



No: **0641** /CNNB-KTTC

*Ho Chi Minh City, April 16, 2025*

Re: Explanation related to  
Q1/2025 Financial Report

To:

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

During the production and business activities in Q1/2025, the after-tax profit of Nha Be Water Supply Joint Stock Company (NBW) reached VND11,852 million, an increase of VND4,863 million (+69.59%) compared to the same period last year, due to the following reasons:

1. Total Revenue and other income in Q1/2025 reached VND222,487 million, an increase of VND2,289 million (+1.04%) compared to the same period last year:
  - ❖ Water sales revenue decreased by VND3,771 million (-1.73%) due to lower sales volume 813,649m<sup>3</sup>. Though the average selling price increased from VND12,175.55/m<sup>3</sup> to VND 12,533.59/m<sup>3</sup> (+VND358.03/m<sup>3</sup>).
  - ❖ Revenue from installation and relocation of water meters increased by VND976 million (+490.59%).
  - ❖ Revenue from selling water supply materials increased by VND 5,724 million due to the liquidation of water supply materials during the period.
  - ❖ Other revenues decreased by VND640 million, mainly due to the bottled water business (Sawanew) ceasing operations as of December 31, 2024.
2. Total expenses in Q1/2025 were VND207,530 million, a decrease of VND3,835 million (-1.81%) compared to the same period last year:
  - ❖ Cost of goods sold decreased by VND3,874 million (-2.56%), including:
    - The cost of purchasing clean water decreased by VND4,444 million (-2.95%). due to a drop in purchase volume 442,039 m<sup>3</sup>, the non-revenue water rate increased from 11.54% to 13.71% and the unit purchase price increased from VND7,106.15/m<sup>3</sup> to VND7,276.70/m<sup>3</sup>.
    - Cost of Sawanew water decreased by VND316 million.
    - Other costs increased by VND886 million, mainly due to the increase in meter installation and relocation activities.
  - ❖ Selling expenses decreased by VND148 million compared to the same period last year:
    - Water loss prevention expenses increased by VND1,367 million due to underground leak detection and repair costs incurred during the period.
    - Regular and test water meter replacement costs decreased by VND 1,037 million (-29.97%).
    - Other selling expenses decreased by VND 478 million.



❖ Administrative expenses increased by VND187 million, mainly due to an increase in miscellaneous cash expenses.

3. Corporate income tax increased by VND1,261 million due to the increase in pre-tax accounting profit (the liquidation of water supply materials during the period).

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;
- Filing:
  - + Administration Dept,
  - + Accounts & Finance Dept.

**DIRECTOR**



**LY THANH TAI**

