

**LAM DONG WATER SUPPLY AND  
SEWERAGE JOINT STOCK COMPANY**

**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**

No: ~~44~~ /CV-CTN

*Da Lat, June 16, 2025*

**To: Hanoi Stock Exchange**

Pursuant to the provisions in Clause 3, Clause 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the securities market, Lam Dong Water Supply and Sewerage Joint Stock Company discloses information on the financial statements (FS) for Quarter 2 of 2025 to the Hanoi Stock Exchange as follows:

1. Organization name: **Lam Dong Water Supply and Sewerage Joint Stock Company**

- Stock code: **LDW**

- Address: 50 Hung Vuong, Ward 9, Da Lat City, Lam Dong Province

- Telephone: (0263) 3822 457

Fax: (0263) 3822 240

- Email: lawacoldg@gmail.com

Website: www.lawaco.com

2. Contents of information disclosure:

- Consolidated FS for Quarter 2 of 2025

☐ Separate FS (listed company without subsidiaries and the superior accounting unit has affiliated units);

☐ Consolidated FS (listed company with subsidiaries);

☒ Combined FS (listed company with accounting units directly under a separate accounting apparatus).

- Cases requiring explanation:

+ The audit organization issued an opinion other than an unqualified opinion on the Financial FS (for audited FS for Quarter 2 of 2025):

☐ Yes

☐ No

Explanation document in case of "Yes" above:

☐ Yes

☐ No

+ Profit after tax in the reporting period has a difference before and after audit of 5% or more, changing from loss to profit or vice versa (for audited FS for Quarter 2 of 2025):

☐ Yes

☐ No

Explanation document in case of "Yes" above:

☐ Yes

☐ No



+ Profit after tax 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 in case of "Yes" above:

☒ Yes

☐ No

+ Profit after tax in the reporting period incurs a loss, changing from profit in the same period last year to loss in this period or vice versa:

☐ Yes

☐ No

Explanation document in case of "Yes" above:

☐ Yes

☐ No

This information has been disclosed on the information portal of the Company on June 16, 2025 at the link: <https://lawaco.com/Home/DanhMuc?danhmuctintuc=2015>

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

Attached documents:

-FS

GENERAL DIRECTOR



*Nguyễn Hùng Cường*





**LAMDONG WATER SUPPLY AND  
SEWERAGE JOINT STOCK COMPANY**

**CONSOLIDATED FINANCIAL  
REPORT FOR Q2 2025**



**Balance Sheet**  
**(Full Form)**  
**Q2 2025**

As of June 30, 2025

Unit: VND

ASSETS	CODE	NOT ES	ENDING BALANCE 30/06/2025	BEGINNING OF YEAR BALANCE 01/01/2025
1	2	3	4	5
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>112 667 480 390</b>	<b>89 887 963 601</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>80 922 285 834</b>	<b>38 574 107 095</b>
1. Cash	111		80 922 285 834	38 574 107 095
2. Cash equivalents	112			-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>15 839 258 639</b>	<b>13 839 258 639</b>
1. Trading securities	121		-	-
2. Provision for securities	122			
3. Held-to-maturity investments	123		15 839 258 639	13 839 258 639
<b>III. Short-term Receivables</b>	<b>130</b>		<b>6 198 723 957</b>	<b>29 838 009 793</b>
1. Short-term receivables from customers	131		4 567 555 691	5 619 374 159
2. Prepayments to suppliers in short-term	132		318 845 654	605 216 406
3. Short-term intercompany receivables	133			
4. Receivables based on stages of construction contract schedule	134			
5. Short-term loan receivables	135			
6. Other short-term receivables	136		5 339 894 782	27 641 994 229
7. Allowance for doubtful debts	137		(4 027 572 170)	(4 028 575 001)
8. Shortage of assets awaiting resolution	139		-	
<b>IV. Inventories</b>	<b>140</b>		<b>9 018 703 944</b>	<b>7 636 588 074</b>
1. Inventories	141	V.04	12 457 426 623	11 108 353 507
2. Provision for devaluation of inventories (*)	149		(3 438 722 679)	(3 471 765 433)
<b>V. Other current assets</b>	<b>150</b>		<b>688 508 016</b>	<b>-</b>
1. Short-term prepaid expenses	151		640 330 000	
2. Deductible value added tax	152			
3. Taxes and other receivable by the State	153	V.05	48 178 016	
4. Purchase and resale of Government bonds	154			
5. Other short-term assets	155			



**Balance Sheet**  
**(Full Form)**  
**Q2 2025**  
As of June 30, 2025

Unit: VND

ASSETS	CODE	NOT	ENDING 30/06/2025	BEGINNING OF 01/01/2025
1	2	3	4	5
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>1 100 550 763 029</b>	<b>1 107 938 472 950</b>
<b>I. Long-term Receivables</b>	<b>210</b>		-	-
1. Long-term receivables from customers	211			
2. Long-term prepayments to suppliers				
3. Working capital provided to subordinate	212			
4. Long-term intercompany receivables	213	V.06		
5. Receivables on long-term loans				
6. Other long-term receivables	218	V.07		
7. Provision for doubtful long-term receivables	219			
<b>II. Fixed Assets</b>	<b>220</b>		<b>427 805 211 423</b>	<b>436 786 389 427</b>
1. Tangible fixed assets	221	V.08	426 267 431 598	435 150 000 891
- Historical cost	222		1 061 115 920 356	1 051 140 694 197
- Accumulated depreciation (*)	223		(634 848 488 758)	(615 990 693 306)
2. Finance lease fixed assets	224	V.09	-	-
- Historical cost	225			
- Accumulated depreciation (*)	226			
3. Intangible fixed assets	227	V.10	1 537 779 825	1 636 388 536
- Historical cost	228		2 558 591 000	2 558 591 000
- Accumulated depreciation (*)	229		(1 020 811 175)	(922 202 464)
<b>III. Investment real properties</b>	<b>230</b>	<b>V.12</b>	<b>-</b>	<b>-</b>
- Historical Cost	231			
- Accumulated depreciation value (*)	232			
<b>IV. Long-term assets in progress</b>	<b>240</b>	<b>V.12</b>	<b>5 370 262 206</b>	<b>2 583 504 908</b>
1. Long-term work in progress	241			
2. Construction-in-progress	242	V.11	5 370 262 206	2 583 504 908
<b>V. Long-term financial investments</b>	<b>250</b>	<b>11</b>	<b>653 220 000 000</b>	<b>653 220 000 000</b>
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252		-	-
3. Equity Investments in Other Entities	253	V.13	-	-
4. Provisions for devaluation of long-term	254		-	-
5. Held-to-maturity investments	255		653 220 000 000	653 220 000 000
<b>VI. Other non-current assets</b>	<b>260</b>		<b>14 155 289 400</b>	<b>15 348 578 615</b>
1. Long-term prepaid expenses	261	V.14	8 235 296 813	8 889 010 916
2. Deferred income tax assets	262	V.21	751 880 816	759 637 057
3. Long-term tools, supplies, and spare parts	263		5 168 111 771	5 699 930 642
4. Other non-current assets	268			
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>1 213 218 243 419</b>	<b>1 197 826 436 551</b>



**Balance Sheet**  
**(Full Form)**  
**Q2 2025**

As of June 30, 2025

Unit: VND

RESOURCES	CODE	NOTES	ENDING BALANCE 30/06/2025	BEGINNING OF YEAR BALANCE 01/01/2025
1	2	3	4	5
<b>C - LIABILITIES</b>	<b>300</b>		<b>280 352 425 735</b>	<b>229 116 313 324</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>129 780 048 852</b>	<b>67 129 451 483</b>
1. Short-term trade payables	311		13 700 254 233	12 559 524 866
2. Short-term advances from customers	312		620 664 299	477 556 514
3. Taxes and other obligations to the State Budget	313	V.16	7 690 524 354	8 865 696 549
4. Payables to employees	314		8 534 920 069	9 545 493 678
5. Short-term accrued expenses	315	V.17	7 106 850 975	3 497 894 566
6. Short-term inter-company payables	316			
7. Payables according to the progress or construction contracts	317		-	-
8. Short-term unearned revenue	318			
9. Other short-term payables	319	V.18	50 916 908 618	1 622 279 113
10. Short-term borrowings and financial leases	320		22 793 678 239	22 793 678 239
11. Provisions for short-term payables	321			
12. Bonus and welfare funds	322		18 416 248 065	7 767 327 958
<b>II. Long-term liabilities</b>	<b>330</b>		<b>150 572 376 883</b>	<b>161 986 861 841</b>
1. Long-term supplier payables	331			
2. Long-term advances from customers	332			
3. Long-term expenses payable	333			
4. Intercompany payables on working capital	334			
5. Long-term intercompany payables	335	V.19		
6. Long-term unearned revenue	336			
7. Other long-term payables	337		487 871 861	505 517 706
8. Long-term loans and finance lease liabilities	338	V.20	150 084 505 022	161 481 344 135
9. Convertible bonds	339			
10. Preference shares	340			
11. Deferred income tax	341	V.21		
12. Provision for long-term payables	342		-	-
13. Scientific and technological development fund	343		-	

**Balance Sheet**  
**(Full Form)**  
**Q2 2025**  
 As of June 30, 2025

Unit: VND

RESOURCES	CODE	ID	ENDING BALANCE	BEGINNING OF YEAR BALANCE
			30/06/2025	01/01/2025
1	2	3	4	5
<b>D. OWNERS' EQUITY</b>	<b>400</b>		<b>932 865 817 684</b>	<b>968 710 123 227</b>
<b>I. Owners's equity</b>	<b>410</b>	<b>V.22</b>	<b>932 865 817 684</b>	<b>968 710 123 227</b>
1. Owner's contributed capital	411		788 000 000 000	788 000 000 000
- Ordinary shares with voting rights	411a		788 000 000 000	788 000 000 000
- Preference shares	411b			
2. Share premiums	412		28 512 122 705	28 512 122 705
3. Bond conversion options	413			
4. Other sources of capital	414		19 057 709 405	19 057 709 405
5. Treasury stocks (*)	415			
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		45 039 241 420	22 107 785 803
9. Business arrangement supporting fund	419		-	-
10. Other funds	420			
11. Retained earnings	421		40 926 219 782	99 701 980 942
- Retained earnings accumulated to the end of the previous period	421a		-	
- Retained earnings of the current period	421b		40 926 219 782	99 701 980 942
12. Construction investment fund	422		11 330 524 372	11 330 524 372
<b>II. Other funds and capital</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Other fund	431	<b>V.23</b>	-	
2. Funds that form of fixed assets	432		-	
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>1 213 218 243 419</b>	<b>1 197 826 436 551</b>

Lam Dong, July 16, 2025

Prepared by

Chief Accountant

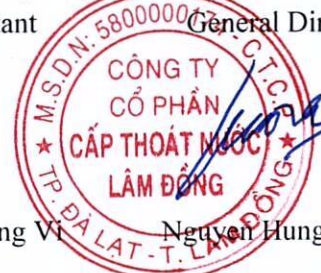
General Director



Tran Thi Tuyet Ngoc



Bui Hoang Trung Vi



Nguyen Hung Cuong



**STATEMENT OF INCOME**  
**(FULL FORM)**  
**Q2 2025**  
**As of June 30, 2025**

Unit: VND

INDICATOR	CODE	NOTES	Reporting Quarter		Accumulated from year start to end of current quarter	
			Current year	Prior year	Current year	Prior year
1. Revenue from sales and provision of services	01	VI.25	81 145 105 982	81 010 959 845	161 712 221 693	163 431 139 618
2. Revenue deductions	02				-	-
3. Net revenue from sales of goods and provision of service	10		81 145 105 982	81 010 959 845	161 712 221 693	163 431 139 618
4. Cost of goods sold	11	VI.27	59 586 339 966	57 072 477 193	116 236 288 838	113 086 988 707
5. Gross profit from sales of goods and provision of service	20		21 558 766 016	23 938 482 652	45 475 932 855	50 344 150 911
6. Financial income	21	VI.26	11 882 781 883	14 421 375 126	23 625 405 300	29 476 778 260
7. Financial expenses	22	VI.28	2 807 506 486	3 163 152 692	5 704 118 725	6 411 501 205
- In which: interest expenses			2 807 506 486	3 163 152 692	12 555 962 887	6 411 501 205
8. Selling expenses	24		1 384 711 012	940 988 052	2 721 284 475	1 981 693 797
9. General and administrative expenses	25		3 755 192 740	6 400 193 924	7 487 305 145	10 595 059 709
10. Net operating profit	30		25 494 137 661	27 855 523 110	53 188 629 810	60 832 674 460
11. Other income	31		81 188 521	109 679 626	161 297 286	160 895 238
12. Other expenses	32		358 439 452	326 167 393	656 994 689	586 390 628
13. Other profit	40		(277 250 931)	(216 487 767)	(495 697 403)	(425 495 390)
14. Accounting profit before tax	50		25 216 886 730	27 639 035 343	52 692 932 407	60 407 179 070
15. Carryforward loss adjustment					-	-
16. Income tax expense - current	51	VI.30	5 104 167 161	5 563 624 311	10 645 177 858	12 169 297 542
17. Income tax expense - deferred	52	VI.30	464 620	105 591	7 756 241	105 591
18. Profit after corporate income tax	60		20 112 254 949	22 075 305 441	42 039 998 308	48 237 775 937
19. Basic earnings per share	70		255	279	534	611
20. Diluted earnings per share	71					

Lam Dong, July 16, 2025

Prepared by



Tran Thi Tuyet Ngoc

Chief Accountant



Bui Hoang Truong Vi

General Director



Nguyen Hung Cuong



**CASH FLOW STATEMENT**

(Direct Method)

**Q2 2025**

**As of June 30, 2025**

Unit: VND

Items	Code	Amount	Accumulated from year-start to quarter-end	
			Current Year	Previous Year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Cash received from sales, service provision and other revenue	01		172 763 123 269	174 998 797 802
2. Cash paid to suppliers of goods and services	02		(71 178 220 335)	(74 457 721 038)
3. Cash paid to employees	03		(27 405 502 931)	(24 294 734 591)
4. Cash paid for interest	04		(2 968 575 826)	(6 504 963 919)
5. Cash paid for corporate income tax	05		(12 358 906 892)	(11 103 801 260)
6. Other cash inflows	06		14 953 332 553	2 535 875 251
7. Other cash outflows	07		(35 925 219 605)	(33 692 640 952)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>37 880 030 234</b>	<b>27 480 811 293</b>
				-
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term	21		(15 951 727 188)	(10 841 407 559)
2. Proceeds from sales of fixed assets and other long-term assets	22			
3. Cash outflow for lending, buying debt instruments of other entities	23		(2 000 000 000)	(610 817 283 299)
4. Cash recovered from lending, selling debt instruments of other entities	24			555 000 000 000
5. Cash disbursed for capital contribution to other entities	25			
6. Cash recovered from investments in other entities	26			
7. Interest, dividends and profits received	27		33 816 714 807	67 657 046 321
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>15 864 987 619</b>	<b>998 355 463</b>
				-
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Cash received from issuing shares, contributed capital of owners	31			-
2. Cash paid for contributed capital of owners, repurchase of shares	32			-
3. Short-term, long-term loans received	33			-
4. Cash paid for principal repayment	34		(11 396 839 113)	(11 396 839 113)
5. Cash paid for financial lease debt	35			
6. Dividends and profits paid	36			
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(11 396 839 113)</b>	<b>(11 396 839 113)</b>
				-
<b>Net cash flows during the period (50=20+30+40)</b>	<b>50</b>		<b>42 348 178 739</b>	<b>17 082 327 643</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>60</b>		<b>38 574 107 095</b>	<b>38 871 824 358</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>61</b>			-
<b>Cash and cash equivalents at end of period (70=50+60+61)</b>	<b>70</b>	-	<b>80 922 285 834</b>	<b>55 954 152 001</b>

Lam Dong, July 16, 2025

Preparer by



Tran Thi Tuyet Ngoc

Chief Accountant



Bui Hoang Truong Vi

General Director



Nguyen Hung Cuong



# LAM DONG WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY

No. 50 Hung Vuong Street, Lam Vien Ward - Da Lat, Lam Dong Province

## NOTES TO THE FINANCIAL STATEMENTS

(FULL FORM)

Q2 2025

As of June 30, 2025

### I. CHARACTERISTICS OF BUSINESS OPERATIONS

#### 1. Ownership structure

Lam Dong Water Supply and Sewerage Joint Stock Company, formerly a One-Member Limited Liability Company (100% state-owned capital), was established under Decision No. 2873/QD-UBND dated October 18, 2005, of the People's Committee of Lam Dong Province, regarding the conversion of the state-owned enterprise Lam Dong Water Supply Company into Lam Dong Water Supply and Sewerage One-Member Limited Liability Company.

The Company Implemented the equitization of state-owned enterprises under Decision No. 774/QD-UBND dated April 23, 2015, of the Provincial People's Committee approving the roadmap for restructuring 100% state-owned enterprises under the People's Committee of Lam Dong Province, and Decision No. 2660/QD-UBND dated December 08, 2017, of the People's Committee of Lam Dong Province approving the capital structure upon conversion to a joint stock company. The Company Implemented enterprise valuation as of June 30, 2016, and the enterprise value for equitization was approved under Decision No. 534/QD-UBND dated March 20, 2017, of the People's Committee of Lam Dong Province.

The Company was granted a Business Registration Certificate by the Department of Planning and Investment of Lam Dong Province for conversion to a Joint Stock Company with enterprise code 5800000174 dated June 22, 2018, and a Charter capital of 788,000,000,000 VND (Seven hundred eighty-eight billion VND).

#### 2. Business lines: Production and supply of domestic water, construction and installation of water supply and drainage systems

#### 3. Business activities

The Company's main activities during the period are:

- Production and supply of domestic water for urban and industrial areas;
- Consulting on design of civil construction works, water supply and drainage works, supervision of construction works. Supervision of civil, industrial, water supply and drainage, and irrigation works. Preparation of construction investment projects, appraisal of investment projects, environmental impact assessment. Design of construction cost estimates for civil, industrial, water supply and drainage, and irrigation works;
- Installation of water supply and drainage systems, heating, and air conditioning;
- Construction of works: Water supply and drainage, industrial, civil, irrigation, tourist areas, resorts, ecological gardens; Production and business of water industry services and materials; operating activities of tourism services for sightseeing and relaxation; Planning and construction of water supply and drainage systems; Consulting on planning and construction of water supply and drainage systems, consulting on preparing tender documents, bid evaluation, project management consulting; Topographic, geological, hydrological, environmental surveys.

#### 4. The Company has the following member units:

Member Units	Address	Main business activities
Da Lat Water Plant	Da Lat City	Production and business of clean water
Lam Ha Water Plant	Dinh Van Town, Lam Ha District	Production and business of clean water



Bao Lam Water Plant	Loc Thang Town, Bao Lam District	Production and business of clean water
Da Teh Water Plant	Quarter 6A, Da Teh District	Production and business of clean water
Don Duong Water Plant	Thanh My Town, Don Duong District	Production and business of clean water
Dam Rong Water Plant	Bang Lang Town, Dam Rong District	Production and business of clean water
Da Huoi Water Plant	Madaguoi Town, Da Huoi District	Production and business of clean water
Wastewater Management Enterprise	Da Lat City	Management of drainage systems and wastewater treatment

## II. ACCOUNTING PERIOD AND CURRENCY

1. The Company's annual accounting period begins on January 01 and ends on December 31 each year.
2. The currency unit used in accounting records is Vietnamese Dong (VND).

## III. ACCOUNTING SYSTEM

### 1. Accounting system applied:

The Company applies the Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance and Circular No. 53/2016/TT-BTC dated March 21, 2016, of the Ministry of Finance regarding the amendment and supplementation of a number of articles of Circular No. 200/2014/TT-BTC.

### 2. Accounting method applied

The Company applies the journal voucher accounting book form.

## IV. DECLARATION OF COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEM

The Company has applied Vietnamese Accounting Standards and guiding documents for Standards issued by the State. The financial statements are prepared and presented in full compliance with all regulations of each standard, circulars guiding the implementation of standards, and the currently applied Accounting Regime.

## V. APPLIED ACCOUNTING POLICIES

### 1. Principles of recognition of Cash and cash equivalents

Economic transactions arising in foreign currency are converted into Vietnamese Dong at the actual transaction exchange rate (or interbank average exchange rate) at the time the transaction arises. At year-end, monetary items denominated in foreign currency are converted at the interbank average exchange rate announced by the State Bank of Vietnam on the last Date of the accounting period.

Actual exchange rate differences arising during the period and exchange rate differences from revaluation of balances of Non-current liabilities denominated in foreign currency at year-end are transferred to revenue or Financial expenses during the financial year.

Exchange rate differences from revaluation of balances of monetary items, Current liabilities denominated in foreign currency at year-end are accounted for in the exchange rate difference account; at the beginning of the following year, a reverse entry is made to clear the balance.

Short-term investments not exceeding 3 months that are readily convertible into Cash and are subject to insignificant risk of changes in value from the acquisition date of such investment at the reporting Date.

## **2. Principles of recognition of inventories**

Inventories are measured at historical cost. If the net realisable value is lower than the historical cost, inventories must be measured at net realisable value. The cost of inventories includes costs of purchase, costs of conversion, and other directly attributable costs incurred in bringing the inventories to their present location and condition.

The value of inventories is determined using the weighted-average method.

Inventories are accounted for using the perpetual inventory system.

Provision for Inventory Devaluation is made at year-end as the difference between the cost of inventories and their net realisable value, when the former is greater.

## **3. Principles of recognition and depreciation (amortisation) of fixed assets (FAs)**

Tangible and intangible fixed assets are recognized at historical cost. During their use, tangible and intangible fixed assets are recognized at historical cost, accumulated depreciation, and carrying amount.

Depreciation (amortisation) is calculated using the straight-line method. The depreciation (amortisation) period is estimated as follows:

- Building & architectonic model	10 - 50 years
- Equipment & machine	10 - 10 years
- Transportation vehicles	10 - 30 years
- Instruments & tools for management	08 - 08 years
- Other fixed assets	25 - 25 years

## **4. Principles of recognition of financial investments**

Investments in Company's subsidiaries, associates are accounted for using the historical cost method. Net profits distributed from Company's subsidiaries arising after the date of investment are recognized in the Income Statement. Other distributions (other than net profits) are considered a recovery of investments and are recognized as a reduction in the cost of the investment.

Investments in securities as of the reporting date are classified as:

- Have a recovery or maturity period not exceeding 3 months from the acquisition date of such securities are considered "cash equivalents";
- Have a capital recovery period of less than 1 year or within one operating cycle are classified as current
- Having a capital recovery period of more than 1 year or more than 1 business cycle is classified as long-

Provisions for investment devaluation are made at year-end and represent the difference between the historical cost of investments and their market value if the former is higher.

## **5. Principles of recognition and capitalization of borrowing costs**

Borrowing costs are recognized as production and business expenses in the period incurred, except for borrowing costs directly related to the construction investment or production of qualifying assets, which are capitalized into the value of those assets when all conditions stipulated in Vietnamese Accounting Standard No. 16 "Borrowing Costs" are met.

## **6. Principles of recognition and capitalization of other expenses**



Prepaid expenses related to current fiscal year production and business expenses are recognized as Short-term prepaid expenses and are charged to production and business expenses within the fiscal year.

The following expenses incurred during the fiscal year are accounted for as Long-term prepaid expenses to be gradually allocated to the results of operating activities over several years:

- Tools and instruments put into use are allocated to expenses in the period using the straight-line method over an allocation period not exceeding 2 years.
- Other outsourced expenses are allocated according to the term of the contract.

#### **7. Principles of Accruals recognition**

Accruals are recognized based on reasonable estimates of the amounts payable for goods and services

#### **8. Principles and methods of recognizing Provisions for liabilities**

#### **9. Principles of Owners's equity recognition**

Owners' investment capital is recognized based on the actual capital contributed by the owners.

Surplus equity reflects the difference between the par value, direct costs related to share issuance, and the share issuance price (including cases of re-issuance of Treasury shares), and can be a positive surplus (if the issuance price is higher than the par value and direct costs related to share issuance) or a negative surplus (if the issuance price is lower than the par value and direct costs related to share issuance).

Other capital within Owners's equity reflects the business capital formed from additions from operating activities or from gifts, donations, sponsorships, or asset revaluation (if allowed to increase or decrease Owners' investment capital).

Construction investment fund is recognized based on the actual capital allocated for the Company's construction investment.

Undistributed Profit after tax is the profit from the enterprise's activities after deducting (-) adjustments due to retrospective application of changes in accounting policies and retrospective restatement of material errors from prior years.

The Company's Profit after tax is appropriated for dividends to shareholders after approval by the General Meeting of Shareholders at the Company's Annual General Meeting and after funds have been set aside according to the Company's Charter.

Dividends are declared and paid based on the profit achieved. Dividends are officially declared and paid in the subsequent fiscal year based on the approval of the General Meeting of Shareholders at the Company's Annual General Meeting.

#### **10. Principles and methods of revenue recognition**

##### **Revenue from sales**

Revenue from sales is recognized when the following conditions are simultaneously met:

- Most of the risks and rewards of ownership of the goods or products have been transferred to the buyer;
- The Company no longer retains managerial involvement to the degree usually associated with ownership or effective control over the goods;
- The revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **Revenue from rendering of services**

Revenue from rendering of services is recognized when the outcome of the transaction can be estimated reliably. When the rendering of services spans multiple periods, revenue is recognized in the period based on the stage of completion of the work at the Balance Sheet date for that period. The outcome of a service transaction can be estimated reliably when the following conditions are met:

- The revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the Balance Sheet date can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of completion of the service rendering is determined by the method of evaluating the completed work.

#### **Financial income**

Revenue arising from interest, royalties, dividends, shared profits, and other financial income is recognized when the following two conditions are simultaneously met:

- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The revenue can be measured reliably.

Dividends and shared profits are recognized when the Company's right to receive dividends or profits from capital contributions is established.

#### **11. Principles and methods of recognizing financial expenses**

Expenses recognized as financial expenses include:

- Costs or losses related to financial investing activities;
- Costs of lending or borrowing capital;
- Losses due to exchange rate differences from transactions involving foreign currency;
- Provision for impairment of securities investments.

The above amounts are recognized at their gross value incurred during the period, without offsetting against financial income.

#### **12. Principles and methods of recognizing Current Corporate Income Tax Expense, Deferred Corporate Income Tax Expense**

Current corporate income tax expense is determined based on taxable income and the corporate income tax rate for the current year.

Deferred corporate income tax expense is determined based on deductible temporary differences, taxable temporary differences, and the corporate income tax rate.

The Company currently applies a corporate income tax rate of 20% for water supply, wastewater treatment, and water pipeline installation activities.



**NOTES TO FINANCIAL STATEMENTS**

**Q2 2025**

**As of June 30, 2025**

**VI- Additional information for items presented in the Balance Sheet and Income Statement**

*Unit: VND*

<b>1. CASH AND CASH EQUIVALENTS</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
Cash on hand (VND)	159 199 514	73 085 691
Bank deposits (VND)	80 763 086 320	38 501 021 404
Cash equivalents	-	-
	<b>80 922 285 834</b>	<b>38 574 107 095</b>
<b>2. SHORT-TERM FINANCIAL INVESTMENTS</b>	<b>15 839 258 639</b>	<b>13 839 258 639</b>
Held-to-maturity investments	15 839 258 639	13 839 258 639
- Term deposits		
<b>3. SHORT-TERM RECEIVABLES</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
Receivables from customers	4 567 555 691	5 619 374 159
Advance to suppliers	318 845 654	605 216 406
Receivables under construction contracts	-	-
Other receivables	5 339 894 782	27 641 994 229
Provision for bad receivables	(4 027 572 170)	(4 028 575 001)
	<b>6 198 723 957</b>	<b>29 838 009 793</b>
<b>4. INVENTORIES</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
Goods in transit	-	-
Raw materials, materials; tools, equipment	12 457 426 623	11 108 353 507
Provision for devaluation of inventories	(3 438 722 679)	(3 471 765 433)
	<b>9 018 703 944</b>	<b>7 636 588 074</b>
<b>5. TAXES AND PAYABLES TO THE STATE</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
Short-term prepaid expenses	640 330 000	
Non-deductible Value Added Tax		
Statutory obligations	48 178 016	-
- Corporate Income Tax		
- Personal Income Tax	48 178 016	
	<b>688 508 016</b>	<b>-</b>
<b>6. LONG-TERM RECEIVABLES</b>		

**LAM DONG WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY**

No. 50 Hung Vuong Street, Lam Vien Ward - Da Lat, Lam Dong Province

**NOTES TO THE FINANCIAL STATEMENTS**

**Q2 2025**

**As of June 30, 2025**

**07. INCREASE AND DECREASE IN TANGIBLE FIXED ASSETS**

Item	Equipment & machine	Instruments tools for management	Transportation & transmit instrument	Building & structures	Fixed Assets other tangible	Total
<b>I. Historical cost</b>						
1. Balance as of January 01, 2025	69 091 947 401	52 322 724 414	669 182 282 285	217 007 344 043	43 536 396 055	1 051 140 694 197
2. Increase in 2025	1 905 679 810	1 504 379 794	3 649 576 587	903 709 088	2 011 880 880	9 975 226 159
- <i>Q1/2025</i>	158 500 000	956 304 068	1 526 350 119	466 449 338	1 324 000 000	4 431 603 525
- <i>Q2/2025</i>	1 747 179 810	548 075 726	2 123 226 468	437 259 750	687 880 880	5 543 622 634
3. Decrease in 2025						-
4. Balance as of June 30, 2025	70 997 627 211	53 827 104 208	672 831 858 872	217 911 053 131	45 548 276 935	1 061 115 920 358
<b>II. Accumulated depreciation</b>						-
1. Balance as of January 01, 2025	37 952 554 636	34 581 623 280	389 412 101 653	136 196 613 408	17 847 800 327	615 990 693 304
2. Increase in 2025	2 455 247 093	2 507 103 973	9 736 621 778	3 109 989 709	1 048 832 898	18 857 795 451
- <i>Depreciation (amortisation) in Q1/2025</i>	1 207 006 511	1 233 315 523	4 823 897 274	1 538 537 760	509 087 135	9 311 844 203
- <i>Amortisation (depreciation) in Q2/2025</i>	1 248 240 582	1 273 788 450	4 912 724 504	1 571 451 949	539 745 763	9 545 951 247
3. Decrease in 2025						-
4. Ending balance as of June 30, 2025	40 407 801 728	37 088 727 253	399 148 723 431	139 306 603 117	18 896 633 225	634 848 488 758
<b>III. Net book value</b>						
1. As of January 01, 2025	31 139 392 765	17 741 101 134	279 770 180 632	80 810 730 635	25 688 595 728	435 150 000 891
2. As of June 30, 2025	30 589 825 483	16 738 376 955	273 683 135 441	78 604 450 014	26 651 643 710	426 267 431 598

The net book value of tangible fixed assets as of June 30, 2025, used as collateral and mortgage for loans: -

The historical cost of tangible fixed assets as of June 30, 2025, that have been fully amortised (depreciated) but are 229 514 826 283



**LAM DONG WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY**

No. 50 Hung Vuong Street, Lam Vien Ward - Da Lat, Lam Dong Province

**NOTES TO THE FINANCIAL STATEMENTS****Q2 2025****As of June 30, 2025****8 INCREASE, DECREASE IN FINANCIAL LEASE FIXED ASSETS****9 INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS**

Item	
<b>I. Historical Cost of intangible fixed assets</b>	
1. Balance as of April 01, 2025	2 558 591 000
2. Increase in Q2 2025	
3. Decrease in Q2 2025	
4. Balance as of June 30, 2025	2 558 591 000
<b>II. Accumulated depreciation</b>	
1. Balance as of April 01, 2025	971 234 420
2. Increase in Q2 2025	49 576 755
3. Decrease in Q2 2025	
4. Balance as of June 30, 2025	1 020 811 175
<b>III. Net book value of intangible fixed assets</b>	
1. As of April 01, 2025	1 587 356 580
2. As of June 30, 2025	1 537 779 825

<b>10 CAPITAL CONSTRUCTION IN PROCESS</b>		<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
11.1- Construction in process		5 370 262 206	2 583 504 908
		-	-
		<b>5 370 262 206</b>	<b>2 583 504 908</b>
<b>11 INCREASE, DECREASE IN INVESTMENT PROPERTIES</b>		-	-
<b>12 LONG-TERM FINANCIAL INVESTMENTS</b>		<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
13.1- Investments in subsidiaries			
13.2- Investments in associates, joint ventures		-	-
13.3- Other long-term investments		-	-
13.4- Provision for impairment of long-term financial investments		-	-
13.5- Held-to-maturity investments		653 220 000 000	653 220 000 000
		<b>653 220 000 000</b>	<b>653 220 000 000</b>
<b>13 OTHER LONG-TERM ASSETS</b>		<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
14.1- Long-term prepaid expenses		8 235 296 813	8 889 010 916
14.2- Deferred income tax assets		751 880 816	759 637 057
14.3- Long-term Equipment, Supplies, and Spare Parts		5 168 111 771	5 699 930 642
14.4- Other long-term assets			
		<b>14 155 289 400</b>	<b>15 348 578 615</b>

#### 14 CURRENT LIABILITIES

	ENDING BALANCE	BEGINNING BALANCE
15.1- Short-term borrowings and liabilities	-	-
15.2- Payables to suppliers	13 700 254 233	12 559 524 867
15.3- Advances from customers	620 664 299	477 556 514
15.4- Taxes and amounts payables to the State budget	7 690 524 354	8 865 696 549
- VAT	657 499 018	35 981 718
- Corporate Income Tax	5 104 167 161	6 817 896 195
- Personal Income Tax		186 062 017
- Natural resource tax	95 858 465	94 420 613
- Fee & charge & other payables	1 832 999 710	1 731 336 006
15.5- Payable to employees	8 534 920 069	9 545 493 678
15.6- Accruals	7 106 850 975	3 497 894 566
15.7- Payables based on construction contract progress	-	-
15.8- Other payables	50 916 908 618	1 622 279 112
- Advances from customers	50 916 908 618	1 622 279 112
15.9- Short-term loan and finance leasing	22 793 678 239	22 793 678 239
- Lam Dong Development Bank Branch	5 962 000 013	5 962 000 013
(Loan from WorldBank - Lam Dong Water Supply Sub-Project)		
- Lam Dong Development Bank Branch	16 831 678 226	16 831 678 226
(Loan from WorldBank for Da Lat Water Supply Project)		
15.10- Short-term provision for liabilities	-	-
15.11- Bonus and welfare funds	18 416 248 065	7 767 327 958
	<b>129 780 048 852</b>	<b>67 129 451 483</b>

#### 15 LONG-TERM LIABILITIES

	ENDING BALANCE	BEGINNING BALANCE
16.1-Long-term payables to suppliers		
16.2-Other long-term payables	487 871 861	505 517 706
16.3-Long-term unrealized revenue		
16.4-Long-term loans and liabilities	150 084 505 022	161 481 344 135
<u>Long-term loans (VND)</u>	<u>150 084 505 022</u>	<u>161 481 344 135</u>
- Lam Dong Development Bank Branch	23 846 918 371	26 827 918 371
(Loan from WorldBank - Lam Dong Water Supply Sub-Project)		
- Lam Dong Development Bank Branch	126 237 586 651	134 653 425 764
(Loan from WorldBank for Da Lat Water Supply Project)		
	<b>150 572 376 883</b>	<b>161 986 861 841</b>



**LAM DONG WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY**

No. 50 Hung Vuong Street, Lam Vien Ward - Da Lat, Lam Dong Province

**NOTES TO THE FINANCIAL STATEMENTS**

**16. OWNERS'S EQUITY**

	<b>Owners' contributed Capital</b>	<b>Share premiums</b>	<b>Other owners' capital</b>	<b>Investment and development fund</b>	<b>Undistributed earnings</b>	<b>Construction investment fund</b>	<b>Total</b>
<b>Balance as of January 01, 2025</b>	<b>788 000 000 000</b>	<b>28 512 122 705</b>	<b>19 057 709 405</b>	<b>22 107 785 803</b>	<b>99 701 980 942</b>	<b>11 330 524 372</b>	<b>968 710 123 227</b>
- Profit for Quarter 1 of 2025					21 927 743 359		21 927 743 359
- Profit for Quarter 2 of 2024					20 112 254 946		20 112 254 946
- Payable to the fund for supporting enterprise restructuring after equitization					(1 113 778 523)		(1 113 778 523)
- Remuneration for the Board of Directors and Member of the Board of Supervisors 2024					(1 377 600 000)		(1 377 600 000)
- Bonus allocation for Board of Management 2024					(2 392 847 543)		(2 392 847 543)
- Allocation to bonus and welfare funds 2024					(24 932 077 782)		(24 932 077 782)
- Allocation to investment and development fund 2024				22 931 455 617	(22 931 455 617)		-
- Remaining profit for 2024 dividends					(48 068 000 000)		(48 068 000 000)
<b>Balance as of June 30, 2025</b>	<b>788 000 000 000</b>	<b>28 512 122 705</b>	<b>19 057 709 405</b>	<b>45 039 241 420</b>	<b>40 926 219 782</b>	<b>11 330 524 372</b>	<b>932 865 817 684</b>

**LAM DONG WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY**

No. 50 Hung Vuong Street, Lam Vien Ward - Da Lat, Lam Dong Province

**NOTES TO THE FINANCIAL STATEMENTS****16.OWNERS'S EQUITY (CONTINUE)**

<b>b) Details of owners' investment capital</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
	<b>30/06/2025</b>	<b>01/01/2025</b>
State Capital Investment Corporation	315 129 240 000	315 129 240 000
Ms. Truong Thi My An	139 758 930 000	139 758 930 000
Thuy Anh Water Supply Sewerage Joint Stock Company	125 026 010 000	125 026 010 000
Golden Stream Joint Stock Company	90 000 000 000	90 000 000 000
Mesa Asia Pacific Trading Services Company., Ltd	107 351 820 000	107 351 820 000
Other shareholders	10 734 000 000	10 734 000 000
<b>Total</b>	<b>788 000 000 000</b>	<b>788 000 000 000</b>

<b>c) Capital transactions with owners and distribution of dividends, profit sharing</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
	<b>30/06/2025</b>	<b>01/01/2025</b>
Owners' investment capital	788 000 000 000	788 000 000 000
- Capital contribution at the beginning of the year	788 000 000 000	788 000 000 000
- Capital contribution increased during the period		
- Capital contribution decreased during the period		
- Capital contribution at the end of the period	788 000 000 000	788 000 000 000

<b>e) Business funds</b>	<b>ENDING BALANCE</b>	<b>BEGINNING BALANCE</b>
	<b>30/06/2025</b>	<b>01/01/2025</b>
Foreign exchange rate difference	-	-
Investment and Development Fund	45 039 241 420	22 107 785 803
Share premium	28 512 122 705	28 512 122 705
Other owners' equity	19 057 709 405	19 057 709 405
Construction investment fund	11 330 524 372	11 330 524 372
Undistributed profit	40 926 219 780	99 701 980 942
Bonus and welfare fund	18 416 248 065	7 767 327 958

**Purpose of appropriation and use of business funds**

- Investment and development fund is used to supplement the Company's charter capital.
- Bonus and welfare fund: Used for rewarding, encouraging material benefits, serving public welfare needs, improving and enhancing the material and spiritual lives of employees...



**LAM DONG WATER SUPPLY AND SEWERAGE JOINT STOCK COMPANY**

No. 50 Hung Vuong Street, Lam Vien Ward - Da Lat, Lam Dong Province

**NOTES TO THE FINANCIAL STATEMENTS**

<b>17 TOTAL REVENUE FROM SALES AND SERVICES RENDERED</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Revenue from sales and services rendered	81 145 105 982	81 010 959 845
	<b>81 145 105 982</b>	<b>81 010 959 845</b>
<b>18 REVENUE DEDUCTIONS</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Sales discounts	-	-
Sales returns	-	-
Special consumption tax	-	-
	<b>-</b>	<b>-</b>
<b>19 NET REVENUE FROM SALES AND SERVICES RENDERED</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Net revenue from products and goods	81 145 105 982	81 010 959 845
Net revenue from services rendered	-	-
	<b>81 145 105 982</b>	<b>81 010 959 845</b>
<b>20 COSTS OF GOODS SOLD</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Cost of finished goods and goods sold	59 586 339 966	57 072 477 193
Cost of services rendered	-	-
	<b>59 586 339 966</b>	<b>57 072 477 193</b>
<b>21 FINANCIAL INCOME</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Interest on deposits, loans	11 882 781 883	14 421 375 126
Gains from sale of investments	-	-
Dividends, distributed profits	-	-
	<b>11 882 781 883</b>	<b>14 421 375 126</b>
<b>22 FINANCIAL EXPENSES</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Loan interest	2 807 506 486	3 163 152 692
Other financial expenses	-	-
	<b>2 807 506 486</b>	<b>3 163 152 692</b>
<b>23 CURRENT CORPORATE INCOME TAX EXPENSE</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>
Corporate Income Tax Expense calculated on taxable income for the current year	5 104 167 161	5 563 624 311
Adjustment of corporate income tax expense of previous years into current corporate income tax expense of this year	-	-
	<b>5 104 167 161</b>	<b>5 563 624 311</b>
<b>24 CORPORATE INCOME TAX PAYABLE AND PROFIT AFTER TAX FOR THE PERIOD</b>	<b>From April 01, 2025 to June 30, 2025</b>	<b>From April 01, 2024 to June 30, 2024</b>

**Corporate Income Tax from operating activities**

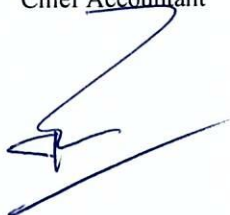
Total Profit before Corporate Income Tax	25 216 886 730	27 639 035 343
<b>Upward adjustments</b>	<b>306 934 065</b>	<b>260 191 151</b>
- Non-deductible depreciation expense due to Nam Ban - Lam Ha being provisioned	248 971 973	248 971 973
- Non-deductible depreciation expense due to Bao Lam's well not yet	9 907 781	
- Non-deductible depreciation expense due to Chien Thang Lake Pump not being used for 5 years	11 219 178	11 219 178
- Non-deductible expenses	36 835 133	-
+ Other expenses	36 835 133	
<b>- Downward adjustments</b>	<b>(2 984 989)</b>	<b>(81 104 940)</b>
+ Dividends from Di Linh Water Supply and Construction Joint Stock Company		(78 310 000)
+ Reversal of inventory provision	(2 323 098)	(527 955)
+ Reversal of water receivables provision	(661 891)	(2 266 985)
- Total taxable income	<b>25 520 835 806</b>	<b>27 818 121 554</b>
- Corporate Income Tax payable (20%)	5 104 167 161	5 563 624 311
<b>- Total Corporate Income Tax for the entire Company</b>	<b>5 104 167 161</b>	<b>5 563 624 311</b>
- Deferred Corporate Income Tax Expense	464 620	105 591
<b>- Profit after Corporate Income Tax</b>	<b>20 112 254 949</b>	<b>22 075 305 441</b>

Prepared by



Tran Thi Tuyet Ngoc

Chief Accountant



Bui Hoang Truong Vi

Lam Dong, July 16, 2025

General Director



Nguyễn Hùng Cường