

**(VIETVALUES<sup>®</sup>) Audit and Consulting Co., Ltd**

*Member firm of JPA International*

**Registered office :** 33 Phan Van Khoe, Cho Lon Ward, Ho Chi Minh City

**Da Nang office :** 16 Le Lai, Hai Chau Ward, Da Nang City

**Email :** [contact@vietvalues.com](mailto:contact@vietvalues.com)

**Website :** [www.vietvalues.com](http://www.vietvalues.com)



# **REVIEW REPORT ON INTERIM CONSOLIDATED FINANCIAL INFORMATION**

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

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

## **TABLE OF CONTENTS**

| <b>Contents</b>   | <b>Page</b> |
|---|-------------|
| 1. Statement of the Board of Directors  | 02 - 05     |
| 2. Review Report on Interim Financial Information   | 06 - 07     |
| 3. Interim Consolidated Balance Sheet as at June 30, 2025   | 08 - 09     |
| 4. Interim Consolidated Income Statement<br>for the six-month period ended June 30, 2025                  | 10          |
| 5. Interim Consolidated Cash Flow Statement<br>for the six-month period ended June 30, 2025               | 11          |
| 6. Notes to the Interim Consolidated Financial Statements<br>for the six-month period ended June 30, 2025 | 12 - 44     |

---

## 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 Consolidated Financial Statements of Danang Water Supply Joint Stock Company and its subsidiary, Danang Water Supply Sewerage Construction Limited Company (hereinafter referred to as “the Group”) 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 Danang 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

#### *Group structure*

Group consists of Parent Company, 01 subsidiary under Parent Company’s control.

#### *Subsidiary*

| Name  | Address  | Principal activities                                 | Rate of benefit of the Parent Company | The voting rights of the Parent Company | Rate of benefit of NCI |
|---|--|--|---------------------------------------|---|------------------------|
| 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%                                  | 100%                                    | 0.0%                   |

### 2. Head office

- Address : No. 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City.
- Tel : (84) 236.3697333
- Fax : (84) 236.3697222
- Email : dawaco.com.vn

### 3. 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, 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;
- Wholesale in other construction materials and equipment. Detail: Wholesale in materials and equipment exclusively used for construction of water supply and sewerage.

#### **4. The Board of Directors, the Supervisory Board and the Board of Management**

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

##### **4.1 The Board of Directors**

| <b>Name</b>           | <b>Position</b> | <b>Appointed date/<br/>Re-appointed</b> | <b>Dismissed date</b> |
|-----------------------|-----------------|---|-----------------------|
| 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            |

##### **4.2 The Supervisory Board**

| <b>Name</b>           | <b>Position</b> | <b>Appointed date/<br/>Re-appointed</b> | <b>Dismissed date</b> |
|-----------------------|-----------------|---|-----------------------|
| Ms. Nguyen Thi Thu Ha | Head of the 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            |

##### **4.3 The Board of Management and the Chief Accountant**

| <b>Name</b>           | <b>Position</b>      | <b>Appointed date/<br/>Re-appointed</b> | <b>Dismissed date</b> |
|-----------------------|----------------------|---|-----------------------|
| 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 | 29/12/2021                              | 01/05/2025            |
| Mr. Pham Hong Minh    | Chief Accountant     | 01/05/2025                              |                       |
| Mr. Phan Thinh        | Chief Accountant     | 29/10/2021                              | 01/05/2025            |



**5. The Legal representative**

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

**6. Assess the operational status**

The business results and financial position (consolidate) of the Group for the six-month period ended June 30, 2025 have been expressed in the Interim Consolidated Financial Statements attached to this Report from page 08 to page 44.

**7. Subsequent events**

In the opinion of the Board of Directors, the Interim Consolidated Financial Statements of the Group 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 Consolidated Financial Statements.

**8. Auditor**

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang city has performed the review on the Group's interim consolidated financial statements for the six-month period ended June 30, 2025.

**9. Responsibility of the Board of Management**

The Board of Management is responsible for preparing the Consolidated Financial Statements which give a true and fair view of the consolidated financial position, consolidated operating results, and consolidated cash flows of the Group for the period. For the preparation of the interim consolidated financial statements, the Board of Management is responsible for:

- Selecting suitable accounting policies and then applying them consistently.
- Making judgments and estimates that are reasonable and prudent.
- Stating whether applicable accounting principles to the Group have been followed or not, and whether any significant discrepancies should be presented and explained in the consolidated financial statements or not.
- Preparing the financial statement ongoing concern basis, unless it is inappropriate to presume that the Group 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 the consolidated financial statements.

The Board of Management ensures that the relevant accounting books are fully kept in order to reflect the interim consolidated financial position of the Group, 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 Group and therefore, have taken appropriate measures to prevent and detect frauds and legal regulations related to the preparation and presentation of interim consolidated financial statements.

The Board of Management has complied with the above requirements in preparing the interim consolidated financial statements.

**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

---

**10. Approval of Interim Consolidated Financial Statements**

We, the Board of Directors has approved the accompanying Interim Consolidated Financial Statements. The Interim Consolidated Financial Statements give a true and fair view of the interim consolidated financial position of the Group as at June 30, 2025, and the results of operations and cash flows for the six-month period ended June 30, 2025 in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting regime and the legal provisions relating to the preparation and presentation of financial statements.

On behalf of the Board of Directors



**HO HUONG**

**Chairman of the Board of Directors**

Danang, August 28, 2025





## REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

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

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

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

The Board of Management of the Group is responsible for the preparation and fair presentation of these Interim Consolidated Financial Statements in accordance with the Vietnamese accounting standards, Vietnamese accounting regime as well as legal regulations related to the preparation and presentation of the interim consolidated financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of Interim Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review. We conducted our review in accordance with 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 in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Qualified Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Consolidated Financial Statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Group as at June 30, 2025, and the interim consolidated results of its operations, its interim consolidated cash flows for the six-month period ended June 30, 2025 in accordance with Vietnamese accounting standards, Vietnamese corporate accounting regime as well as legal regulations related to the preparation and fair presentation of the Interim Consolidated Financial Statements .

### **Emphasis of matter**

1. As stated in Note I.6, Danang Water Supply Sewerage Construction Company Limited (Subsidiary) is temporarily suspending its operations (registration period from January 1, 2025, to December 31, 2025).



2. We draw attention to Note VIII.3 “Comparative figures” in the Notes to the Interim Consolidated 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 Group has received for operation and utilization from June 2015 to December 31, 2023, which were allocated in 2023 and 2024. Accordingly, the Group adjusted VND 16,514,316,432 to expenses of the first half of 2024 and the Group 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 Consolidated Financial Statements.

Our review conclusion is not related to this matter.

Danang City, August 28, 2025

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



**Huynh Minh Hung – Branch Manager**

*Certificate of registration for practising audit*

*No.: 3402-2025-071-1*

*Authorized signature*

**File:**

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

## INTERIM CONSOLIDATED BALANCE SHEET

As at June 30, 2025

Unit: VND

| Code | ASSETS  | Notes | Jun 30, 2025        | Jan 01, 2025        |
|------|---|-------|---------------------|---------------------|
| 1    | 2   | 3     | 4                   | 5                   |
| 100  | <b>A. SHORT-TERM ASSETS</b>                           |       | 572,689,788,537     | 509,979,518,239     |
| 110  | <b>I. Cash and cash equivalents</b>                   | V.1   | 59,501,281,632      | 51,135,908,220      |
| 111  | 1. Cash   |       | 59,501,281,632      | 51,135,908,220      |
| 112  | 2. Cash equivalents                                   |       | -                   | -                   |
| 120  | <b>II. Short-term financial investments</b>           |       | 438,317,140,746     | 361,488,224,415     |
| 121  | 1. Trading securities                                 |       | -                   | -                   |
| 123  | 2. Held-to-maturity investments                       | V.2   | 438,317,140,746     | 361,488,224,415     |
| 130  | <b>III. Short-term receivables</b>                    |       | 23,531,995,374      | 27,281,724,088      |
| 131  | 1. Short-term trade receivables                       | V.3   | 16,975,633,927      | 17,087,711,867      |
| 132  | 2. Short-term prepayments to suppliers                | V.4   | 1,669,973,160       | 1,896,001,013       |
| 136  | 3. Other short-term receivables                       | V.5   | 12,928,855,636      | 16,286,543,075      |
| 137  | 4. Short-term allowances for doubtful debts           | V.6   | (8,042,467,349)     | (7,988,531,867)     |
| 140  | <b>IV. Inventories</b>                                | V.7   | 40,733,857,561      | 42,443,524,082      |
| 141  | 1. Inventories  |       | 40,733,857,561      | 42,443,524,082      |
| 142  | 2. Allowances for decline in value of inventories (*) |       | -                   | -                   |
| 150  | <b>V. Other short-term assets</b>                     |       | 10,605,513,224      | 27,630,137,434      |
| 151  | 1. Short-term prepaid expenses                        | V.8a  | 406,768,136         | 416,714,853         |
| 152  | 2. Deductible VAT                                     | V.14  | 7,182,202,281       | 17,616,194,694      |
| 153  | 3. Taxes and other receivables from State budget      | V.14  | 3,016,542,807       | 9,597,227,887       |
| 200  | <b>B. LONG-TERM ASSETS</b>                            |       | 995,640,813,686     | 1,045,602,863,716   |
| 210  | <b>I. Long-term receivables</b>                       |       | -                   | -                   |
| 220  | <b>II. Fixed assets</b>                               |       | 936,977,954,990     | 1,002,883,388,396   |
| 221  | 1. Tangible fixed assets                              | V.9   | 935,175,154,988     | 1,000,790,221,728   |
| 222  | - Historical costs                                    |       | 2,554,643,973,844   | 2,575,899,715,202   |
| 223  | - Accumulated depreciation                            |       | (1,619,468,818,856) | (1,575,109,493,474) |
| 227  | 2. Intangible fixed assets                            | V.10  | 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)     |
| 230  | <b>III. Investment property</b>                       |       | -                   | -                   |
| 240  | <b>IV. Long-term assets in progress</b>               |       | 49,063,066,212      | 33,241,663,169      |
| 241  | 1. Long-term work in progress                         |       | -                   | -                   |
| 242  | 2. Construction in progress                           | V.11  | 49,063,066,212      | 33,241,663,169      |
| 250  | <b>V. Long-term financial investments</b>             |       | -                   | -                   |
| 260  | <b>VI. Other long-term assets</b>                     |       | 9,599,792,484       | 9,477,812,151       |
| 261  | 1. Long-term prepaid expenses                         | V.8b  | 9,599,792,484       | 9,477,812,151       |
| 269  | 2. Goodwill   |       | -                   | -                   |
| 270  | <b>TOTAL ASSETS</b>                                   |       | 1,568,330,602,223   | 1,555,582,381,955   |

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

Interim Consolidated 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>747,837,010,530</b>   | <b>778,491,445,126</b>   |
| <b>310</b> | <b>I. Short-term liabilities</b>                        |       | <b>305,326,368,034</b>   | <b>298,754,599,437</b>   |
| 311        | 1. Short-term trade payables                            | V.12  | 40,083,224,255           | 42,469,751,122           |
| 312        | 2. Short-term prepayments from customers                | V.13  | 2,730,580,672            | 980,710,123              |
| 313        | 3. Taxes and other payables to State budget             | V.14  | 12,508,338,657           | 7,142,123,949            |
| 314        | 4. Payables to employees                                | V.15  | 22,500,486,979           | 29,399,507,369           |
| 315        | 5. Short-term accrued expenses                          | V.16  | 10,419,272,296           | 2,207,585,966            |
| 318        | 7. Short-term unearned revenue                          | V.17  | 1,269,479,452            | -                        |
| 319        | 8. Other short-term payables                            | V.18a | 142,573,223,124          | 149,124,291,276          |
| 320        | 9. Short-term borrowings and finance lease liabilities  | V.19a | 60,444,104,136           | 60,483,921,067           |
| 322        | 10. Bonus and welfare fund                              | V.20  | 12,797,658,463           | 6,946,708,565            |
| <b>330</b> | <b>II. Long-term liabilities</b>                        |       | <b>442,510,642,496</b>   | <b>479,736,845,689</b>   |
| 337        | 1. Other long-term payables                             | V.18b | 83,315,227,710           | 90,364,937,728           |
| 338        | 2. Long-term borrowings and finance lease liabilities   | V.19b | 354,353,125,668          | 384,575,177,736          |
| 341        | 3. Deferred income tax payables                         |       | 367,089,696              | 321,530,803              |
| 343        | 4. Science and technology development fund              |       | 4,475,199,422            | 4,475,199,422            |
| <b>400</b> | <b>D. OWNER'S EQUITY</b>                                |       | <b>820,493,591,693</b>   | <b>777,090,936,829</b>   |
| <b>410</b> | <b>I. Owner's equity</b>                                | V.21  | <b>819,914,968,484</b>   | <b>776,512,313,620</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                       |       | 98,152,597,565           | 59,780,024,663           |
| 421a       | - Undistributed profit after tax brought forward        |       | -                        | -                        |
| 421b       | - Undistributed profit after tax for the current period |       | 98,152,597,565           | 59,780,024,663           |
| 429        | 5. Non-controlling interest                             |       | -                        | -                        |
| <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>1,568,330,602,223</b> | <b>1,555,582,381,955</b> |

Danang, August 28, 2025

Preparer

*Thuy*

NGUYEN THI THANH THUY

Chief Accountant

*Minh*

PHAM HONG MINH

General Manager



HO MINH NAM



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

Unit: VND

| Code | ITEMS  | Notes | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|------|--|-------|--------------------------------------|--------------------------------------|
| 1    | 2  | 3     | 4                                    | 5                                    |
| 01   | 1. Revenues from sales and services rendered       | VI.1  | 362,586,282,859                      | 309,181,439,901                      |
| 02   | 2. Revenue deductions                              |       | -                                    | -                                    |
| 10   | 3. Net revenues from sales and services rendered   |       | 362,586,282,859                      | 309,181,439,901                      |
| 11   | 4. Cost of goods sold                              | VI.2  | 209,607,015,373                      | 194,242,114,968                      |
| 20   | 5. Gross revenues from sales and services rendered |       | 152,979,267,486                      | 114,939,324,933                      |
| 21   | 6. Financial income                                | VI.3  | 11,394,601,790                       | 13,164,365,400                       |
| 22   | 7. Financial expenses                              | VI.4  | 12,216,664,546                       | 14,946,959,433                       |
| 23   | - In which: Interest expenses                      |       | 12,216,664,546                       | 14,946,959,433                       |
| 24   | 8. Profit or loss of associates and joint ventures |       | -                                    | -                                    |
| 25   | 9. Selling expenses                                | VI.5  | 20,509,553,994                       | 18,822,209,972                       |
| 26   | 10. General administration expenses                | VI.6  | 23,783,296,809                       | 21,941,037,247                       |
| 30   | 11. Net profits from operating activities          |       | 107,864,353,927                      | 72,393,483,681                       |
| 31   | 12. Other income                                   | VI.7  | 1,680,839,060                        | 1,605,951,183                        |
| 32   | 13. Other expenses                                 |       | 227,046,459                          | 256,961,502                          |
| 40   | 14. Other profits                                  |       | 1,453,792,601                        | 1,348,989,681                        |
| 50   | 15. Total net profit before tax                    |       | 109,318,146,528                      | 73,742,473,362                       |
| 51   | 16. Current corporate income tax expenses          | V.14  | 11,119,990,071                       | 7,595,358,091                        |
| 52   | 17. Deferred corporate income tax expenses         | V.14  | 45,558,892                           | -                                    |
| 60   | 18. Profits after corporate income tax             |       | 98,152,597,565                       | 66,147,115,271                       |
| 61   | 19. Net profit after tax of the Parent Company     |       | 98,152,597,565                       | 66,147,115,271                       |
| 62   | 20. Net profit after tax of NCI                    |       | -                                    | -                                    |
| 70   | 21. Basic earnings per share                       | VI.8  | 1,454                                | 980                                  |
| 71   | 22. Diluted earnings per share                     | VI.9  | 1,454                                | 980                                  |

Danang, August 28, 2025

Preparer



NGUYEN THI THANH THUY

Chief Accountant



PHAM HONG MINH

General Manager



HO MINH NAM

**INTERIM CONSOLIDATED CASH FLOW STATEMENT**  
(Indirect method)  
For the six-month period ended June 30, 2025

Unit: VND

| Code | ITEMS  | Notes     | From Jan 01, 2025<br>to Jun 30, 2025 | From Jan 01, 2024<br>to Jun 30, 2024 |
|------|--|-----------|--------------------------------------|--------------------------------------|
| 1    | 2  | 3         | 4                                    | 5                                    |
|      | <b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>   |           |                                      |                                      |
| 01   | 1. Profit before tax   |           | 109,318,146,528                      | 73,742,473,362                       |
|      | 2. Adjustments for   |           |                                      |                                      |
| 02   | - Depreciation of fixed assets and investment properties   | V.9, V.10 | 56,858,381,105                       | 61,846,135,023                       |
| 03   | - Provisions   | VI.6      | 53,935,482                           | -                                    |
| 04   | - Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies |           | -                                    | (14,683,733)                         |
| 05   | - Gains (losses) on investing activities   | VI.3      | (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 changes in working capital  |           | 167,055,561,913                      | 137,372,791,750                      |
| 09   | - Increase (decrease) in receivables   |           | 10,830,093,518                       | 778,242,229                          |
| 10   | - Increase (decrease) in inventories   |           | 1,709,666,521                        | (1,701,481,809)                      |
| 11   | - Increase (decrease) in payables (exclusive of interest payables, enterprise income tax payables)         |           | 3,331,629,615                        | (36,277,678,029)                     |
| 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  | V.14      | -                                    | -                                    |
| 16   | - Other income on operating activities   |           | -                                    | -                                    |
| 17   | - Other payments on operating activities   |           | (8,324,150,102)                      | (5,061,761,693)                      |
| 20   | Net cash flows from operating activities   |           | 162,208,809,405                      | 79,497,768,790                       |
|      | <b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>  |           |                                      |                                      |
| 21   | 1. Expenditures on purchase and construction of fixed assets and other long-term assets                    |           | (21,213,912,609)                     | (15,698,217,937)                     |
| 23   | 2. Expenditures on loans and purchase of debt instruments from other entities                              |           | (313,678,878,435)                    | (157,968,871,765)                    |
| 24   | 3. Proceeds from lending or repurchase of debt instruments from other entities                             |           | 236,849,962,104                      | 168,705,964,120                      |
| 27   | 4. Proceeds from interests, dividends and distributed profits  |           | 15,036,104,646                       | 11,661,838,638                       |
| 30   | Net cash flows from investing activities   |           | (83,006,724,294)                     | 6,700,713,056                        |
|      | <b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>   |           |                                      |                                      |
| 34   | 1. Repayment of principal  | V.19      | (30,261,868,999)                     | (31,067,530,068)                     |
| 36   | 2. Dividends and profits paid to owners  | V.21      | (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 period (20+30+40)   |           | 8,365,373,412                        | 55,130,951,778                       |
| 60   | Cash and cash equivalents at the beginning of fiscal period  |           | 51,135,908,220                       | 66,799,499,032                       |
| 61   | Effect of exchange rate fluctuations   |           | -                                    | 14,683,733                           |
| 70   | Cash and cash equivalents at the end of fiscal period  | V.1       | 59,501,281,632                       | 121,945,134,543                      |

Danang, August 28, 2025

Preparer

Chief Accountant

General Manager

*Thuy*

*[Signature]*



NGUYEN THI THANH THUY

PHAM HONG MINH

HO MINH NAM



## **NOTES TO THE INTERIM CONSOLIDATED 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 Consolidated Financial Statements of Danang Water Supply Joint Stock Company and its subsidiary, Danang Water Supply Sewerage Construction Limited Company (hereinafter referred to as “the Group”) for the six-month period ended June 30, 2025, has been reviewed.

#### **I. NATURE OF OPERATIONS**

##### **1. Forms of ownership**

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.

##### **2. Principal scope of business**

The Group operates in various sectors, including the production and supply of clean water for domestic use.

##### **3. Principal activities**

The Group’s principal activities are:

- 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;
- Wholesale in other construction materials and equipment. Detail: Wholesale in materials and equipment exclusively used for the construction of water supply and sewerage.

##### **4. Normal production and business cycle**

The Group's normal production and business cycle is not more than 12 months.



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****5. The characteristics of the Group's operations during the period affect the Interim Consolidated 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, 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 Group's Interim Consolidated Financial Statements during the period.

**6. Corporate structure**

The Group consists of Parent Company and 01 subsidiary under Parent Company's control.

Number of consolidated subsidiaries: 01 Company

| Name   | Address   | Principal activities                                 | June 30, 2025   |               |              | January 01, 2025 |               |              |
|--|---|--|-----------------|---------------|--------------|------------------|---------------|--------------|
|  |   |  | Ownership ratio | Benefit ratio | Voting ratio | Ownership ratio  | Benefit ratio | Voting ratio |
| 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 | 100.0%          | 100.0%        | 100.0%       | 100.0%           | 100.0%        | 100.0%       |

According to Resolution No. 09/NQ-HĐQT dated December 18, 2024 of the Board of Directors of Da Nang Water Supply Joint Stock Company, the policy of a second temporary suspension of operations of Danang Water Supply Sewerage Construction Company Limited was approved. On December 21, 2024, the Department of Planning and Investment of Da Nang City confirmed that the Company would suspend its business operations from January 1, 2025 to December 31, 2025.

**7. Employees**

As at June 30, 2025, there are 521 persons who are working at the Group. (There are 532 persons as at January 1, 2025).

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

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

These financial statements are the Interim Consolidated Financial Statements for the six-month period ended 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 Group applied the Vietnamese Accounting Standards, Vietnamese corporate accounting regime, which was guided under Circular No. 200/2014/TT-BTC dated December 22, 2014 and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements, and Circular No. 202/2014/TT-BTC dated December 22, 2014 guiding the preparation and presentation of Consolidated Financial Statements.

Accordingly, the Consolidated Balance Sheet as of June 30, 2025, Interim consolidated income statement, Statement of interim consolidated cash flows, and Notes to the interim consolidated financial statement for the six months ended June 30, 2025, are presented herein; and the use of these reports is not intended for persons who are not provided with information on accounting procedures, principles, and practices in Vietnam. Furthermore, they are not intended to present the financial position, results of interim operations, and interim cash flows under 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. 202/2014/TT-BTC dated December 22, 2014 as well as circulars guiding the implementation of accounting standards of the Ministry of Finance related to the preparation and presentation of interim consolidated financial statements for the six-month period ended June 30, 2025.

### **IV. APPLICABLE ACCOUNTING POLICIES**

#### **1. Basis of preparing the financial statements**

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

#### **2. Basis of consolidation**

##### ***Consolidation with subsidiaries***

The Interim Consolidated Financial Statements for the six-month period ended June 30, 2025 comprise the Interim Financial Statements for the six-month period ended June 30, 2025 of the Parent Company (Danang Water Supply Joint Stock Company) and 01 subsidiary (Danang Water Supply Sewerage Construction Limited Company). Subsidiary is under parent's control. Control is achieved where the Parent Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. In determining control, potential voting rights resulting from call options or debt and equity instruments convertible into common shares are considered.

The interim results of operations of the subsidiary acquired or sold during the period are presented in the Interim Consolidated Income Statement for the six months ended June 30, 2025, from the date of acquisition or until the date of sale of the investment in that subsidiary.

The Interim Financial Statements for the first six months of the year ended June 30, 2025, of the parent company and the subsidiary used for consolidation are prepared for the same accounting period and use consistent accounting policies for the same transactions and events in similar circumstances. In the occasion that the accounting policy of a subsidiary is different from the one applied consistently in the Group, the financial statements of the subsidiary will be adjusted accordingly before being used for the preparation of the consolidated financial statements for the first six-months of the year ended June 30, 2025.



Balances of accounts in the Balance Sheet between companies in the same Group, intra-group transactions, and unrealized profits arising from these transactions must be eliminated in full. Unrealized losses arising from intra-group transactions are also eliminated unless the costs creating the loss are unrecoverable.

Non-controlling interest represents the portion of profit or loss in the operating results and net assets of the subsidiary not held by the parent company, they are presented separately in the Interim Consolidated Income Statement for the first six-month accounting period that ended June 30, 2025, and the Interim Consolidated Balance Sheet as of June 30, 2025 (within Equity). Non-controlling interest consists of the amount of non-controlling shareholders' interest at the date of the original business combination and their share of changes in equity since that date. Losses incurred by subsidiaries are allocated to non-controlling shareholders in proportion to their ownership, even if the losses exceed the non-controlling shareholders' share of the subsidiary's net assets.

### **3. Cash and cash equivalents**

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

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.

### **4. Financial investments**

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

Investments are classified as held to maturity when the Group 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 income statement on an accrual basis. Interest earned before the holding of the Group 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.

### **5. Receivables**

Receivables are presented at historical cost less allowance for doubtful debts.

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

- Trade receivables reflect the commercial elements arising from selling - purchasing transactions between the Group and the buyer is an independent entity, include receivables from export sales under entrusted others.
- Other receivables reflect the non-commercial elements, unrelated to selling - purchasing transactions.

Allowance for doubtful debts is made for each receivable 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 to be made at the year end are recorded in the administrative expenses.

## **6. Inventories**

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

Inventories' cost is determined that:

- Materials, instruments and tools, goods: included purchase cost and other directly related cost occurred to recognize inventories' cost at the current place and status.
- Work-in-progress: only include the cost of primary raw materials (or other relevant cost factors).

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.

Provision for devaluation of inventories was made for each inventory item when the net realizable value was lower than the historical cost. For provided services in progress, the provision for discounts is calculated according to the specific type of service with a separate price. The increasing, or decreasing amount in balance of provision for devaluation of inventory needs to be made at the end of the fiscal period date and recorded in the cost of goods sold.

## **7. Prepaid expenses**

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

Prepaid expenses are expenditures that have been incurred but related to the operations of many accounting periods. Prepaid expenses of the Group are as follows:

### ***Tools and instruments***

Cost of tools and instruments being put into use is allocated using the straight-line method for a period of no more than 24 months.

### ***Cost of repairing fixed assets***

Large-value one-time asset repair expenditures are charged to expenses on a straight-line basis over 36 months.

### ***Other prepaid expenses***

Other prepaid expenses are allocated over the prepaid period or the period in which economic benefits are generated from these expenses.

## **8. Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation. The historical cost of tangible fixed assets comprises their purchase price and all the costs incurred by the Group 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.

Depreciation is computed at the straight-line basis over their original and estimated useful time, as follows:

| <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                    |

## **9. Intangible fixed assets**

Intangible fixed assets are stated at historical cost less accumulated depreciation.

The historical cost of intangible fixed assets comprises their purchase price and all the costs incurred by the Group 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 period unless these costs are associated with a specific intangible fixed assets 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.

The Group's intangible fixed assets include:

### ***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.

## **10. 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 currently in the process of building, machinery and equipment are 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 historical cost and are not amortized.

## **11. Business combination and Goodwill**

Business combinations shall be accounted for by applying the acquisition method. Cost of the business combination consists of: the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or admitted, and equity instruments issued by the Group, in exchange for control of the acquiree and any costs directly attributable to the business combination. Acquired assets, identifiable liabilities, and contingent liabilities in a business consolidation shall be recorded according to the fair value date of obtaining control.



For a multi-stage business combination, the cost of the business combination is calculated as the total cost of the investment at the date of obtaining control of the subsidiary plus the cost of previous investment revalued at fair value at the date of obtaining control of subsidiary. The difference between the revaluation price and the cost of the investment is recognized in the income statement if before the date of obtaining control, the Group has no significant effect on the subsidiary, and the investment is presented with the historical cost method. If before the date of obtaining control, the Group has significant effect and the investment was disclosed under the equity method, the difference between the revaluation price and the value of the investment under equity method is recognized in the income statement, the difference between the value of investment under equity method and the cost of investment is recognized directly in item "Undistributed earnings" in Interim Consolidated Balance Sheet.

The excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities recognized at the date of obtaining control of the subsidiary is recognized as goodwill. If the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities recognized at the date that control is achieved, exceeds the cost of the business combination, the difference is recognized in the income statement.

Goodwill is amortised according to straight-line basis within 10 years. When there is evidence that goodwill impairment is greater than the amortisation, the amortisation in the year is the number of impairment incurred.

Non-controlling interest at the initial date of business combination are determined on the basis of the proportion of non-controlling shareholders in the fair value of the recognized assets, liabilities and contingent liabilities.

## **12. 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, 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 out of the Group, 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.
- Other payables reflect the non-commercial elements, unrelated to selling - purchasing transactions, rendering of services.

## **13. Loans and finance lease liabilities**

Loans and finance lease liabilities are reflected at historical cost and classified into short-term liabilities and long-term liabilities when presented in the financial statements.

The Group 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 Group regularly has transactions.



**14. Owners' equity**

***The owner's contributed capital***

The Group 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.

**15. Profit distribution**

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

The profit distribution for shareholders is considered non-cash items included in undistributed after-tax profit 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.

**16. 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 sale discount, devaluation of sale and sale returns.

***Revenue from sales***

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 accounting period. 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 the Group 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.

**17. Revenue deductions**

Revenue deductions include: sale discount, devaluation of sale and sale returns. Sales deductions incurred in the same period of the related sales of products, goods and services and they are recorded as deduction of revenue of the period.

In case products, goods and services have been sold from previous years/periods, and until this year/period, trade discounts, sales discounts or returns shall be recorded as a decrease in revenue according to the principle:

- If discounts, trade discounts, and returns occur before the issuance of the Interim Consolidated Financial Statements: record a decrease in revenue in the Interim Consolidated Financial Statements for the 6-month accounting period beginning of the year ending June 30, 2025.
- If discounts, trade discounts, and returns occur after the issuance of the Interim Consolidated Financial Statements: record a decrease in revenue in the Consolidated Financial Statements for the following period.

**18. Cost of goods sold**

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

**19. Financial expenses**

Financial expenses are the costs related to financial activities include expenses or losses related to financial activities, borrowing costs, loss of short-term securities transfers, transaction costs of selling securities, provision for devaluation of trading securities, allowances for investment loss in other entities, losses on sale of foreign currency, losses on exchange rate differences....

**20. 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 Group.

**21. Borrowing costs**

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

Borrowing costs are recognized as expenses when incurred. Where the borrowing costs are directly related to the investment in construction or production of assets in progress that 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, and 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 the construction or production of assets in progress, the capitalized borrowing costs are determined by the capitalization ratio to the average accumulated cost arising from the investment in capital construction or manufacturing of that asset. Capitalization rates are calculated using weighted average interest rates on outstanding loans during the year, excluding separate loans to form a particular asset.

## **22. 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 the consolidated financial statements and the tax base. Deferred income tax liabilities are recognized for all taxable temporary 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 recognized when there is undoubtedly enough taxable profit to utilize these unrecorded 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 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 Group 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 Group 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.

## **23. Foreign currency transaction**

Transactions denominated in foreign currencies are converted by 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 year 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 year 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 Group regularly has transactions.

## **24. 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.

## **25. Segment reporting**

A business segment is a component which can be separated by the Group engaged in producing or providing products, services, that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a component which can be separated by the Group engaged in producing or providing products, services within a particular economic environment, that is subject to risks and returns that are different from those of segments in other economic environment.

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INTERIM CONSOLIDATED BALANCE SHEET (unit: VND)**

Unit: VND

**1. Cash and cash equivalents**

|              | Jun 30, 2025          | Jan 01, 2025          |
|--------------|-----------------------|-----------------------|
| Cash in hand | 47,931,551            | 56,242,485            |
| Cash at bank | 59,453,350,081        | 51,079,665,735        |
| <b>Total</b> | <b>59,501,281,632</b> | <b>51,135,908,220</b> |

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

|   | Jun 30, 2025           | Jan 01, 2025           |
|---|------------------------|------------------------|
| More than 3-month to 1-year term deposits                           | 438,317,140,746        | 361,488,224,415        |
| - National Citizen Bank - Da Nang Branch                            | 131,000,000,000        | -                      |
| - EVN Finance Joint Stock 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                  | 57,400,000,000         | 52,400,000,000         |
| - Vietnam Asia Commercial JS Bank - Da Nang Branch                  | 46,000,000,000         | 97,000,000,000         |
| - Vietnam Thuong Tin Commercial JS Bank - Thanh Khe Business Center | 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 - Da Nang Branch  | 5,917,140,746          | 5,787,283,615          |
| - HCM City Development JS Commercial Bank - Da Nang Branch          | -                      | 30,000,000,000         |
| - Nam A Commercial JS Bank - Da Nang Branch                         | -                      | 2,300,940,800          |
| <b>Total</b>  | <b>438,317,140,746</b> | <b>361,488,224,415</b> |

There were no deposits or collateralized 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                 | 16,975,633,927        | 17,087,711,867        |
| Trung Nam Hue Crossroad BT Limited Company       | 4,090,711,000         | 4,129,593,002         |
| Others   | 12,884,922,927        | 12,958,118,865        |
| <b>Total</b>                                     | <b>16,975,633,927</b> | <b>17,087,711,867</b> |

As of June 30, 2025, the balance of overdue customer receivables is VND 7,508,269,138. The Company has made provisions for doubtful debts according to regulations.



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****4. Short-term prepayment to suppliers**

|   | Jun 30, 2025         | Jan 01, 2025         |
|---|----------------------|----------------------|
| <i>Prepayments to related parties</i>                               | -                    | -                    |
| <i>Prepayments to other entities</i>                                | <b>1,669,973,160</b> | <b>1,896,001,013</b> |
| VisNam Informatics Technology Solution and Business Company Limited | 314,880,000          | 314,880,000          |
| Phan Huu Luyen  | 185,000,001          | 185,000,001          |
| Others  | 1,170,093,159        | 1,396,121,012        |
| <b>Total</b>  | <b>1,669,973,160</b> | <b>1,896,001,013</b> |

As of June 30, 2025, the balance of short-term advance payments to suppliers identified as doubtful receivables amounts to VND 944,052,31. The company has made provisions for doubtful receivables under regulations.

**5. Other short-term receivables**

|   | Jun 30, 2025          |           | Jan 01, 2025          |           |
|---|-----------------------|-----------|-----------------------|-----------|
|   | Amount                | Allowance | Amount                | Allowance |
| <i>Receivables from related parties</i> | -                     | -         | -                     | -         |
| <i>Receivables from other entities</i>  | <b>8,113,551,241</b>  | -         | <b>10,781,218,815</b> | -         |
| - 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>16,286,543,075</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> |

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****7. Inventories**

|                    | Jun 30, 2025          |           | Jan 01, 2025          |           |
|--------------------|-----------------------|-----------|-----------------------|-----------|
|                    | Historical cost       | Allowance | Historical cost       | Allowance |
| Raw materials      | 38,487,531,295        | -         | 40,197,139,972        | -         |
| Tools and supplies | 363,097,262           | -         | 363,155,106           | -         |
| Work in progress   | 1,883,229,004         | -         | 1,883,229,004         | -         |
| <b>Total</b>       | <b>40,733,857,561</b> | <b>-</b>  | <b>42,443,524,082</b> | <b>-</b>  |

- Raw materials are water industry materials such as pipes, clocks, flanges, water valves, faucets, rubber rings, water treatment chemicals ...; materials used for construction and installation activities such as iron, steel, sand; fuel used for motorcycles such as gasoline, oil, lubricant and some other materials.
- Tools and instruments are types of labor protection, hygiene tools
- Work in progress is the value of uncompleted and untested for payment grave construction works as of June 30, 2025.
- The Group did not have stagnant, inferior-quality inventory on June 30, 2025.
- The Group did not have collateral, mortgaged to ensure the debt as of June 30, 2025.

**8. Prepaid expenses****a. Short-term prepaid expenses**

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

*The movement of short-term prepaid expenses during the period*

|                              | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|------------------------------|-------------------------------------|-------------------------------------|
| Opening balance              | 416,714,853                         | 241,579,478                         |
| Increase during the period   | 506,961,478                         | 515,927,205                         |
| Allocation during the period | (516,908,195)                       | (395,414,244)                       |
| <b>Closing balance</b>       | <b>406,768,136</b>                  | <b>362,092,439</b>                  |



**DANANG WATER SUPPLY JOINT STOCK COMPANY***Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City***INTERIM CONSOLIDATED FINANCIAL STATEMENTS***For the six-month period ended June 30, 2025***Notes to the Interim Consolidated Financial Statements****b. Long-term prepaid expenses**

|   | <b>Jun 30, 2025</b>  | <b>Jan 01, 2025</b>  |
|---|----------------------|----------------------|
| Cost of installing branch pipes                     | 5,080,507,251        | 4,432,764,564        |
| Prepaid tools, supplies and other deferred expenses | 4,519,285,233        | 5,045,047,587        |
| <b>Total</b>  | <b>9,599,792,484</b> | <b>9,477,812,151</b> |

*The movement of long-term prepaid expenses during the period*

|                              | <b>From Jan 1, 2025<br/>to Jun 30, 2025</b> | <b>From Jan 1, 2024<br/>to Jun 30, 2024</b> |
|------------------------------|---|---|
| Opening balance              | 9,477,812,151                               | 8,814,528,172                               |
| Increase during the period   | 7,752,514,001                               | 7,184,099,101                               |
| Allocation during 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>                        |

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

Notes to the Interim Consolidated Financial Statements

**9. Tangible fixed assets**

|                                       | Buildings and<br>Architecture | Machinery<br>and equipment | Means of<br>& transmitters | Office<br>equipment  | Other<br>fixed assets | Total                    |
|---------------------------------------|-------------------------------|----------------------------|----------------------------|----------------------|-----------------------|--------------------------|
| <b>Historical cost</b>                |                               |                            |                            |                      |                       |                          |
| Opening balance                       | 208,626,019,879               | 156,236,299,089            | 2,201,499,090,573          | 8,397,148,314        | 1,141,157,347         | 2,575,899,715,202        |
| Increasing during the period          | 1,224,189,194                 | 110,612,549                | 4,026,798,732              | 30,909,091           | -                     | 5,392,509,566            |
| + Completed construction              | 1,224,189,194                 | 110,612,549                | 4,026,798,732              | -                    | -                     | 5,361,600,475            |
| + Purchases during the period         | -                             | -                          | -                          | 30,909,091           | -                     | 30,909,091               |
| Decreasing in the period              | -                             | -                          | (26,648,250,924)           | -                    | -                     | (26,648,250,924)         |
| + Handover of assets to the State (*) | -                             | -                          | (26,576,233,000)           | -                    | -                     | (26,576,233,000)         |
| + Decrease after finalization         | -                             | -                          | (9,511,298)                | -                    | -                     | (9,511,298)              |
| + Other decrease                      | -                             | -                          | (62,506,626)               | -                    | -                     | (62,506,626)             |
| <b>Closing balance</b>                | <b>209,850,209,073</b>        | <b>156,346,911,638</b>     | <b>2,178,877,638,381</b>   | <b>8,428,057,405</b> | <b>1,141,157,347</b>  | <b>2,554,643,973,844</b> |
| <b>Depreciation</b>                   |                               |                            |                            |                      |                       |                          |
| Opening balance                       | 164,405,100,956               | 101,833,274,577            | 1,301,481,349,558          | 6,771,767,824        | 618,000,559           | 1,575,109,493,474        |
| Increasing in the period              | 2,868,132,931                 | 6,142,913,341              | 47,261,196,322             | 255,950,814          | 39,821,031            | 56,568,014,439           |
| + Depreciation                        | 2,868,132,931                 | 6,142,913,341              | 47,261,196,322             | 255,950,814          | 39,821,031            | 56,568,014,439           |
| Decreasing in the period              | -                             | -                          | (12,208,689,057)           | -                    | -                     | (12,208,689,057)         |
| + Handover of assets to the State (*) | -                             | -                          | (12,147,382,431)           | -                    | -                     | (12,147,382,431)         |
| + Other decrease                      | -                             | -                          | (61,306,626)               | -                    | -                     | (61,306,626)             |
| <b>Closing balance</b>                | <b>167,273,233,887</b>        | <b>107,976,187,918</b>     | <b>1,336,533,856,823</b>   | <b>7,027,718,638</b> | <b>657,821,590</b>    | <b>1,619,468,818,856</b> |
| <b>Residual value</b>                 |                               |                            |                            |                      |                       |                          |
| Opening balance                       | 44,220,918,923                | 54,403,024,512             | 900,017,741,015            | 1,625,380,490        | 523,156,788           | 1,000,790,221,728        |
| <b>Closing balance</b>                | <b>42,576,975,186</b>         | <b>48,370,723,720</b>      | <b>842,343,781,558</b>     | <b>1,400,338,767</b> | <b>483,335,757</b>    | <b>935,175,154,988</b>   |

The historical cost of fixed assets that have been fully depreciated are still using as of June 30, 2025: VND 1,202,769,475,146.

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.19).

(\*) 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.

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



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****10. 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>Residual 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>  |

Historical 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.

**11. Construction in progress**

|   | Jun 30, 2025          | Jan 01, 2025          |
|---|-----------------------|-----------------------|
| <b>Construction in progress</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 capital construction in progress being used as collateral for bank loans as at June 30, 2025 is VND 66,921,920 (refer to Note V.19).

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****12. Short-term trade payables**

|  | Jun 30, 2025          | Jan 01, 2025          |
|--|-----------------------|-----------------------|
| <i>Trade payables to related parties</i>           | -                     | -                     |
| <i>Trade payables to other entities</i>            | 40,083,224,255        | 42,469,751,122        |
| Danang 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        |
| Others   | 19,641,642,038        | 14,806,310,526        |
| <b>Total</b>                                       | <b>40,083,224,255</b> | <b>42,469,751,122</b> |

In which, there is no overdue debt as at June 30, 2025.

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

|  | Jun 30, 2025         | Jan 01, 2025       |
|--|----------------------|--------------------|
| <i>Prepayments from customers being related parties</i>                      | -                    | -                  |
| <i>Prepayments from other customers</i>                                      | 2,730,580,672        | 980,710,123        |
| Dai Nguyen Nam Trading and Services Co., Ltd                                 | 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> |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****14. Taxes and other receivables, payables to State**

|                        | Jan 01, 2025          |                      | Jun 30, 2025                          |                       |
|------------------------|-----------------------|----------------------|---------------------------------------|-----------------------|
|                        | Receivables           | Payables             | Paid amounts during the fiscal period | Receivables           |
| Value added tax        | 17,618,681,411        | -                    | 13,898,988,292                        | 7,184,688,998         |
| Corporate income tax   | 7,517,100,621         | -                    | 11,119,990,071                        | 10,582,859            |
| Personal income tax    | 2,077,640,549         | -                    | 1,372,548,243                         | 3,003,473,231         |
| Natural resource tax   | -                     | 372,992,250          | 1,904,150,550                         | -                     |
| Land tax and land rent | -                     | -                    | 2,177,981,148                         | -                     |
| Other taxes            | -                     | -                    | 13,000,000                            | -                     |
| Fees and charges       | -                     | 6,769,131,699        | 45,682,809,920                        | -                     |
| <b>Total</b>           | <b>27,213,422,581</b> | <b>7,142,123,949</b> | <b>76,169,468,224</b>                 | <b>10,198,745,088</b> |
|                        |                       |                      | <b>53,788,576,024</b>                 | <b>12,508,338,657</b> |

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

**Value added tax**

The Group 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 Group operates clean water production and business in the field of socialization because it satisfies the requirements on the list of types, criteria, scale and standards of establishments implementing socialization in the field of environment according to 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 criteria for regulation scale and standards of establishments carrying out 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, sports and environment, judicial expertise (hereinafter collectively referred to as the field of socialization)*". Accordingly, the Group applies the CIT rate of 10% for production and business activities of clean water for daily life.

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

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements**

The Group must pay corporate income tax on other taxable incomes at the rate of 20%.

Corporate income tax payable during the period is determined as follows:

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| Total accounting profits before corporate income tax | 109,318,146,528                     | 73,742,473,362                      |
| Adjustment to taxable income                         | 417,592,129                         | 725,504,762                         |
| - Increasing adjustment                              | 417,592,129                         | 725,504,762                         |
| + Remuneration of non-executive Board of Directors   | 166,000,000                         | 152,100,000                         |
| + Expenses for the settlement of overdue debts       | 11,548,551                          | -                                   |
| + Other improper expenses                            | 240,043,578                         | 573,404,762                         |
| - Decreasing adjustment                              | -                                   | -                                   |
| <b>Total taxable income</b>                          | <b>109,735,738,657</b>              | <b>74,467,978,124</b>               |
| Carry forward of losses (at subsidiary)              | -                                   | -                                   |
| <b>Total tax calculation income</b>                  | <b>109,735,738,657</b>              | <b>74,467,978,124</b>               |
| Corporate income tax calculated on taxable income    | 11,119,990,071                      | 7,627,002,422                       |
| CIT exemptions and reductions                        | -                                   | -                                   |
| <b>Current corporate income tax expenses</b>         | <b>11,119,990,071</b>               | <b>7,627,002,422</b>                |
| <i>In which:</i>                                     |                                     |                                     |
| - Current corporate income tax expenses              | 11,119,990,071                      | 7,595,358,091                       |
| - CIT for invalid documentation                      | -                                   | 31,644,331                          |

Deferred corporate income tax expense for the period

|   | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|---|-------------------------------------|-------------------------------------|
| Provision for impairment of investments in subsidiaries | 45,558,892                          | -                                   |
| <b>Total</b>  | <b>45,558,892</b>                   | <b>-</b>                            |

**Other tax**

The Group has declared and paid under regulations.

**15. 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> |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****16. Short-term accrued expenses**

|  | Jun 30, 2025          | Jan 01, 2025         |
|--|-----------------------|----------------------|
| Water purchase cost - Hoa Lien water plant | 9,175,784,400         | -                    |
| Electricity expenses                       | -                     | 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> |

**17. Short-term unearned revenue**

|   | Jun 30, 2025         | Jan 01, 2025 |
|---|----------------------|--------------|
| Interest paid upfront on a term deposit | 1,269,479,452        | -            |
| <b>Total</b>                            | <b>1,269,479,452</b> | <b>-</b>     |

**18. Other payables****a. Short-term**

|   | Jun 30, 2025           | Jan 01, 2025           |
|---|------------------------|------------------------|
| <b>Other payables to related parties</b><br>(Refer to Notes No. VIII.1) | <b>139,402,225,182</b> | <b>146,225,039,594</b> |
| <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>Payables to related parties</b><br>(Refer to Notes No. VIII.1) | <b>72,441,446,164</b> | <b>80,490,446,164</b> |
| <b>Other payables to other entities</b>                           | <b>10,873,781,546</b> | <b>9,874,491,564</b>  |
| Long-term deposits received                                       | 10,873,781,546        | 9,874,491,564         |
| <b>Total</b>  | <b>83,315,227,710</b> | <b>90,364,937,728</b> |

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****19. 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>-</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        |
| - JSC Bank for Investment and Development of Vietnam (ii)     | 2,775,704,931         | -                          | 1,407,760,931          | 1,367,944,000                    | 2,735,888,000         |
| - JSC 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>-</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 | Closing balance        |
|---|------------------------|----------------------------|------------------------|------------------------|
| <b>Long-term borrowings</b>                                   | <b>445,059,098,803</b> | <b>-</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        |
| - JSC Bank for Investment and Development of Vietnam (ii)     | 12,208,693,536         | -                          | 1,407,760,931          | 10,800,932,605         |
| - JSC 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>-</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> |

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



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements**

- (i) The loans from the Danang 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 - Danang Branch are as follows:
- Loan Agreement No. 02/2020/257027/HĐTD dated September 16, 2020 for investing in the construction of the D500; D400 DI Water Supply Pipeline on Vo Nguyen Giap - Hoang Sa street (section from Ho Xuan Huong street to Nguyen Phan Vinh street). 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 – Danang 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 month from the date of first disbursement. Loan interest rate: For the first 2 years from the date of first disbursement: Loan interest rate = Base



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements**

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 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) The loans from ShinHan Vietnam Bank - Danang Branch under the following loan contracts:

- Loan contract No. SHBVN/DN/CR/HDTD-001 dated December 11, 2020 to implement the project "Water supply pipeline D1200 DI, D800 DI Hoa 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. (Refer to Note No. V.9, V.11).
- Loan contract No. SHBVN/DN/CR/HDTD-002 dated December 13, 2021 to implement the project "Increasing the capacity of An Trach saltwater prevention pumping station from 210,000 m3/day to 420,000 m3/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. (Refer to Note No. V.9, V.11).

**20. 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 fluctuations in the bonus and welfare fund:

|  | Jan 01, 2025         | Increase<br>in the period | Decrease<br>in the period | Jun 30, 2025          |
|--|----------------------|---------------------------|---------------------------|-----------------------|
| Bonus and welfare fund                 | 6,800,215,100        | 13,600,000,000            | (8,091,256,637)           | 12,308,958,463        |
| Management and<br>Executive Bonus Fund | 146,493,465          | 575,100,000               | (232,893,465)             | 488,700,000           |
| <b>Total</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> |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

Notes to the Interim Consolidated Financial Statements

**21. Owner's equity**

**a. Statement of changes in owner's equity**

|                            | Contributed capital | Capital surplus | Development and investment funds | Undistributed profit after tax | Total            |
|----------------------------|---------------------|-----------------|----------------------------------|--------------------------------|------------------|
| Balance as at Jan 01, 2024 | 579,640,610,000     | 8,993,538,265   | 117,103,023,611                  | 68,500,334,688                 | 774,237,506,564  |
| Increase during the period | -                   | -               | 10,995,117,081                   | 66,147,115,271                 | 77,142,232,352   |
| Decrease during the period | -                   | -               | -                                | (83,363,219,477)               | (83,363,219,477) |
| Balance as at Jun 30, 2024 | 579,640,610,000     | 8,993,538,265   | 128,098,140,692                  | 51,284,230,482                 | 768,016,519,439  |
| Balance as at Jan 01, 2025 | 579,640,610,000     | 8,993,538,265   | 128,098,140,692                  | 59,780,024,663                 | 776,512,313,620  |
| Increase during the period | -                   | -               | 5,030,081,962                    | 98,152,597,565                 | 103,182,679,527  |
| Decrease during the period | -                   | -               | -                                | (59,780,024,663)               | (59,780,024,663) |
| Balance as at Jun 30, 2025 | 579,640,610,000     | 8,993,538,265   | 133,128,222,654                  | 98,152,597,565                 | 819,914,968,484  |

**b. Details of investment capital**

|                                    | Jun 30, 2025 |                 | Jan 01, 2025 |                 |
|------------------------------------|--------------|-----------------|--------------|-----------------|
|                                    | Rate (%)     | VND             | Rate (%)     | VND             |
| 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  |
| Total                              | 100.00       | 579,640,610,000 | 100.00       | 579,640,610,000 |

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

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****c. Undistributed after-tax profit**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| Profits brought forward                              | 59,780,024,663                      | 68,500,334,688                      |
| Profits after corporate income tax of current period | 98,152,597,565                      | 66,147,115,271                      |
| Profit distribution                                  | 59,780,024,663                      | 83,363,219,477                      |
| Previous year's profit distribution                  | 59,780,024,663                      | 83,363,219,477                      |
| - Appropriation 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                      |
| - Appropriation to Development and Investment Fund   | 5,030,081,962                       | 10,995,117,081                      |
| Profit distribution for the current year             | -                                   | -                                   |
| <b>Total</b>   | <b>98,152,597,565</b>               | <b>51,284,230,482</b>               |

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

|                                       | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| <b>- Contributed capital</b>          |                                     |                                     |
| + Opening balance                     | 579,640,610,000                     | 579,640,610,000                     |
| + Increase during the period          | -                                   | -                                   |
| + Decrease during the period          | -                                   | -                                   |
| + 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>               |

**e. Share**

|   | Jun 30, 2025 | Jan 01, 2025 |
|---|--------------|--------------|
| 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                   | -            | -            |
| - Ordinary shares                           | -            | -            |
| - Preference 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       |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****22. Off-balance sheet accounts****Bad debts treated**

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

**VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INTERIM CONSOLIDATED INCOME STATEMENTS (Unit: VND)****1. Revenues**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 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>              |

**2. Cost of goods sold**

|   | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 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              | 1,630,550,147                       | 1,513,096,506                       |
| <b>Total</b>  | <b>209,607,015,373</b>              | <b>194,242,114,968</b>              |

**3. Financial income**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| Deposits, loans interest                             | 11,391,991,096                      | 13,149,629,955                      |
| Gains on exchange rate differences from payments     | 2,610,694                           | -                                   |
| Foreign exchange revaluation gain on ending balances | -                                   | 14,735,445                          |
| <b>Total</b>   | <b>11,394,601,790</b>               | <b>13,164,365,400</b>               |

**4. Financial expenses**

|                   | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|-------------------|-------------------------------------|-------------------------------------|
| Interest expenses | 12,216,664,546                      | 14,946,959,433                      |
| <b>Total</b>      | <b>12,216,664,546</b>               | <b>14,946,959,433</b>               |

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****5. Selling expenses**

|                              | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 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>               |

**6. General administration expenses**

|                               | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|-------------------------------|-------------------------------------|-------------------------------------|
| 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       | 7,560,921,338                       | 6,892,211,355                       |
| <b>Total</b>                  | <b>23,783,296,809</b>               | <b>21,941,037,247</b>               |

**7. Other income**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| Remaining drainage services 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**

|   | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|---|-------------------------------------|-------------------------------------|
| Depreciation expenses at the subsidiary during the period of inactivity | 215,497,908                         | 256,961,448                         |
| Settlement of overdue debts   | 11,548,551                          | -                                   |
| Others  | -                                   | 54                                  |
| <b>Total</b>  | <b>227,046,459</b>                  | <b>256,961,502</b>                  |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****9. Basis earnings per share**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| - Profit after corporate income tax  | 98,152,597,565                      | 66,147,115,271                      |
| - Adjusting the accounting profit to determine the profit allocated to common shareholders | (13,864,029,940)                    | (9,343,263,544)                     |
| - Appropriation Bonus and Welfare Fund   | (13,864,029,940)                    | (9,343,263,544)                     |
| - Profit or loss attributable to shareholders owning ordinary shares                       | 84,288,567,625                      | 56,803,851,727                      |
| - Weighted average number of ordinary shares (shares)                                      | 57,964,061                          | 57,964,061                          |
| <b>Basic earnings per share (VND/share) (*)</b>  | <b>1,454</b>                        | <b>980</b>                          |

(\*) Basic earnings per share for the first 6-month period of 2025 are calculated based on profit after tax minus deductions for bonus and welfare funds. The bonus and welfare fund this period is temporarily calculated at the same rate as the same period last year.

Weighted average number of ordinary shares is calculated as follow:

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
|  | Shares                              | Shares                              |
| Outstanding ordinary shares at the begin of the year       | 57,964,061                          | 57,964,061                          |
| Affect of re-acquired ordinary shares                      | -                                   | -                                   |
| Affect of issued ordinary shares                           | -                                   | -                                   |
| <b>Weighted average number of ordinary shares (shares)</b> | <b>57,964,061</b>                   | <b>57,964,061</b>                   |

**10. Diluted earnings per shares**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| - Net profit attributable to the Company's shareholders used to calculate basis earnings per share | 84,288,567,625                      | 56,803,851,727                      |
| Increasing/Decreasing adjustment to profit:  |                                     |                                     |
| + After-tax effect of convertible bond interest  | -                                   | -                                   |
| + Dividends on convertible preferred sh  | -                                   | -                                   |
| - Profit to calculate diluted earnings per share   |                                     |                                     |
| The number of ordinary shares used to calculate diluted earnings per share                         | 57,964,061                          | 57,964,061                          |
| <b>Diluted earnings per share (VND/share) (*)</b>  | <b>1,454</b>                        | <b>980</b>                          |

(\*) Diluted earnings per share in the first 6 months of 2025 are calculated based on profit after tax minus deductions for bonus and welfare funds. The bonus and welfare fund this period is temporarily calculated at the same rate as the same period last year.

**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****11. Operating expenses according to elements**

|                              | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|------------------------------|-------------------------------------|-------------------------------------|
| Cost of raw materials        | 22,131,579,220                      | 28,868,044,487                      |
| Employees cost               | 63,467,826,689                      | 59,395,579,082                      |
| 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      | 13,035,919,046                      | 10,730,899,946                      |
| <b>Total</b>                 | <b>202,525,993,695</b>              | <b>209,736,822,095</b>              |

**VII. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE STATEMENT OF INTERIM CASH FLOWS (Unit: VND)****1. Payment of loan principal**

|   | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|---|-------------------------------------|-------------------------------------|
| 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 (Unit: VND)****1. Information about related parties****a. Related parties**

| Name   | Relationship |
|--|--------------|
| People's Committee of Danang City                  | Investor     |
| Danang - Mien Trung Investment Joint Stock Company | Investor     |

**b. Transactions with related parties**

|  | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|--|-------------------------------------|-------------------------------------|
| People's Committee of Danang City  |                                     |                                     |
| - Dividend distribution  | 24,376,951,900                      | 34,824,217,000                      |
| - Clean water supply infrastructure usage expenses   | 7,615,547,456                       | -                                   |
| - Repayment to the State budget for capital under Decision No.8449/QD-UBND dated November 11, 2015 (*) | 8,049,000,000                       | 8,049,000,000                       |
| Danang - Mien Trung Investment JSC   |                                     |                                     |
| - Dividend distribution  | 14,200,720,800                      | 20,286,744,000                      |



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements****c. Balances with related parties**

|  | Jun 30, 2025           | Jan 01, 2025           |
|--|------------------------|------------------------|
| <b>Other short-term and long-term payables</b>             |                        |                        |
| People's Committee of Da Nang 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 costs difference payables to the State budget  | 3,405,703,501          | 3,405,703,502          |
| - Payable to the State budget for capital (*)              | 88,539,446,164         | 96,588,446,164         |
| - Payable for clean water supply infrastructure usage fees | 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 Group will pay that amount in 15 years, or by December 2030, in installments. The Group will pay in four installments per year, totaling 4,024,500,000 VND for each installment

**d. Salary, remuneration of the Executive Board**

| No | Board of Management | Position                    | From Jan 1, 2025 to Jun 30, 2025 |                    |                      |
|----|---------------------|-----------------------------|----------------------------------|--------------------|----------------------|
|    |                     |                             | Salary                           | Remuneration       | Total                |
| 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 the 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          |
|    |                     | Manager                     |                                  |                    |                      |
| 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> |

| 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 the 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> |

**DANANG WATER SUPPLY JOINT STOCK COMPANY***Address: No 57 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Da Nang City***INTERIM CONSOLIDATED FINANCIAL STATEMENTS***For the six-month period ended June 30, 2025***Notes to the Interim Consolidated Financial Statements****e. Other benefits of the Executive Board**

|                                     | From Jan 1, 2025<br>to Jun 30, 2025 | From Jan 1, 2024<br>to Jun 30, 2024 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Management and Executive bonus fund | 84,600,000                          | -                                   |
| Dividend                            | 25,970,000                          | -                                   |
| <b>Total</b>                        | <b>110,570,000</b>                  | <b>-</b>                            |

**2. Segment information**

In accordance with VAS 28 issued together with Decision 12/2005/QD-BTC dated February 15, 2005 of the Ministry of Finance and guided by Circular 20/2006/TT-BTC dated 20/03/2006, the Group should prepare a Divisions Report. Accordingly, a division is a distinctly identifiable part of the Group that may be involved in the provision of related products or services (business lines) or product or service provider in a specific economic environment (geographic areas), each of these sectors bears risks and derives different economic benefits from the others. The Board of Management of the Group assesses that the Company operates in the main business division, which is the production and trading of the water industry and in Danang City, Vietnam.

**3. Comparative figures**

Corresponding figures in the Interim Consolidated Balance Sheet taken from the Consolidated Financial Statements for the fiscal year-end as of December 31, 2024, which Vietvalues audited.

The comparative figures in the Interim Consolidated Income Statement and the Interim Consolidated Cash Flow Statement are those of the six-month accounting period ended June 30, 2024, which were reviewed by the Da Nang Branch of Vietvalues Auditing and Consulting Co., Ltd. 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 Group has received for operation and utilization from June 2015 to December 31, 2023, which were allocated in 2023 and 2024. Accordingly, the Group adjusted VND 16,514,316,432 to expenses of the first half of 2024 and the Group has retrospectively adjusted in compliance with regulations at present. The impact of these adjustments on the relevant indicators is restated as follows:



**DANANG WATER SUPPLY JOINT STOCK COMPANY**

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

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended June 30, 2025

**Notes to the Interim Consolidated Financial Statements**

| 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) | Variance         | Note |
|------------|--|------|---|--|------------------|------|
| <b>I.</b>  | <b>Income Statement</b>  |      |   |  |                  |      |
| 1.         | Cost of goods sold   | 11   | 210,756,431,400   | 194,242,114,968  | (16,514,316,432) |      |
| 2.         | Total net profit before tax  | 50   | 57,228,156,930  | 73,742,473,362   | 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   | 51,284,230,482  | 66,147,115,271   | 14,862,884,789   |      |
| 5.         | Basic earnings per share   | 70   | 791   | 980  | 189              | (1)  |
| 6.         | Diluted earnings per share   | 71   | 791   | 980  | 189              | (1)  |
| <b>II.</b> | <b>Statement of Cash Flows</b>   |      |   |  |                  |      |
| 1.         | Profit before tax  | 01   | 57,228,156,930  | 73,742,473,362   | 16,514,316,432   |      |
| 2.         | Increase (decrease) in payables<br>(exclusive of interest payables,<br>enterprise income tax payables) | 11   | (19,763,361,597)  | (36,277,678,029)   | (16,514,316,432) |      |

(1) Adjustment of the “Basic earnings per share” and “Diluted earnings per share” indicators for the six-month accounting period ended June 30, 2024 was made due to the appropriation of the bonus and welfare fund from 2024 profit after tax in accordance with Resolution No. 01/NQ-ĐHĐCĐ of the Annual General Meeting of Shareholders dated April 18, 2025. The appropriation rate of the bonus and welfare fund from 2024 profit after tax was 14.12%. Together with the retrospective adjustment of comparative figures as mentioned above, which affected profit after corporate income tax, the “Basic earnings per share” and “Diluted earnings per share” indicators for the six-month accounting period ended June 30, 2024 were restated at VND 980 per share, instead of VND 791 per share as previously presented in the financial statements for the six-month accounting period of 2024.

**4. Information on going concern**

There are no factors that lead to the doubt about the possibility of the Group to continue as a going concern and the measures and commitments to ensure the Group'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 Consolidated Financial Statements.

Danang, August 28, 2025

  
**NGUYEN THI THANH THUY**  
 Preparer

  
**PHAM HONG MINH**  
 Chief Accountant

  
**HỒ MINH NAM**  
 General Manager

