

ANNUAL REPORT 2025

HANOI CLEAN WATER JOINT STOCK COMPANY NO. 2

I. GENERAL INFORMATION

1. General Information

- Transaction name: HANOI CLEAN WATER JOINT STOCK COMPANY NO. 2
- Enterprise Registration Certificate No.: 0100106088, initially issued by the Hanoi Department of Planning and Investment on 05/10/1996, 9th amendment registered on 11/08/2025.
- Charter capital: 568,000,000,000 VND (Five hundred sixty-eight billion VND).
- Owner's equity: 568,000,000,000 VND (Five hundred sixty-eight billion VND).
- Address: No. 6 Dao Dinh Luyen Street, Phuc Loi Ward, Hanoi City, Vietnam.
- Phone number: 024.38750394
- Fax number: 024.38750396
- Website: www.hawater.com.vn
- Stock code (if any): NS2
- Establishment and development process

Hanoi Clean Water Company No. 2, formerly Hanoi Clean Water Trading Company No. 2, was established under Decision No. 2882/QD-UB dated 31/8/1996 of the Hanoi City People's Committee, based on the Gia Lam Clean Water Trading Enterprise under Hanoi Clean Water Company and taking over the Gia Lam water supply project invested by the Governments of Vietnam and Japan.

In July 2010, implementing Decision No. 3464/QD-UBND dated 13/7/2010 of the Hanoi City People's Committee on converting Hanoi Clean Water Trading Company No. 2 into a one-member limited liability company, the Company commenced operations under the Enterprise Law as a one-member limited liability company from January 2011.

On 08/6/2015, the Hanoi City People's Committee issued Decision No. 2588/QD-UBND on converting Hanoi Clean Water One-Member LLC No. 2 into Hanoi Clean Water Joint Stock Company No. 2, with the task of exploiting, producing, and supplying clean water to meet the domestic and production water needs for socio-economic development of agencies, units, and people in the area.

On June 26, 2015, Hanoi Clean Water Joint Stock Company No. 2 was granted the Joint Stock Company Enterprise Registration Certificate No. 0100106088, 4th amendment, by the Hanoi Department of Planning and Investment.

On 12/10/2015, the State Securities Commission issued Official Letter No. 6412/UBCK-QLPH accepting the registration dossier of Hanoi Clean Water Joint Stock Company No. 2 as a public company.

On 20/09/2016, the Vietnam Securities Depository accepted the Company's securities registration and granted Securities Registration Certificate No. 102/2016/GCNCP-VSD for the registered number of shares: 56,800,000 shares.

On 22/11/2016, the Hanoi Stock Exchange issued Decision No. 763/QD-SGDHN on accepting the Company's share registration and Announcement No. 1219/TB-SGDHN on officially listing the Company's shares for trading on the Upcom market, with the Company's first trading day being 30/11/2016.

2. Business lines and operating areas

- Ngành nghề kinh doanh: Water exploitation, treatment, and supply; consulting, construction, and installation of water supply works.
- Địa bàn kinh doanh: Long Bien District, Gia Lam District, Dong Anh District, Soc Son District, Me Linh District.

3. Information on governance model, business organization, and management apparatus

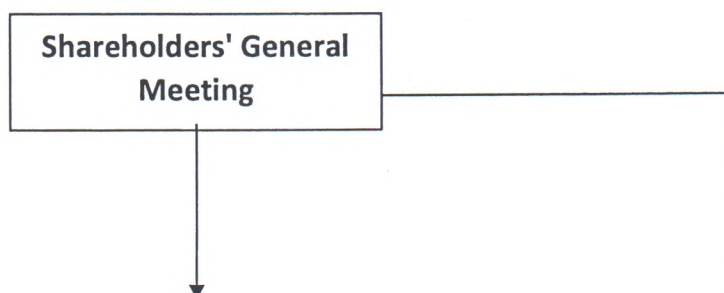
- Governance model: General Meeting of Shareholders, Board of Directors, Supervisory Board, Company Director (as stipulated in Point a, Clause 1, Article 137 of the Enterprise Law No. 59/2020/QH14).

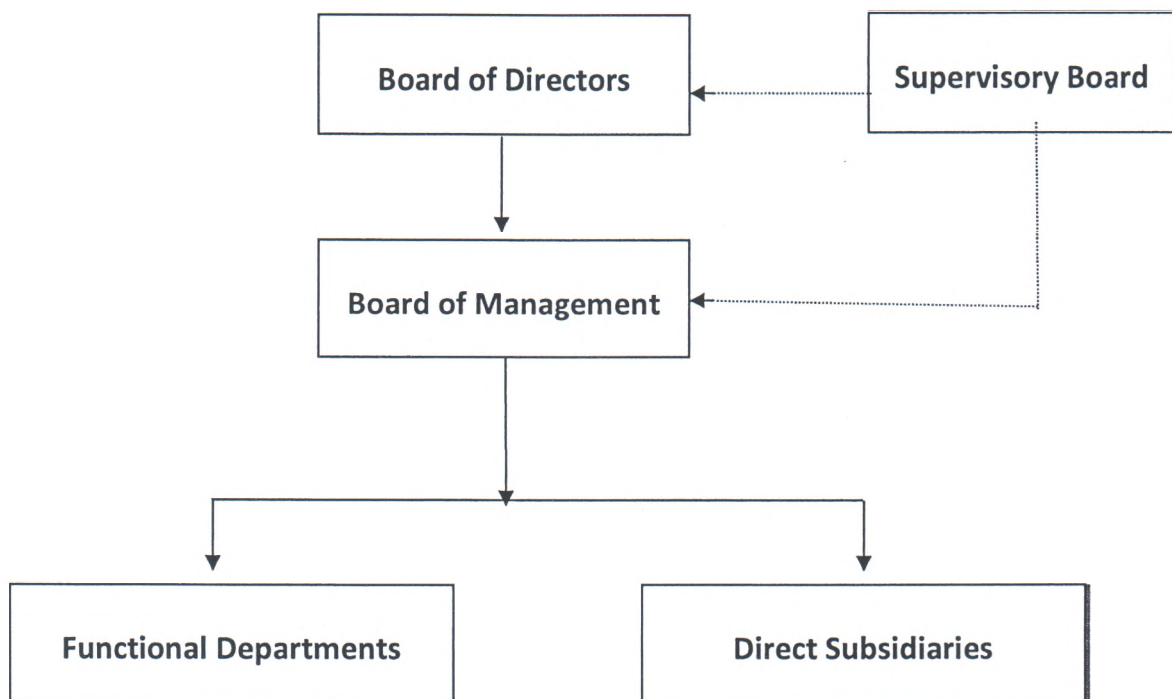
- Management apparatus structure: Board of Directors, Supervisory Board, Director, Deputy Directors, Chief Accountant, and 05 functional departments, 06 direct subsidiaries:**

1. Organization - Administration Department	1. Long Bien Clean Water Enterprise
2. Planning - Technical Department	2. Gia Lam Clean Water Enterprise
3. Finance - Accounting Department	3. Dong Anh Clean Water Enterprise
4. Business Department	4. Consulting, Supervision, Design Enterprise
5. Project Management Board	5. Construction and Installation Enterprise
	6. Water Meter Calibration, Testing, and Repair Center

- Subsidiaries, associated companies: None

b. Management model**





4. Development Orientation:

With the goal of continuing to maintain efficient operations in the clean water business sector, building the Company into a strong collective, becoming a reputable key unit in water supply activities in the northern area of the capital. Orienting towards in-depth development in investment and production in the clean water business sector, Hanoi Clean Water Joint Stock Company No. 2 will implement the following business objectives and strategies:

4.1. Objectives

- Maintain the Company's stability in all operational aspects. Maintain water supply market share in the area where the Company is providing water supply services while consolidating its position and developing the Company's established brand.
- Improve service quality and customer relationship management through specific and practical activities such as: Ensuring the supply of clean water with the best quality, meeting local standards; maintaining safe and stable water supply services, enhancing customer care service quality, regular two-way interaction to create close and effective connections in the enterprise's production and business activities, providing care and gratitude activities for each customer segment; ...
- Fulfill tasks assigned by the Hanoi City People's Committee, relevant Ministries and branches, and Hanoi Clean Water Company; continue to organize the implementation of investment projects according to the approved list; coordinate well with local

authorities and people in managing the water supply system within the Company's managed water supply area.

- Ensure financial objectives. Maintain and stabilize the living standards, employment, and income of the Company's employees. Optimize production and management costs to enhance competitiveness and profitability

4.2. Medium and long-term development strategy**

The Company determines to focus maximum resources on its main business: producing and supplying clean water, specifically:

- Focus on investment for source development: Concentrate on enhancing production capacity and maintaining stable exploitation capacity, treating raw water at local stations to proactively secure part of the supply source. Coordinate effectively with Water Treatment Plants for operation and reasonable regulation of water supply into the network. Control water quality, ensure all parameters always meet standards and satisfy customer needs. Receive customer feedback promptly to adjust water supply and resolve arising issues.

- In the coming period, focus on expanding the water supply area, emphasize improving water supply service quality, invest in ring network connections to ensure safe water supply, keep the non-revenue water ratio low, in line with the capital's water supply planning up to 2030 and vision to 2050 approved by the Prime Minister under Decision No. 554/QĐ-TTg 2021 dated 06/4/2021.

4.3. Sustainable development goals (environmental, social, and community) and main related short-term and medium-term programs of the Company**:

The Company determines to maintain stable water supply, increasing the proportion of the population using clean water from the centralized water supply system provided by the Company to improve people's lives, contributing to social stability in communes and wards in the northern area of the capital.

5. Risks

- Rapid urbanization along with industrial, energy, and transportation activities leads to severe environmental pollution. In particular, the depletion of water sources and the quality of groundwater are significantly affecting the sustainable development of urban areas in general and water supply companies in particular. Some effective State policies have oriented towards reducing groundwater exploitation according to the set roadmap.

- The situation of natural disasters, storms, and floods during the year was complicated and unpredictable. Widespread floods exceeding historical levels severely affected people's lives. At the Company, some production stations had to suspend operations due to flooding, affecting the company's overall production and business activities. Air pollution in major cities, especially Hanoi, is at an alarming level. Facing this situation, the company developed a plan to proactively coordinate supply sources to maintain

water supply services to the maximum extent, ensuring essential needs of the people amidst complicated flood situations.

II. FINANCIAL ACTIVITIES DURING THE YEAR

1. Production and Business Situation

1.1. Advantages:**

In 2025, with coordination and facilitation from local authorities, attention and direction from the City and Departments, along with the leadership and guidance of the Board of Management and the efforts of all employees, Clean Water Company No. 2 successfully completed all aspects of production and business activities and assigned tasks. It affirmed its role in achieving political and social objectives, concretizing the policies, guidelines, and orientations of the Party, State, and City.

In the past year, the entire domestic political system has strived to implement many key tasks, notably the reform of the Government's organizational structure and the arrangement of administrative units at all levels according to the two-tier local government model; perfecting legal institutions, decentralization, and delegation of powers suitable for the new model. Implementing Resolution No. 1656/NQ-UBTVQH15 passed by the Standing Committee of the 15th National Assembly on June 16, 2025, regarding the rearrangement of communal-level administrative units of Hanoi City in 2025, the Company's departments and branches coordinated to review and propose plans for organizational structure, technical management, and business management. In September 2025, the Company completed the development of a new management model for Clean Water Enterprises suitable for the changes in government levels. Regarding customer management, during the quarter, the Company proceeded to change addresses for all managed customers, updating business addresses, bank relationship codes, and customer codes according to the two-tier local government model.

Internal control was enhanced, the staff is systematically trained with good professional competence, continuously promoting creativity and proactivity in work. This not only helps the company develop sustainably but also adapts well to changes in the business environment.

Implemented and completed winter water supply, Lunar New Year (Year of the Snake) water supply, and summer water supply tasks, ensuring stable and safe water supply, contributing to improving people's quality of life during important occasions. The Company prepared sufficient materials and equipment to ensure safety and avoid interruptions in water production and supply, especially during the 80th National Day Grand Ceremony on 02/9/2025. Contributed to stabilizing political security and social order in communes and wards in the northern area of the capital, fulfilled political tasks assigned by the City and Hanoi Clean Water Company, received trust from local authorities, and especially the support of over 290,000 customer households.

Regarding fiscal policy, On June 30, 2025, the Government officially issued Decree 174/2025/ND-CP guiding the value-added tax reduction policy according to Resolution 204/2025/QH15 dated June 17, 2025, of the National Assembly. Accordingly, continue to reduce VAT by 2% for certain groups of goods and services from 01/07/2025 to the end of 31/12/2026 to promote production and business development in the second half of 2025 and continuing into 2026. Additionally, Decree No. 82/2025/ND-CP (dated 02/4/2025) also stipulates an extension of the deadline for paying VAT, corporate income tax, personal income tax, and land rent in 2025, helping to reduce financial pressure on taxpayers.

The Company continuously improves production capacity through investing in upgrading water supply station systems. Maintenance of facilities, repair, and maintenance of production equipment are always planned in detail and strictly implemented, aiming to maintain stable local production stations, maximize exploitation capacity according to granted licenses, meet water supply demands outside the network, and proactively secure part of the supply source. Solutions to save electricity, maintain stability and safety for the water supply system were proposed and successfully implemented. Along with good control of input water quality purchased from Hanoi Clean Water Company and Duong River Surface Water Company, the quality of water supply services is increasingly stable and improved in all areas managed by the Company. Internal production testing is maintained regularly, water quality always meets QCVN01-1:2024/BYT.

In 2025, the Company continued to implement the science and technology application project for the 2021-2025 period in production and water supply. Exploited and utilized modern software and equipment to maximize labor productivity while reducing costs and improving customer care quality, such as: (1) Deploying SCADA system application in factory machinery management; (2) Converting some subsystems from Citywork to the eKMAP platform; (3) Successfully deploying Voice Brandname service - a telecommunications solution to enhance brand recognition, demonstrate professionalism, and improve customer experience; (4) Stopped sending notifications via Zalo application, deployed instructions for customers to download the NUOCSACH2HN App, a strategy to focus on user experience and leverage the full features of the dedicated application...

The activities of the Customer Care Center are continuously improved, with customer service quality always prioritized. The Company regularly organizes internal training courses to enhance knowledge, professional skills, and customer service mindset to better meet the Company's increasing requirements.

Hanoi Clean Water Company No. 2 increasingly gains trust and satisfaction from authorities and people in its managed area, affirming responsibility to the community and society, enhancing the Company's position and brand through community and social security activities such as: Supporting the Fund for the Poor, humanitarian blood

donation, customer care programs for school customers in the Company's managed area, customer gratitude programs, supporting people affected by floods...

1.2. Difficulties:

In the second quarter of 2025, although summer had begun, the weather was quite cool with many rainy days and low temperatures. In the first half of June, the impact of the unusual storm No. 1 brought rain and decreased temperatures, a clear difference compared to the same period in previous years. This affected customers' water demand, causing difficulties in forecasting and planning, and directly impacted the Company's production and business results. Thunderstorms with lightning strikes damaged many electrical devices at production stations, leading to increased repair costs. The natural disaster, storm, and flood situation in the last months of the year continued to be complicated and unpredictable. The rare phenomenon of "storms stacking on storms, floods stacking on floods" caused historically unprecedented widespread flooding, severely affecting people's lives. At the Company, the Bac Son 2 production station had to suspend operations for over a month due to flooding, affecting the company's overall production and business activities. Air pollution in major cities, especially Hanoi, is at an alarming level.

The organizational restructuring to suit the two-tier local government brings many benefits but also requires preparation and effort from all employees of the company. Coordinating and rebuilding the organizational structure, technical management, and business management encountered many difficulties due to the sudden increase in workload and time pressure to implement rapid changes to match the changes in local government, which was also a significant challenge.

The Company continued to have to purchase water from various sources such as Hanoi Clean Water Company, Duong River Surface Water Company, etc., in large proportions to supply the network, thus not being completely proactive in the water supply for customers. The proportion of purchased water for the whole year increased by 7.5% compared to the same period in 2024, of which water purchased from Duong River Surface Water Company increased by 13.6%, leading to higher water purchase costs.

Regarding investment and customer development, during the implementation process, the Company made great efforts to coordinate with relevant parties to resolve obstacles and deploy according to the set plan; however, it still encountered many objective difficulties such as: Prolonged appraisal of investment projects at Departments and branches leading to delayed project approval; Difficulties in applying for construction permits due to the transition to two-tier local government, especially for projects related to dike permits; Complicated procedures for requesting land handover for project implementation; Construction difficulties due to site clearance issues.

The ratio of billed collected water remained stable at a high level (over 90%) under high-pressure network conditions requiring timely management, operation, and incident handling, which is a significant pressure in organizing the Company's tasks.

Production and Business Results:

No.	Indicator	Unit	Actual 2024	Plan 2025	Actual 2025	Act./ Plan (%)	Vs. prev. year (%)
1	Output Indicators						
a	Water supplied into network	m3	61,649,697	63,339,306	64,820,066	102%	105%
	Self-produced water	m3	14,309,371	13,887,823	13,921,908	100%	97%
	Water purchased from HNSCo	m3	35,781,941	35,795,000	37,765,610	106%	106%
	Water purchased from Duong River Co.	m3	11,558,385	13,656,482	13,132,548	96%	114%
b	Billed water volume	m3	57,241,857	58,599,808	59,972,172	102%	105%
2	Total Revenue	VND	838,765,496,131	841,444,467,672	853,244,649,808	101%	102%
	Water revenue	VND	786,628,477,019	797,056,983,372	824,356,410,804	103%	105%
	Constr., Design revenue	VND	24,142,357,759	39,120,000,000	23,311,113,574	60%	97%
	Other revenue, Fin. Act.	VND	27,994,661,353	5,267,484,300	5,577,125,430	106%	20%
3	Net Revenue	VND	766,389,180,953	767,262,997,754	778,006,406,470	101%	102%
	Water revenue	VND	713,944,925,580	723,532,414,333	748,645,816,572	103%	105%
	Constr., Design revenue	VND	22,354,034,967	36,222,222,222	21,584,364,415	60%	97%
	Other revenue, Fin. Act., etc.	VND	30,090,220,406	7,508,361,199	7,776,225,483	104%	26%
4	Costs	VND	742,051,387,980	742,548,643,104	752,564,105,732	101%	101%
	Water costs	VND	709,067,822,912	709,948,643,104	731,560,858,208	103%	103%
	Constr., Design costs	VND	21,173,814,049	32,600,000,000	21,003,247,524	64%	99%
	Others	VND	11,809,751,019	-	-	-	0%
5	Profit before tax	VND	24,337,792,973	24,714,354,650	25,442,300,738	103%	105%
	Water profit	VND	4,877,102,668	13,583,771,229	17,084,958,364	126%	350%

	Constr. - Des. profit	VND	1,180,220,918	3,622,222,222	581,116,891	16%	49%
	Others	VND	18,280,469,387	7,508,361,199	7,776,225,483	104%	43%
6	Total CIT	VND	4,953,494,145	4,942,870,930	5,107,658,764	103%	103%
6	Total Profit after tax	VND	19,384,298,828	19,771,483,720	20,334,641,974	103%	105%
7	Owners' equity	VND	568,000,000,000	568,000,000,000	568,000,000,000	100%	100%
8	ROE (PAT/Equity)	%	3.41%	3.48%	3.58%	103%	105%
9	Taxes and amounts payable to State	VND	88,181,381,275	90,673,095,235	91,887,228,125	101%	104%
	VAT	VND	37,609,294,724	39,064,242,494	39,256,663,205	100%	104%
	Natural resource tax	VND	5,723,748,000	5,555,129,200	5,568,763,200	100%	97%
	Land tax, land rent, non-agri land tax	VND	1,065,332,671	1,497,999,649	1,065,332,671	71%	100%
	PIT	VND	2,542,057,541	3,000,000,000	3,477,947,936	116%	137%
	CIT	VND	4,903,190,258	5,030,700,702	5,107,658,764	102%	104%
	License tax	VND	9,000,000	9,000,000	9,000,000	100%	100%
	Environmental protection fee	VND	34,769,520,762	35,097,512,394	35,981,580,133	103%	103%
	Fee for right to exploit resources	VND	815,150,079	696,344,000	696,344,000	100%	85%
	Forest environmental protection fee	VND	744,087,240	722,166,796	723,938,216	100%	97%
10	Total employees	people	536	585	543	93%	101%
11	Total salary fund	Mil. VND	99,968	102,465	107,500	105%	108%
12	Average income per person/month	Mil.VN D/pers on/month	15,540	15,696	17,418	111%	112%

2. Organization and Personnel

- List of the Board of Management (as of 31/12/2025):

	Full Name	Brief Biography	% Ownership of Voting Shares	Other Securities issued by the Company
1	Ta Ky Hung	<p>Date of birth: 15/03/1975 Place of birth: Hanoi Hometown: Ha Nam Ward, Ninh Binh Province Registered permanent residence: 12/25 Thong Phong alley, Van Mieu - Quoc Tu Giam Ward, Hanoi City Current residence: 12/25 Thong Phong alley, Van Mieu - Quoc Tu Giam Ward, Hanoi City Professional qualification: Master in Hydrogeology, Engineer in Water Supply and Drainage Position: Member of the Board of Directors - Company Director</p>	<p>Personal ownership: 33,600 shares accounting for 0.059% of total Company shares. Representative ownership of State capital: 11,723,494 shares accounting for 20.64% of total Company shares.</p>	None
2	Tran Thi Phuong Thao	<p>Date of birth: 03/10/1974 Place of birth: Hanoi Hometown: Thuong Tin Commune, Hanoi City Registered permanent residence: P302, Building 17 T8, Trung Hoa Nhan Chinh, Yen Hoa Ward, Hanoi City Current residence: P302, Building 17 T8, Trung Hoa Nhan Chinh, Yen Hoa Ward, Hanoi City Professional qualification: Engineer in Construction Economics Position:</p>	<p>Personal ownership: 40,400 shares accounting for 0.071% of total Company shares. Representative ownership of State capital: 10,223,978 shares accounting for 18% of total Company shares.</p>	None

		Member of the Board of Directors - Deputy Director of the Company		
3	Ngo Van Duc	<p>Date of birth: 16/4/1976 Place of birth: Ninh Binh Hometown: Tay Hoa Lu Ward, Ninh Binh Province. Registered permanent residence: No. 11, Thanh Tri Commune, Hanoi City Current residence: No. 74 Cat Tuong Street, Garden City New Urban Area, Thach Ban, Long Bien, Hanoi. Professional qualification: Master in Infrastructure Engineering, Engineer in Water Supply and Drainage Position: Member of the Board of Directors - Deputy Director of the Company</p>	<p>Personal ownership: 8,000 shares accounting for 0.014% of total Company shares. Representative ownership of State capital: 10,223,978 shares accounting for 18% of total Company shares.</p>	None
4	Nguyen Hoang Viet	<p>Date of birth: 15/10/1986 Place of birth: Vinh Phuc Hometown: House No. 23, Alley 12, Me Linh Street, Vinh Phuc Ward, Phu Tho province. Registered permanent residence: Apartment B2305, Central point building, 219 Trung Kinh, Yen Hoa Ward, Hanoi City Current residence: Apartment B2305, Central point building, 219 Trung Kinh, Yen Hoa Ward, Hanoi City Professional qualification: Master in Infrastructure Engineering; Engineer in Water Supply</p>	<p>Personal ownership: 4,500 shares accounting for 0.0079% of total Company shares.</p>	None

		and Drainage. Position: Deputy Director of the Company		
5	Le Thi Ngoc Lan	Date of birth: 27/11/1976 Place of birth: Thanh Mieu Ward, Phu Tho Province Hometown: Hac Thanh Ward, Thanh Hoa Province Registered permanent residence: House No. 12, Alley 310/15 Nghi Tam Street, Hong Ha Ward, Hanoi City. Current residence: House No. 12, Alley 310/15 Nghi Tam Street, Hong Ha Ward, Hanoi City. Professional qualification: Bachelor of Economics, major in Accounting Position: Chief Accountant, Head of Finance - Accounting Department	Personal ownership: 23,500 shares accounting for 0.041% of total Company shares.	None

- Changes in the Board of Management:

+ The Company appointed Mr. Pham Anh Tuan - Deputy Director of the Company to the position of Chairman of the Board of Directors under Decision No. 29/QD-NS2 dated 22/04/2025

+ The Company appointed Mr. Nguyen Hoang Viet - Head of Planning and Technical Department to the position of Deputy Director of the Company under Decision No. 36/QD-HDQT dated 29/04/2025.

- Number of staff and employees (as of 31/12/2025): 545 people

- Summary of policies and changes in policies for employees:

In 2025, the Company continued to strictly comply with the provisions of the Labor Code, Social Insurance Law, Law on Occupational Safety and Hygiene, and relevant documents in labor management.

3. Investment situation and capital mobilization for projects

3.1 Status of implementing water supply projects**

In 2025, Hanoi Clean Water Joint Stock Company No. 2 organized the implementation of assigned water supply projects according to the plan, with the value of completed work reaching 197,211 million VND.

Of which:

+ Water supply construction projects:	194,688 million VND
+ Asset procurement:	1,424 million VND
+ Renovation, repair, and facility consolidation:	1,099 million VND

Detailed results are as follows:

** Investment preparation, construction drawing and estimate design:*

- Sai Dong water supply booster station project, capacity 40,000m³/day: Approved investment policy, approved investor for project implementation. Approved project Feasibility Study Report. Completed land lease application for project implementation. Currently preparing, reviewing, and appraising construction drawing and estimate design documents.
- Investment in constructing transmission pipeline to connect the water supply ring network in Long Bien district area to ensure safe water supply phase II: Completed survey work; Prepared, appraised, and approved the project Feasibility Study Report. Completed preparation, review, appraisal, and approval of construction drawing and estimate design documents.
- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2023: Approved Feasibility Study Report; Approved construction drawing and estimate design documents;
- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2024: Completed preparation, review, and approval of the project Technical-Economic Report documents.
- Supplementary installation of water supply pipelines in Long Bien Clean Water Enterprise area in 2025: Deployed project investment preparation work: Completed exploratory drilling, reported survey results; Prepared and reviewed the project Feasibility Study Report.
- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Long Bien District area in 2025: Completed preparation, review, and approval of the project Technical-Economic Report documents.
- Investment in construction, expansion, and completion of the centralized water supply network in Soc Son district area - Phase V: Completed survey work; Prepared, reviewed, and approved the project Feasibility Study Report; Prepared, reviewed, and approved construction drawing and estimate design documents.

- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2025: Completed preparation, review, and approval of the project Technical-Economic Report documents.

**** Project implementation:***

- Investment in constructing transmission pipeline to connect the water supply ring network in Long Bien district area to ensure safe water supply phase II: Selected contractors for supervision consulting, equipment, auditing, and material supply packages for the project. Applied for construction permits. Prepared to commence construction.

- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2023: Selected contractors; Procured materials and equipment; Obtained construction permits; Implemented construction and completed the project, handed over and put into operation.

- Investment in construction, expansion, and completion of the centralized water supply network in Soc Son district area - Phase IV: Continued construction implementation and completed the project, handed over and put into operation.

- Supplementary installation to strengthen water supply pipelines for Soc Son clean industrial park and surrounding areas, Soc Son district in 2023: The HDPE DN400 pipeline item required synchronized construction with the transport infrastructure project, currently awaiting site clearance to continue construction.

- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2024: Selected contractors; Procured materials and equipment for construction. Applied for construction permits; Organized construction and completed the project.

- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Long Bien District area in 2025: Selected contractors; Supplied materials and equipment for construction. Applied for permits and commenced construction. Installed water pipeline length at site reached 1,504/1,999m; Completed phase I payment for the contractor.

- Investment in construction, expansion, and completion of the centralized water supply network in Soc Son district area - Phase V: Selected contractors; Procured materials and equipment; Applied for construction permits; Implemented construction and completed the project, handed over and put into operation.

- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2025: Prepared materials for construction. Coordinated construction implementation concurrently with the progress of transport infrastructure renovation.

**** Auditing and approval of investment capital settlement for completed works***

- Investment in constructing transmission pipeline to connect the water supply ring network in Long Bien district area to ensure safe water supply in 2022: Completed auditing work. Completed debt payment to contractors, finalized the project.
- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2023: Completed project auditing work, approved investment capital settlement for completed works; Completed debt payment to contractors, finalized the project.
- Investment in construction, expansion, and completion of the centralized water supply network in Soc Son district area - Phase IV: Completed project auditing work, approved investment capital settlement for completed works; Completed debt payment to contractors, finalized the project.
- Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area in 2024: Completed auditing work. Completed debt payment to contractors, finalized the project.
- Investment in construction, expansion, and completion of the centralized water supply network in Soc Son district area - Phase V: Completed project auditing work, approved investment capital settlement for completed works; Completed debt payment to contractors, finalized the project.

3.2. Status of asset procurement

Asset procurement activities were implemented by Hanoi Clean Water Company No. 2 according to the approved plan for the whole year 2025, with the value of completed work reaching 1,424 million VND.

3.3. Status of renovation, repair, and facility consolidation

In 2025, the project "Construction of one-stop-shop office area". Value of completed work reached 1,099 million VND.

Completed appraisal and approval of the Feasibility Study Report; Selected contractor for the design phase; Prepared, reviewed, appraised, and approved construction drawing design documents; Selected contractor for the mixed package. Applied for construction permit. Deployed test pile pressing work.

3.4. Disbursement status for projects where the Company is the investor.

a) Disbursement status:

Disbursement value for water supply construction projects, asset procurement, and renovation, repair, and facility consolidation of the Company in 2025: 218,031 / 351,880 million VND, reaching 62% compared to the assigned plan (including payment for volume completed in 2024), specifically:

Of which:

- Depreciation fund source: 60,383/85,720 million VND, reaching 70.44% of the annual plan.

- + Water supply construction investment: 58,094 million VND
- + Asset procurement: 1,424 million VND
- + Renovation, repair, facility consolidation: 865 million VND
- Mobilized capital source: 157,648/266,160 million VND, reaching 59.23% of the annual plan.
- + Water supply construction investment: 157,648 million VND
- + Asset procurement: 0 million VND
- + Renovation, repair, facility consolidation: 0 million VND

b) Evaluation of project implementation progress

- The organization of project implementation, auditing, and approval of investment capital settlement followed the correct procedures and regulations. However, among the projects included in the 2025 investment plan, 04 projects did not meet the progress requirements.

- + Sai Dong water supply booster station, capacity 40,000m³/day;
- + Investment in constructing transmission pipeline to connect the water supply ring network in Long Bien district area to ensure safe water supply phase II;
- + Supplementary installation of water supply pipelines in Long Bien Clean Water Enterprise area in 2025;
- + Construction of one-stop-shop office area.

*** Objective reasons**

In 2025, implementing the State's policy on merging and changing departments and branches, merging localities, and implementing two-tier local government. State policies, regimes... continuously renewed, decentralized, and subject to increasingly strict control.

The implementation of water supply projects faced particular difficulties from the stage of project agreement, basic design appraisal, construction drawing and estimate design appraisal, requesting land allocation/lease for project implementation, applying for construction permits... leading to prolonged project implementation and continuous delays compared to requirements. Projects eligible for construction had to be suspended according to the Directive of the Hanoi City People's Committee to control environmental pollution. Some projects implemented according to the progress of local infrastructure renovation and transport infrastructure could not proactively control implementation progress. The work performance of project consulting units, design consultants, appraisal consultants, and project management consultants did not meet quality standards and schedule requirements.

*** Subjective reasons:**

Projects were accelerated for implementation and volume completion in the last months of the year. At this time, a large volume of work arose, from controlling volume

dossiers requesting advance payment, payment, preparing investment capital settlement reports, reconciling debts, coordinating with auditing units, disbursing loans, synthesizing payment reports, planning for the next year... handling work within limited time frames, leading to some shortcomings, although not material, but requiring timely lessons learned for immediate correction.

*** Corrective measures:**

Proactively develop project implementation plans, disbursement plans for capital sources, and accounting work to meet progress requirements. Enhance teamwork to gain more project information. Proactively coordinate with functional departments to increase work efficiency.

4. Financial situation

a. Financial situation

Indicator	2024	2025	% Change
Total assets	1,556,425	1,638,631	5.3%
Net revenue	744,537	778,002	4.5%
Profit from operating activities	2,568	25,438	890.6%
Other profit	21,768	4	-100.0%
Profit before tax	24,337	25,442	4.5%
Profit after tax	19,384	20,334	4.9%
Dividend payout ratio	50%	50%	0%

b. Key financial indicators:

Indicator	2024	2025	Note
1. Liquidity ratios			
+ Current ratio: Current assets/Current liabilities	1.22	1.23	
+ Quick ratio: (Current assets - Inventories)/Current liabilities	1.10	1.06	
2. Capital structure ratios			
+ Debt/Total assets	0.62	0.64	
+ Debt/Equity	1.71	1.85	
3. Activity ratios			
+ Inventory turnover (COGS/Average inventory)	13.75	11.59	
+ Total asset turnover (Net revenue/Total assets)	0.49	0.48	
4. Profitability ratios			
+ Net profit margin (PAT/Net revenue)	2.60%	2.61%	

+ ROE (PAT/Equity)	3.41%	3.58%	
+ ROA (PAT/Total assets)	1.25%	1.24%	
+ Operating profit margin (Op. profit/Net revenue)	0.34%	3.27%	

5. Shareholder structure, changes in owner's investment

a. Shares:

- Total outstanding shares: 56,800,000 shares
- Total par value: 568,000,000,000 VND (Five hundred sixty-eight billion VND)
- Share type: Common shares
- Number of restricted shares: None
- + Number of shares held by Board of Directors members subject to transfer restriction (require BOD approval): 127,100 shares.

b. Shareholder structure: (as of 31/12/2025)

No.	Shareholder	Number of shares	Value (VND)	Ratio (%)
1	Domestic shareholders	56,800,000	568,000,000,000	100%
1	Institutional shareholders	54,891,400	548,914,000,000	96.64%
2	Individual shareholders	1,908,600	19,086,000,000	3.36%
	Total	56,800,000	568,000,000,000	100%

c. Changes in owner's investment: No change

d. Treasury share transactions: None. Other securities: None

6. Report on environmental and social impacts of the company

6.1. Raw material source management:

a. Total amount of raw materials used for production and packaging of the organization's main products and services during the year.

- The Company's main product is Clean Water; The Company's main service is providing clean water to all water users in districts in northern Hanoi.
- Total raw material is raw water exploited from wells to produce clean water in 2025 with an average capacity of 14.061 million m³/year, treated into clean water meeting standard QCVN 01-1:2024/BYT.

b. Report on the percentage of recycled raw materials used to produce the organization's main products and services.

The Company has built a synchronous line to collect all filter backwash water for recycling and treatment into clean water meeting QCVN 01-1:2024/BYT standard. Water discharged during the production process is collected, treated, and reused through a recirculation system back to the clean water treatment line; 100% of the collected water is recycled and reused, not discharged into the environment.

6.2. Energy consumption:

a. The energy consumed in the Company's production process is electrical energy. The Company uses electricity to operate machinery and equipment in production.

- Direct energy consumed at Production Stations serving production: 5,605,962 Kw.

- Indirect energy consumed at the Company's Head Office: 169,544 Kw.

b. Energy saved through energy efficiency initiatives:

The Company has implemented solutions to save energy, including solutions to save electricity for the main power consumers - the motors of extraction and water supply pumps. All of the Company's pumping stations have been equipped with inverter systems to save electricity consumption. Lighting systems have also been equipped with energy-saving light bulbs.

c. Reports on energy-saving initiatives (providing energy-saving products and services or using renewable energy); report on the results of these initiatives: None.

6.3. Water consumption: (water consumption level of business activities during the year)**

a. Water supply source and volume of water used:

The Company self-produces clean water for its production and business activities. Water is treated and recirculated within the water treatment line, ensuring no discharge into the environment.

b. Percentage and total volume of water recycled and reused:

All wastewater generated during the water production process is collected, treated to separate sludge, and reused through a recirculation system back to the existing clean water treatment line.

6.4. Compliance with environmental protection laws:**

a) Number of sanctions for violations due to non-compliance with environmental laws and regulations: No violations sanctioned.

b) Total amount of fines for violations due to non-compliance with environmental laws and regulations: No violations sanctioned.

6.5. Policies related to employees**

a. Number of employees, average salary for employees:

- Number of employees (as of 31/12/2025): 545 people

- Average income: 17,418,000 VND/person/month

b. Labor policies aimed at ensuring health, safety, and welfare of employees:

- Salary: Salary and income paid to employees are based on productivity, quality, efficiency, work performance results, and individual contribution level, ensuring fairness and transparency between the collective and individuals.

- Allowance regime: The Company pays meal allowances to all employees working at the Company (50,000 VND/day); petrol and phone allowances for certain job titles/positions.

- Social insurance: 100% of employees working at the Company participate in compulsory social insurance. The Company supports employees in completing procedures to request Social Insurance to pay sickness, maternity, and convalescence benefits.

- Occupational safety and hygiene: Provide personal protective equipment, develop annual occupational safety and hygiene plans; establish a network of safety and hygiene officers; conduct periodic annual occupational safety and hygiene inspections.

- Collective Labor Agreement: The Company agrees with the Company's Trade Union Executive Committee to issue a Collective Labor Agreement stipulating collective welfare regimes and other guarantees beneficial to employees and in accordance with the Labor Code.

c. Employee training activities

- Average training hours per total employees: 0.20 hours/person/year

- Skills development and continuous learning programs to support employability and career development:

- + Training on specialized topics in management and business administration

- + Training for occupational health certificates

- + Professional training and advanced tax skills

- + Training on legal regulations and risk prevention experience in concluding electronic contracts

- + Occupational safety training for employees

- + Training on construction investment management according to the Construction Law and guiding documents

- + Overview training on AI and AI applications in enterprises

- + Training for salary grade advancement, skill improvement and fostering.

6.6 Report on responsibility towards the local community:

In 2025, the Company fully participated and performed well its responsibilities towards the local community through contributions and support to funds and charitable organizations at the local and City levels.

III. REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

1. Assessment of achieved results:

Clean Water Company No. 2 achieved certain results in 2025. Some specific results achieved are as follows:

- Regarding production and business indicators: generally, all production and business indicators were completed and exceeded the set plan, maintaining the stability of the Company's production and business activities.

+ In 2025, the Company continued to vigorously implement price application and billing/collection tasks, leading to the average unit price excluding tax and fee (increased by 139.34 VND/1m3 compared to the plan) and water revenue excluding tax and fee (reached 103.5% compared to the plan) both exceeding the plan.

+ The Company's total revenue indicator was also ensured, reaching 101.4% compared to the plan, of which water revenue excluding tax and fee in 2025 increased by 3.5% compared to the annual plan.

+ The Company deployed leak detection and break point measures, proactive prevention, so the ratio of billed collected water reached 92.52% and the non-revenue water ratio reached 7.33% for the whole year, completing the plan.

- Regarding water supply services: Maintained safety, stability, and improved water supply services, well meeting water demand in the area. In 2025, no major incidents occurred in production or distribution causing water supply interruptions, even during the unusually severe natural disasters and floods. Completed the task of producing and supplying clean water in the northern area of Hanoi.

- Regarding compliance with State regulations: Fully and strictly complied with legal regulations in all areas of the Company's production and business activities. Paid budget fully and in accordance with regulations.

- Actively participated in and made practical contributions to many emulation movements of Hanoi Clean Water Company, the Northern Water Supply Association; Employees' lives were maintained stably, all regimes for employees were regularly implemented well, budget contributions were made fully and in accordance with regulations.

* Existing limitations:

The Company's total revenue indicator was ensured, reaching 101.4% compared to the plan, but construction and design revenue only reached nearly 60% of the plan. The reason was that the implementation of infrastructure projects by investors in communes and wards in the area in 2025 was still slow. Many projects faced obstacles in agreements and construction site clearance, so the implementation of water supply items was not carried out on schedule, leading to delays affecting the Company's construction investment progress. The customer development area was mainly rural, with low water demand and high investment costs, so investment efficiency was not immediately realized. Additionally, in 2025, there was a change to two-tier government, so projects under communes and wards were implemented slower than expected, impacting the Company's construction activity revenue target.

2. Financial situation

In 2025, the company's production and business activities also faced many difficulties due to objective impacts. In 2025, the Vietnamese economy maintained macroeconomic stability, inflation was controlled, but overall, risks and challenges remained and were difficult to predict. Retail prices for domestic water were not adjusted. Purchased water volume increased compared to 2024, causing difficulties in the company's financial balance. Nevertheless, the company implemented many proactive measures to reduce costs in professional and technical work, with specific plans, strategies, and orientations for each stage. Along with the attention and direction from the City, Departments, and leaders of Hanoi Clean Water Company, the active coordination of departments, the support and facilitation of local authorities, and the solidarity and high consensus of the collective of employees, Hanoi Clean Water Joint Stock Company No. 2 successfully completed the 2025 production and business plan and other tasks. Many indicators were completed and exceeded the set plan, specifically:

- Total revenue reached: 778,006 million VND, reaching 101.4% of the plan and increasing by 1.5% compared to 2024.
- Total profit before tax reached: 25,442 million VND, reaching 102.9% of the plan and increasing by 4.5% compared to 2024.
- Profit after tax reached: 20,334 million VND, reaching 102.8% of the plan and increasing by 4.9% compared to 2024.

a. Asset situation

Total assets as of 31/12/2025 were: 1,638,621 million VND, an increase of 5.3% compared to 31/12/2024: 1,556,425 million VND.

* Indicators reflecting total asset utilization efficiency:

- Total asset turnover: 0.48

Total asset turnover = Net revenue / Average total assets during the period

This indicator assesses the efficiency of using assets (including both current and long-term assets) of the enterprise. In 2025, for every 1 VND of assets put into business operations, the enterprise generated 0.48 VND of net revenue.

- Return on assets (ROA): 0.0127

ROA = Profit after tax / Average total assets

ROA indicates that for every 1 VND of assets invested, the enterprise generated 0.0127 VND of profit after tax.

* Indicators reflecting current asset utilization efficiency:

- Current asset turnover: 2.71

Current asset turnover = Net revenue / Average current assets during the period

This indicator assesses the efficiency of using current assets in general (including inventory and receivables). In 2025, for every 1 VND of current assets invested in production and business, the enterprise generated 2.71 VND of net revenue.

- Return on current assets: 0.071

Return on current assets = Profit after tax / Average current assets during the period

This indicator reflects the profit after tax of the enterprise; it shows that for every 1 VND invested in current assets, the enterprise earns 0.071 VND of profit after tax.

* Indicators reflecting fixed asset utilization efficiency

- Fixed asset turnover: 0.29

Fixed asset turnover = Net revenue / Average original cost of fixed assets

This indicator shows that in the year, for every 1 VND of fixed assets invested, 0.29 VND of net revenue was generated.

- Return on fixed assets: 0.008

Return on fixed assets = Profit after tax / Average original cost of fixed assets

This reflects that for every 1 VND of fixed assets invested during the period, 0.008 VND of profit after tax was generated.

b. Liabilities situation:

Total liabilities as of 31/12/2025 were: 1,050,056 million VND, an increase of 8.3% compared to 01/01/2025. Thus, total liabilities increased compared to the beginning of the period. The reason was that in 2024, the Company mobilized capital through loans from commercial banks and credit institutions to implement network expansion for residents in the area such as: Investment in construction, expansion, and completion of the centralized water supply network in Soc Son area Phase 4, Investment in construction, expansion, and completion of the centralized water supply network in Soc Son area Phase 5, Renovation and upgrading of the water supply system according to the progress of local infrastructure renovation in Soc Son area 2023.

Current ratio = Current assets / Current liabilities as of 31/12/2025 was 1.2 times, indicating that the enterprise's short-term debt repayment capacity is safe. Financially, the enterprise has sufficient capacity to meet debt payment requirements.

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

- In 2025, along with the rearrangement of communal-level administrative units of Hanoi City, the Company consolidated and innovated the management model of its clean water branches to meet the changes in government levels.

- Regarding technical management, the Company continued the application of asset maintenance management for water supply works, modernized the monitoring, control, and automation systems of water supply production stations.

- Regarding customer management, the Company proceeded to change addresses for all managed customers, updating business addresses, bank relationship codes, and customer codes according to the two-tier local government model.

- Organized the Extraordinary General Meeting of Shareholders in 2025, unanimously approved the cancellation of public company status as Hanoi Clean Water Company No. 2 did not meet the shareholder structure conditions for a public company as stipulated

in point a, clause 11, Article 1 of Law No. 56/2024/QH15. On 14/01/2026, the State Securities Commission issued Official Letter No. 357/UBCK-GSDC announcing the cancellation of public company status for Hanoi Clean Water Joint Stock Company No. 2. On 21/01/2026, the Company received Decision No. 46/QD-SGDHN from the Hanoi Stock Exchange regarding the cancellation of share trading registration, and on 05/02/2026, the Vietnam Securities Depository and Clearing Corporation issued Official Letter No. 1603/VSDC -- DKCP.NV regarding the cancellation of securities registration.

- Continued training and fostering of key management personnel, enhanced management and administration, developed a salary and income regulation linking responsibility with work performance results. Implemented self-training, testing, and skill assessment for each job title periodically quarterly in each department, division, branch.

- Invested in science and technology application in production and business activities to support management, work control, increase labor productivity, work quality, and efficiency.

- Organized production and business, arranged labor economically and efficiently.

4. Future development plan

- Plan for some financial indicators in 2026:

- + Revenue and other income: 790,232 million VND

- + Profit before tax: 25,715 million VND

- + Profit after tax: 20,572 million VND

- + Dividend payout ratio: 50% of profit after tax

5. Explanation of the Board of Management regarding the auditor's opinion:None

6. Assessment report related to the company's environmental and social responsibilities

a. Assessment related to environmental indicators**

Besides the outstanding achievements, the Vietnamese economy in 2025 continued to face many challenges and difficulties, especially in the context of the world economy facing many unpredictable fluctuations and the internal Vietnamese economy still facing many risks. In this uncertain context, Vietnam steadfastly maintained macroeconomic stability, created a favorable environment for businesses, and maintained market confidence. This was the fulcrum that helped the economy withstand the shocks of natural disasters and global fluctuations. On the Company's side, with management and administration experience, the leadership provided correct, timely, and decisive direction along with the efforts and solidarity of all employees. The Company's business results essentially maintained stability, with production and business indicators completing the set plan. Completed the task of producing and supplying clean water in the northern area of Hanoi with safe and stable water supply services. Construction investment work in 2025 saw many positive changes despite many objective difficulties;

customer development work - one of the key tasks in 2025 - saw strong improvement and innovation; continued to perform well in environmental protection, caring for the material and spiritual life of employees, and actively participated in social security activities. Essentially, the Company completed and exceeded the 2025 production and business plan targets, with significant growth compared to 2024.

b. Assessment related to labor issues:

The year 2025 was particularly significant in the plan to successfully implement the Socio-Economic Development Plan for the 2021-2025 period. Although the international context showed positive changes, the political situation remained complex and protracted, inflation remained high, supply chains were still disrupted... However, the Vietnamese economy in general gradually recovered and developed, achieving outstanding achievements. Hanoi Clean Water Company No. 2 strived to overcome challenges and difficulties and achieved positive results in production and business activities, improving the lives of its employees.

Alongside the efforts of each employee, in 2025, the Company's Board of Management, Heads of departments, divisions, and branches made great efforts to overcome difficulties, were flexible and adaptable in directing and administering to ensure employment and stable income for employees, as well as reward regimes, benefits, and social insurance. Along with that, the Company strengthened on-site training, testing, and assessment of employees to encourage them to continuously improve their professional qualifications and skills. Thanks to that, in 2025, the Company's employees always had a dedicated working spirit, stable lives, and were committed to accompanying the Company's general development.

The implementation of the Democracy Regulation at the workplace was maintained stably. Employees were informed, allowed to participate in opinions, decide, and supervise issues related to their rights, obligations, and responsibilities. Therefore, the Company always maintained a harmonious and stable labor relationship, with no labor disputes between employees and employers.

c. Assessment related to the enterprise's responsibility towards the local community.

In 2025, the Company performed its corporate responsibility towards the local community well through active participation in movement activities, supporting funds, and charitable organizations with a total amount of 560,000,000 VND.

IV. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S ACTIVITIES

1. Assessment of the Board of Directors on various aspects of the Company's activities, including assessment related to environmental and social responsibility

In 2025, the global economy continued its growth trend but slowed down due to the uncertain and unpredictable tariff policies of the US and persistent, complex political risks in many regions. A bright spot was that global inflation was forecast to continue decreasing, and inflation in developed economies was expected to approach targets; many countries continued to ease monetary policies, lower interest rates, boost public

investment, and implement reforms to support both short-term and long-term growth. The Vietnamese economy continued to maintain macroeconomic stability and control inflation... however, risks and challenges remained and were difficult to predict; although interest rates decreased, they remained at high levels. Implementing Decree No. 202/2025/QH15; Resolution No. 2656/NQ-UBTNQH15 on arranging provincial-level administrative units and transitioning to a two-tier local government model were major policies of the Party and State... The general macroeconomic situation was still difficult; weather conditions in 2025 had few peak heat waves, were significantly affected by storms and floods, early cold weather, and flooding caused by natural disasters at some of the Company's production stations; domestic water prices in 2025 had no adjustment plan from the City People's Committee... leading to the Company's production and business situation being significantly affected with many difficulties and challenges.

Accordingly, in 2025, the Board of Directors and the Company's Board of Management closely followed the national policy of adjusting administrative boundaries according to the two-tier local government model, changing business management and technical management plans... suitable for the management model, ensuring progress, efficiency, and sustainability. Continued to strengthen inspection and supervision of the implementation of production and business plans in departments, divisions, and branches; promptly oriented direction and adjusted plans to be practical, while closely coordinating with local authorities and relevant units in investment and water supply construction work alongside infrastructure renovation in the Company's managed area. Departments, divisions, and branches also made progress in internal direction and administration, proactively and effectively performing their advisory, proposal, and assigned task roles.

With the consistent direction of the Board of Directors and the Company's Board of Management, the close coordination of members of the Board of Directors, Board of Management, Supervisory Board, Chief Accountant, along with the efforts of the collective of employees, Hanoi Clean Water Company No. 2 completed the production and business plan according to the Resolution of the 2025 Annual General Meeting of Shareholders. Various aspects of the Company's activities were maintained stably, and employees' lives were ensured.

- Regarding indicators: Completed production and business indicators assigned by the Hanoi City People's Committee and Hanoi Clean Water Company.
- Regarding water supply services: Maintained stable water supply services, meeting water demand in the area; assessment indicators for clean water supply enterprises were among the top nationwide; financial indicators all met the targets set by the GMS resolution.
- Regarding customer service: Successfully diversified water bill collection methods, improved customer service quality, saved time and travel costs for customers.

In 2025, the Company performed its social responsibilities towards employees well and actively participated in movement activities and gratitude programs in the locality.

2. Assessment of the Board of Directors on the activities of the Company's Board of Management:

The Board of Directors highly appreciates the efforts of the Company's Board of Management in production and business activities, ensuring the achievement of the Company's 2025 production and business objectives and plans.

To achieve the 2025 production and business results, the Company's Board of Management focused its capacity, demonstrated solidarity, strictly adhered to the policies and resolutions of the Board of Directors; proactively developed management and administration plans, utilized capital, assets, labor, assigned tasks within the Board of Management, and was flexible in handling arising situations.

The policies of the Board of Directors were implemented seriously, cautiously, and effectively by the Company's Board of Management. The results achieved in the Company's 2025 production and business activities continued to maintain and consolidate the trust of state management agencies, partners, customers, and shareholders in the direction and administration of the Board of Directors and the Company's Board of Management.

3. Plans and orientations of the Board of Directors

In 2025, in the context of the global economy showing no signs of recovery, escalating geopolitical conflicts in many regions, inflation showing no signs of cooling... the Company's production and business situation was also affected. However, the Company provided decisive direction and timely orientations in production and business to achieve the assigned plan.

The Board of Directors, together with the Board of Management and the collective of employees, is determined to strive in corporate governance and administration to complete the objectives and tasks assigned by the General Meeting of Shareholders with the following plan and orientation:

- Direct the vigorous and effective implementation of resolutions and decisions of the Board of Directors in organization, governance, production, distribution, finance, and construction investment.
- Direct the preparation and planning for the 2025-2030 period, long-term plans, and medium and long-term development strategies of the Company.
- Direct the promotion of investment in appropriate technological innovation and production equipment; research and apply information technology in management processes, customer care, and service quality improvement.

V. CORPORATE GOVERNANCE

1. Board of Directors

a. Members and structure of the Board of Directors (as of 31/12/2025):

No.	Full Name	Position	% Ownership of Voting Shares	Other Securities issued by the Co.	Independent/Other Member	Position held at other co.
1	Pham Anh Tuan	Chairman BOD	Personal ownership: 26,800 shares accounting for 0.047% of total Company shares. Representative ownership of State capital: 12,495,972 shares accounting for 22% of total Company shares.	None	Non-executive BOD Member	None
2	Ta Ky Hung	BOD Member	Personal ownership: 33,600 shares accounting for 0.059% of total Company shares. Representative ownership of State capital: 11,723,494 shares accounting for 20.64% of total Company shares.	None	Executive BOD Member	None
3	Tran Thi Phuong Thao	BOD Member	Personal ownership: 40,400 shares accounting for 0.071% of total Company shares. Representative ownership of State capital: 10,223,978 shares accounting for 18% of total Company shares.	None	Executive BOD Member	None
4	Ngo Van Duc	BOD Member	Personal ownership: 8,000 shares accounting for 0.014% of total Company shares. Representative ownership of State capital: 10,223,978 shares accounting for 18% of total Company shares.	None	Executive BOD Member	None
5	Le Van Thinh	BOD Member	Personal ownership: 18,300 shares accounting for 0.032% of total Company shares. Representative ownership of State capital: 10,223,978 shares accounting for 18% of total Company shares.	None	Non-executive BOD Member	None

b. Subcommittees under the Board of Directors:None

c. Activities of the Board of Directors:

* Board of Directors meetings:

No.	Meeting Date	Meeting Content	Meeting Outcome
1.	26/2/2025	Unanimously agreed on the following: - Plan to organize the 2025 Annual General Meeting of Shareholders. - Assignment of duties for the Organizing Committee of the 2025 Annual General Meeting of Shareholders.	Issued Resolution No. 07/NQ-HDQT and Decision No. 08/QD-HDQT dated 28/02/2025
2.	10/03/2025	Unanimously agreed on the following: - Financial plan - Report on profit distribution for 2024, profit distribution plan for 2025 - Report on implementation of labor and salary plan for 2024, labor and salary plan for 2025 - Report on remuneration of the Board of Directors for 2024, remuneration plan for 2025 - Report on activities	Issued Resolution No. 12/NQ-HDQT dated 12/3/2025

		of the Board of Directors for the 2020-2025 term, operational direction for the 2025-2030 term - Report on production and business results for the 2020-2024 period, production and business plan for the 2025-2030 period	
3.	22/4/2025	The Board of Directors for the 2025-2030 term held its first session to elect the Chairman of the Board of Directors and appoint the Company Director	Issued Resolution No. 25/NQ-HDQT and Decision No. 26/QD-HDQT dated 22/4/2025
4.	07/8/2025	Unanimously agreed on the following: - Approve the adjusted report on salary and income plan for 2025 according to Decree No. 44/2025/ND-CP dated 28/02/2025 of the Government and Circular No. 003/2025/TT-BNV dated 28/4/2025 of the Ministry of Home Affairs. - Agree on the content of	Issued Resolution No. 58/NQ-HDQT, 59/NQ-HDQT and Decision No. 60/QD-HDQT dated 11/8/2025

		amending the Regulation on salaries and other income for Managers, Executives, Head of Supervisory Board according to Decree No. 44/2025/ND-CP and Circular No. 003/2025/TT-BNV.	
5.	24/9/2025	Unanimously agreed on the following: - Report on the status of implementing the construction investment plan for the first 8 months of 2025, implementation plan for the last 4 months of 2025. - Adjust and allocate capital sources for implementing construction investment projects in 2025.	Issued Resolution No. 65/NQ-HDQT dated 25/9/2025
6.	27/10/2025	Unanimously agreed on the following: - Agree on the content of Report No. 32/BC-NS2 dated 24/10/2025 on canceling public company status. - Agree on the draft Plan to	Issued Resolution No. 71/NQ-HDQT dated 03/11/2025

		organize the Extraordinary General Meeting of Shareholders in 2025.	
--	--	---	--

In addition to the above Board of Directors meetings, based on the actual situation, the Board of Directors obtained written opinions from Board members on certain issues within its authority.

d. Activities of independent Board members. Activities of subcommittees within the Board of Directors

The Company does not have independent Board members and has not established subcommittees under the Board of Directors.

e. List of Board members holding corporate governance training certificates. List of Board members participating in corporate governance programs during the year: None

2. Supervisory Board

a. Members and structure of the Supervisory Board:

The Company's Supervisory Board consists of 03 members: 01 full-time Head and 02 part-time members.

No.	Full Name	Position	No. of shares	% Ownership of Voting Shares (%)
1	Tran Thi Ngoc Bich	Head of Supervisory Board	8,800	0.0155
2	Quach Manh Cuong	Supervisory Board Member	4,200	0.0074
3	Dang Thu Hai	Supervisory Board Member	0	0

b. Activities of the Supervisory Board:

Based on the powers and duties of the Supervisory Board stipulated in the Company's Charter, the Supervisory Board's operating regulations, and the 2025 operational situation of Hanoi Clean Water Joint Stock Company No. 2, the Supervisory Board supervised the Board of Directors and the Company Director in managing and administering the Company to ensure operations complied with the Enterprise Law, Securities Law, Company Charter, and Resolutions of the General Meeting of Shareholders; and the Resolutions and decisions of the Board of Directors and the Company Director.

- Attended meetings of the Board of Directors and contributed opinions within its scope of responsibility and authority.
- Examined the reasonableness, legality, and truthfulness in the management and administration of the Company's production and business activities.
- Monitored the Company's financial situation, the legal compliance of Board members, the Director, and executives in their activities.
- Appraised the legality, truthfulness, and reasonableness of quarterly business reports, quarterly financial statements; 06-month financial statements; and the Company's audited annual financial statements to serve the publication of Financial Statements as required.
- Controlled compliance with information disclosure regulations for large-scale public joint-stock companies according to legal regulations.
- Through the inspection and supervision process, the Supervisory Board observed that BOD members, the Director, and Company executives made efforts in implementing Resolutions passed by the General Meeting of Shareholders, developed orientations, provided decisive direction and administration, discussed and resolved key issues of the Company. The Resolutions and decisions of the BOD and the Director were within their functions and authority as prescribed by Law and the Company Charter.

c. Meetings of the Supervisory Board:

No.	Date	No. of members attending	Main Content
01	08/01/2025	3/3	Report on task performance in Q4 and full year 2024, deployment of work for Q1/2025 of the Supervisory Board.
02	11/03/2025	3/3	Assessment report on activities of the Supervisory Board for the 2020-2025 term, operational plan for the 2025-2030 term
03	14/04/2025	3/3	Approve the draft report on inspection and appraisal

			results of the Company's audited 2024 Financial Statements of Hanoi Clean Water Joint Stock Company No. 2
04	22/04/2025	3/3	First session to elect the position of Head of the Supervisory Board of Hanoi Clean Water Joint Stock Company No. 2 for the 2025-2030 term
05	07/7/2025	3/3	Report on task performance in QII/2025, deployment of work for QIII/2025 of the Supervisory Board
06	17/8/2025	3/3	Approve the draft report on inspection and appraisal results of the audited 6-month Financial Statements for 2025
07	08/10/2025	3/3	Report on task performance in QIII/2025, deployment of work for QIV/2025 of the Supervisory Board

d. Evaluation of the Supervisory Board's activities:

The Supervisory Board holds periodic meetings to discuss and approve matters within its authority. All meetings of the Supervisory Board are conducted with proper procedures; discussions and voting are carried out publicly, in accordance with the functions, duties,

and powers of the Supervisory Board under the Enterprise Law, Securities Law, and the Company Charter.

Regarding the coordination of activities between the Supervisory Board and the Board of Directors and the Company Director: Coordination between the Supervisory Board and members of the Board of Directors and the Company's Board of Management is relatively good. It is provided with full and timely information on the management and administration of the Company's general production and business activities, helping the Supervisory Board fulfill its tasks.

Information disclosure and periodic governance reporting are carried out seriously, in accordance with legal regulations, ensuring that operational information is public and transparent.

3. Transactions, remuneration, and benefits of the Board of Directors, Board of Management, and Supervisory Board

a. Salary, bonuses, remuneration, benefits:

Salary and remuneration of the Board of Directors

No.	Full Name	Position	Avg. Salary (VND/person/month)	Remuneration (VND/person/month)
1.	Pham Anh Tuan (appointed from 22/4/2025)	Chairman of the BOD (full-time)	40,554,199	
2.	Ta Ky Hung	BOD Member		6,820,000
3.	Tran Thi Phuong Thao	BOD Member		6,820,000
4.	Ngo Van Duc	BOD Member		6,820,000
5.	Le Van Thinh	BOD Member		6,820,000

Salary and remuneration of the Supervisory Board

No.	Full Name	Position	Avg. Salary (VND/person/month)	Remuneration (VND/person/month)
1.	Tran Thi Ngoc Bich	Head of SB (full-time)	34,065,527	

2.	Dang Thu Hai	Member		3,410,000
3.	Quach Manh Cuong	Member		3,410,000

Salary of the Company's Board of Management

No.	Full Name	Position	Avg. Salary (VND/person/month)	Remuneration (VND/person/month)
1.	Ta Ky Hung	Company Director	40,721,879	
2.	Tran Thi Phuong Thao	Deputy Director Company	38,288,811	
3.	Ngo Van Duc	Deputy Director Company	38,288,811	
4.	Pham Anh Tuan (held Dep. Director position 05 months)	Deputy Director Company	38,288,811	
5.	Nguyen Hoang Viet (appointed from 29/4/2025)	Deputy Director Company	38,288,811	
6.	Le Thi Ngoc Lan	Chief Accountant	36,175,883	

b. Share transactions by internal shareholders: None

c. Contracts or transactions with internal shareholders: None

d. Implementation of corporate governance regulations:

The Company has properly implemented the legal regulations and rules on corporate governance.

VI. AUDITED FINANCIAL STATEMENTS

1. Audit unit

Vietnam Auditing and Valuation Company Limited

Address: 11th Floor, Song Da Building, No. 165 Cau Giay Street, Cau Giay Ward, Hanoi City, Vietnam.

2. Audit opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at 31/12/2025, and its consolidated results of operations and consolidated cash flows for the fiscal year then ended, in accordance with Vietnamese accounting standards, Vietnamese enterprise accounting regime, and legal regulations related to the preparation and presentation of consolidated financial statements.

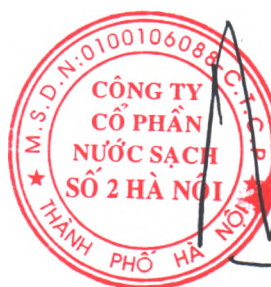
3. Audited financial statements

See full details on the website: www.hawater.com.vn

Recipients:

- SSC (Post on website);
- HNX (Post on website);
- Statistics Department;
- BOD;
- Executive Board;
- Finance and Accounting Department;
- Save: Human Resources Department

LEGAL REPRESENTATIVE
DIRECTOR OF COMPANY



Tạ Kỳ Hưng

))