

**THAI NGUYEN WATER  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIET NAM**  
**Independence - Freedom - Happiness**

# **CONSOLIDATED FINANCIAL STATEMENT**

***First Quarter, 2026***



## MID-YEAR CONSOLIDATED BALANCE SHEET STATEMENT

As at 31 March 2026

Currency unit: Vietnamese Dong (VND)

ASSETS	No	Note	Ending of period balance	Balance at the beginning of the year
<b>A - CURRENT ASSETS (100 = 110+120+130+140+150+160)</b>	<b>100</b>		<b>127.450.979.167</b>	<b>115.031.084.389</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>VI.01</b>	<b>21.173.823.260</b>	<b>47.968.138.720</b>
1. Cash	111		21.173.823.260	7.968.138.720
2. Cash equivalents	112		-	40.000.000.000
<b>II. Short-term financial investment</b>	<b>120</b>	<b>VI.02</b>	<b>50.000.000.000</b>	<b>10.000.000.000</b>
1. Trading securities	121		-	-
2. Provision for decline in value of trading securities (*)	122		-	-
3. Held-to-maturity investments	123		50.000.000.000	10.000.000.000
4. Provision for short-term held-to-maturity investments (*)	124			
5. Other short-term investments	125			
6. Provision for impairment of other short-term investments (*)	126			
<b>III. Short-term receivables</b>	<b>130</b>		<b>34.938.521.310</b>	<b>35.423.768.455</b>
1. Short-term trade receivables	131	VI.03	30.157.522.638	28.323.678.461
2. Short-term advances to suppliers	132		2.715.098.604	2.532.809.321
3. Short-term intercompany receivables	133		-	-
4. Receivables according to the construction contract progress schedule	134		-	-
5. Other short-term receivables	136	VI.04	14.272.142.797	16.773.523.402



ASSETS	No	Note	Ending of period balance	Balance at the beginning of the year
6. Provision for short-term bad debts (*)	137	VI.06	(12.220.915.607)	(12.220.915.607)
7. Assets shortage awaiting resolution	139	VI.05	14.672.878	14.672.878
<b>IV. Inventories</b>	<b>140</b>	<b>VI.07</b>	<b>18.068.034.402</b>	<b>16.381.639.102</b>
1. Inventories	141		20.192.606.135	18.506.210.835
2. Provision for obsolescence of inventories (*)	142		(2.124.571.733)	(2.124.571.733)
<b>V. Short-term biological assets</b>	<b>150</b>			
1. Livestock held for single harvest (short-term)	151			
2. Seasonal crops or crops held for single harvest (short-term)	152			
3. Provision for impairment of short-term biological assets (*)	153			
<b>VI. Other current assets</b>	<b>160</b>		<b>3.270.600.195</b>	<b>5.257.538.112</b>
1. Short-term prepaid expenses	161	VI.11	160.663.724	124.446.954
2. VAT deductibles	162		3.108.544.470	5.131.699.157
3. Taxes and other receivables from State budget	163	VI.15	1.392.001	1.392.001
4. Repurchase agreements of Government bonds	164		-	-
5. Other current assets	165		-	-
<b>B - NON-CURRENT ASSETS (200 = 210+220+230+240+250+260+270)</b>	<b>200</b>		<b>701.938.388.522</b>	<b>710.452.027.418</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>596.996.136.942</b>	<b>605.897.361.532</b>
1. Tangible fixed assets	221	VI.09	596.220.902.201	605.067.377.592
- Cost	222		1.101.790.163.693	1.100.018.203.693
- Accumulated depreciation (*)	223		(505.569.261.492)	(494.950.826.101)
2. Finance lease assets	224		-	-

ASSETS	No	Note	Ending of period balance	Balance at the beginning of the year
- Cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3. Intangible fixed assets	227	VI.10	775.234.741	829.983.940
- Cost	228		1.824.974.325	1.824.974.325
- Accumulated depreciation (*)	229		(1.049.739.584)	(994.990.385)
<b>III. Long-term biological assets</b>	<b>230</b>		-	-
1. Súc vật nuôi cho sản phẩm định kỳ	231		-	-
a. Súc vật nuôi cho sản phẩm định kỳ chưa đến giai đoạn trưởng thành	232			
b. Súc vật nuôi cho sản phẩm định kỳ đến giai đoạn trưởng thành	233		-	-
- Nguyên giá	234			
- Giá trị khấu hao lũy kế (*)	235			
2. Súc vật nuôi lấy sản phẩm một lần dài hạn	236			
3. Cây trồng theo mùa vụ hoặc lấy sản phẩm một lần dài hạn	237			
4. Dự phòng tổn thất tài sản sinh học dài hạn (*)	238			
<b>IV. Investment property</b>	<b>240</b>		-	-
- Cost	241		-	-
- Accumulated depreciation (*)	242		-	-
<b>V. Long-term assets in progress</b>	<b>250</b>	<b>VI.08</b>	<b>8.664.661.350</b>	<b>8.361.600.218</b>
1. Long-term unfinished production and business costs	251		-	-
2. Construction in-progress	252		8.664.661.350	8.361.600.218
<b>VI. Long-term financial investment</b>	<b>260</b>	<b>VI.02</b>	<b>86.452.405.718</b>	<b>86.359.546.452</b>
1. Investment in subsidiaries	261		-	-



ASSETS	No	Note	Ending of period balance	Balance at the beginning of the year
2. Investment in joint-ventures, associates	262		86.452.405.718	86.359.546.452
3. Equity investment in other entities	263		-	-
4. Provision for impairment of long-term investments in other entities (*)	264		-	-
5. Held-to-maturity investments	265		-	-
6. Provision for long-term investments held to maturity (*)	266			-
<b>VII. Other non-current assets</b>	<b>270</b>		<b>9.825.184.512</b>	<b>9.833.519.216</b>
1. Long-term prepaid expenses	271	VI.11	9.825.184.512	9.833.519.216
2. Deferred income tax assets	272		-	-
3. Long-term spare parts, materials and equipment	273		-	-
4. Other non-current assets	274		-	-
<b>TOTAL ASSETS (270 = 100+ 200)</b>	<b>270</b>		<b>829.389.367.689</b>	<b>825.483.111.807</b>

RESOURCES	No	Note	Ending of period balance	Balance at the beginning of the year
<b>C - LIABILITIES (300 = 310+ 330)</b>	<b>300</b>		<b>601.992.481.947</b>	<b>606.073.495.990</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>176.246.786.296</b>	<b>180.327.800.339</b>
1. Short-term trade payables	311	VI.13	77.336.259.854	78.573.626.164
2. Short-term advance from customers	312		6.455.197.832	6.530.838.108
3. Dividends and profit payable	313	VI.14		
4. Taxes and other payables to State budget	314	VI.15	2.837.523.974	6.873.746.007
5. Payables to employees	315		7.570.220.319	14.699.698.729
6. Short-term accrued expenses	316	VI.16	12.272.272.856	5.041.143.987
7. Short-term internal payables	317		-	-
8. Payables according to construction contract progress schedule	318		-	-
9. Short-term unearned revenue	319		-	-
10. Other short-term payables	320	VI.17	33.069.177.059	31.196.261.967
11. Short-term loans and liabilities	321	VI.12	35.198.581.060	35.547.408.435
12. Short-term provisions for liabilities	322		-	-
13. Bonus and welfare funds	323	VI.18	1.507.553.342	1.865.076.942
14. Price Stabilization Fund	324		-	-
15. Government Bond Repurchase Transactions	325		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>425.745.695.651</b>	<b>425.745.695.651</b>
1. Long-term trade payables	331		-	-
2. Long-term advance from customers	332		-	-



RESOURCES	No	Note	Ending of period balance	Balance at the beginning of the year
3. Long-term taxes and other payables to State budget	333			
4. Long-term accrued expenses	334		-	-
5. Internal Payables for Operating Capital	335		-	-
6. Long-term Internal Payables	336		-	-
7. Long-term unearned revenue	337		-	-
8. Other long-term payables	338		-	-
9. Long-term loans and liabilities	339	VI.12	425.145.695.651	425.145.695.651
10. Convertible Bonds	340		-	-
11. Preferred Share	341		-	-
12. Deferred Tax Liabilities	342		600.000.000	600.000.000
13. Long-term provisions for liabilities	343		-	-
14. Science and Technology Development Fund	344		-	-
<b>D - EQUITY</b>	<b>400</b>	<b>VI.18</b>	<b>227.396.885.742</b>	<b>219.409.615.817</b>
1. Contributed charter capital	411		160.000.000.000	160.000.000.000
- Ordinary shares with voting right	411a		160.000.000.000	160.000.000.000
- Preferred Share	411b		-	-
2. Additional Paid-In Capital	412		-	-
3. Convertible Bond Option	413		-	-
4. Other owner's equity	414		109.463.185.448	109.463.185.448
5. Treasury Shares	415		-	-
6. Revaluation surplus	416		-	-

RESOURCES	No	Note	Ending of period balance	Balance at the beginning of the year
7. Foreign exchange difference	417		-	-
8. Investment and development fund	418		32.622.956.562	32.622.956.562
9. Other Funds in Owner's Equity	419		-	-
10. Retained earnings	420		(74.689.256.268)	(82.676.526.193)
- Retained earnings accumulated to previous period	420a		(82.676.526.193)	(101.135.936.436)
- Retained earnings of this period	420b		7.987.269.925	18.459.410.243
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>829.389.367.689</b>	<b>825.483.111.807</b>

*Approved on April 18, 2026*

**Preparer**



**Nguyen Thi Thanh Minh**

**Chief Accountant**



**Nguyen Minh Phuong**

**General Director**



**Nguyen Xuan Hoc**



## MID-YEAR CONSOLIDATE INCOME STATEMENT

### First Quarter of 2026

Currency unit: Vietnamese Dong

Items	No	Note	Quarter 1		Year-to-date	
			Year 2026	Year 2025	Year 2026	Year 2025
1	2	3	4	5	6	7
<b>1. Revenue from sales and services</b>	<b>01</b>	<b>VII.1</b>	<b>59.088.907.351</b>	<b>54.780.516.559</b>	<b>59.088.907.351</b>	<b>54.780.516.559</b>
2. Revenue deductions	02	VII.2	-	-	-	-
<b>3. Net revenue from sales and services (10 = 01-02)</b>	<b>10</b>		<b>59.088.907.351</b>	<b>54.780.516.559</b>	<b>59.088.907.351</b>	<b>54.780.516.559</b>
4. Cost of goods sold and services rendered	11	VII.3	32.134.781.012	32.393.893.650	32.134.781.012	32.393.893.650
<b>5. Gross profit from sales and services (20 = 10-11)</b>	<b>20</b>		<b>26.954.126.339</b>	<b>22.386.622.909</b>	<b>26.954.126.339</b>	<b>22.386.622.909</b>
6. Profit/(loss) from the sale and disposal of investment property	21	VII.4				
7. Financial activities income	22	VII.5	482.338.907	8.145.006	482.338.907	8.145.006
8. Financial activities expenses	23	VII.6	7.178.380.573	7.539.166.907	7.178.380.573	7.539.166.907
- In which: Interest expense			7.178.380.573	4.817.409.908	7.178.380.573	4.817.409.908
9. Share of Profit or Loss in Joint Ventures and Associates	24		92.859.266	120.645.285	92.859.266	120.645.285
10. Selling expenses	25	VII.9	5.038.973.255	4.880.485.754	5.038.973.255	4.880.485.754
11. General and administrative expenses	26	VII.9	4.958.565.848	4.850.704.695	4.958.565.848	4.850.704.695
<b>11. Operating profit [30 = 20+(21-22)-(24+25-26)]</b>	<b>30</b>		<b>10.353.404.836</b>	<b>5.245.055.844</b>	<b>10.353.404.836</b>	<b>5.245.055.844</b>
12. Other income	31	VII.7	23.564	650.001.003	23.564	650.001.003
13. Other expenses	32	VII.8	-	-	-	-
<b>14. Other profit (40 = 31-32)</b>	<b>40</b>		<b>23.564</b>	<b>650.001.003</b>	<b>23.564</b>	<b>650.001.003</b>
<b>15. Accounting profit before tax (50 = 30+40)</b>	<b>50</b>		<b>10.353.428.400</b>	<b>5.895.056.847</b>	<b>10.353.428.400</b>	<b>5.895.056.847</b>
16. Current business income tax charge	51	VII.11	2.366.158.475	1.475.408.682	2.366.158.475	1.475.408.682
17. Deffered business income tax charge	52	VII.11	-	-	-	-
<b>18. Net profit after tax (60 = 50-51-52)</b>	<b>60</b>		<b>7.987.269.925</b>	<b>4.419.648.165</b>	<b>7.987.269.925</b>	<b>4.419.648.165</b>

Preparer



Nguyen Thi Thanh Minh

Chief Accountant



Nguyen Minh Phuong

Approved on April 18, 2026



General Director



Nguyen Xuan Hoc



## MID-YEAR CONSOLIDATED CASH FLOWS STATEMENT

(Indirect method)

Accounting period from January 1 to March 31, 2026

Currency unit: Vietnamese Dong (VND)

Items	No	Note	Year-to-date as of the end of Quarter 1	
			Year 2026	Year 2025
<b>I. Cash flows from operating activities</b>				
<i>1. Accounting profit before tax</i>	<i>01</i>		<i>10.353.428.400</i>	<i>5.895.056.847</i>
<i>2. Adjustments for:</i>			-	-
- Depreciation of fixed assets and investment property	02		10.673.184.590	12.743.844.437
- Provisions	03		-	-
- Gains and losses from foreign exchange differences arising from the revaluation of foreign currency monetary items	04		-	2.721.756.999
- Gains and losses from investment and financial activities	05		(575.198.173)	(128.790.291)
- Interest expense	06		7.178.380.573	4.817.409.908
- Other adjustments	07		-	-
<i>3. Profit from operating activities before changes in working capital</i>	<i>08</i>		<i>27.629.795.390</i>	<i>26.049.277.900</i>
- Increase/decrease in receivables	09		495.565.885	(79.033.008)
- Increase/decrease in inventories	10		(1.686.395.300)	22.973.763
- Increase/decrease in payables (excluding interest payables/CIT payables)	11		24.345.343.130	(11.181.645.791)
- Increase/decrease in prepaid expenses	12		(27.882.066)	158.995.367
- Increase/decrease in trading securities	13		-	-
- Interest paid	14		(22.251.704)	(50.893.660)
- Corporate income tax paid	15		(6.417.724.840)	(210.969.708)
- Other receipts from operating activities	16		-	-
- Other payments on operating activities	17		(357.523.600)	(250.923.000)
<i>Net cash flows from operating activities</i>	<i>20</i>		<i>43.958.926.895</i>	<i>14.457.781.863</i>
<b>II. Cash flows from investing activities</b>				



Items	No	Note	Year-to-date as of the end of Quarter 1	
			Year 2026	Year 2025
1. Purchase, construction of fixed assets and other long-term assets	21		(2.346.082.237)	(1.748.125.745)
2. Proceeds from disposals of fixed assets and long-term assets	22		-	-
3. Cash paid for lending and acquiring debt instruments of other entities	23		(40.000.000.000)	-
4. Proceeds from loans recovered and sales of debt instruments of other entities	24		-	-
5. Cash paid for investments in other entities	25		-	-
6. Proceeds from investment recoveries and equity withdrawals from other entities	26		-	-
7. Cash received from interest on loans, dividends, and profit distributions	27		482.338.907	8.145.006
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(41.863.743.330)</b>	<b>(1.739.980.739)</b>
<b>III. Cash flows from financing activities</b>				
1. Cash received from issuance of shares and capital contributions from owners	31		-	-
2. Cash paid to return capital to owners and repurchase of issued shares	32		-	-
3. Proceeds from borrowings	33	VIII.3	-	-
4. Repayment of borrowings	34	VIII.4	(348.827.375)	(348.829.199)
5. Cash paid for finance lease liabilities	35		-	-
6. Dividends paid	36		-	-
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(348.827.375)</b>	<b>(348.829.199)</b>
<b>Net cash flows in the period (50 = 20+30+40)</b>	<b>50</b>		<b>1.746.356.190</b>	<b>12.368.971.925</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>60</b>		<b>19.427.467.070</b>	<b>19.402.037.565</b>
Effect of foreign exchange rate changes	61		-	-
<b>Cash and cash equivalents at end of period (70 = 50+60+61)</b>	<b>70</b>		<b>21.173.823.260</b>	<b>31.771.009.490</b>

Preparer



Nguyen Thi Thanh Minh

Chief Accountant



Nguyen Minh Phuong



Approved on April 18, 2026

General Director



Nguyen Xuan Hoc

## **NOTES TO THE MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS**

*Accounting period from January 1 to March 31, 2026*

### **I. Characteristics of the Company's operations**

#### **1. Form of ownership:**

Thai Nguyen Water Joint Stock Company was converted from a One-Member Limited Liability Company into a Joint Stock Company under Decision No. 2691/QD-UB dated October 22, 2009, issued by the People's Committee of Thai Nguyen Province. The initial Business Registration Certificate and Tax Registration were issued on December 25, 2009, and the fifth amendment was issued on June 22, 2015.

Company Headquarters: Group 101, Phan Dinh Phung Ward, Thai Nguyen Province.

Charter capital: VND 160,000,000,000, in which: State ownership: 42.27%; Strategic investor (Dong A International Group JSC): 41%; Other shareholders: 16.73%; Par value: VND 10,000 per share, equivalent to 16,000,000 shares.

#### **2. Business areas:** Production, trading, consulting, construction...

#### **3. Business sectors**

- + Exploitation, treatment, and supply of water
- + Production of non-alcoholic beverages and mineral water
- + Installation of water supply and drainage systems, etc.
- + Installation of electrical systems
- + Construction of all types of residential buildings
- + Construction of other civil engineering projects
- + Construction of railways and roads
- + Management consulting activities
- + Management consulting activities
- + Wholesale and retail of food, beverages, other household goods, machinery and equipment, and general wholesale and retail;
- + ... etc.

#### **4. Normal business cycle: 12 months**



**5. Characteristics of the company's operations during the financial year that affect the financial statements:**

- The clean water selling price in district areas is set by the Provincial People's Committee and is lower than the actual cost. Additionally, water consumption in these areas is low, so production capacity has not been fully utilized.
- In the first quarter, the Company recorded a profit of VND 7.987.269.925.

**6. Company structure:**

- Total number of subsidiaries consolidated: 2 companies
- List of consolidated subsidiaries:

+ Thai Nguyen Clean Water Construction Co., Ltd:

Company name: Thai Nguyen Clean Water Construction Co., Ltd.  
Address: Group 101, Phan Dinh Phung Ward, Thai Nguyen Province  
Parent company's ownership interest: 100%  
Parent company's voting rights: 100%

+ Friend Co., Ltd.:

Company name: Friend Co., Ltd.  
Address: Group 101, Phan Dinh Phung Ward, Thai Nguyen Province  
Parent company's ownership interest: 100%  
Parent company's voting rights: 100%

- List of joint ventures and associates:

+ Doinco Vietnam Joint Stock Company: Charter capital as stated in the Enterprise Registration Certificate: VND 232.5 billion

Company name: Doinco Vietnam Joint Stock Company  
Address: No. 15, Alley 155/74/20, Truong Chinh Street, Phuong Liet Ward, Hanoi  
Ownership percentage: 35.91% (equivalent to VND 83.5 billion)  
Voting rights: 35.91%

- The company has established a Project Management Board for investment and construction. The board operates independently in accounting, has its own legal seal, and opens accounts at the State Treasury of Thai Nguyen and commercial banks for each project.

**7. Number of employees at the end of the reporting period: 449 employees.**

**8. Statement on the comparability of information in the financial statements:** The figures presented are consistent with the corresponding information in the financial statements of the previous period.

**9. Explanations of other information: None.**

## **II. Accounting Period and Currency Used in Accounting**

**1. Fiscal year:** Begins on January 1 and ends on December 31 annually.

**2. Currency used in accounting:** Vietnamese Dong (VND).

## **III. Applied Accounting Standards and Regulations**

**1. Applied accounting regime:** The Company applies the accounting regime for enterprises as prescribed in Circular No. 99/2025/TT-BTC dated October 27, 2025, issued by the Ministry of Finance.

### **2. Statement of compliance with accounting standards and regulations:**

- The Company's financial statements are prepared and presented in accordance with the accounting standards issued by the Ministry of Finance and the accounting regime promulgated under Circular No. 99/2025/TT-BTC dated October 27, 2025 of the Minister of Finance, and Circular No. 202/2014/TT-BTC dated December 22, 2014 guiding the preparation and presentation of consolidated financial statements.
- The Company applies a centralized accounting system and maintains its accounting records on computers using the General Journal form.

## **IV. Applicable accounting policies, accounting estimates, and relevant legal regulations**

**1. Principles for converting financial statements from foreign currencies to VND:** When the Company incurs economic transactions in foreign currencies, they are recorded in the accounting books in Vietnamese Dong.

### **2. Exchange rates applied in accounting**

### **3. Principle of effective interest rate application**

### **4. Principles for recognizing cash and cash equivalents:**

- Cash and cash equivalents include: cash on hand, bank deposits, and short-term investments with maturities of no more than 3 months.
- All economic transactions of the Company are recorded and reported in Vietnamese Dong. Cash equivalents are determined in accordance with Accounting Standard No. 24 – “Cash Flow Statements.”

### **5. Principles for recognizing financial investments:**

- a. Trading securities
- b. Held-to-maturity investments: Time deposits with terms from over 3 months to 12 months are considered held-to-maturity investments. These are presented on the financial statements at historical cost.
- c. Investments in subsidiaries, joint ventures, and associates:
  - Subsidiary investments: The Company holds 100% ownership in two subsidiaries:



+ *Thai Nguyen Clean Water Construction Co., Ltd. with charter capital of VND 3,000,000,000; capital contribution made in cash and non-monetary assets.*

+ *Friend Co., Ltd. with charter capital of VND 1,000,000,000; capital contribution made in cash.*

- Investment in associate: The Company contributed capital to establish Doinco Vietnam Joint Stock Company, with a total charter capital of VND 232.5 billion. Thai Nguyen Water Joint Stock Company contributed VND 83.5 billion, accounting for 35.91% ownership.

d. Investment in equity instruments of other entities.

d. Accounting methods for other transactions related to financial investments.

## **6. Principles for Recognizing Receivables**

- Criteria for classification of receivables include: trade receivables; internal receivables; other receivables; advances to suppliers; intercompany receivables; and miscellaneous receivables.

- Receivables are tracked in detail by each debtor.

- Method for setting up provision for doubtful debts: Based on overdue debts as specified in economic contracts, the provision is made in accordance with Circular No. 48/2019/TT-BTC dated August 8, 2019, issued by the Ministry of Finance.

## **7. Principles for Inventory Recognition**

- Inventory recognition: Inventories are valued at original cost, which includes: purchase cost (purchase price, transportation, loading and unloading, storage, etc.), processing cost, and other directly related costs incurred to bring inventories to their present location and condition.

- Inventory valuation method: Weighted average method.

- Inventory accounting method: Perpetual inventory system.

- Provision for inventory devaluation: Per Circular No. 48/2019/TT-BTC dated August 8, 2019.

Specifically, the provision is made based on the difference between historical cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale. The provision amount is the difference between the required provision this year and the unused provision from the previous year (either increased or reversed).

Provision for	Actual quantity		(Original cost	Net realizable
inventory =	of inventories as of	X	per books	- value)
devaluation	reporting date			

## **8. Principles for Recognition and Depreciation of Fixed Assets, Finance Leases, and Investment Properties**

a. Principles for Recognition and Depreciation of Tangible Fixed Assets

- Recognition principle: Tangible fixed assets are recorded at historical cost minus accumulated depreciation. Post-initial expenses such as upgrades and renovations are capitalized, while regular maintenance and repairs are expensed in the period incurred.

+ Cost of tangible fixed purchased assets  
(new and used) = Actual purchase price + Non-refundable taxes + Directly attributable costs (e.g., interest, transportation, installation, test runs, etc.)

+ Cost of tangible fixed assets: self-constructed or self-manufactured assets = Actual construction/production cost + Installation and test run costs + Directly attributable costs (excluding internal profits, recoverable values from test runs, and unreasonable costs such as waste of materials)

+ Cost of tangible fixed assets formed through construction investment = Approved project settlement value + Registration fees + Directly attributable costs

+ Assets acquired through exchange = Construction/production cost + Installation and test run costs

- Depreciation method: Straight-line depreciation is applied, based on the useful lives prescribed in Circular No. 45/2013/TT-BTC dated April 25, 2013.

+ Buildings, structures	10 -> 50 years
+ Machinery and equipment	8 -> 15 years
means	10 -> 30 years
+ Management tools and equipment	5 -> 10 years
+ Other fixed assets	05 years

#### b. Principles for Recognition and Depreciation of Intangible Fixed Assets

- The Company's intangible fixed assets include: accounting software and e-invoicing software, recognized at original cost.
- Original cost = Actual purchase price + Non-refundable taxes + Direct costs incurred until the asset is ready for use.
- Depreciation method: Straight-line depreciation.

#### c. Principles for Recognition and Depreciation of Finance Lease Assets

- Recognition principle: Finance-leased fixed assets are recognized at the lower of the fair value of the leased asset or the present value of minimum lease payments, plus any directly attributable initial costs.

=> Management: Fixed assets under finance leases are managed in terms of original cost, accumulated depreciation, and net book value.

#### d. Principles for Recognition and Depreciation of Investment property

- Recognition principle: Investment properties are recognized at historical cost.



- Depreciation method: Straight-line method according to the useful lives defined under Circular No. 45/2013/TT-BTC dated April 25, 2013 by the Ministry of Finance.

**9. Principles of accounting for biological assets.**

**10. Accounting Principles for Business Cooperation Contracts**

**11. Accounting Principles for Prepaid Expenses**

- Prepaid expenses include: water meter expenses, production tools and equipment, office supplies, personal protective equipment, etc.
- Prepaid expenses are classified as short-term or long-term based on the allocation period:
  - + Short-term prepaid expenses: Allocated within 1 year.
  - + Long-term prepaid expenses: Allocated over a period of more than 1 year and up to 3 years.
  - + Water meter expenses: Allocated over 5 years according to the clean water pricing plan approved by the People's Committee of Thai Nguyen Province
- Allocation method: Straight-line method.

**12. Principles of accounting for trade payables:**

- Recorded at the actual amount payable;;
- Payables are tracked in detail by each creditor and by payment due dates.

**13. Principles of accounting for dividends and profit payable:**

- When there is a Resolution of the General Meeting of Shareholders and a notice of dividend payment, the list of shareholders is finalized;
- Dividends are paid when the Company is profitable, has fulfilled its tax obligations, and is able to fully meet its liabilities after the payment.

**14. Principles for Accrued Expenses Recognition:**

Accrued expenses of the Company include:

- + Interest on loans from the World Bank (WB), recorded as financial expenses for the period, based on document No. 3160/NHPT-VN dated 17/9/2013 from the Vietnam Development Bank.
- + Interest on loans for the water supply project in Song Cong Town (mixed capital from Kfw and Norad).;
- + Interest on loans for the water supply system development project in Thai Nguyen City.;
- + Accrued expenses payable to contractors and other payables, etc.

**15. Principles for Unearned Revenue Recognition**

**16. Principles and Methods for Provision for Payables Recognition**

- Principles of recording provisions for payables.

- Method of recording provisions for payables.

#### **17. Accounting Principles for Deferred Corporate Income Tax.**

#### **18. Principles for Recognizing Loans and Finance Lease Liabilities.**

- Borrowing costs include loans from commercial banks, the Asian Development Bank (ADB), the World Bank (WB), etc., used to fund projects as approved by the People's Committee of Thai Nguyen Province.
- The loan amount is recorded at its principal value and classified as short-term or long-term. Loans are tracked in detail by project, including:
  - + WB loan – Projects in Du, Phu Luong, and Dinh Ca, Vo Nhai
  - + Norad and KfW loans – Water supply project for Song Cong town
  - + Vietcombank Ha Nam loan – Song Cong II project and solar power project
  - + ADB loans (Loan 2961 and Loan 3251-VIE) – TPTN water supply system project
- Loan repayment: Principal repayments follow loan contracts and agreements; the repayment source is derived from depreciation of fixed assets.

#### **19. Principles for Recognition and Capitalization of Borrowing Costs.**

- Capitalized borrowing costs include interest expenses incurred during the construction period..
- The Company recognizes capitalization in accordance with Accounting Standard No. 16 – “Borrowing Costs.” Borrowing costs eligible for capitalization are those incurred from the start of investment until the end of the construction phase, as evidenced by the handover minutes putting the asset, project, or project component into use.

#### **20. Principles for Convertible Bonds Recognition.**

#### **21. Principles for Owner's Equity Recognition.**

- Principles:
  - + Recognized at actual contributed capital.
  - + Other owner's equity includes assets received from the handover of district-level water supply enterprises and state budget allocations for project implementation.
- Revaluation differences of assets are recorded according to accounting principles.
- Foreign exchange differences are recorded according to the nature and purpose of the transaction.
- Undistributed after-tax profit is recognized as the result from the Company's business activities after deducting income tax and making retrospective adjustments for accounting policies and material prior-period errors.

#### **22. Principles and methods of recognition of revenue and other income.**

- a. Revenue from sales of goods and provision of services:



- Sales revenue includes clean water sales, material trading, and is recognized when risks, benefits, and ownership of goods/services are transferred to the buyer. Revenue is recorded at the fair value of the consideration received or receivable on an accrual basis. Advance payments from customers are not recognized as revenue in the current period.

Revenue is recognized when the following five conditions are met:

- > Significant risks and benefits of ownership have been transferred.
- > The company no longer retains control or ownership of the goods.
- > Revenue is measured reliably.
- > Economic benefits are probable.
- > Costs related to the transaction can be determined.

- Service revenue (e.g., consulting services) is recognized when the outcome of the transaction can be reliably estimated. If related to multiple periods, only the completed portion is recognized during the period. Four conditions must be met:

- > Revenue is reliably measurable.
- > Revenue is reliably measurable.
- > The stage of completion can be measured reliably.
- > Costs incurred and expected to complete the service can be reliably measured.

- Construction contract revenue is recognized when it is reliably measurable and approved by the customer.

b. Financial income includes interest from demand deposits, term deposits, and investment activities.

c. Other income.

- Other income includes infrequent items outside normal operations such as: proceeds from asset disposal, asset revaluation gains, penalties received from customers, recovered bad debts, and liabilities with unidentified creditors.

### **23. Principles for Revenue Deductions Accounting.**

- Deductions include trade discounts, returns, and price reductions.
- These are recognized as a reduction of revenue in the period incurred. If deductions relate to previous period sales, they reduce revenue in the period the deductions arise.

### **24. Principles for Cost of Goods Sold Accounting.**

- COGS is matched to the revenue earned during the period.
- Provisions for inventory devaluation are included in COGS based on the difference between net realizable value and original cost of inventory.

## **25. Principles for Financial Expenses Accounting.**

- Financial expenses in the income statement are the total incurred during the period (not netted against financial income), excluding capitalized interest and late payment interest from equitization.

## **26. Principles for Selling and General & Administrative Expenses Accounting**

- Selling and admin expenses include actual expenses such as:

+ Employee expenses, materials, tools, depreciation of fixed assets, external services, and other cash expenses related to sales or business management activities.

+ Admin expenses: Management salaries, office supplies, depreciation of admin fixed assets, taxes and fees, external services, and other cash-related management expenses.

## **27. Principles and Methods for Current and Deferred Corporate Income Tax Accounting**

- Current income tax expense: calculated on taxable income of the period using the current tax rate of 20%.

- Deferred income tax: future income tax liability or asset arising from recognizing current year deferred tax and reversal of previous deferred tax entries.

## **28. Principles for Accounting of Construction in Progress**

- Recognized at original cost including: materials, labor, payable to contractors/suppliers, and directly attributable costs. When the project is completed and qualifies as a fixed asset, it is transferred to fixed assets. Major repairs are expensed or allocated over a maximum of 3 years.

## **29. Principles and methods for preparing consolidated financial statements**

- The consolidated financial statements are prepared based on the financial statements of the Parent Company together with those of its subsidiaries and joint ventures/associates.

- The financial statements of subsidiaries are prepared using accounting policies consistent with those of the Parent Company. In cases where the accounting policies of subsidiaries differ from those of the Parent Company, appropriate adjustments are made to the subsidiaries' financial statements before they are used for consolidation.

- Balances of receivables and payables, revenues, cost of goods sold, and expenses, including unrealized profits or losses arising from intra-group transactions, are eliminated upon consolidation.



## V. Additional Information on Items Presented in the Balance Sheet

Currency unit: Vietnamese Dong (VND)

<b>1. Cash</b>	<b>Ending of period balance</b>			<b>Balance at the beginning of the year</b>		
- Cash on hand	2.201.167.254			3.882.728.577		
- Cash at banks and the State Treasury	18.972.656.006			4.085.410.143		
- Cash equivalents	-			40.000.000.000		
<b>Total</b>	<b>21.173.823.260</b>			<b>47.968.138.720</b>		
<b>2. Financial Investments</b>	<b>Ending of period balance</b>			<b>Balance at the beginning of the year</b>		
	<b>Original cost</b>	<b>Fair value</b>	<b>Provision</b>	<b>Original cost</b>	<b>Fair value</b>	<b>Provision</b>
a. Trading securities						
b. Held-to-maturity investments	50.000.000.000		-	10.000.000.000		
- Time deposits at Tien Phong Bank (6 months)	10.000.000.000			10.000.000.000		
- Time deposits at Sai Gon - Ha Noi Bank (6 months)	40.000.000.000					
c. Investment in joint ventures and associates (Doinco Vietnam Joint Stock Company)	<b>86.452.405.718</b>			<b>86.359.546.452</b>		
- Initial investment cost	83.500.000.000			83.500.000.000		
- Profit arising after the investment date	2.952.405.718			2.859.546.452		
<b>3. Trade Receivables</b>	<b>Ending of period balance</b>		<b>Balance at the beginning of the year</b>			
<b>Trade Receivables from customer</b>	<b>Carrying amount</b>	<b>Provision</b>	<b>Carrying amount</b>	<b>Provision</b>		
- Clean water payments from the Song Cong and Pho Yen areas	6.443.054.086		6.081.180.130			
- Clean water payments from Thai Nguyen City area	10.360.930.915		8.137.725.035			
- Receivables from clean water product sales	665.626.033		604.899.263			
- Project Management Board for Investment and Construction Projects of Phu Luong District: Water supply project for Son Cam resettlement area, Phu Luong	1.387.605.000		1.387.605.000			

- Dong Cao water supply project – Thai Nguyen Center for Rural Water Supply and Environmental Sanitation	523.737.276		523.737.276	
- Water supply project in Tien Phong Commune, Pho Yen – Thai Nguyen Center for Rural Water Supply and Environmental Sanitation	663.197.197		663.197.197	
- Receivables from Construction and Installation Projects	3.396.886.332		5.591.551.437	
- Dong A Hanoi International Joint Stock Company	2.553.471.944		2.553.471.944	
- Vietnam Bridge and Road Construction Consulting JSC	2.226.459.000		2.226.459.000	
- Receivables from Other Customers	1.936.554.855		553.852.179	
<b>Total</b>	<b>30.157.522.638</b>		<b>28.323.678.461</b>	
<b>4. Other Receivables</b>	<b>Ending of period balance</b>		<b>Balance at the beginning of the year</b>	
	<b>Carrying amount</b>	<b>Provision</b>	<b>Carrying amount</b>	<b>Provision</b>
<b>Short-term</b>				
+ Advances	7.814.263.898		10.813.003.308	
+ Short-term deposits and collaterals	193.083.368		193.083.368	
+ Other receivables	6.264.795.531		5.767.436.726	
<b>Total</b>	<b>14.272.142.797</b>		<b>16.773.523.402</b>	<b>-</b>
<b>5. Assets Pending Resolution</b>	<b>Ending of period balance</b>		<b>Balance at the beginning of the year</b>	
	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>
Inventories		14.672.878		14.672.878
<b>Total</b>		<b>14.672.878</b>		<b>14.672.878</b>



6. Bad debts	Ending of the period			Balance at the beginning of the year		
	Original cost	Recoverable amount	Provision	Original cost	Recoverable amount	Provision
<b>Receivables outstanding for 3 years or more (100%)</b>						
<b>1. Construction and installation activities</b>	<b>12.207.755.980</b>	-	<b>12.207.755.980</b>	<b>12.444.947.765</b>	<b>1.030.718.057</b>	<b>11.414.229.708</b>
- Project: Pressure testing connection – Residential area No.6, Tinh Dan ward, Thai Nguyen City	20.121.000	-	20.121.000	20.121.000	-	20.121.000
- Project: Connection and pressure testing – Go Moc 1–2 residential area (Huu Hue Construction and Trading Co., Ltd.)	44.713.000	-	44.713.000	44.713.000	-	44.713.000
- Project: Residential area No.5, Phan Dinh Phung	14.533.000	-	14.533.000	14.533.000	-	14.533.000
- Project: Installation of fire hydrant on Quang Trung street (Project: National Highway 3 bypass, Thai Nguyen City)	84.816.043	-	84.816.043	84.816.043	-	84.816.043
- Management Board of Construction Projects – Hung Son Town	94.207.673	-	94.207.673	94.207.673	-	94.207.673
- Project: Infrastructure construction – Diem Thuy Industrial Park, 180-hectare remaining portion						
+ Management Board of Investment and Construction Projects – Diem Thuy Industrial Park (180ha, remaining portion)	161.942.532	-	161.942.532	161.942.532	-	161.942.532
+ Project: Road infrastructure and land leveling for 4.3 hectares – Resettlement and workers' housing in Hang Hamlet, Pho Yen District (Diem Thuy IP – 180ha area)	82.176.000	-	82.176.000	82.176.000	-	82.176.000
- Infrastructure construction – Diem Thuy Industrial Park (180ha)	55.809.913	-	55.809.913	55.809.913	-	55.809.913
- Project: Infrastructure construction – Resettlement & workers' housing for Diem Thuy Industrial Park	148.445.270	-	148.445.270	148.445.270	-	148.445.270
- Project revenue: Infrastructure water supply for residential area No.4 – Tan Tinh ward	400.703.707	-	400.703.707	400.703.707	-	400.703.707
- Project: Infrastructure construction – Resettlement area No.1, Tan Long ward	35.983.000	-	35.983.000	35.983.000	-	35.983.000
- Water supply project for Phuc Ha resettlement area	29.161.166	-	29.161.166	29.161.166	-	29.161.166



6. Bad debts	Ending of the period			Balance at the beginning of the year		
	Original cost	Recoverable amount	Provision	Original cost	Recoverable amount	Provision
- Project: Diem Thuy IP 180ha – Package: Adjustment of water supply pipeline (Phase 1)	100.699.000	-	100.699.000	100.699.000	-	100.699.000
- Project: Infrastructure construction – Son Cam Resettlement, Phu Luong District, Thai Nguyen Province – Package: Water supply installation	1.387.605.000	-	1.387.605.000	1.387.605.000	-	1.387.605.000
- Project: Infrastructure construction – Yen Gia I resettlement area, Tan Phu commune, Pho Yen District	12.308.000	-	12.308.000	12.308.000	-	12.308.000
- Project: Pressure testing and connection – DN150 pipeline, Thai Nguyen University area (Capital Construction Consulting JSC)	138.185.000	-	138.185.000	138.185.000	-	138.185.000
- Project: Pressure testing–Student dormitory, Thai Nguyen University	15.309.000	-	15.309.000	15.309.000	-	15.309.000
- Project: Water pipeline relocation – Resettlement area No.5, National Highway 3 Bypass, TN	1.184.000	-	1.184.000	1.184.000	-	1.184.000
- Project: Relocation of pipeline due to site clearance for Project: Road to Zone 3, Quan Trieu	170.641.632	-	170.641.632	170.641.632	-	170.641.632
- Project: Relocation of domestic water pipeline along the North-South road – Ho Xuong Rong Urban Area Project	287.401.618	-	287.401.618	287.401.618	-	287.401.618
- Project: Relocation of domestic water pipeline on National Highway 3 Bypass, Thai Nguyen	169.077.608	-	169.077.608	169.077.608	-	169.077.608
- Project: Relocation of water pipelines within site clearance scope – Phase 1, VB road project	28.448.900	-	28.448.900	28.448.900	-	28.448.900
- Project: Relocation of water pipeline – Thai Nguyen – Cho Moi road investment project	323.550.952	-	323.550.952	323.550.952	-	323.550.952
- Investment project: Ho Xuong Rong Urban Area – Package: Water supply system	320.653.079	-	320.653.079	320.653.079	-	320.653.079
- National Highway 37 renovation project	332.032.013	-	332.032.013	332.032.013	-	332.032.013
- Project: Pipeline relocation due to site clearance for road to HXR residential area, PDP, TPTN	17.453.711	-	17.453.711	17.453.711	-	17.453.711



6. Bad debts	Ending of the period			Balance at the beginning of the year		
	Original cost	Recoverable amount	Provision	Original cost	Recoverable amount	Provision
- Infrastructure construction project – Residential areas No.3 and No.4, Trung Vuong ward	11.418.000	-	11.418.000	11.418.000	-	11.418.000
- Clean water supply project in Dong Cao commune	523.737.276	-	523.737.276	523.737.276	157.121.182	366.616.094
- Clean water supply project in Tien Phong commune	663.197.197	-	663.197.197	663.197.197	198.959.159	464.238.038
- Project: Water supply for Linh Son commune, Dong Hy District, Thai Nguyen (Rural Water Supply & Sanitation Center, Thai Nguyen)	90.038.708	-	90.038.708	163.248.787	48.974.636	114.274.151
- Project: Water supply for Linh Son commune, Dong Hy District, Thai Nguyen (Rural Water Supply & Sanitation Center, Thai Nguyen)	90.671.478	-	90.671.478	254.653.184	-	254.653.184
- Dong A Hanoi International Joint Stock Company	2.085.543.601	-	2.085.543.601	2.085.543.601	625.663.080	1.459.880.521
- Thai Kim An Investment and Trading Construction Co., Ltd.	308.089.752	-	308.089.752	308.089.752	-	308.089.752
- Consulting and surveying terrain, preparing feasibility report for Water Supply Project – Dong Hy Industrial Cluster (Watech Construction Consulting JSC)	88.940.200	-	88.940.200	88.940.200	-	88.940.200
- Consulting on stock issuance to increase charter capital (Vietnam Commercial and Industrial Securities JSC)	35.000.000	-	35.000.000	35.000.000	-	35.000.000
- Road surface repair on Quang Trung street (Hoang Nam Construction Investment JSC)	198.400.000	-	198.400.000	198.400.000	-	198.400.000
- Advance payment (50%) for electrical system installation – An Lac Vien Project (Ha Thanh Trading and Installation Co., Ltd.)	408.445.089	-	408.445.089	408.445.089	-	408.445.089
- Consulting and preparing feasibility study – Project to upgrade water treatment technology – Tich Luong Water Plant (Hung Long Construction Consulting Co., Ltd.)	350.000.000	-	350.000.000	350.000.000	-	350.000.000
- Quang Trung Road Upgrade and Renovation Project	467.928.343	-	467.928.343	467.928.343	-	467.928.343

6. Bad debts	Ending of the period			Balance at the beginning of the year		
	Original cost	Recoverable amount	Provision	Original cost	Recoverable amount	Provision
- An Lac Vien Water Supply Project	1.500.000.000	-	1.500.000.000	1.500.000.000	-	1.500.000.000
- An Hai Vegetable Production Water Supply Project (Vietnam Bridge and Road Consulting Joint Stock Company)	726.459.000	-	726.459.000	726.459.000	-	726.459.000
- Other Construction and Installation Projects	182.725.519	-	182.725.519	182.725.519	-	182.725.519
<b>2. Consulting Activities</b>	<b>13.159.627</b>	<b>-</b>	<b>13.159.627</b>	<b>13.159.627</b>	<b>-</b>	<b>13.159.627</b>
- Survey and design of the water supply item – Viet Bac Road Upgrade Project (Phase 1)	2.503.414	-	2.503.414	2.503.414	-	2.503.414
- Survey, design, and preparation of investment estimates	10.656.213	-	10.656.213	10.656.213	-	10.656.213
<b>Total</b>	<b>12.220.915.607</b>	<b>-</b>	<b>12.220.915.607</b>	<b>12.458.107.392</b>	<b>1.030.718.057</b>	<b>11.427.389.335</b>



<b>7. Inventories</b>	<b>Ending of period balance</b>		<b>Balance at the beginning of the year</b>	
	<b>Cost price</b>	<b>Provision</b>	<b>Cost price</b>	<b>Provision</b>
- Raw materials;	18.912.129.259	(2.034.160.202)	17.382.780.140	(2.034.160.202)
- Tools, instruments;	357.547.862	(89.500.000)	369.034.764	(89.500.000)
- Work in progress;	887.691.913		740.950.184	
- Finished goods.	35.237.101	(911.531)	13.445.747	(911.531)
<b>Total</b>	<b>20.192.606.135</b>	<b>(2.124.571.733)</b>	<b>18.506.210.835</b>	<b>(2.124.571.733)</b>

<b>8. Long-term unfinished assets</b>	<b>Ending of period balance</b>		<b>Balance at the beginning of the year</b>	
	<b>Cost price</b>	<b>Recoverable amount</b>	<b>Cost price</b>	<b>Recoverable amount</b>
<b>Construction in-progress</b>				
- <i>Investment and construction</i>	<b>8.544.921.281</b>	-	<b>8.328.022.863</b>	-
+ Water supply project for Son Cam Phu Luong area (Cost of surveying and verification of survey documents, construction cost estimate)	130.772.727		130.772.727	
+ Project: Consultancy for detailed planning design at a 1/500 scale for the Southern Lake Nui Coc Tourist Area project	458.333.333		458.333.333	
+ Project: Consultancy for the upgrade and expansion of the concrete road leading to the North of Voi Phun Island	1.705.329.630		1.705.329.630	
+ Third-level network project	836.522.510		836.522.510	
+ Project: Installation of a pipeline from Sông Công Water Treatment Plant to 3/2 Road	-			
+ Project: Investment in the water supply pipeline within Diem Thuy Industrial Park	174.707.407		174.707.407	
+ Other works, etc	248.231.751		31.333.333	
+ Thai Nguyen City Water Supply System Development Project	4.991.023.923		4.991.023.923	
- <i>Major repairs of fixed assets (infrastructure works): relocation of water supply pipelines, etc.</i>	<b>119.740.069</b>		<b>33.577.355</b>	
<b>Total</b>	<b>8.664.661.350</b>	-	<b>8.361.600.218</b>	-

9. Increase, decrease in tangible fixed assets

Item	Buildings	Machinery and equipment	Transportation and transmission means	Management equipment and tools	Other fixed assets	Total
<b>1. Cost of tangible fixed assets</b>						
Balance at the beginning of the year	240.401.875.640	234.576.298.842	623.006.656.030	741.738.636	1.291.634.545	1.100.018.203.693
- New purchases		1.771.960.000				1.771.960.000
Installation of an automatic monitoring system for water resource exploitation (XNNS No. 1)		1.771.960.000				
- New construction investments						-
- Disposal of fixed assets						-
Ending of the period balance	240.401.875.640	236.348.258.842	623.006.656.030	741.738.636	1.291.634.545	1.101.790.163.693
<b>2. Accumulated depreciation</b>						
Balance at the beginning of the year	(103.877.593.673)	(122.259.245.337)	(266.845.245.232)	(677.107.314)	(1.291.634.545)	(494.950.826.101)
- Depreciation during the period	(1.851.136.253)	(2.727.347.370)	(6.032.849.424)	(7.102.344)	-	(10.618.435.391)
- Disposal of fixed assets						-
Ending of the period balance	(105.728.729.926)	(124.986.592.707)	(272.878.094.656)	(684.209.658)	(1.291.634.545)	(505.569.261.492)
<b>3. Net book value of tangible fixed assets</b>						
Balance at the beginning of the year	136.524.281.967	112.317.053.505	356.161.410.798	64.631.322	-	605.067.377.592
Ending of the period balance	134.673.145.714	111.361.666.135	350.128.561.374	57.528.978	-	596.220.902.201

\* Ending carrying amount of tangible fixed assets pledged as collateral for loans:

481.098.445.665 VND

\* Cost of fixed assets fully depreciated but still in use:

164.300.023.400 VND

\* Cost of fixed assets in good condition, used for production and business operations:

Cost  
Accumulated  
depreciation

1.101.790.163.693 VND

505.569.261.492 VND

Net book value

596.220.902.201 VND



\* Cost of fixed assets formed from welfare funds:

Cost	1.517.705.801 VND
Accumulated depreciation	1.269.541.921 VND
Net book value	248.163.880 VND

**10. Increase, decrease in intangible fixed assets**

<b>1. Cost of intangible fixed assets</b>	
- Balance at the beginning of the year	1.824.974.325
- Increase during this period	-
- Ending of period balance	1.824.974.325
<b>2. Accumulated depreciation</b>	
- Balance at the beginning of the year	(994.990.385)
- Depreciation during the period	(54.749.199)
- Ending of period balance	(1.049.739.584)
<b>3. Net book value of intangible fixed assets</b>	
- Balance at the beginning of the year	829.983.940
- Ending of period balance	775.234.741

<b>11. Prepaid expenses</b>	<b>Ending of period balance</b>	<b>Balance at the beginning of the</b>
<b>a. Short-term</b>	<b>160.663.724</b>	<b>124.446.954</b>
- Cost of tools and equipment issued for use	113.301.225	75.726.954
+ Cost of production tools and equipment		
+ Cost of administrative tools and equipment	113.301.225	75.726.954
- Other short-term prepaid expenses	47.362.499	48.720.000
<b>b. Long-term</b>	<b>9.825.184.512</b>	<b>9.833.519.216</b>
+ Cost of production tools and equipment	160.075.866	198.092.390
+ Cost of administrative tools and equipment	339.704.044	394.633.840
+ Other long-term prepaid expenses	645.362.791	772.628.236
+ Cost of investment in water meters	8.680.041.811	8.468.164.750
<b>Total</b>	<b>9.985.848.236</b>	<b>9.957.966.170</b>

12. Payable loans	Ending of the period		During this period		Balance at the beginning of the year	
	Amount	Amount likely to be paid	Increase	Decrease	Amount	Amount likely to be paid
<b>a. Short-term payable loans</b>	<b>35.198.581.060</b>	<b>35.198.581.060</b>	-	348.827.375	35.547.408.435	35.547.408.435
- Loan from the World Bank (Du Phu Luong Project, Dinh Ca Vo Nhai)	1.179.454.072	1.179.454.072			1.179.454.072	1.179.454.072
- Loan from Vietcombank (Project for rehabilitation of Thai Nguyen City water supply system, solar power project)	446.074.418	446.074.418		348.827.375	794.901.793	794.901.793
- Loan from Norad + KfW Bank (Song Cong Town Water Supply Project)	5.252.820.470	5.252.820.470			5.252.820.470	5.252.820.470
- ADB Loan No. 3251 – Thai Nguyen City Water Supply System Development Project	28.320.232.100	28.320.232.100			28.320.232.100	28.320.232.100
<b>b. Long-term payable loans</b>	<b>425.145.695.651</b>	<b>736.742.467.171</b>	-	-	<b>425.145.695.651</b>	<b>425.145.695.651</b>
- Loan from the World Bank (Du Phu Luong Project, Dinh Ca Vo Nhai – 17-year term)	4.128.089.267	236.336.207			4.128.089.267	4.128.089.267
- Loan from Norad + KfW Bank (Song Cong Town Water Supply Project – 17-year term)	52.528.204.695	90.048.440			52.528.204.695	52.528.204.695
- Loan from Vietcombank Thai Nguyen (Solar Power Project)	236.336.207	368.163.017.042			236.336.207	236.336.207
- ADB Loan No. 2961-VIE (Thai Nguyen City Water Supply System Project)	90.048.440	90.048.440			90.048.440	90.048.440
- ADB Loan No. 3251 – Thai Nguyen City Water Supply System Development Project	368.163.017.042	368.163.017.042			368.163.017.042	368.163.017.042
<b>Total</b>	<b>460.344.276.711</b>	<b>771.941.048.231</b>	-	<b>348.827.375</b>	<b>460.693.104.086</b>	<b>460.693.104.086</b>



13. Trade payables	Ending of the period		Balance at the beginning of the year	
	Amount	Amount likely to be paid	Amount	Amount likely to be paid
<b>a. Short-term trade payables</b>				
- DNP HAWACO Joint Stock Company	798.096.240	798.096.240	798.096.240	798.096.240
- Vietnam Bridge and Road Construction Consulting Joint Stock Company	1.737.250.375	1.737.250.375	829.047.940	829.047.940
- Green Europe Plastic Co., Ltd.	5.908.782.915	5.908.782.915	5.908.782.915	5.908.782.915
- Thai Nguyen One Member Limited Liability Irrigation Exploitation Company (raw water)	2.800.869.001	2.800.869.001	2.276.465.728	2.276.465.728
- Thien Hai Thai Nguyen Co., Ltd.	1.156.324.118	1.156.324.118	1.120.640.918	1.120.640.918
- Song Cong Town Water Supply Project (Owner's counterpart capital portion)	1.482.471.810	1.482.471.810	1.482.471.810	1.482.471.810
- Song Cong Town Water Supply Project (State budget portion)	5.291.302.618	5.291.302.618	5.291.302.618	5.291.302.618
- De Nhat Plastic Chemical Co., Ltd. – Hai Duong Branch	1.133.225.401	1.133.225.401	1.133.225.401	1.133.225.401
- Thai Nguyen City Water Supply System Development Project	37.852.570.738	37.852.570.738	37.852.570.738	37.852.570.738
+ Consortium of Vietnam Bridge and Road Construction Consulting JSC - Vietnam Water and Environment Corporation (Package: Construction of new water supply network)	16.600.574.851	16.600.574.851	16.600.574.851	16.600.574.851
+ Consortium of Hai Duong Hydraulic Construction JSC - Minh Thong Co., Ltd. - European Pump JSC (Package: Construction of Water Treatment Plant)	20.088.225.881	20.088.225.881	20.088.225.881	20.088.225.881
+ Partnership of Anycon Project Consulting Co., Ltd. and Watech Consulting JSC	401.998.007	401.998.007	401.998.007	401.998.007
+ Payables to other contractors	761.771.999	761.771.999	761.771.999	761.771.999
- Payables to other suppliers	19.175.366.638	19.175.366.638	21.881.021.856	21.881.021.856
<b>Total</b>	<b>77.336.259.854</b>	<b>77.336.259.854</b>	<b>78.573.626.164</b>	<b>78.573.626.164</b>

<i>14. Dividends and profit payable</i>	<b>Ending of the period</b>	<b>Balance at the beginning of the year</b>		
- Dividends and profit payable				
<b>Total</b>	-	-		
<i>15. Taxes and amounts payable to the State</i>	<b>Beginning of the period</b>	<b>Payable amount during the year</b>	<b>Amount paid during the year</b>	<b>Balance at the beginning of the year</b>
<b>a. Payables</b>	<b>6.873.746.007</b>	<b>3.582.658.655</b>	<b>7.618.870.688</b>	<b>2.837.533.974</b>
- Value Added Tax (VAT)	4.677.104	9.164.567	4.667.104	9.174.567
- Corporate Income Tax (CIT)	6.523.909.450	2.366.158.475	6.417.724.840	2.472.343.085
- Personal Income Tax (PIT)	35.288.885	269.309.181	274.800.946	29.797.120
- Resource Tax	91.881.430	273.927.650	282.027.940	83.781.140
- Environmental protection fee for domestic wastewater	217.989.138	664.098.782	639.649.858	242.438.062
- Other taxes	-			-
<b>b. Receivables</b>	<b>1.392.001</b>	-	-	<b>1.392.001</b>
- Value Added Tax (VAT)				-
- Non-agricultural land use tax, personal income tax, etc.	1.392.001			1.392.001



<b>16. Payable expenses</b>	<b>Ending of period balance</b>	<b>Balance at the beginning of the year</b>
<b>Short-term payable expenses</b>		
- Natural Disaster Prevention Fund of Thai Nguyen Province	780.333.000	780.333.000
- Song Cong Water Enterprise: Route DT 266 (AB transmission line at the Song Cong intersection, from Song Cong intersection to the Diem Thuy roundabout; Project: Replacement, renovation, and upgrading of the water supply pipeline – part of the DN300 water supply project for Diem Thuy Industrial Zone (from Song Cong intersection to Diem Thuy Industrial Zone))...	384.667.953	384.667.953
- Construction enterprise for water supply projects (Water supply project in Linh Son Commune - Dong Hy District; Water supply project in Tien Phong Commune)	73.479.965	73.479.965
- Project for the construction of DN300 water supply pipeline for Diem Thuy Industrial Zone; Consulting and project verification of the bidding documents for the water supply system of Song Cong II Industrial Zone	591.051.818	591.051.818
- Interest expenses for projects and constructions	9.979.176.075	2.823.047.206
- Other payable expenses	463.564.045	388.564.045
<b>Total</b>	<b>12.272.272.856</b>	<b>5.041.143.987</b>
<b>17. Other payables</b>	<b>Ending of period balance</b>	<b>Balance at the beginning of the year</b>
<b>Short-term payables</b>	<b>33.069.177.059</b>	<b>31.196.261.967</b>
- Excess assets pending resolution	3.326.530	3.326.530
- Union funds	654.102.951	583.495.418
- Social insurance	763.802.651	5.528.286
- Health insurance	134.090.154	-
- Payables for privatization (Dividends, late payment of interest to the State)	16.524.362.362	16.524.362.362
- Unemployment insurance	59.594.431	-
- Drainage service fees	13.743.844.235	12.640.210.460
- Other payables and dues	1.186.053.745	1.439.338.911
<b>Total</b>	<b>33.069.177.059</b>	<b>31.196.261.967</b>

## 18. Equity

### a. Statement of Changes in Equity

Items	Items under owner's equity				
	Contributed charter capital	Other owner's equity	Retained earnings	Investment and development fund	Total
<b>Opening balance of the last year</b>	<b>160.000.000.000</b>	<b>109.463.185.448</b>	<b>(98.411.939.626)</b>	<b>31.805.757.519</b>	<b>202.857.003.341</b>
- Increase in capital during last year	-	-	-	-	-
- Profit from the last year			18.459.410.243		18.459.410.243
- Other increases				817.199.043	817.199.043
- Other decreases			2.723.996.810		2.723.996.810
<b>Opening balance of the this year</b>	<b>160.000.000.000</b>	<b>109.463.185.448</b>	<b>(82.676.526.193)</b>	<b>32.622.956.562</b>	<b>219.409.615.817</b>
- Increase in capital during this year	-	-	-	-	-
+ Other owner's equity					-
+ Fund allocation		-			-
- Profit from this period			7.987.269.925		7.987.269.925
- Other increases					-
- Profit distribution					-
<b>Ending of period balance</b>	<b>160.000.000.000</b>	<b>109.463.185.448</b>	<b>(74.689.256.268)</b>	<b>32.622.956.562</b>	<b>227.396.885.742</b>



<b>b. Details of Contributed capital</b>	<b>Ending of period</b>	<b>Balance at the beginning of the year</b>
- Charter capital	160.000.000.000	160.000.000.000
+ <i>State capital (42.27%)</i>	67.632.000.000	67.632.000.000
+ <i>Dong A International Group Joint Stock Company (41%)</i>	65.600.000.000	65.600.000.000
+ <i>Other shareholders (16.73%)</i>	26.768.000.000	26.768.000.000
- Other capital of the owners (assets transferred from the water supply enterprises of the districts, budget capital allocated for project implementation)	109.463.185.448	109.463.185.448
- Development investment fund	32.622.956.562	32.622.956.562
- Retained earnings	(74.689.256.268)	(82.676.526.193)
<b>Total</b>	<b>227.396.885.742</b>	<b>219.409.615.817</b>
<b>c. Capital transactions with shareholders and dividend distribution, profit allocation</b>	<b>This year</b>	<b>Last year</b>
- Owner's investment capital	160.000.000.000	160.000.000.000
- Dividends paid	-	-
<b>d. Share</b>	<b>Ending of period</b>	<b>Balance at the beginning of the year</b>
- Number of shares outstanding	16.000.000	16.000.000
+ Common shares	16.000.000	16.000.000
- Par value of outstanding shares	10.000	10.000
<b>d. Dividends</b>	<b>This year</b>	<b>Last year</b>
- Dividends declared after the reporting period (%)		
<b>e. Reasons for increases/decreases in items of the company's equity</b>	<b>Ending of period</b>	<b>Balance at the beginning of the year</b>

- Development investment fund	32.622.956.562	32.622.956.562
- Other funds:	1.507.553.342	1.865.076.942
+ <i>Reward fund</i>	434.003.940	693.455.540
+ <i>Welfare fund</i>	825.385.522	923.457.522
+ <i>Welfare fund formed fixed assets</i>	248.163.880	248.163.880
<b>g. Income and expenses, profit or loss recognized directly in owner's equity according to specific accounting standards</b>		
<b>19. Foreign exchange differences</b>	<b>This year</b>	<b>Last year</b>
- Exchange differences arising from the translation of financial statements prepared in a foreign currency into VND;	-	-
- Exchange differences arising from other causes (specify the reasons).	-	-

## 20. Off-balance sheet items

The receivable from the water supply debt of Gia Sang Steel Rolling Joint Stock Company, amounting to 34,145,675 VND, has been written off due to the company's bankruptcy.



# **VI. Supplementary information for items presented in the income statement**

<b>1. Revenue from sales and services (No 01)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
- Revenue from sales		
+ Tuc Duyen, Tich Luong, Nam Nui Coc, Song Cong Enterprise	54.473.735.260	50.727.563.040
+ Trai Cau Enterprise	100.476.960	101.117.280
+ Dai Tu Enterprise	653.234.800	598.578.240
+ Vo Nhai Enterprise	366.939.280	395.640.240
+ Phu Luong Enterprise	138.620.560	142.378.880
+ Diem Thuy Enterprise	423.330.900	193.877.680
+ Thinh Duc Enterprise	258.523.840	234.186.340
+ Materials	21.735.000	8.949.252
+ Pure water	220.425.374	234.001.815
+ Others	32.437.562	21.277.932
- Revenue from Construction contract	2.399.447.815	2.122.945.860
<b>Total</b>	<b>59.088.907.351</b>	<b>54.780.516.559</b>
<b>2. Revenue deductions (No 02)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
<b>Total</b>	<b>-</b>	<b>-</b>
<b>3. Cost of goods sold and services rendered (No 11)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
- Cost of goods sold	30.329.173.164	30.702.041.328
- Cost of construction activities	1.805.607.848	1.691.852.322
<b>Total</b>	<b>32.134.781.012</b>	<b>32.393.893.650</b>
<b>4. Gain/loss from the sale or disposal of investment property (No 21)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
<b>5. Financial activities income (No 22)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>

- Interest on deposits and loans	482.338.907	8.145.006
<b>Total</b>	<b>482.338.907</b>	<b>8.145.006</b>
<b>6. Financial activities expenses (No 23)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
- Interest expense	7.178.380.573	4.817.409.908
- Foreign exchange loss	-	2.721.756.999
<b>Total</b>	<b>7.178.380.573</b>	<b>7.539.166.907</b>
<b>7. Other income (No 31)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
- Other income	23.564	1.003
- Funding for the Ngô Sỹ Liên water supply pipeline project	-	650.000.000
<b>Total</b>	<b>23.564</b>	<b>650.001.003</b>
<b>8. Other expenses (No 32)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
- Other expenses.	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>9. Selling and General and administrative expenses (No 24, 25)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
<b>a. General and administrative expenses incurred during the period (No 25)</b>	<b>4.958.565.848</b>	<b>4.850.704.695</b>
- Salaries and wages of administrative staff	3.812.967.434	3.709.018.908
- Taxes and other statutory fees	35.045.285	302.799.111
- Administrative expenses	396.960.000	397.020.000
- Other general and administrative expenses	713.593.129	441.866.676
<b>b. Selling expenses incurred during the period (No 24)</b>	<b>5.038.973.255</b>	<b>4.880.485.754</b>
- Salary expenses	3.451.737.831	3.051.422.447
- Outsourced service expenses (Installation and removal of meters; Inspection and maintenance of clean water meters)	659.860.797	787.070.997



- Other cash expenses	927.374.627	1.041.992.310
<b>10. Operating expenses based on business performance</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
- Material costs	9.305.597.963	8.249.542.521
- Labor costs	19.032.634.944	18.045.024.108
- Depreciation costs	10.673.184.590	12.743.844.437
- Costs of services purchased from external providers	34.628.787	26.503.375
- Other cash expenses	3.952.100.760	11.094.189.701
<b>Total</b>	<b>42.998.147.044</b>	<b>50.159.104.142</b>
<b>11. Business income tax charge (No 51, 52)</b>	<b>Q1 2026</b>	<b>Q1 2025</b>
<b>a. Current business income tax charge (No 51)</b>		
* Tax rate: 20%		
- Profit before tax	10.206.265.058	5.769.492.683
<i>In which: - Profit before tax of the joint-stock sector</i>	<i>11.782.432.672</i>	<i>7.369.668.668</i>
<i>- Profit before tax of the communes and wards sector</i>	<i>(1.576.167.614)</i>	<i>(1.600.175.985)</i>
- Adjustment of income from the communes/wards sector assigned by the State for the Company to manage	1.576.167.614	1.600.175.985
- Tax rate (Parent Company)	20%	20%
Business income tax payable at the end of the period	2.356.486.534	1.473.933.734
* Tax rate: 15%		
<i>Thai Nguyen Clean Water Construction Co., Ltd</i>	<i>56.893.772</i>	<i>7.374.739</i>
- Tax rate (Subsidiary)	17%	20%
Business income tax payable at the end of the period	9.671.941	1.474.948
<b>Total corporate income tax for the whole company</b>	<b>2.366.158.475</b>	<b>1.475.408.681</b>
<b>b. Deferred income tax expense (No 52)</b>		

<b>VII</b>	<b>Supplementary information for items presented in the statement of cash flows</b>	<b>Year-to-date as of the end of Q1 this year</b>	<b>Year-to-date as of the end of Q1 last year</b>
<b>1</b>	<b><i>Actual proceeds from borrowings during the period</i></b>	-	-
	- ADB Loan No. 2961, 3251-VIE (Thai Nguyen City Water Supply System Improvement Project)	-	
	- Other short-term borrowings	-	
<b>2</b>	<b><i>Principal repayments made during the period</i></b>	<b>348.827.375</b>	<b>348.829.199</b>
	- Bac Kan – Thai Nguyen Regional Development Bank (ADB Loan)		
	- Bac Kan – Thai Nguyen Regional Development Bank (WB Loan)		
	- Vietcombank (Investment in a 140.76kWp Grid-connected Solar Power System for Song Cong Water Plant and Investment for the Rehabilitation of the Water Supply System in Thai Nguyen City)	348.827.375	348.829.199

*Approved on April 18, 2026*

**Preparer**



**Nguyen Thi Thanh Minh**

**Chief Accountant**



**Nguyen Minh Phuong**

**General Director**



**Nguyen Xuan Hoc**