



# **REVIEW REPORT**

## **ON THE INTERIM FINANCIAL INFORMATION**

### **FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025**

  

## **DANANG WATER SUPPLY JOINT STOCK COMPANY**

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**DANANG WATER SUPPLY JOINT STOCK COMPANY**

Address: No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

**STATEMENT OF THE BOARD OF DIRECTORS**

For the six-month period ended June 30, 2025

**STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of Danang Water Supply Joint Stock Company presents this report together with the reviewed Interim Separate Financial Statements for the six-month period ended June 30, 2025.

**1. Overview**

Danang Water Supply Joint Stock Company ("the Company") was incorporated on the basis of equitization of Da Nang Water Supply Co., Ltd under Decision No. 5354/QD-UBND dated August 09, 2016 by People's Committee of Danang City. The Company is an independent accounting entity, operating in accordance with Enterprise Registration Certificate No. 0400101066 dated July 01, 2010 by Danang Department of Planning and Investment (this Enterprise Registration Certificate has been amended ten times, and the latest amendment was made on July 10, 2025), the Enterprise Law, the Company Charter and other relevant regulations.

The Company was accepted for trading its common shares on Upcom at Hanoi Stock Exchange in accordance with Decision No. 509/QD-SGDHN dated July 07, 2017 of the General Manager of Hanoi Stock Exchange with stock code DNN. The official trading date of the share was July 17, 2017.

Charter capital as per the Enterprise Registration Certificate: VND 579,640,610,000

Paid-in capital as at June 30, 2025: VND 579,640,610,000

**2. Head office**

- Address: No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Danang City.
- Tel: (84) 236.3697333
- Fax: (84) 236.3697222
- Email: Dawaco@vnn.vn

**3. Company structure:**

**Dependent units:** The Company has 02 dependent units:

| No. | Entity Name                                 | Address  |
|-----|---|--|
| 1.  | Danang Water Supply Project Management Unit | No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Danang City |
| 2.  | Dawaco Construction Enterprise              | No. 10 Trinh Cong Son, Hoa Cuong Ward, Danang City           |

**Subsidiary Company:**

| Name   | Address  | Principal activities                                 | Rate of benefit of Parent Company | The voting rights of the Parent Company |
|--|--|--|-----------------------------------|---|
| Danang Water Supply Sewerage Construction Co., Ltd | No 10 Trinh Cong Son, Hoa Cuong Ward, Da Nang City | Installation of the system water supply and drainage | 100,00%                           | 100,00%                                 |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

Address: No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

**STATEMENT OF THE BOARD OF DIRECTORS***For the six-month period ended June 30, 2025***4. Principal activities**

- Water collection, treatment and supply. Detail: Producing and trading in clean water for daily life, production activities and other needs;
- Architectural and engineering activities and related technical consultancy. Detail: Preparing construction investment projects. Consulting, designing and preparing total cost estimates of water supply and sewerage works of medium and small scale. Terrain and geological surveys, verification of design documents and cost estimates, construction supervision, management of the investment and construction of water supply and sewerage projects from Group B downwards;
- Construction of buildings. Detail: Construction of civil and industrial projects.
- Construction of other civil engineering projects. Detail: Construction of transportation projects, bridges, roads, hydraulic projects, water supply and sewerage projects, and electrical projects up to 35 KV.
- Site preparation. Detail: Grading and filling ground.
- Technical examination and analysis. Detail: testing and measuring water meter.
- Production of soft drinks and mineral waters. Detail: Producing and trading in bottled drinking water;
- Water supply and sewerage, heating and air-conditioning system installation activities. Detail: Installation and construction of water supply works;
- Trading in other construction materials and equipment. Detail: Trading in materials and equipment exclusively used for construction of water supply and sewerage.

**5. The Board of Directors, the Supervisory Board, the Board of Management and the Chief Accountant**

Members of the Board of Directors, the Supervisory Board, the Board of Management and the Chief Accountant of the Company during the period and up to the date of this report are as follows:

**5.1 The Board of Directors**

| Name                  | Position      | Appointed date/<br>Re-appointed | Dismissed date |
|-----------------------|---------------|---------------------------------|----------------|
| Mr. Ho Huong          | Chairman      | 29/10/2021                      |                |
| Mr. Dang Thanh Binh   | Vice Chairman | 29/10/2021                      |                |
| Mr. Ho Minh Nam       | Member        | 29/10/2021                      |                |
| Mr. Nguyen Truong Anh | Member        | 29/10/2021                      |                |
| Mr. Phan Thinh        | Member        | 01/05/2025                      |                |
| Mr. Le Duc Quy        | Member        | 29/10/2021                      | 01/05/2025     |



## 5.2 The Supervisory Board

| Name                  | Position    | Appointed date/<br>Re-appointed | Dismissed date |
|-----------------------|-------------|---------------------------------|----------------|
| Ms. Nguyen Thi Thu Ha | Head of BOS | 29/10/2021                      |                |
| Ms. Pham Thi Que Chi  | Member      | 29/10/2021                      |                |
| Ms. Tan Thi Mien Thao | Member      | 18/04/2025                      |                |
| Mr. Thai Quoc Khanh   | Member      | 29/10/2021                      | 18/04/2025     |

## 5.3 The Board of Management and the Chief Accountant

| Name                  | Position             | Appointed date/<br>Re-appointed | Dismissed date |
|-----------------------|----------------------|---------------------------------|----------------|
| Mr. Ho Minh Nam       | General Manager      | 29/10/2021                      |                |
| Mr. Tran Phuoc Thuong | Vice General Manager | 14/12/2021                      |                |
| Mr. Phan Thinh        | Vice General Manager | 01/05/2025                      |                |
| Mr. Le Duc Quy        | Vice General Manager | 29/10/2021                      | 01/05/2025     |
| Mr. Pham Hong Minh    | Chief Accountant     | 01/05/2025                      |                |
| Mr. Phan Thinh        | Chief Accountant     | 29/10/2021                      | 01/05/2025     |

## 6. The Legal representative

The Company's legal representative during the period and up to the time of this report is Mr. Ho Minh Nam, General Manager of the Company, appointed on October 29, 2021.

## 7. Assessment of operational performance

The separate operational results and financial position of Da Nang Water Supply Joint Stock Company for the six-month period ended June 30, 2025, are presented in the separate Financial Statements from page 08 to page 44.

## 8. Subsequent Events

In the opinion of the Board of Directors, the Company's Interim Separate Financial Statements for the six-month period ended June 30, 2025 would not be seriously affected by any important items, transactions, or any extraordinary events happened up to the reporting date, which need any adjustments to the figures or disclosures in the Interim Separate Financial Statements.

## 9. Auditor

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang city is appointed perform to review the Interim Separate Financial Statements of the Company for the six-month period ended June 30, 2025.

## 10. Responsibility of the Board of Management

The Board of Management is responsible for preparing the Interim Separate Financial Statements to fairly and accurately the financial position, income statement, and cash flow of the Company for the period. In respect of the preparation of the Interim Separate Financial Statements, The Board of Management is responsible for:

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

Address: No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

**STATEMENT OF THE BOARD OF DIRECTORS**

*For the six-month period ended June 30, 2025*

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

The Board of Management ensures that the relevant accounting books are fully kept in order to reflect the financial position of the Company, the results of its operations with reasonable accuracy at any time and in compliance with the applied accounting system. The Board of Management is also responsible for managing the assets of the Company and therefore, have taken appropriate measures to prevent and detect frauds and legal regulations related to the preparation and presentation of the Interim Separate Financial Statements.

The Board of Management of the Company has complied with the above requirements in preparing the Interim Separate Financial Statements.

**11. Approval of Interim Financial Statements**

We, the Board of Directors, approve the attached Interim Separate Financial Statements. The Interim Separate Financial Statements have accurately and fairly reflected the separate financial position of the Company as of June 30, 2025, as well as the results of operations and cash flows (separate) for the six-month period ended June 30, 2025 in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System, and relevant legal regulations on the preparation and presentation of Interim Separate Financial Statements.

**On behalf of the Board of Directors**



**HO HUONG**

**Chairman of the Board of Directors**

**Da Nang, August 28, 2025**





No: 37/2025/BCKT/AUD-DNVVALUES

## REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION

**To: THE SHAREHOLDERS, THE BOARD OF DIRECTORS  
AND THE BOARD OF MANAGEMENT  
DANANG WATER SUPPLY JOINT STOCK COMPANY**

We have reviewed the accompanying Separate Financial Statements of Danang Water Supply Joint Stock Company (hereinafter referred to as "the Company"), prepared on August 28, 2025, from page 08 to page 44, which comprise the Interim Separate Balance Sheet as at June 30, 2025, Interim Separate Income Statement, Interim Separate Cash Flow Statement for the six-month period ended June 30, 2025 and Notes to the Interim Separate Financial Statements.

### **The Board of Management' responsibility**

The Board of Management of the Company is responsible for the preparation and fair presentation of the Company's Interim Separate Financial Statements under Accounting Standards, the Vietnamese Accounting System, as well as legal regulations related to the preparation and presentation of the Interim Separate Financial Statements and for such internal control as the Board of Management determines, is necessary to enable the preparation and presentation of the Interim Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to draw a conclusion on the Interim Separate Financial Statements based on our review. We conducted our review under Vietnamese Standard on Review Engagements No. 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

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

### **Qualified conclusion**

Based on our review, nothing has come to our attention that causes us to conclude that the Interim Separate Financial Statements do not present fairly and accurately, in all material respects, the separate financial position of Da Nang Water Supply Joint Stock Company as at June 30, 2025, and its separate financial performance and its cash flows for the six-month period ended June 30, 2025, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accountings Regime, and other regulations relevant to the preparation and presentation of Interim Separate Financial Statements.



### Emphasis of Matter

We draw attention to Note VIII.3 “Comparative figures” in the Notes to the Interim Separate Financial Statements, under Official Dispatch No. 3415/UBND-STC dated June 25, 2024 of the People’s Committee of Da Nang City regarding the adjustment of expenses for the use of clean water supply infrastructure assets invested by the State budget and investment entities transferred to the State for management, which the Company has received for operation and utilization from June 2015 to December 31, 2023, which were allocated in 2023 and 2024. Accordingly, the Company adjusted VND 16,514,316,432 to expenses of the first half of 2024 and the Company has retrospectively adjusted in compliance with regulations at present. The effects of this restatement on the related items are presented in Note VIII.3 – Comparative figures in the Notes to the Interim Separate Financial Statements.

Our conclusion is not related to this matter.

### Other matters

We note to the readers of the Review Report on the Interim Financial Information that the scope of these Interim Separate Financial Statements only reflects the separate financial position and the investments under the historical cost method of the Company as at June 30, 2025 as well as Interim Separate Income Statement, Interim Separate Cash Flow Statement for the six-month period ended June 30, 2025. The consolidation of the Interim Separate Financial Information of the Company with its subsidiaries is not within the scope of this report.

Da Nang, August 28, 2025

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



**Huynh Minh Hung – Branch Manager**

*Audit Practicing Registration Certificate*

*No. 3402-2025-071-1*

*Authorized signature*

### File:

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

## INTERIM SEPARATE BALANCE SHEET

As at June 30, 2025

Unit: VND

| Code       | ASSETS  | Notes | Jun 30, 2025             | Jan 01, 2025             |
|------------|---|-------|--------------------------|--------------------------|
| 1          | 2   | 3     | 4                        | 5                        |
| <b>100</b> | <b>A. SHORT-TERM ASSETS</b>                       |       | <b>568.878.320.530</b>   | <b>506.150.753.680</b>   |
| 110        | <b>I. Cash and cash equivalents</b>               | V.1   | <b>59.229.923.238</b>    | <b>50.896.601.474</b>    |
| 111        | 1. Cash   |       | 59.229.923.238           | 50.896.601.474           |
| 112        | 2. Cash equivalents                               |       | -                        | -                        |
| <b>120</b> | <b>II. Short-term financial investments</b>       |       | <b>435.917.140.746</b>   | <b>359.088.224.415</b>   |
| 121        | 1. Trading securities                             |       | -                        | -                        |
| 123        | 2. Investments held to maturity                   | V.2   | 435.917.140.746          | 359.088.224.415          |
| <b>130</b> | <b>III. Short-term receivables</b>                |       | <b>22.707.327.815</b>    | <b>26.407.056.529</b>    |
| 131        | 1. Short-term trade receivables                   | V.3   | 16.160.966.368           | 16.223.044.308           |
| 132        | 2. Short-term prepayments to suppliers            | V.4   | 1.659.973.160            | 1.886.001.013            |
| 136        | 3. Other short-term receivables                   | V.5   | 12.928.855.636           | 16.286.543.075           |
| 137        | 4. Short-term provision for doubtful debts        | V.6   | (8.042.467.349)          | (7.988.531.867)          |
| <b>140</b> | <b>IV. Inventories</b>                            | V.7   | <b>40.432.924.779</b>    | <b>42.142.591.300</b>    |
| 141        | 1. Inventories                                    |       | 40.432.924.779           | 42.142.591.300           |
| 142        | 2. Allowances for decline in value of inventories |       | -                        | -                        |
| <b>150</b> | <b>V. Other short-term assets</b>                 |       | <b>10.591.003.952</b>    | <b>27.616.279.962</b>    |
| 151        | 1. Short-term prepaid expenses                    | V.12a | 406.768.136              | 416.714.853              |
| 152        | 2. Deductible VAT                                 | V.15  | 7.180.762.585            | 17.615.406.798           |
| 153        | 3. Taxes and other receivables to the State       | V.15  | 3.003.473.231            | 9.584.158.311            |
| <b>200</b> | <b>B. LONG-TERM ASSETS</b>                        |       | <b>1.002.854.638.831</b> | <b>1.052.828.985.413</b> |
| 210        | <b>I. Long-term receivables</b>                   |       | -                        | -                        |
| <b>220</b> | <b>II. Fixed assets</b>                           |       | <b>936.027.228.616</b>   | <b>1.001.717.164.114</b> |
| 221        | 1. Tangible fixed assets                          | V.8   | 934.224.428.614          | 999.623.997.446          |
| 222        | - Historical costs                                |       | 2.548.966.460.737        | 2.570.222.202.095        |
| 223        | - Accumulated depreciation                        |       | (1.614.742.032.123)      | (1.570.598.204.649)      |
| 227        | 2. Intangible fixed assets                        | V.9   | 1.802.800.002            | 2.093.166.668            |
| 228        | - Historical costs                                |       | 11.738.575.951           | 11.738.575.951           |
| 229        | - Accumulated depreciation                        |       | (9.935.775.949)          | (9.645.409.283)          |
| <b>230</b> | <b>III. Investment properties</b>                 |       | -                        | -                        |
| <b>240</b> | <b>IV. Long-term assets in progress</b>           |       | <b>49.063.066.212</b>    | <b>33.241.663.169</b>    |
| 241        | 1. Long-term work in progress                     |       | -                        | -                        |
| 242        | 2. Construction in progress                       | V.10  | 49.063.066.212           | 33.241.663.169           |
| <b>250</b> | <b>V. Long-term financial investments</b>         | V.11  | <b>8.164.551.519</b>     | <b>8.392.345.979</b>     |
| 251        | 1. Investments in subsidiaries                    |       | 10.000.000.000           | 10.000.000.000           |
| 254        | 2. Allowances for long-term investments           |       | (1.835.448.481)          | (1.607.654.021)          |
| <b>260</b> | <b>VI. Other long-term assets</b>                 |       | <b>9.599.792.484</b>     | <b>9.477.812.151</b>     |
| 261        | 1. Long-term prepaid expenses                     | V.12b | 9.599.792.484            | 9.477.812.151            |
| 268        | 2. Other long-term assets                         |       | -                        | -                        |
| <b>270</b> | <b>TOTAL ASSETS</b>                               |       | <b>1.571.732.959.361</b> | <b>1.558.979.739.093</b> |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

**Interim Separate Balance Sheet (Cont'd)**

As at June 30, 2025

| Code       | RESOURCES  | Notes | Jun 30, 2025             | Jan 01, 2025             |
|------------|--|-------|--------------------------|--------------------------|
| 1          | 2  | 3     | 4                        | 5                        |
| <b>300</b> | <b>C. LIABILITIES</b>                                  |       | <b>750.872.277.972</b>   | <b>781.567.271.461</b>   |
| <b>310</b> | <b>I. Short-term liabilities</b>                       |       | <b>308.728.725.172</b>   | <b>302.151.956.575</b>   |
| 311        | 1. Short-term trade payables                           | V.13  | 43.485.581.393           | 45.867.108.260           |
| 312        | 2. Short-term prepayments from customers               | V.14  | 2.730.580.672            | 980.710.123              |
| 313        | 3. Taxes and other payables to State budget            | V.15  | 12.508.338.657           | 7.142.123.949            |
| 314        | 4. Payables to employees                               | V.16  | 22.500.486.979           | 29.399.507.369           |
| 315        | 5. Short-term accrued expenses                         | V.17  | 10.419.272.296           | 2.207.585.966            |
| 318        | 6. Unearned revenue                                    | V.18  | 1.269.479.452            | -                        |
| 319        | 7. Other short-term payables                           | V.19a | 142.573.223.124          | 149.124.291.276          |
| 320        | 8. Short-term borrowings and finance lease liabilities | V.20a | 60.444.104.136           | 60.483.921.067           |
| 322        | 9. Bonus and welfare fund                              | V.21  | 12.797.658.463           | 6.946.708.565            |
| <b>330</b> | <b>II. Long-term liabilities</b>                       |       | <b>442.143.552.800</b>   | <b>479.415.314.886</b>   |
| 337        | 1. Other long-term payables                            | V.19b | 83.315.227.710           | 90.364.937.728           |
| 338        | 2. Long-term borrowings and finance lease liabilities  | V.20b | 354.353.125.668          | 384.575.177.736          |
| 343        | 3. Science and technology development fund             |       | 4.475.199.422            | 4.475.199.422            |
| <b>400</b> | <b>D. OWNER'S EQUITY</b>                               |       | <b>820.860.681.389</b>   | <b>777.412.467.632</b>   |
| <b>410</b> | <b>I. Owner's equity</b>                               | V.22  | <b>820.282.058.180</b>   | <b>776.833.844.423</b>   |
| 411        | 1. Contributed capital                                 |       | 579.640.610.000          | 579.640.610.000          |
| 411a       | - Ordinary shares with voting rights                   |       | 579.640.610.000          | 579.640.610.000          |
| 411b       | - Preference shares                                    |       | -                        | -                        |
| 412        | 2. Capital surplus                                     |       | 8.993.538.265            | 8.993.538.265            |
| 418        | 3. Development and investment funds                    |       | 133.128.222.654          | 128.098.140.692          |
| 421        | 4. Undistributed profit after tax                      |       | 98.519.687.261           | 60.101.555.466           |
| 421a       | - Undistributed profit after tax brought forward       |       | 321.530.804              | 170.605.362              |
| 421b       | - Undistributed profit after tax for the current year  |       | 98.198.156.457           | 59.930.950.104           |
| <b>430</b> | <b>II. Funding sources and other funds</b>             |       | <b>578.623.209</b>       | <b>578.623.209</b>       |
| 431        | 1. Funding sources                                     |       | -                        | -                        |
| 432        | 2. Funds used for fixed asset acquisition              |       | 578.623.209              | 578.623.209              |
| <b>440</b> | <b>TOTAL RESOURCES</b>                                 |       | <b>1.571.732.959.361</b> | <b>1.558.979.739.093</b> |

Da Nang, August 28, 2025

Preparer

*Thuy*

NGUYEN THI THANH THUY

Chief Accountant

*Minh*

PHAM HONG MINH

General Manager



HO MINH NAM



**INTERIM SEPARATE INCOME STATEMENT**  
For the six-month period ended June 30, 2025

Unit: VND

| Code      | Items   | Notes | Current period         | Previous period        |
|-----------|---|-------|------------------------|------------------------|
| 1         | 2   | 3     | 4                      | 5                      |
| 01        | <b>1. Revenues from sales and services rendered</b>       | VI.1  | <b>362.586.282.859</b> | <b>309.181.439.901</b> |
| 02        | 2. Revenue deductions                                     |       | -                      | -                      |
| <b>10</b> | <b>3. Net revenues from sales and services rendered</b>   |       | <b>362.586.282.859</b> | <b>309.181.439.901</b> |
| 11        | 4. Costs of goods sold                                    | VI.2  | 209.594.493.473        | 194.225.387.068        |
| <b>20</b> | <b>5. Gross revenues from sales and services rendered</b> |       | <b>152.991.789.386</b> | <b>114.956.052.833</b> |
| 21        | 6. Financial income                                       | VI.3  | 11.394.176.442         | 13.162.827.780         |
| 22        | 7. Financial expenses                                     | VI.4  | 12.444.459.006         | 14.946.959.433         |
| 23        | - In which: Interest expenses                             |       | 12.216.664.546         | 14.946.959.433         |
| 25        | 8. Selling expenses                                       | VI.5  | 20.509.553.994         | 18.822.209.972         |
| 26        | 9. General administration expenses                        | VI.6  | 23.783.096.809         | 21.940.979.522         |
| <b>30</b> | <b>10. Net profits from operating activities</b>          |       | <b>107.648.856.019</b> | <b>72.408.731.686</b>  |
| 31        | 11. Other income  | VI.7  | 1.680.839.060          | 1.605.951.183          |
| 32        | 12. Other expenses  | VI.8  | 11.548.551             | 54                     |
| <b>40</b> | <b>13. Other profits</b>                                  |       | <b>1.669.290.509</b>   | <b>1.605.951.129</b>   |
| <b>50</b> | <b>14. Total net profit before tax</b>                    |       | <b>109.318.146.528</b> | <b>74.014.682.815</b>  |
| 51        | 15. Current corporate income tax expenses                 | V.15  | 11.119.990.071         | 7.595.358.091          |
| 52        | 16. Deferred corporate income tax expenses                |       | -                      | -                      |
| <b>60</b> | <b>17. Profits after corporate income tax</b>             |       | <b>98.198.156.457</b>  | <b>66.419.324.724</b>  |
| <b>70</b> | <b>18. Basic earnings per share</b>                       | VI.10 |                        |                        |
| <b>71</b> | <b>19. Diluted earnings per share</b>                     | VI.10 |                        |                        |

Da Nang, August 28, 2025

Preparer



**NGUYEN THI THANH THUY**

Chief Accountant



**PHAM HONG MINH**

General Manager



**HO MINH NAM**

**INTERIM SEPARATE CASH FLOW STATEMENT**

(Indirect method)

For the six-month period ended June 30, 2025

Unit: VND

| Code | Items  | Notes      | Current period    | Previous period   |
|------|--|------------|-------------------|-------------------|
| 1    | 2  | 3          | 4                 | 5                 |
|      | <b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>  |            |                   |                   |
| 01   | 1. Profit before tax   |            | 109.318.146.528   | 74.014.682.815    |
|      | 2. Adjustments for   |            |                   | -                 |
| 02   | - Depreciation and amortisation  | V.8, V.9   | 56.642.883.197    | 61.589.173.575    |
| 03   | - Provisions   | VI.4, VI.6 | 281.729.942       | -                 |
| 04   | - Gain, loss on unrealize difference rate differences from revaluation of accounts derived from foreign currencies | VI.3       | -                 | (14.683.733)      |
| 05   | - Gain, loss from investment activities  |            | (11.391.565.748)  | (13.148.092.335)  |
| 06   | - Interest expenses  | VI.4       | 12.216.664.546    | 14.946.959.433    |
| 07   | - Other adjustments  |            |                   |                   |
| 08   | 3. Operating profit before adjustments to working capital  |            | 167.067.858.465   | 137.388.039.755   |
| 09   | - Increase, decrease in accounts receivables   |            | 10.780.745.318    | 846.706.333       |
| 10   | - Increase, decrease in inventories  |            | 1.709.666.521     | (1.701.481.809)   |
| 11   | - Increase, decrease in accounts payables (exclusive of interest payables, enterprise income tax payables)         |            | 3.336.629.615     | (36.133.901.755)  |
| 12   | - Increase, decrease in prepaid expenses   |            | (112.033.616)     | (718.090.389)     |
| 13   | - Increase, decrease in trading securities   |            | -                 | -                 |
| 14   | - Interest paid  |            | (12.281.958.444)  | (14.894.253.269)  |
| 15   | - Corporate income tax paid  |            | -                 | -                 |
| 16   | - Other revenue from operating activities  |            | -                 | -                 |
| 17   | - Other payments on operating activities   |            | (8.324.150.102)   | (5.061.761.693)   |
| 20   | Net cash from operating activities   |            | 162.176.757.757   | 79.725.257.173    |
|      | <b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>  |            |                   |                   |
| 21   | 1. Expenditures for purchase, construction of fixed assets and other   |            | (21.213.912.609)  | (15.698.217.937)  |
| 22   | 2. Expenditures on borrowing and purchase of debt instruments of other entities                                    |            | (313.678.878.435) | (157.968.871.765) |
| 23   | 3. Proceeds from loans collected and sale of debt instruments of other entities                                    |            | 236.849.962.104   | 168.705.964.120   |
| 24   | 4. Proceeds from interests, dividends and distributed profits  |            | 15.036.104.646    | 11.661.838.638    |
| 30   | Net cash from investing activities   |            | (83.006.724.294)  | 6.700.713.056     |
|      | <b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>  |            |                   |                   |
| 34   | 1. Repayment of principal  | V.20       | (30.261.868.999)  | (31.067.530.068)  |
| 36   | 2. Dividends and interest paid to owners   | V.22       | (40.574.842.700)  | -                 |
| 40   | Net cash flows from financing activities   |            | (70.836.711.699)  | (31.067.530.068)  |
| 50   | Net cash flows during the fiscal year (50=20+30+40)  |            | 8.333.321.764     | 55.358.440.161    |
| 60   | Cash and cash equivalents at the beginning of fiscal year  |            | 50.896.601.474    | 64.133.588.891    |
| 61   | Effect of exchange rate fluctuations   |            | -                 | 14.683.733        |
| 70   | Cash and cash equivalents at the end of fiscal year  |            | 59.229.923.238    | 119.506.712.785   |

Da Nang, August 28, 2025

Preparer

Chief Accountant

General Manager



NGUYEN THI THANH THUY



PHAM HONG MINH



HO MINH NAM



## NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS

For the six-month period ended June 30, 2025

These notes are an integral part of and should be read in conjunction with the Interim Separate Financial Statements for the six-month period ended June 30, 2025.

### I. NATURE OF OPERATIONS

#### 1. Forms of ownership

Danang Water Supply Joint Stock Company (hereinafter referred to as "the Company") was incorporated on the basis of equitization of Da Nang Water Supply Co., Ltd under Decision No. 5354/QĐ-UBND dated August 09, 2016 by Da Nang City People's Committee. The Company is an independent accounting entity, operating in accordance with Enterprise Registration Certificate No. 0400101066 dated July 01, 2010 by Da Nang City Planning and Investment Department (this Enterprise Registration Certificate has been amended 10 times, and the latest amendment was made on July 10, 2025), the Enterprise Law, its Charter and other relevant regulations.

The Company was accepted for trading its common shares on UPCoM at Hanoi Stock Exchange in accordance with Decision No. 509/QĐ-SGDHN dated July 07, 2017 of the General Director of Hanoi Stock Exchange with stock code DNN. The official trading date of the share was July 17, 2017.

#### 2. Principal scope of business

Producing and trading in domestic water.

#### 3. Principal activities

The Company's principal activities are as follows:

- Water collection, treatment and supply. Detail: Producing and trading in clean water for daily life, production activities and other needs;
- Architectural and engineering activities and related technical consultancy. Detail: Preparing construction investment projects. Consulting, designing and preparing total cost estimates of water supply and sewerage works of medium and small scale. Terrain and geological surveys, verification of design documents and cost estimates, construction supervision, management of the investment and construction of water supply and sewerage projects from Group B downwards;
- Technical examination and analysis. Detail: testing and measuring water meter.
- Production of soft drinks and mineral waters. Detail: Producing and trading in bottled drinking water;
- Water supply and sewerage, heating and air-conditioning system installation activities. Detail: Installation and construction of water supply works;
- Trading in other construction materials and equipment. Detail: Trading in materials and equipment exclusively used for the construction of water supply and sewerage.

#### 4. Normal course of the business cycle

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

#### The characteristics of the Company's operations during the period affect the Interim Separate Financial Statements

Due to the increase in water sales volume, combined with a 13% rise in the clean water tariff effective from January 1, 2025, the Company's revenue for the first half of 2025 increased by more than 17% compared to the same period in the previous year. Meanwhile, cost of sales for the current period rose by only 7.9% compared to the prior period, mainly because, in accordance with Decision No. 2967/QĐ-UBND dated December 31, 2024, the Company recognized raw water purchase expenses at actual prices,



**DANANG WATER SUPPLY JOINT STOCK COMPANY****INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)**

resulting in lower raw water costs in the current period compared to the previous one. Consequently, profit before tax for the six months ended June 30, 2025 increased by more than 33% compared to the same period of the previous year.

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

**5. Company structure**

As on June 30, 2025, the Company has 02 dependent units company and 01 subsidiary. General information about the Company's subsidiaries and affiliates is as follows:

**Dependent units:**

| No. | Name  | Address  |
|-----|---|--|
| 1.  | Danang Water Supply Project Management Unit | No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Danang City |
| 2.  | Dawaco Construction Enterprise              | No. 10 Trinh Cong Son, Hoa Cuong Ward, Danang City           |

**Subsidiary company:**

| Name   | Address  | Principal activities                                 | Rate of benefit of Parent Company | The voting rights of the Parent Company |
|--|--|--|-----------------------------------|---|
| Danang Water Supply Sewerage Construction Co., Ltd | No 10 Trinh Cong Son, Hoa Cuong Ward, Da Nang City | Installation of the system water supply and drainage | 100,00%                           | 100,00%                                 |

**6. Employees**

As on June 30, 2025, there are 521 persons who are working at the Company. (There are 528 persons as at January 1, 2025).

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

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

These financial statements are prepared for the six-month financial period of 2025, from January 1, 2025 to June 30, 2025.

**2. The currency used in accounting**

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

**III. APPLICABLE ACCOUNTING STANDARDS AND SYSTEM****1. Applicable accounting standards and system**

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

Accordingly, the Interim Separate Balance Sheet as on June 30, 2025, Interim Separate Income Statement, Interim Separate Cash Flow Statement and Notes to the Interim Separate Financial Statement for the six-month period ended as of June 30, 2025 are presented herewith and the use of these reports are not intended for persons who are not provided with information on accounting procedures, principles and practices in Vietnam. And furthermore, they are not intended to present the interim separate financial position, results of operations and cash flows in accordance with widely accepted accounting principles and practices in countries and territories other than Vietnam.

**2. Declaration of compliance with accounting standards and system**

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

**IV. APPLICABLE ACCOUNTING POLICIES**

**1. Basis of preparing the interim separate financial statements**

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

The affiliated units have their own accounting work organization, dependent accounting. The Interim Separate Financial Statements of the whole Company are prepared on the basis of summarizing the Interim Separate Financial Statements of the affiliated units. Revenue and balances between subsidiaries are eliminated when preparing the Interim Separate Financial Statements.

These Interim Separate Financial Statements are the combined Interim Separate Financial Statements of the whole Company.

**2. Cash and cash equivalents**

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

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

**3. Financial investments**

***Held-to-maturity investments***

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

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

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



### ***Loans***

Loans are stated at cost less allowance for doubtful debts. Provisions for bad debts of loans are made based on expected losses.

### ***Investments in subsidiary***

Subsidiary is an enterprise which is controlled by the Company. Control is achieved when the Company has the power to govern the interim separate financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Investments in a subsidiary are initially recognized at historical cost, consisting of the purchase price or capital contribution plus directly investable costs. In the case of investments with non-monetary assets, the cost of the investment is recognized at the fair value of the non-monetary asset at the time it arises.

Dividends and profits for the periods before the investment is purchased are accounted for in the value of the investment itself. Dividends and profit for the periods after the investment is purchased is recognized as revenue. Dividends received in shares are only tracked by the increased number of shares, not recognized the value of shares received/recognized at par value.

Allowance for losses for investments in subsidiaries is made when the subsidiary suffers a loss with the allowance equal to the difference between the actually contributed capital of the parties in the subsidiary and the actual equity capital (X) with the ratio of the Company's capital contribution to the total actual contributed capital of the parties in the subsidiary. If the subsidiary is the subject of the Consolidated Financial Statements, the basis for determining the loss provision is the Consolidated Financial Statements.

Increase, decrease in the amount of allowance for impairment in investments in subsidiaries that need to be made at the balance sheet date is recognized in financial expenses.

## **4. Receivables**

Receivables are presented at cost less allowance for doubtful debts.

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

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

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

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

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

## **5. Inventories**

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

Inventories' cost is determined that:



- Materials, goods: included purchase cost and other directly related cost occurred to recognize inventories' cost at the current place and status.
- Finished goods: include the costs of raw materials, direct labor, and related manufacturing overheads allocated based on normal operating capacity/land use right costs, direct costs, and related overheads incurred during the real estate development and construction process of finished properties
- Work-in-progress: includes direct raw material costs, direct labour and general costs.

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

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

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

## 6. Prepaid expenses

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

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

### *Tools and instruments*

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

### *Cost of repairing fixed assets*

Cost of repairing assets with great value is allocated to cost under the straight-line method for a period of not more than 36 months.

## 7. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

Depreciating the cost of tangible fixed assets is calculated on straight-line method based on the estimated useful life. In details:

| <u>Kind of assets</u>                    | <u>Useful life (years)</u> |
|--|----------------------------|
| Buildings, structures                    | 10 – 25                    |
| Machineries, equipment                   | 06 – 15                    |
| Means of transportation and transmitters | 06 – 15                    |
| Office equipment and furniture           | 04 – 10                    |

Other fixed assets

06 – 12

## 8. Intangible fixed assets

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

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

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

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

Intangible fixed assets of the Company as follows.

### *Software program*

The cost associated with computer software programs is not an integral part of the related hardware capitalized. The cost of computer software is all the expenses paid by the Company by the time the software is put into use. Depreciating the cost of computer software is calculated on straight-line method within 04 – 10 years.

## 9. Construction in progress

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

## 10. Liabilities and accruals

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

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

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

Other payables reflect the non-commercial elements, unrelated to selling - purchasing transactions, rendering of services.

## 11. Loans and finance lease liabilities

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

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



## 12. Owners' equity

### *The owner's contributed capital*

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

### *Capital surplus*

Capital surplus is recognized by the difference between the issuing price and the denomination of shares at the first issue, additional issuance, the difference between the reissue price and the book value of treasury shares and the Capital portion of convertible bonds at maturity. Direct expenses related to the additional issuance of shares and re-issuance of treasury shares are recorded to reduce the capital surplus.

### *The owner's other funds*

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

## 13. Profit distribution

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

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

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

## 14. Recognition of revenue

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

### *Revenue from selling goods and finished products*

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

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

### *Revenue from services rendered*

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

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

***Revenue from lease operating assets***

Revenue from lease operating assets is recorded on a straight-line method over the term of the lease. Revenue received in advance of many periods are allocated to revenue in accordance with the rental period.

***Interest***

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

***Dividends and shared profit***

Dividends and shared profit are recognized when shareholders are entitled to receive dividends or profits from the capital contribution. Received dividends are shares, that are only monitored for the increase in the number of shares, not for the value of shares received/recorded in denomination.

**15. Revenue deductions**

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

**16. Cost of goods sold**

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

**17. Financial expenses**

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

**18. Selling expenses and General administration expenses**

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

**19. Borrowing costs**

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

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

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

**20. Foreign currency transaction**

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

Foreign exchange differences arising on transactions in foreign currencies in the period are recognized in financial income or expenses. Exchange differences arising from revaluation of monetary items



denominated in foreign currencies at the fiscal period ended date, after balancing increase and decrease differences, are recorded in financial income or expenses.

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

- Actual exchange rate when trading foreign currencies (forex forward contracts for immediate delivery, forward contracts, futures contracts, options contracts, swap contracts): the exchange rate in the foreign currency trading contract signed between the Company and the bank.
- In case the contract does not state the payment rate:
  - For capital contributions or receipt of capital contributions: the buying rate of the bank where the Company opens its account to receive investors' capital at the date of contribution.
  - For receivables: the buying rate of the commercial bank where the Company appoints its customer for making payment at the transaction time.
  - For payables: the selling rate of commercial bank where the Company anticipates conducting transactions at the date of the transactions.
  - For purchases of assets or expenses paid immediately in foreign currency (not through the payable accounts): the buying rate of the commercial bank where the Company makes payment.

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

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

## 21. Corporate income tax

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

### *Current income tax*

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

### *Deferred corporate income tax*

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

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

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

**INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)**

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rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

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

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

**22. Related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Parties are also considered to be related if they are subject to common control or common significant influences.

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



**V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INTERIM SEPARATE BALANCE SHEET**

Unit: VND

**1. Cash**

|              | Jun 30, 2025          | Jan 01, 2025          |
|--------------|-----------------------|-----------------------|
| Cash in hand | 19,542,206            | 14,699,440            |
| Cash at bank | 59,210,381,032        | 50,881,902,034        |
| <b>Total</b> | <b>59,229,923,238</b> | <b>50,896,601,474</b> |

**2. Held-to-maturity investments**

|  | Jun 30, 2025           | Jan 01, 2025           |
|--|------------------------|------------------------|
| More than 3 months to 1 year term deposits                             | 435,917,140,746        | 359,088,224,415        |
| - National Citizen Commercial JS Bank - Da Nang Branch                 | 131,000,000,000        | -                      |
| - EVN Finance JS Company   | 100,000,000,000        | 130,000,000,000        |
| - Vietnam-Russia Joint Venture Bank - Da Nang Branch                   | 66,000,000,000         | 37,000,000,000         |
| - SaiGon-HaNoi Commercial JS Bank - Da Nang Branch                     | 55,000,000,000         | 50,000,000,000         |
| - Vietnam Asia Commercial JS Bank - Da Nang Branch                     | 46,000,000,000         | 97,000,000,000         |
| - Vietnam Thuong Tin Commercial JS Bank - Thanh Khe Transaction Office | 26,000,000,000         | 7,000,000,000          |
| - An Binh Commercial JS Bank - Da Nang Branch                          | 6,000,000,000          | -                      |
| - JS Commercial Bank For Foreign Trade Of Vietnam                      | 5,917,140,746          | 5,787,283,615          |
| - HCM City Development Commercial JS Bank - Da Nang Branch             | -                      | 30,000,000,000         |
| - Nam A Commercial JS Bank - Da Nang Branch                            | -                      | 2,300,940,800          |
| <b>Total</b>   | <b>435,917,140,746</b> | <b>359,088,224,415</b> |

There were no pledged deposits or collateral for loans as of June 30, 2025.

**3. Short-term trade receivables**

|  | Jun 30, 2025          | Jan 01, 2025          |
|--|-----------------------|-----------------------|
| Receivables from customers being related parties | -                     | -                     |
| Receivables from other customers                 | 16,160,966,368        | 16,223,044,308        |
| Trung Nam Hue Crossroad BT Limited Company       | 4,090,711,000         | 4,129,593,002         |
| Others   | 12,070,255,368        | 12,093,451,306        |
| <b>Total</b>                                     | <b>16,160,966,368</b> | <b>16,223,044,308</b> |

As on June 30, 2025, overdue customer receivable balance is VND 7,508,269,138. The company has made provisions for bad debts according to regulations.

**DANANG WATER SUPPLY JOINT STOCK COMPANY****INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)****4. Short-term prepayment to suppliers**

|   | Jun 30, 2025         | Jan 01, 2025         |
|---|----------------------|----------------------|
| Receivables from customers being related parties                    | -                    | -                    |
| Receivables from other customers                                    | 1,659,973,160        | 1,886,001,013        |
| Visnam Informatics Technology Solution And Business Company Limited | 314,880,000          | 314,880,000          |
| Phan Huu Luyen  | 185,000,001          | 185,000,001          |
| Others  | 1,160,093,159        | 1,386,121,012        |
| <b>Total</b>  | <b>1,659,973,160</b> | <b>1,886,001,013</b> |

As on June 30, 2025, the balance of short-term prepayments to suppliers determined to be bad debt is VND 944,052,313. The company has made provisions for bad debts according to regulations.

**5. Other short-term receivables**

|                                  | Jun 30, 2025          |           | Jan 01, 2025          |           |
|----------------------------------|-----------------------|-----------|-----------------------|-----------|
|                                  | Amount                | Allowance | Amount                | Allowance |
| Receivables from related parties | -                     | -         | -                     | -         |
| Receivables from others          | 12,928,855,636        | -         | 16,286,543,075        | -         |
| Accrued interest                 | 6,404,681,561         | -         | 8,779,741,007         | -         |
| Advance                          | 1,708,869,680         | -         | 2,001,477,808         | -         |
| Short-term deposits              | 651,593,416           | -         | 1,190,078,000         | -         |
| Other receivables                | 4,163,710,979         | -         | 4,315,246,260         | -         |
| <b>Total</b>                     | <b>12,928,855,636</b> | <b>-</b>  | <b>16,286,543,075</b> | <b>-</b>  |

Short-term deposits are deposits to return the construction site according to the permit issued by the Department of Transportation of Da Nang City for construction.

**6. Short-term allowances for doubtful debts**

|  | Jun 30, 2025         | Jan 01, 2025         |
|--|----------------------|----------------------|
| Allowances for receivable debt which has been overdue for 3 years or more                        | 7,566,579,316        | 7,380,094,026        |
| Allowances for receivable debt which has been overdue for between 2 years and under 3 years      | 257,078,911          | 344,081,448          |
| Allowances for receivable debt which has been overdue for between 1 year and under 2 years       | 158,157,894          | 210,958,681          |
| Allowances for receivable debt which has been overdue for between over 6 months and under 1 year | 60,651,228           | 53,397,713           |
| <b>Total</b>   | <b>8,042,467,349</b> | <b>7,988,531,867</b> |



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For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)****Statement of changes in allowances for short-term doubtful debts**

|                        | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|------------------------|--------------------------------------|--------------------------------------|
| Opening balance        | 7,988,531,867                        | 7,932,157,338                        |
| Increasing             | 53,935,482                           | -                                    |
| Decreasing             | -                                    | -                                    |
| <b>Closing balance</b> | <b>8,042,467,349</b>                 | <b>7,932,157,338</b>                 |

**7. Inventories**

|                    | Jun 30, 2025          |           | Jan 01, 2025          |           |
|--------------------|-----------------------|-----------|-----------------------|-----------|
|                    | Historical cost       | Allowance | Historical cost       | Allowance |
| Raw materials      | 38,415,691,295        | -         | 40,125,299,972        | -         |
| Tools and supplies | 363,097,262           | -         | 363,155,106           | -         |
| Work in progress   | 1,654,136,222         | -         | 1,654,136,222         | -         |
| <b>Total</b>       | <b>40,432,924,779</b> | <b>-</b>  | <b>42,142,591,300</b> | <b>-</b>  |

- Raw materials are water industry materials such as pipes, clocks, flanges, water valves, faucets, rubber rings, and water treatment chemicals ...; materials used for construction and installation activities such as iron, steel, and sand; fuel used for motorcycles such as gasoline, oil, lubricant, and some other materials.
- Tools and instruments are types of labor protection and hygiene tools.
- Work in progress is the value of uncompleted and untested grave construction works as of June 30, 2025.
- There is no stagnant, inferior-quality inventory on June 30, 2025.
- There is no inventory for collateral, mortgaged to ensure the debt as of June 30, 2025.

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

**INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)**

**8. Tangible fixed assets**

|  | Buildings and<br>Architecture | Machinery<br>and equipment | Means of transportation<br>& transmitters | Office<br>equipment  | Other<br>fixed assets | Total                    |
|--|-------------------------------|----------------------------|---|----------------------|-----------------------|--------------------------|
| <b>Historical cost</b>                       |                               |                            |   |                      |                       |                          |
| Opening balance                              | 207,700,322,209               | 153,981,693,471            | 2,199,001,880,754                         | 8,397,148,314        | 1,141,157,347         | 2,570,222,202,095        |
| Increasing in the period                     | 1,224,189,194                 | 110,612,549                | 4,026,798,732                             | 30,909,091           | -                     | 5,392,509,566            |
| + <i>Completed construction</i>              | 1,224,189,194                 | 110,612,549                | 4,026,798,732                             | -                    | -                     | 5,361,600,475            |
| + <i>Purchase</i>                            | -                             | -                          | -   | 30,909,091           | -                     | 30,909,091               |
| Decreasing in the period                     | -                             | -                          | (26,648,250,924)                          | -                    | -                     | (26,648,250,924)         |
| + <i>Transfer of assets to the State (*)</i> | -                             | -                          | (26,576,233,000)                          | -                    | -                     | (26,576,233,000)         |
| + <i>Decrease after final settlement</i>     | -                             | -                          | (9,511,298)                               | -                    | -                     | (9,511,298)              |
| + <i>Others</i>                              | -                             | -                          | (62,506,626)                              | -                    | -                     | (62,506,626)             |
| <b>Closing balance</b>                       | <b>208,924,511,403</b>        | <b>154,092,306,020</b>     | <b>2,176,380,428,562</b>                  | <b>8,428,057,405</b> | <b>1,141,157,347</b>  | <b>2,548,966,460,737</b> |
| <b>Depreciation</b>                          |                               |                            |   |                      |                       |                          |
| Opening balance                              | 163,479,403,286               | 100,158,460,969            | 1,299,570,572,011                         | 6,771,767,824        | 618,000,559           | 1,570,598,204,649        |
| Increasing in the period                     | 2,868,132,931                 | 6,007,306,657              | 47,181,305,098                            | 255,950,814          | 39,821,031            | 56,352,516,531           |
| + <i>Depreciation during the period</i>      | 2,868,132,931                 | 6,007,306,657              | 47,181,305,098                            | 255,950,814          | 39,821,031            | 56,352,516,531           |
| Decreasing in the period                     | -                             | -                          | (12,208,689,057)                          | -                    | -                     | (12,208,689,057)         |
| + <i>Transfer of assets to the State (*)</i> | -                             | -                          | (12,147,382,431)                          | -                    | -                     | (12,147,382,431)         |
| + <i>Others</i>                              | -                             | -                          | (61,306,626)                              | -                    | -                     | (61,306,626)             |
| <b>Closing balance</b>                       | <b>166,347,536,217</b>        | <b>106,165,767,626</b>     | <b>1,334,543,188,052</b>                  | <b>7,027,718,638</b> | <b>657,821,590</b>    | <b>1,614,742,032,123</b> |
| <b>Net book value</b>                        |                               |                            |   |                      |                       |                          |
| Opening balance                              | 44,220,918,923                | 53,823,232,502             | 899,431,308,743                           | 1,625,380,490        | 523,156,788           | 999,623,997,446          |
| <b>Closing balance</b>                       | <b>42,576,975,186</b>         | <b>47,926,538,394</b>      | <b>841,837,240,510</b>                    | <b>1,400,338,767</b> | <b>483,335,757</b>    | <b>934,224,428,614</b>   |

Cost of fixed assets that have depreciated fully are still using as of June 30, 2025: VND 1,202,126,651,208.

No tangible fixed assets pending liquidation as of June 30, 2025.

Carrying amount of fixed assets mortgaged for loans as of June 30, 2025: VND 722,655,504,680 (refer to Note V.20).

(\*) According to Decision No. 341/QĐ-UBND issued by the People's Committee of Da Nang City on January 24, 2025, regarding the handover of water supply infrastructure assets that have been exploited and used since after June 2015 to the Da Nang Urban Infrastructure Management Center."



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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**Notes to the Interim Separate Financial Statements (Cont'd)**

**9. Intangible fixed assets**

|                                | Website            | Accounting<br>Software | Management<br>Software | Total                 |
|--------------------------------|--------------------|------------------------|------------------------|-----------------------|
| <b>Historical cost</b>         |                    |                        |                        |                       |
| Opening balance                | 150,000,000        | 54,000,000             | 11,534,575,951         | 11,738,575,951        |
| Increase during the period     | -                  | -                      | -                      | -                     |
| Decrease during the period     | -                  | -                      | -                      | -                     |
| <b>Closing balance</b>         | <b>150,000,000</b> | <b>54,000,000</b>      | <b>11,534,575,951</b>  | <b>11,738,575,951</b> |
| <b>Depreciation</b>            |                    |                        |                        |                       |
| Opening balance                | 31,250,000         | 54,000,000             | 9,560,159,283          | 9,645,409,283         |
| Depreciation during the period | 18,750,000         | -                      | 271,616,666            | 290,366,666           |
| Decrease during the period     | -                  | -                      | -                      | -                     |
| <b>Closing balance</b>         | <b>50,000,000</b>  | <b>54,000,000</b>      | <b>9,831,775,949</b>   | <b>9,935,775,949</b>  |
| <b>Net book value</b>          |                    |                        |                        |                       |
| Opening balance                | 118,750,000        | -                      | 1,974,416,668          | 2,093,166,668         |
| <b>Closing balance</b>         | <b>100,000,000</b> | <b>-</b>               | <b>1,702,800,002</b>   | <b>1,802,800,002</b>  |

Cost of intangible fixed assets that have depreciated fully are still using as of June 30, 2025: VND 9,696,575,951.

No intangible fixed assets mortgaged for loans as of June 30, 2025.

**10. Construction in progress**

|   | Jun 30, 2025          | Jan 01, 2025          |
|---|-----------------------|-----------------------|
| <b>Capital construction</b>   | <b>49,063,066,212</b> | <b>33,241,663,169</b> |
| - Project on expansion Da Nang water supply system period 2012 - 2018 | 4,578,238,041         | 4,578,238,041         |
| - Other projects  | 44,484,828,171        | 28,663,425,128        |
| <b>Total</b>  | <b>49,063,066,212</b> | <b>33,241,663,169</b> |

(\*) The value of assets mortgaged for loans as of June 30, 2025: VND 66,921,920 (refer to Note V.20).

**DANANG WATER SUPPLY JOINT STOCK COMPANY****INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)****11. Long-term financial investments**

|  | Jun 30, 2025          |                        |                      | Jan 01, 2025          |                        |                      |
|--|-----------------------|------------------------|----------------------|-----------------------|------------------------|----------------------|
|  | Historical cost       | Allowance              | Fair value           | Historical cost       | Allowance              | Fair value           |
| <b>Investments in Subsidiaries</b>                 | <b>10,000,000,000</b> | <b>(1,835,448,481)</b> | <b>8,164,551,519</b> | <b>10,000,000,000</b> | <b>(1,607,654,021)</b> | <b>8,392,345,979</b> |
| Danang Water Supply Sewerage Construction Co., Ltd | 10,000,000,000        | (1,835,448,481)        | 8,164,551,519        | 10,000,000,000        | (1,607,654,021)        | 8,392,345,979        |
| <b>Total</b>                                       | <b>10,000,000,000</b> | <b>(1,835,448,481)</b> | <b>8,164,551,519</b> | <b>10,000,000,000</b> | <b>(1,607,654,021)</b> | <b>8,392,345,979</b> |

Fair value of the aforementioned long-term financial investments is due to lack of information on transaction prices, so the Company determines fair value of the investments equal to book value on the Interim Separate Financial Statements of the Company for the six-month period ended June 30, 2025.

Allowances for long-term financial investments are based on the actual equity in the Interim Separate Financial Statements for the six-month period ended June 30, 2025 of invested companies.

**Additional information**

|  | Status of operation                | Jun 30, 2025  |              | Jan 01, 2025  |              |
|--|------------------------------------|---------------|--------------|---------------|--------------|
|  |                                    | Capital ratio | Voting ratio | Capital ratio | Voting ratio |
| <b>Investments in Subsidiaries</b>                 |                                    |               |              |               |              |
| Danang Water Supply Sewerage Construction Co., Ltd | Temporary suspension of operations | 100.00%       | 100.00%      | 100.00%       | 100.00%      |

According to Resolution No. 09/NQ-HĐQT of the Board of Directors of Da Nang Water Supply Joint Stock Company dated December 18, 2024, the policy to temporarily suspend the operations of Danang Water Supply Sewerage Construction Co., Ltd (second time) was approved. On December 21, 2024, the Da Nang Department of Planning and Investment confirmed that the Company would temporarily cease business from January 1, 2025 to December 31, 2025.

Major transactions between the Company and its subsidiaries and associates during the period are presented in Note No. VIII.1.



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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**Notes to the Interim Separate Financial Statements (Cont'd)**

**12. Prepaid expenses**

**a. Short-term**

|  | Jun 30, 2025       | Jan 01, 2025       |
|--|--------------------|--------------------|
| Non-agricultural land use tax              | 188,629,216        | -                  |
| Insurance expense                          | 98,620,997         | 281,583,351        |
| Tools and supplies awaiting for allocation | 119,517,923        | 135,131,502        |
| <b>Total</b>                               | <b>406,768,136</b> | <b>416,714,853</b> |

*Fluctuations in Short-term Prepaid Expenses*

|                          | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|--------------------------|--------------------------------------|--------------------------------------|
| Opening balance          | 416,714,853                          | 241,579,478                          |
| Increase                 | 506,961,478                          | 515,927,205                          |
| Allocation in the period | (516,908,195)                        | (395,414,244)                        |
| <b>Closing balance</b>   | <b>406,768,136</b>                   | <b>362,092,439</b>                   |

**b. Long-term**

|  | Jun 30, 2025         | Jan 01, 2025         |
|--|----------------------|----------------------|
| Cost of installing branch pipes                  | 5,080,507,251        | 4,432,764,564        |
| Other instrument & tools awaiting for allocation | 4,519,285,233        | 5,045,047,587        |
| <b>Total</b>                                     | <b>9,599,792,484</b> | <b>9,477,812,151</b> |

*Fluctuation in Long-term Prepaid Expenses*

|                          | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|--------------------------|--------------------------------------|--------------------------------------|
| Opening balance          | 9,477,812,151                        | 8,814,528,172                        |
| Increase                 | 7,752,514,001                        | 7,184,099,101                        |
| Allocation in the period | (7,630,533,668)                      | (6,586,521,673)                      |
| <b>Closing balance</b>   | <b>9,599,792,484</b>                 | <b>9,412,105,600</b>                 |

**13. Short-term trade payables**

|  | <b>Jun 30, 2025</b>   | <b>Jan 01, 2025</b>   |
|--|-----------------------|-----------------------|
| <b>Trade payables to related parties</b><br><i>(Refer to Notes No. VIII.1)</i> | <b>3,424,691,672</b>  | <b>3,424,691,672</b>  |
| <b>Trade payables to other entities</b>  | <b>40,060,889,721</b> | <b>42,442,416,588</b> |
| Da Nang City Urban Infrastructure Management Center                            | 6,996,662,127         | 14,568,808,506        |
| Construction Joint Stock Company No. 5   | 13,444,920,090        | 13,094,632,090        |
| Other  | 19,619,307,504        | 14,778,975,992        |
| <b>Total</b>   | <b>43,485,581,393</b> | <b>45,867,108,260</b> |

As of June 30, 2025, the Company has no liability due but not yet paid. Accounts payable to suppliers represent amounts payable for materials and equipment purchased for the Company's construction projects.

**14. Short-term prepayments from customers**

|  | <b>Jun 30, 2025</b>  | <b>Jan 01, 2025</b> |
|--|----------------------|---------------------|
| <b>Prepayments from customers being related parties</b>                          | -                    | -                   |
| <b>Prepayments from other customers</b>  | <b>2,730,580,672</b> | <b>980,710,123</b>  |
| Dai Nguyen Nam Trading and Service Limited Liability Company                     | 1,700,000,000        | -                   |
| Project Management Board of Construction Investment of Da Nang Traffic Works (*) | 413,590,798          | 413,590,798         |
| Nam Viet A Construction Investment and Infrastructure Development JSC (*)        | 258,860,783          | 258,860,783         |
| Others   | 358,129,091          | 308,258,542         |
| <b>Total</b>   | <b>2,730,580,672</b> | <b>980,710,123</b>  |

(\*) These are the construction works of water supply pipelines that are facing problem about the ground that are unconstructed.



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**Notes to the Interim Separate Financial Statements (Cont'd)****15. Taxes and other receivables, payables to States budget**

|                        | Opening balance       |                      | Payable during        | Paid amounts          | Closing balance       |                       |
|------------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                        | Receivables           | Payables             | the fiscal period     | during the fiscal     | Receivables           | Payables              |
| Value added tax        | 17,615,406,798        | -                    | 13,899,640,092        | 3,464,995,879         | 7,180,762,585         | -                     |
| Corporate income tax   | 7,506,517,762         | -                    | 11,119,990,071        | -                     | -                     | 3,613,472,310         |
| Personal income tax    | 2,077,640,549         | -                    | 1,372,548,243         | 2,298,380,925         | 3,003,473,231         | -                     |
| Natural resource tax   | -                     | 372,992,250          | 1,904,150,550         | 1,902,654,200         | -                     | 374,488,600           |
| Land tax and land rent | -                     | -                    | 2,177,981,148         | 2,177,981,148         | -                     | -                     |
| Other taxes            | -                     | -                    | 13,000,000            | 13,000,000            | -                     | -                     |
| Fees and charges       | -                     | 6,769,131,699        | 45,682,809,920        | 43,931,563,872        | -                     | 8,520,377,747         |
| <b>Total</b>           | <b>27,199,565,109</b> | <b>7,142,123,949</b> | <b>76,170,120,024</b> | <b>53,788,576,024</b> | <b>10,184,235,816</b> | <b>12,508,338,657</b> |

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

**Value added tax**

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

**Corporate income tax**

The company products clean water and business in the field of socialization because it satisfies the requirements on the list of types, scale criteria, and standards of establishments implementing socialization in the field of environment according to the regulations. prescribed at Point 10, Section VI, List promulgated together with Decision No. 693/QD-TTg dated May 6, 2013 of the Prime Minister amending and supplementing Section V, List of types and regulatory criteria scale and standards of establishments implementing socialization in the field of environment promulgated together with the Prime Minister's Decision No. 1466/QD-TTg dated October 10, 2008 and consistent with the planning in Decision No. No. 9018/QD-UBND dated December 28, 2016 of the People's Committee of Da Nang City.

According to the provisions of Clause 3, Article 11 of Circular No. 96/2015/TT-BTC dated June 22, 2015 of the Ministry of Finance, stipulating "3. The preferential tax rate of 10% throughout the operation period applies to: a) The enterprise's income from socialization activities in the fields of education - training, vocational training, health, culture, sport and environment, judicial expertise (hereinafter collectively referred to as the field of socialization). Accordingly, the Company applies the CIT rate of 10% for production and business activities of clean water for daily life

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

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**Notes to the Interim Separate Financial Statements (Cont'd)**

Corporate income tax is determined as follows:

**Current corporate income tax (CIT)**

|   | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|---|--------------------------------------|--------------------------------------|
| <b>Total accounting profits before corporate income tax</b>                             | <b>109,318,146,528</b>               | <b>74,014,682,815</b>                |
| Adjustment to taxable income  | 202,094,221                          | 468,543,314                          |
| Increasing adjustment   | 202,094,221                          | 468,543,314                          |
| - Remuneration of non-executive Board of Directors and Supervisory                      | 166,000,000                          | 152,100,000                          |
| - Cost of handling backlog construction   | 11,548,551                           | -                                    |
| - Other improper expenses   | 24,545,670                           | 316,443,314                          |
| Decreasing adjustment   | -                                    | -                                    |
| <b>Total taxable income</b>   | <b>109,520,240,749</b>               | <b>74,483,226,129</b>                |
| - Income from water industry  | 107,840,580,791                      | 72,696,428,032                       |
| - Income from other activities  | 1,679,659,958                        | 1,786,798,097                        |
| <b>Total tax calculation income</b>   | <b>109,520,240,749</b>               | <b>74,483,226,129</b>                |
| - Income from water industry  | 107,840,580,791                      | 72,696,428,032                       |
| - Income from other activities  | 1,679,659,958                        | 1,786,798,097                        |
| <b>Science and technology fund appropriation part</b>                                   | <b>-</b>                             | <b>-</b>                             |
| <b>Total tax calculation income excludes the setup science and technology fund part</b> | <b>109,520,240,749</b>               | <b>74,483,226,129</b>                |
| - Income from water industry  | 107,840,580,791                      | 72,696,428,032                       |
| - Income from other activities  | 1,679,659,958                        | 1,786,798,097                        |
| <b>Corporate income tax</b>   | <b>11,119,990,071</b>                | <b>7,627,002,422</b>                 |
| - Income from water industry (10%)  | 10,784,058,079                       | 7,269,642,803                        |
| - Income from other activities (20%)  | 335,931,992                          | 357,359,619                          |
| <b>Current corporate income tax expenses</b>  | <b>11,119,990,071</b>                | <b>7,627,002,422</b>                 |

**In which:**

|   |                |               |
|---|----------------|---------------|
| - Current corporate income tax expenses arising in the period | 11,119,990,071 | 7,595,358,091 |
| - CIT for invalid documentation                               | -              | 31,644,331    |

**Land rental**

The Company must pay land rent for the land area being used including production and business land and non-agricultural land. Every location has a distinct price for a land rent unit.

**Land tax**

Land lease fees are paid in accordance with the notifications issued by the tax office.

**Other taxes**

The Company has declared and paid under regulations.

**16. Payables to employees**

|              | Jun 30, 2025          | Jan 01, 2025          |
|--------------|-----------------------|-----------------------|
| Salary       | 22,500,486,979        | 29,399,507,369        |
| <b>Total</b> | <b>22,500,486,979</b> | <b>29,399,507,369</b> |



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**Notes to the Interim Separate Financial Statements (Cont'd)**

**17. Short-term accrued expenses**

|   | Jun 30, 2025          | Jan 01, 2025         |
|---|-----------------------|----------------------|
| <b>Payables to related parties</b>                  | -                     | -                    |
| <b>Payables to other entities</b>                   | <b>10,419,272,296</b> | <b>2,207,585,966</b> |
| Water purchased from Hoa Lien Water Treatment Plant | 9,175,784,400         | -                    |
| Electricity costs                                   | -                     | 1,398,000,039        |
| Interest payable                                    | 257,018,204           | 322,312,102          |
| Fee for water fee collection                        | 435,515,545           | 259,611,000          |
| Costs of using electronic invoices                  | -                     | 110,492,980          |
| Other accrual expenses                              | 550,954,147           | 117,169,845          |
| <b>Total</b>  | <b>10,419,272,296</b> | <b>2,207,585,966</b> |

**18. Short – term Unearned revenue**

|   | Jun 30, 2025         | Jan 01, 2025 |
|---|----------------------|--------------|
| Term deposit interest received in advance | 1,269,479,452        | -            |
| <b>Total</b>                              | <b>1,269,479,452</b> | <b>-</b>     |

**19. Other payables**

**a. Short-term**

|   | Jun 30, 2025           | Jan 01, 2025           |
|---|------------------------|------------------------|
| <b>Other payables to related parties</b>        | <b>139,402,225,182</b> | <b>146,225,039,594</b> |
| <i>(Refer to Notes No. VIII.1)</i>              |                        |                        |
| <b>Other payables to other entities</b>         | <b>3,170,997,942</b>   | <b>2,899,251,682</b>   |
| Saigon - Da Nang Investment Joint Stock Company | 1,221,614,989          | 1,221,614,989          |
| Short-term deposits received                    | 9,867,000              | -                      |
| Others  | 1,939,515,953          | 1,677,636,693          |
| <b>Total</b>                                    | <b>142,573,223,124</b> | <b>149,124,291,276</b> |

**b. Long-term**

|  | Jun 30, 2025          | Jan 01, 2025          |
|--|-----------------------|-----------------------|
| <b>Other payables to related parties</b> | <b>72,441,446,164</b> | <b>80,490,446,164</b> |
| <i>(Refer to Notes No. VIII.1)</i>       |                       |                       |
| <b>Other payables to other entities</b>  | <b>10,873,781,546</b> | <b>9,874,491,564</b>  |
| Long-term deposit received               | 10,873,781,546        | 9,874,491,564         |
| <b>Total</b>                             | <b>83,315,227,710</b> | <b>90,364,937,728</b> |

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**Notes to the Interim Separate Financial Statements (Cont'd)**

**20. Borrowings and finance lease liabilities**

**a. Short-term**

|  | Opening balance       | Increase during the period | Paid during the period | Transferring from long-term loan | Closing balance       |
|--|-----------------------|----------------------------|------------------------|----------------------------------|-----------------------|
| <b>Current portion of long-term borrowings</b>                                   | <b>60,483,921,067</b> | -                          | <b>30,261,868,999</b>  | <b>30,222,052,068</b>            | <b>60,444,104,136</b> |
| - Danang City Investment and Development Fund (i)                                | 22,724,800,000        | -                          | 11,362,400,000         | 11,362,400,000                   | 22,724,800,000        |
| - Joint Stock Commercial Bank for Investment and Development of Vietnam (ii)     | 2,775,704,931         | -                          | 1,407,760,931          | 1,367,944,000                    | 2,735,888,000         |
| - Joint Stock Commercial Bank for Foreign Trade of Vietnam - Danang Branch (iii) | 9,873,820,000         | -                          | 4,936,910,000          | 4,936,910,000                    | 9,873,820,000         |
| - Shinhan Bank Vietnam Limited - Danang Branch (iv)                              | 25,109,596,136        | -                          | 12,554,798,068         | 12,554,798,068                   | 25,109,596,136        |
| <b>Total</b>   | <b>60,483,921,067</b> | -                          | <b>30,261,868,999</b>  | <b>30,222,052,068</b>            | <b>60,444,104,136</b> |

**b. Long-term**

|  | Opening balance        | Increase during the period | Paid during the period | Foreign exchange differences | Closing balance        |
|--|------------------------|----------------------------|------------------------|------------------------------|------------------------|
| <b>Long-term borrowings</b>  | <b>445,059,098,803</b> | -                          | <b>30,261,868,999</b>  | -                            | <b>414,797,229,804</b> |
| - Danang City Investment and Development Fund (i)                                | 137,142,167,666        | -                          | 11,362,400,000         | -                            | 125,779,767,666        |
| - Joint Stock Commercial Bank for Investment and Development of Vietnam (ii)     | 12,208,693,536         | -                          | 1,407,760,931          | -                            | 10,800,932,605         |
| - Joint Stock Commercial Bank for Foreign Trade of Vietnam - Danang Branch (iii) | 75,864,195,924         | -                          | 4,936,910,000          | -                            | 70,927,285,924         |
| - Shinhan Bank Vietnam Limited - Danang Branch (iv)                              | 219,844,041,677        | -                          | 12,554,798,068         | -                            | 207,289,243,609        |
| <b>Total</b>   | <b>445,059,098,803</b> | -                          | <b>30,261,868,999</b>  | -                            | <b>414,797,229,804</b> |
| <b>In which</b>  |                        |                            |                        |                              |                        |
| - Amount due within 1 year   | 60,483,921,067         |                            |                        |                              | 60,444,104,136         |
| <b>Long-term borrowings and finance lease liabilities</b>                        | <b>384,575,177,736</b> |                            |                        |                              | <b>354,353,125,668</b> |



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**Notes to the Interim Separate Financial Statements (Cont'd)**

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(i) The loans from the Da Nang City Investment and Development Fund under the following credit contracts:

- Loan Agreement No. 09/2018/HDTD dated October 24, 2018 for the execution of Project "increasing capacity of Red Bridge Water Factory by 120,000m<sup>3</sup>/day; Divergence 1: increasing capacity by 60,000m<sup>3</sup>/day". The credit limit is VND 120,000,000,000, and borrowing term is 12 years. Interest rate is 7%/year and is adjusted in accordance with the Decision on interest rate issued by the lender in each period. The interest rate for overdue principal is 150% of the undue interest rate. Loan security mode: Construction works and invested machinery and equipment and assets formed in the future of the project.
- Loan Agreement No. 01/2019/HDTD dated January 14, 2019 for the execution of Project "Hoa Trung Lake Water Factory with the capacity of 10,000m<sup>3</sup>/day". The credit limit is VND 50,000,000,000, and the borrowing term is 10 years. Interest rate is 7%/year and is adjusted in accordance with the Decision on interest rate issued by the lender in each period. The interest rate for overdue principal is 150% of the undue interest rate. Loan security mode: The invested system of water supply pipelines in the city and assets to be formed in the future of the project.
- Loan Agreement No. 14/2020/HĐTD dated August 19, 2020 for the project "Increasing the capacity of Cau Do Water Plant from 230,000 m<sup>3</sup>/day to 290,000 m<sup>3</sup>/day". The credit limit is VND 71,000,000,000, and the borrowing term is 144 months. Interest rate is 7%/year and is adjusted in accordance with the Decision on interest rate issued by the lender in each period. The interest rate for overdue principal is 150% of the undue interest rate. Loan security mode: Assets formed in the future of the project.

(ii) The loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Da Nang Branch are as follows:

- Loan Agreement No. 02/2020/257027/HDTD dated September 16, 2020 for for the investment in the construction of the D500 and D400 DI water pipeline project on Vo Nguyen Giap - Hoang Sa Street (from Hồ Xuân Hương Street to Nguyễn Phan Vinh). The credit limit is VND 24,623,000,000 and borrowing term is 10 years. Interest rate is 9%/year for 18 months as from the first drawdown date. Post-adjustment interest rate is equal to the floating interest rate of 24-month savings deposit with interest paid at the end of the term + margin of 3.3%/year and is adjusted every 06 months on the first day of the first month of the period in which interest rate is adjusted. The interest rate for overdue principal is 150% of the undue interest rate. The loan is secured by the assets to be formed in the future.

(iii) The loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch under the following loan contracts:

- Loan contract No. 63/2020/VCB-KHDN dated August 3, 2020 for investing in the project "Water supply pipeline D400 DI Vo Nguyen Giap - Truong Sa Street (section from Ho Xuan Huong Street to Vo Quy Huan Street). The credit limit is VND 38,112,000,000 and borrowing term is 120 months. Loan interest rate: For the first 2 years from the date of first disbursement: Loan interest rate = 12-month VND savings interest rate with paying interest later for individual customers + 1.8%/year; Interest rate for the remaining loan term: Loan interest rate = 12-month VND savings interest rate with paying interest later for individual customers + 2.8%/year, adjustment period of rate is once every 6 months on June 26 and December 26 every year, the interest rate applied to the overdue principal is 150% of the loan interest rate within the term. The loan is secured by the assets to be formed in the future.
- Loan contract No. 93/2020/VCB-KHDN dated October 22, 2020 for investing the project "Investment in water supply pipeline D1200 DI, D1000 DI, D800 DI on Thang Long Road (section from Cau Do water plant to Tuyen Son bridge). The credit limit is VND 150,000,000,000 and borrowing term is 144 months from the date of first disbursement. Loan interest rate: For the first 2 years from the date of first disbursement: Loan interest rate = Base interest rate + 1,2%/year; for the next 2 years: Loan interest rate = Base interest rate + 1,8%/year; for the remaining loan term: Base interest rate + 2%/year, (in which, base interest rate = 12-month VND savings interest rate with paying interest later for individual customers), adjustment period of rate is once every

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**Notes to the Interim Separate Financial Statements (Cont'd)**

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6 months on June 26 and December 26 every year, the interest rate applied to the overdue principal is 150% of the loan interest rate within the term. The loan is secured by the assets to be formed in the future.

(iv) Borrowing from ShinHan Vietnam Bank - Da Nang Branch under the following loan contracts:

- Loan contract No. SHBVN/DN/CR/HĐTD-001 dated December 11, 2020 to implement the project " Water supply pipeline D1200 DI, D800 DI Hòa Lien (section from Hoa Lien water plant to road No. 2 Hoa Khanh Industrial Zone). The credit limit is VND 136,218,000,000 borrowing term is 12 years. Loan interest rate for the first 4 years will apply reference interest rate + margin of 0.8%/year, next 8 years will apply reference interest rate + margin of 0.9%/year, interest rate adjustment will be made adjusted every 3 months during the loan term, the interest rate applied to the overdue principal is 150% of the loan interest rate within the term. The reference interest rate is the average interest rate of 12-month savings deposits applied to individual customers of four (04) banks, including: Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Bank for Agriculture and Rural Development, Joint Stock Commercial Bank for Industry and Trade of Vietnam and Joint Stock Commercial Bank for Investment and Development of Vietnam were announced. The loan is secured by the assets to be formed in the future.
- Loan contract No. SHBVN/DN/CR/HĐTD-002 dated December 13, 2021 to implement the project " Increase the capacity of An Trach anti-salt pumping station from 210,000m3/day to 420,000m3/day ". The credit limit is VND 220,206,000,000 borrowing term is 12 years. Loan interest rate will apply reference interest rate + margin of 0.5%/year, interest rate adjustment will be made adjusted every 3 months during the loan term, the interest rate applied to the overdue principal is 150% of the loan interest rate within the term. The reference interest rate is the average interest rate of 12-month savings deposits applied to individual customers of four (04) banks, including: Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Bank for Agriculture and Rural Development, Joint Stock Commercial Bank for Industry and Trade of Vietnam and Joint Stock Commercial Bank for Investment and Development of Vietnam were announced. The loan is secured by the assets to be formed in the future.



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**Notes to the Interim Separate Financial Statements (Cont'd)**

**21. Bonus and welfare fund**

|  | Jun 30, 2025          | Jan 01, 2025         |
|--|-----------------------|----------------------|
| Bonus and welfare fund                         | 12.308.958.463        | 6.800.215.100        |
| Reward fund for Management and Executive Board | 488.700.000           | 146.493.465          |
| <b>Total</b>                                   | <b>12.797.658.463</b> | <b>6.946.708.565</b> |

The situation of setting up and using reward and welfare funds

|  | Jan 01, 2025         | Increase              | Decrease               | Jun 30, 2025          |
|--|----------------------|-----------------------|------------------------|-----------------------|
| Bonus and welfare fund                         | 6,800,215,100        | 13,600,000,000        | (8,091,256,637)        | 12,308,958,463        |
| Reward fund for Management and Executive Board | 146,493,465          | 575,100,000           | (232,893,465)          | 488,700,000           |
| <b>Cộng</b>                                    | <b>6,946,708,565</b> | <b>14,175,100,000</b> | <b>(8,324,150,102)</b> | <b>12,797,658,463</b> |

**22. Owner's equity**

**a. Statement of changes in owners' equity**

|                                   | Contributed capital    | Capital surplus      | Development and investment funds | Undistributed profit after tax | Total                  |
|-----------------------------------|------------------------|----------------------|----------------------------------|--------------------------------|------------------------|
| <b>Balance as at Jan 01, 2024</b> | <b>579,640,610,000</b> | <b>8,993,538,265</b> | <b>117,103,023,611</b>           | <b>68,670,940,050</b>          | <b>774,408,111,926</b> |
| Increase during the period        | -                      | -                    | 10,995,117,081                   | 66,419,324,724                 | 77,414,441,805         |
| Decrease during the period        | -                      | -                    | -                                | (83,363,219,477)               | (83,363,219,477)       |
| <b>Balance as at Jun 30, 2024</b> | <b>579,640,610,000</b> | <b>8,993,538,265</b> | <b>128,098,140,692</b>           | <b>51,727,045,297</b>          | <b>768,459,334,254</b> |
| <b>Balance as at Jan 01, 2025</b> | <b>579,640,610,000</b> | <b>8,993,538,265</b> | <b>128,098,140,692</b>           | <b>60,101,555,466</b>          | <b>776,833,844,423</b> |
| Increase during the period        | -                      | -                    | 5,030,081,962                    | 98,198,156,457                 | 103,228,238,419        |
| Decrease during the period        | -                      | -                    | -                                | (59,780,024,662)               | (59,780,024,662)       |
| <b>Balance as at Jun 30, 2025</b> | <b>579,640,610,000</b> | <b>8,993,538,265</b> | <b>133,128,222,654</b>           | <b>98,519,687,261</b>          | <b>820,282,058,180</b> |

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**Notes to the Interim Separate Financial Statements (Cont'd)****b. Details of investment capital**

|                                    | Jun 30, 2025                     |                         | Jan 01, 2025                     |                         |
|------------------------------------|----------------------------------|-------------------------|----------------------------------|-------------------------|
|                                    | Capital<br>contribution<br>ratio | Capital<br>contribution | Capital<br>contribution<br>ratio | Capital<br>contribution |
| People's Committee of Danang City  | 60.08                            | 348,242,170,000         | 60.08                            | 348,242,170,000         |
| Danang - Mien Trung Investment JSC | 35.00                            | 202,867,440,000         | 35.00                            | 202,867,440,000         |
| Other shareholders                 | 4.92                             | 28,531,000,000          | 4.92                             | 28,531,000,000          |
| <b>Total</b>                       | <b>100.00</b>                    | <b>579,640,610,000</b>  | <b>100.00</b>                    | <b>579,640,610,000</b>  |

**c. Capital transactions with owners and dividend, profit distribution**

|                                     | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|-------------------------------------|--------------------------------------|--------------------------------------|
| <b>Contributed capital</b>          |                                      |                                      |
| - Opening balance                   | 579,640,610,000                      | 579,640,610,000                      |
| - Increase                          | -                                    | -                                    |
| - Decrease                          | -                                    | -                                    |
| - Closing balance                   | 579,640,610,000                      | 579,640,610,000                      |
| <b>Distributed profit, dividend</b> | <b>40,574,842,700</b>                | <b>57,964,061,000</b>                |

**d. Shares**

|   | Jun 30, 2025<br>Shares | Jan 01, 2025<br>Shares |
|---|------------------------|------------------------|
| Number of shares registered for issuance    | 57,964,061             | 57,964,061             |
| Number of shares issued to the public       | 57,964,061             | 57,964,061             |
| - Ordinary shares                           | 57,964,061             | 57,964,061             |
| - Preference shares                         | -                      | -                      |
| Number of treasury shares                   | -                      | -                      |
| Number of outstanding shares in circulation | 57,964,061             | 57,964,061             |
| - Ordinary shares                           | 57,964,061             | 57,964,061             |
| - Preference shares                         | -                      | -                      |
| Face value of outstanding shares            | 10,000                 | 10,000                 |



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**Notes to the Interim Separate Financial Statements (Cont'd)**

**e. Undistributed profit after tax**

|  | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|--|--------------------------------------|--------------------------------------|
| Profits brought forward                              | 60,101,555,466                       | 68,670,940,050                       |
| Profits after corporate income tax of current period | 98,198,156,457                       | 66,419,324,724                       |
| Profit distribution                                  | 59,780,024,662                       | 83,363,219,477                       |
| Previous year's profit distribution                  | 59,780,024,662                       | 83,363,219,477                       |
| - Set up bonus and welfare fund                      | 13,600,000,000                       | 13,818,067,534                       |
| - Set up fund of Executive Management Board          | 575,100,000                          | 585,973,863                          |
| - Divide the dividend by cash                        | 40,574,842,700                       | 57,964,061,000                       |
| - Set up development and investment funds            | 5,030,081,962                        | 10,995,117,081                       |
| Current year's profit distribution                   | -                                    | -                                    |
| <b>Undistributed profit after tax</b>                | <b>98,519,687,261</b>                | <b>51,727,045,297</b>                |

**f. Dividend**

Resolution of the Annual General Meeting of Shareholders in 2025 No. 01/NQ- ĐHĐCĐ dated April 18, 2025 approved the plan to pay dividends in 2024 in cash is 14%, equivalent to VND 81,149,685,400. According to Resolution No. 08/NQ-HĐQT of the Board of Directors dated October 10, 2024, The company has advanced the first round of dividends from 2024 profit after tax in cash at 7%, equivalent to VND 40,574,842,700, in November 2024. The remaining portion, also at a rate of 7% and equivalent to VND 40,574,842,700, will be paid in May 2025.

**23. Off-balance sheet accounts**

**Doubtful debts handled have been resolved**

|   | Jun 30, 2025 | Jan 01, 2025 |
|---|--------------|--------------|
| Doubtful debts handled have been resolved | 434,538,615  | 444,333,718  |

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

**1. Revenues**

|  | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|--|--------------------------------------|--------------------------------------|
| Revenue from clean water supply activities | 360,571,500,115                      | 307,346,302,027                      |
| Revenue from other activities              | 2,014,782,744                        | 1,835,137,874                        |
| <b>Total</b>                               | <b>362,586,282,859</b>               | <b>309,181,439,901</b>               |

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**Notes to the Interim Separate Financial Statements (Cont'd)****2. Cost of goods sold**

|   | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|---|--------------------------------------|--------------------------------------|
| Cost of goods sold from clean water supply activities | 207,976,465,226                      | 192,729,018,462                      |
| Cost of goods sold from other activities              | 1,618,028,247                        | 1,496,368,606                        |
| <b>Cộng</b>   | <b>209,594,493,473</b>               | <b>194,225,387,068</b>               |

**3. Financial income**

|   | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|---|--------------------------------------|--------------------------------------|
| Deposits, loans interest  | 11,391,565,748                       | 13,148,092,335                       |
| Foreign exchange gain in payment                                  | 2,610,694                            | -                                    |
| Foreign exchange differences revaluation at the end fiscal period | -                                    | 14,735,445                           |
| <b>Total</b>  | <b>11,394,176,442</b>                | <b>13,162,827,780</b>                |

**4. Financial expenses**

|  | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|--|--------------------------------------|--------------------------------------|
| Interest expenses                        | 12,216,664,546                       | 14,946,959,433                       |
| Provision for investment in subsidiaries | 227,794,460                          | -                                    |
| <b>Total</b>                             | <b>12,444,459,006</b>                | <b>14,946,959,433</b>                |

**5. Selling expenses**

|                              | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|------------------------------|--------------------------------------|--------------------------------------|
| Cost of raw materials        | 3,686,569,043                        | 3,096,097,644                        |
| Employees cost               | 14,459,695,672                       | 13,297,143,021                       |
| Fixed asset depreciation     | -                                    | 22,500,000                           |
| Costs of outsourced services | 2,288,069,471                        | 2,286,512,205                        |
| Other explicit expenses      | 75,219,808                           | 119,957,102                          |
| <b>Total</b>                 | <b>20,509,553,994</b>                | <b>18,822,209,972</b>                |



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**Notes to the Interim Separate Financial Statements (Cont'd)****6. General administration expenses**

|                               | <b>From Jan 01, 2025<br/>to Jun 30, 2025</b> | <b>From Jan 01, 2024<br/>to Jun 30, 2024</b> |
|-------------------------------|--|--|
| Cost of raw materials         | 42,691,771                                   | 40,636,686                                   |
| Employees cost                | 13,211,985,275                               | 11,998,719,256                               |
| Fixed asset depreciation      | 1,545,485,852                                | 1,362,445,084                                |
| Allowances for doubtful debts | 53,935,482                                   | -  |
| Costs of outsourced services  | 1,368,277,091                                | 1,647,024,866                                |
| Other explicit expenses       | 7,560,721,338                                | 6,892,153,630                                |
| <b>Total</b>                  | <b>23,783,096,809</b>                        | <b>21,940,979,522</b>                        |

**7. Other income**

|   | <b>From Jan 01, 2025<br/>to Jun 30, 2025</b> | <b>From Jan 01, 2024<br/>to Jun 30, 2024</b> |
|---|--|--|
| Remaining drainage service charges for collection | 1,642,906,865                                | 1,570,980,699                                |
| Other income                                      | 37,932,195                                   | 34,970,484                                   |
| <b>Total</b>                                      | <b>1,680,839,060</b>                         | <b>1,605,951,183</b>                         |

**8. Other expenses**

|                               | <b>From Jan 01, 2025<br/>to Jun 30, 2025</b> | <b>From Jan 01, 2024<br/>to Jun 30, 2024</b> |
|-------------------------------|--|--|
| Handling backlog construction | 11,548,551                                   | -  |
| Other expenses                | -  | 54   |
| <b>Total</b>                  | <b>11,548,551</b>                            | <b>54</b>                                    |

**9. Operating expenses according to elements**

|                              | <b>From Jan 01, 2025<br/>to Jun 30, 2025</b> | <b>From Jan 01, 2024<br/>to Jun 30, 2024</b> |
|------------------------------|--|--|
| Cost of raw materials        | 22,131,579,220                               | 28,868,044,487                               |
| Employees cost               | 63,467,826,689                               | 59,012,179,082                               |
| Fixed asset depreciation     | 56,642,883,197                               | 61,576,199,889                               |
| Costs of outsourced services | 47,247,785,543                               | 49,166,098,691                               |
| Other explicit expenses      | 13,023,197,146                               | 10,714,114,321                               |
| <b>Total</b>                 | <b>202,513,271,795</b>                       | <b>209,336,636,470</b>                       |

**DANANG WATER SUPPLY JOINT STOCK COMPANY****INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)****10. Basis earnings per share, Diluted earnings per share**

According to the law of sections 3.19 and 3.20, Clause 3, Article 113 of Circular No. 200/2014/TT-BTC regulating the items basic earnings per share and diluted earnings per share presented in the public financial statements of the joint-stock company is an independent business. For the parent company that is a joint-stock company, this item is only presented in the Consolidated Financial Statements, not on the separate financial statements of the parent company. These are the separate financial statements of the Parent Company and therefore do not present figures for these two indicators.

**VII. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INTERIM SEPARATE CASH FLOW STATEMENT (Unit: VND)****Payment of loan principal**

|   | <b>From Jan 01, 2025<br/>to Jun 30, 2025</b> | <b>From Jan 01, 2024<br/>to Jun 30, 2024</b> |
|---|--|--|
| Repayment of principal under normal contracts | 30,261,868,999                               | 31,067,530,068                               |
| <b>Total</b>                                  | <b>30,261,868,999</b>                        | <b>31,067,530,068</b>                        |

**VIII. OTHER INFORMATION****1. Information about related parties****a. Related parties**

| <b>Name</b>  | <b>Relationship</b> |
|--|---------------------|
| People's Committee of Danang City                  | Investor            |
| Danang - Mien Trung Investment Joint Stock Company | Investor            |
| Danang Water Supply Sewerage Construction Co., Ltd | Subsidiary          |

**b. Transactions with related parties**

| <b>Related parties</b>   | <b>Current year</b> | <b>Previous year</b> |
|--|---------------------|----------------------|
| People's Committee of Danang City  |                     |                      |
| - Dividend distribution  | 24,376,951,900      | 34,824,217,000       |
| - Clean water infrastructure usage expense   | 7,615,547,456       | -                    |
| - Repayment to the budget for capital according to Decision No. 8449/QĐ-UBND dated November 11, 2015 (*) | 8,049,000,000       | 8,049,000,000        |
| Danang - Mien Trung Investment Joint Stock Company   |                     |                      |
| - Dividend distribution  | 14,200,720,800      | 20,286,744,000       |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)**

**c. Balances with related parties**

| <b>Related parties</b>                              | <b>Jun 30, 2025</b>    | <b>Jan 01, 2025</b>    |
|---|------------------------|------------------------|
| <b>Trade payables</b>                               |                        |                        |
| Danang Water Supply Sewerage Construction Co., Ltd  | 3,424,691,672          | 3,424,691,672          |
| <b>Other payables</b>                               |                        |                        |
| People's Committee of Danang City                   | 211,843,671,346        | 226,715,485,758        |
| - Property handed over from the budget              | 65,653,761,755         | 80,092,123,622         |
| - Raw water cost difference                         | 3,405,703,501          | 3,405,703,502          |
| - Capital payable for Budget (*)                    | 88,539,446,164         | 96,588,446,164         |
| - Payable for the use of clean water infrastructure | 54,244,759,926         | 46,629,212,470         |
|   | <b>211,843,671,346</b> | <b>226,715,485,758</b> |

(\*) Da Nang Water Supply Joint Stock Company is required to reimburse the state budget a portion of the capital invested in the assets of Da Nang Water Supply Company Limited, in accordance with Decision No. 8449/QĐ-UBND dated November 11, 2015, the People's Committee of Da Nang City. The total sum that needs to be paid is 241,470,446,164 VND, and the company will pay that amount in 15 years, or by December 2030, in installments. The Company will pay in four installments per year, totaling 4,024,500,000 VND for each installment.

**d. Salary, remuneration and other benefits of the Executive Board**

| <b>No</b> | <b>Board of Management</b> | <b>Position</b>             | <b>From Jan 1, 2025 to Jun 30, 2025</b> |                     |                      |
|-----------|----------------------------|-----------------------------|---|---------------------|----------------------|
|           |                            |                             | <b>Salary</b>                           | <b>Remuneration</b> | <b>Total</b>         |
| 1         | Ho Huong                   | Chairman of BOD             | 403,200,000                             | -                   | 403,200,000          |
| 2         | Dang Thanh Binh            | Member of the BOD           | -                                       | 60,000,000          | 60,000,000           |
| 3         | Nguyen Truong Anh          | Member of the BOD           | -                                       | 60,000,000          | 60,000,000           |
| 4         | Nguyen Thi Thu Ha          | Head of BOS                 | 336,000,000                             | -                   | 336,000,000          |
| 5         | Pham Thi Que Chi           | Member of the BOS           | -                                       | 42,000,000          | 42,000,000           |
| 6         | Tan Thi Mien Thao          | Member of the BOS           | -                                       | 17,500,000          | 17,500,000           |
| 7         | Thai Quoc Khanh            | Former Member of the BOS    | -                                       | 24,500,000          | 24,500,000           |
| 8         | Ho Minh Nam                | General Manager             | 378,473,040                             | -                   | 378,473,040          |
| 9         | Tran Phuoc Thuong          | Vice General Manager        | 333,946,800                             | -                   | 333,946,800          |
| 10        | Phan Thinh                 | Vice General Manager        | 345,078,360                             | -                   | 345,078,360          |
| 11        | Le Duc Quy                 | Former Vice General Manager | 178,104,960                             | -                   | 178,104,960          |
| 12        | Pham Hong Minh             | Chief Accountant            | 166,973,400                             | -                   | 166,973,400          |
|           | <b>Total</b>               |                             | <b>2,141,776,560</b>                    | <b>204,000,000</b>  | <b>2,345,776,560</b> |

**DANANG WATER SUPPLY JOINT STOCK COMPANY****INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)**

| No           | Board of Management | Position             | From Jan 1, 2024 to Jun 30, 2024 |                    |                      |
|--------------|---------------------|----------------------|----------------------------------|--------------------|----------------------|
|              |                     |                      | Salary                           | Remuneration       | Total                |
| 1            | Ho Huong            | Chairman of BOD      | 324,000,000                      | -                  | 324,000,000          |
| 2            | Dang Thanh Binh     | Member of the BOD    | -                                | 50,400,000         | 50,400,000           |
| 3            | Nguyen Truong Anh   | Member of the BOD    | -                                | 50,400,000         | 50,400,000           |
| 4            | Nguyen Thi Thu Ha   | Head of BOS          | 270,000,000                      | -                  | 270,000,000          |
| 5            | Pham Thi Que Chi    | Member of the BOS    | 189,000,000                      | -                  | 189,000,000          |
| 6            | Thai Quoc Khanh     | Member of the BOS    |                                  | 39,600,000         | 39,600,000           |
| 7            | Ho Minh Nam         | General Manager      | 306,000,000                      | -                  | 306,000,000          |
| 8            | Tran Phuoc Thuong   | Vice General Manager | 270,000,000                      | -                  | 270,000,000          |
| 9            | Le Duc Quy          | Vice General Manager | 288,000,000                      | -                  | 288,000,000          |
| 10           | Phan Thinh          | Chief Accountant     | 270,000,000                      | -                  | 270,000,000          |
| <b>Total</b> |                     |                      | <b>1,917,000,000</b>             | <b>140,400,000</b> | <b>2,057,400,000</b> |

**Bonus of Management Board**

|                           | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|---------------------------|--------------------------------------|--------------------------------------|
| Bonus of Management Board | 84,600,000                           | -                                    |
| Dividend                  | 25,970,000                           | -                                    |
| <b>Total</b>              | <b>110,570,000</b>                   | <b>-</b>                             |

**2. Segment report**

In accordance with Accounting Standard No. 28 and the related guidance circular, the Company is required to prepare segment reporting. A segment is a distinguishable part of the Company that can engage in providing related products or services (business segment) or provide products or services within a particular economic environment (geographical segment), each of which is exposed to risks and earns economic benefits different from other segments. The Company's Board of Management assesses that the Company operates in a sole reportable business segment, which is water production and supply, and in a single geographical area, namely Da Nang City, Vietnam.

**3. Comparative figures**

The comparative figures in the Balance Sheet are the figures in the Interim Separate Financial Statements for the fiscal year ended December 31, 2024, audited by the Da Nang Branch of Vietvalues Audit and Consulting Co., Ltd.

The prior period figures in the Interim Separate Income Statement, Interim Separate Cash Flows Statement are the figures for the six-month accounting period ended June 30, 2024, reviewed by the Da Nang Branch of Vietvalues Audit and Consulting Co., Ltd. According. Under Official Dispatch No. 3415/UBND-STC dated June 25, 2024 of the People's Committee of Da Nang City regarding the adjustment of expenses for the use of clean water supply infrastructure assets invested by the State budget and investment entities transferred to the State for management, which the Company has received for operation and utilization from June 2015 to December 31, 2023, which were allocated in 2023 and 2024. Accordingly, the Company adjusted VND 16,514,316,432 to expenses of the first half of 2024 and the Company has retrospectively adjusted in compliance with regulations at present. The effects of this restatement on the related items are presented as follows:



**DANANG WATER SUPPLY JOINT STOCK COMPANY****INTERIM SEPARATE FINANCIAL STATEMENTS**

Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City

For the six-month period ended June 30, 2025

**Notes to the Interim Separate Financial Statements (Cont'd)**

| No         | Items  | Code | From Jan 01, 2024<br>to Jun 30, 2024<br>(before adjustment) | From Jan 01, 2024<br>to Jun 30, 2024<br>(after adjustment) | Difference       |
|------------|--|------|---|--|------------------|
| <b>I.</b>  | <b>Interim Separate Income Statement</b>   |      |   |  |                  |
| 1.         | Costs of goods sold  | 11   | 210,739,703,500   | 194,225,387,068  | (16,514,316,432) |
| 2.         | Total net profit before tax  | 50   | 57,500,366,383  | 74,014,682,815   | 16,514,316,432   |
| 3.         | Current corporate income tax expenses  | 51   | 5,943,926,448   | 7,595,358,091  | 1,651,431,643    |
| 4.         | Profits after corporate income tax   | 60   | 51,556,439,935  | 66,419,324,724   | 14,862,884,789   |
| <b>II.</b> | <b>Interim Separate Cash Flow Statement</b>  |      |   |  |                  |
| 1.         | Profit before tax  | 01   | 57,500,366,383  | 74,014,682,815   | 16,514,316,432   |
| 2.         | Increase (decrease) in payables (exclusive of interest payables, enterprise income tax payables) | 11   | (19,619,585,323)  | (36,133,901,755)   | (16,514,316,432) |

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

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

**5. Subsequent events**

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

Da Nang, August 28, 2025

**Preparer**

**NGUYEN THI THANH THUY****Chief Accountant**

**PHAM HONG MINH****General Manager****HO MINH NAM**

