

**CÔNG TY CP CẤP THOÁT NƯỚC  
VÀ XÂY DỰNG QUẢNG NGÃI**

**QUANG NGAI WATER SUPPLY,  
SEWERAGE AND CONSTRUCTION JOINT  
STOCK COMPANY**

**CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM**

**Độc lập – Tự do – Hạnh phúc**

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**

Số/ Number: **377** /CBTT-QNW

Quảng Ngãi, ngày **29** tháng 10 năm 2025

Quang Ngai, October **29**, 2025

**CÔNG BỐ THÔNG TIN ĐỊNH KỲ BÁO CÁO TÀI CHÍNH**  
**PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS**

Kính gửi/ To: Sở Giao dịch Chứng khoán Hà Nội/ Hanoi Stock Exchange

Thực hiện quy định tại khoản 3, khoản 4 Điều 14 Thông tư số 96/2020/TT-BTC ngày 16/11/2020 của Bộ Tài chính hướng dẫn công bố thông tin trên thị trường chứng khoán, Công ty cổ phần Cấp thoát nước và Xây dựng Quảng Ngãi thực hiện công bố thông tin báo cáo tài chính (BCTC) quý 3 năm 2025 với Sở Giao dịch Chứng khoán Hà Nội như sau:

Pursuant to the provisions of Clause 3 and Clause 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market, Quang Ngai Water Supply and Construction Joint Stock Company shall disclose information on the financial statements (FS) for the third quarter of 2025 to the Hanoi Stock Exchange as follows:

**1. Tên tổ chức/ Organization name:**

- Mã chứng khoán/ Stock code: QNW
- Địa chỉ: số 17 Phan Chu Trinh, phường Cẩm Thành, tỉnh Quảng Ngãi.
- Address: No. 17 Phan Chu Trinh Street, Cam Thanh Ward, Quang Ngai province.
- Điện thoại liên hệ/ Contact phone: 0255.382.2693 Fax: 0255.382.2692
- Email: [capnuocqng@gmail.com](mailto:capnuocqng@gmail.com) Website: [capnuocqni.com.vn](http://capnuocqni.com.vn)

**2. Nội dung thông tin công bố/ Information disclosure content:**

**- BCTC quý 3 năm 2025/ Financial report for the third quarter of 2025:**

- ☐ BCTC riêng (TCNY không có công ty con và đơn vị kế toán cấp trên có đơn vị trực thuộc)/ Separate Financial Statements (for a listed company without subsidiaries and for a superior accounting unit with affiliated units);
- ☒ BCTC hợp nhất (TCNY có công ty con)/ Consolidated Financial Statements (for a listed company with subsidiaries);



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- ☐ BCTC tổng hợp (TCNY có đơn vị kế toán trực thuộc tổ chức bộ máy kế toán riêng)/ Combined Financial Statements (for a listed company with dependent accounting units having separate accounting organizations);

**- Các trường hợp thuộc diện phải giải trình nguyên nhân/ Cases that must explain the cause:**

+ Tổ chức kiểm toán đưa ra ý kiến không phải là ý kiến chấp nhận toàn phần đối với BCTC (đối với BCTC được kiểm toán năm 2025)/ The audit firm expressed a qualified or adverse opinion (other than an unmodified opinion) on the Financial Statements (for the audited Financial Statements for the year 2025)

☐ Có/Yes

☒ Không/No

Văn bản giải trình trong trường hợp tích có/ Explanatory text in case of integration:

☐ Có/Yes

☒ Không/No

+ Lợi nhuận sau thuế trong kỳ báo cáo có sự chênh lệch trước và sau kiểm toán từ 5% trở lên, chuyển lỗ sang lãi hoặc ngược lại/ The after-tax profit for the reporting period changed by 5% or more between the pre-audit and post-audit figures, or shifted from a loss to a profit (or vice versa)

☐ Có/Yes

☒ Không/No

Văn bản giải trình trong trường hợp tích có/ Explanatory text in case of integration:

☐ Có/Yes

☒ Không/No

+ Lợi nhuận sau thuế thu nhập doanh nghiệp tại báo cáo kết quả kinh doanh của kỳ báo cáo có thay đổi từ 10% trở lên so với báo cáo cùng kỳ năm trước/ Profit after corporate income tax on the Statement of Profit or Loss for the reporting period changed by 10% or more compared to the same period of the previous year?

☐ Có/Yes

☒ Không/No

Văn bản giải trình trong trường hợp tích có/ Explanatory text in case of integration:

☐ Có/Yes

☒ Không/No

+ Lợi nhuận sau thuế trong kỳ báo cáo bị lỗ, chuyển từ lãi ở báo cáo cùng kỳ năm trước sang lỗ ở kỳ này hoặc ngược lại/ The after-tax profit for the reporting period recorded a loss, shifting from a profit in the same period of the previous year to a loss in the current period, or vice versa?

☐ Có/Yes

☒ Không/No

Văn bản giải trình trong trường hợp tích có/ Explanatory text in case of integration:

☐ Có/Yes

☒ Không/No



This information was published on the Company's website on October 28, 2025 at the link: <https://capnuocqni.com.vn/quan-he-co-dong.html/>.

**Tài liệu đính kèm/ Attached documents:**

- BCTC/ financial report; 

**Đại diện tổ chức/ Organization representative**

**Người đại diện theo Pháp luật/ Legal**

**Representative** 

**Giám đốc/Director**



**Nguyễn Đăng Đơ**



**QUANG NGAI WATER SUPPLY SEWERAGE AND  
CONSTRUCTION JOINT STOCK COMPANY**

**Tax code : 4300326264**

**Address: 17 Phan Chu Trinh - Cam Thanh Ward - Quang Ngai Province**

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**SEPARATE FINANCIAL STATEMENTS**  
**QUARTER III/2025**

**The report includes:**

- Balance sheet
- Statements of performance
- Statement of cash flow
- Notes to financial statements

*Quang Ngai, October 2025*



**SEPARATE BALANCE SHEET**

Quarter III/2025  
As at 30 October 2025

Unit: VND

| ASSETS   | Codes      | Notes      | Closing balance        | Opening balance        |
|--|------------|------------|------------------------|------------------------|
| <b>SHORT-TERM ASSETS</b>                             | <b>100</b> |            | <b>202.371.291.681</b> | <b>172.574.555.467</b> |
| <b>I. Cash and cash equivalents</b>                  | <b>110</b> | <b>3</b>   | <b>97.169.035.353</b>  | <b>66.493.434.657</b>  |
| 1. Cash equivalents                                  | 111        |            | 8.765.786.448          | 4.179.233.554          |
| 2. Cash equivalents                                  | 112        |            | 88.403.248.905         | 62.314.201.103         |
| <b>II. Short-term investments</b>                    | <b>120</b> | <b>4</b>   | <b>72.419.595.110</b>  | <b>66.132.588.381</b>  |
| 1. Held-to-maturity investments                      | 123        |            | 72.419.595.110         | 66.132.588.381         |
| <b>III. Short-term receivables</b>                   | <b>130</b> |            | <b>25.448.641.433</b>  | <b>30.434.726.233</b>  |
| 1. Short-term trade receivables                      | 131        | 5          | 12.458.800.812         | 11.203.163.819         |
| 2. Short-term advances to suppliers                  | 132        | 6          | 14.986.710.188         | 22.724.265.452         |
| 3. Other short-term receivables                      | 136        | 7a         | 5.789.036.490          | 4.292.596.775          |
| 4. Short-term allowance for doubtful debts (*)       | 137        |            | (7.785.906.057)        | (7.785.906.057)        |
| 5. Shortage of assets awaiting resolution            | 139        |            | -                      | 606.244                |
| <b>IV. Inventories</b>                               | <b>140</b> | <b>8</b>   | <b>7.082.062.613</b>   | <b>9.099.294.004</b>   |
| 1. Inventories                                       | 141        |            | 15.726.828.591         | 17.744.059.982         |
| 2. Allowance for inventories (*)                     | 149        |            | (8.644.765.978)        | (8.644.765.978)        |
| <b>V. Allowance for inventories</b>                  | <b>150</b> | <b>13a</b> | <b>251.957.172</b>     | <b>414.512.192</b>     |
| 1. Short-term prepaid expenses                       | 151        |            | 251.957.172            | 299.206.948            |
| 2. Value added tax deductibles                       | 152        |            | -                      | 93.011.596             |
| 3. Taxes and other receivables from the State budget | 153        |            | -                      | 22.293.648             |
| <b>LONG-TERM ASSETS</b>                              | <b>200</b> |            | <b>114.343.367.208</b> | <b>116.759.802.530</b> |
| <b>I. Long-term receivables</b>                      | <b>210</b> | <b>7b</b>  | <b>119.638.560</b>     | <b>114.638.560</b>     |
| 1. Other long-term receivables                       | 216        |            | 2.283.710.360          | 2.278.710.360          |
| 2. Long-term allowance for doubtful debts (*)        | 219        |            | (2.164.071.800)        | (2.164.071.800)        |
| <b>II. Fixed assets</b>                              | <b>220</b> |            | <b>72.987.941.724</b>  | <b>82.400.159.701</b>  |
| 1. Tangible fixed assets                             | 221        | 9          | 72.987.941.724         | 82.400.159.701         |
| - Cost   | 222        |            | 244.985.675.157        | 243.316.348.879        |
| - Accumulated depreciation (*)                       | 223        |            | (171.997.733.433)      | (160.916.189.178)      |
| 2. Intangible fixed assets                           | 227        | 10         | -                      | -                      |
| - Cost   | 228        |            | 660.245.455            | 660.245.455            |
| - Accumulated amortisation (*)                       | 229        |            | (660.245.455)          | (660.245.455)          |
| <b>IV. Long-term assets in progress</b>              | <b>240</b> | <b>11</b>  | <b>16.897.254.940</b>  | <b>9.338.768.754</b>   |
| 1. Construction in progress                          | 242        |            | 16.897.254.940         | 9.338.768.754          |
| <b>V. Long-term financial investments</b>            | <b>250</b> | <b>12</b>  | <b>6.401.041.455</b>   | <b>6.417.572.918</b>   |
| 1. Investments in subsidiaries                       | 251        |            | 8.000.000.000          | 8.000.000.000          |
| 2. Allowances for long-term investments (*)          | 254        |            | (1.598.958.545)        | (1.582.427.082)        |
| <b>VI. Other long-term assets</b>                    | <b>260</b> |            | <b>17.937.490.529</b>  | <b>18.488.662.597</b>  |
| 1. Other long-term assets                            | 261        | 13b        | 17.937.490.529         | 18.488.662.597         |
| <b>TOTAL ASSETS</b>                                  | <b>270</b> |            | <b>316.714.658.889</b> | <b>289.334.357.997</b> |

**SEPARATE BALANCE SHEET**

As at 30 October 2025

(Next)

Unit: VND

| RESOURCES  | Codes      | Notes     | Closing balance        | Opening balance        |
|--|------------|-----------|------------------------|------------------------|
| <b>LIABILITIES</b>   | <b>300</b> |           | <b>56.035.795.034</b>  | <b>36.547.142.456</b>  |
| <b>I. Short-term liabilities</b>                               | <b>310</b> |           | <b>50.768.665.595</b>  | <b>30.680.410.733</b>  |
| 1. Short-term trade payables                                   | 311        | 14        | 2.928.283.879          | 3.582.874.587          |
| 2. Short-term advances from customers                          | 312        | 16        | 1.341.518.608          | 1.612.432.013          |
| 3. Taxes and amounts payable to the State budget               | 313        | 15        | 5.771.225.717          | 2.160.874.333          |
| 4. Payables to employees                                       | 314        |           | 5.255.402.887          | 7.914.831.264          |
| 5. Short-term accrued expenses                                 | 315        | 17a       | 11.208.948.482         | 10.929.632.168         |
| 6. Short-term accrued expenses                                 | 319        | 18        | 21.392.063.542         | 1.826.494.083          |
| 7. Short-term borrowings and finance lease liabilities         | 320        | 19        | 451.092.401            | 1.686.641.401          |
| 8. Short-term provisions                                       | 321        |           | -                      | -                      |
| 9. Bonus and welfare fund                                      | 322        |           | 2.420.130.079          | 966.630.884            |
| <b>II. Long-term liabilities</b>                               | <b>330</b> |           | <b>5.267.129.439</b>   | <b>5.866.731.723</b>   |
| 1. Long-term accrued expenses                                  | 333        | 17b       | 656.440.879            | 711.144.319            |
| 2. Other long-term payables                                    | 337        |           | 126.000.000            | 27.000.000             |
| 3. Long-term borrowings and finance lease liabilities          | 338        | 19        | 4.484.688.560          | 5.128.587.404          |
| <b>EQUITY</b>  | <b>400</b> |           | <b>260.678.863.855</b> | <b>252.787.215.541</b> |
| <b>I. Owner's equity</b>                                       | <b>410</b> | <b>20</b> | <b>259.791.402.296</b> | <b>251.899.753.982</b> |
| 1. Owner's contributed capital                                 | 411        |           | 200.000.000.000        | 200.000.000.000        |
| - Ordinary shares with voting rights                           | 411a       |           | 200.000.000.000        | 200.000.000.000        |
| 2. Share premium   | 412        |           | 14.651.406             | 14.651.406             |
| 3. Investment and development fund                             | 418        |           | 20.702.879.402         | 17.365.329.402         |
| 4. Retained earnings   | 421        |           | 39.073.871.488         | 34.519.773.174         |
| - Retained earnings/(losses) accumulated to the prior year end | 421a       |           | 7.059.843.174          | 1.239.885.502          |
| - Retained earnings/(losses) of the current year               | 421b       |           | 32.014.028.314         | 33.279.887.672         |
| <b>II. Other resources and funds</b>                           | <b>430</b> | <b>21</b> | <b>887.461.559</b>     | <b>887.461.559</b>     |
| 1. Subsidised funds  | 431        |           | 887.461.559            | 887.461.559            |
| <b>TOTAL RESOURCES</b>   | <b>440</b> |           | <b>316.714.658.889</b> | <b>289.334.357.997</b> |

Quang Ngai, October. 29, 2025

Preparer



Le Nguyen Viet

Chief Accountant



Pham Dinh Tung

General Director



Nguyen Dang Do



STATEMENT OF INCOME

(Full form)

Quarter III/2025

From 01/01/2025 to 30/09/2025

| ITEMS  | Code | Note | Quarter III/2025 |                  | Cumulative from the beginning of the year to the end of this quarter |                  |
|--|------|------|------------------|------------------|--|------------------|
|  |      |      | Quarter III/2025 | Quarter III/2025 | Quarter III/2025   | Quarter III/2024 |
| 1  |      |      | 4                | 5                | 6  | 7                |
| 1. Gross revenue from goods sold and services rendered               | 01   | 22   | 30.274.908.381   | 30.609.508.841   | 86.191.182.310   | 85.850.531.656   |
| 2. Deductions  | 02   |      |                  |                  |  |                  |
| 3. Net revenue from goods sold and services rendered (10 = 01 - 02)  | 10   |      | 30.274.908.381   | 30.609.508.841   | 86.191.182.310   | 85.850.531.656   |
| 4. Cost of goods sold and services rendered                          | 11   | 23   | 13.043.221.433   | 13.026.030.342   | 39.841.964.350   | 38.812.014.176   |
| 5. Gross profit from goods sold and services rendered (20 = 10 - 11) | 20   |      | 17.231.686.948   | 17.583.478.499   | 46.349.217.960   | 47.038.517.480   |
| 6. Financial income  | 21   | 24   | 1.413.578.139    | 642.837.392      | 3.831.563.150  | 2.606.923.326    |
| 7. Financial expenses  | 22   | 25   | (1.405.817)      | 184.248.737      | 246.782.213  | 589.211.141      |
| - In which: Interest expense   | 23   |      | 67.919.968       | 121.328.257      | 230.250.750  | 244.994.145      |
| 8. Selling expenses  | 25   | 26   | 762.735.919      | 955.603.560      | 2.933.670.277  | 3.276.615.161    |
| 9. General and administration expenses                               | 26   | 27   | 2.091.042.141    | 2.212.081.367    | 6.835.723.083  | 6.368.635.080    |
| 10. Net operating profit(30 = 20 + (21 - 22) - (25 + 26))            | 30   |      | 15.792.892.844   | 14.874.382.227   | 40.164.605.537   | 39.410.979.424   |
| 11. Other income   | 31   | 28   | -                |                  | 1.019.414  |                  |
| 12. Other expenses   | 32   | 29   | 1.465.558        |                  | 28.928.975   | 3.122.286        |
| 13. Other losses (40 = 31 - 32)                                      | 40   |      | (1.465.558)      | 0                | (27.909.561)   | (3.122.286)      |
| 14. Accounting profit before tax (50=30+40)                          | 50   |      | 15.791.427.286   | 14.874.382.227   | 40.136.695.976   | 39.407.857.138   |
| 15. Current corporate income tax expense                             | 51   | 30   | 3.158.285.458    | 2.974.876.445    | 8.122.667.662  | 7.973.275.523    |
| 16. Deferred corporate tax expense                                   | 52   |      |                  |                  |  |                  |
| 17. Net profit after corporate income tax (60 = 50 - 51 - 52)        | 60   |      | 12.633.141.828   | 11.899.505.782   | 32.014.028.314   | 31.434.581.615   |
| 18. Basic earnings per share (*)                                     | 70   |      |                  |                  |  |                  |
| 19. Earnings per share decline (*)                                   | 71   |      |                  |                  |  |                  |

Unit: VND

Preparer

CHIEF ACCOUNTANT

Quang Ngai, October 29, 2025  
GENERAL DIRECTOR



Le Nguyen Viet

Pham Dinh Tung



**SEPARATE CASH FLOW STATEMENT**

**Indirect method**

From 01/01/2025 to 30/09/2025

Unit: VND

Accumulated from the beginning of the year  
to the end of this quarter

| ITEMS   | Codes | Notes | Current year     | Prior year       |
|---|-------|-------|------------------|------------------|
| <b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>  |       |       |                  |                  |
| 1. Profit before tax  | 01    |       | 40.136.695.976   | 39.407.857.138   |
| 2. Adjustments for:   |       |       | 7.496.763.318    | 9.147.030.625    |
| - Depreciation and amortisation of fixed assets and investment properties               | 02    |       | 11.081.544.255   | 11.274.141.544   |
| - Allowances and provisions   | 03    |       | 16.531.463       | 125.710.603      |
| - (Gains)/losses from investing activities  | 05    |       | (3.831.563.150)  | (2.606.923.326)  |
| - Interest expense  | 06    |       | 230.250.750      | 354.101.804      |
| 3. Operating profit before changes in working capital                                   | 08    |       | 47.633.459.294   | 48.554.887.763   |
| - Change in receivables   | 09    |       | 5.096.390.044    | (2.868.455.839)  |
| - Change in inventories   | 10    |       | 2.017.231.391    | 2.833.515.994    |
| - Change in payables (excluding accrued loan interest and corporate income tax payable) | 11    |       | (3.757.787.715)  | (13.287.516.008) |
| - Change in prepaid expenses  | 12    |       | 598.421.844      | (627.471.158)    |
| - Interest paid   | 14    |       | (230.250.750)    | (354.101.804)    |
| - Corporate income tax paid   | 15    |       | (4.549.278.720)  | (4.847.590.198)  |
| - Other cash outflows   | 17    |       | (2.569.880.805)  | (923.644.900)    |
| Net cash flows from operating activities  | 20    |       | 44.238.304.583   | 28.479.623.850   |
| <b>II. LCASH FLOWS FROM INVESTING ACTIVITIES</b>  |       |       |                  |                  |
| 1. Acquisition and construction of fixed assets and other long-term assets              | 21    |       | (9.227.812.464)  | (6.061.569.366)  |
| 3. Cash outflow for lending, buying debt instruments of other entities                  | 23    |       | (6.287.006.729)  | (1.179.218.727)  |
| 4. Cash outflow for lending, buying debt instruments of other entities                  | 24    |       | -                | -                |
| 5. Equity investments in other entities   | 25    |       | -                | -                |
| 7. Interest earned, dividends and profits received                                      | 27    |       | 3.831.563.150    | 2.606.923.326    |
| Net cash flows from investing activities  | 30    |       | (11.683.256.043) | (4.633.864.767)  |
| <b>III. Net cash flows from investing activities</b>                                    |       |       |                  |                  |
| 3. Proceeds from borrowings   | 33    |       | -                | -                |
| 4. Repayment of borrowings  | 34    |       | (1.879.447.844)  | (1.308.269.844)  |
| 6. Dividends and profits paid   | 36    |       | -                | -                |
| Net cash flows from financing activities  | 40    |       | (1.879.447.844)  | (1.308.269.844)  |
| Net increase/(decrease) in cash for the period  | 50    |       | 30.675.600.696   | 22.537.489.239   |
| Cash and cash equivalents at the beginning of the period                                | 60    |       | 66.493.434.657   | 43.918.108.040   |
| Cash and cash equivalents at the end of the period                                      | 70    |       | 97.169.035.353   | 66.455.597.279   |

Quang Ngai, October 29, 2025

Preparer



Le Nguyen Viet

Chief Accountant



Pham Dinh Tung

General Director



Nguyen Dang Do

**NOTES TO SEPARATE FINANCIAL  
STATEMENTS QUARTER III/2025** *(This explanation is a  
constituent part and should be read concurrently with the Financial Statements)*

Form No. B 09 - DN  
Promulgated under Circular No.  
200/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance

**1. Operational characteristics**

**1.1. General overview**

Quang Ngai Water Supply, Sewerage and Construction Joint Stock Company (hereinafter referred to as the "Company") was established on the basis of equitization of a State-owned enterprise (Quang Ngai Water Supply, Sewerage and Construction Co., Ltd.) under Decision No. 152/QĐ-UBND dated 03/02/2010 of the People's Committee of Quang Ngai Province. The company is an independent accounting unit, operating under the Joint Stock Company Enterprise Registration Certificate No. 4300326264 dated 24/02/2010 of the Department of Planning and Investment of Quang Ngai Province, the Law on Enterprises, the Company's Charter and relevant legal regulations. Since its establishment, the Company has adjusted the Business Registration Certificate 5 times and the latest adjustment was on 15/01/2025.

The company has traded ordinary shares on the UPCOM market at the Hanoi Stock Exchange under Decision No. 854/QĐ-SGDHN dated 19/12/2016 with the stock code QNW.

**1.2. Main business areas:** *Clean water supply, construction and commercial business.*

**1.3. Business Scope**

- Water exploitation, treatment and supply;
- Construction of public-utility works: Investment in the construction of water supply and drainage works – Construction and installation of 22/15KV power system for water supply works;
- Construction of other civil technical works: Construction of water supply and drainage works;
- Installation of water supply, drainage, heater and air conditioning systems: Installation of water supply and drainage systems;
- Wholesale of other materials and installation equipment in construction: Trading in equipment for installation of water supply and drainage systems;
- Architectural activities and related technical consultancy: Design of technical infrastructure works (water supply and drainage);
- For conditional business lines, enterprises only operate when they meet the conditions prescribed by law.

**1.4. Corporate Structure**

The company currently has 2 subsidiaries:

- Dung Quat Water Supply Co., Ltd.;
- Quang Ngai Infrastructure Construction Company Limited.

**2. Accounting policies and regulations applied at the company**

**2.1 Accounting period, currency used in accounting**

The Company's annual accounting period according to the calendar year starts from 01/01 and ends on 31/12 every year.



## EXPLANATION OF THE FINANCIAL STATEMENTS (continued)

*(This explanation is a constituent part and should be read concurrently with the Financial Statements)*

This Quarterly Financial Report is prepared for the accounting period starting from January 1, 2025 to September 30, 2025.

The currency used to record accounting books and present financial statements is Vietnam Dong (VND).

### 2.2 Applicable accounting standards and regimes

The company applies the Vietnamese enterprise accounting regime guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and the Vietnam Accounting Standards System issued by the Ministry of Finance.

### 2.3 Cash and cash equivalents

Money includes: Cash at the fund, demand bank deposits, and money in transit.

Cash equivalents are short-term investments with a payback period of no more than 3 months from the date of investment, which are easily convertible into a specified amount of money and there is no risk of conversion into cash at the time of reporting.

### 2.4 Financial investments

Investments held to maturity include: Term bank deposits (including bills and promissory notes), bonds, preferred stocks that the issuer is required to redeem at a certain time in the future, loans, etc ... held to maturity for the purpose of earning periodic interest and other investments held to maturity.

Investments in subsidiaries and associated joint ventures are initially recorded in the accounting books at the original price. After initial recognition, the value of these investments is determined according to the original price minus the provision for depreciation of the investment.

Dividends received in shares are only recorded in the number of shares received, not an increase in the value of investments and revenues from financial activities.

Provisions for depreciation of investments shall be made at the end of the year, specifically as follows:

- For business securities investments: the basis for setting aside is the difference between the principal price of the investments recorded in the accounting books greater than their market value at the time of making the provision.
- For investments in subsidiaries and associated joint venture companies: A provision for investment price reduction shall be made when the investee incurs losses, based on the financial statements of the subsidiary, joint venture or associate company at the time of setting up the provision.
- For investments held for a long time (not classified as business securities) and do not have a significant impact on the investee: if the investment in listed stocks or the fair value of the investment is determined to be reliable, the provision shall be based on the market value of the shares; if the investment cannot be reasonably valued at the time of reporting, the provision shall be based on the financial statement at the time of setting aside the provision of the investee party.
- For investments held until maturity: based on the recoverability to make a provision for bad debts in accordance with law.

### 2.5 Accounts receivable

Receivables include: Customer receivables and other receivables:

- Customer receivables are receivables of a commercial nature, arising from transactions of a commercial nature between the Company and the buyer;
- Other receivables are receivables that are not of a commercial nature, not related to purchase and sale transactions, internally.

Receivables are recorded at the principal price minus the provision for bad debts.



## EXPLANATION OF THE FINANCIAL STATEMENTS (continued)

*(This explanation is a constituent part and should be read concurrently with the Financial Statements)*

### 2.6 Inventory

Inventory is recorded at a lower price between the original price and the net realizable value.

The original price of inventory is calculated according to the weighted average method and accounted according to the regular declaration method with the value determined as follows:

- Raw materials and goods: including purchase costs, processing costs and other directly related costs incurred to obtain inventory at the current location and state;
- Finished products: including direct raw material costs, direct labor costs, and directly related general costs allocated based on normal operation levels.

The net achievable value is the estimated selling price minus the estimated cost of completing the inventory and the estimated cost required for their consumption.

Provisions for inventory price reduction shall be set aside for each item when the net realizable value of such item is less than the original price.

### 2.7 Tangible Fixed Assets

#### **Original cost**

Tangible fixed assets are reflected at historical cost minus accumulated depreciation.

The historical cost includes the purchase price and all costs incurred by the Company to acquire a tangible fixed asset up to the time of putting such fixed asset into a ready-to-use state. Expenses incurred after initial recognition shall only be recorded as an increase in the historical cost of tangible fixed assets if these expenses are certain to increase future economic benefits from the use of such assets. Expenses that do not satisfy the above conditions are recorded as expenses in the period.

#### **Depreciation**

Tangible fixed assets are depreciated in a straight line based on the estimated useful life of the asset. The depreciation time is in accordance with Circular No. 45/2013/TT-BTC dated 25/4/2013 of the Ministry of Finance. Specifically, as follows:

| <u>Asset Class</u>               | <u>Depreciation period</u><br>(years) |
|----------------------------------|---------------------------------------|
| Houses and architectural objects | 8 - 30                                |
| Machinery and equipment          | 6 - 10                                |
| Means of transport               | 10 – 25                               |
| Management Software              | 02                                    |
| Instrument Management Equipment  | 6                                     |

### 2.8 Intangible fixed assets

#### **Original cost**

Intangible fixed assets are reflected at historical cost minus accumulated depreciation.

The historical cost of intangible fixed assets is the total costs that the Company must incur to acquire intangible fixed assets up to the time of putting such assets into a ready-to-use state.

#### **Depreciation**

## EXPLANATION OF THE FINANCIAL STATEMENTS (continued)

*(This explanation is a constituent part and should be read concurrently with the Financial Statements)*

Other intangible fixed assets are depreciated on a straight-line basis based on the asset's estimated useful life. The depreciation time is in accordance with Circular No. 45/2013/TT-BTC dated 25/4/2013 of the Ministry of Finance.

The depreciation time of intangible fixed assets at the Company is as follows:

| <u>Asset Class</u>            | <u>Depreciation period</u><br><u>(years)</u> |
|-------------------------------|--|
| Groundwater extraction rights | 5  |

### 2.9 Upfront costs

Upfront costs are categorized into short-term upfront costs and long-term upfront costs. These are the actual costs that have been incurred but are related to the results of production and business activities of many periods. Major prepaid expenses at the Company:

- Exported tools and tools are allocated according to the straight-line method for a period of 2 to 3 years;
- Other prepaid expenses: Based on the nature and extent of the expenses, the Company shall select appropriate allocation methods and criteria during the time when economic benefits are expected to be generated.

### 2.10 Liabilities

Liabilities include: Payables to the seller and other payables:

- Seller payables are payables of a commercial nature, arising from transactions of a commercial nature between suppliers and the Company;
- Other payables are payables that are not of a commercial nature, not related to purchase and sale transactions, internally.

Liabilities are recorded at the original price, classified into short-term and long-term liabilities based on the remaining debt term at the end of the accounting period.

Liabilities are monitored in detail by the Company, by object, principal term, remaining debt term and in the original currency.

### 2.11 Loans and financial lease liabilities

Loans and financial lease liabilities are reflected at the principal price and classified into short-term and long-term liabilities based on the remaining debt term at the end of the accounting period.

Loans and financial lease liabilities are monitored in detail by the Company, according to loan contracts, principal terms, remaining debt terms and in the original currency.

#### *Borrowing costs*

Borrowing expenses include loan interest and other expenses incurred directly related to the Company's loans. Borrowing expenses shall be recorded in operating expenses in the incurred period, unless the conditions for capitalization are satisfied according to the provisions of the Accounting Standard "Borrowing expenses".

Borrowing expenses related to separate loans used only for the purpose of investment, construction or formation of a specific asset of the Company shall be capitalized in the historical cost of such assets. For general loans, the amount of borrowing expenses eligible for capitalization in the accounting period



## EXPLANATION OF THE FINANCIAL STATEMENTS (continued)

*(This explanation is a constituent part and should be read concurrently with the Financial Statements)*

shall be determined according to the capitalization ratio for weighted average accumulated expenses incurred for the investment in construction or production of such assets.

The capitalization of borrowing costs will pause during periods when the investment, construction, or production of unfinished assets is interrupted, unless such interruption is necessary. The time of termination of the capitalization of borrowing costs is when the main activities necessary for the preparation of putting the unfinished asset into use or sale have been completed.

### **2.12 Costs to be paid**

Accounts payable are recognized for future amounts payable in relation to goods and services received regardless of whether the Company has received the supplier's invoice or not.

### **2.13 Equity**

The owner's contributed capital reflects the actual capital contributed by the shareholders.

#### ***Equity surplus***

The surplus of share capital reflects the difference between the issue price and the par value, direct costs related to the issuance of shares; The difference between the reissue price and the book value, direct costs related to the reissuance of treasury shares; The capital component of convertible bonds at maturity.

#### ***Profit Distribution***

Profit after corporate income tax shall be set aside for funds and distributed to shareholders according to the Decision of the General Meeting of Shareholders.

Dividends paid to shareholders do not exceed the amount of undistributed after-tax profit and take into account non-monetary items included in undistributed after-tax profit that may affect cash flow and dividend payability.

### **2.14 Recognition of revenue and other income**

- Construction Contract Revenue
  - ✓ In case the construction contract stipulates that the contractor shall be paid according to the planned schedule, when the result of the construction contract performance is reliably estimated, the revenue and expenses of the construction contract shall be recorded in proportion to the completed work;
  - ✓ In case the construction contract stipulates that the contractor is paid according to the value of the performance volume, when the result of the construction contract performance is reliably estimated, the revenue and expenses of the contract shall be recorded in proportion to the part of the work completed in the period confirmed by the customer.
- Revenue from sales and provision of services is recognized when there is the possibility of obtaining economic benefits and can be definitively determined, and the following conditions are satisfied:
  - ✓ Sales revenue is recognized when significant risks and ownership of the product have been transferred to the buyer and there is no longer a significant possibility of changing the parties' decision on the selling price or the possibility of returning;
  - ✓ Revenue from providing services is recorded upon completion of services. In case services are performed in multiple accounting periods, the determination of turnover in each period shall be based on the service completion rate at the end of the accounting period.



## **EXPLANATION OF THE FINANCIAL STATEMENTS (continued)**

*(This explanation is a constituent part and should be read concurrently with the Financial Statements)*

- Revenue from financial activities is recorded when the revenue is determined to be relatively certain and there is a possibility of obtaining economic benefits from that transaction.
  - ✓ Interest is recorded on the basis of time and actual interest rate;
  - ✓ Dividends and profits are recognized when the Company is entitled to receive dividends or profits from capital contributions. Stock dividends are not recognized as financial revenue. Dividends received in relation to the pre-investment period are accounted for impairment of the investment.
- Other incomes are incomes outside the Company's production and business activities, which are recorded when they can be determined with relative certainty and are capable of obtaining economic benefits.

### **2.15 Turnover deductions**

Sales deductions include trade discounts, sales discounts, and returned sales.

In case the revenue has been recorded in the previous period but after the end of the accounting period, the corresponding revenue deductions are incurred, the revenue reduction shall be recorded according to the following principles:

- If it arises before the time of issuance of financial statements, the revenue of the reporting period shall be adjusted to decrease;
- If it arises after the time of issuance of financial statements, the decrease in revenue of the following period shall be accounted for.

### **2.16 Cost of goods sold**

The cost of consumer products, goods and services is recorded on time, in accordance with the principle of conformity with revenue and prudence.

Expenses in excess of the normal level of inventory and services provided shall be immediately recorded in the cost of goods sold in the period, not included in the cost of products and services.

### **2.17 Financial Costs**

Financial expenses reflect expenses or losses related to financial investment activities: interest on loans, interest on deferred purchases, interest on lease of financial leased assets, discounts on payments to buyers, expenses and losses due to liquidation, etc. transfer of investments, provisions for depreciation of business securities, provision for investment losses in other units, losses incurred when selling foreign currencies, exchange rate losses and expenses of other investment activities.

### **2.18 Selling expenses, business management expenses**

Selling expenses reflect the actual costs incurred in the process of selling products, goods or providing services.

Enterprise management expenses reflect the actual costs incurred related to the general management of the enterprise.

### **2.19 Current CIT expenses, deferred CIT expenses**

Corporate income tax expenses include current income tax and deferred income tax.

Current income tax is a tax calculated based on taxable income in the period with the effective tax rate at the end of the accounting period. The difference between taxable income and accounting profits is

## **EXPLANATION OF THE FINANCIAL STATEMENTS (continued)**

*(This explanation is a constituent part and should be read concurrently with the Financial Statements)*

due to the adjustment of temporary differences between taxes and accounting as well as the adjustment of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for the temporary differences at the end of the accounting period between the income tax basis of assets and liabilities and their book value for financial reporting purposes.

### **2.20 Financial instruments**

#### **Initial Recognition**

##### *Financial assets*

At the date of initial recognition, financial assets are recorded at the original price plus transaction costs directly related to the procurement of such financial assets. The Company's financial assets include: Cash, bank deposits, customer receivables, other receivables and financial investments.

##### *Financial liabilities*

At the date of initial recognition, financial liabilities are recorded at the original price plus transaction costs directly related to the issuance of such financial liabilities. The Company's financial liabilities include: Seller payables, expenses payable, other payables and loans.

#### **Re-evaluation after initial attribution**

Currently, there is no regulation on the re-evaluation of financial instruments after initial recognition.

### **2.21 Tax rates and fees for remittance to the Budget that the Company is applying**

- Corporate income tax: A tax rate of 20% applies.
- Other taxes and fees shall be paid in accordance with current regulations.

### **2.22 Stakeholders**

Parties are considered involved if one party has the ability (directly or indirectly) to control or have significant influence over the other party in decision-making on financial and operational policies.





### 3. CASH AND CASH EQUIVALENTS

|                     | Closing balance<br>VND | Opening balance<br>VND |
|---------------------|------------------------|------------------------|
| Cash on hand        | 14.236.938             | 4.868.876              |
| Cash in banks       | 8.751.549.510          | 4.174.364.678          |
| Cash equivalents    | 88.403.248.905         | 62.314.201.103         |
| + Term deposits (*) | 88.403.248.905         | 62.314.201.103         |
| <b>Total</b>        | <b>97.169.035.353</b>  | <b>66.493.434.657</b>  |

(\*) Term deposit contract of less than or equal to 3 months at Commercial Bank, interest rate from 1.6% - 4.6%/year, interest paid at the end of the term

### 4. FINANCIAL INVESTMENTS

|                    |                       |                       |                       | Unit: VND             |
|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                    | Closing balance       |                       | Opening balance       |                       |
|                    | Carrying value        | Fair value            | Carrying value        | Fair value            |
| Term bank deposits | 72.419.595.110        | 72.419.595.110        | 66.132.588.381        | 66.132.588.381        |
| <b>Total</b>       | <b>72.419.595.110</b> | <b>72.419.595.110</b> | <b>66.132.588.381</b> | <b>66.132.588.381</b> |

(\*\*) These are term deposits at commercial banks with maturities ranging from 6 months to 12 months, bearing interest rates from 4,6% to 5,1% per annum

### 5. TRADE RECEIVABLES

|  | Closing balance<br>VND | Opening balance<br>VND |
|--|------------------------|------------------------|
| <b>a. Short-term trade receivables</b>                 | <b>12.458.800.812</b>  | <b>11.203.163.819</b>  |
| Receivables from municipal water supply                | 8.470.599.026          | 6.018.933.618          |
| Le Phan Trading & Construction Joint Stock Company     | 69.551.000             | 69.551.000             |
| THIEN HAI THAI NGUYEN COMPANY LIMITED                  | 275.203.871            | 275.203.871            |
| Thanh Phat Consulting and Construction Company Limited | 523.992.000            | 523.992.000            |
| VSIP QUANG NGAI CO., LTD.                              | 797.970.216            | 829.409.570            |
| Others   | 2.321.484.699          | 3.486.073.760          |
| <b>Total</b>   | <b>12.458.800.812</b>  | <b>11.203.163.819</b>  |

### 6. ADVANCES TO SUPPLIERS

|   | Closing balance<br>VND | Opening balance<br>VND |
|---|------------------------|------------------------|
| <b>a. Short-term</b>                      | <b>14.986.710.188</b>  | <b>22.724.265.452</b>  |
| THIEN HAI THAI NGUYEN COMPANY LIMITED (*) | 9.914.403.611          | 21.505.125.629         |
| Others                                    | 5.072.306.577          | 1.219.139.823          |
| <b>Total</b>                              | <b>14.986.710.188</b>  | <b>22.724.265.452</b>  |

(\*): This is an advance payment to Thien Hai Thai Nguyen Company limited. for the implementation of the project 'Expansion of Quang Ngai City Water Supply System, increasing capacity from 20,000 m<sup>3</sup>/day to 45,000 m<sup>3</sup>/day'.

### 7. OTHER RECEIVABLES

|                                      | Closing balance      |                      | Opening balance      |                      |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                      | Value                | Provision            | Value                | Provision            |
|                                      | VND                  | VND                  | VND                  | VND                  |
| <b>a. Short-term</b>                 | <b>5.789.036.490</b> |                      | <b>4.292.596.775</b> | -                    |
| Advance                              | 293.540.915          | -                    | 262.236.835          | -                    |
| Mortgages, collateral, deposits (*)  | 3.505.348.000        | -                    | 3.505.348.000        | -                    |
| Other receivables (**)               | 1.989.994.321        |                      | 524.858.686          | -                    |
| Other payable (account balance 3388) | 153.254              |                      | 153.254              | -                    |
| <b>b. Long-term</b>                  | <b>2.283.710.360</b> | <b>2.164.071.800</b> | <b>2.278.710.360</b> | <b>2.164.071.800</b> |
| Other receivables (**)               | 2.164.071.800        | 2.164.071.800        | 2.164.071.800        | 2.164.071.800        |
| Long-term deposit and bet            | 119.638.560          | -                    | 114.638.560          | -                    |
| <b>Total</b>                         | <b>8.072.746.850</b> | <b>2.164.071.800</b> | <b>6.571.307.135</b> | <b>2.164.071.800</b> |



**Detail**

**(\*) Mortgages, collateral, deposits short-term bet**

These are deposits at organizations to perform contracts. Including:

|  | Closing balance      | Opening balance      |
|--|----------------------|----------------------|
|  | VND                  | VND                  |
| Department of Planning and Investment of Quang Ngai province - SKHDT(Project for the expansion of the Quang Ngai City water supply system) | 3.495.000.000        | 3.495.000.000        |
| Deposit to implement other projects  | 10.348.000           | 10.348.000           |
| <b>Total</b>   | <b>3.505.348.000</b> | <b>3.505.348.000</b> |

**(\*\*): Other receivables include:**

|  | Closing balance      | Opening balance      |
|--|----------------------|----------------------|
|  | VND                  | VND                  |
| <b>Short-term</b>  | <b>1.989.994.321</b> | <b>524.858.686</b>   |
| Term deposit interest receivable                                     | 1.969.527.137        | 504.391.502          |
| QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE LIMITED COMPANY  |                      |                      |
| Other receivables  | 20.467.184           | 20.467.184           |
| <b>Long-term</b>   | <b>2.164.071.800</b> | <b>2.164.071.800</b> |
| Dung Quat Economic Zone Water Supply System Project Management Board | 700.000.000          | 700.000.000          |
| Other  | 1.464.071.800        | 1.464.071.800        |
| <b>Total</b>   | <b>4.154.066.121</b> | <b>2.688.930.486</b> |

| C. Receivables from related parties                 | Relationship | Closing balance | Opening balance |
|---|--------------|-----------------|-----------------|
|   |              | VND             | VND             |
| QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE | Subsidiary   | -               | -               |

**8. INVENTORIES**

|                      | Closing balance       |                      | Opening balance       |                      |
|----------------------|-----------------------|----------------------|-----------------------|----------------------|
|                      | Historical cost       | Provision            | Historical cost       | Provision            |
|                      | VND                   | VND                  | VND                   | VND                  |
| Raw materials        | 11.977.115.035        | 8.644.765.978        | 13.913.773.201        | 8.644.765.978        |
| Tools                | 71.486.778            |                      | 55.215.787            |                      |
| Work in progress (*) | 3.678.226.778         | -                    | 3.775.070.994         | -                    |
| <b>Total</b>         | <b>15.726.828.591</b> | <b>8.644.765.978</b> | <b>17.744.059.982</b> | <b>8.644.765.978</b> |

**9. TANGIBLE FIXED ASSETS**

See Appendix 1

**10. INTANGIBLE FIXED ASSETS**

| Item                            | Water management software | Groundwater exploitation rights | Total              |
|---------------------------------|---------------------------|---------------------------------|--------------------|
|                                 |                           | VND                             | VND                |
| <b>Cost</b>                     |                           |                                 |                    |
| <b>Opening balance</b>          | <b>194.000.000</b>        | <b>466.245.455</b>              | <b>660.245.455</b> |
| Increase in the year            |                           | -                               | -                  |
| Decreased in the year           |                           | -                               | -                  |
| <b>Closing balance</b>          | <b>194.000.000</b>        | <b>466.245.455</b>              | <b>660.245.455</b> |
| <b>Accumulated Depreciation</b> |                           |                                 |                    |
| <b>Opening balance</b>          | <b>194.000.000</b>        | <b>466.245.455</b>              | <b>660.245.455</b> |
| Increase in the year            | -                         |                                 |                    |
| - Depreciation during the year  |                           |                                 |                    |
| Decreased in the year           |                           | -                               | -                  |
| <b>Closing balance</b>          | <b>194.000.000</b>        | <b>466.245.455</b>              | <b>660.245.455</b> |
| <b>Net book value</b>           |                           |                                 |                    |
| <b>Opening balance</b>          |                           | -                               | -                  |
| <b>Closing balance</b>          | -                         | -                               | -                  |

- The net book value of intangible fixed assets mortgaged for loans: VND 0
- Cost of intangible fixed assets at the end of the year, fully depreciated but still in use: VND 660.245.455

#### 11. CONSTRUCTION IN PROGRESS

|  | Closing balance       | Opening balance      |
|--|-----------------------|----------------------|
|  | VND                   | VND                  |
| <i>Construction in progress</i>        | <i>16.897.254.940</i> | <i>9.338.768.754</i> |
| Project 45,000m3/day                   | 11.099.312.336        | 3.566.551.106        |
| Urban water supply development project | 5.797.942.604         | 5.772.217.648        |
| <b>Total</b>                           | <b>16.897.254.940</b> | <b>9.338.768.754</b> |

#### 12. FINANCIAL INVESTMENTS

See appendix 2:

#### 13. PREPAID EXPENSES

|  | Closing balance       | Opening balance       |
|--|-----------------------|-----------------------|
|  | VND                   | VND                   |
| <b>a. Short-term</b>                     | <b>251.957.172</b>    | <b>299.206.948</b>    |
| - Tools and equipment pending allocation | 251.957.172           | 299.206.948           |
| <b>b. Long-term</b>                      | <b>17.937.490.529</b> | <b>18.488.662.597</b> |
| - Land rent (*)                          | 17.188.284.274        | 17.438.691.670        |
| - Groundwater exploitation license fee   | 462.115.089           | 615.241.006           |
| - Tools and equipment pending allocation | 287.091.166           | 434.729.921           |
| <b>Total</b>                             | <b>18.189.447.701</b> | <b>18.787.869.545</b> |

(\*) According to the Land Use Rights Lease Contract with VSIP Quang Ngai Company Limited dated August 20, 2014 regarding the lease of land lot No. 78, land rent is paid according to the contract; the lease term is 68 years (from August 20, 2014 to April 22, 2082); the total land rent is VND 20.665.800.000.

#### 14. TRADE PAYABLES

|   | Closing balance      |                      | Opening balance      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | value                | Amount payable       | value                | Amount payable       |
|   | VND                  | VND                  | VND                  | VND                  |
| EURO GREEN  | 605.847.326          | 605.847.326          | -                    | -                    |
| PLASTIC JOINT   |                      |                      |                      |                      |
| STOCK COMPANY   |                      |                      |                      |                      |
| SURVEY, DESIGNE & INSPECTION JOINT STOCK COMPANY                          | 94.438.209           | 94.438.209           | 607.465.209          | 607.465.209          |
| QUANG NGAI IRRIGATION AND DRAINAGE MANAGEMENT ONE PARTNER LIMITED COMPANY | 872.307.900          | 872.307.900          | 723.020.400          | 723.020.400          |
| MINH ANH EQUIPMENT SUPPLIES COMPANY LIMITED                               | 685.383.708          | 685.383.708          | 229.177.543          | 229.177.543          |
| QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE LIMITED COMPANY       |                      | -                    | -                    | -                    |
| HOANG MAI PLASTIC CORPORATION   | -                    | -                    | 57.585.600           | 57.585.600           |
| Others  | 670.306.736          | 670.306.736          | 1.965.625.835        | 1.965.625.835        |
| <b>Total</b>  | <b>2.928.283.879</b> | <b>2.928.283.879</b> | <b>3.582.874.587</b> | <b>3.582.874.587</b> |

#### C. Payable to related parties

|   | Relationship | Closing balance | Opening balance |
|---|--------------|-----------------|-----------------|
|   |              | VND             | VND             |
| QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE | Subsidiary   | -               | -               |

#### 15. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

See appendix 3:



# 16. ADVANCES FROM CUSTOMERS

|   | Closing balance      | Opening balance      |
|---|----------------------|----------------------|
|   | VND                  | VND                  |
| <b>Short-term</b>                                     | <b>1.341.518.608</b> | <b>1.612.432.013</b> |
| Phu Dai Phat Construction and Trading Company Limited | 400.000.000          | 400.000.000          |
| AN DIEN PHAT QUANG NGAI COMPANY LIMITED               | 300.613.000          | 385.031.000          |
| Others  | 640.905.608          | 827.401.013          |
| <b>Total</b>  | <b>1.341.518.608</b> | <b>1.612.432.013</b> |

# 17. ACCRUED EXPENSES

|                                       | Closing balance       | Opening balance       |
|---------------------------------------|-----------------------|-----------------------|
|                                       | VND                   | VND                   |
| <b>a. Short-term payable expenses</b> | <b>188.328.596</b>    | <b>77.123.451</b>     |
| - Interest expense                    | 133.625.156           | 22.419.411            |
| - Grace period fee                    | 54.703.440            | 54.704.040            |
| - Other                               | 11.020.619.886        | 10.852.508.717        |
| <b>Total</b>                          | <b>11.208.948.482</b> | <b>10.929.632.168</b> |
| <b>b. Long-term</b>                   | <b>656.440.879</b>    | <b>711.144.319</b>    |
| - Interest                            | 656.440.879           | 711.144.319           |
| <b>Total</b>                          | <b>11.865.389.361</b> | <b>11.640.776.487</b> |

# 18. OTHER PAYABLES

|                                   | Closing balance       | Opening balance      |
|-----------------------------------|-----------------------|----------------------|
|                                   | VND                   | VND                  |
| Surplus assets pending resolution | 664.322.434           | 665.341.848          |
| Union dues                        | 73.379.647            | 42.030.126           |
| Receive deposits, short-term bets | 1.000.000             | 1.000.000            |
| Other payables                    | 20.653.361.461        | 1.118.122.109        |
| <b>Total</b>                      | <b>21.392.063.542</b> | <b>1.826.494.083</b> |

# 19. LOANS AND OBLIGATIONS UNDER FINANCE LEASES

See appendix 4:

# 20. OWNER'S EQUITY

## b. Details of owner's capital contribution

|   | Closing balance        | Ratio       | Opening balance        | Ratio       |
|---|------------------------|-------------|------------------------|-------------|
|   | VND                    | %           | VND                    | %           |
| HOANG THINH DAT CORPORATION               | 145.090.120.000        | 73%         | 145.090.120.000        | 73%         |
| People's Committee of Quang Ngai province | 46.711.880.000         | 23%         | 46.711.880.000         | 23%         |
| Other organizations and individuals       | 8.198.000.000          | 4%          | 8.198.000.000          | 4%          |
| <b>Total</b>                              | <b>200.000.000.000</b> | <b>100%</b> | <b>200.000.000.000</b> | <b>100%</b> |

## c. Capital transactions with owners and distribution of dividends and profits

|  | Current year           | Prior year             |
|--|------------------------|------------------------|
|  | VND                    | VND                    |
| Owner's investment capital                   |                        |                        |
| - Opening capital                            | 200.000.000.000        | 200.000.000.000        |
| - Increase in capital during the fiscal year | -                      | -                      |
| - Decrease in capital during the fiscal year | -                      | -                      |
| <b>- Closing capital</b>                     | <b>200.000.000.000</b> | <b>200.000.000.000</b> |

## d. Shares

|                              | Closing balance | Opening balance |
|------------------------------|-----------------|-----------------|
|                              | VND             | VND             |
| Authorised shares            | 20.000.000      | 20.000.000      |
| Issued shares                | 20.000.000      | 20.000.000      |
| - Ordinary shares            | 20.000.000      | 20.000.000      |
| Number of shares outstanding | 20.000.000      | 20.000.000      |
| - Ordinary shares            | 20.000.000      | 20.000.000      |

\* Par value of outstanding shares: 10.000 VND/share

## f. Enterprise funds

|  | Closing balance | Opening balance |
|--|-----------------|-----------------|
|  | VND             | VND             |

- Development Fund 20.702.879.402 17.365.329.402

**21. FUNDING SOURCE**

|  | Current year<br>VND | Prior year<br>VND |
|--|---------------------|-------------------|
| Last year's funding source carried over      | 887.461.559         | 887.461.559       |
| - Remaining funds at the end of the year (*) | 887.461.559         | 887.461.559       |

(\*) Environmental protection fee from before 2019

**22. REVENUE FROM GOODS SOLD AND SERVICES RENDERED**

|                                   | Current year<br>VND   | Prior year<br>VND     |
|-----------------------------------|-----------------------|-----------------------|
| - Construction revenue            | 1.754.654.075         | 1.140.977.845         |
| - Revenue from clean water supply | 83.971.024.029        | 84.415.741.950        |
| - Other revenue                   | 465.504.206           | 293.811.861           |
| <b>Total</b>                      | <b>86.191.182.310</b> | <b>85.850.531.656</b> |

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

|   | Current year<br>VND   | Prior year<br>VND     |
|---|-----------------------|-----------------------|
| - Cost of construction activities                     | 1.303.943.276         | 587.561.282           |
| - Cost of clean water supply                          | 38.538.021.074        | 38.233.851.628        |
| - Provision/Reversal of Inventory Valuation Provision |                       | (9.398.734)           |
| - Other cost of goods                                 |                       |                       |
| <b>Total</b>  | <b>39.841.964.350</b> | <b>38.812.014.176</b> |

**24. FINANCIAL INCOME**

|                                   | Current year<br>VND  | Prior year<br>VND    |
|-----------------------------------|----------------------|----------------------|
| - Deposit interest, loan interest | 3.831.563.150        | 2.606.923.326        |
| <b>Total</b>                      | <b>3.831.563.150</b> | <b>2.606.923.326</b> |

**25. FINANCIAL EXPENSES**

|                                       | Current year<br>VND | Prior year<br>VND  |
|---------------------------------------|---------------------|--------------------|
| - Loan interest                       | 230.250.750         | 354.101.804        |
| - Provision for investment impairment | 16.531.463          | 235.109.337        |
| <b>Total</b>                          | <b>246.782.213</b>  | <b>589.211.141</b> |

**26. SELLING EXPENSES**

|                             | Current year<br>VND  | Prior year<br>VND    |
|-----------------------------|----------------------|----------------------|
| - Cost of raw materials     | 699.694.000          | 1.020.605.535        |
| - Labor costs               | 1.738.701.579        | 1.544.559.782        |
| - Outsourcing service costs | 345.686.510          | 558.680.786          |
| - Other expenses in cash    | 149.588.188          | 152.769.058          |
| <b>Total</b>                | <b>2.933.670.277</b> | <b>3.276.615.161</b> |

**27. GENERAL AND ADMINISTRATIVE EXPENSES**

|                                    | Current year<br>VND  | Prior year<br>VND    |
|------------------------------------|----------------------|----------------------|
| - Cost of raw materials, tools     | 18.330.403           | 16.094.378           |
| - Labor costs                      | 4.157.187.263        | 3.979.316.339        |
| - Fixed asset depreciation expense | 238.198.054          | 217.128.134          |
| - Contingency costs                | -                    | (100.000.000)        |
| - Taxes, fees                      | 90.691.943           | 187.482.734          |
| - Expenses for external services   | 369.407.396          | 403.741.032          |
| - Others expenses by cash          | 1.961.908.024        | 1.664.872.463        |
| <b>Total</b>                       | <b>6.835.723.083</b> | <b>6.368.635.080</b> |





## 28. OTHER INCOME

|              | Current year     | Prior year |
|--------------|------------------|------------|
|              | VND              | VND        |
| - Other      | 1.019.414        | -          |
| <b>Total</b> | <b>1.019.414</b> | <b>-</b>   |

## 29. OTHER EXPENSE

|                 | Current year      | Prior year       |
|-----------------|-------------------|------------------|
|                 | VND               | VND              |
| - Other expense | 28.928.975        | 3.122.286        |
| <b>Total</b>    | <b>28.928.975</b> | <b>3.122.286</b> |

## 30. CURRENT CORPORATE INCOME TAX EXPENSES

| Content  | Current year         | Prior year           |
|--|----------------------|----------------------|
|  | VND                  | VND                  |
| Total net profit before tax                                | 40.136.695.976       | 39.407.857.138       |
| Adjustments increase                                       | 476.642.329          | 458.520.476          |
| - Late payment penalties for taxes and insurance           | 26.857.173           | 3.122.286            |
| - Non-executive Board of Directors allowances              | 312.660.000          | 294.840.000          |
| - Invalid expenses   | 137.125.156          | 160.558.190          |
| Taxable income for corporate income tax                    | 40.613.338.305       | 39.866.377.614       |
| <b>Current corporate income tax expense (20% tax rate)</b> | <b>8.122.667.661</b> | <b>7.973.275.524</b> |
| Adjustments based on the tax inspection report             | -                    | -                    |
| <b>Corporate Income Tax Expenses Q2 2025</b>               | <b>8.122.667.661</b> | <b>7.973.275.524</b> |

## 31. EVENTS AFTER BALANCE SHEET DATE

No material events have occurred after the end of the reporting period that require adjustments or disclosure in this separate financial statement.

## 32. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

### a. Information for interested parties

| Related parties   | Relationship  |
|---|---|
| QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE LIMITED COMPANY | Subsidiary  |
| Mr. Hoang Van Duong   | Chairman of the Board   |
| Ms. Tran Thi Chieu  | Board Member  |
| Ms. Ngo Thi Phuong Thao   | Board Member  |
| Mr. Hoang Van Thang   | Member of Board of Directors and Deputy Director of the company |
| Mr. Nguyen Dang Do  | Member of the Board of Directors and Director of the Company    |

### b. Related Party Transactions

|  | Current year  | Prior year  |
|--|---------------|-------------|
|  | VND           | VND         |
| <b>QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE LIMITED COMPANY</b> |               |             |
| Construction works   | 1.017.432.091 | 802.656.890 |

\* Board of Directors and Management Board's income in 2024 is as follows:

|                         | Content  | Current year         |
|-------------------------|--|----------------------|
| Mr. Hoang Van Duong     | Board of Directors                             | 138.960.000          |
| Ms. Tran Thi Chieu      | Board of Directors                             | 40.530.000           |
| Ms. Ngo Thi Phuong Thao | Board of Directors                             | 121.590.000          |
| Mr. Hoang Van Thang     | Salary, remuneration of the Board of Directors | 391.590.000          |
| Mr. Nguyen Dang Do      | Salary, remuneration of the Board of Directors | 436.590.000          |
| <b>Total</b>            |  | <b>1.129.260.000</b> |

Apart from the information presented above, during the period the Company had no material events that required presentation or disclosure in the Financial Statements.

Preparer



Le Nguyen Viet

Chief Accountant



Pham Dinh Tung

Quang Ngai, October 29, 2025

General Director



Nguyen Dang Do



**Quang Ngai Water Supply, Drainage and Construction Joint Stock Company**  
No. 17 Phan Chu Trinh Street, Cam Thanh Ward, Quang Ngai Province

**SEPARATE BALANCE SHEET**  
for Q3 2025

**Appendix 1:**

**9. TANGIBLE FIXED ASSETS**

| Item  | Buildings and structures | Machinery and equipment | Means of transportation | Other tangible fixed assets | Unit: VND<br>Total |
|---|--------------------------|-------------------------|-------------------------|-----------------------------|--------------------|
| <b>Cost</b>                                 |                          |                         |                         |                             |                    |
| Opening balance                             | 35.608.632.331           | 17.634.648.588          | 190.001.567.960         | 71.500.000                  | 243.316.348.879    |
| Increase in the year                        | -                        | 123.037.037             | 1.546.289.241           | -                           | 1.669.326.278      |
| - Purchase in year                          |                          | 123.037.037             | 1.546.289.241           |                             | 1.669.326.278      |
| - Capital construction investment completed |                          |                         |                         |                             | -                  |
| - Reclassify                                |                          |                         |                         |                             | -                  |
| Decreased in the year                       | -                        | -                       | -                       | -                           | -                  |
| Closing balance                             | 35.608.632.331           | 17.757.685.625          | 191.547.857.201         | 71.500.000                  | 244.985.675.157    |
| <b>Accumulated Depreciation</b>             |                          |                         |                         |                             |                    |
| Opening balance                             | 24.816.609.472           | 14.045.344.937          | 121.982.734.769         | 71.500.000                  | 160.916.189.178    |
| Increase in the year                        | 859.634.611              | 851.914.464             | 9.369.995.180           | -                           | 11.081.544.255     |
| - Depreciation during the year              | 859.634.611              | 851.914.464             | 9.369.995.180           | -                           | 11.081.544.255     |
| Decreased in the year                       |                          |                         |                         |                             |                    |
| Closing balance                             | 25.676.244.083           | 14.897.259.401          | 131.352.729.949         | 71.500.000                  | 171.997.733.433    |
| <b>Net book value</b>                       |                          |                         |                         |                             |                    |
| Opening balance                             | 10.792.022.859           | 3.589.303.651           | 68.018.833.191          | -                           | 82.400.159.701     |
| Closing balance                             | 9.932.388.248            | 2.860.426.224           | 60.195.127.252          | -                           | 72.987.941.724     |

- Cost of fixed assets at the end of the year, fully depreciated but still in use: VND 8.605.336.577

- The net book value of tangible fixed assets mortgaged for loans: VND 50.013.633.883



**SEPARATE BALANCE SHEET**  
for Q3 2025

## 12. FINANCIAL INVESTMENTS

Unit: VND

**Details of investments as at 30/06/2025 are as follows:**

| Company   | Place of establishment and operation              | Rate of Benefit | Voting rights ratio | Main business activities                        |
|---|---|-----------------|---------------------|---|
| DUNG QUAT WATER SUPPLY LIMITED COMPANY                              | 29 Le Khiet, Cam Thanh Ward, Quang Ngai Province  | 100%            | 100%                | Water exploitation, treatment and supply        |
| QUANG NGAI CONSTRUCTION INSTALLATION INFRASTRUCTURE LIMITED COMPANY | 427/21 Le Loi, Nghia Lo Ward, Quang Ngai Province | 100%            | 100%                | Construction of water supply and drainage works |





Appendix 3:

15. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

Unit: VND

|  | Opening balance   |                      | Transactions during the period |                       | Closing balance |                      |
|--|-------------------|----------------------|--------------------------------|-----------------------|-----------------|----------------------|
|  | Receivables       | Payables             | Amount payable                 | Amount paid           | Receivables     | Payables             |
| Output Value-Added Tax (VAT)                   | 22.293.648        | -                    | 6.238.503.956                  | 5.992.749.532         | -               | 223.460.776          |
| Corporate Income Tax                           | -                 | 1.534.760.101        | 8.122.667.662                  | 4.549.278.720         | -               | 5.108.149.043        |
| Personal Income Tax                            | -                 | -                    | 992.396.907                    | 992.396.907           | -               | -                    |
| Resource Tax                                   | -                 | 208.296.681          | 2.582.136.611                  | 2.578.465.344         | -               | 211.967.948          |
| Real Estate Tax, Land Rent                     | -                 | -                    | 95.079.976                     | 58.783.429            | -               | 36.296.547           |
| Other taxes                                    | -                 | -                    | 6.000.000                      | 6.000.000             | -               | -                    |
| Fees, charges and other payable                | -                 | 417.817.551          | 5.727.019.058                  | 5.953.485.206         | -               | 191.351.403          |
| (Environmental Protection Fee, Other Fees,...) |                   |                      |                                |                       |                 |                      |
| <b>Total</b>                                   | <b>22.293.648</b> | <b>2.160.874.333</b> | <b>23.763.804.170</b>          | <b>20.131.159.138</b> | <b>-</b>        | <b>5.771.225.717</b> |

The Company's tax settlement will be subject to tax authority review. Due to the application of tax laws and regulations to various types of transactions, which can be interpreted in different ways, the tax amounts presented in these financial statements may be adjusted based on the tax authority's decision.

Appendix 4:

19. LOANS AND OBLIGATIONS UNDER FINANCE LEASES

|   | Closing balance      |                      | Occurred during the year |                      | Opening balance      |                      |
|---|----------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
|   | Value                | Number of debtors    | Increase                 | Reduce               | Value                | Number of debtors    |
| <b>a. Short term</b>  | 451.092.401          | 451.092.401          | 643.898.844              | 1.879.447.844        | 1.686.641.401        | 1.686.641.401        |
| <b>Long-term debt due</b>   | 451.092.401          | 451.092.401          | 643.898.844              | 1.879.447.844        | 1.686.641.401        | 1.686.641.401        |
| + QUANG NGAI - BINH DINH<br>REGIONAL DEVELOPMENT BANK<br>BRANCH (1) | 759.353.688          | 759.353.688          | 379.676.844              | 379.676.844          | 759.353.688          | 759.353.688          |
| + Quang Ngai Provincial Development<br>Investment Fund (2)          | (308.261.287)        | (308.261.287)        | 264.222.000              | 1.499.771.000        | 927.287.713          | 927.287.713          |
| <b>b. Long-term</b>   | 4.484.688.560        | 4.484.688.560        | -                        | 643.898.844          | 5.128.587.404        | 5.128.587.404        |
| + QUANG NGAI - BINH DINH<br>REGIONAL DEVELOPMENT BANK<br>BRANCH (1) | 4.176.445.273        | 4.176.445.273        |                          | 379.676.844          | 4.556.122.117        | 4.556.122.117        |
| + Quang Ngai Provincial Development<br>Investment Fund (2)          | 308.243.287          | 308.243.287          |                          | 264.222.000          | 572.465.287          | 572.465.287          |
| <b>Total</b>  | <b>4.935.780.961</b> | <b>4.935.780.961</b> | <b>643.898.844</b>       | <b>2.523.346.688</b> | <b>6.815.228.805</b> | <b>6.815.228.805</b> |

Loan details:

(1) ODA capital credit contract No. 02/07/TDNN dated February 15, 2007, with the following detailed terms:

- + Total loan amount: Not more than 2,262,919.41 Euro; Contract term: 25 years; Loan interest rate: 5%/year; Loan source: ODA of the Italian government;
- + Loan purpose: Expanding the water supply system of Quang Ngai town, Quang Ngai province, capacity 20,000 m<sup>3</sup>/day and night;
- + Loan contract balance as of September 30, 2025: VND 4,747,470,365, of which long-term debt due for payment is: VND 759,353,688.

(2) Includes 2 Credit Contracts:

- Credit contract No. 01/2017/HDTD-QDTPT dated January 20, 2017, with the following detailed terms:
  - + Maximum loan amount: 5,600,000,000 VND; Loan interest rate: 7%/year; Loan term: Maximum 120 months from the date of receiving the first disbursement
  - + Loan purpose: Implement the project of Water supply pipeline from Tinh Phong Industrial Park to VSIP area and Booster pumping station;
  - + Loan security forms: Water supply pipeline from Tinh Phong Industrial Park to VSIP Area.
  - + The balance of the loan contract as of September 30, 2025 is: VND 0, of which the long-term debt due for payment is: VND 0.
- Credit contract No. 02/2017/HDTD-QDTPT dated May 25, 2017, with the following detailed terms:
  - + Maximum loan amount: 10,000,000,000 VND; Loan interest rate: 7%/year; Loan purpose: Developing water supply network in 2016;
  - + Loan term: Maximum 96 months from the date of receiving the first disbursement.
  - + Loan security forms: Including 18 water supply pipelines according to Future Formation Asset Mortgage Contract No. 02/2017/HDTTC-QDTPT dated May 25, 2017.
  - + The balance of the loan contract as of September 30, 2025 is: VND 0, of which the long-term debt due for payment is: VND 0.

