

ANNUAL REPORT 2024



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I. GENERAL INFORMATION

1. General information:

Trading name	: QUANG TRI CLEAN WATER JOINT STOCK COMPANY
Business Registration Certificate No.	: 3200041908 issued for the first time by the Department of Planning and Investment of Quang Tri Province on November 19, 2007, and amended for the third time on November 16, 2016.
Charter capital:	: 182.332.690.000 VNĐ
Owner's capital:	: 182.332.690.000 VNĐ
Address:	: No. 02 Nguyen Trai, Ward 1, Dong Ha City, Quang Tri Province, Vietnam
Hotline	: 0848 977 774
Email	: qtwaco@gmail.com
Website	: http://qtwaco.vn/
Securities code	: NQT

Establishment and development process:

Quang Tri Clean Water Joint Stock Company, formerly known as Dong Ha Water Enterprise, was established on July 14, 1977, under the direct leadership of the People's Committee of the province and the Quang Tri Department of Construction. It was officially converted to operate under the Enterprise Law pursuant to Decision No. 1214/QD-UBND dated June 8, 2007. The company's development process is as follows:

Before 1972:Dong Ha Town was primarily a service area for the American invasion and the Saigon puppet regime during the war. Infrastructure development was neglected, and there was no water treatment plant. The local population relied on self-dug wells for domestic use. Dong Ha - Quang Tri was liberated in 1972, and the South was completely liberated on April 30, 1975. However, this land had been heavily devastated by bombs, with most architectural structures and infrastructure destroyed.

May 1976: The provinces of Binh Tri Thien were merged. In November 1976, the People's Committee of Binh Tri Thien Province approved the construction project for the Dong Ha Water Plant, with total investment as follows: 564,323 VND in 1977; 682,091 VND in 1978; and 894,822 VND in 1979. The designed capacity was 7,000 m³/day-night.

To manage the investment and construction, the People's Committee of Binh Tri Thien Province issued Decision No. 780 QD/UB on March 12, 1977, establishing the Construction Board of the Dong Ha Water Enterprise. On July 14, 1977, the water plant was inaugurated and put into operation. However, during this period, actual production output reached only 14,000 m³/year in 1977 and 210,000 m³/year in 1978. The management and technical

workforce consisted of just 15 people, including one Water Supply Engineer, one mid-level Accountant, and the rest were individuals who had matured through combat to defend the nation. After 10 years of operation, the workforce increased to 71 people, and production output reached 540,000 m³/year. The primary task was to supply untreated water for production and domestic use for the residents of Dong Ha Town.

In 1989: Quang Tri Province was re-established after the division of Binh Tri Thien Province (July 1989). The Dong Ha Water Enterprise came under the direct management of the Quang Tri Department of Construction.

In 1990: The Dong Ha Water Enterprise received approval from the Provincial People's Committee and the Department of Construction for an economic-technical feasibility study to upgrade and expand the facility using state budget funds, aiming to meet the clean water needs of Dong Ha Town's residents. After nearly 15 years of operation and water supply, in May 1991, the enterprise officially began providing clean water to the public using chemical treatment technology at the secondary pumping station processing area in Dong Ha. This marked a significant effort by the enterprise's staff and workers.

November 28, 1992: The Quang Tri Provincial People's Committee issued Decision No. 742 QD/UB, converting the Dong Ha Water Enterprise into the Quang Tri Water Supply and Drainage Company.

Despite numerous challenges due to the province's poverty, underdeveloped infrastructure, and harsh weather conditions, the company's staff and employees made great efforts to overcome difficulties and strived to meet the increasing demand for clean water for production and household use, both in terms of quantity and quality.

Pursuant to Decision No. 1214/QD-UBND dated June 8, 2007, issued by the Quang Tri Provincial People's Committee approving the plan to convert the Quang Tri Water Supply and Drainage Company into the Quang Tri Water Supply and Construction One Member Limited Liability Company, the company officially began operating under the Enterprise Law on November 19, 2007, with Business Registration Certificate No. 3200041908 issued by the Quang Tri Department of Planning and Investment.

November 5, 2015: The Quang Tri Provincial People's Committee issued Decision No. 2435/QD-UBND approving the plan and converting the Quang Tri Water Supply and Construction One Member Limited Liability Company into a joint stock company.

April 1, 2016: The company officially began operating as a joint stock company under Business Registration Certificate No. 3200041908, issued by the Quang Tri Department of Planning and Investment on March 31, 2016, with a charter capital of 179,592,270,000 VND

August 4, 2016: Quang Tri Clean Water Joint Stock Company was approved by the State Securities Commission as a public company under Official Letter No. 5069/UBCK-GSDC.

September 9, 2016: The Quang Tri Provincial People's Committee issued Decision No. 2139/QD-UBND adjusting the charter capital and share issuance structure of the privatization

plan, converting the Quang Tri Water Supply and Construction One Member Limited Liability Company into Quang Tri Clean Water Joint Stock Company. Accordingly, the new charter capital was set at 182.332.690.000 VND.

November 23, 2016: The company was granted Securities Registration Certificate No. 151/2016/GCNCP-VSD by the Vietnam Securities Depository and assigned the stock code "NQT."

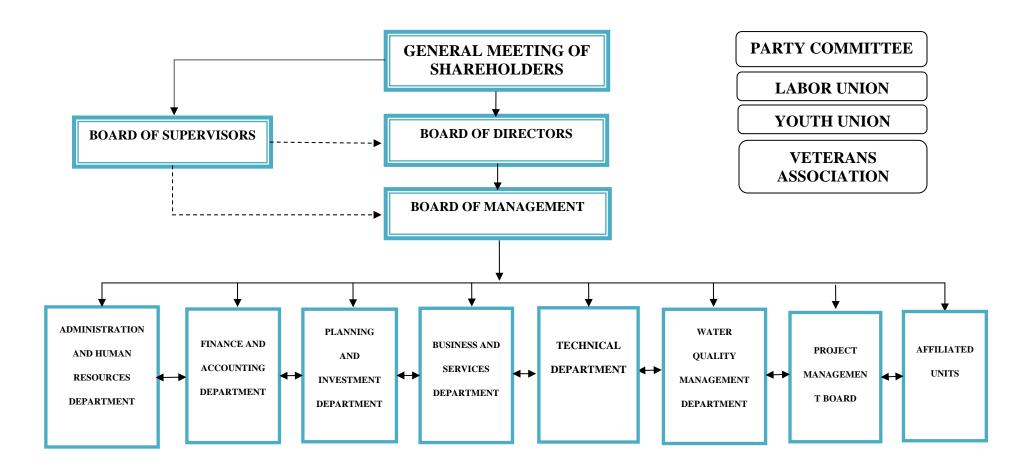
December 2, 2016: The company was approved by the Hanoi Stock Exchange to register the trading of 18,233,269 shares under Decision No. 792/QD-SGDHN.

December 9, 2016: The first trading day of 18,233,269 shares of Quang Tri Clean Water Joint Stock Company took place.

2. Business lines and locations of the business:

- **4** Business lines:
 - Exploiting, treating, and supplying water;
 - Architectural activities and related technical consulting;
 - Installation of water supply, drainage, heating, and air conditioning systems;
 - Construction of civil, transportation, and industrial works;
 - Verification of cold water meters:
- Production of materials, equipment, and specialized technologies for water supply, drainage, and construction;
- Trading of materials, equipment, and specialized technologies for water supply, drainage, and construction;
 - Structural design of civil, industrial, and water supply and drainage projects.
 - **Location of business:** Quang Tri Province.
- 3. Information about governance model, business organization and managerial apparatus
- 3.1 Governance model:

Diagram 2: Corporate Governance Model



Note:

Direct supervision:

Functional supervision: ---->

Coordinating relationship: ←→



3.2 Management structure

General meeting of shareholders

The General Meeting of Shareholders is the highest authority body of a joint-stock company.

Board of Directors:

The Board of Directors is the company's managing body, fully authorized to act on behalf of the company to decide and exercise the company's rights and obligations that do not fall under the authority of the General Meeting of Shareholders

Board of supervisors:

The Board of Supervisors is elected by the General Meeting of Shareholders and is the organization representing shareholders to oversee all business, management, and operational activities of the company.

♣ Director:

The Director is responsible for managing the daily business operations of the company, under the supervision of the Board of Directors, and is accountable to the Board of Directors and the law for the execution of the assigned rights and duties.

4 Deputy Director:

The Deputy Director assists the Director in managing one or several areas of the company as assigned or delegated by the Director.

4 Administration and Human Resources Department:

Advises on personnel organization, human resource management, and building relationships between employees and employers. Organizes the implementation of policies on salaries, income, labor norms, labor protection, and insurance policies for employees in accordance with the company's charter and legal regulations.

Manages administrative tasks, coordinates with specialized departments and affiliated units to serve the centralized and unified management, leadership, and direction of all aspects of the company's operations. Provides direct support to the company's leadership and acts as the communication hub for work relations between the company's leadership, affiliated units, and other organizations or individuals.

♣ Finance and Accounting Department:

Carries out financial management and accounting operations in compliance with legal regulations.

Accurately, honestly, and objectively reflects each economic transaction occurring at specific times within each accounting unit. Prepares corporate financial reports on schedule and takes full responsibility before the company's leadership and the law for the accuracy of reported data.



Conducts regular inspections of financial statements of affiliated units to help the company's leadership promptly detect and prevent negative practices in economic management. Inspects and guides compliance with financial and accounting regulations in managing capital, assets, liabilities, revenue, and expenses. Analyzes and evaluates the financial situation of the company as well as each affiliated unit.

♣ Planning and Investment Department:

Advises and develops business production plans for each period in line with the company's orientation, goals, and the general development of the water sector in the province. Directs the implementation of business production activities according to approved plans.

Advises and organizes the verification of design documents and project estimates in accordance with current legal regulations.

Based on the company's business production development strategy, directs the preparation of proposals for programs and projects to seek investment approval. Organizes the preparation of pre-investment and investment project documents as required.

Implements investment projects and works in accordance with legal regulations.

Advises and organizes investment activities.

4 Business – Service Department:

Advises on management, guidance, implementation, and supervision of business and service activities, as well as market development within the company's industry.

Manages, consolidates, monitors, and proposes the development and execution of contracts, bidding, subcontracting, revenue, and expenses.

Coordinates in advising, formulating, and implementing short-term, medium-term, and long-term development plans and strategies to ensure the company's sustainable growth

♣ Project Management Board:

Advises on and oversees the management and execution of construction investment projects funded by loans, grants, aid, and other external capital sources, as well as projects assigned by the company in compliance with legal regulations.

4 Affiliated Units:

- Dong Ha Clean Water Enterprise Address: Tran Binh Trong Street, Quarter 7, Ward 3, Dong Ha City, Quang Tri Province
- Construction and Installation Enterprise Address: Cam An Commune, Cam Lo District, Quang Tri Province.
- Route 9 Clean Water Enterprise Address: Quarter 3B, Khe Sanh Town, Huong Hoa District.
- Ben Hai Clean Water Enterprise Address: 263 Le Duan Street, Gio Linh Town, Gio Linh District, Quang Tri Province.

- Trieu Hai Clean Water Enterprise Address: 11 Phan Boi Chau Street, Ward 1, Quang Tri Town, Quang Tri Province.
- Meter Inspection and Loss Prevention Center Address: Address: Tran Binh Trong Street, Quarter 7, Ward 3, Dong Ha City, Quang Tri Province.

***** Functions and Roles of Affiliated Units:

- The affiliated units are established and organized by the company to perform functions and tasks within the company's business scope and operational area. Their purpose is to enhance management and administration, improve product quality, and develop business operations to effectively meet customers' clean water needs in the region.
- The company's affiliated enterprises have their own seals and bank accounts. They follow a ledger-based accounting system based on the company's assigned budget limits, in compliance with legal regulations

Duties of Affiliated Units:

- Produce and distribute clean water within the enterprise's operational area.
- Conduct surveys, design, estimate costs, and supervise the construction of water supply and drainage infrastructure projects within their assigned scope.
- Carry out construction and installation of technological equipment for water supply and drainage projects, as well as civil, industrial, transportation, and irrigation projects within the company's operational scope.

3.3 Subsidiaries, associated companies:

↓ *Subsidiaries*: No**↓** Companies: No.

4. Development orientations

4.1 Main objectives of the Company

Implement the goals set by the Government and the People's Committee of Quang Tri Province for water supply activities in Quang Tri Province.

Train and improve the quality of human resources while promoting the application of science and technology in business management and production management.

Enhance production capacity, product and service quality, develop and expand water supply service areas for customers, increase output, and boost revenue.

Focus on reducing water loss. Optimize energy use in production.

4.2 Development strategies in medium and long term

Medium-Term Strategy:

Focus on expanding and upgrading the water supply system, improving management efficiency, and applying advanced technology to enhance service quality and operational management. Implement solutions to minimize water loss and non-revenue water. Optimize

resource utilization to ensure sustainable growth. Gradually enhance production capacity, service provision, and competitiveness in the field of water-related consulting and specialized construction.

Focus on training and improving workforce quality, reorganizing human resources from management levels to workers in a rational manner. Gradually apply advanced technology towards automation in production and network management, aiming for safe water supply goals for the 2025–2030 period. Strengthen efforts to prevent water loss and strive to minimize water losses to the lowest possible level.

Continue to prioritize construction and installation of works as the core task in developing the water supply network and customer base.

Strengthen the field of design consultancy.

Invest further in specialized scientific research to master modern clean water production technologies.

Long-Term Strategy:

Enhance production capacity, product quality, and service standards. Expand and develop water supply areas for customers, increasing output and revenue. 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.

Continue to maintain and develop the brand as the leading company in the province in water supply operations and water infrastructure construction.

Achieve a high level of specialization in the core business sector, ensuring close integration between production, business, and services while continuously improving competitiveness and operational efficiency.

Develop modern production and management technologies.

Enhance reputation, market position, and competitive capacity

4.3 Corporate objectives with regard to Corporate environment, society and community Sustainability.

Invest in upgrading and innovating technology to increase productivity, improve product and service quality, while reducing water loss, saving energy and materials, and minimizing environmental pollution. Strive for sustainable development, aligned with social responsibility and community benefits.

5. Risks

Lead of the Economic risks:

In 2024, the global economy encountered numerous challenges, including prolonged geopolitical conflicts (Russia-Ukraine, Middle East), persistently high inflation in certain

regions, and an uneven economic recovery. These factors affected Vietnam's water supply sector in the following ways:

Volatility in raw material and energy prices: The water supply industry heavily depends on materials such as pipelines, water treatment chemicals, and energy to operate pumping and treatment systems. Geopolitical tensions, particularly in the Middle East and the Red Sea, disrupted global supply chains, driving up oil and raw material costs. This led to higher input costs for water utilities in Vietnam, which rely significantly on imported equipment and chemicals.

Decline in export demand and indirect economic pressures: As a deeply integrated economy, Vietnam depends heavily on exports. With global economic growth slowing (projected at approximately 3.2% GDP by the OECD and IMF), reduced demand for goods could impact domestic industries, thereby lowering government revenue. This constrains public investment in water supply infrastructure, a capital-intensive sector.

Global climate change: Extreme weather, a significant risk in 2024, intensified issues such as droughts, saltwater intrusion, and flooding. In Vietnam, these conditions directly affected raw water sources, posing challenges to maintaining a stable water supply, especially in regions like the Mekong Delta and the Central Highlands.

Nevertheless, through decisive and effective measures, Vietnam's economy achieved notable successes in 2024. GDP growth reached approximately 6.8% (according to Standard Chartered), though it continued to grapple with domestic challenges, including natural disasters, inflationary pressures, and the sluggish recovery of certain industries

4 Industry risks:

Water production is a specialized industry that requires significant consumption of energy and chemicals to support its operations. Electricity constitutes a substantial portion of the company's production costs. The annual upward adjustment of retail electricity prices significantly impacts the company's profitability.

The risk of water loss may arise due to the deterioration of pipeline systems, which have been in use for an extended period. Although annual investments have been made to replace these pipelines, the vast geographical coverage means that comprehensive upgrades remain incomplete. Additionally, there is a risk from construction activities by organizations or individuals that damage water supply pipelines. This risk disrupts the continuous supply of clean water, compromising flow rates, pressure, and water quality.

The water supply industry is a public service sector under state oversight. Water tariffs are regulated by the government to balance the interests of water supply companies and water users, achieved through the issuance of tariff frameworks applied to specific regions across the country. However, with pre-determined tariff frameworks coupled with high water loss rates, ensuring profit growth for water supply companies remains a persistent challenge.

The development strategy for the water supply sector by 2030 envisions Vietnam building a more competitive water supply market through the socialization of the industry. This will inevitably lead to competition among water supply companies in terms of pricing and service quality. However, establishing such a market is a long-term process, potentially spanning 15 to 20 years, in line with the water supply industry's roadmap.

Legal risks:

As a state-owned enterprise converted into a joint-stock company, the Company's operations are governed by a system of legal documents, including the Enterprise Law of 2020, the Securities Law, Circular 96/2020/TT-BTC, and Decree 71/2017/ND-CP.

Vietnamese laws and policies frequently undergo changes to align with practical realities and international norms. A series of recent and upcoming amendments to key business-related legal mechanisms and policies require the Company to consistently assign personnel to closely monitor and update relevant new legal regulations pertaining to its industry and market. This ensures that the Company's operations comply with the law and enables it to anticipate necessary adjustments to meet emerging requirements

II. OPERATIONS IN THE YEAR

1. Situation of production and business operations.

Table 1: Results of Production and Business Operations for 2023-2024

Unit of Measurement: VND

Indicator	Year 2023	Year 2024
Revenue from sales of goods and provision of services	138.827.735.670	186.446.647.212
Gross profit	48.255.265.763	65.181.681.150
Net profit	17.228.000.343	23.837.016.942
Other profit	3.010.062.368	11.502.905
Accounting profit before tax	20.238.062.711	24.979.659.043
Profit after tax	16.706.092.134	19.839.764.894

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

Revenue Structure:

Table 2: Revenue Structure of the Company for 2023-2024

Indicator	Year 2023 (VND)	Proportion (%)	Year 2024 (VND)	Proportion (%)
Net Revenue from Business Activities	138.827.735.670	93,99	186.446.647.212	98,07
Financial Income	2.907.777.058	1,97	2.035.122.889	1,07

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Other Income	5.963.330.191	4,04	1.633.788.871	0,86
Total Revenue	147.698.842.919	100	190.115.558.972	100

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

– Cost Structure:

Table 3: Cost Structure of the Company for 2023-2024

Chỉ tiêu	Year 2023 (VND)	Proportion (%)	Year 2024 (VND)	Proportion (%)
Cost of Goods Sold	90.572.469.907	71,06	121264966062	73,43
Financial Expenses	3.151.820.986	2,47	3244925480	1,97
Selling Expenses	16.458.056.571	12,91	20798667853	12,59
General and Administrative Expenses	14.325.164.921	11,24	18205054568	11,02
Other Expenses	2.953.267.823	2,32	1622285966	0,98
Total Expenses	127.460.780.208	100	165135899929	100

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

2. Organization and Human resource

List of the Board of Management:

Table 4: member of the Board of Management 31/12/2024

STT	Họ và tên	Chức vụ
1	Mr. Le Thanh Ty	General Director
2	Mr. Le Van Tu	Deputy General Director
3	Mr. Tran Van Hoi	Deputy General Director
4	Ms. Le Thi Luu	Chief Accountant; Head of Finance & Accounting Department.

• Curriculum vitae and ownership percentage of the Company's voting shares and other securities by the Company's member board of management:

Full Name:	:	LE THANH TY
Citizen Identification Number	:	037067006501, Issued on: June 27, 2021; Issued by: Police Department
Gender	:	Male
Date of Birth	:	December 24, 1967

Nationality	:	Viet Nam
Ethnicity	:	Kinh
Place of Origin	:	Ninh Tien Commune, Ninh Binh City, Ninh Binh Province
Permanent Address	:	Quarter 8, Ward I, Dong Ha City, Quang Tri Province
Current Residence	:	Quarter 8, Ward I, Dong Ha City, Quang Tri Province
Phone Number	:	0913 485 334
Education Level	:	12/12
Professional Qualification	:	Bachelor of Law
Work Experience:		
From October 1988 to June 1990	:	Worker at a company under Binh Tri Thien Construction Department in Quang Tri Province.
From July 1990 to December 1997	:	Worker at Quang Tri Water Supply and Sewerage Company
From January 1998 to July 2001	÷	Production Team Leader at Quang Tri Water Supply and Sewerage Company.
From August 2001 to November 2003	·	Fleet Manager at Quang Tri Water Supply and Sewerage Company
From December 2003 to January 2006	:	Deputy Director, Acting Director of Khe Sanh Water Supply Enterprise under Quang Tri Water Supply and Sewerage Company.
From February 2006 to May 2009	:	Chief of Office at Quang Tri Water Supply and Construction One-Member Limited Liability Company
From June 2009 to January 2016	÷	Head of Organization - General - Administration Department at Quang Tri Water Supply and Construction One-Member Limited Liability Company
From February 2016 to March 2016	·	Deputy Director at Quang Tri Water Supply and Construction One-Member Limited Liability Company
From April 2016 to November 2021	:	Member of the Board of Directors, Deputy Director of Quang Tri Clean Water Joint Stock Company

From November 2021 to September 2024	÷	eputy Director of Quang Tri Clean Water Joint Stock Company; Corporate Governance Officer
From September 2024 to present	:	Member of the Board of Directors; Person in charge of Corporate Governance; General Director
Current Position in the Company	:	General Director
Positions Held in Other Organizations		None
Personal Shareholding	:	 Personal Shareholding: 6,700 shares – accounting for 0.04% of charter capital
Shares Held by Related Persons	:	0 shares
Conflict of Interest with the Company	:	None
Outstanding Liabilities to the Company	:	None
Remuneration and Other Benefits	:	Receives salary and remuneration as per company regulations
Related Interests in the Company	:	None

Full Name	:	LE VAN TU
Citizen Identification Number	:	045074011963; Issued by: Department of Administrative Management on Social Order, Police Department
Gender	:	Male
Date of Birth	:	May 25, 1974
Nationality	:	Viet Nam
Ethnicity	:	Kinh
Place of Origin	:	Hai Phu Commune, Hai Lang District, Quang Tri Province

Permanent Address	: Hai Phu Commune, Hai Lang District, Quang Tri Province			
Current Residence	: Hai Phu Commune, Hai Lang District, Quang Tri Province			
Phone Number	: 0914 219 768			
Education Level	: 12/12			
Professional Qualifications	: Master's Degree in Infrastructure; Engineer in Water Supply and Sewerage; Bachelor of Law.			
Work Experience:				
From June 1994 to September 1996	: Production Worker at Quang Tri Water Supply and Sewerage Company			
From October 1996 to September 2001	: Sponsored by the company to study and graduate from Hanoi Architectural University			
From October 2001 to January 2002	Assigned by the company for apprenticeship at Vinaconex Water Supply, Sewerage, and Environmental Construction Consultancy Joint Stock Company			
From February 2002 to January 2006	Technical Staff at the Planning and Technical Department, Quang Tri Water Supply and Sewerage Company			
From February 2006 to September 2007	: Deputy Director, Acting Director of Đông Hà Construction and Mechanical Processing Enterprise under Quang Tri Water Supply and Sewerage Company.			
From October 2007 to October 2008	: Director of Đông Hà Construction and Mechanical Processing Enterprise under Quang Tri Water Supply and Construction One-Member Limited Liability Company			
From November 2008 to December 2008	: Deputy Director of Quang Tri Water Supply and Construction One-Member Limited Liability Company			
From December 2008 to July 2013	: Member of the Members' Council, Deputy Director of Quang Tri Water Supply and Construction One-Member Limited Liability Company.			
From August 2013 to March 2016	: Member of the Members' Council, Director of Quang Tri Water Supply and Construction One-Member Limited Liability Company			

From April 2016 to November 2021	:	Member of the Board of Directors; General Director of Quang Tri Clean Water Joint Stock Company			
From November 2021 to present	:	Member of the Board of Directors; Deputy General Director of Quang Tri Clean Water Joint Stock Company			
Current Position in the Company	:	Member of the Board of Directors; Deputy General Director of Quang Tri Clean Water Joint Stock Company			
Positions Held in Other Organizations	:	None			
Shareholding Information	:	 Personal Shareholding: 9,100 shares – accounting for 0.05% of charter capital 			
		- State Capital Representation: 1,394,845 shares – accounting for 7.65% of charter capital			
Shares Held by Related Persons	:	00 cổ phần			
Conflicts of Interest with the Company's Benefits	:	None			
Outstanding Liabilities to the Company	:	None			
Remuneration and Other Benefits	:	Receives salary and remuneration as per company regulations			
Related Interests in the Company	:	None			

Full Name	:	TRAN VAN HOI
Citizen Identification Number	:	045071008624; Issued on: September 24, 2021; Issued by: Department of Administrative Management on Social Order, Police Department
Gender	:	Male
Date of Birth	:	June 13, 1971
Nationality	:	Viet Nam
Ethnicity	:	Kinh
Place of Origin	:	Trung Hai Commune, Gio Linh District, Quang Tri Province

:	Quarter 2, Dong Luong Ward, Dong Ha City, Quang Tri Province
:	Quarter 2, Dong Luong Ward, Dong Ha City, Quang Tri Province
:	0913 485 819
:	12/12
:	Civil and Industrial Construction Engineer
:	Technical Planning Staff, Quang Tri Water Supply and Drainage Company
:	Deputy Head of Technical Planning Department, Quang Tri Water Supply and Drainage Company
:	Head of Technical Planning Department, Quang Tri Water Supply and Construction One-Member Limited Liability Company
:	Director of Quang Tri Town Water Supply Enterprise, under Quang Tri Water Supply and Construction One- Member Limited Liability Company
:	Deputy Director, Quang Tri Water Supply and Construction One-Member Limited Liability Company
:	Member of the Board of Directors, Deputy Director, Quang Tri Clean Water Joint Stock Company
:	Member of the Board of Directors, Deputy Director
:	None
:	 Personal Share Ownership: 7,100 shares – accounting for 0.04% of the charter capital Shares Representing State Capital: 1,394,845 shares – accounting for 7.65% of the charter capital
:	3,500 shares – accounting for 0.02% of the charter
:	None None
:	None
:	Entitled to remuneration and salary in accordance with the regulations
	: : : : : : :

Related Interests with the : None Company

Full Name	:	LE THI LUU
Citizen Identification Number	:	045171007765; Date of Issue: May 9, 2021; Issuing Authority: Department of Administrative Management Police for Social Order
Gender	:	Female
Date of Birth	:	May 4, 1971
Nationality	:	VietNam
Ethnicity	:	Kinh
Place of Origin	:	Triệu Phước Commune, Triệu Phong District, Quang Tri Province
Permanent Residence:	:	Quarter 10, Ward 5, Đông Hà City, Quang Tri Province
Current Residence	:	Quarter 10, Ward 5, Đông Hà City, Quang Tri Province
Phone Number	:	0912 670 668
Education Level	:	12/12
Professional Qualification	:	Bachelor's Degree in Finance and Accounting
Work Experience		
From 1995 to June 2014	:	Finance and Accounting Staff, Quang Tri Water Supply and Drainage Company
From November 2007 to June 2014	÷	Finance and Accounting Staff, Quang Tri Water Supply and Construction One-Member Limited Liability Company
From July 2014 to March 2016	:	Deputy Head of Finance and Accounting Department, Quang Tri Water Supply and Construction One-Member Limited Liability Company
From April 2016 to to Present	÷	Head of Finance and Accounting Department; Chief Accountant of Quang Tri Clean Water Joint Stock Company
Current Position at the Company	:	Chief Accountant; Head of Finance and Accounting Department
Positions Held at Other Organizations	:	None

Shareholding:	:	6,000 shares – accounting for 0.034% of the charter capital
Shareholding of Related Persons	:	0 shares
Conflicts of Interest with the Company	:	None
Debts Owed to the Company	:	None
Remuneration and Other Benefits	:	Entitled to salary in accordance with company regulations
Related Interests with the Company	:	None

Changes in the Board of Management:

In 2024, there were changes in the Board of Directors and executive management. Mr. Nguyễn Hà Hải submitted a resignation letter to step down from his position as a member of the Board of Directors and from his role as Director of the Company. At the Extraordinary General Meeting of Shareholders of Quang Tri Clean Water Joint Stock Company held on August 16, 2024, the meeting voted to approve Mr. Nguyễn Hà Hải's resignation from the Board of Directors. Subsequently, Mr. Lê Thành Ty was elected as a member of the Board of Directors for the 2021-2026 term, effective from August 16, 2024. The Board of Directors also resolved to relieve Mr. Nguyễn Hà Hải of his position as Director of the Company and appointed Mr. Lê Thành Ty as the Director of the Company, effective from September 5, 2024.

♣ Number of staffs:

Table 5: Labor Structure of the Company as of December 31, 2024

Criteria	Quantity (Persons)	Proportion (%)	
1. Classification by Skill Level	284	100%	
- University and Postgraduate	94	38,03%	
- College	24	10,92%	
- Intermediate	46	19,01%	
- Elementary	03	1,06%	
- Technical Workers	82	26,76%	
- Unskilled Labor	08	4,23%	
2. Classification by Gender	257	100%	
- Male	167	65,49%	

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- Female	98	34,51%

Brief information and changes on the employee's policies

Training Policy:

To enhance the business production efficiency of the Company and maximize the capabilities of its workforce, based on the current status of the existing labor force and relevant labor laws, the Company implements lean and rational labor training, arrangement, and utilization as follows:

- Recruit for positions that are currently vacant to meet the actual job requirements.
- Improve corporate governance mechanisms; rebuild standard labor norms and job standards for each specific position.
- Conduct training for new employees, retrain skills in the fields of connection and water treatment operation processes, and organize annual skill-upgrading exams for direct labor forces, primarily within the enterprise.
- To meet competency standards for laboratory staff, the Company sends employees to obtain ISO/IEC 17025:2017 certification for 8 chemical testing personnel.
 - Comply with state regulations on degrees and professional certifications.
- Based on the functions and tasks of departments, divisions, and affiliated factories, determine labor quotas and arrange labor reasonably to increase productivity and reduce idle time.

Salary, Bonus, and Allowance Policy:

The Company fully implements all policies and regulations for employees in accordance with the law, ensuring stable employment, improving income, and caring for the material and spiritual well-being of its staff. The Company has established a Reward and Welfare Fund to promptly visit, encourage, and support employees facing difficulties in their lives.

Annually, the Company conducts reviews to develop appropriate production cost allocation regulations, performs interim and final reviews, and organizes regular and unexpected rewards to encourage and motivate employees who have contributed to the Company. The reward level depends on the Company's production efficiency and the economic performance of both the collective and individual employees. Individuals or units that fail to complete assigned tasks, causing harm to the Company's economy, assets, or reputation, will be specifically reviewed and subject to disciplinary actions, fines, or material compensation as stipulated in the Collective Labor Agreement and the Company's Labor Regulations

3. Investment activities, project implementation

3.1. Major investments:

The Company's leadership places great emphasis on development investments to enhance water supply capacity, address the frequent water shortages during the dry season in Dong Ha City and its surrounding areas, and synchronize materials for the entire water pipeline system to minimize water loss. In 2024, implementing the Quang Tri Province's project on providing clean water to rural areas for the period 2025-2030 and improving the production capacity of water plants, the Company has approved major investments in the following projects:

- Upgrading the capacity of water plants: (1) Lao Bao Water Pumping Station (1.8 billion VND); (2) Tan Do Pumping Station, increasing capacity from 2,000 to 3,000 m³/day (1.15 billion VND); (3) Transfer pump from Song to Cua Viet area (813 million VND); (4) Hai Lang Water Plant Phase I, increasing capacity from 3,200 to 4,500 m³/day (1.29 billion VND).
- Investing in water network improvements and enhancing customer service with a total value of 3.66 billion VND, including: Trieu Hai Water Supply Facility (1.33 billion VND); Route 9 Water Supply Facility (1.8 billion VND); Dong Ha Water Supply Facility (74.5 million VND); Relocation and improvement of the water supply system on Le Hong Phong Street Ho Xa Town and Khom 2, Ben Quan Town (393.5 million VND); Investment in the water supply system for Lam Lang Village, Cam Thuy, Nha Truong Hamlet, and Bau Cut (541.2 million VND).
- Implementing the Cua Tung and Surrounding Areas Water Supply System Project to provide water for Cua Tung Town and neighboring communes.
- Preparing a project to invest in constructing a clean water pipeline for 8 northeastern communes of Trieu Phong District, Quang Tri Province; completing the water network and customer connections for Trieu An and Trieu Thanh communes (Trieu Dong).
- Conducting surveys, assessments, and preparing investment reports for the construction of Tram Water Plant and Rao Quan Reservoir Water Plant to ensure water supply according to the Province's planning.

3.2. Subsidiaries, associated companies: None

4. Financial situation

a) Financial situation

Table 6: Financial situation of the cmpany in 2023 – 2024

Unit: VNĐ

Indicators	31/12/2023	31/12/2024
Total asset	298.090.402.132	307.990.644.104
Net revenue	138.827.735.670	186.446.647.212
Profit from business activities	17.228.000.343	24.968.156.138
Other profits	3.010.062.368	11.502.905
Profit before tax	20.238.062.711	24.490.306.868

Profit after tax	16.706.092.134	19.839.764.894
Payout ratio (After appropriating the funds)	4,58%	5,8%

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

b) Major financial indicators:

Table 7: Major financial indicators for 2023-2024

Indicators	Unit	31/12/2023	31/12/2023			
1. Solvency ratio						
Current ratio: (Short term Asset/Short term debt)	Times	1,91	2,19			
Quick ratio: (Short term Asset – Inventories)/ Short term Debt	Times	1,59	1,95			
2. Capital structure Ratio						
Total assets ratio	%	28,11	27,79			
Debt/Owner's Equity ratio	%	39,10	38,5			
3. Operation capability Ratio						
Inventory turnover:Cost of goods sold/ Average inventory	Times	5,90	8,20			
Total asset turnover:Net revenue/ Average Total Assets	Times	0,47	0,62			
4. Profitability						
Profit after tax/ Net revenue Ratio	%	12,03	10,64			
Profit after tax/ total capital Ratio	%	7,91	9,09			
Profit after tax/ Total assets Ratio	%	5,61	6,55			
Profit from business activities/ Net revenue Ratio.	%	12,41	13,39			

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

5. Shareholders structure, change in the owner's equity

a) Shares:

Total Number of Outstanding Shares: 18.233.269 shares

Number of Securities Restricted from Transfer under Legal Regulations or Rules of the Registered Trading Organization: 564.300 shares

b) Shareholders structure

Table 8: Shareholder Structure as of December 31, 2024

No.	Type of Shareholder	Number of Shareholders	Number of Shares	Percentage of Charter Capital
1	State Shareholder	01	9.298.967	51,00%
2	Domestic Shareholders			

2.1	Organizations	0	0	0%
2.2	Individuals	306	8.934.302	49,00%
3	Foreign Shareholders			
3.1	Organizations	0	0	0
3.2	Individuals	0	0	0
4	Treasury Shares	0	0	0
	Total	305	18.233.269	100%

Table 9: List of Shareholders Holding 5% or More as of December 31, 2024

No.	Shareholder Name	Address	Number of Shares	Percentage of Charter Capital
1	People's Committee of Quang Tri Province	45 Hung Vuong, Dong Ha City, Quang Tri Province	9.298.967	51,00%
2	Mr. Ngo Ngoc Tung	18 Doan Chuan, Phuong Luu 6, Dong Hai, Hai An, Hai Phong City	4.386.000	24,05%
3	Mr. Le Trung Kien	P103, Building B, Ngoc Khanh, Ngoc Khanh Ward, Ba Dinh District, Ha Noi City	1.430.302	7,84%
4	Mr. Dang Minh Khoi	01 Hang Ma Street, Hang Ma Ward, Hoan Kiem District, Ha Noi City	1.431.000	7,85%
	Total			90,74%

Table 10: List of Founding Shareholders

No.	Shareholder Name	ID/Passport Number	Address	Number of Shares	Number of Shares
1	Mr. Đao Ba Hieu	045064004302	Ward 2, Quang Tri Town, Quang Tri Province	9.300	0,051%
2	Mr. Le Van Tu	045074011963	Hai Phu Commune, Hai Lang, Quang Tri Province	9.100	0,050%
3	Mr. Tran Van Hoi	045071008624	Dong Luong Ward, Dong Ha City, Quang Tri Province	7.100	0,039%
4	Mr. Le Thanh Ty	037067006501	Ward 1, Dong Ha City, Quang Tri Province	6.700	0,037%
5	Mr. Nguyen Hoat	190917158	Ward 5, Dong Ha City, Quang Tri Province	6.900	0,038%
Tổng Cộng					0,214%

According to the provisions of the Enterprise Law, the transfer of shares by founding shareholders is restricted for a period of 03 years from the date the company is granted the Certificate of Business Registration (from March 31, 2016, to March 31, 2019)

c) Change in the owner's equity

Since its equitization, Quang Tri Water Supply Joint Stock Company has maintained stable operations with a charter capital of 182.332.690,000 VND and has not proceeded to increase its charter capital.

- d) Transaction of treasury stocks: None
- e) Other securities: None

6. Environment-Social-Governance (ESG) Report of the Company

6.1. Management of raw materials:

a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year.

The main product of the company is the production and supply of clean water. The primary raw materials used to produce this product are water and water treatment chemicals. The water is sourced from surface water of rivers in the area and underground water sources.

The total amount of key raw materials used for production includes:

No.	Material Name	Unit	Quantity
1	Liquid Chlorine	Kg	22.038
2	Chlorine 70%	Kg	758
3	PAC Powder	Kg	78.513
4	Lime Powder	Kg	40.273

b) The percentage of materials recycled to produce products and services of the organization.

The materials used for water production are chemicals that are used only once. There are no reusable or recycled materials in the production process.

6.2. Energy consumption:

- a) Energy consumption directly and indirectly: For water production activities, the primary energy consumed is electricity, which is used to power the water production process. In 2024, the electricity consumption is as follows:
 - Direct Electricity Consumption: 7.737.341 Kw
 - Indirect Electricity Consumption: 87.187 Kw
- b) Energy savings through initiatives of efficiently using energy:

The water production industry is a specialized sector with high electricity consumption. Reducing electricity costs to enhance business production efficiency is a top priority set by the leadership in the annual business production plan. In 2024, the electricity consumption rate is approximately 0,364 kWh/m³. Compared to 2023, the Company has saved 0,005 kWh/m³ in electricity costs.

- c) The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives.
- Some Solutions for Saving Energy Consumption:
- Install power factor correction capacitors to reduce power loss in machines, thereby minimizing energy consumption.
 - Implement inverter systems in factories.
- Regularly maintain and service machinery and equipment. Replace outdated water pumps with high energy consumption.

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

a) Supply and amount of water used.

The company's water supply mainly comes from two primary sources: surface water from rivers and groundwater from drilled wells.

- + Total annual water supply: 19.904.298 m³
- + Water consumption recorded by customer meters: 15.505.556 m³
- + Water loss rate: Approximately 21.9%
- b) Percentage and total volume of water recycled and reused

The company primarily operates by supplying clean water to customers. Therefore, there is no recycled or reused water.

6.4. Compliance with the law on environmental protection:

- a) Number of times the company is fined for failing to comply with laws and regulations on environment: None.
- b) The total amount to be fined for failing to comply with laws and regulations on the environment.: None.

6.5. Policies related to employees:

- a) Number of employees, average wages of workers
- ♣ Number of employees: 257 người.
- ♣ Average wages of workers:

Table 11: Average Salary for Employees

Year	2019	2020	2021	2022	2023	2024
Number of Employees (persons)	261	249	253	256	257	284
Average Income (thousand VND/person/month)	9.500	9.500	10.700	10.800	10.800	11.600

(Source: Quang Tri Clean Water Joint Stock Company)

b) Labor policies to ensure health, safety and welfare of workers:

The company fully complies with labor policies and regulations, ensuring stable employment, improving income, and prioritizing the physical and mental well-being of employees. A Reward and Welfare Fund has been established to provide timely support and encouragement to employees facing difficulties in life.

Annually, the company conducts performance reviews, summarization meetings, and both regular and extraordinary rewards to recognize employees' contributions. The level of rewards depends on the company's production efficiency and the overall economic performance of both the organization and individual employees.

The company ensures stable employment for 284 workers, offering a relatively high income compared to the provincial average, with a notable increase from the previous year. Employees receive meal allowances, and strict compliance with labor protection and occupational safety regulations is maintained. Annual training sessions on food hygiene and safety are organized, and workers are provided with adequate protective gear.

All employee benefits, including maternity leave, sick leave, holidays, Tet bonuses, and annual leave, are handled promptly. The company encourages union members to contribute and support colleagues in difficult situations. Regular recreational trips and retreats are arranged for employees, along with gifts for their children who achieve academic excellence on occasions such as International Children's Day and the Mid-Autumn Festival.

Additionally, the company provides on-site training or sponsors employees to attend external training programs to enhance their professional expertise and skills. Regular skill assessments and promotions are conducted, and annual health check-ups are organized for all employees

c) Employee training:

- In 2024, the company organized training programs for employees to equip them with the necessary knowledge and skills, enhancing their awareness and ability to effectively perform current tasks and align with the company's future objectives. Specifically:
 - June 3, 2024: Orientation training for 24 newly hired employees.
 - October 5, 2024: Orientation training for 13 newly hired employees.
- July 23-24, 2024: In collaboration with Tiền Phong Plastics Company, the company conducted a training session on HDPE and PPR plastic material installation for 64 employees.
- November 16, 2024: Training on pipe welding and HDPE fittings installation for 13 workers.
- December 5-6, 2024: Training on operational procedures for 7 workers at the Đường 9 Clean Water Enterprise.

6.6. Report on responsibility for local community

Research the use of alternative raw materials that do not cause environmental pollution

- 6.7. Report on green capital market activities under the guidance of the ssc: None
- III. REPORTS AND ASSESSMENTS OF THE BOARD OF MANAGEMENT (the board of management reports and assesses the company's situation through every facet)
 - 1. Assessment of operating results

Table 11: Business Performance Report for 2023-2024

Indicator	Year 2023	Year 2024
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	(VNĐ)	(VNĐ)
Revenue from sales and services	138.827.735.670	186.446.647.212
Deductions	0	0
Net revenue from sales and services	138.827.735.670	186.446.647.212
Cost of goods sold	90.572.469.907	121.264.966.062
Gross profit from sales and services	48.255.265.763	65.181.681.150
Financial income	2.907.777.058	2.035.122.889
Financial expenses	3.151.820.986	3.244.925.480
Selling expenses	16.458.056.571	20.798.667.853
Administrative expenses	14.325.164.921	18.205.054.568
Net profit from business activities	17.228.000.343	23.837.016.942
Other income	5.963.330.191	1.633.788.871
Other expenses	2.953.267.823	1.622.285.966
Other profit	3.010.062.368	11.502.905
Total accounting profit before tax	20.238.062.711	24.979.659.043
Corporate income tax expense	3.531.970.577	5.139.894.149
Net profit after corporate income tax	16.706.092.134	19.839.764.894

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024) Management's Assessment of Business Performance:

The business performance results for 2024 are presented in the table above. The company's financial situation has improved compared to the previous year. However, given the overall economic challenges nationwide, certain key business targets have not been fully achieved as planned.

2. Financial Situation

a) Assets:

Table 12: Company's Asset Status as of December 31, 2024

ASSETS	31/12/2023 (VND)	31/12/2024 (VND)	
A. CURRENT ASSETS	93.767.551.825	126.985.436.315	
I. Cash and Cash Equivalents	8.942.020.745	19.257.017.676	

II. Short-term Financial Investments	46.867.237.313	75.230.296.862
III. Short-term Trade and Other	19.272.009.316	18.416.385.203
Receivables		
IV. Inventories	15.629.493.758	13.956.729.794
V. Other Current Assets	3.056.790.693	125.006.780
B. NON-CURRENT ASSETS	204.322.850.307	181.005.207.789
I. Long-term Trade and Other Receivables	0	0
II. Fixed assets	198.320.518.008	172.277.561.629
1. Tangible Fixed Assets	197.428.502.757	171.572.686.100
2. Intangible Fixed Assets	892.015.251	704.875.529
III. Investment Properties	0	0
IV. Construction in Progress	348.848.987	4.315.858.561
V. Long-term Financial Investments	0	0
VI. Other Non-current Assets	5.653.483.312	4.411.787.599
TOTAL ASSETS	298.090.402.132	307.990.644.104

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

b) Tình hình nợ phải trả: Debt Payable

Table 13: Liabilities Status of the Company for 2023-2024

LIABILITIES	31/12/2023 (VNĐ)	31/12/2024 (VNĐ)
A. LIABILITIES	83.787.477.300	85.578.201.714
I. Current Liabilities	48.990.935.668	57.957.458.284
1. Short-term Borrowings and Debt	6.637.115.907	9.385.980.634
2. Trade Payables	12.434.093.956	829.3267.241
3. Advances from Customers	4.362.707.500	1.269.103.410
4. Taxes and Other Payables to the State	1.640.632.441	3.266.648.071
5. Employee Benefits Payable	12.704.306.840	18.223.937.050
6. Accrued Expenses	1.721.307.383	1.720.304.077
7. Other Short-term Payables	5.975.422.989	9.329.076.915

8. Bonus and Welfare Fund	3.515.348.652	6.469.140.886
II. Non-current Liabilities	34.796.541.632	27.620.743.430
1. Other Long-term Payables	0	0
2. Long-term Borrowings and Finance Leases	32.319.180.229	22.933.199.595
3. Science and Technology Development Fund	2.477.361.403	4.687.543.835

(Source: Audited Financial Statements 2023, Audited Financial Statements 2024)

3. Improvements in organizational structure, policies, and management.

Review and revise internal regulations and policies to ensure they are suitable for the Company's business and production activities at all times. Efficiently allocate and utilize the workforce, review and reorganize the existing labor force from management to direct labor to align with the complex business and production situation. Consider building a long-term stable Company model in both breadth and depth.

Propose reasonable and scientific construction measures, thoroughly optimize costsaving in business and production activities, and conduct regular analysis and evaluation to enable the Company's leadership to make timely and sound decisions

4. Development plans in future.

During the 2025–2030 period, in addition to continuing business development investments using depreciation funds and annual investment and maintenance capital, a key investment priority is to supplement water supply for plants facing shortages. The company is implementing several projects to enhance plant capacity and expand water supply coverage, specifically:

- Implementation of the Cua Tung Water Supply System Project to provide clean water to residents in Cửa Tùng town and surrounding communes.
- Development of a Clean Water Pipeline Project to supply water to eight northeastern communes of Trieu Phong District, Quang Tri Province, and to complete the water distribution network and customer connections in Trieu An and Trieu Thành (Trieu Đing) communes.
- Feasibility study for the Vĩnh Long Water Plant Project to supplement water supply for Ho Xa Town, the Northwestern Industrial Park, and northeastern communes of Vinh Linh.
- Survey and assessment for investment reports on Trấm Water Plant and Rao Quan Reservoir Plant to ensure water supply aligns with the province's master plan.
- Develop an investment project for the water supply system in the Nam Đông area, Gio Son commune, and the western region of Gio Linh District This strategic investment aims to

ensure stable water supply, expand service coverage, and support sustainable development in the region

5. Explanation of the Board of Management for auditor's opinions: None

6. Assessment Report related to environmental and social responsibilities of the Company

a) Assessment concerning the environmental indicators (water consumption, energy, emissions, etc....)

Towards Sustainable Development Goals, Quang Tri Clean Water Joint Stock Company is continuously improving its service delivery operations, ensuring that environmental indicators (such as water consumption, energy usage, and emissions) are maintained at reasonable levels and comply with permitted standards. These efforts contribute significantly to a greener, cleaner, and more beautiful environment in the region.

b) Assessment concerning the labor issues

Overall, the company's workforce possesses professional qualifications, work competence, a strong sense of responsibility, and dedication to their jobs, ensuring tasks are performed effectively.

The company has a large number of young employees who have received fundamental training, are highly enthusiastic, and demonstrate a strong sense of responsibility. However, they still lack practical experience.

The current workforce structure is becoming more streamlined, with a low proportion of indirect labor in affiliated units.

However, workers' technical skills are not yet fully aligned with actual production demands, particularly for those with higher skill levels.

c) Assessment concerning the corporate responsibility for the local community

Over the past year, the Company has effectively fulfilled its responsibilities to the local community by: Participating in disaster relief efforts to support flood-affected residents; Engaging in gratitude and charity activities; Contributing to funds for the poor; Supporting funds for Agent Orange victims...

IV. ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION

1. Assessments of the Board of Directors on the Company's operation, including the assessment related to environmental and social responsibilities.

In 2024, the Board of Directors recognizes the company's stable operational efficiency across all key areas, ensuring sustainable growth and service quality. The company has effectively managed its financial and business activities, maintaining stable revenue while

optimizing cost control and investment efficiency. Workforce management has also been streamlined, improving productivity and operational effectiveness.

In addition to business performance, the company remains committed to its environmental and social responsibilities. It has strictly adhered to environmental standards in water treatment and supply, optimizing resource use while minimizing energy consumption and emissions. Various initiatives have been implemented to support the local community, including disaster relief, social welfare programs, and contributions to environmental protection efforts. Moving forward, the company will continue to enhance its sustainability strategies, aligning economic development with environmental and social responsibility to ensure long-term value for stakeholders.

2. Assessment of Board of Directors on Board of Management s performance

4 Achievements:

Complied strictly with and implemented legal regulations, the Company's Charter, Resolutions of the General Meeting of Shareholders, and Resolutions of the Board of Directors (BOD).

Always demonstrated a high level of responsibility, closely monitored work, provided timely, specific, and decisive directives, and promptly resolved difficulties and obstacles in business operations.

Proactively implemented the Resolutions and decisions of the BOD in accordance with the approved development orientation.

Took initiative in proposing appropriate solutions for each stage and specific conditions. Maximized the potential and strength of employees to accomplish the company's business objectives.

Limitations to be Addressed:

More focus is needed on training and developing the management team to ensure indepth expertise and consistency in the implementation of resolutions and internal regulations.

The dissemination and thorough implementation of the BOD's resolutions, decisions, and internal regulations have not been sufficiently extensive, resulting in some members of the management team failing to strictly comply.

The management and operational efforts to reduce water loss have not been sufficiently decisive and continuous.

The Board of Directors has issued regulations, policies, and operational procedures in accordance with legal requirements and the company's business model. Some procedures have been revised to align with actual business operations. However, certain departments and divisions have not closely followed them in performing their functions and duties.

The inspection and supervision processes have not been conducted frequently and promptly, leading to suboptimal effectiveness.

With the business results achieved in 2024, the Board of Directors assesses that the Executive Board, under the leadership of the General Director, has fulfilled the tasks assigned by the Board of Directors for the year.

3. Plans and orientations of the Board of Directors

The company needs to establish clear directions and specific operational plans while proactively and decisively managing its operations to meet practical requirements. With the goal of focusing on business development, striving to maintain an average annual growth rate of 5-8%, fulfilling obligations to the State, and ensuring a balanced benefit between the company and its employees. Given this context, the Board of Directors (BOD) has defined the company's direction for 2024 and assigned the company to develop a detailed plan to be presented to the General Meeting of Shareholders:

- 1. Direct and manage the company's operations to ensure continued stability and growth. Specifically:
 - Total implemented value: VND 218.4 billion, *Including:*
 - + Revenue from clean water supply: VND 176.6 billion
 - + Other construction and industrial development projects: VND 41.8 billion
 - Recorded water consumption: ≥ 16 million m³
 - Water loss rate: $\leq 18\%$
 - Average unit price: ≥ VND 11,036/m³
 - Customer development: $\geq 2,061$ new households
 - Replacement of expired water meters: 13,828 units.
- 2. Continue to enhance management and operational capacity, applying technology solutions to ensure the company's sustainable and efficient development.
- 3. Strengthen monitoring and supervision of the Board of Directors' resolutions and regulations.
- 4. Direct efforts to promote and innovate training, planning, and appointment of personnel.
- 5. Perform corporate governance functions in accordance with the authority and responsibilities of the Board of Directors as stipulated in the company's Charter and Internal Management Regulations.
- 6. Focus on implementing solutions to reduce water loss rates, improve customer service quality, cut costs, increase profitability, and align with social development trends.

V. CORPORATE GOVERNANCE

1. Board of Directors

a) Members and structure of the Board of Directors

Table 14: The list of members of the Board of Directors

No.	Full nam	Position	Notes
1	Ms. Đao Ba Hieu	Chairman of the Board of Directors	Non-executive Board Member
2	Mr. Ngo Ngoc Tung	Vice Chairman of the Board of Directors	Non-executive Board Member
3	Mr. Le Thanh Ty	Board Member, concurrently General Director	Executive Board Member
3	Mr. Le Van Tu	Board Member, concurrently Deputy General Director	Executive Board Member
4	Mr. Tran Van Hoi	Board Member, concurrently Deputy General Director	Executive Board Member

Profile of Board of Directors Members:

Full name	:	DAO BA HIEU
Citizen Identification Number	:	045064004302; Issued on: May 5, 2015; Issued by: Police Department
Gender	:	Male
Date of Birth	:	July 11, 1964
Nationality	:	VietNam
Ethnicity	:	Kinh
Place of Origin	:	Hai Thuong Commune, Hai Lang District, Quang Tri Province
Permanent Address	:	Quarter 2, Ward 2, Quang Tri Town, Quang Tri Province
Current Residence	:	Quarter 2, Ward 2, Quang Tri Town, Quang Tri Province
Phone Number	:	0942 737 557
Education Level	:	12/12

Professional Qualification	:	Cử nhân kinh tế, ngành kế toán
Work Experience:		
From 11/1985 to 09/1990	÷	Officer at Vietnam - Laos Forestry Import- Export Processing Company under Quang Tri Province
From 01/1991 to 05/1995	÷	Deputy Director, in charge of May 19 Forestry Joint Venture Enterprise under Vietnam - Laos Forestry Import-Export Processing Company
From 06/1995 to 07/1996	:	Company dissolved, awaiting job reassignment
From 08/1996 to 11/2000	÷	Employee at Quang Tri Town Water Supply Enterprise under Quang Tri Water Supply and Sewerage Company
From 12/2000 to 08/2001	:	Deputy Director of Quang Tri Town Water Supply Enterprise under Quang Tri Water Supply and Sewerage Company
From 09/2001 to 04/2003	÷	Acting Director of Quang Tri Town Water Supply Enterprise under Quang Tri Water Supply and Sewerage Company.
From 05/2003 to 11/2007	:	Head of Planning - Technical Department at Quang Tri Water Supply and Construction One Member Limited Liability Company
From 12/2007 to 07/2013	÷	Deputy Director of Quang Tri Water Supply and Construction One Member Limited Liability Company
From 08/2013 to 03/2016	:	Chairman of the Members' Council of Quang Tri Water Supply and Construction One Member Limited Liability Company
From 04/2016 to present	:	Chairman of the Board of Directors of Quang Tri Clean Water Joint Stock Company.
Current Position at the Company	:	Chairman of the Board of Directors
Other Positions Held in Other Organizations	:	None

Shareholding Information	:	 Personal shareholding: 9,300 shares, accounting for 0.05% of charter capital. State capital representative shareholding: 6,509,277 shares, accounting for 35.70% of charter capital
Shares held by related persons	:	0 shares
Conflict of Interest with the Company	:	None
Debts Owed to the Company	:	None
Remuneration and Other Benefits	:	Receives remuneration and salary as per company regulations
Other Interests Related to the Company	:	None

Full name	:	NGO NGOC TUNG
Citizen Identification Number	:	015071000065; Date of Issue: June 22, 2017; Issued by: Department of Police for Residence Registration and National Population Database
Gender	:	Male
Date of Birth	:	September 21, 1971
Nationality	:	Vietnam
Nationality	:	Kinh
Place of Origin	:	Te Loi Commune, Nong Cong District, Thanh Hoa Province
Permanent Address	:	No. 18, Doan Chuan Street, Dong Hai 1 Ward, Hai An District, Hai Phong City
Current Residence	:	No. 18, Doan Chuan Street, Dong Hai 1 Ward, Hai An District, Hai Phong City
Phone Number	:	0983 310 683
Current Position at the Company	:	Vice Chairman of the Board of Directors
Other Positions Held in Other Organizations	:	Chairman of the Board of Directors cum Director of Thanh Binh Clean Water Business

		and Water Supply Materials Joint Stock Company
Shareholding	:	Personal Shareholding: 4,386,000 shares, accounting for 24.05% of the charter capital
Shares Held by Related Persons	:	0 Shares
Conflict of Interest with the Company	:	None
Debts Owed to the Company	:	None
Remuneration and Other Benefits	:	Receives remuneration and salary as per regulations
Related Interests with the Company	:	None

Full name : LE THANH TY

Stated in the Executive Board's Profile

Full name : LE VAN TU

Stated in the Executive Board's Profile

Full name : TRAN VAN HOI

Stated in the Executive Board's Profile

- b) The committees of the Board of Directors: None.
- c) Activities of the Board of Directors:

The Board of Directors has effectively fulfilled its functions by promptly discussing and setting strategic directions, as well as guiding the Executive Board in achieving the company's business targets. The Board continuously monitors the company's performance through reports from the Executive Board and directs the implementation of assigned objectives. In exercising its management and supervisory roles, the Board has convened meetings and made important decisions. It has flexibly managed business operations to meet planned targets in accordance with the resolutions of the General Meeting of Shareholders.

The Board of Directors has made decisions on the delegation of responsibilities among its members to clearly define the authority and responsibilities of each individual.

Regular meetings are held, and the minutes, resolutions, and decisions of the Board—reached by unanimous consensus—are documented in compliance with regulations to facilitate the Executive Board in implementing them company-wide. In 2023, the Board

conducted several regular and extraordinary meetings to review and decide on matters within its jurisdiction, with increased participation from relevant departments.

The Board ensures timely information disclosure as required by regulations. Amendments to the company's policies and regulations have been issued to align with evolving business operations.

The Board cooperates effectively with the Supervisory Board to ensure compliance with legal requirements and the Company's Charter.

The Board performs its corporate governance functions within the scope of authority and responsibilities stipulated in the Company's Charter.

d) Activities of the Board of Directors independent members

The Board of Directors operates with specific task assignments and close coordination in managing business and production activities. Therefore, there is no independence within the Board of Directors.

e) The list of members of the Board of Directors possessing certificates on corporate governance. The list of members of the Board of Directors participating in corporate governance training programs in the year.

No.	Full name	Position
1	Mr. Đao Ba Hieu	Chairman of the Board of Directors
2	Mr. Ngo Ngoc Tung	Vice Chairman of the Board of Directors
3	Mr. Le Thanh Ty	Board Member, Director
4	Mr. Le Van Tu	Board Member, Deputy Director
5	Mr. Tran Van Hoi	Board Member, Deputy Director

2. Board of Supervisors

a) Members and structure of the Board of Supervisors

Table 15: The list of members of the Board of Supervisors

No.	Full name	Position
1	Mr. Pham Hong Tuan	Head of the Supervisory Board
2	Mr. Nguyen Đang Tu	Member of the Supervisory Board
3	Ms. Nguyen Thi Thanh Nga	Member of the Supervisory Board

♣ Profile of Supervisory Board Members

Họ và tên : PHẠM HỒNG TUẨN

-		·
Citizen Identification Number	:	040084012615; Date of Issue: January 15, 2022; Issued by: Department of Public Security for Administrative Management of Social Order
Gender	:	Male
Date of Birth	:	September 1, 1984
Nationality	:	Vietnam
Ethnicity	:	Kinh
Place of Origin	:	Hung Thanh Commune, Hung Nguyen District, Nghe An Province
Permanent Address:	:	Hung Thanh Commune, Hung Nguyen District, Nghe An Province
Current Residence	:	Group 4, Hamlet 4, Tan Hung Thuan Ward, District 12, Ho Chi Minh City
Phone Number	:	0918 484 668
Education Level	:	12/12
Professional Qualification	:	Bachelor of Economics
Current Position:	:	Head of the Supervisory Board
At Other Organizations	:	None
Shareholding Information:	:	Personal Shares: 0 share
Related Persons' Shares	:	0 shares
Conflicts of Interest with the Company	:	None
Debts Owed to the Company	:	None
Remuneration and Other Benefits	:	Receives salary and remuneration according to the Company's regulations
Related Interests with the Company	:	None

Full name : NGUYEN DANG TU

		<u> </u>
Citizen Identification Number	:	045081004197; Issued on: August 7, 2022; Issued by: Department of Public Security for Administrative Management of Social Order
Gender	:	Male
Date of Birth	:	October 23, 1981
Nationality	:	Vietnam
Ethnicity	:	Kinh
Place of Origin	:	Hai Hung Commune, Hai Lang District, Quang Tri Province
Permanent Address	:	Ward 5, Dong Ha City, Quang Tri Province
Current Residence	:	Ward 5, Dong Ha City, Quang Tri Province
Phone Number	:	0919 100 555
Education Level	:	12/12
Professional Qualification		Cử nhân kinh tế
Work Experience:		
From 2005 to April 2008:	:	Accountant, Project Management Department – One Member Limited Liability Company for Water Supply and Construction, Quang Tri
From April 2008 to May 2012	:	Accountant, Ben Quan Water Supply Enterprise, under One Member Limited Liability Company for Water Supply and Construction, Quang Tri
From June 2012 to March 2016	:	Accountant, Project Management Department for Investment and Development of Dong Ha Water Supply and Surrounding Areas, under One Member Limited Liability Company for Water Supply and Construction, Quang Tri
From April 2016 to September 2022	:	Member of the Supervisory Board; Accountant, Project Management Department, Quang Tri Clean Water Joint Stock Company
From October 2022 to present	÷	Member of the Supervisory Board; Accountant, Project Management Department; Deputy Head of the Administration – Human Resources Department, Quang Tri Clean Water Joint Stock Company

Current Position at the Company	:	Member of the Supervisory Board; Accountant, Project Management Department; Deputy Head of the Administration – Human Resources Department, Quang Tri Clean Water Joint Stock Company
Positions Held in Other Organizations	:	None
Personal Shareholding	:	2,900 shares, accounting for 0.015% of the charter capital
Shareholding by Related Parties (Wife, employed by the Company)	:	2,600 shares, accounting for 0.014% of the charter capital
Conflict of Interest with the Company	:	None
Debts Owed to the Company	:	None
Remuneration and Other Benefits	:	Receives remuneration and salary in accordance with the Company's regulations
Related Interests with the Company	:	None

Full name	:	NGUYEN THI THANH NGA
Citizen Identification Number		045184005701; Date of Issue: June 25, 2021;
	:	Issued by: Department of Administrative
		Management for Social Order
Gender	:	Female
Date of Birth	:	February 3, 1984
Nationality	:	Việt Nam
Ethnicity	:	Kinh
Place of Origin		Hai Hung Commune, Hai Lang District, Quang
	•	Tri Province
Permanent Address		Quarter 8, Ward 5, Dong Ha City, Quang Tri
	•	Province
Current Residence		Quarter 8, Ward 5, Dong Ha City, Quang Tri
	•	Province
Phone Number	:	0918 209 579
Education Level	:	12/12

Professional Qualification Bachelor's degree in language Accounting		Bachelor's degree in Economics, majoring in Accounting	
Work Experience:			
December 12, 2005 – April 15, 2008	:	Accountant at Gio Linh Water Supply Enterprise - Quang Tri Water Supply and Construction Co., Ltd.	
April 16, 2008 – March 22, 2010	:	Accountant at the Project Management Board under Quang Tri Water Supply and Construction Co., Ltd.	
March 23, 2010 – July 11, 2011	:	Cashier at Dong Ha Clean Water Business Enterprise	
July 11, 2011 – September 2022	:	Accountant at Dong Ha Clean Water Business Enterprise	
October 2022 – Present	:	Member of the Supervisory Board; Employee in the Business - Service Department	
Current Position at the Company	:	Member of the Supervisory Board	
Positions Held in Other Organizations	:	None	
Personal Shareholding	:	2,900 shares, accounting for 0.0015% of charter capital	
Shares held by Related Person		3,500 shares, accounting for 0.019% of charter	
(Husband working at the Company)	•	capital	
Conflict of Interest with the Company	:	None	
Debts Owed to the Company	:	None	
Remuneration and Other Benefits	:	Receives remuneration and salary in accordance with the Company's regulations	
Related Interests with the Company	:	None	

b) Activities of the Board of Supervisors

Review periodic reports prepared by the Board of Directors: Examine quarterly and annual financial statements to assess the accuracy and fairness of financial data. Additionally, collaborate with independent auditors to evaluate the impact of significant accounting and auditing errors on financial statements; oversee the management in implementing recommendations made by auditors.

Supervise the company's compliance with disclosure requirements in accordance with the Securities Law and other relevant legal regulations.

Monitor the implementation of resolutions from the General Meeting of Shareholders, as well as the execution of the Board of Directors' regulations and the Board of Directors' decisions in 2024.

Inspect and evaluate the company's key processes to identify potential risks or deficiencies in the internal management system, thereby proposing appropriate recommendations and solutions.

Assess the appropriateness of decisions made by the Board of Directors and the Executive Board in management and operations; oversee the issuance procedures of company documents to ensure compliance with legal regulations and the company's charter; monitor the company's adherence to the law.

- c) Activities of the Supervisory Board: None
- 3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors.
 - a) Salary, rewards, remuneration and benefits

Table 16: Salary, rewards, remuneration and other benefits and expenses for each member of the Board of Directors, the Board of Supervisors in 2024

No.	Full Name	Position	Total Income from Salary, Bonuses, Remuneration, and Other Income (VND)
1	Mr. Dao Ba Hieu	Chairman of the Board of Directors	522.497.000
2	Mr. Ngo Ngoc Tung	Vice Chairman of the Board of Directors	476.561.000
3	Mr. Nguyen Ha Hai	Member of the Board of Directors, General Director of the Company	369.849.000
4	Mr. Le Thanh Ty	Member of the Board of Directors, General Director of the Company	458.703.000
5	Mr. Le Van Tu	Member of the Board of Directors, Deputy General Director	389.404.000
6	Mr. Tran Van Hoi	Member of the Board of Directors, Deputy General Director	442.842.000
7	Mr. Pham Hong Tuan	Head of the Supervisory Board	410.204.000

(Source: Quang Tri Clean Water Joint Stock Company)

b) Share transactions by internal shareholders: None

c) Contracts or transactions with internal shareholders Không có

d) Assessing the Implementation of regulations on corporate governance

The company complies with corporate governance regulations in accordance with the law and Decree No. 155/2020/ND-CP dated December 31, 2020. It also submits periodic corporate governance reports as required

VI. FINANCIAL STATEMENTS

1. Auditor's opinions

The financial statements fairly and accurately present, in all material respects, the financial position of the Company as of December 31, 2024, as well as its business performance and cash flows for the fiscal year ended December 31, 2024, in accordance with Vietnamese Accounting Standards and relevant legal regulations on the preparation and presentation of financial statements.

2. Audited financial statements

The audited financial statements for the period from January 1, 2024, to December 31, 2024, include the Balance Sheet, Income Statement, Cash Flow Statement, and Notes to the Financial Statements, in accordance with legal regulations on accounting and auditing. These statements have been audited by the Da Nang Branch of Viet Standard Audit and Consulting Co., Ltd. The full text of the audited financial statements for the period from January 1, 2024, to December 31, 2024, is available on the Company's website at http://qtwaco.vn/.

Recipients:

- Hanoi Stock Exchange;
- Shareholders;
- Website;
- Board of Directors, Supervisory Board
- Filed at Administration and Human Resources Department.



Dao Ba Hieu Chairman of the Board of Directors