QUANG BINH WATER SUPPLY JOINT STOCK COMPANY	SOCIALIST REPUBLIC OF VIETNAM **Independence - Freedom - Happiness**
No.: 404 /CBTT-NQB Re: Periodic disclosure of the reviewed 2026 interim financial statements	*Quang Tri, August 14, 2026*

To: - **State Securities Commission of Vietnam**
- **Hanoi Stock Exchange**
- **NQB Shareholders**

1. Organization: Quang Binh Water Supply Joint Stock Company

- Stock code: NQB
- Head office: No. 81 Ly Thuong Kiet, Dong Hoi Ward, Quang Tri Province
- Telephone: 0232.3822354; Email: capnuocqb@gmail.com
- Information disclosure officer: Mr. Le Anh Dung - Chairman of the Board of Directors and legal representative of the Company.

2. Information disclosed:

The reviewed 2026 interim financial statements of Quang Binh Water Supply Joint Stock Company include: Notes to the Financial Statements; Balance Sheet; Income Statement; Statement of Cash Flows; Explanation of the variance in profit after tax. This information was disclosed on the Company's website on August 14, 2026 at: **capnuocquangbinh.vn**

We hereby certify that the information disclosed above is true and accurate and accept legal responsibility for the contents of this disclosure.

LEGAL REPRESENTATIVE
CHAIRMAN OF THE BOARD OF DIRECTORS

CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH
M.S.D.N.: 3100130287 - C.T.C.P.
P. ĐỒNG HỚI - T. QUẢNG TRỊ

Lê Anh Dũng

Recipients:
- As above
- Filed: BOD Secretariat.

CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH

Digitally signed by CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH
DN: C=VN, S=QUẢNG TRỊ, L=ĐỒNG HỚI, CN=CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH, OID.0.9.2342.19200300.100.1.1=MST:3100130287
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CÔNG TY TNHH KIỂM TOÁN QUỐC TẾ
International Auditing Company Limited

QUANG BINH WATER SUPPLY JOINT STOCK COMPANY

INTERIM AUDITED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

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TABLE OF CONTENTS

STATEMENT OF THE CHAIRMAN AND THE BOARD OF MANAGEMENT

The Chairman and Board of Management of Quang Binh Water Supply Joint Stock Company (the "Company") present this report together with the Company's interim financial statements for the six-month period ended 30 June 2026.

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

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

Board of Directors

Mr. Le Anh Dung	Chairman
Mr. Le Minh Chuong	Member
Mr. Mai Song Hao	Member
Mr. Le Van Nghia	Member
Mr. Nguyen Ngoc Ho	Member

Board of Management

Mr. Le Van Nghia	Director
Mr. Tran Van Tien	Deputy Director
Mr. Le Minh Chuong	Deputy Director (appointed on 29 April, 2026)

Board of Supervision

Mr. Le Thanh Binh	Supervisor (appointed on 23 April, 2026)
Mr. Nguyen Duc Vu	Supervisor (dismissed on 23 April, 2026)
Mr. Trinh Dinh Tung	Member
Mrs. Le Thi Thu Ha	Member

Legal Representative

The legal representative of the Company from during the period and to the date of this report is Mr. Le Anh Dung - The Chairman.

RESPONSIBILITY OF THE CHAIRMAN AND BOARD OF MANAGEMENT

The Chairman and Board of Management of the Company are 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 2026, and its financial performance and its cash flows for the period then ended in accordance with Vietnamese Accounting Standards, Vietnamese accounting regime for enterprises and legal regulations relating to interim financial reporting. In preparing these interim financial statements, The Chairman and Board of Management are required to:

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

STATEMENT OF THE CHAIRMAN AND BOARD OF MANAGEMENT (CONTINUED)

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

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

For and on behalf of The Chairman and Board of Management,

CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH

Le Anh Dung
Chairman
11 August 2026

INTERNATIONAL AUDITING CO., LTD.
15th Floor, Center Building - Hapulico Complex,
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No: 081105/2026/BCSX-iCPA

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

<u>To</u>: **The Chairman and Board of Management**
Quang Binh Water Supply Joint Stock Company

We have reviewed the accompanying interim financial statements of Quang Binh Water Supply Joint Stock Company (the "Company"), which were approved on 11 August 2026, from page 5 to page 30 which comprise the interim balance sheet as at 30 June 2026, the interim statement of income, the interim statement of cash flows for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of The Chairman and Board of Management

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

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagements (VSRE) 2410 - Review of interim financial information performed by the independent auditor of the entity.

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

Conclusion of Auditors

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2026, and of its financial performance and its cash flows for the six-month period then ended, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial statements.

CÔNG TY TNHH KIỂM TOÁN QUỐC TẾ

Nguyen Thi Thanh Hoa
Deputy General Director
Audit Practising Registration Certificate
No. 1402-2023-072-1
Hanoi, 11 August 2026

INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

Unit: VND

	ASSETS	Codes	Notes	Closing balance	Opening balance
A.	**CURRENT ASSETS**	**100**		**47,521,704,162**	**33,847,250,072**
I.	**Cash and cash equivalents**	**110**		**26,896,015,510**	**15,696,344,137**
1.	Cash	111	V.1	26,896,015,510	15,696,344,137
II.	**Short-term receivables**	**130**		**3,941,579,653**	**7,227,666,127**
1.	Short-term trade receivables	131	V.2	3,328,395,786	6,715,591,304
2.	Short-term advances to suppliers	132	V.3	441,401,680	321,228,000
3.	Other short-term receivables	135	V.4a	485,250,000	337,265,670
4.	Provision for short-term doubtful debts	136	V.5	(313,467,813)	(146,418,847)
III.	**Inventories**	**140**	**V.6**	**16,411,570,748**	**10,441,117,960**
1.	Inventories	141		17,458,681,535	11,523,237,510
2.	Provision for devaluation of inventories	142		(1,047,110,787)	(1,082,119,550)
IV.	**Other short-term assets**	**160**		**272,538,251**	**482,121,848**
1.	Short-term deferred expenses	161	V.10a	228,631,079	321,807,665
2.	Value added tax deductibles	162		42,258,122	108,332,605
3.	Taxes and other receivables from the State budget	163	V.15a	1,649,050	51,981,578
B.	**NON-CURRENT ASSETS**	**200**		**208,578,201,449**	**213,404,960,293**
I.	**Long-term receivables**	**210**		**-**	**37,000,000**
1.	Other long-term receivables	215	V.4b	-	37,000,000
II.	**Fixed assets**	**220**		**190,217,733,716**	**194,676,793,549**
1.	Tangible fixed assets	221	V.7	189,776,595,963	194,463,675,415
	- Cost	222		527,291,939,953	520,574,032,522
	- Accumulated depreciation	223		(337,515,343,990)	(326,110,357,107)
2.	Intangible assets	227	V.8	441,137,753	213,118,134
	- Cost	228		1,129,000,000	829,000,000
	- Accumulated amortization	229		(687,862,247)	(615,881,866)
III.	**Long-term assets in progress**	**250**		**14,398,858,193**	**14,332,953,645**
1.	Long-term construction in progress	252	V.9	14,398,858,193	14,332,953,645
IV.	**Other long-term assets**	**270**		**3,961,609,540**	**4,358,213,099**
1.	Long-term deferred expenses	271	V.10b	3,961,609,540	4,358,213,099
	TOTAL ASSETS	**280**		**256,099,905,611**	**247,252,210,365**

INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 30 June 2026

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	**300**		**61,942,688,241**	**52,353,185,785**
I. Current liabilities	**310**		**50,429,359,616**	**39,288,644,027**
1. Short-term trade payables	311	V.11	14,773,722,119	6,671,953,039
2. Short-term advances from customers	312		271,654,130	400,628,965
3. Dividends and profits payable	313	V.12	6,892,081,600	-
4. Short-term taxes and amounts payable to the State budget	314	V.15b	3,359,047,707	2,169,564,923
5. Payables to employees	315		8,617,761,484	11,744,876,211
6. Short-term accrued expenses	316	V.13	107,045,965	107,595,074
7. Short-term other payables	320	V.14	3,955,388,802	3,731,960,928
8. Short-term loans and obligations under finance leases	321	V.16a	9,553,917,275	12,240,712,753
9. Bonus and welfare funds	323		2,898,740,534	2,221,352,134
II. Long-term liabilities	**330**		**11,513,328,625**	**13,064,541,758**
1. Long-term loans and obligations under finance leases	339	V.16b	11,513,328,625	13,064,541,758
D. EQUITY	**400**	**V.17**	**194,157,217,370**	**194,899,024,580**
1. Owner's contributed capital	411		172,302,040,000	172,302,040,000
- Ordinary shares carrying voting rights	411a		172,302,040,000	172,302,040,000
2. Investment and development fund	418		11,648,188,996	9,648,188,996
3. Retained earnings	420		10,206,988,374	12,948,795,584
- Retained earnings of the current year	420b		*10,206,988,374*	*12,948,795,584*
TOTAL RESOURCES	**440**		**256,099,905,611**	**247,252,210,365**

CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH
M.S.D.N: ... C.T.C.P
P. ĐỒNG HỚI - T. QUẢNG TRỊ

Pham Thi Ngoc Thuy	**Nguyen Duc Vu**	**Le Anh Dung**
Preparer	**Chief Accountant**	**Chairman**
		Approved 11 August 2026

INTERIM INCOME STATEMENT
For the six-month period ended 30 June 2026

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	**01**	**VI.1**	**85,923,014,696**	**65,652,314,180**
2. Deductions	**02**		**-**	**-**
3. Net revenue from goods sold and services rendered	**10**	**VI.1**	**85,923,014,696**	**65,652,314,180**
4. Cost of sales	**11**	**VI.2**	**65,354,066,768**	**51,675,696,943**
5. Gross profit from goods sold and services rendered	**20**		**20,568,947,928**	**13,976,617,237**
6. Financial income	**22**		**16,156,798**	**11,673,465**
7. Financial expenses	**23**	**VI.3**	**862,994,090**	**816,331,258**
- In which: Interest expense	24		*862,994,090*	*816,331,258*
8. Selling expenses	**25**	**VI.4**	**2,871,123,754**	**2,120,777,968**
9. General and administration expenses	**26**	**VI.4**	**4,145,358,283**	**3,506,870,437**
10. Operating profit	**30**		**12,705,628,599**	**7,544,311,039**
11. Other income	**31**		**61,472,069**	**52,954,590**
12. Other expenses	**32**		**92,160**	**28,981,710**
13. Profit from other activities	**40**		**61,379,909**	**23,972,880**
14. Accounting profit before tax	**50**		**12,767,008,508**	**7,568,283,919**
15. Current corporate income tax expense	**51**	**VI.5**	**2,560,020,134**	**1,574,666,615**
16. Deferred corporate tax (income)/expense	**52**		**-**	**-**
17. Net profit after corporate income tax	**60**		**10,206,988,374**	**5,993,617,304**
18. Basic earnings per share	**70**	**VI.6**	**407**	**239**
19. Diluted earnings per share	**71**	**VI.6**	**407**	**239**

M.S.D.N: 3100130287-C.T.C.P
CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH
P. ĐỒNG HỚI - T. QUẢNG TRỊ

Pham Thi Ngoc Thuy	Nguyen Duc Vu	Le Anh Dung
Preparer	**Chief Accountant**	**Chairman**
		Approved 11 August 2026

INTERIM CASH FLOW STATEMENT
(Under direct method)
For the six-month period ended 30 June 2026

Unit: VND

ITEMS	Code	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Revenue from sales, service provision, and other income	01	100,434,850,757	70,470,660,886
2. Payments to suppliers of goods and services	02	(34,434,184,443)	(30,670,290,010)
3. Payments to employees	03	(25,148,105,200)	(20,522,929,403)
4. Interest payments	04	(863,543,199)	(866,832,397)
5. Corporate income tax paid	05	(1,841,101,080)	(1,609,507,044)
6. Other revenue from business activities	06	673,909,618	290,525,185
7. Other expenses for business operations	07	(16,300,334,490)	(11,786,388,829)
Net cash flow from operating activities	***20***	**22,521,491,963**	**5,305,238,388**
II. Cash flow from investing activities			
1. Payments for the purchase and construction of fixed assets and other long-term assets	21	(7,083,811,979)	(5,697,613,435)
2. Receipts from interest on loans, dividends, and profit	27	-	11,673,465
Net cash flow from investing activities	***30***	**(7,083,811,979)**	**(5,685,939,970)**
III. Cash flow from financing activities			
1. Proceeds from borrowing	33	4,566,477,546	7,406,701,400
2. Repayments of principal on loans	34	(8,804,486,157)	(13,119,901,262)
Net cash flow from financing activities	***40***	**(4,238,008,611)**	**(5,713,199,862)**
Net cash flow for the period	**50**	**11,199,671,373**	**(6,093,901,444)**
Cash and cash equivalents at the beginning of the	**60**	**15,696,344,137**	**22,277,273,484**
Cash and cash equivalents at the end of the period	**70**	**26,896,015,510**	**16,183,372,040**

CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH

Pham Thi Ngoc Thuy
Preparer

Nguyen Duc Vu
Chief Accountant

Le Anh Dung
Chairman
Approved 11 August 2026

I. GENERAL INFORMATION

1. Structure of ownership

Quang Binh Water Supply Joint Stock Company was established under the Enterprise Registration Certificate No. 3100130287, converted from Quang Binh Water Supply One Member Limited Liability Company, which was first issued by the Department of Planning and Investment of Quang Binh Province (now the Department of Finance of Quang Tri Province) on 1 October 1992, and amended thereafter.

The company's charter capital is VND 172,302,040,000 (One hundred seventy-two billion, three hundred two million, forty thousand Vietnamese Dong).

2. Business field

The company's business sector is the production and supply of clean water

3. Operating industry and principal activities

The Company's operating industry is the extraction, treatment, and supply of clean water.

The main activities of the Company are the production and supply of clean water, as well as the construction and installation of water supply pipelines in Quang Tri Province.

4. Normal production and business cycle

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

5. Corporate structure

The company is located at: No. 81 Ly Thuong Kiet Street, Dong Hoi Ward, Quang Tri Province.

As of June 30, 2026, the company has the following subsidiaries:

No	Name	Address	Brand
1	Office of Quang Binh Water Supply JSC	No. 81 Ly Thuong Kiet, Dong Hoi Ward, Quang Tri Province	Clean Water Supply
2	Dong Hoi Water Supply Branch	Lane 55 Le Thanh Dong, Dong Hoi Ward, Quang Tri Province	Clean Water Supply
3	Ba Don Water Supply Branch	Quarry 1, Ba Don Ward, Quang Tri Province	Clean Water Supply
4	Hoan Lao Water Supply Station	TK2, Hoan Lao Commune, Quang Tri Province	Clean Water Supply
5	Kien Giang Water Supply Station	Lien Thuy Commune, Quang Tri Province	Clean Water Supply
6	Quy Dat Water Supply Station	Minh Hoa Commune, Quang Tri Province	Clean Water Supply
7	Dong Le Water Supply Station	TK2, Dong Le Commune, Quang Tri Province	Clean Water Supply
8	Viet Trung TTNT Water Supply Station	TK3, Nam Trach Commune, Quang Tri Province	Clean Water Supply
9	Quan Hau Water Supply Station	TK4, Quang Ninh Commune, Quang Tri Province	Clean Water Supply
10	Phong Nha Water Supply Station	Bo Trach Commune, Quang Tri Province	Clean Water Supply
11	Rao Da Water Supply Station	Truong Ninh Commune, Quang Tri Province	Clean Water Supply

I. GENERAL INFORMATION (CONTINUED)

6. Explanation of comparability of information in interim financial statements

Comparative figures presented in the interim balance sheet and corresponding notes are those of the financial statements for the fiscal year ended 31 December 2025, which have been audited.

Comparative figures presented in the interim income statement, interim cash flow statement, and the corresponding notes are those of the interim financial statements for the six-month period ended 30 June 2025, which have been reviewed.

7. Employees

The number of employees as at 30 June 2026 was 219 (at 31 December 2025 was 223).

II. ACCOUNTING CONVENTION AND ACCOUTING PERIOD

Accounting convention

The 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 financial reporting.

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

Accouting period

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

This interim financial report is prepared for the six - month period ended 30 June 2026.

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99"), providing guidance on the accounting regime applicable to enterprises. Circular 99 is effective for financial years beginning on or after 1 January 2026. Circular 99 replaces the enterprise accounting regime previously prescribed under Circular No. 200/2014/TT-BTC dated 22 December 2014. The Chairman and the Board of Management have adopted Circular 99 in the preparation and presentation of these interim financial statements for the six-month accounting period ended 30 June 2026.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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 and Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenses during the year. Although these accounting estimates are based on the The Chairman and Board of Management 's best knowledge, actual results may differ from those estimates.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and are not restricted as to use.

Receivables

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

The provision for doubtful debts is made for each receivable based on the overdue period of the principal repayment according to the original debt agreement (excluding any rescheduling or extension between the parties), or based on the potential loss estimated by the Company. The difference between the provision required at the end of the current financial year and the provision made at the end of the previous financial year is recognized as an increase or decrease in general and administrative expenses during the period. When receivables are determined to be uncollectible, they will be written off.

Inventories

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

Provision for inventory devaluation is made according to current accounting regulations. Accordingly, the company is allowed to make a provision for inventory devaluation when inventories are damaged, obsolete, deteriorated in quality, or the cost of inventory is higher than its net realizable value at the end of the fiscal year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, accumulated depreciation and net book value.

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

The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process includes construction costs, actual production costs incurred, plus installation and commissioning costs, and other costs directly related to bringing the fixed asset to a location and condition capable of operation.

Tangible fixed assets are revalued in accordance with the State's decisions or when state-owned enterprises are equitised. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

Tangible fixed assets are depreciated using the straight-line method based on the estimated useful life, specifically as follows:

	Current period	Prior period
Buildings and structures	05 - 50	05 - 50
Machinery, equipment	06 - 20	06 - 20
Vehicles, transportation equipment	05 - 30	05 - 30
Pipeline transport equipment	15 - 30	15 - 30
Office equipment and furniture	05 - 08	05 - 08

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets and amortisation

The Company's intangible fixed assets are accounting software.

Intangible fixed assets are recorded at original cost, reflected in the Balance Sheet according to the indicators of original cost, accumulated depreciation and residual value. Costs related to computer software programs that are not part of the related hardware are capitalized.

The original cost of computer software is all costs that the Company has spent up to the time the software is put into use. Computer software is amortized on a straight-line basis from 05 to 08 years
.

Construction in progress

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

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.

Deferred expenses

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

Trade payables

Trade payables are liabilities arising from the purchase of goods, services or assets from suppliers in the ordinary course of business. Trade payables are stated at cost.

Dividends and profit payable

Dividends and profit payable represent dividends payable to shareholders. Dividends payable are recognised when the Company no longer has the right to refuse the obligation to pay dividends to shareholders in accordance with applicable laws and regulations.

Accrued expenses

Accrued expenses comprise amounts payable for goods and services received by the Company but not yet paid due to the unavailability of sufficient supporting documents, which have been recognised in production and business expenses of the accounting period.

Borrowings

Borrowings are stated at cost, comprising the proceeds received from borrowings less directly attributable transaction costs incurred in relation to the borrowings.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing costs

Borrowing costs comprise interest expense and other costs incurred in connection with borrowings.

Borrowing costs are recognised as expenses when incurred. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which require a substantial period of time (more than 12 months) to get ready for their intended use or sale, are capitalised. For specific borrowings used for the construction of property, plant and equipment and investment properties, borrowing costs are capitalised even when the construction period is less than 12 months. Income earned from the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of the related assets.

For general borrowings used for the purpose of acquisition, construction or production of qualifying assets, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the weighted average accumulated expenditures incurred on the acquisition, construction or production of those assets. The capitalisation rate is the weighted average interest rate applicable to the outstanding borrowings during the year, excluding specific borrowings used for the purpose of constructing a particular asset.

Equity

Ordinary shares

Ordinary shares with voting rights are recognised at par value. Shares issued to increase the Company's charter capital and shareholders' contributed capital are recognised based on the actual proceeds received corresponding to the par value of successfully issued shares.

Profit distribution

The Company's profit after tax is distributed as dividends to shareholders after approval by the General Meeting of Shareholders.

Dividends declared and paid out of retained earnings are based on the approval of shareholders at the Company's Annual General Meeting of Shareholders.

Bonus and welfare funds

The bonus and welfare funds are appropriated from the Company's profit after corporate income tax to be used for rewarding and encouraging employees, providing welfare benefits, and improving the material and spiritual well-being of employees in accordance with the Resolution of the Company's Annual General Meeting of Shareholders. The appropriation and utilisation of the bonus and welfare funds comply with prevailing accounting and financial regulations.

Development investment fund

The development investment fund is appropriated from the Company's profit after corporate income tax and is used for investment in expanding the scale of production and business activities or making in-depth investments in the Company's operations. The appropriation and utilisation of the development investment fund are carried out in accordance with the Resolution of the General Meeting of Shareholders and prevailing regulations.

Revenue recognition

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

(a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
(b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)

(c) The amount of revenue can be measured reliably; When the contract stipulates that the buyer is entitled to return the products or goods, purchased under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to pay return products and goods (except for cases where customers have the right to return goods in the form of exchange for other goods or services);
(d) The Company has obtained or will receive economic benefits from the sale transaction; and
(e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

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

Revenue from construction contracts is recognised in accordance with the Company's accounting policy on construction contracts.

Construction contracts

Revenue and expenses of construction contracts are recognized as follows:

When the outcome of a construction contract can be estimated reliably and is accepted by the customer, revenue and costs associated with the construction contract are recognised by reference to the stage of completion of the contract work performed and accepted by the customer during the period.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred for which recovery is probable.

Cost of sales and services rendered

Cost of sales and services rendered comprises the cost of products and goods sold and services rendered during the period/year and is recognised consistently with the corresponding revenue recognised during the period/year.

Selling expenses

Selling expenses comprise costs incurred directly in connection with the process of selling products and goods and rendering services by the Company. These expenses are recognised in the statement of profit or loss on an accrual basis during the period/year in which they are incurred.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General and administrative expenses

General and administrative expenses comprise costs incurred in connection with the Company's general management activities, which are not directly attributable to selling activities or production activities. These expenses are recognised in the statement of profit or loss on an accrual basis during the period/year in which they are incurred.

Tax

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

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

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using statement of financial position liability method. Deferred income tax liabilities must be recognized for all temporary differences, while deferred income tax assets can only be recognized when it is certain that there will be sufficient taxable profit in the future to offset the temporary differences.

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 income tax is recognized in the income statement and is only recorded in equity when the tax relates to items directly recognized in equity.

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

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

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

Basic/diluted earnings per share

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

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

Related parties

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

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

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

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION

1. CASH AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash	589,757,824	248,660,429
Cash in bank	26,306,257,686	15,447,683,708
- Vietnam Bank for Agriculture and Rural Development	*7,430,446,460*	*3,816,322,667*
- Joint Stock Commercial Bank for Investment and Development of Vietnam	*7,322,622,298*	*3,843,089,343*
- Vietnam Joint Stock Commercial Bank for Industry and Trade	*3,811,300,625*	*1,533,951,105*
- Joint Stock Commercial Bank for Foreign Trade of Vietnam	*3,185,061,658*	*2,794,387,694*
- Saigon Treasure Commercial Joint Stock Bank	*2,438,448,846*	*992,538,308*
- Other banks	*2,118,377,799*	*2,467,394,591*
Total	**26,896,015,510**	**15,696,344,137**

2. SHORT-TERM TRADE RECEIVABLES

	Closing balance		Opening balance	
	Amount VND	Amount able to be paid off VND	Amount VND	Amount able to be paid off VND
Water receivables from customers	3,098,166,706	(276,467,813)	6,460,127,824	(146,418,847)
Receivables from water supply pipeline installation and relocation	230,229,080	-	255,463,480	-
- Dong Hoi City Management Board of Investment, Construction and Land Fund Development Projects	*29,877,000*	-	*134,836,000*	-
- Customers' receivables from water supply pipeline installation and relocation	*200,352,080*	-	*120,627,480*	-
Total	**3,328,395,786**	**(276,467,813)**	**6,715,591,304**	**(146,418,847)**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

3. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance		Opening balance	
	Amount VND	Amount able to be paid off VND	Amount VND	Amount able to be paid off VND
Water Resource Consultancy Company Limited	150,493,680	-	69,228,000	-
Vector Information Technology Company Limited	102,000,000	-	102,000,000	-
Diep Minh Consulting and Construction Company Limited	85,908,000	-	-	-
Ho Chi Minh City Branch of FAST Business Management Software Joint Stock Company	-	-	150,000,000	-
Others	103,000,000	-	-	-
Total	**441,401,680**	**-**	**321,228,000**	**-**

4. OTHER RECEIVABLES

	Closing balance		Opening balance	
	Amount VND	Amount able to be paid off VND	Amount VND	Amount able to be paid off VND
a. Short - term				
Inventory shortages pending resolution	-	-	10,015,350	-
Advances	127,000,000	-	-	-
Security Deposit	350,700,000	(37,000,000)	316,700,000	-
Others	7,550,000	-	10,550,320	-
Total	**485,250,000**	**(37,000,000)**	**337,265,670**	**-**
b. Long - term				
Security Deposit	-	-	37,000,000	-
Total	**-**	**-**	**37,000,000**	**-**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

5. BAD DEBT

	Closing balance			Opening balance		
	Cost	Recoverable amount	Provision	Cost	Recoverable amount	Provision
	VND	VND	VND	VND	VND	VND
a. Short-term trade receivables	**276,467,813**	**-**	**(276,467,813)**	**276,467,813**	**130,048,966**	**(146,418,847)**
Ngoc Ha Building Materials JSC	36,758,565	-	(36,758,565)	36,758,565	-	(36,758,565)
Quang Binh Building Materials JSC	14,861,748	-	(14,861,748)	14,861,748	-	(14,861,748)
Others	224,847,500	-	(224,847,500)	224,847,500	130,048,966	(94,798,534)
b. Other short-term receivables	**37,000,000**	**-**	**(37,000,000)**	**37,000,000**	**37,000,000**	**-**
Quang Tri Department of Finance	33,000,000	-	(33,000,000)	33,000,000	33,000,000	-
Others	4,000,000	-	(4,000,000)	4,000,000	4,000,000	-
Total	**313,467,813**	**-**	**(313,467,813)**	**313,467,813**	**167,048,966**	**(146,418,847)**

6. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Materials	16,395,679,996	(1,047,110,787)	10,937,093,529	(1,082,119,550)
Instruments and tools	328,096,545	-	201,030,767	-
Work-in-Progress	734,904,994	-	385,113,214	-
Total	**17,458,681,535**	**(1,047,110,787)**	**11,523,237,510**	**(1,082,119,550)**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

7. TANGIBLE FIXED ASSETS

	Buildings, Structures VND	Machinery, Equipment VND	Means of transport and transmission VND	Device management tools VND	Total VND
COST					
Opening balance	**130,740,687,081**	**53,386,446,671**	**336,211,371,498**	**235,527,272**	**520,574,032,522**
Additions	-	808,566,470	-	62,657,407	871,223,877
Transfer from construction in progress	632,633,333	1,614,609,259	3,599,440,962	-	5,846,683,554
Closing balance	**131,373,320,414**	**55,809,622,400**	**339,810,812,460**	**298,184,679**	**527,291,939,953**
ACCUMULATED DEPRECIATION					
Opening balance	**89,728,914,559**	**30,517,234,825**	**205,726,378,179**	**137,829,544**	**326,110,357,107**
Charge for the period	2,806,325,706	1,441,995,439	7,138,054,604	18,611,134	11,404,986,883
Closing balance	**92,535,240,265**	**31,959,230,264**	**212,864,432,783**	**156,440,678**	**337,515,343,990**
NET BOOK VALUE					
Opening balance	**41,011,772,522**	**22,869,211,846**	**130,484,993,319**	**97,697,728**	**194,463,675,415**
Closing balance	**38,838,080,149**	**23,850,392,136**	**126,946,379,677**	**141,744,001**	**189,776,595,963**

The original cost of fully depreciated tangible fixed assets still in use as of 30 June 2026 is VND 127,129,354,707 (as of 31 December 2025 is VND 121,975,047,733).

The remaining value of tangible fixed assets used as collateral for loans as of 30 June 2026 is VND 34,942,554,578 (as of 31 December 2025 is VND 36,671,976,235) (Details in note V.16 - Borrowings and financial leasing liabilities).

The Company's portfolio of tangible fixed assets is as follows:

	Closing balance			Opening balance		
	Cost VND	Accumulated depreciation VND	Net book value VND	Cost VND	Accumulated depreciation VND	Net book value VND
Phu Vinh Water Treatment Plant	59,762,470,133	58,372,743,966	1,389,726,167	59,762,470,133	56,932,684,446	2,829,785,687
Others	467,529,469,820	279,142,600,024	188,386,869,796	460,811,562,389	269,177,672,661	191,633,889,728
Cộng	**527,291,939,953**	**337,515,343,990**	**189,776,595,963**	**520,574,032,522**	**326,110,357,107**	**194,463,675,415**

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

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

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

8. INTANGIBLE ASSETS

	Computer Software VND	Total VND
COST		
Opening balance	**829,000,000**	**829,000,000**
Purchases during the year	300,000,000	300,000,000
Closing balance	**1,129,000,000**	**1,129,000,000**
ACCUMULATED DEPRECIATION		
Opening balance	**615,881,866**	**615,881,866**
Charge for the period	71,980,381	71,980,381
Closing balance	**687,862,247**	**687,862,247**
NET BOOK VALUE		
Opening balance	**213,118,134**	**213,118,134**
Closing balance	**441,137,753**	**441,137,753**

The cost of fully-depreciated assets that were used as at 30 June 2026 was VND 337,000,000 (as at 31 December 2025 was VND 337,000,000).

9. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
Quang Xuan Commune Level-3 Water Supply Network, Quang Trach District, 2024	4,405,024,471	-
PP Water Pipeline from Dong Hoi Bypass Road to Phan Huy Chu Street	3,793,026,588	3,658,792,386
Ba Don Town Level-3 Water Supply Network, 2025	-	3,231,091,139
Construction of sludge tank at Rao Da Water Supply Statior	627,158,334	-
Other projects	5,573,648,800	7,443,070,120
Total	**14,398,858,193**	**14,332,953,645**

10. DEFERRED EXPENSES

	Closing balance VND	Opening balance VND
a. Short-term		
Insurance expenses	832,663	5,828,665
Other short-term deferred expenses	227,798,416	315,979,000
Total	**228,631,079**	**321,807,665**
b. Long-term		
Tools and equipment pending allocation	1,080,115,887	1,313,350,376
Other long-term deferred expenses	2,881,493,653	3,044,862,723
Total	**3,961,609,540**	**4,358,213,099**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

11. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
Biwase Quang Binh Joint Stock Company	3,313,580,634	1,543,271,940
Quang Binh Irrigation Works Exploitation One Member Company Limited	2,406,306,000	1,281,990,612
DNP Holding Joint Stock Company	2,141,927,377	715,724,640
Trade Technology Truong An Company Limited	1,077,804,720	-
Nhat Minh General Business Services Company Limited	795,248,850	-
VBS Measure Technology Joint Stock Company	343,684,300	84,418,500
Other payables	4,695,170,238	3,046,547,347
Total	**14,773,722,119**	**6,671,953,039**

12. DIVIDENDS AND PROFITS PAYABLE

	Closing balance VND	Opening balance VND
Dividends and profits payable	6,892,081,600	-
Total	**6,892,081,600**	**-**

According to the Resolution of the Annual General Meeting of Shareholders dated 23 April 2026, the dividend payment deadline is 15 August 2026.

13. SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
Accrued interest expense	107,045,965	107,595,074
Total	**107,045,965**	**107,595,074**

14. SHORT-TERM OTHER PAYABLES

	Closing balance VND	Opening balance VND
Excess assets awaiting resolution	-	25,676,614
Trade union fund	12,904,741	111,923,110
Short-term deposits and margin deposits	1,900,589,000	1,680,000,000
Other payables and accruals	2,041,895,061	1,914,361,204
- Quang Binh Forest Protection and Development Fund	*192,682,568*	*163,623,044*
- Dong Hoi City Management Board of Investment, Construction and Land Fund Development Projects	*989,878,840*	*989,878,840*
- Wastewater charges	*607,456,113*	*59,580,779*
- Other payables	*251,877,540*	*701,278,541*
Total	**3,955,388,802**	**3,731,960,928**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

15. TAX AND AMOUNTS RECEIVABLE/ PAYABLE TO THE STATE BUDGET

	Closing balance VND	Payable during the year VND	Paid during the year VND	Opening balance VND
a. Receivables				
Personal income tax	1,649,050	-	1,649,050	-
Land tax and land rent	-	51,981,578	-	51,981,578
Total	**1,649,050**	**51,981,578**	**1,649,050**	**51,981,578**
b. Payables				
Value-added tax (VAT)	-	1,136,689,537	1,136,689,537	-
Corporate income tax	1,890,020,134	2,560,020,134	1,841,101,080	1,171,101,080
Personal income tax	-	56,349,518	262,334,518	205,985,000
Natural resource consumption tax	28,205,760	143,236,800	139,152,600	24,121,560
Land tax and land rent	-	177,480,085	177,480,085	-
Land and housing tax	-	20,557,607	20,557,607	-
Environmental protection tax	1,440,821,813	6,941,895,697	6,269,431,167	768,357,283
Total	**3,359,047,707**	**11,036,229,378**	**9,846,746,594**	**2,169,564,923**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

16. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Closing balance	During the period		Opening balance
	Cost	Increase	Decrease	Cost
	VND	VND	VND	VND
a. Short-term				
Vietnam Joint Stock Commercial Bank for Foreign Trade - Quang Binh Branch	-	-	4,275,833,294	4,275,833,294
Vietnam Bank for Agriculture and Rural Development - Quang Binh Branch (i)	4,566,477,546	4,566,477,546	-	-
Add: Current portion of long-term borrowings	**4,987,439,729**			**7,964,879,459**
Vietnam Development Bank – Quang Binh Branch (ii)	2,577,439,729			5,154,879,459
Vietnam Joint Stock Commercial Bank for Foreign Trade - Quang Binh Branch (iii)	2,410,000,000			2,810,000,000
Total	**9,553,917,275**	**4,566,477,546**	**4,275,833,294**	**12,240,712,753**
b. Long-term				
Vietnam Development Bank – Quang Binh Branch (ii)	2,496,226,594	-	2,658,652,863	5,154,879,457
Vietnam Joint Stock Commercial Bank for Foreign Trade - Quang Binh Branch (iii)	14,004,541,760	-	1,870,000,000	15,874,541,760
Less: Current portion of long-term liabilities, as detailed in Note V.16a	**4,987,439,729**			**7,964,879,459**
Total	**11,513,328,625**	**-**	**4,528,652,863**	**13,064,541,758**

(i) The loan from the Vietnam Bank for Agriculture and Rural Development - Quang Binh Branch under Credit Agreement No. 3800-LAV-202600329 dated 6 May 2026 has a credit limit of VND 35,000,000,000, of which the credit limit granted under this agreement is VND 8,000,000,000, comprising a secured loan of VND 5,000,000,000 and an unsecured loan of VND 3,000,000,000. The purpose of the loan is to pay expenses for water extraction, treatment and supply, provide financial reimbursement for capital used for no more than six months, and cover other expenses in accordance with the Company's capital utilisation plan. The credit limit is maintained for a maximum period of 12 months, while the term of each loan is a maximum of six months. The interest rate applicable to the loan during the term at the date of signing the agreement was 8% per annum; the specific interest rate applicable to each drawdown is specified in the respective debt acknowledgement. The Company uses its fixed assets as collateral for this loan under Mortgage Agreement No. 63/2026/HĐTC dated 29 April 2026.

(ii) The loan from the Vietnam Development Bank - Quang Binh Branch, funded by ODA loans for the implementation of the "Upgrading and Renovation of Water Supply and Sanitation Systems in Cities and Towns" Project, was on-lent between the Ministry of Finance and the Company under the On-lending Agreement dated 28 August 1997 and the Amendment to the On-lending Agreement dated 28 April 2008, with an original principal amount of VND 69,904,158,089, a loan term of 25 years, a grace period of 5 years, and an interest rate of 5% per annum.

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

16. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)

(iii) The borrowings comprise the following loan agreements:

- A loan from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch under Investment Project Loan Agreement No. 877/2019/VCB.KHDN dated 31 October 2019, with a loan term of 7 years from the day following the date of the first disbursement. The loan proceeds are used to pay reasonable, valid and lawful costs related to the implementation of the Project. The interest rate is the ceiling rate for VND 12-month individual savings deposits plus a margin, determined at the time the parties enter into the credit agreement and adjusted immediately upon notification by the Joint Stock Commercial Bank for Foreign Trade of Vietnam when there is a change. The Company uses its fixed assets as collateral for these loans under Mortgage Agreements No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN and 807/2019/VCB.KHDN dated 22 May 2019, No. 688.01/2019/VCBQB.KHDN dated 24 July 2020 and No. 886/2021/VCB.KHDN dated 17 December 2021.

- A loan from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch under Medium- and Long-term Loan Agreement No. 856/2020/VCB.KHDN dated 24 August 2020, with a maximum loan amount of VND 16 billion, but not exceeding 77.5% of the total investment amount of the investment plan for the acquisition of the Rao Da Water Treatment Plant System, and a loan term of 120 months from the date of the first disbursement. The loan proceeds are used to finance reasonable and valid credit needs related to the implementation of the investment plan for the acquisition of the Rao Da Water Treatment Plant System approved by the competent authority, in accordance with Asset Purchase Agreement No. 21/HĐMD dated 4 May 2020 between the Quang Ninh District Project Management Board for Investment, Construction and Land Fund Development and Quang Binh Water Supply Joint Stock Company. The interest rate is adjustable and comprises the base lending rate plus 2% per annum for the first two years and the base lending rate plus 2.5% per annum from the third year onwards. The Company uses its fixed assets as collateral for these loans under Mortgage Agreements No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN and 807/2019/VCB.KHDN dated 22 May 2019, No. 688.01/2019/VCBQB.KHDN dated 24 July 2020 and No. 886/2021/VCB.KHDN dated 17 December 2021.

- A loan from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch under Medium- and Long-term Loan Agreement No. 11/2024/VCB.KHDN.TDH dated 26 August 2024, with a maximum loan amount of VND 1.255 billion and a loan term of 60 months from the date of the first disbursement. The loan proceeds are used to purchase a Hino truck-mounted crane for investment in fixed assets. The interest rate is fixed at 6.5% per annum for one year from the date of the first disbursement, while the interest rate for the remaining period is the base lending rate plus a margin of 2.8% per annum. The Company uses its fixed assets as collateral for these loans under Mortgage Agreements No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN and 807/2019/VCB.KHDN dated 22 May 2019, No. 688.01/2019/VCBQB.KHDN dated 24 July 2020 and No. 886/2021/VCB.KHDN dated 17 December 2021.

- A loan from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch under Medium- and Long-term Loan Agreement No. 12/2024/VCB.KHDN.TDH dated 20 November 2024, with a maximum loan amount of VND 9 billion and a loan term of 84 months from the date of the first disbursement. The loan proceeds are used to finance the construction of a water transmission pipeline from the Phu Vinh Water Plant to the Dong Hoi bypass road. The interest rate is fixed at 6.6% per annum for one year from the date of the first disbursement, while the interest rate for the remaining period is the base lending rate plus a margin of 2.9% per annum. The Company uses its fixed assets as collateral for these loans under Mortgage Agreements No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN and 807/2019/VCB.KHDN dated 22 May 2019, No. 688.01/2019/VCBQB.KHDN dated 24 July 2020 and No. 886/2021/VCB.KHDN dated 17 December 2021.

The Company uses its property, plant and equipment as collateral for its borrowings (Note V.7 – Tangible fixed assets for details).

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

16. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)

Long-term borrowings are repayable according to the following schedule:

	Closing balance VND	Opening balance VND
Within one year	4,987,439,729	7,964,879,459
From two to five years	11,513,328,625	13,064,541,758
Over five years	-	-
Total	**16,500,768,354**	**21,029,421,217**
Less: Amount due within 12 months	4,987,439,729	7,964,879,459
Amount due after 12 months	**11,513,328,625**	**13,064,541,758**

17. OWNER'S EQUITY

a. Movement of owner's equity

	Owner's contributed capital VND	Investment and development fund VND	Retained earnings VND	Total VND
Prior year's opening balance as reported	**172,302,040,000**	**7,248,166,996**	**14,688,021,214**	**194,238,228,210**
Profit increased during the year	-	-	12,948,795,584	12,948,795,584
Dividend distribution	-	-	(6,547,477,520)	(6,547,477,520)
Appropriation to development investment fund	-	2,400,022,000	(2,400,022,000)	-
Appropriation to bonus and welfare fund	-	-	(5,458,511,694)	(5,458,511,694)
Executive bonus allocation	-	-	(282,010,000)	(282,010,000)
Current period's opening balance	**172,302,040,000**	**9,648,188,996**	**12,948,795,584**	**194,899,024,580**
Profit increased during the period	-	-	10,206,988,374	10,206,988,374
Dividend distribution (*)	-	-	(6,892,081,600)	(6,892,081,600)
Appropriation to development investment fund (*)	-	2,000,000,000	(2,000,000,000)	-
Appropriation to bonus and welfare fund (*)	-	-	(4,056,713,984)	(4,056,713,984)
Current period's closing balance	**172,302,040,000**	**11,648,188,996**	**10,206,988,374**	**194,157,217,370**

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

17. OWNER'S EQUITY (CONTINUED)

a. Movement of owner's equity (Continued)

(*) Pursuant to the Resolution dated 23 April 2026 of the 2026 Annual General Meeting of Shareholders on the distribution of profit after tax and appropriation of funds for 2025, the amounts are as follows:

- Appropriation to the Development Investment Fund: VND 2,000,000,000;
- Appropriation to the Bonus and Welfare Fund: VND 4,056,713,984;
- Dividend distribution: VND 6,892,081,600

b. Detail of owner's contributed equity

	Closing balance		Opening balance	
	Ownership ratio %	Amount VND	Ownership ratio %	Amount VND
People's Committee of Quang Tri Province	52.16%	89,865,040,000	52.16%	89,865,040,000
Binh Duong Water - Environment Corporation - JSC	41.00%	70,650,000,000	41.00%	70,650,000,000
Other shareholders' equity	6.84%	11,787,000,000	6.84%	11,787,000,000
Cộng	**100%**	**172,302,040,000**	**100%**	**172,302,040,000**

c. Shares

	Closing balance Shares	Opening balance Shares
Number of shares issued to the public	17,230,204	17,230,204
- Ordinary shares	17,230,204	17,230,204
Number of outstanding shares in circulation	17,230,204	17,230,204
- Ordinary shares	17,230,204	17,230,204
Par value of outstanding shares (VND/share)	10,000	10,000

18 DEPARTMENT REPORT

Segment information is presented by business segment and geographical segment.

Geographical segment

The Company's operations are solely concentrated within Quang Binh Province (now part of Quang Tri Province). Accordingly, the Company does not prepare segment reporting by geographical area.

Business segment

The Company operates in the water supply sector and in the construction and installation of facilities serving water supply operations. Revenue from construction and installation activities represents an insignificant proportion of the Company's total revenue (as detailed in Note VI.1). Accordingly, the Company does not prepare segment reporting by business segment.

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

19. OFF-STATEMENT OF FINANCIAL POSITION ITEMS

Leased assets

The company is currently managing and utilizing 21 land plots across Quang Tri Province, with a total area of 72,195.9 square meters. The primary purpose of use includes office headquarters, water treatment plants, branch offices, warehouses, pumping stations, filtration tanks, and storage reservoirs. The land is leased under an annual rental payment scheme.

Bad debt resolved

	Closing balance VND	Opening balance VND
Export Agricultural, Aquatic and Seafood Processing Enterprise	25,043,117	25,043,117
Total	**25,043,117**	**25,043,117**

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INTERIM INCOME STATEMENT

1. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current period VND	Prior period VND
Revenue from water production and supply	81,159,942,478	59,041,569,951
Revenue from branch pipe installation	3,993,257,410	6,168,995,258
Other revenue	769,814,808	441,748,971
Total	**85,923,014,696**	**65,652,314,180**

2. COST OF SALES

	Current period VND	Prior period VND
Cost of water production and supply	61,949,309,580	47,431,937,145
Cost of branch pipe installation	3,399,733,328	4,252,988,610
Reversal for inventory write-down	(35,008,763)	(46,823,729)
Cost of other activities	40,032,623	37,594,917
Total	**65,354,066,768**	**51,675,696,943**

3. FINANCIAL EXPENSES

	Current period VND	Prior period VND
Interest on deposits and loans	862,994,090	816,331,258
Total	**862,994,090**	**816,331,258**

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

4. SELLING AND ADMINISTRATION EXPENSES

	Current period VND	Prior period VND
Administrative expenses		
Management salary expenses	546,000,000	1,150,415,800
Management materials expenses	423,985,934	27,934,652
Depreciation expense of fixed assets	428,658,849	381,289,690
Taxes	393,256,070	390,805,009
Outsourced service expenses	177,552,414	140,000,000
Other expenses	2,008,856,050	1,433,402,313
Provision (Reversal) for doubtful debts	167,048,966	(16,977,027)
Total	**4,145,358,283**	**3,506,870,437**
Selling expenses		
Material expenses	2,871,123,754	2,120,777,968
Total	**2,871,123,754**	**2,120,777,968**

5. CURRENT CORPORATE INCOME TAX EXPENSES

	Current period VND	Prior period VND
Current corporate income tax expense		
Total profit before tax	12,767,008,508	7,568,283,919
Adjustments for increases	33,092,160	61,981,710
Non-deductible expenses	*33,092,160*	*61,981,710*
Taxable income	12,800,100,668	7,630,265,629
Current corporate income tax rate	20%	20%
Corporate income tax expense based on income	**2,560,020,134**	**1,526,053,126**
Corporate income tax for prior years	-	48,613,489
Current corporate income tax expense	**2,560,020,134**	**1,574,666,615**

6. BASIC/DILUTED EARNINGS PER SHARE

	Current perriod VND	Prior period (Re-presen) VND
Profit/loss for basic earnings per share calculation	**10,206,988,374**	**5,993,617,304**
Minus: Provision for estimated bonus and welfare fund (*)	3,197,736,207	1,877,733,800
Profit for basic earnings per share calculation	**7,009,252,167**	**4,115,883,504**
Weighted average number of common shares for basic earnings per share calculation	17,230,204	17,230,204
Basic earnings per share (**)	**407**	**239**

(*) The Bonus and Welfare Fund estimated for the six-month period ended 30 June 2026 is calculated by applying the appropriation rate of the Bonus and Welfare Fund to the after-tax profit of 2025 to the undistributed after-tax profit for the six-month period ended 30 June 2026.

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

6. BASIC/DILUTED EARNINGS PER SHARE (CONTINUED)

The Company made an adjustment to the basic earnings per share indicator for the six-month accounting period ended 30 June 2025, due to the impact of the appropriation to the bonus and welfare fund as resolved by the Annual General Meeting of Shareholders in 2026 regarding the distribution of after-tax profit for the year 2025, as follows:

	Reported VND	Adjustment VND	Restarted VND
Accounting profit after tax	**5,993,617,304**	**-**	**5,993,617,304**
Minus: Provision for estimated bonus and welfare fund	2,342,486,415	(464,752,615)	1,877,733,800
Profit for basic earnings per share calculation	**3,651,130,889**	**464,752,615**	**4,115,883,504**
Weighted average number of common shares for basic earnings per share calculation	17,230,204	-	17,230,204
Basic earnings per share	**212**	**27**	**239**

(**) The Company does not have any potential ordinary shares that would dilute earnings per share during the accounting period or as of the date of this financial statement. Therefore, diluted earnings per share are equal to basic earnings per share.

7. Production and business costs by factor

	Current period VND	Prior period VND
Raw materials and supplies cost	20,447,973,129	14,329,466,775
Labor cost	25,335,771,852	21,144,465,926
Depreciation of fixed assets	11,476,967,264	10,813,125,457
Outsourced service expenses and other cash expenses	15,459,628,340	10,700,337,357
Total	**72,720,340,585**	**56,987,395,515**

VII. OTHER INFORMATION

1. RELATED PARTY TRANSACTIONS AND BALANCES

The income of the Board of Directors, Board of Management, Supervisory Board during the period is as follows:

Name	Title	Current period VND	Prior period VND
Mr. Le Anh Dung	Chairman	372,800,400	313,351,640
Mr. Le Van Nghia	Director	318,258,400	245,018,650
Mr. Nguyen Van Dung	Former Director	-	296,194,725
Mr. Tran Van Tien	Deputy Director	281,613,500	242,728,010
Mr. Le Minh Chuong	Deputy Director	286,826,000	248,462,410
Mr. Mai Song Hao	Member of the Board of Directors	12,000,000	12,000,000
Mr. Nguyen Ngoc Ho	Member of the Board of Directors	12,000,000	4,000,000
Mr. Tran Tan Duc	Former Member of the Board of Directors	-	8,000,000
Mr. Nguyen Duc Vu	Former Head of the Supervisory Board	217,211,500	179,046,625
Mr. Le Thanh Binh	Head of the Supervisory Board	192,697,000	-
Mr. Tran Van Ban	Former Member of the Board of Supervision	-	173,606,000
Mrs. Le Thi Thu Ha	Member of the Board of Supervision	139,665,589	121,274,000
Mr. Trinh Dinh Tung	Member of the Board of Supervision	9,000,000	9,000,000
Total		**1,842,072,389**	**1,852,682,060**

VII. OTHER INFORMATION (CONTINUED)

2. EVENTS AFTER THE ACCOUNTING PERIOD END DATE

There were no events occurring after the end of the interim accounting period that require adjustment to, or disclosure in, the notes to the interim financial statements.

3. COMPARATIVE FIGURES

As presented in Note III, from 1 January 2026, the Company has adopted Circular No. 99. Accordingly, certain comparative figures for the previous year have been re-presented in accordance with the transitional provisions of Circular No. 99 to ensure comparability with the figures for the current period, as follows:

Impact of adjustments and reclassifications on the Statement of Financial Position as at 1 January 2026:

	ITEM	Code	Previously reported amount (VND)	Restated (VND)	Restated amount (VND)
1.	Short-term prepayments	151	321,807,665	(321,807,665)	-
2.	Long-term prepayments	261	4,358,213,099	(4,358,213,099)	-
3.	Short-term deferred expenses	161	-	321,807,665	321,807,665
4.	Long-term deferred expenses	271	-	4,358,213,099	4,358,213,099

Impact of adjustments and reclassifications on the Statement of Cash Flows for the period from 1 January 2025 to 30 June 2025:

	ITEM	Code	Previously reported amount (VND)	Restated (VND)	Restated amount (VND)
1.	Interest paid	04	(866,832,397)	866,832,397	-
2.	Borrowing costs paid	04	-	(866,832,397)	(866,832,397)

M.S.D.N: 3100130287-C.T.C.P
CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH
Đ. HỚI - T. QUẢNG TRỊ

Pham Thi Ngoc Thuy
Preparer

Nguyen Duc Vu
Chief Accountant

Le Anh Dung
Chairman
Approved 11 August 2026

QUANG BINH WATER SUPPLY JOINT STOCK COMPANY	SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness
No.:405 /CV-NQB Re: Explanation of variance in profit after tax in the 2026 semi-annual financial statements after audit compared with the 2025 semi-annual financial statements	*Quang Tri, August 14, 2026*

To: - State Securities Commission of Vietnam
- Hanoi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance providing guidance on information disclosure on the securities market.

Pursuant to the reviewed interim financial statements for the six-month accounting period ended June 30, 2026 of Quang Binh Water Supply Joint Stock Company submitted to the State Securities Commission of Vietnam and the Hanoi Stock Exchange.

Quang Binh Water Supply Joint Stock Company hereby explains the variance in profit after corporate income tax in the business performance report for the first six months of 2026 compared with the same period of 2025 as follows:

- Revenue from sales and service provision increased by 30.88% compared with the same period of 2025, equivalent to an increase of VND 20.270 billion. The increase was due to an upward adjustment in the retail price of domestic water under Decision No. 1753/QD-UBND dated October 1, 2025 of the Quang Tri Provincial People's Committee on adjusting the retail price of domestic water produced and supplied by Quang Binh Water Supply Joint Stock Company.

- Cost of goods sold increased by 26.47% compared with the same period of 2025, equivalent to an increase of VND 13.678 billion. The increase was mainly due to higher cost items related to tap-water production, including: raw water purchases rising from VND 350/m3 to VND 900/m3 (up 157.14%); bulk water purchased through the master meter rising from VND 6,090/m3 to VND 7,686/m3 (up 26.2%); and increases in electricity prices, disinfectant chemical costs, and other inputs used in tap-water production.

Other indicators fluctuated in line with the Company's actual production and business activities but were not significant.

The above are the main reasons for the increase in the variance of profit after tax for the first six months of 2026 compared with the same period of 2025 of Quang Binh Water Supply Joint Stock Company.

CHAIRMAN OF THE BOARD OF DIRECTORS

CÔNG TY CỔ PHẦN CẤP NƯỚC QUẢNG BÌNH

Lê Anh Dũng

Recipients:
- As above,
- Administrative, General, and Financial Accounting.