



No.: 33/BC-S55-TCKT

Gia Lai, April 04th, 2025

ANNUAL REPORT

For 2024

I. General Information

1. Overview Information

- Trading name: SONG DA 505 JOINT STOCK COMPANY
- Initial Certificate No. 3903000041 issued on 09/08/2004. The company has amended its business registration 12 times since its establishment, with the most recent amendment on 03/04/2024 under Certificate No. 5900320629.
- Charter Capital: VND 100,000,000,000
- Owner's equity: VND 944.961.032.469 at December 31, 2024
- Address: Tang Village - IaO Commune - IaGrai District - Gia Lai Province
- Phone number: 024.62.659.505
- Website: www.songda505.com.vn
- Stock symbol: S55

2. Formation and Development Process

a) Establishment Date: Established under Decision No. 980/QĐ-BXD dated 22/06/2004 by the Ministry of Construction, based on the restructuring of a state-owned enterprise division into a joint-stock company, officially operating from 01/09/2004.

b) Listing Date: Listed on the Hanoi Stock Exchange on 22/12/2006.

c) Key Milestones Since Establishment:

- 2007: The Annual General Meeting of Shareholders on 28/03/2007 approved the resolution to increase charter capital from VND 7,000,000,000 to VND 24,960,000,000.
- 2008: “Branch 555” was established on 20/10/2008.
- 2009: The Testing Branch was established on 06/01/2009, Branch 515 was established on 03/04/2009, and Branch 525 was established on 02/12/2009.
- 2013: Song Da Corporation divested its 32.6% stake in Song Da 505 JSC. The company repurchased 495,900 treasury shares, reducing the outstanding shares to 2,000,100 as of 31/12/2013.
- 2014: The Corporation sold 495,900 treasury shares at an average price (net of transaction fees) of VND 73,856/share, generating a capital surplus of VND 19,843,739,765.
- 2015: Charter capital increase was approved from VND 24,960,000,000 to VND 49,920,000,000 using the company’s surplus capital. An investment of VND 57.8 billion (52.6%) in Global Investment and Trading Company (DATC) for the Bac Na Hydropower Project was made, turning it into a subsidiary. An acquisition of 33.8% equity in Song Ong Hydropower JSC was made, establishing it as an affiliate. The dissolution of Branch 555 (01/07/2015), Testing Branch, and Branch 525 (01/01/2016) was approved to streamline operations and reduce intermediary costs.
- 2016: The connection of the Bac Na Hydropower Plant (17 MW) to the national grid in December 2016 was successful, with an estimated annual revenue of VND 65-70 billion.

- 2017: Charter capital increase to VND 59,903,490,000 by paying dividends for 2016 was completed. The acquisition of Vietnam Hoang Investment and Development JSC (now EHULA JSC) was made to develop the Nam Bum 1 and Nam Bum 2 Hydropower Projects.
- 2018: Charter capital increase to VND 100,000,000,000 by issuing 4,013,534 shares at VND 15,000/share to existing shareholders was completed, using proceeds for investments in EHULA JSC to develop Nam Bum 1 Hydropower Project.
- 2020: The commission of two hydropower plants was completed: Bac Na 1 (2.8 MW, March 2020) and Nam Bum 1 (16 MW, July 2020).
- Năm 2022: S55 Construction Joint Stock Company, with a charter capital of VND 20,000,000,000. Of which, the parent company's investment capital is VND 19,600,000,000, accounting for 98%. Song Da 505 Joint Stock Company reduces its capital contribution ratio to Ehula Joint Stock Company, the capital contribution ratio after reduction is 75%. In July 2022, complete the commercial power generation of the Nam Bum 2 Hydropower Plant project.
- + 2023: The acquisition of 100% equity of ANI SH Single-member Co., Ltd., was made to manage and operate power plants.
- 2024: The acquisition of 100% equity of Son Hai Lai Chau Development Investment Joint Stock Company was made to manage and operate Van Ho Hydropower Plant Project with the capacity of 9.9MW.

3. Business Activities and Scopes of Activities

a) Business Activities:

- Construction of industrial, public, residential, hydropower, irrigation, and transportation projects;
- Development and operation of small and medium-sized hydropower plants;
- Mining, production, and trading of construction materials, concrete components, metal structures, and construction accessories.
- Blasting, jet grouting, and grouting methods in construction;
- Mining of sand, stone, and gravel;
- Real estate business;

b) Business Scope:

- Investment Areas: Locations registered by subsidiaries, affiliates, and their respective projects (Details in Section 4c of this Part I).

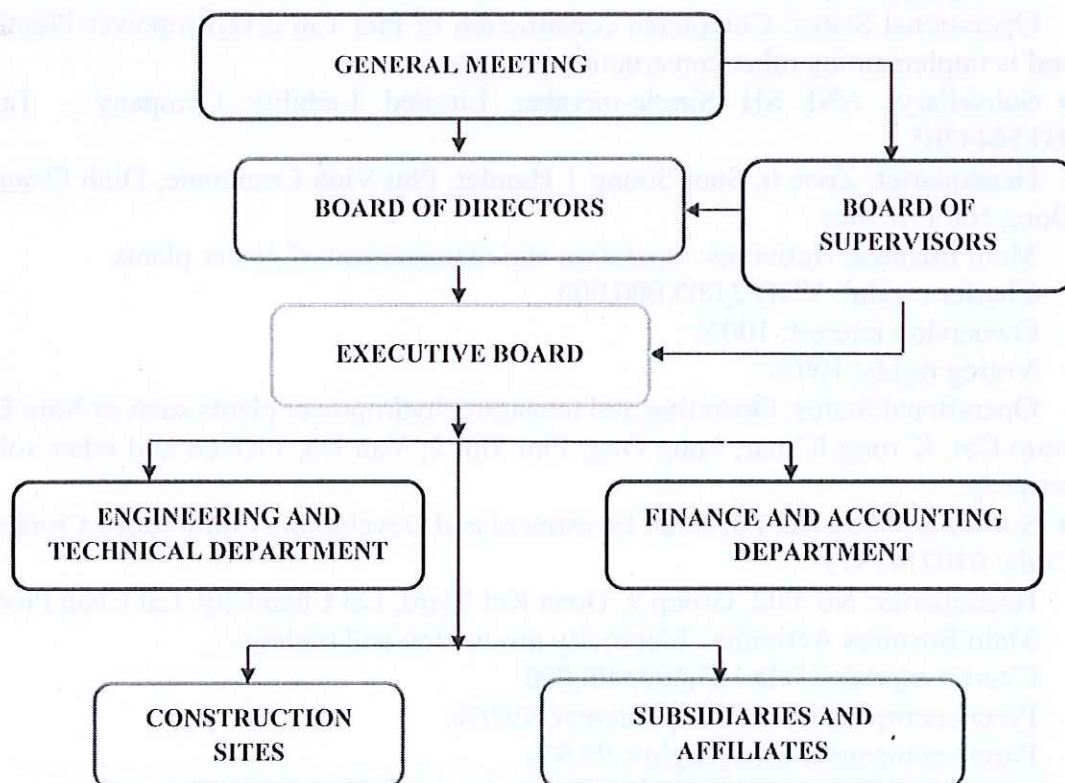
4. Information about management model, business organization, and management apparatus

a) Management model: The Company operates under a management model based on the hierarchical structure as stipulated in the company's charter and management regulations, in accordance with the Enterprise Law and other applicable laws for listed companies and the actual practices of the unit. The principle is that all departments perform their duties and functions correctly, consistently adhere to management processes, and individuals are accountable for the Company's sustainable development goals.

- General Meeting of Shareholders: Comprising all shareholders with voting rights, the General Meeting of Shareholders is the highest decision-making body of the company, performing its functions and duties as prescribed by the Enterprise Law and the Company's Charter.
- Board of Directors: Responsible for managing all business operations, investments, and the Company's orientation. Annually, the Board of Directors directs the Company's Board of Management to develop plans and measures to implement business and investment tasks for approval by the General Meeting of Shareholders. Based on the resolutions of the annual General Meeting of Shareholders, the Board of Directors issues timely decisions to direct the Board of Management to implement the plan in accordance with the set objectives.

- Board of Supervisors: Overseeing the Board of Directors and the Director in managing and operating the company; accountable to the General Meeting of Shareholders for the performance of its assigned tasks; verifying the reasonableness, legality, truthfulness, and prudence in the management and operation of business activities, in organizing accounting, statistics, and financial reporting; assessing business performance reports, annual and semi-annual financial reports of the company and the management work of the Board of Directors, and reporting to the General Meeting of Shareholders at the annual meeting.
- Board of Management: Headed by the Director of the Company and acting as the legal representative, operating and organizing the Company's daily business activities according to the objectives, plans, and resolutions of the Board of Directors, proposing the organizational management apparatus, signing contracts, and disclosing information as prescribed in accordance with the Company's Charter; responsible to the Board of Directors and before the law for the exercise of the granted rights and duties.
- Functional departments: Providing advice and support to the Board of Directors and the Director in managing and operating the company's business activities in accordance with the company's business requirements and legal regulations.

b) Management structure:



c) Subsidiaries and Affiliates:

- Subsidiary: Bac Na Hydropower Joint Stock Company - Tax Code: 0102141313
- Headquarter: Nam Thang Hamlet, Ban Lien Commune, Bac Ha District, Lao Cai Province.
- Main Business Activities: Electricity production and trading. \
- Charter capital: VND 155,000,000,000.
- Parent company's ownership interest: 51.18%.
- Parent company's voting rights: 51.18%
- Operational Status: Currently operating and exploiting 02 projects: Bac Na and Bac Na 1.

- Subsidiary: EHULA Joint Stock Company - Tax Code: 6200065527
 - Headquarter: Ban Na Hu 2 Village, Bum Nua Commune, Muong Te District, Lai Chau Province.
 - Main Business Activities: Design, design appraisal, and construction supervision of civil works, transportation, irrigation, hydropower, industrial infrastructure, transmission lines, and substations up to 35 KV
 - Charter capital: VND 380,000,000,000
 - Parent company's ownership interest: 75%
 - Parent company's voting rights: 75%
 - Operational Status: Operating and exploiting Nam Bum 1 Hydropower Plant (16MW) and Nam Bum 2 Hydropower Plant (28MW).
- Subsidiary: S55 Construction Joint Stock Company - Tax Code: 6200112833
 - Headquarter: Ban Na Hu 2 Village, Bum Nua Commune, Muong Te District, Lai Phu Province.
 - Main Business Activities: Construction of industrial, civil, irrigation, and hydropower projects
 - Charter capital: VND 20,000,000,000
 - Ownership interest: 98%
 - Voting rights: 98%
 - Operational Status: Completed construction of Phu Tan 2 Hydropower Plant (93MW) and is implementing other construction projects.
- Subsidiary: ANI SH Single-member Limited Liability Company - Tax Code: 0315444707
 - Headquarter: Zone 6, Suoi Soong 1 Hamlet, Phu Vinh Commune, Dinh Quan District, Dong Nai Province.
 - Main Business Activities: Operation and management of power plants.
 - Charter capital: VND 2,000,000,000
 - Ownership interest: 100%
 - Voting rights: 100%
 - Operational Status: Operating and managing hydropower plants such as Nam Bum 1+2, Nam Cat, K'rong K'mar, Song Ong, Phu Tan 2, Van Ho, Pleikeo and other solar power projects.
- Subsidiary: Son Hai Lai Chau Investment and Development Joint Stock Company - Tax Code: 0102141313
 - Headquarter: No. 002, Group 9, Doan Ket Ward, Lai Chau City, Lai Chau Province.
 - Main Business Activities: Electricity production and trading.
 - Charter capital: VND 125,000,000,000.
 - Parent company's ownership interest: 99.9%.
 - Parent company's voting rights: 99.9%
 - Operational Status: Operating Van Ho Hydropower Plant (9.9MW)
- Associated Company: Song Ong Hydropower Joint Stock Company - Tax Code: 4500243079
 - Headquarter: La Vang Hamlet, Quang Son Commune, Ninh Son District, Ninh Thuan Province.
 - Main Business Activities: Electricity generation and trading
 - Charter capital: VND 74,000,000,000
 - Ownership interest: 33,76%.
 - Voting rights: 33.76%
 - Operational Status: Currently operating and managing Song Ong Hydropower Plant (8.1MW).

5. Development Orientation:

a) Key Objectives for the Next Year:

- Focus on investment activities.
- Implement measures to recover outstanding debts and mitigate risks.

b) Medium- and Long-Term Strategies:

- Continue seeking investment opportunities in the energy sector.
- Ensure efficient business operations.
- Increase income for employees.

c) Environmental, Social, and Community Goals.

In line with sustainable development objectives, the company commits to balancing corporate benefits with social responsibilities, adhering to laws, ethical standards, and community interests, while respecting commitments to partners regarding sustainable community development.

6. Risks:

- Influence of unpredictable weather on hydropower plants, leading to unstable electricity generation and potential damage during floods.
- Increasing challenges in accessing hydropower project contracts due to stricter conditions and intense competition, resulting in lower profitability and financial risks from unpaid receivables.

II. Business Performance in past year

1. Production and Business Activities

a) Results of Operations:

- Revenue and production increased at the parent company but the consolidation did not meet the set plan.
- The company acquired 100% of capital at Son Hai Lai Chau Development Investment Joint Stock Company to own the Van Ho Hydropower Plant Project with a capacity of 9.9MW.
- The difficulties impacting the achievement of 2024 targets are:
 - + Construction work at S55 Construction Joint Stock Company declined due to lack of new work leading to revenue not meeting plan;
 - + Capital Recovery: Not many positive results have been achieved.
- The Board of Directors and the Company's leadership adhered to the resolutions of the General Meeting of Shareholders, implemented appropriate solutions in management and operation, and reduced costs, thereby essentially achieving the set profit target.

b) Actual implementation compared to plan in 2024:

No.	Indicators	Unit	Parent Company			Consolidated		
			2024 Plan	2024 Actual	Ratio	2024 Plan	2024 Actual	Ratio
1.	Charter Capital	10 ⁶ đ	100.000	100.000	100%	100.000	100.000	100%
2.	Revenues, other income	10 ⁶ đ	73.906	94.763	128%	664.395	642.753	97 %
3.	Profit after tax	10 ⁶ đ	50.376	62.885	125%	116.314	139.396	120%
4.	Dividend	%	15	10	67%			

- At the Parent Company: The actual revenue increased compared to the plan due to the following reasons:

+ High dividends from subsidiaries: In 2023, S55 Construction Joint Stock Company paid a 50% dividend, Ehula 7%, Bac Na 13%, and Anzen 6,5% respectively, Song Ong Hydropower Joint Stock Company 45%.

+ Revenue from financial investment activities such as interest from investment on purchasing deposit certificates and interest from lending.

- In the consolidated report: Although revenue has not reached the plan, profit increased beyond the plan, mainly due to:

+ Power generation revenue at overall management plants exceeded the set plan, leading to increased profits;

+ Construction work at S55 Construction Joint Stock Company declined due to lack of new work leading to revenue not meeting plan;

- Capital Recovery:

+ Regarding debts from Song Da Corporation as the general contractor, particularly the Xekaman 3 project, which has been stagnant for many years. In 2024, the company continued to closely monitor and work with the general contractor and investor expecting to complete the project settlement in the third quarter of 2025

+ Debts from units other than Song Da Corporation, such as the Chu Pong K'rong project and the Phu Tan 2 solar power project, continued to be reconciled monthly and debt collection efforts continued.

+ Debt collection from the Khanh Khe solar power project faced many difficulties due to the investor's delay and financial difficulties.

+ Debt collection from the Bac Cuong solar power project is currently difficult because the investor is unable to pay, so they proposed converting the debt into a loan.

+ Debt collection from Dai Binh and Da Dang projects has not shown much progress due to lack of cooperation from the Investor and General Contractor.

- Regarding profit distribution and dividend payment in 2024: The proposed dividend payment for 2024 is 5% in cash. The official dividend payment for 2024 will be decided by the 2025 Annual General Meeting of Shareholders.

- Regarding profit distribution and dividend payment in 2024: The 2025 Annual General Meeting of Shareholders approved the 2024 Dividend Payment rate of 10% in cash.

2. Organization and Personnel

a) Executive Board:

No.	Name	DOB	Education	Position	Appointm ent date	Ownership ratio
1	Dang Tat Thanh	08/04/1986	Master of invesment finance	Director	03/2024	1,59%
2	Nguyen Dinh Phuong	19/10/1962	Irrigation Engineer	Deputy Director	05/2015	0,05%
3	Le Van Khanh	14/04/1979	Electrical Engineer	Deputy Director	10/2020	0,00%
4	Nguyen Thuy Duong	14/07/1985	Bachelor of Finance and Accounting	Chief Accountant	10/2022	0,00%

b) Changes in the executive board:

No.	Member of Executive Board	DCB	Qualification	Start date/End date as a member of the Executive Board
1	Dang Quang Dat	12/03/1962	Underground Construction Engineer	Dismissal from Director position in March, 2024
2	Dang Tat Thanh	08/04/1986	Master of Investment and Finance	Appointment of Director March, 2024

c) Number of employees:

No.	Content	Total employees			Note
		Indirect	Direct	Total	
1	Parent Company	11	5	16	
	Total	11	5	16	

• Labor Policy:

- Regarding professional and technical staff: Salaries are paid monthly based on everyone's position, rank, type of employee, and performance, including contributions, efficiency, completion of tasks, and the total contracted salary fund according to the scale.
- Regarding direct labor: The company pays employees according to the salary regulations and salary plans of each production unit.
- Responsibility for product creation and ensuring job stability were assigned to employees themselves. Labor productivity was enhanced, a sense of responsibility for cost-saving and efficiency in work was fostered. Policies were aimed at selecting qualified individuals who can meet the job requirements for each position and eliminating those who cannot meet the required expertise in the production line. Policies were introduced to attract and encourage employees to continuously learn, improve their professional skills, contribute, and commit to long-term employment with the company.
- The company always pays special attention to working conditions and promptly and transparently addresses policies and regulations for employees, which is a fundamental factor in fostering loyalty and increasing productivity.

3. Investment Activities and Project Implementation

a) Investments in 2024:

- The company acquired 100% of capital at Son Hai Lai Chau Development Investment Joint Stock Company to own the Van Ho Hydropower Plant Project with a capacity of 9.9MW.
- Investments made in previous years were all directed towards entities owning completed hydropower projects, with the following results achieved in the year:

Unit: Billion dong

No.	Investing Company	Charter Capital	Invested Capital		Revenue	Profit	Expected Dividend
			Amount	Ratio (%)			
1	Bac Na Hydropower JSC	155,00	79,33	51,18	76.434	27.202	
2	Ehula JSC	380,00	285,00	75,00	188.755	67.145	10%
3	Song Ong Hydropower JSC	74,00	24,98	33,76	47.028	26.705	35%

No.	Investing Company	Charter Capital	Invested Capital		Revenue	Profit	Expected Dividend
			Amount	Ratio (%)			
4	Anzen Investment JSC	107,75	20,00	18,56	112.885	35.872	15%
5	S55 Construction JSC	20,00	19,60	98,00	289.100	3.425	
6	ANI SH Single-member JSC	2,00	2,00	100,00	40.014	479	
7	Son Hai Lai Chau Development investment JSC	125,00	124,88	99,90	41.981	(2.509)	
	Total	863,75	555,79		796.197	158.320	

During the year, the revenue of factories at units invested by the Company itself basically reached the planned targets.

The expected dividend rate of Song Ong Hydropower Joint Stock Company is 35%, of AnZen Investment Joint Stock Company is 15 and Ehula Joint Stock Company is 10%. The remaining companies has not yet paid dividends. The official dividend payment for 2024 shall be decided by the General Meeting of Shareholders of each investment unit.

b) Subsidiaries and Affiliates:

- Subsidiaries: The Company holds a 51.16% stake in Bac Na Joint Stock Power Company, which currently manages and operates Bac Na Hydropower Plant and Bac Na 1 Hydropower Plant with a total capacity of 19.8 MW; holds a 75% stake in Ehula Joint Stock Company, which manages and operates Nam Bum 1 Hydropower Plant with a capacity of 16 MW and Nam Bum 2 Hydropower Plant with a capacity of 28 MW; Son Hai Lai Chau Investment and Trading Joint Stock Company manages and operates Van Ho Hydropower Plant. S55 Construction Joint Stock Company is responsible for construction and installation, and ANI SH Limited Liability Company is responsible for the operation and management of power plants.

- Affiliates: The Company holds a 33.8% stake in Song Ong Hydropower Joint Stock Company, which currently manages and operates Song Ong Hydropower Plant with a capacity of 8.1 MW and has a 40% investment in Nam Mu 2 Hydropower Plant.

4. Financial Situation

a) Financial Standing

• Parent Company:

No.	Indicator	Unit	Year 2023	Year 2024	% increase, decrease
1	Total Assets	10 ³ d	1.122.208.947	890.555.635	-20,6%
2	Net revenue	10 ³ d	8.880.528	1.451.589	-83,6%
3	Financial Income	10 ³ d	120.680.279	93.311.006	-22,7%
4	Profit from Operating Activities	10 ³ d	86.693.379	63.032.191	-27,3%
5	Other Income	10 ³ d	512.314	(17.188)	-103,4%
6	Profit Before Tax	10 ³ d	87.205.693	63.015.004	-27,7%

No.	Indicator	Unit	Year 2023	Year 2024	% increase, decrease
7	Net Profit	10 ³ d	84.643.632	62.884.957	-25,7%
8	Dividend Payout Ratio	%	15%	10%	-33,3%

• Consolidation:

No.	Indicator	Unit	Year 2023	Year 2024	% increase, decrease
1	Total Assets	10 ³ d	2.232.098.281	2.084.402.115	-6,6%
2	Net revenue	10 ³ d	627.200.794	583.807.146	-6,9%
3	Profit from Operating Activities	10 ³ d	76.576.713	121.777.613	59%
4	Other Income	10 ³ d	17.443	21.039.349	1.205%
5	Profit Before Tax	10 ³ d	76.594.157	142.816.962	86,5%
6	Net Profit	10 ³ d	71.838.992	139.396.614	94%
7	Dividend Payout Ratio	%			

b) Key financial indicators

• Parent company:

No.	Indicator	Year 2023	Year 2024	Note
1	Solvency Ratios			
-	Current ratio: Current Assets / Current Liabilities	1,45	2,38	
-	Quick ratio: (Current Assets - Inventory) / Current Liabilities	1,4	2,37	
2	Capital Structure Ratios			
-	Total Debt / Total Assets	0,4	0,2	
-	Total Debt / Total Equity	0,67	0,24	
3	Activity Ratios			
-	Inventory turnover: Cost of Goods Sold / Average Inventory	7.0	0,5	
-	Total Asset Turnover: Net Sales / Average Total Assets	0,01	0,00144	
4	Profitability Ratios			
-	Net Profit / Net Sales	953,18%	4.332,15%	
-	Net Profit / Shareholders' Equity	12,61%	8,7%	
-	Net Profit / Total Assets	7,54%	7%	
-	Operating Profit/Net Revenue	976,2%	4.342,3%	

• Consolidation:

No.	Indicator	Year 2023	Year 2024	Note
1	Solvency Ratios			
-	Current ratio: Current Assets / Current Liabilities	1,14	1,03	
-	Quick ratio: (Current Assets - Inventory) / Current Liabilities	0,83	1,006	
2	Capital Structure Ratios			
-	Total Debt / Total Assets	0,62	0,55	

No.	Indicator	Year 2023	Year 2024	Note
-	Total Debt / Total Equity	1,66	1,2	
3	Activity Ratios			
-	Inventory turnover: Cost of Goods Sold / Average Inventory	2,77	4,1	
-	Total Asset Turnover: Net Sales / Average Total Assets	0,28	0,27	
4	Profitability Ratios			
-	Net Profit / Net Sales	11,45%	23,88%	
-	Net Profit / Shareholders' Equity	8,56%	14,75%	
-	Net Profit / Total Assets	3,22%	6,69%	
-	Operating Profit/Net Revenue	12,21%	20,86%	

5. Shareholder structure, changes in Owners' Equity

a) Shares:

No.	Content	Amount	Note
1	Authorized share capital	10.000.000	
-	Freely transferable common shares	10.000.000	
-	Restricted shares		
2	Treasury shares		
-	Freely transferable common shares		
-	Restricted shares		
3	Outstanding shares	10.000.000	
-	Freely transferable common shares	10.000.000	
-	Restricted shares	0	

b) Shareholder structure:

No.	Type of shareholder	Organization		Individual		Total	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Domestic shareholder	7.497.146	74,97%		24,62%	9.959.377	99,59%
-	State-owned shareholder						
-	Major shareholder	7.496.752	74,97%			7.496.752	74,97%
-	Other shareholders	394	0,00%	2.462.231	24,62%	2.462.625	24,63%
-	Treasury shares						
2	Foreign shareholder	201	0,00%	40.422	0,40%	40.623	0,41%
-	Major shareholder						
-	Other shareholders	201	0,00%	40.422	0,40%	40.623	0,41%
	Total	7.497.347	74,97%	2.502.653	25,03%	10.000.000	100,00%

* The data is based on the company's shareholder registry as of the record date of January 21, 2025, provided by the Vietnam Securities Depository

c) Maximum foreign ownership ratio: 49%

d) Changes in the owner's equity: No change

e) Treasury stock transactions: None

f) Other securities: None

a) Environmental Impact:

- The Company implements effective control measures to prevent and minimize environmental pollution in its production and service activities.
- The Company is committed to establishing and implementing environmental goals and targets in compliance with legal requirements.
- Environmental and energy management objectives and targets are regularly reviewed, with adequate resources and tools provided to ensure their effective implementation.

b) Management of Raw Materials:

Raw materials are strictly controlled to ensure quality, environmental safety, and clear origin in accordance with legal regulations.

c) Energy and Water Consumption:

Resources such as energy and water are used efficiently, economically, and appropriately to their intended function, avoiding wastefulness.

d) Compliance with Environmental Protection Laws:

The Company focuses on environmentally responsible production and construction practices, minimizing air and noise pollution in operational areas. In particular, waste management, temporary wastewater treatment, and shielding measures at production/construction sites are implemented in a synchronized manner to strictly comply with environmental regulations, ensuring operations align with sustainable development goals.

e) Policies Related to Employees:

The Company maintains various policies and benefits for employees, with a strong commitment to their welfare and rights:

- 100% of employees are under labor contracts and participate in insurance schemes as prescribed by law.
- Welfare is prioritized: timely support for sickness, bereavement, and celebrations; holiday gifts; periodic retreats; skill training, etc.
- No labor strikes or formal complaints from employees have arisen.
- Regular monitoring of the working environment is conducted.

f) Community Responsibility Report:

Implemented in accordance with legal regulations.

g) Report on Green Capital Market Activities (as guided by the State Securities Commission):

The Company currently has no activities related to the green capital market.

III. Report and Evaluation of the Board of Directors

1. Evaluation of production and business operations

Despite facing challenges in securing new projects, the company has successfully achieved its profit targets through effective management and cost optimization. The Board and executive team have consistently aligned with the General Meeting's resolutions.

● Key highlights of the year include:

- Consistent operations at all factories, maximizing capacity and efficiency.
- Maintaining stable employment for our workforce.
- Successfully preserving capital base and reducing debt and financing cost despite the fact that debt recovery fell short of the target.
- Profitability meeting targets, safeguarding our capital and ensuring shareholder returns.

2. Financial Standing

a) Asset Situation: The Company's total assets as of December 31, 2024 decreased compared to the same period last year by 890/1,122 billion VND, mainly due to the following reasons:

- Cash and cash equivalents decreased by 15 billion VND (10,674/25,772) compared to the same period last year due to a decrease in short-term deposits.
- Short-term loans receivable decreased by 254.29 billion VND compared to the same period last year.
- Other short-term receivables decreased by 8.2 billion VND compared to the same period last year.
- Other long-term receivables decreased by 32 billion VND compared to the same period last year.

b) Liabilities Situation: The Company's total liabilities as of December 31, 2024 are: VND 171.53 billion; a decrease of VND 279.54 billion. Of which, short-term payable expenses decreased by VND 16.9 billion, short-term loans and financial leases decreased by VND 239.25 billion, long-term loans and financial leases decreased by VND 25 billion compared to the same period last year. The main reason is due to the decrease in mobilization of employees, the decrease in borrowing from affiliated companies to serve production and business needs. The Company ensures sufficient resources to make timely payments. In addition, it is necessary to pay off the debt due under the loan contract with the Joint Stock Commercial Bank for Foreign Trade of Vietnam to serve the business cooperation contract No. 0102/HDKD with Anza Joint Stock Company.

c) Other payables: increased by 4.87 billion, which is the debt for purchasing shares at Son Hai Lai Chau Investment and Development Joint Stock Company that has not yet reached maturity.

3. Improvements in organizational structure, policies, and management

- Organizational structure: Set the goal of streamlining the middle management level to reduce intermediate costs, streamline the workforce to meet job requirements.
- Management policies: Strengthen the management of construction quality; control risks and regularly inspect and supervise the management system to ensure transparency; Comply with the ISO quality management system throughout the Company; provide timely and accurate reporting information for the Board of Management to direct and manage work effectively, tighten internal management in controlling and managing each contract in a timely manner to prevent loss factors.

4. Future Development Plan:

- Restructuring Business Lines: Focusing on investment activities.
- Long-term Investment: Leading and coordinating with other shareholders to exploit advantages, implement strict management mechanisms at subsidiaries and associated companies to increase returns on the Company's investment. The company continues to seek investment opportunities in hydropower projects when deemed effective and suitable for the Company's financial capacity at the time of investment.

5. Management's Response to Audit Opinions: The Board of Directors agrees with the auditor's opinion and figures, and commits to the transparency of the reported figures and documents provided to the auditor for the financial statements.

IV. Board of Directors' Assessment of the Company's Performance

1. Board of Directors' Assessment of the Company's Performance

- During the past year, the Board of Directors held 11 direct meetings and solicited written opinions to review a number of proposals submitted by the Executive Director. They were held to review and evaluate the implementation results during the period, and at the same time make attempts to reach a consensus on solutions for the next period and provide timely directions. Together, the Board considered and came to agreements on resolutions under the authority of the Board of Directors appropriate to each period so that the Executive

Board can implement the goals in production and business management and investment to ensure business efficiency, and unanimously approve 10 resolutions with specific decisions corresponding to the contents of the resolutions presented in the 2024 management report, which is disclosed in accordance with regulations.

- Regarding internal management: On the basis of the production and business plan and investment plan approved by the Board of Directors, the Executive Director proactively organized the implementation of signed contracts to ensure completion of the set plan.
- During the year, the Company received the transfer of Son Hai Lai Chau Development Investment Joint Stock Company to own the Van Ho Hydropower Plant Project with a capacity of 9.9 MW.
- Regarding resource utilization: There were no new purchases. The available resources were made full use of and effectively utilized.

2. Board of Directors's Assessment of the Executive Board's Performance

- The Board of Directors and the Executive Director consistently take a proactive approach in assessing the situation, identifying potential difficulties, challenges, and risks related to ongoing projects and operations. This allows them to propose appropriate countermeasures and implementation plans, contributing to positive business outcomes. In 2024, thanks to the collective efforts of all employees, the production and business investment activities overseen by the Executive Board were evaluated by the Board of Directors as having successfully fulfilled the set objectives. The Board of Directors regularly inspects and closely supervises the activities of the Board of Directors. The Board of Directors regularly conducts inspections and maintains close supervision over the activities of the Executive Board. In turn, the Executive Director proactively provides regular updates on the production and business performance, as well as any management and operational challenges. At the same time, the Executive Director proposes solutions and seeks timely guidance from the Board of Directors in alignment with the prevailing business conditions.
- The determination, timely action, and thorough, decisive execution of responsibilities by the Board of Directors and the Executive Director are duly acknowledged. Thanks to their skillful leadership and the trust of partners, access to high-quality investment projects has been smooth and effective.
- The activities of the Board of Directors and the Executive Director have been conducted in full compliance with the law, the Company's Charter, and the Resolutions and Decisions of the General Meeting of Shareholders and the Board of Directors.

3. Board of Directors' Plans and Directions

- Approve the 2025 production and business plan, investment plan and financial plan on the principle of prudence and feasibility to submit to the General Meeting of Shareholders for approval.
- Restructure the Company to focus on solely investment.
- Regularly maintain the working regime according to the operating regulations of the Board of Directors on the basis of closely following the resolutions approved by the General Meeting of Shareholders, supervising the production and business process and investment process to have timely directions in each stage.
- Appoint representatives of the Company's capital at subsidiaries and affiliated companies, coordinate with other shareholders to exercise their rights according to the law and the

capital contribution ratio in management and strict supervision to increase the benefits for the Company's investment capital.

- Direct internal control to promptly rectify the management system, ensuring proper authority, principles and transparency.

V. Corporate Governance

1. Board of Directors

a) Members and structure of the Board of Directors:

No.	Name	Position	Y.O.B.	Degree	Ownership ratio
1	Dang Quang Dat	Chairman	1962	Underground Construction Engineer	0,00%
2	Dang Tat Thanh	Member	1986	MSc.Finance	1,59%
3	Nguyen Dinh Phuong	Member	1962	Irrigation Engineer	0,05%
4	Dang Van Tuyen	Non-executive member	1971	Civil Engineer	4,73%
5	Nguyen Thuy Duong	Member	1985	Bachelor's in Finance - Accounting	0,00%

b) Subcommittees of the Board of Directors: The Company does not have any subcommittees under the Board.

c) Board of Directors' Activities:

- Board of Directors Meetings in 2024: Eleven in-person meetings were held with full attendance of all members. Additionally, all resolutions were circulated for input from all Board members prior to approval.

- Resolutions passed by the Board of Directors:

No.	Resolutions	Date	Content
1.	10/NQ-S55-HĐQT	27/02/24	Appointing representatives to attend and exercise voting rights at the 2024 Annual General Meeting of Shareholders (AGM) of subsidiaries, associated, and associated companies of Song Da 505.
2.	22/NQ-S55-HĐQT	14/03/24	Getting a loan against assets at Vietnam Joint Stock Commercial Bank for Investment and Development (BIDV) - Gia Lai Branch.
3.	24/NQ-S55-HĐQT	24/03/24	Nominating candidates for the BOD at the 2024 Annual General Meeting of Shareholders of Ehula Joint Stock Company
4.	31/NQ-S55-HĐQT	26/03/24	Dismissal and appointment of Chairman of the Board and Director of the Company
5.	40/NQ-S55-HĐQT	29/03/24	Appointment of a representative of the capital contribution at ANI SH LLC
6.	47/NQ-S55-HĐQT	04/04/24	Appointment of the company secretary
7.	60/NQ-S55-HĐQT	11/07/24	Selecting an auditor for the 2024 financial statements.
8.	82/NQ-S55-HĐQT	05/11/24	Receiving the transfer of shares at Son Hai Lai Chau Investment and Development Joint Stock Company
9.	88/NQ-S55-HĐQT	28/11/24	Appointment of a representative of the capital contribution; Approval of the organizational structure and nomination of personnel at Son Hai Lai Chau Investment and Development Joint Stock Company

No.	Resolutions	Date	Content
10.	96/NQ-S55-HĐQT	30/12/24	Approving the 2024 business plan

d) Activities of the non-executive independent director.

The Company has one non-executive director who fulfills their duties as assigned by the Board of Directors, in accordance with their expertise and the Board's operating regulations. Additionally, this member acts as an independent representative for the rights and interests of minority shareholders, expressing their opinions in Board meetings.

e) Activities of the Board's subcommittees: None

f) List of Board members holding corporate governance certifications.

2. Board of Supervisors

a) Members and structure of the Board of Supervisors:

No.	Name	Position	Y.O.B.	Degree	Ownership ratio
1	Dang Thanh Nam	Head of Control Board	1981	Bachelor of Economics - Banking Academy	0,0%
2	Nguyen Duc My	Member	1984	Hydroelectric engineer	0,0%
3	Dinh Thi Trang Nhung	Member	1983	Bachelor of Economics	0,0%

b) Board of Supervisors's Activities:

- In accordance with the Company's organizational regulations and the Law on Enterprises, at the beginning of 2024, the Audit Committee developed an annual work plan and assigned tasks suitable to each member's expertise. The Committee coordinated the inspection and evaluation of the Board of Directors' and Executive Board's activities in investment decisions, management, and business operations to ensure transparency, objectivity, and compliance with legal regulations and company regulations. The Committee regularly reviewed quarterly, semi-annual, and annual business and financial reports.... through 4 meetings.

- The 2024 business operations results were presented fully, clearly, and truthfully.

- Parent Company's results: Total revenue, other income and Profit after tax all exceeded the plan approved by the General Meeting of Shareholders, by 28% and 24.8% respectively. The main reason is that the Parent Company continues to receive high dividend income from its subsidiaries and income from deposits and loans.

- Consolidated results: Profit after tax in 2024 exceeded the set plan by 19.8%. Total revenue and other income, although not reaching the plan, the implementation rate was relatively high (reaching 96.6%). The reason for Total revenue and other income not reaching the plan was that during the year, Typhoon Yagi affected the operations of a number of factories (Nam Bum 1 and 2), reducing power generation revenue, and unfinished basic construction contracts were not yet accepted and settled...

- Debt collection: In 2024, the Company made an additional provision for bad debt of VND 6.42 billion compared to 2023. Although the additional provision did not affect the implementation of the profit plan, it showed that the quality of some receivables tended to decline. Bad debts are still mainly concentrated in debts of some customers that are overdue for more than 3 years: Xekaman 3 Power Project Management Board (VND 64.19 billion), Song Da Corporation (VND 7.98 billion), Long Hoi Electricity Investment and

Construction Joint Stock Company (VND 9.14 billion), PVC Truong Son Petroleum Construction Joint Stock Company (VND 10.49 billion)

- The Board of Directors and the Board of Management have closely followed the business plan approved by the 2024 Annual General Meeting of Shareholders, resolutely directed and operated, flexibly applied many solutions to operate business activities effectively, profitably, preserve and develop shareholders' capital, achieve the highest business targets, and ensure cash flow to pay dividends to shareholders as planned.

- In 2024, the Company continued to focus on expanding investment in the hydropower sector by receiving the transfer of 99.9% of shares at Son Hai Lai Chau Development Investment Joint Stock Company to own the Van Ho Hydropower project, with a capacity of 9.9 MW in Nam Xe commune, Phong Tho district, Lai Chau province. This investment is consistent with the Company's main field of operation, which is Hydropower, and is implemented in accordance with the provisions of the Law and the Company's Charter. Besides the Van Ho Hydropower Project with additional investment in 2024 (the new project coming into operation in 2024 needs more time to evaluate its performance), the projects that the Company has previously invested in continue to operate stably, effectively, and profitably.

- The establishment, circulation, use, and preservation of accounting documents generally ensured legality, rationality, and validity; accounting books were prepared, documented, used, and preserved fully, promptly and in accordance with the regulations on forms of the current accounting policy.

- The reporting and disclosure of financial information periodically and as required by the State Securities Commission, Vietnam Securities Depository, and Hanoi Stock Exchange were conducted in accordance with the regulations for listed companies.

- As of December 31, 2024, the Company's financial indicators basically reflected the efficiency and soundness of the business operations

- Total assets reached 890,555 million VND, of which short-term assets were 187,866 million VND, accounting for 21.1%, and long-term assets were 702,689 million VND, accounting for 78.9%.

- + In short-term assets: Cash and cash equivalents, investments held to maturity (expressed in the form of term deposits) account for a fairly high proportion (38.3%), which is a factor that helps the Company to be more proactive in business activities, pay off due obligations and generate income from interest on deposits. The remaining short-term assets are mainly receivables (accounting for 61.2%). The Company's receivables are reviewed, evaluated and provisioned for risks in accordance with regulations.

- + In long-term assets: The largest proportion is long-term financial investment in the form of investment in subsidiaries and associated companies (VND 525,352 million, equivalent to 74.7%). Subsidiaries and associated companies owning hydropower projects that have come into operation and are profitable (Bac Na Electricity Joint Stock Company, Ehula Joint Stock Company, Anzen Investment Joint Stock Company, Ani SH LLC, Song Ong Hydropower Joint Stock Company), S55 Construction Joint Stock Company are the units that bring regular annual dividend income to the Company.

- + The second largest item is Long-term Loan Receivables (VND 144,245 million, equivalent to 20.5%). This is a receivable under the Business Cooperation Contract with the parent company, Anza Joint Stock Company, with a term of 84 months, for the purpose of Anza Joint Stock Company to implement the search and investment in efficient energy projects. The profit that the Company receives is 9%/year (subject to change according to

market interest rates, agreed upon by both parties) on the amount of capital contributed by the Company under the contract. The implementation of this cooperation contract is carried out by the Company in accordance with the provisions of law, contributing to increasing the Company's operational efficiency.

- Total capital reached 890,555 million VND, of which liabilities were 171,534 million VND, accounting for 19.2%, and equity was 720,113 million VND, accounting for 80.75%.

+ The debt payable as of December 31, 2024 is less than 20% of total capital, showing that the Company is maintaining a fairly low debt level, however, this may change depending on the short-term loan demand for production and business and the long-term loan demand for the Company's investments in the coming time. The Company's short-term debts are all assessed as having the ability to repay in full.

+ The Company's equity as of December 31, 2024 reached VND 719,021 million, of which the Charter Capital (share capital) was VND 100 billion, the rest was capital surplus, development investment fund and undistributed profits (VND 619,021 million). This shows that the Shareholder's Equity has been well preserved and developed over the years, increasing the book value, thereby increasing the market value of the shareholders' shares. As of December 31, 2024, the book value of each share was VND 71,902/share, which is high compared to many companies listed on the stock exchange.

- Indicators of solvency, operating indicators, and efficiency indicators as of December 31, 2024 show that the Company has the ability to pay due debts, reasonable capital turnover, effective capital use, and quite high profitability.

- In 2024, the Company's Board of Directors issued 10 resolutions to serve the management and operation of the Company. These resolutions were in compliance with the Enterprise Law and the Company's Charter, were highly agreed upon by the members, and were seriously, promptly, and effectively implemented by the Management Board.

- The Board of Directors closely monitored and actively directed the Management Board to implement the goals set by the General Meeting of Shareholders. Quarterly, the Board of Directors held meetings to evaluate the business operations for the quarter and set plans for the following quarter.

3. Transactions, remuneration, and benefits of the Board of Directors, Management Board, and Audit Committee

a) Salary, bonus, remuneration, benefits:

No.	Full-name	Position	Remuneration	Salary	Total
1	Dang Quang Dat	Chairman	114.000.000		114.000.000
2	Dang Tat Thanh	Member	102.000.000		102.000.000
3	Nguyen Dinh Phuong	Member	96.000.000		96.000.000
4	Dang Van Tuyen	Member	96.000.000	131.803.000	227.803.000
5	Nguyen Thuy Duong	Member	96.000.000		96.000.000
6	Dang Thanh Nam	Head	72.000.000		72.000.000
7	Nguyen Duc My	Member	48.000.000		48.000.000
8	Dinh Thi Trang Nhung	Member	48.000.000		48.000.000
	Total		672.000.000	131.803.000	803.803.000

Above is the income from salaries and remuneration under the responsibility of Song Da 505 for payment, excluding the income from participating in the management of subsidiaries and associated.

b) Share transactions of insiders:

No.	Person conducting transactions	Relationship with Blockholder /Insider	Number of Shares Owned at Beginning of Period		Number of Shares Owned at End of Period		Reason for Change in Ownership
			Number of shares	Ratio (%)	Number of shares	Ratio (%)	
1.	Dang Tat Thanh	Insider	0	0,00%	159.000	1,59%	<i>Purchased</i>
2.	Dang Van Tuyen	Insider	472.560	4,73%	472.560	4,73%	
-	Dang Thuy Duong	Daughter	0	0,00%	300.000	3,00%	<i>Purchased</i>
3.	ANZA JSC	Parent Company	6.549.252	65,49%	7.496.752	74,97%	<i>Purchased</i>

c) Contracts or transactions with internal shareholders:

Các giao dịch trọng yếu với các bên liên quan

Transactions		Year 2024	Year 2023
Anza Joint Stock Company	Loan granted	49.555.000.000	193.000.000.000
	Loan repayment received	81.640.000.000	16.669.821.650
	Interest income on loans	14.304.374.602	12.033.630.012
	Dividends paid	11.245.128.000	9.823.878.000
	Dividends declared	11.899.404.000	15.865.872.000
Bac Na Electricity Joint Stock Company	Dividends received	-	17.849.106.000
	Loan granted	53.755.000.000	3.270.000.000
	Loan repayment received	55.025.000.000	2.000.000.000
	Interest income on loans	708.095.205	11.969.315
	Borrowings obtained	21.965.544.658	37.169.676.713
Ehula Joint Stock Company	Borrowings repaid	21.965.544.658	37.169.676.713
	Interest expense on borrowings	123.789.305	242.311.336
	Borrowings obtained	10.300.000.000	68.059.530.724
	Borrowings repaid	10.791.788.245	83.053.696.713
	Interest expense on borrowings	35.081.261	511.996.163
S55 Construction Joint Stock Company	Loan granted	182.404.711.755	40.920.303.287
	Loan repayment received	153.700.000.000	40.920.303.287
	Interest income on loans	1.778.656.422	244.546.428
	Dividends declared	21.375.000.000	14.250.000.000
	Dividends received	35.625.000.000	-
	Revenue from construction and installation services	-	1.040.352.715
	Loan granted	100.398.842.352	372.558.390.692
	Loan repayment received	417.375.103.551	94.769.215.790
	Interest income on loans	3.600.671.873	17.261.563.261
	Borrowings obtained	46.850.000.000	-
	Borrowings repaid	35.997.582.199	-
	Interest expense on borrowings	377.251.698	-
	Dividends declared	19.600.000.000	19.600.000.000

	Transactions	Year 2024	Year 2023
Ani SH One Member Company Limited	Dividends received	19.600.000.000	19.600.000.000
	Loan granted	55.839.447.779	15.795.965.186
	Loan repayment received	27.792.447.779	11.724.482.593
	Interest income on loans	874.327.299	89.913.136
	Borrowings obtained	7.083.552.221	1.759.034.814
	Borrowings repaid	7.083.552.221	1.759.034.814
	Interest expense on borrowings	13.361.216	2.030.667
	Revenue from operation management services	-	2.073.115.650
Son Hai Lai Chau Investment and Development Joint Stock Company Song Ong Hydropower Joint Stock Company	Services received	-	1.503.767.899
	Loan granted	7.200.000.000	-
	Interest income on loans	2.367.123	-
	Revenue from operation management services	-	3.057.087.943
	Loan granted	2.493.656.362	-
	Loan repayment received	2.493.656.362	-
	Interest income on loans	5.045.870	-
	Proceeds from borrowings	23.713.722.090	50.000.000.000
	Borrowings repaid	25.189.204.683	48.524.517.407
	Interest expense on borrowings	105.716.526	380.591.537
	Dividends declared	8.493.200.000	15.987.200.000
	Dividends received	8.493.200.000	15.987.200.000
	Revenue from operation management services	-	7.223.532.365
	Loan granted	34.941.200.000	450.000.000
	Loan repayment received	34.941.200.000	450.000.000
Anzen Investment Joint Stock Company	Interest income on loans	42.954.658	164.384
	Borrowings obtained	3.650.000.000	27.790.000.000
	Borrowings repaid	3.650.000.000	34.790.000.000
	Interest expense on borrowings	7.647.945	221.641.780
	Dividends declared	1.300.000.000	9.200.000.000
	Dividends received	3.400.000.000	5.500.000.000
	Car rental	-	457.912.454
	Loan granted	27.772.000.000	-
	Loan repayment received	27.772.000.000	-
	Interest income on loans	201.064.283	-
Ani Joint Stocks Company	Revenue from human resource system development services	-	1.355.304.000
	Borrowings obtained	42.126.931.607	445.012.300.000
	Borrowings repaid	307.091.231.607	253.749.000.000
	Interest expense on borrowings	3.548.932.469	16.141.809.874
	Loan granted	15.590.024.155	-
	Loan repayment received	15.590.024.155	-
	Interest income on loans	64.896.106	-
	Borrowings obtained	2.000.000.000	9.350.000.000
	Borrowings repaid	6.500.000.000	4.850.000.000
	Interest expense on borrowings	59.068.493	48.221.918
Ms. Nguyen Thi Huong	Borrowings obtained	6.000.000.000	300.000.000
	Borrowings repaid	6.000.000.000	1.775.000.000
	Interest expense on borrowings	6.312.328	50.181.657
Ms. Nguyen Thuy Duong			

d) Implementation of corporate governance regulations: Timely implementation

VI. Audited financial statements for 2024

1. Auditor's opinion: the financial statements present fairly, in all material respects, the financial position of the Company as at 31/12/2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.

2. The consolidated and parent company financial statements have been audited: The full consolidated and parent company financial statements can be found in the published audit report.



DIRECTOR

DANG TAT THANH