

**REPORT ON PROGRESS OF UTILIZATION OF RECEIVED FUNDS
FROM THE PUBLIC OFFERING OF SECURITIES**

: Phu Yen Water Supply and Sewerage Joint Stock Company

Certificate of Public Offering No. 60/GCN –UBCK

Issued by the Chairman of the State Securities Commission on October 25, 2018

To: State Securities Commission

Name of the offering organization: **Phu Yen Water Supply and Sewerage Joint Stock Company.**

Head office address: 05 Hai Duong Street, Tuy Hoa Ward, Dak Lak Province.

Phone: 0257 3823557.

I. SECURITIES OFFERED TO THE PUBLIC

1. Name of securities offered: Securities of Phu Yen Water Supply and Sewerage Joint Stock Company.

2. Type of security: Common stock.

3. Denomination: 10,000 VND.

4. Number of securities offered:

– Number of shares offered: 15,000,000 shares.

– Number of shares successfully offered: 14,798,179 shares.

5. Total amount of capital raised:

– Amount of capital raised: 159,000,000,000 VND.

– Amount of capital successfully raised: VND 156,860,697,400.

6. Sales launch date: November 30, 2018.

7. Date of completion of the offering: January 28, 2019.

II. PLAN FOR USING THE FUNDS RAISED FROM THE PUBLIC OFFERING:

1. Plan for using the capital/proposal raised from the offering/issuance:

This has been amended in accordance with Resolution No. 01/2025/NQ-HĐQT dated April 28, 2025, of the Annual General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company.

No.	Capital utilization plan	Amount (VND)	Note
I	Investing in projects:	106,378,760,262	
1	The project involves the renovation and upgrading of the Tuy Hoa water treatment plant with a capacity of 28,000 m ³ /day.	49,428,760,262	project settlement figures.
2	The project to upgrade the water treatment plant in the Northeast of Song Cau River from 900 m ³ /day to 5,000 m ³ /day (<i>this has been adjusted to the project: Investment in upgrading the water treatment plant in the Northeast of Song Cau River from 900 m³ /day to 10,000 m³ /day</i>)	40,000,000,000	The project is underway.
3	The project involves upgrading and expanding the Song Cau water treatment plant from 5,000 m ³ /day to 8,000 m ³ /day.	16,950,000,000	Based on the value realized upon completion of phase 2A of the project.
II	Increase working capital : This includes the business of pipes and fittings (transmission and distribution network) and the business of water meters (equipment).	0	Not implemented
III	Additional investment projects:	50,401,270,837	
	Invest in upgrading and expanding the water supply system for Tuy Hoa city and surrounding areas.	50,401,270,837	In progress
Total		156,780,031,099	

2. Project implementation progress as of March 12, 2025

1.1. Investment project to renovate and upgrade the Tuy Hoa water treatment plant with a capacity of 28,000 m³ /day:

a. Progress of implementation: The project was inspected and put into use in February 2020;

b. Project settlement value: 54,321,159,508 VND (According to Decision No. 14/2021/QD-HDQT dated September 17, 2021 of the Company's Board of Directors)

c. Capital utilization progress: 49,428,760,262 VND has been disbursed, reaching 100% of the adjusted capital.

1.2. The project involves upgrading and expanding the Song Cau water treatment plant from 5,000 m³ /day to 8,000 m³ /day:

a. Implementation progress:

– The project received investment project approval (FS) in Decision No. 13/2018/QD-HDQT dated September 28, 2018, of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company;

– The project's adjustments were approved by the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company: Decision No. 09/2023/QD-HDQT dated August 31, 2023, approving the principle of project adjustment; and Decision No. 09 /2024/QD-HDQT dated June 17, 2024, approving the adjustment of the project's feasibility study report and the contractor selection plan for the construction drawing design phase 2A. Project: Upgrading and expanding the Song Cau Water Treatment Plant from 5,000 m³ /day and night up to 8,000 m³ /day and night
· The project is divided into two investment phases as follows:

Phase 1: Construction of the northern water supply pipeline (completed)

Phase 2:

- *Phase 2A* : Investment in upgrading the water treatment plant to meet a surface water treatment capacity of 5,300 m³/day, and investment in 420 meters of raw water pipeline to transport surface water to the treatment plant; implementation time: 2023-2024

- *Phase 2B* : Investment in the construction of the Cau River water raising structure, surface water intake structure, raw water pipeline, filtration tank, secondary pumping station, and the southern clean water supply pipeline... to meet a capacity of 8,000 m³ / day; implementation time: After the dredging of sand from the Cau River is completed.

– Phase 2A construction has been completed. in progress Complete the acceptance and settlement procedures to finalize the project completion phase.

b. Capital utilization progress: 14,494,013,095 VND has been disbursed, reaching approximately 85.51% of the adjusted capital (including costs for surveying and preparing the project's feasibility study report; costs for completing the construction of the Northern clean water supply pipeline; consulting services for preparing and reviewing the adjusted feasibility study report, construction drawings and total cost estimate for phase 2A; costs for preparing and appraising the project's environmental permit; and construction of phase 2A).

1.3. The project to upgrade the water treatment plant in the Northeast of Song Cau River from 900 m³/day to 5,000 m³ / day (*revised to the project: Investment in upgrading the water treatment plant in the Northeast of Song Cau River from 900 m³ /day to 10,000 m³ /day*):

a. Project information:

– Project name: Investment in upgrading the water treatment plant in the Northeast of Song Cau area from 900 m³/day to 10,000 m³/day.

– Investor: Phu Yen Water Supply and Sewerage Joint Stock Company;

– Location of implementation: Xuan Binh, Xuan Loc, Xuan Hai, and Xuan

Canh communes in Song Cau town, Phu Yen province (now Xuan Canh commune, Dak Lak province)

- Land area used: 0.8 ha; of which the water treatment area is 0.715 ha, and the access road to the water intake facility is 0.0085 ha.

- Project scale:

- + **Phase 1:** Construction of water intake facilities and raw water pipelines with a capacity of 10,000 m³ / day; Water treatment plant with a capacity of 4,000 m³ / day (2021-2025 period, taking into account the needs for the period up to 2030; the existing plant's water supply capacity is 1,000 m³ / day), including: Sedimentation reaction tank cluster with a capacity of 4,000 m³ / day, filter tank with a capacity of 4,000 m³ / day, clean water storage tank with a capacity of 2,000 m³; construction of the following items: Pump station, chemical building, sludge settling tank, sludge pressing plant, sludge drying yard, control building and other auxiliary facilities; installation of new plant equipment, power, control and lighting electrical systems; Construction of a new pipeline for transmitting and distributing clean water to the communes of Xuan Binh, Xuan Loc, Xuan Hai, and Xuan Canh (now Xuan Canh commune, Dak Lak province), connecting to the existing clean water pipeline system of the Dong Bac Song Cau water plant (the existing plant's water supply capacity is 1,000 m³ / day). The total length of the water supply pipeline is 25,413 meters; of which the pipeline through Xuan Binh commune has a total length of 7,586m; the pipeline through Xuan Loc commune has a total length of 3,481m; the pipeline through Xuan Hai commune has a total length of 1,710m; and the pipeline through Xuan Canh commune has a total length of 12,636m.

Phase 2:

The project involves completely switching to exploiting surface water from the Xuan Binh reservoir (burying underground water wells and not using the existing water treatment plant of the Dong Bac Song Cau Water Plant with a capacity of 900 m³ / day), including the following items:

- Water intake project: Installation of pumping equipment and electrical control system for the raw water pumping station to meet the increased capacity of 6,000 m³ / day.

- Water treatment plant area: Construction of a new sedimentation reactor cluster with a capacity of 6,000 m³ / day; a filtration tank with a capacity of 6,000 m³ / day; and installation of related control equipment.

- Clean water supply pipeline: Zoning and disconnection of the existing network system from the Dong Bac Song Cau water treatment plant.

- Total investment capital, sources of funding: Approximately 110 billion VND; of which: Contributed capital for project implementation is 40 billion VND, accounting for 36.3% of total investment capital; borrowed capital is 70 billion VND, accounting for 63.7% of total investment capital.

- Project operating period: 50 years, starting from the date the Provincial People's Committee approves the investment policy and simultaneously approves the investor.

– Project progress:

+ Completing investment procedures and construction investment for phase 1, putting the project into operation: By April 2026;

+ Investment in construction to complete phase 2 and put the project into operation: by March 2029.

b. Implementation progress :

– The project was approved by Decision No. 05/2019/QĐ-HĐQT dated January 28, 2019.

– The company has adjusted the investment project due to changes in investment content, including: changing the water intake location and constructing a new water treatment plant due to climate change causing water depletion; expanding the water supply area to meet the socio-economic development needs of the locality and in accordance with the approved Phu Yen Provincial Water Supply Plan. The adjusted project is named "***Investment in upgrading the water treatment plant in the Northeast of Cau River area from 900 m³/day to 10,000 m³/day***" in Decision No. 08/2023/QĐ-HĐQT dated August 31, 2023, of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company.

– The project received investment approval and investor approval from the People's Committee of Phu Yen province in Decision No. 1730/QĐ-UBND dated November 29, 2021, and the first adjustment to the investment policy and investor approval in Decision No. 665/QĐ-UBND dated April 25, 2025. Simultaneously, the construction drawings and total cost estimate (Phase 1) were approved by the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company in Decision No. 14/2024/QĐ-HĐQT dated December 18, 2024. Phase 1 is currently under construction, with an estimated progress of 65%, and is expected to be completed and put into operation in May 2026.

+ Raw water intake and pumping station project: The leveling of the access road has been completed (concrete pouring is not yet underway) and the pontoon bridge to the intake structure has been installed, but the project is not yet finished ; The water intake project has installed floating buoys on the Xuan Binh reservoir but is not yet complete; the pumping technology and equipment have been installed . The total volume completed is approximately 90%.

+ Raw water pipeline project: Installation has been completed.

+ Sedimentation reactor unit category: Construction and equipment installation have been completed ; finishing touches are underway to complete the project.

+ Filtration tank project: Construction and technology have been completed; finishing touches are underway to complete the project.

+ Clean water storage tank category: Completed .

+ Chemical and chlorine plant: Completed;

+ Administration Building : Construction is complete, finishing work is underway;

- + Filter backwash water recovery tank project: Construction is complete, and equipment and process piping are currently being installed.
- + Sludge thickening tank and sludge drying area : Currently under construction.
- + Medium voltage power line – Substation project: In progress, 55 out of 62 power poles have been erected, and the substation has been installed.
- + Clean water pipeline project: The contractor has completed the installation with a total volume of 24,293.5 meters / 25,414.5 meters, achieving approximately 95.6% completion .

c. Capital utilization progress: 35,151,618,225 VND has been disbursed, reaching approximately 87.88% (calculated based on 40 billion VND of mobilized capital) (including: survey costs; preparation of feasibility study report; verification of feasibility study report; forest status survey; reforestation costs when changing land use purpose; environmental impact assessment; cadastral mapping for land clearance; compensation payments; preparation of construction drawings; consulting on preparation of revised feasibility study report; construction drawings for phase 1A; construction of phase 1A; project management costs...).

1.4. Project: Investment in upgrading and expanding the water supply system for Tuy Hoa city and surrounding areas .

a. Project information:

- Project name: Investment in upgrading and expanding the water supply system of Tuy Hoa city and surrounding areas.
- Total investment: Approximately 992,000 million VND.
- capital : Capital contributed by investors and capital raised through other means.
- Investor: Phu Yen Water Supply and Sewerage Joint Stock Company.
- Investment implementation progress :
 - + Capital contribution schedule: According to the progress of the investment project.
 - + Project implementation schedule: Completion of investment procedures and commissioning of the project will take 33 months from the date the Provincial People's Committee approves the investment policy; of which, the construction and equipment installation time is approximately 24 months.
- Construction site: Tay Hoa district, Phu Hoa district and Tuy Hoa city, Phu Yen province (now Son Thanh commune, Tay Hoa commune, Phu Hoa 1 commune and Tuy Hoa ward, Dak Lak province).
 - Project scale:
 - + Estimated land area to be used: Approximately 9.42 hectares.
 - + Design capacity: The project's capacity is 50,000 m³ / day.
 - + Investment scale: Construction of a new water treatment plant with a capacity

of 50,000 m³/day, including the main components: water intake and raw water pumping station; water treatment plant; clean water transmission pipeline; renovation of the Tuy Hoa Water Treatment Plant.

b. Implementation progress :

- Project preparation phase:

+ Investment Policy : Decision No. 1202/QD-UBND dated June 29, 2025, of the People's Committee of Phu Yen province approving the investment policy and simultaneously approving the investor for the project: Investment in upgrading and expanding the water supply system of Tuy Hoa city and surrounding areas; and Resolution No. 02/2025/NQ-DHĐCĐ dated July 30, 2025, of the General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company approving the investment policy for the project: Investment in upgrading and expanding the water supply system of Tuy Hoa city and surrounding areas;

+ Tasks currently underway:

- *Feasibility study report preparation* : On November 11, 2025, a contract was signed with a consulting firm to prepare the feasibility study report for the project. Currently, the consulting firm is preparing and reviewing the feasibility study report for the project.

- *Geological and topographical survey work*: Completed.

- *Environmental Impact Assessment (EIA) report preparation*: In progress

- *allocation, land leasing, and land clearance progress*: The project's cadastral survey and adjustment work has been completed; the Dak Lak Provincial Land Registration Office has verified the land plot survey and adjustment forms and provided extracts of the cadastral map of the project area. The project's list of works and projects requiring land acquisition has been approved by the Provincial People's Council in Resolution No. 63/NQ-HĐND dated December 24, 2025. Compensation and resettlement support are currently being implemented (land acquisition plan issued and compensation scheme prepared).

- Regarding the investment capital structure according to the investment plan:

Total project investment: Approximately 992,000 million VND (*in words: Nine hundred and ninety-two billion VND*), of which:

- + The investor's contributed capital is VND 148,800 million, ***of which VND 50,401,270,837 is raised from a public offering.***

- + Capital raised is 843,200 million VND, including:

- Loans from commercial banks: 794,000 million VND.

- Financial support from AQUA ONE Company: 49,600 million VND.

b. Capital utilization progress: 1,867,005,100 VND has been disbursed, representing approximately 3.7% of the total capital raised from the public offering of 50,401,270,837 VND (including project proposal preparation costs; geological and

topographic survey costs; planning task preparation costs; cadastral mapping for land clearance; and feasibility study report preparation).

3. Changes and adjustments (if any) and the reasons for these adjustments:

3.1. Investment project to renovate and upgrade the Tuy Hoa water treatment plant with a capacity of 28,000 m³ / day:

– Adjustment of project implementation time: The project implementation time is adjusted according to Decision No. 983/QD-UBND dated July 3, 2019 of the People's Committee of Phu Yen province and Decision No. 06/2020/QD-HDQT dated February 17, 2020 of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company.

– Adjustment of performance value: According to Resolution No. 01/2025/NQ-HDQT dated April 28, 2025, of the Annual General Meeting of Shareholders 2025 of Phu Yen Water Supply and Sewerage Joint Stock Company.

3.2. The project involves upgrading and expanding the Song Cau water treatment plant from 5,000 m³ /day to 8,000 m³ /day:

– Adjusting the project implementation time according to Decision No. 38/2020/QD-HDQT dated October 20, 2020, of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company to carry out the construction of the clean water supply pipeline in the North, supplying water to people in Xuan Phuong commune and the actual situation of the raw water source of the Cau River.

– Adjusting the investment phasing and implementation time of the project according to Decision No. 09/2023/QD-HDQT dated August 31, 2023, of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company to meet the current capacity of Song Cau Water Treatment Plant, promptly supply clean water to the needs of people in the inner city area of Song Cau town, and address the actual raw water source situation of the Plant during the period when the Provincial People's Committee has not yet approved the dredging of sand from the Song Cau River.

– Adjustment of performance value: According to Resolution No. 01/2025/NQ-HDQT dated April 28, 2025, of the Annual General Meeting of Shareholders 2025 of Phu Yen Water Supply and Sewerage Joint Stock Company.

3.3. The project involves upgrading the water treatment plant in the Northeast of Song Cau area from 900 m³ /day to 5,000 m³ /day.

– Adjustments: The project's investment scale was expanded, a new water treatment plant was added, and the location of raw water extraction was adjusted (the project requested land lease for implementation). The Provincial People's Committee approved the investment policy in Decision No. 1730/QD-UBND dated November 29, 2021, with the adjusted project name being " *Investment in upgrading the water treatment plant in the Northeast of Cau River area from 900 m³ /day to 10,000 m³ /day* ".

3.4. Project: Investment in upgrading and expanding the water supply system for Tuy Hoa city and surrounding areas.

– Adjustments and additions: Transfer the remaining capital from the public offering of securities as stated in the prospectus, due to some unfulfilled items, amounting to VND **50,401,270,837** , to implement the project " *Investment in upgrading and expanding the water supply system of Tuy Hoa city and surrounding areas*" according to Resolution No. 01/2025/NQ-HĐQT dated April 28, 2025, of the Annual General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company .

The adjustments to the projects still ensure that the mobilized capital is used properly.

Recipient:

- As above;
- Company Board of Directors;
- Board of Directors of the Company;
- Luu VT, Information and Communication Technology Team.

**LEGAL REPRESENTATIVE
GENERAL MANAGER**



Do Hoang Long