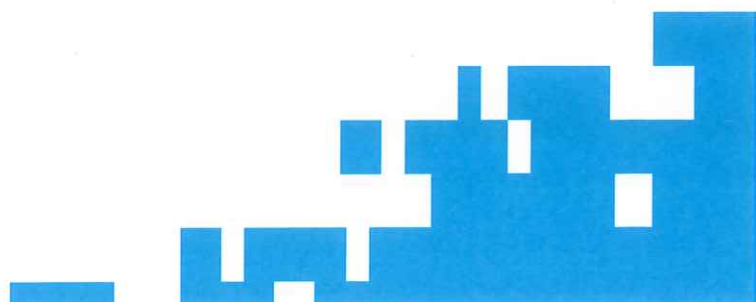


**LAM DONG INVESTMENT  
AND HYDRAULIC CONSTRUCTION  
JOINT STOCK COMPANY**

**AUDITED SEPARATE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2025



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## MANAGEMENT'S REPORT

Management of Lam Dong Investment and Hydraulic Construction Joint Stock Company (hereinafter referred to as "the Company") hereby presents its report and the audited separate financial statements of the Company for the financial year ended 31 December 2025.

### MEMBERS OF THE BOARD OF DIRECTORS, THE SUPERVISORY COMMITTEE AND MANAGEMENT

Members of the Board of Directors during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Le Dinh Hien	Chairperson
Mr. Tran Viet Thang	Vice Chairperson
Ms. Ngo Thu Huong	Member
Mr. Nong Vuong Hung	Independent member – Appointed on 20 April 2025
Mr. Phan Cong Ngon	Independent member – Resigned on 20 April 2025
Ms. Lam Boi Ngon	Independent member – Appointed on 20 April 2025

Members of the Supervisory Committee during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Le Huy Sau	Head
Ms. Hoang Thi Lua	Member
Ms. Nguyen Thi Lien	Member

Members of management during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Le Van Quy	General Director
Mr. Tran Dai Hien	Vice General Director
Mr. Nguyen Van Son	Vice General Director
Ms. Nguyen Thi Thu Huong	Chief Accountant

Independent member of Board of Directors during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Hau Van Tuan	Finance Director cum Head of Internal Audit – Appointed on 02 July 2025

### AUDITOR

The accompanying separate financial statements of the Company for the financial year ended 31 December 2025 were audited by RSM Vietnam Auditing & Consulting Company Limited, a member firm of RSM International.

### RESPONSIBILITY OF MANAGEMENT

The Company's management is responsible for preparing the separate financial statements of each period which give a true and fair view of the financial position of the Company and the results of its operations and its cash flows. In preparing these separate financial statements, management is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.

## **MANAGEMENT'S REPORT (CONTINUED)**

- State whether applicable accounting principles have been followed, subject to any departures that need to be 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 the internal control system effectively for a fair preparation and presentation of the separate financial statements so as to mitigate error or fraud.

Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the separate financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam. Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirms that the Company has complied with the above requirements in preparing these separate financial statements.

### **STATEMENT BY MANAGEMENT**

In management's opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and the results of its operations and its cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam.

For and on behalf of management,



**Le Van Quy**  
**General Director**

*Lam Dong, 26 March 2026*



**RSM Vietnam**

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No: **345** /2026/KT-RSMHCM

**INDEPENDENT AUDITOR'S REPORT**

**To:** **Shareholders**  
**The Board of Directors**  
**Management**  
**LAM DONG INVESTMENT AND HYDRAULIC CONSTRUCTION JOINT STOCK COMPANY**

**Report on the separate financial statements**

We have audited the accompanying separate financial statements of Lam Dong Investment and Hydraulic Construction Joint Stock Company (hereinafter referred to as "the Company") prepared on 26 March 2026 as set out from page 05 to page 40, which comprise the statement of financial position as at 31 December 2025, and the income statement and cash-flow statement for the financial year then ended, and the notes to the financial statements.

**Management's Responsibility**

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System and relevant legislation as to the preparation and presentation of separate financial statements and for such internal control as management determines is necessary to enable the preparation and presentation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

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

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ASSURANCE | TAX | CONSULTING

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### *Opinion*

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of Lam Dong Investment and Hydraulic Construction Joint Stock Company as at 31 December 2025, and of the results of its financial performance and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated 22 December 2014 and Circular 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance and relevant legislation as to the preparation and presentation of separate financial statements.

**pp GENERAL DIRECTOR**




**Le Vo Thuy Linh**  
**Audit Director**

Audit Practice Registration Certificate:  
3525-2026-026-1  
(Under the Power of Attorney No. 04/2025-26/UQ-  
RSM dated 01 October 2025 by the General  
Director)

**Nguyen Anh Lac Thu**  
**Auditor**

Audit Practice Registration Certificate:  
6401-2023-026-1

**RSM Vietnam Auditing & Consulting Company Limited**

*Ho Chi Minh City, 26 March 2026*

*As disclosed in Note 2.1 to the financial statements, the accompanying separate financial statements are not intended to present the financial position, financial performance, and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.*



**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2025

Expressed in VND

ASSETS	Code	Notes	As at 31 Dec. 2025	As at 01 Jan. 2025
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>341,498,546,475</b>	<b>196,268,550,297</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	4.1	<b>231,836,633,256</b>	<b>119,917,252,562</b>
1. Cash	111		19,836,633,256	31,917,252,562
2. Cash equivalents	112		212,000,000,000	88,000,000,000
<b>II. Current account receivables</b>	<b>130</b>		<b>99,322,372,942</b>	<b>61,321,154,069</b>
1. Trade receivables	131	4.3	54,122,016,541	17,580,561,748
2. Advances to suppliers	132	4.4	36,889,643,176	30,787,059,437
3. Current loan receivables	135	4.5	10,000,000,000	15,000,000,000
4. Other current receivables	136	4.6	1,126,913,225	1,481,732,884
5. Provision for doubtful debts	137	4.7	(2,816,200,000)	(3,528,200,000)
<b>III. Inventories</b>	<b>140</b>		<b>10,143,005,463</b>	<b>14,995,413,592</b>
1. Inventories	141	4.8	10,143,005,463	14,995,413,592
<b>IV. Other current assets</b>	<b>150</b>		<b>196,534,814</b>	<b>34,730,074</b>
1. Current prepayments	151		196,534,814	34,730,074
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>153,322,988,673</b>	<b>188,254,888,334</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>11,206,840,529</b>	<b>7,138,991,834</b>
1. Tangible fixed assets	221	4.9	8,556,558,271	4,337,959,576
Cost	222		89,737,435,472	88,258,029,476
Accumulated depreciation	223		(81,180,877,201)	(83,920,069,900)
2. Intangible fixed assets	227	4.10	2,650,282,258	2,801,032,258
Cost	228		3,139,364,500	3,139,364,500
Accumulated amortisation	229		(489,082,242)	(338,332,242)
<b>II. Non-current assets in progress</b>	<b>240</b>		<b>11,631,479,144</b>	-
1. Construction in progress	242	4.11	11,631,479,144	-
<b>III. Non-current financial investments</b>	<b>250</b>		<b>130,484,669,000</b>	<b>181,115,896,500</b>
1. Investments in subsidiaries	251	4.2	130,484,669,000	181,115,896,500
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>494,821,535,148</b>	<b>384,523,438,631</b>

(See the next page)

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

As at 31 December 2025

Expressed in VND

RESOURCES	Code	Notes	As at 31 Dec. 2025	As at 01 Jan. 2025
<b>C. LIABILITIES</b>	<b>300</b>		<b>201,249,274,095</b>	<b>198,419,191,416</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>201,249,274,095</b>	<b>198,419,191,416</b>
1. Trade payables	311	4.12	31,006,089,687	20,483,486,799
2. Advances from customers	312	4.13	129,801,223,181	130,732,274,292
3. Taxes and amounts payable to the state budget	313	4.14	2,271,046,514	1,417,326,288
4. Payables to employees	314		3,296,045,188	2,990,146,125
5. Accrued expenses	315	4.15	6,937,810,629	534,693,767
6. Other current payables	319	4.16	313,775,800	170,912,287
7. Current loans and obligations under finance leases	320	4.17	23,152,807,301	37,030,000,000
8. Current provisions	321	4.18	4,395,410,156	4,395,410,156
9. Bonus and welfare fund	322		75,065,639	664,941,702
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>293,572,261,053</b>	<b>186,104,247,215</b>
<b>I. Equity</b>	<b>410</b>	4.19	<b>293,572,261,053</b>	<b>186,104,247,215</b>
1. Owner's contributed capital	411		144,000,000,000	144,000,000,000
2. Share premiums	412		9,052,708,180	9,052,708,180
3. Investment and development fund	418		2,811,093,513	2,811,093,513
4. Retained earnings	421		137,708,459,360	30,240,445,522
Beginning accumulated retained earnings	421a		15,840,445,522	-
Retained earnings of the current year	421b		121,868,013,838	30,240,445,522
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>494,821,535,148</b>	<b>384,523,438,631</b>



**Le Van Quy**  
General Director

**Nguyen Thi Thu Huong**  
Chief accountant

Lam Dong Province, 26 March 2026



**INCOME STATEMENT**

For the financial year ended 31 December 2025

Expressed in VND

ITEMS	Code	Notes	Year 2025	Year 2024
1. Revenue	01	5.1	250,387,850,288	100,438,777,546
2. Deductions	02		-	1,992,487,491
3. Net revenue	10		250,387,850,288	98,446,290,055
4. Cost of sales	11	5.2	228,949,552,317	86,224,976,471
5. Gross profit	20		21,438,297,971	12,221,313,584
6. Finance income	21	5.3	116,963,825,385	48,324,456,639
7. Finance expense	22	5.4	293,739,866	80,451,570
<i>Of which, interest expense</i>	23		124,524,929	2,300,000
8. General and administrative expense	26	5.5	11,465,873,658	7,462,044,408
9. Operating profit/(loss)	30		126,642,509,832	53,003,274,245
10. Other income	31	5.6	8,616,652,096	1,503,408,812
11. Other expense	32	5.7	577,028,294	1,403,027,329
12. Net other income/(loss)	40		8,039,623,802	100,381,483
13. Accounting profit/(loss) before tax	50		134,682,133,634	53,103,655,728
14. Current corporate income tax expense	51	5.9	12,814,119,796	1,263,210,206
15. Net profit/(loss) after tax	60		121,868,013,838	51,840,445,522



**Le Van Quy**  
General Director

**Nguyen Thi Thu Huong**  
Chief accountant

Lam Dong Province, 26 March 2026

**CASH FLOW STATEMENT**

(Indirect method)

For the financial year ended 31 December 2025

Expressed in VND

ITEMS	Code	Notes	Year 2025	Year 2024
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Net profit before taxes	01		134,682,133,634	53,103,655,728
2. Adjustment for:				
Depreciation and amortisation	02	5.9	3,462,278,335	3,219,151,113
Provisions	03		(712,000,000)	(3,133,696,026)
Gains from investment	05		(119,092,706,689)	(48,281,141,571)
Interest expense	06		124,524,929	2,300,000
3. Operating profit /(loss) before adjustments to working capital	08		<b>18,464,230,209</b>	<b>4,910,269,244</b>
(Increase), decrease in accounts receivable	09		(42,289,218,873)	11,109,754,545
(Decrease), increase in inventories	10		4,852,408,129	(388,003,068)
Increase in accounts payable				
(excluding interest expense and CIT payable)	11		14,117,964,365	13,589,964,706
Increase prepaid expenses	12		(161,804,740)	(34,730,074)
Interest paid	14		(124,524,929)	(2,300,000)
Corporate income tax paid	15	4.13	(12,618,632,720)	(632,451,987)
Other cash outflows from operating activities	17		(589,876,063)	(507,063,037)
Net cash from operating activities	20		<b>(18,349,454,622)</b>	<b>28,045,440,329</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(16,545,657,867)	(35,925,926)
2. Proceeds from disposals of fixed assets and other long-term assets	22		2,496,632,997	-
3. Loans to other entities and payments for purchase of debt instruments of other entities	23		(51,000,000,000)	(9,000,000,000)
4. Repayments from borrowers and proceeds from sales of debts instruments of other entities	24		56,000,000,000	13,100,000,000
5. Investments in other entities	25		(200,000,000)	(36,000,000,000)
6. Proceeds from sales of investments in other entities	26		90,908,426,000	-
7. Interest and dividends received	27		76,886,626,885	48,324,456,639
Net cash from investing activities	30		<b>158,546,028,015</b>	<b>16,388,530,713</b>

(See the next page)

**CASH FLOW STATEMENT**

(Indirect method)

For the financial year ended 31 December 2025

Expressed in VND

ITEMS	Code	Notes	Year 2025	Year 2024
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33	6.1	24,887,323,834	37,000,000,000
2. Repayment of borrowings	34	6.2	(38,764,516,533)	(10,000,000)
3. Dividends paid	36		(14,400,000,000)	(36,000,000,000)
<b>Net cash from financing activities</b>	<b>40</b>		<b>(28,277,192,699)</b>	<b>990,000,000</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>				
<b>(50 = 20+30+40)</b>	<b>50</b>		<b>111,919,380,694</b>	<b>45,423,971,042</b>
Cash and cash equivalents at beginning of year	60		119,917,252,562	74,493,281,520
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50+60+61)</b>	<b>70</b>	<b>4.1</b>	<b>231,836,633,256</b>	<b>119,917,252,562</b>



**Le Van Quy**  
General Director

**Nguyen Thi Thu Huong**  
Chief accountant

Lam Dong Province, 26 March 2026



## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. CORPORATE INFORMATION**

#### **1.1. Structure of ownership**

Lam Dong Investment and Hydraulic Construction Joint Stock Company (hereinafter referred to as "the Company") has been incorporated in accordance with Decision No. 82/2000/QĐ-UB dated 27 June 2000 issued by People's Committee of Lam Dong Province, the Business Registration Certificate No. 059247 dated 27 July 2000 and other amended certificates thereafter with the latest one No. 5800000424 dated 22 August 2025 granted by Lam Dong Department of Finance to change the business address and legal representative information.

On 13 October 2010, the Company was formally licensed to trade securities on Hanoi Securities Trading Centre in accordance with the Share Listing Registration Certificate No. 04/GCN-SGDHN dated 07 January 2010 issued by the General Director of Hanoi Securities Trading Centre with the stock code as LHC.

The charter capital as stipulated in the Business Registration Certificate is VND 144,000,000,000.

The Company's registered head office is at No. 87 Phu Dong Thien Vuong Street, Lam Vien - Da Lat City, Lam Dong Province, Vietnam.

The number of employees as at 31 December 2025 was 55 (31 December 2024: 52).

#### **1.2. Business field**

Construction.

#### **1.3. Operating industry and principal activities**

According to the Business Registration Certificate, the Company is principally engaged in:

- Execution of the irrigational and traffic projects for civil and industrial construction, including water supply and sanitation systems;
- Manufacture and installation of machinery for the irrigational and traffic industries.

#### **1.4. Normal operating cycle**

The Company's normal operating cycle is carried out for a period of 12 months.

#### **1.5. Important events in the financial period impacting the separate financial statements**

At the end of 2024, the Company was awarded several new projects, while projects carried over from prior years also entered the completion and handover phase. These factors contributed significantly to the increase in the Company's construction contract revenue and cost of revenue compared to the previous year – Refer to Notes 5.1 and 5.2).

In addition, on 07 March 2025, the Company successfully transferred all 1,836,000 shares in Construction and Investment Joint Stock Company 40 (representing 51% of its charter capital) through a negotiated transaction. Accordingly, from this date, Construction and Investment Joint Stock Company 40 is no longer an entity with any equity relationship with the Company. This transaction resulted in a increase in financial income and other income compared to the previous year – Refer to Notes 5.3 and 5.6)."



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1.6. The Company's structure

As at 31 December 2025, the Company's subsidiaries were as follows:

Name	Operating industry	Address	Voting rights	Per cent capital	Per cent interest
<b>Direct subsidiaries:</b>					
Lam Dong Minerals and Building Materials Joint Stock Company	Mining minerals, producing, and trading construction materials.	No. 87 Phu Dong Thien Vuong, Lam Vien - Da Lat Ward, Lam Dong Province, Vietnam.	64.90%	64.90%	64.90%
40.10 Investment and Construction Joint Stock Company	Construction of irrigation works	201/58 Nguyen Xi Street, Binh Thanh Ward, Ho Chi Minh City, Vietnam.	54.45%	54.45%	54.45%
<b>Indirect subsidiaries:</b>					
Hiep Thinh Phat Limited Company	Exploitation of stone, sand, gravel, and clay	No. 87 Phu Dong Thien Vuong, Lam Vien - Da Lat Ward, Lam Dong Province, Vietnam.	100.00%	100.00%	64.90%
Hiep Thanh Brick Limited Company	Production of construction materials from clay	No 14, Hiep Thanh 1 hamlet, Gia Hiep Town, Lam Dong Province, Vietnam.	94.39%	94.39%	61.26%
LBM Dak Nong Company Limited	Production of concrete and products from cement and plaster	Thuan Nam hamlet, Thuan An Commune, Lam Dong Province, Vietnam.	100.00%	100.00%	64.90%
LBM Tan Phu Single Member Company Limited	Production of concrete and products from cement and plaster	No. 368, Phu Hop B Hamlet, Phu Lam Commune, Dong Nai Province, Vietnam.	100.00%	100.00%	64.90%
LBM Loc Son Single Member Company Limited	Producing and trading concrete	Loc Son Industrial Park, B'Lao Ward, Lam Dong Province, Vietnam.	100.00%	100.00%	64.90%

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **2. BASIS OF SEPARATE PREPARATION**

#### **2.1. Accounting standards, accounting system**

The accompanying separate financial statements, expressed in Vietnamese Dong ("VND"), are prepared under the historical cost convention, and in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated 22 December 2014 and Circular 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance, and prevailing accounting regulations in Vietnam.

The accompanying separate 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.

#### **2.2. Forms of accounting records**

The form of accounting records applied in the Company is the General Journal.

#### **2.3. Financial year**

The Company's financial year is from 01 January to 31 December.

#### **2.4. Reporting and functional currency**

The Company maintains its accounting records in Vietnamese Dong (VND).

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1. Use of estimates**

The preparation of the separate financial statements requires management to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets and liabilities reported at 31 December 2025 as well as revenues and expenses in the financial statements for the financial year ended 31 December 2025. Although these estimates are based on the management's best knowledge of all relevant information available at the date when the separate financial statements are prepared, this does not prevent actual figures differing from estimates.

#### **3.2. Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at bank and current investments for a period not exceeding 3 months or highly liquid investments which are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

Cash equivalents are defined the same as those under the Accounting Standard "Statement of cash flows."

#### **3.3. Financial investments**

##### ***Investments in subsidiaries***

Investments are classified as investments in subsidiaries when the Company has the power of control over policies and operating activities, normally evidenced by the holding of more than 50% of the voting rights.

Investments in subsidiaries are accounted for under the cost method which comprise the purchase price plus (+) acquisition related costs (if any). In case of investments of non-monetary assets, the cost of the investments is measured at the fair values of the assets as incurred.



## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Dividends for the period after the acquisition date are recognised as financial incomes at their fair values when the shareholder's right to receive payment is established.

### ***Recognition principles of provision for securities investment impairment loss***

#### ***For equity investments in subsidiaries***

As of the date of the separate financial statements, provisions for impairment losses on equity investments are recognised if an indication of impairment exists.

Provisions for impairment losses on equity investments in subsidiaries are determined on the basis of the investee's loss.

### **3.4. Account receivables**

Receivables are classified into trade receivables and other receivables based on the following rules: Trade receivables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining receivables are classified as other receivables.

Account receivables are stated at the carrying amounts of receivables less provisions for doubtful debts.

#### ***Provisions for doubtful debts***

As of the date of the separate financial statements, provisions for doubtful debts are recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might be uncollectible or for uncollectible debts due to liquidation, bankruptcy, or similar difficulties.

The difference between the required balance and the existing balance of provisions for doubtful debts is recorded as a general and administrative expense in the income statement.

### **3.5. Inventories**

#### ***Inventory measurement***

Inventories are measured at the lower of cost and net realisable value.

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. The cost of work in progress and finished goods includes materials, direct labour and attributable production overheads based on normal levels of activity.

The costs of purchase of inventories comprise the purchase price, non-reimbursable taxes and duties, and transport, handling, and other costs directly attributable to the acquisition of inventories. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### ***Method of accounting for inventories***

Inventories are measured using the weighted average method and are recorded under the perpetual inventory method.

#### ***Provisions for decline in value of inventories***

As of the date of the separate financial statements, provisions are recognised for obsolete, slow-moving, defective inventory, and for inventory stated at cost higher than net realisable value.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

The difference between the required balance and the existing balance of the provisions for a decline in value of inventories is included in cost of sales in the income statement.

Inventories are written down to net realizable value item by item. For services being rendered, provision is made in respect of each service for which a separate selling price is charged.

Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

### **3.6. Tangible fixed assets**

Tangible fixed assets are measured at cost less accumulated depreciation.

#### ***Tangible fixed asset recognition***

Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their intended use. Accessories added to fixed assets when purchased are recognised separately at their fair value and deducted from the historical cost of the respective tangible fixed assets.

#### ***Tangible fixed asset after initial recognition***

The costs incurred after the initial recognition of tangible fixed assets shall be recorded as increase in their historical cost if these costs are certain to improve future economic benefits obtained from the use of these assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

#### ***Depreciation and amortisation***

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

The estimated useful lives are as follows:

▪ Machinery and equipment	03 – 07 years
▪ Motor vehicles	05 – 06 years
▪ Office equipment	02 – 05 years

### **3.7. Intangible fixed assets**

Tangible fixed assets are measured at cost less accumulated amortisation.

#### ***Tangible fixed asset recognition***

The cost of an intangible fixed asset comprises the total amount of expense incurred by the Company to acquire an asset at the time the asset is put into operation for its intended use.

#### ***Intangible fixed asset after initial recognition***

Costs related to intangible fixed assets incurred after initial recognition shall be expensed in the period as production and business costs, except when these costs are directly attributable to a specific intangible fixed asset and enhance the future economic benefits of that asset.



## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### ***Accounting principles for intangible fixed assets***

#### ***Land use rights***

Land use rights are stated at their costs less accumulated amortisation. The Company's land use right pertains to a plot of land located at Land parcel No. 102, Map sheet No. 37, Tien Hoang commune, Cat Tien district, Lam Dong province which the Company can utilise for 20 years. The land use right is amortised using the straight-line method over the period of the right to use the land.

#### ***Computer software***

Computer software is not an indispensable component of hardware and is recognised as an intangible asset and depreciated over its useful life.

### **3.8. Liabilities**

Liabilities are classified into trade payable and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining payables are classified as other payables.

Liabilities are also classified according to the maturity date, the remaining term from the date of the financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

### **3.9. Accrued expenses**

Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting year.

### **3.10. Provision**

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event; a reliable estimate can be made of the amount of the obligation; and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions shall not be recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provisions will be measured at their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

### **3.11. Owners' equity**

#### ***The owners' contributed equity***

The owners' equity is recognised when contributed.

#### ***Share premiums***

Share premiums are recognised as the difference between the issue price and the par value of shares, and the difference between the re-purchase price and the re-issue price of treasury shares.

#### ***Dividends***

Dividends are recognised as a liability at the date of declaring dividends.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### ***Reserves***

Reserves are created at certain percentages of profit after tax as prescribed in the Company's charter.

### ***Retained earnings***

Net profit after income tax can be distributed to shareholders after the distribution is approved the Annual General Meeting of Shareholders and reserves are created in accordance with the Company's Charter and legal regulations in Vietnam.

## **3.12. Revenue and other income**

### ***Revenue from selling goods***

Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

### ***Revenue involving the rendering of services***

Revenue of a transaction involving the rendering of services is recognised when the outcome of this transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, each period's revenue is recognised by reference to the stage of completion at the end of the reporting period.

### ***Revenue from construction contracts***

Revenue from construction contracts is recognised in accordance with the accounting policy on construction contracts as Note 3.14 below.

### ***Interest income***

Interest income is recognised on an accrual basis by reference to the principal outstanding and at the interest rate applicable.

### ***Income from investments***

Dividend income from investments is recognised in the Income statement corresponding to the per cent interest of the Company.

### ***Disposal and sale of fixed assets***

Income from disposal and sale of fixed assets is the excess of the proceeds from the disposal and sale of the fixed assets over the carrying amount of the fixed assets and disposal expenses.

## **3.13. Deductions**

Deductions include sale allowances.

Deductions arising in the reporting year from consumption of goods and services are recognised as decreases in revenue in that year; Deductions arising after the end of the reporting year but prior to issuing the financial statements for the reporting year are recognised as decreases in revenue of the reporting year; Deductions arising after the end of the reporting year and after issuing the financial statements for the reporting year are recognised as decreases in revenue of the next year.



## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **3.14. Construction contracts**

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the date of the statement of financial position as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs – except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably:

- Revenue is only recognised to the extent of contract costs incurred that it is probable will be recoverable.
- Contract costs are only recognised as an expense in the period in which they are incurred.

### **3.15. Cost of sales**

Cost of sales and services provided represents total costs of goods and services, or manufacturing costs of construction products (for construction entities) which are sold in the year in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.

### **3.16. Finance expense**

Finance expenses represent all expenses incurred in the reporting year which mainly include borrowing costs and other finance expense.

### **3.17. General and administrative expense**

General and administrative expenses represent common expenses, which include payroll costs for office employees (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, depreciation expenses of fixed assets used for administration activities; land rental, license tax; provision for doubtful debts; utility services (electricity expenses, water expenses, phone, fax, warranty expenses, etc.); sundry expenses.

### **3.18. Taxation**

#### ***Corporate income tax***

#### ***Current corporate income tax expense***

Current corporate tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year at 20%.

#### ***Value added tax***

The goods sold and services rendered by the Company are subject to value added tax at 10%, 8% and 0%.

In accordance with Decree 180/2024/ND-CP dated 31 December 2024 and Decree 174/2025/ND-CP dated 30 June 2025 by the Government, the VAT rate of 8% is applicable to certain goods and services from 01 January 2025 to 31 December 2026. In particular, the following goods and services are applicable to VAT rate of 8%:

- Construction and installation;
- Sale of machinery, equipment, and materials.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **Other taxes**

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

The tax reports of the Company will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the financial statements can be amended in accordance with the Tax Department's final assessment for the Company.

### **3.19. Related parties**

Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Company or are controlled by, or are subject to common control with the Company. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close family members or associates of such individuals are also considered to be related parties.

## **4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE STATEMENT OF FINANCIAL POSITION**

### **4.1. Cash and cash equivalents**

	<b>As at 31 Dec. 2025 VND</b>	<b>As at 01 Jan. 2025 VND</b>
Cash in hand	262,447,293	21,672,747
Cash at banks	19,574,185,963	31,895,579,815
Cash equivalents (*)	212,000,000,000	88,000,000,000
<b>Total</b>	<b><u>231,836,633,256</u></b>	<b><u>119,917,252,562</u></b>

(\*) Representing bank deposits for less than 03 months at an interest rate of 4.75% per year.

*(See the next page)*



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.2. Investments in subsidiaries**

	As at 31 Dec. 2025			As at 01 Jan. 2025		
	VND			VND		
	Cost	Fair value	Provisions	Cost	Fair value	Provisions
Lam Dong Minerals and Building Materials Joint Stock Company	110,775,469,000	484,154,000,000	-	110,775,469,000	367,334,000,000	-
40 Investment and Construction Joint Stock Company – Refer to Note 7	-	-	-	34,340,427,500	62,424,000,000	-
40.10 Investment and Construction Joint Stock Company – Refer to Note 7	19,709,200,000	(*)	-	36,000,000,000	(*)	-
<b>Total</b>	<b>130,484,669,000</b>	<b>484,154,000,000</b>	<b>-</b>	<b>181,115,896,500</b>	<b>429,758,000,000</b>	<b>-</b>

At 31 December 2025, the Company has determined the fair values of investments in Lam Dong Minerals and Building Materials Joint Stock Company on the basis of prices quoted on the Stock Exchange and the number of shares that the Company holds.

(\*) At the reporting date, the Company has not determined the fair value of investment in 40.10 Investment and Construction Joint Stock Company for disclosure in the separate financial statements due to the absence of a quoted market price. Additionally, the Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting Regime do not currently provide guidance on applying valuation techniques to calculate fair value. The fair value of these investments may differ from their carrying amount.

(See the next page)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.3. Current trade receivables

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Trade receivables from related parties – Refer to Note 7	33,019,949,367	-
Trade receivables:		
Don Duong Regional Construction Investment Project Management Board	4,646,920,000	-
Branch of Saigon Water Corporation	3,748,480,000	-
Tay Ninh Irrigation and Clean Water Center	3,727,824,000	3,811,571,000
Tay Ninh Agricultural Construction Investment Project Management Board	2,379,077,000	3,625,549,400
Others (*)	6,599,766,174	10,143,441,348
<b>Total</b>	<b>54,122,016,541</b>	<b>17,580,561,748</b>

(\*) As at 31 December 2025, each component of current trade receivables from other customers represented less than 10% of the total current trade receivables.

### 4.4. Current advances to suppliers

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Advances to related parties – Refer to Note 7	3,670,454,777	-
Advances to suppliers:		
40 Investment and Construction JSC (a)	9,998,553,000	9,998,553,000
Trong Tin Company Limited (b)	9,022,129,270	16,423,700,270
126 Construction Investment & Trading JSC (c)	4,752,174,421	-
Others (**)	9,446,331,708	4,364,806,167
<b>Total</b>	<b>36,889,643,176</b>	<b>30,787,059,437</b>

(a) Advance to the Ta Hoét project under Contract No. 866/2021/HĐXL-ĐTXDCT dated 20 December 2021. This project has not yet been able to commence due to delays in site clearance by the competent authorities.

(a) Advances to Trong Tin Lam Dong Company Limited related to Dong Thanh reservoir construction project, according to Contract No. 01/2022/HDKT-LHC-TT dated 17 January 2022; the KaZam reservoir construction project in Don Duong according to Contract No. 01KZ/2023/HD-LHC-TT dated 29 November 2023; and the Ta Hoet Project according to Subcontract No. 03/2022/HĐTP-LHC-TT dated 25 January 2022.

(c) Advances to 126 Construction Investment & Trading JSC related to Package 4, Suoi Cai, Binh Duong according to Contract No. 01/HĐTP/LHC-126/G4 dated 07 September 2025.

(\*) As at 31 December 2025, each component of advances to other suppliers represented less than 10% of the total current advances to suppliers.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.5. Current loan receivables

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Loan receivables from related parties – Refer to Note 7	10,000,000,000	15,000,000,000

### 4.6. Other current receivables

	As at 31 Dec. 2025 VND		As at 01 Jan. 2025 VND	
	Amount	Provisions	Amount	Provisions
Other receivables from related parties	-	-	43,315,068	-
Other receivables:				
Receivables from employees	969,818,195	-	1,438,417,816	-
Receivables from social insurance	157,095,030	-	-	-
<b>Total</b>	<b><u>1,126,913,225</u></b>	<b><u>-</u></b>	<b><u>1,481,732,884</u></b>	<b><u>-</u></b>

### 4.7. Doubtful debt

	As at 31 Dec. 2025 VND		As at 01 Jan. 2025 VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue trade receivables or overdue amounts loaned and other receivables not yet due but uncollectible	2,816,200,000	-	3,528,200,000	-

Management assessed that the likelihood of recovering overdue receivables was low because the debt had been overdue for many years and difficult to recover.

Overdue trade receivables and overdue amounts loaned are analysed by debtor as follows:

	As at 31 Dec. 2025 VND			As at 01 Jan. 2025 VND		
	Cost	Recoverable amount	Overdue days	Cost	Recoverable amount	Overdue days
Traffic Trade and Project Joint Stock Company	2,816,200,000	-	5 years	3,528,200,000	-	4 years



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.8. Inventories

	As at 31 Dec. 2025		As at 01 Jan. 2025	
	VND		VND	
	Cost	Provisions	Cost	Provisions
Raw material	202,704,411	-	-	-
Work in progress (*)	8,792,982,081	-	13,848,094,621	-
Merchandise	1,147,318,971	-	1,147,318,971	-
<b>Total</b>	<b>10,143,005,463</b>	<b>-</b>	<b>14,995,413,592</b>	<b>-</b>

(\*) Of which, work in progress is detailed as below:

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Dong Thanh reservoir (*)	6,029,002,059	5,801,093,548
Ta Hoet reservoir (*)	1,421,318,706	1,421,318,706
Project Package 6A: Dredging and Reinforcement of Suoi Cai, Binh Duong	1,243,134,000	-
Others contruction	99,527,316	6,625,682,367
<b>Total</b>	<b>8,792,982,081</b>	<b>13,848,094,621</b>

(\*) The status of the projects has not changed significantly:

- The Dong Thanh Reservoir: suspended due to complex geological issues that exceed the capacity of provincial-level specialized agencies to resolve.
- The Ta Hoét Reservoir: suspended due to unresolved site clearance procedures under the authority of relevant government agencies.

(See the next page)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.9. Tangible fixed assets**

Items	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost:				
As at 01 Jan. 2025	76,542,729,748	11,633,299,728	82,000,000	88,258,029,476
Purchase	4,897,629,629	2,715,294,549	284,954,545	7,897,878,723
Disposal	(2,838,472,727)	(3,580,000,000)	-	(6,418,472,727)
<b>As at 31 Dec. 2025</b>	<b>78,601,886,650</b>	<b>10,768,594,277</b>	<b>366,954,545</b>	<b>89,737,435,472</b>
Accumulated depreciation:				
As at 01 Jan. 2025	74,091,435,655	9,746,634,245	82,000,000	83,920,069,900
Depreciation	2,170,348,166	1,083,113,392	58,066,777	3,311,528,335
Disposal	(2,470,721,034)	(3,580,000,000)	-	(6,050,721,034)
<b>As at 31 Dec. 2025</b>	<b>73,791,062,787</b>	<b>7,249,747,637</b>	<b>140,066,777</b>	<b>81,180,877,201</b>
Net book value:				
As at 01 Jan. 2025	2,451,294,093	1,886,665,483	-	4,337,959,576
<b>As at 31 Dec. 2025</b>	<b>4,810,823,863</b>	<b>3,518,846,640</b>	<b>226,887,768</b>	<b>8,556,558,271</b>

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 73,408,657,289.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.10. Intangible fixed assets

Items	Land use rights VND	Computer software VND	Total VND
Cost:			
As at 01 Jan. 2025	3,015,000,000	124,364,500	3,139,364,500
<b>As at 31 Dec. 2025</b>	<b><u>3,015,000,000</u></b>	<b><u>124,364,500</u></b>	<b><u>3,139,364,500</u></b>
Accumulated amortisation:			
As at 01 Jan. 2025	213,967,742	124,364,500	338,332,242
Amortisation	150,750,000	-	150,750,000
<b>As at 31 Dec. 2025</b>	<b><u>364,717,742</u></b>	<b><u>124,364,500</u></b>	<b><u>489,082,242</u></b>
Net book value:			
As at 01 Jan. 2025	2,801,032,258	-	2,801,032,258
<b>As at 31 Dec. 2025</b>	<b><u>2,650,282,258</u></b>	<b><u>-</u></b>	<b><u>2,650,282,258</u></b>

The historical cost of intangible fixed assets fully depreciated but still in use totalled VND 124,364,500.

### 4.11. Construction in progress

This represents the costs incurred for the Company's digital transformation as at 31 December 2025.

*(See the next page)*



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.12. Current trade payables

	As at 31 Dec. 2025 VND		As at 01 Jan. 2025 VND	
	Amount	Payable amount	Amount	Payable amount
Trade payables to related parties – Refer to Note 7	1,459,837,304	1,459,837,304	1,302,535,622	1,302,535,622
Trade payables:				
Toan Khoa Trading Development JSC	5,575,513,600	5,575,513,600	-	-
VINCI VINA Construction JSC Nordic Electromechanical JSC	3,648,779,545	3,648,779,545	7,950,072,806	7,950,072,806
Others (*)	3,080,141,000	3,080,141,000	3,080,141,000	3,080,141,000
	17,241,818,238	17,241,818,238	8,150,737,371	8,150,737,371
<b>Total</b>	<b>31,006,089,687</b>	<b>31,006,089,687</b>	<b>20,483,486,799</b>	<b>20,483,486,799</b>

(\*) As at 31 December 2025, each component of current trade payables to others represented less than 10% of the total current trade payables.

(See the next page)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.13. Current advances from customers

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Construction Investment Project Management Unit No. 1 (a)	93,336,271,020	75,200,000,000
Lam Ha Regional Construction Investment Project Management Board (b)	21,600,000,000	21,600,000,000
Lam Dong Irrigation Investment Management and Operation Center (c)	6,685,255,992	-
Department of Agriculture and Rural Development of Binh Duong Province (d)	7,465,937,571	16,356,600,000
Don Duong Regional Construction Investment Project Management Board	-	14,860,915,679
Others (*)	713,758,598	2,714,758,613
<b>Total</b>	<b>129,801,223,181</b>	<b>130,732,274,292</b>

(a) Advances from Construction Investment Project Management Unit No. 1 related to the Ta Hoet, Dinh An project, according to Contract No. 866/2021/HDXL-DTXDCT dated 20 December 2021, this project cannot start yet due to the issue of land clearance from the competent authority. And the construction of Da Lay, Da Si Reservoir Canal System Project, Lam Dong Province, according to Contract No. 75/2025/HDXD dated 15 December 2025.

(b) Advances from Lam Ha Regional Construction Investment Project Management Board related to Dong Thanh canal systems in Lam Ha, according to Contract No. 272/HD-TCXD dated 27 December 2022. This construction project is temporarily halted due to geological issues in the area that exceed the handling capacity of the provincial specialized agency.

(c) Advances from Lam Dong Irrigation Investment Management and Operation Center for the Repair works of the headworks of Dak Long Thuong Reservoir, Bao Lam 1 Commune, Lam Dong Province, according to Contract No. HD2500211483\_2512101102 dated 16 December 2025.

(d) Advances from Department of Agriculture and Rural Development of Binh Duong Province related to the work of dredging and reinforcing the Suoi Cai route from the Tho Ut bridge to Dong Nai river, according to Contract No. 41/HD-XD dated 21 December 2024.

(\*) As at 31 December 2025, each component of current advances from customers to others represented less than 10% of the total current advances from customers.

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**LAM DONG INVESTMENT AND HYDRAULIC CONSTRUCTION JOINT STOCK COMPANY**

Address: No. 87 Phu Dong Thien Vuong, Lam Vien - Da Lat City, Lam Dong Province, Vietnam.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.14. Tax and amounts payable to the state budget**

	As at 31 Dec. 2025 VND		Movements in the year VND		As at 01 Jan. 2025 VND	
	Receivable	Payable	Payable	Paid	Receivable	Payable
Value added tax	-	776,986,154	1,081,606,775	305,576,182	-	955,561
Corporate income tax	-	1,180,020,997	12,814,119,796	12,618,632,720	-	984,533,921
Personal income tax	-	314,039,363	1,905,485,028	2,023,282,471	-	431,836,806
Fees, charges	-	-	160,587,872	160,587,872	-	-
<b>Total</b>	<b>-</b>	<b>2,271,046,514</b>	<b>15,961,799,471</b>	<b>15,108,079,245</b>	<b>-</b>	<b>1,417,326,288</b>

**4.15. Current accrued expenses**

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Accrued expense of Ka Zam Reservoir Project	4,444,152,000	-
Accrued expense of Package 4, Cai Stream, Binh Duong	1,652,000,000	-
Accrued expense of the other projects	841,658,629	534,693,767
<b>Total</b>	<b>6,937,810,629</b>	<b>534,693,767</b>

**4.16. Current other payables**

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Trade union dues	257,060,059	160,236,287
Other payables	56,715,741	10,676,000
<b>Total</b>	<b>313,775,800</b>	<b>170,912,287</b>



**LAM DONG INVESTMENT AND HYDRAULIC CONSTRUCTION JOINT STOCK COMPANY**

Address: No. 87 Phu Dong Thien Vuong, Lam Vien - Da Lat City, Lam Dong Province, Vietnam.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.17. Current loans and finance lease liabilities**

Current loans are analysed as follows:

	As at 31 Dec. 2025 VND		Movements in the year VND		As at 01 Jan. 2025 VND	
	Amount	Payable amount	Increase	Decrease	Amount	Payable amount
Bank loans (*)	23,152,807,301	23,152,807,301	24,887,323,834	38,734,516,533	37,000,000,000	37,000,000,000
Individual loans	-	-	-	30,000,000	30,000,000	30,000,000
<b>Total</b>	<b>23,152,807,301</b>	<b>23,152,807,301</b>	<b>24,887,323,834</b>	<b>38,764,516,533</b>	<b>37,030,000,000</b>	<b>37,030,000,000</b>

(\*) Short-term loan from Bank for Investment and Development of Vietnam – Lam Dong Branch:

Agreement:	No. 01/2025/590363/HĐTD dated 13 November 2025.
Credit limit:	VND 400,000,000,000.
Loan term:	12 months.
Interest rate:	For each disbursement.
Purpose:	Supplementing working capital.
Collateral:	5,000,000 shares of Lam Dong Minerals and Construction Materials Joint Stock Company with a total value of VND 120,000,000,000.

**4.18. Current provisions**

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Construction warranty provision for the Ka Zam Reservoir Project	1,519,698,066	504,823,180
Construction warranty provision for the Dong Thanh reservoir – Lam Ha	1,225,017,218	1,177,694,796
Construction warranty provision for others construction	1,650,694,872	2,712,892,180
<b>Total</b>	<b>4,395,410,156</b>	<b>4,395,410,156</b>

The construction warranty provisions are estimated as a percentage of revenue, varying by construction contract, but not exceeding 5% in accordance with government regulations.

**LAM DONG INVESTMENT AND HYDRAULIC CONSTRUCTION JOINT STOCK COMPANY**

Address: No. 87 Phu Dong Thien Vuong, Lam Vien - Da Lat City, Lam Dong Province, Vietnam.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.19. Owners' equity****4.19.1. Changes in owners' equity**

	Items of owners' equity				Total VND
	Owners' contributed capital VND	Capital surplus VND	Investment and development fund VND	Undistributed earnings VND	
As at 01 Jan. 2024	144,000,000,000	9,052,708,180	2,030,553,178	15,480,540,335	170,563,801,693
Previous year's profits	-	-	-	51,840,445,522	51,840,445,522
Dividends declared from profit payments by cash for the second period of 2023 according to Notice No. 04/2024 dated 20 February 2024 of the Board of Directors.	-	-	-	(14,400,000,000)	(14,400,000,000)
Appropriation bonus and welfare fund under Resolution No. 01/NQ-DHDCD24-LHC dated 20 April 2024 of the Board of Directors.	-	-	-	(300,000,000)	(300,000,000)
Appropriation of the fund under Resolution No. 01/NQ-DHDCD24-LHC dated 20 April 2024 of the Board of Directors.	-	-	780,540,335	(780,540,335)	-
Dividends declared from profit payments by cash for the first period of 2024 according to Notice No. 20/2024 dated 12 August 2024 of the Board of Directors.	-	-	-	(21,600,000,000)	(21,600,000,000)
As at 01 Jan. 2025	144,000,000,000	9,052,708,180	2,811,093,513	30,240,445,522	186,104,247,215
Current year's profits	-	-	-	121,868,013,838	121,868,013,838
Dividends declared from profit payments by cash for the second period of 2024 under Resolution No. 01/NQ-DHDCD25-LHC dated 20 April 2025 of the Board of Directors.	-	-	-	(14,400,000,000)	(14,400,000,000)
<b>As at 31 Dec. 2025</b>	<b>144,000,000,000</b>	<b>9,052,708,180</b>	<b>2,811,093,513</b>	<b>137,708,459,360</b>	<b>293,572,261,053</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.19.2. Details of owner's equity

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Capital contributed by shareholders	144,000,000,000	144,000,000,000

### 4.19.3. Shares

	As at 31 Dec. 2025	As at 01 Jan. 2025
Number of ordinary shares registered for issue	14,400,000	14,400,000
Number of ordinary shares sold to public	14,400,000	14,400,000
Number of ordinary shares outstanding	14,400,000	14,400,000

Par value per outstanding share: VND 10,000 per share.

### 4.19.4. Dividends

	Year 2025 VND	Year 2024 VND
Dividend payouts	(14,400,000,000)	(36,300,000,000)

### 4.19.5. Corporate funds

	Investment and development fund VND
As at 01 Jan. 2025 and as at 31 Dec. 2025	2,811,093,513

### 4.19.6. Off statement of financial position items

	As at 31 Dec. 2025 Foreign currency VND	As at 01 Jan. 2025 Foreign currency VND
Doubtful debts written off:		
Project Management Board for Investment and Construction of Public Works in Da Teh District	- 2,033,760,000	- 2,033,760,000
Tuyen Lam Lake Project Management Board	- 89,104,790	- 89,104,790
508 Joint Stock Company	- 57,338,000	- 57,338,000
<b>Total</b>	<b>- 2,180,202,790</b>	<b>- 2,180,202,790</b>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT

#### 5.1. Revenue from selling goods and rendering services

	Year 2025 VND	Year 2024 VND
Revenue from construction of irrigation works (*)	248,638,784,213	98,938,695,998
Revenue from construction machinery rental	1,749,066,075	1,500,081,548
<b>Total</b>	<b>250,387,850,288</b>	<b>100,438,777,546</b>
Of which the revenue from construction and rendering services to related parties – Refer to Note 7	8,216,397,963	8,686,932,473

(\*) Revenue for the current year increased compared to the previous period, as disclosed in Note 1.5.

#### 5.2. Cost of sales

	Year 2025 VND	Year 2024 VND
Cost of construction contracts	228,949,552,317	86,224,976,471

The cost of construction contracts increased year-on-year due to the higher revenue in 2025, as disclosed in Note 1.5.

#### 5.3. Finance income

	Year 2025 VND	Year 2024 VND
Dividends, profits from related parties – Refer to Note 7	71,390,946,000	45,430,602,000
Loan interest income from related parties – Refer to Note 7	895,668,494	611,568,493
Gain on disposal of investment in subsidiary	40,077,198,500	-
Interest income from bank	4,471,366,020	1,837,877,951
Interest income from construction warranty funds	128,646,371	444,408,195
<b>Total</b>	<b>116,963,825,385</b>	<b>48,324,456,639</b>

Finance income increased by 142% year-on-year, primarily due to significantly higher dividends, profit distributions received from related parties, as well as gains on disposal of investments in subsidiaries.

#### 5.4. Finance expense

	Year 2025 VND	Year 2024 VND
Interest expense	124,524,929	2,300,000
Other financial expenses	169,214,937	78,151,570
<b>Total</b>	<b>293,739,866</b>	<b>80,451,570</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5.5. General and administrative expense

	Year 2025 VND	Year 2024 VND
Employee expense	7,399,186,029	6,119,939,841
Stationery expenses	127,194,927	23,640,778
Depreciation expense	877,538,313	861,881,775
Fees, charges	3,000,000	3,000,000
(Reverted)/Provision for doubtful debts	(712,000,000)	(2,857,740,450)
Service expense	351,487,350	520,708,544
Others	3,419,467,039	2,790,613,920
<b>Total</b>	<b>11,465,873,658</b>	<b>7,462,044,408</b>

### 5.6. Other income

	Year 2025 VND	Year 2024 VND
Gains from disposal and sale of fixed assets to related parties	2,128,881,304	-
Gains from selling materials to related parties	-	1,101,219,226
Bonus received from capital transfer	6,000,000,000	-
Gains from selling materials	468,225,850	152,804,986
Write-offs	19,544,942	130,902,600
Other income	-	118,482,000
<b>Total</b>	<b>8,616,652,096</b>	<b>1,503,408,812</b>

Other income this year increased by more than 473% year-on-year, primarily due to gains from the liquidation and disposal of fixed assets and bonus consideration received from capital transfers.

### 5.7. Other expense

	Year 2025 VND	Year 2024 VND
Cost of materials sold	467,043,074	1,345,219,254
Penalties, administrative violations	109,985,207	57,798,444
Other expenses	13	9,631
<b>Total</b>	<b>577,028,294</b>	<b>1,403,027,329</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5.8. Production and business costs by element

	Year 2025 VND	Year 2024 VND
Material expense	202,501,941,646	72,808,791,901
Employee expense	19,660,902,730	15,599,880,757
Depreciation expense	3,462,278,335	3,219,151,113
Provision for doubtful debts	(712,000,000)	(2,857,740,450)
Service expense	5,643,140,063	1,405,755,292
Other expenses	4,804,050,661	3,990,380,376
<b>Total</b>	<b>235,360,313,435</b>	<b>94,166,218,989</b>

### 5.9. Current corporate income tax expense

CIT expense calculated on the taxable income of the current year is determined as follows:

	Year 2025 VND	Year 2024 VND
Accounting profit before tax for the year	134,682,133,634	53,103,655,728
Add: Adjustments according to CIT law	355,189,532	465,202,715
Less: Adjustments according to CIT law (*)	(71,510,946,000)	(46,455,585,651)
Taxable income from business activities	63,526,377,166	7,113,272,792
Current CIT rate	20%	20%
Current CIT expense from business activities	12,705,275,433	1,422,654,558
Add: Corporate Income Tax expense due to the additional adjustment from the previous year	108,844,363	512,310,471
Less: Corporate Income Tax expense due to the additional adjustment from the previous year	-	(671,754,823)
<b>Current CIT expense</b>	<b>12,814,119,796</b>	<b>1,263,210,206</b>

The adjustments for the increases (decreases) in the taxable income represent mainly non – tax – deductible items as regulated by CIT law when calculating CIT.

(\*) Dividends, profits received from subsidiaries.

## 6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT

### 6.1. Cash receipts from loans in the year

	Year 2025 VND	Year 2024 VND
Cash receipts from loans under normal contracts	24,887,323,834	37,000,000,000

### 6.2. Cash repayments of principal amounts borrowed

	Year 2025 VND	Year 2024 VND
Cash repayment of principal amounts under normal contracts	(38,764,516,533)	(10,000,000)



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. RELATED PARTIES

#### List of related parties

#### Relationship

1. Lam Dong Minerals and Building Materials JSC	Subsidiary
2. 40.10 Investment and Construction JSC	Subsidiary
3. 40 Investment and Construction JSC (*)	Subsidiary
4. Hiep Thinh Phat Limited Company	Indirect subsidiary
5. Hiep Thanh Brick Limited Company	Indirect subsidiary
6. LBM Dak Nong Limited Company	Indirect subsidiary
7. LBM Tan Phu One Member Company Limited	Indirect subsidiary
8. LBM Loc Son One Member Company Limited	Indirect subsidiary
9. Board of Directors, management, and Board of Supervisory	Key management personnel

(\*) This company has ceased to be a related party as of 07 March 2025. Accordingly, information regarding this related party in the report is presented for the period from 01 January 2025 to 07 March 2025.

At the end of the reporting year, the balances with related parties are as follows:

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Current trade receivables:		
Lam Dong Minerals and Building Materials JSC	21,419,005,011	-
LBM Dak Nong Limited Company	6,714,363,241	-
LBM Loc Son One Member Company Limited	4,886,581,115	-
<b>Total – Refer to Note 4.3</b>	<b>33,019,949,367</b>	<b>-</b>

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
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Current advances to suppliers – Refer to Note 4.4:

40.10 Investment and Construction JSC	3,670,454,777	-
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	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
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Loan current receivables:

Lam Dong Minerals and Building Materials JSC	-	15,000,000,000
40.10 Investment and Construction JSC (*)	10,000,000,000	-

<b>Total – Refer to Note 4.5</b>	<b>10,000,000,000</b>	<b>15,000,000,000</b>
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(\*) Pursuant to Loan Agreement No. 011225/HDVT/L40.10-LHC dated December 1, 2025, the loan was granted to supplement working capital for construction activities. The applicable interest rate is 5.9% per annum, calculated from the loan disbursement date.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	As at 31 Dec. 2025 VND	As at 01 Jan. 2025 VND
Current trade payables:		
Lam Dong Minerals and Building Materials JSC	(1,456,327,304)	(1,302,535,622)
LBM Loc Son One Member Company Limited	(3,510,000)	-
<b>Total – Refer to Note 4.11</b>	<b>(1,459,837,304)</b>	<b>(1,302,535,622)</b>

During the reporting year, the Company has had related party transactions as follows:

	Year 2025 VND	Year 2024 VND
Construction and rendering of services:		
LBM Loc Son One Member Company Limited	-	9,336,569,000
40.10 Investment and Construction Joint Stock Company	52,891,800	-
Lam Dong Minerals and Building Materials JSC	8,820,818,000	45,318,071
<b>Total</b>	<b>8,873,709,800</b>	<b>9,381,887,071</b>

*Including:*

<i>Construction and rendering of services to related parties net of tax – Refer to Note 5.1</i>	8,216,397,963	8,686,932,473
<i>Taxes on construction and rendering of services to related parties</i>	657,311,837	694,954,598

	Year 2025 VND	Year 2024 VND
Disposals of fixed assets:		
Lam Dong Minerals and Building Materials JSC	2,500,000,000	-
Mr. Le Dinh Hien	200,000,000	-
<b>Total</b>	<b>2,700,000,000</b>	<b>-</b>

*Including:*

<i>Disposals of fixed assets to related parties net of tax</i>	2,496,632,997	-
<i>Taxes on Disposals of fixed assets to related parties</i>	203,367,003	-

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	Year 2025 VND	Year 2024 VND
Purchase of fuels, materials and rendering of services:		
40.10 Investment and Construction JSC	17,432,546,612	-
Lam Dong Minerals and Building Materials JSC	5,449,566,386	7,664,131,643
LBM Loc Son One Member Company Limited	3,734,557,500	-
Hiep Thinh Phat Limited Company	-	1,166,400
<b>Total</b>	<b>26,616,670,498</b>	<b>7,665,298,043</b>

*Including:*

<i>Purchase of fuels, materials, and services from related parties net of tax</i>	24,602,431,581	7,075,946,503
<i>Taxes on purchase of fuels, materials, and services from related parties</i>	2,014,238,917	589,351,540

	Year 2025 VND	Year 2024 VND
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Purchase of fixed assets:

40.10 Investment and Construction JSC	2,650,000,000	-
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*Including:*

<i>Purchase of fixed assets from related parties net of tax</i>	2,453,703,703	-
<i>Taxes on purchase of fixed assets from related parties</i>	196,296,297	-

	Year 2025 VND	Year 2024 VND
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Centralised procurement – Sale of fuels, materials:

Lam Dong Minerals and Building Materials JSC	51,406,735,275	-
LBM Loc Son One Member Company Limited	11,525,880,352	-
LBM Dak Nong Limited Company	12,348,897,199	-
40.10 Investment and Construction JSC	2,657,900,000	-
Hiep Thanh Brick Limited Company	44,037,271	-

<b>Total</b>	<b>77,983,450,097</b>	<b>-</b>
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*Including:*

<i>Sale of fuels, materials from related parties net of tax</i>	72,206,898,233	-
<i>Taxes on sale of fuels, materials from related parties</i>	5,776,551,864	-



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Loan interest income		
Lam Dong Minerals and Building Materials JSC	845,558,905	611,568,493
40.10 Investment and Construction JSC	50,109,589	-
<b>Total – Refer to Note 5.3</b>	<b>895,668,494</b>	<b>611,568,493</b>
	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Loan:		
Lam Dong Minerals and Building Materials JSC	41,000,000,000	-
40.10 Investment and Construction JSC	10,000,000,000	-
<b>Total</b>	<b>51,000,000,000</b>	<b>-</b>
	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Advances and settlement of advances:		
Mr. Le Dinh Hien – Chairman of the BOD	9,300,000,000	-
Mr. Le Van Quy – General Director	5,300,000,000	-
Mr. Hau Van Tuan – Finance Director cum Head of Internal Audit	2,800,000,000	-
Ms. Nguyen Thi Thu Huong – Chief Accountant	1,100,000,000	-
<b>Total</b>	<b>18,500,000,000</b>	<b>-</b>
(*) The above advances have been approved by the Board of Directors.		
	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Dividends, profits received – Refer to Note 5.3:		
Lam Dong Minerals and Building Materials JSC	71,390,946,000	45,430,602,000
	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Equity investment in subsidiaries:		
40.10 Investment and Construction JSC	-	18,000,000,000

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Acquisitions of contributed capital:		
40.10 Investment and Construction JSC	200,000,000	18,000,000,000
	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Liquidation of investment in subsidiary:		
40 Investment and Construction JSC	34,340,427,500	-
40.10 Investment and Construction JSC	16,490,800,000	-
<b>Total</b>	<b>50,831,227,500</b>	<b>-</b>

Account receivables from related parties were unsecured and will be paid by cash. No provision for doubtful debts was recognised for the account receivables from related parties.

The price of goods and services provided to related parties is the agreed price published by the Company. The purchase of goods and services from related parties is performed under the agreed price.

Remunerations of the Board of Directors ("BOD") are as follows:

<b>Full name</b>	<b>Position</b>	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Mr. Le Dinh Hien	Chairperson of BOD	838,500,000	777,100,000
Mr. Tran Viet Thang	Vice Chairperson of BOD	120,000,000	120,000,000
Mr. Nong Vuong Hung	Member of BOD	40,000,000	-
Ms. Ngo Thu Huong	Member of BOD	60,000,000	40,000,000
Ms. Lam Boi Ngoc	Member of BOD	40,000,000	-
Mr. Phan Cong Ngon	Member of BOD	20,000,000	60,000,000
Mr. Ly Chu Hung	Member of BOD	-	30,000,000
<b>Total</b>		<b>1,118,500,000</b>	<b>1,027,100,000</b>

Remunerations of the management are as follows:

<b>Full name</b>	<b>Position</b>	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Mr. Le Van Quy	General Director	1,491,600,000	1,119,252,000
Mr. Tran Dai Hien	Vice General Director	743,654,250	579,172,000
Ms. Nguyen Thi Thu Huong	Chief Accountant	735,936,750	455,658,000
<b>Total</b>		<b>2,971,191,000</b>	<b>2,154,082,000</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>Full name</b>	<b>Position</b>	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Mr. Hau Van Tuan	Finance Director cum Head of Internal Audit	281,410,500	400,908,000

Dividend payouts to the Board of Directors, management and key management personnel are as follows:

<b>Full name</b>	<b>Position</b>	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Mr. Le Dinh Hien	Chairperson of BOD	1,072,000,000	1,072,000,000
Mr. Tran Viet Thang	Vice Chairperson of BOD	1,285,600,000	432,600,000
Mr. Nong Vuong Hung	Member of BOD	4,000,000	-
Ms. Ngo Thu Huong	Member of BOD	127,500,000	127,500,000
Mr. Ly Chu Hung	Member of BOD	-	2,000,000
Mr. Le Van Quy	General Director	91,600,000	91,600,000
Mr. Hau Van Tuan	Finance Director	6,600,000	37,000,000
Ms. Nguyen Thi Thu Huong	Chief Accountant	35,504,000	21,004,000
<b>Total</b>		<b>2,622,804,000</b>	<b>1,783,704,000</b>

Remunerations of the supervisory committee:

<b>Full name</b>	<b>Position</b>	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Mr. Le Huy Sau	Head of the Supervisory Committee	60,000,000	60,000,000
Ms. Hoang Thi Lua	Member of the Supervisory Committee	24,000,000	24,000,000
Ms. Nguyen Thi Lien	Member of the Supervisory Committee	24,000,000	24,000,000
<b>Total</b>		<b>108,000,000</b>	<b>108,000,000</b>

Dividends payouts to the supervisory committee:

<b>Full name</b>	<b>Position</b>	<b>Year 2025 VND</b>	<b>Year 2024 VND</b>
Mr. Le Huy Sau	Head of the Supervisory Committee	205,000,000	222,000,000
Ms. Hoang Thi Lua	Member of the Supervisory Committee	328,000,000	328,000,000
Ms. Nguyen Thi Lien	Member of the Supervisory Committee	165,000,000	165,000,000
<b>Total</b>		<b>698,000,000</b>	<b>715,000,000</b>



## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **8. EVENTS AFTER THE END OF THE REPORTING YEAR**

According to Resolution No. 02/2026/NQ-HĐQT/LHC dated 02 March 2026, the Company approved the plan to acquire 45.55% of the charter capital of 40.10 Investment and Construction Joint Stock Company (L40.10) at an offer price of VND 17,000 per share, with a total investment value of approximately VND 28.03 billion. At the same time, the Company acquired assets and assumed ongoing construction contracts with a total value of approximately VND 7 billion. In addition, the Company took over all employees from L40.10 and maintained their statutory benefits. Following the transaction, the construction activities have been reorganized under a dependent accounting unit established under the Company.

Apart from the above event, no other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

 Approved by

**Le Van Quy**  
General Director

*Lam Dong, 26 March 2026*

Approved by



**Nguyen Thi Thu Huong**  
Chief Accountant