

HAI DUONG WATER JOINT STOCK COMPANY

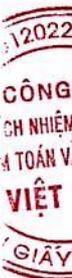
AUDITED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025



TABLE OF CONTENTS

CONTENTS	PAGE
BOARD OF GENERAL DIRECTORS' REPORT	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
BALANCE SHEET	6 - 7
INCOME STATEMENT	8
CASH FLOW STATEMENT	9
NOTES TO THE FINANCIAL STATEMENTS	10 - 34



BOARD OF GENERAL DIRECTORS' REPORT

We, members of Board of General Directors of Hai Duong Water Joint Stock Company (hereinafter referred to as "the Company") present this Report together with the Company's audited Financial Statements for the fiscal year ended December 31, 2025.

Board of Management and Board of General Directors

Members of Board of Management and Board of General Directors who held the Company during the fiscal year ended December 31, 2025 and to the date of this report, include:

Board of Management

Mr. Vu Manh Dung	Chairman
Mr. Nguyen Van Phung	Vice Chairman (On statutory leave from Nov 1st, 2025)
Mr. Nguyen Thanh Son	Member
Mr. Vu Van Nhan	Member
Mr. Nguyen Thai Dung	Member
Mr. Vu Chi Phuong	Member
Ms. Pham Thi Man	Member

Board of General Directors

Mr. Nguyen Thanh Son	General Director
Mr. Nguyen Van Phung	Deputy General Director (On statutory leave from Nov 1st, 2025)
Mr. Vu Van Nhan	Deputy General Director
Mr. Nguyen Thai Dung	Deputy General Director

Respective responsibilities of Board of General Directors

Board of General Directors of the Company is responsible for preparing Financial Statements which give a true and fair view of the financial position, business performance and cash flows of the Company in the year, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Financial Statements. In the preparation of these Financial Statements, Board of General Directors is required to:

- Select suitable accounting policies and then consistently apply them;
- Make judgments and estimates that are reasonable and prudent;
- State whether appropriate accounting standards are respected or any application of material misstatements that needs to be disclosed and justified in Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the Financial Statements so as to minimize risks and frauds.



BOARD OF GENERAL DIRECTORS' REPORT

(continued)

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

Board of General Directors confirms that the Company has complied with the above requirements in preparing these Financial Statements.

For and on behalf of Board of General Directors,

HAI DUONG WATER JOINT STOCK COMPANY



Nguyen Thanh Son
General Director

Hai Phong, February 27, 2026

Hanoi, March 03, 2026

INDEPENDENT AUDITORS' REPORT

Kính gửi: Shareholders
Board of Management and Board of General Directors
Hai Duong Water Joint Stock Company

We have audited the accompanying Financial Statements of Hai Duong Water Joint Stock Company (hereinafter referred to as “the Company”), prepared on February 27, 2026, from page 06 to page 34, including: Balance Sheet as at 31/12/2025, Income Statement, Cash Flow Statement for the fiscal year then ended and Notes to the Financial Statements.

Respective responsibilities of Board of General Directors

Board of General Directors of the Company is responsible for the preparation and true & fair presentation of the Financial Statements of Company in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Financial Statements and for such internal control as Board of Directors determines is necessary to enable the presentation of Financial Statements that are free from material misstatements whether due to fraud or error.

Respective responsibilities of Auditor

Our responsibility is to express an opinion on the 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, plan and perform the audit to obtain reasonable assurance about whether the Financial Statements of the Company are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the Financial Statements. The procedures are selected depending on the auditor’s judgement, including the assessment on risk of material misstatements of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation’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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Directors as well as evaluating the overall presentation of the Financial Statements.

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

INDEPENDENT AUDITORS' REPORT

(continued)

Opinion

In our opinion, the Financial Statements, in all material respects, give a true and fair view of the financial position of the Company as at December 31, 2025, as well as business performance and cash flows for the fiscal year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations related to the preparation and presentation of Financial Statements.



Ngo Ba Duy
Deputy General Director - Audit Director
Certificate of Audit Practice Pegistration No:
1107-2023-034-1
For and on behalf of
VIETNAM AUDITING AND EVALUATION CO., LTD

A handwritten signature in blue ink, appearing to read "Vu Huy", written over a horizontal line.

Nguyen Vu Huy
Auditor
Certificate of Audit Practice Registration No:
2327-2024-034-1

BALANCE SHEET

As at December 31, 2025

ASSETS		Codes	Notes	31/12/2025	01/01/2025
A CURRENT ASSETS		100		73,493,071,501	68,735,849,351
I Cash and cash equivalents	110			12,140,515,042	10,192,762,023
1 Cash	111	V.1.		12,140,515,042	10,192,762,023
II Short-term financial investments	120			-	-
III Short-term receivables	130			17,191,502,321	20,579,056,505
1 Short-term trade accounts receivable	131	V.2.		13,921,636,561	16,281,850,329
2 Advances to suppliers	132	V.3.		1,252,530,377	1,733,869,651
3 Other short-term receivables	136	V.4.		2,017,335,383	2,563,336,525
IV Inventories	140			38,960,372,024	35,974,456,785
1 Inventories	141	V.5.		38,960,372,024	35,974,456,785
V Other current assets	150			5,200,682,114	1,989,574,038
1 Short-term prepaid expenses	151	V.9.		393,700,772	-
2 Deductible VAT	152			3,446,340,290	748,502,927
3 Taxes and receivables to the State budget	153	V.12.		1,360,641,052	1,241,071,111
B NON-CURRENT ASSETS	200			838,497,777,910	841,691,377,272
I Other long-term receivables	210			-	-
II Fixed assets	220			755,895,781,887	794,741,845,684
1 Tangible fixed assets	221	V.6.		755,891,683,016	794,655,512,351
- Historical cost	222			2,137,626,795,315	2,068,148,426,795
- Accumulated depreciation	223			(1,381,735,112,299)	(1,273,492,914,444)
2 Intangible fixed assets	227	V.7.		4,098,871	86,333,333
- Historical cost	228			855,700,000	855,700,000
- Accumulated amortization	229			(851,601,129)	(769,366,667)
III Investment property	230			-	-
IV Long-term assets in progress	240	V.8.		41,273,011,830	11,616,986,977
1 Work in progress	242			41,273,011,830	11,616,986,977
V Long-term financial investments	250			-	-
VI Other non-current assets	260			41,328,984,193	35,332,544,611
1 Long-term prepayment expenses	261	V.9.		41,328,984,193	35,332,544,611
TOTAL ASSETS (270=100+200)	270			911,990,849,411	910,427,226,623

(Notes from page 10 to page 33 are an integral part of these Financial Statements)

BALANCE SHEET

As at December 31, 2025

(continued)

RESOURCES	Codes	Notes	Unit: VND	
			31/12/2025	01/01/2025
C LIABILITIES	300		438,134,374,130	452,242,379,973
I Current liabilities	310		159,966,737,462	110,904,732,929
1 Short-term trade accounts payable	311	V.10.	62,743,754,475	56,115,265,035
2 Short-term advances from customers	312	V.11.	1,890,446,231	1,348,512,412
3 Taxes and payables to the State budget	313	V.12.	11,744,846,494	10,964,933,592
4 Payables to employees	314		19,694,372,672	8,879,440,147
5 Short-term accrued expenses	315	V.13.	1,135,001,249	154,241,320
6 Other short-term payables	319	V.15.	19,183,851,477	16,296,890,827
7 Short-term loans and obligations under	320	V.14.	40,942,464,050	8,863,582,450
8 Bonus and welfare fund	322		2,632,000,814	8,281,867,146
II Non-current liabilities	330		278,167,636,668	341,337,647,044
1 Other long-term payables	337	V.15.	105,288,020,313	112,490,020,313
2 Long-term loans and obligations under	338	V.14.	172,879,616,355	228,847,626,731
D OWNER'S EQUITY	400		473,856,475,281	458,184,846,650
I Owner's equity	410	V.16.	473,856,475,281	458,184,846,650
1 Owner's contributed capital	411		318,824,708,995	318,824,708,995
- Ordinary shares with voting right	411a		318,824,708,995	318,824,708,995
2 Other capital	414		82,922,526,064	82,922,526,064
3 Investment and development fund	418		23,593,068,491	10,393,383,350
4 Retained earnings	421		48,516,171,731	46,044,228,241
- Retained earnings accumulated to the prior year end	421a		-	-
- Retained earnings of the current year	421b		48,516,171,731	46,044,228,241
II Other resources and funds	430		-	-
TOTAL RESOURCES (440=300+400)	440		911,990,849,411	910,427,226,623

Hai Phong, February 27, 2026

HAI DUONG WATER JOINT STOCK COMPANY

Prepared



Le Thi Quyên

Chief Accountant



Nguyen Thi Huong

General Director



Nguyen Thanh Son

(Notes from page 10 to page 33 are an integral part of these Financial Statements)

Form B 02 - DN

INCOME STATEMENT

For the fiscal year ended December 31, 2025

Items	Codes	Notes	Year 2025	Unit: VND
				Year 2024 (Re-presentation)
1 Gross revenue from goods sold and services rendered	01	VI.1.	603,354,168,929	569,438,793,798
2 Deductions	02		-	-
3 Net revenue from goods sold and services rendered (10=01-02)	10		603,354,168,929	569,438,793,798
4 Cost of sales	11	VI.2.	440,543,646,628	409,171,669,289
5 Gross profit from goods sold and services rendered (20=10-11)	20		162,810,522,301	160,267,124,509
6 Financial income	21	VI.3.	65,353,275	2,750,114,680
7 Financial expenses	22	VI.4.	23,583,554,052	15,012,535,068
<i>In which: Interest expense</i>	23		<i>12,871,664,524</i>	<i>15,012,535,068</i>
8 Selling expenses	25	VI.7.	22,938,848,977	22,829,284,735
9 General and administration expenses	26	VI.7.	54,877,942,278	66,815,496,809
10 Operating profit {30=20+(21-22)-(25+26)}	30		61,475,530,269	58,359,922,577
11 Other incomes	31	VI.5.	1,038,224,586	1,341,538,076
12 Other expenses	32	VI.6.	1,178,047,733	1,416,419,869
13 Profit from other activities (40=31-32)	40		(139,823,147)	(74,881,793)
14 Accounting profit before tax (50=30+40)	50		61,335,707,122	58,285,040,784
15 Current corporate income tax expense	51	VI.9.	12,819,535,391	12,240,812,543
16 Deferred corporate income tax expense	52		-	-
17 Net profit after corporate income tax (60=50-51-52)	60		48,516,171,731	46,044,228,241
18 Basic earning per share	70	VI.10.	1,521.72	1,224.01

Hai Phong, February 27, 2026

HAI DUONG WATER JOINT STOCK COMPANY

Prepared



Le Thi Quyen

Chief Accountant



Nguyen Thi Huong

General Director



Nguyen Thanh Son

Form B 03 - DN

CASH FLOW STATEMENT
(Under direct method)
For the fiscal year ended December 31, 2025

Unit: VND

Items	Codes	Notes	Year 2025	Year 2024 (Re-presentation)
I. Cash flow from operating activities				
1. Sales of goods and services and other income	01		678,238,210,349	636,315,571,886
2. Payment to suppliers of goods and services	02		(346,619,216,539)	(298,151,086,075)
3. Cash paid to employees	03		(99,818,955,819)	(103,250,969,406)
4. Interest expense paid	04		(12,893,698,995)	(15,034,569,547)
5. Corporate income tax paid	05		(12,108,237,199)	(8,231,179,796)
6. Other cash inflows from operating activities	06		12,338,800,568	27,920,135,144
7. Other cash outflows from operating activities	07		(85,009,205,323)	(101,647,382,881)
Net cash flow from operating activities	20		134,127,697,042	137,920,519,325
II. Cash flow from investing activities				
1. Acquisition and construction of fixed assets and other non-current assets	21		(71,853,235,552)	(75,939,418,952)
2. Interest earned, dividends and received profits	27		65,353,275	46,705,890
Net cash flow from investment activities	30		(71,787,882,277)	(75,892,713,062)
III. Cash flow from financial activities				
1. Proceeds from borrowing	33		16,057,815,354	23,260,457,575
2. Prepayment of borrowing	34		(50,658,833,658)	(62,051,136,189)
3. Dividends and profits paid to owners	36		(25,791,043,442)	(25,226,119,318)
Net cash flow from financial activities	40		(60,392,061,746)	(64,016,797,932)
Net cash flow in the period (50=20+30+40)	50		1,947,753,019	(1,988,991,669)
Cash and cash equivalents at the beginning of the year	60		10,192,762,023	12,181,753,692
Effects of changes in foreign exchange rates	61		-	-
Cash and cash equivalents at the end of the year (70=50+60+61)	70	V.1	12,140,515,042	10,192,762,023

Hai Phong, February 27, 2026

HAI DUONG WATER JOINT STOCK COMPANY

Prepared

Chief Accountant

General Director

Le Thi Quyen

Nguyen Thi Huong

Nguyen Thanh Son

(Notes from page 10 to page 33 are an integral part of these Financial Statements)

NOTES TO THE FINANCIAL STATEMENTS

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

I. Operational characteristics of enterprise**1. Structure of ownership**

Hai Duong Water Joint Stock Company (hereinafter referred to as "Company"), was formerly Hai Duong Water One-Member Company Limited converted into a Joint Stock Company according to Decision No 1405/QD-UBND dated 06/5/2015 of the People's Committee of Hai Duong Province (now Hai Phong City) and operates under 6th amended Business Registration Certificate No. 0800001348 dated 09/07/2025 issued by the Department of Finance of Hai Phong City.

Under the 6th amended Business Registration Certificate No. 0800001348 dated 09/07/2025, the Company's charter capital is **VND 318,824,700,000** (*Three hundred eighteen billion, eight hundred twenty-four million, seven hundred thousand dong*).

The Company's shares are traded on the Upcom exchange with the stock code HDW.

2. Business domain

The company operates in the field of clean water business.

3. Business lines

- Exploiting, producing and trading clean water to serve daily life, production and other needs in Hai Duong province; Construction, planning, investment project planning, surveying, design and construction supervision of water supply and drainage projects and works;
- Producing and trading purified water./.

The Company's Head Office: No. 10, Hong Quang Street, Hai Duong Ward, Hai Phong City, Vietnam.

4. Normal course of production and business

A normal period of production and business of the Company lasts no more than 12 months.

5. Structure of enterprise

List of affiliated units accounting and dependent accounting:

No.	Name of entity	Address
1.	Clean Water Business Branch No. 01	Viet Hoa Ward, Hai Phong City
2.	Clean Water Business Branch No. 02	Phu Thai Commune, Hai Phong City
3.	Clean Water Business Branch No. 03	Ninh Giang Commune, Hai Phong City
4.	Clean Water Business Branch No. 04	Chu Van An Ward, Hai Phong City
5.	Clean Water Business Branch No. 06	Thach Khoi Ward, Hai Phong City
6.	Clean Water Business Branch No. 07	Ha Tay Commune, Hai Phong City

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

No.	Name of entity	Address
7.	Clean Water Business Branch No. 08	Nhi Chieu Ward, Hai Phong City
8.	Clean Water Business Branch No. 09	Nam Thanh Mien Commune, Hai Phong City
9.	Clean Water Business Branch No. 10	Mao Dien Commune, Hai Phong City
10.	Clean Water Business Branch No. 11	Nam Sach Commune, Hai Phong City
11.	Purified Water Sales Branch	Viet Hoa Ward, Hai Phong City

6. Comparability of information on the Financial Statements

Respective information and figures in the Company's Financial Statements for the year ended 31/12/2025 are comparative.

7. Number of employees

The number of the employees as at 31/12/2025: 936 people (As at 31/12/2024: 934 people).

II. Accounting period, currency used in accounting

1. Accounting period

The Company's accounting period begins on 01/01 and ends on 31/12 every year.

2. Currency used in accounting

The currency used in accounting is Vietnam dong ("VND") accounted under the principle of historical cost, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and the legal regulations related to the preparation and presentation of Financial Statements.

III. Applied accounting regime and standards

1. Applied accounting regime and standards

The Company applies the Accounting regime for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22/12/2014 by Ministry of Finance guiding the accounting regime for enterprises and Circular No. 53/2016/TT-BTC dated 21/3/2016 by Ministry of Finance regarding amendment to some articles of Circular No. 200/2014/TT-BTC.

2. Statement on the compliance to Accounting Standards and Accounting regime

The Company's Financial Statements are prepared and presented in accordance with current Vietnamese Accounting Standards and Vietnamese Accounting regime for enterprises and relevant legal regulations to the preparation and presentation of the Financial Statements.

IV. Significant accounting policies

1. Foreign exchange rates applied in accounting

Exchange rates for translating transactions denominated in foreign currencies in the period are the exchange rates of the Commercial Bank where the Company has that transaction at the time of occurrence.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

Exchange rates for revaluation of monetary items denominated in foreign currencies are the rates announced by the Commercial Bank where that foreign currency account is opened on the reporting date, thereby:

- Exchange rates for revaluation of items denominated in foreign currencies and classified as assets are the buying rates of the Commercial Bank where that foreign currency account is opened on the reporting date;
- Exchange rates for revaluation of items denominated in foreign currencies and classified as liabilities are the selling rates of the Commercial Bank where that foreign currency account is opened on the reporting date. Particularly for loans from Vietnam Development Bank - Northeast Regional Branch, the Company reevaluates according to the central exchange rate announced by the State Bank of Vietnam.

2. Estimates

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

3. Principle for recognizing cash

Cash and cash equivalents comprise cash on hand, demand deposits, cash in transit that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

4. Accounting principle of accounts receivable

Receivables are stated at book value less provision for doubtful debts. Classification of receivables is made on the following principle:

- Trade accounts receivable consist of receivables with their commercial nature arising from transactions with their purchasing-selling nature between the Company and buyers who are independent entities from the Company.
- Other receivables consist of receivables with their non-commercial nature, not related to transactions with their purchasing-selling nature.

Provisions for doubtful debts are made for receivables that have passed the due dates stated in contracts, agreements or commitments for payments that have been repeatedly requested by the Company but are yet to be recovered or other unrecoverable accounts from debtors who are insolvent under liquidation, bankruptcy or similar difficulty.

Increase, decrease in provision for doubtful debts to be made at the accounting period end shall be recognized into general administration expenses.

5. Principle for recognizing inventories

Inventory is determined on the basis of a lower price between the original price and the net realizable value. Inventory cost includes purchase costs, processing costs, and other directly related costs incurred (if any) to obtain inventory at its current location and state.

Net realizable value is determined as the estimated selling price of inventories during the normal business period minus the estimated costs to complete and necessary estimated costs to sell.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

Value of inventories is determined under the weighted average system and accounted for by the perpetual method.

Provision for devaluation of the Company's inventory is made in accordance with current accounting regulations. Accordingly, the Company is allowed to make provisions for devaluation of obsolete, damaged, poor quality inventory and in case the original price of the inventory is higher than the net realizable value at the end of the fiscal year.

As at 31/12/2025, the Company had no inventories that need to make provision.

6. Principle for fixed asset recognition and depreciation

6.1 Principle for tangible fixed asset recognition and depreciation

Tangible fixed assets are recognized at their historical cost, presented in the Balance Sheet under the items of historical cost, accumulated depreciation and carrying amount.

The historical cost of procured tangible fixed assets includes their purchase price and directly related costs to bring such assets into the ready-for-use state. For fixed assets formed by capital construction investment by contracting method or self-construction and production, the original price is the final settlement price of the construction project according to the current Investment and Construction Management Regulations, other directly related costs and registration fees (if any). In case the project has been completed and put into use but the final settlement has not been approved, the historical cost of the fixed assets is recorded at the provisional price based on the actual costs spent to acquire the fixed assets. The provisionally calculated original price will be adjusted according to the final price approved by the competent authorities.

The cost of self-constructed or makeshift tangible fixed assets comprises actual price of such tangible fixed assets and cost of installation and commissioning.

The expenses incurred after the initial recognition of tangible fixed assets are recorded as the increases of historical cost of assets when these expenses are sure to increase economic benefits in the future. The incurred expenses which do not satisfy the above conditions are recognized into operating expenses in the period.

The Company applied straight-line depreciation method to tangible fixed assets. Tangible fixed assets are accounted and classified into groups by their nature and purpose of utilization in the Company's production and business operation, including:

<i>Type of fixed assets</i>	<i>Depreciation duration <years></i>
- Land, building and architectural objects	10 - 50
- Machinery, equipment	06 - 12
- Means of transport, transmission equipment	08 - 30
- Managerial equipment, tools	04 - 06
- Other fixed assets	04 - 12

Profits and losses arising when liquidating or selling assets are the difference between the net income from liquidation of the asset and the remaining value of the asset and are recorded in the income statement.

6.2 Principle for intangible fixed asset recognition and amortization

Intangible fixed assets are recognized at their historical cost, presented in the Balance Sheet under the items of historical cost, accumulated amortization and carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

Intangible fixed asset of the Company is computer software. Costs in relation to computer software programs are not an integral part of the relevant capitalized hardware. Historical costs of computer softwares is the whole expenditure paid by the Company until the softwares are put into use. Computer softwares are amortized on straight line basis for 05 years.

7. Principle for recognizing cost of construction in progress

Construction in progress of the Company is the investment cost for construction of water supply pipelines, booster pump stations, etc. in wards and communes in Hai Phong City, recorded at cost. This cost includes necessary costs to form the assets, including construction and installation costs, equipment costs, other costs and related borrowing costs in accordance with the Company's accounting policies. These costs will be converted to the original cost of fixed assets at provisional prices (if there is no approved final settlement) when the assets are handed over and put into use.

According to the State's regulations on investment and construction management, depending on management decentralization, the settlement value of completed basic construction works needs to be approved by competent authorities. Therefore, the final value of the value of capital construction works may change and depends on the settlement approved by the competent authorities.

8. Principle for recognition and allocation of prepaid expenses

Prepaid expenses consist of actual expenses incurred but related to the business performance of many accounting periods. Prepaid expenses include tools, instruments issued for use awaiting for allocation and fixed assets repair cost.

Tools, instruments: Tools and instruments which were exported for use and allocated into expenses on straight-line basis for a period not exceeding 3 years.

Fixed assets repair cost: are the main costs that arise periodically during the asset's useful life. These costs are initially recorded at cost and allocated to the income statement on a straight-line basis over a period not exceeding 3 years.

9. Accounting principle for liabilities

Account payables are payables to suppliers and others. Account payables include trade account payables and other liabilities. Account payables is not recognised lower than its repayment obligation.

Account payables are classified as ruled below:

- Trade account payables comprise liabilities of commercial nature arising from purchasing goods, services, assets for which the suppliers are independent from buyers;
- Other payables comprise non-commercial amounts unrelative to purchasing-selling transactions.

Accounts payables are recognised in terms of suppliers and due dates.

10. Principle for recognizing loans

The Company's loans include loans from Vietnam Development Bank - Northeast Regional Branch (formerly Vietnam Development Bank - Vietnam Development Bank Branch in Hai Duong - Hung Yen), Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Duong Branch and Joint Stock Commercial Bank for Investment and Development of Vietnam - Hai Duong Branch, recognized on the basis of receipt vouchers, bank documents, loan contracts and finance lease agreements.

Loans and leases are tracked by borrower, term, and currency.



NOTES TO THE FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

By the reporting date, for loans from Vietnam Development Bank - Northeast Regional Branch, the Company revaluates according to the central exchange rate announced by the State Bank of Vietnam.

11. Principle for recognition and capitalization of borrowing costs

Borrowing costs consist of loan interest and other costs that incurs in direct connection with the borrowings.

Borrowing costs are recognized into operation and production costs in the year if arising, unless they are capitalized in accordance with Accounting Standard "Borrowing Costs". As a result, borrowing costs which directly relate to procurement, construction investment or production of properties that need a quite long period to be completed for putting into operation or business shall be plus in historical cost of property until such property would be put into use or business. The incomes arising from the temporary investment of loans are deducted from the historical cost of related assets. For a separate loan for the construction of fixed assets and investment property, borrowing cost is capitalized even if the construction period is less than 12 months.

12. Principle for recognizing accrued expense

Accrued expenses is borrowing cost payable, determined based on the contract, loan agreement and actual loan period.

Accrued expenses on production and business expenses in the period are calculated strictly with reasonable and reliable evidence on the expenses to be accrued in the period to ensure the accounting expenses payable to be accounted will match the actual costs incurred.

13. Principle for recognizing owner's equity

Capital investment of the Company's owners is recognized by shareholders' actual capital contribution.

Other owner's equity represents the value of completed construction projects transferred to fixed assets.

Retained earnings are the profit amounts from enterprise's business operation after deducting CIT expense this year.

The distribution of profit among shareholders is considered by taking account for non-cash items included in the retained earnings that may have impact on the cash flow and payment ability of dividend such as revaluation gain over of monetary items.

Dividends are recognized as liabilities upon the Board of Directors' approval and the VSDC's announcement of the record date.

14. Principle and method of recognizing revenue

Revenue of the Company includes revenue from clean water supply revenue, pipeline installation revenue, other revenue and interest income, exchange rate difference interest.

Revenue from sales of merchandise and finished goods

Revenue from selling merchandise and finished goods is recognized upon simultaneously meeting the following five (5) conditions as follows:

- The Company has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;

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NOTES TO THE FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

- Turnover is determined with relative certainty. In case the contract specifies that buyers have the right to return goods or products that were bought under specific terms, the revenue is only recognized when these specific terms no longer exist and the buyers have no right to return goods or products (except for the case that customers can return goods as exchange to other goods or services);
- The Company gained or will gain economic benefits from the sale transaction; and
- It is possible to determine the costs related to the goods sale transaction.

Revenue from services rendered

Revenue from a service transaction is recognized when the outcome of such transaction can be determined reliably. In case the service transaction is related to multiple periods, revenue is recognized in the period based on the portion of work completed as at the cut-off date for the preparation of the Financial Statements of that period. The outcome of a service transaction is determined when all four (4) of the following conditions are satisfied:

- Turnover is determined with relative certainty. In case the contract specifies that buyers have the right to return services that were bought under specific terms, the revenue is only recognized when these specific terms no longer exist and the buyers have no right to return services rendered;
- It is possible to obtain economic benefits from the service provision transaction.
- The stage of completion as at the cut-off date for the preparation of the Financial Statements can be determined reliably; and
- The costs incurred from the transaction and the costs of its completion can be determined.

Interest income

Interest amounts are recognized on accrual basis, being determined on balances of deposits and actual interest rate in the period.

15. Principle and method of recognizing financial expense

Financial expenses in the Income Statement include total interest expenses and foreign exchange losses incurred during the period.

16. Other accounting principles and methods

Tax liabilities

Value added tax (VAT)

The Company declares and calculates VAT under the guidelines of current value added tax law.

Corporate income tax

Corporate income tax presents the total amount of current tax payable.

Current tax payable is calculated on taxable profit in the year. Taxable income differs from net profit presented in the Income Statement because taxable income does not include assessable incomes or expenses or deductible one in other years (including losses carried forward, if any) and it further excludes items that are non-taxable or non-deductible.

The Company is subject to a corporate income tax rate of 20% on its taxable profits.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

The corporate income tax of the Company is determined in conformity with current tax regulations. However, these regulations may change from time to time and the final determination of corporate income tax will depend on the tax check results of competent tax authorities.

Other taxes

Other taxes and fees are declared and paid to the local tax authorities in compliance with the current regulations of the State.

17. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the Company's ordinary shareholders (after adjustments for appropriation to the Bonus and Welfare Fund and the Board of Management's Bonus Fund) by the weighted average number of ordinary shares outstanding during the year.

18. Related Parties

Parties qualify as related if one party possesses the ability, directly or indirectly, to control or exercise significant influence over the other party in making financial and operating decisions; or where the Company and the other party share common control or common significant influence. Related parties comprise entities or individuals, including close members of their families.

19. Segment Report

A segment is a distinguishable component of the Company that is engaged in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other business segments. The Board of General Directors identifies the Company's primary activities as producing and distributing clean water across various wards and communes in Hai Phong City (formerly Hai Duong Province). Therefore, the Company does not present segment reports according to business lines and geographical areas according to Vietnamese Accounting Standard No. 28 - Segment reporting.

V. Additional information of items presented in Balance Sheet

1. Cash

	31/12/2025	01/01/2025
	VND	VND
Cash on hand	1,380,844,913	1,984,731,087
Cash in bank	10,693,486,848	8,091,908,184
Cash in transit	66,183,281	116,122,752
Total	12,140,515,042	10,192,762,023

2. Trade accounts receivable

Unit: VND

	31/12/2025		01/01/2025	
	Amount	Provision	Amount	Provision
Short-term				
Iservice JSC	1,796,313,750	-	3,647,062,650	-
VIET DUC IDC., JSC	2,922,861,156	-	5,665,106,213	-
DAI AN., JSC	6,283,711,625	-	2,916,204,400	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

Thai Hoc Long Xuyen Clean Water JSC	674,242,380	-	637,205,940	-
Con Son Building Materials JSC	-	-	409,007,000	-
Others	2,244,507,650	-	3,007,264,126	-
Total	13,921,636,561	-	16,281,850,329	-

3. Advances to suppliers		31/12/2025	01/01/2025
		VND	VND
<i>Short-term</i>			
Minh Quang Mechanical Trading and Construction Co., Ltd		8,966,499	496,966,499
Thien Phu Investment Production and Development JSC		787,179,601	-
Ngoc Chau Trading Construction Company Limited		247,044,893	-
Vacom Accounting Software Technology Joint Stock Company		125,580,000	-
Nam Thanh E&C JSC		-	650,000,000
Hai Duong Planning and Construction Designing Consulting JSC		16,892,676	438,845,920
Others		66,866,708	148,057,232
Total		1,252,530,377	1,733,869,651

4. Other receivables				Unit: VND
		31/12/2025	01/01/2025	
		Amount	Amount	Provision
<i>Short-term</i>				
Other receivables	-	-	95,588,427	-
Mortgages, deposits	-	-	342,118,140	-
Other payable debit balance (*)	2,017,335,383	-	2,125,629,958	-
<i>Ngo Hai Lam</i>	903,509,000	-	1,153,509,000	-
<i>Nguyen Ngoc Long</i>	863,826,383	-	972,120,958	-
<i>Nguyen Van Thanh</i>	250,000,000	-	-	-
Total	2,017,335,383	-	2,563,336,525	-

(*) The amount of money the Company advances to Branch Directors to carry out projects.

5. Inventories				
		31/12/2025	01/01/2025	
		VND	VND	
		Cost	Cost	Provision
Raw materials	37,799,618,386	-	34,949,034,227	-
Tools, instruments	781,206,487	-	666,170,904	-
Work in progress	320,788,195	-	320,549,782	-
Finished goods	58,758,956	-	38,701,872	-
Total	38,960,372,024	-	35,974,456,785	-

HAI DUONG WATER JOINT STOCK COMPANY

Address: No. 10, Hong Quang Street, Hai Duong Ward, Hai Phong City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Form B 09 - DN**NOTES TO THE FINANCIAL STATEMENTS (continued)**

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

6. Increases, decreases of tangible fixed assets

Items	Land, building and architectural objects	Machinery, equipment	Means of transport, transmission	Managerial equipment, tools	Other fixed assets	Total
Unit: VND						
<i>Historical cost</i>						
Balance as at 01/01/2025	505,857,108,947	313,477,198,938	1,224,633,637,248	5,866,248,839	18,314,232,823	2,068,148,426,795
Completed capital construction in v	14,760,647,339	4,528,767,852	48,836,220,822	-	-	68,125,636,013
Purchase in the year	-	1,491,004,000	1,474,809,091	65,000,000	-	3,030,813,091
Decrease due to demolition	-	(270,000,000)	(1,408,080,584)	-	-	(1,678,080,584)
Balance as at 31/12/2025	520,617,756,286	319,226,970,790	1,273,536,586,577	5,931,248,839	18,314,232,823	2,137,626,795,315
<i>Accumulated depreciation</i>						
Balance as at 01/01/2025	289,483,602,268	234,477,594,032	727,387,509,643	4,265,093,515	17,879,114,986	1,273,492,914,444
Depreciation in the year	26,966,156,728	14,703,709,742	66,638,965,731	378,146,809	126,558,567	108,813,537,577
Decrease due to demolition	-	(16,578,021)	(554,761,701)	-	-	(571,339,722)
Balance as at 31/12/2025	316,449,758,996	249,164,725,753	793,471,713,673	4,643,240,324	18,005,673,553	1,381,735,112,299
Net book value						
As at 01/01/2025	216,373,506,679	78,999,604,906	497,246,127,605	1,601,155,324	435,117,837	794,655,512,351
As at 31/12/2025	204,167,997,290	70,062,245,037	480,064,872,904	1,288,008,515	308,559,270	755,891,683,016

Historical cost of tangible fixed assets that have been fully depreciated but are still in use at the year-end:: VND 509,967,926,694 (as at December 31, 2024: VND 420,835,537,703).

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

7. Increases, decreases of intangible fixed assets

Items	Programs, softwares	Unit: VND Total
<i>Historical cost</i>		
Balance as at 01/01/2025	855,700,000	855,700,000
Balance as at 31/12/2025	855,700,000	855,700,000
<i>Accumulated amortization</i>		
Balance as at 01/01/2025	769,366,667	769,366,667
Amortization in the year	82,234,462	82,234,462
Balance as at 31/12/2025	851,601,129	851,601,129
<i>Net book value</i>		
As at 01/01/2025	86,333,333	86,333,333
As at 31/12/2025	4,098,871	4,098,871

- Cost of fully depreciated fixed assets still in use: VND 817,000,000 (As of 31 December 2024: VND 287,000,000).

8. Long-term assets in progress

Items	31/12/2025 VND	01/01/2025 VND
<i>Work in progress</i>		
Renovating and adding water supply pipeline to Phan Dinh Phung street from Cam Thuong Water Plant to Hoang Ngan street	-	4,638,277,120
Moving HDPE D225 pipe for clearance to upgrade Hiep Luc street, Ho Chi Minh monument, provincial road 396	-	2,560,292,433
Construction and renovation of the working house of Sao Do Station, Clean Water Business Branch No. 04	-	2,960,057,164
Investment in installing two (02) additional pump units (1,100 m ³ /h each) at Secondary Pumping Station II within the 25,000 m ³ /day plant cluster – Clean Water Business Branch No. 1. (1)	7,898,827,112	-
Construction of the HDPE D800 transmission pipeline from An Phat Company's main gate to Cam Khe Culvert (2)	11,647,915,015	-
Construction of the HDPE D280 transmission pipeline for the high-capacity water supply to Thanh Ha Town – Area 442.	3,448,640,290	-
Investment to replace the pump of the Level I Pumping Station of Viet Hoa Water Plant Clean Water Business Branch No. 1 (3)	5,725,886,514	-
Installation and replacement of four (04) pump units at Primary Pumping Station 1, Cam Thuong Water Plant.	4,635,879,222	-
Other projects	7,915,863,677	1,458,360,260
Total	41,273,011,830	11,616,986,977

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

(1) The investment project to install two additional 1,100 m³/h pumping units at Station II, Cluster 25,000 m³/day, Clean Water Business Branch No. 1 is implemented according to Decision No. 1090/QD-HDQT dated July 08, 2025. The project is implemented in Viet Hoa Ward, Hai Phong city with a total investment of VND 10.04 billion from the Company's capital and commercial loans. As of the reporting date, the project is in the installation stage.

(2) The investment project for the HDPE D800 transmission pipeline from An Phat company's main gate to Cam Khe culvert is implemented according to Decision No. 223/QD-HDQT dated February 13, 2025. The 964m pipeline is located in Hai Duong Ward, with a total investment of 21 billion VND funded by equity and commercial loans. As of the reporting date, the project is in the final leveling stage.

(3) The investment project to replace the pump of the Level I Pumping Station of Viet Hoa Water Plant, Clean Water Business Branch No. 1, is implemented according to Decision No. 1117/QD-HDQT dated July 11, 2025. The project is implemented at Viet Hoa Water Plant with a total investment of VND 7.46 billion from the Company's capital and commercial loans. As of the reporting date, the project is in the installation stage.

9. Prepayment expenses

	31/12/2025	01/01/2025
	VND	VND
a) Short-term	393,700,772	-
Other prepaid expenses	393,700,772	-
b) Long-term	41,328,984,193	35,332,544,611
Issued tools and instruments awaiting for allocation	9,196,516,006	7,942,354,626
Cost of major repairs of fixed assets	32,132,468,187	27,390,189,985
Total	41,722,684,965	35,332,544,611

10. Trade accounts payable

	Unit: VND			
	31/12/2025		01/01/2025	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
a) Short-term				
Phu Thai Import Export Trading Investment JSC	425,438,600	425,438,600	1,557,238,600	1,557,238,600
Ngoc Chau Construction Trading Co., Ltd	-	-	1,575,955,107	1,575,955,107
Cuc Phuong JSC	10,447,897,899	10,447,897,899	20,971,268,354	20,971,268,354
Viet Nam HTP Environment Company Limited	10,606,176,800	10,606,176,800	-	-
DNP Hawaco JSC	1,166,062,500	1,166,062,500	5,230,782,900	5,230,782,900
Son Nguyen Technology Company Limited	6,215,638,260	6,215,638,260	786,709,860	786,709,860
Huyen Duong Co., Ltd	785,640,369	785,640,369	928,059,861	928,059,861
Phuc Hung Hai Duong Water Supply JSC	258,960,600	258,960,600	1,277,775,880	1,277,775,880

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

Others	32,837,939,447	32,837,939,447	23,787,474,473	23,787,474,473
Total	62,743,754,475	62,743,754,475	56,115,265,035	56,115,265,035

b) Trade accounts payable as related parties: Details are presented in Note VIII.2

11. Advances from customers

	31/12/2025 VND	01/01/2025 VND
<i>Short-term</i>		
FLC Group JSC	1,102,100,957	1,102,100,957
Others	788,345,274	246,411,455
Total	1,890,446,231	1,348,512,412

12. Taxes and payables to the State budget

	01/01/2025	Amounts payable in the year	Amounts paid in the year	Unit: VND 31/12/2025
<i>a) Payables</i>				
Output Value added tax	12,679,648	8,440,748,243	8,440,510,187	12,917,704
Corporate income tax	7,259,003,137	12,819,535,391	12,108,237,199	7,970,301,329
Natural resource tax	183,189,350	2,193,541,875	2,191,213,225	185,518,000
Fees, charges and other payables	3,510,061,457	42,378,446,572	42,312,398,568	3,576,109,461
Total	10,964,933,592	65,832,272,081	65,052,359,179	11,744,846,494
<i>b) Receivables</i>				
Personal income tax	1,238,270,057	903,401,767	1,025,772,762	1,360,641,052
Land and housing tax	2,801,054	264,265,817	261,464,763	-
Total	1,241,071,111	1,167,667,584	1,287,237,525	1,360,641,052

13. Accrued expenses

	31/12/2025 VND	01/01/2025 VND
<i>Short-term</i>		
Interest expense	132,206,849	154,241,320
Accrued water expenses	1,002,794,400	-
Total	1,135,001,249	154,241,320

HAI DUONG WATER JOINT STOCK COMPANY

Address: No. 10, Hong Quang Street, Hai Duong Ward, Hai Phong City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

14. Loans and obligations under finance lease

	31/12/2025		In the year		01/01/2025		Unit: VND
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off	
<i>a) Short-term</i>							
Current portion of long-term debt	40,942,464,050	40,942,464,050	40,942,464,050	8,863,582,450	8,863,582,450	8,863,582,450	8,863,582,450
Vietnam Development Bank - Northeast Regional Branch (1)	8,863,582,450	8,863,582,450	8,863,582,450	8,863,582,450	8,863,582,450	8,863,582,450	8,863,582,450
Joint Stock Commercial Bank for Investment and Development - Hai Duong Branch (2)	5,369,881,600	5,369,881,600	5,369,881,600	-	-	-	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Duong Branch (3)	26,709,000,000	26,709,000,000	26,709,000,000	-	-	-	-
<i>b) Long-term</i>							
Vietnam Development Bank - Northeast Regional Branch (1)	172,879,616,355	172,879,616,355	26,769,704,882	82,737,715,258	228,847,626,731	228,847,626,731	228,847,626,731
Joint Stock Commercial Bank for Investment and Development - Hai Duong Branch (2)	92,130,061,374	92,130,061,374	10,711,889,528	17,876,797,212	99,294,969,058	99,294,969,058	99,294,969,058
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Duong Branch (3)	31,501,469,778	31,501,469,778	14,360,300,283	10,739,763,200	27,880,932,695	27,880,932,695	27,880,932,695
Total	49,248,085,203	49,248,085,203	1,697,515,071	54,121,154,846	101,671,724,978	101,671,724,978	101,671,724,978
Total	213,822,080,405	213,822,080,405	67,712,168,932	91,601,297,708	237,711,209,181	237,711,209,181	237,711,209,181

(1) The loan from the Vietnam Development Bank - North East Regional Branch is an ODA loan.

(2) The ODA loan is funded by the Government of Japan. This loan is disbursed by the Vietnam Development Bank - North East Regional Branch under ODA Loan Agreement No. 01/2004/TDNN dated March 24, 2004, with an interest rate of 0.45% per month and is secured by fiduciary guarantee.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

- ODA loan funded by the Dutch government. This loan was disbursed by Vietnam Development Bank - Northeast Regional Branch under ODA loan contract No. 01/2008/HDODA - NHPTVN dated 12/11/2008. Collateral: assets formed from loan capital. The loan interest rate is 0%/year, in case of overdue debt, late payment interest will apply.

- Loan under the Re-lending Agreement dated 16/7/2009 between the Ministry of Finance and Hai Duong Water One-Member Company Limited (pursuant to Development Credit Agreement No. 4038-VN dated 15/7/2005), the loan interest rate is 3.0%/year.

(2) Loans from Joint Stock Commercial Bank for Investment and Development - Hai Duong Branch:

- Loan under credit contract No. 01/2018/214051/HDTD dated 11/5/2018, floating interest rate. The loan is secured by assets formed from loan capital. Mortgage Agreement for assets to be formed in the future No. 01/2018/214051/HDBD dated 11/5/2018, the total value of mortgaged assets rounded up is VND 30,779 billion.

- Loan under credit contract No. 01/2023/214051/HDTD dated 27/4/2023, floating interest rate adjusted every 6 months or upon notice from the Bank. Security interest: Mortgage Agreements for future assets signed on 11/5/2018 and 27/4/2023.

- Loan under credit contract No. 02/2023/214051/HDTD dated 21/9/2023, floating interest rate adjusted every 6 months or upon notice from the Bank. Security interest: Mortgage Agreements for assets formed in the future signed on 11/5/2018, 27/4/2023 and 25/9/2023.

- Loan under credit contract No. 03/2023/214051/HDTD dated 08/11/2023, floating interest rate adjusted every 6 months or upon notice from the Bank. Security interest: Mortgage Agreements for assets formed in the future signed on 11/5/2018, 27/4/2023, 25/9/2023 and 08/11/2023.

- Loan under credit contract No. 01/2025/214051/HDTD dated 09/4/2025, floating interest rate adjusted every 6 months or upon notice from the Bank. Security interest: Mortgage Agreements for assets formed in the future signed on 11/5/2018, 27/4/2023, 25/9/2023, 08/11/2023 and 09/4/2025.

(3) Loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Duong Branch:

- Loan under credit contract No. 12.10/CNHD9/2017/HDCVDADT/KDNS dated 16/10/2017, loan interest rates according to each debt receipt.

- Loan under credit contract No. 27.10/CNHD9/2017/HDCVDADT/KDNS dated 27/10/2017, loan interest rates according to each debt receipt.

- Loan under credit contract No. 27.08/2018-HDCVDADT/NHCT340-KDNSHD, loan interest rates according to each debt receipt. The guarantee terms are specified in the Mortgage Agreement for assets formed in the future No. 27.08/2018/HDBD/NHCT340/KDNSHD.

- Loan under credit contract No. 30.08/2019-HDCVDADT/NHCT340-KDNSHD dated 30/8/2019, loan interest rates according to each debt receipt. The guarantee terms are specified in the Mortgage Agreement for assets formed in the future No. 30.08/2019/HDBD/NHCT340/KDNSHD dated 30/08/2019.

- Loan under credit contract No. 13.01/2020-HDCVDADT/NHCT340-KDNSHD dated 15/01/2020, loan interest rates according to each debt receipt. The guarantee terms are specified in the Mortgage Agreement for assets formed in the future No. 13.01/2020/HDBD/NHCT340/KDNSHD/VIETHOA dated 14/01/2020.

- Loan under credit contract No. 10.06/2020-HDCVDADT/NHCT340-KDNSHD dated 12/6/2020, loan interest rates according to each debt receipt.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

- Loan under credit contract No. 15.10/2020-HDCVDADT/NHCT340-KDNSHD dated 15/10/2020, loan interest rates according to each debt receipt.
- Loan under credit contract No. 16.11/2020-HDCVDADT/NHCT340-KDNSHD dated 19/11/2020, loan interest rates according to each debt receipt.
- Loan under credit contract No. 06/2021-HDCVDADT/NHCT340-KDNSHD dated 17/6/2021, loan interest rates according to each debt receipt.
- Loan under credit contract No. 21.06/2021-HDCVDADT/NHCT340-KDNSHD dated 25/6/2021, loan interest rates according to each debt receipt.
- Loan under credit contract No. 21.10/2021-HDCVDADT/NHCT340-KDNSHD dated 28/10/2021, loan interest rates according to each debt receipt.
- Loan under credit contract No. 25.10/2021-HDCVDADT/NHCT340-KDNSHD dated 28/10/2021, loan interest rates according to each debt receipt.
- Loan under credit contract No. 15.07/2022-HDCVDADT/NHCT340-KDNSHD dated 22/7/2022, loan interest rates according to each debt receipt. The guarantee terms are specified in the Mortgage Agreement for assets formed in the future No. 15.07/2022-HDCVDADT/NHCT340-KDNSHD.
- Loan under credit contract No. 15.07.01/2022-HDCVDADT/NHCT340-KDNSHD dated 26/7/2022, loan interest rates according to each debt receipt.
- Loan under credit contract No. 21.09/2022-HDCVDADT/NHCT340-KDNSHD dated 27/9/2022, loan interest rates according to each debt receipt.
- Loan under credit contract No. 02/2024-HDCVDADT/NHCT340-KDNSHD dated 04/3/2024, loan interest rates according to each debt receipt.
- Loan under credit contract No. 02/2024-HDCVDADT/NHCT340-KDNSHD/TBVINHONG dated 11/4/2024, loan interest rates according to each debt receipt. The security contract is real estate mortgage contract No. 02/2024/HDBD/NHCT340/KDNSHD/VINHONG.
- Loan under credit contract No. 03/2024-HDCVDADT/NHCT340-KDNSHD/THUCKHANG dated 15/5/2024, loan interest rates according to each debt receipt.
- Loan under credit contract No. 06/2024-HDCVDADT/NHCT340-KDNSHD/VINHONGGD3 dated 14/6/2024, loan interest rates according to each debt receipt. The security contract is real estate mortgage contract No. 06/2024/HDBD/NHCT340/KDNSHD/VINHONGGD3.
- Loan under credit contract No. 07/2024-HDCVDADT/NHCT340-KDNSHD dated 22/08/2024, loan interest rates according to each debt receipt.
- Loan under credit contract No. 08/2024-HDCVDADT/NHCT340-KDNSHD dated 23/08/2024, loan interest rates according to each debt receipt.

15. Other payables

	31/12/2025	01/01/2025
	VND	VND
a) Short-term	19,183,851,477	16,296,890,827
Trade Union Fund	139,229,113	149,209,928
Accounts payable, other payables	19,044,622,364	16,147,680,899
Mac Huy Hoang	136,909,164	136,909,164

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

<i>Ngo Hai Lam</i>	2,128,295,983	1,532,013,837
<i>Nguyen Duc Hai</i>	-	744,899,177
<i>Vu Ba Long</i>	406,808,766	503,157,369
<i>People's Committee of Hai Duong Province (now People's Committee of Hai Phong City) (1)</i>	7,202,000,000	7,202,000,000
<i>Forest Protection and Development Fund (2)</i>	6,180,255,068	3,001,018,852
<i>Other items</i>	2,990,353,383	3,027,682,500
b) Long-term	105,288,020,313	112,490,020,313
People's Committee of Hai Duong Province (now People's Committee of Hai Phong City) (1)	91,622,000,000	98,824,000,000
The provision of materials for the Oret project - Dutch ODA (3)	13,666,020,313	13,666,020,313
Total	124,471,871,790	128,786,911,140

(1) Payables to the People's Committee of Hai Duong Province (now the People's Committee of Hai Phong City) regarding the budget allocated for rural clean water projects. Simultaneously, according to Decision No. 529/QD-UBND dated February 10, 2017, by the People's Committee of Hai Duong Province on 'Approving the plan for depreciation deduction to be remitted to the State Budget from the State Budget capital supported for rural clean water projects,' the depreciation period for the project is 20 years from the time the project is completed, handed over, and put into use. The amount of project depreciation deduction shall be remitted to the State Budget in accordance with Article 21 of Circular No. 54/2013/TT-BTC dated May 4, 2013, by the Ministry of Finance.

(2) Amounts payable for forest environmental service fees.

(3) Amounts funded by Netherlands ODA through the Ministry of Finance, provided in the form of materials for the implementation of the ORET - Netherlands ODA project.

c) *Trade accounts payable as related parties: Details are presented in Note VIII.2*

HAI DUONG WATER JOINT STOCK COMPANY

Address: No. 10, Hong Quang Street, Hai Duong Ward, Hai Phong City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

16. Owner's equity

a) Statement of Changes in Equity

Unit: VND

Items	Owner's contributed capital	Other owner's equity	Development Investment Fund	Retained Earnings	Total
Balance as of January 1, 2024	318,824,708,995	82,922,526,064	7,273,531,461	30,853,257,841	439,874,024,361
Profit in the previous year	-	-	-	46,044,228,241	46,044,228,241
Dividend distribution	-	-	-	(25,248,931,882)	(25,248,931,882)
Classification of Funds	-	-	3,119,851,889	(5,604,325,959)	(2,484,474,070)
Balance as of December 31, 2024	318,824,708,995	82,922,526,064	10,393,383,350	46,044,228,241	458,184,846,650
Profit in the year	-	-	-	48,516,171,731	48,516,171,731
Dividend distribution (*)	-	-	-	(25,824,800,700)	(25,824,800,700)
Classification of Funds (*)	-	-	13,199,685,141	(20,219,427,541)	(7,019,742,400)
Balance as of December 31, 2025	318,824,708,995	82,922,526,064	23,593,068,491	48,516,171,731	473,856,475,281

(*) Appropriation to the Bonus and Welfare Fund and the Development Investment Fund for 2024, in accordance with Resolution No. 983/NQ-DHDCD dated June 20, 2025, passed by the 2025 Annual General Meeting of Shareholders of Hai Duong Water Joint Stock Company.

b) Details of owner's capital contribution

	31/12/2025 VND	01/01/2025 VND
People's Committee of Hai Duong Province (now the People's Committee of Hai Phong City)	207,236,068,995	207,236,068,995
Phuc Hung Hai Duong Water Supply Joint Stock Company	39,000,000,000	39,000,000,000
Xuan Hung Water Supply Joint Stock Company	15,000,000,000	15,000,000,000
Mr. Pham Minh Cuong	1,174,030,000	1,174,030,000
Mr. Nguyen Duc Thuan	5,000,000,000	5,000,000,000
Other	51,414,610,000	51,414,610,000
Total	318,824,708,995	318,824,708,995



NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

c) Capital transactions with owners, dividend distribution and shared profit

	Year 2025	Year 2024
	VND	VND
Owner's contributed capital	318,824,708,995	318,824,708,995
Opening contributed capital	318,824,708,995	318,824,708,995
Closing contributed capital	318,824,708,995	318,824,708,995
Paid dividend, shared profit	25,824,800,700	25,248,931,882

d) Shares

	31/12/2025	01/01/2025
	Shares	Shares
Number of shares registered for issue	31,882,470	31,882,470
Number of shares issued to the public	31,882,470	31,882,470
- Ordinary shares	31,882,470	31,882,470
Number of outstanding shares in circulation	31,882,470	31,882,470
- Ordinary shares	31,882,470	31,882,470
- Par value of outstanding shares: VND 10,000 per share		

VI. Additional information for items presented in Income Statement**1. Gross revenue from goods sold and services rendered**

	Year 2025	Year 2024
	VND	(Re-representation) VND
Revenue from clean water supply	582,986,936,350	548,937,347,350
Revenue from pipeline installation	11,012,253,736	10,058,331,845
Revenue from purified water	7,450,371,500	8,610,614,500
Other revenue	1,904,607,343	1,832,500,103
Total	603,354,168,929	569,438,793,798

2. Cost of sales

	Year 2025	Year 2024
	VND	(Re-representation) VND
Cost of clean water supply activities	425,731,700,942	394,412,228,518
Cost of pipeline installation activities	9,886,625,132	9,396,538,237
Cost of sales from purified water activities	4,925,320,554	5,362,902,534
Total	440,543,646,628	409,171,669,289

3. Financial income

	Year 2025	Year 2024
	VND	VND
Interest from bank deposits	65,353,275	46,705,890
Exchange rate difference interest due to year-end revaluation	-	2,702,253,190
Other financial income	-	1,155,600
Total	65,353,275	2,750,114,680

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

4. Financial expenses

	Year 2025	Year 2024
	VND	VND
Interest expense	12,871,664,524	15,012,535,068
Exchange rate difference loss due to year-end revaluation	10,711,889,528	-
Total	23,583,554,052	15,012,535,068

5. Other income

	Year 2025	Year 2024
	VND	VND
Value of materials recovered from dismantling assets	921,354,396	393,975,276
Collect VAT on excluded invoices	-	701,847,565
Other income	116,870,190	245,715,235
Total	1,038,224,586	1,341,538,076

6. Other expenses

	Year 2025	Year 2024
	VND	VND
Fines and penalties for late payment of taxes and insurance	82,891,184	359,427,053
Adjusting and reducing deductible input VAT	-	140,598,722
Costs of property demolition	851,885,213	665,549,314
Cost of unfinished works not implemented	241,169,875	166,161,136
Other expenses	2,101,461	84,683,644
Total	1,178,047,733	1,416,419,869

7. Selling expenses and general and administration expenses

	Year 2025	Year 2024
	VND	VND
a) Selling expenses incurred in the year	22,938,848,977	22,829,284,735
Sales staff expenses	15,168,056,097	14,493,283,185
Tools and instruments	791,576,602	1,030,938,393
External services expenses	5,373,971,278	5,752,268,157
Other cash expenses	1,605,245,000	1,552,795,000
b) General and administration expenses incurred in the year	54,877,942,278	66,815,496,809
Staff expenses	23,774,630,483	22,905,668,865
Stationery cost	1,650,810,094	2,148,919,687
Depreciation of fixed assets	1,076,942,605	8,419,257,532
Taxes, fees and charges	234,007,181	268,869,112
External services expenses	20,997,895,443	17,987,664,403
Other cash expenses	7,143,656,472	15,085,117,210
Total	77,816,791,255	89,644,781,544

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

8. Production cost by factor

	Year 2025	Year 2024
	VND	VND
Cost of raw materials	85,472,407,066	70,213,689,959
Labor costs	132,952,856,092	127,358,374,930
Fixed asset depreciation expense	108,895,772,039	109,171,737,757
Cost of outside services	114,673,921,293	109,419,265,432
Other cash expenses	77,347,059,884	82,944,509,370
Total	519,342,016,374	499,107,577,448

9. Current Income Tax Expense

	Year 2025	Year 2024
	VND	VND
Accounting profit before corporate income tax	61,335,707,122	58,285,040,784
Corporate income tax non-deductible expense	2,012,147,560	2,919,021,931
Corporate income tax assessible income	63,347,854,682	61,204,062,715
Current corporate income tax rate	20%	20%
Corporate income tax expense calculated on current taxable incomes	12,669,570,936	12,240,812,543
Adjustment of Corporate income tax expense in prior periods into current Corporate income tax this period	149,964,455	
Total current corporate income tax expense	12,819,535,391	12,240,812,543

10. Basic earning per share

	Year 2025	Year 2024
	VND	(Re-presentation) VND
Accounting profit after corporate income tax	48,516,171,731	46,044,228,241
Adjustments to increase or decrease accounting profits to determine profits or losses allocated to shareholders owning ordinary shares:	-	(7,019,742,400)
<i>Decreased amount</i>	-	(7,019,742,400)
<i>+ Amount deducted for bonus and welfare fund (*)</i>	-	(7,019,742,400)
Profit or loss allocated to shareholders owning ordinary shares	48,516,171,731	39,024,485,841
Average number of ordinary shares outstanding during the period	31,882,470	31,882,470
Basic earnings per share	1,521.72	1,224.01

(*) The Company has not yet estimated the appropriation for the bonus and welfare fund for the fiscal year ended December 31, 2025. Therefore, the profit attributable to ordinary shareholders used to calculate basic earnings per share has not been deducted for the appropriation to the bonus and welfare fund.

(**) The Company has restated the 2024 Basic Earnings Per Share (EPS) to reflect the impact of bonus and welfare fund appropriations in accordance with Resolution No. 983/NQ-DHDCD issued at the 2025 Annual General Meeting of Shareholders on June 20, 2025, specifically as follows:

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

	Year 2024		
	Before adjustment	Adjustments	After adjustment
	VND	VND	VND
Accounting profit after corporate income tax	46,044,228,241	-	46,044,228,241
+ Adjustments to increase or decrease accounting profits to determine profits or losses allocated to shareholders owning ordinary shares:	-	(7,019,742,400)	(7,019,742,400)
- Increased amount	-	-	-
- Decreased amount	-	(7,019,742,400)	(7,019,742,400)
+ Amount deducted for bonus and welfare fund	-	(7,019,742,400)	(7,019,742,400)
Profit allocated to shareholders owning ordinary shares	46,044,228,241	(7,019,742,400)	39,024,485,841
Average number of ordinary shares outstanding during the year	31,882,470	-	31,882,470
Basic earnings per share	1,444.19		1,224.01

The Company had no potentially dilutive ordinary shares during the period and up to the reporting date. Consequently, diluted earnings per share is equal to basic earnings per share.

VII. Additional information for items presented in the Cash Flow Statement

	Year 2025	Year 2024
	VND	VND
1. Non-cash transactions that affect the Cash Flow Statement in the future		
Exchange rate difference loss from revaluation foreign currency borrowings from Vietnam Development Bank - Northeast Regional Branch□	10,711,889,528	-
Exchange rate difference interest from revaluation foreign currency borrowings from Vietnam Development Bank - Northeast Regional Branch□	-	2,702,253,190
2. The actual proceeds from borrowing during the year		
Proceeds from borrowings under normal loan agreements	16,057,815,354	23,260,457,575
3. The amount actually repaid to the loan principal during the year		
Principal repayments under normal loan agreements	50,658,833,658	62,051,136,189

VIII Other information

1. Commitments

On September 27, 2018, the Company entered into Land Lease Contract No. 1953/HDTD with the People's Committee of Hai Duong Province (currently Hai Phong City) to lease land lots within the province for the construction of its head office and non-agricultural production activities. Under the terms of this contract, the Company is obligated to pay land rentals in accordance with prevailing regulations until the contract's expiry.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

2. Subsequent events after the end of the financial year

Board of General Directors confirms that, according to Board of General Directors, in all material respects, there are no unusual events arising after the balance sheet date which affects the financial position and operation of the Company that needed to be adjusted or presented on the Financial Statements for the fiscal year ended 31/12/2025.

3. Transactions and balances with related parties

Related parties of the Company include: Key members, individuals who are related to key members and other related parties.

() List of related parties*

<u>Related parties</u>	<u>Relationship</u>
The People's Committee of Hai Duong Province (now the People's Committee of Hai Phong City)	Shareholder owns 65% of shares
Phuc Hung Hai Duong Water Supply JSC	Shareholder owns 12% of shares and whose representative is a member of the Board of Management
Vu Manh Dung	Chairman of the Board of Directors
Nguyen Van Phung	Vice Chairman of the Board of Directors cum Deputy General Director (Retired from November 1, 2025)
Nguyen Thanh Son	Member of the Board of Directors cum General Director
Vu Van Nhan	Member of the Board of Directors cum Deputy General Director
Nguyen Thai Dung	Member of the Board of Directors cum Deputy General Director
Vu Chi Phuong	Member of the Board of Directors
Pham Thi Man	Member of the Board of Directors
Nguyen Thi Huong	Chief Accountant
Tran Thi Thanh Ngan	Head of the Control Board
Nguyen Thi Thu Hang	Member of the Control Board
Tran Thi Hue	Member of the Control Board

() During the year, the Company has entered into significant transactions with related parties as follows:*

	<u>Year 2025</u>	<u>Year 2024</u>
	<u>VND</u>	<u>VND</u>
Purchase		
Phuc Hung Hai Duong Water Supply JSC	16,674,822,000	14,108,774,400
Dividend payment		
The People's Committee of Hai Duong Province (now the People's Committee of Hai Phong City)	16,786,120,680	16,411,645,299
Phuc Hung Hai Duong Water Supply JSC	3,159,000,000	3,088,527,000

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

(*) Balances with related parties

	31/12/2025	01/01/2025
	VND	VND
Trade payables		
Phuc Hung Hai Duong Water Supply JSC	258,960,600	1,277,775,880
Other payables		
The People's Committee of Hai Duong Province (now the People's Committee of Hai Phong City)	98,824,000,000	106,026,000,000

(*) Remuneration entitled to key management members in the year as follows:

	Year 2025	Year 2024
	VND	VND
1. Income of Board of Management, Board of General Directors and other management members	3,402,900,516	2,642,061,511
2. Income of Control Board	842,169,800	617,878,863
3. Remuneration for members of the Board of Directors and the Supervisory Board	80,047,100	72,000,000
Total	4,325,117,416	3,331,940,374

Details of the income of key management members in the year as follows:

		Year 2025	Year 2024
		VND	VND
Income of Board of Management, Board of General Directors and other management members			
Vu Manh Dung	Chairman of the Board of Directors	696,298,349	552,439,889
Nguyen Van Phung	Vice Chairman cum Deputy General Director (Retired from November 1, 2025)	462,686,510	462,852,040
Pham Minh Cuong	Member of the Board of Directors and General Director (Dismissed effective May 1, 2024)	-	174,067,270
Nguyen Thanh Son	Member of the Board of Directors and General Director	543,755,745	450,154,180
Vu Van Nhan	Member of the Board of Directors cum Deputy General Director	492,313,576	429,422,930
Nguyen Thai Dung	Deputy General Director	471,627,960	164,652,029
Vu Chi Phuong	Member of the Board of Directors	275,576,758	-
Nguyen Thi Huong	Chief Accountant	460,641,618	408,473,173
Income of Control Board			
Tran Thi Thanh Ngan	Head of the Control Board	383,834,040	287,368,860
Nguyen Thi Thu Hang	Member of the Control Board	228,917,880	165,958,961
Tran Thi Hue	Member of the Control Board	229,417,880	164,551,042
Remuneration for members of the Board of Directors and the Supervisory Board			
Pham Thi Man	Member of the Board of Directors	80,047,100	72,000,000
Total		4,325,117,416	3,331,940,374

NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes are an integral part of these Financial Statements and they shall be read in conjunction with such enclosed Financial Statements)

4. Comparative information

Comparative figures are the figures of the audited Financial Statements for the fiscal year ended December 31, 2024 of Hai Duong Water Joint Stock Company by Vietnam Auditing and Evaluation Co., Ltd.

Hai Phong, February 27, 2026

HAI DUONG WATER JOINT STOCK COMPANY

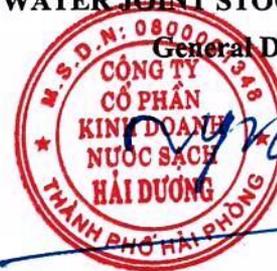
Prepared

Le Thi Quyen

Chief Accountant

Nguyen Thi Huong

General Director



Nguyen Thanh Son

