

(VIETVALUES[®]) Audit and Consulting Co., Ltd

Member firm of JPA International

Registered office : 33 Phan Van Khoe, Cho Lon Ward, Ho Chi Minh City

Da Nang office : 16 Le Lai, Hai Chau Ward, Da Nang City

Email : contact@vietvalues.com

Website : www.vietvalues.com



INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

HUE WATER SUPPLY JOINT STOCK COMPANY

INDEX

Contents	Page
1. Statement of the Board of Directors	02 - 05
2. Independent Auditor's Report	06 - 07
3. Balance sheet as at December 31, 2025	08 - 09
4. Income statement for the fiscal year ended December 31, 2025	10
5. Statement of cash flows for the fiscal year ended December 31, 2025	11
6. Notes to the financial statements for the fiscal year ended December 31, 2025	12 - 43

HUE WATER SUPPLY JOINT STOCK COMPANY**STATEMENT OF THE BOARD OF DIRECTORS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended December 31, 2025

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Hue Water Supply Joint Stock Company presents its report together with the audited financial statements for the fiscal year ended December 31, 2025.

1. Overview

Hue Water Supply Joint Stock Company (hereinafter referred to as the "Company") was established through the equitization of Thua Thien Hue State-owned Single - Member Limited Liability Company for Construction and Water Supply under Decision No. 3226/QĐ-UBND dated December 15, 2016, issued by the People's Committee of Thua Thien Hue Province. The Company is an independent accounting entity, operating under Enterprise Registration Certificate No. 3300101491 dated December 27, 2005, issued by the Department of Planning and Investment of Thua Thien Hue Province (this Enterprise Registration Certificate has been amended six times, with the most recent amendment on January 3, 2025), the Law on Enterprises, the Company's Charter, and other applicable legal regulations.

The Company was approved to trade its common shares on the UpCom of the Hanoi Stock Exchange under Decision No. 443/QĐ-SGDHN dated July 19, 2018, issued by the General Director of the Hanoi Stock Exchange. The stock code of the Company is HWS, and the official trading date was July 19, 2018.

Charter capital:

VND 876,000,000,000

Paid-in-capital as at 31/12/2025

VND 876,000,000,000

2. Operating office

- Address: 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City, Viet Nam
- Tel: (84) 234.3815555
- Fax: (84) 234.3826580
- Email: info@huewaco.com.vn

As on December 31, 2025, the Company has 08 dependent accounting units as follows:

No.	Entity Name	Address
1.	Huong Giang Water Supply Enterprise Branch under Hue Water Supply JSC	36 Thanh Hai, Thuy Xuan Ward, Hue City
2.	Huong Dien Water Supply Enterprise Branch under Hue Water Supply JSC	01 Thong Nhat, Huong Tra Ward, Hue City
3.	Huong Phu Water Supply Enterprise Branch under Hue Water Supply JSC	88 Thuan Hoa Street, Phu Bai Ward, Hue City
4.	Construction Enterprise Branch under Hue Water Supply JSC	36 Thanh Hai, Thuy Xuan Ward, Hue City
5.	Business Location: Maintenance Enterprise - Hue Water Supply JSC	36 Thanh Hai, Thuy Xuan Ward, Hue City
6.	Business Location: Materials and Motor Vehicles Enterprise - Hue Water Supply JSC	103 Bui Thi Xuan, Thuan Hoa Ward, Hue City
7.	Business Location: Business and Customer Service Center - Hue Water Supply JSC	17 Nguyen Thai Hoc, Thuan Hoa Ward, Hue City

8.	Branch of the Center for Automated Water System Operation under Hue Water Supply JSC	Truong Da Hamlet, Nguyet Bieu Village, Thuan Hoa Ward, Hue City
----	--	---

3. Principal activities

- Water extraction, treatment, and supply. Details: Production and trading of clean water.
- Manufacture of non-alcoholic beverages and mineral water. Details: Production of bottled purified drinking water; Production of alkaline ionized water.
- Wholesale of beverages. Details: Trading of bottled purified drinking water; Trading of alkaline ionized water.
- Manufacturing other metal products not elsewhere classified. Details: Manufacturing machinery, materials, and equipment for the water industry.
- Wholesale of machinery, equipment, and spare parts. Details: Trading of mechanical processing products, machinery, materials, and equipment for the water industry. Engaging in business partnerships, acting as a distributor, representative, or agent for materials, equipment, and technologies related to the Company's business activities.
- Other professional, scientific, and technological activities not elsewhere classified. Details: Preparing investment projects for urban and rural drainage works.
- Architectural and related technical consultancy activities. Details:
 - + Designing urban and rural water supply and drainage systems.
 - + Consulting on civil, industrial, and infrastructure projects.
 - + Designing civil, industrial, and infrastructure projects.
 - + Consulting on technology transfer to minimize non-revenue water.
 - + Consulting on water treatment technology transfer.
 - + Consulting on IT application transfer in the water supply sector.
- Construction of other civil engineering works. Details: Construction of urban and rural water supply systems. Construction of civil, industrial, and infrastructure projects.
- Management consultancy activities. Details: Consulting on urban and rural water supply and drainage projects. Consulting on and transferring safe water supply practices.
- Manufacturing building materials from clay. Details: Production of construction materials.
- Wholesale of construction materials and installation equipment. Details: Trading in construction materials.
- Rental of machinery, equipment, and other tangible goods. Details: Leasing machinery and equipment for the construction of water supply and drainage projects.
- IT services and other computer-related services. Details: Developing IT solutions for the water supply and drainage sector.
- Other manufacturing not elsewhere classified. Details: Developing water treatment technology.
- Technical testing and analysis. Details: Inspecting the quality and reliability of cold water meters.

4. Board of Directors, Board of Supervisors, Executive Board and Chief Accountant

Members of Board of Directors, Board of Supervisors, Executive Board and Chief Accountant during the year and up to the date of this report are as follows:



4.1 Board of Directors

Name	Position	Date of Appointment/Reappointment	Dismissal date
Mr. Le Quang Minh	Chairman	24/12/2021	
Mr. Truong Cong Han	Member	01/09/2023	
Mr. Duong Quy Duong	Member	17/06/2022	
Mr. Vuong Dinh Nam	Member	17/06/2022	
Mr. Nguyen Trong Hieu	Member	30/05/2023	

4.2 Board of Supervisors

Name	Position	Date of Appointment/Reappointment	Dismissal date
Mr. Truong Ngu Binh	Head of board	30/05/2023	
Ms. Tran Thi Be	Member	17/06/2022	
Ms. Dao Thi Hoang Oanh	Member	17/06/2022	

4.3 Executive Board and Chief Accountant

Name	Position	Date of Appointment/Reappointment	Dismissal date
Mr. Duong Quy Duong	General Director	17/06/2022	
Mr. Nguyen Lien Minh	Deputy General Director	30/05/2023	
Mr. Cao Huy Tuong Minh	Deputy General Director	30/05/2023	
Mr. Truong Cong Han	Deputy General Director	01/09/2023	
Mr. Vuong Dinh Nam	Chief Accountant	17/06/2022	

5. The Legal Representative

The Legal Representative of the Company during the year and up to the date of this report are:

Name	Position	Date of Appointment	Dismissal date
Mr. Le Quang Minh	Chairman of the Board of Directors	24/12/2021	

6. Assessment of Operational Performance

The operational results and financial position of Hue Water Supply Joint Stock Company for the fiscal year ended December 31, 2025, are presented in the financial statements from pages 08 to 43.

7. Subsequent events

In the opinion of the Board of Directors, the Company's financial statements for the fiscal year ended December 31, 2025 would not be seriously affected by any important items, transactions, or any extraordinary events happened up to the reporting date, which need any adjustments to the figures or disclosures in the consolidated financial statements

8. Auditors

Branch of Audit and Consulting Co., Ltd. in Da Nang city - **VIETVALUES** is appointed perform to audit the financial statements of the Company for the fiscal year ended December 31, 2025. Branch of Audit and Consulting Co., Ltd. in Da Nang city - **VIETVALUES** has expressed its desire to continue being appointed as the Company's independent auditor.



9. Responsibility of the Board of Directors

The Board of Directors is responsible for preparing the financial statements to present fairly and accurately the financial position, income statement, and cash flow of the Company for the year. In preparing these financial statements, the Board of Directors has:

- Selecting suitable accounting policies and then applying them consistently.
- Making reasonable and prudent judgments and estimates.
- Stating whether applicable accounting principles have been followed or not and there are any significant discrepancies that should be presented and explained in the financial statements.
- Preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Group will continue as a going concern.
- Establishing and implementing the internal control systems effectively in order to limit the risks of material misstatement due to fraud or mistakes in the preparation and presentation of financial statements.

The Board of Directors ensures that the relevant accounting books are fully kept in order to reflect the financial position of the Company, the results of its operations with reasonable accuracy at anytime and in compliance with the applied accounting system. The Board of Directors is also responsible for managing the assets of the Group and therefore has taken appropriate measures to prevent and detect frauds and legal regulations related to the preparation and presentation of consolidated financial statements.

The Board of Directors has complied with the above commitments and requirements in preparing the financial statements.

10. Approval of financial statements

We, the Board of Directors, approve the attached financial statements. The financial statements have accurately and fairly reflected the financial position of the Company as of December 31, 2025, as well as the results of operations and cash flows for the fiscal year ended on the same date, in accordance with Accounting Standards, the Vietnamese Accounting System, and relevant legal regulations on the preparation and presentation of financial statements.

On behalf of the Board of Directors



LE QUANG MINH

Chairman of the Board of Directors

Hue City, March 10, 2026



Số: 006/2026/BCKT/AUD-DNVVALUES

INDEPENDENT AUDITOR'S REPORT

To: THE SHAREHOLDERS, THE BOARD OF DIRECTORS, AND THE EXECUTIVE BOARD OF HUE WATER SUPPLY JOINT STOCK COMPANY

We have audited the accompanying Financial Statements of Hue Water Supply Joint Stock Company (hereinafter referred to as "the Company"), prepared on March 10, 2026, from page 08 to page 43, which comprise the Balance sheet as at December 31, 2025, Income statement, Statement of cash flows for the fiscal year then ended and Notes to the financial statements.

Responsibility of the Board of Directors

The Company's Board of Directors is responsible for the preparation and fair presentation of the Company's financial statements in accordance with accounting standards, the Vietnamese Accounting System, and relevant legal regulations concerning the preparation and presentation of financial statements. They are also responsible for internal control as determined necessary by the Board of Directors to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The selected procedures depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of using accounting policies and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statement.

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

Basis for the qualified audit opinion

According to note number V.10 "Construction in progress costs", some projects that arose before 2022 were not tracked in detail by the Company, with a balance as of December 31, 2025, amounting to 24,056,136,226 VND. Based on the documents currently available at the Company, we are unable to perform alternative procedures to verify the existence of the above items or their potential impact (if any) on other related items in the attached 2025 financial statements.

Auditor's Qualified Opinion

In our opinion, except for the impact (if any) of the issues mentioned in the section "Basis for the qualified audit opinion", the financial statements present fairly, in all material respects, the financial position of Hue Water Supply Joint Stock Company as at 31/12/2025, and its financial performance and its cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accountings Regime, and other regulations relevant to the preparation and presentation of financial statements.

Emphasis of Matter

We draw attention to item (a) of Note VIII.3 "Comparative Figures" in the Notes to Interim Financial Statements, which states that, following the consultation with the People's Committee of Hue City regarding the handling of the recommendation in Inspection Conclusion No. 1209/KL-TTr dated November 4, 2022, issued by the Inspectorate of Thua Thien Hue Province, and as approved by Resolution No. 22/NQ-ĐHĐCĐ of the 2025 Annual General Meeting of Shareholders dated April 25, 2025, the Company has simultaneously adjusted a decrease in the line item "Undistributed post-tax profit" and "Construction-in-progress" by an amount of VND 35,462,016,997. Our qualified opinion is not related to this matter.

Da Nang City, March 10, 2026

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang City



Huynh Minh Hung – Director of Branch

Audit Practicing Registration Certificate

No. 3402-2025-071-1

Authorized signature

Tran Quoc Bao - Auditor

Audit Practicing Registration Certificate

No. 5199-2026-071-1

File:

- *As above.*
- *Save **VIETVALUES**.*

HUE WATER SUPPLY JOINT STOCK COMPANY

Address: No. 103, Bui Thi Xuan Street, Phuong Duc Ward, Thuan Hoa District, Hue City

Balance Sheet

As at December 31, 2025

BALANCE SHEET

As at December 31, 2025

Unit: VND

Code	ASSETS	Notes	Dec 31, 2025	Jan 01, 2025
1	2	3	4	5
100	A. SHORT-TERM ASSETS		525,288,439,437	468,368,679,618
110	I. Cash and cash equivalents		188,601,680,184	141,063,076,907
111	1. Cash	V.1a	33,601,680,184	21,063,076,907
112	2. Cash equivalents	V.1b	155,000,000,000	120,000,000,000
120	II. Short-term financial investments		86,647,390,768	81,162,254,424
121	1. Trading securities		-	-
123	2. Investments held to maturity	V.2	86,647,390,768	81,162,254,424
130	III. Short-term receivables		158,769,902,368	161,812,852,988
131	1. Short-term trade receivables	V.3	41,122,922,774	44,141,016,232
132	2. Short-term prepayments to suppliers	V.4	113,155,134,099	110,866,176,442
136	3. Other short-term receivables	V.5a	5,334,115,736	7,415,511,454
137	4. Short-term provision for doubtful debts	V.6	(842,270,241)	(609,851,140)
140	IV. Inventories	V.7	69,033,592,747	57,937,053,083
141	1. Inventories		69,033,592,747	57,937,053,083
149	2. Allowances for decline in value of inventories		-	-
150	V. Other short-term assets		22,235,873,370	26,393,442,216
151	1. Short-term prepaid expenses	V.11a	10,075,858,374	1,593,096,740
152	2. Deductible VAT	V.14	8,203,730,653	22,657,492,901
153	3. Taxes and other receivables to the State	V.14	3,956,284,343	2,142,852,575
200	B. LONG-TERM ASSETS		1,420,271,002,525	1,488,802,872,412
210	I. Long-term receivables		174,024,000	174,024,000
216	1. Other long-term receivables	V.5b	174,024,000	174,024,000
219	2. Long-term provision for doubtful debts		-	-
220	II. Fixed assets		1,245,117,985,966	1,313,442,001,427
221	1. Tangible fixed assets	V.8	1,243,527,143,114	1,311,403,044,778
222	- Historical costs		3,523,286,737,259	3,441,250,288,609
223	- Accumulated depreciation		(2,279,759,594,145)	(2,129,847,243,831)
227	2. Intangible fixed assets	V.9	1,590,842,852	2,038,956,649
228	- Historical costs		7,581,531,222	7,482,231,222
229	- Accumulated depreciation		(5,990,688,370)	(5,443,274,573)
230	III. Investment properties		-	-
240	IV. Long-term assets in progress		158,862,575,832	157,994,623,977
241	1. Long-term work in progress		-	-
242	2. Construction in progress	V.10	158,862,575,832	157,994,623,977
250	V. Long-term financial investments		-	-
260	VI. Other long-term assets		16,116,416,727	17,192,223,008
261	1. Long-term prepaid expenses	V.11b	16,116,416,727	17,192,223,008
268	2. Other long-term assets		-	-
270	TOTAL ASSETS		1,945,559,441,962	1,957,171,552,030

This report is read in conjunction with the Notes to Financial Statements

HUE WATER SUPPLY JOINT STOCK COMPANY

Address: No. 103, Bui Thi Xuan Street, Phuong Duc Ward, Thuan Hoa District, Hue City

Balance Sheet (Cont'd)

As at December 31, 2025

Code	RESOURCES	Notes	Dec 31, 2025	Jan 01, 2025
1	2	3	4	5
300	C. LIABILITIES		824,924,765,355	872,735,100,567
310	I. Short-term liabilities		262,145,877,951	265,770,299,743
311	1. Short-term trade payables	V.12	27,520,012,951	27,454,623,326
312	2. Short-term advances from customers	V.13	11,368,855,825	10,466,490,072
313	3. Taxes and other payables to government budget	V.14	6,019,925,547	4,922,585,304
314	4. Payables to employees	V.15	36,270,547,900	23,795,368,500
315	5. Short-term accrued expenses	V.16	6,529,185,509	5,236,732,340
319	6. Other short-term payables	V.17a	97,199,426,724	113,185,678,659
320	7. Short-term borrowings and finance lease liabilities	V.18a	61,783,444,640	60,349,728,702
321	8. Provision for short-term payables	0	-	10,425,157,900
322	9. Bonus and welfare fund	V.20	15,454,478,855	9,933,934,940
330	II. Long-term liabilities		562,778,887,404	606,964,800,824
337	1. Other long-term payables	V.17b	6,468,245,000	6,075,305,000
338	2. Long-term borrowings and finance lease liabilities	V.18b	556,310,642,404	600,889,495,824
400	D. OWNER'S EQUITY		1,120,634,676,607	1,084,436,451,463
410	I. Owner's equity	V.20	1,120,634,676,607	1,084,436,451,463
411	1. Contributed capital		876,000,000,000	876,000,000,000
411a	- Ordinary shares with voting rights		876,000,000,000	876,000,000,000
411b	- Preference shares		-	-
415	2. Capital surplus (*)		(2,170,000,000)	(2,170,000,000)
418	3. Development investment funds		104,533,515,463	69,396,571,063
421	4. Undistributed profit after tax		142,271,161,144	141,209,880,400
421a	- Undistributed profit after tax brought forward		189,875,000	6,224,174,504
421b	- Undistributed profit after tax for the current year		142,081,286,144	134,985,705,896
430	II. Other sources and funds		-	-
440	TOTAL RESOURCES		1,945,559,441,962	1,957,171,552,030

Preparer



NGUYEN HUNG HAI

Chief Accountant



VUONG DINH NAM

Hue City, March 05, 2026

Chairman of the Board of Directors




LE QUANG MINH

HUE WATER SUPPLY JOINT STOCK COMPANY

Address: No. 103, Bui Thi Xuan Street, Phuong Duc Ward, Thuan Hoa District, Hue City

Income Statement

For the fiscal year ended as of December 31, 2025

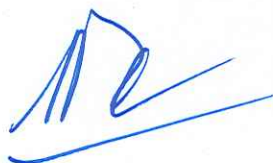
INCOME STATEMENT

For the fiscal year ended as of December 31, 2025

Unit: VND

Code	ITEMS	Notes	Current year	Previous year
1	2	3	4	5
01	1. Revenues from sales and services rendered	VI.1	668,487,646,230	670,180,413,702
02	2. Revenue deductions		-	-
10	3. Net revenues from sales and services rendered		668,487,646,230	670,180,413,702
11	4. Costs of goods sold	VI.2	376,163,834,985	376,786,872,862
20	5. Gross revenues from sales & services rendered		292,323,811,245	293,393,540,840
21	6. Financial income	VI.3	6,324,488,844	5,862,560,434
22	7. Financial expenses	VI.4	54,981,867,322	72,149,011,139
23	- In which: Interest expenses		36,474,119,113	44,799,925,020
25	8. Selling expenses	VI.5.2	23,967,814,228	23,115,806,072
26	9. General administration expenses	VI.6	59,620,995,820	58,755,569,006
30	10. Net profits from operating activities		160,077,622,719	145,235,715,057
31	11. Other income	VI.7	1,850,794,322	14,042,418,591
32	12. Other expenses	VI.8	1,693,425,391	4,262,106,028
40	13. Other profits		157,368,931	9,780,312,563
50	14. Total net profit before tax		160,234,991,650	155,016,027,620
51	15. Current corporate income tax expenses	V.13	18,153,705,506	20,030,321,724
52	16. Deferred corporate income tax expenses		-	-
60	17. Profits after corporate income tax		142,081,286,144	134,985,705,896
70	18. Earnings per Share	VI.10	1,350	1,283
71	19. Diluted Earnings per Share	VI.11	1,350	1,283

Preparer



NGUYEN HUNG HAI

Chief Accountant



VUONG DINH NAM

Hue City, March 05, 2026

Chairman of the Board of Directors



 LE QUANG MINH

STATEMENT OF CASH FLOW
(Under indirect method)
For the fiscal year ended as of December 31, 2025

Unit: VND

Code	Items	Notes	Current year	Previous year
1	2	3	4	5
	I. CASH FLOW FROM OPERATING ACTIVITIES			
01	1. Profit before tax		160,234,991,650	155,016,027,620
	2. Adjustments for			
02	- Depreciation and amortisation	V.8, V.9	152,826,527,916	152,976,708,208
03	- Provisions	VI.17	(10,192,738,799)	(773,200,208)
04	- Gain, loss on unrealize difference rate differences from revaluation of accounts derived from foreign currencies	VI.4	17,824,248,108	26,434,354,523
05	- Gain, loss from investment activities		(6,650,269,695)	(5,844,335,231)
06	- Interest expenses	VI.4	36,474,119,113	44,799,925,020
08	3. Operating profit before adjustments to working capital		350,516,878,293	372,609,479,932
09	- Increase, decrease in accounts receivables		15,858,282,301	14,489,506,752
10	- Increase, decrease in inventories		(11,096,539,664)	(9,123,863,681)
11	- Increase, decrease in accounts payables (exclusive of interest payables, enterprise income tax payables)		(393,223,464)	(44,049,609,138)
12	- Increase, decrease in prepaid expenses		(7,406,955,353)	(11,779,090,000)
14	- Interest paid		(36,995,184,900)	(44,923,870,350)
15	- Corporate income tax paid	V.12	(17,000,000,000)	(23,584,899,740)
16	- Other revenue from operating activities		-	-
17	- Other payments on operating activities		(17,348,667,085)	(20,584,686,790)
20	Net cash from operating activities		276,134,590,128	233,052,966,985
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Expenditures for purchase, construction of fixed assets		(85,602,883,411)	(100,132,772,105)
22	2. Proceeds from disposals of fixed assets and other long-term assets		325,780,851	-
23	3. Expenditures on borrowing and purchase of debt instruments		(5,485,136,344)	(5,460,437,419)
24	4. Collection of loans and repurchase of debt instruments of other entities		-	-
25	5. Investments in other entities		-	-
27	6. Interest and dividend received		6,149,487,643	6,928,012,891
30	Net cash from investing activities		(84,612,751,261)	(98,665,196,633)
	III. CASH FLOW FROM FINANCING ACTIVITIES			
33	1. Sums received from borrowings	VII.1	-	11,543,025,941
34	2. Payment of loan principal	VII.2	(60,969,385,590)	(60,140,477,754)
36	3. Dividends and interest paid to owners		(83,013,850,000)	(83,013,850,000)
40	Net cash from financing activities		(143,983,235,590)	(131,611,301,813)
50	Net cash flows during the fiscal year		47,538,603,277	2,776,468,539
60	Cash and cash equivalents at the beginning of fiscal year		141,063,076,907	138,286,608,368
61	Effect of foreign exchange difference		-	-
70	Cash and cash equivalents at the end of fiscal year		188,601,680,184	141,063,076,907

Preparer



NGUYEN HUNG HAI

Chief Accountant



VUONG DINH NAM

Hue City, March 05, 2026
Chairman of the Board of Directors

 LE QUANG MINH

HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended as of December 31, 2025

These notes are an integral part of and should be read in conjunction with the Financial Statements for the fiscal year ended as of December 31, 2025.

I. NATURE OPERATIONS

1. Form of ownership

Hue Water Supply Joint Stock Company (hereinafter referred to as the "Company") was established through the equitization of Thua Thien Hue State-owned Single - Member Limited Liability Company for Construction and Water Supply under Decision No. 3226/QĐ-UBND dated December 15, 2016, issued by the People's Committee of Thua Thien Hue Province. The Company operates as an independent accounting entity in accordance with Enterprise Registration Certificate No. 3300101491, issued by the Hue Authority for Planning and Investment on December 27, 2005 (this Certificate has been amended six times, with the most recent amendment on January 03, 2025), the Law on Enterprises, the Company's Charter, and other applicable legal regulations.

The Company was approved to trade its common shares on the UpCom of the Hanoi Stock Exchange under Decision No. 443/QĐ-SGDHN dated July 19, 2018, issued by the General Director of the Hanoi Stock Exchange. The stock code of the Company is HWS, and the official trading date was July 19, 2018.

2. Principal scope of business: Water production and supply.

3. Operating activities

The Company's line of business is:

- Water exploitation, treatment, and supply. Details: Production and trading of clean water.
- Manufacture of non-alcoholic beverages and mineral water. Details: Production of bottled purified drinking water; Production of alkaline ionized water.
- Wholesale of beverages. Details: Trading of bottled purified drinking water; Trading of alkaline ionized water.
- Architectural and related technical consultancy activities. Details:
 - + Design of urban and rural water supply and drainage works.
 - + Consultancy for civil, industrial, and technical infrastructure projects.
 - + Consultancy on water treatment technology transfer.
- Construction of other civil engineering projects. Details: Construction of urban and rural water supply projects. Construction of civil, industrial, and technical infrastructure projects.
- Management consultancy activities. Details: Consultancy on urban and rural water supply and drainage projects. Consultancy and transfer of safe water supply management..
- Rental of machinery, equipment, and other tangible goods. Details: Rental of machinery and equipment for the construction of water supply and drainage projects.

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

- Other manufacturing activities not classified elsewhere. Details: Fabrication of water treatment technology.
- Technical testing and analysis. Details: Inspection of quality and reliability of cold water meters.

4. Normal course of the business cycle

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

5. Corporate structure

As on December 31, 2025 the Company has 08 dependent accounting units. General information about the Company's subsidiaries and affiliates is as follows:

No.	Name of enterprise	Address
1.	Huong Giang Water Supply Enterprise Branch under Hue Water Supply JSC	36 Thanh Hai, Thuy Xuan Ward, Hue City
2.	Huong Dien Water Supply Enterprise Branch under Hue Water Supply JSC	01 Thong Nhat, Huong Tra Ward, Hue City
3.	Huong Phu Water Supply Enterprise Branch under Hue Water Supply JSC	88 Thuan Hoa Street, Phu Bai Ward, Hue City
4.	Construction Enterprise Branch under Hue Water Supply JSC	36 Thanh Hai, Thuy Xuan Ward, Hue City
5.	Business Location: Maintenance Enterprise - Hue Water Supply JSC	36 Thanh Hai, Thuy Xuan Ward, Hue City
6.	Business Location: Materials and Motor Vehicles Enterprise - Hue Water Supply JSC	103 Bui Thi Xuan, Thuan Hoa Ward, Hue City
7.	Business Location: Business and Customer Service Center - Hue Water Supply JSC	17 Nguyen Thai Hoc, Thuan Hoa Ward, Hue City
8.	Branch of the Center for Automated Water System Operation under Hue Water Supply JSC	Truong Da Hamlet, Nguyet Bieu Village, Thuy Bieu Ward, Hue City

6. Employees

As on December 31, 2025, there are 508 persons who are working at the Company. (There are 508 persons as at January 1, 2025).

7. Influencing Factors

The Company has no events related to the legal environment, market developments, business operation characteristics, management, finance, mergers, divisions, splits, or changes in scale,... that affect the Company's financial statements during the year.

II. THE FISCAL YEAR, THE CURRENCY USED IN ACCOUNTING**1. The fiscal year**

The Company's annual fiscal year starts on January 1 and ends on December 31.

2. The currency used in accounting

The currency used in accounting and financial statements is Vietnam Dong (VND) due to receipts and payments are mainly used in Vietnam Dong (VND).

HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

III. APPLICABLE ACCOUNTING STANDARDS AND SYSTEM

1. Applicable accounting standards and system

The Company applied the Vietnamese Accounting Standards, Vietnamese corporate accounting regime, which was guided under Circular No. 200/2014/TT-BTC dated 22/12/2014, Circular No. 53/2016/TT-BTC dated 21/03/2016 issued by the Ministry of Finance related to the preparation and presentation of financial statements.

Accordingly, the accompanying Balance sheet as on December 31, 2025, income statement, statement of cash flows and notes to financial statement for the fiscal year then ended and the use of these reports are not intended for persons who are not provided with information on accounting procedures, principles and practices in Vietnam. And furthermore, they are not intended to present the financial position, results of operations and cash flows in accordance with widely accepted accounting principles and practices in countries and territories other than Vietnam..

2. Declaration of compliance with accounting standards and system

The Board of Management ensures compliance with the requirements of Vietnamese accounting standards and Vietnamese corporate accounting regime issued in accordance with Circular No. 200/2014/TT-BTC dated 22/12/2014, Circular No. 53/2016/TT-BTC dated 21/03/2016 as well as circulars guiding the implementation of accounting standards of the Ministry of Finance related to the preparation and presentation of financial statements.

IV. APPLICABLE ACCOUNTING POLICIES

1. Basis of preparing the financial statements

These financial statements were prepared on an accrual basis (excluding information relating to cash flows).

2. Cash and cash equivalents

Cash comprises cash on hand, cash at bank, cash in transit and cash equivalents.

Cash equivalents are short-term investments which are collectable or mature within 3 months at the date of purchase, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value..

3. Financial investments

Held-to-maturity investments

Investments are classified as held to maturity when the Company has the intention and ability to hold until the maturity date. Held-to-maturity investments include term deposits with banks (including treasury bills, promissory notes), bonds and preferred stocks that must be repurchased by issuers at a certain time in the future and held to maturity loans for the purpose of earning periodic interest and other held to maturity investments.

Held-to-maturity investments are initially stated at historical cost, which includes the purchase price and expenses associated with the purchase of investments. After initial receipt, these investments are recorded at recoverable value. Interest income from held-to-maturity investments after the acquisition date is recognized in the income statement on an accrual basis. Interest earned before the holding of the Company is recorded as a deduction at historical cost at the time of purchase.



HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

When there is solid evidence that a part or all of the investment may not be recoverable and the losses are reliably determined, losses are recognized in financial expenses in the year and reduced direct investment value.

4. Receivables

Receivables are presented at cost less allowance for doubtful debts.

The classify of trade receivables and other receivables is presented following this principle:

- Trade receivables include commercial receivables generating from purchase-sale related transactions between the Company and buyers, also include receivables from sale export goods conducted by consignees.
- Other receivables include non-commercial receivables which is not related to buying-selling transactions.

Allowance for doubtful debts is made for each bad debt when:

- Overdue receivables recorded in economic contracts, loan agreements, contract commitments, or debt commitments, that the business has repeatedly claimed but has not yet been able to collect. Determining the overdue duration of a receivable debt that is deemed to be bad and necessitates provisioning is based on the principal payback time as the original purchase and sale contract, regardless of a debt extension between parties;
- Debts receivable are not due for payment but the debtor has fallen into bankruptcy or is undergoing dissolution procedures, missing or absconding.

The increase, decrease in balance of allowance for doubtful debts need to be made at the end of the balance sheet date and recorded in the administrative expenses

5. Inventories

Inventories are recognized as lower cost between historical and net realizable values.

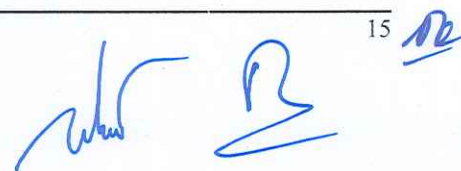
Inventories' cost is determined that:

- Materials, goods: included purchase cost and other directly related cost occurred to recognize inventories' cost at the current place and status.
- Work-in-progress: includes direct raw material costs, direct labour and general costs.

Net realizable value is determined by taking the 'estimated selling price' of inventories in the regular course of business minus 'estimated cost for inventories completions and consumptions'.

Inventories' cost is recognized with the method weighted average cost and managed by perpetual system.

Allowance for decline in inventories was created when net realizable value was lower than historical cost. For services provided in progress, the provision for discounts is calculated according to the specific type of service with a separate price. The increasing, decreasing amount in balance of allowance for decline in inventories need to be made at the end of the balance sheet date and recorded in the cost of goods sold.



HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**6. Prepaid expenses**

Prepaid expenses is classified into short-term prepaid expense and long-term prepaid expenses on the Balance sheet and are allocated over the prepaid period or the period in which economic benefits are generated from these expenses.

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include:

Tools and instruments

Cost of tools and instruments being put into use are amortized in accordance with the straight-line method for a period of not more than 36 months.

7. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible fixed assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready for use state.

The costs incurred after the initial recognition of tangible fixed assets shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of these assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

When tangible fixed assets are sold or liquidated, their cost and accumulated depreciation are written off, and arisen gain/loss are recorded into the income or the expenses in the period.

Depreciating the cost of tangible fixed assets is calculated on straight-line method. Depreciation amount determined is based on historical cost and estimated useful-life of the assets. The time of depreciation is associated with Circular 45/2013/TT-BTC dated 25/04/2013 of Ministry of Finance. In details

<u>Kind of assets</u>	<u>Useful life (years)</u>
Buildings, structures	08 – 30
Machineries, equipment	04 – 10
Means of transportation and transmitters	07 – 21
Office equipment and furniture	04 – 10

8. Intangible fixed assets

Intangible fixed assets are stated at initial cost less accumulated amortization.

The cost of tangible fixed assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready for use state.

The costs related to intangible fixed assets arising after initial recognition are recognized as production and business expenses in the year unless these costs are associated with a specific intangible fixed asset, and increase economic benefits from these assets.

When intangible fixed assets are sold or liquidated, their cost and accumulated depreciation are written off, and arisen gain/loss are recorded into the income or the expenses in the period.

HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

Intangible fixed assets of the Company as follows.

Software program

The cost associated with computer software programs is not an integral part of the related hardware capitalized. The cost of computer software is all the expenses paid by the Company by the time the software is put into use. Depreciating the cost of computer software is calculated on straight-line method within 03 – 05 years.

9. Construction in progress

Construction expenses in progress reflect the cost directly attributing (including relevant interest expense suitable with the accounting policies of the Company) to the assets in the process of building, machinery and equipment being installed to serve the purpose of manufacturing, leasing and management, as well as costs related to the repair of fixed assets are performing. These assets are recorded at cost and are not amortized.

10. Liabilities and accruals

Liabilities and accruals are recognized for payable amounts in the future related to the received goods and services. Accruals are recognized based on the reasonable estimates of the payable amounts.

Payables are classified as trade payables, accruals, internal payables and other payables comply with the following principles:

- Trade payables reflect the commercial elements arising from purchasing transactions of goods, services, assets and the seller is an independent entity, include payables from import by a trustee.
- Accruals reflect the payables to the received goods and services from seller or provided to buyer but not yet paid due to do not have invoice or insufficient accounting records and vouchers and payable to employees on sabbatical salary, operating costs must be accrued.
- Internal payables reflect accounts payable between superior units and affiliated units that do not have the legal status of dependent accounting.

11. Loans and finance lease liabilities

Loans and finance lease liabilities are reflected at historical cost and classified into current liabilities and long-term liabilities when presented in the Financial Statement.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies. Loans and financial lease liabilities that are monetary items denominated in foreign currencies are revalued at the selling exchange rate at the end of the period of the commercial bank where the Company regularly has transactions.

12. Owners' equity

The owner's contributed capital

The owner's contributed capital reflects the amount of capital actually contributed by the shareholders.

Capital surplus

Capital surplus is recognized by the difference between the issuing price and the denomination of shares at the first issue, additional issuance, the difference between the reissue price and the book value of treasury shares and the Capital portion of convertible bonds at maturity. Direct expenses

HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

related to the additional issuance of shares and re-issuance of treasury shares are recorded to reduce the capital surplus.

The owner's other funds

The owner's other funds are formed by supplementing from the results of business operations, asset revaluation and the remaining value between the fair value of donated assets after subtracting payable tax (if any) related to these assets.

13. Profit distribution

Profits after corporate income taxes is distributed to the shareholders after building funds in accordance with the Company's Charter as well as law and the approval of the General Meeting of Shareholders.

The profit distribution is considered non-cash items included in undistributed earnings that may affect cash flows and ability to pay as interest due to revaluation of assets contributed as capital; revaluation of monetary items; revaluation of financial instruments and other non-monetary items.

Dividends are record as payables at the time of approval of the shareholders' meeting.

14. Recognition of revenue

Revenue is recognized when the Company has the ability to receive certain economic benefits that can be reliably determined. Revenue are determined at the fair value of the amounts collected or to be earned after deduction of trade discounts, sales devaluation and sales returns.

Revenue from selling goods and finished products

Revenue from sales is recognized when all of the following conditions are met:

- The Company has transferred most of risks and benefits associated with ownership of products, goods to the buyer.
- The Company no longer hold the right to manage goods as owners or the right to control goods.
- Revenue is determined with relative certainty.
- The Company has gained or will gain economic benefits from the good sale transaction.
- Costs related to sale transactions may be determined.

Revenue from services rendered

Revenue of a service provision transaction is recognized when the outcome of that transaction is determined reliably. In case the service is performed for many periods, the revenue recorded during the period is based on the results of the work completed on the end of the fiscal year date. The outcome of the service provision transaction is determined when all of the following conditions are satisfied:

- Revenue is determined relatively reliably.
- It is possible to obtain economic benefits from the service provision.
- Determine the completed work portion at the end of the fiscal year.
- Determine the costs incurred for the transaction and the cost to complete the transaction to provide that service

Interest

Interest is recognized on an accrual basis, determined on the balance of deposit accounts and actual interest rates for each period

HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

15. Revenue deductions

Revenue deductions are adjusted reductions of total revenue in the year, include: sale discount, devaluation of sale and sale returns.

16. Cost of goods sold

Cost of goods sold is the total cost of goods, finished products and direct costs of the volume of goods and services provided, other expenses are included or recorded reducing in the cost of goods.

17. Financial expenses

Financial expenses are the costs related to financial activities including expenses or losses associated with financial investment activities, lending and borrowing costs, loss of short-term securities transfers, transaction costs of selling currencies, provisions for investment losses in the units, other, losses arising when selling foreign currencies, exchange rate losses....

18. Selling expenses and General administration expenses

Selling expenses and General & administration expenses are all costs related to the process of selling products, goods, rendering of services and general administration expenses of the Company.

19. Borrowing costs

Borrowing costs include loan interest and other costs directly related to loans.

Borrowing costs are recognized into expenses when incurred. Where the borrowing costs are directly related to the investment in construction or production of assets in progress need a long enough period (more than 12 months) to be put into use for the intended purpose or sold, these borrowing costs are capitalized. For separate loans for the construction of fixed assets, investment properties, interest is capitalized even if the construction period is less than 12 months. Income arising from temporary investment of loans is recorded at a decrease in the cost of related assets.

For general loans, which are used to invest in construction or production of assets in progress, the capitalized borrowing costs are determined by the capitalization ratio to the average accumulated cost arise for the investment in capital construction or manufacturing of that asset. Capitalization rates are calculated using weighted average interest rates on outstanding loans during the year, excluding separate loans to form a particular asset.

20. Foreign currency transaction

Transactions denominated in foreign currencies are converted into VND using the actual exchange rate at the date of the transaction. The balances of monetary items denominated in foreign currencies at the year end are revaluated at the actual exchange rate of that date.

Foreign exchange differences arising on transactions in foreign currencies in the period are recognized in financial income or expenses. Exchange differences arising from revaluation of monetary items denominated in foreign currencies at the fiscal year ended date, after balancing increase and decrease differences, are recorded in financial income or expenses.

Exchange rate used for converting transactions denominated in foreign currency is the actual exchange rate at the time of the transactions. Actual exchange rates for foreign currency transactions are determined as follows:

- Actual exchange rate when trading foreign currencies (forex forward contracts for immediate delivery, forward contracts, futures contracts, options contracts, swap contracts): the exchange rate in the foreign currency trading contract signed between the Company and the bank.

HUE WATER SUPPLY JOINT STOCK COMPANY

FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

- In case the contract does not state the payment rate:
 - For capital contributions or receipt of capital contributions: the buying rate of the bank where the Company opens its account to receive investors' capital at the date of contribution.
 - For receivables: the buying rate of the commercial bank where the Company appoints its customer for making payment at the transaction time.
 - For payables: the selling rate of commercial bank where the Company anticipates conducting transactions at the date of the transactions.
 - For purchases of assets or expenses paid immediately in foreign currency (not through the payable accounts): the buying rate of the commercial bank where the Company makes payment.

Exchange rate used for revaluation of balance of the monetary items denominated in foreign currencies at the end of the fiscal year is determined based on the following principles:

- For foreign currency accounts in banks: the buying rate of the bank where the Company opens its foreign currency accounts.
- For monetary items denominated in foreign currencies classified as other assets: the buying rate of the bank where the Company regularly has transactions.
- For monetary items denominated in foreign currencies classified as liabilities: the selling rate of the bank where the Company regularly has transactions.

At the company, the foreign exchange selling rate of the Vietnam Bank for Agriculture and Rural Development – Hue Branch as of December 31, 2023, is 25,551 VND/USD.

21. Corporate income tax

Corporate income tax during the period includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as adjustment of non-taxable incomes and transferred losses.

Deferred corporate income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used. Deferred corporate income tax assets are not yet recorded in before that will be reconsidered as at the accounting period ended and recorded when being reliably taxable profit to be able to use these deferred income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

Deferred income tax assets and deferred income tax liabilities should be offset when:

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS***Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City**For the fiscal year ended as of December 31, 2025***Note to the financial statements (Cont'd)**

- The Company has a legal right to implement the offset of current income tax assets and current income tax payable; and
- Those deferred income tax assets and deferred income tax payable related to corporate income tax is administered by the same tax authority:
 - For the same taxable entity; or
 - The Company intends to pay current income tax payable and current income tax assets on the basis of net or recover assets at the same time with the payment of liabilities in each future period when the significant deferred income tax payable or deferred income tax assets to be paid or recovered.

22. Segment Reporting

A business segment is a separately identifiable component engaged in the production or provision of products and services, bearing economic risks and benefits distinct from other business segments.

A geographical segment is a separately identifiable component engaged in the production or provision of products and services within a specific economic environment, bearing economic risks and benefits distinct from business segments in other economic environments.

23. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or where the Company and other party are subject to common control or significant influence.

When considering the relationship of related parties, the nature of the relationship is much paid attention to rather than its legal form.

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET*Unit: VND***1. Cash and cash equivalents****a. Cash**

	31/12/2025	01/01/2025
Cash in hand	140,686,863	45,025,948
Cash at bank	33,460,993,321	21,018,050,959
Total	33,601,680,184	21,063,076,907

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**b. Cash equivalents**

	31/12/2025	01/01/2025
1 month term deposits	95,000,000,000	80,000,000,000
- Saigon – Hanoi Commercial Joint Stock Bank - Hue Branch	5,000,000,000	-
- Vietnam Joint Stock Commercial Bank of Industry and Trade - Hue Branch	10,000,000,000	10,000,000,000
- Vietnam Joint Stock Commercial Bank of Industry and Trade - Southern Hue Branch	20,000,000,000	20,000,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hue Branch	30,000,000,000	15,000,000,000
- The Maritime Commercial Joint Stock Bank - Hue Branch	5,000,000,000	10,000,000,000
- Vietnam Bank for Agriculture and Rural Development - Hue Branch	15,000,000,000	15,000,000,000
- Vietnam Bank for Agriculture and Rural Development - Southern Huong River Branch	10,000,000,000	10,000,000,000
3 months term deposits	60,000,000,000	40,000,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hue Branch	30,000,000,000	20,000,000,000
- The Maritime Commercial Joint Stock Bank - Hue Branch	10,000,000,000	10,000,000,000
- Vietnam Bank for Agriculture and Rural Development - Southern Huong River Branch	20,000,000,000	10,000,000,000
Total	155,000,000,000	120,000,000,000

2. Held-to-maturity investments

	31/12/2025	01/01/2025
More than 3 months to 1 year term deposits	86,647,390,768	81,162,254,424
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Hue Branch	30,000,000,000	30,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Xuan Branch	25,000,000,000	25,000,000,000
- Saigon-Hanoi Commercial Joint Stock Bank	11,647,390,768	11,162,254,424
- Vietnam Bank for Social Policies - Hue City	5,000,000,000	5,000,000,000
- Vietnam Bank for Agriculture and Rural Development - Hue Branch	10,000,000,000	10,000,000,000
- Asia Commercial Joint Stock Bank - Hue Branch	5,000,000,000	-
Total	86,647,390,768	81,162,254,424

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**3. Short-term trade receivables**

	31/12/2025	01/01/2025
Receivables from customers being related parties	-	-
Receivables from other customers	41,122,922,774	44,141,016,232
Water bill debt	27,809,427,478	29,520,398,320
Others	13,313,495,296	14,620,617,912
Total	41,122,922,774	44,141,016,232

As of December 31, 2025, a total of VND 1,115,297,966 in short-term receivables from customers is overdue and has not been recovered.

4. Short-term prepayment to suppliers

	31/12/2025	01/01/2025
Prepayments to related parties	-	-
Prepayments to other entities	113,155,134,099	110,866,176,442
TNG investment and construction joint stock Company (a)	102,535,648,317	102,240,495,219
Others	10,619,485,782	8,625,681,223
Total	113,155,134,099	110,866,176,442

(a) This is an advance payment in accordance with Contract No. 05/2020/HUEWACO-TNG dated November 2, 2020, regarding the design, supply of technology equipment, and construction of the Van Nien Water Treatment Plant – Phase 1: 60,000 m³/day and night, under the Van Nien Water Treatment Plant project with a total capacity of 120,000 m³/day and night.

5. Other receivables**a. Short-term**

	31/12/2025		01/01/2025	
	Historical cost	Allowance	Historical cost	Allowance
Receivables from related parties	-	-	-	-
Receivables from other entities	5,334,115,736	-	7,415,511,454	-
Employee advance payment	40,432,000	-	92,310,000	-
Short-term deposits and pledges	-	-	127,615,885	-
Personal income tax receivable	2,103,831,203	-	4,740,156,327	-
Receivables from equitization	340,690,000	-	340,690,000	-
Receivables from employees for social insurance, health insurance, and unemployment insurance	885,268,026	-	271,029,115	-
Accrued interest receivable	1,747,450,348	-	1,572,449,147	-
Other receivables	216,444,159	-	271,260,980	-
Total	5,334,115,736	-	7,415,511,454	-

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**b. Long-term**

	31/12/2025		01/01/2025	
	Historical cost	Allowance	Historical cost	Allowance
Deposits and pledges for PET bottle molds	174,024,000	-	174,024,000	-
Total	174,024,000	-	174,024,000	-

6. Short-term allowances for doubtful debts

	31/12/2025	01/01/2025
Allowances for receivable debt which has been overdue for 3 years or more	546,491,020	409,643,997
Allowances for receivable debt which has been overdue for between 2 years and under 3 years	145,657,251	105,783,101
Allowances for receivable debt which has been overdue for between 1 year and under 2 years	104,761,055	89,031,052
Allowances for receivable debt which has been overdue for between over 6 months and under 1 year	45,360,915	5,392,990
Total	842,270,241	609,851,140

Statement of changes in allowances for short-term doubtful debts

	31/12/2025	01/01/2025
Opening balance	609,851,140	579,087,548
Increasing	232,419,101	30,763,592
Decreasing	-	-
Closing balance	842,270,241	609,851,140

7. Inventories

	31/12/2025		01/01/2025	
	Historical cost	Allowance	Historical cost	Allowance
Raw materials	55,365,440,090	-	45,247,892,947	-
Tools and supplies	7,328,592,981	-	7,368,335,818	-
Work in progress	6,109,848,159	-	5,203,812,123	-
Finished goods	229,711,517	-	117,012,195	-
Total	69,033,592,747	-	57,937,053,083	-

- Raw materials include materials used in the water industry, such as water pipes, water meters, valves, tees, and water treatment chemicals; construction materials such as iron, steel, sand, and cement; fuel for vehicles such as gasoline and oil; materials for bottled water production such as bottle shells, bottle caps, labels, and other materials.
- Tools and instruments are types of labor protection and hygiene tools.
- Work in progress is the value of uncompleted and untested grave construction works as of December 31, 2025.
- There is no stagnant, inferior-quality inventory on December 31, 2025.
- There is no inventory for collateral, mortgaged to ensure the debt as of December 31, 2025.

These notes are an integral part and should be read in conjunction with the Financial Statements for the fiscal year ended as of December 31, 2025

HUE WATER SUPPLY JOINT STOCK COMPANY
FINANCIAL STATEMENTS
Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City
For the fiscal year ended as of December 31, 2025

Notes to the financial statements (Cont'd)

8. Tangible fixed assets

	Buildings and Architecture	Machinery and equipment	Means of transportation & transmitters	Office equipment	Other fixed assets	Total
Historical cost						
Opening balance	479,758,735,998	287,286,431,357	2,664,091,052,451	10,114,068,803	-	3,441,250,288,609
Increasing in the year	4,974,493,831	9,394,298,560	70,513,502,869	470,478,670	24,056,136,226	109,408,910,156
- <i>Completed construction</i>	4,856,093,831	662,545,673	65,767,119,934	-	24,056,136,226	95,341,895,664
- <i>Purchase</i>	118,400,000	8,731,752,887	4,746,382,935	470,478,670	-	14,067,014,492
Decreasing in the year	-	(1,228,859,391)	(2,087,465,889)	-	(24,056,136,226)	(27,372,461,506)
- <i>State recovery</i>	-	(244,027,000)	(1,851,727,273)	-	-	(2,095,754,273)
- <i>Other reductions</i>	-	(984,832,391)	(235,738,616)	-	(24,056,136,226)	(25,276,707,233)
Closing balance	486,072,246,627	294,112,853,728	2,732,517,089,431	10,584,547,473	-	3,523,286,737,259
Depreciation						
Opening balance	195,368,142,587	162,346,286,576	1,763,604,863,224	8,527,951,444	-	2,129,847,243,831
Increasing in the year	16,949,309,468	23,180,845,795	111,417,037,468	464,630,985	267,290,403	152,279,114,119
Decreasing in the year	-	(247,746,129)	(1,851,727,273)	-	(267,290,403)	(2,366,763,805)
- <i>State recovery</i>	-	(227,693,667)	(1,851,727,273)	-	-	(2,079,420,940)
- <i>Other reductions</i>	-	(20,052,462)	-	-	(267,290,403)	(287,342,865)
Closing balance	212,763,790,988	184,833,047,309	1,873,170,173,419	8,992,582,429	-	2,279,759,594,145
Net book value						
Opening balance	284,390,593,411	124,940,144,781	900,486,189,227	1,586,117,359	-	1,311,403,044,778
Closing balance	273,308,455,639	109,279,806,419	859,346,916,012	1,591,965,044	-	1,243,527,143,114

Cost of fixed assets that have depreciated fully are still using as of December 31, 2025: VND 1,297,466,935,933.

The cost of fixed assets that have depreciated fully are awaiting disposal as of December 31, 2025: VND 0.

Carrying amount of fixed assets mortgaged for loans as of December 31, 2025: VND 713,868,450,177 (Note V.18).

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS***Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City**For the fiscal year ended as of December 31, 2025***Notes to the financial statements (Cont'd)****9. Intangible fixed assets**

	Software	Total
Historical cost		
Opening balance	7,482,231,222	7,482,231,222
Increase during the year	99,300,000	99,300,000
Decrease during the year	-	-
Closing balance	7,581,531,222	7,581,531,222
Depreciation		
Opening balance	5,443,274,573	5,443,274,573
Depreciation during the year	547,413,797	547,413,797
Decrease during the year	-	-
Closing balance	5,990,688,370	5,990,688,370
Net book value		
Opening balance	2,038,956,649	2,038,956,649
Closing balance	1,590,842,852	1,590,842,852

Cost of intangible fixed assets that have depreciated fully are still using as of December 31, 2025: VND 4,350,445,000.

The cost of fixed assets that have depreciated fully are awaiting disposal as of December 31, 2025: VND 0.

No intangible fixed assets mortgaged for loans as of December 31, 2025.

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**10. Construction in progress**

	Current year	Previous year
Basic construction - Projects under business capital	120,298,794,685	112,826,364,635
- Van Nien Water Plant project	7,386,886,115	6,245,847,715
- Construction of an automated water supply system operation center, phase 2.1, 2024	6,502,908,501	55,551,600
- DN 355 HDPE line along Kinh Duong Vuong - Nguyen Van Tuvet street and distribution lines in Thuan An ward area	4,173,694,935	6,528,298,652
- DN500 water supply pipeline over the Huong River bridge	3,449,892,002	6,805,248,464
- Construction of the automatic operation center for the water supply system (Category: Automation improvement of the filtration system at Quang Te 2 water plant)	3,600,221,839	3,587,008,650
- Renovation of the chemical plant at Quang Te 2 factory	3,725,749,726	139,724,727
- Construction of fire hydrants in Thua Thien Hue province	3,626,103,951	-
- Upgrading pipelines in the Chan May - Lang Co area (Lap An - Dong Duong area)	3,063,650,789	-
- Upgrading Phong Thu water treatment plant to a capacity of 24,000 m3/day	3,309,729,457	-
- DK 315-225 HDPE pipeline (L=2169.43M) in Sia Town	-	2,908,715,311
- Other projects	57,403,821,144	62,499,833,290
- Other projects without details (a)	24,056,136,226	24,056,136,226
Basic construction - Projects funded by the state budget	5,604,235,580	7,781,449,418
- Thuong Long Water Plant with a capacity of 2,000 m3/day in Nam Dong district	-	4,335,087,872
- Other projects	5,604,235,580	3,446,361,546
Major repairs	32,959,545,567	37,386,809,924
- Other projects	32,959,545,567	37,386,809,924
Total	158,862,575,832	157,994,623,977

(a) The total value of construction in progress investment for projects initiated before 2022 has not been recorded in detailed tracking accounts for each project by the Company.

The value of assets pledged as collateral for loans as of December 31, 2025, amounted to VND 7,386,886,115 (Refer to Note V.18).

11. Prepaid expenses**a. Short-term**

	31/12/2025	01/01/2025
Rental costs	540,021,335	351,714,000
Other short-term prepaid expenses awaiting allocation	9,535,837,039	1,241,382,740
Total	10,075,858,374	1,593,096,740

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**b. Long-term**

	31/12/2025	01/01/2025
Costs of Bach Ma branded water bottle covers	4,579,674,136	3,824,506,794
Major repair costs of fixed assets	7,576,717,531	8,482,206,079
Software services costs	70,376,667	248,883,757
Other long-term prepaid expenses awaiting allocation	3,889,648,393	4,636,626,378
Total	16,116,416,727	17,192,223,008

Situation of increase, decrease of short-term prepaid expenses**a. Short-term**

	Current year	Previous year
Opening balance	1,593,096,740	895,224,670
Increasing in the year	13,713,147,814	2,930,604,544
Allocation in the year	(5,230,386,180)	(2,232,732,474)
Closing balance	10,075,858,374	1,593,096,740

b. Long-term

	Current year	Previous year
Opening balance	17,192,223,008	6,111,005,078
Increasing in the year	11,074,415,094	16,625,436,354
Allocation in the year	(12,150,221,375)	(5,544,218,424)
Closing balance	16,116,416,727	17,192,223,008

12. Short-term trade payables

	31/12/2025	01/01/2025
Trade payables to related parties	-	5,317,089,700
(Refer to Notes No. VIII.1)		
Meta Technical Infrastructure Joint Stock Company (formerly DNP Hawaco Electromechanical Joint Stock Company)	-	5,317,089,700
Trade payables to other entities	27,520,012,951	22,137,533,626
Toan Thang Loi Construction Joint Stock Company	7,869,910,390	7,869,910,390
Indochina Mechanical and Electrical Engineering Joint Stock Company	3,631,920,318	181,440,000
Others	16,018,182,243	14,086,183,236
Total	27,520,012,951	27,454,623,326

As of December 31, 2025, the Company has no liability due but not yet paid.

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**13. Short-term prepayments from customers**

	31/12/2025	01/01/2025
Prepayments from customers being related parties	-	-
Prepayments from other customers	11,368,855,825	10,466,490,072
Regional Construction Investment Project Management Board	3,600,272,000	-
No. 1 (a)		
Hue City Land Development Center (b)	2,475,904,000	2,079,087,000
BRG Golf Joint Stock Company (c)	2,937,949,695	3,612,163,140
Others	2,354,730,130	4,775,239,932
Total	11,368,855,825	10,466,490,072

(a) The Project Management Board for Investment and Construction Area I has advanced funds under the contract for relocating water supply infrastructure facilities belonging to the project to upgrade and expand Nguyen Gia Thieu Street, Phu Xuan Ward, Hue City.

(b) The Hue City Land Development Center made advance payments under contracts for the relocation of pipelines associated with various roads and projects across Hue City.

(c) BRG Golf Joint Stock Company made an advance payment for water supply under the service contract for the International Golf Course project, auxiliary service area, and resort villa area in Vinh Xuan Commune, Phu Vang District.

14. Taxes and other receivables, payables to States budget

	Opening balance		Payable during the fiscal year	Paid amounts during the fiscal year	Closing balance	
	Receivables	Payables			Receivables	Payables
Value added tax	2,142,852,575	-	86,499,134	86,499,134	2,142,852,575	-
Corporate income tax	-	419,991,799	18,153,705,506	17,000,000,000	-	1,573,697,305
Personal income tax	-	1,357,176,541	3,642,314,029	6,519,537,621	1,520,047,051	-
Natural resource tax	-	296,016,431	2,240,116,350	2,186,545,680	-	349,587,101
Land tax and land rent	-	-	390,794,994	684,179,711	293,384,717	-
Other taxes	-	-	42,154,849	32,366,349	-	9,788,500
Fees and charges	-	2,849,400,533	42,392,248,900	41,154,796,792	-	4,086,852,641
Total	2,142,852,575	4,922,585,304	66,947,833,762	67,663,925,287	3,956,284,343	6,019,925,547

The Company's tax reports will be subject to examination by the Tax Authority, the amount of tax presented on these financial statements may change as determined by the Tax Authority.

Value added tax

The Company has paid value added tax (VAT) in accordance with deduction method. The tax rate apply for all activities in accordance with relevant regulations.

Corporate income tax

The company products clean water and business in the field of socialization because it satisfies the requirements on the list of types, scale criteria, and standards of establishments implementing socialization in the field of environment according to the regulations. prescribed at Point 10, Section VI, List promulgated together with Decision No. 693/QD-TTg dated May 6, 2013 of the Prime Minister

These notes are an integral part and should be read in conjunction with the Financial Statements for the fiscal year ended as of December 31, 2025

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

amending and supplementing Section V, List of types and regulatory criteria scale and standards of establishments implementing socialization in the field of environment promulgated together with the Prime Minister's Decision No. 1466/QĐ-TTg dated October 10, 2008 According to the provisions of Clause 3, Article 11 of Circular No. 96/2015/TT-BTC dated June 22, 2015 of the Ministry of Finance, stipulating "3. *The preferential tax rate of 10% throughout the operation period applies to: a) The enterprise's income from socialization activities in the fields of education - training, vocational training, health, culture, sport and environment, judicial expertise (hereinafter collectively referred to as the field of socialization).* Accordingly, the Company applies the CIT rate of 10% for production and business activities of clean water for daily life.

The Company must pay corporate income tax for other taxable income at the tax rate of 20%

The corporate income tax payable for the year is determined as follows:

	Current year	Previous year
Total accounting profits before corporate income tax	160,234,991,650	155,016,027,620
Adjustment to taxable income	1,783,027,318	4,409,452,956
Increasing adjustment	1,783,027,318	4,409,452,956
- Depreciation expense of fixed assets for cars with less than 9 seats corresponding to the portion of the original price exceeding 1.6 billion VND	118,737,637	118,737,637
- Remuneration costs for non-executive board members	60,000,000	60,000,000
- Other ineligible expenses	1,604,289,681	4,230,715,319
Decreasing adjustment	-	-
Total taxable income	162,018,018,968	159,425,480,576
- Income from the water sector	142,498,982,872	118,547,743,917
- Income from other business activities	19,519,036,096	40,877,736,659
Corporate income tax	18,153,705,506	20,030,321,724
- Income from the water sector (10%)	14,249,898,287	11,854,774,392
- Income from other business activities (20%)	3,903,807,219	8,175,547,332
Exempted and reduced corporate income tax	-	-
Current corporate income tax expense	18,153,705,506	20,030,321,724

Land rental

Land rent is paid according to the tax authority's notification.

Other taxes

The Company has declared and paid under regulations.

15. Payables to employees

	31/12/2025	01/01/2025
Salary	36,270,547,900	23,795,368,500
Total	36,270,547,900	23,795,368,500

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**16. Short-term accrued expenses**

	31/12/2025	01/01/2025
Interest expenses	2,516,835,402	3,037,901,189
Meal allowances	367,662,400	362,602,700
Electricity costs, telecommunications charges, office supplies	413,084,858	33,321,690
Outsourcing costs	2,711,348,756	1,419,459,558
Collection fees	189,816,400	207,629,155
Other expenses	330,437,693	175,818,048
Total	6,529,185,509	5,236,732,340

17. Other payables**a. Short-term**

	31/12/2025	01/01/2025
Other payables to related parties	4,596,508,140	22,973,424,183
(Refer to Notes No. VIII.1)		
People's Committee of Thua Thien Hue Province	4,596,508,140	22,973,424,183
- Foreclosed assets	-	17,610,831,352
- Payable to the People's Committee of Hue City (a)	4,596,508,140	5,362,592,831
Other payables to other entities	92,602,918,584	90,212,254,476
Union funds	458,922,134	102,127
Payables for construction works (b)	83,713,347,442	84,413,384,542
Deposits and guarantees received	5,349,677,399	4,673,014,182
Others	3,080,971,609	1,125,753,625
Total	97,199,426,724	113,185,678,659

As of December 31, 2025, there are no outstanding debts that have reached their due date but remain unpaid.

(a) This represents the additional asset value after verification and approval of the final settlement by the Department of Finance. The Company is using these assets, and the capital for construction investment projects was provided by the Department of Finance for payment of construction works, which the Company must return to the People's Committee of Thua Thien Hue Province.

(b) This is the state budget capital disbursed corresponding to the investment costs of several construction projects funded from the medium-term public investment capital. These projects have been completed and put into use, are in the process of final settlement, or are still being implemented. Currently, the Company is gradually repaying the state based on the annual depreciation of the completed projects.

b. Long-term

	31/12/2025	01/01/2025
Other payables to related parties	-	-
(Refer to Notes No. VIII.1)		
Other payables to other entities	6,468,245,000	6,075,305,000
Long-term deposits and guarantees received	6,468,245,000	6,075,305,000
Total	6,468,245,000	6,075,305,000

As of December 31, 2025, there are no outstanding debts that have reached their due date but remain unpaid..

HUE WATER SUPPLY JOINT STOCK COMPANY
FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

18. Borrowings and finance lease liabilities

a. Short-term

	Opening balance	Increase during the year	Paid during the year	Transferring from long-term loan	Exchange rate difference	Closing balance
Long-term loans due for repayment						
- The Asian Development Bank - USD (a)	60,349,728,702	-	(60,969,385,590)	61,783,444,640	619,656,888	61,783,444,640
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thua Thien Hue Branch (b)	44,349,728,702	-	(44,969,385,590)	45,783,444,640	619,656,888	45,783,444,640
	16,000,000,000	-	(16,000,000,000)	16,000,000,000	-	16,000,000,000
Total	60,349,728,702	-	(60,969,385,590)	61,783,444,640	619,656,888	61,783,444,640

b. Long-term

	Opening balance	Increase during the year	Paid during the year	Reclassification to short-term	Exchange rate difference	Closing balance
Long-term loans						
- The Asian Development Bank - USD (a)	532,196,743,665	-	-	(45,783,444,640)	17,204,591,220	503,617,890,245
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thua Thien Hue Branch (b)	68,692,752,159	-	-	(16,000,000,000)	-	52,692,752,159
Total	600,889,495,824	-	-	(61,783,444,640)	17,204,591,220	556,310,642,404

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS***Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City**For the fiscal year ended as of December 31, 2025***Note to the financial statements (Cont'd)**

(a) Loan from the Asian Development Bank (ADB) under the subsidiary loan agreement between the Ministry of Finance and Thua Thien Hue State-Owned One-Member Construction and Water Supply Company Limited (now Thua Thien Hue Water Supply Joint Stock Company) dated April 14, 2014, for the implementation of the Thua Thien Hue Water Supply Project for the period 2011–2015, with considerations for the 2020 phase under the Vietnam Water Sector Development Program. Loan limit: USD 35,160,000, maximum loan term of 25 years including the grace period. Interest rate: 6-month LIBOR for USD loans + 0.4% per year. Interest rate applied to overdue principal: 150% of the standard loan interest rate. Loan security: secured by assets formed from the loan capital. (Notes V.8)

(b) Loan from Joint Stock Commercial Bank For Foreign Trade of Vietnam – Thua Thien Hue Branch under the investment project loan agreement No. 2022/DAĐT/CAPNUOC dated June 13, 2022. Loan limit: VND 350,000,000,000. Purpose: to finance the legal, reasonable, and valid credit needs related to the investment and implementation of the Van Nien Water Treatment Plant Project (total capacity: 120,000 m³/day and night – Phase 1: 60,000 m³/day and night) and to reimburse the legal, reasonable, and valid investment expenses that the Company had paid in excess of the minimum self-financed capital. Loan term: 120 months from the first loan disbursement date. Interest rate: for the first two years, the 12-month personal savings deposit interest rate (postpaid) + 1.2% per year; from the third year onward, the 12-month personal savings deposit interest rate (postpaid) + 1.7% per year.

Forms of loan collateral:

+ If the loan usage is under VND 320 billion, the loan is secured by:

- Future assets attached to land formed from loan capital and self-financed capital under the Van Nien Water Treatment Plant Project (excluding Quang Te 3 Clean Water Reservoir).
- Machinery and equipment formed from loan capital and self-financed capital under the Van Nien Water Treatment Plant Project – Phase 1: 60,000 m³/day and night.

+ If the loan usage exceeds VND 320 billion, additional security is required: future assets attached to land, including Quang Te 3 Clean Water Reservoir under the Van Nien Water Treatment Plant Project. (Notes V.8, V.10)

19. Bonus and welfare fund

	31/12/2025	01/01/2025
Bonus and welfare fund	15,454,478,855	9,933,934,940
Total	15,454,478,855	9,933,934,940

HUE WATER SUPPLY JOINT STOCK COMPANY
FINANCIAL STATEMENTS

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)
20. Owner's equity
a. Statement of changes in owners' equity

	Contributed capital	Treasury shares	Development and investment funds	Undistributed profit after tax	Total
Balance as at Jan 01, 2024	876,000,000,000	(2,170,000,000)	45,882,968,592	134,132,382,975	1,053,845,351,567
Increase during the year	-	-	23,513,602,471	134,985,705,896	158,499,308,367
Decrease during the year	-	-	-	(127,908,208,471)	(127,908,208,471)
Balance as at Dec 31, 2024	876,000,000,000	(2,170,000,000)	69,396,571,063	141,209,880,400	1,084,436,451,463
Balance as at Jan 01, 2025	876,000,000,000	(2,170,000,000)	69,396,571,063	141,209,880,400	1,084,436,451,463
Increase during the year	-	-	35,136,944,400	142,081,286,144	177,218,230,544
Decrease during the year	-	-	-	(141,020,005,400)	(141,020,005,400)
Balance as at Dec 31, 2025	876,000,000,000	(2,170,000,000)	104,533,515,463	142,271,161,144	1,120,634,676,607

b. Details of investment capital

	31/12/2025		01/01/2025	
	contribution ratio (%)	Capital contribution	contribution ratio (%)	Capital contribution
People's Committee of Thua Thien Hue Province	70.01	613,300,000,000	70.01	613,300,000,000
Truong Phuoc Tue	0.00	4,000,000	6.28	55,000,000,000
Other shareholders	29.74	260,526,000,000	20.61	180,530,000,000
Nguyen Van Dung	0.00	-	2.85	25,000,000,000
Treasury shares	0.25	2,170,000,000	0.25	2,170,000,000
Total	100	876,000,000,000	100	876,000,000,000

c. Capital transactions with owners and dividend, profit distribution

	Current year	Previous year
Contributed capital		
- Opening balance	876,000,000,000	876,000,000,000
- Increase	-	-
- Decrease	-	-
- Closing balance	876,000,000,000	876,000,000,000
Distributed profit, dividend	83,013,850,000	83,013,850,000

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**d. Shares**

	31/12/2025 Shares	01/01/2025 Shares
Number of shares registered for issuance	87,600,000	87,600,000
Number of shares issued to the public	87,600,000	87,600,000
- Ordinary shares	87,600,000	87,600,000
- Preference shares	-	-
Number of treasury shares	217,000	217,000
- Ordinary shares	217,000	217,000
- Preference shares (classified as equity)	-	-
Number of outstanding shares in circulation	87,383,000	87,383,000
- Ordinary shares	87,383,000	87,383,000
- Preference shares	-	-
Face value of outstanding shares	10,000	10,000

e. Undistributed profit after tax

	Current year	Previous year
Profits brought forward	141,209,880,400	134,132,382,975
Adjustments to increase last year's profit	-	-
Profits after corporate income tax of current period	142,081,286,144	134,985,705,896
Profit distribution	141,020,005,400	127,908,208,471
Previous year's profit distribution	141,020,005,400	127,908,208,471
- Set up bonus and welfare fund	22,196,371,000	20,709,429,000
- Set up fund of Executive Management Board	672,840,000	671,327,000
- Divide the dividend by cash	83,013,850,000	83,013,850,000
- Set up development and investment funds	35,136,944,400	23,513,602,471
Current year's profit distribution	-	-
Undistributed profit after tax	142,271,161,144	141,209,880,400

f. Dividend

The Annual General Meeting of Shareholders' Resolution No. 22/NQ-ĐHĐCĐ dated April 25, 2025, approved the plan to distribute the 2024 cash dividend at a rate of 9,5%, equivalent to VND 83,013,850,000.

HUE WATER SUPPLY JOINT STOCK COMPANY
FINANCIAL STATEMENTS
Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City
For the fiscal year ended as of December 31, 2025
Note to the financial statements (Cont'd)

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENTS (Unit: VND)

1. Revenue from sale and service provision

a. Total revenue

	Current year	Previous year
Revenues from related parties	-	-
Revenues from other entities	668,487,646,230	670,180,413,702
- Revenues from production and supply of clean water	628,904,287,088	619,318,681,653
- Revenues from Bach Ma purified water	18,749,682,364	21,066,757,745
- Revenues from installing household water supply systems	15,886,822,793	21,152,963,973
- Revenues from other activities	4,946,853,985	8,642,010,331
Total	668,487,646,230	670,180,413,702

b. Revenue from related parties

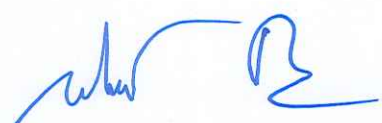
	Current year	Previous year
Other revenues	-	230,000,000
Total	-	230,000,000

2. Cost of goods sold

	Current year	Previous year
Cost of clean water	354,293,828,886	353,377,216,415
Cost of Bach Ma purified water	11,120,588,373	12,111,239,855
Cost of installing household water supply systems	9,165,784,074	6,132,636,490
Cost of other activities	1,583,633,652	5,165,780,102
Total	376,163,834,985	376,786,872,862

3. Financial income

	Current year	Previous year
Deposits, loans interest	6,324,488,844	5,844,335,231
Realized foreign exchange gain on settlement	-	18,225,203
Total	6,324,488,844	5,862,560,434



HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**4. Financial expenses**

	Current year	Previous year
Interest expenses	36,474,119,113	44,799,925,020
Realized foreign exchange loss on settlement	683,500,101	914,731,596
Revaluation foreign exchange loss on year-end balance	17,824,248,108	26,434,354,523
Total	54,981,867,322	72,149,011,139

5. Selling expenses

	Current year	Previous year
Cost of raw materials	9,020,458,313	8,662,438,363
Employees cost	5,634,162,435	5,521,090,684
Costs of outsourced services	9,313,193,480	8,932,277,025
Total	23,967,814,228	23,115,806,072

6. General administration expenses

	Current year	Previous year
Cost of raw materials	105,901,816	243,069,357
Employees cost	31,990,171,209	30,356,010,738
Fixed asset depreciation	2,145,514,059	2,198,416,489
Provision and handling costs for bad debts	232,419,101	30,763,592
Costs of outsourced services	9,587,893,789	4,063,189,721
Other cash expenses	15,559,095,846	21,864,119,109
Total	59,620,995,820	58,755,569,006

7. Other income

	Current year	Previous year
Gain on disposal of fixed assets	325,780,851	-
Land rent will be reduced in 2024	109,635,603	-
Handling of surplus materials of unknown origin in inventory	354,750,111	1,573,595,605
Communication cooperation support fee	225,092,160	-
Adjustment of prior years' construction investment costs accounted into production and business expenses	-	11,215,020,890
Sale of surplus land at Van Nien	15,000,000	1,014,924,960
Reversal of provisions exceeding actual expenses incurred	209,849,236	-
Penalty for breach of contract	100,000,000	-
Other income	510,686,361	238,877,136
Total	1,850,794,322	14,042,418,591

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS***Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City**For the fiscal year ended as of December 31, 2025***Note to the financial statements (Cont'd)****8. Other expenses**

	Current year	Previous year
Handling of inventory shortages identified through stocktaking	10,051,150	66,649,065
Handling of water debt	-	14,748,564
Depreciation of fixed assets temporarily suspended from	1,024,137,094	1,493,438,512
Non-periodic expenses, other costs	659,237,147	2,687,269,887
Total	1,693,425,391	4,262,106,028

9. Operating expenses according to elements

	Current year	Previous year
Cost of raw materials	57,863,282,304	49,588,691,740
Employees cost	118,716,323,077	117,590,810,600
Fixed asset depreciation	152,826,527,916	152,976,708,208
Provision cost	232,419,101	30,763,592
Costs of outsourced services	79,587,964,992	77,578,255,104
Other cash expenses	49,338,411,177	57,955,143,642
Total	458,564,928,567	455,720,372,886

10. Basis earnings per share

	Current year	Previous year
Profit after corporate income tax	142,081,286,144	134,985,705,896
Adjustments to increase or decrease profit after tax	(24,071,340,668)	(22,869,211,000)
Increasing adjustment	-	-
Decreasing adjustment (set up bonus and welfare fund)	(24,071,340,668)	(22,869,211,000)
Profit or loss allocated to common stockholders	118,009,945,476	112,116,494,896
Average number of common shares outstanding during the period	87,383,000	87,383,000
Basic earnings per shares (a)	1,350	1,283

(a) The Company's Charter as well as General Meeting of Shareholders in 2025 did not specify a plan for the appropriation to the Bonus and Welfare Fund. Accordingly, the Bonus and Welfare Fund for the 2025 was provisionally estimated based on the appropriation ratio of the 2024 bonus and welfare fund over the 2024 profit. Therefore, the basic/ diluted earnings per share for the 2025 will be subject to adjustment upon the official decision on the appropriation rate of the basic and by the 2026 General Meeting of Shareholders.



HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**11. Diluted earnings per share**

	Current year	Previous year
Profit allocated to common stockholders used to calculate basic earnings per shares	118,009,945,476	112,116,494,896
Adjustments to increase or decrease after-tax profit	-	-
- After-tax effect of convertible bond interest	-	-
- Dividends on convertible preferred shares	-	-
Profit for calculating diluted earnings per shares	118,009,945,476	112,116,494,896
Average number of common shares outstanding during the period	87,383,000	87,383,000
Diluted earnings per shares (a)	1,350	1,283

(a) Refer to Note 10.

VII. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE STATEMENT OF CASH FLOWS**1. Proceeds from borrowings**

	Current year	Previous year
Proceeds from loans under ordinary contracts	-	11,543,025,941
Total	-	11,543,025,941

2. Payment of loan principal

	Current year	Previous year
Repayment of principal loans under ordinary contracts	60,969,385,590	60,140,477,754
Total	60,969,385,590	60,140,477,754

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**VIII. OTHER INFORMATION****1. Information about related parties****a. Related parties**

Company name	Relationship
Thua Thien Hue Provincial People's Committee	Investor
DNP Hawaco Joint Stock Company	A member of the BOM is a member of the BOD

b. Transactions with related parties

Related party	Current year	Previous year
Thua Thien Hue Provincial People's Committee		
- Leasing assets of Da Vien and Tu Ha plants	1,214,348,000	1,382,015,000
- Dividend distribution	58,263,500,000	58,263,500,000
Hawaco Electromechanical Limited Company (Dividend)	-	936,052,100
DNP Hawaco Joint Stock Company	-	-
- Purchasing goods and services	26,735,134,800	9,260,018,184
DNP Hawaco Electromechanical Joint Stock Company	-	-
- Purchasing goods and services	-	2,045,850,000
Meta Technical Infrastructure Joint Stock Company	-	-
- Purchasing goods and services	-	10,659,198,284
	Current year	Previous year
Hoang Phat Water Industry Solutions Co., Ltd		
- Revenue (Sale of office software)	-	230,000,000

c. Balances with related parties

Related party	31/12/2025	01/01/2025
Thua Thien Hue Provincial People's Committee		
- Liability for assets received as repayment	-	17,610,831,352
- Other payables	4,596,508,140	5,362,592,831
Meta Technical Infrastructure Joint Stock Company		
- Trade payables	-	5,317,089,700

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**d. Salary, remuneration and other benefits of the Executive Board**

No	Board of Directors	Position	From Jan 1, 2025 to Dec 31, 2025			
			Salary	Remuneration	Dividend	Total
1	Le Quang Minh	Chairman of BOD	1,173,436,500	-	-	1,173,436,500
2	Duong Quy Duong	Member of the BOD cum General Director	1,034,908,400	36,000,000	42,940,000	1,113,848,400
3	Truong Cong Han	Member of the BOD cum Deputy General Director	868,445,800	36,000,000	65,835,000	970,280,800
4	Cao Huy Tuong Minh	Deputy General Director	826,778,300	-	5,795,000	832,573,300
5	Nguyen Lien Minh	Deputy General Director	809,513,200	-	186,105,000	995,618,200
6	Nguyen Trong Hieu	Member of the BOD	-	36,000,000	-	36,000,000
7	Vuong Dinh Nam	Member of the BOD cum Chief Accountant	822,910,528	36,000,000	-	858,910,528
8	Truong Ngu Binh	Head of Supervisory Board	778,610,800	-	330,502,150	1,109,112,950
9	Tran Thi Be	Member of the BOS	627,864,600	24,000,000	85,595,000	737,459,600
10	Dao Thi Hoang Oanh	Member of the BOS	-	24,000,000	-	24,000,000
Total			6,942,468,128	192,000,000	716,772,150	7,851,240,278

No	Board of Directors	Position	From Jan 1, 2024 to Dec 31, 2024			
			Salary	Remuneration	Dividend	Total
1	Le Quang Minh	Chairman of BOD	1,009,135,400	-	-	1,009,135,400
2	Duong Quy Duong	Member of the BOD cum General Director	915,838,600	-	42,940,000	958,778,600
3	Truong Cong Han	Member of the BOD cum Deputy General Director	776,216,700	-	65,835,000	842,051,700
4	Cao Huy Tuong Minh	Deputy General Director	675,394,800	-	-	675,394,800
5	Nguyen Lien Minh	Deputy General Director	685,628,300	-	376,105,000	1,061,733,300
6	Nguyen Trong Hieu	Member of the BOD	-	36,000,000	-	36,000,000
7	Vuong Dinh Nam	Member of the BOD cum Chief Accountant	735,532,087	-	-	735,532,087
8	Truong Ngu Binh	Head of Supervisory Board	645,297,200	-	108,962,150	754,259,350
9	Tran Thi Be	Member of the BOS	538,126,300	24,000,000	85,595,000	647,721,300
10	Dao Thi Hoang Oanh	Member of the BOS	-	24,000,000	-	24,000,000
Total			5,981,169,387	84,000,000	679,437,150	6,744,606,537

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)**2. Segment Report**

– Present segment reporting by business area:

	Water production and business activities	Bach Ma purified water production activities	Customer water supply system installation activities	Other business activities	Total
Current year					
Net revenue from external sales and services	628,904,287,088	18,749,682,364	15,886,822,793	4,946,853,985	668,487,646,230
Net revenue from interdepartmental sales and service provision	-	-	-	-	-
Total net revenue from sales and service provision	628,904,287,088	18,749,682,364	15,886,822,793	4,946,853,985	668,487,646,230
Departmental cost of goods sold	354,293,828,886	11,120,588,373	9,165,784,074	1,583,633,652	376,163,834,985
Departmental gross profit	274,610,458,202	7,629,093,991	6,721,038,719	3,363,220,333	292,323,811,245
Previous year					
Net revenue from external sales and services	619,318,681,653	21,066,757,745	21,152,963,973	8,642,010,331	670,180,413,702
Net revenue from interdepartmental sales and service provision	-	-	-	-	-
Total net revenue from sales and service provision	619,318,681,653	21,066,757,745	21,152,963,973	8,642,010,331	670,180,413,702
Departmental cost of goods sold	353,377,216,415	12,111,239,855	6,132,636,490	5,165,780,102	376,786,872,862
Departmental gross profit	265,941,465,238	8,955,517,890	15,020,327,483	3,476,230,229	293,393,540,840

– Present segment reports by geographical area

During the year, all of the Company's operations were primarily conducted in Viet Nam.

3. Corresponding figures

These figures are from the financial statements for the fiscal year ending December 31, 2024, audited by the Da Nang branch of Chuan Viet Auditing and Consulting Company Limited. Certain indicators have been retrospectively adjusted in accordance with Resolution No. 22/NQ-DHDCĐ dated April 25, 2025 of the Annual General Meeting of Shareholders and based on recommendations of the State Audit Office of Region II as stated in Notification No. 23/TB-KVII dated July 6, 2024, specifically as follows:

Balance Sheet items

No	Items	Code	as of 31/12/2024, before adjustments	as of 01/01/2025, after adjustments	Variance
1	Construction in progress	131	193,456,640,974	157,994,623,977	(35,462,016,997)
2	Undistributed profit after tax	141	176,671,897,397	141,209,880,400	(35,462,016,997)
3	- Undistributed profit after tax brought forward	152	41,686,191,501	6,224,174,504	(35,462,016,997)

On March 26, 2025, the Company issued Report No. 439/BC-HWS to the People's Committee of Hue City seeking opinions on the organization of the 2025 Annual General Meeting of Shareholders. In Section 2 – Proposed plan for post-tax profit distribution and 2024 dividend payment – the Report

HUE WATER SUPPLY JOINT STOCK COMPANY**FINANCIAL STATEMENTS**

Address: No. 103 Bui Thi Xuan, Thuan Hoa Ward, Hue City

For the fiscal year ended as of December 31, 2025

Note to the financial statements (Cont'd)

included content regarding the handling of the recommendation in Inspection Conclusion No. 1209/KL-TTr dated November 4, 2022, issued by the Inspectorate of Thua Thien Hue Province. This relates to an increase in profit amounting to VND 35,462,016,997 resulting from the Company having simultaneously recorded the item as both a business expense and an increase in fixed assets, while also recognizing corresponding internal revenue. Accordingly, the Company sought the opinion of the People's Committee of Hue City on reducing the retained earnings after tax and the construction-in-progress costs, as adjusted per the inspection conclusion, for which no corresponding project could be identified. Based on Official Letter No. 4455/UBND-DN dated April 18, 2025, from the People's Committee of Hue City approving the contents to be presented by the representative of the State capital at the Annual General Meeting of Shareholders, and the Company's submission No. 14/TTr-HĐQT dated April 24, 2025, regarding the business performance in 2024 and the business and investment plan orientation for 2025 – which was approved at the Annual General Meeting of Shareholders as stated in Resolution No. 22/NQ-ĐHĐCĐ dated April 25, 2025 – the Company has made a downward adjustment to both the item "Retained earnings after tax" and the item "Construction-in-progress costs" by an amount of VND 35,462,016,997.

4. The Company's ability to continue as a going concern

There are no factors that lead to the doubt about the possibility of the Company to continue as a going concern and the measures and commitments to ensure the Company's operation in the future.

5. Subsequent events

There have been no significant events occurring after the balance sheet date, which would require adjustments or disclosures to be presented in the financial statements.

Hue City, March 10, 2026

Preparer



NGUYEN HUNG HAI

Chief Accountant



VUONG DINH NAM

Chairman of the Board of Directors



LE QUANG MINH

