



**VIWACO JOINT STOCK COMPANY**

**FINANCIAL STATEMENTS FOR THE THIRD QUARTER**

**YEAR 2025**



# VIWACO Joint Stock Company

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## GENERAL INFORMATION

## THE COMPANY

VIWACO Joint Stock Company ("the Company"), formerly known as Clean Water Investment Construction and Trading Joint Stock Company, is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 0103006729 issued by Hanoi Department of Planning and Investment on 17 March 2005. On 2 December 2015, the Company was granted with the 5th amended Enterprise Registration Certificate No. 0101624050, whereby the Company's name was changed to VIWACO Joint Stock Company. The Company also received subsequent amended Enterprise Registration Certificates with the 9th amendment on 29 August 2025 as the latest.

The current principal activities of the Company are distribution of clean water, design and construction of water supply and drainage systems for urban and rural areas in accordance with the Investment Registration Certificate No. 01121000022 issued on 4 May 2007.

The Company's shares were listed on UPCOM from 26 July 2017 under trading code VAV.

The Company's head office is located at 1<sup>st</sup> floor, Building 17-T7, Trung Hoa Nhan Chinh Urban Area, Nhan Chinh Ward, Thanh Xuan District, Hanoi. The Company has one Branch, which is Electromechanical Center, located in Voltage connection station D, Lane No.9, Khat Duy Tien Street, Thanh Xuan Bac Ward, Thanh Xuan District, Hanoi.

## BOARD OF DIRECTORS

The members of the Board of Directors ("BOD") during the period and as at the date of this report are as follows:

Mr. Duong Van Mau	Chairman
Mr. Nguyen Huu Toi	Board member
Mr. Lu Chi Linh	Board member

## BOARD OF SUPERVISION

The members of the Board of Supervisors during the period and as at the date of this report are as follows:

Ms. Nguyen Thi Quynh Trang	Head of Board of Supervision
Ms. Tran Thi Kim Oanh	Board member
Mr. Pham Thanh Binh	Board member

## BOARD OF MANAGEMENT

The members of the Board of Management during the period and as at the date of this report are as follows:

Mr. Nguyen Huu Toi	General Director
Mr. Cao Hai Thap	Deputy General Director
Mr. Dinh Hoang Lan	Deputy General Director
Mr. Dinh Huu Canh	Deputy General Director
Mr. Do Xuan Tien	Deputy General Director

## LEGAL REPRESENTATIVE

The legal representative of the Company during the period and as at the date of this report is Mr. Nguyen Huu Toi, General Director.

BALANCE SHEET  
September 30, 2025

Currency: VND

<i>Cod e</i>	<i>ASSETS</i>	<i>Notes</i>	<i>September 30, 2025</i>	<i>January 1, 2025</i>
<b>100</b>	<b>A.CURRENT ASSETS</b>		<b>666,094,635,852</b>	<b>574,847,802,702</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>491,648,018,619</b>	<b>490,107,863,528</b>
111	1. Cash		15,139,779,958	19,607,863,528
112	2. Cash equivalents		476,508,238,661	470,500,000,000
<b>120</b>	<b>II. Short-term investments</b>	<b>5</b>	<b>50,048,131,507</b>	<b>45,000,000,000</b>
123	1. Held-to-maturity investments		50,048,131,507	45,000,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>43,164,804,329</b>	<b>22,197,475,979</b>
131	1. Short-term trade receivables	6.1	11,936,236,702	24,033,176,789
132	2. Short-term advances to suppliers	6.2	33,856,481,945	2,899,609,920
135	3. Short-term loan receivables		2,000,000,000	2,000,000,000
136	4. Other short-term receivables	7	3,419,458,787	1,312,062,375
137	5. Provision short-term doubtful receivables	8	(8,047,373,105)	(8,047,373,105)
<b>140</b>	<b>IV. Inventories</b>	<b>9</b>	<b>76,645,773,194</b>	<b>17,035,058,353</b>
141	1. Inventories		77,404,846,734	17,794,131,893
149	2. Provision for obsolete inventories		(759,073,540)	(759,073,540)
<b>150</b>	<b>V. Other current assets</b>		<b>4,587,908,203</b>	<b>507,404,842</b>
152	1. Deductible value-added tax		4,587,908,203	507,404,842
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>567,402,963,624</b>	<b>539,132,725,792</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>449,668,589,556</b>	<b>495,521,248,959</b>
221	1. Tangible fixed assets	10	436,113,530,674	480,682,749,022
222	Cost		1,057,665,279,957	1,054,354,073,558
223	Accumulated depreciation		(621,551,749,283)	(573,671,324,536)
224	2. Finance leases	11	9,975,578,962	10,880,016,256
225	Cost		45,232,080,362	45,232,080,362
226	Accumulated depreciation		(35,256,501,400)	(34,352,064,106)
227	3. Intangible fixed assets	12	3,579,479,920	3,958,483,681
228	Cost		8,174,563,494	8,174,563,494
229	Accumulated amortisation		(4,595,083,574)	(4,216,079,813)
<b>240</b>	<b>II. Long-term assets in progress</b>		<b>93,901,138,979</b>	<b>23,046,912,913</b>
242	1. Construction in progress	13	93,901,138,979	23,046,912,913
<b>260</b>	<b>III. Other long-term assets</b>		<b>23,833,235,089</b>	<b>20,564,563,920</b>
261	1. Long-term prepaid expenses	14	23,833,235,089	20,564,563,920
262	2. Deferred tax assets		-	-
<b>270</b>	<b>TOTAL ASSETS</b>		<b>1,233,497,599,476</b>	<b>1,113,980,528,494</b>



# VIWACO Joint Stock Company

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BALANCE SHEET (Continued)  
September 30, 2025

Currency: VND

Code	RESOURCES	Notes	September 30, 2025	January 1, 2025
<b>300</b>	<b>C. LIABILITIES</b>		<b>438,796,238,550</b>	<b>400,481,804,877</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>301,502,285,132</b>	<b>313,430,760,595</b>
311	1.Short-term trade payables	15.1	142,205,038,986	146,322,522,406
312	2.Short-term advances from customers	15.2	16,482,221,523	17,754,282,205
313	3.Statutory obligations	16	19,070,196,922	31,829,135,489
314	4.Payables to employees		81,965,084,836	60,249,928,924
315	5.Short-term accrued expenses	17	11,925,674,734	12,123,471,606
318	6.Short-term unearned revenues		-	-
319	7.Other short-term payables	18	8,491,925,443	17,855,837,046
320	8.Short-term loans and finance lease	19	21,230,729,552	26,984,772,863
321	9.Short-term provision		131,413,136	131,413,136
322	10.Bonus and welfare fund	20	-	179,396,920
<b>330</b>	<b>II. Non-current liabilities</b>		<b>137,293,953,418</b>	<b>87,051,044,282</b>
338	1.Long-term loans and finance lease	19	134,857,060,982	84,676,758,654
341	2.Deferred tax liabilities		2,436,892,436	2,374,285,628
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>794,701,360,926</b>	<b>713,498,723,617</b>
<b>410</b>	<b>I. Owner's equity</b>	<b>21</b>	<b>794,701,360,926</b>	<b>713,498,723,617</b>
411	1. Share capital		479,999,950,000	320,000,000,000
411a	- Ordinary shares with voting rights		479,999,950,000	320,000,000,000
421	2. Undistributed earnings		314,701,410,926	393,498,723,617
421a	- Undistributed earnings by the end of prior year		195,098,773,617	163,093,968,318
421b	- Undistributed earnings of current year		119,602,637,309	230,404,755,299
<b>440</b>	<b>TỔNG CỘNG NGUỒN VỐN</b>		<b>1,233,497,599,476</b>	<b>1,113,980,528,494</b>

Preparer  
Doan Thi Minh Nga

Chief Accountant  
Tran Manh Hung

General Director  
Nguyen Huu Toi

Hanoi, Vietnam

October 16, 2025



## INCOME STATEMENT

for the financial period ended September 30, 2025

Currency: VND

ITEMS	Cod e	Notes	The third quarter of 2025	the third quarter of 2024	Cumulative amount from the beginning of the year to the end of the third quarter of 2025	Cumulative amount from the beginning of the year to the end of the third quarter of 2024
1. Revenue from sale of goods and rendering of services	01		277,872,184,612	268,211,759,151	807,513,708,148	770,165,036,481
2. Deductions	02		-	-	-	-
<b>and rendering of services (10 = 01 - 02)</b>	<b>10</b>	<b>22.1</b>	<b>277,872,184,612</b>	<b>268,211,759,151</b>	<b>807,513,708,148</b>	<b>770,165,036,481</b>
4. Cost of goods sold and services rendered	11	23	225,679,169,044	177,510,281,232	616,092,382,454	526,412,978,251
<b>and rendering of services (20=10-11)</b>	<b>20</b>		<b>52,193,015,568</b>	<b>90,701,477,919</b>	<b>191,421,325,694</b>	<b>243,752,058,230</b>
6. Finance income	21	22.2	2,184,430,563	3,237,150,667	11,975,047,741	8,581,339,428
7. Finance expenses	22	24	1,344,777,763	2,038,641,707	4,418,560,101	6,628,252,864
- In which: Interest expenses	23		1,344,777,763	2,038,641,707	4,418,560,101	6,628,252,864
8. Selling expenses	25	25	11,516,021,361	12,282,171,723	32,468,619,218	33,474,898,153
9. General and administrative expenses	26	25	4,562,447,718	4,975,169,894	16,677,636,947	24,806,199,106
<b>10. Operating profit {30=20+(21-22)+24-(25+26)}</b>	<b>30</b>		<b>36,954,199,289</b>	<b>74,642,645,262</b>	<b>149,831,557,169</b>	<b>187,424,047,535</b>
11. Other income	31		0	75,000,000	0	1,249,636,364
12. Other expenses	32		0	24,249,040	625,380	1,180,632,081
<b>13. Other profit (40=31-32)</b>	<b>40</b>		<b>0</b>	<b>50,750,960</b>	<b>-625,380</b>	<b>69,004,283</b>
<b>14. Accounting profit before tax (50=30+40)</b>	<b>50</b>		<b>36,954,199,289</b>	<b>74,693,396,222</b>	<b>149,830,931,789</b>	<b>187,493,051,818</b>
15. Current corporate income tax expenses	51	26	7,390,839,858	14,938,679,244	30,165,687,672	37,391,748,742
16. Deferred tax expenses	52		0	0	62,606,808	385,899,667
<b>17. Net profit after tax (60=50-51-52)</b>	<b>60</b>		<b>29,563,359,431</b>	<b>59,754,716,978</b>	<b>119,602,637,309</b>	<b>149,715,403,409</b>
18. Basic earnings per share	70	27	616	1,867	2,492	4,679
19. Diluted earnings per share	71		616	1,867	2,492	4,679

Preparer  
Doan Thi Minh Nga

Chief Accountant  
Tran Manh Hung

General Director  
Nguyen Huu Toi

Hanoi, Vietnam

October 16, 2025



CASH FLOW STATEMENT  
for the financial period ended September 30, 2025

Currency: VND

Code	ITEMS	Notes	Cumulative from the beginning of the year to the end of this quarter (2025)	Cumulative from the beginning of the year to the end of this quarter (2024)
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Profit before tax</b>		<b>149,830,931,789</b>	<b>187,493,051,818</b>
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and finance lease assets and amortisation of intangible fixed assets		49,163,865,802	47,636,018,416
05	Profits from investing activities		(11,975,047,741)	(8,581,339,428)
06	Interest expenses	24	4,418,560,101	6,628,252,864
08	<b>Operating profit before changes in working capital</b>		<b>191,438,309,951</b>	<b>233,175,983,670</b>
09	Decrease/(increase) in receivables		(25,047,831,711)	14,378,988,762
10	(Increase)/decrease in inventories		(59,610,714,841)	(4,818,192,776)
11	Increase in payables		(4,839,772,668)	(4,935,057,295)
12	(Increase)/decrease in prepaid expenses		(3,268,671,169)	(7,332,636,217)
14	Interest paid		(5,046,853,641)	(7,301,093,454)
15	Corporate income tax paid		(43,154,206,341)	(30,514,882,000)
17	Other cash outflows for operating activities		(179,396,920)	(285,500,000)
20	<b>Net cash flows from operating activities</b>		<b>50,290,862,660</b>	<b>192,367,610,690</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets and other long-term assets		(61,703,882,942)	(22,332,217,315)
22	Proceeds from disposals of fixed asset and other long-term assets		-	1,163,636,364
23	Loans to other entities and payments for purchase of debt instruments of other entities		(5,048,131,507)	-
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		-	48,000,000,000
27	Interest and dividends received		11,975,047,741	8,581,339,428
30	<b>Net cash flows from/(used in) investing activities</b>		<b>(54,776,966,708)</b>	<b>35,412,758,477</b>



CASH FLOW STATEMENT (Continued)  
for the financial period ended September 30, 2025

Currency: VND

Cod e	ITEMS	Notes	Cumulative from the beginning of the year to the end of this quarter (2025)	Cumulative from the beginning of the year to the end of this quarter (2024)
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Proceeds from issuance of shares and capital contributions from owners		159,999,950,000	-
33	Drawdown of borrowings		63,086,659,524	
34	Repayment of borrowings		(18,235,591,261)	(19,200,842,812)
35	Payment of principal of finance lease liabilities		(424,809,124)	(380,262,074)
36	Dividends paid		(198,399,950,000)	(38,360,160,000)
40	<b>Net cash flows used in financing activities</b>		<b>6,026,259,139</b>	<b>(57,941,264,886)</b>
50	<b>Net cash flow during the period</b>		<b>1,540,155,091</b>	<b>169,839,104,281</b>
60	<b>Cash and cash equivalents at the beginning of the period</b>		<b>490,107,863,528</b>	<b>212,824,837,062</b>
70	<b>Cash and cash equivalents at the end of the period</b>	4	<b>491,648,018,619</b>	<b>382,663,941,343</b>

Preparer  
Doan Thi Minh Nga

Chief Accountant  
Tran Manh Hung

General Director  
Nguyen Huu Toi

Hanoi, Vietnam

October 16, 2025



## NOTES TO THE FINANCIAL STATEMENTS

As of September 30, 2025, and for the financial period ended on the same date

**1. CORPORATE INFORMATION**

Công ty Cổ phần VIWACO ("Công ty"), trước đây là Công ty Cổ phần Đầu tư Xây dựng và VIWACO Joint Stock Company ("the Company"), formerly known as Clean Water Investment Construction and Trading Joint Stock Company, was incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 0103006729 issued by the Hanoi Department of Planning and Investment on 17 March 2005. On 2 December 2015, the Company was granted with the 5th amended Enterprise Registration Certificate No. 0101624050, whereby the Company's name was changed to VIWACO Joint Stock Company. The Company also received subsequent amended Enterprise Registration Certificates with the 9th amendment on 29 August 2025 as the latest.

The current principal activities of the Company are distribution of clean water, design and construction of water supply and drainage systems for urban and rural areas in accordance with the Investment Registration Certificate No. 01121000022 issued on 4 May 2007.

The Company's shares have been traded on the UPCOM stock exchange since July 26, 2017 under the stock code VAV.

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

The Company's head office is located at 1st floor, Building 17-T7, Trung Hoa Nhan Chinh Urban Area, Nhan Chinh Ward, Thanh Xuan District, Hanoi and its branch, which is Electromechanical Center, located in Voltage connection station D, Lane No.9, Khuat Duy Tien Street, Thanh Xuan Bac Ward, Thanh Xuan District, Hanoi.

The number of employees of the Company as of September 30, 2025, is 216 (as of December 31, 2024: 214).

**2. BASIS OF PREPARATION****2.1 Accounting standards and system**

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**2. BASIS OF PREPARATION** (continued)**2.2 Applied accounting documentation system**

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

**2.3 Fiscal year**

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

**2.4 Accounting currency**

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

**3.2 Inventories**

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

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

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools and spare parts - Cost of purchase on a weighted average basis.

Work-in process - Cost of semi products on a specific identification basis.

*Provision for obsolete inventories*

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

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the income statement.



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.3 Receivables**

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

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

**3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible fixed assets includes the purchase price and any costs directly attributable to bringing the asset into the condition necessary for it to be capable of operating in the manner intended.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

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

**3.5 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Company is the lessee*

Assets held under finance leases are capitalised in the balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the income statement on a straight-line basis over the lease term.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.6 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the income statement as incurred.

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

**3.7 Depreciation and amortisation**

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

Buildings and structures	5 - 30 years
Machinery and equipment	4 - 10 years
Means of transportation	5 - 30 years
Office equipment	5 - 10 years
Computer software	4 - 8 years

**3.8 Borrowing costs**

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

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

**3.9 Prepaid expenses**

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

The following types of expenses are recorded as long-term prepaid expense and are amortised to the income statement:

- ▶ Tools with significant value issued into production and can be used for more than one year;
- ▶ Substantial expenditure of fixed asset overhaul;
- ▶ Others prepaid expense.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.10 Payables and accruals**



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

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

**3.11 Investments***Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the income statement and deducted against the value of such investments.

*Provision for diminution in value of investments*

Provision for diminution in value of the investment is made when there are reliable evidence of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expense in the income statement.

**3.12 Foreign currency transactions**

Transactions in currencies other than the Company's reporting currency of (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the reporting dates which are determined as follows:

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

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.13 Appropriation of net profits**

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

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

*Bonus and welfare fund*

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

**3.14 Revenue recognition**

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

*Clean water distribution revenue*

Clean water distribution revenue is recognised with reference to the water price regulated by Hanoi People's Committee and water consumption volume of customers, monitored via meter on monthly basis.

*Interest income*

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

**3.15 Construction contract**

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date based on actual accomplishment accepted by client.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with customers.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.16 Taxation***Current income tax*

Current income tax assets and liabilities for the current period and prior periods are determined by the amounts expected to be recovered from or payable to the tax authorities, based on the tax rates and tax laws in effect at the end of the reporting period..

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

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

*Deferred tax*

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

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.16 Taxation** (continued)*Deferred tax* (continued)

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

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

**3.17 Earnings per share**

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

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

**3.18 Segment information**

The Company's principal activity is to distribute clean water. In addition, these activities are mainly taking place within Vietnam. Therefore, the Company's risks and returns are not impacted by the Company's products that the Company is distributing or the locations where the Company is operating. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore, presentation of segment information is not required.

**3.19 Related parties**

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



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**4. CASH AND CASH EQUIVALENTS**

	<i>Currency: VND</i>	
	<i>September 30, 2025</i>	<i>January 1, 2025</i>
Cash on hand	361,168,513	963,243,487
Cash at banks	14,778,611,445	18,644,620,041
Cash equivalents	476,508,238,661	470,500,000,000
<b>TOTAL</b>	<b>491,648,018,619</b>	<b>490,107,863,528</b>

Cash equivalents as of September 30, 2025, include Vietnamese dong deposits with terms ranging from 1 to 3 months and interest rates from 1.5% per annum to 4.6% per annum (as of December 31, 2024: terms ranging from 1 to 3 months and interest rates from 1.5% per annum to 4.6% per annum).

**5. HELD-TO-MATURITY INVESTMENTS**

Held-to-maturity investments as of September 30, 2025, include Vietnamese dong deposits with terms ranging from 6 to 12 months and interest rates from 3.9% per annum to 5.6% per annum (as of December 31, 2024: terms ranging from 6 to 12 months and interest rates from 3.9% per annum to 5.6% per annum). Of these, certain deposit contracts with a total value of VND 2 billion have been pledged as collateral for loans as presented in Note 19.

**6. SHORT-TERM TRADE RECEIVABLES AND ADVANCE TO SUPPLIERS****6.1 Short-term trade receivable**

	<i>Currency: VND</i>	
	<i>September 30, 2025</i>	<i>January 1, 2025</i>
Short-term trade receivables from customers	6,362,493,354	18,459,433,441
<i>Accounts receivable from customers – clean water business</i>	<i>5,030,693,942</i>	<i>17,078,568,329</i>
<i>Accounts receivable from other parties</i>	<i>1,331,799,412</i>	<i>1,380,865,112</i>
Trade receivables from related parties	5,573,743,348	5,573,743,348
<i>Viet Nam Construction and Import – Export Joint Stock Corporation</i>	<i>1,183,456,164</i>	<i>1,183,456,164</i>
<i>VIMECO Joint Stock Company</i>	<i>4,390,287,184</i>	<i>4,390,287,184</i>
<b>TOTAL</b>	<b>11,936,236,702</b>	<b>24,033,176,789</b>
Provision for doubtful receivables	(7,170,248,818)	(7,170,248,818)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**6. SHORT-TERM TRADE RECEIVABLES AND ADVANCE TO SUPPLIERS (continued)**
**6.2 Short-term advances to suppliers**

Currency: VND

	September 30, 2025	January 1, 2025
<i>Hanoi Urban House Trading and Development JSC</i>	2,596,110,103	2,596,110,103
Duy Binh Trading and Engineering Co., Ltd	4,429,365,000	-
Green European Plastic Joint Stock Company	1,574,218,536	-
Cuc Phuong Joint Stock Company	2,315,599,944	-
Vinaconex 504 Construction Joint Stock Company	6,781,100,000	-
IPC Group Joint Stock Company	10,745,399,741	-
Son Nguyen Technology Company Limited	3,102,261,576	-
Tan Phat Mechanical Engineering Co., Ltd	509,995,615	-
<i>Other suppliers</i>	1,802,431,430	303,499,817
<b>TOTAL</b>	<b>33,856,481,945</b>	<b>2,899,609,920</b>

**7. OTHER SHORT-TERM RECEIVABLES**

Currency: VND

	September 30, 2025		January 1, 2025	
	Balance	Provision	Balance	Provision
Advances to employees	3,189,378,062	(877,124,287)	1,091,805,845	(877,124,287)
Others	230,080,725	-	220,256,530	-
<b>TOTAL</b>	<b>3,419,458,787</b>	<b>(877,124,287)</b>	<b>1,312,062,375</b>	<b>(877,124,287)</b>

**8. BAD DEBTS**

Currency: VND

	September 30, 2025		January 1, 2025	
	Cost	Recoverable amount	Cost	Recoverable amount
Vimeco Joint Stock Company	4,390,287,184	-	4,390,287,184	-
Household clean water receivables	2,380,299,898	-	2,380,299,898	-
Others	1,276,786,023	-	1,276,786,023	-
<b>TOTAL</b>	<b>8,047,373,105</b>	<b>-</b>	<b>8,047,373,105</b>	<b>-</b>

**9. INVENTORIES**

Currency: VND

	September 30, 2025	January 1, 2025
Work in process	7,299,170,125	7,118,304,484
Raw materials	70,105,676,609	10,675,827,409
<b>TOTAL</b>	<b>77,407,846,734</b>	<b>17,794,131,893</b>
Provision for obsolete inventories	(759,073,540)	(759,073,540)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

## 10. TANGIBLE FIXED ASSETS

Cost:	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Total
On January 1, 2025	36,097,277,405	103,981,793,689	910,436,020,583	3,838,981,881	1,054,354,073,558
- Purchase during the period	-	1,648,148,148	-	-	1,648,148,148
- Transfer from construction in progress	1,550,087,375	220,691,931	60,386,218	-	1,831,165,524
- Reduction after final settlement	-	-	(168,107,273)	-	(168,107,273)
On September 30, 2025	37,647,364,780	105,850,633,768	910,328,299,528	3,838,981,881	1,057,665,279,957
In which:					
Fully depreciated	5,578,313,306	33,175,656,351	202,954,928,984	3,597,776,715	245,306,675,356
Accumulated depreciation:					
On January 1, 2025	17,312,111,073	67,705,060,486	484,891,220,482	3,762,932,495	573,671,324,536
- Depreciation during the period	1,125,621,414	8,610,935,620	38,126,655,213	17,212,500	47,880,424,747
- Disposal	-	-	-	-	-
On September 30, 2025	18,437,732,487	76,315,996,106	523,017,875,695	3,780,144,995	621,551,749,283
Net carrying amount:					
On January 1, 2025	18,785,166,332	36,276,733,203	425,544,800,101	76,049,386	480,682,749,022
On September 30, 2025	19,209,632,293	29,534,637,662	387,310,423,833	58,836,886	436,113,530,674

Buildings and structures, machinery and equipment with the total net carrying amount of VND 159 billion were used as collaterals for bank loans as disclosed in Note 19.



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

## 11. FINANCE LEASES

	Pumping station	Machinery and equipment	Means of transportation	Total
<b>Cost:</b>				
On January 1, 2025	1,235,156,584	2,666,915,528	41,330,008,250	45,232,080,362
On September 30, 2025	1,235,156,584	2,666,915,528	41,330,008,250	45,232,080,362
<i>In which:</i>				
<i>Fully depreciated</i>	920,424,048	2,510,107,016	17,367,473,059	20,798,004,123
<b>Accumulated depreciation:</b>				
On January 1, 2025	946,082,488	2,028,520,162	31,377,461,456	34,352,064,106
- Depreciation during the period	27,133,118	54,266,238	823,037,938	904,437,294
On September 30, 2025	973,215,606	2,082,786,400	32,200,499,394	35,256,501,400
<b>Net carrying amount:</b>				
On January 1, 2025	289,074,096	638,395,366	9,952,546,794	10,880,016,256
On September 30, 2025	261,940,978	584,129,128	9,129,508,856	9,975,578,962

The Company leases water supply system in the southwest of Hanoi City, from Hanoi Clean Water One Member Limited Company under the Finance Lease Contract No. 21/HDKT-NSHN dated 25 March 2009 and Appendix No. 01/2017/PLHD-NSHN dated 1 January 2017, with the lease term from 2009 to the end of 2037. Future lease payments under the lease contract are disclosed in Note 19.3.



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**12 INTANGIBLE FIXED ASSETS**

Currency: VND

Computer software

**Cost:**On January 1, 2025 8,174,563,494-Purchase during the period -On September 30, 2025 8,174,563,494*In which:*Fully amortised 4,131,856,755**Accumulated amortisation:**On January 1, 2025 4,216,079,813- Depreciation during the period 379,003,761On September 30, 2025 4,595,083,574**Net carrying amount:**On January 1, 2025 3,958,483,681On September 30, 2025 3,579,479,920**13. CONSTRUCTION IN PROGRESS**

Details of construction-in-progress projects are as follows:

Currency: VND

	September 30, 2025	January 1, 2025
Meter installation	1,908,806,560	1,847,156,057
Project for the construction of a water supply system for 11 communes in Thanh Oai District, Hanoi City	80,303,082,085	16,301,735,564
Water quality laboratory	2,838,014,569	2,838,014,569
Upgrade of asset management software (GIS)	2,628,700,000	-
Others	6,222,535,765	2,060,006,723
<b>TOTAL</b>	<b>93,901,138,979</b>	<b>23,046,912,913</b>

**14. LONG-TERM PREPAID EXPENSES**

Currency: VND

	September 30, 2025	January 1, 2025
Office renovation expenses	2,409,329,704	3,225,453,979
Cost of individual meter installation for customers	21,423,905,385	17,339,109,941
Others	-	-
<b>TOTAL</b>	<b>23,833,235,089</b>	<b>20,564,563,920</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**15. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS****15.1 Short-term trade payables**

Currency: VND

*The book value is also the amount  
capable of repaying the debt*

	September 30, 2025	January 1, 2025
Short-term trade payable	39,795,063,181	85,158,847,399
<i>Song Duong Surface Water JSC</i>	29,067,866,033	54,523,459,768
<i>Duong Thanh Water and Contruction JSC</i>	2,401,551,083	11,882,221,469
<i>Other suppliers</i>	8,325,646,065	18,780,166,162
Short-term trade payable from related parties	102,409,975,805	61,136,675,007
<i>Song Da Water Invesment Joint Stock Company</i>	99,597,442,091	58,514,652,531
<i>Hanoi Clean Water One Member Limited Company</i>	365,593,410	340,329,990
<i>Vietnam Construction Joint Stock Company No. 12</i>	2,232,322,346	2,232,322,346
<i>Vietnam Construction and Import - Export Joint Stock Corporation</i>	214,617,958	49,370,140
<b>TOTAL</b>	<b>142,205,038,986</b>	<b>146,322,522,406</b>

**15.2 Short-term advances from customers**

Currency: VND

	September 30, 2025	January 1, 2025
Short-term advances from customers	16,482,221,523	16,509,766,942
<i>TASCO Joint Stock Company</i>	1,842,304,600	1,842,304,600
<i>Vietnam Urban Services and Investment Joint Stock Company</i>	1,467,548,000	1,467,548,000
<i>Management Board of the Mulberry Lane apartment complex</i>	1,396,129,500	1,396,129,500
<i>Others</i>	11,776,239,423	11,803,784,842
Short-term advances from related parties	-	1,244,515,263
<i>Vietnam Construction and Import - Export Joint Stock Corporation</i>	-	1,244,515,263
<b>TOTAL</b>	<b>16,482,221,523</b>	<b>17,754,282,205</b>

**16. STATUTORY OBLIGATIONS**

Currency: VND

	January 1, 2025	Amount payable during the period	Amount paid during the period	September 30, 2025
Environment fee	7,104,080,969	62,172,400,179	(61,262,960,868)	8,013,520,271
Value added tax	-	5,167,890,065	(5,167,890,065)	-
Corporate income tax	23,922,535,975	30,165,687,672	(43,154,206,341)	10,934,017,306
Personal income tax	802,518,545	774,170,907	(1,454,030,107)	122,659,345
Other taxes	-	4,000,000	(4,000,000)	-
<b>TOTAL</b>	<b>31,829,135,489</b>	<b>98,284,148,814</b>	<b>(111,043,087,381)</b>	<b>19,070,196,922</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**17. SHORT-TERM ACCRUED EXPENSES**

Currency: VND

	September 30, 2025	January 1, 2025
Accrued cost for materials for construction projects	3,549,275,486	3,024,784,135
Accrued costs for fee collection activities	7,296,399,248	5,098,687,471
Remuneration for the Board of Directors and the Board of Supervision	1,080,000,000	1,920,000,000
Others		2,080,000,000
<b>TOTAL</b>	<b>11,925,674,734</b>	<b>12,123,471,606</b>

**18. OTHER SHORT-TERM PAYABLES**

Currency: VND

	September 30, 2025	January 1, 2025
Payables to construction teams	3.525.995.907	16.241.400.027
Dividend payables	601.974.000	566.640.000
Others	4.363.955.536	1.047.797.019
<b>TOTAL</b>	<b>8.491.925.443</b>	<b>17.855.837.046</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

## 19. LOANS AND FINANCE LEASES

Currency: VND

	January 1, 2025		September 30, 2025	
	Balance	Payable amount	Amount arising during the period	Payable amount
			Increase	Decrease
<b>Short-term loans</b>				
Current portion of long-term loans from banks (Note 19.1)	23,088,380,984	23,088,380,984	11,544,190,492	(17,310,591,383)
Current portion of loans from others (Note 19.2)	3,022,577,000	3,022,577,000	900,000,000	(925,000,000)
Current portion of long-term finance leases (Note 19.3)	873,814,879	873,814,879	462,166,704	(424,809,124)
<b>TOTAL</b>	<b>26,984,772,863</b>	<b>26,984,772,863</b>	<b>12,906,357,196</b>	<b>(18,660,400,507)</b>
<b>Long-term loans</b>				
Loans from banks (Note 19.1)	55,025,023,644	55,025,023,644	63,086,659,524	(11,544,190,492)
Loans from others (Note 19.2)	19,645,533,633	19,645,533,633	-	(900,000,000)
Finance leases (Note 19.3)	10,006,201,377	10,006,201,377	-	(462,166,704)
<b>TOTAL</b>	<b>84,676,758,654</b>	<b>84,676,758,654</b>	<b>63,086,659,524</b>	<b>(12,906,357,196)</b>
			<b>134,857,060,982</b>	<b>134,857,060,982</b>



# VIWACO Joint Stock Company

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## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

### 19. LOANS AND FINANCE LEASES (continued)

#### 19.1 Long-term loans from banks

Bank	On 30 September, 2025 (VND)	Principal and interest repayment term	Annual interest rate	Description of collateral	Currency: VND
Military Commercial Joint Stock Bank – Dong Da Branch	2,695,059,000	120 months. Principal and interest are payable in monthly instalments, until October 2029	8.86%	All machinery, equipment and asset rights associated with supplement items of water distribution pipeline and meter installation in Ta Thanh Oai village, of Project construction of water supply system for the 4 communes of Huu Hoa, Ta Thanh Oai, Tam Hiep and a part of Van Dien Town, Thanh Tri District, Hanoi.	
	7,894,486,456	The loan term is 120 months, with both principal and interest being repaid monthly until April 2027	8.86%	Deposit contract No. 28311.19.0592490114.TG.DN issued by Military Commercial Joint Stock Bank – Dong Da Branch on September 16, 2019.	
	9,322,672,855	120 months. Principal and interest are payable in monthly instalments, until April 2027	8.86%	All water pipes and equipment of Project "Construction of water supply system for Vinh Quynh Commune, Thanh Tri District, Ha Noi.	
Joint Stock Commercial Bank for Foreign Trade of Vietnam –West Hanoi Branch	14,448,564,067	120 months. Principal and interest are payable in monthly instalments, until July 2029	7.3%	All machinery and equipment of Project "Construction of water supply system for the 4 communes of Xuan Phuong, Dai Mo, Tay Mo and Trung Van, Nam Tu Liem, Hanoi" (including project development cost).	
	7,591,751,555	132 months. Principal and interest are payable in monthly instalments, until December 2032	6.6 – 7.6 %	All assets under the project for investment and construction of a clean water supply system for Huu Hoa, Ta Thanh Oai, Tam Hiep communes and Van Dien town.	
Vietnam Joint Stock Commercial Bank for Industry and Trade – Nam Thang Long Branch	5,476,268,305	Loan term of 84 months. Principal and interest are paid every 3 months until July 2027	8.2%	The pipeline network system under the project "Supplementary investment, renovation, and replacement of the old water supply network and reduction of water loss in 2021 – Nam Tu Liem District.	
Shinhan Bank Ltd. – Pham Hung Branch	6,134,652,692	The loan term is 120 months, with both principal and interest repaid every three months until November 2031	7.8%	The collateral for this loan comprises assets formed from loan capital under the project for renovating the distribution pipelines, service connections, and DMA meters K6/3B in Zones 1, 2, 3, and 4 in Thanh Xuan District, Hanoi City, for which the Company is the project owner.	
Vietnam International Joint Stock Commercial Bank – Dong Da Branch	7,239,358,315	Loan term of 84 months. Principal and interest are paid monthly	8.0%	All assets under the project "Supplementary investment, renovation, and replacement of the old water supply network and reduction of water loss in 2021 – Thanh Xuan District".	
Bank for Investment and Development of Vietnam (BIDV) – Ha Dong Branch	63,086,659,524	Loan term of 204 months. Principal and interest are paid monthly	6.7%	Assets formed from loan capital under the project for renovating the distribution pipelines, service connections, and DMA meters K4/4B and K4/242 Vu Tong Phan.	
				Loan used for the implementation of the project for investment and construction of a clean water supply system in Thanh Oai District, Hanoi City	

**TOTAL** **123,889,472,769**

In which:

Current portion 17,321,980,093

Long-term 106,567,492,676

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**19. LOANS AND FINANCE LEASES (continued)****19.2 Loans from others**

Details of long-term borrowings repayable are presented as follows:

<i>Lenders</i>	<i>Balance as at September 30, 2025 (VND)</i>	<i>Principal and interest repayment term</i>	<i>Annual interest rate</i>	<i>Description of collateral</i>
Hanoi city Investment Fund for Development	5,100,000,000	240 months. Principal is payable every 6 months, until November 2033.	None	Unsecured
	13,500,000,000	240 months. Principal is payable annually, until November 2033.	None	Unsecured
	2,920,533,633	78 months. Principal is payable in quarterly instalments and interest is payable monthly, until November 2029.	5,96%/year	The collateral for this loan is Deposit Contract No. 140/2023/43199 issued by Vietnam Joint Stock Commercial Bank for Industry and Trade – Nam Thang Long Branch on December 22, 2023.
Housing and Urban Development Corporation	222,577,000	144 months. Principal is payable annually, until July 2025.	None	Unsecured
<b>TOTAL</b>	<b>21,743,110,633</b>			
<i>In which:</i>				
<i>Current portion</i>	2,997,577,000			
<i>Long-term</i>	18,745,533,633			

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**19. LOANS AND FINANCE LEASES (continued)****19.3 Finance lease**

The Company leases the water supply system in the southwest of Hanoi under Lease, arrangement No. 21/HDKT-NSHN dated 25 March 2009 and Appendix No. 01/2017/PLHD-NSHN from Hanoi Clean Water One Member Company Limited with the lease term from 2009 to the end of 2037 (Note 11).

Future obligations due under the finance lease agreements as at the balance sheet dates are as follows:

	September 30, 2025				Currency: VND	
	Total lease payments	Finance charges	Lease liabilities	Total lease payments	Finance charges	Lease liabilities
Less than 1 year	2,093,789,495	1,182,617,036	449,005,756	2,106,205,328	1,232,390,449	873,814,879
From 1-5 years	8,992,115,601	4,338,032,635	4,571,074,644	9,280,955,058	4,605,923,024	4,675,032,034
More than 5 years	6,604,233,683	1,714,281,976	5,435,126,732	7,356,081,057	2,024,911,714	5,331,169,343
<b>TOTAL</b>	<b>17,690,138,779</b>	<b>7,234,931,647</b>	<b>10,455,207,132</b>	<b>18,743,241,443</b>	<b>7,863,225,187</b>	<b>10,880,016,256</b>

January 1, 2025

**20. BONUS AND WELFARE FUND**

	Currency: VND	
	or the financial period ended September 30, 2025	For the financial period ended January 1, 2025
Beginning balance	179,396,920	464,896,920
Utilization of the fund during the period	(179,396,920)	(285,500,000)
Ending balance	-	179,396,920



# VIWACO Joint Stock Company

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

### 21. OWNERS' EQUITY

#### 21.1 Increase and decrease in owners' equity

Currency: VND

	Share capital	Undistributed earnings	Total
<b>For the financial period ended December 31, 2024</b>			
On January 1, 2024	320,000,000,000	201,493,968,318	521,493,968,318
Profit during the period	-	230,404,755,299	230,404,755,299
Dividend payment	-	(38,400,000,000)	(38,400,000,000)
On December 31, 2024	<u>320,000,000,000</u>	<u>393,498,723,617</u>	<u>713,498,723,617</u>
<b>For the financial period ended September 30, 2025</b>			
On January 1, 2025	320,000,000,000	393,498,723,617	713,498,723,617
Capital increase during the period	159,999,950,000		159,999,950,000
Profit during the period	-	119,602,637,309	119,602,637,309
Dividend payment		(198,399,950,000)	(198,399,950,000)
On September 30, 2025	<u>479,999,950,000</u>	<u>314,701,410,926</u>	<u>794,701,360,926</u>

#### 21.2 Share capital

Currency: VND

	September 30, 2025		January 1, 2025	
	Ordinary shares VND	% of ownershi p %	Ordinary shares VND	% of ownershi p %
Vietnam Construction and Import - Export JSC	244,800,000,000	51.0%	163,200,000,000	51.0%
Hanoi Clean Water One Member Limited Company	113,773,200,000	23.7%	75,848,800,000	23.7%
Song Da Water Investment JSC	72,441,000,000	15.1%	48,294,000,000	15.1%
Others	48,985,750,000	10.2%	32,657,200,000	10.2%
<b>TOTAL</b>	<u><b>479,999,950,000</b></u>	<u><b>100%</b></u>	<u><b>320,000,000,000</b></u>	<u><b>100%</b></u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**21. OWNERS' EQUITY (continued)****21.3 Shares**

	September 30, 2025 Quantity	January 1, 2025 Quantity
<b>Authorized shares</b>	<b>47,999,950</b>	<b>32,000,000</b>
<b>Issued shares</b>	<b>47,999,950</b>	<b>32,000,000</b>
Ordinary shares	47,999,950	32,000,000
Preference shares	-	-
<b>Shares in circulation</b>	<b>47,999,950</b>	<b>32,000,000</b>
Ordinary shares	47,999,950	32,000,000
Preference shares	-	-

Par value of outstanding shares is VND 10.000 per share (31 December 2024: VND 10.000 per share). These shares are listed on UPCOM under trading code VAV.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**22. REVENUES****22.1 Revenue from sale of goods and rendering of services**

	Currency: VND	
	Quarter 3 of 2025	Quarter 3 of 2024
<b>Gross revenue</b>	<b>277,872,184,612</b>	<b>268,211,759,151</b>
<i>In which:</i>		
Revenue from distribution and sale of clean water	274,983,505,851	264,917,955,306
Revenue from construction activities and others	2,888,678,761	3,293,803,845
<b>Deduction</b>	-	-
<b>Net revenue</b>	<b>277,872,184,612</b>	<b>268,211,759,151</b>
<i>In which:</i>		
Sales to related parties	3,326,828,500	3,158,447,200
Sales to others	274,545,356,112	265,053,311,951

**22.2 Finance income**

	Currency: VND	
	Quarter 3 of 2025	Quarter 3 of 2024
Interest income	2.184.430.563	1.048.819.160
Loan interest income		2.188.331.507
<b>TOTAL</b>	<b>2.184.430.563</b>	<b>3.237.150.667</b>

**23. COST OF GOODS SOLD AND SERVICES RENDERED**

	Currency: VND	
	Quarter 3 of 2025	Quarter 3 of 2024
Cost of distribution and sale of clean water	223,064,385,568	174,313,013,762
Cost of construction activities and others	2,614,783,476	3,197,267,470
<b>TOTAL</b>	<b>225,679,169,044</b>	<b>177,510,281,232</b>



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**24. FINANCE EXPENSES**

Currency: VND

	Quarter 3 of 2025	Quarter 3 of 2024
Loan and finance lease interest	1,344,777,763	2,038,641,707
<b>TOTAL</b>	<b>1,344,777,763</b>	<b>20,38,641,707</b>

**25. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

Currency: VND

	Quarter 3 of 2025	Quarter 3 of 2024
<b>Selling expenses</b>		
Labour cost	11,511,213,561	12,277,363,923
Depreciation and amortisation	4,807,800	4,807,800
Others	-	-
<b>TOTAL</b>	<b>11,516,021,361</b>	<b>12,282,171,723</b>
<b>General and administrative expenses</b>		
Labour cost	3.201.602.228	3.485.146.087
Depreciation and amortisation	560.901.579	560.901.579
Expenses for external services	799.943.911	929.122.228
Other general and administrative expenses	-	-
<b>TOTAL</b>	<b>4.562.447.718</b>	<b>4.975.169.894</b>

**26. CORPORATE INCOME TAX**

For clean water distribution, in accordance with Investment Registration Certificates, the Company is entitled to incentive corporate income tax ("CIT") rate of 10% for 15 years commencing from the first year of earning revenue (from 2005 to 2019). The Company is also entitled to an exemption from CIT for 4 years commencing from the first year in which taxable income is earned (from 2011 to 2014), and a 50% reduction of the applicable CIT tax rate for the following 9 years (from 2015 to 2023).. Therefore, the Company applies a tax rate of 20% for the financial period ended September 30, 2025.

For other activities, the CIT rate applicable to the Company is 20% of taxable income.

**CIT expense**

Currency: VND

	Quarter 3 of 2025	Quarter 3 of 2024
Current CIT expense	7,390,839,858	14,938,679,244
Deferred income tax expenses	-	-
<b>TOTAL</b>	<b>7,390,839,858</b>	<b>14,938,679,244</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

As of September 30, 2025, and for the financial period ended on the same date

**27. EARNINGS PER SHARE**

The following reflects the data used in the basic and diluted earnings per share computations:

	Currency: VND	
	Quarter 3 of 2025	Quarter 3 of 2024
Profit after corporate income tax	29,563,359,431	59,754,716,978
Adjustment: Decrease due to appropriation to bonus and welfare funds	-	-
Net profit after tax attributable to ordinary shareholders for the purpose of calculating basic earnings per share	29,563,359,431	59,754,716,978
Dilutive effect	-	-
<b>Net profit after tax attributable to ordinary shareholders after adjustments for dilutive effects</b>	<b>29,563,359,431</b>	<b>59,754,716,978</b>
Weighted average number of ordinary shares (excluding treasury shares), adjusted for dilutive effects	47,999,950	32,000,000
Basic earnings per share	616	1,867
Diluted earnings per share	616	1,867

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the issuance date of these financial statements.



Preparer  
Doan Thi Minh Nga



Chief accountant  
Tran Manh Hung



General Director  
Nguyen Huu Toi

Hanoi, Vietnam

October 16, 2025