



**PHU YEN WATER SUPPLY AND
SEWERAGE JOINT STOCK
COMPANY**

No: 89 /BC-CTN

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Dak Lak, 25 September 2026

**REPORT ON THE UTILIZATION PROGRESS OF PROCEEDS
FROM THE PUBLIC OFFERING OF SECURITIES**

Security: Phu Yen Water Supply and Sewerage Joint Stock Company

Securities Offering Certificate No. 60/GCN-UBCK

issued by the Chairperson of the State Securities Commission on 20 October 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.

Telephone: 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 securities: Ordinary shares.

3. Par value: VND 10,000.

4. Number of securities offered:

- Number of securities offered: 15,000,000 shares.

- Number of securities successfully offered: 14,798,179 shares.

5. Total proceeds raised:

- Proceeds targeted to be raised: VND 159,000,000,000.

- Proceeds successfully raised: VND 156,860,697,400.

6. Offering commencement date: 30 November 2018.

7. Offering completion date: 28 January 2019.

**II. PLAN FOR UTILIZATION OF PROCEEDS FROM THE PUBLIC
OFFERING:**

1. Plan for utilization of the capital/proceeds from the offering/issuance:

Pursuant to Resolution No. 01/2025/NQ-HĐQT dated 28 April 2025 of the 2025
Annual General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint
Stock Company:

No.	Plan for utilization of proceeds	Amount (VND)	Remarks
I	Investment in projects:	106,378,760,262	
1	Investment project for renovation and upgrading of Tuy Hoa Water Supply Plant with a capacity of 28,000 m ³ /day.	49,428,760,262	According to the project's final settlement data
2	Investment project for upgrading the Northeast Song Cau Water Supply Plant from 900 m ³ /day to 5,000 m ³ /day (adjusted to: Upgrading the Northeast Song Cau Water Supply Plant from 900 m ³ /day to 10,000 m ³ /day).	40,000,000,000	Project under implementation
3	Project for upgrading and expanding Song Cau Water Supply Plant from 5,000 m ³ /day to 8,000 m ³ /day.	16,950,000,000	Based on actual implementation value upon completion of Phase 2A
II	Additional working capital: Including trading of pipes and fittings (transmission and distribution networks) and water meters (equipment).	0	Not implemented
III	Additional investment project:	50,401,270,837	
	Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas.	50,401,270,837	
Total		156,780,031,099	

2. Project implementation progress as at 20 September 2026

2.1. Investment project for renovation and upgrading of Tuy Hoa Water Supply Plant with a capacity of 28,000 m³/day:

a. Implementation progress: The project was completed, commissioned and put into operation in February 2020;

b. Final settlement value of the project: VND 54,321,159,508 (under Decision No. 14/2021/QĐ-HĐQT dated 17 September 2021 of the Company's Board of Directors)

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

2.2. Investment project for upgrading and expanding Song Cau Water Supply Plant from 5,000 m³/day to 8,000 m³/day:

a. Implementation progress:

– The investment project (FS) was approved under Decision No. 13/2018/QĐ-HĐQT dated 28 September 2018 of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company;

– The project was approved for adjustment under the following Decisions of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company: Decision No. 09/2023/QĐ-HĐQT dated 31 August 2023 approving the policy for project adjustment; and Decision No. 09/2024/QĐ-HĐQT dated 17 June 2024 approving the adjustment to the project's Feasibility Study Report and the contractor selection plan for the construction drawing design stage of Phase 2A of the project: Upgrading and expanding Song Cau Water Supply Plant from 5,000 m³/day to 8,000 m³/day.

– Implementation of Phase 2A: construction works have been completed and the facilities were commissioned and put into operation on 14 July 2026; procedures for final settlement of the completed project phase are currently being finalized.

b. Utilization progress: VND 14,558,095,011 has been disbursed, reaching approximately 85.89% of the adjusted capital amount (including costs of surveying and preparation of the project's Feasibility Study Report; construction costs for completion of the Northern Clean Water Supply Pipeline; consulting services for preparation and appraisal of the adjusted Feasibility Study Report, construction drawing design and total cost estimate for Phase 2A; costs of preparation and appraisal of the project's environmental permit; and construction of Phase 2A);

2.3. Investment project for upgrading the Northeast Song Cau Water Supply Plant from 900 m³/day to 5,000 m³/day (adjusted to the project: Upgrading the Northeast Song Cau Water Supply Plant from 900 m³/day to 10,000 m³/day):

a. Project information:

– Project name: Upgrading the Northeast Song Cau Water Supply Plant from 900 m³/day to 10,000 m³/day.

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

– Project location: Xuan Binh, Xuan Loc, Xuan Hai and Xuan Canh Communes, Song Cau Town, Phu Yen Province (now Xuan Canh Commune, Dak Lak Province)

– Land area used: 0.8 ha; including 0.715 ha for the water treatment area and 0.0085 ha for the access road to the intake works.

– Project scale:

+ **Phase 1:** Construction of water intake works and raw water pipelines with a capacity of 10,000 m³/day; construction of a water treatment plant with a capacity of 4,000 m³/day (for the 2021–2025 period, taking into account demand through 2030; the capacity of the existing plant is 1,000 m³/day), including: a flocculation and sedimentation system with a capacity of 4,000 m³/day; filtration tanks with a capacity

of 4,000 m³/day; a clean water reservoir with a capacity of 2,000 m³; construction of pumping station buildings, chemical building, sludge sedimentation tank, sludge dewatering plant, sludge drying yard, administration building and other auxiliary facilities; installation of new plant equipment and power, control and lighting systems; construction of new clean water transmission and distribution pipelines for Xuan Binh, Xuan Loc, Xuan Hai and Xuan Canh Communes (now Xuan Canh Commune, Dak Lak Province), including connection to the existing clean water pipeline network of the Northeast Song Cau Water Supply Plant (the existing plant has a capacity of 1,000 m³/day). The total length of the water supply pipeline is 25,413 meters, including 7,586 m through Xuan Binh Commune, 3,481 m through Xuan Loc Commune, 1,710 m through Xuan Hai Commune, and 12,636 m through Xuan Canh Commune.

+ Phase 2:

Full conversion to surface-water abstraction from Xuan Binh Reservoir (underground abandonment of groundwater extraction wells and discontinuation of use of the existing 900 m³/day treatment facilities of the Northeast Song Cau Water Supply Plant), comprising:

- Water intake works: Installation of pumping equipment and control electrical systems for the raw water pumping station to provide an additional capacity of 6,000 m³/day.

- Water treatment plant: Construction of a new flocculation and sedimentation system with a capacity of 6,000 m³/day; filtration tanks with a capacity of 6,000 m³/day; and installation of relevant control equipment.

- Clean water supply pipeline: Zoning and disconnection of the network from the existing Northeast Song Cau Water Supply Plant.

- Total investment capital and funding sources: Approximately VND 110 billion, of which the capital contribution for project implementation is VND 40 billion, accounting for 36.3% of total investment capital; loans are VND 70 billion, accounting for 63.7% of total investment capital.

- Project operating term: 50 years from the date on which the Provincial People's Committee approves the investment policy and simultaneously approves the investor.

- Project implementation schedule:

- + Completion of Phase 1: 2026;

- + Completion of Phase 2: 2029.

b. Implementation progress:

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

- The Company adjusted the investment project due to changes in the investment scope, including: changing the water intake location and constructing a new water supply plant because climate change had caused the water source to dry up; expanding the water

supply area to meet local socio-economic development needs and conform to the approved Phu Yen Provincial Water Supply Master Plan. The project was adjusted under Decision No. 08/2023/QĐ-HĐQT dated 31 August 2023 of the Company's Board of Directors, under the name ***“Upgrading the Northeast Song Cau Water Supply Plant from 900 m³/day to 10,000 m³/day”***.

– The project was approved in principle by the Phu Yen Provincial People's Committee, which concurrently approved the investor, under Decision No. 1730/QĐ-UBND dated 29 November 2021, and the first adjustment to the investment policy and investor approval was approved under Decision No. 665/QĐ-UBND dated 25 April 2025. In addition, the Company's Board of Directors approved the construction drawing design and total cost estimate (Phase 1) under Decision No. 14/2024/QĐ-HĐQT dated 18 December 2024.

– The main works of Phase 1 have been completed; the facilities were inspected and accepted for conditional operation on 9 July 2026, and water has been supplied to meet the needs of the Northeast Song Cau Industrial Park and residents in surrounding areas. The Company is currently completing outstanding items and the final settlement to complete Phase 1 of the project.

c. Utilization progress: A total of VND 58,066,396,613 has been disbursed, of which VND 36,368,456,520 was raised from shareholders, reaching approximately 90.92% (calculated on the basis of VND 40 billion of raised capital) (including costs of surveying; preparation of the Feasibility Study Report; appraisal of the Feasibility Study Report; forest status survey; payment for replacement afforestation upon conversion of land use purpose; appraisal of the Environmental Impact Assessment (EIA); cadastral surveying and mapping for site clearance; compensation payments; preparation of construction drawing design; consulting services for preparation of the adjusted project Feasibility Study Report; construction drawing design for Phase 1A; construction of Phase 1A; project management costs; bank interest; etc.).

2.4. Project: Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas:

a. Project information:

– Project name: Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas.

– Total investment: Approximately VND 992,000 million.

– Project investment capital: Investor's contributed capital and mobilized capital.

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

– Investment implementation schedule:

+ Capital contribution schedule: In accordance with the investment project implementation schedule.

+ Project implementation schedule: Completion of all investment procedures and completion of investment works for commissioning and operation within 33 months from the date of the Provincial People's Committee's approval of the investment policy;

of which construction and equipment installation are expected to take approximately 24 months.

- Construction location: 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:

- + Expected land area: Approximately 9.42 ha.

- + Design capacity: 50,000 m³/day.

- + Investment scale: Construction of a new water supply plant with a capacity of 50,000 m³/day, including the main items of water intake works and raw water pumping station; water treatment plant; clean water transmission pipeline; and renovation of Tuy Hoa Water Supply Plant.

b. Implementation progress:

- Project preparation stage:

- + Investment policy: Decision No. 1202/QĐ-UBND dated 29 June 2025 of the Phu Yen Provincial People's Committee approving the investment policy and concurrently approving the investor for the project: Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas; and Resolution No. 02/2025/NQ-ĐHĐCĐ dated 30 July 2025 of the General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company approving the investment policy for the project: Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas;

- + Completed works include: topographical and geological surveys; preparation of cadastral maps of the land area for land recovery purposes.

- + Ongoing works include: preparation of the project's Feasibility Study Report; appraisal of the Feasibility Study Report; preparation of the 1/500 detailed construction planning; preparation of the environmental impact assessment report; and compensation and support activities upon State land recovery.

- Investment capital structure under the approved investment policy: Total project investment capital is approximately VND 992,000 million (in words: Nine hundred and ninety-two billion Vietnamese dong), of which:

- + Investor's contributed capital is VND 148,800 million, ***including VND 50,401,270,837 raised from the public offering.***

- + Mobilized capital is VND 843,200 million, including:

- o Commercial bank loans: VND 794,000 million.

- o Financial support from AQUAONE Company (the Company's former investor): VND 49,600 million.

- **Regarding termination of the project:**

- + Resolution No. 02/2026/NQ-ĐHĐCĐ dated 16 July 2026 of the General

Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company, which was approved, resulted in a change of the investor of Phu Yen Water Supply and Sewerage Joint Stock Company. Accordingly, the Company conducted an assessment of the project's feasibility and investment efficiency, as well as its ability to balance funding sources under the project's previous capital structure and its development orientation for the following period. Following its review, the Company proposed termination of the investment project "Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas" and replacement with another project to ensure a raw water supply for Tuy Hoa Water Supply Plant, given that the existing Hoa An intake works are directly affected by the Project for the Embankment against Landslides on the Left Bank of the Ba River in combination with urban infrastructure development along the section passing through Vinh Phu Hamlet. The proceeds raised from the public offering for investment in the project "Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas" are expected to be transferred for implementation of the replacement project.

+ The Company's Board of Directors approved the solicitation of shareholders' written opinions to decide on termination of the Project: Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas under Resolution No. 06/NQ-HĐQT dated 17 August 2026. At the same time, written ballots for shareholders' opinions were sent under Document No. 14/CV-HĐQT dated 7 September 2026.

+ Based on the results of the written solicitation of shareholders' opinions, the Company's General Meeting of Shareholders approved Resolution No. 03/2026/NQ-ĐHĐCĐ dated 18 September 2026 on termination of the Project and implementation of a replacement project.

b. Utilization progress: VND 2,862,996,100 has been disbursed, equivalent to approximately 5.68% of the total proceeds raised from the public offering of VND 50,401,270,837 (including costs of preparing the project proposal; geological and topographical survey costs; preparation of planning tasks; cadastral surveying and mapping for site clearance; preparation of the Feasibility Study Report; preparation of the environmental report; etc.). Pursuant to Resolution No. 03/2026/NQ-ĐHĐCĐ dated 18 September 2026, the remaining capital will be transferred for implementation of the replacement investment project after the Company's Board of Directors approves the investment policy.

3. Changes and adjustments (if any) and their causes/reasons:

3.1. Investment project for renovation and upgrading of Tuy Hoa Water Supply Plant with a capacity of 28,000 m³/day:

– Adjustment to project implementation period: The project implementation period was adjusted pursuant to Decision No. 983/QĐ-UBND dated 3 July 2019 of the Phu Yen Provincial People's Committee and Decision No. 06/2020/QĐ-HĐQT dated 17 February 2020 of the Company's Board of Directors.

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

3.2. Investment project for upgrading and expanding Song Cau Water Supply Plant from 5,000 m³/day to 8,000 m³/day:

– Adjustment to project implementation period under Decision No. 38/2020/QĐ-HĐQT dated 20 October 2020 of the Board of Directors of Phu Yen Water Supply and Sewerage Joint Stock Company in order to implement the Northern Clean Water Supply Pipeline works, supply water to residents in Xuan Phuong Commune, and address the actual raw water conditions of the Song Cau River.

– Adjustment to project investment phasing and implementation period under Decision No. 09/2023/QĐ-HĐQT dated 31 August 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 Supply Plant and promptly supply clean water to residents in the urban area of Song Cau Town, taking into account the actual raw water conditions of the Plant during the period when the Provincial People's Committee had not yet approved dredging of sand in the Song Cau River.

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

3.3. Investment project for upgrading the Northeast Song Cau Water Supply Plant from 900 m³/day to 5,000 m³/day:

– Adjustment: Addition to the project's investment scale, including construction of a new Water Supply Plant and adjustment of the raw water abstraction location (the project involves leasing land for implementation). The Provincial People's Committee approved the investment policy under Decision No. 1730/QĐ-UBND dated 29 November 2021, with the adjusted project name “Upgrading the Northeast Song Cau Water Supply Plant from 900 m³/day to 10,000 m³/day”.

– Adjustment to project implementation period pursuant to Decision No. 665/QĐ-UBND of the Phu Yen Provincial People's Committee approving the adjustment to the investment policy and investor, first adjustment, dated 25 April 2025.

3.4. Project: Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas:

– Adjustment/addition: Transfer of the remaining proceeds from the public offering under the prospectus, due to certain planned items not being implemented, in the amount of VND 50,401,270,837, for implementation of the project “Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas” pursuant to Resolution No. 01/2025/NQ-HĐQT dated 28 April 2025 of the 2025 Annual General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company.

– The General Meeting of Shareholders of Phu Yen Water Supply and Sewerage Joint Stock Company approved Resolution No. 03/2026/NQ-DHĐCĐ dated 18 September 2026, officially terminating the project “Upgrading and expanding the water supply system of Tuy Hoa City and surrounding areas” and implementing a replacement project.

The adjustments to the projects continue to ensure that the raised proceeds are used for their intended purposes./

Recipients:

- As above;
- Company's Board of Directors;
- Company's Executive Management Board;
- Information Disclosure Team (for information disclosure);
- Filed: Office.

GENERAL DIRECTOR

(signed)

Pham Hoang Loi

