

**THAI NGUYEN WATER  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM  
Independence – Freedom – Happiness**

No. ~~265~~CTCPNS-KTTC

August 29, 2025

*Re: Explanation of Profit in the  
Consolidated Financial Statements  
after Review*

**To:**

- State Securities Commission of Vietnam;
- Hanoi Stock Exchange.

*Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance providing guidance on information disclosure in the securities market;*

*Pursuant to the interim financial statements reviewed by AASC Auditing Firm Company Limited.*

*The Company hereby provides the explanation of the reviewed financial statements as follows:*

**1. Profit after corporate income tax for the first six months of 2025 increased compared to the first six months of 2024 as follows:**

Indicator	Current Year	Previous Year	Rate (%)
- Revenue from sales of goods and services	119,344,892,092	110,635,530,811	7.87
- Financial income	169,650,571	15,766,341	976.03
- Financial expenses	24,821,619,080	35,995,542,430	(31.04)
- Share of profit in associates	228,423,799	352,393,083	(35.18)
- Other income	650,002,122	1,041,001	62,340.11
- Profit after tax	4,626,933,208	(13,572,314,014)	

**Reasons:**

- Revenue from sales of goods and services increased by VND 8,709,361,281, due to higher commercial water output and completed construction output, equivalent to an increase of 7.87%.

- Financial income increased by VND 153,884,230, as the Company had deposits reaching maturity.





- Financial expenses decreased by VND 11,173,923,350, due to lower interest expenses and reduced foreign exchange losses from the Thai Nguyen City water supply development project, equivalent to a decrease of 31.04%.

- Share of profit in associates decreased by VND 123,969,284 due to lower profit of the associate company.

- Other income increased by VND 648,961,121 as the Company received sponsorship for the Ngo Sy Lien water pipeline project.

⇒ The revenue growth rate was higher than the expense growth rate, resulting in a profit of VND 4,626,933,208 for the first six months of this year.

## **2. Profit after corporate income tax in 2025 was positive**

- Total revenue and income	120,164,544,785
- Share of profit in associates	228,423,799
- Total expenses	113,788,555,639
+ Cost of goods sold	67,676,511,562
+ Financial expenses	24,821,619,080
+ Selling expenses	9,895,399,731
+ General and administrative expenses	11,208,773,701
+ Other expenses	186,251,565
- Profit before tax	6,604,412,945
- Profit after tax	4.626.933.208

### **Reasons:**

- The business results for the first six months of 2025 recorded a profit of VND 4,626,933,208 due to an increase in revenue from sales of goods and services and a decrease in expenses (particularly financial expenses), details as follows:

- Revenue from sales of goods and services increased by VND 8,709,361,281, resulting from higher commercial water output, equivalent to an increase of 7.87%.

- Other income increased by VND 648,961,121 as the Company received sponsorship for the Ngo Sy Lien water pipeline project.

- Financial expenses decreased by VND 11,173,923,350 due to reduced interest expenses and foreign exchange losses from the Thai Nguyen City water supply development project, equivalent to a decrease of 31.04%.

⇒ Increased revenue and reduced expenses resulted in a profit of VND 4,626,933,208 for the first six months of this year.

## **3. Auditor's Qualified Opinion**

- On November 9, 2022, the Company's Board of Directors issued Resolution No. 59/NQ-HĐQT on divestment of investment in an associate company. On August 1,



2023, the Board of Directors issued Resolution No. 18/NQ-HĐQT to extend the divestment deadline until December 31, 2024. However, during the implementation process, due to various influencing factors, the divestment had not been completed as of June 30, 2025. The Company plans to continue implementing the divestment in the third quarter of 2025 in accordance with Resolution No. 24/NQ-ĐHĐCĐ dated June 27, 2025 of the General Meeting of Shareholders.

- Therefore, Thai Nguyen Water Supply Joint Stock Company respectfully submits this explanation to the State Securities Commission of Vietnam and the Hanoi Stock Exchange.

Sincerely./.

*Recipients:*

- As stated above;
- Board of Directors; Supervisory Board;
- Board of Management;
- Chairman's Assistant; Secretariat;
- Archive: Office.

**GENERAL DIRECTOR** JW



**Nguyen Xuan Hoc**

