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Lao Cai, date 13 month 03 year 2025

INFORMATION DISCLOSURE

To: - Hanoi Stock Exchange

Company: **BAC HA HYDROELECTRICITY JOINT STOCK COMPANY**

Address: Lung Xa Village, Coc Ly Commune, Bac Ha District, Lao Cai Province.

Phone: 0214 6294668

Person making the information disclosure: Mr. Nguyen Thanh Hung

Address: Lung Xa Village, Coc Ly Commune, Bac Ha District, Lao Cai Province.

Phone: 0989000303

Type of information disclosure:

24 hours Abnormal As required Periodically

Information to be disclosed:

Annual Report 2024.

This information was published on the website of Bac Ha Hydropower Joint Stock Company date 13 month 03 year 2025 at the link: <https://thuydienbacha.vn>.

We commit that the information disclosed above is true and take full responsibility before the law for the content of the published information.

Yours sincerel./.

Recipients:

- As sent ;
- Board of Directors Office;
- Save: TCHC

**LEGAL REPRESENTATIVE
GENERAL DIRECTOR**

Nguyen Thanh Hung



BAC HA HYDROPOWER JOINT STOCK COMPANY



REPORT

ANNUAL YEAR

2024



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I

GENERAL INFORMATION

- General information
- Business lines and locations
- Information on governance model, business organization and management apparatus
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- Risks

1. General information

- Transaction name: Bac Ha Hydropower Joint Stock Company
- Business registration certificate number: 5300240587
- Charter capital: 660,000,000,000.00 VND
- Owner's investment capital: 660,000,000,000.00 VND
- Address: Lung Xa village, Coc Ly commune, Bac Ha district, Lao Cai province
- Phone number: 0214.6268636
- Fax number: 0214.6268606
- Website: www.thuydienbacha.vn
- Stock code: BHA



➤ The process of formation and development:

Bac Ha Hydropower Joint Stock Company (formerly known as Bac Ha Hydropower Project Management Board under Infrastructure Construction and Development Corporation - Licogi)



was founded by 03 shareholders: Infrastructure Construction and Development Corporation (Licogi), Bao Viet Securities Joint Stock Company (BVSC), Licogi 14 Joint Stock Company (Licogi 14) was established for the purpose of investing in construction of Bac Ha hydropower project and operating in business fields. other in Lao Cai province.

Bac Ha Hydropower Joint Stock Company officially began operating as a joint stock company according to business registration certificate

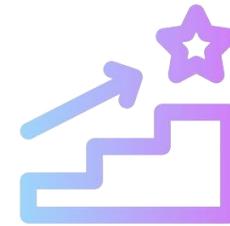


No. 1203000132 (business code 5300240587) dated February 18, 2008 issued by Lao Cai Department of Planning and Investment and applied to change the first business registration certificate on September 12, 2008 and the 8th time on September 12, 2008 and the 8th time on September 12, 2008. August 20, 2019.

June 12, 2012: Generating power for unit 1 - Bac Ha hydroelectric plant;



September 16, 2012: Generating power for unit 2 - Bac Ha hydroelectric plant;



August 2, 2017: Officially listed on UPCoM - Hanoi Stock Exchange with stock code BHA.



2. Industry and business area

Business lines



- Electricity production, electricity transmission

Other business lines



- Construction of civil, industrial, traffic, irrigation, postal, urban and industrial park infrastructure works, construction of water supply and drainage works; investment and business of small and medium hydroelectric works.



- Construction of power lines and transformer stations, production and trading of machinery and equipment, supplies and construction materials.



- Research, test, calibrate, manufacture equipment and train staff and workers to operate.



- Receiving transportation, materials and equipment.



- Aquaculture and forestry business.



- Exploiting and filtering water for domestic, industrial and other purposes.



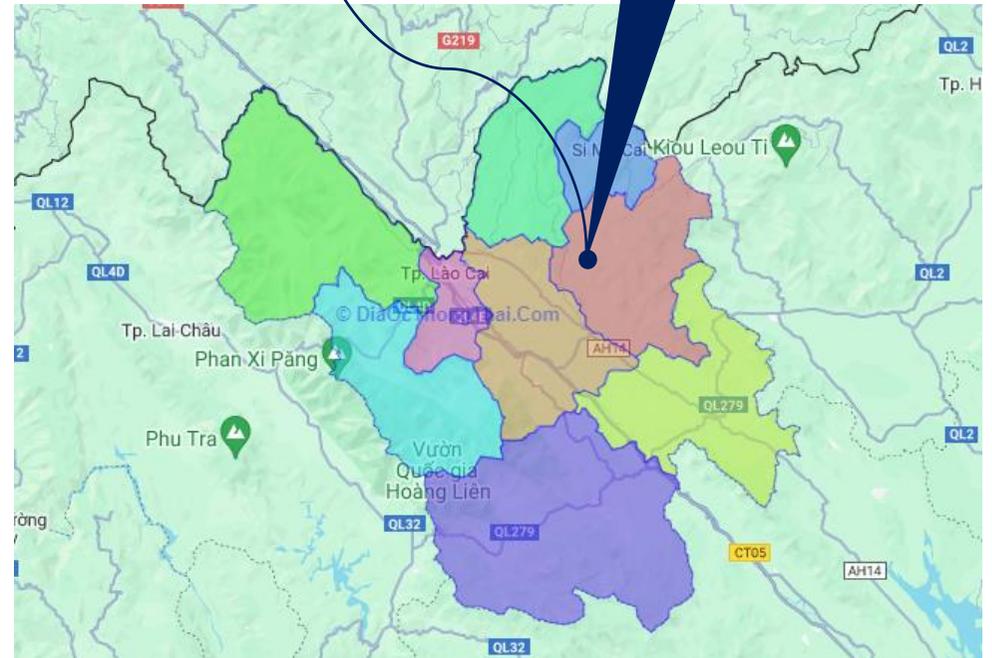
- Hotel and tourism services business.



- Financial investment in industries within the field in which the company operates.

Business area

Lung Xa village, Coc Ly commune, Bac Ha district, Lao Cai province



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

- Management model

General Meeting of Shareholders:

The General Meeting of Shareholders (AGM) is the highest competent body of the Company including all shareholders with voting rights or authorized shareholders. The General Meeting of Shareholders has the main rights and duties according to the charter as follows:

- Adopt the Company's development orientation.
- Elect, dismiss and dismiss members of the Board of Directors and members of the Supervisory Board.
- Approve annual financial reports.
- Decide to invest or sell assets with a value equal to or greater than 35% of the total asset value recorded in the Company's most recent audited financial report.
- Decide to supplement or amend the company charter.
- Decide on the type of new shares offered, number of new shares offered, and offering price.
- Decide to reorganize and dissolve the Company.
- Other tasks prescribed by the company charter.



Control board:

Is an organization that controls all business and administrative activities of the Company on behalf of shareholders. The Supervisory Board has 03 (three) people elected by the General Meeting of Shareholders. The Supervisory Board has the following rights and duties:

- Check annual, six-month and quarterly financial reports before submitting to the Board of Directors.
- Review the Company's report on the internal control system before approval by the Board of Directors.

Board of Directors:

As the Company's management agency, it has full authority on behalf of the Company to decide and implement the rights and obligations of the Company that are not under the authority of the General Meeting of Shareholders. The Board of Directors has 05 (five) people elected by the General Meeting of Shareholders. The Board of Directors has the following rights and duties:

- Decide on the Company's strategy, medium-term development plan and annual business plan.
- Propose types of shares and total number of shares authorized to be offered for sale of each type.
- Appoint and dismiss Company managers at the request of the General Director and decide their salaries.
- Decide on the Company's organizational structure.
- Propose annual dividend levels and determine interim dividends, organize dividend payments.
- Other rights and obligations prescribed by the Company's Charter.



General Director:

The general director is the person who runs the business on a daily basis. The General Director is subject to the supervision of the Board of Directors and is responsible to the Board of Directors for implementing assigned rights and tasks. The General Director has the following rights and duties:

- Implement the Resolutions of the Board of Directors and the General Meeting of Shareholders, the Company's business plan and investment plan approved by the Board of Directors and the General Meeting of Shareholders.
- Decide on issues that do not require a Resolution of the Board of Directors, including signing financial and commercial contracts on behalf of the Company, organizing and operating the Company's daily production and business activities according to best management practices.
- Recommend the number and types of managers that the Company needs to hire for the Board of Directors to appoint or dismiss when necessary to apply activities as well as good management structures proposed by the Board of Directors and advise the Board of Directors to decide on salaries, remunerations, benefits and other terms in the labor contracts of managers.
- Other rights and duties according to the company charter.



Deputy General Manager:

Is the person in charge of the tasks assigned by the General Director and is responsible to the General Director for his or her work.



Rooms and workshops

Finance and Accounting Department:

- Advise the General Director on direction, management and administration of economic, financial and accounting work;
- Proactively mobilize finance and manage financial investment, balance capital sources in accordance with the Company's situation in each period;
- Develop, guide, monitor and inspect the implementation of financial regulations and other regulations applied within the Company and arising tasks as assigned by the General Director and the Board of Directors.

Technical – Materials Department:

Lead and coordinate with professional departments to develop bidding plans and purchase equipment packages for repair and backup of the factory;

- Develop plans for construction items when investing, monitor hydrology according to the provisions of law;
- Develop annual flood and storm prevention plans, dam and reservoir safety plans, emergency response plans, fire prevention plans...
- Checking and drafting construction contracts for procurement of repair materials and equipment;
- Verify the unit price as a basis for payment;
- Plan the annual purchase of replacement equipment and supplies for the factory.

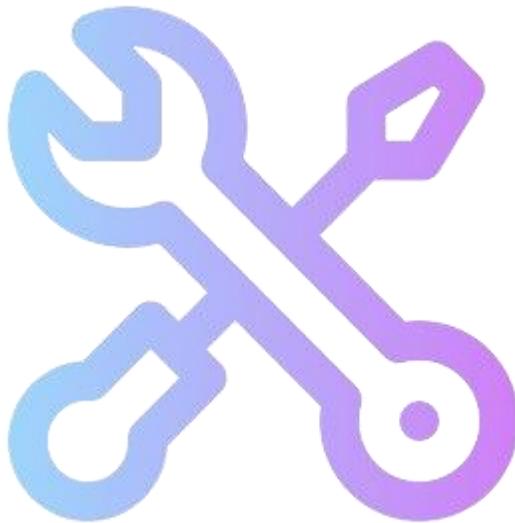
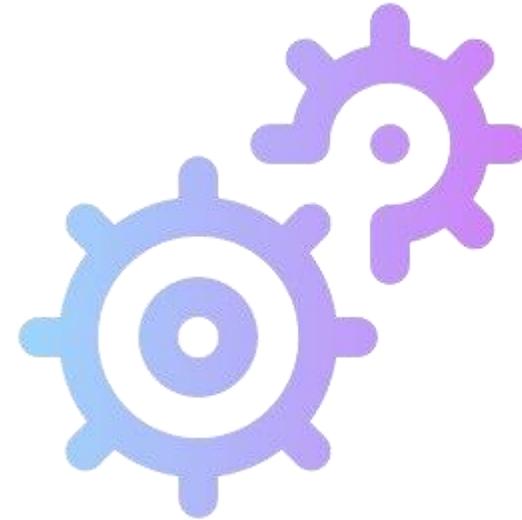
Administrative Organization Department:

- Manage and arrange personnel according to authority and production and business requirements of the Company;
- Manage and monitor staff training, professional skills, and salary increases for employees. Ensure policies for employees according to current regimes and a number of other tasks assigned by the General Director.



Operating workshop:

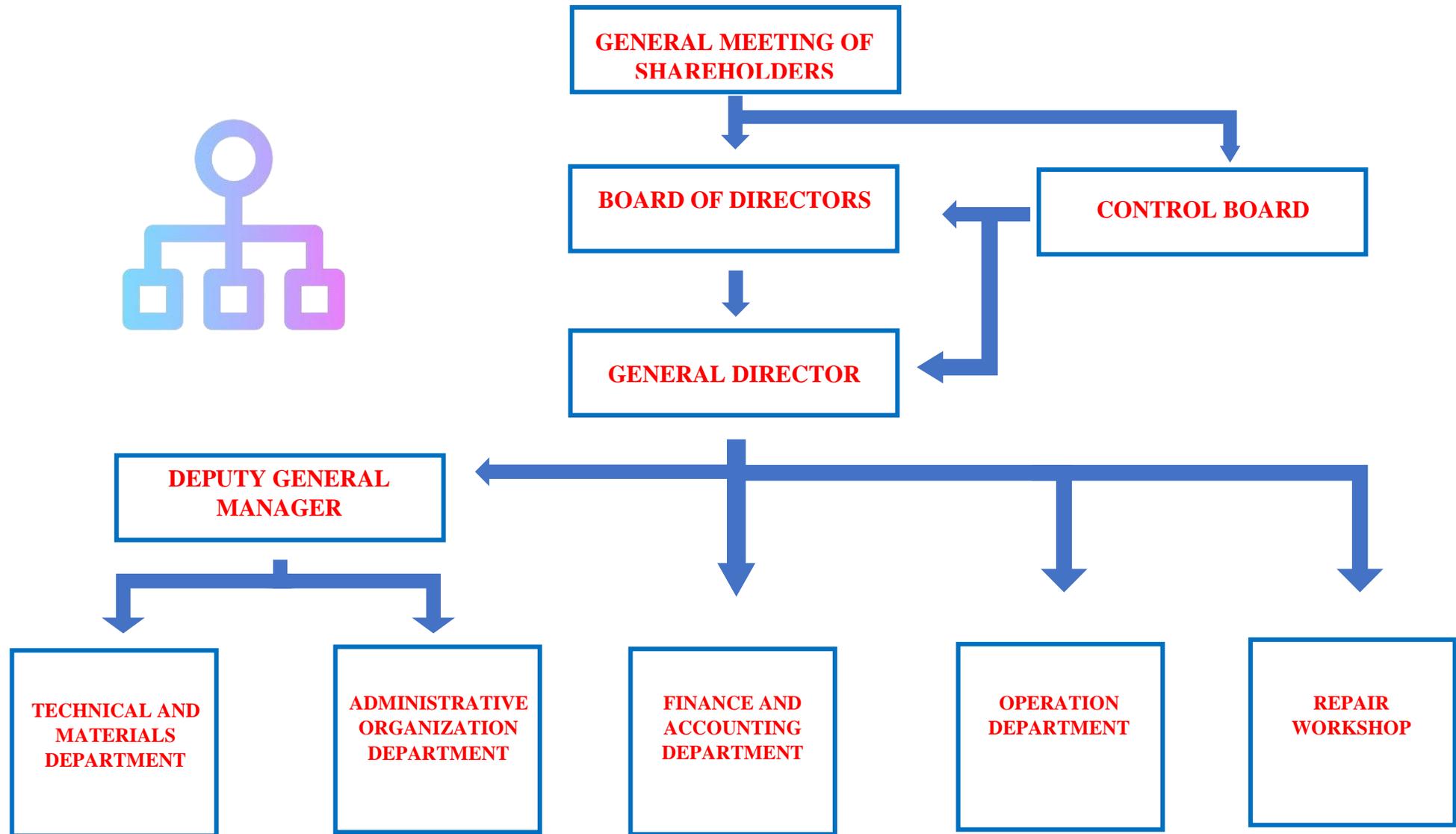
- Manage and operate equipment systems in Bac Ha Hydropower Plant according to assigned regulations;
- Operate and regulate the reservoir according to the provisions of the Reservoir Operation Procedure of Bac Ha Hydropower Plant;
- Training operating staff for all operating positions in Bac Ha Hydropower Plant;
- Participate in training operating staff for new factories when needed.



Repair workshop:

- Training and organizing the implementation of monitoring and supervision of construction and installation of new equipment (if any), projects assigned for management;
- Carry out equipment repair work according to assigned regulations;
- Plan and carry out testing and periodic adjustment of equipment systems in the factory.

Management apparatus structure



Subsidiaries and affiliated companies:

The company has no subsidiaries or affiliated companies.

4. Development orientation

The main goals of the Company

- Build and develop an increasingly strong company, diversifying industries, focusing on the hydroelectric field, improving business efficiency, creating sustainable development that brings high revenue and profits.
- Strive to become one of the leading units in Vietnam in the field of providing training services, operation services and installation, repair, testing and adjustment services for hydroelectric plants.
- Continue to invest in upgrading and innovative technology, replacing old machinery and equipment with modern, advanced equipment with high performance and reliability.
- Invest in the construction of small and medium hydroelectric projects.
- Participate in investment capital in power source projects.



Medium and long-term development strategy



- Ensure the generator sets of Bac Ha hydropower plant operate stably, safely, effectively, and optimally exploit Bac Ha lake water.
- Focus on training and developing human resources, constantly encouraging and improving the material and spiritual life of employees in the company.
- Invest in replacing equipment and overhauling hydraulic works and dam systems.
- Strengthen search and research to invest in small and medium hydropower.
- Strengthen marketing and brand promotion, expand the technical service business market.

- Maintain and make the most of the power generation capacity of Bac Ha hydroelectric plant.
- Established the Technical Service Center to become one of the leading units in Vietnam in the field of providing training services, operation services and repair services for hydroelectric plants.
- Increase investment in the electricity sector.
- Effectively using basic annual depreciation capital and retained profits, the company can proactively seek financial investment opportunities.
- Develop tourism business.



5. Risks

ECONOMIC RISKS:

In the current period, under the impact of the global economic recession in general and Vietnam in particular, the recession and economic crisis will greatly affect the production and business activities of businesses in general as well as negatively affect people's lives and indirectly affect electricity production and business.

INTEREST RATE:

Rising interest rates will lead to a tendency to cut back, narrow the scale and scope of production and business activities in the economy, or vice versa, it will create conditions for businesses to reduce costs, lower prices, and improve business efficiency and competitiveness. Low lending interest rates are always a driving force to encourage businesses to expand investment, develop production and business activities and thereby stimulate growth of the entire economy.

WEATHER RISKS:

Weather risks are the main risks and have the greatest impact on the production and business activities of Bac Ha Hydropower Joint Stock Company.

The output and efficiency of hydropower plants depend mainly on renewable and stored water energy sources.

In case of prolonged drought, rainfall decreases even during the rainy season, causing the amount of water stored in the reservoir to be lower than the design capacity, greatly affecting the power output of the plant. In addition, other natural disasters such as flash floods and heavy rains can cause damage to roads and dams of the plant, causing problems in power generation and increasing repair costs. The electricity supply situation changes during the dry and rainy seasons, affecting the Company's business results. Therefore, weather risks still exist throughout the entire operation period of the Company.

The Company always tries to closely follow climate and hydrological forecasts to have plans, strategies for bidding, reservoir operation, power generation mode, and human resources to operate the plant at the highest possible capacity and ensure the lowest water consumption/1kwh. In addition, the Company also prepares plans to prevent storms and floods, mitigate damage caused by natural disasters to the plant's dams, power transmission lines, and implement measures to protect the ecological environment.

LEGAL RISKS:

Legal risk is a systemic risk, affecting many aspects of society in general and the electricity industry in particular. Any changes in government policy have certain impacts on the Company's operations.

To minimize legal risks, the Company always maintains updates on new legal regulations for all employees, and will consult with legal consulting organizations when necessary.

OTHER RISKS:

Other risks such as war, natural disasters, fires, epidemics, etc. are unavoidable risks, although they rarely occur, but if they do occur, they will cause great damage to property, people and the general operation of the Company. This is a risk that cannot be eliminated but can be minimized. Therefore, the Company regularly monitors and grasps information to promptly take preventive and handling measures, and always strictly complies with regulations, regularly trains on fire prevention and fighting, labor safety, and ensures good implementation of fire prevention and fighting work.

II

PERFORMANCE IN THE YEAR

- **Business performance**
- **Organization and personnel**
- **Investment status, project implementation status**
- **Financial status**
- **Shareholder structure, changes in owner's investment capital**
- **Reports related to the company's environment and society**



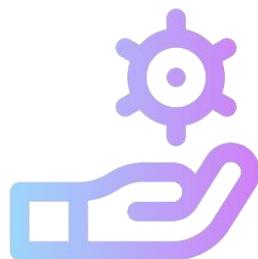
1. Production and business situation

Production and business performance results during the year:

Implementation status compared to plan



Indicators	Unit	Perform	Perform	%
		2023	2024	
Commercial Electricity Output	Million kWh	301.40	379.55	125.93%
Total Revenue	Billion VND	307.77	364.12	118.31%
Total Expenses	Billion VND	197.59	188.85	95.58%
Profit After Tax	Billion VND	107.69	163.6	151.92%



Hydrological situation, reservoirs:

Hydrological situation in 2024:

- Water level in the reservoir at the beginning of the year: **179.36** m (higher than in 2023: **2.23** m);
- Total water volume in the reservoir: **5.14** billion m³, higher than in 2023: **2.35** billion m³ (in 2023: **2.79** billion m³);
- Average water flow in 2024: **163.30** m³/s, equal to **157.62%** compared to the average of many years (**103.60** m³/s).

Electricity production situation:

In 2024, electricity production will ensure economic and technical requirements and meet the mobilization method of the power system.

Electricity production will reach 379.55 million kWh, 78.15 million kWh higher than the same period in 2023 (301.40 million kWh).

Equipment repair and maintenance:

The 2024 major repair plan includes equipment items, construction of units 1 and 2, transmission lines and 220Kv transformer stations, which are implemented by the Company in accordance with procedures and regulations to ensure safe operation during the rainy season.

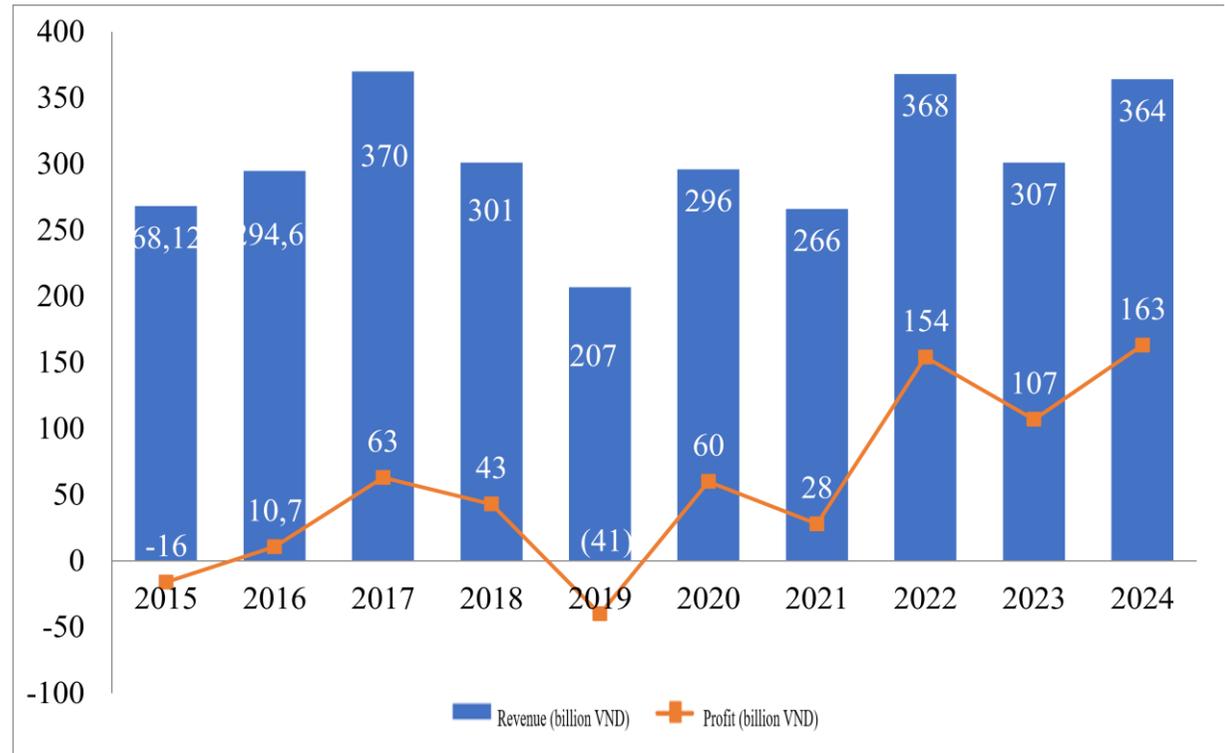


NET REVENUE AND PROFIT AFTER TAX (Unit: VND)

Total revenue:

Total revenue in 2024 reached VND **364,125** billion, an increase of VND **56.35** billion compared to the same period in 2023 (VND **307,776** billion). Of which:

- Revenue from electricity sales: reached VND **361,299** billion, an increase of VND **55.46** billion compared to the same period in 2023 (VND **305,834** billion) due to the hydrological situation in 2024, the water flow to the lake was higher than in the years of operation, so the electricity output increased by **78.15** million kWh compared to the previous year, leading to an increase in electricity sales revenue of **18.14%**.
- Revenue from financial activities in 2024 increased by VND 0.498 billion compared to 2023. equivalent to **83.49%**.



Total costs:

Total costs in 2024 are VND **188.85** billion, down VND **8.75** billion compared to 2023, mainly due to reduced principal repayment of bank loans and good management of production and business operating costs.

Profit:

Profit after tax reached VND **163.6** billion, up VND **55.91** billion, equivalent to **51.92%** compared to the same period in 2023.

2. Organization and personnel

List of Executive Board

GENERAL DIRECTOR

- Full name: NGUYEN THANH HUNG
- Gender: Male
- Citizen identification number: 001075018481 Date of issue 08/05/2018
- Place of issue: Department of Police for registration and management of residence and national data on Population
- Date of birth: 13/04/1975
- Place of birth: Gia Lam, Hanoi
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Khai Thai, Phu Xuyen, Hanoi
- Permanent address: P2, Group 1, Ministry of Electricity, Phuong Lien, Dong Da, Hanoi.
- Phone number: 0989.000.303
- Educational level: 12/12
- Professional level: Master of Business Administration
- Working process:
 - From 1996 – 2002: Vietnam Rural Development and Construction Corporation
 - From 2002 – 2007: Northern Power Development Company 1 - Northern Power Corporation.
 - From 2007 to present: Bac Ha Hydropower Joint Stock Company.
- Current position: General Director and member of the Board of Directors - Bac Ha Hydropower Joint Stock Company.
- Current position at other organizations: Assistant to the Chairman of the Board of Directors - Bac Ha Investment Joint Stock Company.
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)
 - * In which:
 - + Personal ownership: 0 shares
 - + Ownership: 0 shares.
 - * *Related persons holding shares: None*
- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

DEPUTY GENERAL DIRECTOR

- Full name: NGUYEN VAN TINH
- Gender: Male
- Citizen identification number: 036083001415 Date of issue: 11/16/2015
- Place of issue: Department of Administrative Police for Social Order
- Date of birth: 9/1/1983
- Place of birth: Nam Dinh
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Nam Dinh
- Permanent address: P205-CT2, Tay Mo urban area, Dai Mo, Nam Tu Liem, Hanoi
- Phone number: 0984.264.997
- Educational level: 12/12
- Professional level: Mechanical engineer
- Work history:
 - From 2008– 2008: Staff of the Center for Technology Transfer and Investment Consulting, Institute of Electrical Engineering and Post-Harvest Agriculture.
 - From 2009–2012: Staff of the Equipment and Materials Department, Bac Ha Hydropower Joint Stock Company.
 - From 2012–August 2023: Manager of the Repair Workshop, Bac Ha Hydropower Joint Stock Company.
 - From August 2023–Present: Deputy General Director of Bac Ha Hydropower Joint Stock Company, Bac Ha Hydropower
- Current position: Party cell secretary, union chairman, deputy general director - Bac Ha hydropower joint stock company.
- Current position held at other organizations: none
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)
 - * In which:
 - + Personal ownership: 0 shares
 - + Ownership: 0 shares.
 - * *Related persons holding shares: None*
- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

CHIEF ACCOUNTANT

- Full name: TA HONG DIEU
- Gender: Male
- Citizen identification number: 037081014692 Date of issue: 07/10/2021
- Place of issue: Department of Administrative Police for Social Order
- Date of birth: 04/26/1981
- Place of birth: Ninh Binh
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Ninh Binh
- Permanent address: No. 21, Alley 112/37 Dinh Cong Thuong, Hoang Mai, Hanoi
- Phone number: 0974.578.041
- Educational level: 12/12
- Professional level: Master of Accounting
- Work history:
 - From 2004 – 2008: Accounting staff of CAVICO Vietnam Company
 - From 2009 – 2016: Staff then in charge of the finance and accounting department of Bac Ha Hydropower Joint Stock Company
 - From 2016 – 2024: Acting Chief Accountant
 - From 2024 – present: Chief Accountant
- Current position: Deputy Secretary of the Party Cell, Chief Accountant
- Current position held at other organizations: none
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)
 - * In which:
 - + Personal ownership: 0 shares
 - + Ownership: 0 shares.
 - * *Related persons holding shares: None*
- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

DEPUTY HEAD OF ORGANIZATION AND ADMINISTRATION DEPARTMENT

- Full name: VU THANH LUAN
- Gender: Male
- Citizen identification number: 034086008395 Date of issue: 07/23/2022
- Place of issue: Department of Administrative Police for Social Order
- Date of birth: 10/21/1986
- Place of birth: Thai Binh
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Thai Binh
- Permanent address: Bao Tan 1 village, Bao Nhai, Bac Ha, Lao Cai
- Phone number: 0989239702
- Educational level: 12/12
- Professional level: Electrical and Electronic Engineering Engineer
- Working experience:
 - From 2011 - May 2023: Operation Workshop Staff
 - From June 2023 – Present: Deputy Head of Administrative Organization Department.
- Current position: Deputy Head of Department
- Current position held at other organizations: none
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)
 - * In which:
 - + Personal ownership: 0 shares
 - + Ownership: 0 shares.
 - * *Related persons holding shares: None*
- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

DEPUTY REPAIR WORKSHOP MANAGER

- Full name: LE BA HUNG
- Gender: Male
- Citizen identification number: 038083008624 Date of issue: 28/06/2023
- Place of issue: Department of Administrative Police for Social Order
- Date of birth: 22/01/1983 Place of birth: Thanh Hoa
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Thanh Hoa
- Permanent address: Village 9, Tho Ngoc Commune, Trieu Son District, Thanh Hoa Province
- Phone number: 0346.641.041
- Educational level: 12/12
- Professional level: Machine exploitation and manufacturing
- Working process:
 - From 2004–2012: Employee of Lilama10 Joint Stock Company
 - From 2012 – Present: Deputy foreman
- Current job position: Deputy foreman
- Current position held at other organizations: none
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)
 - * In which:
 - + Personal ownership: 0 shares
 - + Ownership: 0 shares.
 - * *Related persons holding shares: None*
- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

• **WORKSHOP OPERATIONS MANAGER**

- Full name: NGUYEN VAN HA
- Gender: Male
- Citizen identification number: 024084020409 Date of issue: 11/07/2024
- Place of issue: Department of Administrative Police for Social Order
- Date of birth: 04/08/1984 Place of birth: Bac Giang
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Bac Giang
- Permanent address: Ke residential group, Quang Minh ward, Viet Yen town, Bac Giang province
- Phone number: 0985.812.862
- Educational level: 12/12
- Professional level: Electrical System Engineer
- Work history:
 - From 2008 – 2011 Employee then Deputy Head of Equipment and Materials Department, Bac Ha Hydropower Joint Stock Company
 - From 2012 – Present Manager of Operation Workshop, Bac Ha Hydropower Joint Stock Company
- Current job position: Operations Workshop Manager
- Current position held at other organizations: none
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)
 - * In which:
 - + Personal ownership: 0 shares
 - + Ownership: 0 shares.
 - * *Related persons holding shares: None*
- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

DEPUTY HEAD OF TECHNICAL AND MATERIALS DEPARTMENT

- Full name: TRAN VAN HUAN
- Gender: Male
- Citizen identification number: 036083011678 Date of issue: 04/12/2021
- Place of issue: Director of the Department of Administrative Police for Social Order
- Date of birth: 10/06/1983
- Place of birth: Hoang Nam, Nghia Hung, Nam Dinh
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Hoang Nam, Nghia Hung, Nam Dinh
- Permanent address: Residential group, Nam Sat 4, Bac Ha town, Bac Ha, Lao Cai
- Phone number: 0974234955
- Cultural level: 12/12
- Professional qualification: Bachelor of Automation
- Working process:

From 2009 – 2012: Technical Management Department Staff

From 11/2012 – 5/2017: Head of electrical repair team - Repair workshop

From 5/2017 – 7/2022: Deputy Manager of Repair Workshop

From 7/2022 - present: Deputy Head of Department

- Current position: Deputy Head of Department
- Current position held at other organizations: none
- Number of shares held: 0 shares (accounting for 0% of the Company's equity)

* In which:

+ Personal ownership: 0 shares

+ Ownership: 0 shares.

* *Related persons holding shares: None*

- Illegal acts (if any): No
- Related interests with the issuing organization (if any): No
- Debts to the Company (if any): No
- Ownership ratio of securities in other companies: No

- Changes in the executive board
 - + Mr. Ta Hong Dieu was appointed Chief Accountant of the Company from July 17, 2024.
- Number of staff. Summary of policies and changes in policies for employees:

Labor structure	Number	Rate (%)
Total number of employees	48	100%
In which:		
Classification by labor level:		
Workers with university and post-graduate degrees	19	39.6%
Workers with college and intermediate degrees	21	43.8%
Workers with elementary degrees and technical workers	5	10.4%
Unskilled workers	3	6.2%
Classification by nature of labor contract:		
Direct labor	34	70.8%
Indirect labor	14	29.2%

Training, salary, bonus and allowance policies

The company fully implements policies for employees in accordance with the provisions of law, ensuring stable employment for employees, improving income, and caring for the material and spiritual life of employees.

❖ **Regarding training and recruitment policies:**

- The recruitment goal of Bac Ha Hydropower Joint Stock Company is to attract qualified workers, meet the needs of improving service quality and expanding business activities. Depending on each specific position, the company sets out certain recruitment standards, but all positions must meet basic requirements such as having appropriate professional qualifications, having a sense of career development and high team spirit. Managers must have solid professional qualifications and knowledge, rich work experience, especially promoting initiative, creativity in work and the ability to organize, manage and lead a team.

- In particular, the Company always focuses on human resource development. All new staff and employees joining the Company are trained to have the necessary understanding of the Company's history and development, core values, mission, vision, working culture in the organization and the Company's fields of operation. The Company also especially values and encourages the learning process to improve the skills of each staff and always creates conditions for them to have the opportunity to interact and accumulate practical experience during the work process. Considering people as the most valuable asset and a factor for development, aiming to encourage each individual to develop and believing that the progress of each individual will promote the development of the Company.

❖ **About salary and bonus policy:**

- The Company organizes work according to the time prescribed by law. However, due to the nature and specificity of the work or when there are requirements for progress, the Company may require employees in the Company to work overtime and implement appropriate compensation regimes.

- Holidays, Tet, sick leave, maternity leave: Employees are entitled to leave according to the law. Benefits during sick leave and maternity leave are also fully guaranteed according to the State's regulations.

- The Company has developed a salary and bonus policy appropriate to each job position, experience and professional qualifications of the staff to properly recognize the capacity and work results of each individual, while creating motivation to encourage each individual to promote their capacity and responsibility to improve productivity, quality and efficiency in the process of performing tasks. The Company also regularly conducts assessments of capacity, awareness, work efficiency and conducts monthly reviews and classifications of employees to apply appropriate reward policies. Every year, the Company summarizes and commends and rewards groups and individuals with outstanding achievements and great contributions to the Company.

❖ **Average salary:**

The average salary of the whole company in 2015 reached 8,933,000 VND/person/month, in 2016 reached 8,608,000 VND/person/month, the average income in 2017 reached 10,500,000 VND/person/month, the average income in 2018 reached 12,500,000 VND/person/month, the average income in 2019 reached 12,500,000 VND/person/month, in 2020 reached 13,200,000 VND/person/month, in 2021 the average income reached 13,900,000 VND/person/month, in 2022 the average income reached 14,200,000 VND/person/month, in 2023 the average income reached 15,100,000 VND/person/month, in 2024 the average income will reach 15,500,000 VND/person/month.

3. Investment situation, project implementation situation

a) Major investments

(None)

b) Subsidiaries, affiliates

(None)



4. Financial situation

a) Financial situation

Target	Year 2023	Year 2024	% increase/decrease
<i>* For organizations that are not credit institutions and non-bank financial institutions</i>			
Total Assets	1.617.620.285.582	1.540.248.072.258	- 4.78%
Net Revenue	307.776.844.027	364.125.331.903	18.31%
Operating Profit	111.860.326.847	176.371.294.119	57.67%
Other Profit	867.469.381	(6.786.759.160)	-882%
Profit Before Tax	112.727.796.228	169.584.534.959	50%
Profit After Tax	107.691.742.854	163.603.114.068	51.92%

b) Key financial indicators



Benchmarks	Year 2023	Year 2024	Note
1. Solvency ratio			
+ Current Ratio:			
Current Assets/Current Liabilities	0.69	0.80	
+ Quick Ratio			
$\frac{\text{Current assets} - \text{Inventory}}{\text{Short-term debt}}$	0.69	0.80	
2. Capital structure indicators			
+ Debt/Total Assets Ratio	0.45	0.36	
+ Debt/Equity Ratio	0.83	0.56	
3. Performance indicators			
+ Inventory Turnover			
$\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$			
$\frac{\text{Net Revenue}}{\text{Total Assets}}$	0.19	0.24	
4. Profitability ratio			
+ Profit after tax/Net revenue ratio	0.35	0.45	
+ Profit after tax/Equity ratio	0.12	0.17	
+ Profit after tax/Total assets ratio	0.07	0.11	
+ Operating profit/Net revenue ratio	0.36	0.48	

5. Shareholder structure, change in owner's equity

a) Share

- Total number of outstanding shares: 66,000,000.00 shares;
- Type of outstanding shares:
 - + Freely transferable: 66,000,000.00 shares;
 - + Restricted transfer: 0 shares;
- Number of freely transferable shares: 66,000,000.00 shares
- Number of restricted transferable shares: 0 shares.



b) Shareholder structure

Stt	Loại hình cổ đông	Số lượng cổ đông	Số cổ phần nắm giữ (CP)	Tỷ lệ (%)
I	Major/minor shareholders	2/272	66,000,000.00	100%
	<i>In which:</i>			
	- Major shareholders:	2	43,029,583.00	65.20%
	- Minor shareholders:	272	22,970,417.00	34.80%
II	Domestic shareholders	268	65,982,800.00	99,974%
	<i>In which:</i>			
	- Organizations:	4	49,461,683.00	74.942%
	- Individuals:	268	16,521,117.00	25.032%
III	Foreign shareholders	4	17,200.00	0,026%
	<i>In which:</i>			
	- Organizations:	2	15,700.00	0,024%
	- Individuals:	2	1,500.00	0,002%
IV	State shareholders	0	0	0%
V	Treasury shares	0	0	0%
	Tổng cộng	272	66.000.000	100%

c) Owner's equity change situation (Không có)

d) Treasury stock transactions (Không có)

e) Other securities (Không có)

6. Report on the company's environmental and social impact

6.1 Environmental impact

- The factory's production and business activities completely use natural water, so there is no impact on the environment.

6.2 Raw material management

- Total amount of raw materials used to manufacture and package the organization's main products and services during the year.
- Report the percentage of recycled materials used to manufacture the organization's primary products and services: **100%**

6.3 Energy consumption

- Direct and indirect energy consumption.
- Energy saved through energy efficiency initiatives.
- Reports on energy-saving initiatives (providing energy-saving products and services or using renewable energy); reports on the results of these initiatives.

6.4 Water consumption

- Water supply and water use. Natural water
- Percentage and total amount of recycled and reused water: **100%**

6.5 Compliance with environmental protection laws

- Number of times fined for non-compliance with environmental laws and regulations. **None**
- Total amount of fines imposed for non-compliance with environmental laws and regulations. **0 VND**

6.6 Employee related policies

- Number of employees, average salary for employees:
 - *Total number of employees: 48 people*
 - *Average salary in 2024: 15.5 million VND*
- Labor policy to ensure health, safety and welfare of employees: **The company organizes annual health check-ups for officers and employees.**
- Employee training activities:
 - Average training hours per year, by employee and by employee type.
 - Skills development and continuous learning programs to support employees in securing employment and career development. Every year, the Company always has training programs to improve skills for employees, training on occupational safety and health, fire prevention and fighting, and specialized training for factory operators.

III

REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

(BOARD OF DIRECTORS REPORTS AND
EVALUATES THE SITUATION OF ALL
ASPECTS OF THE COMPANY)

- Assessment of business performance
- Financial situation
- Reforms in organizational structure, policies, management
- Future development plans
- Board of Directors' explanation of audit opinions
- Reports related to the company's environmental and social responsibilities

1. Evaluation of production and business performance

- Due to the high water flow to Bac Ha hydropower reservoir in 2024 compared to previous years of operation, electricity production in 2024 reached 379.55 million kWh, an increase of 76.10 million kWh compared to the plan, revenue reached 364 billion VND, profit after tax was 163 billion VND. The Company's operations are stable, the Company's total annual debt is continuously decreasing.
- The progress the Company has achieved. In the past year, the Company has self-performed a number of work items, thereby minimizing costs, applying extensive technology to management and operations to help the factory operate effectively and save maximum costs.

2. Financial situation

a) Asset situation

- In 2024, the total asset size of the Company will decrease mainly because the Company will set aside depreciation and repay principal to banks according to the project financing contract. The Company does not have any bad debts. The Company's revenue mainly comes from selling electricity to EVN. Currently, the electricity buyer is performing well according to the contract signed by the parties.

b) Current debt situation

- Current debt situation, large fluctuations in debt. Currently, as of December 31, 2024, short-term debt is 196 billion, long-term debt is 358 billion, mainly principal debt of banks and currently the Company has no bad debt in credit institutions.

3. Improvements in organizational structure, policy, management

- In 2024, the company's organizational structure has stabilized, applying 5S and KPI programs to management, which has brought higher efficiency in production and business. Implement measures to minimize costs during the factory's operation.

4. Future development plan

- The Company will expand more production lines, expand investment in more factories to maximize the management capacity of hydropower plants and take advantage of existing experience to increase the efficiency of using the Company's investment capital.

5. Board of Directors' explanation of the audit opinion

(None)

6. Assessment report related to the Company's environmental and social responsibility.

Assessment related to environmental indicators (water consumption, energy, emissions...)

- The Company's environmental protection work complies with current regulations and approved environmental protection plans. For hydropower plants, the input is water, so there are no emissions to the environment. The plant completely uses water power to generate energy.

Assessment related to labor issues

- The Company's labor force is currently stable, all employees are well-trained to meet the work assigned by the Company, employees enjoy full benefits of current policies with a good and stable income.

Assessment related to the responsibility of the enterprise towards the local community

- In the past year, the Company has closely coordinated with local authorities, increased exchanges and supported people in the factory area to promote socio-economic development, culture and education of ethnic minority people.

IV

BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S PERFORMANCE (FOR JOINT STOCK COMPANY)



- Board of Directors' assessment of the Company's operations, including assessments related to environmental and social responsibilities
- Board of Directors' assessment of the Company's Board of Directors' performance
- Board of Directors' plans and directions

1. The Board of Directors' assessment of the Company's operations, including assessments related to environmental and social responsibilities

- The Company has ensured safety in production, operating properly to avoid fires and occupational accidents. Employees always comply with the Company's processes, regulations and internal rules;
- In 2024, the Company produced **379.55** million kWh, an increase of **(125.93%)** over the same period in 2023, due to the high water flow to the lake in 2024 compared to previous years of operation;
- Flood and storm prevention preparations were carried out well, proactively following regulations and procedures, preventing damage caused by storms and floods;
- Equipment repair and maintenance work was carried out to ensure quality and progress, contributing to maintaining the stable, safe and efficient operation of the factory, limiting damage arising during operation;
- Charity and social security work is paid attention to, maintained and considered part of the Company's responsibility to the community.

2. Board of Directors' assessment of the performance of the company's Board of Directors

- In general, the Executive Board has performed its functions in accordance with the Company's charter. It has operated production and business activities in accordance with the direction of the Board of Directors and the General Meeting of Shareholders. The interests of the Company, shareholders and employees have not been affected. Specifically as follows:
- Directing the operation of reservoirs and machinery and equipment reasonably has resulted in high equipment operating efficiency;
- The Executive Board has applied KPI, 5S and applied extensive technology to rooms, workshops, premises in front of the factory, factory entrance, planted trees in vacant land, decorated the factory landscape, the operator's house, etc., thereby minimizing costs for the Company;
- The Board of Directors has created a transparent working environment, so that the staff and workers work enthusiastically, creating high labor productivity;
- The Board of Directors has made great efforts in arranging and stabilizing the Company's organizational structure to ensure the Company's continuous operation; there is dynamism in performing production and business tasks and completing the factory;
- The Company's management structure has been gradually improved and perfected according to the model of taking electricity production and business as the core field and has promoted its superiority, compactness, minimizing unnecessary intermediaries, contributing to significant savings in salary costs and other costs. The management staff has tried to complete the assigned tasks, without any violations in the Company's management regulations.

3. Plans and directions of the Board of Directors

Target for 2025-2026:

- Regarding the power production plan, the Board of Directors sets a target of striving for annual output in the period of 2025-2026 to reach 85-90% of the designed capacity and arrange enough capital to repay debts to credit institutions and contractors (no overdue debts);
- In addition, efforts will be made to continue to seek financial solutions to minimize financial costs in order to bring about higher efficiency in the coming fiscal years.





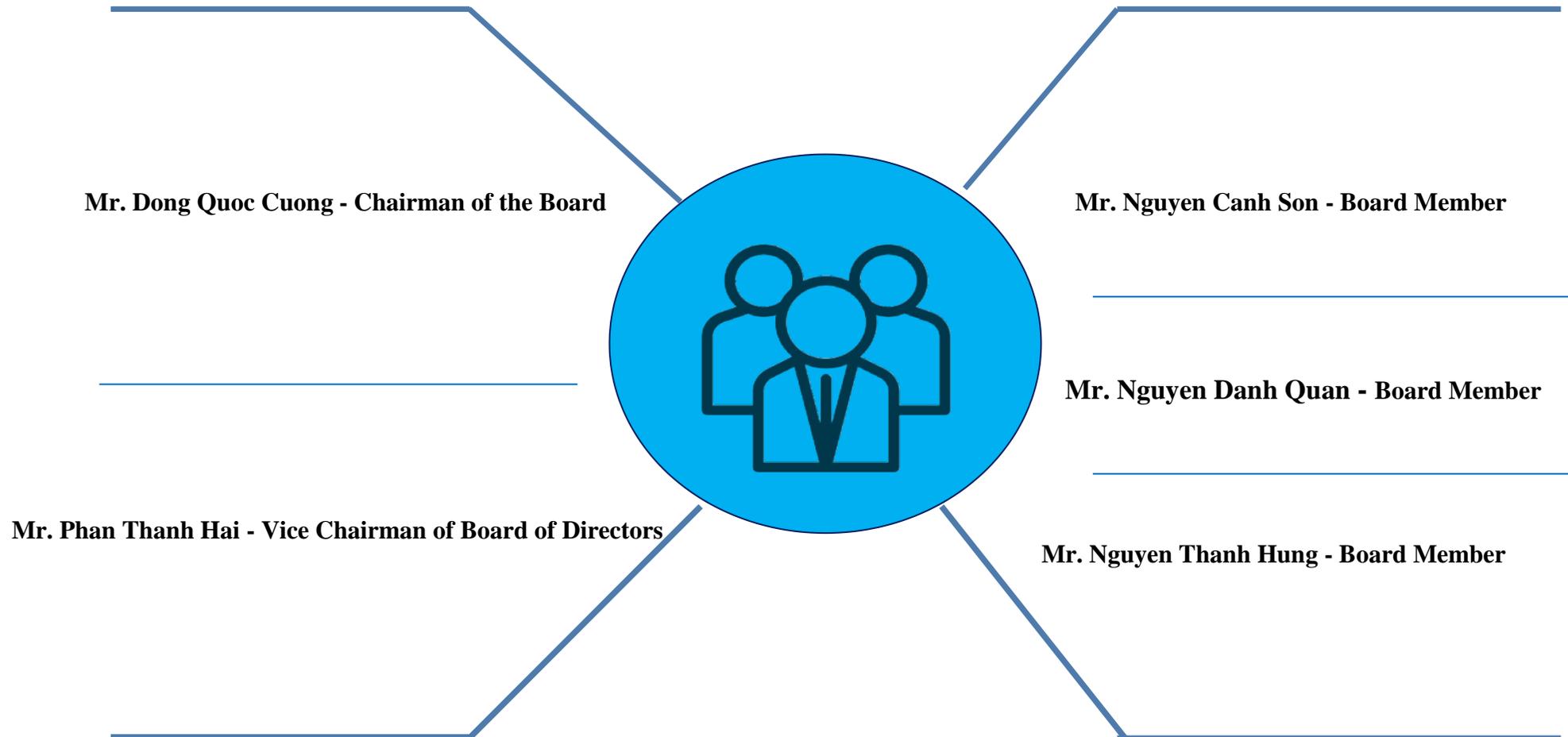
CORPORATE GOVERNANCE

- Board of Directors
- Supervisory Board
- Transactions, remuneration and benefits of the Board of Directors, the Board of Management and the Supervisory Board



1. Board of Directors

a) Members and structure of the Board of Directors

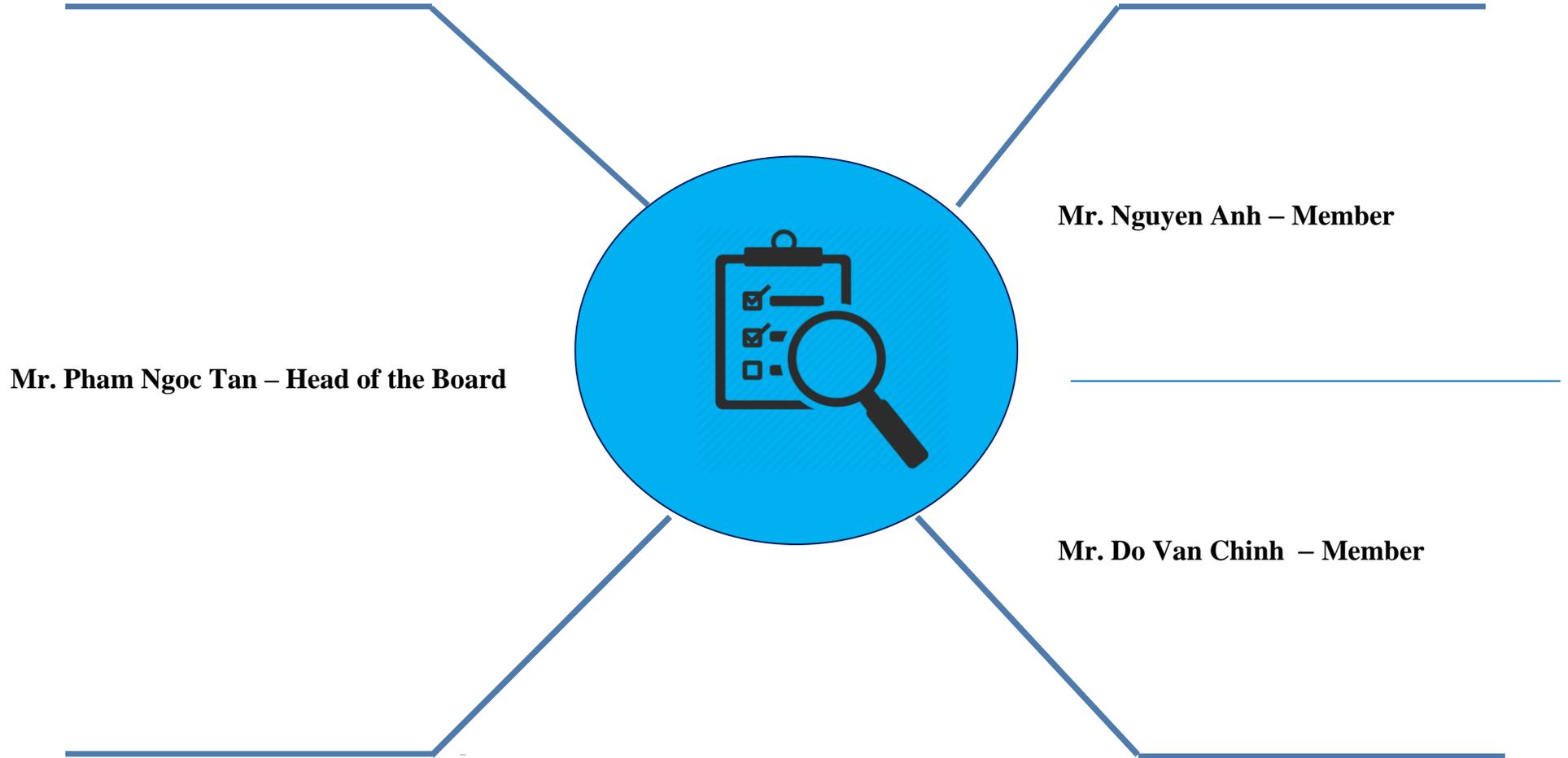


b) Subcommittees of the Board of Directors

(None)

2. Board of Control

a) Members and structure of the Board of Supervisors



b) Activities of the Board of Supervisors

The Board of Supervisors has conducted inspection and supervision activities to ensure compliance with the provisions of the Enterprise Law, the Accounting Law, and the Charter of the organization and operation of Bac Ha Hydropower Joint Stock Company in the management and operation of the Company's production and business activities, specifically:

- ❖ Auditing Financial Statements and Supervising Information Disclosure:
 - Inspect and supervise the Company's accounting work to ensure compliance with the enterprise accounting regime and Vietnamese accounting standards;
 - Review the quarterly and annual financial reports provided by the Board of Directors. From there, examine the accounting of revenue and cost allocation, analyze and evaluate the financial situation, business operations, debt management situation, and reserve provisions according to regulations;
 - The Board of Supervisors coordinates with the Board of Directors to select an independent auditing company to audit the annual financial statements;
 - Participate in coordination with the auditing unit on the scope and content of the annual financial statement audit. Appraise the financial statements before and after the audit, and consider the opinions of the independent auditor.
- ❖ Coordinate and supervise the activities of the Board of Directors and the Board of Management.
 - The Board of Directors and the Board of Management of the Company have held many meetings, thereby issuing Resolutions and Decisions to promptly direct the Company's business activities;
 - The Board of Supervisors has attended monthly and quarterly meetings between the Board of Directors and the Board of Management to listen to the Board of Management report on the business situation of each quarter and the goals and directions of the next activities to successfully complete the set plan targets;
 - In 2024, the Company did not have any litigation regarding any disputes related to production and business activities, conflicts of interest with related persons.



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

a) Salary, bonus, remuneration, benefits:

Numerical order	Full name	Position	Income 2024	Note
I.	Board of Directors			
1	Dong Quoc Cuong	Chairman	204.000.000	
2	Phan Thanh Hai	Vice Chairman	170.000.000	
3	Nguyen Canh Son	Member	136.000.000	
4	Nguyen Danh Quan	Member	136.000.000	
5	Nguyen Thanh Hung	Member		
II.	Board of Control			
1	Pham Ngoc Tan	prefect	136.000.000	
2	Nguyen Anh Dung	member	102.000.000	
3	Do Van Chinh	member	102.000.000	
III.	Board of Directors			
1	Nguyen Thanh Hung	General Director	1.102.987.859	
2	Nguyen Van Tinh	Deputy General Director	659.043.058	

b) Stock transactions of internal shareholders : No

c) Contracts or transactions with insider : No

d) Implementation of corporate governance regulations: Strictly comply with regulations.

VI

FINANCIAL REPORT

- Audit opinion
- Audited financial statements

1. Audit opinion

- Auditor's opinion on 2024 financial statements: Fully accepted..

2. Audited financial statements

- Conducted honestly and objectively
- Information address Audited financial statements for 2024:
- Website: <https://thuydienbacha.vn/>

CONFIRMATION OF THE COMPANY'S LEGAL REPRESENTATIVE GENERAL DIRECTOR



Nguyen Thanh Hung