

SAIGON WATER CORPORATION
SINGLE-MEMBER LIMITED LIABILITY
NHA BE WATER SUPPLY JOINT
STOCK COMPANY

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: **2938** /CNNB-KTTC
Re: Explanation regarding the Financial
Statements for the third quarter of 2026

Ho Chi Minh City, October 16, 2026

To:

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

During production and business operations in the third quarter of 2026, the after-tax profit of Nha Be Water Supply Joint Stock Company (NBW) amounted to VND 8,209 million, representing an increase of VND 5,104 million (+164.38%) compared to the same period last year, for the following reasons:

1. Total revenue and other income in the third quarter of 2026 reached VND 233,727 million, an increase of VND 9,649 million (+4.31%) compared to the same period last year:

- ❖ Water sales revenue increased by VND 8,756 million (+3.94%) due to a higher sales volume of 587,304 m³ (equivalent to VND 7,418 million) and an increase in average selling price from VND 12,601,14/m³ to VND 12,630.41/m³, an increase of VND 29.27/m³ (based on collection standard 1); Revenue recovered from customer fraud detection and tariff adjustments amounted to VND 1,080 million, an increase of VND 304 million compared to the same period last year.

- ❖ Revenue from water meter services increased by VND 590 million

- ❖ Other revenue and other income (account 711) increased by VND 303 million.

2. Total expenses in the third quarter of 2026 amounted to VND 223,303 million, an increase of VND 4,433 million (+2.02%) compared to the same period last year:

- ❖ Cost of goods sold decreased by VND 2,674 million (-1.71%) including:

- ✓ The cost of purchased wholesale clean water decreased by VND 69 million due to the water loss rate in the third quarter decreased from 13.67% to 8.16% compared to the same period last year which, reduced the cost of sales; however, the volume of water purchased was increased in line with higher sales volume, thereby increasing cost of sales. In addition, the ending work-in-progress balance for clean water decreased due to the decrease of water loss rate, which translated to a higher amount of costs charged to cost of sales. As a result of these three factors, although the water loss rate fell substantially, total cost of sales decreased by only VND 69 million.

- ✓ Cost of water meters service increased by VND 688 million

- ✓ Other cost of goods sold decreased by VND 3,293 million due to the third quarter of 2025 recognition of retained wastewater service charges.

❖ Selling expenses increased by VND 1,080 million (+2.72%) compared to the same period last year:

- ✓ Depreciation expense increased by VND 755 million.
- ✓ The cost of routine and periodic water meter replacements increased by 2,811 million VND.
- ✓ Materials expenses for repairing leaks increased by VND 1,007 million.
- ✓ Water business expenses in Long An Province (now part of Tay Ninh Province) increased by VND 1,800 million.
- ✓ Employee expenses decreased by VND 2,600 million.
- ✓ Free installation of water meters decreased by VND 920 million.
- ✓ Other selling expenses decreased by VND 1,773 million.

❖ Administrative expenses increased by VND 6,047 million (+27.09%) compared to the same period last year.

- ✓ Employee expenses increased by VND 4,350 million due to changes in salary cost classification, which reduced employee expenses under selling expenses and increased employee expenses under administrative expenses. In addition, the meal allowance increased from VND 120,000 to VND 200,000 per day.
- ✓ Depreciation expense increased by VND 910 million.
- ✓ Other administrative expenses increased by VND 787 million.
- ❖ Other expenses (account 811) decreased by VND 20 million.

3. Corporate income tax for the period increased by VND 112 million.

Nha Be Water Supply Joint Stock Company (NBW) commits that the information provided above is truthful and takes full responsibility before the law for the disclosed contents.

Recipients:

- As above;
- Archive: Office, Finance & Accounting Dept.

DIRECTOR



DUONG VAN HOA