



LONG AN WATER SUPPLY SEWERAGE JOINT STOCK COMPANY

REVIEWED INTERIM FINANCIAL STATEMENTS
FOR THE OPERATION PERIOD FROM 01 JANUARY 2025 TO 30 JUNE 2025

- Kiểm toán
- Tư vấn Thuế
- Tư vấn Tài chính
- Thẩm định giá và xác định giá trị doanh nghiệp
- Audit
- Tax advisory
- Financial advisory
- Valuation

LONG AN WATER SUPPLY SEWERAGE JOINT STOCK COMPANY

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FOR THE OPERATION PERIOD FROM 01 JANUARY 2025 TO 30 JUNE 2025**

TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT AND THE BOARD OF GENERAL DIRECTORS	1 - 2
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION	3
INTERIM BALANCE SHEET	4 - 5
INTERIM INCOME STATEMENT	6
INTERIM CASH FLOW STATEMENT	7
NOTES TO THE INTERIM FINANCIAL STATEMENTS	8 - 28

**STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT
AND THE BOARD OF GENERAL DIRECTORS**

The Chairman of the Board of Management and the Board of General Directors of Long An Water Supply Sewerage Joint Stock Company (the "Company") presents this report together with the Company's interim financial statements for the operation period from 01 January 2025 to 30 June 2025.

THE BOARD OF MANAGEMENT AND THE BOARD OF GENERAL DIRECTORS

The members of the Board of Management and the Board of General Directors of the Company who held office during the period and to the date of this report are as follows:

Board of Management

Mr. Nguyen Bao Tung	Chairman
Ms. Truong Ngoc Thuy Trang	Member
Mr. Mai Song Hao	Member
Mr. Tran Tan Loi	Member
Mr. Luu Van Can	Member

Board of General Directors

Ms. Truong Ngoc Thuy Trang	General Director
Mr. Luu Van Can	Deputy General Director

Board of Supervisors

Mr. Cao Duy Thanh	Head of Board of Supervisors
Ms. Truong Thi Le Khanh	Member
Mr. Nguyen Dinh Tuan	Member

Legal representative

The legal representative of the Company during the period and to the date of this report is Mr. Nguyen Bao Tung - Chairman of the Board of Management.

**CHAIRMAN OF THE BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS'
STATEMENT OF RESPONSIBILITY**

The Chairman of the Board of Management and the Board of General Directors of the Company is responsible for preparing the interim financial statements, which give a true and fair view of the financial position of the Company as at 30 June 2025, its financial performance and its cash flows for the operation period from 01 January 2025 to 30 June 2025. In preparing these interim separate financial statements, the Chairman of the Board of Management and the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the 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 errors and frauds.

The Chairman of the Board of Management and the 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 for ensuring that the interim financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the interim financial statements. The Chairman of the Board of Management and the 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 fraud and other irregularities.

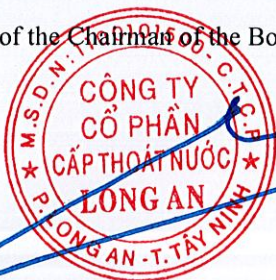
The Chairman of the Board of Management and the Board of General Directors confirms that the Company has complied with the above requirements in preparing the interim financial statements.

**STATEMENT OF THE CHAIRMAN OF THE BOARD OF MANAGEMENT
AND THE BOARD OF GENERAL DIRECTORS (CONTINUED)**

**CHAIRMAN OF THE BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS'
STATEMENT OF RESPONSIBILITY (CONTINUED)**

In the Chairman of the Board of Management and the Board of General Directors' opinion, the interim financial statements give a true and fair view of the financial position of the Company as at 30 June 2025, its financial performance and its cash flows for the operation period from 01 January 2025 to 30 June 2025 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the interim financial statements.

For and on behalf of the Chairman of the Board of Management and the Board of General Directors,



Nguyen Bao Tung
Chairman of the Board of Management
Tây Ninh, 14 August 2025

NO.: 159/VACO/BCKT.HCM

**REPORT ON REVIEW OF
INTERIM FINANCIAL INFORMATION**

**To: The shareholders
The Board of Management and the Board of General Directors
Long An Water Supply Sewerage Joint Stock Company**

We have reviewed the accompanying interim financial statements of Long An Water Supply Sewerage Joint Stock Company ("the Company"), prepared on 14 August 2025, as set out from page 04 to page 28, which comprise the interim balance sheet as at 30 June 2025, the interim income statement and the interim cash flow statement for the operation period from 01 January 2025 to 30 June 2025, and the notes to the interim financial statements (collectively referred to as the "interim financial statements").

Chairman of the Board of Management and Board of General Directors' Responsibility

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

Auditors' Responsibility

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material aspects, the financial position of the Company as at 30 June 2025, its financial performance and its cash flows for the operation period from 01 January 2025 to 30 June 2025 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the interim financial statements.



Nguyễn Ngọc Thạch
Deputy General Director
Audit Practising Registration Certificate
No.: 1822-2023-156-1
For and on behalf
HO CHI MINH BRANCH
VACO AUDITING COMPANY LIMITED
Ho Chi Minh, 14 August 2025



INTERIM BALANCE SHEET
As at 30 June 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A - CURRENT ASSETS	100		55,888,973,244	37,819,942,430
I. Cash and cash equivalents	110	4	21,900,348,720	5,409,452,221
1. Cash	111		21,900,348,720	5,055,494,883
2. Cash equivalents	112		-	353,957,338
II. Short-term financial investments	120	5	776,942,048	888,123,138
1. Held-to-maturity investments	123		776,942,048	888,123,138
III. Short-term receivables	130		18,115,192,635	13,088,413,825
1. Short-term trade receivables	131	6	14,262,063,761	10,557,167,157
2. Short-term advances to suppliers	132		1,609,940,823	1,442,231,823
3. Other short-term receivables	136	7	2,301,654,874	1,147,481,668
4. Provision for short-term doubtful debts	137		(58,466,823)	(58,466,823)
IV. Inventories	140	8	14,807,131,989	15,701,773,864
1. Inventories	141		21,310,318,849	18,743,360,249
2. Provision for devaluation of inventories	149		(6,503,186,860)	(3,041,586,385)
V. Other short-term assets	150		289,357,852	2,732,179,382
1. Short-term prepayments	221		300,842,695,738	277,688,533,964
2. Value added tax deductibles	152		-	2,725,651,382
3. Taxes and other receivables from the State budget	153	9	3,000,000	6,528,000
B - NON-CURRENT ASSETS	200		295,166,754,084	304,458,703,643
I. Fixed assets	220		289,903,559,139	303,154,386,760
1. Tangible fixed assets	221	10	287,609,368,076	300,842,695,738
- Cost	222		702,581,023,941	698,756,302,592
- Accumulated depreciation	223		(414,971,655,865)	(397,913,606,854)
2. Intangible fixed assets	227	11	2,294,191,063	2,311,691,022
- Cost	228		2,896,286,455	2,896,286,455
- Accumulated amortisation	229		(602,095,392)	(584,595,433)
II. Long-term assets in progress	240		3,823,447,945	330,784,389
1. Long-term construction in progress	242	12	3,823,447,945	330,784,389
III. Other long-term assets	260		1,439,747,000	973,532,494
1. Long-term prepayments	261	13	1,439,747,000	973,532,494
TOTAL ASSETS (270 = 100 + 200)	270		351,055,727,328	342,278,646,073

INTERIM BALANCE SHEET (CONTINUED)

As at 30 June 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C - LIABILITIES	300		130,780,468,357	155,240,189,562
I. Current liabilities	310		67,372,619,539	84,231,141,494
1. Short-term trade payables	311	14	41,812,954,467	46,042,243,461
2. Short-term advances from customers	312		1,664,451,458	880,589,566
3. Taxes and amounts payable to the State budget	313	9	3,024,984,130	1,911,364,458
4. Payables to employees	314		4,143,535,979	4,562,979,903
5. Short-term accrued expenses	315	15	3,173,410,000	829,356,000
6. Other current payables	319	16	2,909,392,950	13,662,571,551
7. Short-term loans and obligations under finance leases	320	17	10,439,000,000	13,329,000,000
8. Bonus and welfare funds	322		204,890,555	3,013,036,555
II. Long-term liabilities	330		63,407,848,818	71,009,048,068
1. Other long-term payables	337	16	11,256,344,980	12,300,544,230
2. Long-term loans and obligations under finance leases	338	17	52,151,503,838	58,708,503,838
D - EQUITY	400		220,275,258,971	187,038,456,511
I. Owner's equity	410	18	220,275,258,971	187,038,456,511
1. Owner's contributed capital	411		122,000,000,000	122,000,000,000
- Ordinary shares carrying voting rights	411a		122,000,000,000	122,000,000,000
2. Investment and development fund	418		76,119,257,212	65,038,456,511
3. Retained earnings	421		22,156,001,759	-
- Retained earnings of the current period	421b		22,156,001,759	-
TOTAL RESOURCES (440 = 300 + 400)	440		351,055,727,328	342,278,646,073

Nguyen Bao Tung
Chairman of the Board of Management
Tay Ninh, 14 August 2025

Nguyen Quoc Phong
Chief Accountant

Trinh Huynh Thuy Tien
Preparer

INTERIM INCOME STATEMENT

For the operation period from 01 January 2025 to 30 June 2025

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01		181,688,683,864	163,841,830,735
2. Net revenue from goods sold and services rendered (10 = 01)	10	20	181,688,683,864	163,841,830,735
3. Cost of sales	11	21	125,813,827,739	114,849,356,497
4. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		55,874,856,125	48,992,474,238
5. Financial income	21		25,917,957	12,813,620
6. Financial expenses	22	23	2,382,994,189	1,870,020,215
- In which: Interest expense	23		2,382,994,189	1,870,020,215
7. Selling expenses	25	24	18,382,490,910	24,076,458,636
8. General and administration expenses	26	24	10,402,156,933	12,474,501,370
9. Operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		24,733,132,050	10,584,307,637
10. Other income	31		441,204,101	421,210,038
11. Other expenses	32		436,747,514	649,195,309
12. Profit from other activities (40 = 31 - 32)	40		4,456,587	(227,985,271)
13. Accounting profit before tax (50 = 30 + 40)	50		24,737,588,637	10,356,322,366
14. Current corporate income tax expense	51	25	2,557,586,878	1,503,827,353
15. Net profit after corporate income tax (60 = 50 - 51)	60		22,180,001,759	8,852,495,013
16. Basic earnings per share	70	26	1,818	726



Nguyen Bao Tung
Chairman of the Board of Management
Tay Ninh, 14 August 2025

Nguyen Quoc Phong
Chief Accountant

Trinh Huynh Thuy Tien
Preparer

INTERIM CASH FLOW STATEMENT
(Indirect method)

For the operation period from 01 January 2025 to 30 June 2025

Unit: VND

ITEMS	Codes	Current period	Prior period
I. Cash flows from operating activities			
1. Profit before tax	01	24,737,588,637	10,356,322,366
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	17,075,548,970	17,696,537,841
- Provisions	03	3,461,600,475	(687,505,382)
- (Gain)/loss from investing activities	05	(25,917,957)	(12,813,620)
- Interest expense	06	2,382,994,189	1,870,020,215
3. Operating profit before movements in working capital	08	47,631,814,314	29,222,561,420
- Increase, decrease in receivables	09	(2,297,599,428)	(3,737,958,018)
- Increase, decrease in inventories	10	(2,566,958,600)	547,686,682
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	10,463,228,111	2,330,859,437
- Increase, decrease in prepaid expenses	12	(752,572,358)	169,447,928
- Interest paid	13	(2,382,994,189)	(1,958,815,678)
- Corporate income tax paid	14	(1,513,563,184)	(2,732,573,908)
- Other cash outflows	16	(2,808,146,000)	(1,914,282,837)
Net cash generated by/(used in) operating activities	20	45,773,208,666	21,926,925,026
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(19,972,411,214)	(9,159,932,705)
2. Cash outflow for lending, buying debt instruments of other entities	23	-	(755,000,000)
3. Cash recovered from lending	33	111,181,090	-
4. Interest earned, dividends and profits received	27	25,917,957	12,813,620
Net cash generated by/(used in) investing activities	30	(19,835,312,167)	(9,902,119,085)
III. Cash flows from financing activities			
1. Repayment of borrowings	34	(9,447,000,000)	(8,882,000,000)
Net cash generated by/(used in) financing activities	40	(9,447,000,000)	(8,882,000,000)
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	16,490,896,499	3,142,805,941
Cash and cash equivalents at the beginning of the year	60	5,409,452,221	4,458,731,389
Cash and cash equivalents at the end of the period (70 = 50 + 60)	70	21,900,348,720	7,601,537,330

Nguyen Bao Tung
Chairman of the Board of Management
Tay Ninh, 14 August 2025

Nguyen Quoc Phong
Chief Accountant

Trinh Huynh Thuy Tien
Preparer

NOTES TO THE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION**Structure of ownership**

Long An Water Supply Sewerage Joint Stock Company is an enterprise that was equitized from a state-owned enterprise - Long An Water Supply One Member Limited Liability Company under Decision No. 1429/QĐ-UBND dated 24 April 2013 issued by the People's Committee of Long An Province (currently Tay Ninh Province). The Company operates under the first Business Registration Certificate No. 1100101500 dated 12 July 2007 issued by the Department of Planning and Investment of Long An Province (currently Tay Ninh Province), and the 7th amended certificate dated 25 September 2023.

The Company's charter capital is VND 122,000,000,000

The number of employees as at 30 June 2025 was 147 (as at 01 January 2025: 153).

Operating industry and principal activities

- Testing the physical, chemical, and microbiological indicators of water;
- Consulting, designing, and preparing cost estimates for the installation of water supply and drainage pipeline systems;
- Bottled drinking water business;
- Exploitation and supply of clean water (in Tan An city and some industrial zones in the province); production of bottled drinking water;
- Trading in water supply materials and equipment;
- Calibration, verification, and testing of measuring instruments (cold water meters);
- Management and installation of water supply and drainage pipeline systems; construction of water supply and drainage systems;
- Electricity sales to the power sector (excluding national power system transmission, dispatch, and distribution management, multi-purpose hydropower, and nuclear power);
- Well drilling services;
- Collection of non-hazardous waste;
- Treatment and disposal of non-hazardous waste.

Normal production and business cycle

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

Declaration on comparability of information on interim financial statements

The corresponding figures of the prior reporting period are comparable with the figures of this period.

2. ACCOUNTING PERIOD, APPLIED ACCOUNTING STANDARDS AND REGIME**Accounting period**

The Company's financial year begins on 01 January and ends on 31 December.

These interim financial statements were prepared for the operation period from 01 January 2025 to 30 June 2025.

Accounting convention

The Company applied Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016, and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of the interim financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim financial statements***2. ACCOUNTING PERIOD, APPLIED ACCOUNTING STANDARDS AND REGIME (Continued)****Declaration of compliance with accounting standard and accounting regime**

The Chairman of the Board of Management and the Board of General Directors' ensures to comply with the requirements of Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016, and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparation of the interim financial statements.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Accounting convention**

The financial statements are prepared on a time basis (except for information relating to cash flows).

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

The following are the main accounting policies applied by the Company in preparing the interim financial statements:

Estimates

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

Evaluation and recognition at fair value

According to the Law on Accounting came into effect from 01 January 2017, which included regulations on evaluation and recognition at fair value. However, there is no specific instruction for this matter; therefore, the Chairman of the Board of Management and the Board of General Directors has considered and applied as follows:

- a) *Financial instruments are recognized and revaluated at fair value based on historical cost less provisions (if any) in accordance with current regulations.*
- b) *For assets and liabilities (except items a as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

Financial instruments**Initial recognition**

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, and financial investments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses, and borrowings.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***Subsequent measurement after initial recognition***

Currently, Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance ("Circular 210") as well as current regulations do not have specific guidance on determining the fair value of financial assets and financial liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and term deposits with maturities not exceeding 03 months.

Held-to-maturity investments

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

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

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

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

Receivables

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

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs comprise cost of purchases and other directly attributable expenses, direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method and account for inventory in perpetual method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation

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

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

	Years of depreciation
Buildings and structures	05 - 50
Machinery and equipment	05 - 15
Motor vehicles	04 - 45
Office equipment	05 - 10

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

Intangible fixed assets and amortisation

Land use rights

Long-term land use rights (indefinite term) are initially stated at purchase price.

Computer software

Computer software is initially stated at purchase price and is amortised using the straight-line method over its estimated useful lives.

Other intangible fixed assets

Other intangible fixed assets are initially stated at purchase price and amortised using the straight-line method over their estimated useful lives.

Construction in progress

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

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. The Company's prepaid expenses include the following:

Repairs and maintenance expenses of fixed assets: Expenses for one-off major repairs of fixed assets are amortized on a straight-line basis over a period not exceeding three years.

Other expenses: Other one-off major expenses are amortized on a straight-line basis over a period not exceeding three years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payables and accrued expenses

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses, and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the company, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Equity

Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

The Company's profit distribution is carried out in accordance with the Resolution of the General Meeting of Shareholders and the provisions of the Company's financial management regulations.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of amounts received or receivable after deducting trade discounts, sales returns and allowances. The following specific recognition criteria must also be met when revenue is recognized:

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

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership or effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

- a) the amount of revenue can be measured reliably;
- b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

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

Borrowing costs are recognised in the income statement in the year when incurred.

Taxation

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

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

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

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

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

According to Official Letter No. 759/CT-TTH dated 14 April 2016 issued by the Long An Tax Department, the Company's water supply and drainage activities meet the conditions for enjoying the preferential policies for the encouragement of socialized activities. Accordingly, income from these socialized activities is entitled to a preferential corporate income tax rate of 10% for the entire period of operation, effective from 1 January 2016, in accordance with Circular No. 123/2012/TT-BTC. Income from other activities is subject to the corporate income tax rate of 20%.

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

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

Related parties

Parties are considered to be related parties when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

List of related parties:

Related parties	Relationships
Long An Provincial People's Committee	Major shareholder
Binh Duong Water - Environment Corporation - Joint Stock Company	Major shareholder
Biwase - Long An Water Joint Stock Company	Subsidiary of Binh Duong Water - Environment Corporation - Joint Stock
Board of Management, Board of General Directors, Board of Supervisors and Chief Accountant	Key management
Individuals who have close relationships with key management	

4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	24,750,555	254,684,401
Bank demand deposits	21,875,598,165	4,800,810,482
Cash equivalents	-	353,957,338
Total	21,900,348,720	5,409,452,221

5. HELD-TO-MATURITY INVESTMENTS

These are bank deposits with an original term of 06 months, interest rate of 2.9%/year.

6. SHORT- TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a) Trade receivables from related party	-	6,588,000
Biwase - Long An Water Joint Stock Company	-	6,588,000
b) Trade receivables from others	14,262,063,761	10,550,579,157
Water Supply Customer	13,157,905,718	8,508,685,231
Southwest An Hoa Construction Verification Joint Stock Company Branch	684,869,618	1,484,869,618
Others	419,288,425	557,024,308
Total	14,262,063,761	10,557,167,157

7. OTHER RECEIVABLES

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Advances	1,936,259,000	-	769,259,000	-
Receivable from environmental protection fees	219,202,209	-	230,870,217	-
Receivables from employees' personal income tax	145,004,812	-	145,855,465	-
Other receivables	1,188,853	-	1,496,986	-
Total	2,301,654,874	-	1,147,481,668	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying nterm financial statements***8. INVENTORIES**

	Closing balance		Opening balance	
	Cost	Provision (i)	Cost	Provision (i)
	VND	VND	VND	VND
Raw materials	19,346,763,970	(6,503,186,860)	17,940,440,379	(3,041,586,385)
Work in progress	1,963,554,879	-	802,919,870	-
Total	21,310,318,849	(6,503,186,860)	18,743,360,249	(3,041,586,385)

Movement in provision for devaluation of inventories during the period:

	Closing balance	Opening balance
	VND	VND
Opening balance	3,041,586,385	5,684,969,561
Additional provision	3,701,675,810	-
Provision reversal	(240,075,335)	(687,505,382)
Closing balance	6,503,186,860	4,997,464,179

During the period:

+ The Company made a provision for decline in value of inventories amounting to VND 3,701,675,810 (previous year: VND 0). The provision was made due to obsolete raw materials, resulting in deterioration of quality.

+ The Company reversed a provision for decline in value of inventories amounting to VND 240,075,335 (previous year: VND 687,505,382) as the provisioned inventories were issued for use.

9. TAX AND OTHERS RECEIVABLE/ PAYABLE TO THE STATE BUDGET

	Opening balance	Receivable during the period	Received during the period	Closing balance
	VND	VND	VND	VND
a) Receivables				
Value added tax	6,528,000	329,560,260	323,032,260	-
Other taxes	-	-	3,000,000	3,000,000
Total	6,528,000	329,560,260	326,032,260	3,000,000

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
b) Payables				
Value added tax	-	75,240,630	-	75,240,630
Corporate income tax	1,506,607,544	2,557,586,878	1,513,563,184	2,550,631,238
Personal income tax	366,464,231	890,888,570	1,106,355,127	150,997,674
Resource tax	38,292,683	1,618,715,764	1,408,893,859	248,114,588
Other taxes	-	345,748,776	345,748,776	-
Total	1,911,364,458	5,488,180,618	4,374,560,946	3,024,984,130

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

10. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Motor vehicles	Office equipment	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	214,133,701,101	36,776,734,876	443,794,524,943	4,051,341,672	698,756,302,592
- Additional	-	125,000,000	-	-	125,000,000
- Completed construction investment	-	-	3,967,084,985	-	3,967,084,985
- Other decreases	-	(267,363,636)	-	-	(267,363,636)
Closing balance	214,133,701,101	36,634,371,240	447,761,609,928	4,051,341,672	702,581,023,941
ACCUMULATED DEPRECIATION					
Opening balance	182,328,028,185	34,173,417,043	177,987,747,285	3,424,414,341	397,913,606,854
- Charge for the period	4,649,975,332	240,073,312	11,945,560,566	222,439,801	17,058,049,011
Closing balance	186,978,003,517	34,413,490,355	189,933,307,851	3,646,854,142	414,971,655,865
NET BOOK VALUE					
Opening balance	31,805,672,916	2,603,317,833	265,806,777,658	626,927,331	300,842,695,738
Closing balance	27,155,697,584	2,220,880,885	257,828,302,077	404,487,530	287,609,368,076

The cost of the tangible fixed assets includes VND 138,764,469,646 (01 January 2025: VND 125,876,742,937) of assets which have been fully depreciated but are still in use as at 30 June 2025.

Some fixed assets including buildings, structures, machinery, equipment, and motor vehicles have been used as collateral for loans (see Note 17) with the cost of VND 135,521,171,999 as at 30 June 2025 (01 January 2025: VND 135,521,171,999).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

11. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Other intangible fixed assets	Total
	VND	VND	VND	VND
COST				
Opening balance	1,477,835,000	1,379,651,455	38,800,000	2,896,286,455
Closing balance	1,477,835,000	1,379,651,455	38,800,000	2,896,286,455
ACCUMULATED AMORTISATION				
Opening balance	-	545,795,433	38,800,000	584,595,433
- Charge for the period	-	17,499,959	-	17,499,959
Closing balance	-	563,295,392	38,800,000	602,095,392
NET BOOK VALUE				
Opening balance	1,477,835,000	833,856,022	-	2,311,691,022
Closing balance	1,477,835,000	816,356,063	-	2,294,191,063

Intangible fixed assets include the value of long-term land use rights (indefinite term); therefore, the Company does not depreciate these fixed assets annually.

The cost of the fixed assets includes VND 563,906,000 (01 January 2025: VND 483,906,000) of assets which have been fully depreciated but are still in use as at 30 June 2025.

12. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Installation of HDPE water supply pipelines (D160, D110, and D63) along the ring road of Ecopark Urban Area.	1,596,654,055	-
Project: Renovation and upgrading of Thien Loc Thanh Industrial Cluster, Long Son, Can Duoc District.	855,497,129	-
Project: Anti-erosion embankment along the Bao Dinh River	313,835,555	265,296,000
Project: D63 pipeline, N.H.Trung roundabout, Nha Dai, Hamlet 5, TL833	65,488,389	65,488,389
Công trình khác	991,972,817	-
Total	3,823,447,945	330,784,389

Movements of construction-in-progress during the period:

Opening balance	330,784,389
Additions during the period	7,783,564,416
Transferred to fixed assets during the period	3,967,084,985
Transferred to long-term prepaid expenses	323,815,875
Closing balance	3,823,447,945

13. LONG-TERM PREPAYMENTS

It is the cost of repairing the property.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim financial statements***14. SHORT-TERM TRADE PAYABLES**

	Closing balance		Opening balance	
	Value	Amount able to be	Value	Amount able to be
		paid off		paid off
	VND	VND	VND	VND
<i>a) Payables to related party</i>	27,027,497,341	27,027,497,341	19,598,050,101	19,598,050,101
Biwase - Long An Water Joint Stock Company	27,027,497,341	27,027,497,341	19,598,050,101	19,598,050,101
<i>b) Payables to others</i>	14,785,457,126	14,785,457,126	26,444,193,360	26,444,193,360
N.T.P Trading Company Limited	3,000,000,000	3,000,000,000	6,102,905,820	6,102,905,820
Khanh Loc Electrical Construction Trading Co., Ltd	-	-	4,699,495,200	4,699,495,200
Tien Phong Plastic South Joint Stock Company	3,496,961,813	3,496,961,813	1,901,550,289	1,901,550,289
Others	8,288,495,313	8,288,495,313	13,740,242,051	13,740,242,051
Total	41,812,954,467	41,812,954,467	46,042,243,461	46,042,243,461

15. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
Routine maintenance expenses	2,563,000,000	-
Interest expenses	411,000,000	411,000,000
Other expenses	199,410,000	418,356,000
Total	3,173,410,000	829,356,000

16. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
<i>a) Short-term</i>	2,909,392,950	13,662,571,551
Social Insurance	-	8,954,008
Dividends paid to shareholders	-	11,080,800,701
Deposits	1,089,673,000	1,002,673,000
Environmental protection fees	969,719,950	720,143,842
Payable to Long An Provincial People's Committee (Represented by Long An Provincial Department of Finance) - Related party - fixed asset handover fee (i)	850,000,000	850,000,000
<i>b) Long-term</i>	11,256,344,980	12,300,544,230
Payable to Long An Provincial People's Committee (Represented by Long An Provincial Department of Finance) - Related party - fixed asset handover fee (i)	10,454,262,000	11,304,262,000
Others	802,082,980	996,282,230
Total	14,165,737,930	25,963,115,781

- (i) This is the value of the fixed asset: "Water supply pipeline in Binh Duc - Thanh Hoa - Thanh Loi Commune, Ben Luc District, Long An Province" according to Official Letter No. 1599/QD-UBND, with a payable value over 20 years of VND 12,154,262,000. The repayment schedule starts from the 6th to the 19th year with an annual payment of VND 850,000,000, and the 20th year requires a payment of VND 254,262,000.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. LOANS

	Closing balance		During the period		Opening balance	
	Value	Amount able to be paid off	Decrease	Increase	Value	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
a) Short-term loan						
<i>Long term loan due to date</i>						
Vietnam Development Bank (i)	3,215,000,000	3,215,000,000	6,430,000,000	3,215,000,000	6,430,000,000	6,430,000,000
Long An Provincial Investment and Development Fund (ii)	7,224,000,000	7,224,000,000	3,017,000,000	3,342,000,000	6,899,000,000	6,899,000,000
	10,439,000,000	10,439,000,000	9,447,000,000	6,557,000,000	13,329,000,000	13,329,000,000
b) Long-term loan						
Vietnam Development Bank (i)	52,151,503,838	52,151,503,838	6,557,000,000	-	58,708,503,838	58,708,503,838
Long An Provincial Investment and Development Fund (ii)	16,103,076,838	16,103,076,838	3,215,000,000	-	19,318,076,838	19,318,076,838
	36,048,427,000	36,048,427,000	3,342,000,000	-	39,390,427,000	39,390,427,000
Total	62,590,503,838	62,590,503,838	16,004,000,000	6,557,000,000	72,037,503,838	72,037,503,838

(i) Loan from the Vietnam Development Bank under Loan Contract No. 01/TDNN.2004 dated 22 March 2004 for the purpose of investing in the Tan An Town Groundwater Plant Project. The loan has a term of 25 years with an annual interest rate of 4.8%. This is an ODA (Official Development Assistance) credit loan from Denmark. The loan is secured by collateral, including assets formed after investment and other assets associated with the post-investment assets.

(ii) Loan from the Investment and Development Fund:

- Purpose of the loan: To invest in the project of relocating and upgrading the clean water supply pipeline from D200 to D400 along Provincial Road 818, from Long Hau Industrial Park - Hoa Binh to the MT-LAND residential area. The loan term is 10 years with an annual interest rate of 8.2%. The loan is secured by the following assets:

+ Exploitation rights and the total value of future assets formed after the project investment: Relocation and upgrading of the clean water supply pipeline from D200 to D400 along Provincial Road 818, from Long Hau Industrial Park - Hoa Binh to the MT-LAND residential area.

+ Exploitation rights and the total value of related assets of the clean water supply pipeline D160 - D225 along Huong Lo 25 Road (from Tan Tru to Ban Cao Road).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim financial statements***17. LOANS (CONTINUED)****(ii) Loan from the Investment and Development Fund (Continued):**

- Purpose of the loan: To invest in the construction of the HDPE water supply pipeline along Provincial Roads 833C and 833 (from the intersection of National Highway 1 - Cai Tai to Binh Lang Bridge, Tan Tru District, Long An Province). The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the D110 water supply pipeline for the three communes of Binh Duc, Thanh Hoa, and Thanh Loi.*

+ *Exploitation rights and the total value of related assets of the project to renovate the clean water supply network in Tan Tru Town and adjacent areas of Tan Tru District.*

+ *Exploitation rights and the total value of future assets formed after the project investment: HDPE water supply pipeline along Provincial Roads 833C and 833 (from the intersection of National Highway 1 - Cai Tai to Binh Lang Bridge, Tan Tru District, Long An Province).*

- Purpose of the loan: To invest in the construction and installation of the water supply pipeline in Binh Thanh Commune and adjacent areas of Thu Thua District, Long An Province. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of the assets of the project along National Highway 62 (two sections from Nguyen Thi Bay to Sau Banh Store), Ward 6, Loi Binh Nhon Commune, Tan An City, Long An Province (Scope: Relocation and installation of HDPE D200 and HDPE D63 water supply pipelines for transmission and distribution) under Credit Contract No. 03/2022.HDTC-QDTPT dated 29 July 2022 with a collateral value of VND 1,360,558,818.*

+ *Exploitation rights and the total value of the assets of the water supply pipeline project in Binh Thanh Commune and adjacent areas of Thu Thua District, Long An Province, under the Future Asset Mortgage Contract No. 04/2022.HDTC-QDTPT with a collateral value of VND 4,014,316,763.*

- Purpose of the loan: To invest in the construction of the water supply pipeline for distribution and service to the communes of Thanh Duc, My Yen, Phuoc Loi, Tan Buu, and adjacent areas of Ben Luc District, Long An Province. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the clean water supply pipeline HDPE D225, D315 along District Road 17 (from Provincial Road 833B to the People's Committee of Long Son Commune).*

+ *Exploitation rights and the total value of related assets of the clean water supply pipeline HDPE D160, D110, D63 along alleys in Wards 2, 3, 4, 5, 6, and 7 of Binh Tam Commune, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of future assets formed after the project investment: Water supply pipeline for distribution and service in Ben Luc District, Long An Province.*

- Purpose of the loan: To invest in the construction of the clean water supply pipeline for residents along Provincial Road 818 and the canal embankment road of Thu Thua (Nha Dai Hamlet), Thu Thua Town, Thu Thua District, Long An Province. The loan term is 10 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the Provincial Administrative Resettlement Area (Dong Tam Resettlement Area), Ward 6, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the installation of HDPE D160 and D63 water supply pipelines along Mai Ba Huong Road.*

+ *Exploitation rights and the total value of related assets of Resettlement Area No. 01 in Khanh Hau Ward, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of future assets formed after the project investment: Clean water supply pipeline for residents of Thu Thua Town, Thu Thua District, Long An Province.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim financial statements***17. LOANS (CONTINUED)**

- Purpose of the loan: To invest in the construction of the HDPE D250 water supply pipeline along Provincial Road 835 (from the intersection of National Highway 1 to Kenh Sau Met Road). The loan term is 7 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Exploitation rights and the total value of related assets of the construction and installation of the water supply pipeline for distribution and service in Tan An City in 2021.*

+ *Exploitation rights and the total value of related assets of the installation of sludge discharge tees on the water supply network in Tan An City.*

+ *Exploitation rights and the total value of related assets of the installation of the clean water distribution pipeline in Nhi Thanh Commune, Thu Thua District, Long An Province.*

+ *Exploitation rights and the total value of future assets formed after the project investment: HDPE D250 water supply pipeline along Provincial Road 835 (from the intersection of National Highway 1 to Kenh Sau Met Road).*

- Purpose of the loan: To invest in the construction of the clean water supply pipeline system for Ward 5 and Nhon Trach Trung Commune, Tan An City, Long An Province. The loan term is 7 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

Mortgage Contract for Machinery and Equipment No. 04/2023/HDTC-QDTPT dated 8 September 2023:

+ *Exploitation rights and the total value of related assets of Chau Thi Kim Road (both sides from Nguyen Dinh Chieu Road to Huynh Van Tao Road, Ward 3, Tan An City, Long An Province) with an appraised value of VND 1,130,163,568.*

+ *Exploitation rights and the total value of related assets of Tran Trung Tam Road (Ward 3 Residential Area), Ward 3, Tan An City, Long An Province with a value of VND 1,168,575,086.*

+ *Exploitation rights and the total value of related assets of Le Anh Xuan Road, Alley 40 Nguyen Thai Binh Road, Alley 46 Le Anh Xuan Road, Alley 81 Nguyen Cong Trung Road, Ward 1 and Ward 3, Tan An City, Long An Province with a value of VND 926,830,232.*

+ *Exploitation rights and the total value of related assets of Nguyen Van Cuong Road (both sides from National Highway 1 to Pham Van Ngo Road), Pham Van Ngo Road (both sides from Nguyen Van Chuong Road to Tran Van Dau Road), National Highway 1 (left side from house number 1111 to Tan Huong Bridge), Tan Khanh Ward, Tan An City, Long An Province with a value of VND 2,142,906,147.*

+ *Exploitation rights and the total value of related assets of Dinh Viet Cuu GD4 Road (from Binh Tam Culvert to Hamlet 1 boundary), Binh Tam Commune, Tan An City, Long An Province with an appraised value of VND 889,685,088.*

Future Asset Mortgage Contract No. 05/2023/HDTC-QDTPT.

+ *Exploitation rights and the total value of assets related to the clean water supply pipeline system for Ward 5 and Nhon Trach Commune, Tan An City.*

- Purpose of the loan: To invest in the construction of the HDPE D400 and D315 water transmission pipeline along Provincial Road 826 (from the boundary of Tan Trach - Long Hoa Commune to the gate of Cau Tram Industrial Park). The loan term is 7 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Mortgage Contract for Machinery and Equipment No. 01/2024/HDTC-QDTPT dated 24 January 2024.*

+ *Future Asset Mortgage Contract No. 02/2024/HDTC-QDTPT dated 24 January 2024.*

+ *Exploitation rights and the total value of related assets of the project: Installation of the water resource exploitation system for groundwater and surface water exploitation in Bao Dinh area.*

+ *Exploitation rights and the total value of related assets of the project: Tho Khoa Huan Road and Alley 102 Tho Khoa Huan Road, Ward 1, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the project: Truong Dinh Road, Ward 1; Vo Thi Ke Road; Le Thi Khoi Road; Trang Van Nguyen Road, Ward 2, Tan An City, Long An Province.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. LOANS (CONTINUED)

+ *Future assets include exploitation rights and the total value of assets, including materials and equipment formed after the project investment: HDPE D400 and D315 water transmission pipeline along Provincial Road 826.*

- Purpose of the loan: To invest in the construction of the HDPE D400 and D225 water transmission pipeline along the bypass of National Highway 1. The loan term is 7 years with an annual interest rate of 6.3%. The loan is secured by the following assets:

+ *Mortgage Contract for Machinery and Equipment No. 010/2024/HDTC-QDTPT dated 10 July 2024.*

+ *Future Asset Mortgage Contract No. 11/2024/HDTC-QDTPT dated 10 July 2024.*

+ *Exploitation rights and the total value of related assets of the project: Hai Ba Trung Road, Hung Vuong Road, Ward 3, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the project: Nguyen Dinh Chieu Road, Ward 3, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the project: Nguyen Van Tich Road (left side), An Vinh Ngai Commune, Tan An City, Long An Province.*

+ *Exploitation rights and the total value of related assets of the project: Installation of HDPE D160 and D63 pipelines along Lo Dinh Road, Cao Thi Mai Road, Lo 9 Bot, Tan Tru District.*

+ *Exploitation rights and the total value of related assets of the project: HDPE D63 and D110 water transmission pipeline for communes and towns in Ben Luc, Tan Tru, and Thu Thua Districts, Long An Province in 2023.*

+ *Future assets include exploitation rights and the total value of assets, including materials and equipment formed after the project investment: HDPE D400 and D225 water transmission pipeline along the bypass of National Highway 1.*

Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	10,439,000,000	13,329,000,000
In the second to fifth year inclusive	49,270,503,838	54,119,076,838
After five years	2,881,000,000	4,589,427,000
Total	62,590,503,838	72,037,503,838
Less: Amount due for settlement within 1 year (shown under current liabilities)	10,439,000,000	13,329,000,000
Amount due for settlement after 12 months	52,151,503,838	58,708,503,838

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

18. OWNER'S EQUITY

Movement in owner's equity

	Owner's contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Opening balance of prior year	122,000,000,000	50,838,943,262	-	172,838,943,262
Profit for the year	-	-	20,254,690,879	20,254,690,879
Dividends	-	-	(11,080,800,701)	(11,080,800,701)
Transfer of 2023 dividends payable to shareholders to capital construction	-	8,155,440,140	-	8,155,440,140
Investment and development fund	-	6,044,073,109	(6,044,073,109)	-
Bonus and welfare fund	-	-	(3,022,036,555)	(3,022,036,555)
Other decrease	-	-	(107,780,514)	(107,780,514)
Opening balance of current year	122,000,000,000	65,038,456,511	-	187,038,456,511
Profit for the period	-	-	22,180,001,759	22,180,001,759
Transfer of 2024 dividends payable to shareholders to capital construction investment (i)	-	11,080,800,701	-	11,080,800,701
Other decrease	-	-	(24,000,000)	(24,000,000)
Closing balance of current period	122,000,000,000	76,119,257,212	22,156,001,759	220,275,258,971

- (i) Pursuant to the Resolution of the General Meeting of Shareholders No. 09/NQCN-ĐHĐCĐ dated 25 April 2025 approving the profit distribution plan for 2024, it was resolved not to declare dividends for 2024 in order to reinvest in construction projects in 2025, serving water supply works that will drive the Company's development.

Shares

	Closing balance	Opening balance
	Share	Share
Number of shares registered for issuance	12,200,000	12,200,000
Number of shares sold to the public	12,200,000	12,200,000
- Common shares	12,200,000	12,200,000
Number of outstanding shares	12,200,000	12,200,000
- Common shares	12,200,000	12,200,000
Par value of outstanding shares (VND)	10,000	10,000

Charter capital

As at 30 June 2025, the charter capital has been contributed by owners as follows:

	Contributed capital			
	Closing balance		Opening balance	
	VND	%	VND	%
State shares - Long An Provincial People's Committee	73,200,000,000	60.0%	73,200,000,000	60.0%
Binh Duong Water - Environment Corporation - Joint Stock Company	46,437,400,000	38.1%	46,437,400,000	38.1%
Other shareholders	2,362,600,000	1.9%	2,362,600,000	1.9%
Total	122,000,000,000	100%	122,000,000,000	100%

19. SEGMENT REPORTING

The production and trading of clean water and pipes for the supply of clean water mainly generates revenue and profit for the Company, while other revenues account for an insignificant proportion of the total revenue of the Company. The Chairman of the Board of Manager and the Board of General Directors believe that the Company operates in a single business segment, which is the production and trading of clean water and pipes for the supply of clean water in a geographical area. Therefore, no further segment information is presented.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

20. REVENUE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Revenue from water supply and water testing	173,722,493,691	154,333,961,635
Revenue from pipeline installation	7,966,190,173	9,507,869,100
Net revenue from goods sold and services rendered	181,688,683,864	163,841,830,735

21. COST OF SALES

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Cost of water supply and water testing	115,812,908,576	108,600,403,702
Cost of pipeline installation	6,299,243,353	6,248,952,795
Provision for decline in value of inventories	3,701,675,810	-
Total	125,813,827,739	114,849,356,497

22. PRODUCTION COST BY NATURE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Raw materials and consumables	27,217,837,695	22,677,436,352
Labour	21,020,160,773	21,221,340,172
Depreciation and amortisation	17,075,548,970	17,696,537,841
Out-sourced services	74,987,351,704	65,875,424,594
Other monetary expenses	11,996,610,974	24,302,671,903
Total	152,297,510,116	151,773,410,862

23. FINANCIAL EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Interest expense	2,382,994,189	1,870,020,215
Total	2,382,994,189	1,870,020,215

24. SELLING EXPENSES, GENERAL AND ADMINISTRATION EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
a) General and administration expenses		
Employees	5,536,367,557	5,790,374,464
Others	4,865,789,376	6,684,126,906
Total	10,402,156,933	12,474,501,370
b) Selling expenses		
Employees	5,775,941,665	5,459,428,042
Tools and supplies	12,606,549,245	18,617,030,594
Total	18,382,490,910	24,076,458,636

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

25. CURRENT CORPORATE INCOME TAX EXPENSE

	Current period	Prior period
	VND	VND
Profit before tax	24,737,588,637	10,356,322,366
Add: Non-deductible expenses	-	1,759,836,200
Taxable income	24,737,588,637	12,116,158,566
Income subject to tax rate of 20%	838,280,142	2,922,114,963
Income subject to tax rate of 10%	23,899,308,495	9,194,043,603
Total current corporate income tax expense	2,557,586,878	1,503,827,353

The Company determines corporate income tax based on the assessment that accounting profit is not significantly different from profit for corporate income tax purposes. The ultimate determination depends on the results of the tax authorities' examinations.

26. BASIC EARNINGS PER SHARE

	Current period	Prior period
	VND	VND
Profit after tax	22,180,001,759	8,852,495,013
Profit for calculating basic earnings per share	22,180,001,759	8,852,495,013
Weighted average number of ordinary shares for calculating basic earnings per share	12,200,000	12,200,000
Basic earnings per share	1,818	726
Par value per share	10,000	10,000

27. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of charter capital and retained earnings.

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	62,590,503,838	72,037,503,838
Less: Cash and cash equivalents	21,900,348,720	5,409,452,221
Net debt	40,690,155,118	66,628,051,617
Equity	220,275,258,971	187,038,456,511
Net debt to equity ratio	18%	36%

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets and financial liabilities are disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

27. FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments

	Carrying amounts		Fair value	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
Financial assets				
Cash and cash equivalents	21,900,348,720	5,409,452,221	21,900,348,720	5,409,452,221
Trade and other receivables	14,568,992,812	10,876,923,002	14,568,992,812	10,876,923,002
Short-term financial investments	776,942,048	888,123,138	776,942,048	888,123,138
Total	37,246,283,580	17,174,498,361	37,246,283,580	17,174,498,361
Financial liabilities				
Borrowings	62,590,503,838	72,037,503,838	62,590,503,838	72,037,503,838
Trade and other payables	55,978,692,397	72,005,359,242	55,978,692,397	72,005,359,242
Accrued expenses	3,173,410,000	829,356,000	3,173,410,000	829,356,000
Total	121,742,606,235	144,872,219,080	121,742,606,235	144,872,219,080

The Company has determined fair value of its financial assets and liabilities as at the balance sheet date as stated in Note 3 since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (interest rate risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Interest rate risk management

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

27. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year	From 2 to 5 years	More than 5 years	Total
	VND	VND	VND	VND
Closing balance				
Cash and cash equivalents	21,900,348,720	-	-	21,900,348,720
Trade and other receivables	14,568,992,812	-	-	14,568,992,812
Short-term financial investments	776,942,048	-	-	776,942,048
Total	37,246,283,580	-	-	37,246,283,580
Closing balance				
Borrowings	10,439,000,000	49,270,503,838	2,881,000,000	62,590,503,838
Trade and other payables	44,722,347,417	11,256,344,980	-	55,978,692,397
Accrued expenses	3,173,410,000	-	-	3,173,410,000
Total	58,334,757,417	60,526,848,818	2,881,000,000	121,742,606,235
Net liquidity gap	(21,088,473,837)	(60,526,848,818)	(2,881,000,000)	(84,496,322,655)
	Less than 1 year	From 2 to 5 years	More than 5 years	Total
	VND	VND	VND	VND
Opening balance				
Cash and cash equivalents	5,409,452,221	-	-	5,409,452,221
Trade and other receivables	10,876,923,002	-	-	10,876,923,002
Short-term financial investments	888,123,138	-	-	888,123,138
Total	17,174,498,361	-	-	17,174,498,361
Opening balance				
Borrowings	13,329,000,000	54,119,076,838	4,589,427,000	72,037,503,838
Trade and other payables	59,704,815,012	12,300,544,230	-	72,005,359,242
Accrued expenses	829,356,000	-	-	829,356,000
Total	73,863,171,012	66,419,621,068	4,589,427,000	144,872,219,080
Net liquidity gap	(56,688,672,651)	(66,419,621,068)	(4,589,427,000)	(127,697,720,719)

The Chairman of the Board of Management and the Board of General Directors assessed the liquidity risk at high level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim financial statements***28. RELATED PARTY TRANSACTIONS AND BALANCES**

In addition to the balances with related parties described in Note 6, 14, 16 and 18; during the period, the Company entered into the following significant transactions with its related parties:

	Current period	Prior period
	VND	VND
Biwase - Long An Water Joint Stock Company		
Purchase of water	56,085,424,527	60,070,346,520
Payment for purchase of water	62,318,901,753	74,548,912,488

Remuneration of the Board of Management, Board of General Directors, Board of Supervisors and Chief Accountant

Remuneration paid to the Board of Management, Board of General Directors, Board of Supervisors and Chief Accountant during the year was as follows:

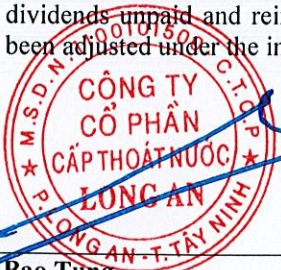
Name	Position	Current period	Prior period
		VND	VND
Mr. Nguyen Bao Tung	Chairman of BOM	559,490,643	475,449,200
Mr. Pham Quoc Thang	Chairman of BOM (resigned)	-	56,000,000
Ms. Truong Ngoc Thuý Trang	Member of BOM and General Director	473,522,732	331,196,400
Mr. Mai Song Hao	Member of BOM	18,000,000	18,000,000
Mr. Tran Tan Loi	Member of BOM	18,000,000	18,000,000
Mr. Luu Van Can	Member of BOM and Deputy General Director	443,903,436	372,196,400
Mr. Cao Duy Thanh	Head of Board of Supervisors	435,003,436	292,080,900
Mr. Vo Minh Thai	Head of Board of Supervisors (resigned)	-	70,000,000
Ms. Truong Thi Le Khanh	Member of Board of Supervisors	154,384,000	130,776,400
Mr. Nguyen Dinh Tuan	Member of Board of Supervisors	12,000,000	12,000,000
Mr. Nguyen Quoc Phong	Chief Accountant	449,403,436	354,196,400
Total		2,563,707,684	2,129,895,700

29. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**Supplemental non-cash disclosures**


Payments for purchases of fixed assets and construction-in-progress during the period do not include VND 2,344,458,828 representing purchases of fixed assets and construction-in-progress incurred during the period but unpaid (as at 1 January 2025: VND 14,999,485,137). Accordingly, an equivalent amount has been adjusted under the increase/decrease in payables section.

Interest paid during the period does not include VND 411,000,000 representing borrowing costs incurred during the period but unpaid; however, it includes VND 411,000,000 of prior year borrowing costs paid during the current period. Accordingly, an equivalent amount has been adjusted under the increase/decrease in payables section.


Dividends and profits paid to owners do not include VND 11,080,800,701 representing prior year dividends unpaid and reinvested in construction projects in 2025; therefore, an equivalent amount has been adjusted under the increase/decrease in payables section.



Nguyễn Bao Tung
Chairman of the Board of Management
Tây Ninh, 14 August 2025



Nguyễn Quốc Phong
Chief Accountant



Trịnh Huỳnh Thủy Tiên
Preparer

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PERIODIC INFORMATION DISCLOSURE OF FINANCIAL STATEMENT

Respectfully to: Hanoi Stock Exchange

Complying with the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated 16/10/2020 of the Ministry of Finance guiding the disclosure of information on the securities market, Long An Water Supply and Sewerage Joint Stock Company hereby discloses its reviewed semi-annual financial statements for 2025 to the Hanoi Stock Exchange as follows:

1. Organization: Long An Water Supply and Sewerage Joint Stock Company

- Securities symbol: LAW
- Address: No. 250, Hung Vuong Street, Long An Ward, Tay Ninh Province
- Tel: 0272 3825114 Fax: 0272 3826040
- Email: info@lawaco.com.vn. Website: http://lawaco.com.vn

2. Information to be disclosed:

- Reviewed Semi-Annual Financial Statements for 2025

☒ Separate Financial Statements (Listed organizations has no subsidiaries and superior accounting units have affiliated units);

☐ Consolidated Financial Statements (Listed organizations have subsidiaries);

☐ General Financial Statements (Listed organizations has an accounting unit directly under its own accounting system)

- Cases in which the cause must be explained:

+ The auditing organization expresses an opinion that is not a fully accepted opinion for financial statements (for the reviewed semi-annual financial statements of 2025):

☐ Yes

☒ No

Explanatory documents in case of integration:

☐ Yes

☒ No

+ Profit after tax in the reporting period has a difference before and after the audit of 5% or more, converted from loss to profit or vice versa (for the reviewed semi-annual financial statements of 2025):

☒ Yes

☐ No

Explanatory documents in case of integration:

☒ Yes

☐ No

+ The profit after tax in the business performance statement of the reporting period changes by 10% or more compared to the same period of the previous year:

☒ Yes

☐ No

Explanatory documents in case of integration:

☒ Yes

☐ No

+ The profit after tax in the reporting period suffered a loss, converted from profit in the same period last year to a loss in this period or vice versa:

☐ Yes

☒ No

Explanatory documents in case of integration:

☐ Yes

☒ No

This information was published on the Company's website on August ..., 2025 at the link:
<http://lawaco.com.vn>

We hereby commit that the information published above is true and take full responsibility before the law for the content of the published information.

Attachments:

-Explanatory documents

**LONG AN WATER SUPPLY
SEWERAGE JOINT STOCK COMPANY**

Person authorized to disclose information



CAO DUY THANH