

**QUANG BINH WATER SUPPLY
JOINT STOCK COMPANY**

No.: 277 /CV-NQB

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Quang Tri, August 4, 2025

Re: Explanation of the difference in profit after tax
for the 6-month accounting period ended June 30,
2025, compared to the same period in 2024

To: - State Securities Commission
- Hanoi Stock Exchange

Based on Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance on guidance for information disclosure in the securities market.

Based on the financial statements audited by the International Auditing Company Limited for the 6-month accounting period ended June 30, 2025, of Quang Binh Water Supply Joint Stock Company, submitted to the State Securities Commission and the Hanoi Stock Exchange.

Quang Binh Water Supply Joint Stock Company explains the difference in after-tax profit in the financial statements for the 6-month accounting period ending June 30, 2025, compared to the same period in 2024 as follows:

- Revenue from tap water supply did not increase due to the impact of weather, other revenues decreased due to the liquidation of labor contracts operating with Biwase Quang Binh Joint Stock Company.

- Cost of capital increased by 8,48% over the same period in 2024, equivalent to an increase of VND 4.041 billion; The reason for the increase was that Biwase Quang Binh Joint Stock Company reduced the rate of support for the loss of water purchased through the total meter from 15% to 9%; In the quarter, many pipelines broke down, so the cost of remediation, flushing, electricity, and disinfectant chemicals in tap water production increased.

- Selling costs have increased due to the increase in the number of customers installing new meters in rural areas, causing the cost of installing new meters and connection points to increase while the revenue from using tap water has not increased accordingly.

Other indicators fluctuated according to the company's actual production and business operations but were not significant.

The aforementioned reason primarily accounts for the decrease in profit after corporate income tax reported in the financial statements for the six-month period ended June 30, 2025, compared to the same period in 2024 of Quang Binh Water Supply Joint Stock Company.

Recipients:

- As above,
- Archived at the secretary
to the board of directors.



DIRECTOR

Nguyễn Văn Dũng