

No: 88 /CNVL

*Re: Disclosure of the audited interim
financial statements for the six-month
accounting period ended June 30, 2025*

Vinh Long, August 13, 2025

**DISCLOSURE OF INFORMATION ON STATE SECURITIES COMMISSION
OF VIETNAM PORTAL**

To: State Securities Commission

Company Name: **Vinh Long Water Supply Joint Stock Company**

Head Office Address: No. 02 Hung Dao Vuong Street, Long Chau Ward, Vinh Long Province

Telephone: 0270.3822583

Fax: 0270.3829432

Person Disclosing Information: Dang Tan Chien

Address: No. 59/1 Pham Thai Buong Street, Phuoc Hau Ward, Vinh Long Province

Telephone (Mobile, Office, Home): 0916804444 - 02703.822583

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Type of Information Disclosure: ☐ 24hours ☐ 72hours ☐ Upon Request ☐ Extraordinary
☒ Periodic

Content of Information Disclosure: **Audited interim financial statements for the six-month accounting period ended June 30, 2025.**

This information has been disclosed on the company's website: www.capnuocvl.com.vn.

We hereby certify that the information disclosed above is truthful and we assume full responsibility before the law for the content of the disclosed information.

Recipients: *[Signature]*

- As above
- Company Website
- Archives;

**AUTHORIZED DISCLOSURE
REPRESENTATIVE**

Legal Representative

(Signed, full name, and stamped)



CHỦ TỊCH HĐQT

DANG TAN CHIEN

VINH LONG WATER SUPPLY JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

REVIEWED INTERIM FINANCIAL STATEMENTS
For the six-month period ended 30 June 2025

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STATEMENT OF THE CHAIRMAN AND THE BOARD OF MANAGEMENT

The Chairman and the Board of Management of Vinh Long Water Supply Joint Stock Company (hereinafter referred to as the "Company") present this report together with interim financial statements of the Company for the six-month period ended 30 June 2025.

THE BOARDS OF DIRECTORS, SUPERVISORY, AND MANAGEMENT

The members of the Board of Directors, Board of Supervisory, and Board of Management of the Company who held office during the period and to the date of this report are as follows:

Board of Directors

Mr. Dang Tan Chien	Chairman
Ms. Le Thi Quyen	Member
Mr. Tran Tan Duc	Member
Mr. Van Kim Hung Phong	Member
Mr. Huynh Ngoc Chien	Member (appointed on 19 February 2025)

Board of Supervisory

Ms. Bui Thien Ngoc Minh	Head of the Board
Mr. Nguyen Huu Binh	Member
Ms. Nguyen Thi Hong Nhung	Member

Board of Management

Mr. Huynh Ngoc Chien	General Director (appointed on 19 February 2025)
Mr. Nguyen Quoc Dat	Deputy General Director
Mr. Luong Minh Triet	Deputy General Director

Legal Representative

The Company's legal representative of the Company during the period and as of the date of this report is Mr. Dang Tan Chien – Chairman.

AUDITORS

The interim financial statements for the six-month period ended 30 June 2025 have been audited by International Auditing Company Limited - An independent member firm of AGN International.

STATEMENT OF THE CHAIRMAN AND THE BOARD OF MANAGEMENT (continued)

THE CHAIRMAN AND THE BOARD OF MANAGEMENT'S RESPONSIBILITY

The Chairman and the Board of Management of the Company are responsible for preparing the interim financial statements, which give a true and fair view of the interim financial position of the Company as at 30 June 2025, and its interim financial performance and its interim cash flows for the six-month period then ended in accordance with Vietnamese accounting standards, accounting regime for enterprises, and legal regulations relating to interim financial reporting. In preparing these financial interim statements, the Chairman and the Board of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting financial statements so as to minimize errors and frauds.

The Chairman and the Board of Management are responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the interim financial statements comply with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Chairman and the Board of Management are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Chairman and the Board of Management confirm that the Company has complied with the above requirements in preparing these interim financial statements.

For and on behalf of the Board of Directors and the Board of Management,



Dang Tan Chien
Chairman

Vinh Long, 12 August 2025

No: 2248/2025/BCSX-ICPA.SG

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To: **The Shareholders**
The Board of Directors, Board of Supervisory and Board of Management
Vinh Long Water Supply Joint Stock Company

We have audited the accompanying interim financial statements of Vinh Long Water Supply Joint Stock Company (hereinafter referred to as "the Company"), prepared on 12 August 2025, as set out from page 4 to page 38, which comprise the interim balance sheet as at 30 June 2025, the interim statement of income and interim statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

The Chairman and the Board of Management's Responsibility

The Chairman and the Board of Management are responsible for the preparation and presentation of these interim financial statements in accordance with Vietnamese accounting standards, accounting regime for enterprises, and prevailing relevant regulations in the financial statements preparation and disclosure and for such internal control as the Chairman and the Board of Management determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with Vietnamese standards on Review Engagements No. 2410 - Review of interim financial information performed by the independent auditors of the entity.

A review of interim financial information consists of making inquiries, primarily of people responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of, in all material respects, the interim financial position of the Company as at 30 June 2025, and its interim financial performance and its interim cash flows for the six-month period then ended, in accordance with Vietnamese accounting standards, accounting regime for enterprise and legal regulations relating to interim financial reporting.



Luong Giang Thạch
Deputy Branch Director
Audit Practising Registration Certificate
No. 2178-2023-072-1

Ho Chi Minh city, 12 August 2025

INTERIM BALANCE SHEET
As at 30 June 2025


Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		338,802,035,115	318,710,013,496
I. Cash and cash equivalents	110	V.1	23,901,152,033	15,256,178,200
1. Cash	111		23,901,152,033	15,256,178,200
II. Short-term financial investments	120		288,659,000,000	275,835,000,000
1. Held-to-maturity investments	123	V.2	288,659,000,000	275,835,000,000
III. Short-term receivables	130		12,944,179,024	14,071,501,089
1. Short-term trade receivables	131	V.3	10,127,606,715	9,588,536,272
2. Short-term advances to suppliers	132		243,967,500	2,029,368,700
3. Other short-term receivables	136	V.4	3,894,829,832	3,775,821,140
4. Provision for short-term doubtful debts	137	V.5	(1,322,225,023)	(1,322,225,023)
IV. Inventories	140	V.6	12,106,236,774	11,984,240,966
1. Inventories	141		12,106,236,774	11,984,240,966
V. Other short-term assets	150		1,191,467,284	1,563,093,241
1. Short-term prepayments	151	V.7	1,170,986,434	1,246,781,259
2. Value added tax deductibles	152		-	310,098,957
3. Taxes and other receivables from the State budget	153	V.13	20,480,850	6,213,025
B. NON-CURRENT ASSETS	200		302,422,879,434	293,956,265,795
I. Fixed assets	220		241,452,679,954	241,467,517,646
1. Tangible fixed assets	221	V.8	241,226,477,705	241,196,026,251
- Cost	222		657,580,861,825	646,864,355,080
- Accumulated depreciation	223		(416,354,384,120)	(405,668,328,829)
2. Intangible fixed assets	227	V.9	226,202,249	271,491,395
- Cost	228		856,768,985	856,768,985
- Accumulated amortization	229		(630,566,736)	(585,277,590)
II. Long-term assets in progress	240		53,099,168,448	44,702,223,536
1. Long-term construction in progress	242	V.10	53,099,168,448	44,702,223,536
III. Long-term financial investments	250	V.11	7,210,754,818	7,210,754,818
1. Investments in joint-ventures, associates	252		6,910,754,818	6,910,754,818
2. Equity investments in other entities	253		300,000,000	300,000,000
IV. Other long-term assets	260		660,276,214	575,769,795
1. Long-term prepayments	261	V.7	660,276,214	575,769,795
TOTAL ASSETS (270 = 100 + 200)	270		641,224,914,549	612,666,279,291

INTERIM BALANCE SHEET (continued)
As at 30 June 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		137,231,209,595	135,999,779,482
I. Current liabilities	310		77,697,059,636	77,688,578,523
1. Short-term trade payables	311	V.12	10,966,477,087	8,753,990,171
2. customers	312		435,778,000	117,496,260
3. Taxes and amounts payable to the State budget	313	V.13	5,141,072,964	13,623,556,240
4. Payables to employees	314		9,777,034,973	9,241,652,529
5. Short-term accrued expenses	315	V.14	851,819,612	814,550,686
6. Other current payables	319	V.15	2,562,602,668	3,243,733,594
7. under finance leases	320	V.16	10,307,480,000	10,307,480,000
8. Short-term provisions	321	V.17	8,742,396,370	-
9. Bonus and welfare funds	322	V.18	28,912,397,962	31,586,119,043
II. Long-term liabilities	330		59,534,149,959	58,311,200,959
1. Long-term loans and obligations under finance leases	338	V.16	48,233,216,636	47,010,267,636
2. Scientific and technological development fund	343	V.19	11,300,933,323	11,300,933,323
D. EQUITY	400		503,993,704,954	476,666,499,809
I. Owner's equity	410	V.20	503,993,704,954	476,666,499,809
1. Owner's contributed capital	411		289,000,000,000	289,000,000,000
- Ordinary shares carrying voting rights	411a		289,000,000,000	289,000,000,000
2. Investment and development fund	418		111,845,855,226	111,845,855,226
3. Retained earnings	421		103,147,849,728	75,820,644,583
- Retained earnings accumulated to the prior period end	421a		75,818,686,920	34,410,536,777
- Retained earnings of current period	421b		27,329,162,808	41,410,107,806
TOTAL RESOURCES (440 = 300 + 400)	440		641,224,914,549	612,666,279,291



Nguyen Thi Phuong Minh
Preparer



Le Van Thang
Chief Accountant



Dang Tan Chien
Chairman

Vinh Long, 12 August 2025

INTERIM STATEMENT OF INCOME
For the six-month period ended 30 June 2025

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	VI.1	96,530,700,910	92,899,347,696
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		96,530,700,910	92,899,347,696
4. Cost of sales	11	VI.2	33,722,014,418	33,425,873,926
5. Profit from goods sold and services rendered (20 = 10 - 11)	20		62,808,686,492	59,473,473,770
6. Financial income	21	VI.3	8,945,101,943	8,248,928,278
7. Financial expenses	22	VI.4	273,124,300	34,211,518
- In which: Interest expense	23		273,124,300	34,211,518
8. Selling expenses	25	VI.5	22,327,450,862	23,255,816,228
9. General and administration expenses	26	VI.6	15,356,348,182	11,372,972,290
10. Operating profit [30 = 20 + (21 - 22) - (25 + 26)]	30		33,796,865,091	33,059,402,012
11. Other income	31	VI.7	606,241,629	612,427,064
12. Other expenses	32	VI.8	621,903,208	428,645,714
13. (Loss)/Profit from other activities (40 = 31 - 32)	40		(15,661,579)	183,781,350
14. Accounting profit before tax (50 = 30 + 40)	50		33,781,203,512	33,243,183,362
15. Current corporate income tax expense	51	VI.9	6,452,040,704	2,825,243,621
16. Net profit after corporate income tax (60 = 50 - 51)	60		27,329,162,808	30,417,939,741
17. Basic earnings per share	70	VI.10	819	884



Nguyen Thi Phuong Minh
Preparer



Le Van Thang
Chief Accountant



Dang Tan Chien
Chairman


Vinh Long, 12 August 2025




INTERIM STATEMENT OF CASH FLOWS
(Indirect method)
For the six-month period ended 30 June 2025

Unit: VND

ITEMS	Notes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	33,781,203,512	33,243,183,362
2. Adjustments for:			
Depreciation of fixed assets	02	11,678,227,844	12,525,182,335
Provisions	03	8,742,396,370	8,140,392,138
Gain from investing activities	05	(8,803,537,131)	(8,248,252,526)
Interest expense	06	273,124,300	34,211,518
3. Operating profit before movements in working capital	08	45,671,414,895	45,694,716,827
(Increase)/decrease in receivables	09	(908,532,286)	16,299,461,261
(Increase)/decrease in inventories	10	(121,995,808)	556,932,339
Increase/(decrease) in payables (excluding accrued loan interest and corporate income tax)	11	1,752,382,773	(7,931,468,019)
(Increase)/decrease in prepaid expenses	12	(8,711,594)	427,537,517
Interest paid	14	(261,049,588)	(18,111,968)
Corporate income tax paid	15	(15,234,288,063)	(3,883,746,702)
Other cash inflows	16	24,570,000	16,200,000
Other cash outflows	17	(2,700,248,744)	(1,525,116,020)
Net cash generated from operating activities	20	28,213,541,585	49,636,405,235
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(17,339,067,633)	(12,173,073,793)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	59,545,455	-
3. Cash outflow for lending, buying debt instruments of other entities	23	(288,659,000,000)	(214,391,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	275,835,000,000	171,330,000,000
5. Interest, dividends and profits received	27	9,323,418,726	14,156,074,326
Net cash used in from investing activities	30	(20,780,103,452)	(41,077,999,467)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	6,376,689,000	11,028,131,000
2. Repayment of borrowings	34	(5,153,740,000)	(2,653,740,000)
3. Dividends and profits paid	36	(11,413,300)	(3,515,000)
Net cash generated from from financing activities	40	1,211,535,700	8,370,876,000
Net increase in cash and cash equivalents (50 = 20 + 30 + 40)	50	8,644,973,833	16,929,281,768
Cash and cash equivalents at the beginning of the period	60	15,256,178,200	22,083,263,283
Cash and cash equivalents at the end of the period (70 = 50 + 60)	70	23,901,152,033	39,012,545,051


Nguyen Thi Phuong Minh
Preparer


Le Van Thang
Chief Accountant


Dang Tan Chien
Chairman

Vinh Long, 12 August 2025

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

I. GENERAL INFORMATION**Structure of ownership**

Vinh Long Water Supply Joint Stock Company (hereinafter referred to as the "Company") is a state-owned enterprise that was equitized from Vinh Long Water Supply One-Member Limited Liability Company under Decision No. 378/QĐ-UBND dated 13 March 2015, issued by the People's Committee of Vinh Long Province. The Company officially operates as a joint-stock company under Enterprise Registration Certificate No. 1500174831, initially issued on 3 March 2008 by the Department of Planning and Investment of Vinh Long Province, and its 8th amended certificate issued on 23 September 2021 due to changes in the personal information of the Company's legal representative.

The charter capital of the Company is VND 289,000,000,000, equally divided into 28,900,000 shares with a par value of VND 10,000 each, of which the State, represented by the People's Committee of Vinh Long Province, holds 51% as the parent company.

The Company's name in English is Vinh Long Water Supply Joint Stock Company, the Company's abbreviation name: VWACO.

The head office of the Company is located at No. 2, Hung Dao Vuong, Ward Long Chau, Vinh Long Province.

The Company's shares are currently traded at Upcom of the Ha Noi Stock Exchange with stock code VLW.

The number of employees as at 30 June 2025 and as at 01 January 2025 was 234 and 231, respectively.

Business sector

The Company's business sector is production, commerce, and services.

Operating industries and principal activities

The operating industries of the Company: Production and distribution of clean water; bottled water production; trading of bottled drinking water; construction and installation of infrastructure projects; investment in and development of water supply projects; operation of water supply projects; and construction consulting services, including design, supervision, and project management of infrastructure works.

The Company's principal activities are the production and distribution of clean water; installation of water supply systems; production of bottled water; and trading of materials and equipment specialized for the water supply industry.

Disclosure of information comparability in the interim financial statements

The comparative figures were presented in financial statements for the year ended 31 December 2024 and interim financial statements for the six-month period ended 30 June 2024. The Company has consistently applied accounting policies in accordance with applicable accounting standards, the accounting regime, and relevant legal regulations in preparing and presenting the interim financial statements. Therefore, the information presented on the interim financial statements are comparable.

Normal production and business cycle

The Company's normal production and business cycle is carried out in a period not exceeding 12 months.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

I. GENERAL INFORMATION (continued)**Company's structure**

As of 30 June 2025, the Company has direct investments in two (2) associates, as detailed below:

Name of companies	Closing balance				Opening balance				Place of incorporation and operation	Principal activities
	Proportion of voting right held (%)	Proportion of ownership interest			Proportion of voting right held (%)	Proportion of ownership interest				
		Total (%)	Direct interest (%)	Indirect interest (%)		Total (%)	Direct interest (%)	Indirect interest (%)		
1. Binh Tan Water supply and Environment Coporation	25%	25%	25%	0,00%	25%	25%	25%	0,00%	Vinh Long Province	Water exploitation, treatment and supply
2. Mekong Water and Environment Corporation	20%	20%	20%	0,00%	20%	20%	20%	0,00%	Vinh Long Province	Water exploitation, treatment and supply

The Company's affiliated units include:

Affiliated units	Address
Hung Dao Vuong Water Plant	No. 02 Hung Dao Vuong Street, Long Chau Ward, Vinh Long Province, Vietnam
Truong An Water Plant	No. 519, Tan Vinh Thuan Hamlet, Tan Ngai Ward, Vinh Long Province, Vietnam
Tra On Water Supply Branch	Group 2, My Loi Hamlet, Tra On Commune, Vinh Long Province, Vietnam
Vung Liem Water Supply Branch	Group 9B, Trung Tin Hamlet, Trung Thanh Commune, Vinh Long Province, Vietnam
Tam Binh Water Supply Branch	No. 390/8, Hamlet IV, Tam Binh Commune, Vinh Long Province, Vietnam
Cai Ngang Water Supply Branch	Group 3, Hamlet 8, Cai Ngang Commune, Vinh Long Province, Vietnam
Long Ho Water Supply Branch	Group 32, Long Thuan B Hamlet, Long Ho Commune, Vinh Long Province, Vietnam
Viet Uc Bottled Water Production and Business Branch	No. 54 Nguyen Hue Street, Long Chau Ward, Vinh Long Province, Vietnam
Construction and Installation Enterprise	No. 02 Hung Dao Vuong Street, Long Chau Ward, Vinh Long Province, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

II. ACCOUNTING CONVENTION AND ACCOUNTING YEAR**Accounting convention**

The accompanying interim financial statements are expressed in Vietnamese Dong (VND) and are prepared under the historical cost convention and in accordance with Vietnamese accounting standards, accounting regime for enterprises, and legal regulations relating to interim financial reporting.

The accompanying interim financial statements are not intended to present the financial position, results of operations, and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Company's financial year begins on 1 January and ends on 31 December.

The interim accounting period commences on 01 January and ends on 30 June annually.

III. ACCOUNTING STANDARD AND REGIME APPLIED

The Company's Chairman and the Board of Management ensures compliance with requirements of Vietnamese accounting standards and the accounting regime for enterprises promulgated under Circular No. 200/2014/TT-BTC ("Circular 200") dated 22 December 2014, guiding the accounting regime for enterprises, Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance amending and Circular No. 200/2014/TT-BTC, as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of interim financial statements.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in preparing the financial statements:

Estimates

The preparation of interim financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises, and legal regulations relating to financial reporting requires the Chairman and Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Chairman and Board of Management's best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less, readily convertible to cash, and subject to insignificant risk of changes in value.

Financial Investments**Held-to-maturity investments**

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future and other held-to-maturity investments.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial Investments (continued)**Held-to-maturity investments (continued)

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs.

Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on an accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

When there is specific evidence that a part or all of the investment may not be recoverable and the amount of loss can be measured reliably, the loss is recognized in financial expenses during the period and directly reduced to the investment value.

Held-to-maturity investments are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Investments in associates

An associate is an entity over which the Company has significant influence but is not a subsidiary or joint venture of the Company. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in associates are initially recognized at cost. The Company's share of net profit of the investee after the acquisition is recognized in the income statement. Any distribution other than post-acquisition profit from the investee is accounted for as a recovery of investment, so it shall be recorded as a deduction from historical cost. When the investors have the right to receive stock dividends, they only record the number of additional shares, not an increase in the value of investments and income from stock dividends.

Investments in associates are presented in the balance sheet at cost less provision for impairment (if any).

Equity investment in other entities

Investments in other entities present the Company's investments in equity of the entities over which the Company has no control, joint control, or significant influence.

Investments in other entities are presented in the balance sheet at cost less provision for impairment (if any).

Provisions for impairment of equity investment in other entities

Provisions for impairment of equity investment are made as follows:

- For investments in listed companies or equity investments for which the fair value can be reliably measured, the allowance shall be made according to the fair value of the shares.
- For investments without a determinable fair value at the reporting date, the provision is based on the investee's loss, calculated as the difference between the actual contributed capital of the parties in the other entity and the actual equity, multiplied by the Company's ownership percentage compared to the total actual contributed capital of the parties in the other entity. If the investee is a subject of consolidated financial statements, the basis for determining the impairment provision is the consolidated financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial Investments (continued)***Provisions for impairment of equity investment in other entities (continued)*

An increase or decrease in allowance for diminution in the value of investments in other entities at the closing date is recognized as financial expense in the period.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for overdue receivables stated in economic contracts, loan agreements, contractual commitments or debt commitments, and outstanding receivables which are doubtful of being recovered. Provision for overdue receivables is made based on overdue days in payment of principals following the initial economic contract, exclusive of the rescheduling debts between contracting parties, provision for outstanding receivables is made when the debtor is in bankruptcy, or is doing procedures to dissolve, missing, escaped.

An increase or decrease in provision for doubtful debts at the closing date is recognized as general and administration expenses in the period.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labor costs and overheads that have been incurred in bringing the inventories to their present location and condition. The cost is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling, and distribution.

Provision for devaluation of inventories is made in accordance with prevailing accounting regulations which allow provision to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realizable values as of reporting date. The provision for devaluation of obsolete, damaged, or sub-standard inventories is not included in deductible expenses for the calculation of corporate income tax until such inventories are disposed.

An increase or decrease in the provision for devaluation of inventories at the closing date is recognized in the cost of sales in the period.

Prepayments

Prepaid expenses include actual costs incurred that are related to the business operations over multiple accounting periods and are expected to provide future economic benefits.

Prepaid expenses include advance payments for insurance, the value of small tools, equipment, and components issued for use, and other prepaid expenses that are considered to provide future economic benefits to the Company. These expenses are capitalized as prepaid expenses and allocated to production and business costs using the straight-line method and actual usage cycles in accordance with current accounting regulations.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing costs plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	5 - 50
Machinery and equipment	5 - 15
Motor vehicles	6 - 30
Office equipment	3 - 8

Tangible fixed assets are revalued when state-owned enterprises are equitised. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognized in the interim income statement.

Intangible fixed assets and amortization

Intangible assets are stated at cost less accumulated amortization. The Company's intangible assets comprise of computer software, which is amortized using the straight-line method 5 years.

Construction in progress

Properties in the course of construction for production, rental, or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees and for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Payables

Accounts payable are monitored in detail by payable terms, debtors, original currency, and other factors depending on the Company's managerial requirements. Accounts payable to suppliers include trade payables arising from buying-selling transactions and payables for import through entrustees (in import entrustment transactions). Other payables include non-trade payables, not related to buying-selling transactions. Accounts payable are classified as short-term and long-term in the interim statement of financial position based on the remaining year of these payables at the reporting date.

Accrued expenses

Accrued expenses are recognized for the amount to be paid in the future for goods and services received, whether or not billed to the Company or lack of accounting document, which are recognized as operating expenses of the reporting period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Payable provisions**

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Periodic repairs and maintenance of property, plant and equipment

The accrual of periodic repairs and maintenance expenses of property, plant and equipment is based on the approved repair and maintenance plan. If the actual repairs and maintenance expenses incurred exceed the accrued amount, the difference is fully recognised as an expense. If the actual expenses are lower than the accrued amount, the difference is recorded as a reduction of expenses.

Owner's equity

Owner's equity is recognized by actual capital contributions from shareholders.

Share premium is recognized by the larger or smaller difference between the issuing price and par value of shares upon the initial public offering, additional issue, or re-issue of treasury shares.

Retained earnings are recognized by operating results less (-) current corporate income tax expense and adjustments due to the retrospective application of changes in accounting policies and the retrospective adjustments for material misstatements of prior periods.

Dividends are declared and paid in the following period from retained earnings based on the approval of shareholders at the Company's Annual General Meeting.

Appropriation of reserves and funds from profit after tax is based on the Company's ordinance and approval in the Annual General Meeting.

Revenue recognition*Revenue from sales of goods*

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably. Where the contract stipulates that the buyer is entitled to return the products or goods purchased under specific conditions, revenue is recognized only when those specific conditions no longer exist, and the buyer is not entitled to return products and goods (except for cases where customers have the right to return goods in the form of exchange for other goods or services);
- (d) It is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Revenue recognition (continued)**Revenue from services rendered

Revenue from rendering services of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable for several years, revenue is recognized in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably. Where the contract stipulates that the buyer is entitled to return the supplied service under specific conditions, revenue is recognized only when those specific conditions no longer exist, and the buyer is not entitled to return the service;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Financial income

Interest income from bank deposits, bonds and loan receivables is recognized on a time basis by reference to outstanding principals and applicable interest rates.

Dividends and profits from investments are recognized when the Company's right to receive payment has been established. When the investors receive stock dividends, they only record the number of additional shares, not the income from stock dividends.

The Company's revenue from construction contracts is recognised in accordance with its accounting policy for construction contracts. Revenue and expenses of construction contracts are recognised as follows:

When the outcome of a construction contract can be estimated reliably:

- For construction contracts stipulating that the contractors are permitted to make payments under schedule, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses, respectively, by reference to the completion stage of the contract activity at the end of the reporting period.
- For construction regulating that the contractors are permitted to make payments equivalently to the percentage of work certified by customers, contract revenue and contract costs associated with the construction contract shall be recognized as revenue and expenses, respectively, by reference to the completed work confirmed by the customers and reflected on the invoice.

Revenue from alternations in the original contract work, compensation, claims and incentive payments are recognized only when agreed with the customers.

When the outcome of a construction contract cannot be reliably estimated:

- Contract revenue should be recognized only to the extent that contract costs are expected to be recoverable.
- Contract costs should be expensed as incurred.

The difference between accumulated contract revenue and accumulated amount recorded in the payment invoice according to the billing progress of the contract is recognized as a contract asset or contract liability.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Cost of sales**

Cost of goods sold and services rendered are recorded at actually incurred amount and aggregated by value and quantity of finished goods, merchandise, and materials sold and services rendered to customers, conforming to the matching principle and the precautionary principle. The costs exceeded normal levels of inventory and services are recognized immediately in operating results in the period.

Borrowing costs

Borrowing costs are recognized in the statement of income when incurred unless they are capitalized in accordance with Vietnamese accounting standard "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalized even when the construction period is under 12 months.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any), and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which temporary deductible differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Earnings per share

Basic earnings per share is calculated by dividing post-tax profits or loss attributable to ordinary shareholders (after adjusting for appropriation for bonus and welfare funds) by the weighted average number of ordinary shares in circulation during the period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Related parties**

The enterprises, associates, and individuals are considered to be related to the Company if one party has the ability, directly or indirectly through one or more intermediaries, to control over the other party or is under the control of the Company, or joint control with the Company; the associates and individuals directly or indirectly holding the voting power over the Company that exercise significant influence over the Company. Related parties may be the key management personnel, directors, and officers of the Company. Close family members of any individuals or associates herein or associates of these individuals are also considered related parties.

In considering the relationship of each related party, the substance of the relationship is noted over the legal form.

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET**1. Cash**

	Closing balance VND	Opening balance VND
Cash on hand	3,822,574	2,840,000
Demand bank deposits	23,897,329,459	15,253,338,200
Total	23,901,152,033	15,256,178,200

Demand deposits at banks used as performance guarantees for construction contracts as of 30 June 2025 and as of 01 January 2025 are VND 269,014,211 and VND 292,672,931, respectively.

2. Held-to-maturity investments

	Closing balance VND	Opening balance VND
Term deposits over 3 months	288,659,000,000	275,835,000,000

These are deposits at commercial banks, including term deposits with maturities ranging from 6 to 12 months, and deposits with a maturity of less than 12 months at commercial banks, with interest rates ranging from 5.2% to 5.7% per annum.

3. Short-term trade payables

	Closing balance VND	Opening balance VND
Receivables for domestic water usage and environmental protection fees	6,594,035,627	6,472,392,750
Vinh Long City Urban Management Department	1,003,272,440	990,780,250
Vinh Long Transport Construction Investment Project Management Unit	929,119,608	795,913,405
Other receivables	1,601,179,040	1,329,449,867
Total	10,127,606,715	9,588,536,272

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**4. Other short-term receivables**

	Closing balance VND	Opening balance VND
Interest receivable from time deposits	2,823,304,610	3,201,621,393
Advances to employees	590,740,756	134,227,734
Other receivables	480,784,466	439,972,013
Total	3,894,829,832	3,775,821,140



NOTES TO THE FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**5. Provision for short-term doubtful debts**

	Closing balance			Opening balance		
	Cost VND	Recoverable amount VND	Provision VND	Cost VND	Recoverable amount VND	Provision VND
Short-term trade receivables	2,153,249,683	831,024,660	(1,322,225,023)	2,153,249,683	831,024,660	(1,322,225,023)
Total	2,153,249,683	831,024,660	(1,322,225,023)	2,153,249,683	831,024,660	(1,322,225,023)

Movements in provision for bad debts are as follows:

	Current period VND	Prior period VND
Opening balance	(1,322,225,023)	(1,587,388,773)
Additional provision during the period	-	-
Reversal of provision made for the period	-	-
Closing balance	(1,322,225,023)	(1,587,388,773)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**6. Inventories**

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	9,660,308,562	-	9,313,521,008	-
Tools and supplies	186,557,297	-	194,187,604	-
Work in progress	2,025,079,183	-	2,231,245,255	-
Finished goods	234,291,732	-	245,287,099	-
Total	12,106,236,774	-	11,984,240,966	-

7. Prepayments

	Closing balance	Opening balance
	VND	VND
a. Short-term prepayments		
Tools and supplies issued for consumption	153,428,572	77,682,230
Insurance expenses	86,529,417	25,559,614
Other prepaid expenses	931,028,445	1,143,539,415
Total	1,170,986,434	1,246,781,259
b. Long-term prepayments		
Tools and supplies issued for consumption	397,520,368	353,087,571
Other prepaid expenses	262,755,846	222,682,224
Total	660,276,214	575,769,795
Total prepayments	1,831,262,648	1,822,551,054

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**8. Tangible fixed assets**

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles and transmission VND	Office equipment VND	Total VND
Cost					
Opening balance	128,879,764,751	99,817,301,663	416,507,366,445	1,659,922,221	646,864,355,080
Purchases during the period	-	31,936,000	-	-	31,936,000
Transfer from construction in progress	400,139,814	8,248,356,533	3,184,068,072	-	11,832,564,419
Disposal during the period	(401,645,593)	(746,348,081)	-	-	(1,147,993,674)
Closing balance	128,878,258,972	107,351,246,115	419,691,434,517	1,659,922,221	657,580,861,825
Accumulated depreciation					
Opening balance	73,620,944,441	81,658,476,240	248,987,693,356	1,401,214,792	405,668,328,829
Charged for the period	2,308,607,351	2,010,744,527	7,262,352,148	51,234,672	11,632,938,698
Disposal during the period	(341,632,915)	(605,250,492)	-	-	(946,883,407)
Closing balance	75,587,918,877	83,063,970,275	256,250,045,504	1,452,449,464	416,354,384,120
Net book value					
Opening balance	55,258,820,310	18,158,825,423	167,519,673,089	258,707,429	241,196,026,251
Closing balance	53,290,340,095	24,287,275,840	163,441,389,013	207,472,757	241,226,477,705

The cost of tangible fixed assets that have been fully depreciated but are still in use as of 30 June 2025 and as of 01 January 2025 is VND 215,081,526,377 and VND 202,492,973,337, respectively.

The Company pledged assets with a net carrying amount as of 30 June 2025 and as of 01 January 2025 is VND 42,296,020,502 and VND 44,240,432,171, respectively. as security for borrowings from the Vietnam Development Bank – Can Tho Regional Branch, Vinh Long Transaction Office (see Note V.17).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**9. Intangible fixed assets**

	Software program VND
Cost	
Opening balance	856,768,985
Closing balance	856,768,985
Accumulated amortisation	
Opening balance	585,277,590
Charged for the period	45,289,146
Closing balance	630,566,736
Net book value	
Opening balance	271,491,395
Closing balance	226,202,249

The historical cost of intangible fixed assets that have been fully depreciated but are still in use as of 30 June 2025 and as of 01 January 2025 is VND 463,834,100.

10. Construction in progress

	Closing balance VND	Opening balance VND
The project to expand the Vung Liem Water Treatment Plant in Vinh Long Province, increasing its capacity from 3,000m ³ /day to 9,600m ³ /day.	52,142,576,054	42,975,183,593
Other projects	956,592,394	1,727,039,943
Total	53,099,168,448	44,702,223,536

Movements in construction in progress are as follows:

	Current period VND	Prior period VND
Opening balance	44,702,223,536	18,843,531,239
Increase during the period	27,000,520,914	29,365,483,485
Transfer to tangible asset	(11,832,564,419)	(22,546,967,713)
Transfer of surplus materials into inventory	(31,455,858)	(47,019,037)
Charge to expenses	(6,739,555,725)	(8,519,048,214)
Closing balance	53,099,168,448	17,095,979,760

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**11. Long-term financial investments**

	Closing balance				Opening balance			
	Number of Shares	Cost VND	Provision VND	Fair value VND	Number of Shares	Cost VND	Provision VND	Fair value VND
a. Investments in associates								
Binh Tan Water supply and Environment Coporation	500,000	5,000,000,000	-	(i)	500,000	5,000,000,000	-	(i)
Mekong Water and Environment Corporation	180,000	1,910,754,818	-	(i)	180,000	1,910,754,818	-	(i)
Total		6,910,754,818	-			6,910,754,818	-	
b. Investment in other entities								
Mang Thit Water And Environment Corporation	30,000	300,000,000	-	(i)	30,000	300,000,000	-	(i)

(i) The fair value of associates and equity investments in other entities is not determined for disclosure in the interim financial statements due to the absence of market-listed prices. Market information and transactions related to these investments are not available. The fair value of these investments may differ from their carrying amount.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**12. Short-term trade payables**

	Closing balance Carrying amount is also amount able to be paid off VND	Opening balance VND
Payables to related parties (see Note VII.3)	719,974,710	662,378,535
Payables to other suppliers	10,246,502,377	8,091,611,636
Asia Engineering Corporation	5,867,573,409	4,320,464,000
Thanh Cong Construction Co., Ltd.	1,055,717,113	-
Viet Hong Ha Telecommunication Company Limited	829,028,908	695,741,140
Other suppliers	2,494,182,947	3,075,406,496
Total	10,966,477,087	8,753,990,171

13. Taxes and amounts receivable from/payable to the State budget

	Opening balance VND	Payable during the period VND	Payment during the period VND	Closing balance VND
a. Receivables				
Overpaid value added tax	6,213,025	6,213,025	-	-
Overpaid land and land rental tax	-	-	20,480,850	20,480,850
Total	6,213,025	6,213,025	20,480,850	20,480,850
b. Payables				
Value added tax	-	1,694,062,736	1,100,230,709	593,832,027
Corporate income tax	12,296,370,080	6,452,040,704	15,234,288,063	3,514,122,721
Personal income tax	408,215,840	259,302,378	633,635,472	33,882,746
Environmental protection fees	876,990,520	5,417,740,283	5,334,639,813	960,090,990
Natural resource tax	41,979,800	214,042,260	216,877,580	39,144,480
Land and rental tax	-	88,976,858	88,976,858	-
Business license tax	-	12,000,000	12,000,000	-
Total	13,623,556,240	14,138,165,219	22,620,648,495	5,141,072,964

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**14. Short-term accrued expenses**

	Closing balance VND	Opening balance VND
Accrued electricity expenses	747,600,753	623,601,871
Other accrued expenses	104,218,859	190,948,815
Total	851,819,612	814,550,686

15. Other current payables

	Closing balance VND	Opening balance VND
Deposits received	1,586,860,390	1,606,232,910
Personal income tax	420,018,023	1,020,049,949
Dividends payable	11,817,240	23,230,540
Other payables	543,907,015	594,220,195
Total	2,562,602,668	3,243,733,594

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**16. Long-term loans and obligations under finance leases**

	Closing balance	Arising during the period		Opening balance
	<i>Carrying amount is also amount able to be paid off</i>	Increase	Decrease	<i>Carrying amount is also amount able to be paid off</i>
	VND	VND	VND	VND
a. Short-term loans				
Current portion of long-term loan (<i>see Note b</i>)	10,307,480,000	-	-	10,307,480,000
b. Long-term loans				
Vietnam Development Bank				
Can Tho Region - Vinh Long Transaction Office (i)	15,922,696,636	-	2,653,740,000	18,576,436,636
Vinh Long Province Development Investment Fund (ii)	42,618,000,000	6,376,689,000	2,500,000,000	38,741,311,000
<i>Less: Amount due for settlement in 12 months</i>	(10,307,480,000)			(10,307,480,000)
	48,233,216,636	6,376,689,000	5,153,740,000	47,010,267,636
Total of loans	58,540,696,636	6,376,689,000	5,153,740,000	57,317,747,636

(i) Loan from Vietnam Development Bank, Can Tho Branch - Vinh Long Transaction Office for investment in construction and equipment for the water supply system expansion project with an interest rate of 0.3%/year, a term of 180 months from the first disbursement date, maturing in March 2028, with a grace period of 36 months. The loan is repaid every 6 months. This loan is secured by a mortgage on fixed assets (see details in Note V.9).

(ii) Loan from Vinh Long Province Development Investment Fund for the investment in the expansion of Vung Liem water plant - Vinh Long province, increasing capacity from 3,000 m3/day to 9,600 m3/day with an interest rate of 7%/year, a term of 10 years from the day following the first disbursement date. The loan is repaid every 6 months. This loan is secured by future assets of the project under mortgage contract No. 35/2023.HĐTC dated 09 May 2023.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**16. Long-term loans and obligations under finance leases (continued)****The long-term loans are repayable under the following schedule:**

	Closing balance VND	Opening balance VND
On demand	10,307,480,000	10,307,480,000
In the second year	10,307,480,000	10,307,480,000
In the third to fifth year inclusive	20,307,736,636	22,961,476,636
After five years	17,618,000,000	13,741,311,000
	58,540,696,636	57,317,747,636
Less: Amount due for settlement in 12 months	(10,307,480,000)	(10,307,480,000)
Amount payable after 12 months	48,233,216,636	47,010,267,636

17. Short-term provisions

	Closing balance VND	Opening balance VND
Repairs and maintenance expenses of property, plant and equipment	5,390,989,147	-
Connection maintenance expenses	3,351,407,223	-
Total	8,742,396,370	-

18. Bonus and welfare funds

	Current period VND	Prior period VND
Opening balance	31,586,119,043	28,679,932,799
Appropriation of funds during the period	1,957,663	-
Received reward money from the Department of Home Affairs of Vinh Long Province	24,570,000	16,200,000
Utilization of funds during the period	(2,700,248,744)	(1,525,116,020)
Closing balance	28,912,397,962	27,171,016,779

19. Scientific and technological development fund

	Current period VND	Prior period VND
Opening balance	11,300,933,323	15,726,481,944
Appropriation of fund during the period	-	-
Reversal of fund during the period	-	-
Closing balance	11,300,933,323	15,726,481,944

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**20. Owner's equity****Movement of owner's equity**

	Owner's contributed capital VND	Investment and development fund VND	Retained earnings VND	Total VND
For the period from 01 January 2024 to 30 June 2024				
Opening balance	289,000,000,000	89,915,932,659	81,286,336,777	460,202,269,436
Net profit for the period	-	-	30,417,939,741	30,417,939,741
Closing balance	289,000,000,000	89,915,932,659	111,704,276,518	490,620,209,177
For the period from 01 July 2024 to 31 December 2024				
Opening balance	289,000,000,000	89,915,932,659	111,704,276,518	490,620,209,177
Net profit for the period	-	-	42,681,802,149	42,681,802,149
Dividend paid	-	-	(46,875,800,000)	(46,875,800,000)
Appropriation of investment and development fund	-	21,929,922,567	(21,929,922,567)	-
Appropriation of bonus and welfare fund	-	-	(9,759,711,517)	(9,759,711,517)
Closing balance	289,000,000,000	111,845,855,226	75,820,644,583	476,666,499,809
For the period from 01 January 2025 to 30 June 2025				
Opening balance	289,000,000,000	111,845,855,226	75,820,644,583	476,666,499,809
Net profit for the period	-	-	27,329,162,808	27,329,162,808
Appropriation of bonus and welfare fund	-	-	(1,957,663)	(1,957,663)
Closing balance	289,000,000,000	111,845,855,226	103,147,849,728	503,993,704,954

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**20. Owner's equity** (continued)**Detail of owner's contributed capital**

Name of shareholders	Closing balance			Opening balance		
	Number of shares	Proportion (%)	Carrying amount VND	Number of shares	Proportion (%)	Carrying amount VND
Vinh Long Provincial People's Committee	14,739,000	51.00%	147,390,000,000	14,739,000	51.00%	147,390,000,000
Binh Duong Water - Environment Corporation - Joint Stock Company	7,100,000	24.57%	71,000,000,000	-	0.00%	-
Biwase Electric – Construction Joint Stock Company	2,625,862	9.08%	26,258,620,000	9,725,862	33.65%	97,258,620,000
Dong Bang Water and Environment Joint Stock Company	1,445,000	5.00%	14,450,000,000	1,445,000	5.00%	14,450,000,000
Other shareholders	2,990,138	10.35%	29,901,380,000	2,990,138	10.35%	29,901,380,000
Total	28,900,000	100.00%	289,000,000,000	28,900,000	100.00%	289,000,000,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (continued)**20. Owner's equity** (continued)**Shares**

	Closing balance Shares	Opening balance Shares
Number of shares authorized to be issued	28,900,000	28,900,000
Number of shares issued to the public	28,900,000	28,900,000
+ <i>Ordinary shares</i>	28,900,000	28,900,000
Number of shares repurchased	-	-
+ <i>Ordinary shares</i>	-	-
Number of outstanding shares in circulation	28,900,000	28,900,000
+ <i>Ordinary shares</i>	28,900,000	28,900,000
Par value is of VND 10,000/share		

Dividends

According to Resolution No. 06/NQ-AGM of the Annual General Meeting of Shareholders in 2025 dated 27 June 2025, the dividend for 2024 was approved at a rate of 14.33%, equivalent to VND 1,433 per outstanding share. The official dividend rate for 2025 will be approved by the Annual General Meeting of Shareholders to be held in the following year.

21. Off-balance sheet

	Closing balance VND	Opening balance VND
<i>Bad debt written off</i>		
Trade receivables	115,088,937	115,166,287

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT

1. Revenue from goods sold and services rendered	Current period VND	Prior period VND
Revenue from supplying clean water	89,562,171,018	87,766,685,866
Revenue from bottled water	3,035,922,598	3,091,896,699
Revenue from construction	3,815,384,674	1,797,678,131
Other revenue	117,222,620	243,087,000
Total	96,530,700,910	92,899,347,696
2. Cost of sales	Current period VND	Prior period VND
Cost of clean water supplied	28,193,306,474	29,277,673,619
Cost of bottled water	2,405,156,336	2,454,115,015
Cost of construction	3,019,122,847	1,484,984,725
Other cost of sales	104,428,761	209,100,567
Total	33,722,014,418	33,425,873,926
3. Financial income	Current period VND	Prior period VND
Bank interest income	7,424,101,943	7,349,928,278
Profits and dividends received	1,521,000,000	899,000,000
Total	8,945,101,943	8,248,928,278
4. Financial expenses	Current period VND	Prior period VND
Interest expense	273,124,300	34,211,518
5. Selling expenses	Current period VND	Prior period VND
Labour cost	1,373,113,440	1,353,441,339
Depreciation of fixed assets	7,093,260,573	7,077,349,392
Costs of maintaining connections, installing branch meter, replacing meters due for calibration, and major repairs of fixed assets	12,697,825,250	13,632,665,354
Outsource rendered services	1,163,251,599	1,192,360,143
Total	22,327,450,862	23,255,816,228

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (continued)**6. General and administration expenses**

	Current period VND	Prior period VND
Labour cost	10,763,710,517	7,236,478,171
Office tools and stationary expenses	503,685,974	491,669,547
Depreciation of fixed assets	451,531,539	431,768,903
Tax, duties, fees	53,188,208	53,188,208
Outsourced service expenses and other monetary expenses	3,584,231,944	3,159,867,461
Total	15,356,348,182	11,372,972,290

7. Other incomes

	Current period VND	Prior period VND
Environmental protection fee retained	557,380,689	501,213,329
Other income	48,860,940	111,213,735
Total	606,241,629	612,427,064

8. Other expenses

	Current period VND	Prior period VND
Expenses funded by environmental protection fee collections	473,773,586	426,031,331
Expenses posal of fixed assets	141,564,812	675,752
Other expenses	6,564,810	1,938,631
Total	621,903,208	428,645,714

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (continued)**9. Current corporate income tax expense**

	Current period			Prior period		
	Clean water business activities	Other activities	Total	Clean water business activities	Other activities	Total
Accounting profit before tax	24,087,671,932	9,693,531,580	33,781,203,512	24,290,620,324	8,952,563,038	33,243,183,362
Adjustments for taxable income						
Adjustment of non-taxable income	-	(1,521,000,000)	(1,521,000,000)	-	(899,000,000)	(899,000,000)
Non-deductible expenses	-	-	-	-	-	-
Taxable income	24,087,671,932	8,172,531,580	32,260,203,512	24,290,620,324	8,053,563,038	32,344,183,362
Loss carried forward	-	-	-	-	-	-
Assessable income	24,087,671,932	8,172,531,580	32,260,203,512	24,290,620,324	8,053,563,038	32,344,183,362
Normal tax rate	20%	20%		10%	20%	
Corporate income tax	4,817,534,386	1,634,506,318	6,452,040,704	2,429,062,032	1,610,712,607	4,039,774,639
Corporate income tax reduction due to tax incentives	-	-	-	(1,214,531,018)	-	(1,214,531,018)
Current corporate income tax expense	4,817,534,386	1,634,506,318	6,452,040,704	1,214,531,014	1,610,712,607	2,825,243,621

The Company was established by converting its business type, whereby the Company is entitled to corporate income tax incentives related to clean water production and business activities in the field of socialization. However, the enterprise before the conversion was not entitled to corporate income tax incentives according to the preferential tax sector, so it is entitled to tax incentives as a new investment project from the time of conversion, according to the provisions of Section d, Clause 3, Article 10 of Circular No. 96/2015/TT-BTC dated 22/06/2015. Specifically, the corporate income tax rate is 10% of the taxable income of socialization activities throughout the operating period, and the company is exempt from tax for 4 years and reduces 50% of the corporate income tax payable in the next 5 years from the time of conversion of the business type. Since the end of 2024, when finalising tax returns, the Company has not applied the socialisation incentives as it did not meet the key personnel criteria under Decision No. 693/QĐ-TTg dated 6 May 2013 of the Prime Minister.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (continued)**10. Basic earnings per share**

	Current period VND	Prior period (Restated) VND
Net profit after corporate income tax	27,329,162,808	30,417,939,741
Less: Amount appropriated for Bonus and welfare funds and remuneration and rewards for the executive board	(3,648,443,235)	(4,880,834,590)
Earnings for the purposes of calculating basic earnings per share	23,680,719,573	25,537,105,151
Weighted average of shares outstanding in the period	28,900,000	28,900,000
Basic earnings per share	819	884

The profit used to calculate basic earnings per share for the comparative period has been restated from the figures previously presented in the financial statements for the six-month period ended in the prior year to reflect the profit after tax appropriation for 2024 in accordance with the resolution of the Annual General Meeting of Shareholders in 2025.

11. Production cost by nature

	Current period VND	Prior period VND
Material cost	31,622,574,398	30,744,177,216
Labour cost	22,513,897,987	19,093,723,686
Depreciation of fixed assets	11,678,227,844	12,525,182,335
Outsource rendered services	1,555,232,247	1,636,292,888
Other expenses	4,035,880,986	4,055,286,319
Total	71,405,813,462	68,054,662,444

VII. OTHER INFORMATION**1. Segment reporting by business segment and geographical area****Segment reporting by business segment**

The Company's principal activities are the production and trading of clean water; installation of water supply systems; production of bottled water; and trading of materials and equipment specialised for the water supply industry. The financial information presented in the interim balance sheet as at 30 June 2025 and all revenues and expenses presented in the interim income statement for the six-month period then ended relate to the aforementioned business activities. Accordingly, no segment report by business line is required to be presented. Revenue and cost of sales by each business activity are disclosed in Notes VI.1 and VI.2.

Segments by geographical area

All of the Company's business activities occur within Vinh Long Province, Vietnam. Therefore, the Company does not prepare segment reports by geographical area.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VII. OTHER INFORMATION (continued)**2. Operating lease**

The Company is implementing land lease contract No. 29/HD-TD at Ward 2, Vinh Long City, Vinh Long Province for use as a business production facility. The land lease term is from from 19 October 2007 to 1 January 2046. The total leased land area is 1,083.5 m², including 500 m² of land area exempt from land rent.

Accordingly, the Company must pay annual land rent until the contract expiration date in accordance with current State regulations. The land rent unit price will be determined and adjusted periodically based on Government regulations on land and water surface rent collection.

In addition, the Company also leases state-owned land at other locations in Vinh Long province with a total leased land area of 59,383 m² for use in clean water production and business, which is exempt from land rent.

3. Related parties**Related parties****Relationship**

Vinh Long Provincial People's Committee

Major shareholder

Binh Duong Water - Environment Corporation -
Joint Stock Company

Major shareholder

Binh Tan Water supply and Environment Coporation

Associates

Mekong Water and Environment Corporation

Associates

Details of significant transactions with related parties during the period are as follows:

	Current period VND	Prior period VND
Binh Tan Water supply and Environment Coporation		
Profits and dividends received	750,000,000	500,000,000
Mekong Water and Environment Corporation		
Cost of purchasing clean water	4,070,660,100	4,153,901,700
Profits and dividends received	720,000,000	360,000,000

The significant balances with related parties as at the end are as follows:

	Closing balance VND	Opening balance VND
Short-term trade payables		
Mekong Water and Environment Corporation	719,974,710	662,378,535

Remunerations for the Boards of Directors, Management and Supervisory during the period:

	Current period VND	Prior period (Restated) VND
Salary, bonuses, and other benefits	2,606,136,923	1,316,615,200

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VII. OTHER INFORMATION (continued)**3. Related parties (continued)****Remunerations for the Boards of Directors, Management and Supervisory during the period: (continued)***For the six-month period ended 30 June 2025*

Name	Position	Salary VND	Remuneration VND	Total VND
Board of Directors		475,200,000	174,240,000	649,440,000
Mr. Dang Tan Chien	Chairman	475,200,000		475,200,000
Mr. Huynh Ngoc Chien	Member	-	31,680,000	31,680,000
Ms. Le Thi Quyen	Member	-	47,520,000	47,520,000
Mr. Van Kim Hung Phong	Member	-	47,520,000	47,520,000
Mr. Tran Tan Duc	Member		47,520,000	47,520,000
The Boards of Directors and Management		1,433,976,923	47,520,000	1,481,496,923
Mr. Huynh Ngoc Chien	General Director	285,576,923	-	285,576,923
Mr. Nguyen Quoc Dat	Director	382,800,000	-	382,800,000
Mr. Luong Minh Triet	Director	382,800,000	-	382,800,000
Mr. Le Van Thang	Chief Accountant	382,800,000	47,520,000	430,320,000
The Board of Supervisory		396,000,000	79,200,000	475,200,000
Ms. Bui Thien Ngoc Minh	Head of the Board	396,000,000	-	396,000,000
Ms. Nguyen Thi Hong Nhung	Member	-	39,600,000	39,600,000
Mr. Nguyen Huu Binh	Member	-	39,600,000	39,600,000
Total		2,305,176,923	300,960,000	2,606,136,923

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

For the six-month period ended 30 June 2025

VII. OTHER INFORMATION (continued)**3. Related parties (continued)****Remunerations for the Boards of Directors, Management and Supervisory during the period: (continued)***For the six-month period ended 30 June 2024*

Name	Position	Salary VND	Remuneration (Restated) VND	Total VND
Board of Directors		260,798,400	108,000,000	368,798,400
Mr. Dang Tan Chien	Chairman	260,798,400	-	260,798,400
Ms. Le Thi Quyen	Member	-	36,000,000	36,000,000
Mr. Van Kim Hung Phong	Member	-	36,000,000	36,000,000
Mr. Tran Tan Duc	Member	-	36,000,000	36,000,000
The Boards of Directors and Management		651,996,000	36,000,000	687,996,000
Mr. Nguyen Quoc Dat	Director	224,576,400	-	224,576,400
Mr. Luong Minh Triet	Director	224,576,400	-	224,576,400
Mr. Le Van Thang	Chief Accountant	202,843,200	36,000,000	238,843,200
The Board of Supervisory		231,820,800	28,000,000	259,820,800
Ms. Bui Thien Ngoc Minh	Head of the Board	231,820,800	-	231,820,800
Ms. Nguyen Thi Hong Nhung	Member	-	4,000,000	4,000,000
Mr. Nguyen Huu Binh	Member	-	24,000,000	24,000,000
Total		1,144,615,200	172,000,000	1,316,615,200

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)


For the six-month period ended 30 June 2025

VII. OTHER INFORMATION (continued)**4. Comparative figures**


Comparative figures are those of financial statements for the year ended 31 December 2024 and interim financial statements for the six-month period ended 30 June 2024, which were respectively audited and reviewed.

5. Subsequent events

There has been no significant event occurring after the balance sheet date which requires adjustments or disclosures in the interim financial statements.



Nguyen Thi Phuong Minh
Preparer

Le Van Thang
Chief Accountant

Dang Tan Chien
Chairman

Vinh Long, 12 August 2025

