

No.: 1312/CBTT-CNTĐ

Ho Chi Minh City, April 14, 2025

PERIODIC INFORMATION DISCLOSURE

To: - State Securities Commission;
- HoChiMinh Stock Exchange.

1. Name of company: THU DUC WATER SUPPLY JOINT STOCK COMPANY.

- Stock code: **TDW**
- Address: No. 8 Khong Tu Street, Binh Tho ward, Thu Duc city, Ho Chi Minh city.
- Telephone: 19001012
- E-mail: idscntd@gmail.com

2. Content of Information disclosure:

- Annual Report 2025 of Thu Duc Water Supply Joint Stock Company.

3. This information was disclosed on Company's website on 14/04/2025 as in the link:
www.thuducwater.vn

We hereby commit that the disclosed information is true and we fully take responsibility before the law for the content of the disclosed information.

Attachment:

- Amended and supplemented materials for the 2025 Annual General Meeting of Shareholders;
- List of resumes (summary).

Organization representative
Legal representative
DIRECTOR

Nguyen Cong Minh



ANNUAL REPORT

THU DUC WATER SUPPLY
JOINT STOCK COMPANY

REPORTING YEAR: 2024

Ho Chi Minh City, April 2025

CONTENTS

| | |
|---|----|
| PART I. COMPANY OVERVIEW | 4 |
| I. General information | 4 |
| 1. Overview information | 4 |
| 2. Formation and development process | 4 |
| II. Business lines and business locations | 5 |
| 1. Business lines | 5 |
| 2. Business locations | 6 |
| III. Information on governance model, business organization and management apparatus | 6 |
| 1. Governance model | 6 |
| 2. Management apparatus structure | 6 |
| IV. Development orientation | 6 |
| 1. Key objectives | 6 |
| 2. Medium and long-term development strategy | 7 |
| 3. Sustainable development goals for the environment, society and community | 7 |
| V. Risks | 7 |
| PART II. OPERATING PERFORMANCE IN 2024 | 10 |
| I. Production-business operation situation | 10 |
| 1. Results of production-business activities | 10 |
| 2. Assessment of the implementation compared to the plan | 10 |
| II. Organization and Personnel | 11 |
| 1. List and resume of the Board of Management | 11 |
| 2. Changes in the Board of Directors/Board of Supervisors/Board of Management | 12 |
| 3. Number of officers, employees and policies for employees | 12 |
| III. Investment situation, project implementation | 15 |
| 1. Major investments | 15 |
| 2. Subsidiary, affiliated company | 16 |
| IV. Financial situation | 16 |
| 1. Financial situation | 16 |
| 2. Key financial indicators | 17 |
| V. Shareholder structure, changes in owner's investment capital | 19 |
| 1. Shares | 19 |
| 2. Shareholder structure | 19 |

| | |
|--|-----------|
| 3. Situation of changes in investment capital of the owner | 20 |
| 4. Treasury stock transactions | 20 |
| 5. Other securities | 20 |
| 6. Report on environmental and social impacts | 20 |
| PART III. REPORT ON ASSESSMENT OF BOARD OF DIRECTORS | 24 |
| I. Evaluation of production-business results | 24 |
| 1. Overview analysis of the Company | 24 |
| 2. Implementation results | 25 |
| 3. Evaluation of production-business results | 25 |
| 4. PROGRESS ACHIEVED | 27 |
| II. Financial situation | 27 |
| 1. Asset situation | 27 |
| 2. Situation of payables | 28 |
| III. Improvements in organizational structure, policies, management | 29 |
| IV. Future development plan | 30 |
| 1. Objectives and tasks of the 2025 plan | 30 |
| 2. Production-business plan targets; Financial plan | 30 |
| 3. Implementation measures | 31 |
| V. Evaluation report related to environmental and social responsibilities | 34 |
| PART IV. ASSESSMENT OF THE BOARD OF DIRECTORS | 35 |
| 1. Assessment of the Company's operations | 35 |
| 2. Evaluation of the Board of Management's performance | 36 |
| 3. Orientation plan of the Board of Directors | 36 |
| PART V. CORPORATE GOVERNANCE | 38 |
| I. Board of Directors | 38 |
| 1. Members and structure | 38 |
| 2. Subcommittees of the Board of Directors | 40 |
| 3. Activities of the Board of Directors | 40 |
| 4. Activities of independent members of the Board of Directors | 41 |
| 5. List of members with training certificates in governance | 41 |
| II. Board of Supervisors | 42 |
| 1. Members and structure | 42 |
| 2. Activities of the Board of Supervisors | 42 |

| | |
|--|-----------|
| 3. Meetings of the Board of Supervisors | 43 |
| III. Transactions, remuneration and benefits of the Board of Directors, Board of Supervisors, and Board of Management | 44 |
| 1. Salaries, bonuses, remuneration, benefits | 44 |
| 2. Share transactions of internal persons, major shareholders | 44 |
| 3. Contract or transaction with internal persons | 44 |
| 4. Evaluation of the implementation of the regulations on corporate governance | 47 |
| PART VI. FINANCIAL STATEMENTS FOR 2024 | 48 |
| 1. Independent auditor's opinion | 48 |
| 2. Audited financial statements for 2024 | 48 |

PART I

COMPANY OVERVIEW

I. GENERAL INFORMATION

1. Overview information

| Trading Name/ Listed Company | THU DUC WATER SUPPLY JOINT STOCK COMPANY |
|---|---|
| Stock symbol | TDW |
| English name | Thu Duc Water Supply Joint Stock Company |
| Business Registration Certificate No. | 0304803601 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on 18/01/2007, 5th change on 28/04/2022 |
| Address | No. 8 Khong Tu, Binh Tho Ward, Thu Duc City, Ho Chi Minh City |
| Charter capital | VND 85,000,000,000 (Eighty-five billion VND) |
| CSH's investment capital | VND 85,000,000,000 (Eighty-five billion VND) |
| Securities listed on the Ho Chi Minh Stock Exchange | Decision No. 206/QĐ-SGDHCM dated 17/09/2010 |
| Types of shares | common share |
| Par value | VND 10,000 |
| Number of shares listed | 8,500,000 shares |
| Total value of listed shares at par value | VND 85,000,000,000 (Eighty-five billion VND). |
| First trading day on HOSE | 11/11/2010 |
| Telephone | 19001012 |
| Website | www.thuducwater.vn |

2. Formation and development process

- **Year 1991:** Thu Duc Water Supply Joint Stock Company, formerly Thu Duc – Bien Hoa Water Supply Branch, a unit directly under Ho Chi Minh City Water Supply Company. The branch was established under Decision No. 202/QĐ-

TCNSTL of the Ho Chi Minh City Department of Transport and Public Works, with its own seal for transactions in accordance with State regulations;

- **Year 1992:** Thu Duc Water Supply Joint Stock Company officially went into operation with the functions of: managing, constructing, repairing, renovating and developing the water supply network in District 2, District 9 and Thu Duc District, Bien Hoa industrial park and a part of Thuan An district - Binh Duong province;
- **Year 2004:** The branch officially applied the management decentralization regulation in Ho Chi Minh City Water Supply Company under Decision No. 832/QD-CN-TCLĐTL dated 09/02/2004, the branch officially transferred the entire water supply network in the area north of Dong Nai bridge to Dong Nai Water Supply and Drainage Construction One Member Company Limited;
- **Year 2005:** Ho Chi Minh City People's Committee signed Decision No. 6662/QD-UBND approving the plan and transferring Thu Duc Water Supply Branch under Saigon Water Corporation into Thu Duc Water Supply Joint Stock Company;
- **Year 2007:** Thu Duc Water Supply Joint Stock Company officially went into operation in the form of a Joint Stock Company under Business Registration Certificate No. 4103005935 issued by the Department of Planning and Investment of Ho Chi Minh City on 18/01/2007;
- **Year 2008:** Ho Chi Minh City People's Committee signed Decision No. 1277/QD-UBND on determining the value of the State capital portion up to the time of equitization settlement of Thu Duc Water Supply Branch under Saigon Water Corporation;
- **Year 2010:** 11/11/2010 was the first trading day of Thu Duc Water Supply Joint Stock Company's shares listed on HOSE;
- **Year 2021:** Marking 15 years of operation of Thu Duc Water Supply Joint Stock Company.

II. BUSINESS LINES AND BUSINESS LOCATIONS

1. Business lines

- a. Extraction, treatment and supply of water: Management and development of water supply systems; supplying and trading clean water for consumption and production needs (in the area assigned according to the decision of Saigon Water Corporation).
- b. Architectural and related technical consulting activities: Consulting on the construction of water supply works, civil and industrial works (excluding design, survey, and construction supervision).
- c. Construction of other civil engineering works: Construction of water supply works. Restoring the road surface for specialized water supply works and other works.
- d. Installation of water supply and drainage systems, heating and air conditioning systems: Installation of water supply and drainage systems (excluding mechanical processing, waste recycling, and electroplating at the headquarters; excluding the installation of refrigeration equipment (freezing equipment, cold storage, ice

machines, air conditioners, water coolers), using R22 refrigerant in the field of seafood processing).

- e. Construction of water supply and drainage works: Construction, maintenance, and repair of water supply and drainage works, and related works.
- f. Production of non-alcoholic beverages, mineral water: Production of bottled drinking water.
- g. Wholesale of beverages: Trading in bottled drinking water.

2. Business location: Thu Duc City.

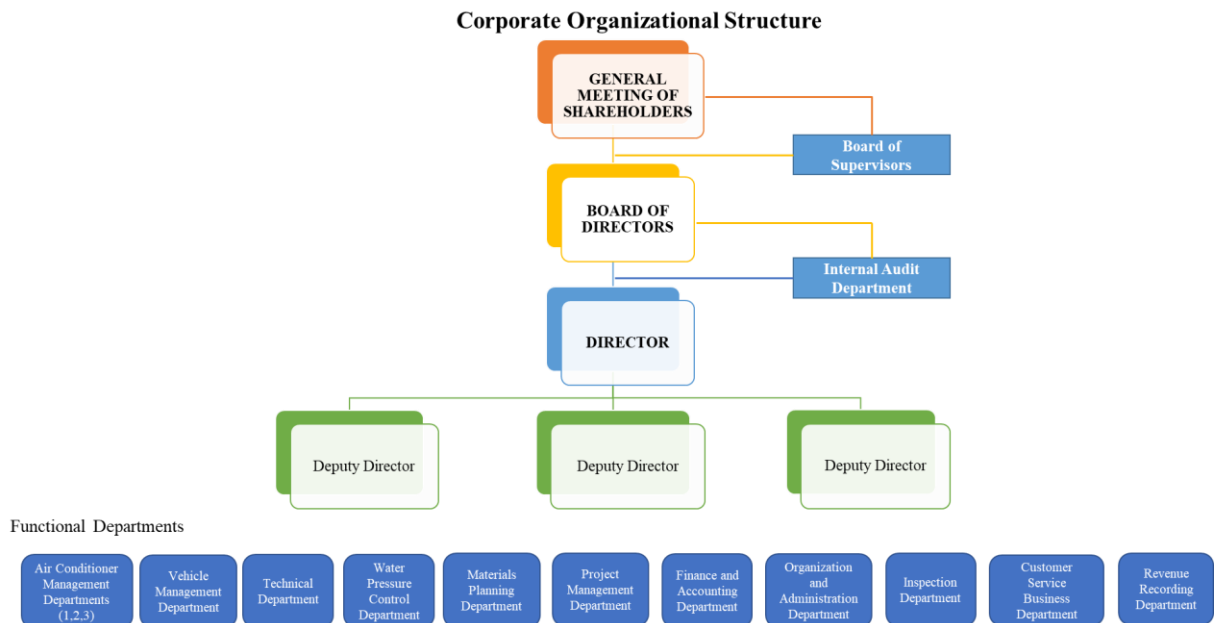
III. INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

1. Governance model

The corporate Governance model includes: General Meeting of Shareholders; Board of Supervisors; Board of Directors; Director.

2. Management apparatus structure

The organizational structure of Thu Duc Water Supply Joint Stock Company is built on the principle of assignment and management according to functional blocks of work.



3. Subsidiary, Associated company: None

IV. DEVELOPMENT ORIENTATION

1. The Company's main objectives

Thu Duc Water Supply Joint Stock Company is a business operating in the field of water supply, with the specificity and essentiality of the product in the daily life of all people, the Company sets out the following main development goals:

- Ensure a stable and continuous water supply, with quality meeting the standards of

the Ministry of Health;

- Protect the rights and economic interests of Shareholders;
- Use and develop capital sources effectively, maximizing profits;
- Apply modern techniques to the pipeline system and operating equipment to improve operating productivity and limit water loss;
- Comply with the law and fully fulfill State obligations;
- Reduce the rate of water loss.

2. Medium and long-term development strategy

In the context of rapid urbanization, the demand for clean water is increasing. Recognizing the importance and urgency of clean water for the community and society, the Company sets out the following medium and long-term strategy:

- Improve the quality of customer care services, apply digital technology to the Company's management and service system to ensure social security benefits while ensuring the optimization of economic benefits;
- Implement the expansion of the water supply system network to reach potential customers of the business;
- Regularly inspect the water supply system and equipment to ensure the water source meets the quality standards according to the Ministry of Health's regulations, while minimizing water loss during the transmission process to the people;
- Training of information technology human resources.

3. Sustainable development goals (environment, society and community)

The Company's main business is providing clean water, an essential product for people's daily needs. Therefore, in addition to business operations, the Company must also ensure the role of serving social security. The Company will strive to ensure that people in the area have access to clean water, contributing to improving the living environment and taking care of people's health together with functional departments and agencies.

Strictly comply with all State regulations on construction of water supply networks, protect underground construction systems in particular and infrastructure in general; correctly apply professional regulations on technology of Saigon Water Corporation.

V. RISKS

The water supply industry requires special attention to environmental and human health risks. Recognizing the significant impact of risks not only on the value chain of Thu Duc Water Supply Joint Stock Company but also on the surrounding community, WASUCO has made efforts to identify and manage risks related to its operations, ensuring compliance with environmental and labor safety regulations. In order to ensure risk management and timely preventive measures, WASUCO has implemented many safety policies and procedures to minimize negative impacts on the environment and community.

1. Policy risk

In addition to complying with relevant Laws such as the Law on Enterprises, Law on Securities, Labor Law, etc., the Company is also strictly controlled by the Law on Water Resources, regulations on management, protection, exploitation, use of water resources, prevention, and remediation of consequences and harmful effects caused by water, and the Law on Environmental Protection, which regulates environmental protection activities. Some changes in legal regulations, along with a series of guiding documents being replaced, affect the Company's management activities. Understanding legal regulations will avoid legal violations, and businesses will not suffer financial losses, and the production and business operations will not be affected. In addition, our country's legal policies, especially in the economic field, are forecast to change in the near future as the Government is making efforts to improve the investment environment in Vietnam and attract foreign capital. Therefore, the Company continuously updates new information to avoid causing unnecessary losses to the business.

2. Market risk

The selling price of products and services, clean water, is an important resource, with the State setting the price frame and specific prices (the People's Committee of Ho Chi Minh City approves the water price offered by enterprises based on regulations on pricing). The competent authority deciding the water price may consider adjusting the price when there are fluctuations such as changes in water treatment technology, service quality standards, and related policy mechanism changes. However, businesses in the same industry in general and the Company in particular are facing certain financial difficulties, requiring businesses to have appropriate business strategies to reduce costs and achieve target profits; or because input costs tend to increase but the unit price is not adjusted in time. The selling price of clean water of the Company is decided by the People's Committee of Ho Chi Minh City and according to the roadmap from 2019-2022, so the sudden increase in input costs may affect the Company's business production efficiency.

3. Environmental – climate – natural disaster – epidemic risks

In the event of environmental pollution, water source pollution will affect people's lives and the Company's business production situation.

The Company is also always aware of ensuring that its activities do not cause environmental pollution, complying with the regulations of functional agencies on environmental protection in water supply activities. In addition, the Company always promotes a sense of responsibility for sustainable development and protecting water resources for the future.

4. Water loss risk

The operation of supplying clean water through the Company's underground water supply network system poses a major risk of water loss. The cause of this situation is due to old pipes being worn, broken, pipe types, violations of water use or due to other projects unintentionally affecting the pipeline system.

Water loss is often difficult to detect, and repair work is often difficult and costly because this underground water system is located beneath residential and public works, thereby causing financial losses to the Company. The cost for water loss reduction is very large

and must be carried out continuously and sustainably, which directly affects the business efficiency of the unit.

5. Financial risk

The Company's financial risk includes market risk, credit risk and liquidity risk. The Company has built a control system to ensure a reasonable balance between the cost of risk incurred and the cost of risk management.

Interest rate risk: The Company is exposed to interest rate risk because the fair value of future cash flows of a financial instrument fluctuates with changes in market interest rates when the company incurs term or non-term deposits, loans and debts bearing floating interest rates. The Company manages interest rate risk by analyzing the competitive situation in the market to obtain interest rates that are beneficial to the Company's purposes.

Credit risk: Credit risk is the risk that a party involved in a financial instrument or contract is unable to fulfill its obligations, resulting in financial loss to the company. The Company has credit risks from production and business activities (mainly for customer receivables) and financial activities (including bank deposits and other financial instruments).

6. Other risks

In addition to the risks that may affect the Company's operations throughout, some rare risks may cause significant damage to the Company. These are force majeure risks such as natural disasters, fires, epidemics, labor accidents, etc. Therefore, to ensure the safety of employees, ensure continuous business operations and avoid unnecessary losses, businesses always strictly comply with regulations on fire prevention and fighting, rescue, regularly inspect equipment, update weather and social information,... fully purchase all necessary types of insurance during the year.

PART II OPERATING PERFORMANCE IN 2024

I. PRODUCTION AND BUSINESS OPERATION SITUATION

1. Production and business results

Based on the 2024 production and business plan, Thu Duc Water Supply Joint Stock Company has implemented it, with breakthrough solutions to achieve the set targets, harmonizing the efficiency of business operations and serving society. The results achieved are as follows:

| No. | Indicator | Unit | Actual 2023 | Plan 2024 | Actual 2024 | Percentage % AC/PL | Percentage % 2024/2023 |
|-----|----------------------------------|---------------------|-------------|-----------|-------------|--------------------|------------------------|
| 1 | Water supplied (via water meter) | 1000 m ³ | 108,831 | 110,200 | 110,596 | 100.36 | 101.62 |
| 2 | Revenue from water sales | million VND | 1,277,119 | 1,305,650 | 1,311,975 | 101.48 | 102.73 |
| 3 | Total revenue | million VND | 1,295,262 | 1,316,656 | 1,333,815 | 101.30 | 102.98 |
| 4 | Profit before tax | million VND | 68,086 | 64,853 | 70,299 | 108.40 | 103.25 |
| 5 | Profit after tax | million VND | 52,857 | 51,883 | 56,083 | 108.10 | 106.10 |
| 6 | Rate of water loss | % | 8.91 | 12.50 | 10.14 | - 2.36 | +1.23 |

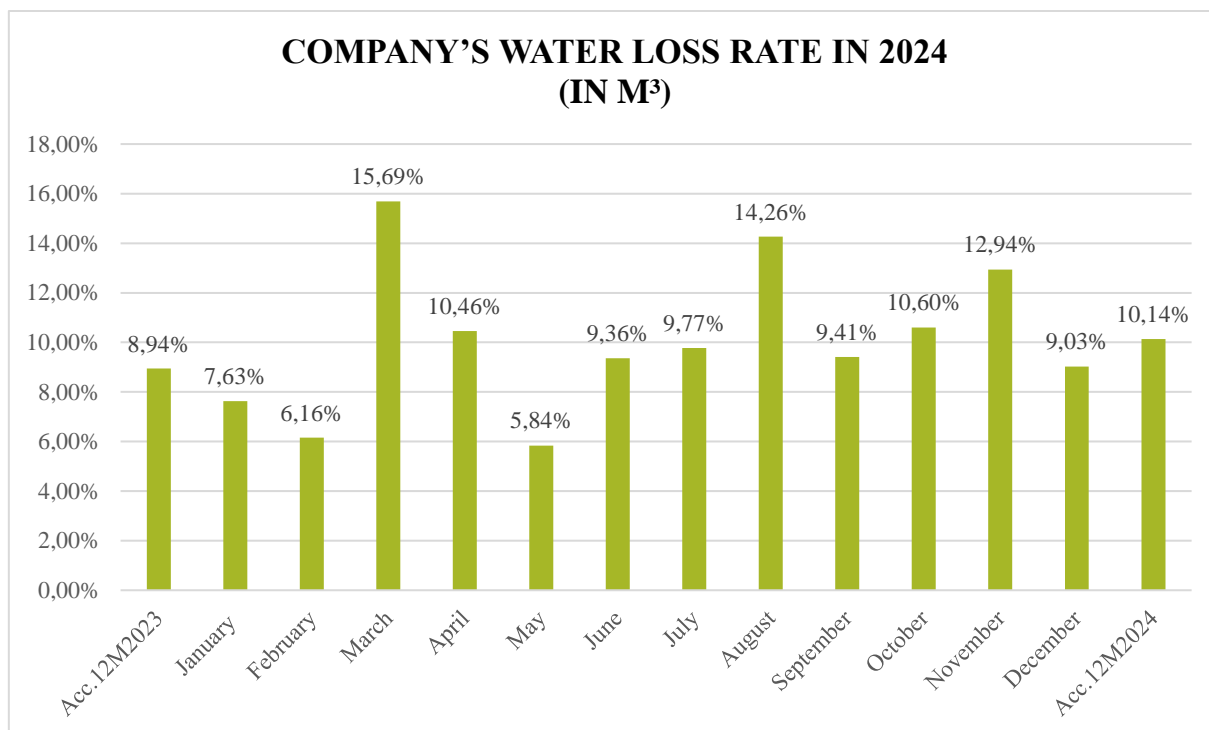
2. Assessment of performance against plan

The stated goals of the water supply units are to ensure a safe and continuous water supply, meeting 100% of the city's clean water needs; while building a modern and efficient working environment, improving service quality, contributing to creating customer trust and increasing labor productivity.

In 2024, the results of production and business activities with targets for output, revenue, profit, etc., all reached and exceeded the plan, specifically:

- The Water consumption volume in 2024 reached 110,596,441 m³, achieving 100.36% of the 2024 plan and increasing by 1.62% compared to the implementation in 2023.
- With the growth of water consumption, the water revenue target reached VND 1,311.98 billion, achieving 100.48% of the 2024 plan and increasing by 2.73% compared to the implementation in 2023. Specifically, the average selling price in 2024 reached VND 11,862.72/m³, achieving 100.12% of the 2024 plan and increasing by 1.09% compared to the implementation in 2023.
- Pre-tax profit in 2024 all increased and exceeded the annual plan, reaching VND 70.299 billion (108.4%) compared to the 2024 plan and increasing by VND 2.2 billion (+3.25%) compared to 2023. Post-tax profit in 2024 increased by VND 3.23 billion (+6.1%) compared to 2023.

- Work on reducing water loss and unaccounted-for water: In 2024, the Company put into operation 133 DMAs, of which 20 new DMAs have been put into operation since the beginning of 2024 and deployed water loss reduction activities; records of cases causing bursts on the company's water supply network have been made, recovering 35,196 m³; Applying information technology and science and technology to water loss reduction activities. As a result, the rate of water loss based on the Company's wholesale sales volume in 2024 is 10.14%, which is 1.23% higher than the water loss rate in 2023 and 2.36% lower than the General Corporation's plan of 12.5%.



II. ORGANIZATION AND PERSONNEL

1. List and resume of the Board of Management (as of 31/12/2024)

MR. NGUYEN CONG MINH

MEMBER OF THE BOARD OF DIRECTORS - DIRECTOR

| | |
|----------------------------|--|
| Qualification | Construction Engineer; Water Supply and Drainage Engineer |
| Year of birth | 1973 |
| Appointment date | 26/04/2022 |
| Percentage of shares owned | Representing 1,083,750 shares of Saigon Water Corporation at TDW, accounting for 12.75% - Owning 800 shares, accounting for 0.01% |

MR. PHAM HUYNH BA DAT
DEPUTY DIRECTOR

| | |
|----------------------------|--|
| Qualification | Civil and Industrial Construction Engineer |
| Year of birth | 1973 |
| Appointment date | 08/09/2022 |
| Percentage of shares owned | 0% |

MR. TRAN HUNG THANH
DEPUTY DIRECTOR

| | |
|----------------------------|--|
| Qualification | Master of Engineering, Construction Engineer |
| Year of birth | 1977 |
| Date of appointment | 17/5/2023 |
| Percentage of shares owned | 0% |

MR. NGUYEN CONG THANH
DEPUTY DIRECTOR

| | |
|----------------------------|-----------------------|
| Qualification | Bachelor of Economics |
| Year of birth | 1976 |
| Date of appointment | 01/06/2023 |
| Percentage of shares owned | 0% |

MR. CAO HUU LOC
POSITION: CHIEF ACCOUNTANT

| | |
|----------------------------|---------------------|
| Qualification | Master of Economics |
| Year of birth | 1976 |
| Date of appointment | 12/06/2020 |
| Percentage of shares owned | 0% |

2. Changes in the BOD/BOS/BOM

In 2024, there were no changes in personnel in the Board of Directors; Board of Supervisors and Board of Management.

3. Number of officials, employees and policies for employees

3.1. Number of officials and employees

Total number of officials and employees: 463 people.

As of 31/12/2024

| No. | Classification nature | Quantity (person) | Percentage (%) |
|----------|---------------------------------------|----------------------|-------------------|
| A | By qualification | 463 | 100 |
| 1 | University and Postgraduate level | 187 | 40 |
| 2 | College, professional secondary level | 86 | 19 |
| 3 | Elementary and Technical Workers | 16 | 3 |
| 4 | Unskilled workers | 174 | 38 |
| B | By type of labor | 463 | 100 |
| 1 | Direct labor | 179 | 39 |
| 2 | Indirect labor | 284 | 61 |
| C | By gender | 463 | 100 |
| 1 | Male | 357 | 77 |
| 2 | Female | 106 | 23 |
| C | By term of labor contract | 463 | 100 |
| 1 | Short-term contract under 1 year | - | - |
| 2 | Contract with a term of 1 to 3 years | 72 | 16 |
| 3 | Indefinite-term contract | 391 | 84 |
| D | By management level | 463 | 100 |
| 1 | Senior management | 7 | 2 |
| 2 | Middle management | 38 | 8 |
| 3 | Specialists, staff | 418 | 90 |
| C | By age | 463 | 100 |
| 1 | From 18 to 25 years old | 11 | 2 |
| 2 | From 25 to 36 years old | 91 | 20 |
| 3 | From 36 to 45 years old | 183 | 40 |
| 4 | Over 45 years old | 178 | 38 |

3.2. Policies for employees.

a) Working regime

The safety of employees during the working process is always the top priority of the Board of Directors, so the supporting and protective equipment for employees is fully installed and provided by the Company. In addition, employees are given periodic health check-ups at reputable hospitals organized by the Company.

The Company implements a working regime according to the provisions of the Labor Law of 8 hours/day, 5 days/week and arranges appropriate lunch break time. In addition, the Company also cares about the spiritual life of employees by coordinating

with the Trade Union to organize annual tours and travel for employees; Organize sports competitions, encouraging employees to participate in training to improve their health.

b) Training policies

Human resources are always a core element in the Company's formation and development process, so the quality of the staff is of concern to the Board of Management. With the goal of improving skills, improving professional skills, and improving labor productivity to complete production and business plans and political tasks at the unit, the Company always focuses on training and fostering a team of cadres who are strong in politics and good at professional skills. Assigning officials and employees to attend training courses, professional development courses, propaganda classes on law, and training for grade promotion exams.

In order to encourage and create conditions for officials and employees to study and improve their professional qualifications to meet work requirements, the Company has developed and promulgated regulations on training, fostering, and training, and organizing short-term courses to improve knowledge, skills, and professional qualifications for officials and employees, meeting work requirements and in accordance with the Company's development orientation. The organization of skills competitions is carried out for the right people and on time.

c) Salary and bonus policy

The Board of Management believes that only employees who are comprehensively cared for both materially and spiritually can create high-quality products and services and effectively meet customer needs. Therefore, the salary and bonus policy is always focused on and implemented in accordance with regulations by the Company. In addition, the salary and bonus regulations are allocated according to the Company's regulations to suit capacity, progress, workload, and fairness and equality.

In addition, the Company organizes emulation assessments to reward individuals who achieve good results and provide extraordinary bonuses to employees who complete their tasks excellently.

d) Welfare and employee care policies

Fully taking care of regimes and policies for employees is the top concern of the Company's Board of Management so that employees can feel secure and attached to their work and serve the work well. During the year, 100% of employees were paid social insurance; health insurance; purchased life insurance and ensured periodic health check-ups.

Equipping employees with uniforms and labor protection equipment and providing them with working facilities.

Organizing visits and giving gifts to workers with difficult circumstances; supporting employees with incurable and dangerous diseases; arranging rest rooms for officials and workers on duty to repair tanks at night.

Creating a healthy and useful playground for employees to regenerate labor and improve physical strength and health through sports activities, arts competitions, writing internal newsletters, etc.

III. INVESTMENT SITUATION, PROJECT IMPLEMENTATION SITUATION

1. Major investments

a) Project investments

In 2024, the Company has implemented water supply projects to serve the program to reduce water loss and ensure safe and continuous water supply to customers in the managed area, some of the major projects include:

| No. | Name of company | Scale (meters of pipe) | Investment capital (billion VND) |
|-----|--|---------------------------|-------------------------------------|
| 1 | Renovation and upgrading of damaged and deep pipes of DMA: HBC1A and DMA HBC1B (39 street, 41 street, 44 street, Tam Binh street, Song Hanh Kha Van Can street, Hiep Binh street, 36th street, 38th street, 40th street, 50th street, 52nd street), Hiep Binh Chanh ward, Thu Duc city | 6,260 | 14.730 |
| 2 | Renovation and upgrading of damaged and deep pipes of DMA Nguyen Xien (left & right side), Long Thanh My ward, Thu Duc city | 2,730 | 6.465 |
| 3 | Renovation and upgrading of damaged and deep pipes of DMA Metro An Phu, An Phu Ward (Vu Tong Phan Street, Song hanh Xa Lo Ha Noi Street + 14th Street + Duong Van An Street + 30A Street + Nguyen Hoang Street + Bui Ta Han Street + Cao Duc Lan Street), Thu Duc City | 2,787 | 12.696 |
| 4 | Renovation and upgrading of damaged and deep pipes of DMA Le Van Thinh-Binh Trung Dong, Binh Trung Dong Ward (42nd Street; 2nd Street, 3rd Street, 5th Street, 6th Street), Thu Duc City. | 4,146 | 10.052 |
| 5 | Renovation and upgrading of damaged and deep pipes of DMA HBC 1E (6th street and alleys, 8th street and alleys; 10th street and alleys; 12th street and alleys; Song Hanh Kha Van Can street) Hiep Binh Chanh ward, Thu Duc city | 4,611 | 8.631 |
| 6 | Repair of damaged pipes in An Binh apartment building, Sai Gon bridge foot, 280 Luong Dinh Cua alley, An Phu Ward, Thu Duc City | 1,786 | 5.076 |
| 7 | Repairing burst pipes in the Metro 1 area, An Phu Ward, Thu Duc City. | 5,808 | 13.944 |
| 8 | Repairing burst pipes in the Binh Trung Dong and Binh Trung Tay Wards, Thu Duc City. | 2,230 | 6.317 |
| 9 | Repairing burst pipes in Cat Lai Ward, Thu Duc City. | 3,944 | 11.173 |
| 10 | Repairing burst pipes in Thanh My Loi Ward, Thu Duc City. | 1,746 | 5.229 |

| No. | Name of company | Scale (meters of pipe) | Investment capital (billion VND) |
|-----|--|---------------------------|-------------------------------------|
| 11 | Repairing burst pipes in the Long Thanh My, Tan Phu, Hiep Phu, Phuoc Long A, Phuoc Long B Wards, Thu Duc City. | 3,893 | 11.452 |
| 12 | Repairing burst pipes in the Tang Nhon Phu A and Tang Nhon Phu B Wards, Thu Duc City. | 4,522 | 14.530 |
| 13 | Repairing burst pipes in Binh Chieu Ward, Thu Duc City. | 4,107 | 8.802 |
| 14 | Repairing burst pipes in Truong Thanh Ward, Thu Duc City. | 3,069 | 6.588 |
| 15 | Repairing burst pipes in Tam Binh Ward, Thu Duc City. | 2,697 | 8.965 |
| 16 | Repairing burst pipes in Quarter 3, Quarter 5, Hiep Binh Phuoc Ward, Thu Duc City. | 3,576 | 8.336 |
| 17 | Repairing burst pipes in Hiep Binh Chanh Ward, Thu Duc City. | 4,107 | 11.547 |
| 18 | Repairing burst pipes on 47th Street, 48th Street and alleys, Hiep Binh Chanh Ward, Thu Duc City. | 4,640 | 14.649 |
| 19 | Repairing burst pipes in the alleys of Hiep Binh Chanh Ward, Thu Duc City. | 4,072 | 10.500 |
| 20 | Repairing burst pipes in Binh Duc Residential Area, Binh Chieu Ward, Thu Duc City. | 3,345 | 5.961 |

b) Financial investments: None

2. Company's subsidiaries, affiliated companies: None.

IV. FINANCIAL SITUATION

1. Financial situation

| No. | Indicator | Unit | Plan 2024 | Actual 2024 | Percentage of Actual/Plan |
|----------|--|-------------|-----------|-------------|---------------------------|
| A | Financial situation | | | | |
| 1 | Total revenue | million VND | 1,316,656 | 1,333,815 | 101.30 |
| 2 | Profit before tax | million VND | 64,853 | 70,299 | 108.40 |
| 3 | Profit after tax | million VND | 51,883 | 56,083 | 108.10 |
| 4 | Ratio of profit after tax/ Owners' equity (according to | % | 38.90 | 42.05 | 108.10 |

| No. | Indicator | Unit | Plan 2024 | Actual 2024 | Percentage of Actual/Plan |
|-----------------------------------|---|-------------|-----------|-------------|---------------------------|
| Circular No. 200/2015/TT-BTC) | | | | | |
| 5 | Dividends | % | 12.00 | 24.45 | 203.75 |
| B Salary fund for Managers | | | | | |
| 1 | Salary fund for Managers | million VND | 3,326.40 | 3,810.24 | 114.55 |
| 2 | Remuneration of the Board of Directors/Member of the Board of Supervisors (non-specialized) | million VND | 696.00 | 696.00 | 100.00 |

2. Key financial indicators

| No. | Indicators | Unit | 2024 | 2023 (restated) |
|--|--|-------|--------|-----------------|
| 1 Solvency indicators | | | | |
| | Current ratio | Times | 0.60 | 0.85 |
| | Quick ratio | Times | 0.37 | 0.58 |
| 2 Capital structure indicators | | | | |
| | Debt/Total assets ratio | % | 57.03 | 50.22 |
| | Debt/Owners' equity ratio | % | 132.70 | 100.87 |
| 3 Operational efficiency indicators | | | | |
| | Inventory turnover | Turns | 13.86 | 14.26 |
| | Total asset turnover | Turns | 2.56 | 2.76 |
| 4 Profitability indicators | | | | |
| | Profit after tax/ Net revenue ratio | % | 4.25 | 4.12 |
| | Profit after tax/ Owners' equity ratio | % | 23.63 | 23.19 |
| | Profit after tax/ Total assets ratio | % | 10.88 | 11.39 |
| | Profit from business activities/ Net revenue ratio | % | 4.42 | 4.80 |

▪ Indicators of solvency

The Company's solvency ratios in 2024 decreased compared to 2023. The current ratio and quick ratio in 2024 were 0.60 and 0.37, respectively, compared to 2023. This was mainly because the Company had to pay for asset purchases during the year, dividend payments (*from 2023 profits at a rate of 14% and undistributed profits from previous years at a rate of 20%*), additional corporate income tax for 2023 based on the State Audit's recommendations according to Notice No. 25/TB-KV IV dated 11/11/2024 on

audit results at the unit, and payments for bulk clean water purchases between the Company and the Corporation at the time (post-equitization) of officially becoming a joint-stock company (31/01/2007) and at the time of bulk clean water purchases via master meter (21/07/2011) with the amount of VND 11.69 billion, causing a significant decrease in short-term assets, specifically cash and cash equivalents decreased by VND 22.99 billion.

▪ **Capital structure indicators**

The capital structure indicators in 2024 changed and increased compared to 2023. The debt/total assets ratio in 2024 slightly increased compared to the previous year, rising from 50.22% to 57.03%. The debt/equity ratio also tended to increase from 100.87% (in 2023) to 132.7% (in 2024). This was due to the total assets in 2024 increasing by 20.95% (+ VND 97.72 billion) compared to the previous year, in which long-term assets increased by VND 108.08 billion (fixed assets increased by VND 66.85 billion, and work-in-progress increased by VND 41.65 billion), and short-term assets decreased by VND 10.36 billion. In addition, liabilities also increased by 37.36% (equivalent to VND 87.49 billion), mainly due to taxes and state budget payable increasing by VND 83.02 billion and bank loans increasing by VND 16.98 billion. Equity increased by 4.31% compared to 2023 due to the development investment fund increasing by VND 16 billion (allocated from 2023 business profits). The debt ratio changed in an increasing direction. Therefore, the Board of Management has been and is implementing financial situation monitoring, while developing effective strategies to increase revenue and profit.

▪ **Operational efficiency indicator**

TDW's operational efficiency is mainly reflected through 2 key indicators: inventory turnover ratio and total asset turnover ratio. The turnover ratio decreased from 14.26 (in 2023) to 13.86 (in 2024), mainly because the average inventory value in 2024 was VND 62.09 billion, higher than the average inventory in 2023 of VND 58.06 billion. The company increased the purchases of pipeline materials, so the inventory turnover decreased by 0.4 times.

In addition, the total asset turnover also decreased from 2.76 times (in 2023) to 2.56 times (in 2024). Of which: net revenue from clean water sales increased by 2.73% in the context of average total assets increasing by 11.01% compared to the previous year, leading to a decrease of 0.2 times in total asset turnover. Accordingly, the revenue increase was mainly due to the increase in average selling price, specifically the average selling price increased from 11,734.93 VND/m³ (in 2023) to 11,862.72 VND/m³ (in 2024).

▪ **Profitability indicators**

Percentage of profit after tax on total assets in 2024: 10.88%, a decrease of 0.5% compared to 2023, mainly because total assets in 2024 increased by 20.95% compared to 2023, while profit after tax in 2024 only increased by VND 3.23 billion (+6.1%) compared to 2023.

Percentage of profit after tax on net revenue in 2024: 4.25%, an increase of 0.13% compared to 2023 because the growth rate of profit after tax (6.1%) increased faster than the growth rate of revenue (2.77%).

Percentage of profit after tax on Equity in 2024: 23.63%, a increase of 0.44% compared

to 2023, because profit after tax increased by 6.1% compared to 2023, while equity increased by 4.41%, the growth rate of equity was lower than the growth rate of profit after tax.

V.SHAREHOLDER STRUCTURE, CHANGES IN OWNER'S INVESTMENT CAPITAL

1. Shares

- Total number of shares issued: 8,500,000 shares.
- + Number of outstanding shares: 8,500,000 shares.
- + Number of freely transferable shares: 8,500,000 shares.
- + Number of restricted shares: None
- + Number of treasury shares: None
- Type of outstanding shares: Common
- Par value of shares: VND 10,000

2. Shareholder structure

a) Shareholder structure as of the record date 31/12/2024

| No. | Type of shareholder | Number of shares owned | Ownership percentage % |
|-----|---------------------------------------|------------------------|------------------------|
| 1 | State shareholder | 4,335,000 | 51.00 |
| 2 | Founding shareholder | - | - |
| | <i>Domestic</i> | - | - |
| | <i>Foreign</i> | - | - |
| 3 | Major shareholders | | |
| | <i>Domestic</i> | 3,754,720 | 44.17 |
| | <i>Foreign</i> | - | - |
| 4 | Company union | - | - |
| | <i>Domestic</i> | - | - |
| | <i>Foreign</i> | - | - |
| 5 | Treasury shares | - | - |
| 6 | Shareholders owning preference shares | - | - |
| 7 | Other shareholders | 410,280 | 4.83 |
| | <i>Domestic</i> | 152,770 | 1.80 |
| | <i>Foreign</i> | 257,510 | 3.03 |

List of major shareholders:

| No. | Name | Address | Quantity shares | Ownership ratio/Charter capital (%) |
|-----|---------------------------|---|-----------------|-------------------------------------|
| 1 | Saigon Water Corporation | No. 01, Cong Truong Quoc Te Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City | 4,335,000 | 51.00 |
| 2 | REE Water Company Limited | 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City | 3,754,720 | 44.17 |

b) Maximum foreign ownership Percentage: 50%

3. Situation of changes in owner's investment capital: None.

4. Treasury share transactions: None.

5. Other securities: None.

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

6.1. Impact on the environment.

- Total greenhouse gas (GHG) emissions:

- **Direct:** The Company's main operating activities mainly involve purchasing water and distributing water to customers, so there are very few direct greenhouse gas emissions into the environment. The main source of emissions comes from the Company's vehicles. However, the Board of Management always proactively develops plans to use vehicles in the most effective and optimal way to minimize emissions into the environment.
- **Indirect:** During the Company's operation, the main source of energy used in office areas is electricity, which indirectly affects greenhouse gas emissions. Therefore, the Company always instills in its employees the spirit of using electricity sparingly while managing and distributing electricity reasonably to each area and department.

6.2. Management of raw materials

Thu Duc Water Supply Joint Stock Company operates in the field of distributing and supplying clean water to people in District 2, District 9, and Thu Duc District (now Thu Duc City). The Company purchases clean water from Saigon Water Corporation (Thu Duc Water Plant) and redistributes it to customers through a water supply pipeline system. Therefore, the Company mainly uses materials that are specific to the water industry.

Annually, the Company regularly conducts assessments and appraisals of the Company's water quality according to the standards of the Ministry of Health Portal, and at the same time, reviews and inspects water pipes and develops plans to repair old and damaged pipes to ensure the supply of clean water to customers

and limit water loss.

6.3. Energy consumption

For TDW's business operations, electricity plays a crucial role in the Company's operation and is also the main resource for the office area. However, excessive use of energy will lead to a decline in resource reserves. Therefore, the Company always implements the policy of using this fuel rationally and encourages the collective of employees to save fuel in production and life.

6.4. Water consumption

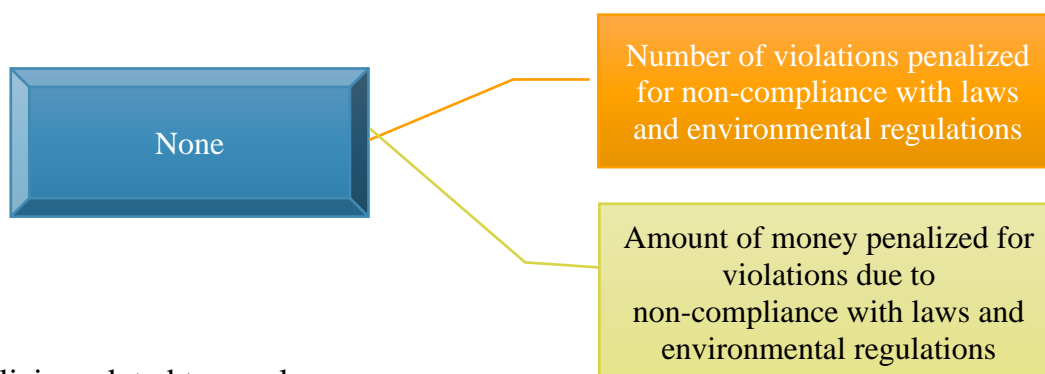
a) Water supply source and amount of water used:

- The input water source is purchased from Saigon Water Corporation and distributed to households in the Company's managed area through a water supply system (level 3 pipeline).
- In 2024, the Company distributed 110.596 million m³ to customers, and the water loss percentage was 10.14%. The Company is always aware of its responsibility in consuming and using water resources rationally and always focuses on policies to encourage employees to save water at the Company and in daily life.

b) Percentage and total amount of recycled water: None

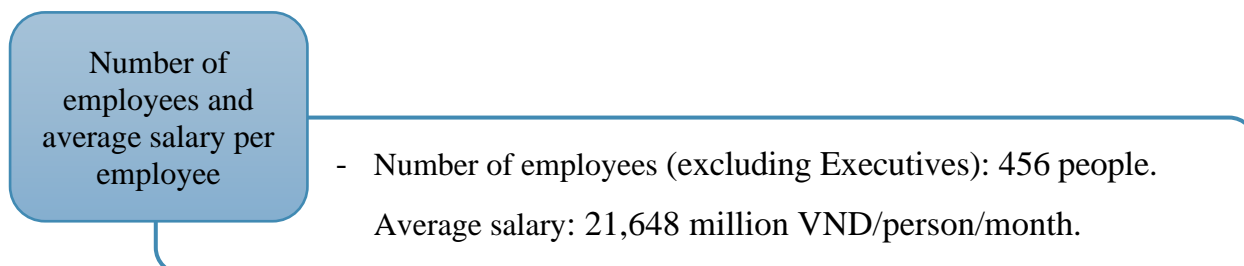
6.5. Compliance with environmental protection laws:

The Company always strictly implements regulations on environmental protection, protecting underground urban structures in the construction of water supply pipeline systems in the managed area. Clean water is an essential product for the needs of the community. Therefore, the Company always maintains water supply operations to ensure continuous and safe clean water supply for all households and organizations in the Company's managed area.



6.6. Policies related to employees

Employees are arranged, organized, and assigned work suitable to the Company's needs and the qualifications and abilities of each employee; ensuring stable income for employees.



Labor policy to ensure the health, safety, and welfare of employees

- Working hours are arranged in compliance with the provisions of the Labor Code.
- All employees have signed labor contracts and are fully entitled to all statutory benefits, ensuring peace of mind and long-term commitment to the Company. 100% of staff and workers are covered by social insurance, health insurance, life insurance, and receive regular health check-ups.
- Uniforms, personal protective equipment and working tools are fully provided to employees.
- The Company organizes visits and presents gifts to workers in difficult circumstances and arranges rest areas for employees working night shifts or engaged in urgent repairs.
- Creating a healthy and engaging environment for employees to help restore their working capacity, improve physical strength and overall health, thereby enhancing their dedication and work performance — through activities such as organizing sports festivals, participating in art and cultural competitions, contributing to the Corporation's internal newsletter, attending 'Golden Hands' skill contests, and providing newspapers and publications to stay updated on information and knowledge,...

Employee Training Activities

To encourage and create favorable conditions for staff and workers to study and improve their professional qualifications to meet work requirements, the Company has developed and issued regulations on training, retraining, and refresher courses. The Company has organized short-term training programs to enhance knowledge, skills, and professional qualifications of staff and workers in alignment with job requirements and the Company's development orientation.

In 2024, the Company organized various training sessions for employees with the aim of improving their professional skills, expertise, and knowledge. In addition, employees participated in thematic training courses on construction investment, financial-accounting practices, bidding procedures, labor and salary policies, and occupational safety and hygiene. The registration for skill certification exams was conducted accurately, targeting the right individuals within the designated timeframe.

6.7. Report related to responsibility to the local community.

In addition to business operations, the Company actively participates in activities launched by the local authority; maintains charitable and gratitude activities, builds gratitude houses, and cares for and supports cases with difficult circumstances in Ho Chi Minh City and a neighboring province. Therefore, all activities of the Company ensure that they meet the requirements of business economic benefits and social benefits.

- Regarding the environment: Comply with the process of distributing and treating water to minimize harmful agents to the environment and maintain hygiene in the Company area.
- Regarding social security:
 - + Visiting and giving gifts to 02 policy families with revolutionary contributions (Mr. Nguyen Van Canh, wounded soldier 1/4, residing in Linh Dong ward, Thu Duc City and Mrs. Trieu Thi Nghi, wife of a wounded soldier residing in Phuoc Binh ward, Thu Duc City) on the occasion of Lunar New Year and the anniversary of War Invalids and Martyrs Day on 27/7 every year. At the same time, providing regular nurturing support for the above 02 families with the amount of 1,000,000 VND/month/household from the Social Support Fund and the Trade Union Financial Fund.
 - + Supported the construction of 02 houses of gratitude: House No. 01 from the Welfare Fund for the family of Mr. Luong Van Doi (poor household) in Area 5, Lai Hieu Ward, Nga Bay City, Hau Giang Province with the amount of VND 50,000,000; House No. 2: supported the construction of a "Military - People affection" house (Military Command of Thu Duc City) with the amount of VND 20,000,000.
 - + Supported the organization of care for disadvantaged families in Binh Tho Ward, Thu Duc City on the 2024 Lunar New Year with a total amount of VND 20,000,000.
 - + Supported the funding for the program "Celebrating Tet with Sawaco Youth and Workers in 2024", sharing and accompanying union members and young workers to have a warm and joyful Lunar New Year, contributing to caring for and encouraging Union officials and youth union members of the Corporation (total amount: VND 10,000,000 from the Company's Welfare Fund).
 - + Mobilized employees to contribute to the Fund " For the homeland's sea and islands – for the nation's frontlines " and "For the Poor" Fund of the city in 2024 with the amount of VND 90,600,000.
 - + Mobilized employees and youth union members of the company with the spirit of mutual affection and solidarity to share and support people in the northern provinces to overcome the consequences caused by storm Yagi with a total amount of VND 191,191,374 and employees contributed an additional amount of VND 33,900,000; in addition, supported water supply to Son La and Lang Son with the amount of VND 70,000,000.

PART III**REPORT ON ASSESSMENT BY THE BOARD OF DIRECTORS****I. EVALUATION OF BUSINESS PRODUCTION ACTIVITIES****1. Overview analysis of the company's operations**■ **Advantages:**

- Thu Duc City was established based on merging Districts 2, 9 and Thu Duc district directly under Ho Chi Minh City. In the future, TDW's operating area will become the busiest area of Ho Chi Minh City with the increasing population density and the rapid development of urban areas here. In addition, Thu Duc city is gradually implementing the smart city and digital transformation project, activities are focused on such as investing in the construction of roads, riverside urban areas, financial centers, amusement parks... Grasping that situation, the Company's Board of Directors has made many improvements, improving quality from management to business production operations. At the same time, the Company quickly developed a business plan to ensure the clean water consumption needs of the people as well as maximize profits for the business.
- With the attention, direction and support of the Party Committee; The Board of Management and functional departments directly under Saigon Water Corporation.
- During the operation process, there is always solidarity and cohesion within the unit and timely direction from the Party Committee, the Board of Directors, and the Board of Management of the Company, creating conditions to improve work efficiency. Close coordination of mass organizations and the efforts of all employees in implementing political tasks at the unit.
- With the support of local authorities in the work of statistics on the number of households not yet supplied with water; quickly issuing permits for road excavation, supporting the resolution and inspection of cases of fraud in the use of water by customers.
- The Party Committee and the Board of Management always pay attention to the lives of workers, employees' income is always maintained at a high level, policies are publicized, creating a favorable environment for workers to work and develop in their work.

■ **Difficulties:**

- The high rate of urbanization and the strong development of the infrastructure system, although not synchronized, have led to overlapping construction, causing water supply pipes to be buried deep, making it difficult to detect leaks, construct and repair tanks, as well as manage the network.
- Some construction investment targets face many difficulties in agreeing on pipeline routes and waiting for handover of construction sites, leading to some projects not being implemented according to the expected schedule.
- Given that the global economy in 2024 still faces many difficulties and challenges, the production and business activities of enterprises in Thu Duc City are still facing

many difficulties, especially in the fields of real estate investment, production and business activities in industrial parks, which have affected some of the Company's targets.

2. Implementation results

| No. | Indicators | Unit | 2024 Plan | 2024 Actual | % Actual/Planned |
|-----|---|---------------------|-----------|-------------|---------------------|
| 1 | Water supplied (via meters) | 1000 m ³ | 110,200 | 110,596 | 100.36 |
| 2 | Revenue from water sales (via meters) | million VND | 1,305,650 | 1,311,975 | 101.48 |
| 3 | Percentage of households with access to clean water | % | 100 | 100 | 100.00 |
| 4 | Rate of water loss | % | 12.50 | 10.14 | - 2.36 |

3. Evaluation of production and business performance

Faced with social pressure regarding essential products for life and increasing customer demands for product quality, Thu Duc Water Supply Joint Stock Company has taken many breakthroughs approaches to achieve the set targets, balancing harmoniously between business performance and social service.

a) Supplied water volume

Ensuring safe, continuous, and quality water supply to meet the production, business, and daily life needs of the people in the managed area, contributing to socio-economic development, is always considered the Company's top priority.

The result of implementing the output target of water consumption in 2024 reached 110,596,441 m³, achieving 100.36% compared to the plan for 2024 and increasing by 1.62% compared to the implementation in 2023.

b) Water revenue

With the growth of water consumption, the water revenue target reached VND 1,311.98 billion, achieving 100.48% compared to the plan for 2024, and increasing by 2.73% compared to the actual in 2023.

Reviewing and inspecting the amount of water consumption and the users of customers and adjusting the price list and norms in accordance with reality. In addition, the work of supporting registration and granting water norms is also focused on implementation. At the same time, to respond to the city's campaign to join hands in supporting workers and students in rented houses to reduce some of the difficulties in life, in 2024, norms were granted to 13,206 households, with a total number of people granted norms of 273,995 people with 1,095,980 m³ granted norms.

The average selling price in 2024 reached 11,862.72 VND/m³, achieving 100.12% compared to the plan for 2024 and increasing by 1.09% compared to the implementation in 2023.

Continuing to maintain the program to improve customer service quality, the Company has actively contacted banks and collection organizations. The expansion of payment channels has created favorable conditions for customers as well as increasing the

collection rate and reduced risks for the unit's collection work. Applying information technology to serve operations such as Wasspro software, number reading software to support field water meter reading...

c) Target percentage of households with access to clean water

With the mission of supplying clean water in Thu Duc City, being aware that this is a very important political task. Faced with the assigned task, the Company has been determined in implementing it by many measures. Implementing projects to develop the water supply network, focusing on completing construction, quickly putting them into use, giving priority to the installation of water meters so that people have clean water to use. In areas where it is not possible to develop a water supply network, the Company has many solutions to ensure safe and continuous water supply, such as installing water tanks to supply clean water or installing master meters.

The Company always proactively coordinates with local authorities to survey households that need access to clean water, alleys, and roads without water supply pipelines to develop network development plans to ensure people's water use needs. Besides that, it implements movements targeting workers and students who are immigrants currently residing in the managed area, calling on and encouraging landlords to register water quotas to reduce the burden on immigrants currently residing in the area.

With determination, leadership's guidance through various measures, along with the collective efforts of the company's staff and workers, the company continues to maintain the rate of 100% of households having access to clean water.

d) Work on reducing water loss and unaccounted-for water.

- Zoning, network separation, source and system management.

In 2024, the Company put 133 DMAs into operation, of which 20 new DMAs have been put into operation since the beginning of 2024 and the development of water loss reduction has been implemented.

Coordinate with the Clean Water Transmission Enterprise to inspect and supervise the implementation of periodic master meter replacements, calculate the average consumption output for faulty meters, and ensure accurate and sufficient wholesale sales volume through master meters monthly. Regulate the network, increase pressure on the secondary transmission lines, and at the same time, the Company reviews and proposes the installation of additional secondary transmission pipelines in the area to improve pressure for Zone 2 (former District 9) in particular, and Thu Duc City in general.

- On-site supervision and GIS database development.

Complete updating the as-built drawings of the works, ensuring that all information on new pipelines and works is fully updated into the THUDUCGIS database according to the progress.

Currently, in the managed area of the Company, the urbanization rate is very fast, and large-scale infrastructure projects have a significant impact on the water supply network system. Faced with that situation, the Company has proactively strengthened supervision, monitoring and timely handling to ensure the proper technical construction, installation and repair of tanks; detect and prevent, in a timely manner, tank burst

incidents caused by the construction of other underground works. In 2024, the Company made records of cases causing tank bursts on the company's water supply network, recovering 35,196 m³.

- Applying information technology and science and technology to water loss reduction activities.

Apply hydraulic models to analyze the current operating status of DMAs, re-planning pressure zones, and developing plans to coordinate network pressure in areas.

Upgrade the Waternet website software for online pressure management and the APP for viewing via phone and integrate Loggers for water quality monitoring stations on the water supply network.

Develop and complete the construction of smart DMAs in residential areas under the Saigon Mystery project, Binh Trung Tay Ward, Zone 1, Thu Duc City.

In 2024, the Percentage of water loss based on the wholesale sales volume of the Company in 2024 is 10.14%, 1.23% higher than the Percentage of water loss in 2023 and 2.36% lower than the Corporation's plan of 12.5%.

4. Progress Achieved

- Completed and exceeded most of the production and business plan targets.
- Development of many synchronous solutions in water loss reduction.
- Constantly expanding the scope of business operations to fulfill the social mission, which is also a political task, is to increase the rate of households provided with clean water in the area.
- The revenue of the following year always increases compared to the previous year.
- Technical equipment is improved, and the application of information technology in water supply network management is enhanced; there are positive and effective actions in reducing the rate of water loss.
- Promoting administrative reform to quickly resolve customer requests...

II. FINANCIAL SITUATION

1. Asset situation

| Indicators | 2023 (million VND) | 2024 (million VND) | Ratio 2024/2023 | Proportion in 2023 | Proportion in 2024 |
|---------------------|-----------------------|-----------------------|--------------------|-----------------------|-----------------------|
| Short-term asset | 184,060 | 173,704 | 94,37% | 39.47% | 30.79% |
| Long-term asset | 282,315 | 390,393 | 138,28% | 60.53% | 69.21% |
| Total assets | 466,375 | 564,097 | 120,95% | 100.00% | 100.00% |

In 2024, the Company's total assets reached VND 466.375 billion, equivalent to an increase of 0.97% compared to the total assets in 2023. Total assets increased by VND 97.72 billion, mainly due to an increase in long-term assets of VND 108.08 billion, mainly due to an increase in fixed assets of VND 66.85 billion, and work-in-progress

increased by VND 41.65 billion due to the Company's expansion of investment in construction and development of water supply pipeline systems in the area managed by the Company and investment in the purchase of assets related to the application of scientific and technological advances in water supply operations and reduction of water loss. Conversely, short-term assets decreased by VND 10.36 billion, mainly cash and cash equivalents decreased by VND 22.99 billion because the Company had to pay for asset purchases during the year, pay dividends (*from 2023 profits at a rate of 14% and remaining undistributed profits from previous years at a rate of 20%*), supplement corporate income tax for 2023 according to the State Audit's recommendations under Notice No. 25/TB-Khu vuc IV dated 11/11/2024 on the results of the audit at the unit, and pay for the cost of purchasing bulk clean water between the Company and Saigon Water Corporation at the time of (after equitization) officially transforming into a joint stock company (31/01/2007) and at the time of purchasing bulk clean water through master meters (21/07/2011) with an amount of VND 11.69 billion.

Due to the impact of the above fluctuations, the structure of the Company's assets also has clear change. The proportion of short-term assets and long-term assets as of 31/12/2024 are 30.79% and 69.21%, respectively.

2. Liability situation

2.1. Liability situation, significant changes in liabilities

| Indicators | 2023 restated (Million VND) | 2024 (Million VND) | Actual 2024/2023 | Proportion in 2023 | Proportion in 2024 |
|--------------------------|-----------------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| Short-term debt | 216,700 | 287,480 | 132.66% | 92.53% | 89.37% |
| Long-term debt | 17,499 | 34,208 | 195.48% | 7.47% | 10.63% |
| Total liabilities | 234,199 | 321,688 | 137.36% | 100.00% | 100.00% |

In 2024, the Company's short-term liabilities increased on average by VND 70.78 billion (+32.66%) compared to 2023. The outstanding taxes payables to State budget increased to VND 83.02 billion because the Company suspended payment of the drainage and wastewater treatment service fee into the account of the Ho Chi Minh City Tax Department and is awaiting guidance on declaration and payment to the budget from the Government Agencies and Departments. In addition, long-term liabilities increased by VND 16.71 billion (+95.48%) compared to 2023, due to the Company's expansion of investment in construction and development of water supply pipeline systems in the area managed by the Company.

2.2. Analysis of overdue debt, impact of exchange rate differences on the company's production and business results, impact of loan interest rate differences.

In 2024, the Company had no overdue debt; some debts were not paid because the suppliers had not completed the payment request procedures.

III. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

The company has reformed the Board of Management's policies for employees in the organization, specifically as follows:

- On personnel work

Implementing innovation in recruitment, from the beginning of the year, the Company has developed a personnel recruitment plan, considering the quality of human resources as the most important and key factor in finding personnel to meet the work requirements of each department, ensuring that personnel are arranged and assigned to work reasonably, avoiding waste. The Company considers and focuses right from the recruitment stage based on labor quotas for work arrangement. The consideration of salary increases in the departments is also carried out in accordance with State regulations.

- On training activities

With the goal of improving skills, professional qualifications, and work productivity of employees to complete the production and business plan and political tasks at the unit, the Company always focuses on training and fostering a team of cadres who are strong in politics and good in professional skills. Sending officers and employees to attend training courses, professional development courses, legal propaganda classes and training for grade promotion in 2024.

In 2024, organizing 32 training classes/sessions for more than 624 employees to participate in studying to improve professional qualifications, management capacity, and working skills, with sufficient qualities and capabilities to meet the development requirements of the Company, a total of 13 training sessions were organized to enhance the professional qualifications, management capacity, and working skills of staff and workers in alignment with the Company's development requirements (08 domestic sessions and 05 overseas sessions).

- Administrative reform and improving customer service quality

Identifying administrative reform as one of the key and ongoing tasks, the Company's leadership and management staff in functional departments have continuously innovated and changed their working styles, improving the quality of handling records and water supply procedures, which have been further improved and simplified in administrative reform to enhance customer satisfaction.

Development of the "One-Stop Shop" model, centralizing all customer reception stages into one focal point, arranging proficient and experienced personnel with good communication and handling skills, resolving customer requests and recommendations conveniently and quickly, helping to improve the responsibility and skills of the customer service department, innovating old ways of working, strengthening synchronous coordination between functional departments to create conditions for effective and quality task resolution.

Actively applying information technology and digital transformation in all aspects of work. Up to now, records submitted for signing, outgoing and incoming documents, both internal and external, can be processed on the electronic office. This saves time in

resolving work, and the electronic office plays an important role in the Company's document management in a synchronous manner, increasing work efficiency, reducing the time for document and record circulation, and increasing the efficiency of using common data resources.

▪ On administrative - management work

The clerical and archival work is carried out in accordance with regulations. Paying attention to and improving working conditions, focusing on office hygiene, creating the best working conditions for employees to feel secure in their work, such as repairing and equipping more toilet facilities, installing more exhaust fans, air conditioners in offices, record storage rooms, and repairing team rooms, taking advantage of arranging space as a gathering place for materials to serve construction work...

Focus on ensuring security, order, and fire prevention safety, equip fire-fighting trolleys; regularly inspect fire-fighting equipment and means, inspect the safety of lightning protection systems, recharge fire extinguishers according to regulations; organize training, guidance, and update fire prevention and fighting knowledge for members of the grassroots fire prevention and fighting team.

IV. FUTURE DEVELOPMENT PLAN

Thu Duc Water Supply Joint Stock Company, in addition to doing production and business effectively for the Company, must also perform the political task of providing clean water, contributing to improving social security for the people.

Based on the actual situation and results achieved in 2024, the Company orients the 2025 production and business plan as follows:

1. Objectives and tasks of the 2025 plan

- Increase the volume of water consumed.
- Preserve and use the Company's capital effectively.
- Maintain profitable business operations, ensure and improve income, and take care of the spiritual life of employees.
- Ensure the quality of clean water for living, production, and service needs according to the state's regulations. Maintain a percentage of 100% of households with access to clean water.
- Percentage of water loss and non-revenue water at the average level: 11.20%.
- Improve the quality of human resources, promote the application of science and technology in the management and exploitation of technical infrastructure.

2. Production and business plan targets; 2025 financial plan

| No. | Indicators | Unit | 2025 Plan |
|----------|---------------------------------------|----------------|-------------|
| A | Production and business | | |
| 1 | Water consumption (via meters) | m ³ | 114,500,000 |
| 2 | Revenue from water sales (via meters) | million VND | 1,368,275 |

| No. | Indicators | Unit | 2025 Plan |
|--|--|-------------|-----------|
| 3 | Percentage of households using clean water | % | 100.00 |
| 4 | Water loss rate | % | 11.20 |
| B Finance | | | |
| 1 | Total revenue | million VND | 1,379,925 |
| 2 | Profit before tax | million VND | 72,507 |
| 3 | Profit after tax | million VND | 58,006 |
| 4 | ROE | % | 23.07 |
| 4.1 | ROE (according to Circular No. 200/2015/TT-BTC) | % | 38.67 |
| 5 | Dividends | % | 12.00 |
| C Salary fund for Managers; Remuneration for BOD, BOS | | | |
| 1 | Salary fund | million VND | 3,326.40 |
| 2 | Remuneration for BOD/BOS (non-dedicated) | million VND | 696.00 |

The production and business plan; The 2025 financial plan will be submitted to the 2025 Annual General Meeting of Shareholders for approval.

3. Implementation measures

a) Administration and Organizational Management

- Strengthen focused and unified direction, improve the capacity of the Company's operating and management apparatus in the direction of decentralization, autonomy, and self-responsibility before the Company and the State's laws.
- Build a corporate culture, create solidarity, and ensure harmony between collective and individual interests to connect everyone to act together for the common goal of sustainable business development.
- Continue to develop and improve working regulations in functional departments to promote links and coordination throughout the Company, creating premises for completing the set production and business plan.
- Improve and enhance coordination between functional departments in handling work, continue to build and complete the "one-stop-shop" customer service model, avoid causing trouble for people, and improve the responsibility and service spirit of the customer service department.
- Continue to maintain and develop the Company's website to create favorable conditions for customers to look up information and exchange information about the Company's services in the most convenient way.

b) Improve customer service quality

- Continue to build and develop online customer care applications to create favorable conditions for customers to use the Company's services.
- Propagate, educate, and organize training classes for officials and employees to improve their sense of responsibility in serving the people and customers.
- Develop and innovate processes in a scientific manner, in accordance with the actual situation in resolving customer requests and proposals, absolutely avoiding backlogs of records. Each functional department proactively improves the working process and shortens the record processing time.
- Continue to upgrade and improve the "customer care" model to facilitate and shorten the time to resolve customer requests.
- Coordinate with the Water Quality Management Department of Saigon Water Corporation and the Preventive Medicine Center to take samples and test water quality periodically.
- Proactively coordinate with local authorities to quickly resolve people's water supply requests.

c) Production and business targets

- Focus on accelerating network development, installing new water meters for customers, and minimizing temporary water supply solutions using tank trucks and water supply through master meters.
- Focus on detecting underground leaks and reducing water loss in DMAs with high water loss rates, reviewing master meters in the area, implementing regular inspection plans, replacing master meter/Datalogger batteries promptly, and ensuring stable operation of master meters.
- Continue to review and handle cases of consumption = 0 m³ and 1 – 4 m³ and reduce the size of water meters with unsuitable consumption levels.
- Strengthen inspection to detect, handle promptly, and thoroughly cases of fraud in water use, abnormal consumption, incorrect price rates, etc.
- Continue to improve the Company's overall hydraulic model of the water supply network to assess the pressure status throughout the water supply network in order to have a plan to re-plan the water supply network in accordance with the development orientation of Thu Duc City.

d) Construction investment targets

- Proactively balance capital sources to implement water supply network development projects; Ensure 100% of households are connected to water meters in areas with existing water supply networks.
- Focus on doing well and quickly on project dossiers in the investment preparation stage (economic and technical reports, design survey reports, construction cost estimates, etc.) to quickly move to the investment implementation stage.
- Statistics of pipeline areas with long lifespans and multiple leaks to include in the renovation and replacement plan. Strengthen coordination between relevant

departments and functional agencies to ensure the progress of project implementation.

- Be proactive in purchasing supplies and equipment right in the first quarter of 2025 to have a basis for completing the Company's plan. Strengthen construction supervision, inspect the quality of materials before construction, and conduct post-inspection to ensure the quality of construction works.
 - Strengthen the management of the valve system, regularly test operation, and maintain the valve system on the network, especially network isolation valves. Valve raising must be carried out regularly and continuously, without allowing the situation of obscured valves on the network, update the valve code on the water supply network and update valve data on ThuDucGIS.
 - Strengthen the supervision of construction of works, ensure construction is technically correct, materials are of good quality, ensure the re-establishment of pipe bedding sand, pay attention to repairing branch pipe leaks (replace with new pipes if leaking for the 2nd time or with unsuitable materials, to avoid re-emergence of leaks). Ensure all old pipes are completely sealed off in old pipe renovation projects in the managed area.
 - Strengthening the patrol of the water supply network, coordinate with local authorities to make records of handling cases of pipe bursts immediately at the scene and promptly repair leaks to avoid losses.
- e) Financial management, management of supplies, assets, machinery and equipment
- Implement the construction of financial and material management processes in accordance with regulations.
 - Timely development of bidding for material procurement projects in accordance with regulations, ensuring fairness and selection of capable contractors.
 - Balance reasonable use and strict management of capital sources.
 - Implement the financial reporting regime in accordance with State regulations.
- f) Application of information technology in management activities.
- Continue the development of statistical software to look up data for all applications, including: production and business data, water supply operation data (construction work: new installation, upgrading and relocation, leak reporting, upgrading and relocation, replacement of water meters, etc.) to serve management and operation (Mobile app version).
 - Complete the application and API Getway connection port system to serve the interconnected connection of information technology software for production and business management, integrating the functions of software such as: Barcode stamping app, meter replacement, free new installation, collection management, Wasspro, E-invoice, etc.
 - Continue to upgrade and update new features for existing software at the unit.
 - Continue to complete the overall hydraulic model of the Company's water supply network to assess the current pressure status on the entire water supply network to

have a plan to re-plan the water supply network in accordance with the development orientation of Thu Duc City.

g) Other tasks

- Implement the State's policy on practicing thrift and combating waste, contributing to stabilizing the unit's operations.
- The Trade Union and Youth Union proactively coordinate to launch emulation movements to complete the set targets and actively respond to emulation campaigns launched by Saigon Water Corporation and Thu Duc Water Supply Joint Stock Company.
- Maintain activities to implement a civilized urban lifestyle, civility in the workplace, combat environmental pollution, and maintain workplace hygiene.
- Through the emulation movement, we discover positive factors to train and foster to introduce to Party Cells.
- In 2025, Thu Duc Water Supply Joint Stock Company strives to continue to improve the lives of officials, employees and laborers.

V. REPORT ON ASSESSMENT RELATED TO THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

1. Assessment related to environmental indicators

Raw material management

The Company's main activity is the clean water supply service for people in Thu Duc City. The water supply is taken from Thu Duc Water Plant, which is the largest plant in the Southern region. The quality of water supply always complies with the regulations promulgated by the State. The maintenance of water pipes, water meters, etc., is also carried out regularly to minimize the amount of water lost during the transmission of water from Saigon Water Corporation and from Thu Duc Water Plant to households in the area.

Energy consumption

The main energy used in the Company's business operations is mainly electricity. Most of the electricity is used to operate equipment in the office area. However, the Company advocates the rational use of this energy source and encourages the collective of employees to save electricity in their work, as well as in life.

Water consumption

TDW's main operating activities is to supply water to residential areas, which is why the Company always has policies to encourage officials and employees to implement the motto "saving water is saving national resources".

2. Assessment related to labor issues

Annually, the Company organizes training courses to improve professional skills and management skills suitable for management levels and labor departments. In addition, organizing sports and arts activities to enhance interaction between departments is an indispensable part of improving solidarity within the Enterprise.

3. Assessment related to the company's responsibility to the local community

In addition to production and business operating activities, the Company also focuses on social work, supporting the lives of the residential community in the area. Over the past year, the Company has organized donations to help the poor and lonely elderly in the area, and at the same time commended and rewarded students with high achievements in their studies.

PART IV

ASSESSMENT OF THE BOARD OF DIRECTORS

1. Assessment of the Company's operating activities, including assessments related to environmental and social responsibilities

Despite many difficulties, thanks to the efforts of the employee and timely direction from the Board of Management, in 2024 the Company completed the assigned plan.

In financial work, the Company complies with the provisions of law; ensures the goal of preserving and developing capital sources, and at the same time provides complete and timely reports in accordance with the Law on Accounting and the Law on Securities, serving well for leadership operating activities and internal governance.

In terms of business, the Company strictly complies with regulations on water supply, opens more water bill payment channels through linking with banks and collection services, creating favorable conditions for customers to pay water bills anytime, anywhere.

Implementing administrative reform well, the quality of customer service is increasingly improved, the model solutions have been operating stably, customer requests and recommendations are resolved conveniently and quickly, shortening the time to receive and resolve work, reducing customer time.

Assessing the importance and effectiveness of the water loss reduction program, the Company has implemented many appropriate solutions such as: focusing on implementing projects to repair and upgrade the water supply network; controlling areas with zonal water meters; strengthening the work of detecting and repairing leaks; Continuing to operate the NOC water supply network center; Applying hydraulic models to analyze the operating status of DMAs, re-planning pressure zones and developing plans to coordinate network pressure; Applying the App to manage leak repair incidents; building a map to monitor water supply network pressure in real time, building a system to monitor incident vehicles, etc.

Recognizing the responsibility and importance of the unit to society, the Company has maximized creativity, building a strong water supply unit for the community. Regularly directing and supervising the implementation of production and business plans;

Achieving 100% of households provided with clean water and hygienic water, contributing to improving the lives of people in the area.

Information disclosure on the stock market is carried out in accordance with regulations, ensuring transparency, objectivity, and truthfully reflecting the company's operating situation.

2. Evaluation of the Board of Management's performance.

With the results achieved in 2024, the Board of Directors highly appreciates the role of the Board of Management in the management and administration of production and business.

- Compliance with the provisions of the Law on Enterprises, the Company's Charter, the Resolution of the General Meeting of Shareholders, and the Resolution/Decision of the Board of Directors in the process of operating the company.
- Promptly implementing positive solutions to complete the set plan, contributing to solving the clean water needs of people in the managed area.
- Maintaining a serious and effective regular professional meeting regime, demonstrating the command and unity role in the Board of Management.
- Making timely adjustments and changes in the organization and improvement of working processes to complete the apparatus and manage work effectively.
- Fully complying with the guidelines, policies, and Resolutions of the General Meeting of Shareholders and the Board of Directors.

3. Plans and orientations of the Board of Directors.

In the coming time, with the development plan of Thu Duc City, Ho Chi Minh City, the Company needs to make more efforts to serve the needs of production and business and provide domestic water for the city's people; continue contributing to the economic development, ensuring social security in the area under the Company's management, as well as the entire Ho Chi Minh City.

The company needs to identify and exploit opportunities in each period of difficulties and challenges for development. Promoting the strengths of the equitization model to contribute to creating initiative in production and business; focusing on arranging and completing the organizational structure according to the joint stock company model, combining orientation, training and development of the unit's human resources.

3.1. Business operations and governance.

The Board of Directors continues to closely monitor the business operation process according to the plan approved annually by the General Meeting of Shareholders.

Coordinating with the Board of Supervisors to detect early inadequacies in the Company's management process in order to propose preventive measures and timely handle risks arising in financial activities.

Continuing to promote the application of information technology in business management.

Continuing to review, update, and adjust regulations and processes to suit current regulations and the actual situation at the enterprise to create initiative, associated accountability, and strengthen inspection and supervision of compliance and work efficiency.

Completing and consolidating a streamlined organizational structure to suit the operations of a joint stock company and the development trend in the region.

3.2. Human resources work.

The focus of the personnel plan is to prepare human resources to meet the personnel needs for the company's development goals.

The workforce plays an important role in the development of the business, in order to create a solid foundation, it is necessary to train workers to grasp the knowledge and skills necessary to perform the job. Building a sustainable business requires relying on high-quality human resources, with professional skills, specialized knowledge and extensive experience will promote labor productivity.

3.3. Other tasks

Strengthen democracy through government channels, Party organizations, Trade Unions, and Youth Unions to build a united and unified Company; build a corporate culture for the goal of sustainable business development.

Take care of the material and spiritual life of employees, helping them to feel secure in their work and fostering their long-term commitment to the Company.

PART V**CORPORATE GOVERNANCE****I. BOARD OF DIRECTORS****1. Members and structure of the Board of Directors**

The structure of the Board of Directors as of 31/12/2024 is as follows:

MR. NGUYEN TONG DANG KHOA - CHAIRMAN OF THE BOARD

| | |
|----------------------------------|---------------------|
| Representing ownership of shares | 1,083,750 Shares |
| Individually held shares | - |
| Total voting shares | 1,083,750 Shares |
| Percentage % | Representing 12.75% |
| Note: | Dedicated |

MR. NGUYEN CONG MINH**MEMBER OF THE BOARD OF DIRECTORS CUM DIRECTOR**

| | |
|----------------------------------|---|
| Representing ownership of shares | 1,083,750 Shares |
| Individually held shares | 800 Shares |
| Total voting shares | 1,083,750 Shares (representing); 800 Shares (owned) |
| Percentage % | Representing 12.75%, owning 0.01% |
| Note: | Executive |

MR. DANG DUC HIEN - MEMBER OF THE BOARD OF DIRECTORS

| | |
|----------------------------------|---|
| Representing ownership of shares | 1,083,750 Shares |
| Individually held shares | - |
| Total voting shares | 1,083,750 Shares |
| Percentage % | Representing 12.75% |
| Titles held at other companies: | <ul style="list-style-type: none"> - Deputy General Director of Sai Gon Water Corporation; - Board of Directors' members of Cho Lon Water Supply Joint Stock Company; - Member of the Board of Directors International Square Trading Service Joint Stock Company. |
| Note: | Non-executive |

MR. LE TRONG THUAN**MEMBER OF THE BOARD OF DIRECTORS**

| | |
|----------------------------------|--|
| Representing ownership of shares | 1,083,750 Shares |
| Individually held shares | - |
| Total voting shares | 1,083,750 Shares |
| Percentage % | Representing 12.75% |
| Titles held at other companies: | - Director of Customer Service business of Saigon Water Corporation. - Board of Directors' members of Cho Lon Water Supply JSC. |
| Note: | Non-executive |

TRUONG KHAC HOANH**MEMBER OF THE BOARD OF DIRECTORS**

| | |
|----------------------------------|---|
| Representing ownership of shares | - |
| Individually held shares | - |
| Total voting shares | - |
| Percentage % | - |
| Titles held at other companies: | - Director – REE Water Company Limited. - Board of Directors' members of the companies: + Thu Duc Water B.O.O Corporation; + Tan Hiep Water Investment Joint Stock Company; + Song Da Water Investment JSC; + Khanh Hoa Water Supply And Sewerage JSC; - Sai Gon Clean Water Business and Investment JSC. |
| Note: | Non-executive |

NGUYEN ANH TUAN**MEMBER OF THE BOARD OF DIRECTORS**

| | |
|------------------------------------|--|
| Share ownership representative | - |
| Personally held shares | - |
| Total voting shares | - |
| Percentage % | - |
| Positions held at other companies: | - Business development manager – REE Water Company Limited - Board of Directors' members of the companies: + Gia Dinh Water Supply Joint Stock Company; + Nha Be Water Supply Joint Stock Company; + Song Da Water Investment JSC; + Khanh Hoa Water Supply And Sewerage JSC. |
| Note: | Non-executive |

2. Subcommittees of the Board of Directors: None

3. Activities of the Board of Directors

Members of the Board of Directors fully participated in the meetings and provided written opinions on issues under the authority of the Board of Directors with the highest sense of responsibility, promoting the leadership capacity of the members, for the benefit of shareholders and the development of the company.

In 2024, the Board of Directors held meetings to promptly direct issues under the responsibility of the Board of Directors, specifically as follows:

| No. | Resolution/Decision No. | Date | Content approved |
|-----|-------------------------|------------|--|
| 1 | 03/NQ-CNTĐ-HĐQT | 05/02/2024 | - Approved the plan to convene the 2024 Annual General Meeting of Shareholders. |
| 2 | 06/NQ-CNTĐ-HĐQT | 23/02/2024 | - Adjusted the plan to convene the 2024 Annual General Meeting of Shareholders. |
| 3 | 08/NQ-CNTĐ-HĐQT | 21/3/2024 | <ul style="list-style-type: none"> - Audited 2023 financial statements draft; - 2023 actual salary fund; - 2024 labor plan and salary fund; - 2023 profit distribution and dividend payment plan (submitted to the 2024 Annual General Meeting of Shareholders); - 2024 financial plan (submitted to the 2024 Annual General Meeting of Shareholders); - 2023 clean water wholesale contract; 2024 wholesale contract unit price with Saigon Water Corporation; - Related party transaction in 2024; - Evaluation of operational efficiency and enterprise ranking in 2023; - Report of the Internal Audit Department in 2023 and operational plan in 2024; - Sending a delegation to attend the Australian water industry exhibition and conference Ozwater'24; - Documents for the 2024 Annual General Meeting of Shareholders. |
| 4 | 14/NQ-CNTĐ-HĐQT | 22/5/2024 | <ul style="list-style-type: none"> - Approved the plan to pay dividends from 2023 business profits and from undistributed profits of previous years; - Selected UHY Auditing And Consulting Company Limited as the auditing unit for the 2024 financial statement; - Appointed Ms. Nguyen Thi Ngoc Lanh as the person in charge of corporate governance cum |

| No. | Resolution/Decision No. | Date | Content approved |
|-----|-------------------------|------------|--|
| | | | Company Secretary replacing Ms. Nguyen Thi Tuyet Nhung. |
| 5 | 19/NQ-CNTĐ-HĐQT | 13/6/2024 | <ul style="list-style-type: none"> - 2024 internal audit plan; - Amended and supplemented the Company's internal audit regulations. |
| 6 | 28/NQ-CNTĐ-HĐQT | 10/9/2024 | <ul style="list-style-type: none"> - Policy on borrowing capital from banks to implement business production; - Quarter II financial statements, interim financial report 2024 have been reviewed; - Adjusted the 2024 planned salary and remuneration fund. - Adjusted the company's salary scale system, job title groups and the Table of job title standards; - Report of the Internal Audit Department on the performance in the first 6 months of 2024; - Resignation letter of Mr. Nguyen Anh Tuan - Board of Directors' members. |
| 7 | 32/NQ-CNTĐ-HĐQT | 16/10/2024 | <ul style="list-style-type: none"> - Selecting banks for capital loans and loan limits to implement construction investment projects in 2024; adjusting the capital source structure for projects with capital loans; - Policy on hiring a consulting unit to disclose information in English. |
| 8 | 36/NQ-CNTĐ-HĐQT | 11/12/2024 | <ul style="list-style-type: none"> - Financial results and Financial Statements for Quarter III of 2024; - Adjusting and supplementing the construction investment and procurement plan for materials and equipment in 2024. |

4. Activities of independent Member of the Board of Directors: None

5. List of Board of Directors members with training certificates in corporate governance

a) List of members participating in corporate governance training in 2024

- Nguyen Thi Ngoc Hanh – Head of the Board of Supervisors.
- Nguyen Thi Ngoc Lanh – Person in charge of corporate governance cum Company Secretary.
- Dinh Duc Dien – Assistant to the Chairman of The Board of Directors/ Deputy Head of Project Management Department
- Pham Thi Kim Chi – Head of the Organization and Administration Department

b) List of members who have participated in corporate governance training courses

- Dang Duc Hien – Member of the Board of Directors,
- Nguyen Thi Ngoc Hanh – Head of the Board of Supervisors.
- Nguyen Thi Tuyet Nhung – Person in charge of corporate governance cum Company Secretary.

II. BOARD OF SUPERVISORS

1. Members and structure of the Board of Supervisors

| No. | Full Name | Position | Ownership representative shares | Personally held shares | Total voting shares | Percentage % |
|-----|-----------------------|-----------------------------|---------------------------------|------------------------|---------------------|--------------|
| 1 | Nguyen Thi Ngoc Hanh | Dedicated head of the Board | - | - | - | - |
| 2 | Truong Que Huong | Member | - | - | - | - |
| 3 | Nguyen Thi Thanh Thao | Member | - | - | - | - |
| 4 | Nguyen Thi Ngoc Oanh | Member | - | - | - | - |

2. Activities of the Board of Supervisors

Based on the functions and tasks of the Board of Supervisors as stipulated in the Law on Enterprises; the Charter on Organization and Operation of the Company; the Regulations on Operation of the Board of Supervisors and the Corporate Governance Regulations of the Company, the Board of Supervisors has developed and implemented a work program, assigning tasks to each member in charge of inspecting and supervising the activities of the Board of Directors, the Board of Management on the implementation of the Resolution of the General Meeting of Shareholders and the Company's business operations in 2024 as follows:

- Supervising the implementation of the Production and Business Plan, and the Financial Plan for 2024;
- Proposing a list of independent auditing firms to conduct audits of the Company's 2024 Financial Statements;
- Supervising the payment of remuneration to the Board of Directors and concurrent members of the Board of Supervisors;
- Reviewing the suitability of Resolutions of the Board of Directors and Decisions of the Board of Management in management activities.
- Appraise the Company's business performance reports, quarterly and annual financial statements; assess the management performance of the Board of Directors and submit the appraisal report at the Annual General Meeting of Shareholders.

- Supervise the information disclosure in accordance with the law, ensuring transparency in information disclosure to serve the interests of Shareholders.
- Supervise the distribution of profits and the appropriation of funds; Implement dividend payments to Shareholders.
- Attend the meetings of the Board of Directors, thereby capturing timely information on the Company's business operations to perform well the tasks of inspection and supervision as prescribed.
- Organize periodic meetings of the Board of Supervisors in accordance with regulations to review and evaluate the Company's business operations.
- Participate in regular training and updates on professional skills and relevant legal policies to effectively support job performance.

3. Meetings of the Board of Supervisors

In 2024, the Board of Supervisors held meetings to approve documents submitted to the 2024 Annual General Meeting of Shareholders; review and evaluate the Company's business results based on the audited 2023 Financial Statements, the reviewed 2024 semi-annual Financial Statements, and the Company's QIII Financial Statements and accumulated results for the first 9 months of the year. In addition, members of the Board of Supervisors also attended meetings at the invitation of the Company's Board of Directors.

All members of the Board of Supervisors attended the meetings fully, the contents of the meetings of the Board of Supervisors are as follows:

| No. | Minutes of meeting | Date of meeting | Content of meeting |
|-----|--------------------|-----------------|---|
| 1 | 01/BB-BKS | 19/3/2024 | <ul style="list-style-type: none"> - Evaluating the Company's business performance in 2023; Approving the Company's audited Financial Statements for 2023. - Approving the Draft Report on the activities of the Board of Supervisors to be submitted to the 2024 Annual General Meeting of Shareholders; Reviewing documents for the preparation of the 2024 Annual General Meeting of Shareholders. - Proposing a List of auditing organizations to audit the Company's Financial Statements for 2024. |
| 2 | 02/BB-BKS | 16/8/2024 | Evaluating business performance and Approving the Company's reviewed Semi-Annual Financial Statements for 2024. |
| 3 | 03/BB-BKS | 04/11/2024 | Evaluating the Business Performance, Financial Statements for Quarter III and accumulated 9 months of 2024 of the Company. |

III. TRANSACTION, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT, BOARD OF SUPERVISORS

1. Salaries, bonuses, remuneration, benefits

| No. | Full Name | Position | Salary | Remuneration | Bonus | Note |
|---------------------------------|-----------------------|-----------------------|-------------|--------------|------------|-------------------------|
| I. BOARD OF DIRECTORS | | | | | | |
| 1 | Nguyen Tong Dang Khoa | Chairman of the Board | 688,367,192 | - | 79,457,204 | |
| 2 | Nguyen Cong Minh | Members cum Director | 622,876,842 | 96,000,000 | 71,831,280 | |
| 3 | Dang Duc Hien | Member | - | 96,000,000 | - | |
| 4 | Truong Khac Hoanh | Member | - | 96,000,000 | - | |
| 5 | Le Trong Thuan | Member | - | 96,000,000 | - | |
| 6 | Nguyen Anh Tuan | Member | - | 96,000,000 | - | |
| II. BOARD OF SUPERVISORS | | | | | | |
| 1 | Nguyen Thi Ngoc Hanh | Head of the board | 573,365,962 | - | 64,697,352 | |
| 2 | Truong Que Huong | Head of the board | - | 72,000,000 | - | |
| 3 | Nguyen Thi Ngoc Oanh | Member | - | 72,000,000 | - | |
| 4 | Nguyen Thi Thanh Thao | Member | - | 72,000,000 | - | |
| III. BOARD OF MANAGEMENT | | | | | | |
| 1 | Pham Huynh Ba Dat | Deputy Director | 591,187,961 | - | 68,141,317 | |
| 2 | Tran Hung Thanh | Deputy Director | 533,621,579 | - | 40,318,639 | |
| 3 | Nguyen Cong Thanh | Deputy Director | 526,343,427 | - | 37,740,122 | |
| 4 | Nguyen Thi Thuy Linh | Deputy Director | 35,759,515 | - | 26,957,230 | Dismissed on 01/06/2023 |
| 5 | Cao Huu Loc | Chief Accountant | 545,212,809 | - | 61,499,384 | |

2. Share transactions of internal persons, major shareholders and related persons:
None.

3. Contract or transaction with internal persons.

Transactions between the Company and its related persons or between the Company and its major shareholders, related persons of internal persons.

SAIGON WATER CORPORATION

| | | |
|--|--|---------------------|
| Relationship with the Company | Major shareholder holding 51% (State shareholder) - Parent company | |
| Business License no. | 0301129367, Date of issue: 20/09/2010. Place of issue: Department of Planning and Investment of Ho Chi Minh City | |
| Address | 01 Cong Truong Quoc Te Street, Vo Thi Sau Ward, District 3, HCMC | |
| Time of transaction | 2024 | |
| Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors | 10/NQ-DHĐCĐ dated 19/04/2024 | |
| Content, quantity, total value of transaction | Wholesale of clean water | VND 847,289,049,393 |
| | Training | VND 75,713,740 |
| | Operating asset lease | VND 9,373,318,450 |
| | Dividend payment | VND 14,739,000,000 |
| | Media; training | VND 212,263,636 |

NHA BE WATER SUPPLY JOINT STOCK COMPANY

| | | |
|--|--|-----------------|
| Relationship with the Company | Same parent company (Saigon Water Corporation) | |
| Business License no. | 0304789298. Date of issue: 02/01/2007. Place of issue: Department of Planning and Investment of Ho Chi Minh City | |
| Address | 1179 Nguyen Van Linh Street, Quarter 4, Tan Phong Ward, District 7, Ho Chi Minh City | |
| Time of transaction | 2024 | |
| Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors | 08/NQ-CNTĐ-HĐQT dated 21/03/2024 | |
| Content, quantity, total value of transaction | Purchase of bottled drinking water | VND 125,124,908 |

WATER MECHANICAL CONSTRUCTION JOINT STOCK COMPANY

| | | |
|--|---|-----------------|
| Relationship with the Company | Group company (Saigon Water Corporation) | |
| Business License no. | 0304772551. Date of issue: 03/01/2007. Place of issue: Department of Planning and Investment – Ho Chi Minh City | |
| Address | C12 Thong Nhat 1 Hamlet, Tan Thoi Nhi Commune, Hoc Mon District, Ho Chi Minh City | |
| Time of transaction | 2024 | |
| Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors | 08/NQ-CNTĐ-HĐQT dated 21/3/2024 | |
| Content, quantity, total value of transaction | Repair, renovation; water meter verification | VND 165,000,000 |

COMMUNICATIONS AND PUBLIC WORKS JOINT STOCK COMPANY

| | | |
|--|--|-------------------|
| Relationship with the Company | Same parent company (Saigon Water Corporation) | |
| Business License no. | 0300475734. Date of issue: 13/10/2010. Place of issue: Department of Planning and Investment of Ho Chi Minh City | |
| Address | No. 14-16 Phan Dang Luu Street, Ward 6, Binh Thanh District, HCMC | |
| Time of transaction | 2024 | |
| Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors | 08/NQ-CNTĐ-HĐQT dated 21/3/2024 | |
| Content, quantity, total value of transaction | Construction and installation of water supply works (Renovation and upgrading of faulty pipes, DMA deep pipes) | VND 9,424,241,131 |
| | Revenue from clean water sales | VND 154,383,658 |
| | Tank repair materials | VND 6,004,293 |

REE WATER COMPANY LIMITED

| | | |
|--|--|--------------------|
| Related relationship with the Company | Shareholder | |
| Business License no. | 0312491547. Date of issue: 04/10/2013. Place of issue: Department of Planning and Investment of Ho Chi Minh City | |
| Address | 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City | |
| Time of transaction | 2024 | |
| Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors | 10/NQ-ĐHĐCĐ dated 19/4/2024 | |
| Content, quantity, total value of transaction | Dividend payment | VND 12,766,048,000 |

4. Evaluation of the implementation of the regulations on corporate governance

Thu Duc Water Supply Joint Stock Company always complies with and strictly implements the legal regulations on the implementation and disclosure of information. At the same time, it always considers practices and adjusts them to suit the regulations of law on corporate governance to suit the business and bring operational efficiency.

PART VI FINANCIAL STATEMENTS

1. Audit opinion

Excerpt from the Independent Audit Report of UHY Auditing and Consulting Company Limited on the Financial Statements of Thu Duc Water Supply Joint Stock Company for 2024.

▪ Audit opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Thu Duc Water Supply Joint Stock Company as at 31 December 2024, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the related legal regulations on the preparation and presentation of the financial statements.

2. Audited 2024 financial statements

The 2024 financial statements of Thu Duc Water Supply Joint Stock Company have been audited by UHY Auditing and Consulting Company Limited and the full text is published in detail on the Company's website, at: www.thuducwater.vn.

Recipients:

- Ho Chi Minh Stock Exchange;
- BOD; BOS;
- BOM;
- Archived: AD. BOD.

Ho Chi Minh City, April 15, 2025

DIRECTOR

Nguyen Cong Minh