

SAIGON WATER CORPORATION
CHO LON WATER SUPPLY JOINT STOCK
COMPANY

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Ho Chi Minh City, month July year 2025

ANNUAL REPORT
CHO LON WATER SUPPLY JOINT STOCK COMPANY
Year 2024

*(According to Circular No. 96/2020/TT-BTC dated November 16, 2020 issued by the
Ministry of Finance,
guidance on information disclosure in the securities market)*

I/ GENERAL INFORMATION

1) General information

- Trading name : CHO LON WATER SUPPLY JOINT STOCK COMPANY
- English name : CHO LON WATER SUPPLY JOINT STOCK COMPANY
- Abbreviations : CHOLON WASUCO JSC
- Business Registration Certificate No.: 0304797806
- Charter capital : 130,000,000,000VND (One hundred and thirty billion VND)
- Owner's capital: 130,000,000,000VND (One hundred and thirty billion VND)
- Address : 97 Pham Huu Chi Street, Ward 12, District 5, Ho Chi Minh City
- Telephone : (84-28) 38 552 354
- Fax : (84-28) 39 550 424
- Website : capnuoccholon.com.vn
- Email : cncholon@capnuoccholon.com.vn
- Securities code : CLW

Establishment and development process

Cho Lon Water Supply Joint Stock Company, formerly known as Cho Lon Water Supply Branch, was established in 1991, under the Ho Chi Minh City Water Supply Company (now Saigon Water Supply Corporation One Member Limited). According to Decision No. 66/QD-TCT-TC dated 31/08/2005 of Saigon Water Supply Corporation Limited, Cho Lon Water Supply Branch is one of the units under Saigon Water Supply Corporation operating under the model of Parent – Subsidiary Company.

With the policy of renewing the State's enterprise management, on 30/12/2005, the People's Committee of Ho Chi Minh City issued Decision No. 6656/QD-UBND, on approving the plan and transforming the Cho Lon Water Supply Branch of Saigon Water Supply Corporation Limited into Cho Lon Water Supply Joint Stock Company.

On 01/11/2006, at the hall of Saigon Water Supply Corporation, Cho Lon Water Supply Branch held a preparatory general meeting, with a total of 222 shareholders invited to attend, representing 13 million shares. On 02/12/2006, Cho Lon Water Supply Branch

held a General Meeting of Shareholders to establish Cho Lon Water Supply Joint Stock Company.

On 16/01/2007, Cho Lon Water Supply Joint Stock Company officially came into operation under the Business Registration Certificate No. 4103005924 issued by the Department of Planning and Investment of Ho Chi Minh City. During its operation, the Company has been granted the 4th Change Business Registration Certificate by the Department of Planning and Investment of Ho Chi Minh City on April 26, 2023.

On 11/01/2011, the shares of Cho Lon Water Supply Joint Stock Company were officially listed on the Ho Chi Minh City Stock Exchange, stock code CLW.

2) Business lines and locations of the business

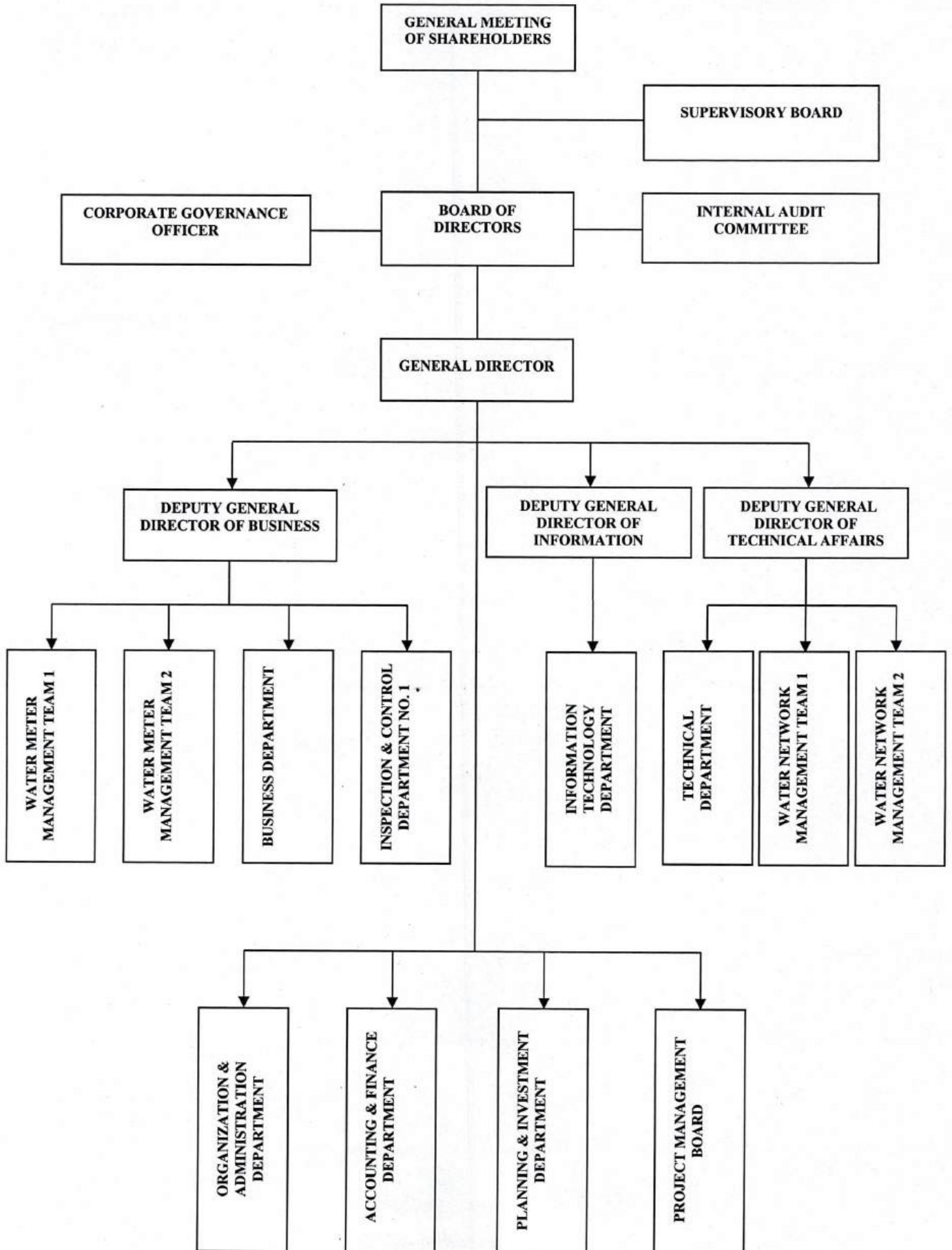
According to the assignment of Saigon Water Supply Corporation Limited (Decision No. 69/QD-TCT-TC dated 31/08/2005 of Saigon Water Supply Corporation), Cho Lon Water Supply Joint Stock Company is responsible for managing the supply of clean water to customers in districts 5, 6, 8 and Binh Tan. However, since 21/06/2017, the rights and obligations of water supply in Binh Chanh district, Ho Chi Minh City have been transferred by Cho Lon Water Supply Joint Stock Company to Saigon Water Supply Corporation (Resolution No. 01/NQ-DHDCD dated 06/06/2017 of the General Meeting of Shareholders).

The main activities of the Company are:

- Manage and develop the water supply, supply and trading system of clean water for consumption and production needs;
- Consultancy on construction of water supply - civil - industrial works (except for construction survey, construction supervision);
- Construction of water supply works;
- Design and construction of urban technical infrastructure works;
- Project development;
- Design verification;
- Reconstruction of road surfaces for specialized water supply works;
- Supervise the construction of water supply and drainage works;
- Buying and selling machinery, equipment and supplies in the water supply industry;
- Consignment agents.

3) Information about governance model, business organization and managerial apparatus

CURRENT ORGANIZATIONAL CHART OF THE COMPANY



4) Development orientations :

- Build a stable, sustainable and integrated company.
- Building a professional office image from providing services to managing and operating the water supply network, improving the company's brand reputation.
- Ensure the supply of clean water safely and continuously, improve the quality of services to serve the people, contributing to the development of the Corporation in general and Cho Lon Water Supply Joint Stock Company in particular.

5) Risks (Specify the risks probably affecting the production and business operations or the realization of the Company's objectives, including environmental risks):

- Interest rate risk: Due to capital constraints, the company must take commercial loans to finance water supply network expansion projects. Thus, risks may arise if bank lending interest rates fluctuate significantly.
- Business risk: Although the company does not face high competition due to the unique nature of its product (clean water), any large-scale incident affecting water supply—such as pollution or outages—could significantly impact its operations and reputation.
- Legal risk: The legal framework is undergoing revisions and improvements to align with Vietnam's economic integration. Changes in domestic laws and policies affecting businesses could impact the company's business planning and operations.
- Other risks: Force majeure risks such as natural disasters, epidemics, and fires may cause damage to assets, personnel, and overall business activities.

II. OPERATIONS IN THE YEAR

1) Situation of production and business operations :

Situation characteristics

In 2024, the city's annual theme is "Determination to effectively implement digital transformation and Resolution No. 98/2023/QH15 of the National Assembly". The goal set for water supply units is to ensure safe and continuous water supply, meeting 100% of the clean water needs of the city's people. At the same time, building a modern and effective working environment; improving service quality, contributing to creating customer trust and improving labor productivity.

Implementation results:

Based on the assigned 2024 plan, the company has implemented and achieved outstanding business results, with key performance indicators (KPIs) such as production volume, revenue, and profit meeting or exceeding targets:

No	Indicators	Unit	Plan	Actual	Completion rate
1	Water consumption volume	1.000m3	108.000	108.632	100,59%
2	Total revenue	Mil.VND	1.318.144	1.313.368	99,64%
3	Profit before tax	Mil.VND	63.000	67.621	107,33%
4	Profit after tax	Mil.VND	50.248	53.940	107,35%
5	Dividend	%	16%	16%	

2) Organization and Human resource :

2.1/-List of the Board of Management:

a. *Mr. Huynh Tuan Anh – General Director of the Company*

Gender : Male
 Birthday : 26/01/1970
 Birthplace : Hanoi
 ID Number : 022239251 issued on 01/08/2015 at Ho Chi Minh City Police Department
 Nationality : Vietnam
 People : Kinh
 Permanent Address : 87 Street 30, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City
 Qualifications : Mechanical Engineer
Work history
 1995 – 2005 : Deputy Director of Groundwater Exploitation – Ho Chi Minh City Water Supply Company HCM
 2005 – 2006 : Deputy Head of General Economic Cooperation Department – Saigon Water Supply Corporation Limited
 2006 – 2012 : Member of the Board of Directors Deputy Sales Director of Thu Duc Water Supply Joint Stock Company
 2012 – 2014 : Chairman of the Board of Directors of Thu Duc Water Supply Joint Stock Company
 2014 – 4/2018 : Member of the Board of Directors Director of Thu Duc Water Supply Joint Stock Company
 4/2018 – 31/12/2023 : Member of the Board of Directors Director of Cho Lon Water Supply Joint Stock Company

b. Mr. Nguyen Anh Kiet – Deputy Technical Director

Gender : Male
 Birthday : 26/10/1979
 Birthplace : Ho Chi Minh City.
 ID Number : 023261518 issued on 30/12/2009 at Ho Chi Minh City Police Department
 Nationality : Vietnam
 People : Kinh
 Permanent Address : No. 11, Street No. 8, CitiLand Residential Area (Phan Van Tri), Ward 5, Go Vap District, Ho Chi Minh City.
 Qualifications : Civil Engineer
Work history
 2002 – 2005 : Staff - Technical Department of Cho Lon Water Supply Branch
 2005 – 2010 : Team Leader - Audit Department of Cho Lon Joint Stock Company
 2010 – 2014 : Deputy Head of Audit Department - Cho Lon Joint Stock Company
 2014 – 2017 : Head of Management Department - Cho Lon Joint Stock Company
 2017 – 3/2019 : Technical Manager - Cho Lon Joint Stock Company
 3/2019 – 31/12/2023 : Technical Assistant Director – Cho Lon Water Supply Joint Stock Company

c. Ms. Ho Kim Phuong – Deputy Business Director

Gender : Female
 Birthday : 16/12/1972
 Birthplace : Ho Chi Minh City.
 ID Number : 022676201 issued on 18/04/2013 at Ho Chi Minh City
 Police Department
 Nationality : Vietnam
 People : Kinh
 Permanent Address : 65/6 Tran Xuan Soan, Tan Thuan Tay Ward, District
 7, Ho Chi Minh City HCM
 Qualifications : Civil Engineer
Work history
 10/1992 – 11/2002 : Staff - Science and Technology Department of Cho Lon
 Water Supply Branch
 12/2002 – 6/2004 : Team Leader - Science and Technology Department of
 Cho Lon Water Supply Branch
 6/2004 – 11/2004 : Deputy Head of PMU - Cho Lon Water Supply Branch
 12/2004 – 11/2006 : Head of PMU - Cho Lon Water Supply Branch
 12/2006 – 02/2007 : Head of the Audit Department - Cho Lon Water Supply
 Branch
 3/2007 – 02/2016 : Head of Audit Department - Cho Lon Joint Stock
 Company
 3/2016 – 6/2019 : Head of Planning and Investment Department - Cho Lon
 Joint Stock Company
 7/2019 – 31/12/2023 : Deputy Director – Cho Lon Water Supply Joint Stock
 Company

d. Mr. Bui Minh Ngoc – Deputy Director of Information Technology

Gender : Male
 Birthday : 24/04/1973
 Birthplace : Hai Duong
 ID Number : 022580246 issued on 22/12/2009 at Ho Chi Minh City
 Police Department
 Nationality : Vietnam
 People : Kinh
 Permanent Address : 53/9 Street No. 7, Ward 3, Go Vap District, Ho Chi
 Minh City. HCM
 Qualifications : Bachelor of Economics - Information Processing
Work history
 02/1997 - 08/2001 : IT Department Staff – Water Supply Company
 08/2001 - 10/2004 : Head of Business Department – Water Supply Company
 10/2004 - 06/2005 : Staff of Production Information Department - Saigon
 Water Supply Company
 06/2005 - 06/2007 : Staff of IT Department – Saigon Water Supply Company
 06/2007 - 02/2010 : Staff of the Department of Internal Affairs – Saigon
 Water Supply Company
 02/2010 - 10/2010 : Staff of XN Clean Water Transmission
 10/2010 - 10/2011 : Staff of the Department of Internal Affairs – Saigon
 Water Supply Company

10/2011 - 11/2014 : Deputy Head of IT Department – Saigon Water Supply Company
11/2014 - 01/2022 : Head of IT Department – Saigon Water Supply Corporation
02/2022 - 12/2023 : Deputy IT Director of Cho Lon Water Supply Joint Stock Company

e. Ms. Vu Thi Nhu Quynh – Chief Accountant

Gender : Female
Birthday : 05/04/1979
Birthplace : Thai Binh
ID Number : 034179003162 issued on 10/06/2016 at the Police Department
Nationality : Vietnam
People : Kinh
Permanent Address : 48 Street No. 10, Huong Lo 5 Industrial Park, An Lac Ward, Binh Tan District, Ho Chi Minh City. HCM
Qualifications : Bachelor of Business Administration
Work history
10/2002 – 5/2004 : Accountant – Viet Lien Co., Ltd.
6/2004 – 2006 : Accountant – Cho Lon Water Supply Branch
2007 – 2009 : Accountant – Cho Lon Water Supply Joint Stock Company
2010 – 06/6/2017 : Head of Payment Team – Cho Lon Joint Stock Company
07/6/2017 – 31/12/23 : Head of Audit Department Chief Accountant – Cho Lon Water Supply Joint Stock Company

The number of shares owned and owned by the members of the Executive Board of Cho Lon Water Supply Joint Stock Company as of the time of making the report (according to the list of shareholders closed on 01/11/2023 to pay the 2nd dividend in 2023):

No	Full name	Directly Owned Shares		Shares Represented		Total	
		Quantity	Percent age of charter capital	Quantity	Percenta ge of Charter Capital (%)	Quantity	Percenta ge of Charter Capital (%)
1	Huynh Tuan Anh Director	-	-	1.657.600	12,751%	1.657.600	12,751%
2	Nguyen Anh Kiet Deputy Director	1.300	0,010%	-	-	1.300	0,010%
3	Kim Phuong Lake Deputy Director	1.200	0,009%	-	-	1.200	0,009%
4	Bui Minh Ngoc Deputy Director	-	-	-	-	-	-
5	Vu Thi Nhu Quynh Chief Accountant	525	0,004%	-	-	525	0,004%
	Total	3.025	0,023%	1.657.600	12,751%	1.660.625	12,774%

2.2/- Changes in the Board of Management : None

2.3/- Number of staffs. Brief information and changes on the employee's policies :

Organizational structure:

- **Board of Directors:** 01 General Director, 03 Deputy General Directors (of which 01 Deputy Director in charge of Engineering, 01 Deputy Director in charge of Business and 01 Deputy Director in charge of Information Technology).

- **Internal Audit Committee (IAC):**

✓The IAC shall be established by the Board of Directors. The Board of Directors directly manages the Internal Audit Board.

✓The Internal Audit Committee is equivalent to a department or team in the organizational structure of the Company, performing functions and tasks according to the Internal Audit Regulation promulgated, amended and supplemented by the Board of Directors in accordance with law.

✓The Head of the Internal Audit Committee and its personnel shall be decided by the Board of Directors on the basis of the proposal of the General Director.

Functions and tasks:

Through inspection, evaluation and consultancy activities, the internal audit provides independent and objective opinions and recommendations to the Company on the following contents:

- The Company's internal control system has been established and operated in an appropriate manner to prevent, detect and handle the Company's risks.

- The Company's governance and risk management processes ensure efficiency and high performance.

- Operational objectives and strategic objectives, plans and tasks achieved by the Company.

- **Organization - Administration Department:**

Functions and tasks:

- Develop regulatory documents related to organizational structure, human resources, labor, and wages, ensuring compliance with legal regulations.

- Advise on organizational structure, human resource management, recruitment, and employee policies.

- Implement human resource development and training programs.

- Oversee performance evaluations, commendations, and disciplinary actions.

- Manage salary policies and employee benefits.

- Administer company assets, facilities, and land.

- Supervise administrative tasks, records management, and electronic document systems (Edocman).

- Manage and maintain the company's website.

- Ensure document compliance and format in the drafting and issuance of administrative documents.

- **Accounting – Finance Department**

Functions and tasks:

- Advise the General Director on matters related to the financial sector;

- Carry out accounting and financial statistics in accordance with the State's regulations;

- Manage the use of capital sources and fixed assets in accordance with the State's regulations;

- Quarterly, semi-annually and annually, make financial statements and send them to agencies and departments according to the regulations of the Ministry of Finance;
- Analyze and evaluate the implementation of the financial plan, submit it to the Board of Management and the Board of Directors of the Company.

- **Planning and Investment Department**

Functions and tasks:

- Advising in planning production and business objectives, strategies and plans according to the nature of the Company's industry;
- Developing strategic products and consulting on effective investment;
- Carry out external activities with partners, customers, authorities and external organizations to complete production and business tasks. To study the system of legal documents, policies, guidelines and regulations on capital construction investment management and bidding management;
- Handling requests and responding to information related to the new installation, lifting, and relocation of water meters and other customer requirements;
- Summarizing, analyzing, inspecting, evaluating and reporting on the general operation of the Company; advise and propose guidelines, plans and solutions to implement the Company's plan;
- Manage warehousing, import and export of materials and spare parts and carry out the procurement and supply of materials, machinery and equipment for the Company's production and business activities.

- **Water Meter Management Team 1 and 2**

Functions and tasks:

- Manage all water meters and assets and equipment related to the management of water meters in the area under their management, detect abnormal signs and operation status of water meters.
- Manage the reading of water meter readings, update customers' water consumption data.
- Manage the amount of water consumed, the purpose and objects of water users of customers, ensure appropriate selling prices.
- Suspend water supply services for customers who owe overdue water bills and open water when customers have paid; Proposal to terminate the water supply contract according to regulations.
- Implement the work of reducing water loss and revenue.
- Support the Inspection and Control Department in handling violations of water supply service contracts.

- **Business Department**

Functions and tasks:

- Develop strategies and plans for the development of clean water business in accordance with the Company's development goals.
- Organize the implementation of clean water business and business data management.
- Issue and manage water bills.
- Resolve relationships related to water supply service contracts.
- Develop programs and plans to improve the quality of customer service, limit the use of groundwater.

- Develop a plan and organize the implementation of the reduction of non-revenue water loss of the Business Division.

- Coordinate and support the Inspection and Control Department (Audit and Control Department) to settle customer complaints and handle violations of water supply service contracts.

- **Inspection and Control Department**

Functions and tasks:

- Inspect the implementation of the Company's internal processes and regulations and the State's regulations on water management, supply and use and protection of water supply works.

- Inspect and handle cases of violation of water supply service contracts.

- Organize the inspection, receipt and settlement of complaints and complaints of customers related to the supply and use of water and protection of water supply works.

- Coordinate with competent units to inspect and handle organizations and individuals that commit acts of infringing upon the water supply system in the area under the Company's management.

- Inspect and internally control the activities of employees in the Company in the process of working and working with customers and propose handling when detecting negative occurrences (if any).

- Press the lead to lock the corner of the water meter with contacts, press the lead to close the water.

- Develop a plan to reduce water loss and revenue.

- **Technical Department**

Functions and tasks:

- Advise on water resource planning, infrastructure expansion, and investment projects.

- Implement strategies to reduce water losses using advanced technology and techniques.

- Monitor water quality and oversee technical aspects of the water distribution network.

- Establish and enforce technical standards for materials, equipment, and operations.

- Design, evaluate, and estimate water infrastructure projects.

- Prepare designs and cost estimates for water meter installations, upgrades, and relocations.

- **Water Supply Network Management Team 1 and 2**

Functions and tasks:

- Management and operation of non-revenue water reduction (DMA) areas;

- Management of water supply networks; Manage and organize the renovation and repair of the water supply system under the management of the Company (pipe tanks, weak water, no water, polluted water sources, etc.);

- Formulate construction plans and schedules to ensure the State's procedures and regulations in organizing construction (road digging permits, labor safety, labor protection, etc.) and organize the construction of works in accordance with the design; construction of works according to the contract signed by the Company....;

- Organize the implementation of construction work according to the unit's plan: new installation, relocation, lifting, replacement of branch pipes, raising and lowering the size ... water meters at the request of customers;

- Preservation, and maintenance of motorcycles in accordance with regulations on management and use of motorcycles. Driving and operating machinery and equipment in

accordance with procedures and regulations on occupational safety. Drive safely in accordance with traffic laws;

- **Project Management Board**

Functions and tasks:

- Advise and propose to assist the Director in managing the Company's capital construction investment capital, supervising capital construction activities according to projects in the annual plan approved by superiors;
- Supervise the installation of branch pipes and new installation of water meters, water meter leads. Supervise the works of customer capital and works of capital for renovation and repair;
- Organize the preparation, appraisal and submission for approval of design dossiers and general tables of work construction cost estimates as prescribed;
- Organizing and submitting for approval bidding plans and bidding dossiers; organizing the selection of contractors and negotiating contracts with contractors;
- Construction management: implement (or coordinate with consultants) supervise the construction process in accordance with the law on quality, volume, progress, labor safety, and environmental sanitation of the entire project;
- Management of construction investment costs: proposing capital advances under signed contracts, examining and submitting for approval payment dossiers for settlement and liquidation of contracts;
- Acceptance and handover of works, post-inspection work.

- **Department of Information Technology**

Functions and tasks:

- Advise the Director on information technology application activities throughout the Company;
- Management of technical and information infrastructure systems; Building and managing computer software;

Number of officers and employees:

+ Number of officers and employees of the Company as of 31/12/2024: 465 employees

Policies for employees

- Salary and allowance policy:

- The company develops salary regulations, a system of job title standards and implements salary policies associated with the productivity, quality and efficiency of employees, encouraging employees to promote initiative and creativity at work; ensuring stable income for employees. The payment of salaries to employees through ATM cards is on time, every 2 periods, 15 and 30 of every month.

- The allowance policy is developed by the Company in accordance with each employee and work group, including the following types of allowances: itinerant allowance, part-time allowance, toxic allowance, etc.

- Reward policy:

- The reward policy is applied in association with the employee's work performance, production and business efficiency and contributions to the Company. Typical commendation and reward policies applied by the Company such as: awarding emulation titles, awarding unexpected achievements, rewarding emulation movements to complete production and business plans, etc.

- On holidays, Tet, and the end of the year, employees are also entitled to receive additional salaries deducted from the monthly reserve salary fund.

- Social insurance regime: all employees of the Company are entitled to social insurance, health insurance and unemployment insurance regimes in accordance with the law.

- Other policies and regimes:

In addition to the regimes and policies prescribed by the State, the Company also implements a number of policies higher than the provisions of the law such as:

- Buy life insurance for all employees who have a labor contract for full 12 months or more, the premium is 2,000,000 VND/person/month.

- Buy 24/24 accident insurance for all employees who have a labor contract for full 12 months or more (100 million VND/person/case).

- Allowances for retired employees: allowances according to working time, donation of savings books, gifts.

- Settlement of additional support regime for female employees giving birth for the 1st and 2nd time: 2 million VND/person (this regime has been implemented since 2019).

- Continue to settle the salary payment regime for unfinished days in 2024 for employees (this regime has been implemented since 2019).

- Visiting sick workers, giving wedding gifts, birthday gifts... Organize annual visits for employees.

- The training, retraining and professional retraining for employees are regularly carried out by the Company. Focus on linking training with practice, encourage employees to participate in training programs suitable for work, self-study to improve their qualifications.

3) Investment activities, project implementation

a) Major investments:

No	Project Name	Scale	Total Investment (Mil.VND)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
A	Water Supply Network Expansion						
1	Development of water supply network in Tan Tao A Ward, Binh Hung Hoa B, Binh Tan District	3.160 m Ø225 HDPE 670 m Ø180 HDPE 45 m Ø125 HDPE	9.591			76	Negotiating the direction of the route
2	Development of water supply network in Binh Tri Dong A ward, Binh Hung Hoa A, Binh Tan district (phase 1)	1,785 m Ø180 HDPE	3.434			35	Negotiating the direction of the route
3	Development of water supply network in Tan Tao ward, Binh Tan district (phase 6)	1,468 m Ø280 HDPE	5.866				Surveying the project
4	Development of water supply network in Tan Tao A ward, Binh Tan district (phase 9)	950 m Ø180 HDPE	1.918				Setting up NV&PAKS

No	Project Name	Scale	Total Investment (Mil.VN D)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
B	Relocation of Water Supply Pipelines						
1	Construction of Tan Ky Tan Quy new bridge under the BOT project to renovate and upgrade National Highway 1A in An Suong - An Lac section - Category: Relocation of water supply system within the scope of the project	544m	1.336	150	368	5	Coordinated construction
2	Handling the intersection and blocking of water supply pipelines within the scope of the project "Construction of the section of Hang Bang canal from Mai Xuan Thuong street to Van Tuong canal (including dredging of canals, construction of embankments and green areas along both sides of the canal)"	311m	3.331			8	End of the project, liquidation procedures are being carried out
3	Upgrading and expanding Rocket Road (Section from Road No. 29 to Provincial Road 10) Binh Tri Dong B Ward, Binh Tan District. Item: Relocation of water supply pipes within the scope of the project	634m	630	634	630	477	Acceptance and put into use, project payment and settlement are being carried out
4	New construction of Ba Hom bridge in Binh Tan district. Item: Relocation and temporary relocation (if any) of water supply systems within the scope of the works	743m	2.456	602	1.990	1.317	Acceptance and put into use, project payment and settlement are being carried out
5	Expansion of Tan Ky Tan Quy Street, Binh Tan District. Item: Relocation of the affected water supply technical infrastructure system within the scope of the project.	3.509m	5.335	3.478	5.288	3.656	Acceptance and put into use, project payment and settlement are being carried out
C	Investment in Pipe Replacement						
1	Investing in replacing and upgrading water supply pipelines in wards 2, 3, 5, 6, 10, 11, 13, 14 in district 6.	171m Pipe D225 HDPE1.024m Pipe D180 HDPE487m Pipe D125	4.605	251	687	2.698	Completed project finalization

No	Project Name	Scale	Total Investment (Mil.VN D)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
		HDPE339 Water Meter					
2	Invest in replacing and upgrading water supply pipelines in wards 1, 4, 5, 6, 8, 9, 10, 11, 12, 13, 15 in District 8.	2.380m pipe P125 HDPE620 water meter	5.155			3.304	Completed project finalization
3	Investment in replacing and upgrading water supply pipelines in Ward 4, District 8 (phase 3)	145m P180 HDPE.320m P125 HDPE.81 water meter set	741	189	301	458	Completed project finalization
4	Investment in replacing and upgrading water supply pipelines in An Lac A ward, Binh Tan district (phase 1)	980 m P180 HDPE1,472 m P125 HDPE511 water meter	5.685			4.036	Completed project finalization
5	Investment in replacing and upgrading water supply pipelines in An Lac ward, Binh Tan district (Phase 8)	1.750m P180 HDPE.20m P125 HDPE.115 water meter set	2.823	1.770	2.823	1.889	It has been accepted and put into use; Preparing project settlement procedures
6	Investment in replacing and upgrading water supply pipelines in wards 2, 3, 5, 6, 7, 13, 14 in District 6	1,980m Pipe P180 HDPE1,590m Pipe P125 HDPE623 Water Meter Set	8.887			3.844	Completed project finalization
7	Investment in replacing and upgrading water supply pipelines in Ward 11, District 6 (phase 4)	2,250 m P125 HDPE320 water meter	4.758	2.250	4.758	3.319	Completed project finalization
8	Investment in replacing and upgrading water supply pipelines in wards 1, 2, 6, 8, 11, 13 in District 6	1,306 m P125 HDPE336 water meter	2.630	1.306	2.630	2.205	Acceptance and put into use, making procedures for project settlement
9	Investment in replacing and upgrading water supply pipelines in Ward 13, District 6 (phase 1)	1,770 m P125 HDPE175 water meter	3.045	1.770	2.518	2.079	Acceptance and put into use, making procedures for project settlement
10	Investment in replacing and upgrading water supply pipelines in wards 13 and 14, district 6	1,965 m P125 HDPE449 water meter	5.517	1.965	5.426	4.056	Acceptance and put into use, making procedures for project settlement
11	Investment in replacing and upgrading water supply pipelines in wards	2,349 m P125 HDPE611 water meter	5.854	2.349	5.854	3.791	Completed project finalization

No	Project Name	Scale	Total Investment (Mil.VN D)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
	1, 4, 8, 9, 10, 12, 14, 16 in district 8						
12	Investment in replacing and upgrading water supply pipelines in Ward 4, District 8 (phase 2)	1,116 m P125 HDPE215 water meter	3.420	1.116	3.402	2.480	Acceptance and put into use, making procedures for project settlement
13	Investment in replacing and upgrading water supply pipelines in Ward 4, District 8 (phase 1)	1,182 m P180 HDPE130 m P125 HDPE215 water meter	4.653	1.312	3.619	3.083	Acceptance and put into use, making procedures for project settlement
14	Investment in replacing and upgrading water supply pipelines in An Lac ward, Binh Tan district (phase 6)	350 m P180 HDPE1,136 m P125 HDPE296 water meter	3.371	1.486	3.465	723	Construction completed, acceptance and settlement are being carried out
15	Investment in replacing and upgrading water supply pipelines in An Lac ward, Binh Tan district (phase 4)	1,984 m P125 HDPE342 water meter	3.793	1.984	3.630	3.209	Acceptance and put into use, making procedures for project settlement
16	Investment in replacing and upgrading water supply pipelines in Ward 7, District 6 (phase 1)	2,690m pipe P125 HDPE957 water meter	7.067	2.690	7.067	5.840	Acceptance and put into use, making procedures for project settlement
17	Investment in replacing and upgrading water supply pipelines in Ward 2, District 8	310 m P180 HDPE923 m P125 HDPE432 water meter	3.403	1.233	3.403	1.092	Construction completed, acceptance and settlement are being carried out
18	Investment in replacing and upgrading water supply pipelines in Binh Tri Dong ward, Binh Tri Dong A, Tan Tao ward, Binh Tan district	1,852 m P280 HDPE424 m P180 HDPE347 water meter	8.145	2.276	8.145	3.187	Construction completed, acceptance and settlement are being carried out
19	Investment in replacing and upgrading water supply pipelines in Ward 11, District 6 (phase 5)	2,400 m P125 HDPE 610 water meters	6.431	2.400	6.431	5.530	Completed project finalization
20	Investment in replacing and upgrading water supply pipelines in Binh Tri Dong ward, Binh Tri	3,596 m P225 HDPE410 water meter	9.668	3.583	9.668	7.719	Acceptance and put into use, project settlement



No	Project Name	Scale	Total Investment (Mil.VND)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
	Dong A ward, Binh Tan district						procedures are being made
21	Investment in replacing and upgrading water supply pipelines in wards 3 and 4 in district 5	1.155 m P180 HDPE55 water meter	3.643				Negotiating the direction of the route
22	Investment in replacing and upgrading water supply pipelines in wards 2 and 7, district 5	1,075 m P180 HDPE260 m P125 HDPE255 water meter	3.750				Negotiating the direction of the route
23	Investment in replacing and upgrading water supply pipelines in Ward 14, District 5	916 m P180 HDPE585 m P125 HDPE 290 water meters	3.678			88	Registration of the contract of the construction company
24	Investment in replacing and upgrading water supply pipelines in wards 1 and 12, district 5	470 m P280 HDPE790 m P180 HDPE220 water meter	4.927				Negotiating the direction of the route
25	Investment in replacing and upgrading water supply pipelines in wards 8 and 10, district 5 (phase 2)	210 m P180 HDPE1,260 m P125 HDPE330 water meter	5.746			146	There has been a decision to approve the financial statements
26	Investment in replacing and upgrading water supply pipelines in wards 11 and 13, district 6	175 m P225 HDPE810 P180 HDPE70 m P125 HDPE106 water meter	3.100				Negotiating the direction of the route
27	Investment in replacing and upgrading water supply pipelines in wards 6, 11, 13 in district 6	350 m P180 HDPE645 m P125 HDPE 202 water meter	2.879	740	1.291	1.394	Construction completed, payment acceptance is underway
28	Investment in replacing and upgrading water supply pipelines in Ward 5, District 8 (phase 1)	500 m P180 HDPE1050 m P125 HDPE387 water meter01 pressure regulator valve tunnel	4.083			130	There has been a decision to approve the financial statements
29	Investment in replacing and upgrading water supply pipelines in wards 2, 5 and 6 in District 8	1,609 m P125 HDPE339 water meter	3.913			136	There has been a decision to approve the financial statements
30	Investment in replacing and upgrading water supply pipelines in Ward 7, District 8 (phase 1)	3,260 m P280 HDPE240m P180 HDPE 520 water	12.070				Negotiating the direction of the route

No	Project Name	Scale	Total Investment (Mil.VND)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
		meter01 total meter cellar					
31	Investment in replacing and upgrading water supply pipelines in wards 1 and 2 in district 8	1,696 m P225 HDPE 496 m P180 HDPE 594 m P125 HDPE 391 water meters	6.632				Negotiating the direction of the route
32	Investment in replacing and upgrading water supply pipelines in wards 6 and 15, district 8	1,833 m P180 HDPE 255 water meter	6.013				Negotiating the direction of the route
33	Investment in replacing and upgrading water supply pipelines in An Lac ward, Binh Tan district (phase 7)	1,480 m P125 HDPE 230 water meter	5.133			135	There has been a decision to approve the financial statements
34	Investment in replacing and upgrading water supply pipelines in Ward 2, District 5 (phase 1)	310 m P280 HDPE 520 P225 HDPE 660 P125 HDPE	6.733			52	Surveying
35	Investment in replacing and upgrading water supply pipelines in Ward 5, District 5	1,170 m P180 HDPE	4.561			38	Negotiating the direction of the route
36	Investment in replacing and upgrading water supply pipelines in wards 6 and 7, district 5	430 m P280 HDPE; 600 m P225 HDPE	4.466				Negotiating the direction of the route
37	Investment in replacing and upgrading water supply pipelines in wards 9 and 10, district 5	180 m P225 HDPE; 1,640 m P180 HDPE; 470 m P125 HDPE	7.572				Surveying
38	Investment in replacing and upgrading water supply pipelines in Ward 12, District 5 (phase 2)	1,890 m P180 HDPE; 660 m P125 HDPE	9.127				Surveying
39	Investment in replacing and upgrading water supply pipelines in wards 1, 13 and 14, district 5	625 m P180 HDPE; 495 m P125 HDPE	4.122				Surveying
40	Investment in replacing and upgrading water supply pipelines in wards 1, 2, 3 in District 6	230 m P180 HDPE; 506 m P125 HDPE	2.265			25	Surveying
41	Investment in replacing and upgrading water supply pipelines in wards 4 and 5, district 6	416 m P180 HDPE; 943 m P125 HDPE	5.405				Surveying
42	Investment in replacing and upgrading water supply pipelines in Ward 8, District 6 (phase 1)	2121 m P125 HDPE	5.503				Surveying

No	Project Name	Scale	Total Investment (Mil.VND)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
43	Investment in replacing and upgrading water supply pipelines in wards 1 and 7, district 6	1,070 m Ø225 HDPE; 540 m Ø180 HDPE; 450 m Ø125 HDPE	6.373			56	Surveying
44	Investment in replacing water supply pipelines in wards 10 and 11, district 6 (phase 2)	348 m Ø225 HDPE; 1,586 m Ø180 HDPE; 226 m Ø125 HDPE	7.375			60	Surveying
45	Investment in replacing the water supply pipeline in Ward 11, District 6 (phase 6)	2,096 m Ø180 HDPE; 497 m Ø125 HDPE	7.254			63	Negotiating the direction of the route
46	Investment in replacing water supply pipelines in Ward 12, District 6 (phase 3)	80 m Ø180 HDPE; 1.120 m Ø125 HDPE	4.611			38	Surveying
47	Investment in replacing water supply pipelines in wards 13 and 14, district 6 (phase 2)	490 m Ø180 HDPE; 2,320 m Ø125 HDPE	8.903			69	Surveying the project
48	Investment in replacing water supply pipelines in wards 12, 13, 14 in District 6	245 m Ø315 HDPE; 2,220 m Ø180 HDPE	8.713			68	Surveying the project
49	Investment in replacing the water supply pipeline in Ward 2, District 8 (phase 2)	340 m Ø180 HDPE; 1,055 m Ø125 HDPE	3.313				Negotiating the direction of the route
50	Investment in replacing the water supply pipeline in Ward 2, District 8 (phase 3)	1985 m Ø125 HDPE	5.210			50	Surveying the project
51	Investment in replacing water supply pipelines in wards 3, 4, 7 in District 8	875 m Ø125 HDPE	3.180				Surveying the project
52	Investment in replacing water supply pipelines in wards 9, 14, 15 in district 8	1,273 m Ø125 HDPE	3.531				Negotiating the direction of the route
53	Investment in replacing water supply pipelines in wards 10, 12, 16 in district 8	1,653 m Ø125 HDPE	4.857				Negotiating the direction of the route
54	Investment in replacing water supply pipelines in wards 5, 6, 9, 11,12, 13, 16 in district 8	40 m Ø315 HDPE; 540 m Ø280 HDPE; 275 m Ø225 HDPE; 730 m Ø180 HDPE; 175 m Ø125 HDPE	6.370				Surveying the project

No	Project Name	Scale	Total Investment (Mil.VN D)	Project Implementation Results			Notes
				Completed Work (meters)	Implemented Volume Value (Million VND)	Total Disbursed Value (Million VND)	
55	Investment in replacing the water supply pipeline in An Lac ward, Binh Tan district (phase 10)	520 m Ø225 HDPE; 334 m Ø180 HDPE; 897 m Ø125 HDPE	5.253				Surveying the project
56	Investment in replacing and upgrading water supply pipelines in wards 2, 5, 12 in district 5	341 m pipe Ø180 HDPE 296 m pipe Ø125 HDPE 111 m pipe Ø50 HDPE 100 water meter	1.906			58	There has been a decision to approve the financial statements
57	Investment in replacing and upgrading water supply pipelines in Ward 12, District 6 (phase 2)	560 m Ø180 HDPE 2,510 m Ø125 HDPE 940 water meter	7.542	1.951	4.376	2.145	Construction completed, acceptance and payment are being carried out
58	Investment in replacing and upgrading water supply pipelines in Ward 8, District 6 (phase 2)	543 m Ø125 HDPE	1.194	543	1.032	814	Acceptance and put into use, project settlement procedures are being made
Total			334.454	38.028	88.802	75.681	

b) Subsidiaries and affiliated companies: None

4) Financial situation

a) Financial situation

Unit: million VND

No	Indicators	Year 2023	Year 2024	% change
1	Total asset	583.802	570.235	
2	Net revenue	1.304.413	1.303.449	
3	Profit from business activities	70.290	67.320	
4	Other Profits	946	302	
5	Profit before tax	71.236	67.621	
6	Profit after tax	56.433	53.940	

b) Major financial indicators:

No	Indicators	Year 2023	Year 2024	% change
1	Solvency ratio			
	-Current ratio (Short term Asset – Inventories / Short term debt)	1,26	1,12	
	-Quick ratio (Cash and Cash Equivalents / Short term debt)	0,29	0,02	
2	Capital structure ratio			
	-Debt / Total assets ratio	59,49%	55,17%	
	-Debt/ Owner's equity ratio	179,15%	162,28%	

No	Indicators	Year 2023	Year 2024	% change
3	Operation capability ratio			
	-Inventory turnover			
	<i>Cost of goods sold / Average inventory</i>	25,12	22,08	
	<i>Net revenue / Average total assets</i>	2,23	2,29	
4	Profitability			
	-Profit after tax / Net revenue ratio	4,33%	4,14%	
	-Profit after tax / Average owner's equity ratio	29,11%	27,83%	
	-Profit after tax / Average total assets ratio	10,35%	9,35%	
	-Operating profit / Net revenue ratio	5,39%	5,16%	

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

a) Shares

- Total number of listed shares: 13.000.000 shares
- In which:
 - Non-transferable shares: 13.000.000 shares
 - Restricted shares: none

b) Shareholders structure

- On 11/01/2011, the shares of Cho Lon Water Supply Joint Stock Company were officially listed on the Ho Chi Minh City Stock Exchange. Ho Chi Minh City, with the stock code CLW. At this time, the total number of shareholders of the Company is 553 shareholders.

- By the time of closing the list of shareholders on 01/11/2024 (the time of closing the list of shareholders to pay the 2nd dividend in 2023), the total number of shareholders of the Company is 416 shareholders, of which:

No	Shareholder category	Number of shareholders	Number of shares	Percentage of (%) charter capital
1	State	1	6.630.400	51,00%
2	Board of Directors, Board of Management, Supervisory Board	7	2.806.595	21,59%
3	Domestic shareholders	392	2.940.015	22,62%
	-Individual	386	894.815	6,88%
	-Organization	6	2.045.200	15,73%
4	Foreign shareholders	16	622.990	4,79%
	-Individual	11	123.040	0,95%
	-Organization	5	499.950	3,85%
	Total	416	13.000.000	100%

Note: The actual list of shareholders is 416 shareholders (the list is 417 shareholders), because there is 1 shareholder with 2 separate entries.

List of shareholders holding 5% or more of the Company's shares:

No	Shareholder Name	Address	Number of Shares	Percentage of (%) charter capital
1	Saigon Water Supply Corporation – One Member Limited Liability	No. 01 International Square, District 3, Ho Chi Minh City. HCM	6.630.400	51.00%
2	Le Huy Hung	613 Le Hong Phong, Ward 10, District 10, HCMC HCM	1.820.000	14.00%
3	Le Minh Lake	48 Hoa Su, Lot B, Ward 7, Phu Nhuan District, Ho Chi Minh City. HCM.	973.570	7.49%
4	N.T.P Trading Co., Ltd.	278 To Hien Thanh, Ward 15, District 10, Ho Chi Minh City. HCM	1.441.140	11.09%
	Total		10.865.110	83,58%

- c) **Change in the owner's equity:** None
- d) **Transaction of treasury stocks:** None
- e) **Other securities:** None

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

6.1) **Environmental impact:** None

6.2) **Management of raw materials:** Cho Lon Water Supply Joint Stock Company is not a production unit but a water distribution unit. The company buys clean water from Saigon Water Supply Corporation and redistributes it to customers in districts 5, 6, 8 and Binh Tan, through the water supply pipeline system to each household (customer). The Company's main materials are water industry-related supplies.

6.3) **Energy consumption:** none

6.4) **Water consumption:** minimal (mainly used for pipe flushing before being put into use).

6.5) **Compliance with Environmental Protection Laws:** The company always strictly complies with the State's regulations on environmental protection.

6.6) **Policies related to employees:**

a. **Number of employees, average wages of workers:**

+ Number of employees as of 31/12/2024: 465 employees

+ Average income per employee: 21,218 million VND/person/month.

b. **Labor policies to ensure the health, safety and welfare of workers:**

- Salary and allowance policies:

- The company has developed a salary payment regulation and a job title standard system, implementing performance-based salary policies to encourage productivity, quality, and efficiency. This system ensures stable incomes for employees. Salaries are paid via ATM in two installments per month (on the 15th and 30th).

- Allowances are structured based on job roles and employee categories, including night shift allowances and hazardous duty allowances.

- Bonus policy:

- Bonuses are linked to work performance, business results, and employee contributions. Key bonus policies include: Rewards for outstanding achievements, Annual performance bonuses, Completion bonuses for business plans

- Employees also receive additional salary supplements during holidays, Tet, and year-end from the monthly salary reserve fund.

- Social insurance policy: all employees of the Company are entitled to social insurance, health insurance and unemployment insurance in accordance with the law.

- Other policies:

Beyond the mandatory policies, the company offers additional benefits exceeding legal requirements, such as:

- Life insurance for employees with contracts of at least 12 months, with a premium of 2,000,000 VND per person per month.

- 24/7 accident insurance for employees with contracts of at least 12 months, covering up to 100 million VND per person per incident.

- Retirement benefits, including service-based allowances, savings gifts, and presents.

- Additional support for female employees having their first and second child (2 million VND per person, implemented since 2019).

- Unused leave compensation for employees (implemented since 2019).

- Sick leave assistance, wedding gifts, birthday presents, and annual company-sponsored trips.

c. Employee training:

The training, retraining and professional retraining for employees are regularly carried out by the Company. Focus on linking training with practice, encourage employees to participate in training programs suitable for work, self-study to improve their qualifications.

6.7) Report on responsibility for local community:

- ***Responsibility to the community:***

The company maintains **annual charitable and social programs**, including the following activities in 2024:

- Employees contributed one day's salary to support victims of Typhoon No. 3 (Yagi), raising 234 million VND, and the company donated an additional 500 million VND to the Relief Fund of the Vietnam Fatherland Front Committee of Ho Chi Minh City.

- Financial support for the construction of Thanh Luong Bridge in Hoa Loc Hamlet, Vinh Hoa Commune, Cho Lach District, Ben Tre Province, totaling 300 million VND.

- Sponsorship for the family of war veteran Lê Thanh Nhân, who takes care of Vietnamese Heroic Mother Lê Thị Ba, residing in Cai Lậy Town, Tien Giang Province.

- Financial assistance for employees and workers within the company and affiliated units suffering from serious illnesses or accidents.

- Charity program in Lộc Thành Commune, Bình Phước Province, including gift donations for underprivileged residents and children on September 17, 2024.

- Contributions to the corporate social responsibility fund of Saigon Water Corporation, including donations to the "One Heart" fund, frontline healthcare workers, and struggling communities.

- ***Responsibilities for localities:***

- Comply with Local Government regulations,

- Actively participate in movements launched by the locality (concerts, sports festivals, contributions to support poor children who are studious, funds for the poor, etc.). At the same time, maintaining strong relationships with local authorities and community organizations in the company's service areas.

6.8) Report on green capital market activities under the guidance of the SSC: None

III/-REPORTS AND ASSESSMENTS OF THE BOARD OF MANAGEMENT

1) Assessment of operating results

1.1/-Production results

No.	Category	Unit	Actual 2023	Planned 2024	Actual 2024	Percentage %	
						Compared to 2023	Compared to 2024
			(1)	(2)	(3)	(3)/(1)	(3)/(2)
1	Water consumption volume	1,000 m3	108.602	108.000	108.632	100,03%	100,59%
2	Water revenue	Mil.VND	1.285.316	1.289.088	1.285.660	100,03%	99,73%
3	New water meter installations	VNU	2.595	2.000	2.390		119,50%
4	Periodic water meter replacement	VNU	67.265	64.787	69.380		107,09%
5	Water loss rate	%	14,18	13,50	11,79	-2,39%	-1,71%

At the end of 2024, the Company recorded the following achievements:

- Water consumption reached 108 million 667 thousand m3, reaching 100.62% of the plan and equal to 100.06% compared to 2023.
- Revenue reached VND 1,282 billion 493 million, reaching 99.49% of the plan and equal to 100.08% compared to 2023.
- The average selling price reached 11,802 VND, 134 VND lower than planned and 6 VND higher than in 2023.
- The actual revenue rate reached 99.00%, equal to 2023 (99.00%).

In addition to the above results, the company also carried out the following tasks:

- Updated the identification of 59.15% of the company's customers.
- 2,390 new water meters were installed, reaching 119.50%.
- Periodically replace 69,380 expired water meters, reaching 107.09%.
- Received and handled nearly 47,500 service requests from customers.
- Strengthened inspections on water usage and meter conditions, detecting fraud and violations, recovering 41,753 m³ of water from illegal usage.

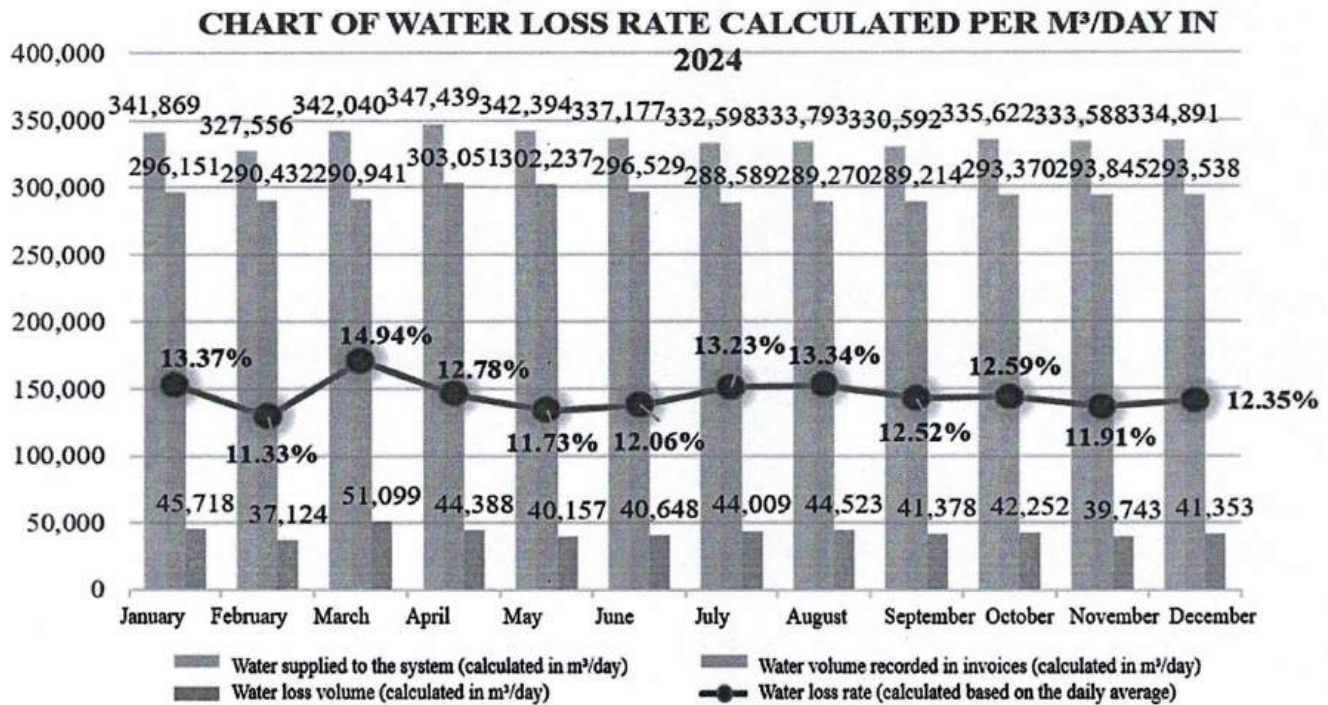
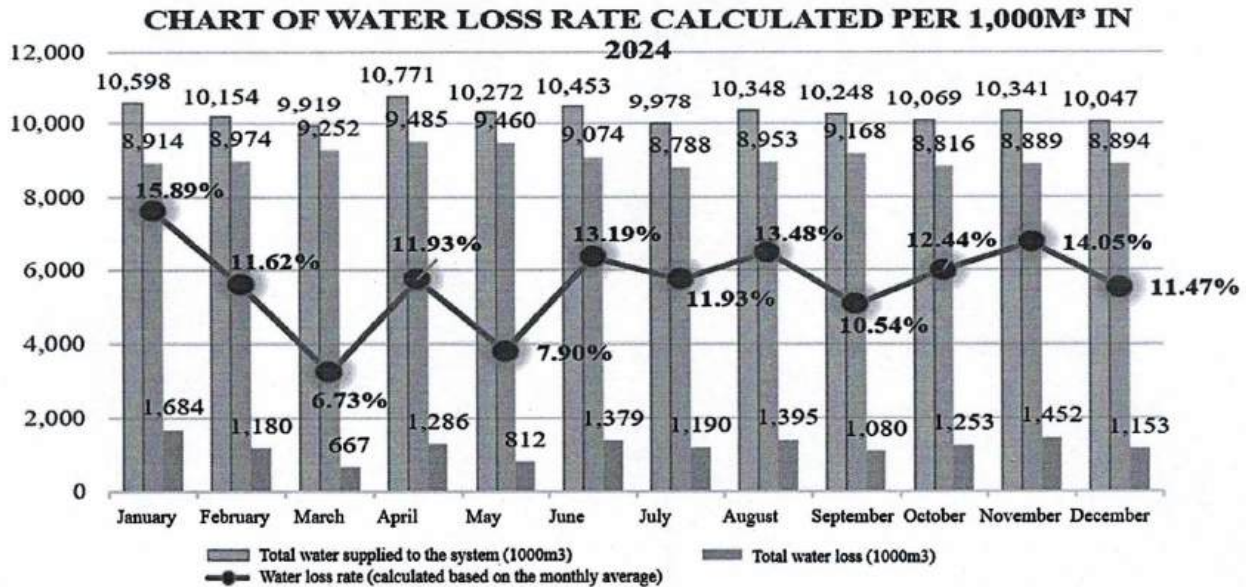
1.2/-Results of water loss reduction efforts

a/-%NRW (Non-Revenue Water) rate according to standard 1 in the whole service area

The NRW rate is calculated according to standard 1 in the whole area in 2023:

Category	Actual 2023	Planned 2024	Actual 2024	Change Compared to 2023	Change Compared to Plan 2024
NRW rate by ^{m3} (monthly)	14,18%	13,00%	11,79%	-2,38%	-1,21%
NRW rate by day	13,99%	13,00	12,68%	-1,31%	-0,32%

The development of the NRW ratio in 2024 is shown in the following chart:



The NRW rate calculated according to standard 1 of each district in 2024 is as follows:

Area	Actual 2023	Planned 2024	Actual 2024		Change compared to 2023		Change compared to the 2024 plan	
			By volume (m ³)	By volume per day (m ³ /day)	By volume (m ³)	By volume per day (m ³ /day)	By volume (m ³)	By volume per day (m ³ /day)
District 5	12,96%	12,79%	10,32%	11,22%	-2,64%	-1,74%	-2,47%	-1,57%
District 6	19,62%	16,29%	15,61%	16,45%	-4,01%	-3,17%	-0,68%	0,16%
District 8	16,38%	14,30%	14,08%	14,94%	-2,30%	-1,44%	-0,22%	0,64%
BT District	10,41%	10,90%	9,22%	10,13%	-1,19%	-0,28%	-1,68%	-0,77%

Developments in input output and consumption output calculated by average daily of each district in 2024:

❖ Chart of NRW rate by average daily (m³/day) District 5:

DISTRICT 5

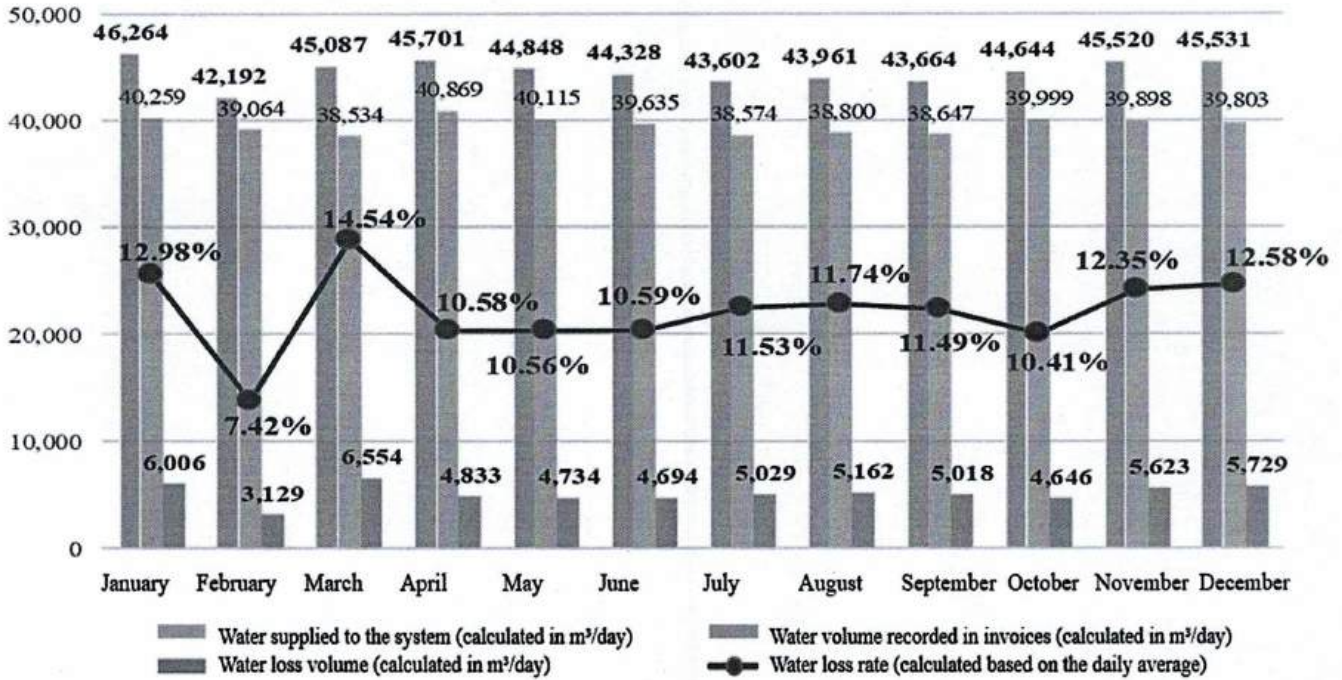
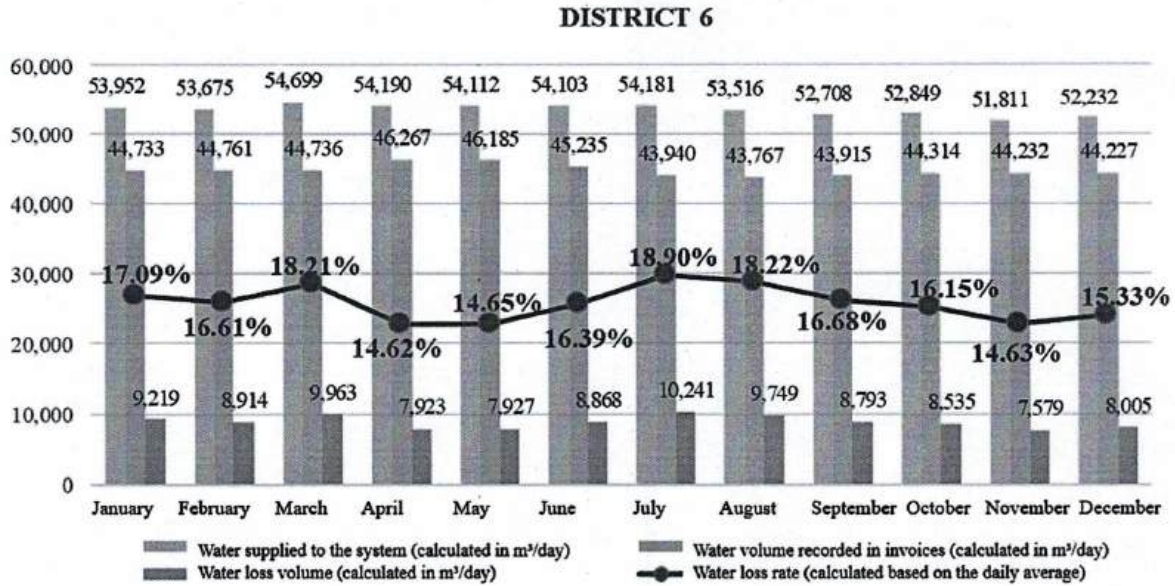
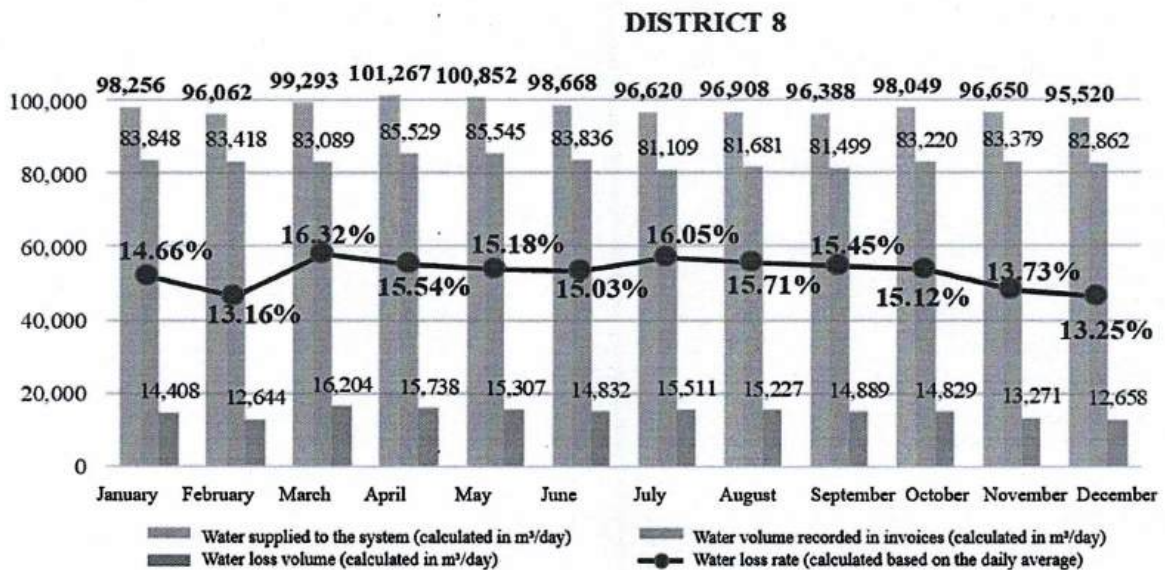


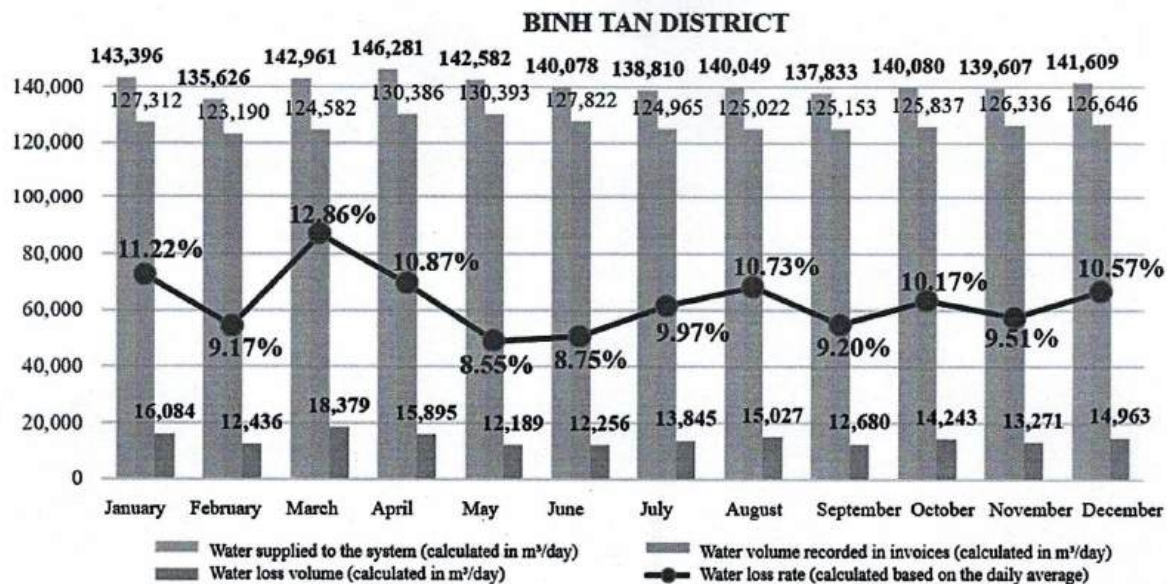
Chart of NRW rate by average day (m³/day) District 6:



❖ Chart of NRW rate by average day (m³/day) District 8:



❖ Chart of NRW rate calculated by daily average (m³/day) in Binh Tan District:



In order to achieve the above results, the Company has made efforts to implement many effective solutions, specifically as follows:

a/- Ensuring continuous and stable safe water supply

- Proactively monitor and monitor water flow, pressure, and quality across the entire network through more than (2F1P, 2F2P) installed in DMA areas and large water tiger fields; 158 1-channel pressure (1P) dataloggers are installed at the end of the network and 10 water quality monitoring stations from 24/7 continuously, contributing to improving the efficiency of ensuring safe, stable and continuous water supply for people, and also detecting, promptly overcome incidents on the water supply network to reduce the amount of water leakage.

- The company also regularly coordinates with the Clean Water Transmission Enterprise in checking the pressure at the site and performing periodic flushing on level 1, level 2 and level 3 pipelines, ensuring stable operation and maintaining water quality.

b/- Tank inspection and repair work

- In 2024, the company has detected and repaired a total of 6,380 leak points, a **decrease of 1,615 points compared to 2023**, showing a significant improvement in the efficiency of water supply network management.

- Notably, the number of underground tank points detected and treated in 2024 will reach 4,150 points, accounting for 65.05% of the total number of leakage points.

c/- Pressure regulation

- From the beginning of 2024, the Board of Management of the Company has directed the Technical Department to coordinate with the Water Supply Network Management Team 1 and 2 to develop a plan and implement pressure regulation during the Lunar New Year, 30/4 holiday, National Day 2/9 and during the rainy season in 2024.

- In 2024, 22 more valves have been installed, bringing the total number of pressure relief valves in the company to 72 positions with high day and night pressure differences as well as large water losses.

d/- Inspection, supervision and detection of water theft

- The company regularly conducts inspections to identify illegal water usage, ensuring on-site monitoring and detecting fraudulent activities such as unauthorized

connections and infrastructure damage caused by external construction. These efforts enhance water loss prevention.

- Detailed statistics on water recovered from fraud and external damage:

Category	Unit	2022	2023	2024
Water recovered from illegal use	m3	58.027	37.429	36.827
Water loss due to external pipeline damage	m3	19.930	10.140	10.987
Total	m3	77.957	47.569	47.814

e/- Water Meter Replacement and Installation

- The company regularly replaces expired or faulty water meters. The survey, design, and installation of new meters are continuously monitored to ensure 100% of households have access to clean and hygienic water, thereby increasing water consumption levels.
- Detailed performance statistics:

Work	Implement	Plan 2024	%
Replace small size units (female)	70.811	64.715	109,42%
Replace large size units (female)	82	72	113,89%
Newly installed units (female)	2.390	2.000	119,50%

f/- Training and sharing of professional work experience

- The company organized various in-depth training workshops on topics such as sustainable water loss reduction, water meter reading, and customer identification updates
- Many of these solutions have been effectively implemented, such as pressure regulation within DMA zones.
- Employees participated in specialized training courses on DMA operations, leak detection, GIS (Geographic Information System), and digital transformation to enhance technical expertise and management efficiency.

1.3/- Investment in Infrastructure Development and Procurement Projects

Regarding infrastructure investment, the company has achieved the following results:

No	Category	2024 Plan	2024 Actual	Completion rate (%)
1	Number of works	30	29	96,67%
2	Volume completed (m3)	34.843	38.028	109,14%
3	Disbursed investment	76.413	75.681	99,04%

- Throughout the year, the company successfully completed infrastructure projects on schedule while meeting planned volume targets and achieving 99% disbursement completion.
- One water network expansion project remains incomplete due to technical route approval issues with relevant infrastructure units. However, by the end of the year, the company had resolved these obstacles, enabling implementation in 2025.

- Regarding the procurement project, the company has completed 10 bidding packages, addressing the needs of: supply of materials for the operation and maintenance of the water supply pipeline system.

✓ Acquisition of mechanical equipment to improve efficiency, reduce labor intensity, and enhance work safety.

✓ Expansion and modernization of IT infrastructure, including SAN storage for centralized data management, electromagnetic water meters, pressure control valves, and WaterGEMS software licensing.

✓ Annual health check-ups and additional life insurance benefits for employees, enhancing workplace well-being and productivity.

1.4/- Administrative Reform, Customer Service Improvement, and IT Application

The company prioritizes administrative reform and customer service enhancement, achieving the following results:

- Diversified customer identification methods, including on-site data collection, online self-updates via the website, and local government collaboration to distribute and collect identification forms for individual households and apartment residents.

- Standardized water pricing and quotas to align with verified customer data, ensuring fair and transparent billing.

- Completion of the second internal audit, ensuring ISO 9001:2015 compliance and enhancing organizational efficiency and professionalism.

- Reduced internal processing time through continuous software upgrades and workflow automation.

- Integration of an electronic office system with digital signatures (eoffice.capnuoccholon.com.vn) and the adoption of electronic contract signing for water meter installations and ownership transfers.

- Upgraded company infrastructure, including office renovations, elevator installations, and workspace improvements, creating a more comfortable environment for employees and customers.

- Information technology development project for the period of 2021 – 2025: Implementing 15 hardware upgrades and software improvements, the most important of which is putting into use the SAN database and completing the construction of the NOC Management System (02 key projects in the IT project for the period of 2021-2025).

- Focus on investing in information security systems, security devices to prevent hackers and malware: ADC (Application Delivery Controllers), Waf (Web Application Firewall), NAC (Network Access Control), PAM (Privileged Access Management) system, Check Point firewall equipment, Fortigate, etc. in order to maximize the security of customer data, corporate assets and ensure that production and business activities remain operational in bad situations.

1.5/- Performance Review and Evaluation

Achievements:

- Water consumption met planned targets, and NRW remained below 13.5%.

- 100% of households continued to receive safe and continuous water supply.

- Improved customer service and administrative efficiency.

- Enhanced cybersecurity and expanded IT applications.

- Completed office renovations, including conference rooms, outdoor areas, and elevators, creating a better work environment for employees.

- Major IT infrastructure upgrades completed, including SAN database implementation and preparations for NOC system deployment in early 2025.

Challenges and Limitations:

- The average selling price was 134 VND lower than planned.
- 12% of water meters recorded consumption of only 0-4m³, requiring further targeted efforts to reduce inactive or low-consumption meters.
- Customer identification updates slowed after reaching 50%, with discrepancies between resident identification (59.15%) and household registration data (38.60%).

2) **Financial situation**

The Board of Directors (BOD) is responsible for preparing financial statements that accurately and fairly represent the company's financial position, business performance, and cash flow for each fiscal year. In preparing these financial statements, the BOD has:

- Selected appropriate accounting policies and applied them consistently.
- Exercised careful judgment and prudent estimations.
- Disclosed and explained accounting principles and standards in significant matters presented in the financial statements.
- Prepared financial statements on a going concern basis, unless it is determined that the company cannot continue its operations.

2.1/- **Asset Status and Variations (Analysis and evaluation of asset utilization efficiency, bad debts, and impaired assets affecting business results)**

As of December 31, 2024, the company's total assets amounted to 570.234.997.545 VND, with the following composition:

a) Short-term Assets: 262.361.252.353 VND (46,01% of total assets, down by 67.491.180.996 VND from 2023, a 20,46% decrease).

- *Cash and cash equivalents*: 5.842.589.426 VND, including: Cash on hand: 48.731.068 VND; bank deposits: 5.793.858.358 VND. In 2024, the amount of cash and cash equivalents is lower than in 2023 by 71.141.732.263 VND, a decrease by 92,41%.

The company follows strict financial management practices, ensuring proper documentation, periodic cash audits, and bank reconciliation.

- *Short-term financial investments*: 138.294.042.200 VND. This represents an increase of 3.733.951.461 VND (+102,77%) compared to 2023.

- *Short-term receivables*: VND 58.874.405.104, including: Customer receivables: 62.402.594.805 VND (including 1.681.465.541 VND from Saigon Water Corporation), Prepayments to suppliers: 3.665.165.918 VND, Other short-term receivables: 2.668.743.092 VND, Allowance for doubtful debts (provisioned as of Dec 31, 2024): 9.862.098.711 VND, Receivables are tracked in detail per customer, reconciled at year-end in accordance with regulations.

- *Inventory management*: Inventory management: 49.671.004.422 VND, consisting of: Stored materials: 22.268.199.576 VND, Work-in-progress clean water supply costs: 25.226.841.581 VND, Work-in-progress production costs 2.106.979.265 VND, Tools and instruments: 68.984.000 VND, Compared to 2023, inventory in 2024 decreased by 891.627.489 VND (-1,76%). As of December 31, 2023, no defective or low-quality inventory was reported.

- *Management of other short-term assets*: Other short-term assets: 9.679.211.201 VND, including: Prepaid short-term expenses: 6.832.900.000 VND (life insurance for employees), VAT deductible: 2.846.311.201 VND, increased by 2.452.244.011 VND (+133,93%) compared to 2023.

b) Long-term assets: 307.873.745.192 VND (53,99% of total assets, up by 53.923.943.248 VND, an 121,23% increase from 2022)

- *Long-term receivables*: 331.760.000 VND, representing a security deposit for leasing a materials warehouse at Tan Tao Industrial Park.

- *Management of fixed assets*: 287.544.806.799 VND, accounting for 50,43% of total assets, including: tangible fixed asset cost: 1.036.112.800.192 VND; intangible fixed asset cost: 11.005.911.283 VND; depreciation of tangible fixed assets: 750.165.535.518 VND, depreciation of intangible fixed assets: 9.408.369.158 VND.

Fixed assets increased by 48.157.986.288 VND (+120,12%) compared to 2023, primarily due to pipeline investments and management tools.

- *Construction in progress*: 9.469.702.515 VND, covering projects such as: Pipeline relocation, Leakage reduction initiatives, Pipeline renovation, Water network expansion.

The management and depreciation of fixed assets shall be carried out by the Company in accordance with the provisions of Circular No. 45/2013/TT-BTC dated 25/4/2013 of the Ministry of Finance (the increase and decrease of fixed assets shall be accounted in accordance with regulations; the asset documents shall be fully collected and kept; the types of assets that are not eligible for recognition as fixed assets have been classified and accounted into the internal expenses period).

- *Long-term prepaid expenses*: 198.889.119 VND, accounting for 0.03% of total assets, including: data transmission costs for e-invoices and accounting software maintenance fees. Long-term prepaid expenses shall be managed and accounted for according to regulations.

No.	Indicator	2023	2024
1	Short-term liquidity ratio (Current Assets/Current Liabilities)	1,26	1,12
2	Cost of goods sold (COGS) / Average inventory	25,12	22,08
3	Net revenue / Total assets	2,23	2,29
4	Profit after tax / Average equity (ROE)	29,11%	27,83%
5	Profit after tax / Average total assets (ROA)	10,35%	9,35%

No bad debts or impaired assets were reported in 2024 that negatively affected business results.

2.2 Liabilities:

In 2024, the Company's liabilities fluctuate as follows:

a) Liabilities: 314.574.316.468 VND, accounting for 55,17% of total capital, liabilities in 2024 are lower than in 2023 by VND 32.706.481.920, a decrease of 9,4%, of which:

Short-term liabilities in 2024: VND 234.265.049.642, lower than in 2023 by 28.144.859.495 VND, a decrease of 10,73%, mainly due to:

- *Payable to suppliers in 2024*: 111.366.573.417 VND, lower than in 2023 by 30.057.697.383 VND, with a decrease rate of 21,25%.

Includes primarily the payable amount for water payment, fixed asset lease from Saigon Water Corporation, with a total amount of 88.986.523.671 VND; other short-term supplier payables: 22.380.049.746 VND.

- *Customer prepayments*: 2.810.939.045 VND, a decrease compared to 2023 of 356.387.178 VND, a decrease of 11,25%.

- *Taxes and government obligations*: 47.414.902.894 VND, an increase compared to 2023: 4.833.078.547 VND, an increase of 111%.

- *Employee payables*: 22.641.690.368 VND, a decrease compared to 2023 is 1.503.002.628 VND, a decrease of 6,22%.

- *Short-term accrued expenses*: 19.763.059.859 VND, increased compared to 2023 by 2.065.788.799 VND, with an increase rate of 111,67%, including: Accrued expenses for leasing and executing basic construction projects approved but not yet settled: 11.024.855.632 VND, Accrued expenses for water meter installation: 293.369.380 VND,

Accrued expenses for leak repairs, relocation, and replacement of water meters: 1.798.838.500 VND, Accrued expenses for Tet (Lunar New Year) employee benefits: 3.481.831.158 VND, Other accrued expenses: 3.164.165.189 VND.

- *Other short-term payables*: 5.327.817.403 VND, a decrease compared to 2023: 5.745.628.536 VND, representing a 51,58% reduction, including: payables for trade union funding, payables for contract performance guarantees, dividends payable to shareholders, payables to customers for main pipeline investment and water meter installation.

- *Short-term borrowings*: 18.332.696.313 VND, which is a loan due to be paid to the Bank for Agriculture and Rural Development – Cho Lon Ho Chi Minh City and the Joint Stock Commercial Bank for Foreign Trade of Vietnam – Saigon Branch to pay for investment projects to replace rotten pipes, water supply network development works, etc.

- *Reward and welfare fund*: 6.607.370.343 VND.

Long-term debt is 80.309.266.826 VND, accounting for 14,08% of total capital, including:

- *Other long-term payables*: VND 3.762.216.788, which is the amount payable to customers as a deposit to ensure the use of water.

- *Long-term loans*: VND 76.547.050.038. Including the amount 220.823.53.931 VND from Bank for Agriculture and Rural Development (Agribank) – Cho Lon Branch of Ho Chi Minh City, the loan term is 8-9 years, and the amount of VND 54.464.696.107 VND from the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) - Saigon Branch, the loan term is 10 years, to pay for investment projects to replace rotten pipes, water supply network development works...

3) Improvements in organizational structure, policies, and management

In 2024, the company continued implementing changes in management and labor policies, including:

- Completion of the second internal evaluation of company operations in compliance with ISO 9001:2015 standards, enhancing the company's operational system towards professionalism and modernization.

- Improvement of internal document processing times by continuously upgrading and developing software and applications that support workflow processes, reducing processing time.

- Implementation of an integrated electronic office application with digital signatures (eoffice.capnuoccholon.com.vn) and adoption of digital certificates for electronic contract signing (including new meter installation, ownership transfer, etc.).

- Infrastructure and service upgrades: Renovating office spaces, installing elevators, and enhancing company facilities to create a more convenient work environment for employees and a comfortable space for customers visiting for business transactions.

- Execution of the Information Technology (IT) Development Plan for 2021–2025, implementing 15 hardware upgrade projects and software improvements, with key milestones being the deployment of the SAN database and the completion of the NOC Management System (the two core projects of the IT strategy for 2021–2025).

4) Development plan for 2025

a. Objectives and development direction

- The company aims for stable, sustainable, and integrated development, building a professional corporate image in both service provision and water network management while strengthening the company's brand reputation.

- Maintaining 100% coverage of clean, safe, and continuous water supply for households in the serviced area, ensuring stable network pressure and effective control.
- Achieving all business targets and assignments set by the company and by Saigon Water Corporation (One member Limited Liability).
- Reducing the water loss rate in a sustainable manner following the planned roadmap.
- Enhancing digital transformation and IT applications to improve administrative efficiency, customer service, and corporate branding.
- Ensuring business efficiency, increasing profitability, fulfilling financial obligations to the state, and continuously improving the income and well-being of employees.

b. Main production and business indicators:

- Water consumption target: 110,600,000 m³.
- Water sales revenue: 1,307 billion 845 million VND.
- Newly installed water meters: 1,800 pcs.
- Periodic water meter replacement: 51,702 pcs
- Water loss rate target: 12.20%

c. Tasks and solutions to be implemented:

In order to achieve the set goals and tasks, the company needs to continue to promote its existing strengths and overcome limitations, in which it needs to focus on the following issues:

Implementation of the targets of the 2024 plan:

- Formulate roadmaps and implementation schedules in each period, set specific goals for each timeline, estimate adverse situations that may arise and come up with solutions to implement them in accordance with the unit's capabilities, deploy human resource allocation and use reasonable capital sources from the beginning of the year to ensure the effectiveness of the implementation of the plan.

- To pay more attention to improving professional measures in the management and service of customers to increase the amount of water consumed and the revenue of water bills as planned, apply channels of collection and debt reminder via text messages to make the most of the collection... increase the rate of natural real revenue.

- Implement the internal inspection and supervision mechanism to standardize in work and in management operations. Develop reward policies as well as appropriate sanctions in the prevention of water loss. Encourage the promotion of self-discipline and sense of responsibility of employees.

Reducing 0–4 m³ water consumption bills:

- Enhance efforts to persuade customers to switch to the public water supply and limit groundwater extraction, in collaboration with local authorities and Saigon Water Corporation.

- Implement other measures to reduce zero-consumption bills, such as: Identifying and addressing unauthorized second water sources, Investigating single-source addresses suspected of fraudulent water use, Issuing termination notices for inactive accounts where customers are unreachable or refuse to comply with usage agreements.

- Implement the agreement on water use with the customer requesting the installation of water meters, minimizing the generation of 0-4 m³ water meters.

- Work closely with the City Center for Disease Control (CDC), local authorities, and media outlets to promote clean water usage and educate the public on the dangers of groundwater exploitation.

Enhancing customer service quality:

- Upgrade facilities and modernize equipment to enhance customer convenience and experience.

- Train employees in professional skills and customer communication, emphasizing polite and professional interactions. Establish a customer service team with a focus on customer satisfaction.

- Operate under ISO 9001:2015 quality management standards, regularly reviewing and optimizing procedures to align with practical operations.

- Expand IT applications in customer management, improving digital submission and response systems for new installations, meter relocations, and billing adjustments, with the goal of fully remote customer service.

- Develop a strong corporate culture, engaging professional consultants to create a positive work environment, enhance employee commitment, and foster sustainable growth.

- Focus on training and improving the quality of the workforce, building and developing human resources in the direction of professionalism and modernity.

Application of Information Technology:

- Use information technology in managing and supervising construction activities, implementing digital transformation solutions to optimize management processes and ensure the completion of the remaining items in the last year of the roadmap (2025) of the "Scheme on implementation, development and application of information technology of the company in the period of 2021 – 2025".

- Organize a comprehensive assessment of security vulnerabilities, screen items that need to be upgraded and improved, and plan to replace outdated or no longer suitable applications and devices.

- Continue to build application software to serve the work of the company's departments and teams with the goal of fully automating the operation management process, combined with synchronizing data on all software.

Investment in infrastructure and procurement:

- Integrate IT solutions into construction project management and procurement processes.

- Closely monitor and coordinate the progress of documents resolution with management agencies. Departments collaborate smoothly and quickly in submitting for approval and evaluating the project, cost estimates, and design drawings. Shorten the progress of projects in the investment preparation phase.

- Ensure timely execution of procurement projects, supplying materials and equipment for business operations.

- Optimize disbursement schedules, ensuring financial targets are met.

Enhancing the efficiency of water supply management and reducing water loss:

- Maintain continuous and safe water supply for people, not to cause unexplained water outages.

- Regularly re-regulate network pressure to suit the actual situation, ensure that the water supply network is always in stable operation, meet the water demand of customers, and minimize water loss.

- Continue to control active water loss with DMA: continue to partition the network separation, establish new DMAs, and implement active leak control methods on DMA such as closing stepper valves, monitoring night flow, detecting and repairing underground tanks, combined with reducing invisible water loss on DMA

- Early implementation of procedural documents, especially the route alignment agreement for basic construction projects. Ensure that the organization of bidding and construction is carried out as soon as possible. Communication and coordination with

relevant departments to combine the company's construction projects synchronously with road expansion and upgrade projects to save construction investment costs.

- Optimize material procurement to prevent overstocking, recycle reusable materials, and enhance pipeline management efficiency by constantly researching and modernizing equipment and techniques for pipe network management, towards establishing a smart water supply network in the future.

- Promote the implementation of proactive water loss reduction at DMAs with high water loss rates. Continue to install pressure regulating valves (PRVs) to improve the efficiency of reducing water loss, maintaining the TTN rate at DMAs with low TTN rates.

d. Explanation of the Board of Management for auditor's opinions (if any): As per the audited financial report, which has been submitted to shareholders and attached to the annual report.

e. Assessment Report related to environmental and social responsibilities of the Company: None.

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

1) Assessments of the Board of Directors on the Company's operation

In 2024, with the decisive and timely direction of the Board of Directors (BOD), along with the determination, efforts, and experience of the executive management team, and especially the hard work and dedication of all employees, the company achieved its profit targets as set by the General Meeting of Shareholders.

All revenues and expenditures were conducted in a transparent, clear, and legal manner, in full compliance with applicable regulations. Additionally, employee welfare policies were always a priority and implemented in accordance with legal requirements.

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

In 2024, the Executive Management Team successfully fulfilled the assigned tasks.

- The Executive Management of the company always adhered closely to the production and business targets set by the General Meeting of Shareholders, monitoring results monthly through regular meetings.

- The Executive Management team allocated specific responsibilities to each member, ensuring that each executive actively directed and managed daily operations. They also took the initiative in applying information technology across various aspects of company operations.

- In addition to making independent decisions within their authority, the Executive Management team also proposed organizational restructuring plans, capital utilization strategies for construction investment projects, financial management solutions, and long-term development directions to the Board of Directors.

In summary, in 2024, through a proactive and bold approach, implementing comprehensive solutions in water loss prevention and IT applications, combined with a high level of internal unity, experience, and flexible, dedicated leadership, the Executive Management Team successfully fulfilled its responsibilities assigned by the BOD. They fully complied with their rights and obligations, effectively leading departments and operational teams to maximize internal resources, overcome challenges, and complete all business targets.

3) Plans and directions of the Board of Directors

On the basis of the production and business plan in 2025 and the Company's development orientation in the following years, the Board of Directors sets out the operation plan for 2025 as follows:

- Directing the implementation of the 2025 General Meeting of Shareholders (ĐHĐCĐ) resolution. Enhancing corporate governance and regularly monitoring key performance metrics such as production volume, revenue, and average selling price to ensure profit and dividend targets are met.

- Supporting and coordinating with the company's General Director to resolve challenges and obstacles, ensuring optimal business operations.

- Strengthening relationships with shareholders, providing timely, transparent, and accurate information to investors.

- Instructing the Executive Management Team to implement core tasks for 2025, specifically:

- ✓ Maintain and continue to reduce the rate of water loss according to the set roadmap.

- ✓ Maintain the rate of 100% of households in the area being supplied with clean water. Ensure a safe and continuous supply of clean water. Ensure network pressure is well regulated and controlled.

- ✓ Reduce the rate of water loss sustainably according to the set roadmap.

- ✓ Continue to promote the application of information technology, digital transformation ... contributing to improving administrative procedures, improving the quality of customer service, and enhancing the image of corporate branding.

- ✓ Sustaining business efficiency, increasing profitability, fully complying with financial obligations to the state, and gradually improving employees' income and overall well-being

V. CORPORATE GOVERNANCE

1) Board of Directors

1.1/-Members and structure of the Board of Directors (BOD):

After the conclusion of the 2017–2022 term, at the annual general meeting of shareholders (AGM) on April 27, 2022, the 2022 AGM elected the Board of Directors (BOD) for the 2022–2027 term, consisting of seven members. Among them, six members from the previous term were re-elected by the shareholders to serve in the new term. Immediately after the general meeting, the BOD members convened and unanimously elected Mr. Hứa Trọng Nghi as Chairman of the Board of Directors. The details are as follows:

1. Mr. Hua Trong Nghi	Chairman of the Board of Directors
2. Mr. Huynh Tuan Anh Director	Member of the Board of Directors
3. Mr. Dang Duc Hien	Member of the Board of Directors
4. Mr. Le Trong Thuan	Member of the Board of Directors
5. Mr. Le Huy Hung	Member of the Board of Directors
6. Mr. Nguyen Thanh Phong	Member of the Board of Directors
7. Mr. Ho Le Minh	Member of the Board of Directors

The number of shares owned and represented by the BOD members of Chợ Lớn Water Supply Joint Stock Company, as of the reporting date (based on the shareholder list finalized on November 1, 2024, for the second dividend payout of 2023), is as follows:

No	Full name	Directly Owned Shares		Represented Shares		Total	
		Quantity	Percentage of charter capital	Quantity	Percentage of charter capital	Quantity	Percentage of charter capital
I	<i>Executive Members of the Board of Directors:</i>						
1	Huynh Tuan Anh			1.657.600	12,75%	1.657.600	12,75%
II	<i>Non- Executive Members of the Board of Directors:</i>						
1	Hua Trong Nghi			1.657.600	12,75%	1.657.600	12,75%
2	Dang Duc Hien	5.000	0,04	1.657.600	12,75%	1.662.600	12,79%
3	Le Trong Thuan			1.657.600	12,75%	1.657.600	12,75%
4	Le Minh Lake	973.570	7,49			973.570	7,49%
5	Le Huy Hung	1.820.000	14,00			1.820.000	14,00%
6	Nguyen Thanh Phong						
	Total					9.428.970	72,53%

1.2/- The subcommittees of the Board of Directors:

From the 2017–2022 term and continuing to the present, the BOD has unanimously decided not to establish subcommittees but instead assigned non-executive BOD members—who are also not representatives of the State shareholder, Saigon Water Corporation (One Member Limited Liability)—to oversee specific areas such as human resources, compensation, and development policies, including:

- Mr. Le Huy Hung, member of the Board of Directors in charge of human resources.
- Mr. Ho Le Minh (formerly Mr. Tran Van Chau), an independent member of the Board of Directors in charge of compensation and benefits.
- Mr. Nguyen Thanh Phong, member of the Board of Directors in charge of development policies.

1.3/-Activities of the Board of Directors

In 2024, the BOD successfully organized the Annual General Meeting of Shareholders (AGM) with an exceptionally high level of shareholder approval: 7 out of 8 resolutions were passed with a voting rate above 99%, 1 out of 8 resolutions was passed with a voting rate above 97%. The BOD conducted 04 formal meetings throughout the year, In addition, to address urgent matters concerning business operations and corporate governance, the BOD executed 9 written consultations for voting among its members, Beyond scheduled meetings, BOD members frequently exchanged information related to the company’s operations via email and phone calls.

The BOD ensures consensus in decision-making. In cases where differing opinions arise, discussions are conducted to clarify and adjust positions until an agreement is reached.

Selection of an independent auditing firm to ensure that annual and semi-annual audits are conducted in full compliance with regulations.

Human Resource Management:

- The BOD continuously monitors, evaluates, and makes timely decisions regarding personnel management within its authority. All personnel appointed by the BOD have successfully fulfilled their assigned responsibilities.
- The BOD recognizes the critical role of employees, particularly technical staff, in water loss prevention efforts. It regularly directs the Management Board to enhance corporate structure and human resource utilization. Strategic workforce planning is carried

out to optimize labor allocation. Various initiatives are explored to increase labor productivity and income, ensuring a stable and long-term commitment from employees.

Supervision of the General Director and Management Team :

- The BOD maintains continuous oversight of the General Director (CEO) through regular reports and direct questioning in meetings. This supervisory role ensures compliance with company regulations while allowing the CEO operational autonomy to drive innovation. For other managerial staff, the BOD evaluates performance based on assigned duties, execution processes, and outcomes, providing timely guidance and feedback.

- The BOD Chairman actively participates in all monthly executive meetings, attended by the General Director, department heads, and deputy heads, ensuring direct oversight of company operations.

- Since the General Director is also a BOD member, information flow and reporting to other non-executive BOD members is consistent and comprehensive, supporting effective governance and supervision.

In general, the BOD’s supervision of the General Director and management team has not identified any violations of: Company Charter, Legal regulations, Internal policies and governance frameworks.

Resolutions/Decisions of the Board of Directors:

No.	Resolution No.	Date	Content
1	35/NQ-HĐQT (Written Approval)	19/01/2024	Approval of the agreement on communication cooperation with the Corporation for 2023.
2	36/NQ-HĐQT (Written Approval)	05/02/2024	Finalize the shareholder list for the 2024 Annual General Meeting of Shareholders (AGM).
3	37/NQ-CNCL	29/03/2024	<ol style="list-style-type: none"> 1. 2024 AGM plan. 2. Approval of the 2024 business plan, investment plan, and investment projects. 3. Authorization for the General Director to decide on contracts and transactions valued below VND 1 billion with subsidiaries, affiliates, and units under the Corporation for 2024. 4. Approval of the communication cooperation agreement for 2024-2025 with the Corporation. 5. Approval of the 2023 salary fund for employees and management. 6. Regarding the Unit Price of the Bulk Water Sales Contract for 2024 Signed with the Parent Corporation: <ul style="list-style-type: none"> • Approval of the provisional unit price and terms outlined in the bulk water sales contract for 2024 with the Parent Corporation. • Delegation to the General Director to review and adjust the unit price for the 2023 bulk water sales contract based on the actual increase or decrease in the average retail price

No.	Resolution No.	Date	Content
			<p>for 2023, as stipulated in the contract approved by the Board of Directors.</p> <p>7. Regarding the Asset Leasing Contract for 2024:</p> <ul style="list-style-type: none"> • Approval of the asset leasing contract for 2024 between the Company and the Parent Corporation. • Authorization to the General Director to review and decide on amendments to the 2024 asset leasing contract to ensure mutual benefits for both parties. <p>8. Regarding the Asset Sub-Leasing Contract for 2024:</p> <ul style="list-style-type: none"> • Approval of the asset sub-leasing contract for properties in Binh Chanh District for 2024 with the Parent Corporation. • Authorization to the General Director to review and decide on amendments to the 2024 asset sub-leasing contract to ensure mutual benefits for both parties. <p>9. Approval of the 2024 internal audit plan.</p>
4	38/NQ-CNCL	24/04/2024	<p>1. Approval of the 2023 dividend payment:</p> <ul style="list-style-type: none"> - Final registration date: 06/06/2024 - Payment method: Cash - Dividend rate: 12% (VND 1,200 per share) - Payment date: 05/08/2024 <p>2. Salary increase for Mr. Hứa Trọng Nghi, Chairman of the BOD.</p> <p>3. Approval of the vocational training contract with the Corporation for 2024.</p> <p>Inclusion of "Tân Tạo Ward, Bình Tân District water supply network expansion project (Phase 6)" into the 2024 construction investment plan.</p>
5	39/QĐ-CNCL	24/04/2024	Salary increase for Mr. Hứa Trọng Nghi, Chairman of the BOD.
6	40/NQ-HĐQT (Written Approval)	10/06/2024	<p>1. Approval to select UHY Consulting and Auditing Co., Ltd. as the auditor for 2024 financial statements.</p> <p>2. Approval to sign a contract for purchasing 15,000 water meters (15mm, R100 type, plastic body) from N.T.P Trading Co., Ltd.</p>
7	41/NQ-HĐQT (Written Approval)	20/06/2024	Approval to sign a contract for purchasing electromagnetic water meters (13 units DN100, 14 units DN150, 8 units DN200, 3 units DN250) of French origin, from Siemens (MAG8000 model) supplied by N.T.P Trading Co., Ltd.
8	42/NQ-HĐQT	09/07/2024	Approval of the 2024 labor utilization plan. The General Director is responsible for recruitment and labor management per regulations.

No.	Resolution No.	Date	Content
	(Written Approval)		
9	43/NQ-HĐQT (Written Approval)	26/07/2024	Approval to sign a contract for purchasing 50 ultrasonic water meters (50mm, Octave model) from Arad (Israel) supplied by N.T.P Trading Co., Ltd.
10	44/NQ-CNCL	12/09/2024	1. Approval of the business results for the first 6 months of 2024 and the internal audit report. 2. Approval of the 2024 planned salary fund for employees and management. 3. Approval of adjustments to the 2024 construction investment plan.
11	45/NQ-HĐQT (Written Approval)	26/09/2024	Approval to sign a contract for purchasing 89 loggers (83 dual-channel flow and pressure, 5 dual-channel flow and single-channel pressure, 1 single-channel pressure) from HWM (UK) supplied by N.T.P Trading Co., Ltd.
12	46/NQ-HĐQT (Written Approval)	24/10/2024	1. Approval of the vocational skill certification training contract between Cho Lon Water Supply JSC and Saigon Water Corporation for 2024. 2. Approval of the second adjustment to the 2024 construction investment plan.
13	47/NQ-HĐQT (Written Approval)	14/11/2024	Approval to sign a contract for purchasing electromagnetic water meters (14 units DN150, 8 units DN200, 3 units DN250) of French origin, from Siemens (MAG8000 model) supplied by N.T.P Trading Co., Ltd.
14	48/NQ-CNCL	20/12/2024	1. Approval of business results for the first 6 months of 2024 and the internal audit report. 2. Authorization for the General Director to decide on contracts and transactions valued below VND 1 billion with subsidiaries, affiliates, and units under the Parent Corporation for 2025. 3. Approval of the 2025 investment plan and projects. 4. Salary increment for Mr. Bui Minh Ngoc, Deputy Director of IT.

1.4/-Activities of the Board of Directors independent members:

In compliance with the regulations on the composition of independent BOD members, at the Annual General Meeting of Shareholders (AGM) 2022 held on April 27, 2022, the company included in the agenda a nomination and election process for independent BOD members for the 2022–2027 term. The official notice clearly stated the number of independent members to be elected (2 members). The eligibility criteria for independent BOD members were explicitly outlined in the AGM documents. However, no nomination or application was received from shareholders.

Due to the absence of eligible nominees, the BOD structure for the 2022–2027 term does not include independent BOD members, as stipulated in Clause 4, Article 276 of Decree 155/2020/NĐ-CP of the Government. Nevertheless, the total number of BOD

members elected in the 2022 AGM remains at 07 members, meeting the required number under the Company Charter.

Despite the lack of independent members, since the 2017–2022 term and continuing to the present, the BOD has unanimously decided not to establish subcommittees but instead assigned non-executive BOD members—who do not represent the capital contribution of Saigon Water Corporation (State shareholder)—to oversee specific areas:

- Mr. Le Huy Hung, member of the Board of Directors in charge of human resources.
- Mr. Ho Le Minh (formerly Mr. Tran Van Chau), an independent member of the Board of Directors in charge of compensation and benefits.
- Mr. Nguyen Thanh Phong, member of the Board of Directors in charge of development policies.

Each BOD member assigned to these roles has actively monitored and supervised their respective areas of responsibility.

1.5/- List of members of the Board of Directors possessing certificates on corporate governance: None

2) Board of Supervisors

2.1/-Members and structure of the Board of Supervisors

At the 2022 AGM, shareholders elected the Supervisory Board (BKS) for the 2022–2027 term, consisting of 05 members. All elected members possess expertise and experience in finance and accounting. The Head of the Supervisory Board serves in a full-time capacity, specifically:

- | | | |
|----|----------------------------|------------------------------|
| 1. | Mr. Hoang Thanh Binh | Head of Board of Supervisors |
| 2. | Ms. Nguyen Thi Bao Chau | Member |
| 3. | Ms. Truong Thi Thanh Nhung | Member |
| 4. | Ms. Le Thi Kim Xuyen | Member |
| 5. | Mr. Nguyen Ngoc Luong | Member |

The number of shares owned by the members of the Supervisory Board of Cho Lon Water Supply Joint Stock Company as of the time of making the report (according to the list of shareholders finalized on 01/11/2024):

No	Name	Directly Owned Shares		Represented Shares		Total	
		Quantity	% Charter Capital	Quantity	% Charter Capital	Quantity	% Charter Capital
1	Hoang Thanh Binh	5.000	0,038%	-	-	5.000	0,038%
2	Nguyen Thi Bao Chau	-	-	-	-	-	-
3	Ms. Truong Thi Thanh Nhung	-	-	-	-	-	-
4	Ms. Le Thi Kim Xuyen	-	-	-	-	-	-
5	Mr. Nguyen Ngoc Luong	-	-	-	-	-	-
	Total	5.000	0,038%	-	-	5.000	0,038%

2.2/- Activities of the Board of Supervisors (BOS)

Supervisory Activities of the BOS regarding the Board of Directors, the Board of Management and Shareholders:

The Supervisory Board has fulfilled its responsibilities and authority, acting on behalf of shareholders to monitor the company's business and production activities through the following key actions:

- Supervised the activities of the Board of Directors (BOD) related to the implementation of AGM resolutions.

- Monitored the executive management of business operations by the Board of Management
 - Examined the reasonableness, legality, accuracy, and prudence in business management and operations. Verified the consistency and compliance of accounting, statistics, and financial reporting processes.
 - Assessed the quarterly business reports, semi-annual financial reports, and annual financial statements of the company. Evaluated the management performance of the BOD and submitted an appraisal report on the financial statements and business performance at the AGM.
 - Reviewed the accounting books and other company records related to management and operations.
 - Proposed amendments, supplements, and improvements to the corporate governance and business management structure to the BOD or AGM.
 - Recommended the selection of an independent audit firm for the 2024 financial statement audit.
 - Held discussions with independent auditors regarding the nature and scope of the audit before its commencement.
 - Monitored and inspected the implementation of the business and investment plans on a quarterly and annual basis.
 - Provided opinions on financial statements and business performance results during BOD meetings.

Coordination Between the BOS, BOD, BOM, and Other Key Personnel:

- In 2024, the BOS actively coordinated with the BOD in defining inspection and supervisory plans and collaborated with executive management in carrying out inspections and monitoring activities.
- The BOD provided the BOS with timely and complete resolutions and decisions. The Board of Management (BOM) facilitated the BOS in accessing necessary information and documents related to the company's business operations upon request.
- Regarding shareholders: In 2023, the BOS did not receive any shareholder complaints or petitions concerning the company's business activities.

3) Transactions, remuneration and benefits of the Board of Directors, Board of Management and Board of Supervisors

3.1/-Salary, bonuses, compensation and other benefits:

- Compensation for the BOD and BOS is determined by the AGM, with an average planned monthly compensation of 5.8 million VND per person for 2024. Quarterly, members of the BOD and BOS receive an advance payment of 70% to 75% of the approved planned compensation.
- Salaries for executives (including the BOD Chairman, Head of the BKS, Executive Management, and Chief Accountant) are determined by the BOD. The BOD approves the planned salary fund for executives, and executives receive an advance of 80% to 85% of the approved planned salary on a monthly basis. At the end of the year, based on the company's business performance, the BOD will issue a resolution on the actual salary fund distribution for executives.

- Bonuses for executives are decided by the AGM, based on the annual business performance of the company.

1. 3.2/- Transactions of internal persons and affiliated persons with shares of the company:

No.	Transaction executor	Relationship with internal persons	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	Percentage	Number of shares	Percentage	
1	N.T.P Trading Co., Ltd.	Related to internal person (Mr. Nguyễn Thanh Phong)	1.103.940	8,49%	1.218.240	9,37%	Buying
2	N.T.P Trading Co., Ltd.		1.218.240	9,37%	1.441.140	11,09%	Buying
3	Ho Le Nhat	Related to internal person (Mr. Hồ Lê Minh)	0	0	40.000	0,31%	Buying
3	Ho Le Nhat		40.000	0,31%	48.900	0,38%	Buying

3.3/- Contracts or transactions with internal shareholders:

a/- Transactions between the Company and its affiliated persons or between the Company and its major shareholders, internal persons and affiliated persons

No.	Name organizations/ individual	Relationship with the Company	NSH No. *, date of issue, place of issuance	Address	Time of transaction with the Company	Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors	Content, quantity, total value of transaction (before VAT)	Note
1	Chợ Lớn Waterworks Construction Mechanical JSC	Related Party (Affiliated Entity)	0304772551 13/11/2020 The Department of Planning and Investment of Ho Chi Minh City.	C12 Thong Nhat 1 hamlet, Tan Thoi Nhi, Hoc Mon	From January to December 2024	37/NQ-CNCL March 29, 2024 of the Board of Directors	- Contents: ✓ Refurbish and replace water meter parts. - <u>Total transaction value (before tax):</u> 7,685,000,000 VND	
2	Transport and Civil Engineering Consulting JSC	Related Party (Affiliated Entity)	0300439662 21/10/2019 The Department of Planning and Investment of Ho Chi Minh City. HCM	326 Nguyen Trong Tuyen, Ward 1, Tan Binh District,	From January to December 2024	37/NQ-CNCL March 29, 2024 of the Board of Directors	- Contents: Construction survey consultancy and preparation of feasibility study reports for infrastructure projects.. - <u>Total transaction value (before tax):</u> VND 989,995,336	
3	Nhà Bè Water Supply JSC	Related Party (Affiliated Entity)	0304789298 17/09/2010 The Department of Planning and Investment of Ho Chi Minh City.	1179 Nguyen Van Linh, Tan Phong Ward, District 7,	From January to December 2024	37/NQ-CNCL March 29, 2024 of the Board of Directors	- Content: buy bottled water. - <u>Total transaction value (before tax):</u> 66,372,715 VND	
4	Saigon Water Corporation	Major shareholder	4106000010 2 26/07/2005	No.1 Cong Truong	From January to	BOD Resolutions No.:	- Contents: - Wholesale purchase of clean water.	

No.	Name organizations/ individual	Relationship with the Company	NSH No.*, date of issue, place of issuance	Address	Time of transaction with the Company	Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors	Content, quantity, total value of transaction (before VAT)	Note
	on (SAWACO) - One-Member Limited Liability Company	(State-Owned Shareholder)	The Department of Planning and Investment of Ho Chi Minh City.	Quoc Te, District 3	December 2024	35/19.01.2024 ; 37/29.3.2024; 38/24.4.2024.	-Rental of operating assets. -Leasing fixed assets in Binh Chánh District. -Training for technical staff and worker skill advancement exams. -Media collaboration. - <u>Total transaction value (before tax):</u> ✓Collection of service revenue: 9,506,430,681 VND ✓Payment for goods and transaction: 862,927,427,477 VND.	
5	N.T.P Trading Co., Ltd.	Major shareholder	0301658057 23/03/1999 Department of Planning and Investment of Ho Chi Minh City.	278 To Hien Thanh, Ward 15, District 10	From January to December 2024	Resolutions of the Board of Directors No. 40/10.6.2024; 41/20.6.2024; 43/26.7.2024; 45/26.9.2024; 47/14.11.2024	-Content: buy supplies. - <u>Total transaction value (before tax):</u> 19,174,706,090 VND	

b/- Transaction between internal persons of the Company, affiliated persons of internal persons and the Company's subsidiaries in which the Company takes controlling power

:

None

c/-Transactions between the company and other objects:

* Transactions between the Company and the company that its members of Board of Management, the Board of Supervisors, Director (General Director) have been founding members or members of Board of Directors, or Director (General Director) in three (03) latest years (calculated at the time of reporting):

No.	Name of organization	Name of internal person / Relationship with the Company	Address	Time of transaction	Resolution No. or Decision No. approved by General Meeting of Shareholders	Content, quantity, total value of transaction	Note
1	N.T.P Trading Co., Ltd.	Mr. Nguyen Thanh Phong: - Member of the Board of Directors of Cho Lon Water Supply Joint Stock Company. -Director of N.T.P Trading Co., Ltd.	278 To Hien Thanh, Ward 15, District 10, Ho Chi	From January to December 2024	Resolutions of the Board of Directors No. 40/10.6.2024; 41/20.6.2024; 43/26.7.2024; 45/26.9.2024; 47/14.11.2024	-Content: buy supplies. - <u>Total transaction value (before tax):</u> VND 19,174,706,090	(*)

No.	Name of organization	Name of internal person / Relationship with the Company	Address	Time of transaction	Resolution No. or Decision No. approved by General Meeting of Shareholders	Content, quantity, total value of transaction	Note
			Minh City				

Note: (*) This content is also reported above, in the section "*Transactions between the Company and related persons of the Company, or between the Company and major shareholders, insiders, related persons of internal persons*" because N.T.P Trading Company Limited is also a major shareholder with a total number of shares held of 1.441.140 shares (11.09%).

*Transactions between the Company and the company that its affiliated persons with members of Board of Directors, Board of Supervisors, Director (General Director) and other managers as a member of Board of Directors, Director (General Director or CEO).

None.

*Other transactions of the Company (if any) may bring material or non- material benefits for members of Board of Directors, members of the Board of Supervisors, Director (General Director) and other managers

None.

3.4/- Assessing the Implementation of regulations on corporate governance: The company has fully and properly complied with all legal regulations on corporate governance.

VI. FINANCIAL STATEMENTS

- 1) **Auditor's opinion:** as per the audited financial statements.
- 2) **Audited Financial Statements:** disclosed in accordance with regulations./.

RecipientS:

- Ho Chi Minh City Stock Exchange;
- Archived: Files, BOM.

GENERAL DIRECTOR



Huynh Tuan Anh