

**SOC TRANG WATER SUPPLY
JOINT STOCK COMPANY**

No: 632 /CV-CN

Explanation of change from Loss after tax in the
Financial Statements of Quarter III of 2024 to Profit
after tax in the Financial Statements of Quarter III
of 2025

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

Soc Trang, October 23, 2025

**To: - State Securities Commission
- Hanoi Stock Exchange**

Pursuant to Circular 96/2020/TT-BTC of the Ministry of Finance dated November 16, 2020 guiding information disclosure on the stock market.

Pursuant to the production and business results in Quarter III of 2025.

Soc Trang Water Supply Joint Stock Company (*referred to as the Company*) explains the difference in profit after tax on the Financial Statements of Quarter III of 2025 as follows:

I. Production and business results in Quarter III of 2025 compared to Quarter III of 2024:

Item .	Quarter II of 2025	Quarter II of 2024	Rate
Total revenue	56.888.983.641	62.523.858.445	-9%
Cost of goods sold	31.397.123.809	32.320.872.656	-3%
Financial expenses	-	-	-
Selling expenses	5.848.288.137	5.270.800.889	11%
General administration expenses	8.768.499.865	9.142.517.412	-4%
Other expenses	3.216.101.705	2.624.742.543	23%
Corporate income tax expense	2.180.173.166	13.767.318.489	-84%
Profit after tax	5.478.796.959	(602.393.544)	1010%

II. Explanations for fluctuation

1. Total revenue in Quarter III of 2025 decreased by 9% compared to the same period last year (*equivalent to a decrease of VND 5,634,874,804*) because in Quarter III of 2024, the Company recorded other income from the Climate Change Project and the Water Worx Project, with a total value of VND 5,522,973,927, whereas this item did not arise in 2025.

2. Cost of goods sold decreased slightly by 3% (*equivalent to VND 923,748,847*) compared to Quarter III of 2024.



3. Financial expenses were not incurred.

4. Selling expenses increased by 11% (*equivalent to VND 577,487,248*) mainly due to an increase in maintenance expenses for the water supply system serving customers in Quarter III of 2025.

5. General administration expenses decreased by 4% (*equivalent to VND 374,017,547*) in Quarter III of 2025.

6. Other expenses increased by 23% (*equivalent to VND 591,359,162*) because the Company was administratively sanctioned according to Decision No. 27/QĐ-XPHC dated June 26, 2025, of the Soc Trang Provincial People's Committee in the field of water resource exploitation and utilization, with an amount of VND 3,211,236,479.

7. Corporate income tax expense decreased by 84% (equivalent to VND 11,587,145,323) mainly due to:

- In 2024, the Company additionally paid corporate income tax of 2021, 2022, and 2023 with an amount of VND 6,950,586,267 according to Inspection Decision No. 34/QĐ-TTr dated April 22, 2024, issued by the Chief Inspector of Soc Trang Province;

- Profit before tax in Quarter III of 2025 significantly decreased compared to the same period in 2024, thus, the corporate income tax expense ratio also sharply decreased.

III. Conclusion

In summary of the above factors, the profit after tax of the Company in Quarter III of 2025 increased by 1010% (*equivalent to an increase of VND 6,081,190,503*) compared to the same period in 2024. This result stems from an increase in production and business efficiency, cost savings, and the absence of unusual expenses incurred in the previous year.

Soc Trang Water Supply Joint Stock Company reports this to the State Securities Commission and the Hanoi Stock Exchange for their information.

Sincerely,./.

Recipients:

- As above;
- Archived: Office, Finance.

GENERAL DIRECTOR *dm*

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CẬP QUỐC
SÓC TRĂNG**
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Dặng Văn Ngo

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