

VINACONEX.,JSC
VIWACO JOINT STOCK COMPANY

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: 622 /CV-VIWACO-TCKH

Hanoi, March 12, 2025

Re: *Explanation of the Difference in Business
Results for 2024 Compared to the Previous Year's
Report*

To:

- **The State Securities Commission;**
- **The Hanoi Stock Exchange**

Company Name: **Viwaco Joint Stock Company**

Stock Code: **VAV**

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In compliance with the information disclosure requirements stipulated in Circular No. 96/2020/TT-BTC of the Ministry of Finance, Viwaco Joint Stock Company hereby provides an explanation regarding its business performance in 2024: The after-tax profit increased by 113% compared to the previous year's report due to the following reasons:

- Revenue in 2024 increased by 28% compared to the previous year due to higher sales volume and an adjusted increase in clean water prices effective from January 1, 2024, as per the decision of the Hanoi People's Committee.
- The cost of goods sold increased at a lower rate than revenue growth, primarily because the purchase price of input water remained stable without changes compared to 2023. Additionally, the Company effectively controlled costs and minimized water loss, resulting in a gross profit increase of over 93% compared to 2023.
- Financial income increased by 22% compared to the previous year due to a higher cash and cash equivalents balance. Meanwhile, financial expenses, primarily interest expenses, decreased by 29% compared to the previous year due to lower interest rates and outstanding debt. As a result, net financial income reached VND 3.2 billion gain, whereas last year recorded a net loss of VND 3.1 billion.

Viwaco Joint Stock Company commits that the reasons stated in this report are reasonable and takes full responsibility for the explanation provided. This information has also been disclosed on the Company's website on March 12, 2025.

Sincerely.

Respectfully./.

**AUTHORIZED REPRESENTATIVE
OF THE COMPANY**

Persons Authorized to Disclose Information

Recipients:

- As Above
- Save: Administrative Organization,
Planning Organization



KẾ TOÁN TRƯỞNG
Trần Mạnh Hùng