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Hanoi, June 12, 2025

THE SUPERVISORY BOARD REPORT

**Activities of the Supervisory Board in 2024; evaluation of business results,
performance of the Board of Directors and the Board of Managers in 2024**

To: Annual General Meeting of Shareholders 2025

- Pursuant to the Enterprise Law No. 59/2020/QH14 dated June 17, 2020;
- Pursuant to the Charter of organization and operation of Vietnam Water and Environment Investment Corporation - JSC; Regulations on organization and operation of the Supervisory Board of Vietnam Water and Environment Investment Corporation - JSC;

The Supervisory Board respectfully reports to the General Meeting of Shareholders on the performance of the Supervisory Board, evaluates the business results and operations of the Board of Directors (BOD) and the Board of Managers in 2024 on the following key aspects:

I. ACTIVITIES OF THE SUPERVISORY BOARD

The Supervisory Board of the Corporation has 3 members, including:

- Mrs **Bui Khanh Linh** – Head of the Board
- Mrs **Nguyen Thi Ngoc Diep** – Member
- Mr **Nguyen Sinh Kien** – Member (resigned June 21, 2024)
- Mr **Vu Thanh Cong** – Member (appointed on June 21, 2024)

The Head of the Supervisory Board is a full-time member, and two members are part-time members. The members are assigned tasks of inspecting, supervising, and reviewing the Corporation's operations in accordance with the expertise and experience of each member.

1. Activities of the Supervisory Board in 2024

During the year, the Supervisory Board held 2 regular meetings, the main contents of which were to approve the control plan, implement the monitoring plan, exercise the rights, obligations and responsibilities stipulated in the Charter, specifically:

- Implement and supervise the management activities of the Board of Directors in implementing the Charter, Resolutions of the General Meeting of Shareholders; the management activities of the Board of Directors in implementing the resolutions of the Board of Directors, internal regulations and rules of the Corporation. Carry out post-control over the decisions of the Executive Board.



- Attend meetings of the Board of Directors, meetings of the Executive Board; Inspect financial and accounting work; review and appraise financial statements, quarterly, semi-annual and annual business performance reports.

- Review and make recommendations on contract management of Techo Cambodia Airport;

- Coordinate with Internal Audit to conduct audits and make recommendations related to the implementation of contract management regulations, salary regulations, credit limits, etc.

- In 2024, the Supervisory Board did not receive any documents from shareholders/groups of shareholders requesting to inspect any specific issues related to the management and operation of the Corporation.

During its operation, the Supervisory Board received coordination and support from the Board of Directors, the Board of Managers as well as the Corporation's affiliated units to provide documents, records, and information for the Board to perform the tasks assigned by the General Meeting of Shareholders.

2. Plan for 2025

The Supervisory Board continues to coordinate with the Board of Directors and the Board of Management in management and operation, and performs well the work of regular and periodic supervision and control according to regulations, and carries out a number of specialized supervision topics:

- Assess the work of budgeting and cost management, evaluate the effectiveness of a number of key projects

- Assess compliance with regulations and internal regulations in contract management.

3. Remuneration, operating expenses and other benefits of the The Supervisory Board

In 2024, the Supervisory Board will receive 606 million VND in salary and remuneration, specifically:

- Ms. Bui Khanh Linh: salary 304 million VND (including 55 million VND in the settlement of the previous 2 years)
- Ms. Nguyen Thi Ngoc Diep: remuneration 16 million VND (including 12 million VND in the settlement of 2022)
- Mr. Nguyen Sinh Kien: salary 130 million VND (until June 2024)
- Mr. Vu Thanh Cong: salary 156 million VND (from June 2024)

II. RESULTS OF MONITORING MANAGEMENT AND OPERATION WORK

1. Management of the Board of Directors

The Supervisory Board has reviewed the Management Report of the Board of Directors at the 2025 Annual General Meeting of Shareholders and agreed with the content of the report. The report fully and honestly reflects the management work of the Board of Directors in 2024, the key contents include:

- Establishing a work program, specifying the tasks of organizing, managing and supervising the Executive Board in implementing the Resolution of the General Meeting of Shareholders.

- The Board of Directors has organized meetings in accordance with the provisions of law and the Charter on convening procedures, participating in opinions, examining and voting. The meetings are recorded in minutes and kept in accordance with regulations. The resolutions and decisions are issued in accordance with the voting results recorded in the Minutes.

- The Board of Directors has issued Resolutions and decisions approving the program, content and organization of the 2024 Annual General Meeting of Shareholders, approving the audited financial statements for 2023;

- The Board of Directors supervises the Executive Board in production, business and investment activities through monitoring the economic efficiency of key projects: Techo Airport, Siem Reap Drainage, Nhon Hoi; directs the review of debt collection, inventory classification, unfinished production and business costs; directs the implementation of the compliance program to remove the ban of WoldBank; approves the credit limit, salary fund for implementation in 2023 and the plan for 2024; approves the adjustment of the target and progress of the implementation of the 52 Quoc Tu Giam Project; approves the final settlement of investment capital for the Clean Water Treatment Plant Project for Deep CI and Deep CII Industrial Parks, phase 1; approves the investment policy for the Deep C Clean Water Treatment Plant relocation project; approves the investment policy for the project to construct and install raw water pipes at Deep CI Industrial Park; directing the Board of Directors to continue researching and proposing plans to terminate the investment cooperation contract with Tien Dai Phat Company Limited and deploy investment/investment cooperation at the Ha Dinh project in accordance with the provisions of law.

- The Board of Directors has reviewed and oriented the Executive Board in merging departments, streamlining the management apparatus, and arranging branches to suit the production and business situation of the Corporation.

- The Board of Directors manages the capital portion at member companies through appointing and dismissing representatives to manage the capital contribution and introducing them to join the Board of Directors and the Supervisory Board at the companies, and agreeing for the capital representative to participate in voting on production and business plans, investment policies, and asset purchases of member companies.

- The 2021-2025 restructuring plan, in which the list of planned divestments in the first phase including 7 units has not been implemented because the Corporation needs to rearrange and handle real estate facilities according to the provisions of Decree 167/2017/ND-CP and Decree 67/2021/ND-CP and temporarily suspend divestment for review according to the direction of SCIC in Official Dispatch No. 21/DTKDV-KHTH dated January 7, 2025.

2. Management of the Board of Directors

The Supervisory Board has reviewed the 2024 Business and Investment Results Report and the 2025 Plan of the General Director and basically agreed with the content of the report.

The parent company did not achieve the plan in 4/5 targets, specifically:

Unit: Billion VND

NO	Target	2024		% Plan Completion
		Plan	Perform	
1	Production and business value	408,2	340,0	83,3%
2	Development Investment	20,0	4,05	20,3%
3	Total Revenue	406,2	307,7	75,8%
4	Payment to State Budget	10,8	19,4	179,6%
5	Profit Before Tax	5,63	2,40	42,6%

The main reasons for the low production and business results and the failure to complete the Plan assigned by the 2024 Annual General Meeting of Shareholders are mainly due to shortcomings in construction activities:

- The failure to complete the World Bank's compliance program has prevented the Corporation from accessing projects with foreign capital, and the source of work is limited;

- The organizational model of the Corporation is for general contractors, but in reality, many projects are directly constructed while the regulations and rules on cost norms and selection of suppliers of materials and equipment have not been updated. The advisory work of the departments has not fully demonstrated its role, and has not ensured full compliance with the provisions of the Bidding Process, Contract Management, Bidding and Contracting Regulations, and Construction Contract Management Regulations.

- In bidding work: the quality of bidding documents is not guaranteed, and risks related to volume and construction methods are not fully anticipated;

- In construction organization: The management apparatus is cumbersome and multi-layered; The operation and management of contracts do not closely follow the business plan, causing the phenomenon of actual payment and actual payment; Difficulties accumulated from previous years, leading to cash flow operations sometimes not meeting the critical time of the project, affecting progress, thereby causing delays in acceptance and payment;

- In settlement: internal settlement work with contractors and subcontractors is not parallel with settlement with the Investor, so the handling/disbursement of costs is not timely. Some contracts for bidding, subcontracting, and procurement still lack risk dispersion clauses, causing the risk of settlement reduction, late payment risk, additional volume, contract penalties, etc. to not be shared among the parties, but mostly borne by the Corporation.

- In acceptance and collection: lack of determination in debt collection causes working capital to be stuck in bad debts, unfinished expenses...working capital depends on borrowed capital.

- The reporting regime to the Board of Directors related to the effectiveness of projects at each stage has not been fully implemented.

III. RESULTS OF FINANCIAL MONITORING IN 2024

1. Prepare Financial Statements

The Corporation has prepared the separate financial statements and the quarterly, semi-annual and annual consolidated financial statements for 2024 in accordance with the provisions of law, in accordance with the provisions of the current Accounting Standards and the Law on Accounting, audited by An Viet Auditing Company Limited, one of the auditing units approved by the 2024 General Meeting of Shareholders.

In the opinion of the auditing unit, the financial statements have honestly and reasonably reflected, in all material aspects, the financial situation of the Corporation as at December 31, 2024 as well as the business performance and cash flow situation for the fiscal year ending on the same day, except for the impact of some issues related to the failure to fully reconcile some receivables, prepayments, overdue advances; unfinished production and business costs of some construction contracts that are outstanding and prolonged; Not fully offsetting the balance of internal receivables and payables and calculating the completeness of the financial investment reserve balance at member companies.

2. Condition of assets, capital sources and business results of the Parent Company

The separate financial statements of the Parent Company show the assets and capital of the Parent Company Office and its affiliated branches.

2.1. Condition of assets

The total assets of the parent company as of December 31, 2024 were VND 1,132 billion, down 6% compared to the previous year, mainly due to a decrease in short-term assets, specifically:

Unit: million VND

Target	As at 31 December, 2023	As at 31 December, 2024	Ratio 2024 / 2023
I. Short-term assets	773.890	705.395	91,1%
1. Cash and cash equivalents	33.323	8.948	26,9%
2. Short-term receivables	485.566	395.618	81,5%
<i>In which: Short-term customer receivables</i>	<i>305.169</i>	<i>202.995</i>	<i>66,5%</i>
<i>Provision for doubtful short-term receivables</i>	<i>(20.421)</i>	<i>(20.421)</i>	<i>100,0%</i>
<i>Advances to suppliers</i>	<i>81.710</i>	<i>89.229</i>	<i>109,2%</i>
<i>Other short-term receivables</i>	<i>118.657</i>	<i>123.364</i>	<i>104,0%</i>
3. Inventory	251.778	294.154	116,8%

<i>In which: CF unfinished production and business</i>	233.377	282.800	121,2%
4. Other short-term assets	3.223	6.675	207,1%
II. Long-term assets	430.908	426.830	99,1%
1. Fixed assets	140.588	136.498	97,1%
2. Investment real estate	10.898	10.636	97,6%
3. Long-term unfinished assets	37.684	39.121	103,8%
4. Long-term financial investment	265.550	265.550	100,0%
<i>In which: Long-term financial investment reserve</i>	(37.655)	(37.655)	100,0%
Total assets	1.204.798	1.132.225	94,0%

- Compared to 2023, cash and cash equivalents decreased by more than 70%, short-term receivables decreased by nearly 20%, of which customer receivables decreased by nearly 40%, reflecting low revenue leading to low new receivables. The results of collecting old debts are still limited: of the 395 billion VND of short-term receivables, there are 135 billion VND of debt age over 3 years, up to now the Corporation has made provisions for about 15% of this debt (20.4 billion VND). 2024 is the 6th consecutive year without additional provisions. - Inventory as of December 31, 2024 is 294 billion VND, of which the cost of unfinished production and business is 282.8 billion VND (accounting for 25% of total assets), mainly at Techo Airport project (86 billion VND), 2 projects Dong Hoi DHW1 and DHW3 (12 billion VND), Siem Reap, Cambodia (10.5 billion VND), Song Da EPC-02 (11.3 billion VND), TV-TC11 Song Da (13.7 billion VND)... Some projects have been completed, the revenue has run out, but the remaining unfinished production and business costs are 132.8 billion VND.

- Long-term unfinished assets increased insignificantly, mainly land rent of the 52 Quoc Tu Giam project (1.29 billion VND), Ha Dinh project (2.76 billion VND), there has been no progress in project construction investment. - Regarding long-term financial investment, the Corporation invests in 12 subsidiaries, 7 joint ventures, associates and 2 other units with a total investment capital of VND 265.55 billion, accounting for 23.5% of total assets, equivalent to 45.8% of charter capital. Of which, 4/12 subsidiaries and 1/7 associates operate effectively, providing stable dividend streams, the rest operate at a loss, cannot preserve or lose all equity. To date, the total provision for financial investment is VND 37.65 billion. 2024 is the third consecutive year without adjusting the provision balance. The audit unit issued an exception audit opinion on this issue because it was unable to collect sufficient appropriate audit evidence to assess the adequacy of the provision balance for financial investment as of December 31, 2024.

2.2. Source of capital

Financing the above assets is provided by the following sources of variable capital:

Unit: million VND

Target	As at 31 December, 2023	As at 31 December, 2024	Ratio 2024/2023
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Liabilities	592.553	516.731	87,2%
1. Short-term debt	561.562	488.913	87,1%
<i>In which: Short-term loans and debts</i>	<i>179.928</i>	<i>149.404</i>	<i>83,0%</i>
<i>Payable to seller</i>	<i>227.042</i>	<i>222.657</i>	<i>98,1%</i>
<i>Buyer pays in advance</i>	<i>66.875</i>	<i>42.737</i>	<i>63,9%</i>
<i>Other short-term payables</i>	<i>32.026</i>	<i>33.678</i>	<i>105,2%</i>
<i>Payable to laborer</i>	<i>5.280</i>	<i>12.994</i>	<i>246,1%</i>
2. Long-term debt	30.991	27.818	89,8%
<i>In which: Long-term loans and debt</i>	<i>6.092</i>	<i>3.044</i>	<i>50,0%</i>
<i>Other long-term payables</i>	<i>24.899</i>	<i>24.774</i>	<i>99,5%</i>
Owner's Equity	612.275	615.494	100,5%
1. Owner's capital	580.186	580.186	100,0%
2. Exchange rate difference	704	2.394	340,2%
2. Development investment fund	1.410	1.410	100,0%
3. Undistributed profit after tax	29.975	31.504	105,1%
Total capital	1.204.828	1.132.225	94,0%

Total capital decreased by 6% compared to the previous year due to a decrease in payables, including short-term and long-term debts, in which the item of prepayments from buyers decreased by nearly 40% from VND 66.8 billion to VND 42.7 billion, partly reflecting the very modest number of new contracts signed in 2024, only 3 contracts with a total value of VND 233 billion.

Payables to employees increased by 2.46 times compared to the previous year due to the parent company's delay in paying salaries to employees and owing more than VND 2 billion in social insurance.

To supplement working capital, in 2024, the Corporation borrowed VND 155.1 billion from 2 banks Vietinbank, BIDV and a number of other units and paid VND 185.6 billion, reducing the short-term debt balance from VND 179.9 billion to VND 149.4 billion. The average outstanding balance at the bank regularly accounts for a large proportion of revenue (over 50%).

The long-term loan balance from BIDV Bank for the investment project to build a clean water treatment plant for Deep CI and Deep CII Industrial Parks has decreased to VND 3.0 billion, in compliance with the long-term debt repayment plan stipulated in the Credit Agreement.

2.3. Production and business results

In 2024, the parent company will continue to maintain production and business activities in the fields of construction, industrial production (clean water business) and office services, with the following results:

Unit: Million VND

No	Target	2023	2024	2024/2023
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1	Net revenue	498.338	290.327	58,3%
	From sales	49.354	36.589	74,1%
	From provision of services	18.334	18.467	100,7%
	From construction contracts	430.649	235.271	54,6%
2	Cost of goods sold	467.951	269.215	57,5%
	Goods Sold	24.563	15.182	61,8%
	Services Provided	11.610	11.880	102,3%
	Construction Contracts	431.778	242.152	56,1%
3	Financial revenue	19.089	17.295	90,6%
	in which Dividends, Profits are distributed	18.826	16.817	89,3%
4	Financial costs	16.750	14.746	88,0%
	in which Interest expense	16.718	13.541	81,0%
5	Business management costs	26.805	20.459	76,3%
6	Profit from business activities	5.920	3.202	54,1%
7	Other profits	(495)	(806)	162,8%
8	Total accounting profit before tax	5.425	2.396	44,2%
9	Profit after tax	4.832	1.529	31,6%
(1-2)/1	Gross profit margin	6,10%	7,27%	
	From sales	50,23%	58,51%	
	From provision of services	36,68%	35,67%	
	From construction contracts	-0,26%	-2,92%	
9 / 1	Net Profit Margin	0,97%	0,53%	
4a / 1	Interest Rate / Revenue	3,35%	4,66%	
5/1	Management CF Ratio / Revenue	5,38%	7,05%	

The parent company's revenue in 2024 decreased by nearly 40% compared to 2023. Clean water and office services business activities remained stable but had to compensate for ineffective construction and installation activities, although construction and installation activities were the main business sector, bringing in 81% of the parent company's net revenue (86.4% in 2023). Construction and installation is the sector with the lowest gross profit margin, the cost of construction and installation increased higher than the initial economic plan, with a loss of 2.92% in 2024 (a loss of 0.26% in 2023). Revenue from construction and installation cannot cover the interest expense and fixed costs of this sector. In 2024, Viwaseen recorded a decrease in construction revenue of VND 4.7 billion for the Bac Ninh - Long Phuong Surface Water Plant project (construction project before 2020) according to the conclusion of the State Audit on the deduction of A-B settlement and the transfer of part of the unfinished costs of the Song Da EPC - 02 project (construction and settlement of A-B in 2023) of VND 3.4 billion to production and business expenses in the period, which directly affected the profit results of the Corporation.

In 2024, the Company implemented the construction package "Supply and installation of water supply and drainage system and fire water supply system of the Phnom Penh - Cambodia International Airport Project" (referred to as Techo Airport project) with a contract value of USD 8.14 million, equivalent to VND 193 billion.

This is one of the projects with great value, significantly affecting the business results, financial situation, and cash flow of the parent company. However, due to inaccurate survey and forecast work, many items that have arisen were not foreseen; self-implementation of the package when there are not enough resources; limited management and construction methods; quality of human resources and labor productivity are not guaranteed; arranging capital for the project is difficult/interrupted; quality of materials provided for the project is not guaranteed... leading to slow construction progress, many incidents, increasing labor costs, machine rental costs, project management board costs, interest costs... Therefore, the construction results of this package are not guaranteed according to the established Business Plan. Currently, Viwaseen has only recorded a portion of the revenue of Techo Airport Project of VND 177.2 billion and the corresponding cost of goods sold of VND 176.6 billion in the 2024 Business Results, the remaining revenue expected to be recorded next year is VND 54.4 billion, however, the arising costs currently hanging in the unfinished cost item of this project are VND 86 billion. Thus, the gross profit for this project alone is expected to be negative VND 31.6 billion (excluding the maximum penalty for late progress of the Contract of 10% of the Contract value). Financial revenue in 2024 decreased by nearly 10%, the parent company received dividends from 4/12 subsidiaries, Waseco Company (VND 13.86 billion), Viwaseen3 Company (VND 872 million), Viwaseen.11 Company (VND 284.6 million) and 1/7 associated company, Suoi Dau Company (VND 1.8 billion).

Business management expenses decreased compared to 2023 in absolute value (from VND 26.8 billion to VND 20.5 billion), costs of outsourced services, other cash costs and management staff costs all decreased sharply but the proportion of CF QLDN compared to revenue increased. During the year, the parent company did not make provisions for receivables, prepayments, and overdue advances.

Interest expenses continued to remain high, accounting for 4.66% of total revenue.

2.4 Some indicators to evaluate the financial situation of the Parent Company

Target	Unit	2023	2024
<u>I. Ability to pay</u>			
Current Ratio	lần	1,38	1,44
Quick ratio	lần	0,92	0,83
<u>II. Capital structure (financial leverage)</u>			
Self-financing ratio = equity / total capital	%	51%	54%
Financial leverage ratio = average total assets / average total equity	lần	2,01	1,90
Long-term Adaptation Ratio = Long-term Assets / (Long-term Debt + Equity)	lần	0,67	0,66
Debt to Assets Ratio	%	49%	46%
Target	Unit	2023	2024

III. Asset structure			
Long-term assets / Total assets	%	35,8%	37,7%
Current assets / Total assets	%	64,2%	62,3%
IV. Operability			
Total Asset Turnover	lần	0,41	0,44
Working Capital Turnover	lần	0,63	0,70
V. Profitability			
Return on Assets (ROA)	%	0,4%	0,3%
Return on Equity (ROE)	%	0,8%	0,6%
VI. Capital preservation level			
= Owner's equity / Owner's capital	lần	1,06	1,06

The indicators assessing the financial situation of the parent company have almost no improvement:

- The group of payment ratios shows that the parent company has the ability to pay short-term debts but the readiness level is low, if not actively collecting debts, it will lead to the risk of insolvency.

- The group of coefficients on capital structure shows a low level of financial autonomy, the parent company has the ability to compensate and cover operations with equity but depends heavily on loans.

- The long-term adaptation coefficient assesses the ability to cover long-term assets with stable long-term capital sources at a safe level. The capital structure is maintained, balancing assets with sources of asset formation.

- The group of coefficients on the ability to operate, generate profits and preserve capital are all at a very modest level, not yet promoting the resources of the Corporation

3. Business results on Consolidated Financial Statements

The consolidated financial statements of the Corporation are consolidated from the Parent Company, 10/12 direct investment subsidiaries and 1/1 indirect investment subsidiary. The results are as follows:

Unit: Million VND

NO	Target	2023	2024	2024/2023
I Business results				
1	Total revenue	1.359.953	885.143	65,1%
	<i>Net sales of goods and supplies</i>	<i>1.355.133</i>	<i>881.583</i>	<i>65,1%</i>
	<i>Financial operating revenue</i>	<i>4.820</i>	<i>3.560</i>	<i>73,9%</i>
2	Profit or loss in joint ventures and associates	1.047	3.934	375,7%
3	Total accounting profit before tax	26.024	23.682	91,0%
4	Profit after tax	14.279	15.297	107,1%
5	Profit after tax	3.563	4.344	121,9%
II Assets = capital		2.065.808	1.983.127	96,0%
1	Current assets	1.453.883	1.392.685	95,8%
NO	Target	2023	2024	2024/2023

2	Long-term assets	611.925	590.442	96,5%
3	Liabilities	1.350.824	1.266.049	93,7%
	<i>Short-term debt</i>	<i>1.150.498</i>	<i>1.097.100</i>	<i>95,4%</i>
	<i>Long-term debt</i>	<i>200.326</i>	<i>168.949</i>	<i>84,3%</i>
4	Equity	714.984	717.078	100,3%
	<i>In which: Undistributed profit after tax</i>	<i>(24.142)</i>	<i>(22.581)</i>	<i>93,5%</i>

Of the 12 subsidiaries of the Corporation, only 4/12 companies operate effectively; the remaining 8/12 subsidiaries are all making losses, losing capital, some units have to temporarily suspend operations, affecting the consolidated financial statements of the Corporation, the accumulated undistributed profit after tax up to December 31, 2024 is a loss of 22.58 billion VND.

IV. SOME EXISTENCES

1. The problems and difficulties related to overdue receivables, unfinished costs, according to the opinions of the Ministry of Finance, the State Audit, the Independent Audit... of the Corporation have not been completely resolved and there are risks that continue to arise.

2. Debt collection and capital recovery at construction projects are still limited, leading to financial imbalance (cash flow, capital sources), and the risk of delayed debt repayment to existing credit institutions.

3. Legal problems related to land have not been completely resolved, continuing to arise improper use of some land plots, slow implementation of real estate projects (due to problems with investment procedures, relocation of households, land arrangement...).

4. The review, amendment and supplementation of internal processes and regulations of the Corporation is still slow, not meeting the requirements of the Board of Directors and the opinions of major shareholders SCIC. 5. Regarding the management of investment capital at member units: For enterprises with poor production and business performance, losses, the management and supervision of the parent company through the role of capital representative at the enterprises are not really close, some enterprises with the Corporation's controlling capital contribution have gone bankrupt, stopped operating, have not prepared financial statements, have no audited financial statements (Viwaseen 1, Viwaseen 2, Viwaseen 4, Viwaseen 12, Viwaseen 15, Viwaseen Phuong Huong...).

6. Some management activities of the Board of Directors have not ensured compliance with the Corporation's internal procedures and regulations.

7. The exploitation and use of fixed assets have not been maximized.

8. The salary payment mechanism for employees still has many shortcomings, there is no policy to attract human resources, so the quality of labor and labor productivity are still limited.

V. THE SUPERVISORY BOARD'S RECOMMENDATIONS

The Supervisory Board continues to recommend the following issues:

1. The Corporation needs to continue to have strong and feasible solutions to handle financial problems related to bad debts, advances, unfinished production and **business costs of some backlogged and prolonged projects** and set up provisions according to regulations to overcome the audit unit's exceptions in the audit report of the Financial Statements.

2. Continue to promote debt collection and capital recovery at construction and installation projects to reduce financial burden, balance cash flow and reduce interest expenses.

3. For the construction and installation sector:

- The Board of Directors needs to more strongly supervise the management and operation of the Board of Directors in the construction and installation sector (at all stages from bidding, contracting, contracting according to the plan, organizing construction at the construction site, acceptance, settlement and capital recovery).

- When participating in construction activities, the Board of Directors must fully review legal documents in accordance with the provisions of law and the Corporation, develop an economic efficiency plan, budget, cash flow plan, and appropriate management measures (due to limited self-implementation capacity, the Corporation needs to have measures to assign contracts, assign costs, and limit direct self-implementation).

- The implementation of disbursement and payment at construction works must comply with the internal management regulations of the Corporation and the project plan and budget that the Executive Board has developed.

- Consider continuing to narrow the construction and installation sector, bringing the proportion of construction and installation to a balance, consistent with the existing production force.

4. For the service business sector: strengthen control of revenue sources, strictly control costs to improve operational efficiency.

5. In the field of investment and land management:

- It is necessary to focus on promoting investment in areas that bring efficiency to the Corporation (office leasing and service exploitation, clean water business) such as the 52 Quoc Tu Giam project, relocating the clean water treatment station...;

- Implement the policy of terminating investment cooperation at the Ha Dinh project according to the Resolution of the 2023 Annual General Meeting of Shareholders;

- Strengthen inspection, supervision, and land management, strengthen protection plans, and prevent encroachment on the Corporation's premises and land.

6. In human resource management: streamline the apparatus and organization; effectively implement personnel planning; supplement senior personnel; train and recruit middle-level personnel to ensure quality, meet management needs; develop salary and bonus regulations to ensure fairness, transparency, and compliance with newly issued legal regulations.

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Respectfully submit to the General Meeting of Shareholders for consideration and approval!

ON BEHALF OF THE BOARD OF
SUPERVISION
HEAD OF THE BOARD



Bui Khanh Linh

