

QUANG NGAI WATER SUPPLY SEWERAGE AND CONSTRUCTION JSC

No.: 432Cty

Re: Explanation of profit after tax for Quarter 3 of 2026 compared with Quarter 3 of 2025

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

Quang Ngai 28 October 2026

To:

- State Securities Commission of Vietnam

- Hanoi Stock Exchange

Company name:

QUANG NGAI WATER SUPPLY SEWERAGE AND CONSTRUCTION JSC

Stock code:

QNW

Address:

17 Phan Chu Trinh Street, Cam Thanh Ward, Quang Ngai Province

Tax code:

4300326264

Representative:

Mr. NGUYEN DANG DO

Position: Director

Pursuant to Point a, Clause 4 and Clause 5, Article 14 of Circular No. 96/2020/TT-BTC dated 16/11/2020 of the Ministry of Finance guiding information disclosure on the securities market (as amended and supplemented), which requires an explanation of the causes when profit after corporate income tax in the income statement of the reporting period changes by 10% or more compared with the same period of the previous year, and, for a parent company, requires the explanation to be based on both the parent company's financial statements and the consolidated financial statements.

Quang Ngai Water Supply Sewerage and Construction JSC hereby explains the change in profit after tax for Quarter 3 of 2026 compared with Quarter 3 of 2025 as follows:

Unit: VND

Items	Code	PARENT COMPANY				CONSOLIDATED			
		Q3 2026	Q3 2025	Increase/ (decrease)	Change (%)	Q3 2026	Q3 2025	Increase/ (decrease)	Change (%)
<i>I</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5=3-4</i>	<i>6=5/4</i>	<i>7</i>	<i>8</i>	<i>9=7-8</i>	<i>10=9/8</i>
1. Revenue from sales of goods and rendering of services	01	31.614.378.134	30.274.908.381	1.339.469.753		32.019.456.837	31.979.933.677	39.523.160	
2. Revenue deductions	02	-	-	-		-	-	-	
3. Net revenue from sales of goods and rendering of services (10 = 01 - 02)	10	31.614.378.134	30.274.908.381	1.339.469.753	4,4%	32.019.456.837	31.979.933.677	39.523.160	0,1%
4. Cost of goods sold	11	16.132.709.092	13.043.221.433	3.089.487.659	23,7%	16.547.362.026	14.466.060.438	2.081.301.588	14,4%
5. Gross profit from sales of goods and rendering of services (20 = 10 - 11)	20	15.481.669.042	17.231.686.948	(1.750.017.906)	-10,2%	15.472.094.811	17.513.873.239	(2.041.778.428)	-11,7%
6. Gain/(loss) on sale and disposal of investment properties	21	-	-	-		-	-	-	
7. Financial income	22	2.228.599.208	1.413.578.139	815.021.069	57,7%	2.228.612.975	1.413.666.733	814.946.242	57,6%
8. Financial expenses	23	350.959.130	(1.405.817)	352.364.947	-	53.365.614	67.919.968	(14.554.354)	-21,4%
- In which: Borrowing costs	24	53.365.614	67.919.968	(14.554.354)	-21,4%	53.365.614	67.919.968	(14.554.354)	-21,4%
9. Selling expenses	25	964.528.311	762.735.919	201.792.392	26,5%	964.528.311	762.735.919	201.792.392	26,5%
10. General and administrative expenses	26	2.184.276.334	2.091.042.141	93.234.193	4,5%	2.471.059.386	2.303.741.810	167.317.576	7,3%
11. Share of profit/(loss) of joint ventures and associates	27	-	-	-		-	-	-	



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THOÁT NƯỚC VÀ XÂY DỰNG QUẢNG NGÃI
Date: 2026.10.30 10:34:51+07'00'

12. Net operating profit (30 = 20 + 21 + 22 - (23 + 25 + 26) + 27)	30	14.210.504.475	15.792.892.844	(1.582.388.369)	-10,0%	14.211.754.475	15.793.142.275	(1.581.387.800)	-10,0%
13. Other income	31	-	-	-		-	-	-	
14. Other expenses	32	834.971	1.465.558	(630.587)	-43,0%	2.084.971	1.714.989	369.982	21,6%
15. Other profit/(loss) (40 = 31 - 32)	40	(834.971)	(1.465.558)	630.587		(2.084.971)	(1.714.989)	(369.982)	
16. Total accounting profit before tax (50 = 30 + 40)	50	14.209.669.504	15.791.427.286	(1.581.757.782)	-10,0%	14.209.669.504	15.791.427.286	(1.581.757.782)	-10,0%
17. Current corporate income tax expense	51	2.861.702.541	3.158.285.458	(296.582.917)	-9,4%	2.861.702.541	3.158.285.458	(296.582.917)	-9,4%
18. Deferred corporate income tax expense	52	-	-	-		-	-	-	
19. Profit after corporate income tax (60 = 50 - 51 - 52)	60	11.347.966.963	12.633.141.828	(1.285.174.865)	-10,2%	11.347.966.963	12.633.141.828	(1.285.174.865)	-10,2%
20. Profit after tax attributable to the parent company	61					11.347.966.963			
21. Profit after tax attributable to non-controlling interests	62					-			
22. Basic earnings per share	70					567			
23. Diluted earnings per share	71					567			

SEPARATE FINANCIAL STATEMENTS (PARENT COMPANY)

- Profit after tax for Quarter 3 of 2026 was VND 11,347,966,963, a decrease of VND 1,285,174,865, or 10.2%, compared with Quarter 3 of 2025, mainly due to the following:

+ Revenue from sales of goods and rendering of services increased by VND 1,339,469,753 (4.4%), while cost of goods sold increased by VND 3,089,487,659 (23.7%), resulting in a decrease in gross profit of VND 1,750,017,906 (10.2%). Revenue rose only slightly while cost of goods sold rose sharply because:

- Water sales revenue increased by VND 1,589,928,238 (5.4%), while construction, service and other revenue decreased by VND 250,458,485, so total revenue increased by only 4.4%.
- Cost of water supplied increased by VND 3,351,054,486 (26.9%), mainly due to a sharp increase in repair material costs for the Tra Khuc bridgehead surface water treatment station project; in addition, electricity, labour, raw water and chemical costs also increased.

+ Financial expenses increased by VND 352,364,947, mainly due to a provision of VND 297,593,516 made in the quarter for impairment of the investment in a subsidiary; borrowing costs alone decreased by VND 14,554,354 (21.4%) as the outstanding loan principal gradually decreased.

+ Selling expenses increased by VND 201,792,392 (26.5%) and general and administrative expenses increased by VND 93,234,193 (4.5%).

- Meanwhile: financial income increased by VND 815,021,069 (57.7%), mainly from interest on deposits; current corporate income tax expense decreased by VND 296,582,917 (9.4%) in line with the decrease in profit before tax.

As a result, profit after tax for Quarter 3 of 2026 decreased by 10.2% compared with Quarter 3 of 2025.

CONSOLIDATED FINANCIAL STATEMENTS

- Consolidated profit after tax for Quarter 3 of 2026 was VND 11,347,966,963, a decrease of VND 1,285,174,865, or 10.2%, compared with Quarter 3 of 2025, mainly due to the following:

+ Revenue from sales of goods and rendering of services increased by VND 39,523,160 (0.1%), while cost of goods sold increased by VND 2,081,301,588 (14.4%), resulting in a decrease in gross profit of VND 2,041,778,428 (11.7%). Revenue rose only slightly while cost of goods sold rose sharply because:

- Water sales revenue increased, but construction and service revenue decreased, so total revenue was almost unchanged.
- Cost of water supplied rose sharply for the reasons stated in the separate financial statements section above.

+ Selling expenses increased by VND 201,792,392 (26.5%) and general and administrative expenses increased by VND 167,317,576 (7.3%).

- Meanwhile: financial income increased by VND 814,946,242 (57.6%), mainly from interest on deposits; financial expenses decreased by VND 14,554,354 (21.4%) as borrowing costs fell with the gradual decrease in outstanding loan principal; current corporate income tax expense decreased by VND 296,582,917 (9.4%).

As a result, consolidated profit after tax for Quarter 3 of 2026 decreased by 10.2% compared with Quarter 3 of 2025.

Sincerely,

Recipients:

- As above;
- Filed: Administration Department.



DIRECTOR

NGUYEN DANG DO

