

Thanh Hoa, day 16 month 6 year 2025

**REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024  
AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2025**

To: The General Meeting of Shareholders of Thanh Hoa Water Supply Joint Stock Company

Pursuant to the provisions of law, the Charter on organization and operation of Thanh Hoa Water Supply Joint Stock Company (Company's Charter) and the Resolution of the Annual General Meeting of Shareholders dated June 04, 2024. The Board of Directors of Thanh Hoa Water Supply Joint Stock Company reports to the General Meeting of Shareholders on the performance results of the Board of Directors in 2024, and the expected work program of the Board of Directors in 2025, as follows:

**PART ONE**

**ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024**

**I. SITUATION CHARACTERISTICS**

**1. Advantages:**

- The Company always receives close attention and direction from the Provincial Party Committee, People's Council, Provincial People's Committee, Departments, Branches and local authorities in the Province.

- High solidarity and consensus in will and action, along with flexibility and science in the governance and administration of the Board of Directors; the efforts of party members and employees throughout the Company.

- Experience in 94 years of construction and development of the Company.

- Essential needs of customers for clean water products.

- Water supply capacity is increasingly improved through annual maintenance, repair, renovation and upgrading.

**2. Difficulties:**

- In 2024, due to political and military instability; escalating wars in many regions around the world; causing commodity prices to escalate and disrupting the global supply chain. Especially due to climate change, floods, droughts, saltwater intrusion... with increasing frequency and severity, causing consequences for the production process. - The development and expansion of transport infrastructure and urban embellishment in the Province greatly affect the quality of the pipeline network system, causing significant losses and affecting the work of ensuring safe water supply.

- The old pipeline network has not been renovated in a timely and synchronous manner due to limited funding;

- The awareness and habits of new customer groups (especially in rural areas) in using clean water and non-cash payments are not high, increasing the number of customers without generated volume, while the rate of non-cash payments is still low.

**3. Structure and members of the Board of Directors:**





The Board of Directors for the 2020 - 2025 term was elected by the General Meeting of Shareholders including 05 members, including 01 full-time Chairman, 01 Vice Chairman and 03 concurrent members. Specifically as follows:

1. Mr: Nguyen Huy Nam – Chairman of the Board of Directors – Full-time
2. Mr: Nguyen Hung Phuong – Vice Chairman of the Board of Directors
3. Mr: Nguyen Ngoc Can – Member of the Board of Directors cum General Director
4. Mr: Le Sy Len – Member of the Board of Directors cum Deputy General Director
5. Mr: Le Van Qui – Member of the Board of Directors cum Head of Human Resources Department

By March 2024, due to changes in personnel and major shareholders; Therefore, the Board of Directors was consolidated and re-elected at the Annual General Meeting of Shareholders on June 04, 2024. Up to now, the Board of Directors includes:

1. Mr: Le The Son – Chairman of the Board of Directors – Full-time
2. Mr: Pham Van Tu – Vice Chairman of the Board of Directors
3. Mr: Nguyen Ngoc Can – Member of the Board of Directors cum General Director
4. Mr: Le Sy Len – Member of the Board of Directors cum Deputy General Director
5. Mr: Le Van Qui – Member of the Board of Directors cum Head of Human Resources Department

#### **4. Salaries, remuneration, bonuses and other benefits of members of the Board of Directors**

Salaries, remuneration, bonuses and other benefits of members of the Board of Directors are paid by the Company in accordance with the Resolution of the Annual General Meeting of Shareholders in 2024 (Resolution No. 23/NQ-ĐHCD, dated June 04, 2024) based on the provisions of law, the Company's Charter, accordingly: Full-time members of the Board of Directors enjoy according to the planned salary fund of the Company's full-time managers, implemented in accordance with the provisions of Decree No. 53/2016/ND-CP dated June 13, 2016 of the Government stipulating labor, salaries, remuneration and bonuses for companies with shares and controlling contributed capital of the State; non-specialized members receive concurrent remuneration, at a rate of 3 million VND/person/month.

## **II. PERFORMANCE RESULTS OF THE BOARD OF DIRECTORS IN 2024:**

### **1. Summary of Board Meetings and Resolutions**

- In 2024, the Board of Directors held 11 meetings to gather direct opinions and online/electronic opinions to decide and perform functions and tasks within its authority. All members of the Board of Directors attended the meetings fully and provided clear opinions with a high sense of responsibility for each issue raised for discussion and consultation.

- During the year, the Board of Directors issued 08 resolutions and 69 decisions, focusing on the following groups of issues:

+ Deciding to approve and issue internal regulations that have been amended and supplemented in accordance with the model, actual situation, and current legal regulations.

+ Deciding to approve additional investment capital for the project to renovate the technology line and increase the capacity of the Mat Son Water Plant from 50,000 m3/day to 70,000 m3/day;



+ Deciding to approve the plan: Finance; production and business; investment and development; labor use;

- All members of the Board of Directors develop personal work programs and plans and implement them well, improving efficiency in performing tasks.

The activities of the Board of Directors comply with the provisions of law, the company's charter, and internal regulations, and successfully complete the goals and tasks for the year.

**2. Transactions between the Company and members of the Board of Directors and persons related to members of the Board of Directors; transactions between the company and companies in which members of the Board of Directors are founding members or business managers in the 03 years prior to the transaction:**

During the year, there were no transactions between the company and members of the Board of Directors and persons related to members of the Board of Directors; transactions between the company and companies in which members of the Board of Directors are founding members or business managers in the 03 years prior to the transaction.

### **3. Results of supervision of the General Director and other executives**

- The Board of Directors regularly supervises closely and provides timely solutions for the General Management to operate effectively in implementing the strategies, plans, resolutions, and decisions of the Board of Directors and in managing the Company's production and business activities.

- Regularly inspect and control the compliance with the provisions of law and the Company's internal governance regulations in the management of the General Management.

- Every month, the Chairman of the Board of Directors attends meetings with the General Management and functional departments of the Company to hear reports on business operations and provide direct guidance at the meetings; orienting goals and solutions appropriate to the actual situation, helping to improve the efficiency of management and administration.

- The Resolutions, Decisions approving, and key tasks assigned by the Board of Directors to the General Management for implementation are all urged, inspected, and supervised by the Board of Directors.

- The corporate governance - operation relationship between the Board of Directors and the General Director of the Company is always closely coordinated and implemented in accordance with the provisions of the Charter and internal management regulations of the Company. In the process of operation, the General Director always reports and proposes to the Board of Directors on outstanding issues to request policies in the spirit of ensuring unity in management and operation; effectively coordinating with the Board of Directors and the Supervisory Board; complying with the provisions of law, the Charter, and internal regulations of the Company.

In 2024, the General Director and executive members of the Company organized the effective implementation of the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors, complying with the reporting regime and providing complete and timely information in accordance with the law.

### **4. Results of implementing the Resolution of the General Meeting of Shareholders in 2024:**



Although there are still objective and subjective difficulties, the Company's production and business activities in 2024 continue to be stable and achieve positive results; the targets for output, revenue, profit, state budget contribution, and average income of employees increased compared to 2023 and the Resolution of the Annual General Meeting of Shareholders in 2024; the material and spiritual life of employees is constantly improved; the reputation and brand of the Company are increasingly consolidated.

The production and business results in 2024 are reflected in some basic indicators as follows:

No.	Indicator	Resolution 2024	Actual 2024	So NQ
1	Commercial water (m3)	41.584.500	42.301.528	101,72%
2	Total Revenue and Income (million VND)	442.000	468.686	106,04%
	Water Revenue	428.022	438.166	102,37%
3	Loss Rate (%)	16,8	16,5	-0,3%
4	Customer Development (households)	8.567	11.970	139,72%
5	Payable to State Budget (million VND)	42.000	53.538	127,47%
6	Profit Before Tax (million VND)	42.500	69.500	163,53%
7	Avg. Income (million VND/person/month)	10.450	12.900	114,83%
8	Dividend (%)	7,21	13,18	188,07%

In addition to the above results, to continue implementing strategic goals, the Company prioritizes all resources to develop water supply systems in the areas under its management, selectively implementing upgrade and renovation projects to reduce water loss and expand the water supply area to serve customers.

To ensure high efficiency in water production and reduce water loss, the Company continues to implement the installation and operation of total meter systems, zoning and network separation, and control of water loss to plan investment in repairing and renovating pipelines and areas with high loss rates due to degraded water supply systems. Accelerate the digital transformation process, enhance technology application to meet the requirements of business administration and water supply network management.

The results of implementing the Board of Directors' resolution in 2024 have contributed to the excellent completion of the targets and tasks set out in the 2020-2025 term, specifically:

No.	Indicators	Term 2015-2019	Term 2020-2024	Compared to Previous Term %
1	Commercial Water (million m3)	132.834	188.107	141,6



2	Total Revenue and Income (million VND)	1.464.786	2.092.415	142,8
	Water Revenue (million VND)	1.212.891	1.946.784	160,5
3	Loss Rate (%)	26,83	17,71	-9,12
4	Total Number of Customers (households)	181.226	240.877	132,92
5	Payable to State Budget (million VND)	119.017	246.171	206,84
6	Profit Before Tax (million VND)	90.199	284.731	315,67
7	Avg. Income (million VND/person/month)	8.627	10.960	127,04
8	Dividend (%)	3,39	9,89	+6,5

### 5. Dividend payment in 2023:

The Company paid dividends for 2023 in accordance with the Resolution of the 2024 Annual General Meeting of Shareholders, ensuring compliance with regulations.

## PART II

### BOARD OF DIRECTORS' WORK PROGRAM FOR 2025

#### 1. Some key targets for 2025:

Based on the 2024 business results and the Company's strategic development orientation, the Board of Directors has set the following goals and tasks for 2025:

#### *Main targets:*

- Commercial Water: 43.663.000 m3
- Total Revenue: 462,07 billion VND
- + Water Revenue: 450,054 billion VND
- + Construction, Consulting + Other Revenue: 12.016 billion VND
- Loss Rate: 15,0%
- Percentage of 0m3 Customers: 7,7%
- Non-Cash Water Payment: 52,0%
- Customer Development: 8.605 households
- Budget Contribution: 50,0 billion VND
- Profit: 61,0 billion VND
- Average income: 12.000.000 VND/person/month
- Dividend payout: 11,56%/par value of shares.

#### 2. Key tasks:

- Continue to do well in political and ideological education for officials, party members, and employees to raise their sense of responsibility in performing tasks.
- Continue to do well in protecting and managing water resources, ensuring absolute safety of water supply, and meeting the water needs of customers well.
- Resolutely direct and implement water loss reduction; periodically, monthly and quarterly, evaluate the water loss reduction work to have effective measures, implement



synchronously and effectively for the following months, striving to reduce the rate of water loss to  $\leq 15\%$ .

- Focus resources on implementing key projects such as: upgrading Mat Son WTP to 70.000m<sup>3</sup>/day; upgrading Yen Dinh WTP; outgoing line items from Mat Son WTP; reaction mixing tank and Lamen settling tank at LK13 Bim Son station; Thanh Hoa-Sam Son pipeline No. 3...etc; meeting water supply capacity in all areas.

- Continue to promote propaganda in non-cash payments and customers without arising volume.

- Take advantage of the support of local authorities at all levels, continue to invest selectively in customer development, bringing efficiency in development investment.

- Promote digitalization, strengthen the application of technology in business administration and water supply network management.

- Continue to tighten discipline and labor discipline, further strengthen inspection and supervision, promptly prevent violations, and strictly handle cases of violations in complying with the Company's regulations and rules.

### **3. Objectives for the environment, society and community:**

- Continue to perform effectively in production and business activities, and strictly comply with regulations on management and protection of urban underground works in the construction of water supply systems.

- Build the image of Thanh Hoa Water Supply Joint Stock Company as the water supply enterprise with the best service in the region; customer-oriented, ensuring satisfaction of the people's and organizations' and businesses' needs for clean water, and implementing social security policies well in the Company's management area.

### **4. Organization of implementation.**

The Board of Directors assigns the Executive Board to base on the provisions of law, Charter, Regulations, and Rules of the Company; deploy and organize the effective implementation of the set goals.

The above is the report of the Company's Board of Directors, submitted to the Annual General Meeting of Shareholders in 2025 for consideration and approval./.

**TM. BOARD OF DIRECTORS**

**CHAIRMAN**



**Le The Son**





Thanh Hoa, day 16 month 6 year 2025

**SUMMARY REPORT**  
**IMPLEMENTATION OF THE 2024 PRODUCTION AND BUSINESS PLAN**  
**ORIENTATION OF THE PRODUCTION AND BUSINESS PLAN**  
**YEAR 2025**

2024 marks the 5th year of implementing the Resolution of the 12th Congress, the 2020-2025 term of the Party Committee of Thanh Hoa Water Supply Joint Stock Company. The Company's production and business activities face many difficulties and challenges due to political and military instability; escalating wars in many regions around the world; causing commodity prices to escalate and disrupting the global supply chain. Especially due to climate change, floods, droughts, saltwater intrusion... with increasing frequency and severity, causing consequences for the production process. However, with the right direction, the drastic leadership and direction of the Chairman of the Board of Directors, the Executive Board, along with the consensus, determination, and efforts of the collective of officials, party members & employees; The concern, support and coordination of authorities at all levels, especially the recognition and appreciation of customers. Over the past year, our Company has overcome all difficulties and exceeded the targets of production and business tasks. On behalf of the Executive Board, I would like to report the results of production and business activities in 2024 and the direction, goals and tasks of the 2025 plan as follows:

**I. SITUATION CHARACTERISTICS**

As of now, the total number of management staff and employees in the Company is 873, including: 370 women (accounting for 42,4%);

The Board of Directors consists of 05 members; the Board of General Directors consists of 05 members; the Supervisory Board consists of 03 members; 08 professional departments and 18 affiliated units;

***Charter capital: VND 329.954.110.000, of which:***

- + ) State ownership: 63,62% of charter capital.
- + ) Other shareholders hold 36,38% of charter capital.

***Main functions and tasks: Production and trading of clean water and other industries in accordance with the law.***

**1. Advantages:**

- The Company always receives the attention and direction of the Provincial Party Committee, the Provincial People's Committee, the Party Committee of the provincial business agencies, departments, and local authorities in the province.



- Creativity, flexibility, and decisiveness in the leadership, direction, management, and administration of the Party Committee, the Board of Directors, and the Board of General Directors.

- The solidarity and unity of the leadership team and the striving efforts of all officials, party members, and employees throughout the Company.

- Strong support from customers throughout the province;

- The organizational structure continues to be completed. The system of internal management regulations and rules is continuously researched, amended, and supplemented in a timely manner to suit the reality and meet practical requirements in production and business activities;

- Water supply capacity is increasingly improved through annual maintenance, repair, renovation, and upgrading;

## 2. Difficulties:

- Unusual weather, raw water sources are frequently contaminated with salt, with increasing frequency. In particular, unstable power supply due to incidents, voltage drops, and rotational power cuts., many times production has to be stopped, significantly affecting production, water supply, and increasing production costs;

- Prices of equipment, supplies, and raw materials are constantly fluctuating, especially the prices of construction materials for construction works such as: sand, stone, concrete, plastic...etc., are higher than the state's price announcements and supply is very scarce;

- The development and expansion of transport infrastructure and urban embellishment in the province greatly affect the quality of the pipeline network system, causing significant losses and affecting the safety of water supply.

- The awareness and habits of new customer groups (especially in rural areas) in using clean water and non-cash payments are not high; increasing the number of non-bulk customers, and the rate of non-cash payments in many areas is still low;

- Land clearance and application for construction permits in the renovation and repair of the pipeline system are very difficult and slow;

- Water prices have not been adjusted for more than 6 years, while electricity and salaries have increased many times.

## II. TASK PERFORMANCE RESULTS IN 2024:

### 1. Key indicators achieved:

No.	Indicator	Unit	2024 Performance	Compared to 2024 Plan	Compared to Same Period
1	Commercial Water	m <sup>3</sup>	42.301.528	101,7%	105,67%
2	Total Revenue	Mil. VND	468.686	106,04%	108,54%
	Water Bill	Mil. VND	438.166	102,37%	105,71%



	Construction + Consulting + Others	Mil. VND	28.043	200,0%	161,82%
3	Loss Rate	%	16.50	-0,30%	-0,40%
4	Customer Development	Household	11.970	139,72%	105,41%
5	0m3 Customers	%	9,0	+1,0%	-0,24%
6	Non-Cash Payment Customers	%	42,53	2,53%	14,33%
7	State Budget Payment	Mil. VND	53.538	127,47%	97,34%
8	Profit	Mil. VND	69.500	163,52%	114,7%
9	Average Income	1000 VND/T	12.900	123,45%	112,44%

## 2. Management and Administration:

- Leadership and direction have continued to be promoted with innovation. The Board of Directors always upholds the spirit of responsibility, promotes democracy, proposes effective policies and solutions in leadership and directing production, and synchronously implements solutions; creating high internal consensus within the Company. Strictly manage and minimize production costs, bringing efficiency to the State, Shareholders, and improving the lives of employees.

- Closely coordinate with Party committees, the Board of Directors, the Supervisory Board, and mass organizations to properly implement the company's charter and legal regulations; improve the effectiveness and efficiency of administration, preserve and develop capital sources, and ensure profits for the State and Shareholders.

### 2.1. Regarding water supply production activities:

In unfavorable conditions regarding raw water sources, electricity sources; water prices have not been adjusted for many years...etc. However, with the timely and drastic direction of the Party Committee, the Board of Directors, the Management Board, and the close coordination between departments and units; water supply production is ensured safely in all situations, meeting the water needs of customers well; Absolutely comply with the production process, ensuring water quality according to QCVN 01-1:2018/BYT; Service quality is increasingly improved on all criteria, receiving very positive feedback from customers;

### 2.2. Financial Management:

- The company's financial situation is always stable, ensuring capital for production and business activities; investment capital for basic construction is managed closely and effectively. Revenue and expenditure are transparent, economical, and in accordance with regulations; fully fulfilling tax obligations to the state;

- Financial resources are used economically and effectively; maximizing idle capital sources, interest earned from idle capital reached 1.35 billion VND. Auditing and



financial settlement reports are carried out promptly, ensuring compliance with regulations.

### ***2.3. Planning and Materials Management:***

- Based on the orientations regarding the goals and tasks of the Board of Directors. The Management Board has directed the Planning and Materials Department, related departments and units to review, evaluate and forecast the situation to develop appropriate production and business plans, closely adhering to the reality of each target and task of the units.

- Directing departments to regularly coordinate, monitor, urge, and promptly report on all activities in production as a basis for the Management Board to have appropriate solutions in organizing and implementing tasks. Therefore, in 2024, the Company has completed and exceeded the planned targets.

### ***2.4. Organization, Personnel, and Labor Usage:***

- Personnel and human resource management are always reviewed, evaluated, and continued to be consolidated. In 2024, with the active advice of the Human Resources Department, the Company continued to implement the arrangement, transfer, rotation, and reappointment of 07 key officials, 08 unit-level officials; in accordance with their capabilities, promoting their strengths, and improving the effectiveness and efficiency in leading and directing the implementation of production and business tasks.

- Continuing to train, coach, and foster professional knowledge, occupational safety, fire prevention and fighting - rescue, internal rules and regulations... for officials, employees & laborers, specifically in 2024, the Company has organized training for 06 classes, with over 400 employees; Increasing salaries and grades for 177 employees, ensuring benefits for employees in accordance with state regulations.

### ***2.5. Office Administration:***

- Administrative work, workplace refurbishment, environmental sanitation and care, etc., are always ensured to be green, clean, and beautiful; service and conference work are carried out promptly, solemnly, and thoughtfully; security and order in the agency and units are strictly implemented; ensuring safety for people and property of the Company. In 2024, the Company was recognized by the Provincial People's Committee as a unit meeting the standard of "Safety in security and order" according to Decision No. 5085/QĐ-UBND, dated December 23, 2024.

### ***2.6. Technical management work:***

- Water quality is always strictly and closely monitored, according to regulations and standards; ensuring compliance with the standards of the Ministry of Health. The analysis and testing of water samples are carried out by the chemical department in close coordination with functional agencies. In the year, 2,098 water samples were tested, including: 1,941 internal control samples; 157 external control samples. The test results of finished water quality along with the external control results of the Provincial Center for Disease Control at 11 factories all meet the standards of the Ministry of Health. The Institute of Occupational Health also highly appreciated after inspecting and taking samples at 6 factories during the year.

- The machinery and equipment system at factories and units are regularly inspected and maintained, the life of the equipment is extended, the water supply capacity is improved, ensuring safety in water supply production activities.



- The operating and water supply regulation regime is closely and flexibly coordinated by the units. Flow and pressure are guaranteed, meeting the water demand of customers well;

### ***2.7. Investment and construction work:***

In order to improve water supply production capacity to serve customers and reduce the rate of water loss and revenue loss according to the roadmap of the Government and the Provincial People's Committee. The Company has focused on prioritizing investment in upgrading a number of key projects such as: Increasing the capacity of Mat Son, Ngoc Lac, and Bim Son Water Plants; repairing, renovating, replacing, and expanding the water supply network in some areas, serving the development and expansion of the market, especially in rural, remote, and isolated areas, in the spirit of Resolution No. 58, dated August 5, 2020 of the Politburo; meeting the water demand for customers. In 2024, the Company has developed 11,970 new customer households.

### ***2.8. Water loss prevention work:***

Although the work of combating water loss still faces many difficulties, due to the old pipeline system, installed over many periods; along with the impact of pipeline relocation, rural traffic expansion, and lack of coordination from contractors in site clearance..vv. However, with the drastic direction of the Board of Directors, the Executive Board; the active coordination between departments and units; along with many measures in combating water loss such as: Prioritizing resources for repairing and renovating the network system; promulgating regulations on managing water loss and revenue loss; enjoying salary according to the rate of loss; equipping equipment to support leak detection for units; monitoring 750 total meters to control the rate of loss; installing 55 more online pressure monitoring locations, promptly regulating to ensure water supply capacity;

### ***2.9. Customer care service:***

- In order to improve service quality according to the set goal of "4 increases and 2 decreases", customer care continues to be concerned and implemented well. Information reception is carried out 24/24h at the switchboard and all units; promptly advising and resolving all questions from customers. In 2024, the customer service switchboard received 10,964 information (Down 13% over the same period). All information is consulted, guided, and handled promptly, creating comfort, trust, and satisfaction from customers.

- The work of fostering and training communication skills to improve customer service quality is regularly carried out; in 2024, the Company organized training for more than 200 employees.

- Continue to promote propaganda and mobilize customers in non-cash payments, customers do not generate volume;

- Inspection and supervision activities are strengthened, thereby contributing to limiting violations of the Company's internal regulations and rules; discipline is maintained.

### ***2.10. Information technology:***

- In 2024, with the determination of the Board of Directors and the Management Board, the digitization work has made a strong breakthrough, specifically: Pilot application of electronic office software (eoffice), QR Code application on water bill receipts; completed and operated well the customer management software application



(CityWork), Asset Management software (eKMap Solution), non-cash payment, conversion of Vietsun accounting software...; in addition, the Company has installed 55 more pressure sensor points, replacing some mechanical meters with electromagnetic ones to strengthen management in operation and water supply regulation. At the same time, continue to deploy a number of application software to promote the goal of digitization in business administration.

- Non-cash payment is implemented synchronously and effectively, ensuring the implementation roadmap of the Government and the Provincial People's Committee. By December 31, 2024, the percentage of customers making non-cash payments will reach approximately 42.0% and over 63% of the total payment value.

### ***2.11. Safety - Occupational hygiene:***

The management and protection of water sources are strictly implemented. Occupational safety and hygiene are maintained regularly, the areas of water reservoirs are built with solid fences and strictly protected, with lighting systems, surveillance cameras and 24/24h direct protection. Machinery and equipment systems are maintained, maintained, and industrial hygiene is carried out regularly. Employees are fully equipped with equipment, tools to support fire prevention and fighting & rescue and labor protection equipment when working. During the year, the Company did not allow any labor safety incidents to occur. In 2024, the Steering Committee for Fire Prevention and Fighting, Rescue and Chemical Incident Prevention and Response coordinated with PC07 Department, Thanh Hoa Provincial Police to provide professional training in fire prevention and fighting and rescue for 141 employees; Organized a training class on skills in installing water and operating pumps, operating Chlorine for 150 employees.

Security and order at the units in the company's managed area are maintained and stable. The lives of employees are improved, and the rights and interests of employees are guaranteed.

### ***2.12. Regimes, rights of employees and social security policies:***

- The regimes and rights of employees are always guaranteed. The salary policy for employees is paid promptly, correctly and fully; The average income of employees reached 12.900.000 VND/person/month, equal to 112,44% compared to the same period.

- 100% of employees are fully paid for social insurance, health insurance, unemployment insurance, and accident insurance and are given annual health check-ups;

In addition to the good implementation of policies on salaries, bonuses, social insurance, health insurance, and unemployment insurance as prescribed, in 2024 the Company also maintains additional support for welfare regimes on major holidays with an average level of more than 7.000.000 VND/person/year. Regimes on meal allowances and provision of labor protection uniforms are fully implemented. Support and encourage employees with difficult circumstances, organize vacations for all employees in Sam Son, key officials visit and learn from experience at some partner units...etc. Sports and cultural activities are actively carried out; The material and spiritual life of officials and employees is increasingly improved, creating more motivation, enthusiasm and confidence of officials and employees in the leadership and direction of the Management Board, contributing to the successful implementation of the Company's production and business plan.

With the tradition of drinking water, remember the source, the Company always



pays attention to gratitude and charity activities. CBDV&NLD enthusiastically participate in contributing to building funds for gratitude, study promotion funds, trade union shelter funds, supporting the poor, disaster prevention funds, supporting flood victims, eliminating temporary houses...etc, with a total amount of more than 1.56 billion VND.

### ***2.13. National defense and security work:***

Regularly propagate, disseminate and thoroughly grasp the Party's guidelines, viewpoints and State policies on national defense and security to all officials, party members and employees; strengthen patrols and inspections to prevent any loss of security and order in the area, ensuring absolute safety for people and property of the Company.

In 2024, the Company coordinated with the Military Headquarters of Thanh Hoa city to foster national defense knowledge for 06 comrades (belonging to object 3); 28 comrades participated in self-defense training; 06 participated in military service recruitment.

### ***2.14. Implementation of grassroots democracy regulations:***

Implementing the Regulation on Democracy according to Decree 145/2020/ND-CP. The Executive Board has coordinated with the Party Committee and the grassroots Trade Union to organize the Employee Conference well from the beginning of the year; regularly organize direct dialogues with employees, and organize summary conferences every 6 months on production and business tasks, Party work, and Union activities so that employees are informed, discuss, and contribute opinions at forums on production activities and benefit regimes for employees.

Directing the review, supplementation, and amendment of internal rules and regulations in accordance with reality and legal regulations; fully developing norms and plans in production and business, and income distribution plans; while widely consulting with units. Fully and transparently disclosing information to employees. All questions are resolved promptly and satisfactorily, creating trust for employees to feel secure in their work.

The inspection and supervision of the democracy regulation at the grassroots level are regularly carried out. The Company periodically organizes comprehensive inspections at all units twice a year. The inspection results show that the arrangement of labor at the units is relatively reasonable, suitable for the expertise of each job position. Income distribution is accurate, sufficient, and timely; financial revenue and expenditure are transparent and objective, and the income of employees is guaranteed. Therefore, there were no complaints during the year.

### ***3. Emulation and reward work:***

With the achievements in production and business activities in 2024, the Company's Emulation and Reward Council has recognized and commended outstanding collectives and individuals in production emulation movements, making positive contributions to the results of completing the Company's excellent production and business tasks.

### ***4. Existing issues, limitations, and causes:***

#### ***4.1. Limitations:***

- *The leadership and direction of the head are not really drastic; the inspection and supervision of production activities are not regular;*
- *The rate of loss of revenue for the whole Company has decreased, but in some units it is still high compared to the plan;*



- The proportion of customers with no volume generated (0 m3) is still high compared to the set target;
- The proportion of customers paying non-cash at some units has not yet reached the planned target;
- Some investment, repair, and renovation projects have not ensured the set progress;
- A part of officials, employees, and workers still lack a sense of responsibility and have violated the Company's internal rules and regulations.

#### *4.2. Causes:*

- The upgrading of traffic, urban embellishment, and relocation of water meters have greatly affected the quality of the pipeline network system, causing unsafe water supply and increasing the rate of loss;
- The awareness and habits of new customers in using clean water and non-cash payments are not high...etc.;
- The sense of personal responsibility of the unit head in leading, directing, managing, and operating, and the sense of discipline of a small part of officials, employees, and workers are still limited.

#### **5. General assessment:**

2024 is a year with many difficulties and challenges due to climate change, floods, droughts, and saltwater intrusion with increasing frequency; military conflicts and wars in many regions around the world have caused commodity prices to escalate, disrupting the global supply chain, causing consequences for the Company's production and business process. However, with high determination and flexible innovation in the management of the Party Committee, the Board of Directors, and the Board of Directors; along with the solidarity, consensus, and efforts of the collective of officials, Party members & employees, the concern, support, and coordination of the authorities at all levels. Especially the trust of customers in the past year, our Company has overcome all difficulties, exceeding the production and business targets set by the General Meeting of Shareholders. Most of the departments and units in the Company have completed well the planned targets such as: Commercial water production, water revenue, water loss rate, customer development, non-cash payment, periodic meter replacement, state budget payment, profit, income of employees...etc.; have been recognized and highly appreciated by the Company's Board of Directors and Emulation and Reward Council.

### **III. ORIENTATION, TASKS AND SOLUTIONS FOR 2025:**

The year 2025 is expected to continue to be a challenging year due to geopolitical competition between major countries; the security and political situation, and armed conflicts in many regions of the world continue to have unpredictable developments. Basic salary and electricity prices continue to increase, while water prices have not been adjusted for more than 6 years...etc.; greatly affecting the Company's production and business activities. After evaluation, the Board of Directors and the Executive Board unanimously determined the specific goals, tasks, and solutions for 2025 as follows:

#### **1. Objectives:**

Based on the results of production and business in 2024, the strategic direction for the Company's development in 2025 and the following years.



- Continue to persistently implement the "Four Increases" and "Two Decreases" goals, which are: Increase the volume of commercial water, increase the average water price, increase the rate of customer development, increase service quality, and reduce the rate of water loss, reduce 0m3 customers.

- Improve efficiency in production and business, ensuring sustainable development for key indicators; allocate adequate resources to gradually upgrade the factory, synchronize the monitoring system, and improve water supply capacity. Strive to exceed the production and business plan for 2025; Reduce the rate of water loss to 15,0%; reduce the rate of 0m3 customers to  $\leq 7,7\%$ ; Maintain an average growth rate of 3,0-3,5% in output, revenue, and profit; maintain the average income of employees; continue to promote digitalization in the management of the water supply network system; enhance service quality;

**Key indicators:**

- Commercial water: 43.663.000 m3

- Total revenue: 462,07 billion VND

*Water revenue: 450,054 billion VND*

*Construction, installation, and consulting: 12,016 billion VND*

- Loss rate: 15,0%

- 0m3 customer rate: 7,7%

- Non-cash water payment: 52,0%

- Customer development: 8.605 households

- Budget contribution: 50,0 billion VND

- Profit: 61,0 billion VND

- Average income: 12.000.000 VND/person/month

**2. Key tasks and main solutions:**

2.1. Continue to do well in political and ideological education for officials, party members, and employees to raise awareness of responsibility in performing tasks;

2.2. Continue to do well in protecting and managing water resources, ensuring absolute safety of water supply, and meeting the water needs of customers; especially during the Lunar New Year, summer, holidays...;

2.3. Resolutely direct and implement the work of combating water loss; periodically evaluate the work of combating water loss monthly and quarterly to have synchronous and effective implementation measures for the following months; strive to reduce the rate of water loss to 15.0%;

2.4. Focus resources on implementing key projects such as: upgrading Mat Son WTP to 70.000m3/day; upgrading Yen Dinh WTP; output items from Mat Son WTP; Lamien reaction and sedimentation tank at LK13 Bim Son station; Thanh Hoa-Sam Son Route No. 3...etc.; meeting water supply capacity in all areas;

2.5. Promote propaganda in non-cash payments and customers with no volume generated, and apply legal regulations to temporarily suspend water supply to customers who do not use water to reduce the rate of 0m3 customers;



2.6. Take advantage of the support of local authorities at all levels, continue to invest selectively in customer development, expand the consumption market, and bring efficiency in development investment;

2.7. Promote digitalization, increase the application of technology in business administration and water supply network system management;

2.8. Maintain and promote the great solidarity in the collective leadership, officials, party members & employees throughout the Company. Further strengthen leadership, direction, and administration; promptly handle and remove difficulties in production and business activities;

2.9. Implement a good role model regime, especially for heads of units, thereby raising employees' awareness of responsibility for complying with the company's internal regulations, rules, and legal regulations in performing assigned tasks;

2.10. Continue to tighten discipline and labor discipline, strengthen inspection and supervision, promptly detect and strictly handle violations in complying with the Company's internal regulations and rules.

2.11. Do a good job of preliminary and final reviews, evaluations, and drawing experiences. Promptly commend and reward collectives and individuals with outstanding achievements in the production emulation movement; replicate advanced models throughout the Company;

2.12. Continue to promote the activities of mass organizations, through emulation movements, promote initiatives to improve techniques. Continue to effectively implement the democracy regulations to promote collective intelligence and strength, and successfully complete the 2025 production and business tasks that have been set forth./.

***Recipient:***

- Shareholders (for reporting);
- BOD, General Director;
- Archives.



**GENERAL DIRECTOR**

*Nguyễn Ngọc Cần*





Thanh Hoa, day 16 month 6 year 2025

**REPORT OF THE SUPERVISORY BOARD  
SUBMITTED TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS  
IN 2025**

To: Shareholders of Thanh Hoa Water Supply Joint Stock Company

*Pursuant to the Law on Enterprises No. 59/2020/QH14, dated June 17, 2020; the Law on Securities No. 54/2019/QH14 and relevant legal regulations;*

*Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding a number of corporate governance regulations applicable to public companies;*

*Pursuant to the Charter and internal regulations and rules of governance of Thanh Hoa Water Supply Joint Stock Company; Resolution of the Annual General Meeting of Shareholders on June 04, 2024;*

*Pursuant to the Operating Regulations of the Supervisory Board;*

*Pursuant to documents and reports of the Company.*

The Supervisory Board reports to the Annual General Meeting of Shareholders on the performance results of the Supervisory Board in 2024, the term 2020-2024 and the expected plan of activities in 2025, as follows:

**A. PERFORMANCE RESULTS OF THE SUPERVISORY BOARD IN 2024  
AND THE TERM 2020-2024**

**I. Performance results of the Supervisory Board for the term 2020-2024**

**1. Supervisory Board Personnel**

The personnel of the Supervisory Board of Thanh Hoa Water Supply Joint Stock Company were elected by the General Meeting of Shareholders on June 29, 2020, including 03 members:

- Ms. Le Thi Ha –Head of the Board
- Mr. Nguyen Cong Khanh –Member
- Ms. Trinh Thi Huyen – Member

Throughout the term, the number and members of the Supervisory Board remained unchanged.

**2. Performance results of the Supervisory Board**

- The Supervisory Board has developed and issued the Operating Regulations for the entire term of 2020-2024, assigning specific tasks to each member of the board.



- Annually, the Supervisory Board develops an operating plan and submits it to the General Meeting of Shareholders for approval. Based on the operating plan approved by the General Meeting of Shareholders and in accordance with the provisions of law, the Company's charter, and the resolutions of the General Meeting of Shareholders, the Supervisory Board has implemented the work contents within its authority.

- Quarterly or extraordinarily, the Supervisory Board organizes meetings to assess the results of inspection, supervision and deployment of tasks for the next quarter.

- The Head of the Supervisory Board attends all monthly meetings chaired by the General Director of the Company, meetings of the Board of Directors and some meetings of the Company to monitor and grasp the management and administration of the Board of Directors, the General Director and the Company's operations.

- In the process of performing its duties, the Supervisory Board does not obstruct the production and business activities of the Company, always complies with the provisions of law, the Company's Charter and the Resolutions of the General Meeting of Shareholders to exercise the assigned rights and obligations to ensure the legitimate interests of the Company. All members of the board have completed their assigned tasks well.

### **3. Salaries, remuneration and other benefits of the Supervisory Board**

Salaries, remuneration and benefits of the Supervisory Board are paid by the Company in accordance with the Resolution of the Annual General Meeting of Shareholders each year. Specifically: The Head of the Supervisory Board receives a salary according to the salary fund plan for full-time management staff of the Company (according to the provisions of Decree 53/2016/ND-CP stipulating the management, labor, salary, remuneration and bonuses for companies with controlling shares of the State); 02 concurrent members receive a remuneration of 2,000,000 VND/person/month.

## **II. Supervision results of the Board of Directors, General Director and executive members of the Company**

### **1. For the Board of Directors:**

The Board of Directors of Thanh Hoa Water Supply Joint Stock Company was elected by the General Meeting of Shareholders on June 29, 2020, including 05 members. Immediately after the congress, the Board of Directors elected the positions of Chairman, Vice Chairman of the Board of Directors and 02 members to participate in the management of the Company.

In the first 6 months of 2024, due to changes in key personnel in the Board of Directors (the Chairman of the Board of Directors transferred to another job, the Vice Chairman of the Board of Directors transferred shares), the Board of Directors promptly convened to unanimously dismiss the positions of Chairman of the Board of Directors, Vice Chairman of the Board of Directors and elected in charge of the Board of Directors (Resolution dated April 24, 2024); requested opinions on consolidating personnel, and was supplemented by the Annual General Meeting of Shareholders on June 4, 2024. After being consolidated, the Board of Directors met to elect the positions of Chairman and Vice Chairman of the Board of Directors; assigned tasks to each member; ensuring the structure



between members participating in the management and members not participating in the management of the Company in accordance with the provisions of law.

The members of the Board of Directors develop programs, personal work plans and organize good implementation according to the work plans that have been developed, ensuring information transparency, improving corporate governance efficiency; regularly supervise the General Director and other executive members in managing the Company's daily business operations; promptly lead, direct decisively, ensuring compliance with the Company's operations in accordance with the provisions of law; Charter, regulations of the Company and Resolutions of the General Meeting of Shareholders.

During the year, the Board of Directors held 04 direct meetings and 07 times of collecting opinions; issued 77 Resolutions/decisions/submissions/reports to request opinions, lead, direct, and manage the Company's operations according to its authority; directed, reviewed, amended, and built timely internal regulations and regulations of the Company in compliance with current legal regulations and the actual situation in the Company's operations.

The members of the Board of Directors attend meetings fully and have clear and responsible opinions on the issues raised for discussion, deliberation and opinion gathering. Resolutions and decisions of the Board of Directors are passed with 100% of members in favor; meetings of the Board of Directors are minuted and stored in accordance with regulations.

## **2. For the General Director and other executive members of the Company**

The General Director and executive members of the Company always strive, make efforts and use many solutions and determination to organize and complete the targets and tasks assigned by the General Meeting of Shareholders and the Board of Directors; regularly inspect and grasp the areas and units assigned to be in charge.

In the process of operation, the General Director always reports and proposes to the Board of Directors on outstanding issues to request policies in the spirit of ensuring unity in management and operation; performs well the coordination with the Board of Directors and the Supervisory Board; ensures compliance with laws, charters and internal regulations and regulations of the Company.

**III. Transactions between the Company and members of the Board of Directors, General Directors, other managers of the enterprise and persons related to those members; transactions between the company and companies in which members of the Board of Directors, General Directors, other managers of the enterprise are business managers in the 03 years prior to the time of the transaction:** There are no transactions between the Company and members of the Board of Directors, General Directors, other managers of the enterprise and related persons.

## **IV. Coordination of activities between the Supervisory Board, Board of Directors, General Director and Shareholders**

The Board of Directors, General Director and management staff of the Company always create conditions for the Supervisory Board to access records and documents and



respect the right to inspect the rationality and legality of the Supervisory Board. Resolutions, Decisions, Minutes of meetings of the Board of Directors; Reports of the General Director and Company documents issued are sent fully and promptly to the Supervisory Board as for members of the Board of Directors. In 2024, the Supervisory Board did not receive any requests or recommendations from shareholders or groups of shareholders, Company employees requesting inspection of issues related to the management and operation of the Company.

## **V. Results of monitoring the Company's operations and finances**

### **1. Regarding production and business activities in 2024**

In 2024, the Company's production and business activities faced many difficulties due to factors such as increased input material costs; the mixed, long-standing water supply network system has an increasing risk of loss; the number of customers in rural areas using water is low, below cost; long-standing debts in construction activities are still many and slow to recover; etc. However, with the advantages in the specific business line, along with the right policies and decisions in leadership, direction and management, the Company's business operations continue to be stable and develop, completing and exceeding the targets and tasks assigned by the General Meeting of Shareholders; specifically:

#### **1.1. In water supply production and business activities:**

- Commercial water output reached 42,301,528m<sup>3</sup>, equaling 101.72% of the resolution; a 5.7% increase compared to 2023;
- Water revenue reached 438,166 million VND, equaling 102.37% of the resolution; a 5.7% increase compared to 2023;
- Water loss rate was 16.5%, a 0.3% reduction from the resolution; a 0.4% decrease compared to 2023;
- Developed 11,970 new customers, equaling 139.72% of the resolution; a 5.4% increase compared to 2023;
- The percentage of 0m<sup>3</sup> customers decreased by 0.24% compared to the same period, but is still high compared to the set target of below 8%.
- The main water supply pipelines have been basically completed and put into use, contributing to expanding customer development, improving water supply capacity, and increasing revenue during the year.

1.2. Consulting, construction, and other services: Includes customer development, consulting, construction, and environmental fee collection activities. Revenue reached 17,918 million VND, equaling 128% of the resolution; a 36.5% increase compared to 2023;

1.3. Financial activities: Includes interest income from bank deposits and short-term financial investments. Revenue reached 1,304 million VND.

1.4. Other income: Revenue of 11,297 million VND, mainly from compensation for site clearance for the water supply system.

**\* Some targets achieved during the 2020-2024 term:**



Indicator	2020	2021	2022	2023	2024
- Commercial water output (million m3)	33,1	35,2	37,4	40,0	42,3
- Loss rate (%)	19,82	17,75	17,5	16,9	16,5
- Total revenue and income (billion VND)	375.836	396.274	419.809	431.809	468.686
- Profit before tax	50.059	51.061	53.499	60.609	69.500
- Profit after tax	39.855	40.849	42.723	47.569	62.147
- Dividend rate (%)	8,45	8,66	9,06	10,09	13,18
- Average income per employee (million VND/person/month)	9,95	10,45	10,84	11,64	12,9

## **2. Regarding monitoring the Company's financial situation**

### **2.1. Situation of capital preservation and development:**

#### **a) Regarding owner's equity:**

- Owner's equity at the beginning of the period (01/01/2024) is 405,505 million VND;

- Owner's equity at the end of the period (31/12/2024) is 427,218 million VND

- The capital preservation coefficient is 1.05

#### **b) Regarding total assets:**

- Assets at the beginning of the period (01/01/2024) are 692,283 million VND

- Assets at the end of the period (31/12/2024) are 692,614 million VND

- The fixed asset self-financing ratio is 0.76 (VCSH/TSCĐ)

c) Profit after tax is 62,147 million VND, an increase of 30.6% compared to 2023 (of which, a 50% reduction in corporate income tax for clean water business activities resulted in an additional profit increase of 6.980 billion VND).

#### **d) Efficiency of capital use:**

- Return on Equity (ROE) is 14.9% (13.4% in 2023).

- Return on Assets (ROA) is 9% (6.8% in 2023).

### **2.2. Management and use of capital and assets at the enterprise**

a) Regarding investment in procurement and basic construction forming assets: In 2024, the Company invested in procurement and basic construction according to the plan approved by the Board of Directors. The value recorded in the accounting books as of 31/12/2024 is as follows:

- Value of basic construction carried over from the previous year: 6,967 million VND;

- Value implemented in 2024: 70,969 million VND;

- Value of assets increased: 58,302 million VND.



- Value carried over to the following year: 19,634 million VND.

Investment projects for procurement and construction are mainly carried out using depreciation funds. The authority to decide and the order and procedures for implementation are in accordance with the provisions of law, the Charter, and the resolutions of the Company's General Meeting of Shareholders. Most construction investment projects are completed, handed over, and put into use, meeting the set goals and requirements, contributing to expanding the sales market, increasing revenue, reducing the rate of water loss, and improving the efficiency of production and business activities compared to the previous year.

- In 2024, the Company received the East-West Highway Water Supply Project handed over by the Provincial People's Committee with a value of VND 1.586 billion; the company increased its assets in Q4/2024.

b) Investment activities outside the enterprise (capital contribution, share purchase, bond purchase, bond purchase): None.

c) Mobilization and use of mobilized capital, bond issuance:

- Regarding the mobilization and use of mobilized capital:

- + During the year, the Company did not incur any capital mobilization.

- + The cumulative amount of loans as of December 31, 2024, is VND 144,718 million (the remaining amount of loans from banks for major projects of the Company from previous years).

- Bond issuance: None.

d) Asset management, debt management, debt repayment ability, and debt-to-equity ratio

- Management of cash and financial investments: The Company opens full books, manages records and monitors in accordance with regulations; at the end of the financial year, balances are reconciled and funds are inventoried. As of December 31, 2024, cash and short-term financial investments are VND 45,366 million.

- Management of receivables: The Company opens full general and detailed accounting books to manage and monitor each object; at the end of the year, debts are reconciled and confirmed. As of December 31, 2024, short-term receivables are VND 27,537 million. To preserve owner's equity, the Company makes provisions for overdue debts, valued at VND 22,888 million.

- Inventory management: The Company accounts for inventory according to the perpetual inventory method; calculates the value of inventory according to the weighted average method; opens monitoring books, and conducts inventory at the end of the financial year in accordance with regulations. As of December 31, 2024, the inventory value is VND 22,051 million (mainly raw materials and water meters). The Company makes a provision for inventory price reduction of VND 2,416 million.

- Fixed asset management: The Company opens full books for management, use, and depreciation according to Circular No. 45/2013/TT-BTC dated April 25, 2013, of the Ministry of Finance. Depreciation is calculated using the straight-line method applied



consistently to all assets throughout the financial year. At the end of the financial year, assets are inventoried in accordance with regulations. As of December 31, 2024, the remaining value of fixed assets is VND 559,065 million, equal to 37.4% of the original price.

- Management of payables, debt-to-equity ratio, solvency: The Company opens full books to manage and monitor each debt object; at the end of the financial year, debts are reconciled and confirmed in accordance with regulations.

+ Total payables at the end of the period are VND 265,396 million, down 7.5% compared to the beginning of the period, of which:

Short-term debt is VND 140,096 million, accounting for 52.8%;

Long-term debt is VND 125,299 million, accounting for 47.2%

+ The debt-to-equity ratio is 0.62

+ The general debt repayment ability is: 2.6 (total assets/payables). This indicator is greater than 2, showing that the company's solvency is very good.

+ The current payment ability is 0.69 ((current assets/short-term debt)

+ The quick payment ability is 0.55 ((current assets - inventory)/short-term debt)

+ The Company has no overdue debts.

e) Management of revenue, income; expenses and profits: The Company opens full general and detailed books to monitor and manage revenue, expenses, and profits in accordance with accounting standards and the Company's financial regulations; accounting for revenue is consistent with incurred expenses.

h) Fund management: The Company opens full accounting books to monitor, manage, allocate, and use funds in accordance with regulations and resolutions of the General Meeting of Shareholders.

- Investment and development fund: The beginning balance (01/01/2024) is VND 27,981 million, the amount arising during the year from after-tax profit in 2023 is VND 7,135 million; the ending balance (31/12/2024) is VND 35,117 million. From 2016 to now, the Company has not used the investment and development fund.

- Reward and welfare fund: The Company allocates and uses the reward and welfare fund in accordance with regulations; does not use the employee reward fund to reward the Board of Directors, the Executive Board, or the Head of the Supervisory Board of the Company.

As of January 1, 2024, the balance of the reward and welfare fund is VND 8,715 million; the amount arising during the year from profit after tax in 2024 is VND 7,135 million; the amount spent on initiatives, rewards, and welfare for employees during the year is VND 9,882 million; the remaining amount as of December 31, 2024, is VND 5,968 million.

*i). Management of labor, wages, and deductions based on wages:*



*The Company manages labor, wages, remuneration, and bonuses in accordance with the provisions of the Law and the Company's internal regulations, linking the payment of wages and bonuses to work performance, in accordance with the Company's regulations. The wage deductions do not exceed the regulations on wages at each time and the provisions of Decree No. 53/2016/ND-CP dated June 13, 2016, on labor, wages, remuneration, and bonuses for companies with shares and controlling capital contributions of the State. The Company fully and correctly performs the deduction and payment of social insurance, health insurance, unemployment insurance, and trade union fees as prescribed.*

**\* Some financial indicators and business results in 2024:**

**Unit: VND**

<b>Indicator</b>	<b>Code</b>	<b>Beginning of Year (01/01/2024)</b>	<b>End of Year (31/12/2024)</b>
<b>I. Short-term Assets</b>	<b>100-BCĐKT</b>	<b>117.637.048.882</b>	<b>96.516.546.779</b>
1. Cash and cash equivalents	110-BCĐKT	67.904.368.603	45.366.481.134
2. Short-term financial investments	120-BCĐKT	1.772.344.587	0
3. Short-term receivables	130-BCĐKT	24.804.277.946	27.537.099.565
Including: Provision for doubtful debts	137-BCĐKT	(27.191.746.474)	(22.888.031.935)
4. Inventories	140-BCĐKT	22.600.339.324	19.634.617.582
5. Other short-term assets	150-BCĐKT	555.718.422	3.978.348.498
<b>II. Long-term Assets</b>	<b>200-BCĐKT</b>	<b>574.646.360.522</b>	<b>596.097.837.043</b>
1. Long-term receivables	210-BCĐKT	0	0
2. Fixed assets	220-BCĐKT	554.738.661.943	559.065.563.047
- Tangible fixed assets	221-BCĐKT	554.701.795.261	558.682.296.365
- Intangible fixed assets	227-BCĐKT	36.866.682	383.266.682



3. Investment properties	230- BCĐKT	0	0
4. Long-term work in progress	240- BCĐKT	6.967.476.024	19.634.749.851
5. Long-term financial investments	250- BCĐKT	0	0
6. Other long-term assets	260- BCĐKT	12.940.222.555	17.397.524.145
<b>III. Liabilities</b>	<b>300- BCĐKT</b>	<b>286.778.498.314</b>	<b>265.396.043.581</b>
1. Short-term liabilities	310- BCĐKT	139.641.939.792	140.096.143.059
Including: Overdue debts		0	0
2. Long-term liabilities	330- BCĐKT	147.136.558.522	125.299.900.522
<b>IV. Owners' Equity</b>	<b>400- BCĐKT</b>	<b>405.504.911.090</b>	<b>427.218.340.241</b>
1. Owners' capital	410- BCĐKT	405.504.911.090	427.318.340.241
Including: Investment capital of the owner	411- BCĐKT	329.954.110.000	329.954.110.000
2. Development investment fund	418- BCĐKT	27.981.894.030	35.117.230.089
3. Profit after tax before PP	421- BCĐKT	47,568,907,060	62,147,000,152
<b>V. Business results</b>		<b>Year 2023</b>	<b>Year 2024</b>
1. Total revenue and income		431,808,604,033	468,685,678,303
- Net revenue from sales and service provision	10- BCKQK D	428,501,285,107	456,084,144,257
- Revenue from financial activities	21- BCKQK D	2,976,678,926	1,304,215,763
- Other income	31- BCKQK D	330,640,000	11,297,318,283
2. Total expenses		371,199,236,562	399,185,496,812



3. Profit before tax	50-BCKQKD	60,609,367,471	69,500,181,491
4. Profit after corporate income tax	60-BCKQKD	47,568,907,060	62,147,000,152
<b>VI. Other indicators</b>			
1. Total amount payable to the state budget (taxes, fees, state dividends)		74,024,293,691	81,214,755,880
Including: Taxes		54,997,708,549	53,537,210,833
2. Profit before tax/Avg. equity		0.15	0.17
3. Total liabilities/Equity		0.70	0.62
4. Total employee salary fund		127,108,800,000	140,868,000
5. Average number of employees (people)		910	910
6. Average employee salary/month		11,640,000	12,900,000

#### **VI. Compliance with policies, laws and Resolutions of the Annual General Meeting of Shareholders**

1. On compliance with policies, laws and obligations to the State: The Company complies with the provisions of law on labor, environment, society; management of capital, finance, taxes and state budget revenues; fulfills responsibilities to the community and people with rights related to the Company in accordance with the law. Paying taxes, fees and dividends to the State fully, on time, without arrears.

2. Implementation of dividends distributed in 2023: The Company implemented the distribution and payment of dividends in accordance with the Resolution of the Annual General Meeting of Shareholders on June 4, 2024, accordingly: Dividends paid to state shareholders are 21,184 million VND and paid to individual shareholders are 12,114 million VND. The Company has made full payment on time in July 2024.

3. On payment of salaries and remuneration of management staff: The Company implements in accordance with the Resolution of the General Meeting of Shareholders in 2024.

**4. Auditing unit for the 2024 financial statements: International Auditing Company Limited, the unit selected by the Annual General Meeting of Shareholders in 2024.**

#### **VII. Proposals and recommendations**

1. Speed up the implementation of large projects to promptly meet the water needs of customers in the area, further improving investment efficiency.



2. Continue to have more effective solutions to reduce the number of customers using 0m3 of water; reduce the rate of water loss and waste.

3. Quickly implement the digital transformation process, strengthen the application of technology in network management and business administration.

### **B. 2025 OPERATING PLAN**

1. Continue to supervise the Board of Directors, General Director in the management and operation of the Company; check the rationality and legality in the management and administration of production and business activities;

2. Inspect and supervise the implementation of the production and business plan; investment and development plan and repair and renovation in 2025;

3. Evaluate quarterly, 6-month, and annual financial statements; documents and reports evaluating the Company's management work;

4. Supervise the compliance with the Resolution of the Annual General Meeting of Shareholders in 2025 and the provisions of current laws;

5. Inspect and supervise a number of other tasks in accordance with the Company's Charter and the provisions of law.

**Recipient:**

- Shareholders (for reporting);
- BOD, CEO;
- Archive: Company, Supervisory Board./.

**ON BEHALF OF THE SUPERVISORY BOARD**

**HEAD OF BOARD**

