

**HUE WATER SUPPLY  
JOINT STOCK COMPANY**

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

No: ~~1773~~ /BC-HWS  
Explanation on the 2025 Interim Audited  
Financial Statement

Hue city, August 13, 2025

Kindly to:

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

**1. Name Organization: Hue Water Supply Joint Stock Company**

- Stock code: HWS
- Office address: 103 Bui Thi Xuan St., Thuan Hoa ward, Hue city, Vietnam
- Telephone number: (+84-234) 3815555 Fax: (84-234) 3.826.580

**2. Disclosed Information:**

**2.1.** Pursant to Point a, Clause 2, Article 14 of Circular No. 96/2020/TT-BTC dated Noverber 16<sup>th</sup> 2020 by the Ministry of Finance guiding on the information disclosure in the stock market.

Hue Water Supply Joint Stock Company (HueWACO) hereby provides an explanation regarding the increase in the first six months of 2025 compared to the same period of the previous year.

Indicators	The first 6 months of 2025	The first 6 months of 2024	Difference
Pre-tax accounting profit	72,147,125,193	65,559,024,119	6,588,101,074 (10.05%)
Net profit after corporate income tax	63,879,327,310	56,881,054,449	6,998,272,861 (12.30%)

**Main reason:**

The main reason is that the foreign exchange rate difference at the end of the first half of 2025 showed little fluctuation compared to the same period last year, resulting in a decrease in financial expenses for the first half of 2025, thereby contributing to an increase in the Company's profit by more than 10% as stated above.

**2.2. Regarding the qualified opinion by the independent auditor:**


In accordance with the disclosure of the Company's interim financial statements for the first half of 2025, audited by Chuan Viet Auditing and Consulting Co., Ltd., the review report on the interim financial information for 2025 states in the "Basis for Qualified Conclusion" section as follows: "As disclosed in Note V.10 "Tangible fixed assets" for certain projects that commenced prior to 2022 have been recorded by the Company as an increase in other tangible fixed assets and depreciated over 15 years, with an original cost as at June 30, 2025 of VND 24,056,212,507 ...".



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With respect to this qualified opinion, the projects in question originated from 2021 and earlier, during which the Company's accounting function did not maintain detailed records for each individual project. The Company has made continuous efforts to review and progressively resolve these matters over the subsequent years. As of December 31, 2024, the outstanding balance related to these projects without detailed records amounted to 24,056,136,226 VND. The Company is committed to continuing its review and resolution process in the forthcoming period.

This is the official explanation report of Hue Water Supply Joint Stock Company regarding the qualified audit opinion in the 2025 interim financial statements and the profit fluctuation exceeding 10% compared to the same period, submitted to the State Securities Commission of Vietnam and the Hanoi Stock Exchange. 

Best regards. 

**Recipients:**

- As above;
- Archived: Office, Accounting. 

**CHAIRMAN  
OF THE BOARD OF DIRECTOR**



**Lê Quang Minh**

