

DISCLOSURE OF INFORMATION ON THE STATE SECURITIES COMMISSION OF VIETNAM AND HANOI STOCK EXCHANGE

Respectfully to: - The State Securities Commission Of Vietnam;

- The Hanoi Stock Exchange.

Trading name: Long An Water Supply Sewerage Joint Stock Company

Abbreviation: LAWACO

Address: 250 Hung Vuong, Long An Ward, Tay Ninh Province

Telephone: 072.3825.114

Fax: 072.3826.040

Website: www.lawaco.com.vn

Person authorized to disclose information: Cao Duy Thanh

Title: Head of the Supervisory Board

Type of Information Disclosure:

Periodic 24h 72h Upon Request Other

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<http://lawaco.com.vn>

We hereby commit that the information published above is true and take full responsibility before the law
for the content of the published information.

Tay Ninh, February 10, 2026

Person authorized to disclose information

(Sign, name and seal)



Cao Duy Thanh

**LONG AN WATER SUPPLY
SEWERAGE JOINT STOCK
COMPANY**

No.: 868./BC-LAW

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness
Long An, February 10, 2026

REPORT

Annual 2025

Respectfully To: - The State Securities Commission of Vietnam;
- The Hanoi Stock Exchange.

I. GENERAL INFORMATION:

1. Overview Information:

- Trading name: LONG AN WATER SUPPLY SEWERAGE JOINT STOCK COMPANY
- Business Registration Certificate: No. 1100101500 issued by Long An Department of Planning and Investment for the first time on 12/07/2007, amended for the 7th time on 5/9/2023.
- Charter Capital: VND 122,000,000,000 (One hundred twenty-two billion dong)
- Owner's Investment Capital: VND 73,200,000,000 (Seventy-three billion, two hundred million dong)
 - Address: 250 Hung Vuong, Long An Ward, Tay Ninh Province
 - Telephone: 0272.3825.114
 - Fax: 0272.3826.040
 - Website: www.lawaco.com.vn
 - Stock code: LAW
- Formation and Development Process

1956	To serve the daily needs of the people in Tan An, the local government allowed the exploitation of wells to supply domestic water and established the Water Supply Enterprise. This was the predecessor of Long An Water Supply Company. To serve the daily needs of the people in Tan An, the local government allowed the exploitation of wells to supply domestic water and established the Water Supply Enterprise.
1979	Due to the development of Tan An Town, the demand for clean water increased. To meet the water supply needs of the area, the Water Supply Enterprise constructed a pumping station to draw water from the Bao Dinh River, processed it, and supplied the area with a capacity of 8,000 m ³ per day.
1992	On November 21, 1992, Long An Portal issued Decision No. 1186.UB.QĐ.92, changing the name of Long An Water Supply Enterprise to Long An Water Supply

	Company, under the Long An Department of Construction.
2007	Pursuant to Decree No. 95/2006/NĐ-CP dated September 8, 2006 of the Government on the conversion of a State-owned Company into a Single-member Limited Liability Company and Decision No. 1214/QĐ-UBND dated May 8, 2007 of Long An Portal on approving the plan to convert Long An Water Supply Company into Long An Water Supply Single-member Limited Liability Company. The total capacity of the Company was 37,200 m ³ per day, including output from the following enterprises: Tan An Water Supply Enterprise, Go Den Water Supply Enterprise, Binh Anh Water Supply Enterprise.
2009	On February 23, 2009, Long An Portal issued Decision No. 519/QĐ-UBND on the establishment of the Steering Committee for equitization of Long An Water Supply One-Member Limited Liability Company. On December 4, 2009 and November 10, 2011, Long An Portal issued Decision No. 3193/QĐ-UBND and Decision No. 3577/QĐ-UBND to change the members of the Steering Committee for equitization of Long An Water Supply Company.
2013	On April 24, 2013, Long An Portal issued Decision No. 1429/QĐ-UBND to convert the operation type of Long An Water Supply Single-Member Limited Liability Company. On June 26, 2013, Long An Water Supply Single-Member Limited Liability Company auctioned 3,199,900 shares at Ho Chi Minh City Stock Exchange with the starting price of 10,000 VND/share, the average successful auction price was 10,104 VND/share. The company officially went into operation as a joint-stock company from October 1, 2013 with a registered charter capital of 135 billion VND (based on Decision No. 540/QĐ-UBND dated January 31, 2013 of Long An Portal on approving the enterprise value of Long An Water Supply Single-Member Limited Liability Company for equitization); The actual contributed charter capital is 113,505,614,984 VND (based on Minutes No. 2408/BB-STC approving the financial statements of Long An Water Supply Single-Member Limited Liability Company as of September 30, 2013).
2015	Based on the proposal of Long An Department of Finance at Report No. 175/TTr-STC dated January 15, 2015 on the basis of re-evaluating the actual value of the State's capital in the Company, on January 26, 2015, Long An Portal issued Decision No. 285/QĐ-UBND on adjusting the charter capital of Long An Water Supply Sewerage Joint Stock Company. On April 23, 2015, the Company was granted a Business Registration Certificate for the 4th change by Long An Department of Planning and Investment with a charter capital of 122 billion VND. On May 15, 2015, of Long An Water Supply Sewerage Joint Stock Company was approved by the State Securities Commission of Vietnam to become a public company. On November 26, 2015, the Hanoi Stock Exchange issued Decision No. 787/QĐ-SGDHN approving the registration for trading of shares of Long An Water Supply Sewerage Joint Stock Company.
2016	On June 30, 2016, the company was granted its 5th amended Certificate of Business Registration by Long An Department of Planning and Investment, with a charter

	capital of 122 billion VND.
2021	On December 02, 2021, the company was granted its 6th amended Certificate of Business Registration by Long An Department of Planning and Investment.
2023	On September 05, 2023, the company was granted its 7th amended Certificate of Business Registration by Long An Department of Planning and Investment.

2. Business Lines and Geographical Areas:

No.	Industry Name	Industry Code
1	Technical Inspection and Analysis Details: Inspection and analysis of physicochemical and microbiological parameters of water.	7120
2	Other specialized wholesale not elsewhere classified. Details: Bottled water business.	4669
3	Manufacture of soft drinks, mineral water. Details: Bottled water production.	1104
4	Wholesale of other construction materials and equipment. Details: Trading of specialized water materials and equipment.	4663
5	Other professional, scientific and technical activities n.e.c. Details: Verification, calibration, adjustment of measurement, testing of measuring instruments (cold water meters).	7490
6	Construction of other civil engineering works. Details: Management and installation of water supply and drainage pipeline systems; Construction of water supply and drainage systems and technical infrastructure works, construction of other civil engineering works.	4299
7	Electricity transmission and distribution. Details: Selling electricity to the power sector "excluding transmission, dispatching of the national power system and management of the distribution grid, multipurpose hydropower, nuclear power".	3512
8	Collection of non-hazardous waste. Details: Collection of sludge from water treatment process.	3811
9	Treatment and disposal of non-hazardous waste. Details: Treatment of sludge from water treatment process.	3821

	Architectural and related technical consulting activities.	
10	Details: Design of water supply and drainage for construction works. Design of water supply and drainage - water environment for construction works. Review of design and cost estimates for construction works. Supervision of construction and completion of water supply and drainage works, installation of equipment for works. Construction project investment management. Preparation of cost estimates and synthesis of cost estimates for construction works. Consulting on the preparation of construction investment projects. Bidding consultancy.	7110
11	Water exploitation, treatment and supply.	3600 (main)
12	Other mining and quarrying n.e.c. Details: Groundwater exploration and exploitation drilling.	0899

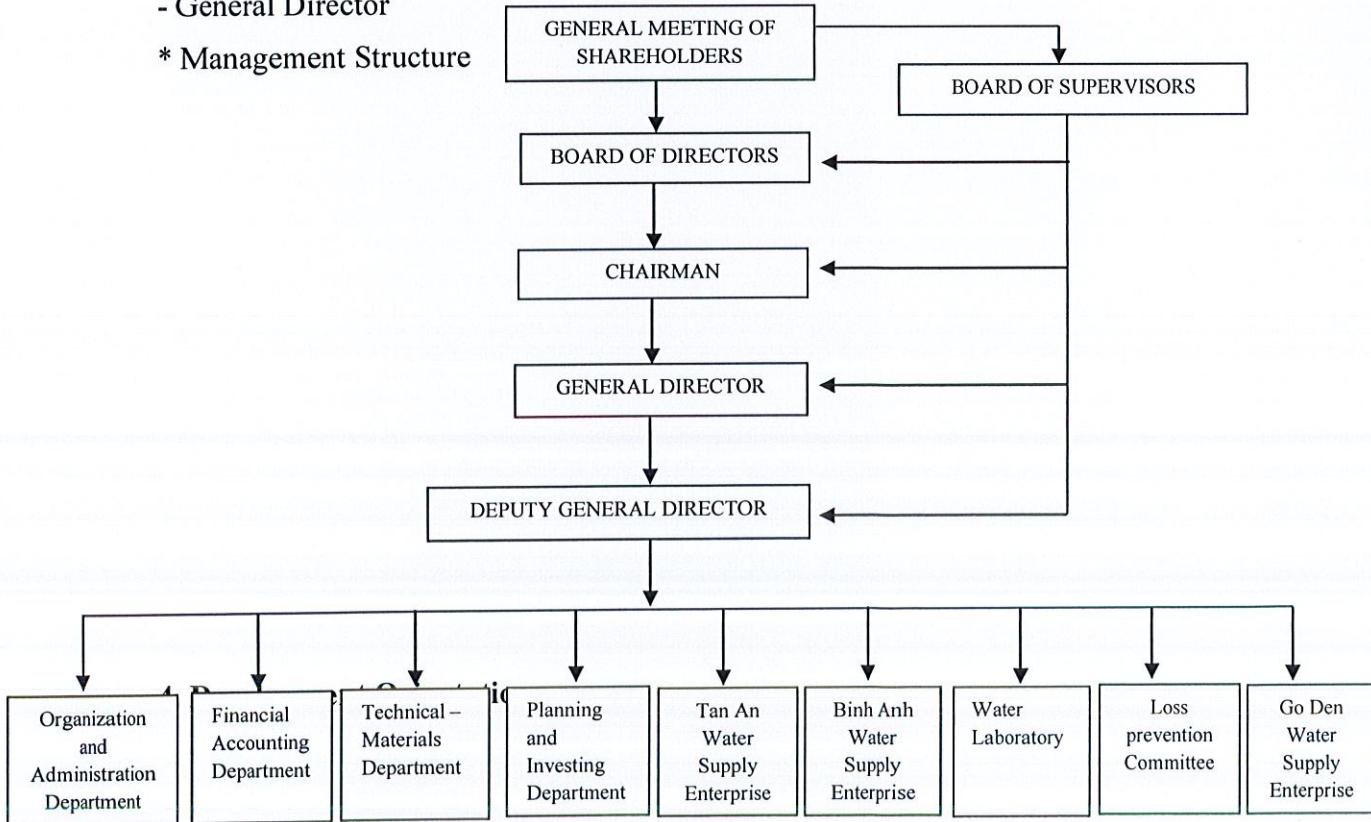
- Business location: Long An Ward, Tan An Ward, Khanh Hau Ward and the communes of Ben Luc, Long Cang, Long Dinh, Luong Hoa, Long Son, Ban Giao, My Loc, My Le, My Yen, Phuoc Vinh Tay, Rach Kien, Tan Tap, Phuoc Ly, Duc Hue, Nhut Tao, Tan Tru, Thu Thua, Vam Co, Thanh Loi, Binh Duc.

3. Information on the Governance Model, Business Organization, and Management Apparatus:

* Company Governance Model:

- General Meeting of Shareholders
- Board of Directors
- Board of Supervisors
- General Director

* Management Structure



4.1. Main objectives of the Company:

- To strengthen financial capacity and optimize the use of investment capital to expand the water supply system, upgrade and improve the capacity of water plants, thereby meeting the demand for water for domestic consumption and production activities.
- To proactively respond to the cyclical impacts of drought and salinity intrusion on an annual basis, ensuring that the clean water supplied by the Company consistently meets prescribed quality standards, satisfies customer demand, and maintains stability in business operations.
- To minimize water loss and non-revenue water by enhancing inspection, replacement, and maintenance of the water supply system, promptly detecting and addressing incidents. The Company proactively develops appropriate repair and replacement solutions to swiftly remedy arising issues, thereby reducing water loss rates.
- To focus capital resources on investing in and upgrading equipment, as well as applying advanced technologies in clean water production, improving management efficiency and business performance. At the same time, the Company continuously enhances operational stability and sustainable development capacity to effectively meet market demand.
- To develop human resources in a professional and modern manner, with emphasis on training and capacity building to establish a highly qualified workforce in management, technical, business, and production functions, meeting the Company's development requirements and supporting the achievement of its objectives.

4.2. Development strategies in medium and long term:

The Company implements strategies for sustainable development, efficient business operations, and organizational restructuring, with the objective of becoming one of the leading and robust enterprises in the water supply sector in Tay Ninh Province and the surrounding region, delivering customer satisfaction through high-quality clean water products and excellent services.

To ensure a safe water supply system and enhance customer service quality, the Company focuses on zoning and optimizing the water distribution network; intensifying solutions to prevent water loss; applying modern technologies in pipeline leakage detection; and implementing effective management measures to promptly identify leakage locations. In addition, the Company replaces deteriorated pipelines and water meters to control water quality, minimize losses, and prevent operational risks.

The Company also builds a strong corporate culture, continuously improves working methods, and encourages employees to contribute initiatives and innovative solutions, thereby enhancing operational efficiency and promoting the Company's sustainable development.

4.3. Sustainable Development Goals (Environmental, Social and Community) of the Company

- As an enterprise engaged in the production and supply of clean water, the Company is fully aware of its responsibility to protect water sources, safeguard the environment, and strictly comply with regulations on water resources and environmental protection. The Company's management places special emphasis on the effective management and rational use of natural resources, ensuring that clean water supplied to residents within the service area consistently meets prescribed quality standards.

- To promote communication and awareness-raising on clean water source protection and water-saving practices among households, public agencies, and industrial facilities.

- To maintain and actively participate in social charity activities in a direct and practical manner, focusing on community welfare and providing support and assistance to people affected by natural disasters.

- LAWACO fully fulfills its tax obligations to the State. The Company proactively participates in and organizes mass and social activities, such as voluntary blood donation and other social programs, with the objective of delivering practical support and contributing to the improvement of community living standards.

5. Risks:

5.1. Economic Risks

The selling price of clean water of the Company is determined by the Provincial People's Committee and has not yet been calculated on a full cost-recovery basis. Meanwhile, prices of input materials, fuels, and other production inputs have continuously increased. As a result, changes affecting water production costs require a considerable period of time to be reflected in water selling prices due to the procedures for price formulation, submission, and approval by competent authorities. This reduces the flexibility of the Company's water pricing mechanism and adversely affects the efficiency of its production and business operations.

Climate change has led to the degradation of groundwater in both quantity and quality, while surface water sources fluctuate frequently, affecting input water sources and increasing the Company's water treatment costs. In addition, economic downturns resulting from geopolitical impacts affect business operations in the area.

5.2. Specific Risks

As a unit engaged in the production and supply of water for production activities and daily life, the Company faces inherent risks related to water loss during the supply process. Such losses not only affect the Company's production and business efficiency but also result in the waste of national water resources. Accordingly, addressing the issue of water loss prevention remains a significant challenge for the Company's management and employees.

In response to this situation, in order to minimize the risk of water loss, LAWACO consistently sets targets to upgrade and rehabilitate the pipeline system, and to inspect, maintain, and replace water meters. In addition, the Company strengthens supervision and strictly handles violations related to illegal water use. These efforts not only contribute to the Company's sustainable development but also help protect national water resources. However, addressing the issue of clean water loss prevention remains a shared responsibility of all water users.

5.3. Environmental Risks

- Climate change has adversely affected the water supply sector by causing scarcity of raw water sources due to droughts and the depletion of rivers and reservoirs, increasing pollution levels, and leading to severe saline intrusion as a result of sea level rise. Extreme weather events such as floods and storms damage infrastructure, while rising temperatures reduce water quality, posing threats to sustainable water supply security.

- Saline intrusion occurring in the early months of the year represents a serious risk to the water supply sector in general and to Long An Water Supply Sewerage Joint Stock Company in particular.

In addition, the Company's operations are also exposed to force majeure risks, including natural disasters, fires, wars, and risks arising from political and social instability.

II. OPERATIONS IN THE YEAR:

1. Situation of production and business operations:

Results of business operations in 2025

Unit: million VND

Indicator	Plan	Actual	% of Plan
Revenue	335,000	359,116	107.2
Water	318,500	340,983	107.1
Pipeline	16,300	17,035	104.5
Other income	200	160	80
Financial income and other income	0	938	
Profit Before Tax	26,000	33,223	127.7

2. Organization and Personnel:

- List of the Executive Board:

- Full Name: Truong Ngoc Thuy Trang - Position: General Director

Date of Birth: November 14, 1990

Gender: Female

Ethnicity: Kinh

Nationality: Vietnamese

Place of Origin: Can Giuoc, Long An

Permanent Address: 25 Tran Trieu Luat, Ward 7, Tan Binh District, HCMC

Educational Level: 12/12

Professional Qualification: Master's Degree, Environmental Engineer

Personal Ownership Representation: 0 shares, accounting for 0% of charter capital

+ Ownership Representation of Long An Province People's Committee: 2,684,000 shares, accounting for 22% of charter capital

Work Experience:

Time	Workplace	Position
May - August, 2016	Fraunhofer Institute for Energy Economics and Energy System Technology (IEE),	Intern

	Kassel, Germany	
February, 2017 - December, 2019	ENEA Consulting Pty Ltd, Melbourne, Australia	Consultant
March, 2020 - July, 2020	EPC Project Management Board, Power Construction Consulting Joint Stock Company No. 2	Deputy Head of Engineering Department
July, 2020 - April, 2021	EPC Project Management Board, Power Construction Consulting Joint Stock Company No. 2	Head of Engineering Department
May, 2021 - August, 2023	EPC Project Management Board, Power Construction Consulting Joint Stock Company No. 2	Deputy Director
June 28, 2021 - August, 2023	Hau Giang Biomass Energy Joint Stock Company	General Director – Legal Representative (concurrently)
September 23, 2023 – April 24, 2024	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors, concurrently Deputy General Director
April 25, 2024 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors, concurrently General Director

- Full Name: Luu Van Can – Position: Deputy General Director

Date of Birth: August 20, 1979

Gender: Male

Ethnicity: Kinh

Nationality: Vietnamese

Place of Origin: Tan Tru, Tay Ninh.

Permanent Address: 333 Hamlet 2, Tan An Ward, Tay Ninh Province

Educational Level: 12/12

Professional Qualification: Environmental Technical Engineer

+ Personal Ownership: 700 shares, accounting for 0.006% of charter capital

Work Experience:

Time	Workplace	Position
October 2005 – April 2013	Long An Water Supply Company	Staff

May 2013 – September 2013	Long An Water Supply One Member Limited Liability Company	Deputy Head of Engineering – Materials Department
October 2013 – October 2022	Long An Water Supply Sewerage Joint Stock Company	Deputy Head of Engineering – Materials Department
November 2022 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors, Deputy General Director
October 2023 - Present	Long An Water Supply Sewerage Joint Stock Company	Deputy Secretary of the Grassroots Party Committee

- Full Name: Nguyen Quoc Phong – Chief Accountant

Date of Birth: October 19, 1977

Gender: Male

Place of Birth: Chau Thanh, Tien Giang

Ethnicity: Kinh

Nationality: Vietnamese

Place of Origin: Tien Giang

Permanent Address: Tan Hoi Dong, Chau Thanh, Tien Giang

Office Phone Number: 0272.3825.121

Educational Level: 12/12

Professional Qualification: Bachelor of Economics

Current Position at the Company: Chief Accountant

Number of shares held: 300 shares, accounting for 0.002% of charter capital

+ Personal Ownership: 300 shares, accounting for 0.002% of charter capital

Work Experience:

Time	Workplace	Position
March 2005 – April 2005	Go Den Water Plant, Long An Water Supply Company	Staff
May 2005 – June 2011	Accounting Department - Long An Water Supply One Member Limited Liability Company	Staff
July 2011 – September	Long An Water Supply One Member Limited Liability Company	Acting Chief Accountant

2013		
October 2013 - Present	Long An Water Supply Sewerage Joint Stock Company	Chief Accountant

- *Changes in the Executive Board in the year: None*

- *Number of Officials and Employees*

No.	Classification	Time	Percentage (%)
		2025-12-31	
A	By Qualification	158	100
1	University and postgraduate degree	67	42,4
2	College, intermediate, and elementary degrees	29	18,35
3	Other qualifications	62	39,25
B	By Type of Labor Contract	158	100
1	Indefinite-term labor contract	133	84,2
2	Not subject to a labor contract	1	0,6
3	Definite-term labor contract	24	15,2

- Training, Salary, Bonus, and Allowance Policies

a) Salary and Bonus Policy:

The company applies a salary group and scale system based on the job title, aligning with the company's practical circumstances.

b) Training Policy

The Company always places strong emphasis on building and maintaining a highly qualified workforce through structured training programs and experience-sharing activities. In addition, the Company regularly organizes advanced training courses to enhance workers' skills and professional expertise, enabling them to keep pace with the latest technologies. As a result, all employees are fully equipped with the necessary knowledge and skills, contributing to improved labor productivity and supporting the Company's long-term sustainable development.

c) Other Policies for Employees

- The company fully complies with regulations concerning severance allowances, maternity allowances, social insurance, health insurance, and unemployment insurance for all employees. The company provides 24/24 personal accident insurance for all employees with a coverage of 10,000,000 VND per person per year. Annual salary increases are implemented on time for employees.

- Annually, the Company organizes excursions and vacations for all employees and arranges periodic health checkups for officials, staff, and workers throughout the Company

- Dividend Policy

Pursuant to the stipulations of the Enterprise Law and the Company's Charter, as ratified by the General Meeting of Shareholders, the dividend distribution policy is determined by the General Meeting of Shareholders.

No.	Year	Dividend Payout Ratio	Method
1	2023	6,68	No dividend payment in 2023, transferred to 2024 construction investment capital
2	2024	9,08%	No dividend payment in 2024, transferred to capital resources for continued investment and development in 2025.
3	2025	13,4	Proposal not to distribute dividends for 2025, transferring to capital resources for continued investment and development in 2025.

3. Investment Status and Project Implementation Status:

a. Development Investment:

In 2025, the Company invested in projects with a total value of VND 66,221 million. All projects and works were implemented and completed in accordance with the required schedules, with assured quality, fully meeting the set objectives and complying with applicable laws and regulations.

The Company also invested in the development of more than 100 kilometers of various types of pipelines, contributing to the expansion of its water supply service coverage, increasing the number of customers, and significantly boosting the Company's revenue.

b. Subsidiaries and Affiliates: (none)

4. Financial Status

a. Financial Status

Unit: Million VND

Target	Year 2024	Year 2025	% Change
Total Asset Value	342,278	411,390	20.19%
Net Revenue	325,379	358,177	10.12%
Profit from Operating Activities	23,230	33,212	42.97%
Other Profit	0,037	0,010	-72.9%

Profit Before Tax	23,268	33,223	42.78%
Profit After Tax	20,254	29,837	47.31%
Dividend Payout Ratio	55%	55%	

b. Key Financial Indicators

Target	Year 2024	Year 2025	% Change
Current Ratio: + Current Ratio = Current Assets / Current Liabilities	0.45	0.49	8.89%
+ Quick Ratio: $\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$	0.26	0.35	34.62%
Capital Structure Indicators: + Debt Ratio = Accounts Payable/Total Assets x100%	0.45	0.5	11.11%
+ Equity Ratio = Equity Capital/Total Capital x 100%	0.55	0.5	-9.09%
Operational Capacity Indicators: + Inventory Turnover = $\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$	16.53	14.01	-15.25%
+ Working Capital Turnover = $\frac{\text{Net Revenue}}{\text{Average Total Assets}}$	0.99	0.95	0.04%
Profitability Indicators: + Return on Equity (ROE). $\text{ROE} = \frac{\text{Net Income}}{\text{Equity}} \times 100\%$	0.11	0.14	27.27%

5. Shareholder Structure and Changes in Owner's Equity

a. Shares:

- Total outstanding shares: 12,200,000 (twelve million two hundred thousand)
- Type of outstanding shares: common stock
- Number of shares restricted from transfer under legal regulations: none.

b Shareholder Structure: as of 20/3/2025

No.	Shareholder Type	Number of Shareholders	Number of Shares	Value (VND)	Ratio
I	Domestic Shareholders	147	12,200,000	122,000,000,000	100%
1	Individual Shareholders	145	236,260	2,362,600,000	1.94%
2	Organization Shareholders	02			
	Tay Ninh Provincial People's Committee		7,320,000	73,200,000,000	60%
	Binh Duong Water - Environment Corporation		4,643,740	46,437,400,000	38.06%
II	Foreign shareholders	0	0	0	0%
1	Individual Shareholders	0	0	0	0%
2	Organization Shareholders	0	0	0	0%
Total		147	12,200,000	122,000,000,000	100%

c. Changes in owner's equity during the year:

In the year of the transfer of state capital ownership representation at Long An Water Supply Sewerage Joint Stock Company from the People's Committee of Long An Province to the new owner, the People's Committee of Tay Ninh Province, following the provincial-level administrative merger effective from July 1, 2025, in accordance with the policy on the reorganization of provincial-level administrative units.

d. Treasury Stock Transactions: none

e. Other Securities: none

6. Report on the Company's Environmental and Social Impact

6.1. Raw Material Management:

a. Total quantity of raw materials used to produce and package the organization's main products and services during the year:

In the production process, the use of chemicals such as chlorine and PAC is necessary to ensure the quality of treated water. To safeguard safety and water quality, Long An Water Supply Sewerage Joint Stock Company strictly complies with regulations on the dosage and concentration of these chemicals. In addition, the Company prioritizes the use of HDPE plastic

water pipes, conducts regular maintenance and cleaning, frequently inspects connection points, and replaces aging pipelines to minimize water loss risks and maintain clean water quality.

b. Report on the percentage of recycled materials used to manufacture the organization's main products and services: none

6.2. Energy Consumption:

a. Direct and Indirect Energy Consumption:

The main energy source used in the Company's operations is direct, such as electricity.

- Electrical energy used for clean water production and office: 6,137,781 KW/year.

Energy saved through energy efficiency initiatives:

- The Company has installed inverters for several water pumping stations for more efficient and reasonable energy use;

- Installed a solar power system at the Loi Binh Nhon water supply station:

+ Solar power output in 01 month is approximately 3,255kw, corresponding to an amount of 4,6 million VND/month.

c. Reports on energy-saving initiatives (providing energy-efficient products and services or using renewable energy): none

6.3. Water Consumption

a. Water Supply Source and Water Usage:

- Self-extracted water sources remain subject to significant limitations due to objective factors such as limited groundwater reserves and severe saltwater intrusion during the early months of the year, posing considerable challenges for the Company.

- The Company relies on water supplied by Nhi Thanh, which accounts for approximately 60% of the total water production volume.

- Water exploitation source: 12,782,000m³;

- Surface water purchased from Biwase - Long An: 17,081,000 m³;

- Recorded water volume: 27,350,000 m³

b. Percentage and total volume of recycled and reused water:

The Company has invested in a system to recover water after filter washing into water supplied to Binh Anh Industrial Park, recovering 7,200 m³ per month.

6.4. Compliance with environmental protection laws

a. Number of times penalized for non-compliance with environmental laws and regulations: None.

b. Total amount of fines for non-compliance with environmental laws and regulations: None.

6.5. Policies related to employees:

a. Number of employees, average salary for employees: 156 people, average salary: 21.6 million dong/person/month.

b. Labor policies to ensure the health, safety, and welfare of employees:

Every year, the Company organizes an annual tour for employees and organizes periodic health check-ups for employees, and organizes training on occupational safety for workers.

c. Employee training activities:

- Average training hours per year, per employee and by employee classification:

According to the specific needs of the departments, boards, and factories in the company

- Continuous learning and skills development programs to support employees in securing employment and career development:

Training to improve professional skills, expertise, organizational and management skills, etc.

6.6. Report related to responsibilities to the local community:

Coordinated with the sponsor to organize Tet gifts for poor households in Ben Luc, Thu Thua, Tan Tru, Tan Hung, and Binh Tam districts, distributing 618 gift packages with a total value of over VND 300 million; donated one “gratitude house” in the border area with a contribution of VND 60 million; and mobilized employees and workers to support people affected by Storm No. 10, raising a total of VND 100 million, etc.

6.7. Report related to green capital market activities as guided by the SSC: None.

III. Report and assessment of the Board of General Directors

1. Assessment of production and business performance:

Unit: Million VND

Target	Unit	Plan	Actual	% of Plan
Revenue	Million VND	335,000	359,116	107.2
Water	Million VND	318,500	340,983	107.1
Pipeline	Million VND	16,300	17,035	104.5
Other income	Million VND	200	160	80
Financial income and other income	Million VND	0	938	
Profit Before Tax	Million VND	26,000	33,223	127.7

In 2025, the Company completed and exceeded the targets assigned by the General Meeting of Shareholders, such as: Output, revenue, profit and obligations to the state budget.

2. *Financial situation*

Overview of 2025, the Company's financial position continued to record remarkable growth in both total assets and capital base. This affirms that the Board of Management's strategy of expanding the operational network and investing in depth is on the right track, creating strong momentum for sustainable development.

a. Asset situation

As of December 31, 2025, the Company's total assets amounted to VND 411,390 million, increasing by VND 69,111 million (equivalent to a 20.19% increase) compared to the beginning of the year. The asset structure experienced a positive shift, with greater emphasis on increasing short-term assets to ensure liquidity, while continuing to invest in long-term assets to support production and operational activities.

Table 1: Asset Position as of December 31, 2025

(Unit: Million VND)

Item	2025	2024	Increase/Decrease(+/-)	Percentage (%)
A. Current Assets	64,625	37,820	+26,805	+70.88%
- Cash and cash equivalents	19,947	5,409	+14,538	+268.76%
- Short-term receivables	19,330	13,088	+6,242	+47.69%
- Inventories	19,543	15,702	+3,841	+24.46%
- Other current assets	5,804	2,732	+3,072	+112.45%
B. Non-Current Assets	346,765	304,459	+42,306	+13.89%
- Fixed Assets	316,073	303,154	+12,919	+4.26%
- Long-Term Construction in Progress	16,609	331	+16,278	+4.917%
- Other Long-Term Assets	14,083	974	+13,109	+1.346%
TOTAL ASSETS	411,390	342,279	+69,111	+20.19%

As of December 31, 2025, Lawaco's total assets reached VND **411,390** million, recording an impressive growth of **20.19%** (equivalent to an increase of more than VND 69 billion) compared to the beginning of the year. This strong expansion in asset scale demonstrates

that the Company's financial capacity has been significantly strengthened, providing solid momentum for its plans to expand business and operational activities.

Short-term Assets: Short-term assets experienced a remarkable surge of **70.88%**, reaching **VND 64,625 million** and increasing their proportion to **15.71%** of total assets (compared to 11.05% at the beginning of the year). The key driver behind this growth was the Company's substantial improvement in cash and cash equivalents, which increased 3.6 times to VND 19.9 billion. This enhancement ensures high liquidity and enables the Company to promptly meet its short-term financial obligations. In addition, inventories also rose to support production needs and the expansion of the distribution network.

Long-term Assets: Long-term assets continued to account for the dominant share (**84.29%**) of the Company's asset structure, totaling **VND 346,765 million**, representing a **13.89%** increase compared to the beginning of the year. This reflects the Company's strong focus on allocating resources to key strategic projects aimed at enhancing water supply capacity and reducing water loss over the long term. Furthermore, the Company maintained and effectively utilized a large volume of fully depreciated fixed assets that remain in use, with an original cost of **VND 139.3 billion** (up from VND 125.8 billion at the beginning of the year). Maximizing the use of these assets helps optimize depreciation expenses, thereby contributing positively to the Company's overall profit margin.

Lawaco's asset structure in 2025 shifted in a positive direction: ensuring liquidity safety through the increase in short-term assets, while simultaneously focusing on long-term investments to expand the network and enhance production capacity. This provides a solid foundation for the Company to sustain its growth momentum in the coming years.

b. Accounts Payable Status

As of December 31, 2025, the Company's total capital amounted to VND 411,390 million, increasing in line with the growth in total assets. During the period, the Company maintained a sound capital structure, characterized by the growth of shareholders' equity alongside the effective use of financial leverage and preferential borrowings.

Table 2: Capital Structure as of December 31, 2025

(Unit: Million VND)

Item	2025	2024	Increase/Decrease (+/-)	Percentage (%)
A. Liabilities	204,349	155,240	+49,109	+31.63%
- Current Liabilities	130,423	84,231	+46,192	+54.84%
- Non-Current liabilities	73,926	71,009	+2,917	+4.11%
B. Owner's Equity	207,042	187,038	+20,004	+10.70%

Item	2025	2024	Increase/Decrease (+/-)	Percentage (%)
TOTAL RESOURCES	411,390	342,279	+69,111	+20.19%

Source: Audited Financial Statements for the year 2025

Total liabilities increased by 31.63%, mainly driven by the sharp rise in short-term liabilities (up 54.84%). This increase was primarily attributable to the Company's effective utilization of trade credit, as reflected in the significant growth of trade payables, which helped finance business operations without incurring interest expenses. Long-term liabilities remained relatively stable, recording a slight increase of 4.11%, consisting mainly of preferential loans for clean water infrastructure projects. This stability indicates that the Company has effectively managed its long-term capital structure, thereby mitigating interest rate volatility risks and avoiding excessive debt repayment pressure in the future.

The liabilities-to-equity ratio increased from 0.83 times to 0.99 times. This ratio, close to 1:1, reflects a balanced capital structure between equity and debt. Such a structure is considered appropriate for the Company's current phase of strong investment and expansion, as it helps optimize the overall cost of capital.

Although short-term liabilities grew at a faster pace than short-term assets, the Company continued to maintain its ability to meet short-term obligations as they fall due. The Company's 2025 audited financial statements, audited by VACO Auditing Company Limited, confirmed that the Company's liabilities remain under control and are considered recoverable and repayable.

c. Owner's Equity: Steady Growth

As of December 31, 2025, the Company's shareholders' equity amounted to VND 207.04 billion, recording a growth of 10.7% compared to the beginning of the year. This growth was primarily driven by the accumulation of undistributed profit after tax and additional appropriations to the Development Investment Fund, reflecting the Company's increasingly solid internal financial strength. With a sound capital structure and ample internal resources, the Company is well positioned to maintain financial autonomy in implementing its strategies for network expansion and long-term development, while minimizing reliance on external borrowings.

d. Status of Capital and Asset Management and Utilization:

In 2025, the Company's financial management continued to demonstrate strong effectiveness, as it successfully optimized capital turnover and maintained tight control over receivables and inventories. The flexible use of financial leverage, combined with effective cost management, led to a significant improvement in profitability, with return on assets (ROA) reaching 7.25% and return on equity (ROE) at 14.4%, substantially exceeding the 2024 results. In addition to strong business performance, the Company consistently fulfilled its obligations to the State budget in a timely and full manner, ensuring a balanced alignment of interests among shareholders, the Company, and society.

3. Improvements in Organizational Structure, Policies, and Management

- Training and supplementing the professional staff, enhancing management proficiency and knowledge to meet production and business requirements. Flexible and appropriate workforce management and utilization based on existing workload. Reasonable adjustments to compensation and benefits policies are made to enhance employee engagement, motivation, and devotion, thereby fostering continued growth and prosperity for the Company.

- Strengthened labor inspection and disciplinary procedures to boost production and advance the employees' development and sense of responsibility. Measures aimed at improving the quality of security operations are enhanced to ensure socio-political stability and order within the Company.

4. Development Plan for 2026:

- Total revenue: 363,550 billion VND, of which:
- Recorded water output: 27,920 thousand m³;
- Profit before tax: 34,800 billion VND
- Strive to reduce and maintain the Company-wide non-revenue water rate in 2026 at ≤ 7%.

- Enhance the management and operation capacity of District Metered Areas, strengthen monitoring to promptly detect and address leaks and underground pipe bursts across the entire water supply network.

- Gradually control and reduce water losses through the metering system, particularly at bulk meters, zone meters, and customer meters, in order to improve accuracy in billing and production volume management.

- Continue to invest in expanding the Company's water supply network into areas facing shortages of clean water, in accordance with the roadmap committed under water supply service agreements with local authorities and neighboring areas.

5. Explanation of the Board of Directors on audit opinions: (None).

6. Report evaluating the Company's environmental and social responsibilities: (None)

IV. Board of Directors' Assessment of the Company's Operations:

1. Board of Directors' Assessment of the Company's Operational Aspects

1.1. Advantages:

- Support and direction from Provincial Leaders, Departments, and local authorities at all levels in resolving difficulties, obstacles, and promoting the Company's production and business activities, as well as expanding the water supply network

- Stable production activities at the plants, maintaining water quality monitoring and control in accordance with the Ministry of Health's standards and local regulations to ensure water supply to customers.

- Service quality and customer care have been continuously enhanced.

- Continue to promote the application of information technology and digital transformation in production and business activities, enterprise management, and ensuring network security, enhancing work productivity, and saving resources.

1.2. Difficulties:

- Water supply shortages caused by climate change have led to groundwater degradation and frequent fluctuations in surface water sources.

- During the dry season, prolonged heat waves prevent the Company from fully meeting customers' water demand.

- Input costs have increased due to rising prices of raw materials, electricity, and chemicals. In addition, higher chemical consumption is required for water treatment as the quality of raw water varies seasonally, resulting in increased clean water production costs.

2. Board of Directors' assessment of the Executive Board's activities:

The Chairman of the Board of Directors, together with other members of the Board, regularly supervises and monitors the management and execution of duties by the Executive Board to ensure the Company's operations are conducted in a stable, safe manner, in full compliance with applicable laws, and in line with production, business, and financial requirements.

Based on the resolutions of the General Meeting of Shareholders and the resolutions and policies of the Board of Directors, the General Director organizes the implementation of activities in strict accordance with the plans approved by the General Meeting of Shareholders and decisions of the Board of Directors, and reports to seek approval on matters falling under the authority of the Board of Directors.

The Chairman of the Board of Directors closely supervises and monitors the management of production and business operations carried out by the Executive Management. In addition, the Chairman coordinates closely with the Company's Supervisory Board to ensure full compliance with the Law on Enterprises, the Company's Charter, and other applicable legal regulations. At the same time, the Chairman ensures the implementation of resolutions of the General Meeting of Shareholders related to the Company's production and business performance targets for 2025.

The Executive Board holds regular meetings once a month, as well as extraordinary meetings when necessary, to ensure the timely and effective implementation of production and business plans.

3. Plans and orientations of the Board of Directors in the year 2026:

** Main tasks to be implemented:*

- Total revenue: 363,550 billion VND, of which:

- Recorded water output: 27,920 thousand m³;

- Profit before tax: 34,800 billion VND

- Reduce the Company's non-revenue water rate to ≤ 7%.

- Upgrade and increase the capacity of existing water treatment plants to secure the Company's self-produced water supply, including:

+ Receiving raw water from the Tien River under the project comprising the raw water pumping station of Dong Tam Water Plant and the associated transmission pipeline system.

+ Enhancing the exploitation of surface water from Bao Dinh Lake to reach a capacity of 20,000 m³/day.

- Focus on investing in the development of transmission pipeline networks along major routes within the Company's designated water supply service areas

- Reduce the Company's non-revenue water rate to $\leq 7\%$.
- Develop the water supply distribution network in line with water demand in each service area.

Continue to invest in expanding the Company's water supply network into areas facing shortages of clean water, in accordance with the roadmap committed under water supply service agreements with local authorities and neighboring areas.

4. Report on the Company's governance in 2025: (Appendix III attached)

V. Corporate Governance:

1. Board of Directors:

a. Members and structure of the Board of Directors:

List of BOD members

No.	Full Name	Position	Notes
1	Mr. Nguyen Bao Tung	Chairman of the Board of Directors – Legal Representative	Executive Member
2	Mrs. Truong Ngoc Thuy Trang	Member of the Board of Directors - General Director	Executive Member
3	Mr. Luu Van Can	Member of the Board of Directors - Deputy General Director	Executive Member
4	Mr. Mai Song Hao	Member of the Board of Directors	Non-Executive Member
5	Mr. Tran Tan Loi	Member of the Board of Directors	Non-Executive Member

Curriculum Vitae of Board of Directors members

- Chairman of the Board of Directors

Full name: Nguyen Bao Tung

Date of birth: May 14, 1977

Gender: Male

Citizen Identity Card No.: 080077008895 issued on 2022-07-24 by Police Department on Administrative Management of Social Order

Ethnicity: Kinh

Nationality: Vietnamese

Place of birth: Ben Luc, Long An.

Permanent address: Hamlet 5, Luong Binh Commune, Ben Luc, Long An.

Educational level: 12/12

Professional qualifications: Master's Degree - Environmental Engineer

Current position in the company: Chairman of the Board of Directors

Secretary of the Grassroots Party Committee

Positions held in other organizations: None

Work experience:

Time	Workplace	Position
2001 – 2007	Long An Water Supply Company	Staff
2007 – 2011	Long An Water Supply One Member Limited Liability Company	Deputy Head of Technical - Material Department
2011 – 2013	Long An Water Supply One Member Limited Liability Company	Head of Cooperation - Investment Department
2013 – June 2016	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors, Head of Cooperation - Investment Department
2015 - 2023	Long An Water Supply Sewerage Joint Stock Company	Deputy Secretary of the Party Committee
July 2016 – October 2022	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors - Deputy General Director
November 2022 - August 2023	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors - General Director
August 30, 2023 - present	Long An Water Supply Sewerage Joint Stock Company	Chairman of the Board of Directors - Legal Representative - Secretary of the Party Committee

Number of shares held: 1,100 shares, accounting for 0.01% of charter capital.

+ Personal ownership: 1,100 shares, accounting for 0.009% of charter capital.

+ Representing the ownership of Long An Provincial People's Committee: 4,636,000 shares, accounting for 38% of charter capital.

Share ownership ratio of related persons:

Full Name	Relationship	Number of Shares	Percentage/Charter Capital

Le Ngoc Lan Thao	Wife	300	0.002 %
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- Member of the Board of Directors

Full name: Luu Van Can

Date of birth: August 20, 1979

Gender: Male

Citizen Identity Card No.: 080079018157, issued on November 22, 2021 by Police Department on Administrative Management of Social Order

Ethnicity: Kinh

Nationality: Vietnamese

Hometown: Tan Tru, Long An.

Permanent Address: 333 Hamlet 2, Binh Tam Commune, TPTA, Long An.

Educational Level: 12/12

Professional Qualification: Environmental Engineer

Current Position at the Company: Member of the Board of Directors, Deputy General Director.

Party Committee Member

Positions held in other organizations: None

Work Experience:

Time	Workplace	Position
October 2005 – April 2013	Long An Water Supply Company	Staff
May 2013 - September 2013	Long An Water Supply One Member Limited Liability Company	Deputy Head of Technical - Material Department
October 2013 - October 2022	Long An Water Supply Sewerage Joint Stock Company	Deputy Head of Technical - Material Department
November 2022 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors, Deputy General Director
2015 - Present	Long An Water Supply Sewerage Joint Stock Company	Party Committee Member of grassroots Party Organization

Number of shares held: 700 shares, accounting for 0.01% of charter capital.

+ Personal Ownership: 700 shares, accounting for 0,006% of charter capital

- Member of the Board of Directors

Full name: Truong Ngoc Thuy Trang

Date of Birth: November 14, 1990

Gender: Female

Citizen Identity Card No.: 079190003557 issued on October 12, 2022 by National Department of Citizen Identity Management

Ethnicity: Kinh

Nationality: Vietnamese

Permanent address: 25 Tran Trieu Luat, Ward 7, Tan Binh District, HCMC.

Educational Level: 12/12

Professional Qualification: Master's Degree, Environmental Engineer

Current Position at the Company: Member of the Board of Directors, General Director.

Positions held in other organizations: None

Work Experience:

Time	Workplace	Position
May-August 2016	Fraunhofer Institute for Energy Economics and Energy System Technology (IEE), Kassel, Germany	Intern
February 2017- December 2019	ENEA Consulting Pty Ltd, Melbourne, Australia	Consultant
March 2020 – July 2020	EPC Project Management Board, Power Construction Consulting Joint Stock Company No. 2	Deputy Head of Technical Department
July 2020 – April 2021	EPC Project Management Board, Power Construction Consulting Joint Stock Company No. 2	Head of Technical Department
May 2021 – August 2023	EPC Project Management Board, Power Construction Consulting Joint Stock Company No. 2	Deputy Director
June 28, 2021- August 2023	Hau Giang Biomass Energy Joint Stock Company	General Director – Legal Representative (concurrently)
September 2023 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors, concurrently Deputy General Director
April 25, 2024 -	Long An Water Supply Sewerage Joint	Member of the Board of

Present	Stock Company	Directors, concurrently General Director
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Number of shares held: 0 shares, accounting for 0% of charter capital.

+ Personal Ownership: 0 shares, accounting for 0% of charter capital

+ Ownership representation of Long An Provincial People's Committee: 2,684,000,000 shares, accounting for 22% of charter capital.

- Member of the Board of Directors

Full Name: Mai Song Hào

Date of birth: October 25, 1981

Gender: Male

Citizen Identity Card No.: 070081004589 issued on Agust 11,2022 by Police Department on Administrative Management of Social Order.

Ethnicity: Kinh

Nationality: Vietnamese

Hometown: Thanh Hóa

Permanent address: 67E/73 Binh Duong 4 Quarter, An Binh Ward, Di An City, Binh Duong Province.

Educational Level: 12/12

Professional Qualification:

+ Intermediate Level in Water Supply and Drainage;

+ Environmental Engineer.

Current Position at the Company: Member of the Board of Directors

Positions held in other organizations:

- Deputy General Director of Bình Dương Water - Environment Joint Stock Company

- Member of the Board of Directors of Can Tho 2 Water Supply Joint Stock Company

- Member of the Board of Directors of Gia Tan Water Supply Joint Stock Company

- Member of the Board of Directors of Thu Thua Urban Works Joint Stock Company

- Member of the Board of Directors of Quang Binh Water Supply Joint Stock Company

- Chairman of the Board of Directors of Biwase Quang Binh Joint Stock Company

- Member of the Supervisory Board of Can Tho Water Supply Sewerage Joint Stock Company

Work Experience:

Time	Workplace	Position
2004-2013	Head of Thuan An Branch - Thu Dau Mot Water Supply Branch - Binh Duong Water	Head of Business Department

	- Environment Joint Stock Company	
November 2013-May 2017	Lien Hop Industrial Zone Water Supply Branch - Binh Duong Water - Environment Joint Stock Company	Deputy Director
June 2017-May 2018	Thuan An Water Supply Branch - Binh Duong Water - Environment Joint Stock Company	Director
June 2018-March 2022	Di An Water Supply Branch - Binh Duong Water - Environment Joint Stock Company	Director
March 2022-February 2023	Binh Duong Water - Environment Joint Stock Company	Deputy General Director of the Company concurrently Director of Di An Water Supply Branch
February 2023 - Present	Binh Duong Water - Environment Joint Stock Company	Deputy General Director
April 26, 2023 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors

Number of shares held: 0 shares, accounting for 0% of charter capital.

+ Personal Ownership: 0 shares, accounting for 0% of charter capital.

- Member of the Board of Directors

Full name: Tran Tan Loi

Date of birth: January 1, 1978

Gender: Male

Citizen Identity Card No.: 080078003704 issued on April 26, 2021 by Police Department on Administrative Management of Social Order

Ethnicity: Kinh

Nationality: Vietnamese

Place of Birth: Tien Giang

Permanent Address: No. 06, Street No. 01, Residential Area, Ward 3, Tan An City, Long An Province

Educational Level: 12/12

Professional Qualifications:

+ Industrial Electrical Engineer;

+ Master of Water Supply and Drainage.

Current Position at the Company: Member of the Board of Directors,

Positions held in other organizations:

- Member of the Board of Directors - Deputy General Director of Biwase - Long An Water Infrastructure Investment Joint Stock Company

Work Experience:

Time	Workplace	Position
January 2001-December 2004	Long An Mechanical Joint Stock Company	Staff
December 2004-May 2019	Go Den Industrial Zone Enterprise, Long An Water Supply Sewerage Joint Stock Company	Director
May 2019-October 2021	DNP-Long An Water Infrastructure Investment Joint Stock Company	Superintendent
October 2021-February 2023	DNP-Long An Water Infrastructure Investment Joint Stock Company	Director
February 2023 - Present	Biwase - Long An Water Infrastructure Investment Joint Stock Company	Deputy General Director
April 26, 2023 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Board of Directors

Number of shares held: 0 shares, accounting for 0% of charter capital

+ Personal ownership: 0 shares, accounting for 0% of charter capital

b. Sub-committees of the Board of Directors: None

c. Activities of the Board of Directors:

No.	Resolution/Decision No.	Date	Content	Approval Rate
01	07/NQCN-HĐQT	21/01/2025	Resolution on the approval of the appointment of Ms. Truong Thi Le Khanh as the concurrent Secretary of the BOD and Person in Charge of Corporate Governance of the Company.	5/5
02	08/NQCN-HĐQT	14/3/2025	Approval of the production and business results, profit and profit distribution for 2024; approval of the production and business plan and basic construction investment plan for 2025; and approval of the schedule for organizing the 2025	5/5

			Annual General Meeting of Shareholders.	
03	10/NQCN-HĐQT	29/4/2025	Approval of the plan for restructuring and consolidating certain subordinate departments.	5/5
04	14/NQCN-HĐQT	27/6/2025	Approval of the selection of the audit firm for reviewing the Company's mid-year 2025 financial statements and auditing the 2025 annual financial statements of Long An Water Supply and Drainage Joint Stock Company, namely VACO Auditing Company Limited.	5/5
05	17/NQCN-HĐQT	12/9/2025	<p>Approval of the following matters:</p> <ul style="list-style-type: none"> - Production and business results and basic construction investment for the first six months of the year, and the implementation plan for the last six months of 2025; - Approval of the proposal to purchase two vehicles for the Company's operations; - Authorization of the Chairman of the BOD/Legal Representative to: <ul style="list-style-type: none"> +Assign duties to the Executive Board; +Reallocate surplus capital arising from lawful contractor selection in accordance with regulations to invest in urgent projects serving production and business activities, as well as projects related to monitoring exploitation control, and environmental protection in compliance with applicable regulations. 	5/5
06	18/NQCN-HĐQT	28/11/2025	Approval of the acceptance of the water supply network system and customers of Hoang Long Trading and Construction One Member Company Limited in Long Cang and My Le communes, Tay Ninh Province, and the acquisition of assets including the HDPE D160 pipeline (L = 1,150 m) along Provincial Road 833B (DT8) invested by Hoang Long Company.	5/5

d. Activities of the Non-Executive Independent Member of the Board of Directors:

- To properly perform the duties, powers, and responsibilities within the assigned scope; to work with a high sense of responsibility and set an exemplary role in leadership and management within the assigned areas.

e. Activities of sub-committees within the Board of Directors: None

f. List of Board members with corporate governance training certificates:

In 2025: A member of the Board of Directors concurrently serving as General Director participated in a Corporate Governance training course organized by the Institute for Human Resources and Business Development (HUREDIN).

2. Supervisory Board:

a. Members and structure of the Supervisory Board:

No.	Full Name	Position	Note
1	Mr. Cao Duy Thanh	Head of Supervisory Board	
2	Mrs. Truong Thi Le Khanh	Member of Supervisory Board	
3	Mr. Nguyen Dinh Tuan	Member of Supervisory Board	

Curriculum Vitae of Supervisory Board Members

- Head of the Supervisory Board

- Full name: Cao Duy Thanh
- Gender: Male
- Date of Birth: September 14, 1984
- Place of Birth: Tu Du Hospital – Ho Chi Minh City
- Citizen Identity Card No.: 080084018275 issued on August 15, 2022 by Department of Social Order Management - Police Department
- Nationality: Vietnamese
- Ethnicity: Kinh
- Permanent Address: 92/1D Nguyen Cuu Van Street, Long An Ward, Tay Ninh Province.
- Phone Number: 0908128028
- Permanent Address: duythanh999@gmail.com
- Educational Level: 12/12
- Professional Qualifications: Bachelor of Law, Bachelor of Business Administration, Bachelor of Information Technology.

- Current Position at the company: Head of Supervisory Board
- Positions held in other organizations: None
- Share ownership percentage of related persons: None

Work Experience:

Time	Work place	Position
2007 – 2008	EMSVN-TPHCM Co., Ltd.	Employee
2008 – August 2010	TRACODI (Industrial and Transport Development Investment Joint Stock Company)	Employee
September 2010 – March, 2018	Long An Water Supply Sewerage Joint Stock Company	Employee
April 2018 – June, 2019	Long An Water Supply Sewerage Joint Stock Company	Deputy Head of Organization and Administration Department
July 2019 – October, 2023	Long An Water Supply Sewerage Joint Stock Company	Head of Organization and Administration Department
November 2023 – Present	Long An Water Supply Sewerage Joint Stock Company	Head of Supervisory Board and Head of Technical and Administration Department

- Number of shares held: 5100 shares, accounting for 0.04% of charter capital
- Share ownership percentage of related persons: None
- **Member of the Supervisory Board**
 - Full name: Truong Thi Le Khanh
 - Date of birth: October 19, 1974.
 - Gender: Female.
 - Citizen Identity Card No.: 024174002819 issued on April 26, 2021 by Department on Administrative Management of Social Order
 - Ethnicity: Kinh
 - Nationality: Vietnamese
 - Place of Birth: Bac Ninh
 - Permanent Address: 32B Le Thi Dien Street, Long An Ward, Tay Ninh Province
 - Contact Phone Number: 0272.3825.114

- Educational Level: 12/12
- Professional Qualifications: Bachelor of Accounting
- Current Position at the company: Member of the Supervisory Board
- Current positions held in other organizations: none
- Number of shares held: 1,800 shares
- Shareholding ratio of related parties: none

Work Experience:

Time	Workplace	Position
2007 - 2013	Long An Water Supply One Member Limited Liability Company	Employee
2013-2018	Long An Water Supply Sewerage Joint Stock Company	Employee
2018 - Present	Long An Water Supply Sewerage Joint Stock Company	Member of the Supervisory Board

- Member of the Supervisory Board

- Full name: Nguyen Dinh Tuan
- Date of birth: December 18, 1980.
- Gender: Male
- Citizen Identity Card No.: 038080026864 issued on August 12, 2021 by Police Department on Administrative Management of Social Order
- Ethnicity: Kinh
- Nationality: Vietnamese
- Hometown: Thanh Hoa
- Permanent address: 46/6, Quarter 3, Phu Loi Ward, Thu Dau Mot City, Binh Duong Province

- Educational level: 12/12
- Professional qualification: Bachelor of Water Supply and Drainage
- Current position at the company: Member of the Supervisory Board

- Current positions held in other organizations: Deputy General Director of DNP-Long An Water Infrastructure Investment Joint Stock Company
- Number of shares held: 0 shares.

Shareholding ratio of related parties: none

Work Experience:

Time	Workplace	Position
January 2001	Thu Dau Mot Water Supply Branch - Binh	Deputy Head of Business

- March 2021	Duong Water - Environment Joint Stock Company	Department - Anti-loss City
March 2021 - February 2023	Bau Bang Water Supply Branch - Binh Duong Water - Environment Joint Stock Company	Deputy Branch Director
February 2023 - Present	Biwase - Long An Water Joint Stock Company	Deputy General Director

b. Activities of the Supervisory Board:

- The Head of the Supervisory Board regularly supervises all activities of the Board of Directors and the Executive Board, including oversight of compliance with the Company's Charter and Corporate Governance Regulations; supervision of the preparation of the 2025 Annual General Meeting of Shareholders; monitoring the implementation of resolutions of the 2025 Annual General Meeting of Shareholders and resolutions issued by the Board of Directors; and overseeing the Company's information disclosure in accordance with applicable regulations.

- Supervising the recording and maintenance of accounting books and supporting documents; reviewing financial indicators in the published financial statements.

- Reviewing relevant files and records related to the Company's operations within the authority of the Supervisory Board and the Head of the Supervisory Board; monitoring the implementation of the Executive Board's production and business plans for 2025

- Participating in meetings of the Board of Directors, management meetings, and meetings convened to implement key tasks and important matters

3. Transactions, remuneration, and benefits of the Board of Directors, Executive Board, and Supervisory Board.

a. Salaries, bonuses, remuneration, and benefits of the Board of Directors and Supervisory Board members:

Unit: VND

No.	Full name	Position at the Company	Total salary, bonus, and remuneration in 2025	Note
01	Mr. Nguyen Bao Tung	Chairman of the Board of Directors	1,024,678,879	Executive
02	Mrs. Truong Ngoc Thuy Trang	Member of the Board of Directors – General Director	875,701,970	Executive
03	Mr. Luu Van Can	Member of the Board of Directors – Deputy General Director	836,794,053	Executive

04	Mr. Mai Song Hao	Member of the Board of Directors	36,000,000	Non-executive
05	Mr. Tran Tan Loi	Member of the Board of Directors	36,000,000	Non-executive
06	Mr. Cao Duy Thanh	Head of the Supervisory Board	800,894,053	
07	Mr. Nguyen Dinh Tuan	Member of the Supervisory Board	24,000,000	
08	Mr. Truong Thi Le Khanh	Member of the Supervisory Board	322,422,608	

- b. Share transactions of internal shareholders: (none)
- c. Transaction contracts with internal shareholders: (none)
- d. Compliance with corporate governance regulations: In compliance with legal regulations on corporate governance

Plan to enhance efficiency in corporate governance activities: The Board of Directors and the company's Executive Board recognize the importance of corporate governance and are gradually applying good governance practices in future corporate governance activities. In the short term, the company will focus on enhancing the governance capacity of management staff by sending them to corporate governance training courses organized by the State Securities Commission's Training Center.

VI. Financial Report

1. Audit opinion:

The accompanying financial statements present fairly and reasonably, in all material respects, the financial position of the Company as at December 31, 2025, as well as its results of operations and cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations governing the preparation and presentation of financial statements.

2. Audited Financial Statements: (Attached File)

CONFIRMATION OF THE COMPANY'S LEGAL REPRESENTATIVE



Nguyễn Bảo Tùng

LONG AN WATER SUPPLY SEWERAGE JOINT STOCK COMPANY

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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**STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT
AND THE BOARD OF GENERAL DIRECTORS**

The Chairman of the Board of Management and the Board of General Directors of Long An Water Supply Sewerage Joint Stock Company (the "Company") presents this report together with the Company's audited financial statements for the year ended 31 December 2025.

THE BOARD OF MANAGEMENT AND THE BOARD OF GENERAL DIRECTORS

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

Board of Management

Mr. Nguyen Bao Tung	Chairman
Ms. Truong Ngoc Thuy Trang	Member
Mr. Mai Song Hao	Member
Mr. Tran Tan Loi	Member
Mr. Luu Van Can	Member

Board of General Directors

Ms. Truong Ngoc Thuy Trang	General Director
Mr. Luu Van Can	Deputy General Director

Board of Supervisors

Mr. Cao Duy Thanh	Head of Board of Supervisors
Ms. Truong Thi Le Khanh	Member
Mr. Nguyen Dinh Tuan	Member

Legal representative

The legal representative of the Company during the year and to the date of this report is Mr. Nguyen Bao Tung - Chairman of the Board of Management.

**CHAIRMAN OF THE BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS'
STATEMENT OF RESPONSIBILITY**

The Chairman of the Board of Management and the Board of General Directors of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Chairman of the Board of Management and the Board of General Directors is 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 the financial statements so as to minimize errors and frauds.

The Chairman of the Board of Management and the Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Chairman of the Board of Management and the Board of General Directors is 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 of the Board of Management and the Board of General Directors confirms that the Company has complied with the above requirements in preparing these financial statements.

LONG AN WATER SUPPLY SEWERAGE JOINT STOCK COMPANY
250 Hung Vuong, Long An Ward, Tay Ninh Province

**STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT
AND THE BOARD OF GENERAL DIRECTORS (CONTINUED)**

CHAIRMAN OF THE BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (CONTINUED)

In the Chairman of the Board of Management and the Board of General Directors' opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

For and on behalf of the Chairman of the Board of Management and the Board of General Directors



Nguyen Bao Tung
Chairman of the Board of Management
Tay Ninh, 29 January 2026

NO.: 004/VACO/BCKT.HCM

INDEPENDENT AUDITORS' REPORT

To: The shareholders
The Board of Management and the Board of General Directors
Long An Water Supply Sewerage Joint Stock Company

We have audited the accompanying financial statements of Long An Water Supply Sewerage Joint Stock Company (the "Company"), prepared on 29 January 2026 as set out from page 04 to page 29, which comprise the balance sheet as at 31 December 2025, the income statement, the cash flow statement for the year then ended and the notes to the financial statements (the "financial statements").

Chairman of the Board of Management and Board of General Directors' Responsibility

The Chairman of the Board of Management and the Board of General Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Chairman of the Board of Management and the Board of General Directors determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Auditors' Opinion

In our opinion, the accompanying financial statements give a true and fair view of, in all material respects, the financial position of Company as at 31 December 2025, its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



Nguyen Ngoc Thach

Deputy General Director

Audit Practising Registration Certificate

No.: 1822-2023-156-1

For and on behalf

HO CHI MINH CITY BRANCH

VACO AUDITING COMPANY LIMITED

Ho Chi Minh, 29 January 2026

VACO Hanoi

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Le Binh Phuong
Auditor
Audit Practising Registration Certificate :
No.: 5914-2023-156-1

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BALANCE SHEET
As at 31 December 2015

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A - CURRENT ASSETS	100		64,625,217,430	37,819,942,430
I. Cash and cash equivalents	110	4	19,946,984,886	5,409,452,221
1. Cash	111		19,946,984,886	5,055,494,883
2. Cash equivalents	112		-	353,957,338
II. Short-term financial investments	120		-	888,123,138
1. Held-to-maturity investments	123		-	888,123,138
III. Short-term receivables	130		19,330,434,906	13,088,413,825
1. Short-term trade receivables	131	5	14,999,395,254	10,557,167,157
2. Short-term advances to suppliers	132	6	2,658,607,907	1,442,231,823
3. Other short-term receivables	136	7	1,730,898,568	1,147,481,668
4. Provision for short-term doubtful debts	137		(58,466,823)	(58,466,823)
IV. Inventories	140		19,543,411,392	15,701,773,864
1. Inventories	141	8	25,162,757,194	18,743,360,249
2. Provision for devaluation of inventories	149	8	(5,619,345,802)	(3,041,586,385)
V. Other short-term assets	150		5,804,386,246	2,732,179,382
1. Value added tax deductibles	152		5,804,386,246	2,725,651,382
2. Taxes and other receivables from the State budget	153	9	-	6,528,000
B - NON-CURRENT ASSETS	200		346,764,803,198	304,458,703,643
I. Fixed assets	220		316,072,596,456	303,154,386,760
1. Tangible fixed assets	221	10	313,793,905,391	300,842,695,738
- Cost	222		746,190,859,253	698,756,302,592
- Accumulated depreciation	223		(432,396,953,862)	(397,913,606,834)
2. Intangible fixed assets	227	11	2,278,691,065	2,311,691,022
- Cost	228		2,896,286,455	2,896,286,455
- Accumulated amortisation	229		(617,595,390)	(384,595,433)
II. Long-term assets in progress	240		16,608,773,395	330,784,389
1. Long-term construction in progress	242	12	16,608,773,395	330,784,389
III. Other long-term assets	260		14,083,433,347	973,532,494
1. Long-term prepayments	261	13	14,083,433,347	973,532,494
TOTAL ASSETS (270 = 100 + 200)	270		411,390,020,628	342,278,646,073

BALANCE SHEET (CONTINUED)
As at 31 December 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C - LIABILITIES	300		204,348,467,519	155,240,189,562
I. Current liabilities	310		130,422,618,701	84,231,141,494
1. Short-term trade payables	311	14	81,814,199,511	46,042,243,461
2. Short-term advances from customers	312		1,716,280,100	880,589,566
3. Taxes and amounts payable to the State budget	313	9	1,482,677,446	1,911,364,458
4. Payables to employees	314		7,663,066,107	4,562,979,903
5. Short-term accrued expenses	315		-	829,356,000
6. Other current payables	319	15	18,933,905,032	13,662,571,551
7. Short-term loans and obligations under finance leases	320	16	14,175,000,000	13,329,000,000
8. Bonus and welfare funds	322		4,637,490,505	3,013,036,555
II. Long-term liabilities	330		73,925,848,818	71,009,048,068
1. Other long-term payables	337	15	11,256,344,980	12,300,544,230
2. Long-term loans and obligations under finance leases	338	16	62,669,503,838	58,708,503,838
D - EQUITY	400		207,041,553,109	187,038,456,511
I. Owner's equity	410	17	207,041,553,109	187,038,456,511
1. Owner's contributed capital	411		122,000,000,000	122,000,000,000
- Ordinary shares carrying voting rights	411a		122,000,000,000	122,000,000,000
2. Investment and development fund	418		85,041,553,109	65,038,456,511
TOTAL RESOURCES (440 = 300 + 400)	440		411,390,020,628	342,278,646,073

Nguyen Bao Tung
 Chairman of the Board of Management
 Tay Ninh, 29 January 2026

Nguyen Quoc Phong
 Chief Accountant

Trinh Huynh Thuy Tien
 Preparer









INCOME STATEMENT
For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		358,177,884,663	325,379,262,414
2. Net revenue from goods sold and services rendered (10 = 01)	10	19	358,177,884,663	325,379,262,414
3. Cost of sales	11	20	246,886,944,171	242,654,419,744
4. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		111,290,940,492	82,724,842,670
5. Financial income	21		69,139,104	40,605,636
6. Financial expenses - by which: <i>Interest expense</i>	22	22	3,708,086,041	3,855,705,032
7. Selling expenses	23	23	50,802,236,869	33,757,367,144
8. General and administration expenses	26	23	23,637,226,996	21,921,582,568
9. Operating profit (30 = 20 + (21 - 22) - (25 + 26))	30		33,212,529,690	23,230,793,562
10. Other income	31		869,048,943	1,112,953,193
11. Other expenses	32		858,431,225	1,075,660,979
12. Profit from other activities (40 = 31 - 32)	40		10,617,718	37,292,214
13. Accounting profit before tax (50 = 30 + 40)	50		33,223,147,408	23,268,085,776
14. Current corporate income tax expense	51	24	3,386,161,080	3,013,394,897
15. Net profit after corporate income tax (60 = 50 - 51)	60		29,836,986,328	20,254,690,879
16. Basic earnings per share	70	25	2,080	1,413



Nguyen Bao Tung
 Chairman of the Board of Management
 Tay Ninh, 29 January 2026

Nguyen Quoc Phong
 Chief Accountant

Trinh Huynh Thuy Tien
 Preparer

CASH FLOW STATEMENT
(Indirect method)
 For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Current year	Prior year
I. Cash flows from operating activities			
1. Profit before tax	01	33,223,147,408	23,268,085,776
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	34,516,346,965	35,418,027,306
- Provisions	03	2,577,759,417	(2,643,383,176)
- (Gain)loss from investing activities	05	(69,139,104)	(29,628,143)
- Interest expense	06	3,708,086,041	3,855,705,032
3. Operating profit before movements in working capital	08	73,956,200,727	59,868,806,795
- Increase, decrease in receivables	09	(9,314,227,945)	(849,644,580)
- Increase, decrease in inventories	10	(6,419,396,945)	583,942,541
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	39,410,475,207	(3,317,821,276)
- Increase, decrease in prepaid expenses	12	(13,109,900,853)	780,981,023
- Interest paid	13	(4,119,086,041)	(3,939,500,495)
- Corporate income tax paid	14	(4,064,194,422)	(4,239,361,261)
- Other cash outflows	16	(2,836,694,000)	(1,923,282,837)
<i>Net cash generated by/(used in) operating activities</i>	20	73,503,175,728	46,964,117,910
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(64,729,905,305)	(49,038,994,389)
2. Cash outflow for lending, buying debt instruments of other entities	23	-	(772,030,832)
3. Cash recovered from lending	33	888,123,138	-
4. Interest earned, dividends and profits received	27	69,139,104	29,628,143
<i>Net cash generated by/(used in) investing activities</i>	30	(63,772,643,063)	(49,781,397,078)
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	17,806,000,000	16,549,000,000
2. Repayment of borrowings	34	(13,059,000,000)	(12,781,000,000)
<i>Net cash generated by/(used in) financing activities</i>	40	4,807,000,000	3,768,000,000
Net increase/(decrease) in cash (50 - 20 + 30 + 40)	50	14,537,532,665	950,720,832
Cash and cash equivalents at the beginning of the year	60	5,409,452,221	4,458,731,389
Cash and cash equivalents at the end of the year (70 - 50 + 60)	70	<u>19,946,984,886</u>	<u>5,409,452,221</u>

Nguyen Bao Tung
 Chairman of the Board of Management
 Tay Ninh, 29 January 2026

Nguyen Quoc Phong
 Chief Accountant

Trinh Huynh Thuy Tien
 Preparer

NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

1. GENERAL INFORMATION

Structure of ownership

Long An Water Supply Sewerage Joint Stock Company is an enterprise that was equitized from a state-owned enterprise - Long An Water Supply One Member Limited Liability Company under Decision No. 1429/QĐ-UBND dated 24 April 2013 issued by the People's Committee of Long An Province (now under Tay Ninh Province). The Company operates under the first Business Registration Certificate No. 1100101500 dated 12 July 2007 issued by the Department of Planning and Investment of Long An Province (now under Tay Ninh Province), and the 7th amended certificate dated 25 September 2023.

The Company's charter capital is VND 122,000,000,000

The number of employees as at 31 December 2025 was 147 (as at 01 January 2025: 143).

Operating industry and principal activities

- Testing the physical, chemical, and microbiological indicators of water;
- Consulting, designing, and preparing cost estimates for the installation of water supply and drainage pipeline systems;
- Bottled drinking water business;
- Exploitation and supply of clean water (in Tan An city and some industrial zones in the province); production of bottled drinking water;
- Trading in water supply materials and equipment;
- Calibration, verification, and testing of measuring instruments (cold water meters);
- Management and installation of water supply and drainage pipeline systems; construction of water supply and drainage systems;
- Electricity sales to the power sector (excluding national power system transmission, dispatch, and distribution management, multi-purpose hydropower, and nuclear power);
- Well drilling services;
- Collection of non-hazardous waste;
- Treatment and disposal of non-hazardous waste.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

Accounting convention

The Company applied Vietnamese accounting standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99") providing guidance on the corporate accounting regime. This Circular will become effective from 1 January 2026 and will apply to financial years beginning on or after 1 January 2026. Circular 99 replaces Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance providing guidance on the corporate accounting regime, Circular No. 75/2015/TT-BTC dated 18 May 2015 amending and supplementing Article 128 of Circular No. 200/2014/TT-BTC dated 22 December 2014, and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance. The Company's Board of General Directors is currently assessing the potential impact of the adoption of Circular 99 on the Company's future financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME (CONTINUED)

Declaration of compliance with accounting standard and accounting regime

The Chairman of the Board of Management and the Board of General Director ensure to comply with the requirements of Vietnamese accounting standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparation of financial statements.

The accompanying 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.

Statement on comparability of information in financial statements

The corresponding figures of prior year are comparable with the figures of current year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared on a time basis (except for information relating to cash flows).

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

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

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Chairman of the Board of Management and the Board of General Directors 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 financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Chairman of the Board of Management and the Board of General Directors' best knowledge, actual results may differ from those estimates.

Evaluation and recognition at fair value

According to the Law on Accounting came into effect from 01 January 2017, which included regulations on evaluation and recognition at fair value. However, there is no specific instruction for this matter, therefore, the Chairman of the Board of Management and the Board of General Directors has considered and applied as follows:

- Financial instruments are recognized and revaluated at fair value based on historical cost less provisions (if any) in accordance with current regulations.*
- For assets and liabilities (except items a as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, and financial investments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses, and borrowings.

Subsequent measurement after initial recognition

Currently, Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance ("Circular 210") as well as current regulations do not have specific guidance on determining the fair value of financial assets and financial liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and term deposits with maturities not exceeding 03 months.

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, loans held to maturity to earn periodic interest and other held-to-maturity investments.

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 accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

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.

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 receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs comprise cost of purchases and other directly attributable expenses, direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method and account for inventory in perpetual 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.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realizable values as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. 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.

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

	Years of depreciation
Buildings and structures	05 - 50
Machinery and equipment	05 - 15
Motor vehicles	04 - 45
Office equipment	05 - 10

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 income statement.

Intangible fixed assets and amortisation

Land use rights

Long-term land use rights (indefinite term) are initially stated at purchase price.

Computer software

Computer software is initially stated at purchase price and is amortised using the straight-line method over its estimated useful lives.

Other intangible fixed assets

Other intangible fixed assets are initially stated at purchase price and amortised using the straight-line method over their estimated useful lives.

Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost. The cost includes any costs that are necessary to form the asset including construction cost, equipment cost, other directly attributable costs in accordance with the Company's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. The Company's prepayments are one-time repair costs of assets having large value that are allocated to expenses using the straight-line method over 03 years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payables and accrued expenses

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses, and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the company, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Equity

Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

The Company's profit distribution is carried out in accordance with the Resolution of the General Meeting of Shareholders and the provisions of the Company's financial management regulations.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of amounts received or receivable after deducting trade discounts, sales returns and allowances. The following specific recognition criteria must also be met when revenue is recognized:

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 or effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (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.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. 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;
- (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.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 year. 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 recognised 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 balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. 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.

According to Official Letter No. 759/CT-TTH dated 14 April 2016 issued by the Long An Provincial Tax Department, the Company's water supply and drainage activities meet the conditions for incentives under the socialization development policy. Accordingly, income derived from the Company's socialization activities is entitled to preferential corporate income tax ("CIT") in accordance with Circular No. 123/2012/TT-BTC. The Company is entitled to a preferential CIT rate of 10% for its socialization activities for the entire operating period, and this preferential tax rate has been applied by the Company since 1 January 2016. Income derived from the Company's other activities is subject to the standard corporate income tax rate of 20%.

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.

Related parties

Parties are considered to be related parties when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.

List of related parties:

Related parties	Relationships
Long An Provincial People's Committee	Major shareholder
Binh Duong Water - Environment Corporation - Joint Stock Company	Major shareholder
Biwase - Long An Water Joint Stock Company	Subsidiary of Binh Duong Water - Environment Corporation - Joint Stock Company
Board of Management, Board of General Directors, Board of Supervisors and Chief Accountant	Key management
Individuals who have close relationships with key management	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	363,199,846	254,684,401
Bank demand deposits	19,583,785,040	4,800,810,482
Cash equivalents	-	353,957,338
Total	19,946,984,886	5,409,452,221

5. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
<i>a) Trade receivables from related party</i>	-	6,588,000
Biwase - Long An Water Joint Stock Company	-	6,588,000
<i>b) Trade receivables from others</i>	<i>14,999,395,254</i>	<i>10,550,579,157</i>
Water Supply Customer	12,442,007,605	8,508,685,231
Southwest An Hoa Construction Verification Joint Stock Company Branch	737,108,887	1,484,869,618
Others	1,820,278,762	557,024,308
Total	14,999,395,254	10,557,167,157

6. ADVANCES TO SUPPLIERS

	Closing balance	Opening balance
	VND	VND
Nam Bo Environment And Construction Consulting Joint Stock Company	993,639,583	-
Nhan Viet Engineering & Construction Co., Ltd	1,188,830,700	1,188,830,700
Others	476,137,624	253,401,123
Total	2,658,607,907	1,442,231,823

7. OTHER RECEIVABLES

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Advances	847,620,000	-	769,259,000	-
Receivable from environmental protection fees	284,353,463	-	230,870,217	-
Receivables from employees' personal income tax	597,643,158	-	145,855,465	-
Other receivables	1,281,947	-	1,496,986	-
Total	1,730,898,568	-	1,147,481,668	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

8. INVENTORIES

	Closing balance		Opening balance	
	Cost VND	Provision (i) VND	Cost VND	Provision VND
Raw materials	24,359,837,324	(5,619,345,802)	17,940,440,379	(3,041,586,385)
Work in progress	802,919,870	-	802,919,870	-
Total	25,162,757,194	(5,619,345,802)	18,743,360,249	(3,041,586,385)

Movement in provision for devaluation of inventories during the year:

	Closing balance		Opening balance	
	VND	VND	VND	VND
Opening balance		3,041,586,385		5,684,969,561
Additional provision		3,701,675,810		-
Provision reversal		(1,123,916,393)		(772,135,950)
Inventory treatment		-		(1,871,247,226)
Closing balance		5,619,345,802		3,041,586,385

During the year:

+ The Company made the provision for devaluation of inventories with an amount of VND 3,701,675,810 (prior year: VND 0). The provision for inventory was made due to slow-moving raw materials, which resulted in a deterioration in quality.

+ The Company reversed the provision for devaluation of inventories with an amount of VND 1,123,916,393 (prior year: VND 2,643,383,176) due to the use and disposal of the provisioned inventory.

9. TAX AND OTHERS RECEIVABLE/ PAYABLE TO THE STATE BUDGET

	Opening balance	Receivable during the year	Received during the year	Closing balance
	VND	VND	VND	VND
a) Receivables				
Value added tax	6,528,000	938,877,759	932,349,759	-
Total	6,528,000	938,877,759	932,349,759	-
 b) Payables	 VND	 VND	 VND	 VND
Corporate income tax	1,506,607,544	3,386,161,080	4,064,194,422	828,574,202
Personal income tax	366,464,231	2,143,169,513	1,993,747,120	515,886,624
Resource tax	38,292,683	2,501,384,710	2,401,460,773	138,216,620
Other taxes	-	402,696,495	402,696,495	-
Total	1,911,364,458	8,433,411,798	8,862,098,810	1,482,677,446

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

10. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Motor vehicles	Office equipment	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	214,133,701,101	36,776,734,876	443,794,524,943	4,051,341,672	698,756,302,592
- Additional	-	125,000,000	688,559,963	-	813,559,963
- Completed construction investment	4,091,212,877	-	42,529,783,821	-	46,620,996,698
Closing balance	218,224,913,978	36,901,734,876	487,012,868,727	4,051,341,672	746,190,859,253
ACCUMULATED DEPRECIATION					
Opening balance	182,328,028,185	34,173,417,043	177,987,747,285	3,424,414,341	397,913,606,854
- Charge for the year	9,368,533,240	490,878,505	24,231,103,504	392,831,759	34,483,347,008
Closing balance	191,696,561,425	34,664,295,548	202,218,850,789	3,817,246,100	432,396,953,862
NET BOOK VALUE					
Opening balance	31,805,672,916	2,603,317,833	265,806,777,658	626,927,331	300,842,695,738
Closing balance	26,528,357,553	2,237,439,328	284,794,017,938	234,095,572	313,793,905,391

The cost of the tangible fixed assets includes VND 139,300,281,564 (01 January 2025; VND 125,876,742,937) of assets which have been fully depreciated but are still in use as at 31 December 2025.

Some fixed assets including buildings, structures, machinery, equipment, and motor vehicles have been used as collateral for loans (see Note 16) with the cost of VND 178,863,686,256 as at 31 December 2025 (01 January 2025; VND 135,521,171,999).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

11. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Other intangible fixed assets	Total
	VND	VND	VND	VND
COST				
Opening balance	1,477,835,000	1,379,651,455	38,800,000	2,896,286,455
Closing balance	1,477,835,000	1,379,651,455	38,800,000	2,896,286,455
ACCUMULATED AMORTISATION				
Opening balance	-	545,795,433	38,800,000	584,595,433
- Charge for the year	-	32,999,957	-	32,999,957
Closing balance	-	578,795,390	38,800,000	617,595,390
NET BOOK VALUE				
Opening balance	1,477,835,000	833,856,022	-	2,311,691,022
Closing balance	1,477,835,000	800,856,065	-	2,278,691,065

Intangible fixed assets include the value of long-term land-use rights (indefinite term); therefore, the Company does not amortise these fixed assets annually.

The cost of the fixed assets includes VND 483,906,000 (01 January 2025; VND 483,906,000) of assets which have been fully amortised but are still in use as at 31 December 2025.

12. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Long-term construction in progress		
Project: Provincial Road 826 (Cau Trum Industrial Park - Ben Luc - Long Thanh Expressway)	3,730,561,502	-
Project: Construction and installation of the water backwash recovery and treatment system at Tan An Industrial Factory	9,829,426,411	-
Project: Construction and installation of pressure reducing valves for leakage inspection	1,613,485,000	-
Project: Embankment works for landslide prevention at Bao Dinh Reservoir	-	265,296,000
Project: Installation of D63 pipeline at N.H. Trung Roundabout, Nha Dai Hamlet, Hamlet 5, Provincial Road 833	-	65,488,389
Other projects	1,435,300,482	-
Total	16,608,773,395	330,784,389

Movement in construction in progress during the year:

Opening balance	330,784,389
Additions during the year	73,648,288,950
Transferred to fixed assets during the year	(46,620,996,698)
Transferred to long-term prepayments	(10,502,043,553)
Transferred to expenses during the year	(247,259,693)
Closing balance	16,608,773,395

13. LONG-TERM PREPAYMENTS

It is the cost of repairing the property.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

14. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Value	Amount able to be paid off	Value	Amount able to be paid off
	VND	VND	VND	VND
a) Payables to related party	36,127,816,344	36,127,816,344	19,598,050,101	19,598,050,101
Biwase - Long An Water Joint Stock Company	36,127,816,344	36,127,816,344	19,598,050,101	19,598,050,101
b) Payables to others	45,686,383,167	45,686,383,167	26,444,193,360	26,444,193,360
N.T.P Trading Company Limited	16,974,127,800	16,974,127,800	6,102,905,820	6,102,905,820
Khanh Loc Electrical Construction Trading Co., Ltd	-	-	4,699,495,200	4,699,495,200
Others	28,712,255,367	28,712,255,367	15,641,792,340	15,641,792,340
Total	81,814,199,511	81,814,199,511	46,042,243,461	46,042,243,461

15. OTHER PAYABLES

	Closing balance		Opening balance	
	VND	VND	VND	VND
a) Short-term				
Social insurance			-	8,954,008
Dividends paid to shareholders		16,357,542,481	11,080,800,701	
Deposits		960,000,000	1,002,673,000	
Environmental protection fees		766,362,551	720,143,842	
Payable to Long An Provincial People's Committee (Represented by Long An Provincial Department of Finance) - Related party - fixed asset handover fee (i)		850,000,000	850,000,000	
b) Long-term		11,256,344,980	12,300,544,230	
Payable to Long An Provincial People's Committee (Represented by Long An Provincial Department of Finance) - Related party - fixed asset handover fee (i)		10,454,262,000	11,304,262,000	
Others		802,082,980	996,282,230	
Total		30,190,250,012	25,963,115,781	

(i) This is the value of the fixed asset: "Water supply pipeline in Binh Duc - Thanh Hoa - Thanh Loi Commune, Ben Luc District, Long An Province" according to Official Letter No. 1599/QD-UBND, with a payable value over 20 years of VND 12,154,262,000. The repayment schedule starts from the 6th to the 19th year with an annual payment of VND 850,000,000, and the 20th year requires a payment of VND 254,262,000.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

16 LOANS

	Closing balance		During the year			Opening balance	
	Value	Amount able to be paid off	Decrease ,		Increase	Value	Amount able to be paid off
			VND	VND			
	14,175,000,000	14,175,000,000	13,059,000,000	13,905,000,000	13,329,000,000	13,329,000,000	VND
a) <i>Short-term loans</i>							
Long-term loan due to date							
Vietnam Development Bank (i)	6,430,000,000	6,430,000,000	6,430,000,000	6,430,000,000	6,430,000,000	6,430,000,000	6,430,000,000
Long An Provincial Investment and Development Fund (ii)	7,745,000,000	7,745,000,000	6,679,000,000	7,475,000,000	6,899,000,000	6,899,000,000	6,899,000,000
b) <i>Long-term loans</i>							
Vietnam Development Bank (i)	62,669,503,838	62,669,503,838	13,905,000,000	17,866,000,000	58,708,503,838	58,708,503,838	
Long An Provincial Investment and Development Fund (ii)	12,888,076,838	12,888,076,838	6,430,000,000	-	19,318,076,838	19,318,076,838	
Total	49,781,427,000	49,781,427,000	7,475,000,000	17,866,000,000	39,390,427,000	39,390,427,000	
	76,844,503,838	76,844,503,838	26,964,000,000	31,771,000,000	72,037,503,838	72,037,503,838	

(i) Loan from the Vietnam Development Bank under Loan contract No. 01/TDNN 2004 dated 22 March 2004 for the purpose of investing in the Tan An Town Groundwater Plant Project. The loan has a term of 25 years with an annual interest rate of 4.8%. This is an ODA (Official Development Assistance) credit loan from Denmark. The loan is secured by collateral, including assets formed after investment and other assets associated with the post-investment assets.

(ii) Loan from the Investment and Development Fund:

- Purpose of the loan: To invest in the project of relocating and upgrading the clean water supply pipeline from D200 to D400 along Provincial Road 818, from Long Hau Industrial Park - Hoa Binh to the MT-LAND residential area. The loan term is 10 years with an annual interest rate of 8.2%. The loan is secured by the following assets:
 - + *Exploitation rights and the total value of future assets formed after the project investment: Relocation and upgrading of the clean water supply pipeline from D200 to D400 along Provincial Road 818, from Long Hau Industrial Park - Hoa Binh to the MT-LAND residential area.*
 - + *Exploitation rights and the total value of related assets of the clean water supply pipeline D160 - D225 along Huong Lo 25 Road (from Tan Tru to Ban Cao Road).*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

16. LOANS (CONTINUED)

(ii) Loan from the Investment and Development Fund (Continued):

- Purpose of the loan: To invest in the construction of the HDPE water supply pipeline along Provincial Roads 833C and 833. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the D110 water supply pipeline for the three communes of Binh Duc, Thanh Hoa, and Thanh Loi.*

+ *Exploitation rights and the total value of related assets of the project to renovate the clean water supply network in Tan Tru Town and adjacent areas of Tan Tru District.*

+ *Exploitation rights and the total value of future assets formed after the project investment: HDPE water supply pipeline along Provincial Roads 833C and 833 (from the intersection of National Highway 1 - Cai Tai to Binh Lang Bridge, Tan Tru District, Long An Province).*

- Purpose of the loan: To invest in the construction and installation of the water supply pipeline in Binh Thanh Commune and adjacent areas of Thu Thua District, Long An Province. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of the assets of the project along National Highway 62 (two sections from Nguyen Thi Bay to Sau Banh Store), Ward 6, Loi Binh Nhieu Commune, Tan An City, Long An Province (Scope: Relocation and installation of HDPE D200 and HDPE D63 water supply pipelines for transmission and distribution) under Credit Contract No. 03/2022.HDTC-QDTPT dated 29 July 2022 with a collateral value of VND 1,360,558,818.*

+ *Exploitation rights and the total value of the assets of the water supply pipeline project in Binh Thanh Commune and adjacent areas of Thu Thua District, Long An Province, under the Future Asset Mortgage Contract No. 04/2022.HDTC-QDTPT with a collateral value of VND 4,014,316,763.*

- Purpose of the loan: To invest in the construction of the water supply pipeline for distribution and service to the communes of Thanh Due, My Yen, Phuoc Loi, Tan Bui, and adjacent areas of Ben Luc District, Long An Province. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the clean water supply pipeline HDPE D225, D315 along District Road 17 (from Provincial Road 833B to the People's Committee of Long Son Commune).*

+ *Exploitation rights and the total value of related assets of the clean water supply pipeline HDPE D160, D110, D63 along alleys in Wards 2, 3, 4, 5, 6, and 7 of Binh Tam Commune, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of future assets formed after the project investment: Water supply pipeline for distribution and service in Ben Luc District, Long An Province.*

- Purpose of the loan: To invest in the construction of the clean water supply pipeline for residents along Provincial Road 818 and the canal embankment road of Thu Thua (Nha Dai Hamlet), Thu Thua Town, Thu Thua District, Long An Province. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the Provincial Administrative Resettlement Area (Dong Tam Resettlement Area), Ward 6, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the installation of HDPE D160 and D63 water supply pipelines along Mai Ba Huong Road.*

+ *Exploitation rights and the total value of related assets of Resettlement Area No. 01 in Khanh Hoa Ward, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of future assets formed after the project investment: Clean water supply pipeline for residents of Thu Thua Town, Thu Thua District, Long An Province.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

16. LOANS (CONTINUED)

- Purpose of the loan: To invest in the construction of the HDPE D250 water supply pipeline along Provincial Road 835 (from the intersection of National Highway 1 to Khenh Sau Met Road). The loan term is 7 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the construction and installation of the water supply pipeline for distribution and service in Tan An City in 2021.*

+ *Exploitation rights and the total value of related assets of the installation of sludge discharge fees on the water supply network in Tan An City.*

+ *Exploitation rights and the total value of related assets of the installation of the clean water distribution pipeline in Nhieu Thanh Commune, Thu Thua District, Long An Province.*

+ *Exploitation rights and the total value of future assets formed after the project investment: HDPE D250 water supply pipeline along Provincial Road 835 (from the intersection of National Highway 1 to Khenh Sau Met Road).*

- Purpose of the loan: To invest in the construction of the clean water supply pipeline system for Ward 5 and Nhon Trach Trung Commune, Tan An City, Long An Province. The loan term is 7 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

Mortgage Contract for Machinery and Equipment No. 04/2023/HDTC-QDTPT dated 8 September 2023:

+ *Exploitation rights and the total value of related assets of Chau Thi Kim Road (both sides from Nguyen Dinh Chieu Road to Huynh Van Tao Road, Ward 3, Tan An City, Long An Province) with an appraised value of VND 1,130,163,568.*

+ *Exploitation rights and the total value of related assets of Tran Trung Tam Road (Ward 3 Residential Area), Ward 3, Tan An City, Long An Province with a value of VND 1,168,575,086.*

+ *Exploitation rights and the total value of related assets of Le Anh Xuan Road, Alley 40 Nguyen Thai Binh Road, Alley 46 Le Anh Xuan Road, Alley 81 Nguyen Cong Trung Road, Ward 1 and Ward 3, Tan An City, Long An Province with a value of VND 926,830,232.*

+ *Exploitation rights and the total value of related assets of Nguyen Van Cuong Road (both sides from National Highway 1 to Pham Van Ngo Road), Pham Van Ngo Road (both sides from Nguyen Van Chuong Road to Tran Van Dau Road), National Highway 1 (left side from house number 1111 to Tan Huong Bridge), Tan Khanh Ward, Tan An City, Long An Province with a value of VND 2,142,906,147.*

+ *Exploitation rights and the total value of related assets of Dinh Viet Cau GD4 Road (from Binh Tam Culvert to Hamlet 1 boundary), Binh Tam Commune, Tan An City, Long An Province with an appraised value of VND 889,685,088.*

Future Asset Mortgage Contract No. 05/2023/HDTC-QDTPT:

+ *Exploitation rights and the total value of assets related to the clean water supply pipeline system for Ward 5 and Nhon Trach Commune, Tan An City.*

- Purpose of the loan: To invest in the construction of the HDPE D400 and D315 water transmission pipeline along Provincial Road 826 (from the boundary of Tan Trach - Long Hoa Commune to the gate of Cau Tram Industrial Park). The annual interest rate is 6.3%. The loan is secured by the following assets:

+ *Mortgage Contract for Machinery and Equipment No. 01/2024/HDTC-QDTPT dated 24 January 2024.*

+ *Future Asset Mortgage Contract No. 02/2024/HDTC-QDTPT dated 24 January 2024.*

+ *Exploitation rights and the total value of related assets of the project: Installation of the water resource exploitation system for groundwater and surface water exploitation in Bao Dinh area.*

+ *Exploitation rights and the total value of related assets of the project: Thu Khoa Huan Road and Alley 102 Tho Khoa Huan Road, Ward 1, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the project: Truong Dinh Road, Ward 1; Vo Thi Ke Road; Le Thi Khoi Road; Trang Van Nguyen Road, Ward 2, Tan An City, Long An Province.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

16. LOANS (CONTINUED)

+ Future assets include exploitation rights and the total value of assets, including materials and equipment formed after the project investment: HDPE D400 and D315 water transmission pipeline along Provincial Road 826.

- Purpose of the loan: To invest in the construction of the HDPE D400 and D225 water transmission pipeline along the bypass of National Highway 1. The annual interest rate is 6.3%. The loan is secured by the following assets:

+ Mortgage Contract for Machinery and Equipment No. 010/2024/HDTCT-QDTPT dated 10 July 2024.

+ Future Asset Mortgage Contract No. 11/2024/HDTCT-QDTPT dated 10 July 2024.

+ Exploitation rights and the total value of related assets of the project: Hai Ba Trung Road, Hung Vuong Road, Ward 3, Tan An City, Long An Province.

+ Exploitation rights and the total value of related assets of the project: Nguyen Dinh Chieu Road, Ward 3, Tan An City, Long An Province.

+ Exploitation rights and the total value of related assets of the project: Nguyen Van Tich Road (left side), An Vinh Ngai Commune, Tan An City, Long An Province.

+ Exploitation rights and the total value of related assets of the project: Installation of HDPE D160 and D63 pipelines along Lo Dinh Road, Cao Thi Mai Road, Lo 9 Bot, Tan Tru District.

+ Exploitation rights and the total value of related assets of the project: HDPE D63 and D110 water transmission pipeline for communes and towns in Ben Luc, Tan Tru, and Thu Thua Districts, Long An Province in 2023.

+ Future assets include exploitation rights and the total value of assets, including materials and equipment formed after the project investment: HDPE D400 and D225 water transmission pipeline along the bypass of National Highway 1.

- Purpose of the loan: To invest in the construction of the water supply pipeline along Provincial Road 835D (from Provincial Road 835C to Provincial Road 835) and Provincial Road 830 (from Provincial Road 833B to the road to Ba Ve Hamlet). The annual interest rate is 5.8%. The loan is secured by the following assets:

+ Mortgage Contract for Machinery and Equipment No. 10/2025/HDTCT-QDTPT dated 2 October 2025.

+ Future Asset Mortgage Contract No. 10/2025/HDTCTSHTTTL-QDTPT dated 2 October 2025.

+ Exploitation rights and the value of all future benefits of the project: Water supply pipeline along Provincial Road 835D (from Provincial Road 835C to Provincial Road 835) and Provincial Road 830 (from Provincial Road 833B to the road to Ba Ve Hamlet) in Can Duoc District, Long An Province.

+ Exploitation rights and the value of all benefits of the project: HDPE clean water supply pipeline.

- Purpose of the loan: To invest in the construction of the water supply pipeline along Phuoc Van - Long Hoa Road and Phuoc Van - Long Khe Road. The annual interest rate is 5.8%. The loan is secured by the following assets:

+ Mortgage Contract for Machinery and Equipment No. 11/2025/HDTCT-QDTPT dated 2 October 2025.

+ Future Asset Mortgage Contract No. 11/2025/HDTCTSHTTTL-QDTPT dated 2 October 2025.

+ Exploitation rights and the total value of future benefits arising from the exploitation of the water supply pipeline along Phuoc Van - Long Hoa Road and Phuoc Van - Long Khe Road.

+ Exploitation rights and the value of all benefits of the project: HDPE D225, D110, D63 clean water supply pipeline along Provincial Road 817 and Le Van Tuong Road in Ward 5, Huong Tho Phu Commune, Tan An City, Long An Province.

- Purpose of the loan: To invest in the construction of the water supply pipeline along Provincial Road 830B and Provincial Road 833B in Can Duoc District, Long An Province. The annual interest rate is 5.8%. The loan is secured by the following assets:

+ Mortgage Contract for Machinery and Equipment No. 13/2025/HDTCT-QDTPT dated 2 October 2025.

+ Future Asset Mortgage Contract No. 13/2025/HDTCTSHTTTL-QDTPT dated 2 October 2025.

+ Exploitation rights and the value of all future benefits arising from the exploitation of the water supply pipeline along Provincial Road 830B and Provincial Road 833B in Can Duoc District, Long An Province.

+ Exploitation rights and the value of all benefits arising from the exploitation of Ba Kien booster water pumping station, with a capacity of 150 m³/hour, and HDPE D315 water supply pipeline along Provincial Road 833.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

16. LOANS (CONTINUED)

Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	14,175,000,000	13,329,000,000
In the second to fifth year inclusive	54,114,503,838	54,119,076,838
After five years	8,555,000,000	4,589,427,000
Total	76,844,503,838	72,037,503,838
Less: Amount due for settlement within 1 year (shown under current liabilities)	14,175,000,000	13,329,000,000
Amount due for settlement after 12 months	62,669,503,838	58,708,503,838

17. OWNER'S EQUITY

Movement in owner's equity

	Owner's contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Opening balance of prior year	122,000,000,000	50,838,943,262	-	172,838,943,262
Profit for the year	-	-	20,254,690,879	20,254,690,879
Transfer of 2023 dividends payable to shareholders to capital construction investment	-	8,155,440,140	-	8,155,440,140
Dividends (i)	-	-	(11,080,800,701)	(11,080,800,701)
Investment and development fund	-	6,044,073,109	(6,044,073,109)	-
Bonus and welfare fund	-	-	(3,022,036,555)	(3,022,036,555)
Other decrease	-	-	(107,780,514)	(107,780,514)
Opening balance of current year	122,000,000,000	65,038,456,511	-	187,038,456,511
Profit for the year	-	-	29,836,986,328	29,836,986,328
Transfer of 2024 dividends payable to shareholders to capital construction investment (i)	-	11,080,800,701	-	11,080,800,701
Dividends (ii)	-	-	(16,357,542,481)	(16,357,542,481)
Investment and development fund (ii)	-	8,922,295,897	(8,922,295,897)	-
Bonus and welfare fund (ii)	-	-	(4,461,147,950)	(4,461,147,950)
Other decrease	-	-	(96,000,000)	(96,000,000)
Closing balance of current year	122,000,000,000	85,041,553,109	-	207,041,553,109

(i) In 2024, the Company provisionally accrued dividends from the profit of the year 2024 in accordance with Proposal No. 52/CV-KTTV dated 3 January 2025 issued by the Chairman of the Board of Management. According to Resolution of the General Meeting of Shareholders No. 09/NQCN-DHDCD dated 25 April 2025 approving the profit distribution plan for the year 2024, the Company decided not to distribute dividends for 2024 in order to reinvest in construction activities in 2025, serving water supply projects that create momentum for the Company's development. Accordingly, the dividends for 2024 were transferred to the investment and development fund.

(ii) The Company provisionally accrued allocations to the bonus and welfare fund, the investment and development fund and dividends from the profit of the year 2025 in accordance with Proposal No. 151/CV-KTTV dated 26 January 2026 issued by the Chairman of the Board of Management. At the same time, the Company is preparing a proposal to seek approval from the Owner regarding the non-distribution of dividends for the year 2025 in order to reinvest in construction activities in 2026. This profit distribution plan will be submitted for approval at the nearest General Meeting of Shareholders.

Shares

	Closing balance	Opening balance
	Share	Share
Number of shares registered for issuance	12,200,000	12,200,000
Number of shares sold to the public	12,200,000	12,200,000
- Common shares	12,200,000	12,200,000
Number of outstanding shares	12,200,000	12,200,000
- Common shares	12,200,000	12,200,000
Par value of outstanding shares (VND)	10,000	10,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

17. OWNER'S EQUITY (CONTINUED)

Charter capital

As at 31 December 2015, the charter capital has been contributed by owners as follows:

	Contributed capital			
	Closing balance	%	Opening balance	%
	VND		VND	
State shares - Long An Provincial People's Committee	73,200,000,000	60.0%	73,200,000,000	60.0%
Binh Duong Water - Environment Corporation - Joint Stock Company	46,437,400,000	38.1%	46,437,400,000	38.1%
Other shareholders	2,362,600,000	1.9%	2,362,600,000	1.9%
Total	122,000,000,000	100%	122,000,000,000	100%

Dividends paid this year were VND 0 (prior year: VND 0).

18. SEGMENT REPORTING

The production and trading of clean water and pipes for the supply of clean water mainly generates revenue and profit for the Company, while other revenues account for an insignificant proportion of the total revenue of the Company. The Chairman of the Board of Manager and the Board of General Directors believe that the Company operates in a single business segment, which is the production and trading of clean water and pipes for the supply of clean water in a geographical area. Therefore, no further segment information is presented.

19. REVENUE

	Current year	Prior year
	VND	VND
Revenue from water supply and water testing	341,143,204,058	307,090,404,461
Revenue from pipeline installation	17,034,680,605	18,288,857,953
Net revenue from goods sold and services rendered	358,177,884,663	325,379,262,414

20. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of water supply and water testing	230,587,305,549	230,345,761,634
Cost of pipeline installation	13,721,879,205	13,080,794,060
Provision for/(Reversal of) decline in value of inventories	2,577,759,417	(772,135,950)
Total	246,886,944,171	242,654,419,744

21. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials and consumables	66,109,951,338	39,742,453,101
Labour	45,359,256,903	41,602,105,327
Depreciation and amortisation	34,514,607,954	35,418,027,306
Out-sourced services	142,083,952,465	144,943,438,116
Other monetary expenses	30,680,879,959	37,399,481,556
Total	318,748,648,619	299,105,505,406

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

22. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expense	3,708,086,041	3,855,705,032
Total	3,708,086,041	3,855,705,032

23. SELLING EXPENSES, GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
a) General and administration expenses		
Employees	11,444,120,951	9,481,577,323
Others	12,193,106,045	12,440,005,245
Total	23,637,226,996	21,921,582,568
b) Selling expenses		
Employees	11,094,873,362	10,904,114,126
Tools and supplies	39,707,363,507	22,853,253,018
Total	50,802,236,869	33,757,367,144

24. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
Profit before tax		
Add: Non-deductible expenses	33,223,147,408	23,268,085,776
Taxable income		
Income subject to tax rate of 20%	3,682,238,309	33,223,147,408
Income subject to tax rate of 10%	638,463,392	26,950,324,085
Total current corporate income tax expense	32,584,684,016	3,183,624,884
	3,386,161,080	23,766,699,201
	3,386,161,080	3,013,394,897

The Company determines corporate income tax based on the assessment that accounting profit is not significantly different from profit for corporate income tax purposes. The ultimate determination depends on the results of the tax authorities' examinations.

25. BASIC EARNINGS PER SHARE

	Current year	Prior year
	VND	VND
Profit after tax		
Minus the deducted bonus and welfare fund	29,836,986,328	20,254,690,879
Profit for calculating basic earnings per share	4,461,147,950	3,022,036,555
Weighted average number of ordinary shares for calculating basic earnings per share	25,375,838,378	17,232,654,324
Basic earnings per share	12,200,000	12,200,000
Par value per share	2,080	1,413
	10,000	10,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

26. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of charter capital and retained earnings.

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	76,844,503,838	72,037,503,838
Less: Cash and cash equivalents	19,946,984,886	5,409,452,221
Net debt	56,897,518,952	66,628,051,617
Equity	207,041,553,109	187,038,456,511
Net debt to equity ratio	27%	36%

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets and financial liabilities are disclosed in Note 3.

Categories of financial instruments

	Carrying amounts		Fair value	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
Financial assets				
Cash and cash equivalents	19,946,984,886	5,409,452,221	19,946,984,886	5,409,452,221
Trade and other receivables	15,824,206,999	10,876,923,002	15,824,206,999	10,876,923,002
Short-term financial investments	-	888,123,138	-	888,123,138
Total	35,771,191,885	17,174,498,361	35,771,191,885	17,174,498,361
Financial liabilities				
Borrowings	76,844,503,838	72,037,503,838	76,844,503,838	72,037,503,838
Trade and other payables	112,004,449,523	72,005,359,242	112,004,449,523	72,005,359,242
Accrued expenses	-	829,356,000	-	829,356,000
Total	188,848,953,361	144,872,219,080	188,848,953,361	144,872,219,080

The Company has determined fair value of its financial assets and liabilities as at the balance sheet date as stated in Note 3 since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (interest rate risk), credit risk and liquidity risk.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

26. FINANCIAL INSTRUMENTS (CONTINUED)

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Interest rate risk management

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year	From 2 to 5 years	More than 5 years	Total
	VND	VND	VND	VND
Closing balance				
Cash and cash equivalents	19,946,984,886	-	-	19,946,984,886
Trade and other receivables	15,824,206,999	-	-	15,824,206,999
Total	35,771,191,885	-	-	35,771,191,885
Closing balance				
Borrowings	14,175,000,000	54,114,503,838	8,555,000,000	76,844,503,838
Trade and other payables	100,748,104,543	11,256,344,980	-	112,004,449,523
Total	114,923,104,543	65,370,848,818	8,555,000,000	188,848,953,361
Net liquidity gap	(79,151,912,658)	(65,370,848,818)	(8,555,000,000)	(153,077,761,476)

The Chairman of the Board of Management and the Board of General Directors assessed the liquidity risk at high level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

26. FINANCIAL INSTRUMENTS (CONTINUED)

	Less than 1 year	From 2 to 5 years	More than 5 years	Total
	VND	VND	VND	VND
Opening balance				
Cash and cash equivalents	5,409,452,221	-	-	5,409,452,221
Trade and other receivables	10,876,923,002	-	-	10,876,923,002
Short-term financial investments	888,123,138	-	-	888,123,138
Total	17,174,498,361	-	-	17,174,498,361
Opening balance				
Borrowings	13,329,000,000	54,119,076,838	4,589,427,000	72,037,503,838
Trade and other payables	59,704,815,012	12,300,544,230	-	72,005,359,242
Accrued expenses	829,356,000	-	-	829,356,000
Total	73,863,171,012	66,419,621,068	4,589,427,000	144,872,219,080
Net liquidity gap	(56,688,672,651)	(66,419,621,068)	(4,589,427,000)	(127,697,720,719)

27. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to the balances with related parties described in Note 5, 14, 15 and 17, during the year, the Company entered into the following significant transactions with its related parties:

	Current year	Prior year
	VND	VND
Biwase - Long An Water Joint Stock Company		
Purchase of water	131,079,612,962	127,989,179,370
Payment for purchase of water	121,103,827,369	137,223,643,290
Long An Provincial People's Committee		
Dividend decision	9,814,525,489	6,648,480,421
Binh Duong Water - Environment Corporation - Joint Stock Company		
Dividend decision	6,226,243,797	4,217,734,217

Remuneration of the Board of Management, Board of General Directors, Board of Supervisors and Chief Accountant

Remuneration paid to the Board of Management, Board of General Directors, Board of Supervisors and Chief Accountant during the year was as follows:

Name	Position	Current year	Prior year
		VND	VND
Mr. Nguyen Bao Tung	Chairman of BOM	1,024,678,879	990,479,902
Mr. Pham Quoc Thang	Chairman of BOM (resigned)	-	70,045,538
Ms. Truong Ngoc Thuy Trung	Member of BOM and General Director	875,701,970	764,465,238
Mr. Mai Song Hao	Member of BOM	36,000,000	36,000,000
Mr. Tran Tan Loi	Member of BOM	36,000,000	36,000,000
Mr. Luu Van Can	Member of BOM and Deputy General Director	836,794,053	788,277,879
Mr. Cao Duy Thanh	Head of Board of Supervisors	800,894,053	689,362,379
Mr. Vo Minh Thai	Head of Board of Supervisors (resigned)	-	86,172,308
Ms. Truong Thi Le Khanh	Member of Board of Supervisors	322,422,608	325,557,845
Mr. Nguyen Dinh Tuan	Member of Board of Supervisors	24,000,000	24,000,000
Mr. Nguyen Quoc Phong	Chief Accountant	830,084,053	778,636,698
Total		4,786,575,616	4,588,997,787

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

28. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and construction in progress during the year exclude an amount of VND 16,016,844,775, representing an addition in fixed assets and construction in progress during the year that has not yet been paid (as at 01 January 2025: VND 14,999,485,137). Consequently, changes in accounts payable have been adjusted by the same amount.

Interest paid during the year includes an amount of VND 411,000,000, representing the interest incurred during the previous year that has been paid this year. Consequently, changes in accounts payable have been adjusted by the same amount.

Dividends and profits paid to owners exclude (a) an amount of VND 16,357,542,481, representing unpaid dividends of current year and (b) an amount of VND 11,080,800,701, representing the amount of unpaid dividends from the previous year used for reinvestment in construction in 2025. Consequently, changes in accounts payable have been adjusted by the same amount.


Nguyen Bao Tung
Chairman of the Board of Management
Tay Ninh, 29 January 2026


Nguyen Quoc Phong
Chief Accountant


Trinh Huynh Thuy Tien
Preparer



REGULAR DISCLOSURE OF INFORMATION ON FINANCIAL REPORTS

Respectfully To: The Hanoi Stock Exchange

Pursuant to Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 issued by the Ministry of Finance on disclosure of information in the securities market, Long An Water Supply Sewerage Joint Stock Company hereby discloses its 2025 annual financial statements to the Hanoi Stock Exchange as follows:

1. Trading name: Long An Water Supply Sewerage Joint Stock Company

- Stock code: LAW
- Address: 250 Hung Vuong, Long An Ward, Tay Ninh Province
- Telephone: 0272 3825114 Fax: 0272 3826040
- Email: info@lawaco.com.vn. Website: http://lawaco.com.vn

2. Content of information disclosure:

- Financial Statements in 2025

Separate Financial Statements (Listed organizations has no subsidiaries and superior accounting units have affiliated units);

Consolidated Financial Statements (Listed organizations have subsidiaries);

Combined Financial Statements (Listed organizations has an accounting units directly under its own accounting system).

- Cases in which the cause must be explained:

+ The auditing organization expresses an opinion that is not a fully accepted opinion for financial statements (for audited financial statements in 2025):

Yes No

Explanatory documents in case of integration:

Yes No

+ Profit after tax in the reporting period has a difference before and after the audit of 5% or more, converted from loss to profit or vice versa (for audited financial statements in 2025):

Yes No

Explanatory documents in case of integration:

Yes No

+ The profit after corporate income tax in the business performance statement of the reporting period changes by 10% or more compared to the same period of the previous year:

Yes No

Explanatory documents in case of integration:

Yes No

+ The profit after tax in the reporting period suffered a loss, converted from profit in the same period last year to a loss in this period or vice versa:

Yes

No

Explanatory documents in case of integration:

Yes

No

This information was published on the Company's website on February 4, 2026 at the link
<http://lawaco.com.vn>

We hereby commit that the information published above is true and take full responsibility before the law for the content of the published information.

**LONG AN WATER SUPPLY
SEWERAGE JOINT STOCK COMPANY**

Person authorized to disclose information



CAO DUY THANH

Attachments:

-Explanatory documents