

**QUANG NINH CLEAN WATER
JOINT STOCK COMPANY**

No.: 2048/CTN-TC

Regarding the explanation of the
qualified audit opinion on the 2026
semi-annual financial statements.

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

Quang Ninh, August 14th, 2026

To:

- Hanoi Stock Exchange;
- State Securities Commission.

In implementation of Circular No. 96/2020/TT-BTC dated November 16, 2020, and Circular No. 68/2024/TT-BTC dated September 18, 2024, issued by the Ministry of Finance, guiding information disclosure on the securities market;

Based on the 2026 interim financial statements audited by AASC Auditing Firm Co., Ltd.

Quang Ninh Clean Water Joint Stock Company hereby provides an explanation regarding the qualified audit opinion on the 2026 interim financial statements, detailed as follows:

The Quawaco's Services and Apartment Complex Project was approved by the Quang Ninh People's Committee to allow Quang Ninh Water Supply and Construction Company (now Quang Ninh Clean Water Joint Stock Company) to make plan to build the apartments on the area of 1,959.0 m² in Document No. 245/UBND-QLDD dated January 12th, 2007. On November 17th, 2010, the Quang Ninh People's Committee issued Investment Certificate No. 22.121.000.161 for the project, of which: total investment: 252,224 million VND for the purpose of building apartments for sales to employees and other partners. Implementation progress: construction started in the fourth quarter of 2010; completed and put into operation in the fourth quarter of 2013. The project has been approved by the People's Committee of Quang Ninh Province with a scale of 1/500 master plan, ensuring legality. On January 21st, 2016, Ha Long City People's Committee issued Decision No. 233/QD-UBND on approving the adjustment of the total floor plan at a scale of 1/500, adjusting the number of floors of the building from 16 aboveground floors, 02 basement floors to 11 aboveground floors and 01 basement floor.

Due to the quiet situation of real estate market, the project cannot attract capital from buyers wishing to buy a house. Therefore, the Company does not have sufficient capital to continue investing in the project. In addition to that the Decree No. 91/2015/ND-CP dated October 13th, 2015 of the Government on investment of State capital in enterprises and management and use of capital and assets at Enterprises, in which point b and c, Clause 1, Article 21 stipulates "*State-owned enterprises are not allowed to contribute capital or invest in real estates*"; "*In cases where state-owned enterprises have contributed capital and invested in*

the fields specified in Point b of this Clause and are not subject to investment approval by the Prime Minister, they must implement a plan to restructure and transfer the entire amount of capital invested according to regulations”.

The project has stopped investing since December 2013, the value of unfinished costs as of June 30th, 2025 recorded on the Financial Statement is 61,522,861,960 VND.

In implementation of the Government's current policy to resolve obstacles-as outlined in the Prime Minister's Official Dispatches No. 112/CĐ-TTg (dated November 6, 2024), No. 125/CĐ-TTg (dated December 1, 2024), No. 13/CĐ-TTg (dated February 8, 2025), and No. 26/CĐ-TTg (dated March 31, 2025)-regarding the review of projects facing difficulties, prolonged delays, or outstanding issues, it is imperative to urgently devise definitive solutions to immediately implement these projects, thereby fostering socio-economic development and preventing the waste of assets and resources belonging to the State, enterprises, the public, and society at large.

On April 22, 2025, the Company sent Document No. 935/CTN-BC to the Department of Finance reporting on the proposal to convert the The Quawaco's Services and Apartment Complex Project into the Hong Gai Water Company Headquarters.

On May 7, 2025, the Department of Finance issued Document No. 1938/STC-QLDT reporting to the Provincial People's Committee for consideration and agreement on the policy of allowing the project conversion according to the proposal of Quang Ninh Clean Water Joint Stock Company.

On June 6, 2025, the Company sent Document No. 1361/CTN-QLDT to the Provincial People's Committee and requested the Provincial People's Committee to consider and give instructions on the resolution of the contents reported and proposed by the Department of Finance and the Company.

On June 13, 2025, the Provincial People's Committee Office issued Document No. 4155/VP.UBND-TC to the Departments of Finance, Construction, Agriculture and Environment; to the Provincial Inspectorate and the Company, in which the Company was assigned to study the document of the Department of Finance, based on the actual situation and authority, legal provisions on planning, investment, and land to implement the following procedures according to regulations; assigned the departments to coordinate and guide the Company to implement according to regulations.

On June 26, 2025, the People's Committee of Quang Ninh province issued Document No. 2147/UBND-TC on giving opinions on the plan to distribute after-tax profits in 2024 and organize the 2025 Annual General Meeting of Shareholders of Quang Ninh Clean Water Joint Stock Company, including the content of approving the report to the owner on the implementation status of the Quawaco Service Apartment Building Project and the plan to convert it into an investment project to build the Hong Gai Water Unit Headquarters: The

Provincial People's Committee gave opinions in Document No. 4155/VP.UBND-TC dated June 13, 2025, the representative of the state capital portion at the enterprise participated in giving opinions, voting, and deciding on the above issues at the 2025 Annual General Meeting of Shareholders in accordance with regulations.

At the 2025 Annual General Meeting of Shareholders, the Company approved the report on the implementation status of the Quawaco Apartment Building Project and the plan to convert the investment purpose into the Hong Gai Water Company Headquarters Construction Investment Project.

On June 25, 2026, the People's Committee of Ha Long Ward approved the adjustment of the 1:500 scale master plan for the "Quawaco Apartment and Service Building" project of Quang Ninh Clean Water Joint Stock Company in Ha Long Ward, Quang Ninh Province, to the "1:500 scale master plan for the Operations Building of Hong Gai Water Enterprise-Functional Area and Warehouse of Quang Ninh Clean Water Joint Stock Company."

The Department of Finance reported to the Provincial People's Committee via Document No. 7190/STC-QLDN dated June 29, 2026, directing the company to prepare a dossier for project adjustment and submit it to the Provincial People's Committee for review and approval prior to adjusting the investment project and carrying out the procedures required to amend the Investment Registration Certificate in accordance with the law.

The Company submitted a report to the Provincial People's Committee (via Document No. 1675/CTN-XD dated July 7, 2026) seeking approval in principle to adjust the Quawaco Apartment and Service Building investment project. The adjustment involves transitioning the 1:500 scale master plan-originally designated for the Quawaco Apartment and Service Building- into a 1:500 scale master plan for the Operations Center of the Hong Gai Water Enterprise (a functional zone and warehouse facility belonging to Quang Ninh Clean Water Joint Stock Company). The Company has formulated a proposal to present to the Provincial People's Committee.

The Department of Finance has reported to the Provincial People's Committee regarding the proposal submitted by Quang Ninh Clean Water Joint Stock Company in Document No. 7998/STC-QLDN dated July 20, 2026. The Department advised the Provincial People's Committee (acting as the owner's representative) to consider the adjustment of the Quawaco apartment and service complex investment project by: (i) Approving the state capital representative to exercise voting rights at the General Meeting of Shareholders and the Board of Directors regarding the study and preparation of documentation to adjust the project-shifting from the Quawaco apartment and service complex to the construction of the Hong Gai Water Enterprise Operations Center (including

functional areas and warehouses) for Quang Ninh Clean Water Joint Stock Company; (ii) Upon receiving approval from the Provincial People's Committee for the representative of state capital to exercise the aforementioned voting rights- in accordance with regulations governing the management and investment of state capital in enterprises-Quang Ninh Clean Water Joint Stock Company shall be responsible for reviewing and preparing a dossier to request an adjustment to the investment project (originally approved by the Provincial People's Committee via Investment Certificate No. 22.121.000.161, issued on November 17, 2010) and for fully complying with all procedures and requirements regarding investment, construction, zoning, land use, and other relevant legal provisions. The decision to adjust the project and its subsequent implementation may only proceed after all conditions have been met and approval has been granted by the competent authority in accordance with the law. The Company is responsible for managing and utilizing state capital and assets invested in the enterprise in compliance with regulations, ensuring operational efficiency, and adhering to the principles of preserving and growing state capital within the enterprise.

The Company is currently actively following up with the Department of Finance and the Provincial People's Committee to urge the early review and approval of the policy to adjust the investment project for the Quawaco apartment and service complex.

The above is the explanations of Quang Ninh Clean Water Joint Stock Company, the Company would like to report to the Hanoi Stock Exchange and the State Securities Commission for reference./.

Thank you very much.!

Receiving and Filling:

- As above (report);
- Board of management, executive board (coordination);
- Files: VT, TC (Haule).

ON BEHALF OF THE BOD
CHAIRMAN



Vu Van Tuan

PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS

To: Hanoi Stock Exchange.

Implementing the provisions of Circular No. 96/2020/TT-BTC dated 16/11/2020 of the Ministry of Finance guiding the disclosure of information on the stock market, Quang Ninh Clean Water Joint Stock Company discloses information on the semi-annual financial statements (FS) for 2026 with the Hanoi Stock Exchange as follows:

1. Name of organization: Quang Ninh Clean Water Joint Stock Company
 - Stock Code: NQN
 - Address: No. 449 Nguyen Van Cu Street, Ha Long Ward, Quang Ninh Province
 - Phone: 0203 3835733
 - Email: nuocsachqn@gmail.com Website: <https://quawaco.com.vn/>
2. Contents of information disclosure:
 - Semi-annual financial statements for 2026
 - ☐ Separate financial statements (TCNY has no subsidiaries and superior accounting units have subordinate units);
 - ☐ Consolidated financial statements (TCNY has subsidiaries);
 - ☒ General financial statements (TCNY has an accounting unit under the organization of its own accounting apparatus).
 - Cases subject to explanation of causes:
 - + The auditing organization gives an opinion that is not fully accepted for the financial statements (for reviewed/audited financial statements):

☒ Yes

☐ No
 - Written explanation in case of integration:

☒ Yes

☐ No
 - + Profit after tax in the reporting period with a difference of 5% or more before and after audit, converted from loss to profit or vice versa (for audited financial statements in 2025):

☐ Yes

☒ No

Written explanation in case of integration:

☐ Yes

☐ No

+ Profit after corporate income tax in the statement of business results of the reporting period changes by 10% or more compared to the report of the same period of the previous year:

☒ Yes

☐ No

Written explanation in case of integration:

☒ Yes

☐ No

+ Profit after tax in the reporting period is at a loss, transferred from profit in the same period of the previous year to a loss in this period or vice versa:

☐ Yes

☒ No

Written explanation in case of integration:

☐ Yes

☐ No

This information was published on the company's website on: 14/8/2026 at the link: <https://quawaco.com.vn/category/co-dong/bao-cai-tai-chinh/>

Attachments:

- Semi-annual financial statements for 2026

Person making information disclosure
LEGAL REPRESENTATIVE
CHAIRMAN OF THE BOARD OF DIRECTORS



Vu Van Tuan