

QUANG NGAI WATER SUPPLY, DRAINAGE AND CONSTRUCTION JOINT STOCK COMPANY

Number: 41/QNW

Regarding explanation of after-tax profit in the fourth quarter of 2024 compared to the fourth quarter of 2023

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

Quang Ngai, January 24, 2025

Dear - State Securities Commission

- Hanoi Stock Exchange

Stock name:
 Stock code: QNW
 Address: QUANG NGAI WATER SUPPLY, DRAINAGE AND CONSTRUCTION JOINT STOCK COMPANY
 Tax code: 4300326264
 Representative: Mr Nguyen Dang Do Position: General Director

Pursuant to Circular No. 96/2020/TT-BTC effective from January 1, 2021 of the Ministry of Finance on guidance on information disclosure on the stock market, providing specific explanations when the profit after corporate income tax in the business performance report of the reporting period changes by 10% or more compared to the report of the same period last year.

Quang Ngai Water Supply, Drainage and Construction Joint Stock Company explanation of profit after tax in the fourth quarter of 2024 compared to the fourth quarter of 2023 as follows:

Unit: VND

Items	Code	Parent company				Consolidated			
		Q4 2024	Q4 2023	Increase/decrease	Proportion (%)	Q4 2024	Q4 2023	Increase/decrease	Proportion (%)
1	2	3	4	5=3-4	6=5/4	7	8	9=7-8	10=9/8
1. Gross revenue from goods sold and services rendered	1	28.317.253.781	24.261.013.273	4.056.240.508		28.362.831.559	24.774.251.119	3.588.580.440	
2. Deductions	2	0	0	0		0	0	0	
3. Net revenue from goods sold and services rendered <i>(10=01- 02)</i>	10	28.317.253.781	24.261.013.273	4.056.240.508	16,7%	28.362.831.559	24.774.251.119	3.588.580.440	14,5%
4. Cost of goods sold and services rendered	11	15.574.065.916	18.797.325.787	(3.223.259.871)	-17,1%	15.607.894.479	18.916.037.808	(3.308.143.329)	-17,5%
5. Gross profit from goods sold and services rendered <i>(20=10-11)</i>	20	12.743.187.865	5.463.687.486	7.279.500.379		12.754.937.080	5.858.213.311	6.896.723.769	
6. Financial income	21	838.451.557	804.558.895	33.892.662	4,2%	948.071.688	942.288.242	5.783.446	0,6%
7. Financial expenses	22	263.743.732	(49.771.887)	(313.515.619)	629,9%	102.252.730	134.343.997	(32.091.267)	-23,9%



- In which: Interest expense	23	102.252.730	134.343.997	(32.091.267)		102.252.730	134.343.997	(32.091.267)	
8. Selling expenses	25	982.649.360	1.357.616.880	(374.967.520)	-27,6%	982.649.360	1.357.616.880	(374.967.520)	-27,6%
9. General and administration expenses	26	3.297.036.947	3.055.518.311	241.518.636	7,9%	3.545.358.857	3.381.886.300	163.472.557	4,8%
10. Net operating profit	30	9.038.209.383	1.904.883.077	7.133.326.306	374,5%	9.072.747.821	1.926.654.376	7.146.093.445	370,9%
<i>(30=20+(21-22)-(25+26)</i>									
11. Other income	31								
12. Other expenses	32	28.846.536	59.577.946	(30.731.410)	-51,6%	31.119.674	60.228.238	(29.108.564)	-48,3%
13. Other losses (40=31-32)	40	(28.846.536)	(59.577.946)	30.731.410		(31.119.674)	(60.228.238)	29.108.564	
14. Accounting profit before tax (50=30+40)	50	9.009.362.847	1.845.305.131	7.164.057.716	388,2%	9.041.628.147	1.866.426.138	7.175.202.009	384,4%
15. Current corporate income tax expense	51	1.893.613.916	458.616.225	1.434.997.691		1.915.471.668	485.868.351	1.429.603.317	
16. Deferred corporate tax expense	52								
17. Net profit after corporate income tax	60	7.115.748.931	1.386.688.906	5.729.060.025	413,1%	7.126.156.479	1.380.557.787	5.745.598.692	416,2%
<i>(60=50-51-52)</i>									
18. Profit after tax of parent company shareholders						7.038.725.473	1.380.557.787	5.658.167.686	409,8%
19. Profit after tax of non-controlling shareholders						87.431.006			
20. Basic earnings per share						351,94	69,03		
21. Earnings per share decline									

SEPARATE BALANCE SHEET

- Profit after tax in the fourth quarter of 2024 increased by 413.1% compared to the fourth quarter of 2023 due to: Sales revenue increased by 16.7%, specifically the water price was approved by the Provincial People's Committee to increase from September 2023 and in 2024, it was fully collected according to the Decision of the Provincial People's Committee while the cost of goods sold in the fourth quarter of 2024 decreased by 17.1% compared to the fourth quarter of 2023.

- In there :

+ Financial revenue increased insignificantly and financial expenses increased due to increased provision for investment losses in subsidiaries, while in the fourth quarter of 2023, provision for investment losses in subsidiaries was reversed.

+ Selling expenses decreased by 27.6% and business management expenses increased by 7.9%.

Leading to a 413.1% increase in after-tax profit in the fourth quarter of 2024 compared to the fourth quarter of 2023.



CONSOLIDATED BALANCE SHEET

- Profit after tax in the fourth quarter of 2024 increased by 416.2% compared to the fourth quarter of 2023 due to the following reasons: Sales revenue increased by 14.5%, specifically the water price approved by the Provincial People's Committee to increase from September 2023 and in 2024, it will be fully collected according to the Decision of the Provincial People's Committee while the cost of goods sold in the fourth quarter of 2024 decreased by 17.5% compared to the fourth quarter of 2023.

- In there :

+ Financial revenue increased insignificantly but financial expenses decreased by 23.9% due to the interest payable gradually decreasing according to the decrease in principal balance.

+ Selling expenses decreased by 27.6% and business management expenses increased slightly by 4.8%.

From the above indicators, especially the high increase in water revenue, while other indicators changed insignificantly, leading to the result of after-tax profit in the fourth quarter of 2024 increasing by 416.2% compared to the fourth quarter of 2023.

Best regards.

Recipient:

- As above

- Administrative Organization Department



General Director



NGUYEN DANG DO

