

**DA NANG WATER SUPPLY
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

No: 571 /CTCN-TCKT

Da Nang, April 28, 2025

Ref: Explanation of Profit after tax on
Parent and Consolidated Financial
Statements for Q1/2025 increasing more
than 10% compared to Q1/2024

Dear : - State Securities Commission
 - Hanoi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020,
issued by the Ministry of Finance guiding information disclosure on the securities
market;

Da Nang Water Supply Joint Stock Company would like to provide an
explanation regarding the increase of more than 10% in after-tax profit on the
Parent Company's and Consolidated Financial Statements for Q1/2025 compared
to Q1/2024, due to the following reasons:

1. Parent company Financial Statement :

Profit after tax Q1/2025 : 35.891.913.165 VND

Profit after tax Q1/2024 : 26.865.898.896 VND

Reason: The Parent Company's after-tax profit for Q1/2025 amounted to
VND 35,891,913,165, an increase of VND 9,026,014,269 compared to Q1/2024.
This improvement was primarily due to the growth in water consumption volume
recorded during Q1/2025 compared to the same period of the previous year. In
addition, from the beginning of 2025, the Company's clean water prices were
adjusted upward to reflect the rising input costs in water production, thereby
contributing to an increase of over 10% in the business results for Q1/2025
compared to Q1/2024.

2. Consolidated Financial Statement:

Profit after tax Q1/2025 : 38.591.913.165 VND

Profit after tax Q1/2024 : 26.865.898.896 VND



Reason: The consolidated after-tax profit for Q1/2025 was prepared based on the aggregation of the financial statements of the Parent Company and its subsidiary. Accordingly, the Consolidated Financial Statements recorded an increase of more than 10% compared to Q1/2024. The Parent Company's after-tax profit was VND 35,891,913,165, while the subsidiary reported a break-even result (after-tax profit of VND 0), leading to the consolidated after-tax profit amounting to VND 35,891,913,165.

The main reason for the increase in consolidated after-tax profit in Q1/2025 compared to Q1/2024 was the growth in water consumption volume recorded in Q1/2025 compared to the same period of the previous year. In addition, from the beginning of 2025, the Company's clean water prices were adjusted upward to reflect increases in input costs for water production, contributing to business results in Q1/2025 being more than 10% higher than those in Q1/2024.

These factors resulted in the after-tax profit reported in both the Parent Company's and the Consolidated Financial Statements for Q1/2025 increasing by more than 10% compared to Q1/2024

This is the explanation from Da Nang Water Supply Joint Stock Company. We respectfully report to the State Securities Commission and the Hanoi Stock Exchange.

Sincerely.

Recipients:

- As above
- Save Archive, TCKT

General Director 

HỒ MINH NAM

