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Nghe An, March 24, 2025

REPORT OF THE BOARD OF DIRECTORS
On production and business results in 2024 and plan
in 2025 of Hua Na Hydropower Joint Stock Company

To: General Meeting of Shareholders of Hua Na Hydropower Joint Stock
Company

The Board of Directors (BOD) of the Company respectfully reports to the Annual General Meeting of Shareholders (GMS) in 2025 on the results of production and business performance in 2024 and plan in 2025 as below:

I. PRODUCTION AND BUSINESS RESULTS IN 2024

1. Results of implementation of production and business targets in 2024

The power output and financial targets in 2024 are achieved as follows:

No.	Indicator	Units	Plan 2024	Implementation 2024	Implementation/Plan
(1)	(2)	(3)	(4)	(5)	(6)=(5)/(4)
1	Power Output	Tr.kWh	641.87	637.80	99%
-	<i>Hua Na Hydropower Plant</i>	<i>Billion VND</i>	<i>619.59</i>	<i>635.13</i>	<i>103%</i>
-	<i>Nam Non Hydropower Plant</i>	<i>Billion VND</i>	<i>22.28</i>	<i>2.67</i>	<i>12%</i>
2	Total Revenue	Billion VND	773.69	800.57	103%
2.1	Power sales revenue	Billion VND	770.21	785.84	102%
-	<i>Power sales revenue (before taxes, fees. ...)</i>	<i>Billion VND</i>	<i>672.93</i>	<i>689.07</i>	<i>102%</i>

No.	Indicator	Units	Plan 2024	Implementation 2024	Implementation/Plan
(1)	(2)	(3)	(4)	(5)	(6)=(5)/(4)
-	Revenue from actual expenditure (taxes, fees....)	Billion VND	97.28	96.76	99%
2.2	Revenue from service provision	Billion VND		3.11	
2.3	Revenue from financial activities	Billion VND	3.48	11.13	320%
2.4	Other income	Billion VND	-	0.49	
3	Total cost	Billion VND	584.27	516.15	88%
4	Profit before corporate income tax	Billion VND	189.42	284.42	150%
5	Profit after corporate income tax	Billion VND	179.95	269.75	150%
6	Contribution to the state budget	Billion VND	183.77	164.19	89%
7	Pricing	VND/kWh	910.25	820.31	89%
8	Dividend Payout Ratio (10%)	Billion VND	235.2	235.2	100%

In 2024, the hydrological situation on the Hua Na hydropower reservoir basin will be abnormal, making it difficult to calculate and run the machine. However, in the second half of 2024, the hydrological situation is favorable when the average water flow to the lake increases by about 38% compared to 2023. Facing the opportunity, the Board of Directors quickly directed flexibly, closely reporting the electricity market to offer optimal prices, focusing on generating electricity at peak hours. As a result, the total revenue was 800.57 billion VND, reaching 103% of the plan. Profit after tax was VND 269.75 billion, reaching 150% of the plan. The above achievements largely come from the spirit of effort, concentration and high responsibility of officials and employees of Hua Na Hydropower Joint Stock Company in the context of difficulties and advantages intertwined throughout 2024.

2. Operation, repair and maintenance management of construction works

2.1. Operation management: Hua Na Hydropower Plant and Nam Non Hydropower Plant were operated safely, without any abnormal incidents, meeting the mobilization needs of the national power system. The staff strictly implemented the process and technical and safety requirements during operation.

2.2. Regular repairs: The staff regularly inspected and organized the implementation during the operation, the maintenance and repair regularly met technical and quality requirements, ensuring that the plant was always active for reliable and safe operation.

2.3. Periodic maintenance and repair: In 2024, the Company carried out periodic maintenance and repair (minor repair) of Hua Na Hydropower Plant to ensure schedule, quality and safety. After the maintenance period, the factory operated effectively.

2.4. The maintenance of construction works complied with regulations on ensuring safety. All equipment, works, works items, dams and factories are always inspected and supervised to ensure safe operation without any serious damage and landslides.

3. Financial performance

3.1. Liabilities to credit institutions

As of December 31, 2024, the Company's outstanding debt at credit institutions is 499.23 billion VND, specifically as follows:

Unit: Billion VND

No	Credit Institutions/Banks	31/12/2024
1	Vietnam Technological and Commercial Joint Stock Bank	25.45
2	Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Minh Branch	64.98
3	Joint Stock Commercial Bank for Foreign Trade of Vietnam (<i>borrowing capital to buy Nam Non Hydropower Plant</i>)	408.8
	TOTAL	499.23

3.2. Balance of cash flow.

In 2024, the Company arranged sufficient cash flow to repay principal and interest to banks in accordance with credit contracts, ensuring production and business, investment activities and dividend payment to shareholders at the rate of 10%, equivalent to the amount of 235,232,210,000 VND.

4. Investment

The year 2024 is an important milestone when the Company has successfully purchased Nam Non Hydropower Plant with a capacity of 20 MW in Xa Luong commune, Tuong Duong district, Nghe An province. By December 7, 2024, Nam Non Hydropower Plant has begun to record output and revenue. Nam Non Hydropower Plant is operating efficiently and stably, contributing to the interests of shareholders in the long term.

5. Implementation of external services and sale of I-REC certificates

5.1. Implementation of external services: The Company has actively approached and worked with Nam Sum 3 Power Co., Ltd. (Investor of Nam Sum 3 Hydropower Plant Project) and signed a training contract for operators of Nam Sum 3 Hydropower Plant with a contract value of 51,155.4 USD.

5.2. Finding partners to buy I-REC certificates: In recent years, promptly grasping the guidelines and policies on clean energy development and greenhouse emission reduction of the world and Vietnam, the Company has actively sought partners to sell I-REC green energy certificates for the entire annual commercial power output, collected foreign currency of 100,475.81 USD for the Company.

6. Labor, wages, training, social security, security, safety, fire and explosion prevention and fighting, and occupational safety and safety.

6.1. Wage labor:

- The total average number of employees in 2024 is: 119 people, of which: 100 male employees and 19 female employees.

- The average salary in 2024 is: 26.58 million VND/person/month.

6.2. Training: In 2024, the Company organized specialized intensive training/seminars on production and business, issuance of certificates, ... to the Company's employees with a total cost of 1,286 billion VND. The training and development of human resources is carried out closely according to the plan. Training courses are arranged at appropriate times so that employees fully participate, ensuring quality, and meeting the production and business situation of the Company.

6.3. Social security: In 2024, the Company implemented social work for local communities, with a value of more than 1 billion VND.

6.4. Security, safety, fire and explosion prevention, and environmental safety and hygiene: Perform well the coordination with local authorities and police agencies in ensuring security and order, preventing crimes and social evils in the locality; Coordinate with relevant agencies in organizing professional training in fire and explosion prevention, and environmental safety and sanitation. In 2024, the Company did not record any incidents of insecurity and fire and explosion and environmental safety and sanitation incidents.

II. PRODUCTION AND BUSINESS PLAN IN 2025.

1. Production and business indicators

The production and business plan in 2025 of Hua Na Hydropower Joint Stock Company has been developed with the following main targets:

No.	Targets	Unit	Production and business plan 2025
1	Commercial Power Generation	Tr.kw.h	685.3
-	<i>Hua Na Hydropower Plant</i>	<i>Tr.kw.h</i>	<i>625.3</i>
-	<i>Nam Non Hydropower Plant</i>	<i>Tr.kw.h</i>	<i>60.0</i>
2	Financial targets		
2.1	Charter capital	Billion VND	2,352.3
2.2	Total Revenue	Billion VND	828.7
-	Power Generation Revenue	Billion VND	822.9
+	<i>Hua Na Hydropower Plant</i>	<i>Billion VND</i>	<i>743.7</i>
+	<i>Nam Non Hydropower Plant</i>	<i>Billion VND</i>	<i>79.3</i>
-	Financial Revenue + Other	Billion VND	5.8
2.3	Total cost	Billion VND	633.6
2.4	Profit before CIT	Billion VND	195.1
2.5	CIT	Billion VND	9.8
2.6	Profit after CIT	Billion VND	185.3
2.7	Profit Margin/Turnover	%	8%
3	Training	Billion VND	1.9
4	Cost (including taxes and fees)	VND/kWh	924.6
5	Contribution to the state budget	Billion VND	199.1
6	Investment and procurement plan for fixed assets and fixed assets	Billion VND	239.8
7	Labour	Person	143.0
8	Operating salary and bonus fund	Billion VND	62.3
9	Average labor productivity	Per month/month	150.0
10	Dividend Payout Ratio (10%)	Billion VND	235.2

2. Other key tasks.

- Organize the management and operation of Hua Na Hydropower Plant and Nam Non Hydropower Plant to ensure that they are always active and operate stably and safely to meet the requirements of resource mobilization of the National Power System and Market Operation Limited Company and the Northern Power System Dispatching Center.

- Perform well safety, health, environment tasks, fire prevention. Closely coordinate with local authorities in the operation and regulation of reservoirs in accordance with the provisions of the Reservoir and Inter- Reservoir Operation Process.

- Complete the periodic repair (overhaul) of Hua Na hydropower plant in 2025 to ensure safety, quality and progress as planned; strengthen regular inspection, maintenance and repair of Hua Na hydropower plant and Nam Non hydropower plant.

- Strictly control costs, practice thrift and anti-waste in order to improve production and business efficiency and reduce product costs.

- Balance cash flow to ensure full and timely payment of principal and interest of the Bank, fulfill obligations to the State budget, ensure production and business activities, investment and dividend payment to shareholders.

- Continue to implement digital transformation throughout the Company to apply scientific advances, improve efficiency in operation, management, administration and ensure information security.

- Continue to seek and evaluate investment opportunities in renewable energy, small and medium-sized hydropower projects; conduct research and investment in Hua Na hydropower plant expansion project to increase production scale and maximize the Company's resources.

- Continue to coordinate with local authorities at all levels and relevant departments/branches to definitively solve the remaining difficulties and obstacles in the compensation, support and resettlement of Hua Na hydropower project.

3. Solutions to production and business plan in 2025.

In order to achieve the targets of the 2025 plan, the Company will make efforts, determination, maximize all resources, synchronously implement the following solutions:

2.1. Operation, production and business.

- Continue to closely follow and coordinate with NSMO/NSO, EVN/EPTC to maximize operation capacity, especially during the rainy and flood season; agree on appropriate annual/monthly contracted electricity output, on the basis of

harmonizing interests between the parties to ensure production and business efficiency; timely electricity payment to ensure cash flow for production and business.

- Forecast the hydrometeorological situation in the basin and the competitive electricity market development in order to maximize the efficiency of water resources, optimize revenue and profits.

- Organize the periodic maintenance and repair of the equipment system of Hua Na hydropower plant to ensure quality, progress and safety; Regularly inspect and evaluate equipment systems, organize operation management to ensure high availability and safe, stable and reliable operation.

- Operate Nam Non hydropower plant safely, stably and reliably; review equipment/works, detect risks and take measures to remedy, reinforce, repair and replace (if necessary),.. Working with Ban Ve Hydropower Company (the company that manages Ban Ve Hydropower Reservoir which is at the upper level of Nam Non Hydropower Plant) to strengthen the coordination between 02 plants, prioritize capacity maximization during peak hours, and optimally exploit water resources to improve the power production revenue of the Plant.

- Perform well safety, health, environment activities, fire and explosion prevention. Closely coordinate with local authorities in the reservoir's operation and regulation in accordance with the Reservoir and Inter-Reservoir Operation Process.

2.2. Financial activities

- Review cash flows, promptly collect electricity sales proceeds to ensure full and timely payment of principal and interest to banks;

- Promote cost reduction, thrift and anti-waste practices in order to improve production and business efficiency and reduce product costs. Only conduct activities that are really necessary and effective for the Company.

2.3. Governance and management

- Focus on digital transformation for the human resource management system, building an overall strategy by defining a specific digital vision and roadmap.

- Review, amend/supplement and complete the internal regulation system in accordance with the State and the Corporation's regulations and the Company's actual situation. Improve the governance and management of the flexible capital use. Strengthen the procurement management of materials and equipment; implement solutions of inventory reduction to improve efficiency. Regularly review replacement materials for regular and periodic repairs in order to maintain inventory at a reasonable level to ensure production and business efficiency.

2.4. Human resource management

- Focus on training to improve human resources, organizing classes/training courses to improve skills for employees; providing intensive training for officials and managers and prioritizing on-the-spot self-training plans.

- Take care of employees, strengthen collective activities and movements; promote the development and implementation of corporate culture.

- Organize the emulation movements in production and business, environmental safety, sanitation and communicate to all officials and employees to join in the movements. Promptly detect, foster, praise and reward and replicate teams and individuals with excellent achievements.

2.5. Science and technology

Promote the application of science and technology, the research on initiatives and technical improvements to put into operation in order to improve productivity and efficiency. Create a mechanism to encourage and motivate employees to actively promote initiatives, technical improvements and scientific research; strongly and effectively apply digital transformation to technical management and governance.

The above is a summary report on the production and business results in 2024 and plan in 2025 of Hua Na Hydropower Joint Stock Company.

It is respectfully reported to the General Meeting of Shareholders for consideration and approval!

Recipient:

- As above;
- Board of Directors, Supervisory Board (to report);
- Deputy General Directors (for implementation);
- Departments/Workshops (for implementation);
- Filed at Admin.



GENERAL DIRECTOR




Bui Huy Thanh

