DA NANG WATER SUPPLY JOINT STOCK COMPANY	SOCIALIST REPUBLIC OF VIETNAM
No:1500/CTCN – TCKT	Independence - Freedom - Happiness
Ref: Explanation of profit after tax on Parent and Consolidated Financial Statements for the first 6 months of 2026 increasing more than 10% compared to the first six months of 2025	*Da Nang city, August 28th, 2026*

CÔNG TY CỔ PHẦN CẤP NƯỚC ĐÀ NẴNG

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Dear : -State Securities Commission of Vietnam
-Hanoi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the securities market, Da Nang Water Supply Joint Stock Company hereby provides an explanation for the increase of more than 10% in profit after tax as presented in the Parent Company's Financial Statements and the Consolidated Financial Statements for the first six months of 2026 compared to the same period of 2025, as follows:

1.Parent company Financial Statement :

Profit after tax for the first six months of 2026: VND 134.849.584.297

Profit after tax for the first six months of 2025: VND 98.198.156.457

Reasons: Profit after tax of the Parent Company for the first six months of 2026 reached VND 134.849.584.297, compared to VND 98.198.156.457 in the first six months of 2025. The primary reason was the positive growth in the Company's production and business activities during the first six months of 2026. Billed water volume increased by 4.389.712 m³ compared to the same period of the previous year, while the average selling price of water increased by VND 318 per m³ compared to the same period of the previous year.

2. Consolidated Financial Statement:

Profit after tax for the first six months of 2026: VND 134.833.303.597

Profit after tax for the first six months of 2025: VND 98.152.597.565

Reasons: The Consolidated Financial Statements for the first six months of 2026 were prepared based on the consolidation of the financial statements of the Parent Company and its subsidiary. The Parent Company recorded profit after tax of VND 134.849.584.297, while the subsidiary recorded a loss after tax of VND 16.280.700, resulting in consolidated profit after tax of VND 134.833.303.597.

Profit after tax reported in the Consolidated Financial Statements for the first six months of 2026 was higher than that of the same period in 2025. The primary reason was the positive growth in the Company's production and business activities during the first six months of 2026. Billed water volume increased by 4.389.712 m^3 compared to the same period of the previous year, while the average selling price of water increased by VND 318 per m^3 compared to the same period of the previous year.

Based on the above-mentioned factors, profit after tax presented in the Parent Company's Financial Statements and the Consolidated Financial Statements for the first six months of 2026 increased by more than 10% compared to the same period of 2025.

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
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Thuy

GENERAL DIRECTOR

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