

# Consolidated Financial Statements

## **HAI PHONG WATER JOINT STOCK COMPANY**

For the fiscal year ended 31 December 2025  
(Audited)



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## **REPORT OF THE CHAIRMAN**

The Chairman of Hai Phong Water Joint Stock Company ("the Company") presents its report and the Company's consolidated financial statements for the year ended 31 December 2025.

### **THE COMPANY**

Hai Phong Water Joint Stock Company is an enterprise equitized from Hai Phong Water One Member Co., Ltd., according to Decision No. 732/QĐ-UBND dated 09 April 2015 of Hai Phong City People's Committee. The Company operates under the Business Registration Certificate No. 0200171274 issued for the first time on January 3, 2007 and amended for the 11th time on 28 August 2025 by the Department of Finance of Hai Phong City.

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

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

### **THE BOARD OF DIRECTORS, MANAGEMENT BOARD AND SUPERVISORY BOARD**

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

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

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

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

Members of the Supervisory Board include:

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

### **LEGAL REPRESENTATIVE**

The legal representative of the Company during the year and up to the date of this Financial Statement is Mr. Tran Viet Cuong - Chairman of the Board of Directors

### **AUDITORS**

AASC Limited has taken the audit of the consolidated financial statements for the Company.

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

The Chairman is responsible for the Consolidated financial statements of each fiscal year which give a true and fair view of the financial position of the Company and the results of its operation and its cash flows for the year then ended. In preparing those consolidated financial statements, the Chairman is required to:

- Establish and maintain an internal control system which is determined necessary by the



**Hai Phong Water Joint Stock Company**

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

Chairman and those charged with governance to ensure the preparation and presentation of consolidated financial statements do not contain any material misstatement caused by errors or frauds;

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

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

The Chairman confirms that the accompanying consolidated financial statements of the Company for the year ended 31 December 2025 prepared by us, give a true and fair view of the financial position, results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Consolidated Financial Statements.

**OTHER COMMITMENTS**

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

On behalf of the Board of Directors and the Management Board



**Tran Viet Cuong**  
Chairman

*Hai Phong, 10 March 2026*



No.: 100326.011/BCTC.FIS1

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of Hai Phong Water Joint Stock Company prepared on 10 March 2026, which comprise Consolidated Statement of financial position as at 31 December 2025, Consolidated Statement of income, Consolidated Statement of cash flows and Notes to the consolidated financial statements for the year then ended, as set out on pages 05 to 34.

### *The Chairman's Responsibility*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards, ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements 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 procedures selected depend on the auditor's 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 auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### *Auditor's opinion*

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the financial position of Hai Phong Water Joint Stock Company as at 31 December 2025, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with statutory requirements related to preparation and presentation of the consolidated financial statements.



**Do Thi Hong Thuy**  
Audit Director  
Registered Auditor No.  
2907-2025-002-1

Hanoi, 10 March 2026



**Tran Minh Duc**  
Auditor  
Registered Auditor No.  
4372-2022-002-1



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 31 December 2025

Code	ASSETS	Note	31/12/2025 VND	01/01/2025 (Adjusted) VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>808,662,360,345</b>	<b>673,141,738,931</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>3</b>	<b>18,719,900,580</b>	<b>17,332,691,799</b>
111	1. Cash		18,719,900,580	13,332,691,799
112	2. Cash equivalents		-	4,000,000,000
<b>120</b>	<b>II. Short-term investment</b>		<b>678,800,000,000</b>	<b>539,800,000,000</b>
123	1. Short-term held to maturity	4	678,800,000,000	539,800,000,000
<b>130</b>	<b>III. Short-term receivables</b>		<b>28,224,299,776</b>	<b>34,837,904,549</b>
131	1. Short-term trade receivables	5	14,040,231,036	18,768,545,334
132	2. Short-term advances to suppliers		1,441,248,952	6,713,562,056
136	3. Other short-term receivables	6	13,377,119,133	10,174,324,404
137	4. Provisions for short-term bad debts	5	(634,299,345)	(818,527,245)
<b>140</b>	<b>IV. Inventories</b>		<b>77,218,100,310</b>	<b>60,587,358,753</b>
141	1. Inventories	7	77,218,100,310	60,587,358,753
<b>150</b>	<b>V. Other current assets</b>		<b>5,700,059,679</b>	<b>20,583,783,830</b>
151	1. Short-term prepaid expenses	8	665,284,833	624,891,997
152	2. VAT deductibles		4,817,145,947	19,774,032,043
153	3. Tax and other receivables from the State	13	217,628,899	184,859,790
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,285,344,305,495</b>	<b>1,404,767,982,263</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>1,222,506,211,014</b>	<b>1,350,771,032,376</b>
221	1. Tangible fixed assets	9	1,221,197,785,148	1,349,236,129,620
222	- Cost		3,807,461,479,177	3,726,343,950,269
223	- Accumulated depreciation		(2,586,263,694,029)	(2,377,107,820,649)
227	2. Intangible fixed assets	10	1,308,425,866	1,534,902,756
228	- Cost		13,479,436,573	13,024,936,573
229	- Accumulated amortisation		(12,171,010,707)	(11,490,033,817)
<b>240</b>	<b>II. Long-term assets in progress</b>		<b>55,602,479,549</b>	<b>46,072,714,514</b>
242	1. Construction in-progress	11	55,602,479,549	46,072,714,514
<b>250</b>	<b>III. Long-term investments</b>		<b>700,000,000</b>	<b>700,000,000</b>
255	1. Long-term held to maturity	4	700,000,000	700,000,000
<b>260</b>	<b>IV. Other non-current assets</b>		<b>6,535,614,932</b>	<b>7,224,235,373</b>
261	1. Long-term prepaid expenses	8	6,535,614,932	7,224,235,373
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,094,006,665,840</b>	<b>2,077,909,721,194</b>



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2025

(continued)

Code	RESOURCES	Note	31/12/2025	01/01/2025
			VND	(Adjusted) VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>946,326,462,039</b>	<b>987,691,833,014</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>200,763,991,180</b>	<b>199,855,746,339</b>
311	1. Short-term trade payables	12	14,171,077,562	22,850,334,768
312	2. Short-term advances from customers		1,769,688,290	1,217,488,516
313	3. Tax payables and statutory obligations	13	17,233,073,528	10,890,255,195
314	4. Payables to employees		68,177,820,195	53,174,011,201
315	5. Short-term accrued expenses	15	3,459,887,774	4,913,609,023
319	6. Other short-term payables	16	14,845,747,706	13,781,227,235
320	7. Short-term loans and liabilities	14	67,742,388,100	78,414,701,220
322	8. Bonus and welfare funds	17	13,364,308,025	14,614,119,181
<b>330</b>	<b>II. Long-term liabilities</b>		<b>745,562,470,859</b>	<b>787,836,086,675</b>
338	1. Long-term loans and liabilities	14	745,562,470,859	787,836,086,675
<b>400</b>	<b>D. EQUITY</b>		<b>1,147,680,203,801</b>	<b>1,090,217,888,180</b>
<b>410</b>	<b>I. Owners' equity</b>	<b>18</b>	<b>1,147,680,203,801</b>	<b>1,090,217,888,180</b>
411	1. Contributed charter capital		742,069,400,000	742,069,400,000
411a	- Ordinary shares with voting right		742,069,400,000	742,069,400,000
412	2. Share premium		559,419,000	559,419,000
414	3. Other owner's equity		41,527,948,438	33,249,781,250
418	4. Investment and development fund		158,763,600,670	159,283,689,499
421	5. Retained earnings		161,595,304,215	113,969,705,439
421a	- Retained earnings accumulated to previous year		11,764,777,386	11,103,668,153
421b	- Undistributed profit of this period		149,830,526,829	102,866,037,286
429	6. Non-controlling interest		43,164,531,478	41,085,892,992
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>2,094,006,665,840</b>	<b>2,077,909,721,194</b>



Tran Viet Cuong  
Chairman

Nguyen Dang Ninh  
Chief Accountant

La Thi Thu Huyen  
Preparer

Hai Phong, 10 March 2026



**CONSOLIDATED STATEMENT OF INCOME**  
Year 2025

Code	ITEMS	Note	Year 2025 VND	Year 2024 (Adjusted) VND
01	1. Gross revenue from goods sold and services rendered	20	1,388,641,551,390	1,287,784,457,723
02	2. Less deductions		-	-
10	3. Net revenue from goods sold and services rendered	20	1,388,641,551,390	1,287,784,457,723
11	4. Cost of goods sold and services rendered	21	860,507,799,748	803,996,747,044
20	5. Gross profit from goods sold and services rendered		528,133,751,642	483,787,710,679
21	6. Financial income	22	30,079,360,777	23,581,187,531
22	7. Financial expenses	23	74,448,037,441	96,596,429,791
23	<i>In which: Interest expense</i>		47,168,823,449	57,466,701,350
25	8. Selling expenses	24	168,466,816,896	155,866,307,731
26	9. General administrative expenses	25	124,825,661,771	117,419,625,975
30	10. Operating profit		190,472,596,311	137,486,534,713
31	11. Other income	26	22,169,199,893	17,545,429,992
32	12. Other expenses	27	14,407,983,473	16,136,455,379
40	13. Other profit		7,761,216,420	1,408,974,613
50	14. Accounting profit before tax		198,233,812,731	138,895,509,326
51	15. Current corporate income tax	28	39,681,298,874	27,832,764,688
60	17. Net profit after tax		<u>158,552,513,857</u>	<u>111,062,744,638</u>
61	Profit after tax attributable to owners of the parent		149,830,526,829	102,866,037,287
62	Profit after tax attributable to non-controlling interest		8,721,987,028	8,196,707,351
70	18. EPS	29	2,019	1,386



Tran Viet Cuong  
Chairman

Nguyen Dang Ninh  
Chief Accountant

La Thi Thu Huyen  
Preparer

Hai Phong, 10 March 2026



**CONSOLIDATED STATEMENT OF CASH FLOWS**

Year 2025  
(Indirect method)

Code	ITEMS	Note	Year 2025 VND	Year 2024 (Adjusted) VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>1. Profit before tax</b>		<b>198,233,812,731</b>	<b>138,895,509,326</b>
	<b>2. Adjustments for:</b>			
02	Depreciation and amortization		211,897,208,269	214,273,393,214
03	Provisions		(184,227,900)	(251,002,220)
04	Losses on exchange differences at the year-end		26,366,205,729	39,129,728,441
05	(Gains) from investment activities		(30,106,190,137)	(23,669,134,713)
06	Interest expense		47,168,823,449	57,466,701,350
08	<b>3. Profit from operating activities before changes in working capital</b>		<b>453,375,632,141</b>	<b>425,845,195,398</b>
09	Decrease in receivables		29,747,311,404	8,708,373,015
10	(Increase) in inventories		(16,630,741,557)	(2,707,136,555)
11	Increase in payables (excluding interest payables/CIT payables)		13,512,136,368	16,924,043,884
12	(Increase)/Decrease in prepaid expenses		648,227,605	(1,523,204,858)
14	Interest paid		(47,941,708,772)	(58,151,453,745)
15	Corporate income tax paid		(33,065,888,212)	(26,308,799,114)
17	Other payments on operating activities		(30,273,063,792)	(28,789,206,518)
20	<b>Net cash inflow from operating activities</b>		<b>369,371,905,185</b>	<b>333,997,811,507</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	1. Purchase of fixed assets and other long-term assets		(105,189,568,324)	(100,737,787,497)
22	2. Proceeds from disposals of fixed assets and long-term assets		26,829,360	275,428,485
23	3. Loans granted, purchases of debt instruments of other entities		(167,500,000,000)	(107,000,000,000)
24	4. Collection of loans, proceeds from sales of debt instruments		28,500,000,000	-
27	7. Interest, dividends and profit received		27,557,122,825	21,065,567,883
30	<b>Net cash outflow from investing activities</b>		<b>(216,605,616,139)</b>	<b>(186,396,791,129)</b>



**CONSOLIDATED STATEMENT OF CASH FLOWS**


Year 2025  
(Indirect method)  
(continued)

	ITEMS	Note	Year 2025	Year 2024
			VND	(Adjusted) VND
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
34	4. Repayment of borrowings		(79,312,299,956)	(76,862,201,714)
36	6. Dividends paid		(72,066,945,600)	(68,209,912,500)
40	Net cash outflow from financing activities		(151,379,245,556)	(145,072,114,214)
50	Net cash flows in the year		1,387,043,490	2,528,906,164
60	Cash and cash equivalents at beginning of the year		17,332,691,799	14,803,560,312
61	Impact of exchange differences		165,291	225,323
70	Cash and equivalents at the year-end	3	18,719,900,580	17,332,691,799



Tran Viet Cuong  
Chairman

  
Nguyen Dang Ninh  
Chief Accountant

  
La Thi Thu Huyen  
Preparer

Hai Phong, 10 March 2026



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
Year 2025

**1. GENERAL INFORMATION**

***Form of ownership***

Hai Phong Water Joint Stock Company was equitized from the State-owned Enterprise - Hai Phong Water One Member Limited Liability Company, according to Decision No. 732/QĐ-UBND dated 09 April 2015 of Hai Phong City People's Committee. The company operates under Business Registration Certificate No. 0200171274 dated 03 January 2007 and amended for the 11th time on 28 August 2025 by the Department of Finance of Hai Phong City.

The Company's head office is located at No. 54 Dinh Tien Hoang Street, Hoang Van Thu Ward, Hong Bang District, Hai Phong City.

The total number of employees of the parent company as at 31 December 2025 was 964 (as at 01 January 2025: 972 employees).

The total number of employees of the subsidiary as at 31 December 2025 was 85 (as at 01 January 2025: 86 employees).

***Business field***

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

***Business sector***

The Company's main business activities are:

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

**The Company's operation in the year that affects the Consolidated Financial Statements:**

The Company adjusted the clean water selling price in accordance with Decision No. 05/2024/QĐ-UBND dated 19 February 2024 issued by the People's Committee of Hai Phong City, effective from 01 March 2024. Together with the increase in customers' consumption volume, this resulted in higher revenue this year compared to the previous year (Note 20).

***Subsidiary***

The Company has one subsidiary that is consolidated in the financial statements as at 31 December 2025:

Company name	Address	Ownership interest	Voting rights ratio	Main activities
Hai Phong Number Two Water Business Joint Stock Company	Residential Group 3, Do Nha, An Duong Ward, Hai Phong City	65,29%	65,29%	Extraction, treatment, and supply of clean water



## **2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY**

### **2.1 Accounting period and monetary currency unit**

The accounting period commences annually from the 1<sup>st</sup> January and ends as at the 31<sup>st</sup> December.  
The Company maintains its accounting records in Vietnam Dong (VND).

### **2.2 Accounting Standards and Accounting system**

#### *Accounting System*

The Company applies Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular No. 200/2014/TT-BTC and Circular No. 202/2014/TT-BTC guiding the preparation and presentation of consolidated financial statements.

#### *Statement of compliance with Vietnamese standards and accounting system*

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

### **2.3 Basis for preparation of Consolidated Financial Statements**

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control as at 31 December 2025.

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

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

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

### **2.4 Accounting estimates**

The preparation of Consolidated Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Chairman to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the fiscal year.

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

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

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



## **2.5 Financial instruments**

### *Initial recognition*

#### Financial assets

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

#### Financial liabilities

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

### *Subsequent measurement after initial recognition*

Financial assets and financial liabilities have not been measured at fair value as at the end of the financial year because Circular No. 210/2009/TT-BTC and current regulations require the presentation of financial statements and disclosures relating to financial instruments, but do not provide equivalent guidance on the fair value measurement and recognition of financial assets and financial liabilities.

## **2.6 Foreign currency transactions**

Transactions in currencies other than the accounting currency of the Company during the fiscal year are recorded at actual rate of exchange ruling at transaction dates.

Actual exchange rates for year-end revaluations of monetary items denominated in foreign currencies are determined by at the balance sheet date under the following principles:

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

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

## **2.7 Cash and cash equivalents**

Cash comprises cash on hand, demand deposits

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



## **2.8 Financial Investment**

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

## **2.9 Receivables**

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

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

## **2.10 Inventories**

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

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

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

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

## **2.11 Fixed assets**

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

*Value after initial recognition*

If these costs increase the future economic benefits expected to be obtained from the use of tangible fixed assets beyond the standard operating level as initially assessed, these costs are capitalized. as an additional cost of tangible fixed assets.

Other costs incurred after fixed assets have been put into operation, such as repair, maintenance and overhaul costs, are recorded in the consolidated statement of income in the year in which the costs are incurred.

Fixed assets are depreciated using the straight-line method over their estimated useful life as follows:

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



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

#### **2.12 Construction in progress**

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

#### **2.13 Operating lease**

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

#### **2.14 Prepaid expenses**

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

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

Prepaid expenses of the Company include:

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

#### **2.15 Payables**

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

#### **2.16 Borrowings**

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

#### **2.17 Borrowing costs**

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



## **2.18 Accrued expenses**

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as interest expenses, etc. which are recorded as operating expenses of the reporting period.

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

## **2.19 Investment and development fund, Bonus and welfare fund**

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

## **2.20 Owner's equity**

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

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

Other capital is the operating capital formed from the operating results or from gifts, presents, financing, assets revaluation (if these items are allowed to be recorded as a decrease or increase in the owner's equity).

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

## **2.21 Revenue**

Revenue is recognized when it is probable that the economic benefits, which can be measured reliably, will flow to the Company. Revenue is determined at the fair value of amounts received or expect to get after deducting trade discounts, sales discounts, and sales returns.

### *Sales of goods*

- ▶ Significant risks and rewards associated with the ownership of the goods have been transferred to the buyer; and
- ▶ The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

### *Rendering of services*

- ▶ The stage of the completion of the transaction at the end of the reporting period can be measured reliably.

### *Financial income*

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

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



## **2.22 Cost of goods sold**

Cost of goods sold and services provided is the total cost incurred for finished products, goods, supplies sold and services provided to customers during the year, recorded in accordance with revenue generated during the year and ensure compliance with the conservatism principle.

## **2.23 Financial expenses**

Items recorded into financial expenses consist of:

- ▶ Expenses of capital borrowing;
- ▶ Loss due to foreign exchange differences arising from transactions relating to foreign currencies...

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

## **2.24 Earnings per share**

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

## **2.25 Corporate income tax**

The Company is currently applying a corporate income tax rate of 20% for the financial year ended 31 December 2025.

## **2.26 Related parties**

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

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

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

## **2.27 Segment information**

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



**3. Cash and cash equivalents**

	31/12/2025	01/01/2025
	VND	VND
Cash on hand	10,020,354	88,159,669
Cash in bank	18,709,880,226	13,244,532,130
Cash equivalents	-	4,000,000,000
	<b>18,719,900,580</b>	<b>17,332,691,799</b>

**4. Financial investment**

As at 31 December 2025, the investment held to maturity amounting to VND 679.5 billion is term deposits with terms from 06 months to 24 months at commercial banks.

**5. Short-term trade receivables**

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Water bill	13,011,093,259	(345,490,345)	14,058,344,581	(301,746,729)
Water machine installation	676,016,681	(288,809,000)	4,300,596,197	(516,780,516)
Others	353,121,096	-	409,604,556	-
	<b>14,040,231,036</b>	<b>(634,299,345)</b>	<b>18,768,545,334</b>	<b>(818,527,245)</b>

**6. Short-term other trade receivables**

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Interest receivables	10,399,191,366	-	7,876,953,414	-
Dividends receivable	18,475,319	-	14,093,201	-
Advances to employees	1,256,992	-	14,572,253	-
Others	2,958,195,456	-	2,268,705,536	-
	<b>13,377,119,133</b>	<b>-</b>	<b>10,174,324,404</b>	<b>-</b>



**7. Inventories**

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Raw material	74,703,117,631	-	58,541,878,779	-
Tools, supplies	1,455,547,093	-	819,558,849	-
Work in progress	974,311,676	-	1,141,830,813	-
Finished goods	85,123,910	-	84,090,312	-
	<b>77,218,100,310</b>	<b>-</b>	<b>60,587,358,753</b>	<b>-</b>

**8. Prepaid expenses**

	31/12/2025	01/01/2025 (Adjusted)
	VND	VND
<b>a) Short-term</b>		
Dispatched tools and supplies	665,284,833	624,891,997
	<b>665,284,833</b>	<b>624,891,997</b>
<b>b) Long-term</b>		
Tools and supplies	4,012,493,394	4,558,648,082
Bottle shells and purified water supplies	412,639,116	483,731,491
Major repair	2,088,607,423	2,181,855,800
Others	21,874,999	-
	<b>6,535,614,932</b>	<b>7,224,235,373</b>



**9. Tangible fixed assets**

	Buildings	Machinery and equipment	Vehicles equipment	Management equipment	Others	Total
	VND	VND	VND	VND	VND	VND
<b>Historical cost</b>						
As at 01/01/2025	1,180,939,671,670	337,207,475,011	2,179,700,364,938	14,214,372,555	14,282,066,095	3,726,343,950,269
Construction complete	-	-	71,830,035,485	-	-	71,830,035,485
Purchase	678,200,000	9,532,116,000	-	1,142,957,273	-	11,353,273,273
Liquidating, disposal	-	(1,181,566,584)	(378,181,818)	(118,723,109)	(381,886,488)	(2,060,357,999)
Other	(21,347,777)	-	-	15,925,926	-	(5,421,851)
<b>As at 31/12/2025</b>	<b>1,181,596,523,893</b>	<b>345,558,024,427</b>	<b>2,251,152,218,605</b>	<b>15,254,532,645</b>	<b>13,900,179,607</b>	<b>3,807,461,479,177</b>
<b>Accumulated depreciation</b>						
As at 01/01/2025	671,452,456,468	230,936,491,864	1,451,236,285,437	10,514,610,719	12,967,976,161	2,377,107,820,649
Depreciation	73,918,812,932	19,054,793,363	116,970,908,788	1,008,273,025	263,443,271	211,216,231,379
Liquidating, disposal	-	(1,181,566,584)	(378,181,818)	(118,723,109)	(381,886,488)	(2,060,357,999)
<b>As at 31/12/2025</b>	<b>745,371,269,400</b>	<b>248,809,718,643</b>	<b>1,567,829,012,407</b>	<b>11,404,160,635</b>	<b>12,849,532,944</b>	<b>2,586,263,694,029</b>
<b>Net carrying amount</b>						
As at 01/01/2025	509,487,215,202	106,270,983,147	728,464,079,501	3,699,761,836	1,314,089,934	1,349,236,129,620
<b>As at 31/12/2025</b>	<b>436,225,254,493</b>	<b>96,748,305,784</b>	<b>683,323,206,198</b>	<b>3,850,372,010</b>	<b>1,050,646,663</b>	<b>1,221,197,785,148</b>

► Cost of fully amortized tangible fixed assets but still in use at the end of the year: VND 1,324,649,066,668.



## 10. Intangible fixed assets

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

- ▶ Historical cost as of 31/12/2025 is VND 13,479,436,573;
- ▶ Depreciation during the period is VND 680,976,890;
- ▶ Accumulated depreciation as of 31/12/2025 is VND 12,171,010,707.

## 11. Construction in progress

	31/12/2025 VND	01/01/2025 VND
<b>Construction in progress</b>	<b>26,984,523,362</b>	<b>20,551,760,736</b>
Water Supply for Cap Tien Commune, Tien Lang District (i)	15,477,066,377	-
Water Supply Project for Cat Hai Island (Phase 1)	-	4,768,865,547
Expansion of Cau Nguyet Water Plant Capacity to 60,000 m3/day&night (ii)	1,854,391,538	1,815,391,538
Construction of D400 Transmission Pipeline Supplying Western Tien Lang District	-	9,204,256,644
Water Supply for An Tho Commune, An Lao District	-	3,031,183,727
Upgrading the filter tank of Vat Cach Water Treatment Plant – Tank Block No. 1. (iii)	8,307,280,960	381,959,092
Others	1,345,784,487	1,350,104,188
<b>Major repairs, maintenance, and free installation of water dispensers according to Decree No. 117/2007/ND-CP (iv)</b>	<b>28,617,956,187</b>	<b>25,520,953,778</b>
	<b>55,602,479,549</b>	<b>46,072,714,514</b>

- (i) Water Supply for Cap Tien Commune, Tien Lang District
- ▶ Construction site: Tien Minh commune, Hai Phong city
  - ▶ Investor: Hai Phong Water Joint Stock Company
  - ▶ Project status at 31 December 2025: Approximately 60% of the construction work has been completed.
- (ii) Expansion of Cau Nguyet Water Plant Capacity to 60,000 m3/day&night
- ▶ Construction location: An Khanh commune, Hai Phong city
  - ▶ Investor: Hai Phong Water Joint Stock Company
  - ▶ Project status at 31 December 2025: adjusting the feasibility study report to convert the project to increase the capacity to 160,000 m3.
- (iii) Upgrading the filter tank of Vat Cach Water Treatment Plant – Tank Block No. 1
- ▶ Investor: Hai Phong Number Two Water Business Joint Stock Company
  - ▶ Project status at 31 December 2025: The installation and testing of the filter mesh have been carried out, and the installation of process pipelines is currently in progress.
- (iv) Major repair, maintenance, and installation costs of water connections for residents in accordance with Decree No. 117/2007/ND-CP that are still in progress and have not yet been completed.



**12. Short-term trade payables**

	31/12/2025		01/01/2025 (Adjusted)	
	Book value	Liquidity	Book value	Liquidity
	VND	VND	VND	VND
<b>Other parties</b>				
<b>Payable to suppliers related to construction activities</b>	<b>3,698,514,122</b>	<b>3,698,514,122</b>	<b>8,798,934,136</b>	<b>8,798,934,136</b>
<i>Duc Thinh Technical Trading Joint Stock Company</i>	-	-	2,501,080,980	2,501,080,980
<i>Hai Phong Housing Construction Joint Stock Company</i>	1,015,488,992	1,015,488,992	759,463,360	759,463,360
<i>An Thinh Phat Trading and Services Co., Ltd.</i>	1,133,468,786	1,133,468,786	1,108,152,014	1,108,152,014
<i>An Viet Hai Phong Construction and Trading Services Joint Stock Company</i>	989,235,841	989,235,841	2,164,168,087	2,164,168,087
<i>Viet Phap Investment, Construction and Trading Joint Stock Company</i>	-	-	1,862,689,779	1,862,689,779
<i>Others</i>	560,320,503	560,320,503	403,379,916	403,379,916
<b>Payables to suppliers related to business and production activities</b>	<b>10,472,563,440</b>	<b>10,472,563,440</b>	<b>14,051,400,632</b>	<b>14,051,400,632</b>
<i>Northern branch of Nha Be garment Corporation - JSC</i>	1,608,390,000	1,608,390,000	1,191,632,920	1,191,632,920
<i>Quoc Quyet Construction Mechanical Trading Co., Ltd.</i>	624,991,634	624,991,634	2,931,438,020	2,931,438,020
<i>Minh Khang Electromechanical JSC</i>	-	-	1,602,276,552	1,602,276,552
<i>Hai Phong Power One-Member Limited Liability Company</i>	2,448,192,736	2,448,192,736	2,181,353,466	2,181,353,466
<i>My Phat Production and Trading Co., Ltd.</i>	620,671,244	620,671,244	253,463,800	253,463,800
<i>Green Europe Plastic Co., Ltd.</i>	-	-	918,737,489	918,737,489
<i>DKNEC Group Joint Stock Company</i>	1,137,172,761	1,137,172,761	-	-
<i>Others</i>	4,033,145,065	4,033,145,065	4,972,498,385	4,972,498,385
	<b>14,171,077,562</b>	<b>14,171,077,562</b>	<b>22,850,334,768</b>	<b>22,850,334,768</b>



**13. Tax payables and statutory obligations**

	01/01/2025 (Adjusted)		Movement		31/12/2025	
	Receivables	Payables	Actual payment	Payables	Receivables	Payables
	VND	VND	VND	VND	VND	VND
VAT	184,859,790	-	1,863,343,964	1,830,574,855	217,628,899	-
Corporate income tax	-	8,023,633,477	33,065,888,212	39,681,298,874	-	14,639,044,139
Personal income tax	-	1,334,239,615	9,748,000,265	9,326,119,358	-	912,358,708
Natural resource tax	-	299,445,100	299,445,100	387,294,950	-	387,294,950
Other payables	-	1,232,937,003	8,818,040,093	8,879,478,821	-	1,294,375,731
	<b>184,859,790</b>	<b>10,890,255,195</b>	<b>53,794,717,634</b>	<b>60,104,766,858</b>	<b>217,628,899</b>	<b>17,233,073,528</b>

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



**14. Loans and liabilities**

	01/01/2025		Movement		31/12/2025	
	Book value	Liquidity	Increase	Decrease	Book value	Liquidity
	VND	VND	VND	VND	VND	VND
<b>a) Short-term</b>						
<b>Proportion of long-term loans</b>	<b>78,414,701,220</b>	<b>78,414,701,220</b>	<b>68,639,986,836</b>	<b>79,312,299,956</b>	<b>67,742,388,100</b>	<b>67,742,388,100</b>
2A project	12,499,380,622	12,499,380,622	-	12,499,380,622	-	-
Minh Duc Project	294,296,283	294,296,283	-	294,296,283	-	-
ADB Project (i)	65,621,024,315	65,621,024,315	68,639,986,836	66,518,623,051	67,742,388,100	67,742,388,100
	<b>78,414,701,220</b>	<b>78,414,701,220</b>	<b>68,639,986,836</b>	<b>79,312,299,956</b>	<b>67,742,388,100</b>	<b>67,742,388,100</b>
<b>b) Long-term</b>						
2A project	12,499,380,622	12,499,380,622	-	12,499,380,622	-	-
Minh Duc Project	294,296,283	294,296,283	-	294,296,283	-	-
ADB Project (i)	853,457,110,990	853,457,110,990	26,366,371,020	66,518,623,051	813,304,858,959	813,304,858,959
	<b>866,250,787,895</b>	<b>866,250,787,895</b>	<b>26,366,371,020</b>	<b>79,312,299,956</b>	<b>813,304,858,959</b>	<b>813,304,858,959</b>
Maturity within next 12 months	(78,414,701,220)	(78,414,701,220)			(67,742,388,100)	(67,742,388,100)
<b>Maturity after 12 months</b>	<b>787,836,086,675</b>	<b>787,836,086,675</b>			<b>745,562,470,859</b>	<b>745,562,470,859</b>



Details of loans for each project are as follows:

**(i) Hai Phong City Water Supply System Expansion Project – Phase 2 under Vietnam Water Sector Development Program – Project 2:**

The purpose of the loan is to finance the project's expenditures. The loan was provided under the Subsidiary Loan Agreement dated 23 August 2013, between the Ministry of Finance, representing the Socialist Republic of Vietnam, and the Company, utilizing Loan No. 2961-VIE from the Asian Development Bank (ADB).

The loan was disbursed through the Hai Phong Branch of the Vietnam Development Bank with an interest rate based on the Secured Overnight Financing Rate (SOFR) (previously LIBOR for 6-month USD loans, replaced by SOFR since 2022 in accordance with the ADB notification dated 29 October 2021, and the Ministry of Finance's Official Letter No. 14882/BTC-QLN dated 28 December 2021), plus a margin of 0.4% per annum on the outstanding principal and minus a discount rate (subject to semi-annual adjustments); the loan matures on 01 December 2037. Principal and interest are repayable semi-annually, with the first principal repayment due on 01 June 2019, as stipulated in the loan agreement.

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

**15. Short - term accrued expenses**

	31/12/2025	01/01/2025
	VND	VND
Interest expense	3,433,035,922	4,205,921,245
Other	26,851,852	707,687,778
	<b>3,459,887,774</b>	<b>4,913,609,023</b>



**16. Other short-term payables**

	31/12/2025	01/01/2025 (Adjusted)
	VND	VND
Payables for major repairs and construction investments	2,186,956,455	1,564,052,766
Payables to internal units for unpaid expenses	3,025,597,158	3,895,722,111
Payable for drainage services remitted to the State budget	3,164,798,864	2,842,187,599
Trade union	148,119,424	115,837,091
Payable for bottle deposit	4,561,600,000	3,932,250,000
Other	1,758,675,805	1,431,177,668
	<b>14,845,747,706</b>	<b>13,781,227,235</b>

**17. Bonus and welfare funds**

	Bonus and welfare funds	Executive Bonus Fund	Total
<b>As at 01/01/2024</b>	<b>18,337,828,240</b>	<b>348,162,311</b>	<b>18,685,990,551</b>
Profit distribution of 2023	24,543,806,255	1,200,000,000	25,743,806,255
Other increase	5,400,000	-	5,400,000
Utilization of funds during the year	(28,273,410,960)	(1,547,666,665)	(29,821,077,625)
	-		
<b>As at 31/12/2024</b>	<b>14,613,623,535</b>	<b>495,646</b>	<b>14,614,119,181</b>
Profit distribution of 2024	27,723,252,636	1,300,000,000	29,023,252,636
Utilization of funds during the year	(29,088,063,792)	(1,185,000,000)	(30,273,063,792)
<b>As at 31/12/2025</b>	<b>13,248,812,379</b>	<b>115,495,646</b>	<b>13,364,308,025</b>



**18. Owners' equity**

**a) Changes in owner's equity**

	Contributed charter capital VND	Share premium VND	Other owner's equity VND	Treasury shares VND	Retained earnings (Adjusted) VND	Non-controlling interest VND	Total (Adjusted) VND
<b>As at 01/01/2024</b>	<b>742,069,400,000</b>	<b>559,419,000</b>	<b>33,249,781,250</b>	<b>152,397,442,564</b>	<b>105,446,971,395</b>	<b>39,385,848,088</b>	<b>1,073,108,862,297</b>
Profit of the previous period	-	-	-	-	102,866,037,287	8,196,707,351	111,062,744,638
Distribution of 2023 profit	-	-	-	6,886,246,935	(94,343,303,243)	(6,496,662,447)	(93,953,718,755)
<b>As at 01/01/2025</b>	<b>742,069,400,000</b>	<b>559,419,000</b>	<b>33,249,781,250</b>	<b>159,283,689,499</b>	<b>113,969,705,439</b>	<b>41,085,892,992</b>	<b>1,090,217,888,180</b>
Profit of the current period	-	-	-	-	149,830,526,829	8,721,987,028	158,552,513,857
Increase of capital in subsidiary (*)	-	-	8,278,167,188	(8,278,167,188)	-	-	-
Distribution of 2024 profit (**)	-	-	-	7,758,078,359	(102,204,928,053)	(6,643,348,542)	(101,090,198,236)
<b>As at 31/12/2025</b>	<b>742,069,400,000</b>	<b>559,419,000</b>	<b>41,527,948,438</b>	<b>158,763,600,670</b>	<b>161,595,304,215</b>	<b>43,164,531,478</b>	<b>1,147,680,203,801</b>

(\*) Pursuant to Resolution No. 01/2025/NQ-ĐHĐCĐ dated 18 April 2025 of the 2025 Annual General Meeting of Shareholders, the Subsidiary increased its charter capital from the Development Investment Fund.



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

	From 01 January 2025 to 31 December 2025		
	Subsidiary distribution		Total (3) = (1) + (2)
Parent company (1)	Parent company	Non-controlling interests (2)	
Appropriation to the development investment fund	4,835,973,612	2,922,104,747	1,553,358,810
Appropriation to the reward and welfare fund	24,497,252,636	2,106,309,167	1,119,690,833
Appropriation to the management fund, Member of the Board of Directors, Member of the Supervisory Board	600,000,000	457,041,667	242,958,333
Dividend payment	66,786,246,000	9,933,800,400	5,280,699,600
	<b>96,719,472,248</b>	<b>15,419,255,981</b>	<b>8,196,707,576</b>
			<b>104,916,179,824</b>



**b) Details of Contributed capital**

	31/12/2025		01/01/2025	
	VND	%	VND	%
State capital contribution	597,978,400,000	80.58%	597,978,400,000	80.58%
Other shareholders	144,091,000,000	19.42%	144,091,000,000	19.42%
	<b>742,069,400,000</b>	<b>100%</b>	<b>742,069,400,000</b>	<b>100%</b>

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

	31/12/2025	01/01/2025
	VND	VND
<b>Owner's Capital Contribution</b>		
- Capital contribution at the beginning of the year	742,069,400,000	742,069,400,000
- Capital contribution at the end of the year	742,069,400,000	742,069,400,000
<b>Dividends and Profits</b>		
- Dividends, profits payable at the beginning of the year	-	-
- Dividends, profits payable during the period	72,066,945,600	68,209,912,500
+ <i>Dividends, profits distributed from previous year's earnings</i>	72,066,945,600	68,209,912,500
- Dividends, profits paid in cash	72,066,945,600	68,209,912,500
+ <i>Dividends, profits distributed from previous year's earnings</i>	72,066,945,600	68,209,912,500
- Dividends, profits payable at the end of the period	-	-

**d) Share**

	31/12/2025	01/01/2025
Number of shares registered for issuance	74,206,940	74,206,940
Number of shares issued and fully paid	74,206,940	74,206,940
- <i>Ordinary shares</i>	74,206,940	74,206,940
Number of shares outstanding	74,206,940	74,206,940
- <i>Ordinary shares</i>	74,206,940	74,206,940
Par value of outstanding shares: VND 10,000 per share		

**19. Off-balance sheet items and operating lease commitments**

**Assets under Operating Lease**

The Parent company is managing and utilizing 43 land plots located in Hai Phong City with a total area of 374,959.60 square meters, primarily for use as headquarters, office buildings, water treatment plants, enterprise branches, warehouses, pumping stations, and reservoirs. The land use form is land lease with annual rental payments.

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

**Assets assigned for Management**

The Company has been assigned by the People's Committee of Hai Phong City to manage assets under the An Duong Water Treatment Plant Upgrade Project, which was funded by non-refundable aid from the Government of Japan. These assets are operated and maintained by the Company to provide clean water supply for local residents, serving social welfare purposes.



On 24 June 2022, the Prime Minister promulgated Decree No. 43/2022/ND-CP regulating the management, use, and exploitation of clean water infrastructure under state management. As at 31 December 2025, the Company continues to manage and use the assets for their intended purposes, improve the quality of water supply, and ensure benefits to the residents of the City. In addition, the Company periodically reports in full to the People's Committee of the City on the operation, use, management and maintenance of the assets formed from the Project.

**Foreign currencies**

	31/12/2025	01/01/2025
USD	200.11	200.11

**20. Gross revenues from goods sold and services rendered**

	Year 2025 VND	Year 2024 VND
Clean water business	1,372,440,017,800	1,271,902,768,831
Water meter installation	4,928,496,084	5,239,806,035
Purified water	11,273,037,506	10,641,882,857
	<b>1,388,641,551,390</b>	<b>1,287,784,457,723</b>

**21. Cost of goods solds and services rendered**

	Year 2025 VND	Year 2024 (Adjusted) VND
Clean water business	845,537,166,263	789,253,340,739
Water meter installation	4,585,522,025	4,932,887,730
Purified water	10,385,111,460	9,810,518,575
	<b>860,507,799,748</b>	<b>803,996,747,044</b>

**22. Financial income**

	Year 2025 VND	Year 2024 VND
Interest on savings	30,079,360,777	23,393,706,228
Gain on exchange difference at the year-end	-	187,481,303
	<b>30,079,360,777</b>	<b>23,581,187,531</b>



**23. Financial expenses**

	Year 2025	Year 2024
	VND	VND
Interest expense	47,168,823,449	57,466,701,350
Loss on exchange difference in the year-end	913,008,263	-
Loss on exchange difference at the year-end	26,366,205,729	39,129,728,441
	<b>74,448,037,441</b>	<b>96,596,429,791</b>

**24. Selling expenses**

	Year 2025	Year 2024
	VND	VND
Labor	121,162,727,275	106,718,908,709
Materials and supplies	2,343,697,275	2,105,203,878
Depreciation and amortization	27,639,834,601	28,254,983,380
External services	13,885,803,633	14,124,966,429
Others by cash	3,434,754,112	4,662,245,335
	<b>168,466,816,896</b>	<b>155,866,307,731</b>

**25. General administrative expenses**

	Year 2025	Year 2024
	VND	VND
Labor	65,511,515,564	59,962,636,772
Materials and supplies	5,596,332,895	6,518,804,183
Depreciation and amortization	4,441,348,660	3,994,184,503
Taxes, fees, and charges	6,488,119,224	6,892,756,705
External services	25,893,925,905	24,577,323,476
Others by cash	16,894,419,523	15,473,920,336
	<b>124,825,661,771</b>	<b>117,419,625,975</b>

**26. Other income**

	Year 2025	Year 2024
	VND	(Adjusted) VND
Water testing	1,331,537,000	1,313,160,000
Liquidation of materials	-	3,183,901,817
Disposal of fixed assets	42,014,546	321,997,307
Compensation support	7,349,685,632	-
Collection of drainage service fees	13,003,711,603	12,270,435,933
Others	442,251,112	455,934,935
	<b>22,169,199,893</b>	<b>17,545,429,992</b>



**27. Other expenses**

	Year 2025	Year 2024
	VND	VND
Water testing	1,081,721,777	1,078,423,128
Liquidation of materials	-	1,504,881,065
Disposal of fixed assets	15,185,186	46,568,822
Collection of drainage service fees	12,880,661,375	12,152,106,668
Others	430,415,135	1,354,475,696
	<b>14,407,983,473</b>	<b>16,136,455,379</b>

**28. Corporate income tax**

	Year 2025	Year 2024 (Adjusted)
	VND	VND
Current corporate income tax at the parent company	33,398,955,277	21,928,773,799
Current corporate income tax at the subsidiary	6,282,343,597	5,903,990,889
<b>Total current corporate income tax expense</b>	<b>39,681,298,874</b>	<b>27,832,764,688</b>

**29. Earnings per shares**

	Year 2025	Year 2024 (Adjusted)
	VND	VND
Net profit after tax	149,830,526,829	102,866,037,287
Profit distributed to common shares	149,830,526,829	102,866,037,287
Average number of outstanding common shares in circulation in the year	74,206,940	74,206,940
<b>Basic earnings per share</b>	<b>2,019</b>	<b>1,386</b>

The Company has not planned to appropriate the Bonus and Welfare Fund from profit after tax at the dates of preparation of the consolidated financial statements. As at 31 December 2025, the Company had no potential ordinary shares that could cause dilution of earnings per share.

**30. Expenses by nature**

	Year 2025	Year 2024 (Adjusted)
	VND	VND
Raw materials	139,660,826,286	133,437,847,882
Labour expenses	321,721,454,548	285,494,125,838
Depreciation expenses	211,897,208,269	214,273,393,214
External services	390,130,413,016	363,123,288,344
Others	90,256,655,969	81,007,133,375
	<b>1,153,666,558,088</b>	<b>1,077,335,788,653</b>



### 31. Financial instrument

#### Financial risk management

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

#### Market risk

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

##### *Exchange rate risk*

The Company bears the risk of exchange rates due to the transaction made in a foreign currency other than VND such as: borrowings, revenue, expenses...

##### *Interest rate risk:*

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

#### Credit Risk

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

	Within 1 year VND	Over 1 year VND	Total VND
<b>31/12/2025</b>			
Cash and cash equivalents	18,709,880,226	-	18,709,880,226
Trade and other receivables	26,783,050,824	-	26,783,050,824
Loans	678,800,000,000	700,000,000	679,500,000,000
	<b>724,292,931,050</b>	<b>700,000,000</b>	<b>724,992,931,050</b>
<b>01/01/2025</b>			
Cash and cash equivalents	17,244,532,130	-	17,244,532,130
Trade and other receivables	28,124,342,493	-	28,124,342,493
Loans	539,800,000,000	700,000,000	540,500,000,000
	<b>585,168,874,623</b>	<b>700,000,000</b>	<b>585,868,874,623</b>

##### *Liquidity Risk:*

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

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



	Within 1 year VND	Over 1 year VND	Total VND
<b>31/12/2025</b>			
Borrowing and debts	67,742,388,100	745,562,470,859	813,304,858,959
Trade and other payables	29,016,825,268	-	29,016,825,268
Accrued expenses	3,459,887,774	-	3,459,887,774
	<b>100,219,101,142</b>	<b>745,562,470,859</b>	<b>845,781,572,001</b>
<b>01/01/2025</b>			
Borrowing and debts	78,414,701,220	787,836,086,675	866,250,787,895
Trade and other payables	36,631,562,003	-	36,631,562,003
Accrued expenses	4,913,609,023	-	4,913,609,023
	<b>119,959,872,246</b>	<b>787,836,086,675</b>	<b>907,795,958,921</b>

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

### 32. Subsequent events

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

### 33. Transaction with related parties

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

Full name	Position	Year 2025 VND	Year 2024 VND
Tran Viet Cuong	Chairman of the Board of Directors	1,268,636,250	1,124,197,048
Tran Van Duong	General Director – Vice Chairman of the Board of Directors	1,125,463,983	1,002,334,206
Cao Van Quy	Deputy General Director – Member of the Board of Directors	1,052,707,242	935,401,143
Trinh Anh Tuan	Deputy General Director – Member of the Board of Directors	1,029,925,032	922,521,250
Dang Huu Dung	Member of the Board of Directors	272,080,000	255,980,000
Nguyen Dang Ninh	Chief Accountant	899,786,756	766,130,806
Nguyen Danh Quan	Deputy General Director	858,816,917	754,224,615
Le Thi Huong	Head of the Supervisory Board	817,644,722	733,046,651
Nguyen Minh Hoang	Member of the Supervisory Board	378,441,907	303,226,054
Pham Quang Huy	Member of the Supervisory Board (Appointed on 17/04/2025)	480,086,859	-
Do Thi Thanh Diep	Member of the Supervisory Board (Completion of term on 17/04/2025)	31,707,500	148,280,000
		<b>8,215,297,168</b>	<b>6,945,341,772</b>

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

### 34. Corresponding figures

The corresponding figures are those taken from the Consolidated Financial Statements for the year ended as at 31 December 2024, which was audited by AASC Limited.



In which, the Company has retrospectively adjusted certain items in the Consolidated Financial Statements for the financial year ended 31 December 2024 based on the Inspection Record under Decision No. 281/QĐ-TTTP dated 16 June 2025 issued by the Hai Phong City Inspectorate. Accordingly, certain items in the Consolidated Financial Statements for the financial year ended 31 December 2024 were adjusted as follows:

	Code	Adjusted figures	Presented in the previous year's report	Diff
		VND	VND	VND
		(1)	(2)	(1) - (2)
<b>Statement of Financial Position</b>				
Long-term prepaid	261	7,224,235,373	5,042,379,573	2,181,855,800
Short-term trade payables	311	22,850,334,768	22,867,270,132	(16,935,364)
Short-term advances from customers	312	1,217,488,516	1,446,881,501	(229,392,985)
Tax payables and statutory obligations	313	10,890,255,195	10,254,630,238	635,624,957
Other short-term payables	319	13,781,227,235	13,819,645,029	(38,417,794)
Retained earnings	421	113,969,705,439	112,138,728,453	1,830,976,986
- Retained earnings accumulated to previous year	421a	11,103,668,153	9,657,861,500	1,445,806,653
- Undistributed profit of this year	421b	102,866,037,286	102,480,866,953	385,170,333
<b>Statement of Income</b>				
Cost of goods sold and services rendered	11	803,996,747,044	804,259,428,164	(262,681,120)
Other income	31	17,545,429,992	17,260,683,849	284,746,143
Current corporate income	51	27,832,764,688	27,670,507,758	162,256,930
Profit after tax	60	111,062,744,638	110,677,574,305	385,170,333
Profit after tax attributable to owners of the parent	61	102,866,037,287	102,480,866,954	385,170,333
<b>Statement of Cash Flows</b>				
Profit before tax	01	138,895,509,326	138,348,082,063	547,427,263
Increase in payables (excluding interest payables/CIT payables)	11	16,924,043,884	17,208,790,027	(284,746,143)
(Increase)/Decrease in prepaid expenses	12	(1,523,204,858)	(1,260,523,738)	(262,681,120)



Trần Việt Cường  
Chairman

  
Nguyễn Đăng Ninh  
Chief Accountant

  
La Thi Thu Huyen  
Preparer

Hai Phong, 10 March 2026