

DRAFT REPORT

**Re: Activities of Supervisory Board in 2024
submitted to the Annual General Meeting of Shareholders**

To: The Annual General Meeting of Shareholders 2025

Pursuant to the Enterprise Law dated June 17, 2020;

Pursuant to the Charter of Da Nhim - Ham Thuan - Da Mi HydroPower Joint Stock Company, approved by the General Meeting of Shareholders on April 26, 2024;

Pursuant to the Supervisory Board's Regulations of Operation, issued for the third time under Decision No. 08/QĐ-BKS dated May 3, 2024.

The Supervisory Board hereby reports to the General Meeting of Shareholders on the activities, inspections, and supervision carried out by the Supervisory Board in 2024, as well as the operational directions for 2025, as follows:

I. GENERAL INFORMATION ABOUT THE COMPANY AND THE SUPERVISORY BOARD

1. Introduction of the Company

Da Nhim - Ham Thuan - Da Mi Hydropower Joint Stock Company (the Company) is responsible for managing and operating power plants, including Da Nhim Hydropower Plant, Da Nhim Expansion, Song Pha, Ham Thuan, and Da Mi, with a total installed capacity of 722.5MW, as well as Da Mi Solar Power Plant with an installed capacity of 47.5MWp. Key information about the Company:

- Vietnamese name: CÔNG TY CỔ PHẦN THỦY ĐIỆN ĐÀ NHIM - HÀM THUẬN - ĐÀ MI.
- English name: DA NHIM - HAM THUAN - DA MI HYDRO POWER JOINT STOCK COMPANY.
- Abbreviation: EVNHPCDHD.
- Stock code: DNH, traded on Upcom exchange.
- Charter capital: 4,224,000,000,000 VND.
- Total shares issued: 422,400,000 shares.
- Major shareholder: Power Generation Corporation 1 (EVNGENCO1) holds

99.93%.

- Total number of employees as of December 31, 2024: 237 employees

2. Supervisory Board

The composition of the Supervisory Board in 2024 included:

- Mrs. Dinh Hai Ninh Head of the Supervisory Board
- Mr. Dang Van Minh Member of the Supervisory Board
- Mr. Pham Viet Ky Member of the Supervisory Board

II. ACTIVITIES OF THE SUPERVISORY BOARD

1. Implementation of supervisory tasks

In 2024, the Supervisory Board (SB) conducted three scheduled periodic supervision sessions and carried out ongoing supervision through the D-Office system to review the Company's operations, achieving 100% of the planned tasks. The work was performed with honesty, prudence, and objectivity, in the best interest of the Company and its shareholders, and in compliance with the provisions of law and the Company's Charter, as detailed below:

Session	Timeframe	Scope of supervision
Session 1	From 06/8/2024 to 09/8/2024	<ul style="list-style-type: none"> - Implementation status of the business plan according to the Resolution of the Annual General Meeting of Shareholders in the first six months of 2024. - Review of the semi-annual financial statements for 2024. - Assessment of the financial situation and accounting activities in the first six months of 2024. - Inspection of bidding activities and contract execution in the first six months of 2024. - Other matters related to the company's operations.
Session 2	From 16/12/2024 to 20/12/2024	<ul style="list-style-type: none"> - Monitoring the implementation of the plan and Resolutions of the General Meeting of Shareholders. - Inspecting bidding activities and contract

Session	Timeframe	Scope of supervision
		<p>execution in 2024.</p> <ul style="list-style-type: none"> - Overseeing the implementation of maintenance and repair activities in 2024. - Reviewing the financial situation and accounting activities in the last four months of 2024. - Other matters related to the company's operations.
Session 3	From 17/3/2025 to 21/3/2025	<ul style="list-style-type: none"> - Verification of the salary settlement implemented in 2024 by the Company. - Examination of the 2024 financial statements and assessment of business efficiency and corporate ranking. - Review of the Company's performance in business operations, construction investment, and development investment for 2024. - Evaluation of the Board of Directors and Executive Board's management and governance activities in 2024. - Preparation of reports and proposals from the Supervisory Board for submission to the 2024 Annual General Meeting of Shareholders.

- At the conclusion of the inspection periods, the Supervisory Board consolidates the content and results of their work, including evaluations of the implementation status and outcomes, identification of existing issues, and provides several recommendations to the Company.

2. Meetings of the Supervisory Board

In 2024, the Supervisory Board held 04 meetings to consolidate the results of control periods, verify the 2024 salary fund settlement report, examine the financial statements (semi-annual and annual), review the Company's enterprise classification results, and assess the contents to be submitted to the 2025 Annual General Meeting of Shareholders. The outcomes of these meetings of the Board of Supervisors are as follows:

No.	Supervisory Board Member	Meetings	Attendance	Approval rate
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		attended	rate	
1	Mrs. Dinh Hai Ninh	4/4	100%	100%
2	Mr. Dang Van Minh	4/4	100%	100%
3	Mr. Pham Viet Ky	4/4	100%	100%

3. Assessment of the Performance of the Board of Supervisors

The supervisors effectively fulfilled their duties in 2024, fully exercising their rights, obligations, and responsibilities in accordance with legal regulations and the Company's Charter.

III. RESULTS OF INSPECTION AND SUPERVISION OF COMPANY ACTIVITIES

1. Performance of Business and Investment Plans

1.1. Power Generation Activities

a) Electricity Production

- The total electricity production output and total commercial electricity output were lower than planned due to unfavorable hydrological conditions, with inflow volumes to Don Duong and Ham Thuan reservoirs being lower than expected:

Unit: Million kWh

No.	Item	Plan 2024	Actual 2024	Actual/ Plan
1	Total electricity production	3,045	2,745.5	90%
a	Hydropower	2,979.72	2,679.2	90%
b	Solar power	64.87	66.3	102%
3	Commercial electricity output	3,020	2,728.08	90%
a	Hydropower	2,955	2,662.42	90%
b	Solar power	64	65.66	102%

b) Technical and Economic Indicators

- The company has successfully met the assigned economic and technical targets.
- No workplace accidents or fires occurred during the year, ensuring safety in production and business operations.

1.2. Maintenance and repair work

The results achieved in 2024 essentially met the planned objectives. The realized value was VND 24,125 million, equivalent to 62.5% of the plan, mainly due to (i) cost

reductions achieved through bidding; (ii) no advance payment made yet for the bid package of the governor system for generating unit H1 at Da Mi; and (iii) the relay protection system for generating unit H1 at Da Mi completed material and equipment supply within the year, but installation and commissioning were completed on January 14, 2025.

1.3. Business operations

- Implementation results of the 2024 business plan: Revenue, expenses, and profit targets were all met, with details as follows:

No.	Item	Unit	Plan 2024	Actual 2024	Plan/ Actual
1	Total revenue	Million VND	1,898,540	2,162,023	114%
a)	Revenue from business activities (including interest income)	Million VND	1,855,387	2,059,171	111%
b)	Income from financing activities	Million VND	39,778	97,461	245%
c)	Other income	Million VND	3,375	5,391	160%
2	Total expenses	Million VND	1,220,832	1,058,198	87%
a)	Electricity production operating expenses (including factors increasing/decreasing electricity prices)	Million VND	1,217,794	1,054,628	87%
b)	Financial expenses	Million VND	-	-	-
c)	Other expenses	Million VND	3,038	3,570	118%
3	Profit before tax	Million VND	677,708	1,103,825	163%
4	Net profit after tax	Million VND	542,166	905,915	167%

The Board of Supervisors concurs with the business performance results reported by the Company as mentioned above.

1.4. Investment activities

a) Construction investment activities

For the Da Nhim hydropower plant expansion project, the project was completed and put into operation with a capacity of 80MW on August 12, 2021. The current implementation status is as follows:

- Payment has not yet been made to the supervision consultant for the work completed from August 2019 to October 2021 due to the ongoing procedures under

Official Letter No. 445/ĐL-TĐ dated March 8, 2022, issued by the Electricity and Renewable Energy Authority.

- On October 4, 2024, the company filed a lawsuit against Construction Joint Stock Company 47 at VIAC for breaching contractual obligations regarding the project completion timeline under Contract No. 368/DHD-CC47.

- On December 6, 2024, the company signed a contract with BD & Partners Law LLC for legal consultation to protect the investor's rights and interests in resolving the dispute over Contract No. 368/DHD-CC47 at VIAC.

b) Development investment and fixed asset procurement

The implementation results for 2024 amounted to 13,667 million VND, achieving 37.2% of the planned target. The low execution value compared to the plan was mainly due to the incomplete status of certain items, which will continue to be implemented in 2025

2. Results of Profit Distribution Implementation

In 2024, the company carried out the dividend payment and allocated funds in accordance with Resolution No. 617/NQ-DHDCD dated April 26, 2024, of the Annual General Meeting of Shareholders:

Unit: Million VND

No.	Item	Plan 2024 (AGM 2024)	Actual 2024
	PROFIT DISTRIBUTION	1,280,643	1,280,643
1	Funds allocation	52,686	52,686
a)	Executive Management Bonus Fund	745	745
b)	Reward and welfare fund	25,971	25,971
c)	Allocation of reward and welfare funds in accordance with Point a, b, Clause 1, Article 18 of Circular 28/2016/TT-BLĐTBXH	25,971	25,971
2	Dividend payment	1,203,840	1,203,840
a)	Dividend payout ratio	28.50%	28.50%
b)	Total dividends	1,203,840	1,203,840

3. Results of the Selection of the Auditor for the 2024 Financial Statements

The Company has appointed Ernst & Young Vietnam Limited as the auditor for the 2024 financial statements, in accordance with the resolution of the 2024 Annual General Meeting of Shareholders.

4. Implementation of Salaries and Remuneration for the Board of Directors,

Supervisory Board, and Executives

Based on the salary and remuneration plan for the Chairman of the Board of Directors, the Supervisory Board, which was approved by the 2024 General Meeting of Shareholders and business performance results for 2024, the company has executed the payments as follows:

Unit: VND

No.	Salary, remuneration	Plan 2024	Actual 2024	Actual/Plan
1	Chairman of the Board and Supervisory Board	984,812,700	1,051,377,000	106.74%
2	Salary and remuneration for members of the of Supervisory Board	1,076,518,600	1,147,560,000	106.60%

- Salaries and remuneration exceeded the planned figures due to the company's higher-than-expected profit and business performance in 2024.

- Assessment of Salary and Remuneration Execution: The implementation was in compliance with the company's regulations and policies.

IV. TRANSACTIONS BETWEEN THE COMPANY AND ITS SUBSIDIARIES

1. Transactions between the Company and its subsidiaries

- During the year, the Company and its subsidiary, Ha Song Pha Hydropower Joint Stock Company, signed five contracts with a total value of 1,733 million VND. These contracts included personnel provision for operation, maintenance, and repair services, as well as office rental agreements for the subsidiary.

- The Board of Directors approved these contracts through resolutions before signing, ensuring compliance with the Company's Charter and the Enterprise Law.

2. Transactions between the Company and related parties

None

V. INFORMATION DISCLOSURE

The Company fully and promptly disclosed information in accordance with legal regulations.

VI. RESULTS OF SUPERVISORY ACTIVITIES ON THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

1. Board of Directors

a) Execution of rights and responsibilities

The Board of Directors (BoD) has consistently guided and directed the Company's

operations in accordance with the resolutions of the General Meeting of Shareholders (GMS). It has exercised its rights and responsibilities in compliance with legal regulations, the Company's Charter, and relevant management policies and procedures, ensuring effective corporate governance.

b) Performance results in 2024

- The BoD successfully organized the General Meeting of Shareholders, including:
(i) The Annual General Meeting of Shareholders, issuing Resolution No. 617/NQ-ĐHĐCĐ dated April 26, 2024; (ii) A written shareholder consultation, resulting in Resolution No. 2215/NQ-ĐHĐCĐ dated December 31, 2024, which approved an increase in the planned dividend payout for 2024 from 12% to 14%. The procedures for holding the Annual General Meeting of Shareholders and conducting written shareholder consultations complied with the regulations of the State Securities Commission, the Company's Charter, and the Enterprise Law.

- The BoD held four regular meetings and issued 213 resolutions and decisions within its authority to direct and manage the Company's operations. These meetings, resolutions, and decisions adhered to the Company's Charter and the Enterprise Law.

2. Executive Board

a) Execution of rights and responsibilities

- The Executive Board has exercised its rights and responsibilities in managing and operating the Company's activities in strict compliance with the resolutions of the BoD and the GMS, as well as with legal regulations, the Company's Charter, and internal management policies.

b) Performance results in 2024

- Business performance: Revenue, expenses, and profit targets were successfully achieved, with post-tax profit reaching 167% of the planned target.

- Management and operations: The Company underwent several inspections and audits by relevant authorities in 2024, with no violations detected and no recommendations for corrective actions.

VII. RESULTS OF COORDINATION BETWEEN THE SUPERVISORY BOARD, THE BOARD OF DIRECTORS, AND THE EXECUTIVE BOARD

Throughout its operations, the Supervisory Board has closely coordinated with the Board of Directors and the Executive Board as follows:

- The Supervisory Board was invited to attend and provide input at meetings of the Board of Directors.

- The Supervisory Board was invited to participate in monthly briefings and other important meetings of the Executive Board, contributing opinions on all matters related to the company's business operations.

- The Supervisory Board received documents and information in accordance with the Enterprise Law and the company's charter regarding its right to access information. These included shareholder voting ballots, proposals to the Board of Directors, meeting minutes, resolutions, and decisions of the Board of Directors, as well as reports and other relevant information about the company's activities, which were provided simultaneously and through the same channels as for the Board of Directors.

VIII. RESULTS OF FINANCIAL STATEMENT REVIEW

1. General Assessment

a) Independent Auditor's Opinion

According to the independent auditor, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, as well as its business performance and cash flows for the fiscal year ending on the same date. The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations on financial reporting and presentation.

b) Other matters

The Company's separate and consolidated financial statements for the fiscal year ending December 31, 2023, were audited by a different independent auditing firm. The audit report, dated March 29, 2024, expressed an unqualified opinion.

2. Financial Ratios and Capital Efficiency

No.	Indicator	PARENT COMPANY		CONSOLIDATED	
		Beginning of the year	End of the year	Số đầu năm	Số cuối năm
1	Asset and Capital structure				
a	Equity/Total capital	67%	72%	66%	70%
b	Liabilities/Equity (times)	0.5	0.4	0.5	0.4
c	Liabilites/Total capital	33%	28%	34%	30%
d	Current assets/Total assets	27%	34%	26%	33%
e	Long-term assets/Total assets	73%	66%	74%	67%
2	Liquidity ratios				
a	Quick ratio (times)	0.5	1.7	0.5	1.6
b	Current ratio (times)	3.0	3.6	2.9	3.4

No.	Indicator	PARENT COMPANY		CONSOLIDATED	
		Beginning of the year	End of the year	Số đầu năm	Số cuối năm
c	Cash ratio (times)	1.6	2.7	1.6	2.6
3	Capital efficiency	2023	2024	2023	2024
a	Revenue/Total capital	35%	30%	32%	29%
b	ROA (Net profit/Average total assets)	18%	12%	14%	12%
c	ROE (Net profit/Average total equity)	23%	18%	19%	17%

4. Audit results

- The separate and consolidated financial statements for 2024 have been prepared in accordance with Vietnamese accounting standards and regulations. The financial data presented accurately and fairly reflect the company's financial position.

- Based on the financial indicators, including capital structure, assets, revenue, profit, and financial ratios, the Supervisory Board assesses that the company maintains a healthy financial position, ensuring debt repayment capacity, capital preservation, and sustainable development.

- The Supervisory Board agrees with the audited separate and consolidated financial statements for 2024, as conducted by Ernst & Young Vietnam Limited.

IX. SEVERAL DIFFICULTIES AND EXISTING ISSUES

1. The structures, which have been in operation for over 20 years, have shown abnormal signs. Most equipment has been in use for an extended period and has deteriorated, posing a high risk of failure that could impact operations.

2. The Da Nhim Hydropower Plant is affected by the regional transmission grid, frequently requiring load reductions and standby shutdowns between 08:00 AM and 03:00 PM daily. This has directly reduced the plant's electricity output and increased the volume of water discharged through spillways during the flood season.

3. The procurement of fixed assets in the year remains low, achieving 37.2% of the plan, due to some items were not completed and have been carried over for continued implementation in 2025.

4. Investment in the Đa Nhim Hydropower Plant Expansion Project:

- Adjustments to the investment plan due to project delays have not yet been approved by the relevant authorities, preventing the revision of the supervision consultancy contract for payment of additional costs exceeding the contract value.

- The causes and responsibilities related to the prolonged delays in the water tunnel construction have not yet been agreed upon by all parties involved.

- The company has filed a lawsuit against Construction Joint Stock Company 47 at VIAC for breaching the project completion deadline under Contract No. 368/DHD-CC47. On December 6, 2024, the company signed a contract with BD & Partners Law Firm to provide legal counsel to protect the investor's interests in resolving the dispute over Contract No. 368/DHD-CC47 at VIAC.

X. RECOMMENDATIONS

1. Production and Business Operations:

- Consider performing maintenance, repairs, upgrades, and replacements of equipment and structures exhibiting abnormal conditions or potential risks to ensure the safe, stable, and highly reliable operation of equipment systems, generating units, and facilities.

- Enhance inspections and assessments of high-risk equipment and structures to timely plan procurement, maintenance, and repairs, and to develop preventive measures aimed at minimizing risks of incidents that could significantly affect production activities.

2. Fixed Asset Procurement: The Company should thoroughly consider and evaluate all implementation measures, propose detailed procurement items, and formulate appropriate procurement plans to ensure the fulfillment of the established objectives.

3. Da Nhim Hydropower Plant Expansion Project: Continue coordinating with authorities, supervisory consultants, and contractors to resolve outstanding project issues in accordance with regulations. Strengthen the legal documentation related to Contract No. 368/DHD-CC47 to address contractual disputes at VIAC.

XI. BUSINESS DIRECTION FOR 2025

Based on the Regulations on the Operation of the Board of Supervisors and the Company's 2025 plan, the Board of Supervisors sets forth the following operational directions :

1. Continue to carry out regular and ad-hoc supervisory activities (if any) in accordance with the approved programs and plans, and on behalf of the shareholders, continuously oversee the Company's business operations, governance, and management .

2. Monitor compliance with legal regulations, the Company's Charter, and the implementation of internal regulations, rules, resolutions, decisions, etc., in the Company's operations .

3. Supervise the implementation of the 2025 business plan; oversee and assess the Company's business and financial performance, as well as the preservation and development of its capital .

4. Verify the financial statements and business results; supervise and evaluate the performance of the Board of Directors and the Board of Management .

5. Monitor the information disclosure process to ensure completeness and timeliness for shareholders and relevant stakeholders .

6. Conduct ad-hoc inspections and thematic reviews upon request by shareholders or groups of shareholders .

Above is the Supervisory Board's assessment of 2024 and the proposed business direction for 2025, respectfully submitted to the General Meeting of Shareholders.

Sincerely./.

Recipients:

- As above;
- EVNGENCO1(to report);
- EVNGENCO1 Controller;
- BOD, EB;
- Member of SB;
- Archived: Files, SB.

**O/B. BOARD OF SUPERVISORS
HEAD OF THE BOARD**

Dinh Hai Ninh