

SONADEZI CORPORATION SOCIALIST REPUBLIC OF VIETNAM
DONG NAI WATER JOINT STOCK COMPANY Independence - Freedom - Happiness

No: 697/CN-TCKT

Dong Nai, July 17, 2025

Regarding explanation of changes in profit after
 CIT in the Quarter II of 2025 compared to the
 Quarter II of 2024

To: - State Securities Commission;
 - Hanoi Stock Exchange .

1. Listed organization: DONG NAI WATER JOINT STOCK COMPANY
2. Listed stock code: DNW

Pursuant to Circular No.96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance on guidance on information disclosure on the stock market, Dong Nai Water Joint Stock Company explains the situation of fluctuations in Profit after Corporate Income Tax (CIT) in the Quarter II of 2025, which decreased by more than 10% compared to Profit after CIT in the Quarter II of 2024 as follows:

No	Content	Quarter II/2025	Quarter II/2024	Difference	% Difference
1	Profit after CIT of separate financial statements	31,275,305,862	116,996,609,712	-85,721,303,850	-73.27%
2	Profit after CIT of consolidated financial statements	38,534,536,769	126,759,574,895	-88,225,038,126	-69.60%

Reasons for fluctuations in profit after CIT of separate financial statements:

1. Total revenue and other income in the Quarter II of 2025 reached VND 305,861,620,785, decreased by VND 46,465,791,013 compared to revenue and other income in the same period of 2024 (reaching VND 352,327,411,798), corresponding to a decrease of -13.19%.

The changes in revenue are as follows:

	Quarter II This year	Quarter II Last year	Difference	% increase /(decrease)
Sales and service revenue	295,381,829,660	293,074,586,536	2,307,243,124	0.79%
Financial revenue	9,136,084,734	56,605,755,488	-47,469,670,754	-83.86%
Other income	1,343,706,391	2,647,069,774	-1,303,363,383	-49.24%
TOTAL	305,861,620,785	352,327,411,798	-46,465,791,013	-13.19%

The main reason is that financial revenue decreased by VND 47,469,670,754, equivalent to a decrease of -83.86%, due to the previous year's exchange rate difference profit arising from evaluating the outstanding loan balance in foreign currency, however it did not arise this year.

2. Total expenses in the Quarter II of 2025 reached VND 271,067,138,058, compared to the same period in 2024, it was VND 221,632,934,156, an increase of VND 49,434,203,902, equivalent to an increase of 22.30%.

The cost changes are as follows:

	Quarter II This year	Quarter II Last year	Difference	% increase /(decrease)
Cost of goods sold	179,526,345,000	176,703,607,380	2,822,737,620	1.60%
Financial costs	54,833,280,476	10,108,497,213	44,724,783,263	442.45%
Cost of sales	19,569,247,937	17,838,883,223	1,730,364,714	9.70%
Business management costs	16,598,549,312	16,457,546,340	141,002,972	0.86%
Other costs	539,715,333	524,400,000	15,315,333	2.92%
TOTAL	271,067,138,058	221,632,934,156	49,434,203,902	22.30%

The main reason is that financial expenses increased by VND 44,724,783,263, equivalent to an increase of 442.45%, due to this year's exchange rate difference loss in evaluating foreign currency loan balances.

The combination of the above effects has decreased the profit after CIT in the Quarter II of 2025 by VND 85,721,303,850 compared to the same period in 2024, equivalent to a decrease of -73.27%.

Reasons for fluctuations in profit after CIT of the consolidated financial statements:

1. Total revenue and other income in the quarter II of 2025 of the parent company and its subsidiaries reached VND 352,044,980,646, a decrease of VND 46,220,164,049 compared to revenue and other income in the same period of 2024 (reaching VND 398,265,144,695), corresponding to a decrease of -11.61%.

Revenue changes are as follows:

	Quarter II This year	Quarter II Last year	Difference	% increase /(decrease)
Sales and Service Revenue	342,033,690,873	336,559,518,334	5,474,172,539	1.63%
Financial revenue	8,202,577,263	58,560,607,265	-50,358,030,002	-85.99%
Other income	1,808,712,510	3,145,019,096	-1,336,306,586	-42.49%
TOTAL	352,044,980,646	398,265,144,695	-46,220,164,049	--11.61%

The main reason is that Financial Revenue decreased by VND 50,358,030,002, equivalent to a decrease of -85.99%, due to the previous year's exchange rate difference profit arising from the evaluation of foreign currency loan balances, however this year it did not arise at the Parent Company.

2. Total expenses in Quarter II of 2025 of the parent company and its subsidiaries reached VND 309,937,007,372, compared to the same period in 2024, which was VND 257,427,805,608, an increase of VND 52,509,201,764, equivalent to an increase of 20.40%.

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The fluctuations in expenses are as follows:

	Quarter II This year	Quarter II Last year	Difference	% increase /(decrease)
Cost of goods sold	211,152,984,410	206,143,853,696	5,009,130,714	2.43%
Financial costs	54,833,280,476	10,108,497,213	44,724,783,263	442.45%
Cost of sales	22,351,285,803	19,987,457,389	2,363,828,414	11.83%
Business management costs	20,630,396,292	20,275,421,065	354,975,227	1.75%
Other costs	969,060,391	912,576,245	56,484,146	6.19%
TOTAL	309,937,007,372	257,427,805,608	52,509,201,764	20.40%

The main reason is that financial expenses increased by VND 44,724,783,263, equivalent to an increase of 442.45%, due to the exchange rate difference loss in evaluating the outstanding foreign currency loans at the parent company.

The combination of the above impacts has caused the profit after CIT in Quarter II of 2025 to decrease by VND 88,225,038,126 compared to the same period in 2024, equivalent to a decrease of -69.60%.

The above is the explanation of Dong Nai Water Joint Stock Company, respectfully submitted to the State Securities Commission and Hanoi Stock Exchange for consideration.

Cc:

- As stated;
- Board of Directors, Management Board;
- Supervision Board;
- File.



DIRECTOR

Tran Van Nguyen

