

**WATER SUPPLY SEWERAGE
CONSTRUCTION AND INVESTMENT
JOINT STOCK COMPANY**

No. 02 RP-SB

**SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness**

Ho Chi Minh City, April 1, 2026

REPORT OF THE SUPERVISORY BOARD

To: Annual General Meeting of Shareholders 2026

Base:

- Law on Enterprises No. 59/2020/QH14 dated 17/06/2020;
- Charter of organization and operation of Water Supply and Sewerage Construction And Investment Joint Stock Company;
- Regulation on organization and operation of the Supervisory Board of Water Supply and Sewerage Construction and Investment Joint Stock Company;
- The Company's 2025 financial statements have been audited by Southern Accounting and Auditing Financial Consulting Services Co., Ltd. (AASCS);
- Results of inspection and supervision activities of the Supervisory Board in 2025.

The Supervisory Board shall report to the General Meeting of Shareholders the results of inspection and supervision of the Company's operations in 2025, specifically as follows:

I. Results of activities of the Supervisory Board and Controllers:

1. Organizational structure of the Supervisory Board:

The Supervisory Board has 3 members, including:

Mrs. Bui Khanh Linh	- Head of Department
Mr. Nguyễn Văn Đan	- Membership
Mr. Pham Phuoc Thinh	- Membership

Operating under the part-time regime, assigned the task of inspecting, supervising and reviewing aspects of the Company's activities in accordance with the expertise and experience of each member.

The Extraordinary General Meeting of Shareholders dated 07/03/2026 of the Company dismissed and elected new members of the Supervisory Board and the Supervisory Board of the Company from 07/03/2026 including the following members:

Mrs. Tran Thi Kim Oanh	- Head of Department
Mr. Vu Thanh Cong	- Membership
Mr. Nguyễn Văn Dân	- Members

2. Results of activities of the Control Board and Controllers.

In 2025, the Supervisors and the Supervisory Board have inspected and supervised the compliance with the provisions of law, the Charter of organization and operation and the Company's internal regulations in the management and administration of production and business activities of the Board of Directors (BOD) and the Executive Board, Specifically, as follows:

- Evaluate the activities of the Board of Directors, the Executive Board, appraise the Financial Statements (FS) and the results of the Company's production and business activities in 2024; Approving the Reports/Proposals of the Supervisory Board to be submitted to the 2025 Annual General Meeting of Shareholders.

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- Coordinate with the Board of Directors and the Company's Board of Directors to review documents, prepare and organize the 2025 Annual General Meeting of Shareholders.
- Consider the legality, order and procedures for promulgating Resolutions and Decisions of the Board of Directors, the Board of Directors, ensuring compliance with the provisions of the law and the Company's Charter.
- Supervise and evaluate the activities of the Board of Directors, the Executive Board, production and business results in 2025; appraisal of quarterly and annual financial statements in order to assess the truthfulness and reasonableness of financial data, compliance with standards and accounting regimes for Vietnamese enterprises, and the provisions of current law;
- Supporting the company in selecting an audit unit to audit the Company's 2025 financial statements;
- Participate in opinions and recommendations to the Board of Directors and the Board of Directors on issues related to the Company's operations in 2025.
- Coordinating with the Internal Audit to review a number of topics: cost management and cost of works; debt recovery; Investment processes, procedures and efficiency
- Monitor the company's information disclosure in accordance with the provisions of the law.
- Perform other tasks according to the functions and tasks of the Control Board.

Remuneration of the Supervisory Board: Remuneration and operating expenses of the Supervisory Board are paid in accordance with the settlement and within the estimate approved by the 2025 General Meeting of Shareholders. Shareholders are requested to see the Report on remuneration payment to members of the Board of Directors and the Company's Supervisory Board in 2025 which is being submitted to the General Meeting of Shareholders.

Summary of meetings of the Supervisory Board: Shareholders are requested to see the Company's 2025 Corporate Governance Report posted on the Company's website.

3. INSPECTION AND SUPERVISION RESULTS

1. Management of the Board of Directors

In 2025, the Board of Directors has held meetings, issued Resolutions/Decisions to perform the administrative function and direct the Executive Board in performing the production and business tasks assigned by the General Meeting of Shareholders

In 2025, the Board of Directors of the Company will meet 6 sessions, organize 25 written opinions, issue 42 Resolutions/Decisions to approve the contents and issues under the jurisdiction of the Board of Directors. The convening of meetings, recording and archiving of meeting minutes shall be carried out in accordance with regulations, resolutions and decisions shall be issued in accordance with the contents of the minutes or the contents of the consultation. The Board of Directors has developed a work plan program, promoted the strengths of each member, controlled risks, oriented and supervised the Board of Directors to perform production and business tasks assigned by the General Meeting of Shareholders, preserve and develop capital, ensure the interests of shareholders, income and life of officers and employees, well performing obligations to the State Budget

In 2025, the Board of Directors has discussed and decided on a number of important issues as follows:

- Approved the program and contents of the Annual General Meeting of Shareholders in 2025 and the Extraordinary General Meeting of Shareholders in 2025 and successfully organized the General Meeting.
- Supervise the Board of Directors in the implementation and implementation of the Resolution of the 2025 Annual General Meeting of Shareholders, Resolutions and decisions of the Board of Directors.

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- Approving the contents serving the operation of the Company's production and business activities according to the plan approved by the General Meeting of Shareholders and other contents under the competence of the Board of Directors

Specific content of Resolutions and Decisions of the Board of Directors: Shareholders are requested to see the Company's 2025 Corporate Governance Report posted on the Company's website

The Supervisory Board evaluates the activities of the Board of Directors in the year in accordance with the provisions of current laws, the Charter, internal regulations and the actual situation of the Company.

2. Executive work of the General Director

The Board of Directors of the Company shall directly administer production and business activities according to the functions and tasks specified in the Charter of organization and operation of the Company, implement the production and business plan according to the Resolution of the General Meeting of Shareholders, the Resolution and Decision of the Board of Directors.

- Regarding the implementation of economic targets: The company's production and business targets in 2025 are approximately and exceed the plan assigned by the 2025 General Meeting of Shareholders. Consolidated revenue was VND 572.7 billion, reaching 131% of the plan; consolidated profit before tax was VND 45.13 billion, reaching 126% of the 2025 plan.

- Regarding the main aspects of the company's activities:

+ Construction and installation activities: Revenue is VND 400.5 billion, reaching 148% of the plan and gross profit in 2025 is VND 13.85 billion, equivalent to 93% of the year plan with a gross profit/revenue margin of 3.4%

The Board of Directors has made efforts to find suitable construction and installation bidding packages, in the year the Company won a number of unexpected bidding packages to contribute an additional output value of VND 91 billion in 2025 such as Bac Lieu Package, Mang Lin, An Bien Inter-district Pipeline Line, etc. helping the Company to exceed the assigned output and revenue targets;

+ Office buildings for lease: the occupancy rate is relatively high, over 95%; building leasing revenue is VND 94.23 billion, reaching 100% of the year plan, gross profit increased by 40% compared to the plan because the Company is exempt from land rent in 2024 + 2025 according to the State's general policy; along with controlling the cost of management and operation, reimbursement of major repairs of the building... has reduced the cost of operations and gross profit increased higher than planned.

- Other contents:

+ The payment and recovery of capital are focused. The capital recovery plan is made monthly/quarterly and is regularly reviewed and classified. In 2025, the amount of revenue from production and business activities of the parent company will be 576 billion VND (exceeding 200 billion VND compared to the plan).

+ Performing well the obligations to the State budget, basically fulfilling the tax obligations payable in 2024. The company has paid 26.6 billion VND / 25.2 billion VND arising payable in the year.

+ Policies and regimes for employees such as payment of salaries, bonuses, deductions for social insurance, health insurance, unemployment insurance, and salary grade increase are fully ensured.

- In 2025, the Company will not have contracts and transactions with related persons under the approval authority of the General Meeting of Shareholders.

- The information disclosure is fully implemented, complying with the content, time and bilingual English – Vietnamese in accordance with regulations.

3. Results of the implementation of the Resolution of the Annual General Meeting of Shareholders in 2025

a. Regarding the implementation of production and business performance indicators:

Member: million VND

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TT	Criteria	Plan 2025	Implementation 2025	Percent %
1	Total Consolidated Revenue	437.064	572.764	131%
	<i>In which, the parent company's revenue</i>	<i>400.951</i>	<i>545.576</i>	<i>136%</i>
2	Consolidated profit before tax	35.958	45.317	126%
	<i>In which, the profit before tax of the parent company</i>	<i>35.492</i>	<i>45.495</i>	<i>128%</i>
3	Parent Company Budget Submission	25.000	26.629	106%
4	Dividends	18,36%	Advance 10%	
5	Average income of million VND/person/month	12,6	13,7	108,7%
6	Debt collection	350.000	575.941	164%

b. Results of implementation of other contents

- The Company has distributed profit after tax in 2024 in accordance with the spirit of the Resolution of the General Meeting of Shareholders No. 01/2025/NQ-ĐHĐHĐ dated 06/06/2025. The total profit distributed to funds and dividends is VND 25.37 billion.
- Select an independent audit unit to audit the financial statements in 2025 in accordance with the Resolution of the 2025 General Meeting of Shareholders.
- Implement the payment of remuneration for the Board of Directors and Supervisory Board in 2025 in accordance with the Resolution of the 2025 General Meeting of Shareholders

4. Appraisal of financial statements in 2025

- The Company's 2025 financial statements are prepared in accordance with the provisions of the Accounting Law and current Vietnamese accounting standards and regimes. The report has been audited by AASCS Southern Accounting and Auditing Financial Consulting Services Co., Ltd., which is a unit named in the list of auditing units approved by the Annual General Meeting of Shareholders in 2025.
- The Separate Financial Statements and the Consolidated Financial Statements have honestly and reasonably reflected the material aspects of the Company's financial position as at 31/12/2025 as well as the results of business activities and cash flows for the financial year ending on the same day.

5. Assets and capital of the parent company

The asset situation as of 31/12/2025 is as follows:

Member: million VND

Criteria	2024	2025	2025/2024
Short-term assets	233.480	277.587	118,9%
Cash and cash equivalents	97.452	130.448	133,9%
Short-term receivables	92.586	101.556	109,7%
Inventory	30.509	35.682	117,0%
Other Short-Term Assets	12.934	9.902	76,6%
Long-term assets	200.993	192.235	95,6%
Fixed assets	17.685	16.350	92,5%
Investment Properties	114.857	107.833	93,9%
Long-term unfinished assets	17.826	16.821	94,4%
Long-term financial investment	50.250	50.855	101,2%

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Other long-term assets	376	376	100,0%
TOTAL ASSETS	434.474	469.822	108,1%

Capital situation of the parent company as of 31/12/2025:

Member: million VND

Criteria	2024	2025	2025/2024
Liabilities	235.998	259.847	110,1%
Short-term debt	203.242	227.781	112,1%
Short-term loans and debts	10.529	10.753	102,1%
Payable to the seller	50.486	82.624	163,7%
Buyer pays in advance	69.894	80.517	115,2%
Taxes and amounts payable to the state budget	8.142	6.763	83,1%
Other short-term payables	62.203	45.383	73,0%
Welfare Reward Fund	1.988	1.741	87,6%
Long-term debt	32.756	32.065	97,9%
Long-term unrealized revenue	4.909	4.791	97,6%
Other long-term payables	27.847	27.275	97,9%
Equity	198.475	209.975	105,8%
Owner's investment capital	132.000	132.000	100,0%
Equity surplus	9.639	9.639	100,0%
Development Investment Fund	34.420	34.420	100,0%
Undistributed profit after tax	22.402	33.902	151,3%
Funding sources	14	14	100,0%
TOTAL CAPITAL	434.474	469.822	108,1%

6. Parent company's production and business results in 2025

Member: million VND

Criteria	2024	2025	2025/2024
Net sales revenue	216.704	545.576	251,8%
<i>From construction activities</i>	<i>84.595</i>	<i>402.572</i>	<i>475,9%</i>
<i>From office for lease</i>	<i>95.684</i>	<i>94.234</i>	<i>98,5%</i>
<i>From trading business</i>	<i>30.116</i>	<i>42.194</i>	<i>140,1%</i>
<i>From clean water production</i>	<i>6.329</i>	<i>6.576</i>	<i>103,9%</i>
<i>Others</i>	<i>(21)</i>	<i>-</i>	<i>0,0%</i>
Cost of goods sold	161.184	474.000	294,1%
<i>Of construction and installation activities</i>	<i>74.184</i>	<i>388.738</i>	<i>524,0%</i>
<i>Of the office lease contract</i>	<i>54.897</i>	<i>41.235</i>	<i>75,1%</i>
<i>Commercial Business</i>	<i>28.981</i>	<i>40.686</i>	<i>140,4%</i>
<i>Clean Water Production</i>	<i>3.122</i>	<i>3.275</i>	<i>104,9%</i>

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<i>Others</i>	-	65	
Financial revenue	2.325	3.052	131,3%
Financing Costs	(2.996)	404	-13,5%
<i>Loan interest</i>	797	1.007	126,3%
<i>Financial investment provisions</i>	-	234	
<i>Integration and other</i>	(3.793)	(837)	22,1%
Cost of Sales & Management	28.262	28.132	99,5%
Profit from production and business activities	32.579	46.093	141,5%
Other Profits	284	(598)	-210,5%
Total accounting profit before tax	32.864	45.495	138,4%
Profit after tax	25.706	36.871	143,4%

The company's net revenue in 2025 will increase 2.5 times compared to the previous year, of which the construction and installation sector contributes more than 70%, with revenue 4.7 times, the Board of Directors has made great efforts to find job sources and has won a number of unexpected bidding packages such as: Bac Lieu, Mang Lin, An Bien, An Minh, U Minh Thuong inter-districts. Along with the Company's cost control, it has contributed to the growth of profit after tax by more than 43% compared to the previous year.

The indicators measuring structure, operational capacity and efficiency all have good results, demonstrating the soundness of the Company's financial management. Specifically:

Criteria	2024	2025
<u>I. Solvency</u>		
Current ratio	1,15	1,22
Quick payout ratio	0,94	1,02
<u>II. Asset structure</u>		
Long-Term Assets / Total Assets	46,3%	40,9%
Short-Term Assets / Total Assets	53,7%	59,1%
<u>III. Profitability</u>		
Return on Assets (ROA)	5,9%	7,8%
Return on Equity (ROE)	13,0%	17,6%

7. Consolidation Results

The consolidated financial statements are prepared on the basis of the consolidation of the parent company and 1 subsidiary, Southeast Asia – Mekong Rach Gia Water Supply and Consulting Joint Stock Company, in which the interest rate of the parent company is 89.75%.

Member: million VND

Criteria	2024	2025	2025/2024
Asset and capital situation			
Short-term assets	242.958	280.768	115,6%
Long-term assets	286.319	266.273	93,0%
Liabilities	334.756	341.202	101,9%
Equity	194.521	205.838	105,8%
Total Assets = Total Capital	529.277	547.040	103,4%

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Production and business results			
Net sales revenue	251.709	572.764	227,6%
Revenue from financial activities	2.376	3.079	129,6%
Profit from business activities	33.181	45.932	138,4%
Other Profits	114	-614	-538,4%
Total profit before tax	33.295	45.317	136,1%
Profit after CIT	26.578	36.688	138,0%
<i>Profit after tax of the parent company</i>	<i>26.145</i>	<i>36.619</i>	<i>140,1%</i>
Basic earnings per share (VND)	1.733	2.463	

4. RECOMMENDATIONS

In the process of performing its tasks, the Supervisory Board highly appreciates the transparency and efficiency in the management and administration of the Company's leaders. The Supervisory Board agrees with the directions, tasks and solutions for 2026 that the Chairman of the Board of Directors and the General Director stated in the Reports to be submitted to the Annual General Meeting of Shareholders in 2026, and would like to propose some of the following issues:

- Regarding construction and installation: The Board of Directors actively seeks bidding packages to improve output and revenue, but it is necessary to regularly supervise the implementation of economic plans, cash flow of construction and installation works; promptly report warnings and have remedial plans when gross factors arise that affect the effectiveness of economic plans in the process of implementation; improve the management and strictly manage the cost, efficiency and cash flow of each work and project.
- Regarding office leasing: actively looking for tenants to maximize the leasing area, strengthening the application of solutions to maximize revenue from services (car parking, advertising rental) at the building, strictly controlling the cost of building management and operation to improve the efficiency of this activity.
- It is necessary to review and reduce management costs and recurrent costs.
- For the District 9 complex project, the project preparation time has been extended from 2017 to now, proposing the Board of Directors and the Executive Board to promote the completion of investment procedures in accordance with the current law.

Respectfully submitted to the 2026 Annual General Meeting of Shareholders for approval./.

SUPERVISORY BOARD

Recipients:

- *As above;*
- *SSC, HO CHI MINH CITY STOCK EXCHANGE;*
- *BOARD OF DIRECTORS, BOARD OF DIRECTORS OF THE COMPANY;*
- *Website*

Tran Thi Kim Oanh