

**VIETNAM WATER AND
ENVIRONMENT INVESTMENT
CORPORATION - JSC
(VIWASEEN)**

Ref: 284 /BC-CTN

**SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness**

Hanoi, June 12, 2025

**REPORT
ON THE PERFORMANCE OF PRODUCTION AND BUSINESS ACTIVITIES,
DEVELOPMENT INVESTMENT IN 2024
PLAN FOR PRODUCTION AND BUSINESS ACTIVITIES, AND DEVELOPMENT
INVESTMENT IN 2025**

To: The Annual General Meeting of Shareholders 2025

Pursuant to the Charter on the Organization and Operation of Vietnam Water and Environment Investment Corporation – JSC;

Pursuant to the Resolution of the Annual General Meeting of Shareholders in 2024 and other Resolutions and Decisions of the Board of Directors of the Corporation in 2024,

The General Director of the Corporation hereby reports to the General Meeting of Shareholders on the results of production and business activities, and development investment in 2024, as well as the proposed plan for 2025, as follows:

**PART I
PERFORMANCE OF PRODUCTION, BUSINESS AND
DEVELOPMENT INVESTMENT ACTIVITIES IN 2024**

In 2024, VIWASEEN Corporation undertook its production and business activities amidst numerous difficulties and challenges. In addition to the insufficient volume of carried-over work from the previous year, the acquisition of new projects during the plan year faced significant obstacles. Furthermore, internal limitations within the enterprise remained unresolved, greatly impacting production activities, as well as the results and efficiency of business operations.

Despite the great efforts and determination of the leadership team and all staff to fulfill the production and business plan, the achieved targets for the year remained modest. The implementation results of the Corporation's 2024 production, business, and development investment tasks are as follows:

**1. RESULTS OF PRODUCTION, BUSINESS, AND DEVELOPMENT
INVESTMENT TARGETS**



1.1. Parent Company

Unit: VND Billion

Item	Key Indicators	Plan for 2024	Actual Performance 2024	Achievement Rate (%) vs. 2024 Plan
1	Production and Business Value	408,2	340,0	83,3%
2	Development Investment	20,0	4,05	20,3%
3	Total Revenue	406,2	307,7	75,8%
4	State Budget Contribution	10,8	19,4	179,6%
5	Profit Before Tax	5,63	2,40	42,6%
6	Dividends	0%	0%	-

1.2. Consolidated value of the Entire Corporation

Unit: VND Billion

Item	Key Indicators	Plan for 2024	Actual Performance 2024	Achievement Rate (%) vs. 2024 Plan
1	Production and Business Value	1.243,6	1.111,6	89,4%
2	Development Investment	104,1	25,8	24,8%
3	Total Consolidated Revenue	1.081,8	885,1	81,8%
4	State Budget Contribution	39,5	54,3	137,5%
5	Consolidated Profit Before Tax	26,6	23,7	89,1%

2. PERFORMANCE BY SPECIFIC SECTORS

2.1. Construction and Installation Sector

2.1.1. Bidding and Job Acquisition

The contract works carried over from 2023 was valued at VND 469.4 billion did not meet the requirements of the assigned production and business plan.

In 2024, the Corporation actively participated in bidding and job acquisition for 57 packages with a total value of VND 1,798.4 billion. However, the actual outcomes were modest and failed to meet the production and business targets. The Parent Company signed 4 contracts worth VND 184.0 billion, while member units secured 26 packages totaling VND 606.2 billion

2.1.2. Construction and Contract Management

In 2024, the Corporation achieved a construction output value of VND 819.3 billion out of the planned VND 960.2 billion, fulfilling 85.3% of the annual target. Consolidated construction revenue reached VND 650.1 billion out of VND 865.7

billion, equivalent to 75.1% of the planned. In which, for the Parent Company, performance reached VND 264.0 billion out of VND 330.0 billion (80.0% of the plan), and revenue was VND 235.3 billion, accounting for 71.3% of the target.

The low performance in the construction sector was due to various reasons, with the primary cause being a lack of jobs, slow construction progress, and weak contract management.

At the Parent Company, all carried-over contracts failed to meet planned progress due to both subjective and objective factors—especially two contracts in Cambodia. Newly signed contracts were delayed due to design document issues or site clearance obstacles. The Ngòi Giành steel pipe installation project was terminated, and the contract liquidated due to the main contractor's failure to deliver the site, which impacted the Parent Company's business and financial situation.

Performance at member units was also low due to a lack of jobs. Carried-over work from 2023 was limited, while most new jobs acquired in 2024 were concentrated toward the end of the year, leading to reduced output and negatively affecting the Corporation's overall performance.

2.2. Industrial Production, Construction Materials, Real Estate Business, Services, and Other Operations

In this sector, the Corporation achieved a total output value of VND 292.3 billion out of the VND 283.4 billion plan, or 103.1% of the target. Consolidated revenue reached VND 237.3 billion out of VND 216.1 billion, equivalent to 109.8% of the plan.

Industrial production focused on clean water supply, raw water, and solar power. The units maintained stable operations, ensuring safe water supply for customers and meeting business targets.

The real estate and services sector focused on office leasing and building management at the Parent Company and WASECO. This segment performed well and contributed positively to overall business results.

Trong năm, lĩnh vực SXCN của Tổng công ty tập trung ở mảng sản xuất kinh doanh nước sạch, nước thô và điện mặt trời. Trong lĩnh vực này, các đơn vị vẫn duy trì hoạt động ổn định, cấp nước đảm bảo an toàn cho các khách hàng và đảm bảo các chỉ tiêu SXKD đề ra.

2.3. Investment Sector

Total investment in 2024 was VND 25.8 billion out of VND 104.1 billion, or 24.8% of the target. Key reasons for underperformance include:

- Head Office Building Project at 52 Quoc Tu Giam Street: The Hanoi People's Committee approved the investment policy adjustment and project timeline extension. The Corporation submitted documents to complete land procedures for construction permit application. However, some issues remain unresolved and are being addressed

with the Department of Natural Resources and Environment to finalize financial obligations for land use under the revised master plan.

- Relocation of DEEP C Water Treatment Plant: The Board of Directors approved the relocation plan. The executive board is working with relevant parties to carry out the relocation in accordance with current regulations. However, delays in planning adjustments by Deep C Industrial Zone's Employer and the investment plan of Flat Company have postponed implementation to 2025.

- At member units, total investment reached VND 21.8 billion, with limited progress on key projects due to legal obstacles.

2.4. Financial Management

In 2024, financial operations faced many difficulties. Delayed payments from construction activities caused cash flow shortages, making it hard to ensure funding for projects such as Techo Airport and Siem Reap Drainage Project in Cambodia.

The acceptance for payment, settlement, and fund recovery were prioritized, major projects like Techo Airport saw delays and encountered many difficulties.

Short-term loan mobilization and usage were aligned with proper purposes. However, cash flow and debt recovery challenges hindered timely debt repayment, posing financial risks and potentially impacting the Corporation's credit rating in future years.

Accounting was performed in compliance with regulations. Financial statements were prepared and audited on time and disclosed as required by the State Securities Commission and the Stock Exchange.

Financial performance at WASECO, VIWASEEN3, VIWASEEN.11, and VIWASEEN.14 remained stable and supported business operations. Other units still lack solutions to overcome ongoing difficulties.

2.5. Labor and Personnel Management

** Parent Company*

Due to serious business difficulties, the company faced wage delays and owed social insurance contributions to employees at headquarters and project management units (e.g., Techo Airport, Quang Binh drainage project).

Branches and construction teams struggled with job shortages, limited construction capabilities, and an inadequate workforce. Some units suspended operations due to wage and insurance debts, while others operated minimally and could not grow without organizational restructuring (e.g., Branches: Construction No. 2, Da Nang, Ho Chi Minh City, Installation Team 1).

These difficulties led to many employees resigning or terminating their labor contracts.

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** Subsidiaries*

Despite the tough business environment, several units ensured jobs and managed cash flow well, paying salaries and insurance contributions fully and on time (e.g., WASECO, VIWASEEN3, VIWASEEN.11, VIWASEEN.14, WAHSIN). However, some units struggled with longstanding problems, major debts, and unfinished projects, resulting in delayed salaries and unpaid insurance contributions. For some units with no works, experienced staff resigned or changed their jobs

Corporate Restructuring Công

In 2024, the Corporation restructured capital representation at VIWASEEN3, VIWASEEN.11, and WAHSIN. Capital representatives were officially appointed at joint-stock companies.

As of 31/12/2024, external investments totaled VND 265.5 billion out of VND 611.7 billion in total equity, accounting for 43.4%. To effectively restructure investments, the Corporation developed a 2021–2025 restructuring plan approved by the 2021 General Meeting of Shareholders, which included divestment from VIWASEEN.11, VIWASEEN.14, VIWASEEN.6, and Daiviet Ductile Iron Pipe. However, implementation has been delayed due to changes in major shareholder SCIC's policies. In 2025, the Corporation will continue executing the 2021–2025 plan and prepare a 2026–2028 restructuring plan for shareholder approval.

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PART II

BUSINESS AND INVESTMENT PLAN FOR 2025

VIWASEEN's production and business activities in 2025 are expected to face even greater challenges due to continued job shortages, capital constraints, cash flow difficulties, and a brain drain at both the Parent Company and its subsidiaries.

Based on 2024 results, carried-over work, and projected new projects in 2025, the Corporation proposes the following key production, business, and investment targets for 2025:

1. TARGETS FOR PRODUCTION, BUSINESS, AND DEVELOPMENT INVESTMENT IN 2025

1.1. Parent Company

Unit: VND Billion

Item	Key Indicators	Plan for 2024	Actual Performance 2024	Achievement Rate (%) vs. 2024 Plan
1	Production and Business Value	340,0	487,8	143,5%
2	Development Investment	4,05	22,9	565,6%
3	Total Revenue	307,6	503,9	163,8%
4	State Budget Contribution	19,4	12,0	61,9%
5	Profit Before Tax	2,4	2,6	108,3%
6	Dividends	0%	0%	-

1.2. Consolidated value of the Entire Corporation

Unit: VND Billion

Item	Key Indicators	Plan for 2024	Actual Performance 2024	Achievement Rate (%) vs. 2024 Plan
1	Production and Business Value	1.111,6	1.255,7	113,0%
2	Development Investment	25,8	56,2	217,8%
3	Total Consolidated Revenue	887,3	1.143,3	128,9%
4	State Budget Contribution	54,3	42,3	77,9%
5	Consolidated Profit Before Tax	23,7	27,7	116,9%

2. IMPLEMENTATION MEASURES

2.1. Construction Sector

- Focus on resolving difficulties and obstacles to complete key projects such as Techo Airport infrastructure, Siem Reap drainage project, etc. Concentrate resources on well-executing newly launched or upcoming projects at the Parent Company, including Nhon Hoi Economic Zone Infrastructure, Thanh Van – Tan Uoc Industrial Zone Infrastructure... Through capital representatives at member companies, direct units to complete, finalize, and hand over projects on schedule.

- Aggressively recover outstanding debts from construction projects. Strengthen acceptance, payment, and fund recovery processes to ensure working capital for business operations and fulfill obligations to the State Budget and credit institutions.

- Continue developing and streamlining the bidding and job-acquisition team to pursue new tenders with sound profitability.

2.2. Investment Sector

- In 2025, the Parent Company will focus on the following key projects:

+ Finalizing preparatory procedures and implementing the relocation project of the DEEP C Industrial Park water treatment plant in accordance with the timeline;

+ Investing in the additional installation of raw water pipelines (D560–D450) to ensure water supply safety and enhance part of the raw water supply capacity;

+ Resolving and definitively addressing legal and procedural issues at 52 Quoc Tu Giam and Ha Dinh projects;

+ Continuing to explore investment opportunities in water supply, drainage, and wastewater treatment projects.

- Through capital representatives, the Corporation will also coordinate the implementation of important projects at member units such as:

+ Completing the feasibility study for capacity expansion of Suoi Dau Water Plant (Suoi Dau Water Supply JSC);

+ Implementing the District 9 Complex Project (WASECO) in line with current conditions.

+ Industrial Production, Real Estate, and Service Business

- Continue stable operation in industrial production, real estate business, and other service sectors according to the approved plan;

- Review and develop optimal utilization plans for assets including the office and daycare at 48 To Huu Building, and other properties at 52 Quoc Tu Giam, 56–58 Ha Dinh, and Lien Ninh – Thanh Tri.

2.3. Financial Management

- Develop cash flow plans and credit limits in line with the Corporation's orientation. Accelerate acceptance and settlement of project volumes, debt recovery, and reduce over-reliance on the construction sector while securing cash flow for water, service, and investment operations.

specific responsibilities and deadlines for each debt, and implement reward mechanisms. Report progress monthly to the Board of Directors/SCIC.

- Direct and collaborate with capital representatives at subsidiaries to settle debts and financial issues related to the Company.

2.4. Organization and Labor Management

- Restructure and streamline departments, branches, and construction teams both at the Parent Company and member units to optimize operations, reduce overhead, and clarify roles and responsibilities, improving business efficiency.

- Strengthen accountability in directing production and business activities among the Board of General Directors, departments, and capital representatives to achieve business targets.

- Focus on developing corporate culture and a positive working environment. Improve wages and income to retain capable personnel and prevent brain drain. Enhance recruitment, training, and staff utilization to align with the current economic and political landscape.

2.5. Corporate Restructuring

In 2025, the Corporation will continue divestment from several companies (VIWASEEN 11, VIWASEEN 14, VIWASEEN 6, Wahsin, VIWASEEN 2, PVOil Phu Tho) in compliance with legal regulations, transparency, and the restructuring plan approved by the General Meeting of Shareholders.

The Corporation will continue studying and finalizing the restructuring plan for the 2026–2028 period for submission to the General Meeting for review and approval. Coordination with SCIC will be maintained in guiding divestment and restructuring of companies with contributed capital from the Corporation, and in the State's capital withdrawal from VIWASEEN.

The Corporation will work closely with capital representatives, the Boards of Directors, and executive teams at companies such as WASECO, VIWASEEN 3, and Suoi Dau to execute tasks and fulfill financial targets, ensuring income from financial activities.

It will also coordinate with capital representatives and management teams to organize the 2025 Annual General Meeting of Shareholders in compliance with regulations.

The above constitutes the report on business and investment performance in 2024 and the business and development investment plan for 2025 of VIWASEEN Corporation. The Executive Board respectfully submits this report to the General Meeting of Shareholders for review and approval.



GENERAL DIRECTOR

Ngo Van Dung