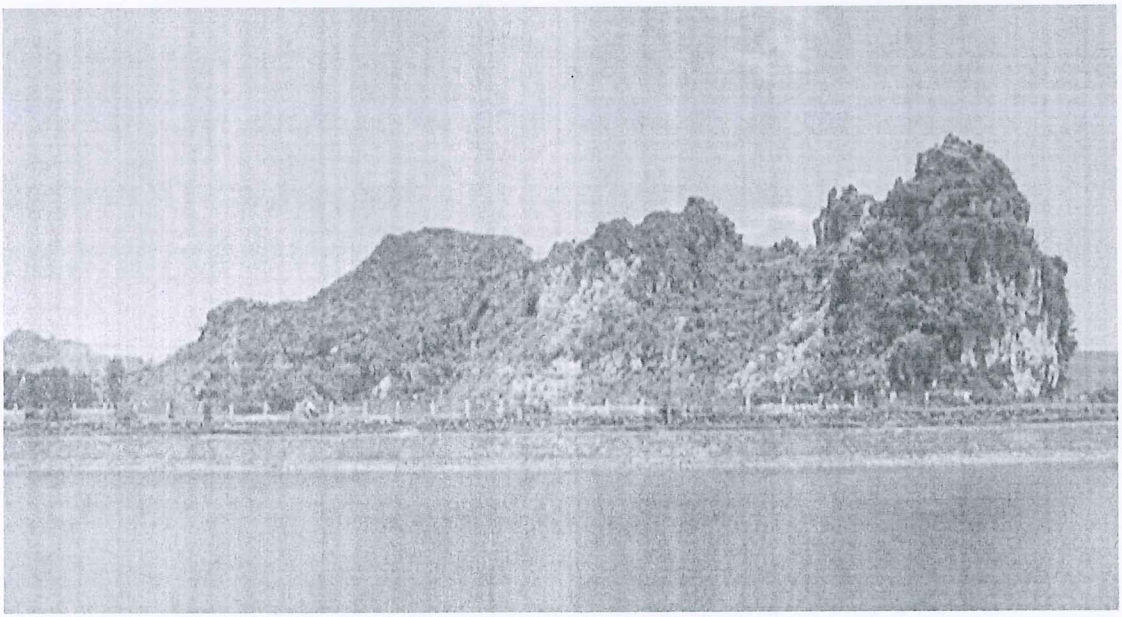
THANH HOA WATER SUPPLY JOINT STOCK COMPANY

THAWACO

ANNUAL REPORT



CÔNG TY CỔ PHẦN CẤP NƯỚC THANH HÓA

Digitally signed by CÔNG TY CỔ PHẦN CẤP NƯỚC THANH HÓA
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PEOPLE'S COMMITTEE
OF THANH HOA PROVINCE
THANH HOA WATER SUPPLY JOINT STOCK COMPANY

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No: …./BC-THN

Thanh Hoa, …. March 2025

ANNUAL REPORT
THANH HOA WATER SUPPLY JOINT STOCK COMPANY IN 2024

To: State Securities Commission of Vietnam
Hanoi Stock Exchange

I. General Information

1. Overview

- Trading name of Company: Thanh Hoa Water Supply Joint Stock Company
- Company Acronym: THAWACO
- Business Registration Certificate No.: 2800219549
- Charter Capital: VND 329,954,110,000
- Address: No. 99, Mat Son Street, Dong Ve Ward, Thanh Hoa City, Vietnam
- Tel: 02373 852 966; Fax: 02373 856 648
- Email: cnth@capnuocth.vn
- Website: http://capnuocthanhhoa.vn
- Stock Code: THN
- ISIN Code: VN000000THN2

2. Establishment and Development Process

1931 - 1985	1986 - 2005	2006-27/05/2016	28/05/2016 - now
Formerly the Thanh Hoa Water Filtration Plant, managed by the French authorities until 1954	Thanh Hoa Water Plant was renamed Thanh Hoa Water Supply and Sewerage Company under Decision No. 1690/QĐ-TC-UBTH dated 27th December, 1986	The company transitioned from Thanh Hoa Water Supply and Sewerage Company to Thanh Hoa One-Member Limited Water Supply Company under Decision No. 2039/QĐ-CT-UBTH	In accordance with Decision No. 4753/QĐ-UBND, the company transitioned to operate under the Enterprise Law as Thanh Hoa Water Supply Joint Stock Company

Thanh Hoa Water Supply Joint Stock Company was formerly knowns as Thanh Hoa Water Supply Company, that was established on July 1, 1931. Over 93 years of construction and development, the company has undergone multiple name and organizational structure changes, continuously expanding its scale and production capacity. The company's journey of growth and development is divided into five main periods:

- The period from 1931 to 1953
- The period from 1954 to 1985
- The period from 1986 to 2005
- The period from 2006 to 27/5/2016
- Since from 28/5/2016 to present

Each of these periods marks a significant milestone, serving as a solid foundation for the company to move forward into the future. Celebrating 93 years of tradition is also an opportunity for the company to review its nearly century-long history of construction and development, alongside the nation and Thanh Hoa province, through heroic historical periods, contributing to the growth and advancement of Thanh Hoa City.

*** From 1931 to 1985**

Thanh Hoa Water Plant operated under the administration of the French authorities. At that time, its primary service recipients were government offices managed by the French, while the remaining supply was provided to private traders in Thanh Hoa Town. During this period, following the government's 'Scorched Earth Resistance' policy, all machinery and equipment of the plant were dismantled and transferred to military workshops for weapons manufacturing in support of the resistance war, leading to the plant's cessation of operations.

After the victory at Dien Bien Phu, with the support of the Soviet Union, Thanh Hoa Water Plant was restored, invested in, and upgraded. It resumed operations, supplying water to government agencies, enterprises, and a portion of the population within the inner area of Thanh Hoa Town.

Entering the period of peace under the socialist-oriented development, Thanh Hoa Town expanded, and two major urban areas, Sam Son and Bim Son, were established as towns within the province. Economic zones, industrial clusters, townships, and trade centers were formed and developed. The growing demand for clean water for domestic use, production, and services required Thanh Hoa Water Plant to invest in, upgrade, and renovate the water supply system.

*** From 1986 to 2005**

On December 27, 1986, the Chairman of the Thanh Hoa Provincial People's Committee issued Decision No. 1690/QĐ-TC-UBTH, renaming Thanh Hoa Water Plant to Thanh Hoa Water Supply Company. The company's functions and duties include: extracting and producing clean water to serve the needs of Thanh Hoa Town and Sam Son; surveying, designing, constructing, and managing water supply projects and systems under its management and operation.

On May 30, 1992, the Chairman of the Thanh Hoa Provincial People's Committee issued Decision No. 775/QĐ-TC-UBTH, renaming Thanh Hoa Water Supply Company to Thanh Hoa Water Supply and Drainage Company. Its responsibilities were expanded to include managing, surveying, designing, and constructing water supply and drainage systems.

However, in practice, the management of the drainage system in Thanh Hoa town and urban areas remained under the administration of local authorities. Therefore, on 15th April, 1996, the Chairman of the Thanh Hoa Provincial People's Committee issued Decision No. 1479/TC-UBTH, renaming Thanh Hoa Water Supply and Drainage Company back to Thanh Hoa Water Supply Company.

*** From 2005 to 27/5/2016**

The company was converted from Thanh Hoa Water Supply and Drainage Company into Thanh Hoa One-Member Limited Liability Water Supply Company under Decision No. 2039/QĐ-CT-UBTH on the transformation of Thanh Hoa Water Supply Company into Thanh Hoa One-Member Limited Liability Water Supply Company, abbreviated as Thanh Hoa Water Supply Company. From this point, the company's responsibilities and authority became more clearly defined, and its water supply management scope expanded beyond Thanh Hoa City, Sam Son Town, and Bim Son Town to include urban areas and industrial zones across the province.

*** Since 28/05/2016**

The company was converted from Thanh Hoa One-Member Limited Liability Water Supply Company into Thanh Hoa Water Supply Joint Stock Company under Decision No. 4753/QĐ-UBND of Thanh Hoa Province, approving the equitization plan and transforming Thanh Hoa One-Member Limited Liability Water Supply Company into Thanh Hoa Water Supply Joint Stock Company. From this point, the company transitioned to operating under the Enterprise Law as a joint stock company model, with its responsibilities and authority more clearly defined. The company's water supply management scope extended beyond Thanh Hoa City, Sam Son Town, and Bim Son Town to encompass urban areas, industrial zones, and several districts across the province.

- Listing Date: The company's shares were registered for securities trading and assigned a stock code at the Vietnam Securities Depository Center as of January 7, 2017.

3. Business lines and locations

- The company's primary business activities include the management and production of clean water across the entire province. Other business functions include: investment in the construction of water supply and drainage projects and environmental sanitation; acting as the general contractor for turnkey water supply and drainage projects; construction and installation of technological equipment for water supply and drainage systems, wastewater treatment, and solid waste management; construction of civil, industrial, transportation, and medium-to small-scale irrigation projects; hotel services; and other business activities as permitted by law.

4. Information about Corporate governance model, Management structure

- Corporate governance model: General Meeting of Shareholders; Board of Directors; Board of Supervisors; Board of Executives.

- Management Structure includes:

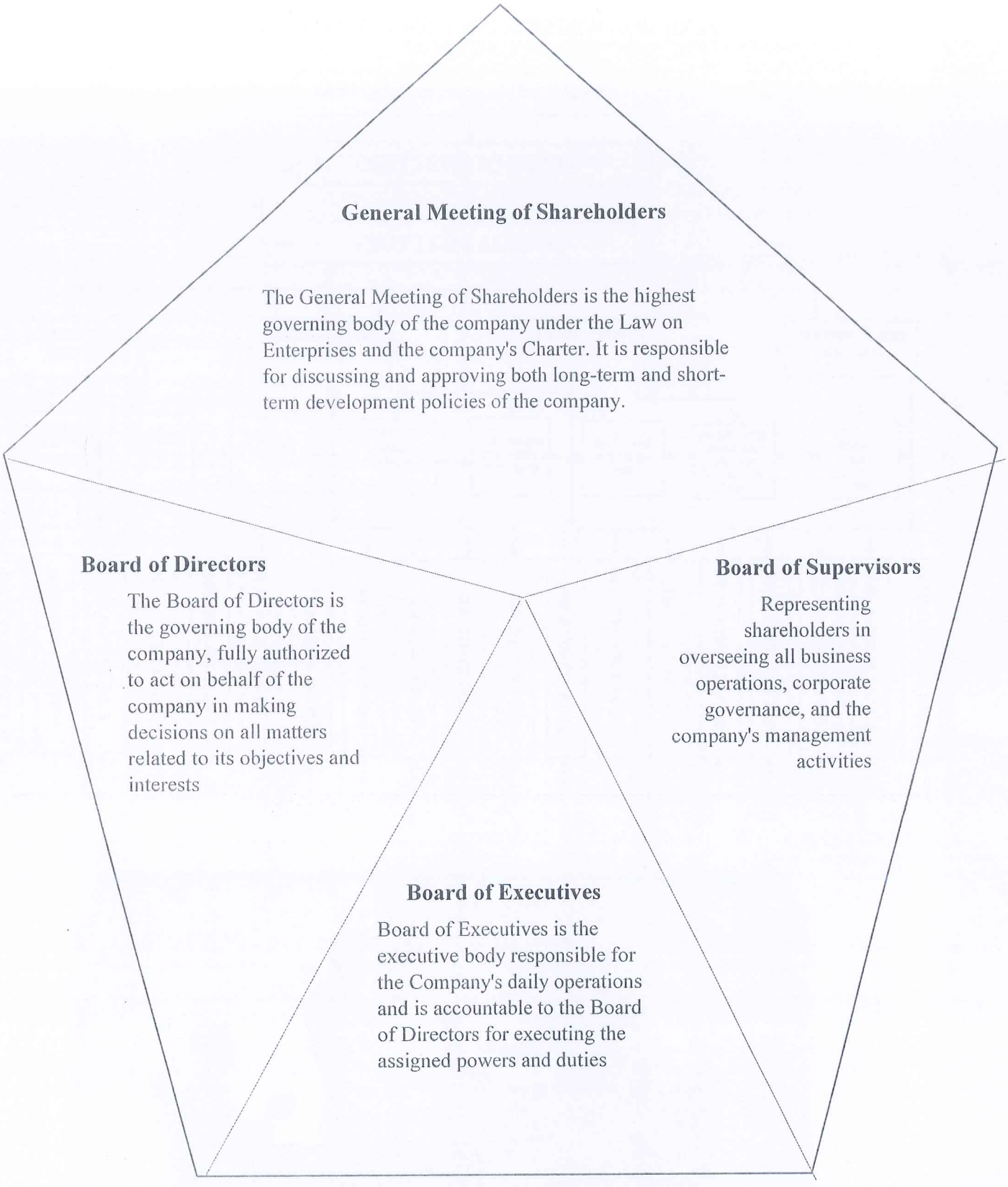
+ Board of Directors;

+ Board of Supervisors;

+ Board of Executives;

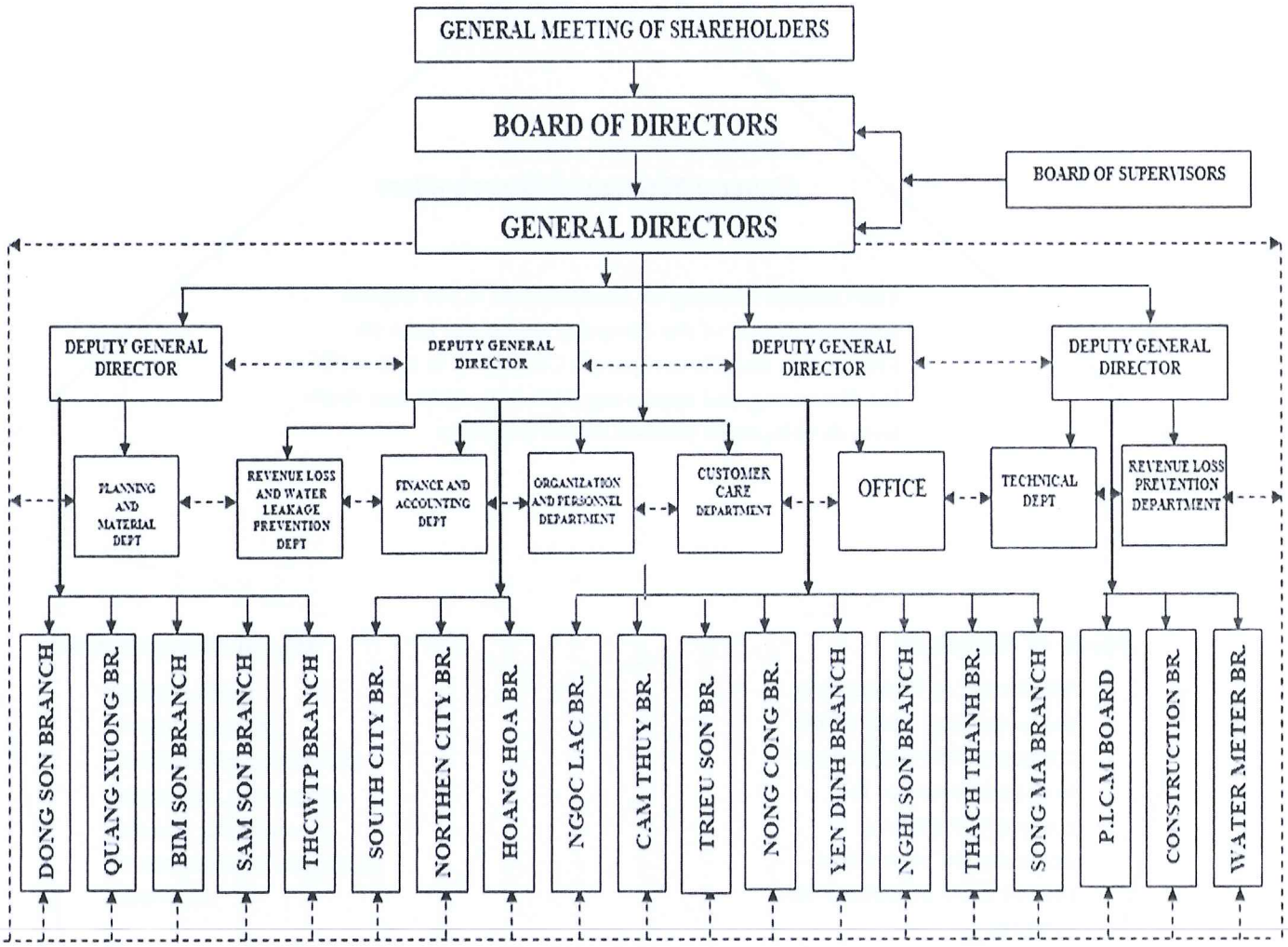
+ Departments and Affiliated Units;

- Subsidiaries: None



GOVERNANCE MODEL

ORGANIZATIONAL CHART OF
THANH HOA WATER SUPPLY JOINT STOCK COMPANY





5. Development orientation

5.1. The primary targets of ThaWACO:

- The company strives to be the leading enterprise in Thanh Hoa province in the field of clean water production and business.

- ThaWACO also strives to be an efficient enterprise, improving the living standards of employees in the company, and aligning the company's development goals with those of its employees.

5.2. Middle and long-term targets:

a) The main objectives in water supply operations:

- Implement directives from the Provincial People's Committee and State management agencies in water supply operations, ensuring stability in the company's activities after equitization.

- Ensure water supply meets current regulations and standards while fulfilling the water usage needs of residents in areas under the company's water distribution management.

- Build a unified and cohesive team of officers and employees to successfully achieve the planned targets and plans.

- Expand business activities and gradually extend the market to increase the company's revenue and profit.

b) Objectives for production development and basic construction investment:

- Develop an investment strategy for water supply system expansion, market development, and implement specific solutions to execute the company's growth strategy, gradually achieving sustainable development and growth.

- Develop product and service pricing based on the technical-economic norms of each regulated sector, and propose relevant departments to submit for approval by the Provincial People's Committee as a basis for implementation.

- Implement the policy of multi-sector and multi-industry operations. The company focuses on research to develop new industries that bring high economic efficiency.

5.3. Key tasks:

To enhance operational efficiency and strive to exceed the 2024 planned targets, departments and affiliated units must focus on effectively executing the following tasks:

- Continue to strengthen political and ideological education for officials, Party members, and employees to enhance their sense of responsibility in performing duties;

- Continue to effectively protect and manage water sources, ensuring absolute safety in water supply to meet customer demand, especially during the Lunar New Year, summer, and public holidays;

- Decisively direct and implement water loss and revenue loss prevention efforts; conduct monthly and quarterly evaluations of these efforts to establish synchronized and

effective measures for the following months; strive to reduce the water loss and revenue loss rate to 15.0%;

- Focus resources on implementing key projects such as upgrading Mat Son Water Plant to 70,000 m^3/day-night, upgrading Yen Dinh Water Plant, expanding output pipelines from Mat Son Water Plant, constructing the reaction mixing tank and Lamella settling tank at LK13 Bim Son station, and Pipeline No. 3 Thanh Hoa - Sam Son, etc., to ensure water supply capacity across all service areas;

- Strengthen communication efforts on cashless payment methods and non-consuming customers while applying legal regulations to temporarily suspend water supply for customers who do not use water, aiming to reduce the rate of 0m^3 customers;

- Take advantage of the support from local authorities at all levels, continue selective investment in customer development, expand the consumer market, and ensure efficiency in investment and growth;

- Accelerate the implementation of digitalization and enhance the application of technology in enterprise management and water supply network management;

- Maintain and promote the great unity within the leadership, officers, and employees of the entire company. Further strengthen leadership, direction, and management; promptly address and resolve obstacles in business operations;

- Set a good example, especially for unit leaders, to enhance employees' sense of responsibility in complying with company regulations, internal policies, and legal provisions in their assigned tasks;

- Continue to tighten discipline and labor regulations, strengthen inspection and supervision, and promptly detect and strictly handle violations of the company's internal rules and regulations;

- Effectively carry out preliminary and final reviews, evaluations, and experience-sharing. Timely commend and reward collectives and individuals with outstanding achievements in the production emulation movement; widely promote exemplary models across the entire company;

- Continue to strengthen the activities of mass organizations through emulation movements, promoting technical innovation initiatives. Maintain effective implementation of the democratic regulation to harness collective intelligence and strength, ensuring the successful achievement of the 2025 production and business objectives.

- Based on the set plan targets, the company will consider rewarding units that exceed their assigned goals.

5.4. Development strategy and orientation towards year of 2030

Implementing Decision No. 177/QĐ-UBND dated January 16, 2017, of the People's Committee of Thanh Hoa Province approving the adjustment of the master plan for industrial and commercial development of Thanh Hoa Province with an orientation towards 2030.

With the strong development of urban populations and industrial zones, as well as economic zones across the province, the company continues to focus on water production and supply, investing in water supply infrastructure to meet market demand for clean water. Additionally, the company aims to expand and diversify its business sectors and investment models to fulfill its mission in the new era. The company will primarily focus on the following key tasks:

- Invest in key projects to supplement water sources, upgrade and expand the pipeline and distribution system to meet the demand for residential, industrial, and tourism water supply. Develop an implementation roadmap for water supply projects in alignment with the progress of economic-social development, urban tourism, and industrial zone projects in the province.

- Implement a leakage prevention plan by region and pipeline, striving to reduce the water loss rate to 15% by 2025. Prioritize projects aimed at preventing water loss and revenue leakage to enhance the operational capacity of the water supply system and minimize water losses.

- Implement socialization in investment and water supply operations, attracting domestic and foreign capital to invest in upgrading and expanding the water supply system; aim to achieve 100% urban water supply coverage.

- Enhance capacity and increase water supply output, focusing on water quality management. Provide clean water products that meet Vietnamese standards TCVN 5502:2003. Maintain the quality management system in compliance with the international standard ISO 9001:2008, develop and refine internal regulations, and implement personnel planning. Organize training and retraining programs for employees; implement policies to attract specialized engineers and economic management professionals to work at the company.

- Apply scientific and technological advancements, including information technology, to enhance management and operations. Innovate service delivery methods to provide the best customer experience, implementing the "Customer-Centric" strategy for sustainable growth and development.

6. Risks that may affect business operations or the achievement of the company's targets

a) Economic risks:

Along with the overall economic development, the issue of clean water has become increasingly essential and urgent. The Government of Vietnam has issued numerous documents and policies to develop the industry.

In the trend of integration, the issue of clean water has become increasingly essential and important for every Vietnamese citizen.

Thus, it can be concluded that the operations of Thanh Hoa Water Supply Joint Stock Company in the coming period are not expected to face significant obstacles from the economy.

b) Legal risks:

In the operations of Thanh Hoa Water Supply Joint Stock Company, there may be some risks as follows:

Risks related to changes in the government's macroeconomic policies may lead to difficulties in the company's expansion and development direction.

The business legal system, in general, lacks consistency, and the legal framework for activities in the field is still incomplete.

c)Specific risks:

The company primarily operates in the field of clean water production and business, which is dependent on climate and environmental changes. The company cannot control the raw water source, electricity for production, the coverage area of water supply, and the scale of assets. Additionally, it is subject to strict price regulation, etc.

d)Other risks:

Other unforeseen risks beyond human control, such as natural disasters, fires, wars, saline intrusion, and water pollution, are considered force majeure risks. These factors are beyond the company's control, and if they occur, they could cause significant damage to the company's assets, personnel, and overall operations of Thanh Hoa Water Supply Joint Stock Company.

II. Operations in the year

1. Business operation (from 01/01/2024 to 31/12/2024)

- *In water supply production activities:* The coverage of water supply services continues to expand, and water quality meets regulatory standards. The company's total water output reached 42,301,528 m^3, achieving 101.7% of the business plan. Water supply revenue amounted to VND 438.16 billion, reaching 102.7% of the planned target.

- *In construction, consulting, and other activities:* Despite facing challenges in securing projects, the revenue from construction, consulting, and other activities reached VND 30,52 billion, achieving 218.8% of the planned target.

- *Operational Efficiency:* Total revenue reached VND 468,68 billion, achieving 106% of the planned target, while pre-tax profit amounted to VND 69,52 billion, equivalent to 163.6% of the plan. Despite challenges in construction and consulting activities, the company's efforts in cost reduction contributed to a relatively positive and noteworthy business performance during its joint-stock period.

2. Organization and personnel

2.1 The list of the Company's Executive Management Board includes:

No.	Full name	Position	Shares Owned
I	**Board of Directors**		
1	Mr. Le The Son	Chairman of the Board	8,399,110
1	Mr. Pham Van Tu	Vice Chairman of the Board	6,883,500

3	Mr. Nguyen Ngoc Can	Member of the Board	8,941,812
4	Mr. Le Sy Len	Member of the Board	3,816,749
5	Mr. Le Van Qui	Member of the Board	7,400
II	**Board of Supervisors**		
1	Mrs. Le Thi Ha	Head of the Supervisory Board	7,700
2	Mrs. Trinh Thi Huyen	Member of the Supervisory Board	6,200
3	Mr. Nguyen Cong Khanh	Member of the Supervisory Board	-
III	**Board of Executives**		
1	Mr. Nguyen Ngoc Can	General Director	8,941,812
2	Mr. Le Sy Len	Deputy General Director	3,816,749
3	Mr. Duong Van Hoa	Deputy General Director	56,200
4	Mr. Le Ngoc Dinh	Deputy General Director	-
5	Mr. Le Trung Hieu	Deputy General Director	2,100
IV	**Chief Accountant**		
1	Mrs. Nguyen Thi Nga	Chief Accountant	7,000

2.2 Curriculum vitae:

The Board of Directors (BOD) consists of five members, including three executive directors and two non-executive directors.

(1) Mr. Le The Son - Chairman of the Board of Directors

Full name	Le The Son
Gender	Male
Date of birth	17/12/1979
Place of Birth	Dong Son District, Thanh Hoa Province
Nationality	Vietnam
Permanent Address	No. 78 Dang Van Hy Street, An Hung Ward, Thanh Hoa City

Citizen identification number	Number: 038079004350; Issued on: 11/08/2021, Issuing Authority: Police Department on Administrative Management of Social Order
Telephone	0983 317 707
Professional Qualification	Bachelor of Economics; Master of Political Economy
Current Position	Chairman of the Board of Directors
Position Held at Other Organizations	None
Shares Owned	8,399,110 shares
In which:	
- Personal ownership	0 shares
- Authorized representative	8,399,110 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	None
Related interests in the Company	None

(2) Mr. Pham Van Tu - Vice Chairman of the Board of Directors

Full name	Pham Van Tu
Gender	Male
Date of birth	08/8/1985
Place of Birth	Nghi Thiet Commune, Nghi Loc District, Nghe An Province
Nationality	Vietnam
Permanent Address	No. 05 Luu Do Street, An Hung Ward, Thanh Hoa City
Citizen identification number	040085001230 issued by the Police Department on Administrative Management of Social Order on July 17, 2022.

Telephone	0912 812 579
Professional Qualification	Bachelor of Economics
Current Position	Vice Chairman of the Board of Directors
Position Held at Other Organizations	None
Shares Owned	6,883,500 shares
In which:	
- Personal ownership	6,883,500 shares
- Authorized representative	0 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	Entitled to remuneration as a Member of the Board of Directors
Related interests in the Company	None

(3) Mr. Nguyen Ngoc Can - Member of the Board of Directors - General Director

Full name	Nguyen Ngoc Can
Gender	Male
Date of birth	20/01/1964
Place of Birth	Nga Bach Commune, Nga Son District, Thanh Hoa Province.
Nationality	Vietnam
Permanent Address	No. 238, Duong Dinh Nghe Street, Dong Tho Ward, Thanh Hoa City

Citizen identification number	171474603; Date of issue: January 13, 2009; Place of issue: Thanh Hoa Police
Telephone	0913589816
Professional Qualification	Bachelor of Economics
Current Position	Board Member cum General Director
Position Held at Other Organizations	None
Shares owned	8,941,812 shares
In which:	
- Personal ownership	107,900 shares
- Authorized representative	8,833,912 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	Entitled to remuneration as a Member of the Board of Directors
Related interests in the Company	None

(4) Mr. Le Sy Len - Member of the Board of Directors – Vice General Director

Full name	Le Sy Len
Gender	Male
Date of birth	06/7/1969
Place of Birth	Khuyen Nong Commune, Trieu Son District, Thanh Hoa Province
Nationality	Vietnam
Permanent Address	Lot 161, Dong Ve 5, Dong Ve Ward, Thanh Hoa City

Citizen identification number	172584987, Date of Issue: 31/08/2009, Place of Issue: Thanh Hoa Public Security
Telephone	0912162625
Professional Qualification	Bachelor of Economics
Current Position	Board Member cum Vice General Director
Position Held at Other Organizations	None
Shares owned	3,816,749 shares
In which:	
- Personal ownership	57,400 shares
- Authorized representative	3,759,349 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	Entitled to remuneration as a Member of the Board of Directors
Related interests in the Company	None

(5) Mr. Le Van Qui - Member of the Board of Directors – Head of Personnel Organization Department

Full name	Le Van Qui
Gender	Male
Date of birth	02/9/1968
Place of Birth	Hoang Qui Commune, Hoang Hoa District, Thanh Hoa Province
Nationality	Vietnam

Permanent Address	06 Nguyen Thai Hoc, Truong Thi Ward, Thanh Hoa City
Citizen identification number	171447596, Date of Issue: 17/12/2006, Place of Issue: Thanh Hoa Public Security
Telephone	0904274688
Professional Qualification	Bachelor of Economics
Current Position	Member of the Board of Directors cum Head of Personnel Organization Department
Position Held at Other Organizations	None
Shares owned	7,400 shares
In which:	
- Personal ownership	7,400 shares
- Authorized representative	0 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	Entitled to remuneration as a Member of the Board of Directors
Related interests in the Company	None

(6) Mr. Duong Van Hoa - Deputy General Director

Full name	Duong Van Hoa
Gender	Male
Date of birth	11/12/1963
Place of Birth	Trieu Duong Commune, Tinh Gia District, Thanh Hoa Province
Nationality	Vietnam

Permanent Address	No. 290, Le Hoan Street, Ba Dinh Ward, Thanh Hoa City.
Citizen identification number	170511401, Date of Issue: 26/08/2015, Place of Issue: Public Security
Telephone	0904812999
Professional Qualification	Bachelor of Economics
Current Position	Deputy General Director
Position Held at Other Organizations	None
Shares owned	56,200 shares
In which:	
- Personal ownership	56,200 shares
- Authorized representative	0 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	None
Related interests in the Company	None

(7) Mr. Le Ngoc Dinh - Deputy General Director

Full name	Le Ngoc Dinh
Gender	Male
Date of birth	19/5/1966
Place of Birth	Dong Hai Commune, Thanh Hoa Town
Nationality	Vietnam
Permanent Address	No. 07 Ly Tu Trong, Ba Dinh Ward, Thanh Hoa City

Citizen identification number	171569809, Date of Issue: 29/05/2009, Place of Issue: Thanh Hoa Public Security
Telephone	0913390326
Professional Qualification	Bachelor of Economics, Bachelor of Law
Current Position	Deputy General Director
Position Held at Other Organizations	None
Shares owned	0 shares
In which:	
- Personal ownership	None
- Authorized representative	None
Number of shares held by related persons	None
Liabilities to the company	None
Remuneration and other benefits received from the company	None
Related interests in the Company	None

8) Mr. Le Trung Hieu - Deputy General Director

Full name	Le Trung Hieu
Gender	Male
Date of birth	06/12/1991
Place of birth	Quang Trung Commune, Quang Xuong District, Thanh Hoa Province
Nationality	Vietnam
Permanent Address	No. 79 Lac Long Quan, Dong Ve Ward, Thanh Hoa City

Citizen identification number	362347078, Date of Issue: 09/08/2014, Place of Issue: Can Tho Public Security
Telephone	0915 554 857
Professional Qualification	Architect
Current Position	Deputy General Director
Position Held at Other Organizations	None
Shares owned	2,100 shares
In which:	
- Personal ownership	2,100 shares
- Authorized representative	None
Number of shares held by related persons	Full name of related person: Relationship: Shares owned:
Liabilities to the company	None
Remuneration and other benefits received from the company	None
Related interests in the Company	None

(9) Mrs. Lê Thị Hà - Head of the Supervisory Board

Full name	Le Thi Ha
Gender	Female
Date of birth	19/05/1968
Place of birth	Hoang Ngoc Commune, Hoang Hoa District, Thanh Hoa Province
Nationality	Vietnam

Permanent Address	No. 108, Ly Thai Tong Street, Dong Bac Ga 2 Street, Dong Tho Ward, Thanh Hoa City.
Citizen identification number	171253481, Date of Issue: 05/05/2010, Place of Issue: Thanh Hoa Public Security
Telephone	0914995795
Professional Qualification	Bachelor of Economics
Current Position	Head of the Supervisory Board
Position Held at Other Organizations	None
Shares owned	7,700 shares
In which:	
- Personal ownership	7,700 shares
- Authorized representative	0 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	None
Related interests in the Company	None

(10) Mr. Nguyen Cong Khanh - Member of the Supervisory Board

Full name	Nguyen Cong Khanh
Gender	Male
Date of birth	26/01/1965
Place of birth	Truong Thi Ward, Thanh Hoa City
Nationality	Vietnam

Permanent Address	No. 244, Truong Thi Street, Truong Thi Ward, Thanh Hoa City
Citizen identification number	171624606, Date of Issue: 15/06/2012, Place of Issue: Thanh Hoa Public Security
Telephone	0912395733
Professional Qualification	Bachelor of Economics
Current Position	Member of the Supervisory Board
Position Held at Other Organizations	None
Shares owned	0 shares
In which:	
- Personal ownership	0 shares
- Authorized representative	0 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	Entitled to receive remuneration as a member of the Supervisory Board
Related interests in the Company	None

(11) Mrs. Trinh Thi Huyen – Member of the Supervisory Board

Full name	Trinh Thi Huyen
Gender	Female
Date of birth	19/6/1971
Place of birth	Thieu Cong Commune, Thieu Hoa District, Thanh Hoa Province

Nationality	Vietnam
Permanent Address	No. 02A/46 – Mat Son, Dong Ve Ward, Thanh Hoa City
Citizen identification number	038171003466, Date of Issue: 19/09/2017, Place of Issue: Police Department of Residence Registration and Management and National Population Database
Telephone	0934655878
Professional Qualification	Bachelor of Economics
Current Position	Member of the Supervisory Board cum Deputy Head of Planning and Material Department
Position Held at Other Organizations	None
Shares owned	6,200 shares
In which:	
- Personal ownership	6,200 shares
- Authorized representative	0 shares
Number of shares held by related persons	*Full name of related person:* *Relationship:* *Shares owned:*
Liabilities to the company	None
Remuneration and other benefits received from the company	Entitled to receive remuneration as a member of the Supervisory Board
Related interests in the Company	None

(12) Mrs. Nguyen Thi Nga – Chief Accountant

Full name	Nguyen Thi Nga
Gender	Female
Date of birth	12/11/1973

Place of birth	Hoang Dong Commune, Hoang Hoa District, Thanh Hoa Province
Nationality	Vietnam
Permanent Address	No. 145, Dinh Cong Trang Street, Ba Dinh Ward, Thanh Hoa City
Citizen identification number	038173003600, Date of Issue: 14/08/2021, Place of Issue: Police Department on Administrative Management of Social Order
Telephone	0962156586
Professional Qualification	Bachelor of Economics
Current Position	Chief Accountant
Position Held at Other Organizations	None
Shares owned	7,000 shares
In which:	
- Personal ownership	7,000 shares
- Authorized representative	0 shares
Number of shares held by related persons	None
Liabilities to the company	None
Remuneration and other benefits received from the company	None
Related interests in the Company	None

- Changes in the Board of Directors and Executive Management: Mr. Duong Van Hoa, Deputy General Director of the Company, retires in accordance with regulations.

- As of December 31, 2024, the company's total number of employees is 873, including: 370 female employees; 55% with a university degree or higher; 28% with a college or vocational diploma; and 17% skilled workers.

- Policies and Changes in Employee Policies to adapt to the operational model of a joint-stock company, after transitioning to this model, the company has revised and issued

internal management regulations to align with its operations. These include regulations on salaries and bonuses, financial management regulations, and other relevant policies.

3. Investment and project status

a) Major Investments:

To enhance water supply capacity for customers and reduce water loss rates in accordance with the Government and Provincial People's Committee roadmap, the company has prioritized investment in upgrading key projects, such as: Upgrading the capacity of the Mat Son, Ngoc Lac, and Bim Son water plants; repairing, renovating, replacing, and expanding the water supply network in several areas to support market expansion, especially in rural, remote, and isolated areas, in line with Resolution No. 58 dated August 5, 2020, of the Politburo; ensuring sufficient water supply to meet customer demand. In 2024, the company added 11,738 new customer households;

Many degraded infrastructure components have been promptly repaired and renovated, significantly improving the quality of the distribution network, enhancing water supply capacity, and reducing water loss rates;

The company is completing the necessary documentation and implementing the investment project to increase the capacity of the Mat Son Water Plant to 70,000 m^3 per night. At the same time, it is conducting research and finalizing the investment plan for Pipeline No. 3, connecting Thanh Hoa and Sam Son along Vo Nguyen Giap Boulevard. Once completed, these projects will significantly enhance the local water supply capacity, ensuring a stable and sufficient water supply to meet customer demand within the company's management scope.

The company prioritizes investment in repairing and upgrading old pipelines with poor quality to enhance water supply capacity, address localized water shortages and low pressure in certain areas, and contribute to reducing the overall water loss rate.

b) Subsidiaries and associate companies: *None*

4. Financial performance

a) Financial performance:

Unit: VND

Indicators	2023	2024

1. Total assets	692,283,409,404	692,614,383,822
2. Net revenue	428,501,285,107	456,084,144,257
3. Net profit from operating activities	60,401,030,584	67,793,652,585
4. Other profits and other income	208,336,887	1,706,528,906
5. Dividend yield ratio	10.09%	13.18%
6. Total Assets/Revenue	1.62 times	1.52 times
7. Taxes and payables	54,997,708,549	53,538,210,833
8. Profit before tax	60,609,367,471	69,500,181,491
9. Profit after tax	47,568,907,060	62,147,000,152

5. Shareholder structure and changes in owners' equity

a) Shares:

- As of May 15, 2017, according to Resolution No. 111/NQ-ĐHĐCĐ of the Annual General Meeting of Shareholders, and as of May 29, 2017, according to the business registration certificate, the total share capital amounted to 32,995,411 shares;

- Type of shares: Common shares;

- The number of freely transferable shares is 31,040,411 shares;

- The number of restricted transferable shares is 1,955,000 shares.

b) Shareholder structure:

- State shareholders: Consisting of 03 members of the company's Board of Directors serving as representatives.

- Major shareholder: 01 person

- Minority shareholders are the company's employees: 669 people

- Other shareholder: 01 person

c) Change in owners' equity:

- As of December 31, 2024, the company's charter capital is VND 329,954,110,000, equivalent to 32,995,411 shares.

d) Treasury stock transactions: None

e) Other securities: None

6. Environmental – Social Impact Report

6.1. Material resource management:

a) Total raw materials used in production

No.	Raw materials	Unit	Quantity
1	Raw water	1000M3	51,377
2	Alum	Ton	386,093
3	PAC	Ton	235,726
4	Clo	Ton	80,57

b) Report on the percentage of recycled materials used in the production of the organization's main products and services: None.

6.2. Energy consumption:

No	Raw materials	Unit	Quantity
1	Electricity	KW	13,306,361

6.3. Water consumption:

- For the company's production activities: Surface water and groundwater.

- For employees: Clean water directly produced by the company.

6.4. Compliance with environmental protection laws:

a) The number of times penalized for non-compliance with environmental laws and regulations: *None.*

b) Total amount of fines imposed for non-compliance with environmental laws and regulations: *None.*

6.5 Employee-related policies:

a) The total number of employees as of December 31, 2024, is 873; the average income of employees is VND 12,000,000 per person per month

b) Labor policies:

- Pay hazardous allowances and other benefits to employees in full as per regulations;

- Provide full labor protection equipment and work tools for employees;

- Annually, the company organizes and ensures the implementation of regular health check-ups for employees.

c) Employee training activities:

- The average training hours per year for each employee is 20 hours per person per year

- Continuous skill development and learning programs are organized to support employees in securing jobs and advancing their careers. The company has implemented these activities through events such as skill competitions, technical innovation contests, training workshops, and study visits to peer organizations, among others.

6.6. Report on the organization's responsibility towards the local community:

Annually, the company collaborates with the labor union to visit and support communities in remote areas, families in difficult circumstances, and regions affected by natural disasters and fires, with a total amount of VND 1,028 million per year.

6.7 Report on green capital market activities according to the guidelines of the State Securities Commission: None.

III. Board of Executives' assessment report

1. Evaluating the Results of Business operations

- *In water supply production activities:* Despite the unfavorable conditions regarding raw water sources, electricity, and the water price remaining unchanged for many years, with the timely and decisive leadership of the Party Committee, the Board of Directors, and the Executive Board, as well as the close coordination between departments and units, the water supply production process has been ensured safely in all situations, effectively meeting the water usage needs of customers; The production process is strictly adhered to, ensuring water quality in accordance with QCVN 01-1:2018/BYT. The service quality has been continuously improved across all criteria, with very positive feedback from customers;

- *In construction, consulting, and other activities:* Despite facing many difficulties in finding projects, the revenue from construction, consulting, and other activities reached VND 30,52 billion, achieving 218.8% of the target.

- *Operational effectiveness:* Total revenue reached VND 468,68 billion, achieving 106% of the target; pre-tax profit reached VND 69,52 billion, achieving 163.6% of the target. Therefore, despite facing many challenges in business operations, the company's efforts to reduce costs resulted in positive operational outcomes in 2024, which deserve recognition.

2. Financial status

a) Asset status:

- As of the end of the period (December 31, 2024), the total assets amounted to VND 692,614,383,822. Of this, current assets were VND 96,516,546,779, and non-current assets were VND 596,097,837,043.

- The total assets at the end of the period increased by VND 330,974,418, representing a 0.05% increase compared to the beginning of the period.

b) Liabilities status:

- The total liabilities as of the end of the period (31/12/2024) are 265,396,043,581 VND, with short-term liabilities amounting to 140,096,143,059 VND and long-term liabilities amounting to 125,299,900,522 VND.

- The total liabilities at the end of the period decreased by 21,382,454,733 VND, a reduction of 7.46% compared to the beginning of the period.

3. Improvements in organizational structure, policies and management

4. Future development plan

Implementing Decision No. 177/QD-UBND dated January 16, 2017, by the People's Committee of Thanh Hoa Province, approving the adjustment of the master plan for the development of industry and trade in Thanh Hoa Province until 2020, with a vision towards 2030.

The company's future development plan is as follows:

- The company plans to invest in key projects to supplement the water supply, renovate, and expand the pipeline and distribution systems to meet the needs for domestic water, production, and tourism. A roadmap will be developed to implement the water supply projects in alignment with the progress of the province's economic-social development projects, tourism urban areas, and industrial zones.

- The company will implement a plan to reduce water loss by region and pipeline, aiming to decrease the loss rate to 15%. Priority will be given to projects that address water loss and leakage, in order to enhance the operational capacity of the water supply system.

- Socialization in investment and water supply activities, attracting both domestic and foreign funding to invest in upgrading and expanding the water supply system. The goal is to achieve 100% urban water supply coverage

- Enhance capacity and increase water supply capacity, focusing on managing the quality of clean water to ensure that the product meets the Vietnamese standard QCVN 01:2009 set by the Ministry of Health. Maintain the implementation of the quality management system in accordance with the international standard ISO 9001:2008, build and complete the internal regulations; implement the staff planning work up to 2030.

- Organize training and retraining for the staff; implement policies to attract specialized engineers and economic management professionals to work at the company.

- Apply scientific, technological, and information technology advancements to enhance management and operational quality, innovate service methods, and provide the best services to customers. Implement the "Customer-Centric" strategy to ensure survival and sustainable development.

5. Explanation by the Board of Executives regarding the audit opinions (if any).

6. Environmental and Social Responsibility Assessment Report

a) Evaluation related to environmental indicators:

- The company strictly complies with legal regulations in business operations, the financial accounting regime for enterprises, tax obligations to the State budget, and regulations regarding the management and protection of urban underground infrastructure during the construction of the water supply system.

- Build the image of Thanh Hoa Water Supply Joint Stock Company as a water supply enterprise with good services, customer-oriented, ensuring the clean water supply needs of the people and organizations, businesses across all areas the company serves.

b) Evaluation related to employee matters:

The legal and legitimate rights and benefits of employees are always guaranteed. In addition to effectively implementing policies on wages, bonuses, social insurance, health insurance, and unemployment benefits as prescribed by law, the company maintains welfare programs for major holidays, meal allowances, provision of uniforms, labor protection equipment, regular health check-ups, personal accident insurance, and support for employees in cases of personal events such as weddings and funerals, etc; THN also places great emphasis on the material and spiritual well-being of its employees. With an average income of 12,000,000 VND per person per month, the living standards of employees have continuously improved and developed. The employees' spiritual life has also become richer and more meaningful through activities such as leisure retreats, sightseeing tours, cultural and artistic exchanges, volleyball matches after working hours, and other cultural events, etc. All of these efforts have contributed to creating the company's unique culture, making employees proud, healthy, enthusiastic, and creatively engaged in their work, ultimately contributing to the company's continuous development.

c) Evaluation related to the company's responsibility towards the local community:

IV. Assessment of the Board of Directors regarding the company's operations

1. Assessment of the Board of Directors regarding the company's activities, including assessments related to environmental and social responsibility

- Strictly comply with legal regulations in business operations, accounting and financial regulations for enterprises, obligations to contribute to the State budget, and regulations on the management and protection of urban underground infrastructure during the construction of the water supply system.

- Build the image of Thanh Hoa Water Supply Joint Stock Company as a water supply enterprise with good services, customer-oriented, ensuring the clean water needs of the people and organizations, businesses in all areas served by the company.

2. The Board of Directors' evaluation of the activities of the General Director's Board

In 2024, the leadership and management work continued to be innovated, creating an enthusiastic and competitive atmosphere in all production activities. The Board of General Directors always adhered to the legal regulations and the company's charter, ensuring democracy, upholding a strong sense of responsibility, and fostering unity, consensus, and high agreement within the company.

The company has proposed effective policies and solutions in leadership and directing production and business activities, while simultaneously implementing comprehensive measures. The organizational structure has been improved, with key staff appointments and rotations in 2024 to stabilize and enhance production and business efficiency. Tight management practices have been applied to minimize production costs, while timely and appropriate solutions have been implemented to resolve difficulties, ensure income, and improve the living standards of employees.

The Board of Directors is always proactive in directing and managing production and business activities according to the assigned functions and tasks. They regularly report and propose to the Board of Directors on matters related to the company's interests and development strategies, in order to promptly issue resolutions that align with the sustainable development direction.

Through the strong and close leadership of the Executive Board in strictly implementing the management, operation, maintenance, and equipment improvement regimes, as well as optimizing the chemical dosing process, significant savings have been achieved in electricity and water treatment chemical costs, particularly at the three major plants: Mat Son, Ham Rong, and Quang Thinh.

Regularly coordinating with Party organizations and other unions within the company to enhance operational efficiency and ensure employees' rights. Improving both the material and spiritual life to build collective strength, create motivation in production labor, and foster a positive environment for employees to dedicate themselves wholeheartedly to building and developing the company.

Closely and effectively coordinating activities between the Board of Directors, the Board of Executives, and the Supervisory Board of the company, in strict compliance with the provisions of the Enterprise Law and the Company's Charter.

3. Strategic Orientation Plan of the Board of Directors

3.1. Business operations:

- Water supply service coverage: Thanh Hoa City: 97% or higher; Sam Son City and Bim Son Town: 93% or higher; Other areas: 75%–92% or higher. The company focuses on implementing a safe water supply program to ensure the water consumption needs of all customers within its management area.

- Focus on investing in the upgrading and maintenance of the water supply system, continuing to implement a comprehensive program to reduce water loss and leakage, thereby enhancing business efficiency. Effectively utilize commercial loan financing to implement investment projects for the expansion, renovation, and upgrading of the water supply system.

- Effectively implement solutions for managing the water supply network and enhancing customer service to continuously improve service quality. Efficiently manage key business indicators in the clean water sector, contributing to increased water revenue in particular and overall business performance in general.

- Strengthen the supervision and inspection activities of the Board of Directors; review, amend, and improve internal regulations to ensure they serve as effective management tools for enhancing business efficiency.

- Focus on improving labor productivity, training a dedicated, highly skilled workforce that is customer-friendly; enhance the application of information technology to meet service quality requirements for customers and overall management. Build the image of Thanh Hoa Water Supply Joint Stock Company as a more friendly, professional, and modern water supply enterprise.

3.2. Business plan targets for 2025:

Based on the business performance results of 2024 and the company's strategic development orientation, the Board of Directors has set the objectives and tasks for 2025 as follows:

a) Enhancing business efficiency while ensuring sustainability with six key objectives: Striving to exceed the 2025 business plan targets; reducing the water loss rate to 15%; maintaining an average annual growth rate of 3.5-4% in revenue, profit, and employees' average income; expanding service coverage to rural areas; gradually automating the water supply system operations; and continuously improving service quality;

b) Key indicators:

- Commercial water volume:	43,663,000m^3
- Water leakage and revenue loss rate:	15%
- Customer development:	8,605 households
- Total revenue:	VND 462,700 million
- Tax payment:	VND 50,000 million
- Profit:	VND 61,000 million
- Average income:	VND 12,000,000/person/month

V. Corporate governance

1. Board of Directors

a) Members and structure of the Board of Directors, consisting of 5 members:

- Mr. Le The Son - Chairman of the Board of Directors, owned 8,399,110 shares = 25.45% of the total voting shares.

- Mr. Pham Van Tu - Vice Chairman of the Board of Directors, owned 6,883,500 shares = 20,86% of the total voting shares.

- Mr. Nguyen Ngoc Can – Member of the Board of Directors, General Director, owned 8,941,812 shares = 27.10% of the total voting shares.

- Mr Le Sy Len - Member of the Board of Directors, Vice General Director, owned 3,816,749 shares = 11.56 % of the total voting shares.

- Mr. Le Van Qui - Member of the Board of Directors, Head of Personnel Organization Department, owned 7,400 shares = 0.022% of the total voting shares.

b) Board of Directors' Subcommittees: None

c) Activities of the Board of Directors:

- Immediately after the General Meeting of Shareholders' Resolution was issued, the Board of Directors convened a meeting to assess the outcomes of the General Meeting of Shareholders and subsequently passed a Resolution on the implementation of the General Meeting of Shareholders' Resolution.

- The Board of Directors has convened multiple regular and extraordinary meetings in appropriate formats to issue necessary Resolutions and Decisions in support of the company's business operations. The key Resolutions and Decisions approved include:

No	No. of Resolutions /Decisions	Date of Issuance	Content
1	02/QĐ-HĐQT	21/02/2024	Decision on approval of the supplementary planning of key personnel for the 2021 - 2025 period
2	03/QĐ-HĐQT	29/02/2024	Decision on approval of the 2024 labor utilization plan
3	04/QĐ-HĐQT	07/3/2024	Decision on approval of the 2023 employee salary fund implementation
4	05/QĐ-HĐQT	07/3/2024	Decision on approval of the 2023 salary fund implementation for full-time managers
5	06/QĐ-HĐQT	07/3/2024	Decision on approval of the 2024 planned salary fund for employees
6	07/QĐ-HĐQT	07/3/2024	Decision on approval of the 2024 salary fund implementation for full-time managers
7	08/QĐ-HĐQT	07/3/2024	Decision on the issuance of the grassroots democracy regulations in the workplace

8	9/QĐ-HĐQT	07/3/2024	Decision on the approval of the adjustment to the contractor selection plan for the project of technology line renovation and capacity expansion of Mat Son Water Plant
9	10/NQ-HĐQT	24/4/2024	Resolution on finalizing the list of shareholders attending the 2024 Annual General Meeting of Shareholders
10	11/NQ-HĐQT	24/4/2024	Resolution on the dismissal of the Chairman, Vice Chairman, and the election of the Acting Chairman of the Board of Directors
11	12/QĐ-HĐQT	03/5/2024	Decision on convening the 2024 Annual General Meeting of Shareholders
12	13/QĐ-HĐQT	03/5/2024	Decision on the establishment of the Organizing Committee for the 2024 Annual General Meeting of Shareholders
13	14/QĐ-HĐQT	03/5/2024	Decision on the establishment of the Shareholder Eligibility Verification Committee for the 2024 Annual General Meeting of Shareholders
14	14/TTr-HĐQT	06/5/2024	Proposal on the consolidation of the Board of Directors for the 2020 - 2025 term
15	15/TTr-HĐQT	06/5/2024	Proposal on the approval of salary, bonus, and remuneration payments for the Board of Directors and the Supervisory Board in 2024
16	16/TTr-HĐQT	06/5/2024	Proposal on the approval of the audited 2023 financial statements
17	17/TTr-HĐQT	06/5/2024	Proposal on profit distribution and dividend payment for 2023, projected dividend rate for 2024
18	18/TTr-HĐQT	06/5/2024	Proposal on selecting the audit firm for the 2024 financial statements
19	19/QĐ-HĐQT	15/5/2024	Decision on approving the bidding documents for Package No. 5: "Construction supervision and equipment installation consulting" under the project for upgrading the technology line and increasing the capacity of Mat Son Water Plant from 50,000 m^3/day to 70,000 m^3/day
20	20/QĐ-HĐQT	15/5/2024	Decision on approving the additional investment capital for the project of upgrading the technology line and increasing the capacity of Mat Son Water Plant from 50,000 m^3/day to 70,000 m^3/day
21	21/QĐ-HĐQT	15/5/2024	Decision on approving the bidding documents for Package No. 4: "Supply, installation of equipment, and construction" under the project of upgrading the technology line and increasing the capacity of Mat Son Water Plant from 50,000 m^3/day to 70,000 m^3/day
22	22/QĐ-HĐQT	28/5/2024	Decision approving the amendment of the bidding documents for Package No. 4: "Supply, installation of equipment, and construction (including construction

			insurance)" under the project to renovate the technology line and increase the capacity of the Mat Son Water Plant from 50,000m³/day to 70,000m³/day
23	24/NQ-HĐQT	04/6/2024	Resolution on the election of the Chairman and Vice Chairman of the Board of Directors
24	25/QĐ-HĐQT	06/6/2024	Decision on salary grade increase for the Company's Executive Management Board
25	26/TB-HĐQT	07/6/2024	Notification of the Chairman of the Board of Directors' conclusion on the selection of the bidding method for Package No. 4 of the project to upgrade the technological line and increase the capacity of the Mat Son Water Plant from 50,000m³/day to 70,000m³/day.
26	27/NQ-HĐQT	12/6/2024	Resolution on the finalization of the list of shareholders entitled to receive the 2023 cash dividend
27	28/QĐ-HĐQT	17/6/2024	Decision on the establishment of the Command Committee for Natural Disaster Prevention, Search and Rescue, and Civil Defense
28	29/QĐ-HĐQT	17/6/2024	Decision on the consolidation of the Company's Scientific and Technical Council
29	30/QĐ-HĐQT	17/6/2024	Decision on the establishment of the Company's Digital Transformation Steering Committee
30	31/QĐ-HĐQT	17/6/2024	Decision on the establishment of the Company's Salary and Promotion Council
31	32/QĐ-HĐQT	17/6/2024	Decision on the establishment of the Company's Water Loss and Revenue Loss Prevention Council
32	33/QĐ-HĐQT	17/6/2024	Decision on the consolidation of the Company's Disciplinary Council
33	34/QĐ-HĐQT	17/6/2024	Decision on the consolidation of the Company's Emulation and Commendation Council
34	35/QĐ-HĐQT	17/6/2024	Decision on the consolidation of the Fire Prevention, Firefighting, Rescue, and Chemical Incident Response Command Board
35	36/QĐ-HĐQT	19/6/2024	Decision on the assignment of Duties within the Board of Directors
36	37/QĐ-HĐQT	20/6/2024	Decision on the addition of Members to the Company's Emulation and Commendation Council
37	38/QĐ-HĐQT	20/6/2024	Decision on the addition of Members to the Company's Science and Technology Council
38	39/QĐ-HĐQT	20/6/2024	Decision on the establishment of the KTKT Council

39	40/QĐ-HĐQT	20/6/2024	Decision on strengthening the Project Management Board for the upgrade and capacity expansion of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
40	41/QĐ-HĐQT	24/6/2024	Decision on approving the list of contractors meeting technical requirements for Package No. 5: "Construction Supervision and Equipment Installation Consulting" under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
41	42/TB-HĐQT	04/7/2024	Notice from the Chairman of the Board of Directors Re: Rectification and Strengthening of Water Loss and Revenue Loss Prevention Measures
42	43/QĐ-HĐQT	16/7/2024	Decision on approving the contractor selection results for Package No. 5: "Construction Supervision and Equipment Installation Consulting" under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
43	44/QĐ-HĐQT	17/7/2024	Decision on the additional Planning of Key Personnel for the 2021–2025 Period
44	45/QĐ-HĐQT	19/7/2024	Decision on approving the cancellation of bidding for Package No. 4: "Supply, Installation of Equipment, and Construction (including Construction Insurance)" under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
45	46/QĐ-HĐQT	19/7/2024	Decision on approving the adjustment of the cost estimate for the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
46	47/QĐ-HĐQT	19/7/2024	Decision on approving the adjustment of the contractor selection plan for the construction and equipment installation package under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
47	48/QĐ-HĐQT	01/8/2024	Decision on approving the bidding documents for Package No. 4: "Supply, Installation of Equipment, and Construction" under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
48	49/NQ-HĐQT	22/8/2024	Resolution on the establishment of the Investment and Construction Project Management Board
49	51/QĐ-HĐQT	22/8/2024	Decision on approving the plan for Additional Workforce Recruitment for Departments
50	52/QĐ-HĐQT	06/9/2024	Decision on the establishment of the Investment and Construction Project Management Board
51	53/QĐ-HĐQT	06/9/2024	Decision on assigning responsibility for the Investment and Construction Project Management Board

52	54/QĐ-HĐQT	06/9/2024	Decision on the dissolution of the Construction Consulting Center
53	55/QĐ-HĐQT	28/9/2024	Decision on approving the cancellation of bidding for Package No. 4: "Supply, Installation of Equipment, and Construction (Including Construction Insurance)" under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
54	56/QĐ-HĐQT	02/10/2024	Decision on approving the bidding documents for Package No. 4: "Supply, Installation of Equipment, and Construction" under the project to upgrade technology and expand the capacity of Mat Son Water Plant from 50,000m³/day to 70,000m³/day
55	56A/QĐ-HĐQT	04/10/2024	Decision on approving the investment policy for the construction project of relocating the clean water pipeline on provincial road 4B – site clearance for the Tho Phu Resettlement Project..
56	57/NQ-HĐQT	07/10/2024	Resolution on agreement to receive, manage, and operate Ngoc Lac Clean Water Plant
57	59/QĐ-HĐQT	07/11/2024	Decision on approving the contractor selection results for Package No. 4: "Supply, installation of equipment, and construction" under the project to upgrade technology and expand the capacity of Mat Son water plant from 50,000m³/day to 70,000m³/day.
58	60/QĐ-HĐQT	07/11/2024	Decision on the establishment of the asset and infrastructure inventory council for state-invested and managed assets as of 0:00 on January 1, 2025.
59	64/QĐ-HĐQT	16/12/2024	Decision on strengthening the project management board for the construction of transmission pipeline No. 3 to supply additional water to the southeast of Thanh Hoa city and Sam Son city
60	65/QĐ-HĐQT	16/12/2024	Decision on adding members to the project management board for the upgrade and capacity expansion of Mat Son water plant from 50,000m³/day to 70,000m³/day.
61	66/QĐ-HĐQT	16/12/2024	Decision on approving the investment policy for the construction project of relocating the water supply pipeline to serve site clearance from Tho Xuan airport to Nghi Son economic zone, section from National Highway 47 to Provincial Road 514 – Trieu Son district
62	67/QĐ-HĐQT	23/12/2024	Decision on rewarding for exceeding the 2024 business and production plan
63	70/QĐ-HĐQT	24/12/2024	Decision on the establishment of the asset inventory council as of 0:00 on January 1, 2025
64	71/QĐ-HĐQT	24/12/2024	Decision on approving the policy for trial installation of Suden smart water meter reading devices
65	75/QĐ-HĐQT	31/12/2024	Decision on approving the investment preparation list

66	76/NQ-HĐQT	31/12/2024	Resolution on the 2024 business and production results, directions, goals, and tasks for 2025.

- All resolutions passed by the Board of Directors are assigned to the Executive Board for implementation and reporting to the Board of Directors. In other cases, decisions of the Board of Directors are formalized as resolutions and assigned to relevant units or individuals for execution.

- The resolutions issued by the Board of Directors focus on approving the company's business and financial plans, promptly adjusting the list of infrastructure development and network renovation projects to align with actual conditions, and addressing employee wages in connection with productivity improvement requirements.

d) Activities of the Board of Directors' Members:

- All members fully attended the Board of Directors' meetings, provided insightful contributions, and reached a high level of consensus within their authority and responsibilities. They actively participated in shaping the company's business strategy and development direction;

- The activities of the Board of Directors' members strictly adhere to the Company's Charter and the Board's operational regulations. The Chairman and assigned members regularly supervise, urge, and inspect the implementation of decisions approved in Board meetings and issued resolutions. The Board of Directors operates independently;

- The disclosure of information, as required by regulations, has been regularly supervised, reminded, and inspected by the Chairman of the Board of Directors to ensure timely, accurate, and complete disclosures.

e) List of Board of Directors' members with corporate governance training certificates: None

As authorized by the General Meeting of Shareholders, the Board of Directors selected International Auditing Co., Ltd. as the auditor for the 2024 Financial Statements (including the reviewed interim financial statements). The audit has been completed, and the report has been submitted to the relevant authorities.

2. Board of Supervisory

a) Members and structure of the Supervisory Board, consisting of 5 members

- Mrs. Le Thi Ha - Head of the Supervisory Board, owned 7,700 shares = 0.023% of the total voting shares.

- Mrs. Trinh Thi Huyen - Member of the Supervisory Board, owned 6,200 shares = 0.018% of the total voting shares.

- Mr. Nguyen Cong Khanh - Member of the Supervisory Board, owned = 0.00% 0.018% of the total voting shares.

b) Activities of the Supervisory Board:

The General Meeting of Shareholders of Thanh Hoa Water Supply Joint Stock Company, held on June 29, 2020, elected the Supervisory Board for the 2020–2025 term,

consisting of three members. The Supervisory Board has elected the Head of the Board and assigned responsibilities as follows:

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

The Head of the Supervisory Board works on a full-time basis and is primarily responsible for inspection and supervision. The remaining members work on a part-time basis and are directly responsible for their assigned duties.

The Supervisory Board developed the 2023 work plan and implemented key tasks as scheduled. Quarterly, the Board held meetings to assess task execution, review and approve inspection and supervision results, and plan for the upcoming quarter.

In fulfilling its supervisory role, the Supervisory Board attended all monthly briefings chaired by the General Director, as well as several meetings of the Board of Directors and the Company. This ensured close monitoring of the management and operations of the Board of Directors, the General Director, and the Company's business activities.

All Resolutions, Decisions, and Meeting Minutes of the Board of Directors, as well as Reports from the General Director and company-issued documents, were fully provided to the Supervisory Board at the same time and in the same manner as to the Board members. The company's management always facilitated the Supervisory Board's access to records and documents and respected its right to review their legality and rationality.

While carrying out its duties, the Supervisory Board has never interfered with the company's business operations. All members follow the law, the company's charter, and shareholder resolutions, making sure to fulfill their responsibilities honestly and carefully to protect the company's legitimate interests.

In 2024, the Supervisory Board did not receive any requests from shareholders or shareholder groups to review matters related to the company's management, operations, or administration.

3. Transactions, remuneration and benefits of the Board of Directors, Board of Supervisors, Board of Executives and Chief Accountant

a) Remuneration and benefits of the Board of Directors, Board of Executives, Board of Supervisors and Chief Accountant:

- Chairman of the Board of Directors:

+ Salary: VND 514,080,000

- Vice Chairman of the Board of Directors:

+ Remuneration: VND 50,000,000

- General Director, Member of the Board of Directors

+ Salary: VND 499,800,000

+ Remuneration: VND 36,000,000

- Vice General Director, Member of the Board of Directors:

+ Salary: VND 456,960,000

+ Remuneration: VND36,000,000

- Vice General Director, Not a Member of the Board of Directors:

+ Number of people: 03 persons

+ Salary: VND 456,960,000 per person

+ Remuneration: VND 1,370,880,000

- Head of the Supervisory Board:

+ Salary: VND 456,960,000

- Chief Accountant:

+ Salary: VND 456,960,000

- Member of the Board of Directors - Head of Personnel Organization Department:

+ Salary: VND 443,065,504

+ Remuneration: VND 36,000,000

- Member of the Supervisory Board - Deputy Manager of Planning and Materials Department:

+ Salary: VND 222,682,360

+ Remuneration: VND 24,000,000

- Member of the Supervisory Board:

+ Remuneration: VND 22,500,000

b) Transactions of internal shareholders: None.

c) Contracts or transactions with internal shareholders: None.

d) Implementation of corporate governance regulations:

Based on the Enterprise Law and the guiding circulars and decrees issued by the government, the company has promptly enacted internal regulations, policies, and management standards suitable for the joint-stock company model. These have been systematically implemented across all departments, units, and employees within the company. As a result, over the past year, the company has effectively complied with corporate governance regulations in accordance with legal requirements

VI. AUDITED FINANCIAL STATEMENTS:

1. Auditors' Opinion:

In our opinion, the financial statements give a true and fair view of, in all material respects, the financial position of Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

2. Audited Financial Statements

(Including four templates: Balance Sheet, Income Statement, Cash Flow Statement, and

Notes to the Financial Statements.)

2.1. Balance Sheet

THANH HOA WATER SUPPLY JOINT STOCK COMPANY
No. 99 Mat Son Street, Dong Ve Ward
Thanh Hoa City, Thanh Hoa Province

FORM B01 – DN
Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

BALANCE SHEET
As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	**100**		**96,516,546,779**	**117,637,048,882**
I. Cash and cash equivalents	**110**	**V.1**	**45,366,481,134**	**67,904,368,603**
1. Cash	111		2,653,134,818	3,022,841,873
2. Cash equivalents	112		42,713,346,316	64,881,526,730
II. Short-term financial investments	**120**		**-**	**1,772,344,587**
1. Held-to-maturity investments	123		-	1,772,344,587
III. Short-term receivables	**130**		**27,537,099,565**	**24,804,277,946**
1. Short-term trade receivables	131	V.2	27,680,797,147	29,016,514,459
2. Short-term advances to suppliers	132		582,952,000	795,368,690
3. Other short-term receivables	136	V.3	22,161,382,353	22,184,141,271
4. Provision for short-term doubtful debts	137	V.4	(22,888,031,935)	(27,191,746,474)
IV. Inventories	**140**		**19,634,617,582**	**22,600,339,324**
1. Inventories	141	V.5	22,051,345,401	22,600,339,324
2. Provision for devaluation of inventories	149		(2,416,727,819)	-
V. Other short-term assets	**150**		**3,978,348,498**	**555,718,422**
1. Value added tax deductibles	152		221,653,344	464,905,715
2. Taxes and other receivables from the State budget	153	V.11a	3,756,695,154	90,812,707
B. NON-CURRENT ASSETS	**200**		**596,097,837,043**	**574,646,360,522**
I. Fixed assets	**220**		**559,065,563,047**	**554,738,661,943**
1. Tangible fixed assets	221	V.6	558,682,296,365	554,701,795,261
- Cost	*222*		*1,494,561,551,741*	*1,435,053,586,925*
- Accumulated depreciation	*223*		*(935,879,255,376)*	*(880,351,791,664)*
2. Intangible assets	227	V.7	383,266,682	36,866,682
- Cost	*228*		*952,621,550*	*572,621,550*
- Accumulated depreciation	*229*		*(569,354,868)*	*(535,754,868)*
II. Long-term assets in progress	**240**		**19,634,749,851**	**6,967,476,024**
1. Long-term construction in progress	242	V.8	19,634,749,851	6,967,476,024
III. Other long-term assets	**260**		**17,397,524,145**	**12,940,222,555**
1. Long-term prepayments	261	V.9	17,397,524,145	12,940,222,555
TOTAL ASSETS	**270**		**692,614,383,822**	**692,283,409,404**