DAK LAK WATER SUPPLY JOINT STOCK COMPANY	SOCIALIST REPUBLIC OF VIETNAM
No.: 191a/2026/CV-DWC	Independence – Freedom – Happiness
Re: Regarding the explanation for the reviewed interim financial statements for the six-month period ended June 30, 2026, which contain a qualified conclusion.	*Dak Lak, August 12, 2026*

To: - State Securities Commission of Vietnam

- Hanoi Stock Exchange

1. Introduction of the information-disclosing organization:

Full name: Dak Lak Water Supply Joint Stock Company

Stock code: DWC

Head office: No. 339 Ton Duc Thang, Tan An Ward, Dak Lak Province, Vietnam

Telephone: 02623 852254

2. Contents of the disclosed information:

Dak Lak Water Supply Joint Stock Company hereby provides an explanation regarding the reviewed interim financial statements for the six-month period ended June 30, 2026, which contain a qualified conclusion, specifically as follows:

On August 7, 2026, Dak Lak Water Supply Joint Stock Company and AFC Vietnam Auditing Co., Ltd. – Northern Branch prepared the reviewed interim financial statements for the six-month period ended June 30, 2026, which included a qualified conclusion. Specifically, the auditor issued a qualified conclusion:

"*As of January 1, 2026, and June 30, 2026, the "Work-in-progress" and "Construction-in-progress" items on the Statement of Financial Position included outstanding projects with a total value of VND 2,095,102,089; these projects originated in prior years and were not continued during the current year. The Company has not assessed the recoverable amount of these projects. Based on the Company's available documentation, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy and recoverability of this item, nor the impact (if any) on the financial statements for the six-month period ended June 30, 2026.*

As of the end of the accounting period, the Company had not yet finalized the costs of equitization or determined the value of the State capital portion to be transferred to the joint-stock company, due to unresolved issues regarding outstanding financial matters. The amount payable to the State regarding equitization is recorded under "Other payables" on the Statement of Financial Position at VND 2,497,465,174 as of January 1, 2026, and June 30, 2026. Depending on the decision of the regulatory authority, the figures presented in the interim financial statements may be subject to change once an official decision is issued.

Receivables and payables presented on the Statement of Financial Position as of January 1, 2026, and June 30, 2026, have not been reconciled or confirmed with the respective counterparties; specifically: trade receivables amounting to VND 4,030,199,208 and prepayments to suppliers with an amount of cash amounting to VND 237,933,000, other receivables amounting to VND 1,429,121,727, and accounts payable to suppliers amounting to VND 496,904,992. Consequently, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy, existence, and *recoverability of these balances, nor the impact (if any) on the items in the interim financial statements for the six-month period ended 30 June 2026.*

As of 1 January 2026 and 30 June 2026, the Company recorded a loan from the Japanese Government under the "other payables" item in the statement of financial position—pursuant to Decision No. 882/QĐ-UB dated 5 April 2002 of the Dak Lak Provincial People's Committee regarding the investment project for the Water Supply System in Quang Phu Town, Cu M'Gar District—amounting to VND 8,059,727,581. As of the date of this report, the Company has not yet determined the lender, the loan term, or the applicable interest rate".

Regarding the aforementioned points, the Company offers the following explanation:

Dak Lak Water Supply Joint Stock Company officially transitioned from Dak Lak Water Supply and Construction Investment One Member Limited Liability Company (a 100% state-owned enterprise) to a joint stock company, commencing operations on July 1, 2019. However, to date, there has been no official decision approving the final settlement of the capital and asset handover from the 100% state-owned entity to the joint stock company. Consequently, the joint stock company lacks the necessary legal documentation to formally accept items such as unfinished production and business costs, unfinished capital construction investment costs, and outstanding receivables and payables—all of which were highlighted in the audit findings. The joint stock company has repeatedly submitted written requests to the Dak Lak Provincial People's Committee; the matter is currently under review by the Committee, which is directing relevant departments and agencies to provide advisory support for a definitive resolution regarding the capital and asset handover and the handling of the aforementioned audit issues (unfinished costs, capital construction investment costs, receivables, etc.). As a result, the reviewed interim financial statements for the six-month period ending June 30, 2026, contain a qualified conclusion.

The above is the Company's explanation submitted to the State Securities Commission of Vietnam and the Hanoi Stock Exchange for acknowledgment.

Sincerely,

Recipients:
- As addressed;
- Archive.

DAK LAK WATER SUPPLY JOINT STOCK COMPANY

Do Hoang Phuc

CÔNG TY CỔ PHẦN CẤP NƯỚC ĐẮK LẮK

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