

**PHU MY WATER SUPPLY  
JOINT STOCK COMPANY**

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**SOCIAL REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness**

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No.: 26 /CNPM

Phu My, February 11, 2026

**To: Hanoi Stock Exchange (HNX)**

In accordance with Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, guiding the disclosure of information on the stock market, Phu My Water Supply Joint Stock Company (Stock Code: PMW) hereby discloses its 2025 financial statements to the Hanoi Stock Exchange as follows:

1. **The 2025 Audited Financial Statements** in accordance with Circular No. 96/2020/TT-BTC include:

☒ Separate Financial Statements (for entities without subsidiaries and where the superior accounting unit has dependent units);

☐ Consolidated Financial Statements (for entities with subsidiaries);

☐ Combined Financial Statements (for entities with dependent accounting units that maintain separate accounting systems).

2. **Explanatory documents** required to be disclosed **simultaneously** with the Financial Statements in accordance with Clause 4, Article 14 of Circular No. 96/2020/TT-BTC include:

i) The audit firm issue an opinion other than an unqualified opinion on the Financial Statements (qualified opinion / adverse opinion / disclaimer of opinion)?

☐ Yes

☒ No

Explanatory document regarding the audit opinion other than an unqualified opinion:

☐ Yes

☒ No

ii) The profit after corporate income tax (PAT) reported in the Income Statement for the reporting period change by 10% or more compared to the same period of the previous year?

☒ Yes

☐ No

Explanatory document regarding the change in profit after corporate income tax of 10% or more compared to the same period of the previous year:

☒ Yes

☐ No

iii) the profit after tax in the reporting period differ by 5% or more before and after the audit/ semi-annual review, or change from loss to profit or vice versa?

☐ Yes

☒ No

Explanatory document regarding the difference in profit after tax of 5% or more before and after the audit/ semi-annual review, or change from loss to profit or vice versa:

☐ Yes

☒ No

iv) the profit after tax in the reporting period incur a loss, change from profit in the same period of the previous year to loss in this period, or vice versa?

☐ Yes

☒ No

Explanatory document regarding the profit after tax in the reporting period incurring a loss, or changing from profit in the same period of the previous year to loss in this period, or vice versa:

☐ Yes

☒ No

This information was disclosed on the Company's website on: *February 11, 2026* at the following link: <http://www.pmw.vn/bao-cao/bao-cao-tai-chinh/>

We hereby certify that the information disclosed above is true and accurate, and we take full responsibility before the law for the content of the disclosed information.

**Organization representative**

Legal Representative/

Authorized Person for Information Disclosure

*(Sign, full name, title, and official seal)*



**Nguyễn Tấn Long**

**PHU MY WATER SUPPLY JOINT STOCK COMPANY**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

LƯU TẠI CPA



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**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Phu My Water Supply Joint Stock Company (the "Company") present this report together with the Company's financial statements for the year ended 31 December 2025.

**THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISORY**

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

**Board of Directors**

Mr. Nguyen Luong Dien	Chairman (Appointed on 14 March 2025)
	Member (From 1 January 2025 to 13 March 2025)
Mr. Dinh Chi Duc	Chairman (From 1 January 2025 to 13 March 2025)
	Member (Appointed on 14 March 2025)
Mrs. Chau Thi Thuy Anh	Member (Appointed on 14 March 2025)
Mr. Dang Hong Dang	Member
Mr. Vo Hien Hieu	Member (Appointed on 14 March 2025)
Mr. Nguyen Xuan Kha	Member (Appointed on 14 March 2025)
Mr. Nguyen Tan Long	Member
Mr. Pham Tan Luan	Member
Mr. Nguyen Canh Toan	Member (Appointed on 14 March 2025)
Mr. Nguyen Van Manh	Member (Dismissed on 14 March 2025)
Mrs. Nguyen Thi Ngoc	Member (Dismissed on 14 March 2025)

**Board of Management**

Mr. Nguyen Canh Toan	Chief Executive Officer (Appointed on 03 February 2026)
	Deputy Chief Executive Officer (From 1 January 2025 to 02 February 2026)
Mr. Pham Tan Luan	Chief Executive Officer (Dismissed on 03 February 2026)
Mrs. Nguyen Thi Hoang Ngoc	Chief Executive Officer (Appointed on 03 February 2026)
Mr. Nguyen Van Manh	Deputy Chief Executive Officer (Dismissed on 31 December 2025)

**Board of Supervisory**

Mrs. Nguyen Thi Nhung	Head of the Supervisory Board (Appointed on 14 March 2025)
Mr. Le Minh Duc	Head of the Supervisory Board (Dismissed on 14 March 2025)
Mrs. Nguyen Thi Hong Hanh	Member of the Supervisory Board (Appointed on 14 March 2025)
Mr. Ho Dac Khuong	Member of the Supervisory Board (Appointed on 14 March 2025)
Mrs. Dinh Thi Quynh Trang	Member of the Supervisory Board (Dismissed on 14 March 2025)
Mrs. Chau Thi Thuy Anh	Member of the Supervisory Board (Dismissed on 14 March 2025)

**Legal Representative**

The legal representative of the Company during the year and up to the date of this report is as follows:

- Mr. Dinh Chi Duc - Chairman of the Board of Directors and Mr. Pham Tan Luan - Chief Executive Officer (from 1 January 2025 to 13 March 2025).
- Mr. Nguyen Luong Dien - Chairman of the Board of Directors and Mr. Pham Tan Luan - Chief Executive Officer (from 14 March 2025 to 02 February 2026).
- Mr. Nguyen Luong Dien - Chairman of the Board of Directors and Mr. Nguyen Canh Toan - Chief Executive Officer (from 03 February 2026 to present).

**STATEMENT OF THE BOARD OF DIRECTORS (CONTINUED)**

**BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY**

The Board of Management of the Company are responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Directors and the Board of Management are required to:

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

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

The Board of Management confirms that the Company has complied with the above requirements in preparing these separate financial statements.

For and on behalf of the Board of Management,



**Nguyen Canh Toan**

**Chief Executive Officer**

*Ho Chi Minh City, 05 February 2026*

**APPROVAL OF FINANCIAL REPORTS**

The Board of Directors approved the accompanying financial statements. This report truly and fairly reflects, in all material respects, the financial situation of the Company as at 31 December 2025, as well as the results of its operations and cash flows for The fiscal year ends on the same date, in accordance with accounting standards, Vietnam's corporate accounting regime and legal regulations related to the preparation and presentation of financial reports.

For and on behalf of the Board of Directors,



**Nguyen Luong Dien**

**Chairman**

*Ho Chi Minh City, 05 February 2026*



No: 020501/2026/BCKT-iCPA

## INDEPENDENT AUDITORS' REPORT

**To:** Shareholders  
The Board of Directors and Board of Management  
PHU MY WATER SUPPLY JOINT STOCK COMPANY

We have audited the accompanying financial statements of Phu My Water Supply Joint Stock Company (the "Company"), prepared on 05 February 2026, as set out from page 5 to page 30, which comprise the balance sheet as at 31 December 2025, the statement of income, the statement of cash flows for the year then ended, Notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

### Opinion

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



**Nguyễn Nhu Phuong**  
Deputy General Director  
Audit Practising Registration Certificate  
No. 2021-2023-072-1  
05 February 2026



**Ha Huy Hoang**  
Auditor  
Audit Practising Registration Certificate  
No. 6088-2023-072-1

**BALANCE SHEET**  
**As at 31 December 2025**

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>40,346,879,513</b>	<b>104,064,162,727</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>3,971,086,337</b>	<b>41,534,307,737</b>
1. Cash	111		3,971,086,337	3,034,307,737
2. Cash equivalents	112		-	38,500,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>26,142,612,083</b>	<b>46,623,122,856</b>
1. Short-term trade receivables	131	V.2	16,908,553,966	37,402,036,130
2. Short-term advances to suppliers	132	V.3	9,084,175,893	8,767,052,062
3. Other short-term receivables	136	V.4	230,385,079	534,537,519
4. Provision for short-term doubtful debts	137		(80,502,855)	(80,502,855)
<b>IV. Inventories</b>	<b>140</b>	<b>V.5</b>	<b>8,346,576,798</b>	<b>13,218,049,334</b>
1. Inventories	141		8,346,576,798	13,218,049,334
<b>V. Other short-term assets</b>	<b>150</b>		<b>1,886,604,295</b>	<b>2,688,682,800</b>
1. Value added tax deductibles	152		1,886,604,295	2,688,682,800
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>632,786,668,568</b>	<b>597,614,214,613</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>407,162,448,058</b>	<b>399,206,925,180</b>
1. Tangible fixed assets	221	V.6	405,260,234,990	397,847,969,539
- Cost	222		724,832,360,872	674,493,742,510
- Accumulated depreciation	223		(319,572,125,882)	(276,645,772,971)
2. Intangible assets	227	V.7	1,902,213,068	1,358,955,641
- Cost	228		4,007,226,176	3,050,237,176
- Accumulated depreciation	229		(2,105,013,108)	(1,691,281,535)
<b>II. Long-term assets in progress</b>	<b>240</b>		<b>105,097,524,943</b>	<b>83,747,726,788</b>
1. Long-term construction in progress	242	V.8	105,097,524,943	83,747,726,788
<b>III. Long-term financial investments</b>	<b>250</b>		<b>102,578,525,900</b>	<b>102,578,525,900</b>
1. Investments in joint-ventures, associates	252	V.10	102,578,525,900	102,578,525,900
<b>IV. Other long-term assets</b>	<b>260</b>		<b>17,948,169,667</b>	<b>12,081,036,745</b>
1. Long-term prepayments	261	V.9	17,948,169,667	12,081,036,745
<b>TOTAL ASSETS</b>	<b>270</b>		<b>673,133,548,081</b>	<b>701,678,377,340</b>




**BALANCE SHEET (CONTINUED)**  
**As at 31 December 2025**

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>93,803,973,731</b>	<b>79,549,280,176</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>93,803,973,731</b>	<b>79,549,280,176</b>
1. Short-term trade payables	311	V.11	33,317,665,848	18,185,840,555
2. Short-term advances from customers	312		58,429,953	11,884,275
3. Taxes and amounts payable to the State	313	V.12	4,574,485,205	4,205,710,244
4. Payables to employees	314		4,339,240,564	5,224,634,090
5. Short-term accrued expenses	315	V.13	634,525,434	549,843,140
6. Other current payables	319		320,760,570	121,199,755
7. Short-term loans and obligations under finance	320	V.14	44,209,278,500	44,831,718,276
8. Bonus and welfare funds	322		6,349,587,657	6,418,449,841
<b>D. EQUITY</b>	<b>400</b>		<b>579,329,574,350</b>	<b>622,129,097,164</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.15</b>	<b>579,329,574,350</b>	<b>622,129,097,164</b>
1. Owner's contributed capital	411		499,998,320,000	499,998,320,000
- Ordinary shares carrying voting rights	411a		499,998,320,000	499,998,320,000
2. Share premium	412		32,029,950,000	32,029,950,000
3. Investment and development fund	418		18,508,165,610	18,508,165,610
4. Retained earnings	421		28,793,138,740	71,592,661,554
- Retained earnings accumulated to the prior year end	421a		21,592,829,554	17,572,239,281
- Retained earnings of the current year	421b		7,200,309,186	54,020,422,273
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>673,133,548,081</b>	<b>701,678,377,340</b>

  
 Tran To Lien  
Preparer

  
 Vu Thi Nhu Trang  
Chief Accountant


  
 Nguyen Canh Toan  
Director  
05 February 2026




**INCOME STATEMENT**  
**For the year ended 31 December 2025**

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services	01		355,520,499,649	363,848,260,132
2. Net revenue from goods sold and services rendered	10	VI.1	355,520,499,649	363,848,260,132
3. Cost of sales	11	VI.2	234,839,415,530	236,535,673,376
4. Gross profit from goods sold and services rendered	20		120,681,084,119	127,312,586,756
5. Financial income	21	VI.3	55,619,103,553	27,775,220,738
6. Financial expenses	22	VI.4	1,452,498,070	1,587,030,155
- In which: Interest expense	23		1,452,498,070	1,587,030,155
7. Selling expenses	25	VI.5	17,705,063,902	16,421,222,004
8. General and administration expenses	26	VI.6	29,727,012,523	28,623,653,878
9. Operating profit	30		127,415,613,177	108,455,901,457
10. Other income	31		1,506,271,637	677,928,876
11. Other expenses	32		1,868,734,378	1,787,135,945
12. Profit from other activities	40		(362,462,741)	(1,109,207,069)
13. Accounting profit before tax	50		127,053,150,436	107,346,694,388
14. Current corporate income tax expense	51	VI.7	7,933,647,250	8,499,555,915
15. Net profit after corporate income tax	60		119,119,503,186	98,847,138,473
16. Basic earnings per share	70	VI.8	2,144	1,740
17. Diluted earnings per share	71	VI.8	2,144	1,740

  
Tran To Lien  
Preparer

  
Vu Thi Nhu Trang  
Chief Accountant

  
  
Nguyen Canh Toan  
Director  
05 February 2026




**CASH FLOW STATEMENT**  
(Under indirect method)  
For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	127,053,150,436	107,346,694,388
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	46,160,801,124	44,013,830,812
Provisions	03	-	80,502,855
(Gain)/loss from investing activities	05	(55,070,863,661)	(27,775,220,738)
Interest expense	06	1,452,498,070	1,587,030,155
3. Operating profit before movements in working capital	08	119,595,585,969	125,252,837,472
(Increase), decrease in receivables	09	21,282,589,278	(4,579,694,274)
(Increase), decrease in inventories	10	4,871,472,536	(5,776,492,896)
Increase, (decrease) in payables	11	9,343,114,961	4,262,957,207
(Increase), decrease in prepaid expenses	12	(5,867,132,922)	(2,745,860,587)
Interest paid	14	(1,448,377,752)	(1,578,080,295)
Corporate income tax paid	15	(7,943,407,100)	(8,223,631,573)
Other cash outflows	17	(11,988,392,184)	(13,000,694,226)
Net cash generated by operating activities	20	127,845,452,786	93,611,340,828
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(70,436,520,805)	(71,049,110,440)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	15,903,500	3,780,000
3. Cash recovered from lending, selling debt instruments of other entities	24	-	30,000,000,000
4. Interest earned, dividends and profits received	27	55,633,878,895	27,874,272,792
Net cash generated by investing activities	30	(14,786,738,410)	(13,171,057,648)
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
2. Proceeds from borrowings	33	175,286,215,545	165,065,210,306
3. Repayment of borrowings	34	(175,908,655,321)	(163,300,944,680)
4. Dividends and profits paid	36	(149,999,496,000)	(49,999,832,000)
Net cash generated by financing activities	40	(150,621,935,776)	(48,235,566,374)
Net increase/(decrease) in cash	50	(37,563,221,400)	32,204,716,806
Cash and cash equivalents at the beginning of the year	60	41,534,307,737	9,329,590,931
Cash and cash equivalents at the end of the year	70	3,971,086,337	41,534,307,737

  
Tran To Lien  
Preparer

  
Vu Thi Nhu Trang  
Chief Accountant

  
Nguyen Canh Toan  
Director  
05 February 2026

**NOTES TO THE FINANCIAL STATEMENTS**

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

**I. GENERAL INFORMATION****1. Structure of ownership**

The Phu My Water Supply Joint Stock Company is a business that was equitized from the Phu My Water Supply Enterprise, which was part of the Ba Ria - Vung Tau Water Supply Company, according to Decision No. 6023/QĐ.UB dated August 27, 2004, by the Chairman of the Ba Ria - Vung Tau Provincial People's Committee. The company was established under the Joint Stock Company Registration Certificate No. 3500677525, issued on November 29, 2004, by the Ba Ria - Vung Tau Department of Planning and Investment. Currently, the company operates under the 22th modified business registration certificate dated 18 September 2025.

As at 31 December 2025, the actual contributed capital of the Owner is VND 499,998,320,000 (Four hundred ninety-nine billion nine hundred ninety-eight million three hundred twenty thousand VND).

The company is located at: No. 02 Doc Lap Street, Tan Ngoc Quarter, Phu My Ward, Ho Chi Minh City.

**2. Business field**

The company's business sector is the exploitation, treatment, and supply of water.

**3. Operating industry and principal activities**

Main business activities of the Company:

- Exploitation, treatment, and supply of water;
- Wholesale of specialized goods not classified elsewhere (Details: Trading in materials and equipment related to the water sector); and
- Construction of other civil engineering works (Details: Construction of water supply and drainage pipelines).

**4. Normal production and business cycle**

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

**5. Explanation of comparability of information in financial statements**

The comparative figures are the financial statement figures for the fiscal year ending December 31, 2024, which have been audited.

**6. Employees**

The number of employees as at 31 December 2025 was 68 (31 December 2024 was 71).

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

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

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

**Financial year**

The company's financial year begins from 01 January to 31 December.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**III. ACCOUNTING STANDARDS AND SYSTEM APPLIED**

The Board of Management of the Company apply Vietnamese Accounting Standards and the Accounting regime for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance guiding the accounting regime for enterprises, Circular No. 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC and Circular guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these separate financial statements, are as follows:

**Estimates**

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

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

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

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

When there is solid evidence that part or all of the investment may not be recoverable and the amount of loss can be reliably determined, the loss is recorded in financial expenses during the year and reduced direct deduction of investment value.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Financial investments (Continued)*****Investments in associates***

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in subsidiaries, joint ventures and associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries, joint ventures and associates are carried in the balance sheet at cost less provision for impairment of such investments (if any).

Provisions for impairment of investments in subsidiaries, joint ventures, and associates are made when the subsidiaries, joint ventures, or associates suffer losses at a level equal to the difference between the actual contributed capital of the parties at subsidiaries, joint ventures, and associates and the actual equity multiplied by the Company's capital contribution ratio compared to the total actual capital contribution of the parties at the subsidiaries and affiliates joint venture, association. If a subsidiary, joint venture or associate company is the subject of a consolidated financial statement, the basis for determining loss provisions is the consolidated financial statement.

Increases and decreases in provisions for investment losses in subsidiaries, joint ventures, and associates need to be appropriated at the end of the fiscal year and are recorded in financial expenses

**Receivables**

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

The provision for doubtful debts represents the portion of accounts receivable that the Company expects to be uncollectible as of the end of the accounting period. Any increase or decrease in the provision balance is recorded as an administrative expense in the Statement of Profit and Loss.

**Inventories**

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

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

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Tangible fixed assets and depreciation (Continued)**

	<u>Years</u>
Buildings and structures	06 - 25
Machinery, equipment	06 - 15
Vehicles, transportation equipment	08 - 25
Office equipment and furniture	03 - 10

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

**Fixed assets of finance leasing**

A lease is considered a financial lease when most of the rights and risks of asset ownership are transferred to the lessee. All other leases are considered operating leases.

A lease is considered an operating lease when the lessor still enjoys the majority of the benefits and must bear the risks of ownership of the asset. Operating lease costs are recorded in the Income Statement on a straight-line basis throughout the lease term. Amounts received or receivable to facilitate the conclusion of operating leases are also recognized on a straight-line basis over the lease term.

**Intangible assets and amortisation**

The Company's intangible fixed assets are land use rights and accounting software.

Intangible fixed assets represent the value of land use rights and are presented at cost less accumulated depreciation. Land use rights are allocated using the straight-line method based on the granted period of use within 15 years.

Intangible fixed assets are recorded at their original cost, reflected on the Balance Sheet according to the criteria of original price, accumulated depreciation and residual value.

Costs related to computer software programs that are not an integral part of the related hardware are capitalized. The original price of computer software is all expenses that the Company has spent up to the time the software is put into use. Computer software is amortized using the straight-line method from 3 to 8 years.

**Construction in progress**

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

**Prepayments**

Prepaid expenses include actual expenses that have been incurred but are related to the results of production and business activities of many accounting periods. Prepaid expenses include the value of tools, instruments, small components issued for use, other repair costs and are considered to have the potential to bring future economic benefits to the Company. These costs are capitalized in the form of prepayments and allocated to the Income Statement, using the straight-line method in accordance with current accounting regulations.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Revenue recognition**

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

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

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

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

Interest income is recognized on an accrual basis, determined on the balance of the deposit account and the interest rate applied.

***Dividends and profits are distributed***

Dividends and distributed profits are recognized when the Company is entitled to receive dividends or profits from capital contribution. Dividends received in shares are only tracked by the number of additional shares, the value of shares received is not recorded/recorded at par value.

**Borrowing costs**

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Borrowing costs (Continued)**

For general loans that are used for construction investment purposes or production of unfinished assets, the capitalized borrowing costs are determined according to the capitalization rate for the average cumulative cost. rights arising for investment in capital construction or production of that asset. The capitalization rate is calculated according to the weighted average interest rate of outstanding loans during the year, except for separate loans serving the purpose of creating a specific asset.

**Tax**

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

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

The company has determined that it meets the types, criteria, scale, and standards of establishments implementing socialization in the environmental sector in accordance with Decision No. 1466/QĐ-TTg and Decision No. 693/QĐ-TTg of the Prime Minister. Accordingly, the portion of the company's income derived from socialized activities in providing clean water is subject to a preferential tax rate of 10% throughout its operation.

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

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

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

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

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

**Basic/diluted earnings per share**

Basic earnings per share are calculated by dividing the after-tax profit or loss allocated to shareholders owning the Company's common shares (after adjusting for appropriations for bonus and welfare funds) by the amount weighted average number of common shares outstanding during the year.

Diluted earnings per share are calculated by dividing the after-tax profit (or loss) allocated to shareholders owning the Company's common shares (after adjusting for dividends on preferred shares with convertible rights) exchange for the weighted average number of common shares outstanding during the year and the weighted average number of common shares that would be issued in the event that all potential common shares are issued. All declines are converted into common shares.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprises, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET****1. CASH AND CASH EQUIVALENTS**

	Closing balance VND	Opening balance VND
Cash	554,213,646	589,552,649
Cash in bank	3,416,872,691	2,444,755,088
Cash equivalents	-	38,500,000,000
<b>Total</b>	<b>3,971,086,337</b>	<b>41,534,307,737</b>

**2. SHORT-TERM TRADE RECEIVABLES**

	Closing balance VND	Opening balance VND
Formosa International Development Company Limited	-	20,917,731,860
Idico Industrial Zone Service Company Limited	6,768,763,646	6,414,378,517
Dong Xuyen and Phu My 1 Industrial Zone Infrastructure Investment and Exploitation Company	3,279,087,000	2,971,411,380
Others	6,860,703,320	7,098,514,373
<b>Total</b>	<b>16,908,553,966</b>	<b>37,402,036,130</b>

**3. SHORT-TERM ADVANCES TO SUPPLIERS**

	Closing balance VND	Opening balance VND
Ba Ria - Vung Tau Water Supply JSC	1,647,274,000	3,152,618,000
Tuan Phat Trading - Services - Construction Investment Co.,Ltd	4,002,311,747	2,093,573,579
Chau Duc Water Supply JSC	-	2,000,000,000
An Binh Full Construction Trading Service Co.,Ltd	1,630,000,000	-
Others	1,804,590,146	1,520,860,483
<b>Total</b>	<b>9,084,175,893</b>	<b>8,767,052,062</b>
<b>Receivables from related parties</b>	<b>1,647,274,000</b>	<b>5,152,618,000</b>

*(Details stated in Note VII.1)*



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**4. OTHER RECEIVABLES**

	Closing balance VND	Opening balance VND
Deposit interest	-	14,775,342
Advances	-	333,215,255
Security Deposit	50,000,000	-
Social insurance must collect payments from employees	76,177,500	65,824,500
Others	104,207,579	120,722,422
<b>Cộng</b>	<b>230,385,079</b>	<b>534,537,519</b>

**5. INVENTORIES**

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw of materials	8,346,576,798	-	12,986,513,966	-
Work in progress	-	-	231,535,368	-
<b>Total</b>	<b>8,346,576,798</b>	<b>-</b>	<b>13,218,049,334</b>	<b>-</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****6. TANGIBLE FIXED ASSETS**

	Buildings and structures VND	Machinery and equipment VND	Means of transport loading, VND	Fixed assets used in management VND	Total VND
<b>COST</b>					
Opening balance	65,013,421,479	34,134,543,120	561,219,181,900	14,126,596,011	674,493,742,510
Addition	-	309,914,000	-	263,500,000	573,414,000
Completed capital construction investment	5,396,165,545	-	47,753,898,849	-	53,150,064,394
Liquidation, sale	(3,384,860,032)	-	-	-	(3,384,860,032)
<b>Closing balance</b>	<b>67,024,726,992</b>	<b>34,444,457,120</b>	<b>608,973,080,749</b>	<b>14,390,096,011</b>	<b>724,832,360,872</b>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	30,763,588,693	19,506,215,156	219,605,036,956	6,770,932,166	276,645,772,971
Charge for the year	3,454,969,887	2,681,048,188	38,204,624,156	1,406,427,320	45,747,069,551
Liquidation, sale	(2,820,716,640)	-	-	-	(2,820,716,640)
<b>Closing balance</b>	<b>31,397,841,940</b>	<b>22,187,263,344</b>	<b>257,809,661,112</b>	<b>8,177,359,486</b>	<b>319,572,125,882</b>
<b>NET BOOK VALUE</b>					
Opening balance	34,249,832,786	14,628,327,964	341,614,144,944	7,355,663,845	397,847,969,539
<b>Closing balance</b>	<b>35,626,885,052</b>	<b>12,257,193,776</b>	<b>351,163,419,637</b>	<b>6,212,736,525</b>	<b>405,260,234,990</b>

The cost of fully-depreciated assets that were used as at 31 December 2025 was VND 49,251,239,877 (as at 31 December 2024 was VND 45,046,415,879).



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****7. INTANGIBLE ASSETS**

	Land use rights	Computer software	Total
	VND	VND	VND
<b>COST</b>			
Opening balance	180,000,000	2,870,237,176	3,050,237,176
Addition	-	956,989,000	956,989,000
Closing balance	180,000,000	3,827,226,176	4,007,226,176
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance	85,000,000	1,606,281,535	1,691,281,535
Charge for the year	12,000,000	401,731,573	413,731,573
Closing balance	97,000,000	2,008,013,108	2,105,013,108
<b>NET BOOK VALUE</b>			
Opening balance	95,000,000	1,263,955,641	1,358,955,641
Closing balance	83,000,000	1,819,213,068	1,902,213,068

The cost of fully-depreciated assets that were used as at 31 December 2025 was VND 1,201,198,176 (as at 31 December 2024 was VND 1,041,198,176).

**8. LONG-TERM CONSTRUCTION IN PROGRESS**

	Closing balance	Opening balance
	VND	VND
Construction of pipeline projects	105,054,014,910	83,724,821,512
Repair pipe systems	43,510,033	22,905,276
<b>Total</b>	<b>105,097,524,943</b>	<b>83,747,726,788</b>

**9. PREPAYMENTS**

	Closing balance	Opening balance
	VND	VND
Production costs	1,003,463,546	1,152,535,118
Repair costs	3,147,215,888	2,511,459,023
Service pipeline	1,721,460,205	2,133,251,655
Management equipment	148,383,607	269,606,741
Management tools	1,520,340,728	1,378,046,228
Cost of installing a new meter	1,269,683,718	1,235,316,327
Cost of watch warranty replacement	9,137,621,975	3,400,821,653
<b>Total</b>	<b>17,948,169,667</b>	<b>12,081,036,745</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****10. INVESTMENTS IN JOINT-VENTURES, ASSOCIATES**

	Closing balance				Opening balance			
	Quantity	Ownership ratio	Cost	Provision	Quantity	Ownership ratio	Cost	Provision
	CP	%	VND	VND	CP	%	VND	VND
Chau Duc Water Supply JSC (i)	11,343,750	19.73%	82,500,000,000	(*)	11,343,750	19.73%	82,500,000,000	(*)
Ba Ria - Vung Tau Water Supply JSC (ii)	5,067,780	5.07%	20,078,525,900	-	4,560,638	5.07%	20,078,525,900	-
<b>Total</b>			<b>102,578,525,900</b>	<b>-</b>			<b>102,578,525,900</b>	<b>-</b>

- (i) Mr. Nguyen Luong Dien - Chairman of the Board of Directors of the Company is Chairman of the Board of Directors of Chau Duc Water Supply Shareholding Company. Accordingly, the Company has a voting rights ratio of less than 20% but still has significant influence over Chau Duc Water Supply Shareholding Company, so Chau Duc Water Supply Shareholding Company is still an affiliated company of the Company.
- (ii) Mr. Dinh Chi Duc - Member of the Board of Directors of the Company is Chairman of the Board of Directors of Ba Ria - Vung Tau Water Supply Joint Stock Company. Accordingly, the Company has a voting rights ratio of less than 20% but still has significant influence over Ba Ria - Vung Tau Water Supply Joint Stock Company, so Ba Ria - Vung Tau Water Supply Joint Stock Company is still an affiliated company of the Company.
- (\*) The Company has not determined the fair value of the financial investments at the end of the accounting period for disclosure in the separate financial statements because there is no listed market price for the financial investments and the current Accounting Standards and Accounting Regime for Vietnamese enterprises do not have specific guidance on determining the fair value of financial investments. The fair value of these financial investments may differ from their carrying value.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****11. SHORT-TERM TRADE PAYABLES**

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Chau Duc Water Supply JSC	26,097,733,200	26,097,733,200	13,514,062,800	13,514,062,800
Luu Nguyen Construction Co., Ltd	5,573,139,987	5,573,139,987	-	-
Toc Tien Water Supply Co., Ltd	863,405,550	863,405,550	1,249,430,070	1,249,430,070
Others	783,387,111	783,387,111	3,422,347,685	3,422,347,685
<b>Total</b>	<b>33,317,665,848</b>	<b>33,317,665,848</b>	<b>18,185,840,555</b>	<b>18,185,840,555</b>
<b>Trade payables to related parties</b>	<b>26,097,733,200</b>	<b>26,097,733,200</b>	<b>13,514,062,800</b>	<b>13,514,062,800</b>
<i>(Details stated in Note VII.1)</i>				

**12. TAX AND AMOUNTS RECEIVABLE/ PAYABLE TO THE STATE BUDGET**

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
Value Added Tax	-	18,018,801,271	18,018,801,271	-
Corporate income tax	2,113,829,223	7,933,647,250	7,943,407,100	2,104,069,373
Personal income tax	1,309,347,716	6,243,205,514	6,035,196,772	1,517,356,458
Resource tax	245,010,150	2,954,810,105	2,947,327,505	252,492,750
Environmental Protection tax	537,523,155	7,836,960,303	7,673,916,834	700,566,624
Fees, charges and other receivables	-	420,406,383	420,406,383	-
<b>Total</b>	<b>4,205,710,244</b>	<b>43,407,830,826</b>	<b>43,039,055,865</b>	<b>4,574,485,205</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**13. SHORT-TERM ACCRUED EXPENSES**

	Closing balance VND	Opening balance VND
Pre-deduction of environmental protection costs	85,522,580	71,467,604
Interest expense	44,497,766	40,377,448
Pre-deduction of electricity costs	276,751,575	275,468,585
Pre-deduction of other payable expenses	227,753,513	162,529,503
<b>Total</b>	<b>634,525,434</b>	<b>549,843,140</b>

**14. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Vung Tau Branch (i)	19,956,739,300	19,956,739,300	86,347,550,100	85,074,696,900	21,229,592,500	21,229,592,500
Joint stock Commercial Bank for Investment and Development of Viet Nam - Phu My Branch (ii)	24,874,978,976	24,874,978,976	88,938,665,445	90,833,958,421	22,979,686,000	22,979,686,000
<b>Total</b>	<b>44,831,718,276</b>	<b>44,831,718,276</b>	<b>175,286,215,545</b>	<b>175,908,655,321</b>	<b>44,209,278,500</b>	<b>44,209,278,500</b>

- (i) Credit Line Loan Agreement No. 01/2025-HDCVHM/PMWA dated 05 May 2025, at Vietcombank - Vung Tau Branch, with a credit limit of VND 50 billion. The term of the credit line is 12 months from the date the contract is signed. The company borrows funds for business operations, excluding investments in fixed assets. The interest rate is determined at the time of loan disbursement according to the bank's interest rate announcement for each period, and it is specified in each loan acknowledgment form. The loan is unsecured.
- (ii) Credit Line Agreement No. 01/2025/644439/HĐTD dated 18 June 2025, at VietinBank - Phu My Branch, with a credit limit of VND 50 billion. The term of the contract is 12 months from the date of signing, but not exceeding 30 June 2026. The company borrows funds to supplement working capital, open letters of credit (L/C), and issue guarantees for business operations. The interest rate for the loan is determined in each specific credit agreement according to the bank's interest rate regime for each period. The loan is unsecured.



**PHU MY WATER SUPPLY JOINT STOCK COMPANY**No. 02 Doc Lap Street, Tan Ngoc Quarter, Phu My Ward,  
Ho Chi Minh City**FORM B 09 - DN**Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****15. OWNER'S EQUITY****a. Movement of owner's equity**

	Owner's contributed capital	Surplus equity	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
<b>Prior year's opening balance as previously reported</b>	<b>499,998,320,000</b>	<b>32,029,950,000</b>	<b>15,542,802,610</b>	<b>37,572,172,081</b>	<b>585,143,244,691</b>
Profit for the year	-	-	-	98,847,138,473	98,847,138,473
Divide remaining dividends in 2023	-	-	-	(19,999,932,800)	(19,999,932,800)
Temporarily pay dividends in 2024 (i)	-	-	-	(29,999,899,200)	(29,999,899,200)
Deduction to the Investment and development fund (i)	-	-	2,965,363,000	(2,965,363,000)	-
Deduction to the Bonus and Welfare Fund (i)	-	-	-	(11,861,454,000)	(11,861,454,000)
<b>Current year's opening balance</b>	<b>499,998,320,000</b>	<b>32,029,950,000</b>	<b>18,508,165,610</b>	<b>71,592,661,554</b>	<b>622,129,097,164</b>
Profit for the year	-	-	-	119,119,503,186	119,119,503,186
Deduction to the Bonus and Welfare Fund (ii)	-	-	-	(11,919,530,000)	(11,919,530,000)
Divide remaining dividends in 2024 (i)	-	-	-	(49,999,832,000)	(49,999,832,000)
Temporarily pay dividends in 2025 (ii)	-	-	-	(99,999,664,000)	(99,999,664,000)
<b>Current year's closing balance</b>	<b>499,998,320,000</b>	<b>32,029,950,000</b>	<b>18,508,165,610</b>	<b>28,793,138,740</b>	<b>579,329,574,350</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****15. OWNER'S EQUITY (CONTINUED)****a. Movement of owner's equity**

- (i) The Company distributes profits in accordance with the plan outlined in Resolution No. 01/NQ-DHDCD of the 2025 Annual General Meeting of Shareholders dated 14 March 2025. Specifically, the profit distribution plan for 2024 is as follows:
- An allocation of 3% of after-tax profit to the Development Investment Fund, amounting to 2,965,414,000 VND.
  - An allocation of 12% of after-tax profit to the Bonus and Welfare Fund, amounting to 11,861,657,000 VND.
  - Dividend distribution equivalent to 16% of the charter capital, amounting to 79,999,731,200 VND.
- (ii) Provisional distribution of profits according to the plan set out in Resolution No. 01/NQ-DHDCD of the Annual General Meeting of Shareholders 2025 dated 14 March 2025. Specifically, the profit distribution plan for 2025 is as follows:
- Appropriation to the Development Investment Fund at the rate of 3% of after-tax profit. In 2025, the Company has not yet made a provisional appropriation.
  - Appropriation to the Bonus and Welfare Fund at the rate of 12% of after-tax profit. In 2025, the Company has provisionally appropriated at the rate of 10% of after-tax profit.
  - Dividend payment at a rate not lower than 15% of charter capital. In 2025, the Company has made two provisional dividend payments for 2025 as follows:
    - First provisional dividend payment for 2025 pursuant to Resolution No. 07/2025/NQ-HDQT of Board of Directors dated 8 July 2025. Dividend rate: 10% (VND 1,000 per share). The record date is 21 July 2025, and the dividend payment date is 8 August 2025.
    - Second provisional dividend payment for 2025 pursuant to Resolution No. 09/2025/NQ-HDQT of Board of Directors dated 7 November 2025. Dividend rate: 10% (VND 1,000 per share). The record date is 21 November 2025, and the dividend payment date is 10 December 2025.

**b. Detail of owner's contributed equity**

	Closing balance		Opening balance	
	Ratio %	VND	Ratio %	VND
Chau Duc Water Supply JSC	40.48%	202,377,190,000	40.48%	202,377,190,000
Ba Ria - Vung Tau Water Supply JSC	16.69%	83,460,640,000	16.69%	83,460,640,000
Others	42.83%	214,160,490,000	42.83%	214,160,490,000
<b>Total</b>	<b>100%</b>	<b>499,998,320,000</b>	<b>100%</b>	<b>499,998,320,000</b>

**c. Shares**

	Closing balance Shares	Opening balance Shares
Number of shares registered to issue	49,999,832	49,999,832
Number of shares issued and fully contributed capital	49,999,832	49,999,832
Common shares	49,999,832	49,999,832
Preferred shares	-	-
Number of outstanding shares	49,999,832	49,999,832
Common shares	49,999,832	49,999,832
Preferred shares	-	-
Par value of outstanding shares (VND)	10,000	10,000



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**16. DEPARTMENT REPORT**

**Department by business field**

The Company's main activities are exploiting, processing and supplying water. Revenue from construction and installation activities and supply of materials for the water industry accounts for a small proportion (see details in Note No. VI.1 - Net revenue from sales and service provision). Therefore, the Company does not prepare segment reports by business field.

**Division by geographical area**

All of the Company's business activities arise in Ho Chi Minh City, Vietnam. Therefore, the Company does not prepare business segment reports by geographical area.

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT**

**1. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED**

	Current year VND	Prior year VND
<b>Total sales of merchandise and services</b>	<b>355,520,499,649</b>	<b>363,848,260,132</b>
Revenue from finished water products	354,923,897,356	362,614,580,958
Revenue from construction and installation	308,102,793	1,152,348,774
Revenue from supplying water industry materials	288,499,500	81,330,400
<b>Deduction</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>355,520,499,649</b>	<b>363,848,260,132</b>

**2. COST OF SALES**

	Current year VND	Prior year VND
Cost of finished water products	233,197,838,670	235,211,710,485
Cost of construction and installation	945,591,417	1,224,330,195
Cost of	695,985,443	99,632,696
<b>Total</b>	<b>234,839,415,530</b>	<b>236,535,673,376</b>

**3. FINANCIAL INCOME**

	Current year VND	Prior year VND
Bank and loan interest	205,860,553	527,082,738
Dividends and profits received	55,413,243,000	27,248,138,000
<b>Cộng</b>	<b>55,619,103,553</b>	<b>27,775,220,738</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)****4. FINANCIAL EXPENSES**

	Current year VND	Prior year VND
Interest expense	1,452,498,070	1,587,030,155
<b>Total</b>	<b>1,452,498,070</b>	<b>1,587,030,155</b>

**5. SELLING EXPENSES**

	Current year VND	Prior year VND
Labor costs	5,211,704,090	6,010,016,816
Cost of installing new water meters for customers	2,172,591,714	1,481,512,550
Cost of installing new service pipes	1,260,627,818	1,022,127,993
Maintenance, repair and relocation costs	3,198,776,340	3,132,560,879
Water meter warranty costs	3,528,590,120	2,188,731,123
Cost of hired services	971,014,836	927,731,675
Other expenses in cash	1,361,758,984	1,658,540,968
<b>Total</b>	<b>17,705,063,902</b>	<b>16,421,222,004</b>

**6. GENERAL AND ADMINISTRATION EXPENSES**

	Current year VND	Prior year VND
Labor costs	16,008,684,827	17,217,258,096
Cost of raw materials and materials	53,964,745	121,241,048
Cost of office supplies	1,120,983,796	846,593,869
Fixed asset depreciation expense	1,820,158,893	1,549,391,690
Taxes, fees	323,934,849	108,032,664
Cost of hired services	3,979,709,456	5,523,174,972
Other expenses in cash	6,419,575,957	3,257,961,539
<b>Cộng</b>	<b>29,727,012,523</b>	<b>28,623,653,878</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)**

**7. CURRENT CORPORATE INCOME TAX EXPENSES**

	Current year VND	Prior year VND
<b>Accounting profit before tax</b>	<b>127,053,150,436</b>	<b>107,346,694,388</b>
Including:		
- Profit from selling water	72,921,080,404	80,923,695,483
- Others	54,132,070,032	26,422,998,905
Adjustments increase	1,249,510,330	1,777,259,878
- Car depreciation costs exceed the prescribed level	434,414,720	422,414,720
- Other non-deductible expenses (business operations)	248,263,124	238,709,213
- Other non-deductible expenses (other activities)	566,832,486	1,116,135,945
Reduced adjustments	(55,413,243,000)	(27,248,138,000)
- Dividends and profits from Subsidiaries and Associate Companies	(55,413,243,000)	(27,248,138,000)
<b>Taxable income</b>	<b>72,889,417,766</b>	<b>81,875,816,266</b>
- Taxable income from selling water	73,603,758,248	81,584,819,416
- Taxable income from others	(714,340,482)	290,996,850
<b>Corporate income tax rate</b>		
- Tax rates for socialization activities	10%	10%
- Tax rates for other activities	20%	20%
Corporate income tax	7,217,507,727	8,216,681,314
Back payment of corporate income tax for previous years	716,139,523	282,874,601
<b>Current corporate income tax expense</b>	<b>7,933,647,250</b>	<b>8,499,555,915</b>

**8. Diluted earnings per share**

	Current year VND	Prior year VND
Profit/(loss) to calculate basic earnings per share	119,119,503,186	98,847,138,473
Minus: Deduction to bonus and welfare fund (*)	(11,919,530,000)	(11,861,454,000)
<b>Profit/(loss) to calculate basic earnings per share</b>	<b>107,199,973,186</b>	<b>86,985,684,473</b>
Weighted average number of common shares to calculate basic earnings per share	49,999,832	49,999,832
<b>Basic/diluted earnings per share</b>	<b>2,144</b>	<b>1,740</b>

(\*) The Bonus and Welfare Fund for the financial year ended 31 December 2025 is provisionally calculated at 10% of the profit after tax for the financial year ended 31 December 2025.

Diluted earnings per share: The Company did not have any potential ordinary shares with a dilutive effect on earnings per share during the financial year and up to the date of these financial statements. Therefore, diluted earnings per share is equal to basic earnings per share.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)****9. Production and business costs by factor**

	Current year VND	Prior year VND
Cost of raw materials and materials	185,922,991,047	186,752,739,951
Labor costs	29,355,048,721	31,513,132,753
Fixed asset depreciation expense	46,160,801,124	44,013,830,812
Cost of hired services	12,189,357,601	10,273,255,962
Other expenses in cash	8,874,828,830	8,796,054,412
<b>Total</b>	<b>282,503,027,323</b>	<b>281,349,013,890</b>

**VII. OTHER INFORMATION****1. RELATED PARTY TRANSACTIONS AND BALANCES****List of related parties:**

Related parties	Relationship
Ba Ria - Vung Tau Water Supply JSC	The major shareholder is also an affiliated
Chau Duc Water Supply JSC	The major shareholder is also an affiliated
SaiGon Water, Environment and Infrastructure JSC	Company related to an executive

**During the year, the Company entered into the following transactions with related parties:**

	Current year VND	Prior year VND
<b>Purchases</b>	<b>172,121,856,212</b>	<b>173,244,848,602</b>
Chau Duc Water Supply JSC	166,297,447,730	171,817,070,824
Ba Ria - Vung Tau Water Supply JSC	5,824,408,482	64,814,815
SaiGon Water, Environment and Infrastructure JSC	-	1,362,962,963
<b>Distributed dividends</b>	<b>55,413,243,000</b>	<b>27,248,138,000</b>
Chau Duc Water Supply JSC	39,703,125,000	22,687,500,000
Ba Ria - Vung Tau Water Supply JSC	15,710,118,000	4,560,638,000
<b>Dividends payable</b>	<b>85,751,349,000</b>	<b>28,583,783,000</b>
Chau Duc Water Supply JSC	60,713,157,000	20,237,719,000
Ba Ria - Vung Tau Water Supply JSC	25,038,192,000	8,346,064,000

**Related party balances at the balance sheet date were as follows:**

	Current year VND	Prior year VND
<b>Advances to suppliers</b>	<b>1,647,274,000</b>	<b>5,152,618,000</b>
Ba Ria - Vung Tau Water Supply JSC	1,647,274,000	3,152,618,000
Chau Duc Water Supply JSC	-	2,000,000,000
<b>Trade payables</b>	<b>26,097,733,200</b>	<b>13,514,062,800</b>
Chau Duc Water Supply JSC	26,097,733,200	13,514,062,800



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VII. OTHER INFORMATION (CONTINUED)****1. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

The income of the Board of Directors, Board of Directors, Supervisory Board and other managers during the period is as follows:

Name	Position	Salary VND	Bonus VND	Remuneration VND	Total VND
<b>Current year</b>					
Mr. Nguyen Luong Dien	Chairman of the Board of Directors	-	260,000,000	150,000,000	410,000,000
Mr. Dinh Chi Duc	Member of the Board of Directors	-	280,000,000	130,000,000	410,000,000
Mrs. Chau Thi Thuy Anh	Member of the Board of Directors	876,985,700	210,000,000	110,000,000	1,196,985,700
Mr. Vo Hien Hieu	Member of the Board of Directors	-	80,000,000	90,000,000	170,000,000
Mr. Nguyen Xuan Kha	Member of the Board of Directors	-	80,000,000	90,000,000	170,000,000
Mrs. Nguyen Thi Ngoc	Member of the Board of Directors	-	150,000,000	30,000,000	180,000,000
Mr. Dang Hong Dang	Member of the Board of Directors	1,018,255,700	230,000,000	120,000,000	1,368,255,700
Mr. Nguyen Tan Long	Member of the Board of Directors	936,420,000	230,000,000	120,000,000	1,286,420,000
Mr. Pham Tan Luan	Former Director and Member of the Board of Directors	1,379,690,000	250,000,000	120,000,000	1,749,690,000
Mr. Nguyen Van Manh	Deputy Director	1,351,860,000	220,000,000	30,000,000	1,601,860,000
Mr. Nguyen Canh Toan	Director and Member of the Board of Directors	1,020,225,400	130,000,000	90,000,000	1,240,225,400
Mrs. Nguyen Thi Nhung	Head of the Supervisory Board	-	80,000,000	90,000,000	170,000,000
Mrs. Nguyen Thi Hong Hanh	Member of the Supervisory Board	-	70,000,000	60,000,000	130,000,000
Mr. Ho Dac Khuong	Member of the Supervisory Board	-	70,000,000	60,000,000	130,000,000
Mrs. Le Minh Duc	Former Head of the Supervisory Board	-	130,000,000	30,000,000	160,000,000
Mrs. Dinh Thi Quynh Trang	Former Member of the Supervisory Board	-	130,000,000	20,000,000	150,000,000
Mrs. Vu Thi Nhu Trang	Chief Accountant and Administrator	946,860,000	200,000,000	95,000,000	1,241,860,000
<b>Total</b>		<b>7,530,296,800</b>	<b>2,800,000,000</b>	<b>1,435,000,000</b>	<b>11,765,296,800</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VII. OTHER INFORMATION (CONTINUED)****1. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

The income of the Board of Directors, Board of Directors, Supervisory Board and other managers during the period is as follows (Continued):

Name	Position	Salary VND	Bonus VND	Remuneration VND	Total VND
<b>Prior year</b>					
Mr. Dinh Chi Duc	Chairman of the Board of Directors	-	290,000,000	160,000,000	450,000,000
Mr. Nguyen Luong Dien	Member of the Board of Directors	-	250,000,000	120,000,000	370,000,000
Mrs. Nguyen Thi Ngoc	Member of the Board of Directors	-	230,000,000	120,000,000	350,000,000
Mr. Dang Hong Dang	Member of the Board of Directors	732,768,900	420,800,000	120,000,000	1,273,568,900
Mr. Nguyen Tan Long	Member of the Board of Directors	673,611,922	408,800,000	120,000,000	1,202,411,922
Mr. Pham Tan Luan	Director and Member of the Board of Directors	1,008,262,800	513,200,000	120,000,000	1,641,462,800
Mr. Nguyen Van Manh	Deputy Director and Member of the Board of Directors	944,687,300	473,800,000	120,000,000	1,538,487,300
Mr. Nguyen Canh Toan	Deputy Director	42,130,000	-	-	42,130,000
Mrs. Le Minh Duc	Head of the Supervisory Board	-	210,000,000	120,000,000	330,000,000
Mrs. Dinh Thi Quynh Trang	Member of the Supervisory Board	-	200,000,000	80,000,000	280,000,000
Mrs. Chau Thi Thuy Anh	Member of the Supervisory Board	588,867,800	359,600,000	80,000,000	1,028,467,800
Ms. Vu Thi Nhu Trang	Chief Accountant and Administrator	673,635,200	378,800,000	80,000,000	1,132,435,200
<b>Total</b>		<b>4,663,963,922</b>	<b>3,735,000,000</b>	<b>1,240,000,000</b>	<b>9,638,963,922</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VII. OTHER INFORMATION (CONTINUED)****2. COMMITMENT TO OPERATIONAL LEASE**

The company signed a contract with the People's Committee of Ba Ria - Vung Tau province under land lease contract No. 87/HDTD dated November 21, 2007 in My Xuan commune, Phu My town, Tan Thanh district for use. Invest in a water treatment plant and well pumping station for 50 years from January 1, 2005. The area of leased land is 5,858 m<sup>2</sup>. According to this contract, the Company must pay land rent until the contract maturity date according to current State regulations. However, the rented land belongs to the land for construction of water supply works, so land rent and water surface rent are exempted for the entire lease term.

**3. DISPUTES AND LITIGATION DURING THE YEAR**

According to the appellate judgment No. 01/2025/KDTM-PT dated January 16, 2025, issued by the People's Court of Ba Ria - Vung Tau Province regarding the dispute over a service contract, the decision is as follows:

- Accepting the entire lawsuit claim of Phu My Water Supply JSC against Formosa International Development Co., Ltd. regarding the "Dispute over the water supply service contract." Ordering Formosa International Development Co., Ltd. to pay Phu My Water Supply JSC an outstanding amount from January 2024 to July 22, 2024, totaling VND 20,917,731,860 (Twenty billion, nine hundred seventeen million, seven hundred thirty-one thousand, eight hundred sixty VND).
- Regarding the first-instance business court fees: Formosa International Development Co., Ltd. must bear the amount of VND 128,917,731 (One hundred twenty-eight million, nine hundred seventeen thousand, seven hundred thirty-one VND). Phu My Water Supply JSC is exempt from paying and will have the advance court fees of VND 128,917,731 (One hundred twenty-eight million, nine hundred seventeen thousand, seven hundred thirty-one VND) refunded, as per receipt numbers 0003395 dated July 02, 2024, and 0003823 dated August 29, 2024, issued by the Civil Judgment Enforcement Sub-department of Phu My Town, Ba Ria - Vung Tau Province.
- Regarding the appellate business court fees: Formosa International Development Co., Ltd. must bear VND 2,000,000 (Two million VND), which will be deducted from the advance court fees already paid as per receipt number 0003872 dated October 03, 2024, issued by the Civil Judgment Enforcement Sub-department of Phu My Town, Ba Ria - Vung Tau Province. Formosa International Development Co., Ltd. has fully paid the appellate civil court fees.

As of 31 December 2025, Phu My Water Supply Joint Stock Company had fully collected all outstanding amounts owed by Formosa International Development Co., Ltd. related to these water supply activities (details in Note V.2).



**Tran To Lien**  
Preparer



**Vu Thi Nhu Trang**  
Chief Accountant



**Nguyen Canh Toan**  
Director  
05 February 2026

**PHU MY WATER SUPPLY  
JOINT STOCK COMPANY**

No.: *11* /CV-CNPM

**SOCIALIST REPUBLIC OF VIET NAM**

Independence – Freedom – Happiness

*Re: Explanation of the increase in profit for  
2025 compared to the same period*

*Phu My, February *11*, 2026*

**To: - State Securities Commission  
- Ha Noi Stock Exchange**

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the securities market, regarding the explanation required when corporate income tax profit after tax in the Statement of Income for the reporting period of 2025 fluctuates,

Phu My Water Supply Joint Stock Company hereby provides an explanation of the change in profit after tax for 2025 compared to the same period of 2024 in the financial statements as follows:

After-tax profit in 2025: **119,119,503,186 VND**  
After-tax profit in 2024: **98,847,138,473 VND**  
Increase: **20,272,364,713 VND**, equivalent to a rate of: **20.51%**

**Reason:**

Content	Amount (VND)	Percentage compared to the same period	Reason
Increase in financial income	27,843,882,815	100%	In 2025, Ba Ria – Vung Tau Water Supply JSC increased dividend payments by 21%, and Chau Duc Water Supply JSC increased dividend payments by 15% compared to 2024
Decrease in gross profit from sales and service provision	(6,631,502,637)	-5%	Commercial water output decreased compared to 2024

The above is the Company's explanation of the change in profit after tax for 2025.

Sincerely,

**Recipients:**

- As above
- Archive AD

**DIRECTOR**  
  
**Nguyễn Cảnh Toàn**