

No. 01/17/S3-HĐQT

Da Nang, 23 Jan 2017,

**REPORT ON CORPORATE GOVERNANCE OF LISTING COMPANY
of 2016**

To: - *The State Securities Commission;*
- *HoChiMinh Stock Exchange.*

- *Organization name:* Song Ba Joint Stock Company (SBA)
- *Head office address:* 573 Nui Thanh, Hai Chau District, Da Nang City.
- *Telephone:* 0511.3653592 – 0511.2215592 Fax: 0511.3653593
- *Email:* sba2007@songba.vn
- *Charter capital:* VND 604.882.610.000
- *Securities Symbol:* SBA

I. Activities of the General Meeting of Shareholders

| No. | Resolution/Decision No. | Date | Content |
|-----|------------------------------------|---------------------------|---|
| 1 | Resolution No. 01/2016/NQ-ĐHĐCĐ | 21 st Apr 2016 | Resolution of the Annual General Meeting of Shareholders of 2016. |

II. Board of Management of 2016 (Annual report):

1. Information about the members of the Board of Management:

| No. | BOM's member | Position | Day becoming/ no longer member of the BOM | Number of attendance | Percent -age | Reasons for absence |
|-----|-----------------------|---------------------------|---|----------------------|--------------|---------------------|
| 1 | Mr. Nguyen Thanh | Chairman | | 5 | 100% | |
| 2 | Mr. Thai Van Thang | Vice Chairman | | 5 | 100% | |
| 3 | Mr. Pham Phong | Member – General Director | | 5 | 100% | |
| 4 | Mr. Nguyen Luong Minh | Member | | 5 | 100% | |
| 5 | Mr. Truong Thanh Nam | Member | | 5 | 100% | |

2. Supervision by the BOM over the Board of Directors: In accordance with the Operating Regulations of the Board of Management of SBA.



SONG BA JOINT STOCK COMPANY

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BSIVN 1125/2014

3. Resolutions/Decisions of the Board of Directors of 2016 (Annual report):

| No. | Resolution/Decision No. | Date | Content |
|-----|-------------------------------|---------------------------|--|
| 1 | Decision No. 01/16/QĐ-S3-HĐQT | 16 th Mar 2016 | On establishment of the verifying and final accounting team for the investment in the construction of SBA's head office building. |
| 2 | Decision No. 02/16/QĐ-S3-HĐQT | 25 th Mar 2016 | On approval of the final account of the investment in the construction of SBA's head office building. |
| 3 | Decision No. 03/16/QĐ-S3-HĐQT | 08 th Jun 2016 | On dismissal of SBA's branch manager of Krong H'rang hydropower plant. |
| 4 | Decision No. 04/16/QĐ-S3-HĐQT | 08 th Jun 2016 | On assignment of SBA's branch manager of Krong H'rang hydropower plant. |
| 5 | Decision No. 05/16/QĐ-S3-HĐQT | 09 th Jun 2016 | On determination of the salary factor of the Head of Supervisory Board. |
| 6 | Decision No. 06/16/QĐ-S3-HĐQT | 09 th Aug 2016 | On determination of the remuneration of the company secretary. |
| 7 | Decision No. 07/16/QĐ-S3-HĐQT | 18 th Oct 2016 | On paying dividend of 2015 in money by SBA . |
| 8 | Resolution No. 01/16/NQ-HĐQT | 19 th Apr 2016 | On approval of the Operation Result of Quarter IV/2015 and of year 2015; the business plan for 2016, Quarter I/2016 and other relevant points. |
| 9 | Resolution No. 02/16/NQ-HĐQT | 19 th Aug 2016 | On short-term loan and collateral for the loan at Orient Commercial Joint Stock Bank (OCB). |
| 10 | Resolution No. 03/16/NQ-HĐQT | 26 th Aug 2016 | On approval of the Operation Result of Quarter II and first 6 months of 2016 and the business plan for Quarter III/2016. |
| 11 | Resolution No. 04/16/NQ-HĐQT | 20 th Dec 2016 | On approval of the Operation Result of Quarter III and first 9 months of 2016 and the business plan for Quarter IV/2016 and other relevant important points. |

III. Supervisory Board of 2016 (Annual report):

1. Information about members of Supervisory Board:



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| No. | Supervisory Board's member | Position | Day becoming/no longer member of the Supervisory Board | Number of attendance | Percentage | Reasons for absence |
|-----|--|-----------------------------|--|----------------------|------------|---------------------|
| 1 | Ms. Phan Thi Anh Dao (elected for the Head of Supervisory Board on 21 st Apr 2016) | Head of Supervisory Board | Appointed on 21 st Apr 2016 | 3 | 75% | Maternity leave |
| 2 | Ms. Nguyen Thi Tran Thao (resigned Head of Supervisory Board on 21 st Apr 2016) | Member of Supervisory Board | | 4 | 100% | |
| 3 | Mr. Tran Quang Can | Member of Supervisory Board | | 4 | 100% | |
| 4 | Mr. Tran Ngoc Tuan | Member of Supervisory Board | Resigned on 21 st Apr 2016 | | | Resigned |

2. Surveillance activities of the Supervisory Board toward the Board of Management, Board of Directors and shareholders: In accordance with the Organization and Operation Regulations of SBA.

3. The coordination among the Supervisory Board with the Board of Management, Board of Directors and different managers: In accordance with the Organization and Operation Charter of SBA.

4. Other activities of the Supervisory Board (if any): No.

IV. Training on corporate governance:

Training courses on corporate governance which members of Board of Management, members of the Supervisory Board, Director (CEO), other managers and company secretary was involved in accordance with regulations on corporate governance in detail: Mr. Nguyen The Duy, BOM's secretary, attended the course organized by the Securities Research and Training Center, The State Securities Commission, on publishing company management from 14 Apr 2016 to 15 Apr 2016. (Certification No.11QTCT42/QĐ-TTNC, dated 29 Apr 2016)

V. List of affiliated persons of the public company as specified in clause 34, Article 6 of the Securities Law (Annual report) and transactions of affiliated persons of the Company with the Company:

1. List of affiliated persons of the Company: List of internal persons and their affiliated persons until 31/12/2016 attached.

2. Transactions between the company and the affiliated persons or between the company and major shareholders, internal persons and related person of internal person: No.

3. Transaction between internal person of listed company and company's subsidiaries, or the company in which listed company takes controlling power: No.

4. Transactions between the company and other objects



4.1. Transactions between the company and the company that members of Board of Management, members of the Supervisory Board, Director (CEO) has been a founding member or members of Board of Management, Director (CEO) in three (03) years (calculated at the time of reporting): No.

4.2. Transactions between the company and the company that related person of members of Board of Management, members of the Supervisory Board, Director (CEO) as a member of Board of Management, Director (CEO): No.

4.3. Other transactions of the company (if any) may be beneficial material or immaterial for members of Board of Management, members of the Supervisory Board, Director (CEO): No.

VI. Transactions of internal persons and related person of internal person (Annual report): No.

1. List of internal persons and their affiliated persons: List of internal persons and their affiliated persons until 31/12/2016 attached.

2. Transactions of internal persons and affiliated persons on shares of the listed company:

| No. | Transaction executor | Relationship with internal person | Number of shares owned at the beginning of the period | | Number of shares owned at the end of the period | | Reasons for increase, decrease (purchase, sale, switch, reward...) |
|-----|----------------------|-----------------------------------|---|--------------|---|--------------|--|
| | | | Number of shares | Percent -age | Number of shares | Percent- age | |
| 1 | Phan Thi Anh Dao | | 0 | 0% | 1000 | 0% | Purchase |

VII. Other significant issues: No.

**FOR AND ON BEHALF OF
THE BOARD OF MANAGEMENT**

Attachment:

- List of internal persons and their affiliated persons until 31/12/2016 attached.



CHAIRMAN

NGUYEN THANH



SONG BA JOINT STOCK COMPANY

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**SONG BA
JOINT STOCK COMPANY**

**THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

LIST OF INTERNAL PERSONS AND THEIR AFFILIATED PERSON UNTIL 31/12/2016

(Attached to REPORT ON CORPORATE GOVERNANCE OF LISTING COMPANY OF 2016 NO. 01/17/S3-HDQT dated 23 Jan 2017)

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|---------------------------------|----------------------|--|-----------------------------------|---|--|---|
| A. INTERNAL PERSONS LIST | | | | | | |
| I. BOARD OF MANAGEMENT | | | | | | |
| 1 | Nguyen Thanh | Chairman | | 2,100 | 0.00 | |
| 2 | Thai Van Thang | Vice Chairman | | 84,000 | 0.14 | |
| 3 | Pham Phong | Member - General Director | | 312,175 | 0.52 | |
| 4 | Nguyen Luong Minh | Member | | 4,935 | 0.01 | |
| 5 | Truong Thanh Nam | Member | | | | |
| II. SUPERVISORY BOARD | | | | | | |
| 1 | Nguyen Thi Tran Thao | Head of Supervisory Board | | | 0.00 | (Resigned Head of Supervisory Board on 21 Apr 2016) member of Supervisory Board |
| 2 | Tran Quang Can | Member | | 0 | 0.00 | |
| 3 | Tran Ngoc Tuan | Member - Manager of Dam Safety Consulting and Testing Center | | 21,000 | 0.03 | Resigned on 21 Apr 2016 |
| 4 | Phan Thi Anh Dao | Head of Supervisory Board | | 1,000 | 0.00 | Appointed on 21 Apr 2016 |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|---|------------------------|--|-----------------------------------|---|--|------|
| III. BOARD OF DIRECTORS | | | | | | |
| 1 | Pham Phong | Member of BOM - General Director | | | | |
| 2 | Nguyen The Duy | Vice General Director of Business | | 496 | 0.00 | |
| IV. CHIEF ACCOUNTANT | | | | | | |
| 1 | Pham Thai Hung | Chief Accountant - The disclosure of SBA | | 0 | 0.00 | |
| B. THE LIST OF AFFILIATED PERSONS | | | | | | |
| I. The list of affiliated persons of EVNCPC - Founding shareholder | | | | | | |
| 1 | Nguyen Thanh | Chairman of the BOM | Representative shares holder | 14,517,268 | 24.00 | |
| 2 | Pham Phong | Member of BOM - General Director | Representative shares holder | 6,048,862 | 10.00 | |
| 3 | Nguyen Luong Minh | Member of the BOM | Representative shares holder | 3,078,870 | 5.09 | |
| II. The list of affiliated persons of Mr. Nguyen Thanh - Chairman of the BOM | | | | | | |
| 1 | Nguyen Thi Phuong Thao | | Wife | | | |
| 2 | Nguyen Van Dang Nguyen | | Son | | | |
| 3 | Nguyen Triet | | Son | | | |
| 4 | Nguyen Trien | | Brother | | | |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|-------------|--|-------------------------|-----------------------------------|---|--|------------------|
| 5 | Nguyen Thi Lang | | Sister | | | |
| 6 | Nguyen Thi Cuc | | Sister | | | |
| 7 | Nguyen Thi Thuy | | Sister | | | |
| 8 | Nguyen Thi Tuyen | | Sister | | | |
| 9 | Nguyen Phat | | Sister | | | |
| III. | List of affiliated persons of Mr. Thai Van Thang - Vice Chairman of the BOM | | | | | |
| 1 | Thai Van Son | - | Father | 0 | | <i>Dead 2015</i> |
| 2 | Nguyen Thi Hoa | - | Mother | 0 | | <i>Dead 2010</i> |
| 3 | Pham Thi Thu Trang | - | Wife | 26,250 | 0.04 | |
| 4 | Thai Nhu Quynh | - | Daughter | 0 | | |
| 5 | Thai Nguyen Thao | - | Daughter | 0 | | |
| 6 | Thai Minh Nhan | - | Son | 0 | | <i>Born 1997</i> |
| 7 | Thai Thi Mua | - | Sister | 0 | | |
| IV. | List of affiliated persons of Mr. Pham Phong - Member of the BOM cum General Director | | | | | |
| 1 | Pham Luong | - | Father | 0 | | <i>Born 1931</i> |
| 2 | Dinh Thi Lot | - | Mother | 0 | | <i>Dead</i> |
| 3 | Ho Thi Thu Huong | - | Wife | 0 | | |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|----------|--|-------------------------|-----------------------------------|---|--|-------------------------------------|
| 4 | Pham Quang Phuc Bao | - | Son | 0 | | |
| 5 | Pham Ho Khanh Nhu | - | Daughter | 0 | | |
| 6 | Pham Thi Ngoc | - | Sister | 0 | | |
| 7 | Pham Thi Phe | - | Sister | 0 | | |
| 8 | Pham Van Manh | - | Brother | 0 | | |
| 9 | Pham Minh Chau | - | Sister | 0 | | |
| 10 | Pham Dinh Khanh | - | Brother | 0 | | <i>lost Social ID Certification</i> |
| 11 | Pham Thi Anh Nguyet | - | Sister | 0 | | |
| 12 | Pham Quoc Hung | - | Brother | 0 | | |
| V | List of affiliated persons of Mr. Nguyen Luong Minh | | | | | |
| 1 | Nguyen Luong My | | Father | | | |
| 2 | Tran Thi Dieu Khue | | Mother | | | |
| 3 | Nguyen Thi My Chau | | Sister | | | |
| 4 | Nguyen Thi My Tran | | Sister | | | |
| 5 | Nguyen Thi My Phuong | | Sister | | | |
| 6 | Nguyen Luong Giam | | Brother | | | |
| 7 | Nguyen Thi Lan Giao | | Wife | | | |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|------------|---|-------------------------|-----------------------------------|---|--|---------------------------------|
| 8 | Nguyen Thi Hanh Nguyen | | Daughter | | | |
| 9 | Nguyen Thi Hanh Doan | | Daughter | - | | |
| VI | List of affiliated persons of Mr. Truong Thanh Nam - Member of the BOM | | | | | |
| 1 | Truong Su | | Father | 0 | | Dead |
| 2 | Nguyen Thi Phuoc | | Mother | 0 | | |
| 3 | Dinh Thi Nga | | Wife | 0 | | |
| 4 | Truong Bao Ngan | | Daughter | 0 | | 11 year-old |
| 5 | Truong Thanh Nhan | | Son | 0 | | 5 year-old |
| 6 | Truong Thanh | | Brother | | | |
| 7 | Truong Thi Nghiem | | Sister | | | |
| 8 | Truong Thanh Vinh | | Brother | | | |
| 9 | Truong Thi Thuy Nga | | Sister | | | Permanent resident of Australia |
| 10 | Truong Thanh Bac | | Brother | | | |
| 11 | Truong Thanh Trung | | Brother | | | Permanent resident of Australia |
| VII | List of affiliated persons of Ms. Nguyen Thi Tran Thao - Head of the Supervisory Board | | | | | |
| 1 | Nguyen Huu Tam | | Father | 60,527 | 0.10 | |
| 2 | Tran Thi Chau | | Mother | | | |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|-------------|---|-------------------------|-----------------------------------|---|--|------------------|
| 3 | Do Duy Nhat | | Husband | | | |
| 4 | Nguyen Huu Hieu | | Brother | | | |
| 5 | Do Nhat Minh | | Son | | | <i>Born 2009</i> |
| 6 | Do Nhat Quang | | Son | | | <i>Born 2011</i> |
| VIII | List of affiliated persons of Mr. Tran Quang Can - Member of the Supervisory Board | | | | | |
| 1 | Tran Dinh Van | - | Father | 0 | | |
| 2 | Phan Thi Lan | - | Mother | 0 | | |
| 3 | Tran Thi Lan Huong | - | Wife | 0 | | |
| 4 | Tran Nhat Huy | - | Son | 0 | | <i>Pupil</i> |
| 5 | Tran Huong Tam Dan | - | Daughter | 0 | | <i>Pupil</i> |
| 6 | Tran Gia Huy | - | Son | 0 | | <i>Pupil</i> |
| 7 | Tran Quang Trung | - | Brother | 0 | | |
| 8 | Tran Dinh Chinh | - | Brother | 0 | | |
| 9 | Tran Thi Ngoc Hoa | - | Sister | 0 | | |
| 10 | Tran Thi Ngoc Ly | - | Sister | 0 | | |
| 11 | Tran Thi Thuyet | - | Sister | 0 | | |
| 12 | Tran Thi Ngoc Mai | - | Sister | 0 | | |
| IX | List of affiliated persons of Mr. Tran Ngoc Tuan - Member of the Supervisory Board | | | | | |
| 1 | Tran Ngoc Toan | - | Father | | | <i>Dead</i> |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|-----------|---|-------------------------|-----------------------------------|---|--|------------------|
| 2 | Nguyen Thi Cam | - | Mother | | | <i>Born 1930</i> |
| 3 | Huynh Thi Thuy | - | Wife | | | |
| 4 | Tran Hoang Ngoc Thien | - | Son | | | |
| 5 | Tran Hoang Lan | - | Son | | | |
| X | List of affiliated persons of Mr. Nguyen The Duy - Vice General Director of Business | | | | | |
| 1 | Nguyen Sau | | Father | | | <i>Dead</i> |
| 2 | Duong Thi Cuc | | Mother | | | |
| 3 | Nguyen The Phuong | | Brother | | | |
| 4 | Nguyen The Phuoc | | Brother | | | |
| 5 | Truong Thi Thanh Tam | | Wife | | | |
| 6 | Nguyen Thanh Ly Chau | | Daughter | | | Born 2007 |
| 7 | Nguyen Thanh Khanh Chau | | Daughter | | | Born 2011 |
| XI | List of affiliated persons of Mr. Pham Thai Hung - Chief Accountant | | | | | |
| 1 | Pham Xuan Gap | - | Father | 0 | | |
| 2 | Le Thi Lan | - | Mother | 0 | | <i>Dead</i> |
| 3 | Nguyen Thi Ngoc Thuy | - | Wife | 0 | | |
| 4 | Pham Nguyen Vinh Khanh | - | Son | 0 | | <i>Born 2008</i> |
| 5 | Pham Nguyen Vinh Trong | - | Son | | | <i>Born 2012</i> |

| No | Name | Position at the company | Relationship with internal person | Number of shares owned at the end of the period | Percentage of share ownership at the end of the period | Note |
|------------|---|-------------------------|-----------------------------------|---|--|-------|
| 6 | Pham Thai Hoang | - | Brother | 0 | | |
| 7 | Pham Thai Ha | - | Brother | 0 | | |
| 8 | Pham Thanh Kim Hue | - | Sister | 0 | | |
| 9 | Pham Thi Lan Huong | - | Sister | 0 | | |
| XII | List of affiliated persons of Ms. Phan Thi Anh Dao - Head of Supervisory Board | | | | | |
| 1 | Do Minh Thong | - | Husband | 8 | 0.00 | |
| 2 | Do Bach Duong | - | Daughter | 0 | | Pupil |
| 3 | Do Minh Hoang | - | Son | 0 | | Kid |
| 4 | Phan Thanh Cham | - | Father | 0 | | |
| 5 | Nguyen Thi Lanh | - | Mother | | | |
| 6 | Phan Anh Tuan | - | Brother | 0 | | |
| 7 | Phan Tuan Anh | - | Brother | 0 | | |

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