

Number : **148** /GD-KTTC

Ho Chi Minh City, 20 January 2025

Re: " Explanation of the Accounting Report for the fourth quarter of 2024"

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

Pursuant to Circular No. 96/2020/TT-BTC on November 16, 2020 and Circular No. 68/2024/TT-BTC on September 18, 2024 of the Ministry of Finance guiding information disclosure on the stock market and the Regulations on information disclosure at the Hanoi Stock Exchange issued under Decision No. 606/QD-SGDCK Hanoi.

Based on the Financial Report of the fourth quarter of 2024 at Gia Dinh Water Supply Joint Stock Company established on January 20, 2025. Through the data of the fourth quarter of 2024 compared to the data of the same period of the fourth quarter of 2023, there is a change in profit after corporate income tax of over 10%. Gia Dinh Water Supply Joint Stock Company would like to explain as follows:

1. Specific data :

Target	Fourth quarter 2024	Fourth quarter 2023	Difference	Proportion
Profit after corporate income tax	15.621.867.870	2.534.779.998	13.087.087.872	516,30%

Profit after tax in the fourth quarter of 2024 compared to the fourth quarter of 2023 increased by VND 13.087.087.872, equivalent to a profit increase rate of 516,30%.

2. Explanation of some major fluctuation indicators :

Target	Fourth quarter 2024	Fourth quarter 2023	Difference	Proportion
Wholesale water output (m ³)	15.572.638	15.147.388	425.250	2,81%
Clean water consumption output (m ³)	13,743,953	13,078,273	665,680	5.09%
Water loss rate (%)	10,26	9,98	Up 0,28%	2,8%
Average retail price (VND/m ³)	12.083	12.062	21	0,17%



1. Net revenue	168.450.343.978	157.597.440.680	10.852.903.298	6,89%
2. Cost of goods sold	91.369.264.205	85.494.064.121	5.875.200.084	6,87%
3. Employee costs	28.310.728.681	22.677.996.929	5.632.731.752	24,84%
4. Cost of tank repair and water meter replacement periodic	7.067.474.169	10.392.421.403	(3.324.947.234)	(31,99)%
5. Depreciation costs	9.058.450.167	7.898.429.599	1.160.020.568	14,68%
6. Cost of preventing water loss	10.462.060.260	17.766.496.694	(7.304.436.434)	(41,11)%
7. Other cost and outside purchased services cost	10.451.206.535	9.902.345.323	548.861.212	5,54%
8. Other income	8.825.784.665	583.610.960	8.242.173.705	1.412,27%
9. Corporate Income Tax	4.066.813.504	770.365.361	3.296.448.143	427,91%

1. Water consumption output in the fourth quarter of 2024 increased by 665.680 m³ with a retail price increase of 21 VND/ m³ compared to the same period in 2023, causing revenue to increase by 10.852.903.298 VND, equivalent to an increase of 6,89%.

2. The wholesale clean water output in the fourth quarter of 2024 increased by 425.250 m³ compared to the fourth quarter of 2023 and the wholesale clean water price in 2024 was adjusted by Saigon Water Corporation to VND 6.615,74/ m³, an increase of VND 9,25/m³ compared to the price in 2023 (VND 6.606,49/m³), causing the cost of goods sold to increase by VND 5.875.200.084, equivalent to an increase of 6,87%.

3. Salary costs for employees and managers in the fourth quarter of 2024 increased by VND 5.632.731.752 compared to the fourth quarter of 2023, equivalent to an increase of 24,84% due to the 8% increase in labor productivity in 2024 compared to the plan (according to Circular 28/2016/TT-BLDTBXH and Decree 53/2016/ND-CP).

4. The cost of repairing tanks and replacing water meters periodically decreased by VND 3.324.947.234 compared to the fourth quarter of 2023, equivalent to a reduction of 31,99%.

5. Depreciation expenses increased by VND 1.160.020.568, equivalent to an increase of 14,68% compared to the fourth quarter of 2023.

6. Water loss prevention costs decreased by VND 7,304,436,434, equivalent to a 41.11% reduction compared to the fourth quarter of 2023.

7. Other cash expenses and outsourced services increased by VND 548.861.212 compared to the fourth quarter of 2023, corresponding to an increase of 5,54%.

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8. Other income increased by 8.242.173.705, equivalent to an increase of 1.412,27% over the same period in 2023 because in the fourth quarter of 2024, the Company increased income from the liquidation of recovered old materials.

9. Corporate income tax increased by 3.296.448.143, equivalent to an increase of 429,91% compared to the fourth quarter of 2023.

And some indicators have fluctuating costs that increase and decrease and offset each other.

Shown above are the major fluctuations in the fourth quarter of 2024 compared to the fourth quarter of 2023 that have affected after-tax profit as follows:

• Revenue: Item (1+8) = 10.852.903.298 + 8.242.173.705 = 19.095.077.003 VND
(a)

• Cost: Item ((2)+(3)+(4)+(5)+(6)+(7)+(9)) = (5.875.200.084 + 5.632.731.752 – 3.324.947.234 + 1.160.020.568 – 7.304.436.434 + 548.861.212 + 3.296.448.143) = 5.883.878.091 VND **(b)**

The increase in revenue (a) - (b) = VND 13.211.198.912 increased the profit after corporate income tax in the fourth quarter of 2024 by VND 13.087.087.872, equivalent to an increase of 516,30% compared to the fourth quarter of 2023.

Best regards!

Recipient:

-As above
-Save (D3)



DIRECTOR

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