

REPORT OF THE BOARD OF MANAGEMENT

Report of the Board of Management on the operating results in 2025 of the Board of Management and each member of the BOM, and orientations and tasks for 2026

To: The Annual General Meeting of Shareholders 2026

Pursuant to the provisions of the Company Charter and Resolution No. 01/2025/NQ-ĐHĐCĐ dated April 16, 2025 of the Annual General Meeting of Shareholders 2025, the Board of Management respectfully reports to the General Meeting of Shareholders on the activities of the Board of Directors in 2025 and the orientations and tasks for 2026 as follows:

I. ASSESSMENT OF NEDI2'S BUSINESS PERFORMANCE IN 2025

1. Business performance of NEDI2 in 2025

No.	Indicator	2025 Plan	2025 Actual	Completion Rate
1	Commercial electricity output (million kWh)	402.5	452.7	112%
2	Total revenue and other income (million VND)	368,573	409,859	111%
3	Profit after tax (million VND)	155,237	214,643	138%
4	Dividend	25%	35%	140%

2. General assessment of the Company's business performance in 2025

- 2025 experienced particularly abnormal and extreme meteorological conditions; heavy and localized rainfall as well as numerous storms occurred, therefore ensuring the safety of the project was the Company's top priority. In 2025, there were 11 storms that indirectly or directly affected Ngoi Phat Hydropower Plant, causing damages such as the complete collapse of the seven-bay building at the headworks area and landslides at slope No.5 behind the power plant;
- The Company has fully mastered the technology to proactively conduct repair and maintenance works, ensuring continuous and safe plant operation;
- The Company completed the remediation of damages caused by Typhoon Yagi in 2024;
- The Company has completed the issuance/re-issuance of important licenses of Ngoi Phat Hydropower Plant, including: Electricity operation license re-issued by the Electricity Authority of Vietnam – Ministry of Industry and Trade on November 20, 2025; Environmental license issued by the Ministry of Agriculture and Environment on June 16, 2025; Approval by the Lao Cai Provincial People's Committee for the dam protection plan and emergency response plan for dam and reservoir incidents, ensuring that the plant operates in compliance with legal regulations;
- Regarding maintenance, repair and Kaizen improvements: the Company has effectively carried out regular maintenance and rectified defects to meet quality, technical and schedule requirements, ensuring stable and reliable operation.

General assessment:

Despite numerous difficulties caused by complex weather conditions and natural disasters, thanks to the efforts of the Executive Board and all employees of the Company, together with the timely and effective leadership of the Board of Management and major shareholders, in

2025 NED12 fully complied with legal regulations and achieved 138% of the profit target and exceed of the dividend plan assigned by the General Meeting of Shareholders.

II. ASSESSMENT OF THE BOARD OF DIRECTORS' MANAGEMENT ACTIVITIES IN 2025

1. General assessment

Basically, the Board of Directors successfully fulfilled the tasks assigned by the General Meeting of Shareholders, operated in compliance with legal regulations, the Company Charter and the Board of Directors' regulations, and ensured comprehensive management and supervision over the Executive Board in operating the Company's activities.

2. Organization and activities of the Board of Management

In 2025, the Board of Management held 06 Board meetings and 01 General Meeting of Shareholders, issued 18 Resolutions/Decisions of the Board of Management and 01 Resolution of the Annual General Meeting of Shareholders 2025 (through direct meetings or written consultation) in order to perform its corporate governance functions and direct the Executive Board in implementing business tasks assigned by the General Meeting of Shareholders. The detailed contents of these Resolutions/Decisions are fully presented in Appendix 03 attached to this report.

- The Board of Management successfully directed the organization of the Annual General Meeting of Shareholders and issued resolutions/decisions as the basis for the Executive Board to implement.
- Supervised and directed the Executive Board in implementing the business plan of 2025 in accordance with the Resolution of the Annual General Meeting of Shareholders 2025. Despite many difficulties caused by complex weather conditions and natural disasters, the Company still exceeded the annual plan by 38%.

3. Activities of each member of the Board of Management

Shareholders are kindly requested to refer to Appendix 01 attached to this report.

4. Remuneration of each member of the Board of Management

Shareholders are kindly requested to refer to Appendix 02 attached to this report.

5. Contents of the Board of Management' Resolutions/Decisions

Shareholders are kindly requested to refer to Appendix 03 attached to this report.

III. SUPERVISION RESULTS OVER THE BOARD OF DIRECTOR

- In 2025, the Executive Board, led by the General Director, operated the Company's business activities in compliance with legal regulations, the Company Charter, internal governance regulations and the Business Registration Certificate.
- Members of the Executive Board are experienced and capable personnel with strong professional competence and responsibility. The General Director directed the full and timely implementation of the resolutions and decisions of the Board of Directors; established a transparent and decisive working mechanism with clear delegation of authority to enable each member to maximize initiative, creativity and responsibility in their assigned fields.
- The General Director conducted regular weekly/monthly meetings with Deputy General Directors, the Chief Accountant, department managers/deputy managers and leaders of Ngoi Phat Hydropower Plant, directing daily operations of the Company and thoroughly implementing resolutions and decisions of the Board of Directors and the General Meeting of Shareholders in order to accomplish assigned plans.
- Financial activities and cash flow management have been effectively and transparently maintained, meeting business requirements without any overdue debts to credit institutions.
- Investor relations and information disclosure activities have been well maintained.
- Activities of the Company's Party Committee and Trade Union have been effectively maintained.

IV. EXISTING ISSUES

- Hydrological fluctuations and climate change impacts: although the annual water inflow was relatively favorable, the flow distribution remained unstable, with periods of very low inflow

during the dry season and sudden increases during transitional periods and the rainy season, affecting reservoir regulation efficiency;

- Major technological equipment has been in production for over 12 years and in operation for more than 10 years, reaching the cycle requiring comprehensive maintenance and upgrading; some components show signs of aging and electro-mechanical wear;
- Increasing competition as the Government has opened the electricity market to private enterprises and foreign investors, making it increasingly difficult to find advantageous price differences in the electricity market;
- Overloading of transmission lines and surplus capacity during daytime peak hours due to solar power generation sources have affected electricity market revenue and profits. In addition, the 110 kV transmission line (40 km long) results in considerable annual transmission losses, affecting the Company's revenue;
- Increasingly stringent requirements regarding dam safety, reservoir operation safety, environmental protection, disaster prevention and search and rescue; ensuring minimum downstream flow and coordination with local authorities and communities requires more resources;
- The reservoir of Ngoi Phat Hydropower Plant has experienced significant sedimentation due to Typhoon Yagi in 2024 and floods in 2025, reducing power generation efficiency as the useful storage capacity of the reservoir has been significantly narrowed.

V. KEY ORIENTATIONS OF THE BOARD OF MANAGEMENT IN 2026

Based on business results from 2015–2025 and the spirit of unity among the Company's leadership and employees, the Board of Management identifies key tasks for 2026 as follows:

- Focus on directing, coordinating and supervising the Executive Board to implement solutions for successfully achieving the 2026 business plan approved by the General Meeting of Shareholders;
- Strongly innovate management and operational practices, promote dynamism and collective intelligence;
- Focus on efficient and safe operation of the Ngoi Phat hydropower plant cluster, and implement technical improvements to optimize plant operation efficiency;
- Develop cooperative relationships with partners including Vietnam Electricity (EVN), credit institutions and power generation enterprises in the region to ensure efficient, safe and reliable operation of Ngoi Phat Hydropower Plant;
- Continue to effectively implement the corporate social responsibility of the enterprise.

The above is the Report of the Board of Directors presented at the Annual General Meeting of Shareholders 2026.

We respectfully submit this report to the General Meeting of Shareholders for consideration.

Sincerely./.

Recipients:

- As above;
- Archived: Administration Dept.

ON BEHALF OF THE BOARD OF
DIRECTORS
CHAIRMAN



VU MANH HUNG

APPENDIX 1: ACTIVITIES OF BOARD OF MANAGEMENT MEMBERS IN 2025

1. Information about Board of Management members:

No	Member of BOM	Title	Date of appointment / cessation as a member of the BOM	
			Appointment Date	Dismissal date
1	Duong Van Mau	Chairman of BOM	March 26, 2021; Reappointment Date April 16, 2024	
2	Vu Manh Hung	Member	March 26, 2021; Reappointment Date April 16, 2024	
3	Vu Duc Thinh	Member	March 26, 2021; Reappointment Date April 16, 2024	
4	Yusuke Takahashi	Member	December 18, 2020; Reappointment Date April 16, 2024	
5	Kurata Kohei	Member	April 16, 2025	
6	Kastuhito Miyajima	Member		16/04/2025

2. Board of Management meetings:

No	Member of BOM	Number of Board of Management meetings attended	Meeting attendance rate	Reason for non-attendance
1	Duong Van Mau	06	06/06	
2	Kastuhito Miyajima	02	02/02	Dismissal of Member of Bom on April 16, 2025
3	Yusuke Takahashi	06	06/06	
4	Vu Manh Hung	06	06/06	
5	Vu Duc Thinh	06	06/06	
6	Kurata Kohei	04	04/04	Appointment of Member of Bom on April 16, 2025

**APPENDIX NO. 02: LIST OF REMUNERATION PAYMENTS TO THE BOARD OF
MANAGEMENT AND THE INSPECTION COMMITTEE IN 2025**

No	Full name	Title	Remuneration/month	Number of months	Annual Remuneration
1	Duong Van Mau	Chairman of the Board of Management	50.000.000	12	600.000.000
2	Vu Manh Hung	Member of the Board of Management	35.000.000	12	420.000.000
3	Vu Duc Thinh	Member of the Board of Management	35.000.000	12	420.000.000
4	Katsuhito Miyajima	Member of BOM until April 16, 2025	35.000.000	3,5	122.500.000
5	Kurata Kohei	Member of BOM from April 16, 2025	35.000.000	8,5	297.500.000
6	Yusuke Takahashi	Member of the Board of Management	35.000.000	12	420.000.000
7	Vu Van Manh	Head of IC	35.000.000	12	420.000.000
8	Nguyen Thi Quynh Trang	Member of IC	25.000.000	12	300.000.000
9	Le Thanh Hai	Member of IC	25.000.000	12	300.000.000
	Total				3.300.000.000

APPENDIX NO. 03: LIST OF RESOLUTIONS AND DECISIONS OF THE BOARD OF MANAGEMENT FOR 2025

No	Resolution/Decision	Date	Content
1	No 01/2025/QĐ-HĐQT	22/01/2025	Approval of bonus payments for the Company's collectives for exceeding the 2024 production and business plan.
2	No 01A/2025/QĐ-HĐQT	19/02/2025	Working visit with Toyota Tsusho Corporation (TTC) in Japan.
3	No 02/2025/QĐ- HĐQT	24/02/2025	Organization of the 2025 Annual General Meeting of Shareholders of NEDI2 Joint Stock Company.
4	No 03/2025/QĐ-HĐQT	10/03/2025	Approval of documents to be submitted to the 2025 Annual General Meeting of Shareholders of NEDI2 Joint Stock Company.
5	No 03A/2025/NQ-HĐQT	10/03/2025	Working with BIDV Bank regarding the proposed loan and repayment plan depending on the conditions of the Company's loan package.
6	No 04/2025/QĐ-HĐQT	12/04/2025	Establishment of the Shareholder Eligibility Verification Committee for the 2025 Annual General Meeting of Shareholders.
7	No 01/2025/NQ-ĐHĐCĐ	16/04/2025	Resolution of the Annual General Meeting of Shareholders 2025
8	No 04A/2025/NQ-HĐQT	29/04/2025	Approval of the adjustment to the Techno-Economic Report for the project items: downstream clearance and landslide mitigation works of the Ngòi Phát Hydropower Plant and Ngòi Phát Expansion.
9	No 05/2025/NQ-HĐQT	17/06/2025	Approval of the appointment of Ernst & Young Vietnam Co., Ltd. as the auditor for the 2025 financial statements of NEDI2 Joint Stock Company.
10	No 06/2025/NQ-HĐQT	20/06/2025	Approval of the loan compensation plan at BIDV Bank.
11	No 07/2025/QĐ-HĐQT	30/06/2025	Dismissal of Mr. Vu Thai Duong from the position of Chief Accountant.
12	No 08/2025/QĐ-HĐQT	30/06/2025	Appointment of Ms. Ngo Diep Hang as Chief Accountant of NEDI2 Joint Stock Company.
13	No 09/2025/NQ-HĐQT	13/08/2025	Approval of the 2024 cash dividend payment plan.
14	No 10/2025/QĐ-HĐQT	11/09/2025	Appointment of the Person in charge of Corporate Governance of NEDI2 Joint Stock Company.
15	No 11/2025/QĐ-HĐQT	01/10/2025	Amendment and supplementation of the Regulation on salary and remuneration

			distribution of NEDI2 Joint Stock Company.
16	No 12/2025/QĐ-HĐQT	31/10/2025	Amendment of the Enterprise Registration Certificate to update the business address in accordance with the new administrative boundary regulations of Lào Cai Province.
17	No 13/2025/QĐ-HĐQT	08/11/2025	Assignment of staff for a business trip to Indonesia.
18	No 14/2025/QĐ-HĐQT	20/11/2025	Relocation of the Company's Representative Office from the 7th Floor, Cho Mo Commercial Center, No. 459C Bach Mai, Bach Mai Ward, Hanoi to the 9th Floor, Vinaconex Building, No. 34 Lang Ha, Lang Ward, Hanoi.
19	No 15/2025/QĐ-HĐQT	10/12/2025	Change of the Company's corporate seal specimen.

