expenses

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Water testing costs	415,793,162	416,661,705
Drainage service collection fee	6,312,272,323	5,764,467,632
Others	163,107,407	204,093,440
	6,891,172,892	6,385,222,777

30. Current corporate income tax expenses

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Current corporate income tax at the parent company	10,691,706,427	6,741,785,470
Current corporate income tax at the subsidiary	3,333,631,969	3,322,879,092
Total current corporate income tax expense	14,025,338,396	10,064,664,562

31. Basic earnings per share

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Net profit after tax	51,473,161,203	35,628,734,441
Profit distributed to common shares	51,473,161,203	35,628,734,441
Average number of outstanding common shares in circulation in the period	74,206,940	74,206,940
Basic earnings per share	694	480

The Company has not planned to appropriate the Bonus and Welfare Fund from after-tax profit at the time of preparing the interim consolidated financial statements. As of 30 June 2025, the Company has no potentially dilutive ordinary shares.

32. Expense by nature

	From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
	VND	VND
Raw materials	64,971,524,068	60,118,571,502
Labour expenses	157,106,580,577	137,134,403,312
Depreciation expenses	105,764,757,919	108,134,588,657
External services	202,067,339,610	162,108,365,603
Others	45,304,809,350	32,231,794,979
	575,215,011,524	499,727,724,053

33. Financial instruments

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 exchange rate risk when transactions are made in currencies other than Vietnam Dong such as: loans.

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 VND	From 1 to 5 years VND	Total VND
30/06/2025			
Cash and cash equivalents	23,013,978,362	-	23,013,978,362
Trade and other receivables	38,882,432,768	-	38,882,432,768
Loans	619,800,000,000	700,000,000	620,500,000,000
	681,696,411,130	700,000,000	682,396,411,130
01/01/2025			
Cash and cash equivalents	17,244,532,130	-	17,244,532,130
Trade and other receivables	28,124,342,493	-	28,124,342,493
Loans	539,800,000,000	700,000,000	540,500,000,000
	585,168,874,623	700,000,000	585,868,874,623

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	59,628,243,525	-	59,628,243,525
Accrued expenses	4,051,576,700	-	4,051,576,700
	137,492,880,681	775,680,847,158	913,173,727,839
01/01/2025			
Borrowing and debts	78,414,701,220	787,836,086,675	866,250,787,895
Trade and other payables	36,686,915,161	-	36,686,915,161
Accrued expenses	4,913,609,023	-	4,913,609,023
	120,015,225,404	787,836,086,675	907,851,312,079

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.

34. Subsequent events after the reporting period

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

35. Transaction and balances with related parties

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

Full name	Position	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 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

Except for the related parties with transactions as mentioned above, other related parties have no transactions during the period as well as balance at the end of the financial year with the Company

36. Comparative figures

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

The comparative figures on the Interim Consolidated Statement of income, Interim Consolidated Statement of Cash flows and corresponding Notes are taken from the Interim Consolidated 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