

**THAI NGUYEN WATER
JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: 325 /CTCPNS-KTTC
Re: Explanation of Profit in the
Consolidated Financial Statement for
Q3/2025

Thai Nguyen, October 25, 2025

Dear:

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

Based on Circular 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance guiding the disclosure of information on the securities market;

Based on the Consolidated Financial Statement for Q3 2025.

The Company provides the following explanation for the decrease in profit after corporate income tax:

Items	This year	Last year	Ratio (%)
Revenue from Sale & Services	63,557,306,408	58,789,979,432	8.11
Financial Expenses	9,694,871,720	8,196,082,376	18.29
Share of profit (loss) of associates	8,289,143	864,681,656	(99.04)
Selling Expenses	5,542,395,852	4,815,274,087	15.10
Profit before corporate income tax	7,967,536,217	7,685,041,186	3.68
Corporate income tax	1,970,919,706		
Profit after corporate income tax	5,996,616,511	7,685,041,186	(21.97)

Reasons:

- Revenue from sales and services increased by VND 4,767,326,976 due to higher volume of commercial water sold, equivalent to an increase of 8.11%.

- Financial expenses increased by VND 1,498,789,344 as a result of the appreciation of the USD, which led to higher interest expenses and exchange rate losses from the Thai Nguyen City Water Supply System Development Project, equivalent to an increase of 18.29%.

- Share of profit in associates decreased by VND 856,392,513 due to lower profit at the associate company.

- Selling expenses increased as a result of higher sales revenue, which led to higher related costs.

- Accounting profit before corporate income tax increased by VND 282,495,031 as the growth rate of revenue was higher than that of expenses.



- Corporate income tax expense for the period was VND 1,970,919,706 because business operations generated profit, while the accumulated result for 2024 showed no profit and therefore no tax was recognized.

=> Although revenue increased, profit after corporate income tax decreased by VND 1,688,424,675 (as corporate income tax was recognized this quarter), equivalent to a decrease of 21.97%.

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

Sincerely./.

Recipients:

- As above;
- Board of Directors, Supervisory Board;
- The Company's Executive Board;
- Assistant to the Chairman;
- Filed Office; Accounting Department.



CHIEF EXECUTIVE OFFICER *W*

Nguyen Xuan Hoc

