

Separate Financial Statements

HAI PHONG WATER JOINT STOCK COMPANY

For the fiscal year ended 31 December 2025
(Audited)

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REPORT OF THE CHAIRMAN

The Chairman of Hai Phong Water Joint Stock Company ("the Company") presents its report and the Company's separate financial statements for the year ended 31 December 2025.

THE COMPANY

Hai Phong Water Joint Stock Company is an enterprise equitized from Hai Phong Water One Member Co., Ltd., according to Decision No. 732/QĐ-UBND dated 9 April, 2015 of Hai Phong City People's Committee. The Company operates under the Business Registration Certificate No. 0200171274 issued for the first time on 3 January, 2007 and amended for the 11th time on 28 August, 2025 issued by the Department of Finance of Hai Phong City.

The Company's head office is located at 54 Dinh Tien Hoang street, Hong Bang ward, Hai Phong city

Business activities according to business registration, head office and affiliated units included in the Company's Separate Financial Statements are presented in the Notes to the Separate Financial Statements attached to this report.

THE BOARD OF DIRECTORS, MANAGEMENT BOARD AND SUPERVISORY BOARD

Members of the Board of Directors who held office during the year and to the date of this report are:

Mr. Tran Viet Cuong	Chairman of the Board of Directors
Mr. Tran Van Duong	Vice chairman
Mr. Cao Van Quy	Member
Mr. Trinh Anh Tuan	Member
Mr. Dang Huu Dung	Member

Members of the Management Board during the year and at the date of this report are:

Mr. Tran Van Duong	General Director
Mr. Cao Van Quy	Deputy General Director
Mr. Trinh Anh Tuan	Deputy General Director
Mr. Nguyen Danh Quan	Deputy General Director

Members of the Supervisory Board are:

Ms. Le Thi Huong	Head of the Supervisory Board	
Mr. Nguyen Minh Hoang	Member	
Mr. Pham Quang Huy	Member	(Appointed at 17/04/2025)
Ms. Do Thi Thanh Diep	Member	(Resigned at 17/04/2025)

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and up to the date of this Financial Statement is Mr. Tran Viet Cuong - Chairman of the Board of Directors

AUDITORS

AASC Limited has taken the audit of the separate financial statements for the Company.

STATEMENT OF THE CHAIRMAN'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Chairman is responsible for the Separate Financial Statements of each fiscal year which give a true and fair view of the financial position of the Company and the results of its operation and its cash flows for the year then ended. In preparing those separate financial statements, the Chairman is required to:

- Establish and maintain an internal control system which is determined necessary by the

Chairman and those charged with governance to ensure the preparation and presentation of separate financial statements do not contain any material misstatement caused by errors or frauds;

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the separate financial statements;
- Prepare and present the separate financial statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements;
- Prepare the separate financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Chairman is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the separate financial position of Company and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Chairman confirms that the accompanying separate financial statements of the Company for the year ended 31 December 2025 prepared by us, give a true and fair view of the financial position, results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Separate Financial Statements.

OTHER COMMITMENTS

The Chairman commits that the Company complies with Decree 155/2020/ND-CP dated 31 December 2020 detailing the implementation of a number of articles of the Securities Law and that the Company does not violate the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding the disclosure of information on the stock market and Circular No. 68/2024/TT-BTC dated 18 September 2024 of the Ministry of Finance on amending and supplementing a number of articles of Circular No. 96/2020/TT-BTC.

On behalf of the Board of Directors and the Management Board



Tran Viet Cuong
Chairman

Hai Phong, 10 March 2026

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors and Management
Hai Phong Water Joint Stock Company

We have audited the accompanying separate financial statements of Hai Phong Water Joint Stock Company prepared on 10 March 2026, which comprise Separate Statement of financial position as at 31 December 2025, Separate Statement of income, Separate Statement of cash flows and Notes to the separate financial statements for the year then ended, as set out on pages 05 to 33.

The Chairman's Responsibility

The Chairman is responsible for the preparation and fair presentation of these separate financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards and System and comply with relevant statutory requirements and for such internal control as management determines necessary to enable the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of separate financial statements that give a true and fair view 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 entity'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.

Auditor's opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the financial position of Hai Phong Water Joint Stock Company as at 31 December 2025, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with statutory requirements related to preparation and presentation of the separate financial statements.



Do Thi Hong Thuy
Audit Director
Registered Auditor No.
2907-2025-002-1

Hanoi, 10 March 2026

A blue ink signature of Tran Minh Duc.

Tran Minh Duc
Auditor
Registered Auditor No.
4372-2022-002-1

SEPARATE STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

Code	ASSETS	Note	31/12/2025	01/01/2025
			VND	(Adjusted) VND
100 A. CURRENT ASSETS			742,686,933,195	597,265,362,259
110 I. Cash and cash equivalents			16,306,847,714	7,825,224,346
111 1. Cash		3	16,306,847,714	7,825,224,346
120 II. Short-term investment			632,800,000,000	487,800,000,000
123 1. Short-term held to maturity		4	632,800,000,000	487,800,000,000
130 III. Short-term receivables			17,636,883,292	25,100,819,945
131 1. Short-term trade receivables		5	4,220,905,796	9,537,424,620
132 2. Short-term advances to suppliers			1,039,816,936	6,683,562,056
136 3. Other short-term receivables		6	12,901,044,853	9,589,470,674
137 4. Provisions for short-term bad debts			(524,884,293)	(709,637,405)
140 IV. Inventories			72,348,908,054	57,285,967,708
141 1. Inventories		7	72,348,908,054	57,285,967,708
150 V. Other current assets			3,594,294,135	19,253,350,260
151 1. Short-term prepaid expenses		8	365,767,001	359,480,500
152 2. VAT deductibles			3,010,898,235	18,709,009,970
153 3. Tax and other receivables from the State		13	217,628,899	184,859,790
200 B. NON-CURRENT ASSETS			1,232,377,584,082	1,364,156,369,796
220 I. Fixed assets			1,157,781,066,250	1,289,663,768,926
221 1. Tangible fixed assets		9	1,156,472,640,384	1,288,128,866,170
222 - Cost			3,628,743,322,366	3,557,258,593,751
223 - Accumulated depreciation			(2,472,270,681,982)	(2,269,129,727,581)
227 2. Intangible fixed assets		10	1,308,425,866	1,534,902,756
228 - Cost			13,184,436,573	12,729,936,573
229 - Accumulated amortisation			(11,876,010,707)	(11,195,033,817)
240 II. Long-term assets in progress			47,049,393,152	45,348,064,517
242 1. Construction in-progress		11	47,049,393,152	45,348,064,517
250 III. Long-term investments			22,638,000,000	22,638,000,000
251 1. Investments in subsidiaries		4	21,938,000,000	21,938,000,000
255 2. Long-term held to maturity		4	700,000,000	700,000,000
260 IV. Other non-current assets			4,909,124,680	6,506,536,353
261 1. Long-term prepaid expenses		8	4,909,124,680	6,506,536,353
270 TOTAL ASSETS			1,975,064,517,277	1,961,421,732,055

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(continued)

Code	RESOURCES	Note	31/12/2025	01/01/2025
			VND	(Adjusted) VND
300 C. LIABILITIES			929,809,909,570	967,640,565,579
310 I. Current liabilities			184,247,438,711	179,804,478,904
311 1. Short-term trade payables	12		7,888,400,361	12,128,202,348
312 2. Short-term advances from customers			1,450,399,832	1,121,374,459
313 3. Tax payables and statutory obligations	13		15,997,674,851	9,772,896,103
314 4. Payables to employees			62,771,255,206	49,406,244,524
315 5. Short-term accrued expenses	14		3,433,035,922	4,205,921,245
319 6. Other short-term payables	16		11,815,248,233	11,170,502,643
320 7. Short-term loans and liabilities	15		67,742,388,100	78,414,701,220
322 8. Bonus and welfare funds	17		13,149,036,206	13,584,636,362
330 II. Long-term liabilities			745,562,470,859	787,836,086,675
338 1. Long-term loans and liabilities	15		745,562,470,859	787,836,086,675
400 D. EQUITY			1,045,254,607,707	993,781,166,476
410 I. Owners' equity			1,045,254,607,707	993,781,166,476
411 1. Contributed charter capital			742,069,400,000	742,069,400,000
411a - Ordinary shares with voting right			742,069,400,000	742,069,400,000
418 2. Investment and development fund			157,997,290,854	153,161,317,242
421 3. Retained earnings			145,187,916,853	98,550,449,234
421a - Retained earnings accumulated to previous year			1,830,976,986	1,445,806,653
421b - Undistributed profit of this period			143,356,939,867	97,104,642,581
440 TOTAL RESOURCES			1,975,064,517,277	1,961,421,732,055



Tran Viet Cuong
Chairman

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 10 March 2026

SEPARATE STATEMENT OF INCOME
Year 2025

Code	ITEMS	Note	Year 2025 VND	Year 2024 (Adjusted) VND
01	1. Gross revenue from goods sold and services rendered	20	1,255,806,475,532	1,166,568,582,156
02	2. Less deductions		-	-
10	3. Net revenue from goods sold and services rendered		1,255,806,475,532	1,166,568,582,156
11	4. Cost of goods sold and services rendered	21	791,630,761,826	745,593,854,873
20	5. Gross profit from goods sold and services rendered		464,175,713,706	420,974,727,283
21	6. Financial income	22	37,515,473,707	31,090,254,857
22	7. Financial expenses	23	74,448,037,441	96,596,429,791
23	<i>In which: Interest expense</i>		47,168,823,449	57,466,701,350
25	8. Selling expenses	24	154,674,938,754	140,072,503,703
26	9. General administrative expenses	25	103,499,218,250	97,730,402,539
30	10. Operating profit		169,068,992,968	117,665,646,107
31	11. Other income	26	20,604,827,651	16,239,267,186
32	12. Other expenses	27	12,917,925,475	14,871,496,913
40	13. Other profit		7,686,902,176	1,367,770,273
50	14. Accounting profit before tax		176,755,895,144	119,033,416,380
51	15. Current corporate income tax expense	28	33,398,955,277	21,928,773,799
60	17. Net profit after tax		<u>143,356,939,867</u>	<u>97,104,642,581</u>



Tran Viet Cuong
Chairman

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 10 March 2026

SEPARATE STATEMENT OF CASH FLOWS

Year 2025
(Indirect method)

Code	ITEMS	Note	Year 2025	Year 2024
			VND	(Adjusted) VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		176,755,895,144	119,033,416,380
	2. Adjustments for:			
02	Depreciation and amortization		203,821,931,291	206,720,654,500
03	Provisions		(184,753,112)	(269,230,028)
04	Losses on exchange differences at the year-end		26,366,205,729	39,129,728,441
05	(Gains) from investment activities		(37,515,473,707)	(31,178,202,039)
06	Interest expense		47,168,823,449	57,466,701,350
08	3. Profit from operating activities before changes in working capital		416,412,628,794	390,903,068,604
09	Decrease in receivables		31,076,741,569	8,494,137,511
10	(Increase) in inventories		(15,062,940,346)	(2,853,999,370)
11	Increase in payables (excluding interest payables/CIT payables)		13,169,082,470	8,756,983,316
12	(Increase)/Decrease in prepaid expenses		1,591,125,172	(1,335,841,001)
14	Interest paid		(47,941,708,772)	(58,151,453,745)
15	Corporate income tax paid		(26,875,888,212)	(20,386,799,114)
17	Other payments on operating activities		(25,532,852,792)	(24,489,233,653)
20	Net cash inflow from operating activities		346,836,187,883	300,936,862,548
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase of fixed assets and other long-term assets		(82,140,640,155)	(91,895,201,876)
22	2. Proceeds from disposals of fixed assets and long-term assets		-	275,428,485
23	3. Loans granted, purchases of debt instruments of other entities		(145,000,000,000)	(97,000,000,000)
27	7. Interest, dividends and profit received		34,884,456,305	28,808,558,497
30	Net cash outflow from investing activities		(192,256,183,850)	(159,811,214,894)

SEPARATE STATEMENT OF CASH FLOWS

Year 2025
(Indirect method)
(continued)

Code	ITEMS	Note	Year 2025 VND	Year 2024 (Adjusted) VND
III. CASH FLOWS FROM FINANCING ACTIVITIES				
34	4. Repayment of borrowings		(79,312,299,956)	(76,862,201,714)
36	6. Dividends paid		(66,786,246,000)	(63,075,899,000)
40	Net cash outflow from financing activities		(146,098,545,956)	(139,938,100,714)
50	Net cash flows in the year		8,481,458,077	1,187,546,940
60	Cash and cash equivalents at beginning of the year		7,825,224,346	6,637,452,083
61	Impact of exchange differences		165,291	225,323
70	Cash and equivalents at the year-end		16,306,847,714	7,825,224,346



Tran Viet Cuong
Chairman

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 10 March 2026

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Year 2025

1. GENERAL INFORMATION

Form of ownership

Hai Phong Water Joint Stock Company was equitized from the State-owned Enterprise - Hai Phong Water One Member Limited Liability Company, according to Decision No. 732/QĐ-UBND dated 09 April 2015 of Hai Phong City People's Committee. The company operates under Business Registration Certificate No. 0200171274 dated 03 January 2007 and amended for the 11th time on 28 August 2025 issued by the Department of Finance of Hai Phong City.

In addition to the Company's headquarters at 54 Dinh Tien Hoang, Hong Bang, Hai Phong, the Company has the following affiliated units:

<u>Unit</u>	<u>Address</u>
An Duong Water Production Enterprise	No. 249 Ton Duc Thang Street, An Bien Ward, Hai Phong City
Central Water Supply Branch	No. 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City
Hai Phong Water Supply Branch 3	Do Nha, An Duong Ward, Hai Phong City
Hai Phong Water Supply Branch 4	Nguyet Ang Village, An Khanh Commune, Hai Phong City
Hai Phong Water Supply Branch 5	Southeast Street, Cuu Vien Urban Area, Kien An Ward, Hai Phong City
Hai Phong Water Supply Branch 7	Lung Dong New Urban Area, Hai An Ward, Hai Phong City
Hai Phong Water Supply Branch 8	Street 361, Hung Dao Ward, Hai Phong City
Pure Water Branch	No. 249 Ton Duc Thang Street, An Bien Ward, Hai Phong City
Network management enterprise	No. 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City
Water Meter and Construction Enterprise	No. 249B Ton Duc Thang Street, An Bien Ward, Hai Phong City
Vinh Bao Water Supply Branch	Bac Hai Area, Vinh Bao Commune, Hai Phong City
Cat Ba Water Supply Branch	Cat Hai Special Administrative Zone, Hai Phong City
Project Management Unit	No. 54 Dinh Tien Hoang, Hong Bang Ward, Hai Phong City

The company has a subsidiary, Hai Phong Number Two Water Business JSC (Note 04).

The total number of employees of the company as of 31 December 2025 is 964 people (As of 01 January 2025 is 972 people).

Business field

The main business activities of the Company are to exploit, produce, supply and trade clean water for consumption, production, business and other needs; trade other products and services in the water industry in Hai Phong.

Business sector

The Company's main business activities are:

- ▶ Water exploitation, treatment and supply;
- ▶ Installation of water supply, drainage, heating and air conditioning systems;
- ▶ Production of non-alcoholic beverages, mineral water.

The Company's operation in the year that affects the Separate Financial Statements:

The Company adjusted the selling price of clean water in accordance with Decision No. 05/2024/QĐ-UBND dated 19 February 2024, issued by the People's Committee of Hai Phong City, which took effect from 01 March 2024. This, together with the increase in customer consumption volume, resulted in a revenue growth compared to the previous year (Note 20).

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and monetary currency unit

The accounting period commences annually from the 1st January and ends as at the 31st December. The Company maintains its accounting records in Vietnam Dong (VND).

2.2 Accounting Standards and Accounting system

Accounting System

The Company applies Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular No. 200/2014/TT-BTC.

Statement of compliance with Vietnamese standards and accounting system

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Separate Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 Basis for preparation of Separate Financial Statements

Separate Financial Statements are presented based on historical cost principle.

Separate Financial Statements of the Company are prepared based on summarization of the Financial Statements of the Company's Office with the Separate Financial Statements of Project Management Unit - a dependent accounting unit.

In the Separate Financial Statements of the Company, the intra-group balances and transactions related to assets, equity, receivables and payables are eliminated in full.

Users of these separate financial statements should read them in conjunction with the consolidated financial statements of the Company and its subsidiary for the financial year ended 31 December 2025, in order to obtain a full understanding of the financial position, operating results, and cash flows of the Company as a whole.

2.4 Accounting estimates

The preparation of Separate Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Chairman to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the separate financial statements and the reported amounts of revenues and expenses during the fiscal year.

The estimates and assumptions that have a material impact in the Separate Financial Statements include:

- Provision for bad debts
- Estimated useful life of prepaid expenses
- Estimated useful life of fixed assets
- Estimated income tax

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Chairman to be reasonable under the circumstances.

2.5 Financial instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

Financial assets and financial liabilities have not been measured at fair value as at the end of the financial year because Circular No. 210/2009/TT-BTC and current regulations require the presentation of financial statements and disclosures relating to financial instruments, but do not provide equivalent guidance on the fair value measurement and recognition of financial assets and financial liabilities.

2.6 Foreign currency transactions

Transactions in currencies other than the accounting currency of the Company during the fiscal year are recorded at actual rate of exchange ruling at transaction dates.

Actual exchange rates for year-end revaluations of monetary items denominated in foreign currencies are determined by at the balance sheet date under the following principles:

- ▶ Accounts classified as assets are revaluated at buying exchange rates of commercial banks where the Company regularly conducts transactions;
- ▶ Cash deposited at bank are revaluated at buying exchange rates of commercial bank where the Company opens such foreign bank accounts;

- ▶ Accounts classified as liabilities are revaluated at selling exchange rates of commercial banks where the Company regularly conducts transactions.

All exchange differences arising from foreign currency transaction in the year and from revaluation of remaining foreign currency monetary at the end of the year shall be recorded into the financial income or expense in the fiscal year.

2.7 Cash

Cash comprises cash on hand, demand deposits

2.8 Financial Investment

Held-to-maturity investments are term deposits at banks that are held until maturity for the purpose of earning monthly interest.

Investments in subsidiaries are initially recognized at original cost. After initial recognition, the value of these investments is measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year as follows:

- ▶ Provision for devaluation of investment in subsidiaries is made at the end of the year, based on the Separate Financial Statement of the subsidiary at the time of making the provision. Provision for devaluation of investment is made when the investee incurs a loss.
- ▶ For investments held to maturity: based on the ability to recover, set up provisions for doubtful debts according to the provisions of law.

2.9 Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. The receivables are classified as short-term and long-term in the separate financial statements based on the remaining maturity of the receivables at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating the possible losses.

2.10 Inventories

At initial recognition, inventories are stated at the cost comprising all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory less the estimated costs to complete the product and the estimated costs to sell the product.

Cost of inventories is calculated by weighted average method.
Inventories are recorded by perpetual method.

The value of work in progress is recorded for each project that is incomplete or of which revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.

2.11 Fixed assets

Tangible and intangible fixed assets are stated at its historical cost. During the using time, tangible and intangible fixed assets are recorded at cost, accumulated depreciation and carrying amount.

Value after initial recognition

If these costs increase the future economic benefits expected to be obtained from the use of tangible fixed assets beyond the standard operating level as initially assessed, these costs are capitalized. as an additional cost of tangible fixed assets.

Other costs incurred after fixed assets have been put into operation, such as repair, maintenance and overhaul costs, are recorded in the separate statement of income in the year in which the costs are incurred.

Fixed assets are depreciated using the straight-line method over their estimated useful life as follows:

1. Buildings and structures	05 - 25 years
2. Machinery, equipment	05 - 10 years
3. Vehicles and transportation equipment	06 - 15 years
4. Management equipment	03 - 05 years
5. Software	03 - 08 years
6. Other fixed assets	03 - 05 years

For fixed assets handed over from the completed constructions in this year but not yet approved the settlement, the temporary value which was added to the cost of fixed assets was calculated on the basis of accumulated expenditure up to the time that assets were handed over. When the value of the settlement is approved, the cost of fixed assets will be adjusted according to the approved value.

2.12 Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. These costs include construction expenses, machinery and equipment installation costs, and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.13 Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.14 Prepaid expenses

Expenses relate to income statement in more than 01 fiscal year are recognised as prepaid expenses and are allocated into income statement of following fiscal years.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Prepaid expenses of the Company include:

- ▶ Tools and supplies include assets held by the Company for use in the ordinary course of business, with cost of each asset less than VND 30 million and therefore ineligible for recording as fixed assets according to current regulations. The cost of tools and equipment is amortized on a straight-line basis over the period from 01 to 02 years.
- ▶ Other prepaid expenses are stated at cost and amortized using the straight-line method over their useful lives from 01 to 02 years.

2.15 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. The payables shall be classified into short-term payables or long-term payables on the separate financial statements according to their remaining terms at the reporting date.

2.16 Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.17 Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.18 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting year, but the payments for such goods or services have not been made which are recorded as operating expenses of the reporting year. Accrued expenses of this year is loan interest.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.19 Investment and development fund, Bonus and welfare fund

The Investment and development fund, Bonus and welfare fund are extracted from net profit after tax.

2.20 Owner's equity

Owner's equity is stated at actually contributed capital of the Investors.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company.

2.21 Revenue

Revenue is recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, after deducting trade discounts, sales rebates, and returns. In addition, the following specific recognition criteria must also be met for revenue to be recognized:
Sales of goods

- ▶ Significant risks and rewards associated with the ownership of the goods have been transferred to the buyer; and
- ▶ The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Rendering of services

- ▶ The stage of the completion of the transaction at the end of the reporting year can be measured reliably.

Financial income

Financial incomes include income from interest and other financial gains earned by the Company should be recognized when these two conditions are satisfied:

- ▶ It is probable that economic benefits associated with transaction will flow to the Company; and
- ▶ The amount of revenue can be measured reliably.

2.22 Cost of goods sold

Cost of goods sold and services provided is the total cost incurred for finished products, goods, supplies sold and services provided to customers during the year, recorded in accordance with revenue generated during the year and ensure compliance with the conservatism principle.

2.23 Financial expenses

Items recorded into financial expenses consist of:

- ▶ Expenses of capital borrowing;
- ▶ Loss due to foreign exchange differences arising from transactions relating to foreign currencies...

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.24 Corporate income tax

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate (20%).

2.25 Related parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- ▶ Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- ▶ Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- ▶ Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of the Separate Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.26 Segment information

The clean water supply segment accounts for more than 90% of the Company's total operations, and all of the Company's activities are conducted within Hai Phong City. Therefore, the Company does not prepare segment reporting by business lines or geographical areas.

3. Cash

	31/12/2025	01/01/2025
	VND	VND
Cash on hand	6,716,018	58,866,906
Cash in bank	16,300,131,696	7,766,357,440
	16,306,847,714	7,825,224,346

4. Financial investment

Investments held to maturity

As at 31 December 2025, the investment held to maturity amounting to VND 633.5 billion is term deposits with terms from 06 months to 24 months at commercial banks.

Investment in subsidiaries

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Hai Phong Number Two Water Business Joint Stock Company	21,938,000,000	-	21,938,000,000	-
	21,938,000,000	-	21,938,000,000	-

The Company has not determined the fair value of this financial investment because Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Regime do not have specific guidance on determining fair value.

Details of the investment in the subsidiary as at 31/12/2025 are as follows:

Company name	Address	Ownership rate	Voting right	Main activities
Hai Phong Number Two Water Business Joint Stock Company	Resident group 3, Do Nha, An Duong Ward, Hai Phong City	65.29%	65.29%	Clean water extraction, treatment and supply

Significant transactions between the Company and its subsidiaries are presented in Note 32.

5. Short-term trade receivables

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Water bill	3,434,619,700	(236,075,293)	5,070,075,548	(192,856,889)
installation	433,165,000	(288,809,000)	4,057,744,516	(516,780,516)
Others	353,121,096	-	409,604,556	-
	4,220,905,796	(524,884,293)	9,537,424,620	(709,637,405)

6. Other short-term trade receivables

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Interest receivables	9,923,169,446	-	7,292,152,044	-
Social insurance and trade union	18,475,319	-	14,093,201	-
Lending	1,256,992	-	14,572,253	-
Others	2,958,143,096	-	2,268,653,176	-
	12,901,044,853	-	9,589,470,674	-

7. Inventories

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Raw material	70,655,646,030	-	55,430,217,013	-
Tools, supplies	738,448,684	-	687,684,849	-
Work in progress	869,689,430	-	1,083,975,534	-
Finished goods	85,123,910	-	84,090,312	-
	72,348,908,054	-	57,285,967,708	-

8. Prepaid expenses

	31/12/2025	01/01/2025
	VND	(Adjusted) VND
a) Short-term		
Tools, supplies	365,767,001	359,480,500
	365,767,001	359,480,500
b) Long-term		
Tools, supplies	3,442,683,250	3,840,949,062
Water jug containers and purified water supplies	412,639,116	483,731,491
Major repair	1,053,802,314	2,181,855,800
	4,909,124,680	6,506,536,353

9. Tangible fixed assets

	Buildings VND	Machinery and equipment VND	Vehicles equipment VND	Management equipment VND	Others VND	Total VND
Historical cost						
As at 01/01/2025	1,148,920,340,509	318,283,071,541	2,068,505,114,392	10,497,922,316	11,052,144,993	3,557,258,593,751
Purchase	678,200,000	9,532,116,000	-	888,857,273	-	11,099,173,273
Construction Completed	-	-	60,385,555,342	-	-	60,385,555,342
As at 31/12/2025	1,149,598,540,509	327,815,187,541	2,128,890,669,734	11,386,779,589	11,052,144,993	3,628,743,322,366
Accumulated depreciation						
As at 01/01/2025	657,527,427,450	216,510,734,564	1,376,183,709,696	8,523,419,221	10,384,436,650	2,269,129,727,581
Depreciation	72,500,623,403	17,893,871,952	112,000,647,347	635,023,343	110,788,356	203,140,954,401
As at 31/12/2025	730,028,050,853	234,404,606,516	1,488,184,357,043	9,158,442,564	10,495,225,006	2,472,270,681,982
Net carrying amount						
As at 01/01/2025	491,392,913,059	101,772,336,977	692,321,404,696	1,974,503,095	667,708,343	1,288,128,866,170
As at 31/12/2025	419,570,489,656	93,410,581,025	640,706,312,691	2,228,337,025	556,919,987	1,156,472,640,384

► The original cost of fully depreciated tangible fixed assets that are still in use at the end of the year is VND 1,259,203,150,248.

10. Intangible fixed assets

The Company's intangible fixed assets are computer software and application software with specific information as follows:

- ▶ Historical cost as of 31/12/2025 is VND 13,184,436,573;
- ▶ Depreciation during the year is VND 680,976,890;
- ▶ Accumulated depreciation as of 31/12/2025 is VND 11,876,010,707.

11. Construction in progress

	31/12/2025 VND	01/01/2025 VND
Construction in progress	18,440,908,402	19,930,058,553
Cap Tien Commune Water Supply, Tien Lang District (i)	15,477,066,377	-
Water Supply Project for Cat Hai Island (Phase 1)	-	4,768,865,547
Expansion of Cau Nguyet Water Plant Capacity to 60,000 m3/day&night (ii)	1,854,391,538	1,815,391,538
Construction of D400 Transmission Pipeline Supplying Western Tien Lang District	-	9,204,256,644
Water Supply for An Tho Commune, An Lao District (v)	-	3,031,183,727
Others	1,109,450,487	1,110,361,097
Major repairs and Free Water machine installation under Decree No. 117/2007/ND-CP (iii)	28,608,484,750	25,418,005,964
	47,049,393,152	45,348,064,517

- (i) Cap Tien Commune Water Supply, Tien Lang District:
- ▶ Construction site: Tien Minh commune, Hai Phong city
 - ▶ Investor: Hai Phong Water Joint Stock Company
 - ▶ Project status at 31 December 2025: Approximately 60% of the construction volume has been completed.
- (ii) Expansion of Cau Nguyet Water Plant Capacity to 60,000 m3/day&night:
- ▶ Construction location: An Khanh commune, Hai Phong city
 - ▶ Investor: Hai Phong Water Joint Stock Company
 - ▶ Project status at 31 December 2025: adjusting the feasibility study report to convert the project to increase the capacity to 160,000 m3.
- (iii) The cost of major repairs, maintenance, and free installation of water connections according to Decree No. 117/2007/ND-CP is still unfinished.

12. Short-term trade payables

	31/12/2025		01/01/2025 (Adjusted)	
	Book value	Liquidity	Book value	Liquidity
	VND	VND	VND	VND
Other parties				
Payable to suppliers related to construction activities	3,698,514,122	3,698,514,122	6,829,675,241	6,829,675,241
<i>An Viet Hai Phong Construction and Trading Services Joint Stock Company</i>	989,235,841	989,235,841	2,164,168,087	2,164,168,087
<i>Duc Thinh Technical Trading Joint Stock Company</i>	-	-	2,501,080,980	2,501,080,980
<i>An Thinh Phat Trading and Services Co., Ltd.</i>	1,133,468,786	1,133,468,786	1,108,152,014	1,108,152,014
<i>Hai Phong Housing Construction Joint Stock Company</i>	1,015,488,992	1,015,488,992	759,463,360	759,463,360
<i>Others</i>	560,320,503	560,320,503	296,810,800	296,810,800
Payables to suppliers related to business and production activities	4,189,886,239	4,189,886,239	5,298,527,107	5,298,527,107
<i>Northern branch of Nha Be garment Corporation - JSC</i>	1,608,390,000	1,608,390,000	1,191,632,920	1,191,632,920
<i>Hai Phong Power Company</i>	2,321,313,736	2,321,313,736	2,036,304,466	2,036,304,466
<i>Irrigation works exploitation companies</i>	-	-	487,927,475	487,927,475
<i>Others</i>	260,182,503	260,182,503	1,582,662,246	1,582,662,246
	7,888,400,361	7,888,400,361	12,128,202,348	12,128,202,348

01/01/2025 (Adjusted)		Movement		31/12/2025	
Receivables	Payables	Actual payment	Payables	Receivables	Payables
VND	VND	VND	VND	VND	VND
184,859,790	-	1,052,362,236	1,019,593,127	217,628,899	-
-	7,188,206,785	26,875,888,212	33,398,955,277	-	13,711,273,850
-	1,182,095,315	7,960,413,466	7,514,449,559	-	736,131,408
-	299,445,100	299,445,100	387,294,950	-	387,294,950
-	1,103,148,903	8,012,110,647	8,071,936,387	-	1,162,974,643
184,859,790	9,772,896,103	44,200,219,661	50,392,229,300	217,628,899	15,997,674,851

14. Short-term accrued expenses

As at 01 January 2025 and 31 December 2025, accrued expenses represent accrued interest expenses in accordance with loan agreements (Note 15).

15. Loans and liabilities

	01/01/2025		Movement		31/12/2025	
	Book value	Liquidity	Increase	Decrease	Book value	Liquidity
	VND	VND	VND	VND	VND	VND
a) Short-term						
Proportion of long-term loans	78,414,701,220	78,414,701,220	68,639,986,836	79,312,299,956	67,742,388,100	67,742,388,100
2A Project	12,499,380,622	12,499,380,622	-	12,499,380,622	-	-
Minh Duc Project	294,296,283	294,296,283	-	294,296,283	-	-
ADB Project (i)	65,621,024,315	65,621,024,315	68,639,986,836	66,518,623,051	67,742,388,100	67,742,388,100
	78,414,701,220	78,414,701,220	68,639,986,836	79,312,299,956	67,742,388,100	67,742,388,100
b) Long-term						
2A Project	12,499,380,622	12,499,380,622	-	12,499,380,622	-	-
Minh Duc Project	294,296,283	294,296,283	-	294,296,283	-	-
ADB Project (i)	853,457,110,990	853,457,110,990	26,366,371,020	66,518,623,051	813,304,858,959	813,304,858,959
	866,250,787,895	866,250,787,895	26,366,371,020	79,312,299,956	813,304,858,959	813,304,858,959
Maturity						
- within next 12 months	(78,414,701,220)	(78,414,701,220)			(67,742,388,100)	(67,742,388,100)
- after 12 months	787,836,086,675	787,836,086,675			745,562,470,859	745,562,470,859

Details of loans for each project are as follows:

(i) Hai Phong City Water Supply System Expansion Project – Phase 2 under Vietnam Water Sector Development Program – Project 2:

The purpose of the loan is to finance the project's expenditures. The loan was provided under the Subsidiary Loan Agreement dated 23 August 2013, between the Ministry of Finance, representing the Socialist Republic of Vietnam, and the Company, utilizing Loan No. 2961-VIE from the Asian Development Bank (ADB).

The loan was disbursed through the Hai Phong Branch of the Vietnam Development Bank with an interest rate based on the Secured Overnight Financing Rate (SOFR) (previously LIBOR for 6-month USD loans, replaced by SOFR since 2022 in accordance with the ADB notification dated 29 October 2021, and the Ministry of Finance's Official Letter No. 14882/BTC-QLN dated 28 December 2021), plus a margin of 0.4% per annum on the outstanding principal and minus a discount rate (subject to semi-annual adjustments); the loan matures on 01 December 2037. Principal and interest are repayable semi-annually, with the first principal repayment due on 01 June 2019, as stipulated in the loan agreement.

The loan is secured by all rights and interests arising from the operation of facilities developed under the Hai Phong Water Supply System Upgrade Project, which have been duly registered under secured transaction regulations.

16. Other short-term payables

	31/12/2025	01/01/2025 (Adjusted)
	VND	VND
Payables for major repairs and construction investments	2,186,956,455	1,564,052,766
Payables to internal units for unpaid expenses	3,025,597,158	3,895,722,111
Payable for drainage services remitted to the State budget	1,103,050,890	1,030,434,036
Payable for bottle deposit	4,561,600,000	3,932,250,000
Others	938,043,730	748,043,730
	11,815,248,233	11,170,502,643

17. Bonus and welfare funds

	Bonus and welfare fund	Executive bonus fund	Total
	VND	VND	VND
As at 01/01/2024	17,282,438,651	96,216	17,282,534,867
Distribution of 2023 profit	21,317,806,255	500,000,000	21,817,806,255
Use of funds during prior period	(25,015,704,760)	(500,000,000)	(25,515,704,760)
As at 31/12/2024	13,584,540,146	96,216	13,584,636,362
As at 01/01/2025	13,584,540,146	96,216	13,584,636,362
Distribution of 2024 profit	24,497,252,636	600,000,000	25,097,252,636
Use of funds during this period	(24,932,852,792)	(600,000,000)	(25,532,852,792)
As at 31/12/2025	13,148,939,990	96,216	13,149,036,206

18. Owners' equity

a) Changes in owner's equity

	Contributed charter capital VND	Development Investment Fund VND	Retained earnings (Adjusted) VND	Total (Adjusted) VND
As at 01/01/2024 (Adjusted)	742,069,400,000	148,693,227,492	90,807,601,658	981,570,229,150
Profit of the previous period	-	-	97,104,642,581	97,104,642,581
Distribution of 2023 profit	-	4,468,089,750	(89,361,795,005)	(84,893,705,255)
As at 31/12/2024 (Adjusted)	742,069,400,000	153,161,317,242	98,550,449,234	993,781,166,476
Profit of the current period	-	-	143,356,939,867	143,356,939,867
Distribution of 2024 profit (*)	-	4,835,973,612	(96,719,472,248)	(91,883,498,636)
As at 31/12/2025	742,069,400,000	157,997,290,854	145,187,916,853	1,045,254,607,707

(*) The Company distributes profits of 2024 according to Resolution No. 09/NQ-DHĐCĐ-2025 dated 17 April 2025 of the 2025 Annual general meeting of shareholders of Hai Phong Water Joint Stock Company as follows:

	Rate %	Amount VND
Profit distribution during the period		
- Appropriation to development investment fund	5.00	4,835,973,612
- Appropriation to bonus and welfare fund	25.33	24,497,252,636
- Appropriation to the bonus fund for the Management Board, members of the Board of Directors and the Supervisory Board.	0.62	600,000,000
- Dividend payment (equivalent to VND 900 per share)	69.05	66,786,246,000
Total	100.00	96,719,472,248

Details of Contributed capital

	31/12/2025		01/01/2025	
	VND	%	VND	%
State capital contribution	597,978,400,000	80.58	597,978,400,000	80.58
Other shareholders	144,091,000,000	19.42	144,091,000,000	19.42
	742,069,400,000	100.00	742,069,400,000	100.00

b) Capital transactions with owners and distribution of dividends and profits

	Year 2025 VND	Year 2024 VND
Owner's Capital Contribution		
- Capital contribution at the beginning of the year	742,069,400,000	742,069,400,000
- Capital contribution at the end of the year	742,069,400,000	742,069,400,000
Dividends and Profits		
- Dividends, profits payable at the beginning of the year	-	-
- Dividends, profits payable during the period	66,786,246,000	66,786,246,000
+ <i>Dividends, profits distributed from previous year's earnings</i>	66,786,246,000	63,075,899,000
- Dividends, profits paid in cash	66,786,246,000	63,075,899,000
+ <i>Dividends, profits distributed from previous year's earnings</i>	66,786,246,000	63,075,899,000
- Dividends, profits payable at the end of the period	-	-

c) Share

	31/12/2025	01/01/2025
Number of shares registered for issuance	74,206,940	74,206,940
Number of shares issued and fully paid	74,206,940	74,206,940
- <i>Ordinary shares</i>	74,206,940	74,206,940
Number of shares outstanding	74,206,940	74,206,940
- <i>Ordinary shares</i>	74,206,940	74,206,940
Par value of outstanding shares: VND 10,000 per share		

19. Off-balance sheet items and operating lease commitments

Assets under Operating Lease

The Company is managing and utilizing 43 land plots located in Hai Phong City with a total area of 374,959.60 square meters, primarily for use as headquarters, office buildings, water treatment plants, enterprise branches, warehouses, pumping stations, and reservoirs. The land use form is land lease with annual rental payments.

Assets Assigned for Management

The Company has been assigned by the People's Committee of Hai Phong City to manage assets under the An Duong Water Treatment Plant Upgrade Project, which was funded by non-refundable aid from the Government of Japan. These assets are operated and maintained by the Company to provide clean water supply for local residents, serving social welfare purposes.

On 24 June 2022, the Prime Minister promulgated Decree No. 43/2022/ND-CP regulating the management, use and exploitation of clean water infrastructure under state management. As at 31 December 2025, the Company continues to manage and use the assets for their intended purposes, improve the quality of water supply, and ensure benefits to the residents of the City. In addition, the Company periodically reports in full to the People's Committee of the City on the operation, use, management and maintenance of the assets formed from the Project.

Foreign currencies

	31/12/2025	01/01/2025
USD	200.11	200.11

20. Gross revenues from goods sold and services rendered

	Year 2025	Year 2024
	VND	VND
Clean water business	1,239,800,969,722	1,150,894,530,299
Water meter installation	4,732,468,304	5,032,169,000
Purified water	11,273,037,506	10,641,882,857
	1,255,806,475,532	1,166,568,582,156
In which, revenue from related parties (Note 32)	8,401,232,564	1,608,055,248

21. Cost of goods solds and services rendered

	Year 2025	Year 2024
	VND	(Adjusted) VND
Clean water business	776,842,752,043	731,045,406,836
Water meter installation	4,402,898,323	4,737,929,462
Purified water	10,385,111,460	9,810,518,575
	791,630,761,826	745,593,854,873
In which, costs from related parties (Note 32)	88,574,760	578,391,912

22. Financial Income

	Year 2025	Year 2024
	VND	VND
Interest on savings	27,581,673,307	21,244,912,054
Dividends, profit distribution	9,933,800,400	9,657,861,500
Gain on exchange difference in the year	-	187,481,303
	37,515,473,707	31,090,254,857
In which, financial income from related parties (Note 32)	9,933,800,400	9,657,861,500

23. Financial expenses

	Year 2025	Year 2024
	VND	VND
Interest expense	47,168,823,449	57,466,701,350
Loss on exchange difference in the year	913,008,263	-
Loss on exchange difference at the year-end	26,366,205,729	39,129,728,441
	74,448,037,441	96,596,429,791

24. Selling expenses

	Year 2025	Year 2024
	VND	VND
Labor	114,116,567,378	97,795,071,837
Materials, packaging materials and supplies	1,792,842,551	1,511,987,600
Depreciation and amortization	22,878,387,937	23,501,421,707
External services	12,715,156,105	13,037,870,018
Others	3,171,984,783	4,226,152,541
	154,674,938,754	140,072,503,703

25. General administrative expenses

	Year 2025	Year 2024
	VND	VND
Labor	49,247,579,017	44,520,277,088
Materials, packaging materials and supplies	5,011,192,600	5,977,018,494
Depreciation and amortization	3,502,695,922	3,545,531,681
Taxes, fees and charges	6,466,108,057	6,876,059,315
External services	23,574,250,880	22,252,272,856
Others	15,697,391,774	14,559,243,105
	103,499,218,250	97,730,402,539

26. Other Income

	Year 2025	Year 2024
	VND	(Adjusted) VND
Water testing	1,363,777,000	1,345,400,000
Liquidation of materials	-	3,183,901,817
Disposal of fixed assets	-	321,997,307
Compensation support	7,349,685,632	-
Collection of drainage service fees	11,451,213,907	10,938,900,708
Others	440,151,112	449,067,354
	20,604,827,651	16,239,267,186
In which, other income from related parties (Note 32)	32,240,000	32,240,000

27. Other expenses

	Year 2025	Year 2024
	VND	VND
Water testing	1,081,721,777	1,078,423,128
Liquidation of materials	-	1,504,881,065
Disposal of fixed assets	-	46,568,822
Cost of collection of drainage service fees	11,405,788,563	10,887,148,202
Others	430,415,135	1,354,475,696
	12,917,925,475	14,871,496,913

28. Corporate income tax

	Year 2025 VND	Year 2024 (Adjusted) VND
Total profit/(loss) before tax:	176,755,895,144	119,033,416,380
Adjustment:		
Ineligible expenses	172,681,643	268,314,120
Taxable income	176,928,576,787	119,301,730,500
Adjustment:		
- Distributed dividends	(9,933,800,400)	(9,657,861,500)
Taxed income	166,994,776,387	109,643,869,000
Tax rate	20%	20%
Current corporate income tax	33,398,955,277	21,928,773,800
Opening CIT payable	7,188,206,785	5,615,866,100
CIT paid in the year	26,875,888,212	20,356,433,114
Closing CIT payable/ (receivable)	13,711,273,850	7,188,206,786

29. Expenses by nature

	Year 2025 VND	Year 2024 VND
Raw materials	121,413,324,694	116,166,218,690
Labour expenses	292,427,580,136	257,363,827,500
Depreciation expenses	203,821,931,291	206,720,654,500
External services	384,199,867,733	355,893,016,660
Others	47,728,962,470	47,297,200,407
	1,049,591,666,324	983,440,917,757

30. Financial instrument

Financial risk management

Financial risks that the Company may face risks including: market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management.

Market risk

The Company may face with the market risk such as: exchange rates and interest rates.

Exchange rate risk

The Company bears the risk of exchange rates due to the transaction made in a foreign currency other than VND such as: borrowings

Interest rate risk:

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Within 1 year VND	Over 1 year VND	Total VND
31/12/2025			
Cash and cash equivalents	16,300,131,696	-	16,300,131,696
Trade and other receivables	16,597,066,356	-	16,597,066,356
Loans	632,800,000,000	700,000,000	633,500,000,000
	665,697,198,052	700,000,000	666,397,198,052
01/01/2025			
Cash and cash equivalents	7,766,357,440	-	7,766,357,440
Trade and other receivables	18,417,257,889	-	18,417,257,889
Loans	487,800,000,000	700,000,000	488,500,000,000
	513,983,615,329	700,000,000	514,683,615,329

Liquidity Risk:

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company mainly arises from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Within 1 year VND	Over 1 year VND	Total VND
31/12/2025			
Borrowing and debts	67,742,388,100	745,562,470,859	813,304,858,959
Trade and other payables	19,703,648,594	-	19,703,648,594
Accrued expenses	3,433,035,922	-	3,433,035,922
	90,879,072,616	745,562,470,859	836,441,543,475
01/01/2025			
Borrowing and debts	78,414,701,220	787,836,086,675	866,250,787,895
Trade and other payables	23,298,704,991	-	23,298,704,991
Accrued expenses	4,205,921,245	-	4,205,921,245
	105,919,327,456	787,836,086,675	893,755,414,131

The Company believes that risk level of loan repayment is low. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

31. Subsequent events

There have been no significant events occurring after the accounting year, which would require adjustments or disclosures to be made in the Separate Financial Statements.

32. Transaction with related parties

List and relation between related parties and the Company are as follows:

<u>Related parties</u>	<u>Relationship</u>
Hai Phong Number Two Water Business Joint Stock Company	Subsidiary
Members of the Board of Management, Board of General Directors and Board of Supervisory	

During the year, the Company had transactions with related parties as follows:

<u>Company</u>	<u>Transactions</u>	<u>Year 2025</u> VND	<u>Year 2024</u> VND
Hai Phong Number Two Water Business Joint Stock Company	Dividends distributed	9,933,800,400	9,657,861,500
	Clean water sales	8,401,232,564	1,608,055,248
	Clean water purchased	88,574,760	578,391,912
	Water quality testing	32,240,000	32,240,000

Remuneration of the Board of Directors, Management Board and Supervisory Board:

<u>Full name</u>	<u>Position</u>	<u>Year 2025</u> VND	<u>Year 2024</u> VND
Tran Viet Cuong	Chairman of the Board of Directors	1,268,636,250	1,124,197,048
Tran Van Duong	General Director – Vice Chairman of the Board of Directors	1,125,463,983	1,002,334,206
Cao Van Quy	Deputy General Director – Member of the Board of Directors	1,052,707,242	935,401,143
Trinh Anh Tuan	Deputy General Director – Member of the Board of Directors	1,029,925,032	922,521,250
Dang Huu Dung	Member of the Board of Directors	272,080,000	255,980,000
Nguyen Dang Ninh	Chief Accountant	899,786,756	766,130,806
Nguyen Danh Quan	Deputy General Director	858,816,917	754,224,615
Le Thi Huong	Head of the Supervisory Board	817,644,722	733,046,651
Nguyen Minh Hoang	Member of the Supervisory Board	378,441,907	303,226,054
Pham Quang Huy	Member of the Supervisory Board (Appointed on 17/04/2025)	480,086,859	-
Do Thi Thanh Diep	Member of the Supervisory Board (Completion of term on 17/04/2025)	31,707,500	148,280,000
		8,215,297,168	6,945,341,772

Except for the related parties with transactions as mentioned above, other related parties have no transactions during the year as well as balance at the end of the financial year with the Company.

33. Corresponding figures

The corresponding figures are those taken from the Separate Financial Statements for the year ended as at 31 December 2024, which was audited by AASC Limited.

Accordingly, the Company has made retrospective adjustments to certain items in the separate financial statements for the financial year ended 31 December 2024 based on the Inspection Minutes issued pursuant to Decision No. 281/QĐ-TTTP dated 16 June 2025 of the Hai Phong City Inspectorate. As a result, certain items in the separate financial statements for the financial year ended 31 December 2024 have been specifically adjusted as follows:

	Code	Adjusted figures VND (1)	Presented in the previous year's report VND (2)	Diff VND (1) - (2)
Statement of Financial Position				
Long-term prepaid expenses	261	6,506,536,353	4,324,680,553	2,181,855,800
Short-term trade payables	311	12,128,202,348	12,145,137,712	(16,935,364)
Short-term advances from customers	312	1,121,374,459	1,350,767,444	(229,392,985)
Tax payables and statutory obligations	313	9,772,896,103	9,137,271,146	635,624,957
Other short-term payables	319	11,170,502,643	11,208,920,437	(38,417,794)
Retained earnings	421	98,550,449,234	96,719,472,248	1,830,976,986
- Retained earnings accumulated to previous year	421a	1,445,806,653	-	1,445,806,653
- Undistributed profit of this period	421b	97,104,642,581	96,719,472,248	385,170,333
Statement of Income				
Cost of goods sold and services rendered	11	745,593,854,873	745,856,535,993	(262,681,120)
Other income	31	16,239,267,186	15,954,521,043	284,746,143
Current corporate income tax expense	51	21,928,773,799	21,766,516,869	162,256,930
Statement of Cash Flows				
Profit before tax	01	119,033,416,380	118,485,989,117	547,427,263
Increase in payables (excluding interest payables/CIT payables)	11	8,756,983,316	9,041,729,459	(284,746,143)
(Increase)/Decrease in prepaid expenses	12	(1,335,841,001)	(1,073,159,881)	(262,681,120)



Tran Viet Cuong
Chairman

Nguyen Dang Ninh
Chief Accountant

La Thi Thu Huyen
Preparer

Hai Phong, 10 March 2026