

HUE WATER SUPPLY JOINT STOCK COMPANY
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HueWACO

2024 ANNUAL REPORT

**“FOR COMMUNITY HEALTH
AND SUSTAINABLE DEVELOPMENT”**

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A. GENERAL INFORMATION

1. Overall information

- Trading name: **HUE WATER SUPPLY JOINT STOCK COMPANY**
(Abbreviation: HueWACO; English name: Hue Water Supply Joint Stock Company)
- Business registration certificate number: 3300101491.
- Charter capital: 876,000,000,000 VND.
- Address: 103 Bui Thi Xuan street, Phuong Duc ward, Thuan Hoa district, Hue city.
- Phone number: +84.234.3815555.
- Fax number: +84.234.3826580
- Email: info@huewaco.com.vn
- Website: www.huewaco.com.vn
- Hue Water Supply Joint Stock Company was listed on UPCOM on July 27, 2018.
- Stock code: HWS (UPCOM)
- Listed stock volume: 87,600,000 shares.

2. Establishment and development history

- In 1909, Hue Water Plant was established, formerly known as Thua Thien Hue Water Supply Joint Stock Company. With a designed capacity of 2,500m³/day; and a total length of about 15km of distribution pipeline from D50 to D400.

- In late 1925 and early 1926, Hue Water Plant was upgraded and expanded, installing an additional 20km of cast iron pipes from D50 to D300, increasing the total length of the distribution pipeline to 54km and increasing the water supply capacity to 3,700 m³/day.

- The period from 1946 to 1975 saw limited development of Hue Water Plant, with production even halting at times due to the aftermath of the war. In 1956, Da Vien Water Treatment Plant was completed and put into operation, providing water to the city with a designed capacity of 9,600 m³/day.

- After 1975, Van Nien Water Treatment Plant, Da Vien pumping station and Quang Te water treatment area were restored and renovated. An additional 58 km of pipelines were constructed, providing clean water to Thuy Duong Fiber Factory, Song Huong Refrigeration Factory, and others. As a result, the total production capacity increased from 9,600 m³/day in 1976 to 30,000 m³/day in 1990.

- From 1993 to 2003, with funding from the French FRF loan (ODA) and counterpart capital, the Company expanded the Hue water supply system. This included the construction

of a new water treatment plant with a capacity of 27,500 m³/day (phase I at Quang Te II), Van Nien II pumping station with a capacity of 120,000 m³/day, and the installation of an additional 170 km of French-made ductile iron pipes. Da Vien Plant was renovated and upgraded to a capacity of 12,000 m³/day, while Quang Te I Plant's capacity was increased from 20,000 to 30,000 m³/day.

- In 2004, the Company successfully implemented the project to upgrade Tu Ha Plant from 4,000 to 12,000m³/day.

- In December 2005, Thua Thien Hue Water Supply and Drainage Company was transformed into Thua Thien Hue Construction and Water Supply State-Owned One-Member Limited Company.

- In June 2005, the Company launched the first phase of Hoa Binh Chuong water supply system project, providing water to the three communes of Phong Hoa, Phong Binh and Phong Chuong.

- In 2009, marking its 100th anniversary, the Company completed the project to increase the capacity of Quang Te II Water Plant from 27,500m³/day to 82,500m³/day. At the same time, it was awarded the Second-Class Independence Medal, announced safe water supply across the entire province, and was recognized by the World Health Organization as the first company in Vietnam to announce safe water supply.

- In 2012, the Company built and put into operation Loc An and Loc Tri Plants, using advanced and modern technology to supply water to Phu Loc Town and 5 neighboring communes.

- In 2014, marking its 105th anniversary, 5 years of announcing safe water supply, and 10 years since the establishment of Bach Ma Bottled Water Enterprise, the Company announced ISO 14001 certification and signed a sub-loan agreement of 35.16 million USD with ADB and the Ministry of Finance. At the same time, it inaugurated Phong Thu Plant, which became the first safe and delicious water supply plant of the Company.

- On December 19, 2016, the General Shareholders' Meeting established Thua Thien Hue Water Supply Joint Stock Company. On January 1, 2017, it officially began operating under the joint-stock company model.

- On December 21, 2017, the Company was granted the Securities Registration Certificate No. 232/2017/GCNCP-VSD by the Vietnam Securities Depository Center (VSD), with a total of 87,600,000 registered shares.

- In 2018, the Company officially listed 87.6 million shares of HueWACO for trading on the Upcom market at the Hanoi Stock Exchange, with the stock code HWS.

- In 2019, marking its 110th anniversary, the Company inaugurated the Hue City Water

Supply Project 2011-2015, with a vision to 2020 as part of the Vietnam Water Sector Development Program funded by an ADB loan. The project included the installation of 722 km of pipelines ranging from DN50 to DN1200; expanding water supply to 31 wards and communes, including 8 new communes. It increased water pressure across the entire network to 2.0-2.5 kg/cm², benefiting over 260,000 connections with nearly 1 million people (82% of the province's population).

- In 2020-2021, the Company implemented the Van Nien Water Treatment Plant project with a capacity of 120,000 m³/day (phase 1: 60,000 m³/day) and the Thuong Long Water Treatment Plant project with a capacity of 2,000 m³/day, supplying water to 5 communes in the mountainous area of Nam Dong district.

- On December 24, 2021, the Company held the 2021 Extraordinary General Shareholders' Meeting, during which it approved the resignation of Board member Mr. Truong Cong Nam who retired as of December 1, 2021. The meeting also elected Mr. Le Quang Minh as a new member of the Board of Directors. Furthermore, the Board of Directors appointed Mr. Le Quang Minh as the Chairman of the Board and authorized him as the legal representative of HueWACO in accordance with the Company's Charter.

- In 2022, the Company successfully held the 2022 Annual General Shareholders' Meeting and implemented the development strategy for the 2022-2026 period; On August 30, 2022, the Company inaugurated the Thuong Long Water Treatment Plant with a capacity of 2,000m³/day, located in Thuong Long commune, Nam Dong district.

- In 2023, the Company successfully held the 2023 Annual General Shareholders' Meeting and approved the HueWACO Overall Development Strategy to 2030, with a vision to 2045. On September 18, 2023, the Company officially commenced commercial operation of the Van Nien Water Treatment Plant Project with a capacity of 120,000 m³/day (phase 1: 60,000 m³/day).

- In 2024, the Company successfully held the 2024 Annual General Shareholders' Meeting. It also inaugurated and officially put into operation the Van Nien Water Treatment Plant with a capacity of 120,000 m³/day (Phase 1: 60,000 m³/day), to ensure the water supply capacity meets demand. HueWACO successfully carried out its business operationis in 2024, achieving and surpassing all targets set for the year, compared to both the planned goals and the same period in 2023.

3. Business lines and location

3.1. Business lines

No	INDUSTRY NAME	INDUSTRY CODE
1	Water exploitation, treatment and supply. <i>Details: Production and trading of clean water.</i>	3600 (main)

No	INDUSTRY NAME	INDUSTRY CODE
2	Production of non-alcoholic beverages, mineral water. <i>Details:</i> - Production of bottled purified drinking water; - Production of alkaline ionized drinking water; - Production of Ganoderma drink.	1104
3	Wholesale of beverages. <i>Details:</i> - Bottled purified water business; - Alkaline ionized water business; - Lingzhi beverage business.	4633
4	Manufacture of other fabricated metal products not elsewhere classified. <i>Details: Manufacturing machinery, materials and equipment for the water industry.</i>	2599
5	Wholesale of other machinery, equipment and spare parts. <i>Details:</i> - Trading in mechanical processing products, machinery, materials and equipment for the water industry; - Carry out business cooperation, act as distributor, representative, and agent for materials, equipment, and technology products related to the Company's production and business activities .	4659
6	Other professional, scientific and technical activities not elsewhere classified. <i>Details: Establish investment projects for urban and rural water supply and drainage works.</i>	7490
7	Architectural activities and related technical consultancy. <i>Details:</i> - Design of urban and rural water supply and drainage works. - Consulting on civil, industrial and technical infrastructure projects. - Design of civil, industrial and technical infrastructure works. - Consulting on technology transfer to reduce water without revenue. - Consulting on water treatment technology transfer. - Consulting on transferring IT applications in the field of water supply.	7110
8	Management consulting activities. <i>Details:</i> - Consulting on urban and rural water supply and drainage projects. - Consulting, safe water supply transfer.	7020
9	Production of building materials from clay. <i>Details: Production of construction materials.</i>	2392

No	INDUSTRY NAME	INDUSTRY CODE
10	Wholesale of other construction materials and installation equipment. <i>Details: construction materials business.</i>	4663
11	Renting of machinery, equipment and other tangible goods. <i>Details: Rental of machinery, equipment and vehicles for construction of water supply and drainage works.</i>	7730
12	Information technology services and other services related to computers. <i>Details: building information technology in the field of water supply and drainage.</i>	6209
13	Other production not elsewhere classified. <i>Details: Manufacturing water treatment technology.</i>	3290
14	Technical testing and analysis. <i>Details:</i> - Check the quality and reliability of the cold water meter. - Water quality testing service.	7120
15	Growing vegetables, beans, flowers and ornamental plants <i>Details:</i> - Growing all kinds of vegetables - Growing beans of all kinds - Growing flowers and ornamental plants	0118
16	Growing fruit trees <i>Details:</i> - Growing other fruit trees - Growing oranges, tangerines and other citrus fruits	0121
17	Construction of other civil engineering works. <i>Details:</i> - Construction of urban and rural water supply and drainage works. - Construction of civil, industrial and technical infrastructure works.	4299
18	Other remaining business support service activities not elsewhere classified <i>Details: Import and export of materials, machinery and equipment specialized in water supply and drainage.</i>	8299
19	Labor supply and management <i>Details: Subleasing skilled workers with high technical expertise in the field of water supply of the Company.</i>	7830
20	Basic chemical production <i>Details: Production of Javen for water disinfection</i>	2011
21	Installation of water supply and drainage systems, heating and air conditioning systems	4322

No	INDUSTRY NAME	INDUSTRY CODE
	<i>Details: Construction and installation of fire prevention and fighting systems (Installation, repair, maintenance, operation and management of fire hydrants to serve fire fighting work when a fire or explosion occurs)</i>	

3.2. Business location

The company is currently mainly managing the water supply system, supplying and trading clean water for consumption, production and business needs in the entire Hue city area.

4. Information on governance model, business organization and management apparatus

4.1. Governance model and management structure diagram

- Management model: Hue Water Supply Joint Stock Company is organized and operated under the Joint-Stock Company model, in compliance with the Charter of organization and operation of Hue Water Supply Joint Stock Company. Accordingly, the organizational and management structure include:

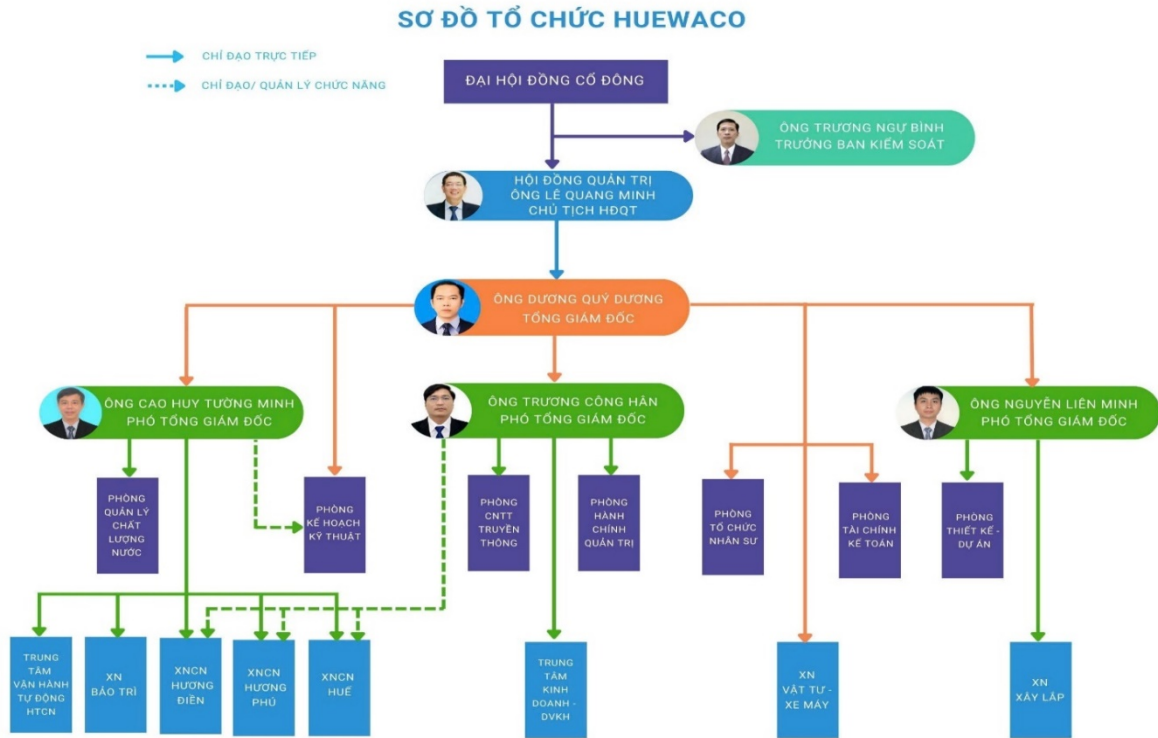
- + General Shareholders's Meeting;
- + Board of Directors;
- + Supervisory Board;
- + Board of Executives; Executive board.

+ 7 departments and specialized units; including: Administrative - Management Department, Finance - Accounting Department, Planning - Technical Department, Organization - Human Resources Department, Design - Project Department, Information Technology - Communication Department and Water Quality Management Department.

+ 8 Branches (Enterprises, Centers), including: Hue Water Supply Enterprise, Huong Dien Water Supply Enterprise, Huong Phu Water Supply Enterprise, Construction Enterprise, Maintenance Enterprise, Materials - Vehicles Enterprise, Automatic Water Supply System Operation Center and Business - Customer Service Center.

- + Subsidiaries and affiliated companies: None.

- Organizational and management structure of the Company:



- **General Shareholders' Meeting (GSM):** The highest authority in the Company, responsible for making decisions on all important matters in accordance with Law on Enterprise and the Company's Charter. The General Shareholders' Meeting approves long-term investment policies for the development of the Company, determines the capital structure, and elects the management and operational bodies of the Company.

- **Board of Directors (BOD):** The Company's management body, elected by the General Shareholders' Meeting. The BOD has full authority to decide on all matters related to the Company's objectives and interests, except those within the decision-making scope of the General Shareholders' Meeting. The current BOD consists of 05 members, including 1 Chairman and 4 members. The BOD has the following main responsibilities:

- + The Company's business operations and activities must be managed or directed by the Board of Directors. The Board of Directors has full authority to exercise all rights on behalf of the Company except for those rights assigned to the General Shareholders' Meeting;

- + The BOD supervises the activities of the Board of Executives and other managers involved in the day-to-day business operations of the Company;

- + Each member is assigned to supervise specific area of the Board of Executives' activities and the Company's management structure;

- + The rights and responsibilities of the Board of Directors are defined by law, the Company's Charter, internal regulations and decisions made by the General Shareholders' Meeting.

- **Supervisory Board:** The Supervisory Board is elected by the General Shareholders' Meeting. It consists of 03 members, with a term of office not exceeding 5 years, and members can be re-elected for an unlimited number of terms. The Supervisory Board has rights and obligations as specified in Article 170 of the Law on Enterprises and the Company's Charter, and the decisions made by the General Shareholders' Meeting.

- **Board of Executives/Executive board:** The Board of Executives of the Company consists of the General Director and Deputy General Directors, all of whom are appointed by the Board of Directors. Currently, the Company has 1 General Director, 3 Deputy General Directors and Chief Accountant, and all members work full-time for the Company.

The main responsibilities of the General Director and Deputy General Directors are:

- + Implementing the Resolutions of the GSM and the BOD.
- + Presenting the annual business plan to the BOD for approval and execute the approved annual business plan of the GSM and BOD.
- + Making decisions on the appointment, dismissal, removal, reward, discipline, employment contracts, salary levels and other benefits for employees within the Company, except for positions under the authority of the Board of Directors, Chairman of the Board of Directors, or the legal representative as specified.

- **Departments and specialized units:** The departments and operational units are responsible for advising and assisting the Chairman of the Board of Directors, Board of Directors and the Board of Executives. The heads of these departments are appointed by the Chairman of the Board of Directors/General Director based on the delegation approved by the BOD. Specialists and staff members in these departments carry out tasks assigned by their respective department heads.

5. Development orientation

5.1. Key objectives

- **Breakthrough in Organizational Structure and Personnel:** Human resources are the golden key to success with a focus on maximizing collective ownership and empowerment.
- **Breakthrough in Management and Operations:** Achieve effective management of operations, risk management and regularly review, amend and update regulations, procedures, technical-economic standards, and modern technological solutions with continuous innovation.
- **Breakthrough in Infrastructure, Plants and Equipment:** Continuously modernize facilities, plants and equipment with operations based on digital technology platforms.

5.2. Implementation of 5 key strategic solutions

- **Restructure and Plan Human Resources:** Strengthen human resource planning and focus on training and development.

- **Enhance Water Quality and Ensure Safe Water Supply:** Focus on water security, build a Water Operations Center and a Customer Service Center on a digital platform to deliver flawless services.

- **Achieve Breakthrough Revenue Growth:** Leverage existing strengths to boost revenue, reduce costs, and operate more efficiently.

- **Execute Investment Projects as Planned:** Ensure the highest possible efficiency in all investment projects.

- **Balance Stakeholder Interests:** Harmonize the interests of shareholders, employees, and the community to ensure sustainable development.

6. Possible Risks

6.1. Environmental risks

Climate change, extreme weather, and unusually prolonged heatwaves have led to a decline in water quality and increased saltwater intrusion. Heavy rainfall lasting for several months, deep cold, and frequent storms and floods are becoming more common. Meanwhile, infrastructure remains inadequate, with many plants that have been invested in over the years now becoming outdated, with insufficient capacity and small storage tanks. This makes it difficult to maintain water security, creating a high risk of potential failures.

Additionally, water sources are increasingly polluted due to untreated waste and sewage from residential areas, livestock farms, and industrial plants discharging directly into rivers.

6.2. Specific risks

Revenue Loss and Water Leakage Risk: The clean water supply system through the company's underground pipeline network carries a significant risk of water leakage. This issue is caused by aging pipes that are worn out or broken, the use of inappropriate pipe materials, water misuse, or the overlap of infrastructure investments such as roads, telecommunications, and other utilities, which increase the risk of pipeline failures. Water leakage is often hard to detect, and repair work is typically challenging and costly due to the underground system being located beneath residential buildings and public infrastructure, leading to financial losses for the company.

In addition, the water supply service area is vast, covering urban, rural, coastal, and mountainous regions. This makes it difficult to manage the system effectively and reduce non-revenue water rates. Additionally, maintaining and repairing the system requires significant investment in capital.

Most rural water supply projects are in serious disrepair. To ensure synchronized and effective operation, substantial investment is needed to upgrade and renovate these facilities to ensure safe water supply.

Climate change poses a risk of depleting water sources, affecting the stability and quality of raw water reserves. Electricity costs particularly make up a significant portion of production costs, and with rising electricity prices, the cost of operations is increasing.

6.3. Other possible risks

In addition to the risks that could continuously affect the Company's operations, there are also unforeseen risks such as natural disasters, fires, epidemics, and workplace accidents. While these events are rare, if they occur, they could result in significant damage to assets, harm to personnel and have a major impact on the Company's production and business activities.

B. PERFORMANCE IN 2024

1. Business Operations in 2024

In 2024 , the Company has made continuous efforts to overcome many difficulties and challenges in order to achieve the targets set in the Resolution of the 2024 GSM.

No.	Target	Unit	Actual 2024	Compared to 2023 implementation		Compared to 2024 plan	
				Actual 2024	Actual2024/ Actual2023	Plan 2024	Actual2024/ Plan2024
1	Commercial water production	Bil.m3	63.16	60.98	3.57%	62.44	1.15%
2	Total revenue + other income	billion dong	690.09	668.54	3.22%	673.03	2.53%
2.1	Clean water revenue	billion dong	619.32	597.97	3.57%	619.14	0.03%
2.2	Other revenue	billion dong	70.77	70.56	0.29%	53.89	31.31%
3	Profit before tax	billion dong	155.02	153.12	1.24%	156.42	-0.90%
4	Profit after tax	billion dong	134.99	132.13	2.16%	138.00	-2.18%
5	Total assets	billion dong	1,992.63	2,031.94	-1.93%	2,042.74	-2.45%
6	Charter capital	billion dong	876.00	876.00	0.00%	876.00	0.00%
7	Submit budget	billion dong	157.69	158.35	-0.42%	151.74	3.92%

2. Organization and personnel

2.1. List of Executive Board

- Introduction of the Board of Directors

No.	Full Name	Position	Number of shares owned (Common stock)	Ownership ratio (%)
1	Mr. Le Quang Minh	Chairman of the Board	<i>Representative ownership: 31,278,300 shares (People's Committee of Thua Thien Hue province)</i>	35.71%
2	Mr. Duong Quy Duong	Board Member; General Director	<i>Personal ownership: 45,200 shares</i>	0.05%
			<i>Representative ownership: 15,332,500 shares</i>	17.50%

No.	Full Name	Position	Number of shares owned (Common stock)	Ownership ratio (%)
			<i>(People's Committee of Thua Thien Hue province)</i>	
3	Mr. Truong Cong Han	Board Member, Deputy General Director	<i>Personal ownership: 69,300 shares</i>	<i>0.08%</i>
			<i>Representative ownership: 8,586,200 shares (People's Committee of Thua Thien Hue province)</i>	<i>9.80%</i>
4	Mr. Vuong Dinh Nam	Board Member; Chief Accountant	<i>Representative ownership: 6,133,000 shares (People's Committee of Thua Thien Hue province)</i>	<i>7.00%</i>
5	Mr. Nguyen Trong Hieu	Board Member	<i>Representative ownership: 2,500,000 shares (DNP Hawaco Joint Stock Company)</i>	<i>2.85%</i>

- Introduction of the Executive Board

No.	Full name	Position	The start/ termination date of membership	
			Date of Appointment	Date of Dismissal
1	Mr. Duong Quy Duong	General Director	17/06/2022	
2	Mr. Truong Cong Han	Deputy General Director	09/01/2023	
3	Mr. Cao Huy Tuong Minh	Deputy General Director	30/05/2023	
4	Mr. Nguyen Lien Minh	Deputy General Director	30/05/2023	
5	Mr. Vuong Dinh Nam	Chief Accountant	17/06/2022	

- Summary of BOD and Executive Board Members' Profiles

Mr. Le Quang Minh - Chairman of the Board of Directors

Full name	Le Quang Minh
Year of birth	March 1, 1971
Professional qualifications	Master of Economics - Hue University of Economics
Position at the Company	Chairman of the Board of Directors
Positions at other companies	None
Number of shares held	Personal ownership: 0 shares
	Representative ownership: 31,278,300 shares (<i>People's Committee of Thua Thien Hue province</i>)
Work history	<ul style="list-style-type: none"> - From November 1993 - July 2004: Specialist, Inspector level 1, Member of the Party Inspection Committee of the Department of Finance and Prices of Thua Thien Hue, term 2003 - 2005. - From August 2004 to January 14, 2005: Worked at the Corporate Finance Department, Department of Finance. From December 1, 2004, Deputy Chief Inspector of Finance - Prices, Department of Finance. - From January 15, 2005 - 2006: Specialist of General Department, Provincial People's Committee Office; Secretary of Party Cell I, Provincial People's Committee Office. - From 2006-2007: Deputy Head of General Department of Provincial People's Committee Office; Secretary of Party Cell I, Member of the Party Executive Committee of Provincial People's Committee Office. - From 2007 to May 4, 2015: Head of General Department of the Provincial People's Committee Office; Secretary of the Economic General Department Party Cell, Member of the Party Committee of the Provincial People's Committee Office. - From May 5, 2015 to February 28, 2019: Vice Chairman of the Board of Management, Director of the Investment and Development Fund and Credit Guarantee for Small and Medium Enterprises of Thua Thien Hue Province. - From March 1, 2019 - November 30, 2021: Vice Chairman of the Management Board, Director of the Thua Thien Hue Provincial Development Investment Fund; Secretary of the grassroots Party Cell of the Thua Thien Hue Provincial Development Investment Fund. - December 1, 2021 - present: Member of the Party Committee of the State Agencies and Enterprises Bloc (<i>From September 30</i>

	, 2022) ; Secretary of the Company Party Committee, Term 2020 - 2025 (<i>From October 17, 2022</i>) ; Chairman of the Board of Directors of TT.Hue Water Supply Joint Stock Company.
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Mr. Duong Quy Duong – Board Member, General Director

Full name	Duong Quy Duong
Year of birth	October 22, 1978
Professional qualifications	Master of Business Administration - Hue University of Economics; Bachelor of English – Hue University of Foreign Languages
Position at the Company	Member of Board of Directors, General Director of TT.Hue Water Supply Joint Stock Company.
Positions at other companies	None
Number of shares held	Personal ownership: 45,200 shares
	Representative ownership: 15,332,500 shares (<i>People's Committee of Thua Thien Hue province</i>)
Work history	<ul style="list-style-type: none"> - From October 2000 – November 2003: Staff of Organization and Administration Department, Thua Thien Hue Water Supply and Drainage Company. - From December 2003 – December 2007: Deputy Head of Administration and Legal Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From 01/2008 – 02/2011: Deputy Head of Labor and Wage Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From March 2011 - September 2014: Head of Labor and Salary Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From October 2014 - December 2016: Head of Human Resource Development Training Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From January 2017 - June 2020: Member of the Board of Directors, Deputy General Director of TT.Hue Water Supply Joint Stock Company. - From June 2020 - June 17, 2022: Deputy Secretary of the Company's Party Committee, Term 2020 - 2025 (<i>Until March 2022</i>) ; Member of the Board of Directors, Deputy General Director of TT.Hue Water Supply Joint Stock Company.

	- From June 17, 2022 - present: Deputy Secretary of the Company's Party Committee, Term 2020 - 2025 (<i>From June 17, 2022</i>) ; Member of the Board of Directors, General Director of TT.Hue Water Supply Joint Stock Company.
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Mr. Truong Cong Han – Board Member, Deputy General Director

Full name	Truong Cong Han
Year of birth	May 30, 1982
Professional qualifications	Master of Business Administration - Hue University of Economics; Water Supply and Drainage Engineer
Position at the Company	Deputy General Director of the company
Positions at other companies	None
Number of shares held	Personal ownership: 69,300 shares
	Representative ownership: 8,586,200 shares (<i>People's Committee of Thua Thien Hue province</i>)
Work history	<ul style="list-style-type: none"> - From 07/2004 – 05/2007: Staff of Administrative Organization Department and Planning Department of Thua Thien Hue Water Supply and Drainage Company. - From June 2007 – September 2008: Deputy Head of Planning Department, Thua Thien Hue Construction and Water Supply LLC. - From October 2008 – May 2010: Head of Planning Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From June 2010 – November 2014: Deputy Secretary of the Party Committee (term 2010 – 2015); Member of the Executive Committee of the Vietnam Youth Union; Delegate of the Hue City People's Council term 2011 – 2016. - From December 2014 - December 2016: Deputy Director of Hue City Construction and Water Supply One Member Co., Ltd. - From January 2017 - June 2020: Deputy Secretary of the Company's Party Committee (Term 2015 - 2020); Member of the Board of Directors, General Director of TT.Hue Water Supply Joint Stock Company. - From June 2020 - June 17, 2022: Party Secretary of the Company, Term 2020 - 2025; Member of the Board of Directors, General Director of TT.Hue Water Supply Joint

	<p>Stock Company; Delegate of the People's Council of TT. Hue Province, term 2021 - 2026.</p> <ul style="list-style-type: none"> - From June 17, 2022 - present: Deputy Secretary of the Company Party Committee, Term 2020 - 2025 - From June 17, 2023 - August 31, 2023: Vice Chairman of the Board of Directors of TT.Hue Water Supply Joint Stock Company; - From September 1, 2023: Member of the Board of Directors, Deputy General Director of TT.Hue Water Supply Joint Stock Company
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Mr. Cao Huy Tuong Minh - Deputy General Director (*since May 30, 2023*)

Full name	Cao Huy Tuong Minh
Year of birth	October 18, 1970
Professional qualifications	Mechanical engineer
Position at the Company	Deputy General Manager
Positions at other companies	None
Number of shares held	Personal ownership: 0 shares
	Representative ownership: 0 shares
Work history	<ul style="list-style-type: none"> - From 11/1993-05/1994: Business engineer at Truong Tuyen Company Limited - Ho Chi Minh City. - From June 1994 to August 1994: Land surveyor (contract) at the Land Technical Center of Thua Thien Hue province - From September 1994 to June 1995: Maintenance staff, Electromechanical workshop, Thua Thien Hue Province Water Supply and Drainage Company. - From 07/1995-07/2001: Technical staff, Water Supply and Drainage Company of Thua Thien Hue province. - From August 2001 to July 2008: Head of Technical Department, Thua Thien Hue Water Supply One Member Co., Ltd. - From August 2008 to November 2011: Head of Network Management and Water Distribution Department, Thua Thien Hue Water Supply One Member Co., Ltd. - From December 2011 to July 2013: Deputy Head of Thua Thien Hue Water Supply Project Management Board, ADB loan, Thua Thien Hue Water Supply One Member Co., Ltd. - From 08/2013-06/2022: Business at home.

	<ul style="list-style-type: none"> - From July 4, 2022 - May 30, 2023: Technical Assistant to the Chairman of the Board of Directors, Thua Thien Hue Water Supply Joint Stock Company. - From May 30, 2023: Deputy General Director of Thua Thien Hue Water Supply Joint Stock Company.
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Mr. Nguyen Lien Minh - Deputy General Director (*since May 30, 2023*)

Full name	Nguyen Lien Minh
Year of birth	May 19, 1981
Professional qualifications	Master of Water Management in France, Master of Architecture
Position at the Company	Deputy General Manager
Positions at other companies	None
Number of shares held	Personal ownership: 395,900 shares
	Representative ownership: 0 shares
Work history	<ul style="list-style-type: none"> - From 2003 - 2005: Worked at Japan Airport Design Consulting Company in Ho Chi Minh City. - From 2005 - 2009: Worked at Ho Thieu Tri and Associates Architecture Co., Ltd., Ho Chi Minh City - From 2009 - 2012: Worked at Lien Hoa Trading Company Limited - From 03/2012 – 06/2013: Design Department Staff, TT-Hue Construction & Water Supply One Member Co., Ltd. - From 07/2013 – 10/2013: Deputy Project Management Board, TT-Hue Construction and Water Supply One Member Co., Ltd. - From October 2013 - May 2023: Head of Design - Project Department, Thua Thien Hue Water Supply Joint Stock Company. - From May 30, 2023: Deputy General Director of Thua Thien Hue Water Supply Joint Stock Company.

Mr. Vuong Dinh Nam – Board Member, Chief Accountant (*since June 17, 2022*)

Full name	Vuong Dinh Nam
Year of birth	April 24, 1981
Professional qualifications	Master of Economic Management – Hue University of Economics; Bachelor of Accounting – Danang University of Economics and Business Administration

Position at the Company	Member of Board of Directors, Chief Accountant and Head of Finance - Accounting Department of TT.Hue Water Supply Joint Stock Company.
Positions at other companies	None
Number of shares held	Personal ownership: None
	Representative ownership: 6,133,000 shares (<i>People's Committee of Thua Thien Hue province</i>)
Work history	<ul style="list-style-type: none"> - From November 2003 - November 2004: Trainee officer at the Inspectorate of the Department of Finance of Thua Thien Hue. - From November 2004 – November 2007: Inspector of Thua Thien Hue Department of Finance. - From November 2007 – June 2015: Inspector of Thua Thien Hue Department of Finance. - From June 2015 - October 2016: Head of the Control Board of the Development Investment Fund and Credit Guarantee for Small and Medium Enterprises of Thua Thien Hue province. - From October 2016 - February 2019: Chief Accountant of the Development Investment Fund and Credit Guarantee for Small and Medium Enterprises of Thua Thien Hue province. - From March 2019 - June 2022: Chief Accountant of Thua Thien Hue Provincial Development Investment Fund. - From June 2022 - present: Member of the Executive Committee, Member of the Party Committee of the Company, Term 2020 - 2025 (<i>From November 21, 2022</i>) ; Member of the Board of Directors, Chief Accountant and Head of Finance - Accounting Department of Thua Thien Hue Water Supply Joint Stock Company

Mr. Nguyen Trong Hieu - Member of the Board of Directors (since May 30, 2023)

Full name	Nguyen Trong Hieu
Year of birth	12/01/2973
Professional qualifications	Doctor of Business Administration
Position at the Company	Board Member
Positions at other companies	Chairman of the Board of Directors of DNP Hawaco Joint Stock Company. Vice Chairman of the Board of Directors of Hung Yen Clean Water Joint Stock Company.
Number of shares held	Ownership: 0%

	Representative: 2,500,000
Work history	<p>2017 – 16/05/2024: Member of the Board of Directors of Soc Trang Water Supply Joint Stock Company.</p> <p>2019 – present: Chairman of the Board of Directors of DNP Hawaco Joint Stock Company.</p> <p>2021 – present: Vice Chairman of the Board of Directors of Hung Yen Clean Water Joint Stock Company.</p> <p>2020 – present: Member of the Board of Directors of Son La Water Supply Joint Stock Company.</p> <p>2024 – present: Member of the Board of Directors of Bac Giang Clean Water Joint Stock Company.</p>

- Introduction of the Supervisory Board (SB)

No.	Full Name	Position	Number of shares owned (Common stock)	Ownership ratio (%)
1	Mr. Truong Ngu Binh	SB Head	Private ownership: 332,897	0.38%
2	Mrs. Tran Thi Be	SB Member	Private ownership: 90,100	0.10%
3	Ms. Dao Thi Hoang Oanh	SB Member	Representative ownership: 0	0%

- Summary of the SB Members' profiles

No.	Full name	Date of birth	Position	Position held in other organizations	Professional qualifications	Work history
1	Mr. Truong Ngu Binh	October 20, 1973	SB Head	None	Bachelor of Business Administration	<p>- From August 1992 - April 1996: Pipeline Construction Worker, Thua Thien Hue Water Supply and Drainage Company,</p> <p>- From May 1998 – December 2005: Planning Department Officer, Thua Thien Hue Water Supply and Drainage Company.</p> <p>- From 01/2006 – 12/2007: Deputy Head of Construction Management Department, Hue City</p>

No.	Full name	Date of birth	Position	Position held in other organizations	Professional qualifications	Work history
						<p>Construction and Water Supply One Member Co., Ltd.</p> <ul style="list-style-type: none"> - From 01/2008 – 09/2008: Deputy Head of Labor, War Invalids and Legal Affairs Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From October 2008 – March 2011: Head of Labor and Salary Department, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From March 2011 – February 2013: Deputy Director of Construction Enterprise, Thua Thien Hue Construction and Water Supply One Member Co., Ltd. - From March 2013 – November 2013: Head of Customer Service Department, Thua Thien Hue Construction and Water Supply LLC. - From November 2013 - May 30, 2023: Head of Administration - Management Department, Thua Thien Hue Water Supply Joint Stock Company. - From May 30, 2023 - present: Head of Supervisory Board of TT. Hue Water Supply Joint Stock Company.
2	Mrs. Tran Thi Be	September 17, 1971	SB Member	None	Bachelor of Finance and Accounti	<ul style="list-style-type: none"> - From 08/2000 – 02/2003: Vehicle Team & Material Supply Staff, Hue City Water Supply and Drainage Company.

No.	Full name	Date of birth	Position	Position held in other organizations	Professional qualifications	Work history
					ng - Ho Chi Minh City University of Finance and Accounting	<p>- From 03/2003 – 06/2010: Accounting Department Staff, Hue City Construction and Water Supply One Member Co., Ltd.</p> <p>- From 07/2010 – 02/2012: Deputy Head of Tu Ha Water Supply Branch, TT. Hue Construction and Water Supply One Member Co., Ltd.</p> <p>- From 03/2012 – 02/2013: Head of Tu Ha Water Supply Branch, TT. Hue Construction and Water Supply One Member Co., Ltd.</p> <p>- From 03/2013 – 10/2013: Deputy Head of Customer Service Department, TT. Hue Construction and Water Supply One Member Co., Ltd.</p> <p>- From 11/2013 – 05/2014: Deputy Director of Hue Water Supply Enterprise, Hue City Construction and Water Supply One Member Co., Ltd.</p> <p>- From June 2014 – August 2015: Director of Huong Phu Water Supply Enterprise, Hue City Construction and Water Supply One Member Co., Ltd.</p> <p>- From August 2015 - January 2022: Director of Bach Ma NUDC Enterprise, Hue City Water Supply Joint Stock Company.</p> <p>- From February 2022 - December 2022: Director of Materials - Motorcycles - Bach Ma Enterprise,</p>

No.	Full name	Date of birth	Position	Position held in other organizations	Professional qualifications	Work history
						Hue City Water Supply Joint Stock Company. - From January 2023 - present: Director of Materials - Motorcycle Enterprise, Hue City Water Supply Joint Stock Company. - From June 17, 2022 to present: Member of the Board of Supervisors of TT. Hue Water Supply Joint Stock Company.
3	Mrs. Dao Thi Hoang Oanh	May 25, 1985	SB Member	Staff of Hawaco Electromechanical Company Limited	Bachelor of Economics - National Economics University, Hanoi	- From 2009 - 2015: General Accountant, Techmate Joint Stock Company; - From 2015 - 2018: Chief Accountant of Sao Bac Trading and Service Joint Stock Company - From 2019 - present: Employee of Hawaco Electromechanical Company Limited. - From June 17, 2022 to present: Member of the Board of Supervisors of TT. Hue Water Supply Joint Stock Company.

2.2. Number of staff Number of employees

No.	Criteria	Number 2023 (people)	Number 2024 (people)	Increase, decrease 2024/2023 (%)
I	By Education level			
1	Postgraduate degree	21	22	4.76
2	University degree	203	206	1.48
3	College and Vocational Training	101	102	0.99
4	Elementary and Skilled Workers	147	140	-4.76

No.	Criteria	Number 2023 (people)	Number 2024 (people)	Increase, decrease 2024/2023 (%)
5	Unskilled labor	40	38	-5
II	By labor type			
1	Direct labor	279	279	0
2	Indirect labor	233	229	-1.72
III	By gender			
1	Male	379	374	-1.32
2	Female	133	134	0.75
IV	By age			
1	Under 25	7	4	-42.86
2	From 25-35	86	77	-10.47
3	Over 35	419	427	1.91
V	By length of service at the Company			
1	From 0-2 years	33	42	27.27
2	From 2-5 years	21	21	0
3	From 5-10 years	63	63	0
4	Over 10 years	395	382	-3.29
*	Total	512	508	-0.78

- Human resources policy

Build breakthrough goals in organizational structure and human resources

The Company will keep strengthening its organizational structure and human resources, focusing on creating a streamlined, efficient, and robust operating model in line with the Company's objectives and strategic development for the 2024-2027 period. This includes enhancing decentralization and empowering management by assigning the right people to the right tasks, ensuring no overlap or missed responsibilities, and leveraging the strengths of individuals and units to benefit the collective organization. The company will also work on improving the capacity of its executive team, with each member of the Board of Directors (BOD) taking responsibility for managing their respective divisions. Responsibility will be tied to authority at the department head level, with a focus on cost management and accountability for personnel and payroll based on work performance.

The Company has already implemented restructuring, including changes, additions, and adjustments to the roles and responsibilities of each department. Accordingly, the Chief Accountant will no longer serve as the Head of the Finance and Accounting Department, but will focus solely on overseeing the Company's financial and accounting operations. The Planning and Technical Department will be split into two separate departments: the Planning

and Research Development Department and the Technical Department (effective from January 1, 2025). Other significant changes include the restructuring of the Construction Enterprise, merging the Electromechanical Enterprise with the Network Management Enterprise to form the Maintenance Enterprise, and merging the Administration and IT departments to create the Company Office (effective from January 1, 2025). Additional adjustments to the roles and responsibilities of five departments and units will also be carried out.

In 2024, the Company appointed, transferred, and rotated 171 positions, including: 48 key leadership roles, 103 team/section leaders and 20 staff members. This includes restructuring personnel within the Water Supply Enterprise; as well as the Construction Enterprise, the Electromechanical Enterprise and the Network Management Enterprise to form the new Maintenance Enterprise. The Meter Testing Team of the Electromechanical Enterprise was merged into the Materials and Vehicles Enterprise, and new teams, such as the Research and Development and Production Coordination teams, were established.

The Company also completed its human resources planning at all levels for the 2025-2027 term and beyond, as well as the restructuring of 8 Party committees in preparation for the upcoming Party Congress and Internal Political Report .

The Company will continue to review and update its human resources planning at all levels for the period 2022-2026, with a vision to 2030. This will ensure the Company to have a sustainable source of leadership and management talent that aligns with its strategic objectives. Additionally, a training and rotation plan will be developed to match these staffing needs.

Recruitment policy: In alignment with the business production plan and labor demand for 2024, the company prioritizes personnel management and recruitment. Recruitment continues to be conducted transparently and widely through various media channels. The company has developed a comprehensive test bank with the involvement of relevant departments. In 2024, the Company organized recruitment and selection processes for key positions, including Manager of Design - Project Department, Deputy Manager of Finance - Accounting Department, Deputy Director of Huong Dien Water Supply Enterprise; Deputy Director of Huong Phu Water Supply Enterprise and various staff roles in Software Development, Legal affairs, Accounting, Design, Planning, Network Management and Water Quality. The recruitment process was transparent, attracting 19 high skilled professionals with qualifications such as 1 Master's degree holder; 6 Engineers and 12 Bachelors's degree holders. Additionally, a performance evaluation is conducted after the probationary period. The innovations in recruitment have significantly impacted the Company's organizational structure, promoting an open human resources policy that attracts talented individuals and high-quality employees. These changes have led to positive shifts in management and operational processes, fostering greater agility and responsiveness among the Executive Board and departments. The

recruitment policy has received strong support and recognition from the Company's staff and leadership, as well as from Provincial authorities and industry peers.

Human resources development and training: The Company places a strong emphasis on human resources development, aligning training with specific functions and tasks that reflect the Company's production and business characteristics. The focus is on creating dynamic managers who are experts in their areas but also versatile in other areas, as well as skilled and professional engineers and workers. The goal is to enhance the quality of the workforce and foster innovations across the Company. In 2024, the company successfully launched 40 training programs, with 1,243 employees participating, totaling over 700 million VND in expenses. Notably, special training courses were organized for 49 potential staff members, including young employees and team leaders/managers at the section or team level, to enhance their leadership skills, professional knowledge, and management capacity. These training sessions were led by the Company's leadership and management team, focusing on building leadership skills and improving overall management capabilities for young staff and team leaders.

Working hours policy: The company operates with a standard work schedule of 8 hours per day and 40 hours per week.

Salary policy: The Company's salary payment is governed by its Salary and Income Regulation, which takes into account the overall business performance of departments, units and individual contributions based on work results. The specific plan for the salary fund will be decided by the Company's Salary Council based on the business plan, labor usage targets, revenue, and profit, ensuring fairness, reasonableness, and compliance with Company regulations and State laws. Specifically, the Company will develop the salary fund plan for 2024 for various departments; establish salary levels based on criteria, job titles and positions that align with the Company's current situation and development direction; set clear salary targets for enterprises and centers, linked with specific KPIs for each department.

In 2024, the average income per employee was 17.37 million VND/month, an increase of 0.73 million VND (~ 4.4 %) compared to 2023 (where the average income was 16.64 million VND/month). The average salary for employees has been maintained and increased in line with the Company's production and business results, ensuring that employees are motivated, secure in their work, and more engaged in contributing to the Company.

Reward policy: Implemented according to the Company's emulation and rewards regulations, ensuring transparency, democracy, and fairness, associated with the completion of key tasks, strategic objectives and departmental performance targets.

Recognizing the role and importance of emulation activities, HueWACO continues to innovate the content and methods of promoting emulation, aligning it with the reward process. Rewards are the result of the emulation movement, with a focus on rewarding the right people for the right achievements in a timely manner to motivate, educate and drive the development

of the emulation movement across the Company. At the annual Employee Conference, the Company launches an emulation movement for all employees through various forms, which have led to significant results in various fields. These include the emulation movement for excellent production and business performance; the movement for promoting innovations and technical improvements; the movement of "Studying and following the thoughts, morals and style of Ho Chi Minh"; and the movement for practicing office culture.

Employee benefits: The Company complies with state regulations by contributing to Social Insurance, Health Insurance, and Unemployment Insurance for employees. In 2024, the Company effectively utilized its Welfare Fund to pay for employee welfare activities such as providing financial assistance during major holidays like Hung Kings Commemoration Day, April 30th and May 1st, National Day on September 2nd; Mid-Year Festival, New Year's Day, and Lunar New Year. The Company also supports employee travel and recreation expenses offering up to 9 million VND/person/year for domestic or international trips. In addition, the Company provides emergency financial assistance for employees facing unforeseen difficulties, including retirees, those with health issues, or those suffering from serious illnesses.

Employee welfare and well-being:

The Company regularly and effectively addresses the physical and mental well-being of its employees by gathering feedback on their thoughts, needs, and satisfaction with the Company policies and benefits. The Company also stays in touch with the personal and family situations of its employees. In 2024, the Company showed its care and support by giving 31 gifts to employees in difficult circumstances, 116 gifts to employees retiring, 91 gifts to employees' parents aged 80 and above, 7 gifts to employees who have recently moved into new homes, and organizing monthly birthday gifts for all employees.

The Company continues to innovate its health check-up programs to improve the effectiveness of medical examinations, treatment, and disease prevention for employees. Since 2022, the Company has fully funded participation in the PVI medical insurance package for all employees to access healthcare at international hospitals. Additionally, the Company ensures employees are provided with benefits for health insurance, social insurance, unemployment insurance, and work-related accident or illness insurance, along with other relevant policies. Employees working in hazardous conditions or night shifts also receive appropriate allowances, with daily material allowances set at 13,000 VND for regular workdays and 20,000 VND for night shifts, in line with labor laws.

The Company promotes physical fitness by maintaining sports clubs such as table tennis, badminton, tennis, and running. It also organizes the "HueWACO Family Sports and Cultural Festival" every year, with the 3rd edition held in 2024, featuring a variety of lively and engaging activities. These events not only serve as celebrations but also provide opportunities for employees to connect, share experiences, and strengthen the sense of community within the HueWACO family.

Furthermore, the Company successfully organizes annual recreational trips for employees and their families, aimed at rejuvenating their energy and enhancing both their physical and mental well-being during holiday seasons. In 2024, the Company organized 9 trips for 277 people (222 employees and 55 family members).

3. Investment and project implementation

In 2024, the Company continued to implement Phase 2 of the Van Nien Water Treatment Plant Project with a capacity of 120,000m³/day, along with upgrading Loc An and Phong Thu Water Treatment Plants; and renovating Chan May Clean Water Plant. Other projects include the Sia 3000m³ pressure regulating tank; Phu Bai and Tu Ha Reservoirs, among others.

In addition, HueWACO is also carrying out the Rural Water Supply Project for Thua Thien Hue province for the period 2021-2025, which covers the districts of A Luoi, Nam Dong, Phu Loc, Phu Vang, Phong Dien, Quang Dien, and the town of Huong Tra.

4. Financial situation

4.1. Financial situation

No.	Target	Unit	2024	2023	(%) 2024/ 2023
1	Net revenue	Mil.VND	670,180	635,007	5.54%
2	Gross profit	Mil.VND	293,394	264,840	10.78%
3	Insurance and management costs	Mil.VND	81,871	74,106	10.48%
4	Profit before tax	Mil.VND	155,016	153,119	1.24%
5	Profit after tax	Mil.VND	134,986	132,129	2.16%
6	EPS	VND /share	1,283	1,267	1.26%

In 2024, the Company's sales revenue and service provision reached 670.18 billion VND, marking a 5.54% increase compared to the same period. Of this, revenue from clean water production and business activities accounted for 619.32 billion VND, while revenue from other activities reached 50.86 billion VND.

The net profit after tax was 134.99 billion VND, representing a 2.16% increase from the previous year, which corresponds to an earnings per share (EPS) of 1,283 VND/share.

Selling expenses and administrative expenses for 2024 amounted to 12.22% of net revenue.

4.2. Key financial indicators

No.	Indicators	Unit	2023	2024	(+/-) 2024 vs 2023
1	Liquidity ratio				
	- Current payment ratio	time	1.65	1.76	0.12
	- Quick payment ratio	time	1.47	1.54	0.07
	- Cash payment ratio	time	0.76	0.84	0.08
2	Capital structure indicators				
	- Debt/total assets ratio	%	46.39%	43.80%	-2.59%
	- Debt/equity ratio	%	86.54%	77.93%	-8.61%
3	Performance indicators				
	- Inventory turnover	ring	8.00	7.06	-0.94
	- Total asset turnover	ring	0.31	0.33	0.02
4	Profitability ratio				
	- Profit after tax ratio/ Net revenue	%	20.81%	20.14%	-0.67%
	- Profit after tax/Equity ratio	%	12.13%	12.05%	-0.08%
	- Profit after tax coefficient/ Total assets	%	6.50%	6.77%	0.27%
	- Gross profit ratio/ Net revenue	%	41.71%	43.78%	2.07%

- Liquidity: The company's current ratio in 2024 is greater than 1, ensuring its ability to meet short-term debts obligations.

- Capital structure: Debt/total assets ratio and debt/equity ratio both decreased compared to the same period in 2023.

- Operational Efficiency: The inventory turnover ratio has improved in 2024, demonstrating the Company's continued effectiveness in managing and optimizing inventory. Additionally, the total asset turnover ratio has shown a slight increase compared to 2023, indicating better utilization of assets.

- Profitability: In 2024, through efforts to drive revenue growth and control costs, the Company's profit margin has remained strong, reflecting its ability to sustain profitability.

5. Shareholder structure, changes in owner's capital

5.1. Shares

As of December 31, 2024, the number of shares of the Company is as follows:

Registered charter capital: 876,000,000,000 VND

Total number of issued and listed shares: 87,600,000 VND

Share type: 1 right/share

Number of treasury shares: 217,000 shares

Common shares, par value: 10,000 VND/share

5.2. Shareholder structure

(According to the list of shareholders as of August 5, 2024)

No.	Shareholder name	Number of shares	Ownership ratio
1	Major shareholder ($\geq 5\%$)	61,330,000	70.01%
	- Domestic	61,330,000	70.01%
	- Foreign	0	0.00%
2	Other shareholders ($\leq 5\%$)	26,053,000	29.74%
	- Domestic	25,195,800	28.76%
	- Foreign	857,200	0.98%
3	Treasury stock	217,000	0.25%
Total		87,600,000	100.0%

- List of major shareholders

No.	Shareholder name	Number of shares	Ownership ratio
1	People's Committee of Thua Thien Hue Province	61,330,000	70.01%

5.3. Changes in owner's capital

Capital increase history: Since transitioning to a joint-stock company on January 1, 2017, the Company has not made any changes to the owner's investment capital. Therefore, the charter capital remains unchanged at 876,000,000,000 VND.

6. Report on the company's environmental and social impacts

6.1. Environmental impact

Throughout its business operations, the Company places great emphasis on managing and mitigating any factors that may impact the environment.

The Company ensures that all project undergo environmental impact assessments and have their environmental impact reports reviewed and approved. Furthermore, the Company strictly adheres to all environmental regulations, fulfilling all reporting commitments and obligations as required.

6.2. Material Management

The materials used in the production of clean water include various chemicals for water treatment, such as lime, sodium hypochlorite, and PAC (Poly Aluminium Chloride), in accordance with standards for drinking water.

The Company strictly adheres to waste disposal regulations to minimize its environmental impact. In 2024, the Company implemented a sludge treatment system using a sludge dewatering machine at its two major plants, Van Nien and Quang Te. The dewatered

and dried sludge is then collected and transported for disposal in compliance with environmental regulations.

6.3. Energy consumption

The Company uses the main energy source from the national grid to serve production and business; in addition, to ensure safe and continuous water supply, the Company uses additional diesel fuel to operate generators when there is a problem with the grid. However, since 2018, the Company has aimed to use renewable energy sources such as solar power and hydropower at gravity-fed factories to diversify the energy sources used and contribute to reducing environmental impacts with green energy sources. In addition, the Company has coordinated with external professional units to conduct energy audits throughout the Company to control and effectively implement solutions to reduce electricity consumption.

6.4. Water consumption

Water plays a dual role as both a raw material input and the final product for the Company. The Company primarily sources surface water from the Huong, Bo, and O Lau Rivers, among others. Through processes such as sedimentation, filtration, and disinfection, the Company produces clean water that meets the requirements for drinking and industrial use, in compliance with the national standards QCVN 01-1:2018 and the local regulation QCDP 01:2022/TT-H. The Company is committed to the responsible and sustainable extraction of water resources. It ensures full compliance with all necessary permits for the extraction and use of surface water, safeguarding water resources and supporting the long-term sustainable development of the Company.

6.5. Compliance with environmental protection laws

Throughout its business operations, the Company places great emphasis on managing and mitigating any factors that may impact the environment.

- All investment projects undergo thorough evaluation and approval of environmental impact assessments, and the Company fully complies with reporting commitments as required by environmental regulations.

- The Company has not faced any penalties for violations of laws or environmental regulations.

- The total amount of fines for violations due to non-compliance with laws and environmental regulations: None.

6.6. Employee-related policies

- All employees are provided with full and timely health insurance and social insurance coverage. Labor regulations and collective agreements are signed with the trade union and approved by higher authorities.

- The company's grassroots trade union creates a source of funding for employees who need loans from the mutual support fund, which is contributed monthly by the employees.

6.7. Corporate Social Responsibility

With a focus on sustainable development, HueWACO not only prioritizes the interests of the Company but also cares about community issues and social benefits. The Company understands that its growth contributes to the development of the local community and society, and that the support of the local community drives the Company to work even harder in the future. HueWACO is committed to ensuring that all its activities aim to improve the lives of the community, ensuring everyone has access to clean and safe water. In recent years, the Company has organized various community activities, including charitable donations, support for flood-affected communities, and assistance for employees facing difficult situations.

In addition to its business efforts, in 2024, HueWACO has actively participated in and achieved great results in social charity work, honoring contributions to society, supporting the poor, and helping those affected by natural disasters. The Company has also collaborated with the TRT station's weekly "Connecting Compassion" program and donated gifts to disabled individuals at the Social Assistance Center. The total value of these activities in 2024 amounted to hundreds of millions of VND.

C. REPORT OF THE BOARD OF EXECUTIVES

1. Assessment of business performance

In 2024, the Company made continuous efforts to overcome challenges and successfully met or exceeded the targets set in the 2024 General Shareholders' Meeting Resolution (detailed data can be found in section B.1). Throughout the year, the Company fully complied with regulations, policies and laws in areas such as taxation, credit, insurance, environmental protection, labor, salary, financial systems, accounting, auditing, and financial reporting.

2. Financial situation

2.1. Asset situation

(Unit: VND)

No.	Target	31/12/2024	31/12/2023	Difference	
				(+/-)	(%)
A	CURRENT ASSETS	468.368.679.618	465.883.222.321	2,485,457,297	0.53%
I	Cash and cash equivalents	141,063,076,907	138.286.608.368	8.194.198.259	2.01%
II	Short-term financial investments	81.162.254.424	75.701.817.005	35,701,817,005	7.21%
III	Short-term receivables	161.812.852.988	160.155.322.018	-24,004,825,512	1.03%
IV	Inventory	57,937,053,083	48,813,189,402	5,779,076,833	18.69%
V	Other current assets	26,393,442,216	42,926,285,528	-8,809,758,089	-38.51%
B	LONG-TERM ASSETS	1,524,264,889,409	1,566,058,371,174	-22,473,753,414	-2.67%
I	Long-term receivables	174,024,000	174,024,000	0	0.00%
II	Fixed assets	1,313,442,001,427	1,386,130,674,732	238.310.620.381	-5.24%
III	Cost of unfinished construction	193.456.640.974	173.642.667.364	-262,622,281,916	11.41%
IV	Other long-term assets	17.192.223.008	6.111.005.078	1,837,908,121	181.33%
*	Total assets	1,992,633,569,027	2,031,941,593,495	-5,613,244,918	-1.93%

2.2. Debt situation

(Unit: VND)

No.	Target	31/12/2024	31/12/2023	Difference	
				(+/-)	(%)
I	Short-term debt	265.770.299.743	282,836,540,787	-17,066,241,044	-6.03%

No.	Target	31/12/2024	31/12/2023	Difference	
				(+/-)	(%)
1	Payable to Seller	27,454,623,326	35,442,819,863	-7,988,196,537	-22.54%
2	Buyer pays in advance	10,466,490,072	19,120,591,346	-8,654,101,274	-45.26%
3	Taxes and other payables to the State	4,922,585,304	8,124,067,620	-3,201,482,316	-39.41%
4	Payable to workers	23,795,368,500	24,500,966,831	-705,598,331	-2.88%
5	Cost to Pay	5,236,732,340	6,453,753,940	-1,217,021,600	-18.86%
6	Other short-term payables	113,185,678,659	109,600,739,733	3,584,938,926	3.27%
7	Short-term loans and finance leases	60,349,728,702	59,226,614,024	1,123,114,678	1.90%
8	Provision for short-term payables	10,425,157,900	11,229,121,700	-803,963,800	-7.16%
9	Welfare reward fund	9,933,934,940	9,137,865,730	796,069,210	8.71%
II	Long-term debt	606,964,800,824	659,797,684,144	-52,832,883,320	-8.01%
*	Total Liabilities	872,735,100,567	942,634,224,931	-69,899,124,364	-7.42%

3. Improvements in organizational structure, policies, and management

- Operating principles: Work is carried out according to planned schedules, tasks are addressed through established processes, and operations are conducted based on regulations, rules and technical standards.

- Enhancing Executive Capacity: Each member of the Executive Board is increasingly accountable for managing their respective areas. Responsibilities are aligned with the authority of department heads, linking these to cost allocation, and holding them accountable for the department's human resources and wages based on work performance. The quality of internal control and inspection processes is strengthened, ensuring tasks are performed in accordance with the responsibilities delegated by the Board of Directors.

- Restructuring Human Resources: The Company has undertaken a human resources restructuring to create a streamlined, efficient, and robust operational model that aligns with the Company's goals and development strategy for the 2022-2024 period, with a forward-looking vision for 2025-2027.

4. Future development plan

- Ensure Safe Water Supply: Maintain a safe water supply, focusing on providing clean and safe water, securing water resources, and ensuring sustainable development that adapts to climate change.

- Enhance Human Resources: Strengthen human resources efforts by fostering a high-quality workforce, improving customer services, and aiming for excellence in service delivery.
- Increase Employee Awareness: Launch initiatives to promote productivity, quality, and innovation in working methods and management practices. Encourage employees to embrace new thinking, creativity, and enhance work efficiency.
- Continuous Research and Innovation: Commit to ongoing scientific and technological research and innovation. Focus on breakthrough goals related to infrastructure, plants, and equipment, leveraging Industry 4.0 technologies.
- Expand Business Activities: Promote the production and business of potential products to create breakthroughs in revenue, beyond the clean water business, based on initiatives and technologies led by HueWACO.

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

1. Board of Directors' assessment of the Company's operations

In 2024, under the influence of climate change and the El Nino phenomenon, **the average temperature was higher than the previous year**, leading to an increased demand for water, especially during the peak summer months. By implementing a range of sustainable and integrated solutions, particularly the inauguration and **official operation of the Van Nien 120,000 m³/day water treatment plant (Phase 1: 60,000 m³/day)**, HueWACO ensured an adequate water supply capacity to meet rising demand. As a result, the Company successfully completed its production and business tasks for the year, exceeding the targets set and comparing favorably with 2023 in key areas, with the following outcomes:

In 2024, recorded water output will reach 63.19 million m³ (up 3.76%, equivalent to an increase of 2.29 million m³) compared to 2023; **Water revenue** will reach VND 619.28 billion (**up 3.56%**, equivalent to an increase of VND 21.31 billion) compared to 2023; Pre-tax profit will reach VND 154.69 billion (up 1.02%, equivalent to an increase of VND 1.57 billion) compared to 2023; Budget payment will be VND 155.091 billion (up 0.43% ~ increase 0.66 billion).

The company continued to focus on customer development, increasing the rate of people using clean water. Specifically, it installed water systems for 6,640 new customers, bringing the total number of connections in the province to 309,824. It proactively implemented various measures such as installing **decentralized water supply systems** to provide free clean water to households located far from centralized water supply systems, achieving a 97.62% rate of clean water usage across the province. This helped ensure safe water supply during the prolonged hot weather, climate change, and extreme weather conditions.

In terms of **service quality**, the Company continued to prioritize customer service, transitioning towards a more customer-centered approach. This was further advanced by implementing two strategic projects: the Digital Customer Service and 09 standardized service offices. By the end of 2024, the proportion of cashless payments across the Company reached 86.30%, an 8.87% increase compared to the previous year.

2. Board of Directors' assessment of the performance of the Board of Executives

With a strong sense of responsibility towards the shareholders and employees of the Company, the Board of Directors (BOD) has successfully fulfilled its legal obligations in overseeing the General Director's (GD) performance, ensuring the effective implementation of resolutions and decisions made by the BOD. The BOD has played an active role in the management and operations of HueWACO through the following activities:

- Regularly organize, chair, and participate in meetings of the Board of Directors and the Board of Executives to direct, evaluate the implementation situation, consider solutions, inspect and supervise ... production and business activities, construction investment, finance, organization, personnel, and company restructuring.

- Regularly exchange and discuss with the Board of Executives during the implementation of Resolutions and Decisions of the General Shareholders' Meeting and the Board of Directors.

- In 2024, the Board of Directors established 01 inspection team to monitor the operations of affiliated units: The inspection team was established under Decision No. 50/QD-HWS dated July 26, 2024, which mandated the inspection and supervision of the activities of the Company's units.

3. Plan and direction of the Board of Directors

3.1 Development direction with 3 breakthrough goals:

- **Breakthrough in Organizational Structure and Human Resources:** Human resources are considered the key to success. The focus will be on enhancing collective ownership and empowering all employees to contribute to the Company's success.

- **Breakthrough in Management and Operations:** The goal is to manage operations effectively and mitigate risks. This will involve a thorough review and revision of the Company's regulations, processes, and technical standards to improve efficiency and adaptability

- **Breakthrough in Infrastructure, Plants, and Equipment:** The Company plans to continuously modernize its infrastructure, plants, and equipment, ensuring that all operations are run on advanced digital technology platforms.

3.2. Implementation of 5 key solutions

- **Organizational and Human Resources:** Review and evaluate the current organizational model and the roles and responsibilities of various departments to restructure and build a more efficient operational model aligned with the company's development goals and strategy.

- **Water Production and Quality Enhancement:** Ensure the production and supply of safe, continuous water while adhering to water security regulations and quality standards. Improve the quality of water and provide excellent service to 100% of residents and businesses within the province. Innovate customer service, and assess customer satisfaction regarding water quality and HueWACO's services.

- **Revenue Growth and Cost Reduction:** Focus on leveraging the company's existing strengths to create breakthrough opportunities in revenue generation. Reduce costs to build a reasonable water pricing structure and improve business efficiency. Continue to find new ways to operate profitably and sustainably.

- **Investment Solutions:** Continue to implement investment projects in line with approved planning. Establish a plan for borrowing, repaying loans, and managing debt interest to finance these projects. Negotiate with financial institutions to secure the best loan conditions and interest rates, ensuring the highest returns for the company.

- **Balanced Stakeholder Interests:** Ensure that the interests of shareholders, employees, and the community are harmonized for sustainable development. All business decisions and strategies should consider long-term benefits and fair distribution among all parties involved.

The overarching direction and key solutions revolve around the company's core culture, business philosophy, and brand identity, which emphasize placing customers at the center: *HueWACO for the health of the community*.

3.3. Implementing the key plan for 2025

2025 plan targets according to the resolution, specifically, striving for commercial water output to reach 63.74 million m³, up 0.88 %, total revenue to reach 634.92 billion (up 2.52 %), the outstanding revenue ratio is lower than 0.9 % ; the non-cash payment ratio is over 91.33% . Continue to perfect and implement the Company's development strategy for the period up to 2030; vision to 2045.

Continue to carry out well the work of planning, training, rotation, and appointment to adjust the organizational model to suit the company's reality; organize examinations and recruit personnel in accordance with the Company's orientation.

Continue to review, supplement and complete regulations, rules, procedures, handbooks, and technical economic norms; further strengthen decentralization and delegation of authority to increase more initiative in management and administration, and improve the effectiveness of operational management. In addition, focus on strengthening inspection, supervision, and post-inspection to ensure the implementation of company procedures and regulations.

Continue to implement Phase 2 of Van Nien Wastewater Treatment Plant Project with a capacity of 120,000m³ / day , Upgrading Loc An Wastewater Treatment Plant; Upgrading Phong Thu Wastewater Treatment Plant; Renovating Chan May Clean Water Plant; Sia 3000m³ TCDA Tank : Phu Bai and Tu Ha Reservoirs , etc.

Deploying the Rural Water Supply Project of Thua Thien Hue province for the period 2021-2025 in A Luoi, Nam Dong, Phu Loc, Phu Vang, Phong Dien, Quang Dien districts and Huong Tra town;

Deploying the construction of the following pipelines: D600 QL1A Hue bypass section (Hue - Tu Ha) L= 8,600m - Along the inter-commune of Huong An - Huong Chu - Huong Van; D600 Vo Van Kiet (Hue - Phu Bai) L= 9,800m ; D500 from Phu Bai TCDA station to Phu Bai Industrial Park (1.3 km); Route D315 from Thuan Hoa intersection to Phu Bai Bridge; L=5.3km,....

Organizing important conferences and ceremonies of the company: Employee Conference; Annual Water Safety Conference; Fire prevention and fighting drills, oil spill incidents at water treatment plants.

E. CORPORATE GOVERNANCE

1. Board of Directors

1.1. Board of Directors members

No.	Full Name	Position
1	Mr. Le Quang Minh	Chairman of the Board of Directors
2	Mr. Duong Quy Duong	Board of Directors
3	Mr. Truong Cong Han	Board of Directors
4	Mr. Vuong Dinh Nam	Board of Directors
5	Mr. Nguyen Trong Hieu	Board of Directors

1.2. Evaluation of the Board of Directors' performance

With the timely and thorough guidance from the Board of Directors, and the efforts of the Board of Executives along with the solidarity and unity of all employees, the Company has gradually overcome existing challenges and ensured the completion of the production and business plan in accordance with the Resolutions of the Board of Directors.

In 2024, the Board of Directors, the Board of Executives, and the Supervisory Board closely coordinated in the management and operation of the Company. The resolutions issued by the Board of Directors received strong consensus. The collaboration between the Board of Directors, the Board of Executives, and the Supervisory Board was carried out in a stringent and appropriate manner.

Board of Directors meetings:

No.	Board Member	Position	Date of commencement/no longer a member of the Board of Directors	Number of Board of Directors meetings attended	Meeting attendance rate	Reason for not attending
1	Mr. Le Quang Minh	Chairman of Board of Directors	24/12/2021	4/4	100%	
2	Mr. Duong Quy Duong	Board of Directors	01/01/2017	4/4	100%	
3	Mr. Truong Cong Han	Board of Directors	01/01/2017	4/4	100%	
4	Mr. Vuong Dinh Nam	Board of Directors	17/06/2022	4/4	100%	
5	Mr. Nguyen Trong Hieu	Board of Directors	30/05/2023	3/4	75%	

- Resolutions/Decisions of the Board of Directors:

No.	Resolution Number/ Decision	Time	Content
1	11/NQ-HĐQT	09/01/2024	Regarding obtaining shareholders' written opinions to pass the Resolution of the General Meeting of Shareholders
2	12/QĐ-HĐQT	25/01/2024	On amending the Internal Expenditure Regulations
3	15/NQ-HĐQT	07/02/2024	Regarding cancellation of the list of securities owners exercising the right to obtain shareholders' opinions in writing
4	17/QĐ-HĐQT	22/02/2024	Regarding amendment and supplement to the Decision on establishing the Automatic Operation Center of the Water Supply System
5	18/KH-HĐQT	26/02/2024	Board of Directors Meeting Plan Quarter I/2024
6	19/CT-HĐQT	26/02/2024	Board of Directors Meeting Agenda Quarter I/2024
7	25/BB-HĐQT	04/03/2024	Minutes of the Board of Directors Meeting Quarter I, 2024
8	26/NQ-HĐQT	04/03/2024	Regarding the organization of the 2024 Annual General Meeting of Shareholders
9	27/BB-HĐQT	05/03/2024	Regarding the assessment of state capital representatives in 2023.
10	28/CT-HĐQT	05/04/2024	2024 Annual General Meeting of Shareholders Program
11	29/TTr-HĐQT	25/04/2024	On the results of production and business activities in 2023 and the plan orientation for 2024
12	30/BC-HĐQT	25/04/2024	Summary of financial statements, profit distribution in 2023, financial plan in 2024
13	31/TTr-HĐQT	25/04/2024	Salary and remuneration regime of members of the Board of Directors, members of the Board of Supervisors, Administrators and Company Secretary
14	35/TTr-HĐQT	25/04/2024	Regarding requesting opinions on adding business lines and plan to handle treasury stocks at Thua Thien Hue Water Supply Joint Stock Company
15	36/TTr-HĐQT	25/04/2024	Regarding amendment and supplementation of some contents of the Charter of Thua Thien Hue Water Supply Joint Stock Company

No.	Resolution Number/ Decision	Time	Content
16	37/QC-HĐQT	26/04/2024	Working regulations and voting rules of the 2024 Annual General Meeting of Shareholders
17	42/QD-HĐQT	03/06/2024	Regarding amendments and supplements to a number of articles of the Regulations on water bill exemption and reduction for customers issued together with Decision No. 1596/QD-HĐQT dated December 29, 2022
18	43/KH-HĐQT	01/07/2024	Board of Directors Meeting Plan Quarter II/2024
19	44/Ctr-HĐQT	01/07/2024	Board of Directors Meeting Agenda Quarter II/2024
20	45/BB-HĐQT	01/07/2024	Minutes of the Board of Directors meeting Quarter II/2024
21	46/NQ-HĐQT	10/07/2024	Resolution on 2023 cash dividend
22	47/NQ-HĐQT	10/07/2024	Regarding adjustment of the Medium-term Investment Plan 2024-2026
23	48/NQ-HĐQT	10/07/2024	Regarding approval of key work management targets for the last 6 months of 2024
24	50/QD-HĐQT	26/07/2024	Decision to establish the Supervisory Board of the Board of Directors in 2024
25	51/CV-HĐQT	11/09/2024	Re: Obtaining written and online opinions from the Board of Directors on Supporting Northern people to overcome storm No. 3 (Super typhoon Yagi)
26	52/BB-HĐQT	12/09/2024	Minutes of checking the Board of Directors' opinion ballot on support for overcoming storm No. 3 (super typhoon Yagi)
27	53/NQ-HĐQT	12/09/2024	Regarding support to overcome storm number 3 (super typhoon Yagi) for the Northern provinces
28	54/KH-HĐQT	01/10/2024	Plan and agenda of the Board of Directors meeting in the third quarter of 2024
29	55/Ctr-HĐQT	01/10/2024	Agenda for Board of Directors meeting in Quarter III/2024
30	56/BB-HĐQT	11/10/2024	Minutes of the Board of Directors meeting Quarter III/2024
31	58/NQ-HĐQT	11/10/2024	Re: Restructuring the Company's organizational structure
32	63,64,65/KH-HĐQT	25/12/2024	Plan, program, invitation to Board of Directors meeting Quarter IV/2024
33	79/BB-HĐQT	31/12/2024	Minutes of the Board of Directors meeting in the fourth quarter of 2024

No.	Resolution Number/ Decision	Time	Content
*	Some other decisions on organization and personnel of the Board of Directors are in Appendix 1 attached.		

- Independent Board Member: None

1.3. Subcommittees: None

1.4. Training on corporate governance

In 2024, members of the Board of Directors, Supervisory Board, and Board of Executives continued to be provided with opportunities to attend short-term and long-term training programs on management, finance, and other specialized fields.

2. Report of the Supervisory Board

2.1. Assessment on the Supervisory Board's performance

In 2024, the Supervisory Board properly performed its functions, duties and powers according to the Supervisory Board's Operating Regulations: regularly monitoring the Company's operations, conducting financial inspections and supervision, and financial reporting of the Company, while monitoring and evaluating compliance with the law in the operations of members of the Board of Directors and the Board of Executives.

Annual meetings of the Supervisory Board:

No.	Board Member	Position	Number of meetings attended	Proportion	Reason for not attending
1	Mr. Truong Ngu Binh	Head of Supervisory Board	4/4	100%	
2	Mrs. Tran Thi Be	Member	4/4	100%	
3	Mrs. Dao Thi Hoang Oanh	Member	4/4	100%	

The Board of Directors has always created conditions for the Supervisory Board to attend all meetings of the Board of Directors and monthly meetings. The Board of Directors and the Executive Board have closely coordinated and always created conditions for the Supervisory Board to complete its tasks.

2.3. Board of Supervisors' performance report for 2024

During the past year, based on assigned tasks and powers, the Board of Supervisors has carried out the work of supervising, inspecting and controlling the financial activities, management and operation of the Company through the following main activities:

1. Perform the task of inspecting and supervising the Company's business management and operation activities to ensure compliance with legal regulations.
2. Assess the completeness, legality and honesty of the Company's Financial Reports.

3. Supervise the activities of the Board of Directors, the Board of Executives and other managers of the Company.

4. Supervise the implementation of information disclosure on the stock market in accordance with the Regulations.

5. Perform the roles and tasks of the Supervisory Board according to the provisions of the Charter and Resolution of the General Shareholders' Meeting.

2.4. Recommendations of the Supervisory Board on the direction of operations in 2025

The company continues to orient its development with 3 breakthrough goals and 5 key solutions, in which, in 2025, it will focus on implementing the following specific key tasks:

- Continue to make breakthroughs in facilities, factories, and increasingly modern equipment operating on a digital technology platform, focusing on: implementing Phase 2 of the Van Nien Wastewater Treatment Plant Project with a capacity of 120,000m³/day, Upgrading Loc An Wastewater Treatment Plant; Upgrading Phong Thu Wastewater Treatment Plant; Renovating Chan May Clean Water Plant; Sia 3000m³ TCDA Tank; Phu Bai and Tu Ha Reservoirs; Implementing the Thua Thien Hue Rural Water Supply Project for the period 2021-2025 in A Luoi, Nam Dong, Phu Loc, Phu Vang, Phong Dien, Quang Dien districts and Huang Tra town.

- Continue to innovate the organizational structure of human resources, carry out well the work of planning, training, rotation, and appointment to adjust the organizational model to suit the company's reality; organize recruitment exams, attract highly qualified human resources, recruit personnel suitable for the organizational structure and orientation of the Company for the period 2022-2026. In particular, deploy recruitment exams for leadership and management positions in 2025 to meet the Company's human resource planning standards for the period 2022-2026 and vision 2030.

- Continue to innovate, promote governance, and comply with the operating principles: Work according to plan, handle work according to procedures, operate according to regulations and technical and economic norms from the beginning of 2025. Implement the project to innovate construction activities, research and establish a specialized project management unit.

- Promote the assignment and consulting, transfer of clean water treatment technology to water supply companies nationwide based on HueWACO's innovative topics to improve clean water quality, towards safe water supply.

3. Transactions and remuneration of the Board of Directors, Board of Supervisors and Board of Management

3.1. Remuneration of the Board of Directors, Supervisory Board and Board of Management

The Board of Directors of the Company has submitted to the General Meeting of Shareholders for consideration and approval of the remuneration for members of the Board of Directors, non-professional members of the Supervisory Board and the Company Secretary in 2024, as follows:

- Board of Directors member (non-professional), NQT: 3 million VND/person/month;
Non-professional Supervisory Board member, Secretary: 2 million VND/person/month.

3.2. Transaction of shares of NNB and NLQ to NNB: Appendix 02.

3.3. Transactions and contracts of the company with related persons: Appendix 03.

4. Assessment of implementation of corporate governance regulations

The Company's governance is always ensured in accordance with the law, Charter, and Internal Regulations to ensure the Company operates smoothly; pursues goals for the common benefit of the Company and of shareholders in particular; creates all conditions for effective supervision of the Company's operations.

The Board of Directors has implemented the Resolutions of the General Meeting of Shareholders in a drastic and appropriate manner; the Board of Directors has studied and specifically considered the shareholders' consultations to have reasonable directions to meet the shareholders' expectations on production and business activities, bringing efficiency and profit to the company and shareholders.

F. FINANCIAL REPORTS

1. Auditor's Opinion on Financial Statements

In the 2024 Audited Financial Statements, the auditor of Chuan Viet Auditing and Consulting Company Limited gave an unqualified opinion based on:

According to note V.10 “Cost of unfinished basic construction”, including:

- For some projects arising before 2022, the Company does not track each project in detail with a balance as of December 31, 2024 of VND 24,056,136,226.

- The adjustment amount according to the conclusion of the Inspectorate of Thua Thien Hue province in Conclusion No. 1209/KL-TTr dated November 4, 2022 as presented in point b of note No. V.10 is VND 35,462,016,997.

Except for the impact (if any) of the matter stated in “Basis for qualified audit opinion”, the financial statements have reflected fairly and fairly, in all material respects, the financial situation of Hue Water Supply Joint Stock Company as at December 31, 2024, as well as the results of business operations and cash flows for the fiscal year ended on the same day, in accordance with Vietnamese accounting standards, the Vietnamese corporate accounting regime and legal regulations related to the preparation and presentation of financial statements.

2. Audited financial statements

Details of separate financial statements and consolidated financial statements of Hue Water Supply Joint Stock Company have been disclosed on the website: www.huewaco.com.vn, under the Investor Relations section./.

Recipient:

- State Securities Commission (for reporting);
- Hanoi Stock Exchange (for reporting);
- Member of Board of Directors, Supervisory Board;
- Save: VT, P.KH- NCPT .

Confirmation of the Company's legal representative CHAIRMAN OF THE BOARD OF DIRECTORS

Le Quang Minh

In case there is a difference in content between a report in Vietnamese and a foreign language, the content in the Vietnamese report shall apply.

APPENDIX 1. OTHER DECISIONS OF THE BOARD OF DIRECTORS IN 2024

No	Decision Number	Time	Content
1	1/QĐ-HĐQT	01/01/2024	Regarding the assignment of production and business plan targets for the HTCN Automatic Operation Center for the period 2024 - 2026
2	2/QĐ-HĐQT	01/01/2024	Regarding the assignment of production and business plan targets for Hue Water Supply Branch for the period 2024 - 2026
3	3/QĐ-HĐQT	01/01/2024	Regarding the assignment of production and business plan targets for Huong Dien Water Supply Branch for the period 2024 - 2026
4	4/QĐ-HĐQT	01/01/2024	Regarding the assignment of production and business plan targets for Huong Phu Water Supply Branch for the period 2024 - 2026
5	5/QĐ-HĐQT	01/01/2024	Regarding the assignment of planning targets for the period 2024 - 2026 to the Network Management Company
6	6/QĐ-HĐQT	01/01/2024	Regarding the assignment of planning targets for the period 2024 - 2026 to the Electromechanical Factory
7	7/QĐ-HĐQT	01/01/2024	Regarding the assignment of planning targets for the period 2024 - 2026 to the Materials - Motorcycle Factory
8	8/QĐ-HĐQT	01/01/2024	Regarding the assignment of planning targets for the period 2024 - 2026 to the Construction and Installation Enterprise
9	9/QĐ-HĐQT	01/01/2024	Re: Assigning planning targets for the period 2024 - 2026 to the Design - Project Department
10	10/QĐ-HĐQT	01/01/2024	Re: Assigning planning targets for the period 2024 - 2026 to the Business Center - Customer Service
11	16/QĐ-HĐQT	22/02/2024	Additional functions and tasks of Technical Planning Department
12	57/QĐ-HĐQT	11/10/2024	Regarding amendments and supplements to the Decision on establishing the Automatic Operation Center for the Water Supply System
13	60/QĐ-HĐQT	22/11/2024	Regarding the transfer of functions and tasks of meter inspection from the Electromechanical

No	Decision Number	Time	Content
			Enterprise to the Materials - Motorcycle Enterprise
14	61/QD-HĐQT	22/11/2024	Re: Restructuring of Construction Enterprise
15	62/QD-HĐQT	22/11/2024	Regarding merging the Maintenance Team, Electromechanical Factory into the Network Management Factory and changing the name to Maintenance Factory
16	66/QD-HĐQT	31/12/2024	Regarding the merger of the Administration - Management Department and the Information Technology - Communications Department, renamed the Company Office
17	67/QD-HĐQT	31/12/2024	Regarding the establishment of the Planning - Research and Development Department
18	68/QD-HĐQT	31/12/2024	Regarding the establishment of the Technical Department
19	69/QD-HĐQT	31/12/2024	Re: Establishment of Research and Development Board
20	70/QD-HĐQT	31/12/2024	Regarding regulations on functions, tasks and organizational structure of the Finance - Accounting Department
21	71/QD-HĐQT	31/12/2024	Regarding the regulations on functions, tasks and organizational structure of the Organization - Personnel Department
22	72/QD-HĐQT	31/12/2024	Regarding the regulations on functions, tasks and organizational structure of the Design - Project Department
23	73/QD-HĐQT	31/12/2024	Regarding regulations on functions, tasks and organizational structure of the Water Quality Management Department
24	74/QD-HĐQT	31/12/2024	Regarding regulations on functions, tasks and organizational structure of the Business Center - Customer Service
25	75/QD-HĐQT	31/12/2024	Regarding the regulations on functions, tasks and organizational structure of the Automatic Operation Center of the water supply system
26	76/QD-HĐQT	31/12/2024	Renaming Hue Water Supply Branch to Huong Giang Water Supply Branch

No	Decision Number	Time	Content
27	77/QD-HĐQT	31/12/2024	Regarding regulations on functions, tasks and organizational structure of Huong Dien Water Supply Branch
28	78/QD-HĐQT	31/12/2024	Regarding regulations on functions, tasks and organizational structure of Huong Phu Water Supply Branch

**APPENDIX 2. TRADING IN SHARES BY INSIDERS AND
INSIDER'S RELATED PERSONS**

STT	Person/Organization performing the transaction	Insider Relations	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reason for increase, decrease (buy, sell, bonus,...)	Transaction time
			Number of shares	Rate (%)	Number of shares	Rate (%)		
1	DNP Hawaco Joint Stock Company	Mr. Nguyen Trong Hieu (Member of Board of Directors of HueWACO) is Chairman of Board of Directors of DNP Hawaco Joint Stock Company.	0	0	2,500,000	2.85	Buy stocks	11/26/2024

**APPENDIX 3. TRANSACTIONS AND CONTRACTS OF THE COMPANY WITH
RELATED PERSONS**

STT	Item	Contract Number	Date of contract	Goods price
I	DNP HAWACO JOINT STOCK COMPANY			14,370,285,201
1	100 KVA Cummins Generator India	139	25/01/2024	1,476,900,000
2	DN 15 Actaris Meter - Class C	210	19/02/2024	2,566,080,000
3	DN 100 Woltex Itron Gauge	858	06/06/2024	32,076,000
4	DN 15 Actaris Meter - Class C	884	11/06/2024	1,604,232,000
5	DN 15 Actaris Meter - Class C	949	20/06/2024	1,824,768,000
6	Siemens DN 50 Electromagnetic Meter (Battery)	1003	26/06/2024	1,271,500,000
7	DN 15 Actaris Meter - Class C	1535	18/09/2024	4,323,229,200
8	Siemens DN 50 Electromagnetic Meter (Battery)	1648	01/10/2024	1,271,500,000