

ANNUAL REPORT IN 2024

HA NOI WATER SUPPLY NUMBER 2 JOINT STOCK COMPANY

I. GENERAL INFORMATION

1. Overview information

- Trading name: HA NOI WATER SUPPLY NUMBER 2 JOINT STOCK COMPANY
- Business Registration Certificate No.: 0100106088 issued by Hanoi Department of Planning and Investment for the first time on October 5, 1996, registered for the 7th change on September 16, 2020.
Charter capital: 568,000,000,000 VND (Five hundred sixty-eight billion dong).
- Owner's investment capital: 568,000,000,000 VND (Five hundred sixty-eight billion dong).
- Address: Km01, Nguyen Van Linh Street, Phuc Dong Ward, Long Bien District, Hanoi City, Vietnam.
- Phone No.: 024.38750394
- Fax No.: 024.38750396
- Website: www.hawater.com.vn
- Stock code (if any): NS2
- Formation and development process

Ha Noi Water Supply Number 2 Joint Stock Company, formerly known as the Hanoi Water Supply Number 2 Business Company, was established under Decision No. 2882/QD-UB dated August 31, 1996, by the People's Committee of Hanoi City. It was formed based on the Gia Lam Water Supply Enterprise, which was part of Hanoi Water Limited Company, and took over the Gia Lam water supply project funded by the Vietnamese and Japanese governments.

In July 2010, in accordance with Decision No. 3464/QD-UBND dated July 13, 2010, by the People's Committee of Hanoi City regarding the transformation of the Hanoi Water Supply Number 2 Business Company into a one-member limited liability company, the company began operating under the Enterprise Law as a one-member limited liability company from January 2011.

On June 8, 2015, the People's Committee of Hanoi City issued Decision No. 2588/QD-UBND to convert the Hanoi Water Supply Number 2 One-Member Limited Liability Company into the Ha Noi Water Supply Number 2 Joint Stock Company. The company's mission is to exploit, produce, and supply clean water to meet the needs of residential and industrial water consumption, as well as to support economic and social development for agencies, organizations, and the people in the area.

On June 26, 2015, Ha Noi Water Supply Number 2 Joint Stock Company was granted the Enterprise Registration Certificate No. 0100106088 by the Hanoi Department of Planning and Investment, marking

the fourth amendment to its registration. As of September 16, 2020, the company had made the seventh amendment to its registration.

On October 12, 2015, the State Securities Commission issued Official Letter No. 6412/UBCK-QLPH, approving the public company registration application for Ha Noi Water Supply Number 2 Joint Stock Company.

On September 20, 2016, the Vietnam Securities Depository approved the company's securities registration and issued the Securities Registration Certificate No. 102/2016/GCNCP-VSD, with the registered number of shares being 56,800,000 shares.

On November 22, 2016, the Hanoi Stock Exchange issued Decision No. 763/QD-SGDHN approving the registration for trading the company's shares, and Announcement No. 1219/TB-SGDHN officially listed the company's shares for trading on the Upcom market. The first trading day of the company's shares was November 30, 2016.

2. Business lines and locations

- Business lines: Exploitation, treatment and supply of water, consulting on construction and installation of water supply projects.

- Business locations: Long Bien District, Gia Lam District, Dong Anh District, Soc Son District, Me Linh District.

3. Information about the governance model, business organization, and management structure:

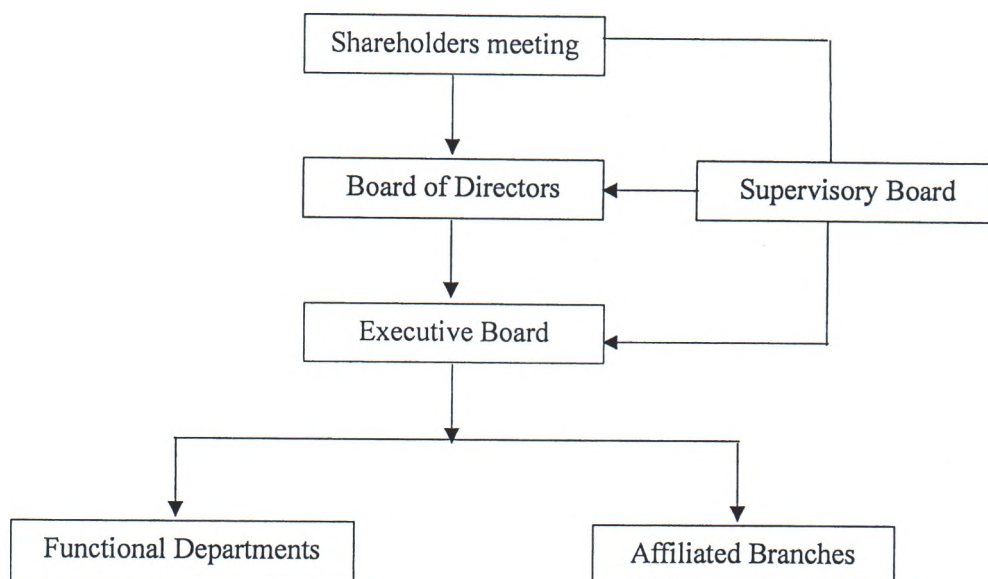
- Governance Model: General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the Director of the Company (as per the provisions of Point a Clause 1, Article 137 of the Enterprise Law No. 59/2020/QH14).

- Management Structure: Board of Directors, the Supervisory Board, the Director, Deputy Director, Chief Accountant, 05 functional departments, and 06 affiliated branches.

1. Organization - Administration Department	1. Long Bien Water Supply Enterprise
2. Planning - Technical Department	2. Gia Lam Water Supply Enterprise
3. Finance - Accounting Department	3. Dong Anh Water Supply Enterprise
4. Business Department	4. Survey and Design Consultancy Enterprise
5. Project Management Board	5. Construction Works Enterprise
	6. Water Meter Calibration and Repair Center

- Subsidiaries, affiliates: None

b. Management model



4. Development orientation:

With a clear sustainable development direction and strategy, Ha Noi Water Supply Number 2 Joint Stock Company can firmly establish its position as a key unit in the northern water supply sector of Hanoi. Its commitment to providing clean water and protecting the environment will be the foundation for the company's long-term and sustainable development. Below are the business goals and strategies that Ha Noi Water Supply Number 2 Joint Stock Company aims to achieve in order to maintain efficient operations and sustainable development in the clean water supply sector:

a. Goals:

- Maintain the stability of the company in all aspects of its operations. Sustain the market share of water supply in the areas where the company provides water services, while reinforcing its position and developing the company's existing brand.

- Improve service quality and manage customer relationships through specific and practical activities, such as ensuring the supply of clean water with the best quality, meeting local standards; maintaining safe and stable water supply services, enhancing customer service quality, classifying customers, and organizing customer appreciation activities for each customer group; etc.

- Expand the water supply system to areas lacking clean water, particularly rural and suburban areas, based on signed water supply area agreements. Carry out tasks assigned by the People's Committee of Hanoi City, relevant ministries, and Hanoi Water Limited Company, continue to implement investment projects as approved, and cooperate well with local governments and residents in implementing the expansion and management of the water supply system within the Company's service area.

- Ensure financial goals are met. Maintain and stabilize the livelihood, employment, and income of employees at the company. Optimize production and management costs to enhance competitiveness and profitability.

b. Medium and Long-term Development Strategy

The Company determines to focus maximum resources on the main business of producing and supplying clean water, specifically:

- Monitor and manage exploited water resources effectively to ensure sustainability and stability in supply. Develop a periodic maintenance and servicing plans for equipment and water supply stations to ensure continuous operation. Coordinate closely with water treatment plants to regulate water supply into

the network, ensuring timely responsiveness to demand. Control water quality, ensuring that standards are always met and customer needs are satisfied. Receive timely customer feedback to adjust the water supply and address any emerging issues.

- In the coming time, the company will focus on expanding the water supply areas, particularly emphasizing service quality improvement, investing in network connectivity to ensure safe water supply, and maintaining low leakage and loss rates, in line with the capital city's water supply planning up to 2030 and its vision for 2050, as approved by the Prime Minister in Decision No. 554/QĐ-TTg 2021 on April 6, 2021.

c. Sustainable Development Goals (Environment, Society, and Community) and Key Programs Related to the Company's Short-term and Medium-term Plans:

The company is committed to maintaining stable water supply, ensuring that a high percentage of the population benefits from clean water supplied by the company's centralized water system, thereby improving the living standards of the community and contributing to social stability in the districts and towns of the Northern area of the capital.

5. Risks

- In pursuing a sustainable development model, Ha Noi Water Supply Number 2 Joint Stock Company faces various challenges, particularly the increasingly severe environmental pollution (air, water, and soil pollution) and the degradation of water resources. With water sources becoming scarcer, the company must implement effective protection and utilization measures, as well as improve water quality control. Some state policies are in place to reduce the use of groundwater according to a set roadmap.

- In the summer of 2024, the weather was characterized by more rain and cooler temperatures, instead of extreme heat, leading to erratic weather patterns that significantly impacted the company's forecasting, planning, and execution. At the end of the third quarter of 2024, unpredictable natural disasters such as floods greatly affected the economic growth of several countries, including Vietnam. Typhoon No. 3 and its aftermath impacted 26 Northern provinces and cities, causing significant damage to both lives and property. At the company, some production stations located outside of dike areas were affected, requiring them to suspend operations or reduce production output. Many pipeline sections experienced leaks and bursts, necessitating the closure of valves for repairs. In response to these challenges, the company has developed proactive plans to manage water supply sources effectively to ensure maximum service provision, meeting the essential needs of the population amid the complex weather conditions caused by the ongoing floods.

II. FINANCIAL PERFORMANCE IN THE YEAR

1. Production and business situation

* Advantages:

In 2024, with the cooperation and support of local authorities, the direction and leadership of the City, relevant departments, and the management team's efforts, Ha Noi Water Supply Number 2 Joint Stock Company successfully completed all aspects of its production and business operations and fulfilled the tasks assigned. The company reaffirmed its role in achieving political and social objectives, aligning with the policies, strategies, and directions of the Party, the State, and the City.

With a focus on long-term effective operations, the Board of Directors and management team of Company have consistently concentrated on enhancing management capacity, improving organizational structure, and ensuring that the company operates efficiently. This has contributed to the successful completion of political tasks and production and business plans. The company has met production and

business goals, and its internal management and control processes have been continuously improved and refined. The workforce, trained with solid expertise, is proactive and creative in their work, which forms the foundation for the company's sustainable development.

The company's efforts in winter water supply, water supply during the Lunar New Year (Year of the Dragon), and summer water supply have successfully met planned targets, ensuring stable and safe water provision. The company has made positive changes in the process of regulating water sources, improving pressure, and enhancing water quality across all areas under its management. These efforts have contributed to stabilizing political security and social order in the northern districts of the capital. The company successfully completed the tasks assigned by the City and Hanoi Water Limited Company, earning trust from local authorities and, importantly, the support of over 270,000 customer households.

Pursuant to Decision No. 3541/QĐ-UBND issued by the People's Committee of Hanoi City, the retail water price increased starting January 1, 2024, creating favorable conditions for the company's planning, forecasting, and stable business operations from the beginning of the year.

According to Article 2 of Decree No. 94/2023/ND-CP issued by the Government and Resolution No. 142/2024/QH15 passed by the National Assembly on June 29, 2024, the VAT has been reduced by 2% from January 1, 2024 to December 31, 2024. This reduction in tax, amid difficult economic conditions, not only saves costs for citizens and stimulates consumption but also promotes investment, helping businesses overcome challenges and contributing to economic growth in 2024. Additionally, the National Assembly has approved a 30% increase in the basic salary level and a 15% increase in pensions and social insurance allowances, which will improve the living standards of wage earners and beneficiaries of social insurance.

In 2024, the Company has received funding to support the operation of the areas of the 3 communes of Nam Son, Bac Son, Hong Ky and Me Linh area in 2022. This funding helped alleviate many of the financial challenges faced by the company.

The maintenance of factory buildings, repairs, and equipment servicing to support production has been fully planned and implemented diligently, ensuring that production stations maintain stable operations and maximize their capacity according to the water extraction licenses and external network demands. This has helped stabilize the local production stations, ensuring partial control over the water supply sources. Along with effective control over the water quality of external sources purchased from Hanoi Water Limited Company and Duong River Surface Water Plant Joint Stock Company, the service quality has gradually improved and stabilized across all areas managed by the company. Internal production inspections have been consistently maintained, ensuring that water quality always meets the QCVN01-1:2018/BYT standards.

In 2024, the company continued to implement the science and technology application project for the 2021-2025 period in its production and water supply operations. The company maximized the use of technology software and modern equipment to increase labor productivity, reduce costs, and enhance customer service quality. Key activities included: Completing the implementation of electronic Public Administrative Service Contracts (DVCN) through an app and SMS messages, with a focus on promoting the installation of the company's app for customers. This aimed to minimize management costs and provide greater convenience for customers during usage. Finalizing the implementation of the Voice Brandname Corporate, which helps enhance brand recognition. In addition, collaborating with Ekmap to research and apply mapping software, GIS, and Map API to improve asset and equipment management, operations management, and maintenance management.

The company has consistently improved its Customer Care Center operations, with customer service quality always prioritized. The Company regular organizes internal training programs to enhance employees' knowledge, professional skills, and customer service mindset, enabling the company to better meet the increasing demands of its customers.

Ha Noi Water Supply Number 2 Joint Stock Company has gained growing trust and satisfaction from both local authorities and residents within its management area, affirming its responsibility to the community and society. The company has also elevated its position and brand through various community and social welfare activities, including supporting the "For the Poor" fund, organizing blood donation drives, providing customer care programs for schools within the company's management area, expressing gratitude to customers, and supporting those affected by floods, etc.

*** Disadvantages:**

The summer weather in 2024 was predominantly rainy and cool, and the occurrence of unpredictable natural disasters, such as floods, significantly impacted the economic growth of many countries, including Vietnam, causing substantial damage to both life and property. At the company, some factories and production stations located outside of dike areas were affected by storms and floods, forcing them to suspend operations or reduce production output. This disruption made forecasting and planning for the company much more difficult.

Managing and controlling water quality became increasingly challenging due to the company's use of multiple water sources. The costs for water quality testing and monitoring, as stipulated in Circular No. 41/2018/TT-BYT dated December 14, 2018, significantly increased in 2024. The number of samples increased threefold compared to 2023, as anticipated at the beginning of the year. Additionally, the costs for repairs, maintenance of the main water supply system, infrastructure, and the replacement of water meters saw a sharp increase. This was necessary to ensure the safe and stable operation of the water supply system, especially as local infrastructure is frequently upgraded, while many of the company's production stations and the water supply network are old and prone to breakdowns and degradation.

Although the retail water price continued to increase under Decision No. 3541/QD-UBND from January 1, 2024, providing favorable conditions for the company's planning and forecasting of stable business operations from the beginning of the year, the wholesale price also increased in accordance with Decision No. 3342/QD-UBND. The proportion of water purchased in 2024 rose by more than 10% compared to the same period in 2023, resulting in higher water purchase costs, which made it difficult for the company to balance its finances.

The company's investment and customer development efforts continued to face several objective challenges. Despite significant efforts to cooperate with relevant parties to resolve issues and proceed according to the established plans, some projects encountered significant delays during the approval and appraisal process, particularly those that required assessments and approvals from specialized authorities (such as construction, dike, railway, and river-related projects). These delays affected the company's construction investment schedule. The areas focused on customer development were mainly rural regions, where water usage demand is low, and investment costs are high, so the returns on these investments have not yet materialized.

Due to the overall economic situation and the disruption of global supply chains, fuel and material prices have fluctuated sharply. The prices of equipment, parts, and materials have all increased, and the difficulty in importing them has led to delays in the implementation of construction, repairs, and installations. This, in turn, increased the company's costs.

The water revenue collection ratio remained high (over 90%), but the high-pressure network required rigorous management, operation, and prompt troubleshooting, placing significant pressure on the company to execute its tasks effectively.

Additionally, the water supply investment projects funded by the City's budget, which the company took over and immediately repaid, had not yet yielded business results but were primarily focused on addressing social welfare issues. This created financial imbalances for the company.

Production and Business Results:

No	Targets	Unit	Implementation in 2023	Plan for 2024	Implementation in 2024	Achieve ment/ Plan (%)	Compared to previous year (%)
1	Output indicators						
a	Output supplied to the network	m3	57.345.784	59.016.836	61.649.697	104%	108%
	Production water output	m3	14.755.354	14.222.015	14.309.371	101%	97%
	Water output supplied from Hanoi Water Limited Company	m3	33.164.205	33.500.000	35.781.941	107%	108%
	Water output supplied from Quang Minh Water Plant	m3	378.950	0	0		
	Water supplied from Duong River Surface Water Plant Joint Stock Company	m3	9.047.275	11.294.821	11.558.385	102%	128%
b	Water output earns money	m3	53.637.897	54.607.673	57.241.857	105%	107%
2	Total revenue	VND	637.584.348.180	764.572.539.838	838.765.496.131	110%	132%
	Water fee	VND	580.415.547.848	722.235.658.320	786.628.477.019	109%	136%
	Construction, design	VND	25.574.173.106	10.985.000.000	24.142.357.759	220%	94%
	Revenue gets other money	VND	31.594.627.226	31.351.881.518	27.994.661.353	89%	89%
3	Net revenue	VND	582.445.633.242	694.965.332.297	766.389.180.953	110%	132%
	Water fee	VND	525.784.319.210	653.627.087.143	713.944.925.580	109%	136%
	Construction, design	VND	23.562.535.048	9.986.363.636	22.354.034.967	224%	95%
	Revenue gets other money	VND	33.098.778.984	31.351.881.518	30.090.220.406	96%	91%
4	Expense	VND	563.644.870.099	672.536.462.652	742.051.387.980	110%	132%
	Water fee	VND	541.038.320.804	650.068.435.946	709.067.822.912	109%	131%

	Construction, design	VND	22.480.101.873	9.487.045.455	21.173.814.049	223%	94%
	Other	VND	126.447.422	12.980.981.251	11.809.751.019	91%	9340%
5	Profit before tax	VND	18.800.763.143	22.428.869.645	24.337.792.973	109%	129%
6	Profit after tax	VND	15.013.374.122	17.943.095.716	19.384.298.828	108%	129%
7	Equity	VND	568.000.000.000	568.000.000.000	568.000.000.000	100%	100%
8	Profit after tax/equity ratio	%	2,64%	3,16%	3,41%	108%	129%
9	Taxes and other amounts payable to the state	VND	69.235.481.889	82.980.123.692	90.803.000.239	109%	131%
	VAT	VND	28.586.345.276	33.679.990.721	37.609.294.724	112%	132%
	Corporate income tax	VND	3.787.389.021	4.485.773.929	4.953.494.145	110%	131%
	Personal income tax	VND	2.430.758.348	3.000.000	5.857.459.858	195%	241%
	Resource tax	VND	5.902.141.600	5.688.806.000	5.723.748.000	101%	97%
	Real estate tax, land rent, non-agricultural land tax.	VND	1.065.332.671	1.486.499.650	1.065.332.671	72%	100%
	Fees for granting the right to exploit natural resources	VND	812.556.676	858.469.580	815.150.079	95%	100%
	Fees, charges and other payables	VND	26.650.958.297	33.780.583.812	34.778.520.762	103%	130%
10	Total number of employees	Person	531	585	536	92%	101%
11	Total salary fund	VND	77.799	99,968	99,968	100%	128%
12	Average income per person/month	VND/pers on/month	12,21	14,24	15,54	109%	127%

T.C.P. ★
M.

2. Organization and personnel

- List of Executive Board (as of December 31, 2024):

	Full name	Summary of background	Voting Share Ownership Ratio	Other securities issued by the company
	Ta Ky Hung	Date of birth: 15/03/1975 Place of birth: Hanoi Hometown: Tien Tan, Duy Tien, Ha Nam Place of permanent residence registration: 12/25 Thong Phong Lane, Quoc Tu Giam ward, Dong Da district, Hanoi Current residence: 12/25 Thong Phong Lane - Quoc Tu Giam ward, Dong Da district, Hanoi Professional qualifications: Master of Hydrogeology, Water supply and drainage engineer Position: Member of the Board of Directors - Director of the Company	Individual ownership: 33,600 shares, accounting for 0.059% of the Company's total shares. State capital representative ownership: 11,723,494 shares, accounting for 20.64% of the Company's total shares.	None
2.	Tran Thi Phuong Thao	Date of birth: 03/10/1974 Place of birth: Hanoi Hometown: Van Binh Commune, Thuong Tin District, Hanoi City Place of permanent residence registration: Room 302, House 17T8, Trung Hoa Nhan Chinh Urban Area, Thanh Xuan District, Hanoi Current residence: Room 302, House 17T8, Trung Hoa Nhan Chinh Urban Area, Thanh Xuan District, Hanoi Professional qualification: Construction Economic Engineer Position: Member of the Board of Directors - Deputy Director of the Company	Individual ownership: 40,400 shares, accounting for 0.071% of the Company's total shares. State capital representative ownership: 10,223,978 shares, accounting for 18% of the Company's total shares.	None
3.	Ngo Van Duc	Date of birth: 16/04/1976 Place of birth: Ninh Binh Hometown: Gia Sinh Commune, Gia Vien District, Ninh Binh Province Place of permanent residence registration: No. 11 Khu Gia, Van Dien Town, Thanh Tri District, Hanoi Current residence: No. 74 Cat Tuong Street, Garden City New	Individual ownership: 8,000 shares, accounting for 0.014% of the Company's total shares. State capital representative ownership: 10,223,978 shares, accounting for 18% of the Company's total shares.	None

		Urban Area, Thach Ban Ward, Long Bien District, Hanoi Professional qualifications: Master of Infrastructure Engineering, Water Supply and Drainage Engineer Position: Member of the Board of Directors - Deputy Director of the Company		
4.	Pham Anh Tuan	Date of birth: 02/01/1969 Place of birth: Hanoi Hometown: Tu Lien, Tay Ho, Hanoi Place of permanent residence registration: House No. 66, Group 11, Au Co Street, Tu Lien Ward, Tay Ho District, Hanoi Current residence: House No. 66, Group 11, Au Co Street, Tu Lien Ward, Tay Ho District, Hanoi Professional qualification: Water supply and drainage engineer Position: Deputy Director of the Company	Individual ownership: 26,800 shares, accounting for 0.047% of the Company's total shares.	None
5.	Le Thi Ngoc Lan	Date of birth: 27/11/1976 Place of birth: Viet Tri City, Phu Tho Hometown: Viet Tri City, Phu Tho Place of permanent residence registration: No. 12, Alley 310/15, Nghi Tam Street, Quang An Ward, Tay Ho District, Hanoi. Current residence: No. 12, Alley 310/15, Nghi Tam Street, Quang An Ward, Tay Ho District, Hanoi. Professional qualification: Bachelor of Economics, major in accounting Position: Chief Accountant, Head of Finance - Accounting Department	Individual ownership: 23,500 shares, accounting for 0.041% of the Company's total shares.	None

- Changes in the Executive Board: None

- Number of Employees (as of December 31, 2024): 543 employees

- Summary of Policies and Changes in Policies for Employees:

In 2024, the company continued to strictly implement the regulations of the Labor Code, the Social Insurance Law, the Occupational Safety and Health Law, and other related legal documents in its labor management practices.

3. Investment and Fund Mobilization for Projects

3.1 Progress of Water Supply Projects

In 2024, Ha Noi Water Supply Number 2 Joint Stock Company organized and implemented the assigned water supply projects according to the plan, with the total value of completed work reaching 226,566 million dong.

Details of the projects include:

- | | |
|--|---------------------|
| + Water supply construction works: | 222,488 million VND |
| + Asset purchase: | 3,915 million VND |
| + Renovate, repair and consolidate facilities: | 163 million VND |

Detailed results are as follows:

*** Investment preparation work:**

- Complete investment preparation work for 4 projects to implement construction
- + Invest in expanding and completing the centralized water supply network in Soc Son district - Phase III.
- + Invest in building a transmission pipeline connecting the water supply network in Long Bien district to ensure safe water supply in 2022.
- + Invest in expanding and completing the centralized water supply network in Soc Son district - Phase IV.
- + Addition and reinforcement of the water supply pipeline for Soc Son clean industrial park and neighboring areas, Soc Son district in 2023
- Continuing to prepare 03 projects
- + Sai Dong water supply booster station with a capacity of 40,000m3/day/night
- + Renovate and upgrade the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2023.
- + Build a one-stop office for the department.
- * Project implementation: Organize and implement construction of projects that have completed investment preparation work: 05 projects, including:
 - Complete construction, acceptance and handover for use: 03 projects
 - + Invest in construction to expand and complete the centralized water supply network in Soc Son district - Phase II.
 - + Invest in construction to expand and complete the centralized water supply network in Soc Son district - Phase III.
 - + Invest in construction of transmission pipelines connecting the water supply network in Long Bien district to ensure safe water supply in 2022.
 - Continue to implement construction of projects, expected to complete the project in January 2025 and hand it over for use, implement and complete the audit and approval of investment capital settlement: 01 project.

+ Invest in construction to expand and complete the centralized water supply network in Soc Son district - Phase IV.

- Organize construction and complete phase I, waiting for the site to continue construction of the remaining items: 01 project.

+ Additional bidding to strengthen the water supply pipeline for Soc Son clean industrial park and neighboring areas, Soc Son district in 2023 - DN400 pipeline item.

**** Auditing and approval of investment capital settlement of completed projects:***

- Completing the audit, approving the final settlement of investment capital for completed projects, paying debt and finalizing the project: 04 projects

+ Invest in expanding and completing the centralized water supply network in Dong Anh district, phase I.

+ Invest in expanding and completing the centralized water supply network in Soc Son district - Phase II.

+ Invest in expanding and completing the centralized water supply network in Soc Son district - Phase III.

+ Additional construction to strengthen water supply pipelines for Soc Son clean industrial park and surrounding areas, Soc Son district in 2023 - Pipeline category DN315.

3.2. Asset procurement implementation status

The asset procurement work has been implemented by Ha Noi Water Supply Number 2 Joint Stock Company according to the approved plan for the whole year of 2023, with the actual value reaching 3,915 million VND.

3.3. Implementation status Renovation, repair and consolidation of facilities

Implementation of investment project: 01 project.

+ Construction of one-stop office for the department.

3.4. Disbursement status of projects invested by the Company.

a) Disbursement status:

The value of disbursement for water supply construction projects, asset procurement and renovation and repair of the Company's facilities in 2024: 215,396 million VND / 259,450 million VND, reaching 83.02% of the assigned plan.

In which:

Capital source of fixed assets: 58,364 million VND. In which:

+ Investment in construction of water supply works: 55,973 million VND

+ Purchase of assets: 1,900 million VND

+ Renovation, repair and consolidation of facilities: 491 million VND

- Source of mobilized capital: 157,032 million VND. In which:

+ Investment in construction of water supply works: 157,032 million VND

+ Purchase of assets: 0 million VND

+ Renovation, repair and consolidation of facilities: 0 million VND

b) Project implementation progress assessment

In 2024, the Project Management Board basically completed the targets in the Company's 2024 production and business plan; completed capital use, disbursement, and settlement plans. Organized project implementation, audited, and approved the settlement of construction investment capital in accordance with regulations.

** Assessment of investment project disbursement:*

Investment project disbursement: In 2024, the disbursement of capital sources reached: 215,396/259,450 million VND, equivalent to 83.02% of the assigned plan. In which:

+ Capital mobilized reached: 157,032/199,400 million VND, equivalent to 78.75% of the plan;

+ Fixed Asset Depreciation Capital reached: 58,364/60,050 million VND, equivalent to 97.19% of the plan

Causes:

In 2024, during the implementation of water supply projects in Soc Son District, the company had to continuously adjust its approach due to the involvement of multiple units in the water supply in the area. As a result, the implementation of the project was focused primarily during the last six months of the year, especially in Q4 of 2024.

The projects carried out in the year required agreements and feedback from various departments, which led to delays in the implementation process, causing the progress to fall behind the original schedule.

Additionally, the process of securing loans for the projects involved numerous procedures, which took a long time. Specifically, during the implementation of the investment project for expanding and completing the centralized water supply network in Soc Son District - Phase IV, although the completion volume was ready for disbursement, the lengthy approval and verification processes delayed the loan approval, resulting in slower-than-planned fund disbursement. This delay mainly occurred in December 2024.

The direction and management work are very drastic, but at some points there is still a lack of concentration in work, from the stage of controlling design documents to supervising construction at the site, controlling settlement documents, there are still many shortcomings that need to be corrected immediately.

Remedial measures:

- Continue to strengthen and enhance the management and direction efforts, ensuring a more decisive approach to areas where focus is lacking and where progress has not met the required timelines; Prioritize resources to accelerate the progress of ongoing projects, ensuring timely completion and maximizing the investment's effectiveness.

- Continue to collaborate with various departments, branches, and units within the company to address relevant tasks efficiently and achieve the highest possible results.

- Ensure continued support and guidance from the company's Executive Board in the implementation of tasks, maintaining a consistent focus on achieving the company's objectives and deadlines.

4. Financial Situation

a. Financial Situation

Unit: Million VND

Targets	In 2023	In 2024	% increase, decrease
Total Assets	1.437.338	1.556.425	8,3%
Net Revenue	559.086	744.537	33,2%
Operating Profit	-4.553	2.568	-156,4%
Other Profits	23.354	21.768	-6,8%
Profit Before Tax	18.801	24.337	29,4%
Profit After Tax	15.013	19.384	29,1%
Dividend Return	50%	50%	0%

b. Main financial targets:

Unit: Million VND

Targets	In 2023	In 2024	Note
1. Liquidity ratio			
+ Current ratio:	1,15	1,22	
Current assets/Current liabilities			
+ Quick ratio:	1,01	1,10	
<u>Current assets - Inventories</u>			
Current liabilities			
2. Capital structure ratio			
+ Debt to Total Assets Ratio	0,59	0,62	
+ Debt to Equity Ratio	1,50	1,71	
3. Operating Capacity Ratio			
+ Inventory Turnover	11,84	13,75	
Cost of Goods Sold/Average Inventory			
+ Asset Utilization Efficiency			
Net Revenue/Total Assets	0,40	0.49	

4. Profitability ratio			
+ Profit after tax ratio/Net revenue	2,69%	2,60%	
+ Profit after tax ratio/Equity	2,64%	3,41%	
+ Profit after tax ratio/Total assets	1,04%	1,25%	
+ Operating profit ratio/Net revenue	-0,81%	0,34%	

5. Shareholder Structure and Changes in Owner's Investment Capital

a. Shares:

- Total number of shares in circulation: 56,800,000 shares
- Total value at par value: 568,000,000,000 VND (Five hundred sixty-eight billion dong)
- Type of shares: Common shares
- Number of shares with transfer restrictions: None

+ Shares owned by the Board of Directors that can only be transferred with approval from the Board of Directors: 145,500 shares.

b. Shareholder Structure: (As of December 31, 2024)

No	Shareholder	Number of shares	Value (VND)	Ratio (%)
I	Domestic Shareholders	56.778.700	567.787.000.000	100%
1	<i>Institutional Shareholders</i>	<i>54.891.400</i>	<i>548.914.000.000</i>	<i>96,64%</i>
2	<i>Individual Shareholders</i>	<i>1.908.500</i>	<i>19.085.000.000</i>	<i>3,36%</i>
II	Foreign Shareholders	100	1.000.000	0,00%
	Total	56.800.000	568.000.000.000	100,00

c. Changes in Owner's Investment Capital: No changes.

d. Treasury Stock Transactions: None. Other securities: None.

6. Environmental and Social Impact Report of the Company

6.1. Raw Material Management:

a. Total amount of raw materials used to produce and package the organization's main products and services during the year.

- The main product of the company is clean water; the main service of the company is to supply clean water to all customers in the districts of northern Hanoi.

- The total amount of raw materials is raw water extracted from wells to produce clean water. In 2024, the company used an average of 14.386 million cubic meters per year of raw water to treat and produce clean water that meets the standards of QCVN 01-1:2018 BYT.

b. Report on the percentage of raw materials that are recycled and used to produce the organization's main products and services.

The company has implemented a fully integrated system to collect all of the water used for filter washing, which is then recycled and treated to meet the clean water standards of QCVN 01-1:2018 BYT. The water discharged during the production process is collected, treated, and reused through a closed-loop system, ensuring that 100% of the water is recycled and utilized, with no discharge into the environment.

6.2. Energy Consumption:

a. The energy consumed in the Company's production process is electrical energy, the Company uses electricity to operate machinery and equipment in production.

- Direct energy consumption at production service stations: 5,854,685 kWh.

- Indirect energy consumption at the company's office: 152,360 kWh.

b. Energy-saving initiatives through efficient energy use:

The company has implemented several energy-saving solutions, including measures to reduce electricity consumption for key machinery such as the pump motors used for water extraction and distribution. All of the company's water pumping stations have been fitted with variable frequency drive (VFD) systems to optimize energy use. Additionally, energy-efficient lighting has been installed in various areas, further reducing electricity consumption.

c. Reports on energy-saving initiatives (providing energy-efficient products and services or using renewable energy); report on the results of this initiative: None.

6.3. Water Consumption: (Water consumption levels of business activities in the year)

a. Water supply sources and water usage volume:

The company produces its own clean water for use in business operations. The water is treated and recycled within the water treatment system, ensuring that no wastewater is released into the environment.

b. Percentage and total amount of recycled and reused water:

All wastewater generated during the water production process is collected, treated to remove sediments, and then recycled through the existing water treatment system, ensuring that all water is reused.

6.4. Compliance with environmental protection laws:

a) Number of times fined for non-compliance with environmental laws and regulations:

No violations were fined.

b) Total amount of fines for non-compliance with environmental laws and regulations:

No violations were fined.

6.5. Policies related to employees:

a. Number of employees, average salary of employees:

- Number of employees (as of 31/12/2024): 543 people

- Average income: 15,540,000 VND/person/month

Labor policies to ensure health, safety, and welfare of employees:

- Salary: The salary and income paid to employees are based on productivity, quality, efficiency, work results, and individual contribution, ensuring fairness and transparency between the collective and individuals.

- Allowances: The company provides meal allowances for all employees working at the company (50,000 VND/day) and allowances for fuel and telephone for certain positions.

- Social Insurance: 100% of employees working at the company are enrolled in mandatory social insurance. The company supports employees in completing procedures to claim social insurance benefits for sickness, maternity, and recovery.

- Health and Safety at Work: The company equips employees with necessary protective gear, develops annual health and safety plans, has a network of safety officers, and conducts regular annual safety and hygiene inspections.

- Collective Labor Agreement: The company has agreed with the trade union's executive committee to issue a collective labor agreement that stipulates collective welfare policies and other benefits for employees, in accordance with the Labor Code.

c. Employee Training Activities

- Average training hours per employee: 0.28 hours per person per year.

- Programs for skill development and continuous learning to support employees in securing employment and advancing their careers:

+ Training on management and business administration.

+ Training on goal management skills.

+ Training on labor policies, wage management, and social insurance policies.

+ Training on tax policies.

+ Training on occupational health and safety for employees.

+ Construction investment management skills according to the Law on Bidding and the Law on Construction.

+ Training on personal data protection skills.

+ Advanced bidding training for employees.

+ Training on communication skills and customer care.

+ Training on salary increase, training to improve professional skills.

6.6 Report on responsibility to the local community:

In 2024, the Company fully participates and fulfills its responsibility to the local community through contributions to funds and charitable organizations in the locality and the City.

III. REPORT AND ASSESSMENT OF THE EXECUTIVE BOARD

1. Evaluation of achieved results:

With the coordination and facilitation of local authorities, the attention and direction of the City, Departments and branches, along with the leadership of the Management Board as well as the efforts of all

officers and employees, Ha Noi Water Supply Number 2 Joint Stock Company has achieved certain results in 2024. Some specific results achieved are as follows:

- Regarding production and business targets: In general, production and business targets were completed and exceeded the set plan, maintaining the stability of the Company's production and business activities

The water demand of large customers (Thang Long Industrial Park) increased by 77% compared to the plan and by 35% compared to the same period last year. The rate of water collected reached the plan along with the adjustment of retail unit prices according to the Decision of the People's Committee of City, leading to the average unit price and water revenue of the Company both exceeding the set plan and having high growth compared to the same period.

- Regarding water supply services: The company has maintained safety, stability, and improved water supply services, meeting the water demand in the area. In 2024, there were no major incidents in production or distribution that disrupted water supply, even during unpredictable floods and natural disasters. The company successfully completed the task of producing and supplying clean water in the northern area of Hanoi.

- Regarding compliance with state regulations: The company has fully and strictly adhered to legal regulations in all aspects of its production and business activities. Taxes and contributions to the state budget have been paid fully and on time.

- The company has actively participated in and made tangible contributions to various initiatives and movements of Hanoi Water Limited Company and the Northern Water Supply Association. The living standards of employees have been maintained at a stable level, with all benefits for the workforce regularly met, and taxes have been paid to the state budget in full and in accordance with regulations.

*** Challenges and Limitations:**

In 2024, the Company faced several limitations that need to be addressed, including:

- The main cause is that, despite some positive aspects, the Vietnamese economy in 2024 continued to face many difficulties and challenges due to the ongoing complex and unpredictable global situation. The fierce strategic competition, the escalating conflict in Ukraine and the Middle East, and the disruption of global supply chains resulted in significant fluctuations in fuel and material prices. Additionally, the economic recovery was slow and unstable, and natural disasters and climate change continued to unfold unpredictably.

- Moreover, several projects were delayed due to various objective reasons. Although the Company made considerable efforts to coordinate with relevant parties to resolve obstacles and implement the plans as scheduled, some projects encountered significant delays during the appraisal and approval process, particularly those requiring expert opinions from specialized agencies (especially for projects related to construction). This led to delays affecting the investment and construction progress of the Company. Additionally, customer development primarily in rural areas, where the water demand is low and the investment per unit is high, resulted in delayed returns on investment.

2. Financial Situation

In 2024, the Company's business operations faced significant challenges due to the residual effects of the COVID-19 pandemic. Although the retail water price was adjusted upwards as per Decision No. 3541/QĐ-UBND effective from January 1, 2024, the wholesale water price for treated water from the Duong River Water Plant also saw an increase following Decision No. 3342/QĐ-UBND. The volume of water purchased increased compared to 2023, which created difficulties in balancing the Company's

finances. Nevertheless, the Company implemented many proactive measures to reduce costs in professional and operational areas, developing specific plans, strategies, and directions for each stage. Additionally, with the attention and guidance of the City, the relevant departments, and the leadership of Hanoi Water Limited Company, along with the positive collaboration of the departments, the support and facilitation from local authorities, and the unity and determination of the entire workforce, Ha Noi Water Supply Number 2 Joint Stock Company successfully completed the business and production plan for 2024. In which many targets were completed and exceeded the set plan, specifically:

- Total revenue: 766,389 million VND, reaching 110.3% of the plan and increasing by 31.58% compared to 2023.

- Pre-tax profit: 24,337 million VND, achieving 108.5% of the plan and increasing by 29.45% compared to 2023.

- Net profit: 19,384 million VND, reaching 108% of the plan and increasing by 29.11% compared to 2023.

a. Asset situation

Total asset value as of December 31, 2024 is: 1,556,425 million VND, an increase of 8.3% compared to December 31, 2023: 1,437,338 million VND.

- * Indicators reflecting the efficiency of total asset use:

- Efficiency of total asset use: 0.49

Efficiency of total asset use = Net revenue / Average total assets in the period

This indicator assesses the efficiency of asset use (including short-term and long-term assets) of the enterprise. In 2024, every 1 dong of assets of the enterprise put into business operations generates 0.49 dong of net revenue.

Return on total assets: 0.0129

Return on total assets = Profit after tax/ Average total assets

Return on total assets indicates that for every 1 VND of assets invested by a business, it will generate VND 0.0129 in profit after tax.

- * Indicators reflecting the efficiency of using short-term assets:

- Efficiency of using short-term assets: 2.85

Efficiency of using short-term assets = Net revenue/ Average short-term assets in the period

This indicator evaluates the efficiency of using short-term assets in general (including inventory and receivables) in 2024, the enterprise spends 1 VND of short-term assets to put into production and business activities to create 2.85 VND of net revenue.

- Profitability coefficient of short-term assets: 0.075

Profitability coefficient of short-term assets = Profit after tax/ Average short-term assets in the period

This indicator reflects the enterprise's after-tax profit, this indicator shows that for every 1 VND invested in short-term assets, the enterprise will earn 0.075 VND in after-tax profit.

- * Indicators reflecting the efficiency of using fixed assets

- Efficiency of using fixed assets: 0.31

Efficiency of using fixed assets = Net revenue/average original price of fixed assets

This indicator shows that in the year, for every 1 VND spent on fixed assets, 0.31 VND in net revenue is generated.

- Profitability ratio of fixed assets: 0.008

Profitability ratio of fixed assets = Profit after tax/average original price of fixed assets

That reflects that for every 1 VND spent on fixed assets during the period, 0.008 VND in after-tax profit is generated.

b. Debt situation: Total debt payable as of December 31, 2024 is: 968,780 million VND, an increase of 13.43% compared to January 1, 2024. Thus, total debt payable has increased gradually compared to the beginning of the period. The reason is that in 2023, the Company signed an agreement to supplement the scope and water supply area, including adding 01 commune in Gia Lam district, 03 communes in Dong Anh district and 11 communes in Soc Son district. In 2024, the Company mobilized capital through loans from commercial banks and credit institutions to expand the water supply system for residents in the area such as: Investing in construction, expansion and completion of the centralized water supply network in Soc Son area, Phase 3, Investing in construction, expansion and completion of the centralized water supply network in Soc Son area, Phase 4, Investing in additional reinforcement of the water supply pipeline in Soc Son Clean Industrial Park and neighboring areas, Soc Son district in 2023, Investing in construction of a water supply pipeline connecting the water supply network in Long Bien area to ensure safe water supply in 2022.

The current debt payment ratio = current assets / current liabilities as of December 31, 2024 is 1.22 times, which shows that the company's short-term debt repayment ability is safe. In terms of finance, the company has the capacity to meet the debt payment needs.

3. Improvements in organizational structure, policies, and management

- In 2024, the Company reported to the Board of Members of Hanoi Water Limited Company and approved at the Annual General Meeting of Shareholders the content of amendments and supplements to the Charter of organization and operation of the Company, Internal regulations on corporate governance, and Regulations on the operation of the Board of Directors according to the adjusted content of legal regulations. The contents of adjusting the production and business plan, finance, and salary according to the Resolution of the Extraordinary General Meeting of Shareholders.

- Continue to train and foster the Company's key staff, promote management and operation, develop salary and income regulations linking responsibility to work performance results. Conduct self-training, testing, and assessment of skills for each position periodically every quarter at each department, division, and branch.

- Invest in applying science and technology in production and business activities to support management, control work, increase labor productivity, quality and efficiency of work.

- Organize production and business, arrange labor economically and effectively.

4. Future development plan

- Plan for some financial indicators in 2025:

+ Revenue and other income: 767,263 million VND

+ Profit before tax: 24,714 million VND

18/01/2025

+ Profit after tax: 19,771 million VND

+ Dividend payout ratio: 50% of profit after tax

5. Executive Board explanation for auditor's opinion: none

6. Assessment report related to the company's environmental and social responsibility

a. Assessment related to environmental indicators

In 2024, despite many bright spots, the economy of our country still faced numerous challenges both domestically and internationally. In the face of this context, with management experience, the Company's leadership made timely and decisive directions, combined with the efforts and unity of the entire staff. As a result, the Company's business operations remained stable, with production and business targets being achieved. The Company successfully completed its task of producing and supplying clean water in the northern areas of Hanoi, providing a safe and stable water supply service. The construction investment work in 2024 made significant progress, despite many external difficulties. Customer development, one of the key tasks in 2024, saw strong improvements and innovations. The Company continued to carry out effective environmental protection activities, cared for the physical and mental well-being of employees, and actively participated in social welfare activities. Overall, the Company has successfully completed and exceeded the 2024 business and production targets, achieving considerable growth compared to 2023.

b. Assessment related to labor issues:

The year 2024 is of particular importance in the plan to successfully implement the Socio-Economic Development Plan for the period 2021 - 2025. Although the international and domestic context still faces many difficulties and challenges such as: High inflation, prolonged political conflicts, slowing growth of major economies, localized disruptions in the global supply chain. However, the Vietnamese economy in general has gradually recovered and developed, achieving outstanding achievements. Ha Noi Water Supply Number 2 Joint Stock Company has tried to overcome challenges and difficulties and achieved positive results in production and business activities, improving the lives of workers.

Along with the efforts of each employee, in 2024, the Company's Executive Board, Heads of departments, divisions and branches have made great efforts to overcome difficulties, be flexible in directing and operating to ensure jobs, stabilize income for employees, as well as reward, welfare and social insurance regimes. Along with that, the Company has strengthened on-site training, testing and assessment of employees to encourage employees to continuously improve their professional qualifications and skills. Thanks to that, in 2024, the Company's employees always have a spirit of dedication, stable life, attachment and companionship with the overall development of the Company.

The implementation of the Workplace Democracy Regulations is maintained stably. Employees are informed, have the right to participate in giving opinions, decide and supervise issues related to the rights, obligations and responsibilities of employees. Therefore, the Company always maintains a harmonious and stable labor relationship, without labor disputes between employees and employers.

c. Assessment related to the responsibility of the enterprise towards the local community.

In 2024, the Company fulfilled its responsibility towards the local community by actively participating in movement activities, supporting funds and charitable organizations with a total amount of 445,100,000 VND.

IV. BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S PERFORMANCE

1. Board of Directors' assessment of all aspects of the Company's operations, including assessments related to environmental and social responsibilities

In 2024, the global situation continued to evolve in complex and unpredictable ways, with many risks and uncertainties. Military conflicts escalated, strategic competition between major countries became increasingly fierce, and public debt and budget deficits in some regions affected global peace, stability, and economic growth. Additionally, natural disasters and extreme weather conditions had a severe impact on the lives of residents and the economic and social development in many countries, leading to a global economic recession. The production activities of the Company also faced negative impacts, with numerous challenges and difficulties.

In response, in 2024, the Board of Directors and the Executive Board of the Company enhanced the monitoring and supervision of the implementation of the production and business plan at the departments, branches, and subsidiaries; they promptly provided guidance and adjusted plans to ensure they aligned with practical realities. Additionally, they worked closely with local authorities and relevant units in investment and water supply construction, as well as infrastructure renovation in the areas managed by the Company. The departments and branches also made progress in internal management, proactively advising, proposing, and implementing their assigned tasks effectively.

With the consistent direction from the Board of Directors, the Executive Board, and the coordinated efforts of the Board of Directors, Executive Board, Supervisory Board, and Chief Accountant, alongside the dedication of all employees, Ha Noi Water Supply Number 2 Joint Stock Company successfully completed the production and business plan according to the Resolution of the Annual General Meeting of Shareholders in 2024. The Company's operations remained stable, and employees' living standards were ensured.

- Regarding business indicators: All production and business targets set by the People's Committee of Hanoi and Hanoi Water Limited Company were achieved.

- Regarding water supply services: The Company maintained stable water supply services, meeting the demand for water in the areas it serves. The Company's performance in clean water supply ranked among the top in the nation, and the financial indicators fully met the targets set by the General Meeting of Shareholders.

- Regarding customer service: The Company successfully implemented diverse methods for water payment collection, improving the quality of customer service, and saving time and travel costs for customers.

In 2024, the Company will fulfill its social responsibility towards employees and actively participate in local movement activities and gratitude.

2. Evaluation of the Board of Directors on the activities of the Company's Executive Board:

The Board of Directors highly appreciates the efforts of the Executive Board of the Company in business operations, ensuring the achievement of the production and business goals set for 2024.

To achieve the business results in 2024, the Executive Board has focused its efforts on utilizing their capabilities, fostering unity, and strictly adhering to the policies and resolutions of the Board of Directors. The Executive Board proactively planned management, operations, capital and asset utilization, labor allocation, and task assignment within the Company, demonstrating flexibility in handling unforeseen situations.

The decisions made by the Board of Directors were implemented seriously, cautiously, and effectively by the Executive Board. The results achieved in the Company's production and business activities in 2024 have continued to maintain and strengthen the trust of state management authorities, partners, customers, and shareholders in the leadership and management of both the Board of Directors and the Executive Board of the Company.

3. Plans and Directions of the Board of Directors:

In 2024, amidst the global economic downturn with no signs of recovery, escalating geopolitical conflicts in many regions, and persistent inflation, the production and business activities of the Company were inevitably affected. However, the Company has provided strong leadership and timely directions in its business operations to meet the set targets.

The Board of Directors, along with the Executive Board and all employees, will continue to strive in the management and operation of the company to achieve the goals and tasks assigned by the Annual General Meeting of Shareholders, with the following plans and directions:

- Direct the effective implementation of the resolutions and decisions made by the Board of Directors in organizing, managing, producing, distributing, financial management, and construction investment.

- Prepare and plan for the 2025-2030 period, setting long-term strategies and development plans for the Company.

- Enhance the investment in technology and equipment renewal, ensuring the adoption of appropriate production technologies. Research and apply information technology into management processes, customer care, and improving service quality.

V. CORPORATE GOVERNANCE

1. Board of Directors

a. Members and Structure of the Board of Directors (as of December 31, 2024):

No	Full name	Position	Voting Share Ownership	Other Securities Issued by the Company	Independent/Other Members	Board of Directors Membership in Other Companies
1	Duong Quoc Tuan	President of Board of Directors	Individual ownership: 45,200 shares, accounting for 0.079% of the Company's total shares. State capital representative ownership: 12,495,972 shares, accounting for 22% of the Company's total shares.	None	Non-executive members of the Board of Directors	None
2	Ta Ky Hung	Member of Board of Directors	Individual ownership: 33,600 shares, accounting for 0.059% of the Company's total shares.	None	Executive members of the Board of Directors	None

			State capital representative ownership: 11,723,494 shares, accounting for 20.64% of the Company's total shares.			
3	Tran Thi Phuong Thao	Member of Board of Directors	Individual ownership: 40,400 shares, accounting for 0.071% of the Company's total shares. State capital representative ownership: 10,223,978 shares, accounting for 18% of the Company's total shares.	None	Executive members of the Board of Directors	None
4	Ngo Van Duc	Member of Board of Directors	Individual ownership: 8,000 shares, accounting for 0.014% of the Company's total shares. State capital representative ownership: 10,223,978 shares, accounting for 18% of the Company's total shares.	None	Executive members of the Board of Directors	None
5	Le Van Thinh	Member of Board of Directors	Individual ownership: 18,300 shares, accounting for 0.032% of the Company's total shares. State capital representative ownership: 10,223,978 shares, accounting for 18% of the Company's total shares.	None	Non-executive members of the Board of Directors	None

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b. Subcommittees of the Board of Directors: None

c. Activities of the Board of Directors:

* Board of Directors meetings:

No	Board of Directors meeting date	Meeting content	Meeting results
1.	18/01/2024	Approving the Report on the results of the implementation of the 2023 production and business plan, proposing the production and business plan and financial targets for 2024.	Agree on the content of the Report
2.	19/03/2024	Agree on the following contents: - Financial plan for 2024 - Report on the implementation of the 2023 labor and salary plan, the 2024 labor and salary plan - Report on the remuneration of the Board of Directors and the Supervisory Board in 2023, the remuneration plan for 2024 - Report on the activities of the Board of Directors in 2023, the plan and orientation for 2024 - Report on the profit distribution plan for 2023, the profit distribution plan for 2024	Issued Resolution No. 11/NQ-HDQT dated March 19, 2024
3.	16/05/2024	Agree on the following contents: - Report on the content of the Draft Regulation on salary and other income of the Manager, Executive, Head of the Supervisory Board of Ha Noi Water Supply Number 2 Joint Stock Company - Report on the content of the Draft Regulation on financial management of Ha Noi Water Supply Number 2 Joint Stock Company	Issued Resolution No. 28/NQ-HDQT dated May 20, 2024
4.	12/07/2024	Agreed to approve the following contents: - Terminate the implementation of the project to restore and renovate the Sai Dong Water Supply Station with a capacity of 5,000 m ³ /day due to the conversion of the function from a water supply production station to a Sai Dong water supply booster station with a capacity of 40,000 m ³ /day according to Decision No. 554/QĐ-TTg dated April 6, 2021 of the Prime Minister approving the adjustment of the water supply planning of Hanoi Capital to 2030, with a vision to 2050. - Report on the implementation of the construction investment plan in the first 6 months of 2024, the implementation plan for the last 6 months of 2024.	Issued Resolution No. 41/NQ-HDQT, 43/NQ-HDQT, 44/NQ-HDQT dated July 15, 2024

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		<ul style="list-style-type: none"> - Adjust and allocate capital sources to implement construction investment projects in 2024. - Report on the plan to adjust the minimum wage for enterprises in 2024 	
5.	27/12/2024	Report on the results of implementing the production and business plan in 2024, propose the production and business plan in 2025.	Issued Resolution No. 62/NQ-HDQT December 27, 2024 dated

In addition to the Board of Directors meetings mentioned above, depending on the actual situation, the Board of Directors organizes the collection of written opinions from the Members of Board of Directors on certain matters within the authority of the Board of Directors.

d. Activities of Independent Board Members. Activities of sub-committees within the Board of Directors:

The company does not yet have any Independent Board Members and has not yet established any sub-committees under the Board of Directors.

e. List of Members of Board of Directors with Corporate Governance Training Certificates. List of Members of Board of Directors participating in corporate governance programs during the year: None.

2. Supervisory Board

a. Members and structure of the Supervisory Board:

The company's Supervisory Board consists of 03 members, including 01 full-time Head of the Supervisory Board and 02 part-time members.

No	Full name	Position	Number of shares	Proportion of voting shares (%)
1	Tran Thi Ngoc Bich	Head of Supervisory Board	8.800	0.0155
2	Quach Manh Cuong	Member of Supervisory Board	4.200	0.0074
3	Dang Thu Hai	Member of Supervisory Board	0	0

b. Activities of the Supervisory Board:

Based on the rights and responsibilities of the Supervisory Board as outlined in the Company's Charter, the regulations on the Supervisory Board's operations, and the company's performance in 2023 of Ha Noi Water Supply Number 2 Joint Stock Company. The Supervisory Board has monitored the Board of Directors and the CEO in managing and operating the company to ensure that the company operates in compliance with the Law on Enterprises, the Securities Law, the Company's Charter, as well as the resolutions of the General Shareholders' Meeting and the resolutions and decisions of the Board of Directors and the CEO.

- Attended Board of Directors meetings and contributed opinions within the scope of its responsibilities and rights.

- Reviewed the legality, reasonableness, and integrity of the Company's management and operational activities in production and business.

- Monitored the company's financial situation, ensuring legal compliance by the members of the Board of Directors, the CEO, and other executives in the company's activities.

- Assessed the legality, integrity, and reasonableness of quarterly business reports, quarterly financial report; 6-month financial report and annual financial report of the Company that have been audited to serve the publication of the Financial Report according to regulations.

- Supervised compliance with regulations on information disclosure for large-scale public joint-stock companies as required by law.

- Through the monitoring process, the Supervisory Board has noted that the members of the Board of Directors, the CEO, and executives of the company have made efforts to implement the resolutions approved by the General Shareholders' Meeting, establish directions, provide strong management instructions, discuss, and resolve the company's key issues. The resolutions and decisions of the Board of Directors and the CEO are in line with the functions and authorities as stipulated by law and the Company's Charter.

c. Meetings of the Supervisory Board:

No	Date, month	Number of members participating	Main content
01	11/01/2024	3/3	Report on the implementation of tasks in the fourth quarter and the whole year of 2023, and the implementation of the work in the first quarter of 2024 of the Supervisory Board
02	22/04/2024	3/3	Report on the implementation of tasks in the first quarter of 2024, and the implementation of the work in the second quarter of 2024 of the Supervisory Board
03	17/07/2024	3/3	Report on the implementation of tasks in the second quarter of 2024, and the implementation of the work in the third quarter of 2024 of the Supervisory Board
04	17/08/2024	3/3	Approval of the draft report on the results of the inspection and appraisal of the audited financial statements for the first 6 months of 2023.
05	08/10/2024	3/3	Report on the implementation of tasks in the third quarter of 2024, and the implementation of the work in the fourth quarter of 2024 of the Supervisory Board
06	10/12/2024	3/3	Report on the implementation of tasks in the fourth quarter and the expected production and business activities in 2024; Implementation of tasks in the first quarter of 2025.

d. Evaluation of the Activities of the Supervisory Board:

The Supervisory Board organizes regular meetings to discuss and approve matters within its authority. All meetings of the Supervisory Board are conducted in accordance with procedures, with discussions and voting being carried out openly and in line with the functions, duties, and authority of the Supervisory Board under the Law on Enterprises, the Securities Law, and the Company's Charter.

Regarding the coordination between the Supervisory Board and the Board of Directors and CEO: The coordination between the Supervisory Board and the members of the Board of Directors and the company's management team has been relatively good. The Supervisory Board has been provided with adequate and timely information on the company's management and operations, which has helped the Supervisory Board fulfill its duties.

Regarding information disclosure, the periodic management reports are implemented rigorously, in accordance with legal regulations, ensuring that all operational information is disclosed transparently and publicly.

3. Transactions, remuneration, and benefits of the Board of Directors, CEO, and Supervisory Board

a. Salaries, bonuses, remuneration, and benefits:

Salaries and remuneration of the Board of Directors

No	Full name	Position	Average salary (VND/person/month)	Remuneration (VND/person/month)
1.	Duong Quoc Tuan	President of Board of Directors (specialized in charge)	35.898.132	
2.	Ta Ky Hung	Member of Board of Directors		5.400.000
3.	Tran Thi Phuong Thao	Member of Board of Directors		5.400.000
4.	Ngo Van Duc	Member of Board of Directors		5.400.000
5.	Le Van Thinh	Member of Board of Directors		5.400.000

Salaries and remunerations of the Supervisory Board

3. Audited Financial Statements

See full details, please visit our website: www.hawater.com.vn

Recipients:

- State Securities Commission (Web posting);
- Hanoi Stock Exchange (Web posting);
- General Statistics Office;
- Board of Directors;
- Executive Board;
- Finance and Accounting Department (Save document)
- Save: Human Resources Department

LEGAL REPRESENTATIVE
DIRECTOR OF COMPANY



(signed)

Ta Ky Hung