

No.: ~~134~~ /NQB-CBTT

Quang Tri, March 10, 2026

PERIODIC INFORMATION DISCLOSURE
FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

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

In compliance with Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance guiding information disclosure in the securities market, Quang Binh Water Supply Joint Stock Company hereby discloses the Financial Statements for the year ended December 31, 2025, to the State Securities Commission and the Hanoi Stock Exchange as follows:

1. Organization Name: Quang Binh Water Supply Joint Stock Company

- Stock Code: NQB
- Address: 81 Ly Thuong Kiet Street, Dong Hoi Ward, Quang Tri Province
- Contact Phone: 02323822354
- Email: capnuocqb@gmail.com
- Website: capnuocquangbinh.vn
- Financial Statements for the year ended December 31, 2025

☒ Separate FR (for companies without subsidiaries and with subordinate accounting units);

☐ Consolidated FR (for companies with subsidiaries);

☐ Combined FR (for companies with subordinate accounting units having their own accounting systems).

- Cases requiring explanation of reasons:

+ The auditing organization issues an opinion other than a full acceptance of the FR (for audited FR of 2025):

☐ Yes

☐ No

Explanation document, if applicable:

☐ Yes

☐ No

+ Post-tax profit in the reporting period has a variance of 5% or more between pre- and post-audit figures, or switches from loss to profit (for audited FR of 2025):



☐ Yes

☐ No

Explanation document, if applicable:

☐ Yes

☐ No

+ Post-tax profit in the income statement of the reporting period changes by 10% or more compared to the same period of the previous year:

☐ Yes

☐ No

Explanation document, if applicable:

☐ Yes

☐ No

+ Post-tax profit in the reporting period shows a loss, changing from a profit in the same period of the previous year or vice versa:

☒ Yes

☐ No

Explanation document, if applicable:

☒ Yes

☐ No

This information was published on the company's official website on March 10, 2026, at the link: capnuocquangbinh.vn.

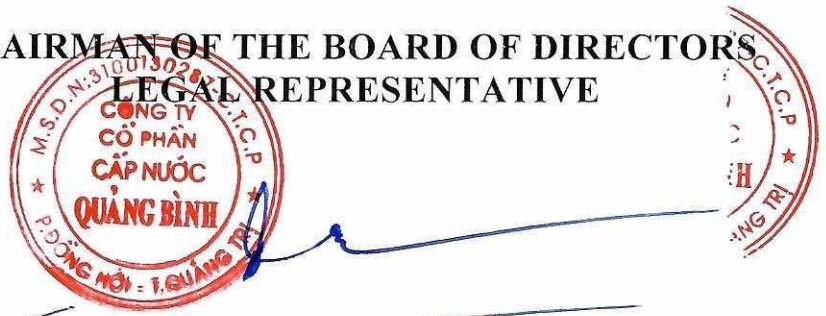
We commit that the information disclosed above is truthful and accept full legal responsibility for its contents.

**CHAIRMAN OF THE BOARD OF DIRECTORS
LEGAL REPRESENTATIVE**

Attachments:

- Financial Statements for the year ended December 31, 2025

- Explanation Report.



Lê Anh Dũng

QUANG BINH WATER SUPPLY JOINT STOCK COMPANY
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

TABLE OF CONTENTS

	<u>PAGES</u>
STATEMENT OF CHAIRMAN OF THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT	2 - 3
INDEPENDENT AUDITORS' REPORT	4
BALANCE SHEET	5 - 6
INCOME STATEMENT	7
CASH FLOW STATEMENT	8
NOTES TO THE FINANCIAL STATEMENTS	9 - 28

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

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

THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISION

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 this report are as follows:

Board of Directors

Mr. Le Anh Dung	Chairman
Mr. Nguyen Van Dung	Permanent member (dismissed on 28 April 2025)
Mr. Le Minh Chuong	Member
Mr. Mai Song Hao	Member
Mr. Le Van Nghia	Member (appointed on 28 April 2025)
Mr. Nguyen Ngoc Ho	Member (appointed on 28 April 2025)
Mr. Tran Tan Duc	Member (dismissed on 28 April 2025)

Board of Management

Mr. Le Van Nghia	Chief Executive Officer (appointed on 4 November 2025)
Mr. Nguyen Van Dung	Deputy Director (from 1 January 2025 to 3 November 2025)
Mr. Tran Van Tien	Director (retired on 3 September 2025)
	Deputy Director

Board of Supervision

Mr. Nguyen Duc Vu	Supervisor
Mrs. Le Thi Thu Ha	Member (appointed on 28 April 2025)
Mr. Trinh Dinh Tung	Member
Mr. Tran Van Ban	Member (dismissed on 28 April 2025)

Legal Representative

The legal representative of the Company during the year and up to the date of this report is Mr. Le Anh Dung - Chairman of the Board of Directors.

RESPONSIBILITY OF CHAIRMAN OF THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

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

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

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

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

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

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



Le Anh Dung
Chairman of the Board
10 March 2025

No: 031001/2026/BCKT-iCPA

INDEPENDENT AUDITORS' REPORT

To: **Shareholders**
The Board of Directors and the Board of Management
Quang Binh Water Supply Joint Stock Company

We have audited the accompanying financial statements of Quang Binh Water Supply Joint Stock Company (the "Company"), prepared on 10 March 2026, as set out from page 5 to page 28, which comprise the balance sheet as at 31 December 2025, the statement of income, the statement of cash flows for the year then ended, Notes to the financial statements.

Responsibility of Chairman of The Board of Directors and the Board of Management

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

Auditors' Responsibility

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

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

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

Opinion

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



Nguyen Thi Thanh Hoa
Deputy General Director
Audit Practising Registration Certificate
No. 1402-2023-072-1
10 March 2025



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

BALANCE SHEET
As at 31 December 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		33,847,250,072	42,261,646,335
I. Cash and cash equivalents	110		15,696,344,137	22,277,273,484
1. Cash	111	V.1	15,696,344,137	22,277,273,484
II. Short-term receivables	130		7,227,666,127	7,438,808,218
1. Short-term trade receivables	131	V.2	6,715,591,304	7,059,541,172
2. Short-term advances to suppliers	132	V.3	321,228,000	512,733,767
3. Other short-term receivables	136		327,250,320	7,550,000
4. Provision for short-term doubtful debts	137	V.4	(146,418,847)	(163,395,874)
5. Deficits in assets awaiting solution	139		10,015,350	22,379,153
III. Inventories	140	V.5	10,441,117,960	12,198,880,977
1. Inventories	141		11,523,237,510	13,425,612,653
2. Provision for devaluation of inventories	149		(1,082,119,550)	(1,226,731,676)
IV. Other short-term assets	150		482,121,848	346,683,656
1. Short-term prepayments	151	V.9a	321,807,665	222,819,957
2. Value added tax deductibles	152		108,332,605	73,735,419
3. Taxes and other receivables from the State budget	153	V.11a	51,981,578	50,128,280
B. NON-CURRENT ASSETS	200		213,404,960,293	212,476,450,251
I. Long-term receivables	210		37,000,000	37,000,000
1. Other long-term receivables	216		37,000,000	37,000,000
II. Fixed assets	220		194,676,793,549	193,403,313,774
1. Tangible fixed assets	221	V.6	194,463,675,415	193,229,954,854
- Cost	222		520,574,032,522	497,423,507,834
- Accumulated depreciation	223		(326,110,357,107)	(304,193,552,980)
2. Intangible assets	227	V.7	213,118,134	173,358,920
- Cost	228		829,000,000	719,000,000
- Accumulated depreciation	229		(615,881,866)	(545,641,080)
III. Long-term assets in progress	240		14,332,953,645	14,458,954,489
1. Long-term construction in progress	242	V.8	14,332,953,645	14,458,954,489
IV. Other long-term assets	260		4,358,213,099	4,577,181,988
1. Long-term prepayments	261	V.9b	4,358,213,099	4,577,181,988
TOTAL ASSETS	270		247,252,210,365	254,738,096,586

BALANCE SHEET (CONTINUED)
As at 31 December 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		52,353,185,785	60,499,868,376
I. Current liabilities	310		39,288,644,027	42,663,445,559
1. Short-term trade payables	311	V.10	6,671,953,039	9,286,388,797
2. Short-term advances from customers	312		400,628,965	546,916,817
3. Taxes and amounts payable to the State budget	313	V.11b	2,169,564,923	2,758,431,799
4. Payables to employees	314		11,744,876,211	10,716,465,896
5. Short-term accrued expenses	315	V.12	107,595,074	216,000,000
6. Other current payables	319	V.13	3,731,960,928	4,260,818,100
7. Short-term loans and obligations under finance leases	320	V.14a	12,240,712,753	13,434,851,110
8. Bonus and welfare funds	322		2,221,352,134	1,443,573,040
II. Long-term liabilities	330		13,064,541,758	17,836,422,817
1. Long-term loans and obligations under finance leases	338	V.14b	13,064,541,758	17,836,422,817
D. EQUITY	400		194,899,024,580	194,238,228,210
I. Owner's equity	410	V.15	194,899,024,580	194,238,228,210
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		9,648,188,996	7,248,166,996
3. Retained earnings	421		12,948,795,584	14,688,021,214
- Retained earnings accumulated to the prior year end	421a		-	-
- Retained earnings of the current year	421b		12,948,795,584	14,688,021,214
TOTAL RESOURCES	440		247,252,210,365	254,738,096,586


Pham Thi Ngoc Thuy
Preparer

Le Minh Chuong
Chief AccountantLe Anh Dung
Chairman of the Board
10 March 2025

INCOME STATEMENT
For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	VI.1	141,343,462,668	133,591,382,404
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered	10	VI.1	141,343,462,668	133,591,382,404
4. Cost of sales	11	VI.2	112,756,605,024	100,894,811,134
5. Gross profit from goods sold and services rendered	20		28,586,857,644	32,696,571,270
6. Financial income	21		23,053,200	32,671,731
7. Financial expenses	22	VI.3	1,545,785,184	1,766,743,142
- In which: Interest expense	23		1,545,785,184	1,766,743,142
8. Selling expenses	25	VI.4	4,288,548,130	3,580,065,974
9. General and administration expenses	26	VI.5	6,555,465,349	9,190,026,952
10. Operating profit	30		16,220,112,181	18,192,406,933
11. Other income	31	VI.6	90,589,744	292,238,617
12. Other expenses	32	VI.7	40,191,772	51,219,477
13. Profit from other activities	40		50,397,972	241,019,140
14. Accounting profit before tax	50		16,270,510,153	18,433,426,073
15. Current corporate income tax expense	51	VI.8	3,321,714,569	3,745,404,859
16. Deferred corporate tax (income) expense	52		-	-
17. Net profit after corporate income tax	60		12,948,795,584	14,688,021,214
18. Basic earnings per share	70	VI.9	458	519
19. Diluted earnings per share	71	VI.9	458	519



Pham Thi Ngoc Thuy
Preparer



Le Minh Chuong
Chief Accountant



Le Anh Dung
Chairman of the Board
10 March 2026

CASH FLOW STATEMENT
(Direct method)
For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Revenue from sales, service provision, and other income	01	157,140,778,232	163,077,822,974
2. Payments to suppliers of goods and services	02	(65,805,685,851)	(55,268,391,201)
3. Payments to employees	03	(33,976,845,238)	(36,242,319,578)
4. Interest payments	04	(1,654,190,110)	(1,874,420,307)
5. Corporate income tax paid	05	(3,186,507,044)	(3,812,813,329)
6. Other revenue from business activities	06	748,143,787	1,549,538,329
7. Other expenses for business operations	07	(24,122,338,743)	(35,827,490,008)
Net cash flow from operating activities	20	29,143,355,033	31,601,926,880
II. Cash flow from investing activities			
1. Payments for the purchase and construction of fixed assets and other long-term assets	21	(23,233,840,644)	(22,338,755,706)
2. Proceeds from the disposal or sale of fixed assets and other long-term assets	22	-	54,703,704
3. Receipts from interest on loans, dividends, and profit distributions	27	23,053,200	32,671,731
Net cash flow from investing activities	30	(23,210,787,444)	(22,251,380,271)
III. Cash flow from financing activities			
1. Proceeds from borrowing	33	11,682,534,694	14,107,174,795
2. Repayments of principal on loans	34	(17,648,554,110)	(15,841,355,457)
3. Dividends and profits paid to shareholders	36	(6,547,477,520)	(6,030,571,400)
Net cash flow from financing activities	40	(12,513,496,936)	(7,764,752,062)
Net cash flow for the year	50	(6,580,929,347)	1,585,794,547
Cash and cash equivalents at the beginning of the year	60	22,277,273,484	20,691,478,937
Cash and cash equivalents at the end of the year	70	15,696,344,137	22,277,273,484



Pham Thi Ngoc Thuy
Preparer



Le Minh Chuong
Chief Accountant



Le Anh Dung
Chairman of the Board
10 March 2026

NOTES TO THE FINANCIAL STATEMENTS

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

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

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 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 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 31 December 2025, 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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

I. GENERAL INFORMATION (CONTINUED)**6. Explanation of comparability of information in financial statements**

Comparative figures are the figures from the financial statements for the financial year ending 31 December 2024, which have been audited.

7. Employees

The total number of employees of the Company as of 31 December 2025, is 223 (as of 31 December 2024, it was 223).

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

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

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

Financial year

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

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED**1. Accounting standards and system applied**

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

2. New accounting guidance issued but not yet effective

On 27 October 2025, the Ministry of Finance issued Circular No.99/2025/TT-BTC ("Circular 200") providing guidance on the corporate accounting regime. Circular 99 took effect from 01 January 2026 and is applicable to financial years beginning on or after 01 January 2026. Circular 99 replaces the following documents:

- Circular No.200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance ("Circular 200") providing guidance on the corporate accounting regime;
- Circular No.75/2015/TT-BTC dated 18 May 2015 of the Ministry of Finance amending and supplementing Article 128 of Circular 200; and
- Circular No. 53/2026/TT-BTC dated 23 March 2016 amending and supplementing a number of articles of Circular 200.

The provisions relating to accounting for the equisation of State-owned enterprises, as guided under Circular 200, continued to be applied.

The corporation's Board of Management is currently assessing the impact of the adoption of Circular 99 on the Corporation's financial statements for future accounting periods beginning on or after 01 January 2026.

Accounting method applied: Computerized accounting.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

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

Cash and cash equivalents

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

Receivables

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

The allowance for doubtful accounts represents the value of receivables that the Company expects will not be recoverable at the end of the reporting period. Any increase or decrease in the allowance balance is recognized as an expense in the management expenses section of the Income Statement.

Inventories

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

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

	<u>Years</u>
Buildings and structures	05 - 50
Machinery, equipment	06 - 20
Vehicles, transportation equipment	05 - 30
Office equipment and furniture	05 - 08

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Intangible assets and amortisation**

The Company's intangible fixed assets are accounting software.

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

Costs related to computer software programs that are not an integral part of the related hardware are capitalized. The original price of computer software is all expenses that the Company has spent up to the time the software is put into use. Computer software is amortized using the straight-line method from 5 to 8 years.

Construction in progress

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

According to state regulations on investment and construction management, depending on the level of authority, the final settlement value of completed basic construction projects must be approved by the relevant authorities. Therefore, the final value of these construction projects may change and depends on the settlement approved by the competent authorities.

Prepayments

Prepaid expenses include actual expenses that have been incurred but are related to the results of production and business activities over multiple accounting periods. Prepaid expenses include tools and instruments, insurance costs, and other prepaid expenses. These prepaid expenses will be gradually allocated to production and business costs over a reasonable period of time from when they are incurred.

Revenue recognition

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

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

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

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

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

Borrowing costs

Borrowing costs include interest on loans and other costs directly related to borrowing activities.

Borrowing costs are recognized as expenses when incurred. However, if the borrowing costs are directly related to the acquisition, construction, or production of qualifying assets, which require a substantial period (over 12 months) to be ready for their intended use or sale, such borrowing costs are capitalized into the cost of those assets. For specific loans related to the construction of fixed assets or investment properties, interest is capitalized even if the construction period is less than 12 months. Any income generated from the temporary investment of borrowings is deducted from the cost of the related assets.

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

Tax

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

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

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

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

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

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

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

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.

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

	Closing balance VND	Opening balance VND
Cash	248,660,429	66,766,487
Cash in bank	15,447,683,708	22,210,506,997
Total	15,696,344,137	22,277,273,484

2. SHORT-TERM TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
Receivables for customer's water bill	6,460,127,824	6,803,887,092
Receivables for installation and relocation of water supply pipe	255,463,480	255,654,080
- Management Board of Construction Investment Projects and Land Development of Dong Hoi City	255,463,480	1,186,000
- Other receivables from customers for installation and relocation of water supply pipelines	-	254,468,080
Total	6,715,591,304	7,059,541,172

QUANG BINH WATER SUPPLY JOINT STOCK COMPANYNo. 81 Ly Thuong Kiet Street, Dong Hoi Ward,
Quang Tri Province**FORM B 09 - DN**Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 issued by the Ministry of Finance**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****3. SHORT-TERM ADVANCES TO SUPPLIERS**

	Closing balance	Opening balance
	VND	VND
FAST Enterprise Management Software JSC Company - Ho Chi Minh City Branch	150,000,000	-
Vector Information Technology Co.,Ltd	102,000,000	-
Water Resource Consultancy Co.,Ltd	69,228,000	60,701,383
Nhat Minh General Service Trading Co.,Ltd	-	230,074,634
Other prepayments to suppliers	-	221,957,750
Total	321,228,000	512,733,767

4. BAD DEBT

	Closing balance			Opening balance		
	Cost	Recoverable amount	Provision	Cost	Recoverable amount	Provision
	VND	VND	VND	VND	VND	VND
Agricultural & Seafood EPE	-	-	-	-	-	-
Ngoc Ha Construction Materials JSC	36,758,565	-	(36,758,565)	36,758,565	-	(36,758,565)
Truong Thanh Industrial Co., Ltd	-	-	-	-	-	-
Quang Binh Construction Materials JSC	14,861,748	-	(14,861,748)	14,861,748	-	(14,861,748)
Lung Lo Construction Company	10,255,667	-	(10,255,667)	10,255,667	-	(10,255,667)
Other Entities	84,542,867	-	(84,542,867)	101,519,894	-	(101,519,894)
Total	146,418,847	-	(146,418,847)	163,395,874	-	(163,395,874)

5. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Materials	10,937,093,529	(1,082,119,550)	12,605,089,527	(1,226,731,676)
Instruments and tools	201,030,767	-	269,316,308	-
Work-in-Progress	385,113,214	-	551,206,818	-
Total	11,523,237,510	(1,082,119,550)	13,425,612,653	(1,226,731,676)

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

	Buildings and structures VND	Machinery and Equipment VND	Means of transport loading, transmission VND	Fixed assets used in management VND	Total VND
COST					
Opening balance	130,066,035,761	51,164,125,665	315,957,819,136	235,527,272	497,423,507,834
Additions	-	1,800,183,370	-	-	1,800,183,370
Transfer from construction in progress	773,968,120	422,137,636	20,253,552,362	-	21,449,658,118
Other discounts	(99,316,800)	-	-	-	(99,316,800)
Closing balance	130,740,687,081	53,386,446,671	336,211,371,498	235,527,272	520,574,032,522
ACCUMULATED DEPRECIATION					
Opening balance	84,150,726,872	27,692,664,819	192,240,234,001	109,927,288	304,193,552,980
Charge for the year	5,666,307,960	2,824,570,006	13,486,144,178	27,902,256	22,004,924,400
Other discounts	(88,120,273)	-	-	-	(88,120,273)
Closing balance	89,728,914,559	30,517,234,825	205,726,378,179	137,829,544	326,110,357,107
NET BOOK VALUE					
Opening balance	45,915,308,889	23,471,460,846	123,717,585,135	125,599,984	193,229,954,854
Closing balance	41,011,772,522	22,869,211,846	130,484,993,319	97,697,728	194,463,675,415

Original cost of tangible fixed assets, including fully depreciated tangible fixed assets that are still in use as of 31 December 2025, is 121,975,047,733 VND (as of 31 December 2024, it was 120,618,712,526 VND).

As of 31 December 2025, the remaining value of tangible fixed assets that have been pledged or mortgaged for loans is 36,671,976,235 VND (as of 31 December 2024, it was 38,884,957,563 VND).

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

	Management Software VND
COST	
Opening balance	719,000,000
Additions	110,000,000
Closing balance	829,000,000
ACCUMULATED DEPRECIATION	
Opening balance	545,641,080
Charge for the year	70,240,786
Closing balance	615,881,866
NET BOOK VALUE	
Opening balance	173,358,920
Closing balance	213,118,134

Original cost of intangible fixed assets includes fully depreciated intangible fixed assets that are still in use as of 31 December 2025, amounting to VND 337,000,000 (as of 31 December 2024, it was VND 284,000,000).

8. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening Closing VND
PP water pipeline from Dong Hoi bypass road to Phan Huy Chu street	3,658,792,386	-
Third-tier water supply network of Ba Don town 2025	3,231,091,139	-
Third-tier water supply network of Ba Don town, Hoan Lao townlet, Phong Nha townlet, Quy Dat townlet 2023	-	6,767,507,541
First-tier water supply network HDPE 400 Dong Hoi City	290,372,407	4,032,857,716
Other structures	7,152,697,713	3,658,589,232
Total	14,332,953,645	14,458,954,489

9. PREPAYMENTS

	Closing balance VND	Opening Closing VND
a. Short-term		
Tools and equipment	-	7,122,500
Other short-term prepayments	321,807,665	215,697,457
Total	321,807,665	222,819,957
b. Long-term		
Tools and equipment	1,313,350,376	1,016,379,720
Other long-term prepayments	3,044,862,723	3,560,802,268
Total	4,358,213,099	4,577,181,988

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

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
BIWASE Quang Binh JSC	1,543,271,940	1,543,271,940	997,036,530	997,036,530
Quang Binh Irrigation Works Exploitation One Member Co.,Ltd	1,281,990,612	1,281,990,612	896,413,928	896,413,928
DNP Holding JSC	715,724,640	715,724,640	2,535,619,680	2,535,619,680
Quang Binh Construction Consultancy JSC	54,339,568	54,339,568	546,635,120	546,635,120
VBS Measure Technology JSC	84,418,500	84,418,500	572,400,000	572,400,000
Other payables	2,992,207,779	2,992,207,779	3,738,283,539	3,738,283,539
Total	6,671,953,039	6,671,953,039	9,286,388,797	9,286,388,797

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

	Closing balance		Amount payable for the year	Amount paid/offset during the year	Opening balance
	VND	VND	VND	VND	VND
a. Receivables					
Land tax and land rent	-	-	-	-	-
Natural resource consumption tax	-	50,128,280	-	-	50,128,280
Total	51,981,578	50,128,280	51,981,578	50,128,280	50,128,280
b. Payables					
Value-added tax (VAT)	-	2,163,388,333	2,163,388,333	-	-
Corporate income tax	1,171,101,080	3,321,714,569	3,186,507,044	1,035,893,555	
Personal income tax	205,985,000	301,465,885	293,039,375	197,558,490	
Land tax and land rent	-	476,806,002	476,806,002	-	-
Natural resource consumption tax	24,121,560	215,205,960	191,084,400	-	-
Environmental protection tax	768,357,283	8,488,200,485	9,244,822,956	1,524,979,754	
Other taxes	-	14,000,000	14,000,000	-	-
Total	2,169,564,923	14,980,781,234	15,569,648,110	2,758,431,799	



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****12. SHORT-TERM ACCRUED EXPENSES**

	Closing balance	Opening balance
	VND	VND
Accrued interest expense	107,595,074	216,000,000
Total	107,595,074	216,000,000

13. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
Excess assets awaiting resolution	25,676,614	18,863,681
Trade union fund	111,923,110	1,653,531
Short-term deposits and margin deposits	1,680,000,000	1,579,500,000
Other payables and accruals	1,914,361,204	2,660,800,888
- Quang Binh Forest Protection and Development Fund	163,623,044	153,081,032
- Project Management Unit for Construction Investment and Land Development of Dong Hoi City	989,878,840	1,092,668,000
- Wastewater fee	59,580,779	862,346,113
- Others	701,278,541	552,705,743
Total	3,731,960,928	4,260,818,100

QUANG BINH WATER SUPPLY JOINT STOCK COMPANYNo. 81 Ly Thuong Kiet Street, Dong Hoi Ward,
Quang Tri Province**FORM B 09 - DN**Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 issued by the Ministry of Finance**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****14. LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

	Closing balance		In the year		Opening balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
a. Short-term						
Short-term bank loans	4,275,833,294	4,275,833,294	7,949,536,294	9,131,248,414	5,457,545,414	5,457,545,414
Vietnam Joint Stock Commercial Bank for Foreign Trade - Quang Binh Branch (i)	4,275,833,294	4,275,833,294	7,949,536,294	9,131,248,414	5,457,545,414	5,457,545,414
Total short-term loans	4,275,833,294	4,275,833,294	7,949,536,294	9,131,248,414	5,457,545,414	5,457,545,414
Current portion of long-term debt	7,964,879,459	7,964,879,459			7,977,305,696	7,977,305,696
Total	12,240,712,753	12,240,712,753			13,434,851,110	13,434,851,110
b. Long-term						
Long-term bank loans	21,029,421,217	21,029,421,217	3,732,998,400	8,517,305,696	25,813,728,513	25,813,728,513
Vietnam Development Bank - Quang Binh Branch (ii)	5,154,879,457	5,154,879,457	-	5,317,305,696	10,472,185,153	10,472,185,153
Vietnam Joint Stock Commercial Bank for Foreign Trade - Quang Binh Branch (iii)	15,874,541,760	15,874,541,760	3,732,998,400	3,200,000,000	15,341,543,360	15,341,543,360
Total	21,029,421,217	21,029,421,217	3,732,998,400	8,517,305,696	25,813,728,513	25,813,728,513
Current portion of long-term debt	(7,964,879,459)	(7,964,879,459)	-	-	(7,977,305,696)	(7,977,305,696)
Vietnam Development Bank - Quang Binh Branch	(5,154,879,459)	(5,154,879,459)	-	-	(5,317,305,696)	(5,317,305,696)
Vietnam Joint Stock Commercial Bank for Foreign Trade - Quang Binh Branch	(2,810,000,000)	(2,810,000,000)	-	-	(2,660,000,000)	(2,660,000,000)
Total	13,064,541,758	13,064,541,758			17,836,422,817	17,836,422,817

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)**14. LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)**

- (i) The loan at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch is under the credit limit loan agreement No. 23/2025/VCB.KHDN.HDHM dated 30 June 2025, with a credit limit of VND 12 billion. The credit limit is maintained until 30 June 2026. The company borrows funds to serve its production and business activities, and the loan interest rate is determined at the time of disbursement according to the bank's lending rate announcements for each period and recorded in each debt acknowledgment. The company uses its fixed assets as collateral under the mortgage contracts No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN, 807/2019/VCB.KHDN dated 22 May 2019, and No. 688.01/2019/VCBQB.KHDN dated 24 July 2020, as well as No. 886/2021/VCB.KHDN dated 17 December 2021, to secure these loans.
- (ii) The loan from the Vietnam Development Bank (VDB) sourced from ODA funds to implement the project "Upgrading and Improving the Water Supply and Sanitation Systems for Cities and Towns" was re-signed between the Ministry of Finance and the Company under the Supplemental Loan Agreement dated 28 August 1997, and the Amendment to the Supplemental Loan Agreement signed on April 28, 2008. The principal loan amount is 69,904,158,089 VND with a loan term of 25 years, a grace period of 5 years, and an interest rate of 5% per year.
- (iii) Including loan agreements:
- The loan at the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch is under the investment project loan agreement No. 877/2019/VCB.KHDN dated 31 October 2019. The loan term is 7 years from the day following the first disbursement date. The loan is used to pay for reasonable, valid, and legal expenses related to project investment implementation. The loan interest rate is based on the 12-month personal savings deposit ceiling rate in VND plus a margin (spread), determined at the time of signing the credit agreement and adjusted upon notification from the bank when there are changes. The company uses its fixed assets as collateral under the mortgage contracts No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN, 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, to secure these loans.
 - The loan at the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch is under the medium- and long-term installment loan agreement No. 856/2020/VCB.KHDN dated 24 August 2020. The maximum loan amount is VND 16 billion, but it shall not exceed 77.5% of the total investment cost for the investment plan to acquire the Rao Da Water Plant System. The loan term is 120 months from the first disbursement date. The loan is used to finance reasonable and legitimate credit needs related to the investment plan for acquiring the Rao Da Water Plant System, which has been approved by the competent authority. This is in accordance with the asset purchase contract No. 21/HĐMD dated 4 May 2020, signed between the Project Management Unit for Construction Investment and Land Development of Quang Ninh District and Quang Binh Water Supply Joint Stock Company. The loan interest rate is adjustable, consisting of: Base interest rate + 2% per year for the first two years, Base interest rate + 2.5% per year from the third year onward. The company uses its fixed assets as collateral under the mortgage contracts No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN, 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, to secure these loans.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statement***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET (CONTINUED)****14. LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)**

- The loan at the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch is under the medium- and long-term installment loan agreement No. 11/2024/VCB.KHDN.TDH, dated 26 August 2024. The maximum loan amount is VND 1.255 billion, with a loan term of 60 months from the first disbursement date. The loan is used to purchase a Hino truck crane for fixed asset investment. The interest rate is structured as follows: Fixed at 6.5% per year for the first year from the initial disbursement date, For the remaining loan term, the interest rate is the base rate + a margin of 2.8% per year. The company uses its fixed assets as collateral under the mortgage contracts No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN, 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, to secure these loans.
- The loan at the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Binh Branch is under the medium- and long-term installment loan agreement No. 12/2024/VCB.KHDN.TDH, dated 20 November 2024. The maximum loan amount is VND 9 billion, with a loan term of 84 months from the first disbursement date. The loan is used to invest in the transmission pipeline from Phu Vinh Water Plant to Dong Hoi Bypass Road. The interest rate is structured as follows: Fixed at 6.6% per year for the first year from the initial disbursement date, For the remaining loan term, the interest rate is the base rate + a margin of 2.9% per year. The company uses its fixed assets as collateral under the mortgage contracts No. 805/2019/VCB.KHDN, 806/2019/VCB.KHDN, 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, to secure these loans.

Long-term loans are repaid according to the following schedule:

	Closing balance VND	Opening balance VND
In one year	7,964,879,459	7,977,305,696
From the second to the fifth year	13,064,541,758	17,836,422,817
After five years	-	-
Total	21,029,421,217	25,813,728,513
Less: Amounts payable within 12 months	7,964,879,459	7,977,305,696
Amounts payable after 12 months	13,064,541,758	17,836,422,817



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

	Owner's contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Prior year's opening balance as previously reported	172,302,040,000	5,148,166,996	13,250,952,116	190,701,159,112
Profit for the year	-	-	14,688,021,214	14,688,021,214
Dividends declared	-	-	(6,030,571,400)	(6,030,571,400)
Allocation to the Investment and development fund	-	2,100,000,000	(2,100,000,000)	-
Allocation to the Bonus and Welfare Funds	-	-	(4,817,080,716)	(4,817,080,716)
Provision for executive bonuses	-	-	(303,300,000)	(303,300,000)
Current year's opening balance	172,302,040,000	7,248,166,996	14,688,021,214	194,238,228,210
Profit for the year	-	-	12,948,795,584	12,948,795,584
Dividends declared (*)	-	-	(6,547,477,520)	(6,547,477,520)
Allocation to the Investment and development fund (*)	-	2,400,022,000	(2,400,022,000)	-
Allocation to the Bonus and Welfare Funds (*)	-	-	(5,458,511,694)	(5,458,511,694)
Provision for executive bonuses (*)	-	-	(282,010,000)	(282,010,000)
Current year's closing balance	172,302,040,000	9,648,188,996	12,948,795,584	194,899,024,580

(*) According to the Resolution of the Annual General Shareholders' Meeting 2025 No. 01/2025/NQ-DHDCD dated 28 April 2025, the Company implements the distribution of after-tax profit for the year 2024 as follows:

- Allocate to the development investment fund with the amount of VND 2,400,200,000;
- Allocate to the reward, welfare funds, and management board bonuses of VND 5,457,511,694 and VND 282,010,000, respectively;
- Dividend distribution of VND 6,547,477,520.

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

	Closing balance		Opening balance	
	Ownership ratio %	Amount VND	Ownership ratio %	Amount VND
People's Committee of Quang Binh Province (present-day Quang Tri Provincial People's Committee)	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 sold to the public	17,230,204	17,230,204
- Common stock	17,230,204	17,230,204
Number of shares outstanding	17,230,204	17,230,204
- Common stock	17,230,204	17,230,204
Outstanding shares par value (VND/share)	10,000	10,000

16. OFF BALANCE SHEET**Leased Assets**

The company is managing and utilizing 21 land plots in Quang Tri province, covering a total area of 72,195.9 m². These plots are used for office headquarters, water plants, branch offices, warehouses, pumping stations, filtration tanks, and storage tanks. The land is leased under an annual payment scheme.

Bad debt resolved

	Closing balance VND	Opening balance VND
Agricultural & Seafood EPE	25,043,117	25,043,117
Total	25,043,117	25,043,117

17. DEPARTMENT REPORT

According to the provisions of Accounting Standard No. 28 and the related guiding Circular, the Company is required to prepare a segment report. Accordingly, a segment is a separately identifiable part of the Company engaged in providing related products or services (business segment) or providing products or services within a specific economic environment (geographical segment), each of which bears risks and earns economic benefits distinct from other segments. The Chairman of the Board and the Board of Management assess that the Company operates primarily in a single business segment-producing and selling domestic water (as detailed in Note VI.1, with revenue from water business accounting for 91.77% of total revenue) within the scope of Quang Tri province, the Company has no other geographical segments outside of Quang Tri. Therefore, the Company does not prepare segment reports by business sector or by geographical area.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT****1. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED**

	Current year VND	Prior year VND
Revenue from water production and supply	129,710,862,356	120,537,442,146
Revenue from branch pipe installation	10,679,860,033	10,006,781,380
Other revenue	952,740,279	3,047,158,878
Total	141,343,462,668	133,591,382,404

2. COST OF SALES

	Current year VND	Prior year VND
Cost of water production and supply	104,101,909,828	92,679,408,298
Cost of branch pipe installation	8,694,075,671	8,089,407,563
Provision (Reversal) for inventory write-down	(118,880,746)	(132,381,512)
Cost of other activities	79,500,271	258,376,785
Total	112,756,605,024	100,894,811,134

3. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Loan interest	1,545,785,184	1,766,743,142
Total	1,545,785,184	1,766,743,142

4. SELLING EXPENSES

	Current year VND	Prior year VND
Material expenses	4,288,548,130	3,580,065,974
Total	4,288,548,130	3,580,065,974

5. ADMINISTRATIVE EXPENSES

	Current year VND	Prior year VND
Management salary expenses	885,540,000	2,259,860,000
Management materials expenses	71,047,520	54,003,228
Depreciation expense of fixed assets	767,549,800	781,595,537
Outsourced service expenses	966,296,718	2,514,537,419
Other expenses	3,882,008,338	3,596,779,587
Provision (Reversal) for doubtful debts	(16,977,027)	(16,748,819)
Total	6,555,465,349	9,190,026,952

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)****6. OTHER INCOME**

	Current year VND	Prior year VND
Liquidation and transfer of fixed assets	-	54,703,704
Debt settlement	-	76,162,554
Material liquidation	22,407,926	93,190,541
Others	68,181,818	68,181,818
Total	90,589,744	292,238,617

7. OTHER EXPENSES

	Current year VND	Prior year VND
Others	40,191,772	51,219,477
Total	40,191,772	51,219,477

8. CURRENT CORPORATE INCOME TAX EXPENSES

	Current year VND	Prior year VND
Current corporate income tax expense		
Total profit before tax	16,270,510,153	18,433,426,073
Adjustments for taxable income		
Adjustments for increases	94,995,245	146,041,700
Non-deductible expenses	94,995,245	146,041,700
Taxable income	16,365,505,398	18,579,467,773
Current corporate income tax rate	20%	20%
Corporate income tax expense based on income	3,273,101,080	3,715,893,555
Corporate income tax for prior years	48,613,489	29,511,304
Current corporate income tax expense	3,321,714,569	3,745,404,859

9. BASIC /DILUTED EARNINGS PER SHARE

	Current year VND	Prior year (Restatement) VND
Profit/loss for basic earnings per share calculation	12,948,795,584	14,688,021,214
Provision for estimated bonus and welfare fund (*)	(5,060,779,861)	(5,740,521,694)
Profit for basic earnings per share calculation	7,888,015,723	8,947,499,520
Weighted average number of common shares for basic earnings per share calculation	17,230,204	17,230,204
Basic earnings per share	458	519

(*) The estimated reward and welfare fund for the fiscal year ending 31 December 2025, is calculated by multiplying the reward and welfare fund rate allocated from the after-tax profit of 2024 by the after-tax profit of the fiscal year ending 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying financial statement***VII. OTHER INFORMATION (CONTINUED)****1. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)***The income of the Board of Directors, the Board of Management, and the Board of Supervisory for the year is as follows:*

<u>Name</u>	<u>Title</u>	<u>Current Year VND</u>	<u>Prior year VND</u>
Mr. Le Anh Dung	Chairman	539,871,200	584,846,000
Mr. Nguyen Van Dung	Former Director	469,743,650	569,466,000
Mr. Le Van Nghia	Director & Permanent member	427,728,700	453,442,000
Mr. Tran Van Tien	Deputy Director	441,747,660	461,311,000
Mr. Le Minh Chuong	Member of the Board of Directors	448,774,110	471,708,000
Mr. Nguyen Duc Vu	Supervisor	309,590,950	334,545,000
Mr. Tran Van Ban	Former Member of the Board of Supervision	270,581,000	276,495,000
Mr. Mai Song Hao	Member of the Board of Directors	24,000,000	20,800,000
Mr. Tran Tan Duc	Member of the Board of Directors	8,000,000	20,800,000
Mr. Nguyen Ngoc Ho	Member of the Board of Directors	16,000,000	-
Mrs. Le Thi Thu Ha	Member of the Board of Supervision	210,554,000	-
Mr. Trinh Dinh Tung	Member of the Board of Supervision	18,000,000	16,000,000
Total		3,184,591,270	3,209,413,000

2. EVENTS AFTER THE ACCOUNTING PERIOD END DATE

There have been no significant events occurring after 31 December 2025 which would require adjustments or disclosures to be made in the financial statements.


Pham Thi Ngoc Thuy
Preparer

Le Minh Chuong
Chief AccountantLe Anh Dung
Chairman of the Board
10 March 2026

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE INCOME STATEMENT (CONTINUED)**9. BASIC /DILUTED EARNINGS PER SHARE (CONTINUED)**

The company has adjusted the basic earnings per share (EPS) indicator for the fiscal year ending 31 December 2024, due to the impact of appropriating the Welfare and Reward Fund in accordance with the 2025 Annual General Meeting of Shareholders' Resolution on the distribution of after-tax profit for 2024, as follows:

	Reported figure VND	Adjustment VND	Restarted figure VND
Accounting profit after tax	14,688,021,214	-	14,688,021,214
Less: Provision for bonus and welfare fund	(5,003,301,373)	(737,220,321)	(5,740,521,694)
Profit for basic earning per share	9,684,719,841	(737,220,321)	8,947,499,520
Weighted average number of common shares for basic earning per share	17,230,204	-	17,230,204
Basic earning per share	562	(43)	519

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

10. Production and business costs by factor

	Current year VND	Prior year VND
Material costs	29,945,682,453	25,738,575,990
Labor costs	44,374,720,333	42,009,134,805
Depreciation expense of fixed assets	22,075,165,186	20,508,490,914
Outsourced service expenses	22,388,374,158	21,321,570,292
Other cash expenses	4,650,582,769	4,180,273,250
Total	123,434,524,899	113,758,045,251

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

Binh Duong Water - Environment Corporation - JSC
Members of the Board of Directors and the Board of Management

Relationship

Major shareholder
Key management personnel

During the year, the Company had the following major transactions with related parties:

	Closing balance VND	Opening balance VND
Dividends paid	2,684,700,000	2,472,750,000
Binh Duong Water - Environment Corporation - JSC	2,684,700,000	2,472,750,000

**QUANG BINH WATER
SUPPLY JOINT STOCK
COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: 135/CV-NQB

Quang Tri, March 10, 2026

Re: Explanation of the variance in profit
after tax between 2025 and 2024.

To: - State Securities Commission
- Hanoi Stock Exchange

Based on Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance on guidance for information disclosure in the securities market.

Based on the audited financial statements for the fiscal year ended December 31, 2025 of Quang Binh Water Supply Joint Stock Company, which were audited by International Auditing Company Limited and submitted to the State Securities Commission and the Hanoi Stock Exchange.

Quang Binh Water Supply Joint Stock Company explains the variance in profit after corporate income tax in the 2025 financial statements compared to 2024 as follows:

- Net revenue from sales and service provision in 2025 increased by more than 5.8% compared to the same period in 2024, equivalent to an increase of VND 7.752 billion. The increase was mainly attributable to higher revenue from clean water sales. The reason for this increase was the adjustment of the retail price of domestic water according to Decision No. 1753/QĐ-UBND dated October 1, 2025 issued by the People's Committee of Quang Tri Province regarding the adjustment of retail prices for domestic water supplied by Quang Binh Water Supply Joint Stock Company.

- Cost of goods sold increased by 11,75% compared to the same period in 2024, equivalent to an increase of VND 11,861 billion. This increase was mainly due to the rise in the number of newly connected customers in rural areas, which led to higher costs for installing water meters and connection points. In addition, during the quarter several pipeline incidents occurred, resulting in increased expenses for repairs and pipeline flushing. Furthermore, electricity prices and chemicals used for water treatment in the production of clean water also increased.

Other indicators fluctuated according to the company's actual production and business operations but were not significant.

The above-mentioned factors are the primary reasons for the difference in profit after corporate income tax in the 2025 financial statements compared with 2024 of Quang Binh Water Supply Joint Stock Company.

Recipients:

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



**CHAIRMAN OF THE BOARD
OF DIRECTORS**

Lê Anh Dũng