

HUE WATER SUPPLY JOINT STOCK COMPANY

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HueWACO

THE DOCUMENT

FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025

Hue city, April 4th 2025

LIST OF DOCUMENTS

FOR THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

1. Agenda for the 2025 Annual General Meeting of Shareholders
2. Rules of Procedure and Voting Regulations for the 2025 Annual General Meeting of Shareholders
3. Proposal on the 2024 Business Operations Results and Strategic Plan for 2025
4. Report on the Activities of the Board of Directors in 2024 and Strategic Direction and Plan for 2025.
5. Summary Report of the Financial Statements, Profit Distribution for 2024, and Financial Plan for 2025.



**HUE WATER SUPPLY
JOINT STOCK COMPANY**

Ngày: /CT-HĐQT

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

Hue, 2025

DRAFT


AGENDA

2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

HUE WATER SUPPLY JOINT STOCK COMPANY

(From 7.30AM April 25, 2025 at HueWACO Head Office)

Time	Main Activities	In-charge
7h30-8h00	I. Welcoming delegates and shareholders Welcome performance (2 performances)	Reception team (4 persons – Company's Office)
	<ul style="list-style-type: none">- Perform registration procedures- Verify the eligibility of shareholders/attendees and issue voting cards	Shareholder Eligibility Verification Committee
8h00-8h30	II. Opening ceremony	
	1. Flag ceremony; Declaration of purposes, introduction of delegates and chairperson of the meeting	Mr. Duong Xuan Quy
	2. The chairperson introduces the Presidium, appoints the Secretary Board, the Shareholder Eligibility Verification Committee, and requests the General Assembly to vote;	Chairperson – BOD Chairman
	3. Report on the verification of the eligibility of shareholders attending the Meeting	Ms. Nguyen Thi Vui
	4. Approval of the working regulations;	Ms. Nguyen Thi Vui
	5. Approval of the Meeting agenda.	The Presidium
	6. Opening speech of the Meeting	BOD Chairman
	7. <i>Speech by the City Leader (if applicable)</i>	
8h30 – 9h30	III. The Board of Directors, the Board of Executives and the Supervisory Board (SB) present the following topics:	The Presidium
	1. Report on the results of production and business activities - investments in 2024 and the production and business plan - investment for 2025 <i>(the proposal is attached)</i>	Mr. Duong Quy Duong (General Director)
	2. Summary of the financial statements and profit distribution for 2024; financial plan and profit distribution plan for 2025 <i>(the proposal is attached)</i>	Ms. Vuong Dinh Nam (Chief Accountant)
	3. Report on the implementation of the remuneration policy for the members of the Board of Directors, the Supervisory Board (non-executive), and the company secretary in 2024, and the plan for 2025 <i>(the proposal is attached)</i>	Ms. Vuong Dinh Nam (Chief Accountant)
	4. Report on the activities of the Board of Directors in 2024; Activity plan for 2025 <i>(the proposal is attached)</i>	Mr. Truong Cong Han (Deputy Director General)
	5. Report on the activities of the Supervisory Board in 2024; Activity plan for 2025 <i>(the proposal is attached)</i>	Mr. Truong Ngu Binh (Chief of SB)



Time	Main Activities	In-charge
	6. Proposal for selecting the auditing firm for the 2025 financial statements	Mr. Truong Ngu Binh (Chief of SB)
	7. Other matters within the authority of the General Meeting of Shareholders.	-
9h30-9h45	IV. The Meeting discusses and conducts voting on each issue	The Presidium
9h45-10h00	VIII. Approval of the minutes – resolution of the Meeting	
	1. Draft Minutes and Resolution of the Meeting;	Secretariat
	2. Voting to approve the content of the Meeting Minutes and the Resolution	The Presidium
10h00	IX. Closing	The Presidium

Recipients:

- 2025 General Meeting of Shareholders;
- BOD, SB;
- Filed: Office, Company's Executive.

**ON BEHALF OF THE BOD
CHAIRMAN**

Le Quang Minh



**HUE WATER SUPPLY
JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No. /QC-ĐHĐCĐ

Hue, 2025

**RULES OF PROCEDURE AND VOTING GUIDELINES
FOR THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Pursuant to the 2020 Enterprise Law and its guiding regulations;

Pursuant to the 2019 Securities Law and its guiding regulations;

Pursuant to the Company's Charter.

To ensure the smooth and successful conduct of the 2025 Annual General Meeting of Shareholders ("the Meeting") of Hue Water Supply Joint Stock Company ("the Company"), safeguard the rights of shareholders, and comply with legal regulations and the Company's Charter, the organizing committee respectfully submits to the General Meeting for approval the "Rules of Procedure and Voting Guidelines for the 2025 Annual General Meeting of Shareholders" ("the Rules"), with the following key contents:

CHAPTER I

GENERAL REGULATIONS

Article 1. Scope of application

The Rules of Procedure for the 2025 Annual General Meeting of Shareholders apply to the organization of the 2025 Annual General Meeting of Shareholders of Hue Water Supply Joint Stock Company.

Article 2. These Rules specifically outline the rights and obligations of the parties participating in the Meeting, as well as the conditions and procedures for conducting the Meeting.

Article 3. Shareholders and other participants in the Meeting are responsible for complying with the provisions set forth in these Rules.

CHAPTER II

RIGHTS AND OBLIGATIONS OF PARTICIPANTS

Article 4. Shareholders attending the General Meeting of Shareholders

1. Conditions for Attending the Meeting

Shareholders who are legal representatives, individual shareholders, or representatives of a group of shareholders owning voting shares of the Company as of the shareholder record date (March 20, 2025) are eligible to attend the Annual General Meeting of Shareholders.

2. Rights and Obligations of Eligible Shareholders Attending the Meeting

2.1. Documents Required for Attending the Meeting

- Identity card, Citizen Identification, or Passport (valid);
- Power of attorney (if attending as a proxy);
- Invitation letter.

2.2. Registration for the Meeting

Shareholders or their proxies must present the required documents to the Shareholder Verification Committee and receive a voting card (with shareholder code and number of shares).

3. Voting on Agenda Items at the Meeting

3.1. General Principles

- All issues on the agenda must be approved through a public vote by all shareholders using the *voting card*.
- The General Meeting of Shareholders will discuss and vote on each agenda item. Voting will be conducted by raising the voting card or direct ballot.
- Shareholders vote to Approve, Disapprove, or Abstain on each agenda item by raising the voting card.
- The approval threshold for resolutions on each item at the General Meeting of Shareholders is stipulated in the Company's Charter.

3.2. Voting Method

- a. The voting card will be used to vote on the following items:
 - Voting for Approval of the Meeting Secretary
 - Approval of the Rules of Procedure and Voting Guidelines for the Meeting;
 - Approval of the Meeting Agenda;
 - Approval of key issues at the Meeting;
 - Minutes, Resolutions, and other matters arising during the Meeting.
- b. Shareholders vote by raising their voting cards as directed by the Chairman of the Meeting to collect votes.
 - If a shareholder does not raise their voting card during all three rounds of voting (Approve, Disapprove, or Abstain) on an issue, it will be considered as a vote in favor of that issue.
 - If a shareholder raises their voting card more than once for any of the voting options (Approve, Disapprove, or Abstain) on an issue, it will be considered an invalid vote. During the vote by raised cards, the members of the Shareholder Verification Committee will mark the shareholder's code and the number of votes corresponding to each option (Approve, Disapprove, Abstain, or Invalid).
- c. A valid voting card is one issued by the Shareholder Verification Committee

to the shareholder attending the meeting. The card must contain the shareholder's information (name, number of shares) and be stamped with the Company's official seal.

4. Other Provisions

- During the Meeting, shareholders must notify the Secretariat and obtain approval from the Presidium before leaving the conference hall.
- Proxies attending the Meeting are not allowed to further delegate their proxy rights to another individual.
- Throughout the General Meeting, shareholders must comply with the guidance of the Presidium, maintain proper decorum, and avoid causing any disruption.
- Shareholders or their authorized representatives wishing to speak during discussions must obtain permission from the Chairman of the Meeting. Their comments should be brief, focused on the key issues to be addressed, and relevant to the approved agenda. Repeating issues already discussed is discouraged to prevent redundancy. Shareholders may also submit written questions to the Secretariat.
- Shareholders must maintain confidentiality, observe proper conduct, and handle documents responsibly. Copying, taking photos, recording videos, or making audio recordings is not permitted without the Chairman's approval or unanimous consent from all attending shareholders.
- Information or data that is under investigation by authorities and not yet publicly disclosed should not be shared, as per the Inspection Law.
- Shareholders and their authorized representatives attending the Meeting must strictly adhere to the Meeting's rules and procedures.
- Shareholders arriving late at the Meeting may immediately register and participate in the discussions and voting, but the Chairman is not responsible for their registration, and the validity of prior votes will not be affected.
- Smoking is prohibited in the meeting room.
- Private conversations and the use of mobile phones are not allowed during the Meeting. All mobile phones must be turned off or set to silent mode.
- Shareholders who violate these rules will be subject to disciplinary actions as deemed appropriate by the Presidium, in accordance with **Point b, Section 7, Article 146 of the Enterprise Law**, depending on the severity of the violation.

Article 5. The Presidium

1. The Presidium of the Meeting

The Chairman of the Annual General Meeting of Shareholders in 2025 was the Chairman of the Board of Directors of the Company, as stipulated in Article 140 of the 59/2020/QH14 Enterprise Law.

In addition to the Chairman, the Presidium included two other members nominated



by the Board of Directors and approved by the General Meeting of Shareholders.

2. Rights and Responsibilities of the Presidium

2.1. Preside over and manage the activities of the Meeting according to the agenda approved by the General Meeting of Shareholders. Ensure that the Meeting runs smoothly and in accordance with regulations.

2.2. Guide delegates and the General Meeting in discussions.

2.3. Present draft resolutions and conclude necessary matters for the Meeting to vote on.

2.4. Address any issues raised by the General Meeting or designate someone to respond to them.

3. Principles of the Presidium's Work

The Chairman is the highest authority and decision-maker at the Meeting. Members of the Presidium perform tasks assigned or delegated by the Chairman.

Article 6. Shareholder Verification Committee for the Meeting

The Shareholder Verification Committee for the General Meeting of Shareholders is nominated and established by the Board of Directors.

The Shareholder Verification Committee is responsible for: Receiving documents from shareholders attending the Meeting, verifying the eligibility of shareholders or their proxies, ensuring compliance with legal requirements, and cross-referencing with the list of shareholders eligible to attend as of the cutoff date, **March 20, 2025**; Distributing meeting materials (if any), voting cards, and ballots (if applicable) to attending shareholders; Reporting to the General Meeting and taking responsibility for the verification results before the official start of the Meeting.

Article 7. Secretariat of the Meeting

1. The Secretariat consists of two members, nominated by the Board of Directors and approved by the General Meeting of Shareholders. The Secretariat's duties include: Accurately and comprehensively recording the content of the Meeting.

2. Assisting the Presidium in announcing drafts of documents, conclusions, resolutions of the Meeting, and communications from the Presidium to shareholders as needed.

3. Receiving and registering speech requests from shareholders.

4. Receiving the report on the results from the Shareholder Verification Committee and ensuring that it is documented and included in the Minutes and Resolutions, and announced before the Meeting adjourns.

CHAPTER III

PROCEEDINGS OF THE MEETING

Article 8. Conditions and Procedures for Holding the Meeting

1. The General Meeting of Shareholders will be held when shareholders

representing more than 50% of the total voting shares, as per the shareholder list confirmed by March 20, 2025, are present.

2. The Meeting will sequentially discuss and vote on the items listed in the Meeting's agenda.

3. The agenda and content of the Meeting must be approved at the opening session. The agenda must clearly specify the time allotted for each item.

4. In case of changes to the meeting agenda previously sent with the invitation to shareholders or posted on the Company's website, such changes must be approved by the General Meeting of Shareholders.

Article 9. Speaking at the Meeting

1. Shareholders or their representatives wishing to speak at the Meeting must obtain approval from the Chairman. Based on the number of shareholders attending and the time available, the Chairman may choose the most appropriate method for managing the meeting.

2. Shareholders or their representatives must keep their speeches brief, focusing on the key issues relevant to the agenda. The speaking time for each shareholder is limited to a maximum of 3 minutes. The Chairman will organize the speakers in the order of registration. Shareholders' comments or proposals must comply with the law, not address personal issues, and not exceed the scope of the Company's authority. The Chairman has the right to remind or request shareholders to stay on topic in order to save time and maintain the quality of the discussion.

3. For issues raised during the meeting, the Presidium has the right to respond immediately or note the issue for the Board of Directors to provide a written response within 7 working days after the Meeting concludes.

Article 10. Minutes and Resolutions of the General Meeting of Shareholders

1. All key issues discussed at the Meeting must be recorded in the minutes by the Secretariat. The minutes must be finalized and approved before the meeting is adjourned.

2. The issues approved by the General Meeting of Shareholders will be summarized in the draft resolution of the General Meeting, in accordance with the Company's Charter. The draft resolution will be read and approved before the meeting is adjourned.

3. The minutes, the appendix listing shareholders who registered to attend, the full text of the resolutions, and related documents must be stored at Hue Water Supply Joint Stock Company.

Article 11. Adoption of Resolutions by the General Meeting of Shareholders

The resolutions of the General Meeting of Shareholders on agenda items will be approved when shareholders representing at least 65% of the total voting shares of all



shareholders with voting rights present at the meeting vote in favor. The Company will publish the resolutions on its website as required by regulations.

CHAPTER IV IMPLEMENTATION PROVISIONS

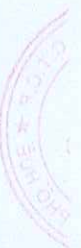
Article 12. Implementation

1. This Regulation consists of 4 Chapters and 12 Articles and shall take effect immediately upon approval by the General Meeting of Shareholders. It is only applicable to the Annual General Meeting of Shareholders for 2025 of the Company.

2. The Presidium is responsible for overseeing the conduct of the Meeting in accordance with this Regulation.

3. Shareholders, their authorized representatives, and members of the Organizing Committee for the Annual General Meeting of Shareholders of Hue Water Supply Joint Stock Company in 2025 are responsible for complying with the provisions outlined in this Regulation./.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**





**HUE WATER SUPPLY
JOINT STOCK COMPANY**

No. /TTr- HDQT

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Hue, 2025

PROPOSAL

“on the Results of Business Operations in 2024 and Strategic Plan for 2025”

Pursuant to the Enterprise Law No. 59/2020/QH14 dated June 17, 2020, and its guiding regulations;

Pursuant to the Securities Law No. 54/2019/QH14 dated November 26, 2019, and its guiding regulations;

Pursuant to the Charter of Hue Water Supply Joint Stock Company,

The Board of Directors respectfully submits to the Annual General Meeting of Shareholders 2025 for discussion and approval of the following items:

1. Business Results and Key Activities in 2024

1.1. Key Business Indicators in 2024

- Commercial water output: 63.16 million m³ (an increase of 2.18 million m³, corresponding to a 3.57% increase);
- Net profit after tax: VND 134.99 billion (an increase of VND 2.86 billion, corresponding to a 2.16% increase);
- Contribution to the state budget: VND 157.69 billion;
- New customer development: 6,471 customers (a decrease of 1,558 customers, corresponding to a 19.4% decrease);
- Average employee income: VND 17.37 million (an increase of VND 0.14 million, corresponding to a 0.82% increase).

1.2. Main Activities

To achieve these results, the Company has implemented a series of determined and synchronized measures to ensure both the completion of the water supply mission and the improvement of the Company's business efficiency. Specifically:

1.2.1. Organizational Structure and Personnel

The Company continues to strengthen its restructuring efforts and adjust its organizational structure to create breakthroughs. This includes improving the operational efficiency of departments within the Company, reducing overlaps in roles between departments and employees, and optimizing resources in line with the Company's development strategy up to 2030 and vision for 2045, as well as aligning with the provincial development direction. In 2024, the following key restructuring activities took place: Separation of functions in Planning and Technical Department into two distinct entities: Planning and Research Development Department and Technical Department; Restructuring of enterprises: Construction Enterprise, Electromechanic Enterprise, and Network Management Enterprise were restructured into a Maintenance



Enterprise (Network Management Enterprise and Maintenance Team of the Electromechanic Enterprise) and a new Construction Enterprise (old Construction Enterprise and the Mechanical Team of the Electromechanic Enterprise); Administrative Management Department and IT-Communications Department were merged into a new entity called Company Office.

The Company has also continued to review and supplement the personnel planning for the 2022-2026 period, with a vision toward 2030. This ensures that the leadership and management staff are aligned with the Company's strategic goals. Specifically, 117 positions were appointed, relocated, and rotated, including 48 key staff positions, 103 team/department managers, and 20 employees. This has positively contributed to streamlining the organizational structure, reducing redundancies, strengthening advisory functions, and improving the quality, effectiveness, and scientific management of operations.

Human Resources Training and Development: The Company has always prioritized and regularly implemented training programs for key personnel and young staff. This aims to build a team of capable, intelligent, and resilient management staff to contribute continuously to the Company's growth. In 2024, the Company organized 40 training courses, with 1,243 employees participating.

Personnel and Recruitment: Recruitment continues to be carried out openly and extensively through various media channels, and the Company has established a bank of test questions with the involvement of relevant specialized departments. In 2024, the Company attracted 19 high-quality staff members with high expertise, including 1 Master's degree holder, 6 Engineers, and 12 Bachelor's degree holders. Additionally, performance evaluations were conducted following the completion of their probation period.

1.2.2. Enhancing Management and Operational Control, Operational Efficiency, and Risk Management

In 2024, the Company continued to implement various strategic components under its overall development strategy, HueWACO Vision 2030. The Company maintained its focus on improving management and operational control, leveraging digital platforms such as eOffice for management and automated operations through the Automated Operations Center. Additionally, the Company continued implementing three key modules (Contract Management, Activity Management, and Payroll) with an emphasis on simplicity, ease of use, and easy tracking.

The Company also intensified its focus on risk management, especially concerning issues related to safe water supply and financial management:

- **Water Supply Safety:** The Company developed various scenarios to ensure safe water supply during critical periods such as the Lunar New Year, summer months, salinity intrusion, and during events like floods, storms, and oil spills. Regular assessments were made on risks related to water sources, such as salinity intrusion, water shortages, and wastewater discharge. These risks were periodically reviewed and updated in the Safe Water Supply Plan, with appropriate solutions proposed to manage these risks effectively.

- **Financial Management:** The Company continued to decentralize decision-making, delegate authority, and implement financial accounting within subsidiary units. Regular forecasting of financial indicators was conducted to monitor progress and

performance. Plans for investment and financial management were also developed for the periods 2024-2026 and 2027-2030. These efforts are aimed at ensuring sufficient capital to support the Company's operations, effectively managing financial risks, and maintaining sustainable growth.

1.2.3. Creating a Foundation for Breakthroughs in Infrastructure, Plants, and Modern Equipment, Operating on a Digital Technology Platform

The Company continues to implement investment projects for construction, upgrading, and technological improvements of its plants, aiming to increase the total water supply capacity to 300,000 m³/day. This is to ensure the achievement of the goal of safe water supply and water source security. Over the past year, there have been no significant incidents affecting the Safe Water Supply (SWS) operations. Minor incidents were promptly resolved, particularly ensuring SWS for the Chan May - Lang Co area during the hot and dry period of 2024. Additionally, the Company has proactively implemented various solutions, such as installing decentralized water supply systems to provide free clean water to households located far from the centralized water supply system. As a result, the percentage of people using clean water across the province reached 97.62%, ensuring safe water supply during prolonged heat, climate change, and extreme weather conditions.

The Company continues to drive the digital transformation strategy both internally (in production and management) and externally (customer service).

Production and Operations: The Company operates an automatic water supply system through the Automated Water Supply Control Center. The system monitors and controls large plants (Van Nien, Quang Te), pressure regulating stations, and various monitoring points for flow rate, pressure, and water quality across the network.

Enhancing Customer Service: The Company has strengthened customer care by implementing two strategic projects: Digital Customer Service and 09 customer service offices meeting standard requirements.

Furthermore, the Company has executed its Mid-term Plan for 2022-2026, which includes investment projects for the construction/upgrading of plants and pipelines. Specific projects include the Loc Thuy Plant (22,000 m³/day), upgrading the Phong Thu Plant (20,000 m³/day), Loc An Plant (16,000 m³/day), upgrading storage tanks for the Phu Bai, Tu Ha, and Sia plants, and constructing transmission pipelines such as D600 Pipeline Vo Van Kiet (Hue - Phu Bai), D600 Pipeline QL1A (Hue - Tu Ha), and the D450 HDPE Pipeline through Tam Giang (Loc An - Vinh Ha - Vinh Hung, etc.).

The Company also continues to promote IT applications, digitization, and asset management, notably through the ongoing enhancement of HueWACO eOffice system, which manages documents and operations electronically. Various modules on the Management Information System (MIS) have been integrated, improving overall document and operational management in the Company. In 2024, the Company received impressive awards, including "Vietnam Green Water Line 2024" Award, Sao Khue Award 2024, Certificate of Merit from the Provincial People's Committee for "Outstanding Achievements in Digital Transformation in 2024", Top 4.0 Industrial Vietnam Award 2024, Award at Vietnam Science and Technology Innovation Contest.

2. Strategic Plan for Business Operations in 2025

2.1. Key Business Performance Targets for 2025



- Water Production Volume: 63.75 million cubic meters (an increase of 0.59 million cubic meters, or 0.93%);
- Total Revenue: VND 676.48 billion (a decrease of VND 13.60 billion, or 1.97%);
- Net Profit After Tax: VND 141.699 billion (an increase of VND 6.71 billion, or 4.97%);
- Tax Contribution: VND 152.35 billion.

2.2. Strategic Direction and Key Objectives for 2025

To achieve the set targets for 2025 and the period of 2025-2027, the company will continue to focus on three breakthrough objectives and five strategic solutions. These will include the implementation of key initiatives as follows:

2.2.1. Continued Organizational and Personnel Restructuring

The Company will continue to assess and adjust the structure and responsibilities of various departments to ensure alignment with the goal of a leaner, more efficient, and stronger operational model that supports the company's long-term strategy for the 2025-2027 period.

To enhance efficiency, the company will further decentralize decision-making and empower staff by clearly defining roles and responsibilities. This will ensure that the right people are assigned to the right tasks, avoiding overlaps and ensuring optimal use of individual and team strengths. Enhancing Management Capacity: Every member of the Executive Board will take full responsibility for managing their respective divisions. Additionally, department heads will be granted more authority, directly tied to performance metrics, including cost management and oversight of personnel and payroll within their departments. This will encourage accountability and align operational goals with performance outcomes.

Integrating training with specific operational needs: The Company will continue to prioritize training programs that are directly linked to its operational needs. Leadership will focus on developing dynamic managers who excel in their specific roles while being adaptable and knowledgeable across various functions. The goal is to cultivate a workforce of highly skilled engineers, technicians, and professionals who can drive innovation and contribute to the company's success during this growth phase.

2.2.2. Strengthening Management and Operational Control, Efficiency Management, and Risk Management

In the period from 2025 to 2027, the Company will continue to intensify its focus on management and operational control, with an emphasis on implementing the Company's development strategy through 2030 and its vision for 2045. This includes executing component strategies such as the Financial, Business, Human Resources, and Technology strategies.

The Company will continuously review and update its policies, regulations, procedures, handbooks, and economic-technical standards; The Company will further decentralize decision-making and authority to foster greater autonomy within departments. This will encourage a proactive approach to operational management, enabling more responsive and agile decision-making. Emphasis will be placed on increasing efforts in monitoring, auditing, and post-implementation checks. This ensures the effective implementation of processes and adherence to the Company's regulations, guaranteeing that all departments are aligned with the established operational standards.

2.2.3. Continued Breakthrough in Operational Management, Efficiency Management, and Risk Management

HueWACO will continue to leverage its management strengths through its first breakthrough platform. In operational management, the company will adhere to its core principles of operation: working according to plan, solving tasks based on established processes, and managing in accordance with regulations, technical standards, and economic benchmarks. A key focus will be on the quality of analysis and forecasting customer demand, as well as production and business data. In 2025, the company will implement production scheduling for water production and, by 2026, will expand to include the coordination of human and material resources across the entire Company.

The Company will continue to reduce costs by optimizing operational processes and adopting advanced and green technologies in production. Efforts will include increasing the efficiency of cost control, reducing waste, and applying strategic methods such as tenders and auctions. The Company will also focus on optimizing large cost categories like electricity and chemicals, while managing cash flow effectively and optimizing capital resources.

During this phase, HueWACO will place significant emphasis on risk management, with a primary focus on the risks related to safe water supply management (climate change, environmental issues), financial stability, and market dynamics. The overarching goal is to establish robust controls over these risks, ensuring the company's resilience in the face of external challenges and securing long-term sustainable operations.

2.2.4. Continued Breakthroughs in Infrastructure, Modernized Plants, and Equipment, Operating on a Digital Platform

HueWACO aims to become a fully digital enterprise by 2027, aligning with the Digital Government and Smart City framework of Hue. The Company will focus on three main pillars of development:

First Pillar: Digital Customer Service, HueWACO will enhance the customer experience by creating a fully digital environment. This includes innovating the way customer satisfaction is measured regarding water quality and services. A key focus will be on **two-way interaction**, allowing for continuous feedback and engagement from customers. By doing so, HueWACO will improve the quality of customer service and move toward offering a perfect service experience.

Second Pillar: Intelligent Automated Water Supply Operations HueWACO will accelerate the automation of its water supply systems, ensuring **safe and secure water supply**. The company will collaborate with both domestic and international partners to transfer and integrate technology, guided by the principle of: **TECHNOLOGY – AUTOMATION – SMART WATER SUPPLY SYSTEMS**. This will enable real-time, automated control, ensuring efficient, reliable, and safe water distribution, even during challenging circumstances.

Third Pillar: Digital Governance System HueWACO aims to establish a **comprehensive digital governance system** where all management processes are executed entirely on a **digital platform**.

We respectfully submit to the 2025 Annual General Meeting of Shareholders for discussion and approval of the above-mentioned contents./.



Recipients:

- 2025 Annual General Meeting of Shareholders;
- BOD, SB;
- Filed: Office, Company's Executive.

**ON BEHALF OF THE BOD
CHAIRMAN**

Le Quang Minh





**HUE WATER SUPPLY
JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No.: /BC-HWS

Hue, 2025

DRAFT

REPORT
on the Activities of the Board of Directors for 2024
and the Strategic Direction and Plan for 2025

Kindly to: 2025 Annual General Meeting of Shareholders

In accordance with the provisions of the Articles of Association of Hue Water Supply Joint Stock Company (HueWACO) and Resolution No. 40/NQ-ĐHĐCĐ dated April 26, 2024, regarding the approval of matters under the authority of the Annual General Meeting of Shareholders in 2024, the Board of Directors (BOD) of HueWACO hereby reports on the operational results of 2024 and the strategic direction and plans for 2025 as follows:

I. RESULTS OF THE BOARD OF DIRECTORS' ACTIVITIES IN 2024

1.1. Board of Directors Personnel

The Board of Directors of Hue Water Supply Joint Stock Company (HueWACO) consists of 5 members, including: 1 Chairman and 4 Board Members.

No.	Members of the BOD	Title	Start Date
1	Mr. Le Quang Minh	BOD Chairman	24/12/2021
2	Mr. Duong Quy Duong	BOD Member	01/01/2017
3	Mr. Truong Cong Han	BOD Member	01/01/2017
4	Mr. Vuong Dinh Nam	BOD Member	17/6/2022
5	Mr. Nguyen Trong Hieu	BOD Member	30/5/2023

The Board of Directors operates under the principle of collective leadership, individual responsibility, majority decision-making, and acts in accordance with the Company's Charter, the Board's operational regulations, and applicable laws. Each Board member is assigned direct management and operational responsibility for specific areas and departments in accordance with the Company's delegation of authority for business operations and investments, with clear duties and rights. In collaboration with the effective functioning of the Supervisory Board, the Board of Directors has successfully carried out its oversight role, directing business activities through the General Director and management team to implement the Resolutions and Decisions of the General Meeting of Shareholders and the Board of Directors.

1.2. Directive on the Implementation of the 2024 Annual General Meeting Resolutions

In 2024, due to the impact of climate change and the El Nino phenomenon, the average temperature was higher than in previous years, resulting in an increased demand for water, particularly during the peak summer months. Through a range of sustainable and integrated solutions, most notably the inauguration and official operation of the Vạn Niên wastewater treatment plant with a capacity of 120,000m³/day (Stage 1: 60,000 m³/day), HueWACO has successfully met the water supply demand. As a result, HueWACO achieved its business and production targets for 2024, surpassing the set goals and outperforming the figures from 2023, as evidenced by the following results:

In 2024, the recorded water volume reached 63.19 million m³ (a 3.76% increase, equivalent to 2.29 million m³) compared to 2023. Water revenue amounted to VND 619.28 billion (a 3.56% increase, equivalent to VND 21.31 billion) compared to 2023. Pre-tax profit was VND 154.69 billion (a 1.02% increase, equivalent to VND 1.57 billion) compared to 2023. The company contributed VND 155.091 billion to the state budget (a 0.43% increase, equivalent to VND 0.66 billion).

The company continued to enhance its customer development efforts, increasing the percentage of people using clean water. This included the installation of 6,640 new customers, raising the total connections across the province to 309,824. In addition, various solutions were proactively implemented, such as the installation of decentralized water supply systems to provide free clean water to households far from centralized water systems. As a result, the percentage of people using clean water across the province reached 97.62%, ensuring safe water supply even during prolonged heatwaves, climate change, and extreme weather conditions.

Service quality indicators remained a key focus for the company, with a continued shift towards customer service. The company further strengthened customer care by implementing two strategic initiatives: the Digital Customer Service and nine standardized customer service centers. The cashless payment rate for the entire company reached 86.30% by the end of 2024 (an 8.87% increase compared to the same period last year).

To achieve these results, the Board of Directors (BOD) implemented a series of determined and coordinated measures to ensure the successful fulfillment of water supply tasks while also improving the operational efficiency of the joint-stock company, specifically:

1.2.1. Organizational Structure and Human Resources

- **Organizational Restructuring:** In 2024, the company continued with its organizational restructuring, modifying and adjusting the roles and responsibilities of each department to ensure that the organizational structure aligns with the company's scale and its development strategy towards 2030, with a vision for 2045. This restructuring aims to foster sustainable and long-term development. Specifically, five departments were restructured in 2024, including: Planning and Technical Department, Electromechanic Enterprise, Network Management Enterprise, Construction Enterprise, and Materials - Vehicles Enterprise. Key changes included: splitting Planning and Technical Department into two separate departments: Planning, Research and

Development Department and Technical Department; merging the Electromechanic Enterprise with Network Management Enterprise and renaming it as Maintenance Enterprise; transferring the electrical inspection function from Electromechanic Enterprise and the consultancy role for the electronic meter from Network Management Enterprise to Materials - Vehicles Enterprise for management; and relocating the mechanical team from Electromechanic Enterprise to Construction Enterprise.

- Training and Human Resources Development: The Company consistently emphasizes the training and development of key staff and young professionals. Ongoing training programs are implemented to build a team of capable, intellectual, and resilient managers and young professionals. The goal is to ensure that these individuals continue to contribute to the company's growth, helping HueWACO become increasingly strong and successful.

1.2.2. Enhancing Management and Operational Control, Operational Efficiency, and Risk Management

In 2024, the Company continued to implement various strategic components under its overall development strategy and HueWACO vision to 2030. The Company maintained its focus on improving management and operational control, leveraging digital platforms such as eOffice for management and automated operations through the Automated Operations Center. Additionally, the Company continued implementing three key modules (Contract Management, Activity Management, and Payroll) with an emphasis on simplicity, ease of use, and easy tracking.

The Company also intensified its focus on risk management, especially concerning issues related to safe water supply and financial management:

- Water Supply Safety: The Company developed various scenarios to ensure safe water supply during critical periods such as the Lunar New Year, summer months, salinity intrusion, and during events like floods, storms, and oil spills. Regular assessments were made on risks related to water sources, such as salinity intrusion, water shortages, and wastewater discharge. These risks were periodically reviewed and updated in the Safe Water Supply Plan, with appropriate solutions proposed to manage these risks effectively.

- Financial Management: The Company continued to decentralize decision-making, delegate authority, and implement financial accounting within subsidiary units. Regular forecasting of financial indicators was conducted to monitor progress and performance. Plans for investment and financial management were also developed for the periods 2024-2026 and 2027-2030. These efforts are aimed at ensuring sufficient capital to support the Company's operations, effectively managing financial risks, and maintaining sustainable growth.

1.2.3. Creating the Foundation for Breakthroughs in Infrastructure, Factories, and Modern Equipment Operated on a Digital Platform

The company continues to implement investment projects for the construction, upgrading, and technological improvements of its water treatment plants. This will raise the total water supply capacity to 300,000 m³ per day to ensure the achievement of the goal of Safe Water Supply and Water Source Security. In the past year, there have been



no major incidents affecting the Safe Water Supply operations. Minor issues were resolved promptly, especially ensuring the Safe Water Supply for the areas of Chan May – Lang Co during the 2024 dry season. Additionally, the Company is executing the Mid-term Plan for the period 2022-2026, involving the construction/upgrade projects for the plants and pipeline systems.

The company continues to strengthen efficient production operations based on a digital platform and is actively implementing the digital transformation strategy both internally (production and management operations) and externally (customer service).

Production and Management Operations: The company operates the water supply system autonomously through the Automated Water Supply Control Center. It oversees and centrally controls large plants (Van Nien, Quang Te), pressure regulating stations, and various monitoring points for flow, pressure, and water quality across the network.

Customer Service Enhancement: The Company is intensifying its customer service efforts by implementing two strategic projects: Digital Customer Service and 09 standardized service transaction points.

Furthermore, the company is continuing to apply information technology and digitization to asset management, notably by further enhancing and upgrading the HueWACO eOffice system, the modules on the Management Information System (MIS), executive document management, and the integration of additional modules to strengthen management through a digital platform.

1.3. Board of Directors' Activities in 2024

In 2024, the Board of Directors (BOD) successfully chaired and organized both the Annual General Meeting (AGM) and the Extraordinary General Meeting (EGM), ensuring the supervision and dissemination of information with the goal of maintaining transparency and accuracy in accordance with the relevant regulations.

- Meetings Held in 2024 by the BOD: Throughout 2024, the BOD held 4 regular quarterly meetings to address matters within the BOD's jurisdiction (details in Appendix 1).

- Resolutions/Decisions Made in 2024 by the BOD: In 2024, the BOD issued 10 resolutions and 34 decisions (details in Appendix 2).

- Inspection and Monitoring Efforts: In 2024, inspection and supervision activities were strengthened by the establishment of inspection teams to monitor the implementation of key tasks at the subsidiaries and departments.

1.5. Results of the 2024 Supervision of the Board of Executives by the Board of Directors (BOD)

With a sense of responsibility to the shareholders and employees of the company, the Board of Directors has fulfilled its duties and obligations according to legal regulations by supervising the Board of Executives (BE) in the process of implementing the resolutions and decisions of the BOD in managing and operating HueWACO. The supervision was carried out through the following activities:

- The BOD consistently organized, chaired, and participated in meetings with the BE to direct, assess progress, review solutions, and monitor activities in production and business operations, investment in construction, financial matters, organizational structure, human resources, and company restructuring.

- The BOD maintained frequent discussions and exchanges with the BE during the implementation of resolutions and decisions from both the General Assembly and the BOD.

- In 2024, the BOD established an inspection team to monitor the performance of subsidiary units. This inspection team was formed under Decision No. 50/QD-HWS dated July 26, 2024, regarding the inspection and supervision of the subsidiary units of the Company.

1.6. Activities of the Subcommittees of the Board of Directors (BOD)

The Board of Directors did not establish any subcommittees. Instead, the members of the BOD carried out their duties according to Resolution No. 625/NQ-HDQT dated July 19, 2022, on the assignment of duties to the BOD members for the 2022-2026 term, and Resolution No. 90/NQ-HDQT dated June 10, 2023, on the adjustment of Resolution No. 625/NQ-HDQT regarding the assignment of duties to the BOD members for the 2022-2026 term.

1.7. Remuneration, Operating Costs, and Other Benefits of the Board of Directors

In accordance with the guidance of Circular No. 28/2016/TT-BLDTBXH dated September 1, 2016, issued by the Ministry of Labor, Invalids, and Social Affairs, the remuneration for the members of the Board of Directors is set at 5 million VND per person per month.

II. STRATEGIC PLAN FOR 2025

In 2025, the company will continue to vigorously implement the "3 Breakthrough Goals and 5 Key Solutions" to ensure the successful completion of its production and business objectives.

III. BOARD OF DIRECTORS' ACTIVITIES PLAN FOR 2025

3.1. Organization of Board Meetings in 2025

- Quarterly meetings will be held in accordance with the company's Charter, the Board's Operational Regulations, and the Enterprise Law:

+ Quarter I meeting: February 2025;

+ Quarter II meeting: June 2025;

+ Quarter III meeting: September 2025;

+ Quarter IV meeting: December 2025;

- In addition to the regular meetings, the Chairman of the Board will convene extraordinary Board meetings as required by law, the Company's Charter, and the Board's regulations.

3.2. Organization of the 2025 Annual Shareholders' Meeting: April 25, 2025

3.3. Implementation of the 2025 Annual Shareholders' Meeting Resolution and Key Plan for 2025



- Directing and managing the company's operations to ensure stability and growth, achieving the 2025 targets as outlined in the resolution. Specific goals include: Water sales volume to reach **63.75 million m³** (increase of 0.59 million m³, 0.93%); Total revenue to reach **676.48 billion VND** (an increase of 13.60 billion VND, 1.97%); The proportion of uncollected debts to be under 0.9%; Cashless payment rate across the company to exceed **91.33%**; Continuing to refine and implement the company's development strategy up to 2030 with a vision to 2045.

- Continuing the work on planning, training, rotation, and appointments to align the organizational structure with the company's practical needs. Recruitment and hiring will also be in line with the company's strategic direction.

- Further enhancing the review and improvement of regulations, processes, technical-economic standards, and improving decentralization of management to enhance operational efficiency. Efforts will also focus on strengthening monitoring, supervision, and auditing to ensure compliance with company procedures and regulations.

- Continuing the implementation of Phase 2 of the Van Nien Water Treatment Plant Project with a capacity of 120,000m³/day, along with upgrades to other plants like Loc An, Phong Thu, and improvements to Chan May water treatment facility, Sia 3000m³ sedimentation tank, and Phu Bai and Tu Ha storage tanks.

- Moving forward with the Rural Water Supply Project in Thua Thien Hue Province, covering several districts including A Luoi, Nam Dong, Phu Loc, Phu Vang, Phong Dien, Quang Dien, and Huong Tra town for the period 2021-2025;

- Implementing pipeline projects such as: D600 QL1A bypass section Hue (Hue - Tu Ha) with a length of 8.6 km; D600 Vo Van Kiet (Hue - Phu Bai) with a length of 9.8 km; D500 from Phu Bai pressure regulation station to Phu Bai Industrial Park (1.3 km); D315 pipeline from Thuan Hoa junction to Phu Bai Bridge with a length of 5.3 km.

- Organizing important company events including the Labor Conference, Annual Safe Water Supply Conference, and Fire and Rescue Drills for the Company's subsidiaries.

4. Division of Responsibilities for the Board of Directors and Coordination with the Supervisory Board

- Responsibilities will follow Decision No.153/QĐ-HĐQT dated September 28, 2023 regarding the assignment of duties for the Board members for the 2022-2026 term..

- Board members are responsible for managing and overseeing the implementation of plans within their assigned areas of responsibility, while also collaborating with other Board members to implement the Board's resolutions.

- The Supervisory Board will work closely with the Board in achieving the company's external objectives.

This report outlines the BOD's activities in 2024 and the direction and tasks for 2025.

**ON BEHALF OF THE BOD
CHAIRMAN**

Recipients:

- As above;
- BOD members, SB;
- Filed: Office, BOD.



APPENDIX 1 - The Board of Directors meetings for 2024

No.	Member of the Board of Directors (BOD)	Position	The start/termination date of membership in the BoD	Number of BoD meetings attended	Attendance (%)	Reasons of absence
1	Mr. Le Quang Minh	BoD's Chairman	24 th December 2021	4/4	100%	
2	Mr. Duong Quy Duong	BoD's member	1 st January 2017	4/4	100%	
3	Mr. Truong Cong Han	BoD's member	1 st January 2017	4/4	100%	
4	Mr. Vuong Dinh Nam	BoD's member	17 th June 2022	4/4	100%	
5	Mr. Nguyen Trong Hieu	BoD's member	30 th May 2023	3/4	75%	



APPENDIX 2 - The Resolutions, Decisions, and other documents issued by the Board of Directors in 2024

No.	Reference No. of Resolution/ Decision	Date	Content	Progress
I	RESOLUTIONS: 10			
1	11/NQ-HĐQT	9 th Jan 2024	The solicitation of shareholder opinions in writing to approve the Resolution of the General Meeting of Shareholders	Completed
2	15/NQ-HĐQT	7 th Feb 2024	The cancellation of the list of securities holders for the purpose of soliciting shareholder opinions in writing	Completed
3	26/NQ-HĐQT	4 th Mar 2024	The organization of the 2024 Annual General Meeting of Shareholders	Completed
4	40/NQ-ĐHĐCĐ	26 th Apr 2024	The approval of matters within the authority of the General Shareholders' Meeting	Completed
5	41/NQ-ĐHĐCĐ	26 th Apr 2024	The addition of business lines	Completed
6	46/NQ-HĐQT	10 th July 2024	The distribution of dividends for 2023 in cash	Completed
7	47/NQ-HĐQT	10 th July 2024	The adjustment of the Mid-term Investment Plan for 2024-2026	Completed
8	48/NQ-HĐQT	10 th July 2024	The approval of key performance targets for the second half of 2024	Completed
9	53/NQ-HĐQT	12 th Sep 2024	The support for recovery efforts from Typhoon No.3 (Super Typhoon Yagi) for the Northern provinces	Completed
10	58/NQ-HĐQT	11 th Oct 2024	The restructuring of the Company's organizational structure	Completed
I	DECISIONS: 34			
1	1/QĐ-HĐQT	01/01/2024	The assignment of production and business plan targets for the Automated Operations Center for the period 2024 - 2026	Completed
2	2/QĐ-HĐQT	01/01/2024	The assignment of production and business plan targets for Hue Enterprise for the period 2024 - 2026	Completed
3	3/QĐ-HĐQT	01/01/2024	The assignment of production and business plan targets for Huong Dien Enterprise for the period 2024 - 2026	Completed



No.	Reference No. of Resolution/ Decision	Date	Content	Progress
4	4/QĐ-HĐQT	01/01/2024	The assignment of production and business plan targets for Huong Phu Enterprise for the period 2024 - 2026	Completed
5	5/QĐ-HĐQT	01/01/2024	The assignment of planning targets for the period 2024 - 2026 to Network Management Enterprise	Completed
6	6/QĐ-HĐQT	01/01/2024	The assignment of planning targets for the period 2024 - 2026 to the Electromechanic Enterprise	Completed
7	7/QĐ-HĐQT	01/01/2024	The assignment of planning targets for the period 2024 - 2026 to the Materials - Vehicles Enterprise	Completed
8	8/QĐ-HĐQT	01/01/2024	The assignment of planning targets for the period 2024 - 2026 to Construction and Installation Enterprise	Completed
9	9/QĐ-HĐQT	01/01/2024	Assigning planning targets for the period 2024 - 2026 to the Design - Project Department	Completed
10	10/QĐ-HĐQT	01/01/2024	Assigning planning targets for the period 2024 - 2026 to the Business Center - Customer Service	Completed
11	12/QĐ-HĐQT	25/01/2024	The amendment of the internal spending regulations	Completed
12	16/QĐ-HĐQT	22/02/2024	Additional functions and tasks of Technical Planning Department	Completed
13	17/QĐ-HĐQT	22/02/2024	The amendment and supplementation of the decision to establish the Automated Operations Center for the Water Supply System	Completed
15	42/QĐ-HĐQT	03/6/2024	The amendment and supplementation of several provisions of the Regulations on water fee reductions and exemptions for customers, issued together with Decision No. 1596/QĐ-HĐQT dated December 29, 2022	Completed
17	50/QĐ-HĐQT	26/7/2024	The decision to establish the Board of Directors' Supervision Team for 2024	Completed
18	57/QĐ-HĐQT	11/10/2024	The amendment and supplementation of the Decision to establish the Automated Operations Center for the Water Supply System	Completed
19	60/QĐ-HĐQT	22/11/2024	The transfer of the function and responsibility for meter test from the	Completed



No.	Reference No. of Resolution/ Decision	Date	Content	Progress
			Electromechanic Enterprise to Materials - Vehicles Enterprise	
20	61/QĐ-HĐQT	22/11/2024	Restructuring Construction Enterprise	Completed
21	62/QĐ-HĐQT	22/11/2024	Merging Maintenance Team from Electromechanic Enterprise into Network Management Enterprise renaming it as Maintenance Enterprise	Completed
22	66/QĐ-HĐQT	31/12/2024	Merging Administration and Management Department and Information Technology and Communications Department, renaming it as Company Office	Completed
23	67/QĐ-HĐQT	31/12/2024	Establishment of Planning, Research & Development Department	Completed
24	68/QĐ-HĐQT	31/12/2024	Establishment of Technical Department	Completed
25	69/QĐ-HĐQT	31/12/2024	The establishment of the Research and Development Team	Completed
26	70/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Finance and Accounting Department	Completed
27	71/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Organization and Personnel Department	Completed
28	72/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Design and Project Department	Completed
29	73/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Water Quality Management Department	Completed
30	74/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Business and Customer Service Center	Completed
31	75/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Automated Operations Center of Water Supply System	Completed
32	76/QĐ-HĐQT	31/12/2024	Renaming of Hue Enterprise to Huong Giang Enterprise	Completed

No.	Reference No. of Resolution/ Decision	Date	Content	Progress
33	77/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Huong Dien Enterprise	Completed
34	78/QĐ-HĐQT	31/12/2024	Regulations on the functions, responsibilities, and organizational structure of Huong Phu Enterprise	Completed
III OTHER DOCUMENTS				
1	18/KH-HĐQT	26/2/2024	Board of Directors meeting plan for Q1.2024	Completed
2	19/CT-HĐQT	26/2/2024	Agenda for the Board of Directors meeting in Q1.2024	Completed
3	25/BB-HĐQT	04/3/2024	Minutes for the Board of Directors meeting in Q1.2024	Completed
4	27/BB-HĐQT	05/3/2024	Evaluation of the state capital representative for 2023	Completed
5	28/CT-HĐQT	05/4/2024	2024 Annual General Meeting of Shareholders Agenda	Completed
6	29/TTr-HĐQT	25/4/2024	Results of business operations in 2023 and the strategic plan for 2024	Completed
7	30/BC-HĐQT	25/4/2024	Summary of the financial statements, profit distribution for 2023, and financial plan for 2024	Completed
8	31/TTr-HĐQT	25/4/2024	Salary and remuneration policies for the BOD members, members of the Supervisory Board, Company Executive and Company Secretary	Completed
9	32/BC-HW	25/4/2024	Activities of the Board of Directors in 2023 and the operational direction and plan for 2024	Completed
10	33/BC-BKS	25/4/2024	Report of the Supervisory Board presented at the 2024 Annual General Shareholders' Meeting	Completed
11	34/TTr-BKS	25/4/2024	Approval of the selection of the auditing firm for the 2024 financial statements	Completed
12	35/TTr-HĐQT	25/4/2024	Request for opinions on the addition of business lines and the plan for handling treasury shares at Thua Thien Hue Water Supply Joint Stock Company	Completed
13	36/TTr-HĐQT	25/4/2024	The amendment and supplementation of certain provisions of the Charter of Thua Thien Hue Water Supply Joint Stock Company	Completed



No.	Reference No. of Resolution/ Decision	Date	Content	Progress
14	37/QC-HĐQT	26/4/2024	Working regulations and voting procedures for the 2024 Annual General Meeting of Shareholders	Completed
15	38/BB-DHĐCĐ	26/4/2024	Report on the verification of shareholder eligibility for attending the 2024 Annual General Shareholders' Meeting	Completed
16	39/BB-DHĐCĐ	26/4/2024	Minutes of the 2024 Annual General Shareholders' Meeting	Completed
17	43/KH-HĐQT	01/7/2024	BOD meeting plan for QII.2024	Completed
18	44/Ctr-HĐQT	01/7/2024	Agenda for the BOD meeting in QII.2024	Completed
19	45/BB-HĐQT	10/7/2024	Minutes for the Board of Directors meeting in QII.2024	Completed
20	51/CV-HĐQT	11/9/2024	Obtaining the written and online opinions of the Board of Directors members on supporting the people of Northern provinces in overcoming the aftermath of natural disasters	Completed
21	51/CV-HĐQT	11/9/2024	Obtaining the written and online opinions of the Board of Directors members on supporting the people of Northern provinces in overcoming the aftermath of Typhoon No.3 (Super Typhoon Yagi)	Completed
22	52/BB-HĐQT	12/9/2024	Minutes of the verification of the voting cards for the Board of Directors' members regarding support for the recovery from Typhoon No. 3 (Super Typhoon Yagi)	Completed
23	54/KH-HĐQT	01/10/2024	Plan for the BOD meeting in QIII.2024	Completed
24	55/Ctr-HĐQT	01/10/2024	Agenda for the BOD meeting in QIII.2024	Completed
25	56/BB-HĐQT	11/10/2024	Minutes for the Board of Directors meeting in QIII.2024	Completed
26	80/TBKL-HĐQT	31/12/2024	Notice of the conclusion by the Chairman of the Board of Directors regarding the inspection and supervision activities for 2024	Completed



**HUE WATER SUPPLY
JOINT STOCK COMPANY**

/BC-HĐQT

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

Hue,

2025

**REPORT
SUMMARY OF THE 2024 FINANCIAL REPORT, PROFIT DISTRIBUTION,
AND THE 2025 FINANCIAL PLAN**

Pursuant to the Enterprise Law No. 59/2020/QH14 dated June 17, 2020 and the guiding documents for its implementation;

Pursuant to the Securities Law No. 54/2019/QH14 dated November 26, 2019 and the guiding documents for its implementation;

Pursuant to the Charter of Hue Water Supply Joint Stock Company;

Pursuant to the Audited Financial Report for the year 2025.

The Board of Directors of Hue Water Supply Joint Stock Company ("the Company") respectfully submits to the Annual General Shareholders' Meeting for consideration and approval of the Audited Financial Report for the year 2024, the profit distribution plan, and the financial plan for 2025, as follows:

I. SOME KEY INDICATORS FOR THE YEAR 2024

1. Some key indicators and results achieved in 2024

No.	Key indicators	Unit	Implemented in 2023	Plan for 2024	Implemented in 2024	Achieved compared to the plan
1	Commercial water production	M.m3	60,98	62,44	63,16	101,1%
2	Total revenue + other income	B.VND	668,54	673,03	690,09	102,5%
	- Revenue from clean water operations	B.VND	597,97	619,14	619,32	100,0%
	- Others	B.VND	70,56	53,89	70,77	131,3%
3	Profit before tax	B.VND	153,12	156,42	155,02	99,1%
4	Profit after tax	B.VND	132,13	138,00	134,99	97,8%
5	Profit for dividend payment	B.VND	83,01	83,01	83,01	100,0%
6	Dividend payment	%	9,50%	9,50%	9,50%	100,0%
7	Total assets	B.VND	2.031,94	2.042,74	1.992,63	97,5%
8	Charter capital	B.VND	876,00	876,00	876,00	100,0%
9	Payments to the state budget	B.VND	158,35	151,74	157,69	103,9%

The commercial water production in 2024 reached 63.16 million m³, an increase of 2.18 million m³ (equivalent to a 3.57% increase) compared to 2023. Total revenue and other income in 2024 amounted to 690.09 billion VND, an increase of 21.55 billion VND (equivalent to a 3.22% increase) compared to 2023; of which,



revenue from clean water operations reached 619.32 billion VND, an increase of 21.34 billion VND (equivalent to a 3.57% increase) compared to 2023. After-tax profit reached 134.99 billion VND, an increase of 2.86 billion VND (equivalent to a 2.16% increase). Payments to the state budget amounted to 157.69 billion VND, a decrease of 661.74 million VND (equivalent to a 0.42% decrease).

2. Report on the business performance and profit distribution for 2024

No.	Targets	Unit	2023	2024	2024 vs 2023	
					(+/-)	(%)
I	Report on business performance					
1	Revenue from sales and services	B.VND	635,01	670,18	35,17	5,5%
2	Cost of goods sold	B.VND	370,17	376,79	6,62	1,8%
3	Gross profit from sales and services	B.VND	264,84	293,39	28,55	10,8%
4	Revenue from financial activities	B.VND	10,18	5,86	-4,32	-42,4%
5	Financial expenses	B.VND	59,16	72,15	12,99	22,0%
6	Selling expenses	B.VND	21,64	23,12	1,48	6,8%
7	Administrative expenses	B.VND	52,47	58,76	6,29	12,0%
8	Profits from business activities	B.VND	141,76	145,24	3,48	2,5%
9	Other profits	B.VND	11,36	9,78	-1,58	-13,9%
10	Total accounting profit before tax	B.VND	153,12	155,02	1,90	1,2%
11	Current corporate income tax expenses	B.VND	20,99	20,03	-0,96	-4,6%
12	After-tax profit	B.VND	132,13	134,99	2,86	2,2%
14	Basic earnings per share (EPS)	Đ/CP	1.267	1.283		
II	PROFIT DISTRIBUTION					
1	After-tax profit	B.VND	132,13	141,02	8,89	6,7%
	Undistributed after-tax profit for the current year	B.VND	132,13	134,99	2,86	2,2%
	Undistributed after-tax profit for the previous year	B.VND	0,00	4,22		
	Undistributed after-tax profit for the period from 2021 onward	B.VND	0,00	1,81		
2	Distribution of after-tax profit	B.VND	127,91	141,02	13,11	10,3%
2.1	Development Investment Fund	B.VND	23,51	35,14	11,62	49,4%
	- From profit of 2024	B.VND	23,51	29,10		
	- From remaining profit of 2023	B.VND	0,00	4,22		
	- From remaining profit of 2021 onward	B.VND	0,00	1,81		
2.2	The reward and welfare fund	B.VND	20,71	22,20	1,49	7,2%
2.3	The management bonus fund	B.VND	0,67	0,67	0,00	0,2%
2.4	Dividend distribution	B.VND	83,01	83,01	0,00	0,0%
	- Dividend payout ratio	%	9,50%	9,50%		
3	Undistributed remaining profit	B.VND	4,22	0,00		

The Company's production and business targets for water production, revenue, and profit in 2024 all exceeded the planned goals.

The dividend payout ratio for 2024 is 9.50%, which is the same as the payout ratio in 2023. The Company has allocated 35.137 billion VND to the Development Investment Fund for 2024 in order to accumulate resources for water supply projects and increase the proportion of people using clean water in the area.

3. Key financial indicators

No.	Indicators	Unit	2023	2024	(+/-) 2024 vs 2023
1	Liquidity ratio				
	- Current payment ratio	time	1,65	1,76	0,12
	- Quick payment ratio	time	1,47	1,54	0,07
	- Cash payment ratio	time	0,76	0,84	0,08
2	Capital structure indicators				
	- Debt/total assets ratio	%	46,39%	43,80%	-2,59%
	- Debt/equity ratio	%	86,54%	77,93%	-8,61%
3	Performance indicators				
	- Inventory turnover	ring	8,00	7,06	-0,94
	- Total asset turnover	ring	0,31	0,33	0,02
4	Profitability ratio				
	- Profit after tax ratio/ Net revenue	%	20,81%	20,14%	-0,67%
	- Profit after tax/Equity ratio	%	12,13%	12,05%	-0,08%
	- Profit after tax coefficient/ Total assets	%	6,50%	6,77%	0,27%
	- Gross profit ratio/ Net revenue	%	41,71%	43,78%	2,07%

* Liquidity Ratios: In 2024, the liquidity ratios increased, particularly the quick ratio and current ratio, both of which are above 1, indicating the Company's ability to meet its short-term debt obligations.

* Debt Ratio: The Company's debt ratio in 2024 continued to decrease compared to 2023, demonstrating that the capital structure is being allocated effectively, with the Company's profit margins increasing. This also shows that the Company remains proactive in managing its capital for business operations.

* Inventory Turnover: The inventory turnover ratio improved in 2024, indicating that the Company continues to implement effective and optimized inventory management policies. Additionally, the total asset turnover ratio increased slightly compared to 2023.

* Profitability: In 2024, through efforts to drive revenue growth and control costs, the Company's profit margin has remained strong, reflecting its ability to sustain profitability.



II. THE FINANCIAL PLAN FOR 2025

STT	Chỉ tiêu	ĐVT	Thực hiện năm 2024	Kế hoạch năm 2025	So sánh	
					(+/-)	(%)
1	Commercial water production	M.m3	63,16	63,75	0,59	0,9%
2	Total revenue + other income	B.VND	690,09	676,48	-13,60	-2,0%
	Clean water revenue	B.VND	619,32	628,09	8,77	1,4%
	Other revenue	B.VND	70,77	48,39	-22,37	-31,6%
3	Profit before tax	B.VND	155,02	160,00	4,98	3,2%
4	Profit after tax	B.VND	134,99	141,70	6,71	5,0%
5	Dividend payout ratio	%	9,50%	9,50%		
6	Charter capital	B.VND	876,00	876,00	0,00	0,0%
7	Payments to the state budget (payables)	B.VND	157,69	152,35	-5,34	-3,4%

- The estimated water sales volume for 2025 is 63.75 million m³, an increase of 0.59 million m³ (equivalent to a 0.9% increase) compared to the same period in 2024.

- The total revenue and other income for 2025 is projected to reach 676.48 billion VND, a decrease of 13.60 billion VND (equivalent to a 2.0% decrease), due to the Company's active review, inspection, and resolution of previous period's backlogs in 2024. Of this, revenue from clean water operations is expected to reach 628.09 billion VND, an increase of 8.77 billion VND (equivalent to a 1.4% increase).

- The pre-tax profit for 2025 is estimated to be 160.00 billion VND, an increase of 3.2% (equivalent to an increase of 4.98 billion VND) compared to the same period in 2024.

- The dividend payout ratio for 2025 is projected to be 9.5%.

This report covers the business performance results for 2024 and the plan for 2025. It is respectfully submitted to the General Shareholders' Meeting for consideration and approval./.

Recipients:

- 2025 General Meeting of Shareholders;
- BOD, SB;
- Filed: Office, Company's Executive.

**ON BEHALF OF THE BOD
CHAIRMAN**

Le Quang Minh