

ANNUAL REPORT
YEAR 2025

To: - **The State Securities Commission**
- **Hanoi Stock Exchange (HNX)**

I. GENERAL INFORMATION

1. General information

- *Trading name:* SIMCO Song Da Joint stock company
- Business Registration Certificate No.: 0101401706 First registered for business on July 21, 2003
- *Charter capital:* 262.061.580.000 VNĐ
- *Owner's capital:* 262.061.580.000 VNĐ
- *Address:* SIMCO Song Da Building, Van Phuc New Sub-Urban Area, Ha Dong Ward, Hanoi, Vietnam
- *Telephone:* (024) 2223 2414
- Website: <http://www.simco.vn>
- *Securities code:* **SDA**
- *Establishment and development process :*

- **Establishment**

On October 31, 1997, established under Decision No. 19/TCT/TCLĐ of the Board of Directors of Song Da Corporation under the name *Song Da Overseas Labor Cooperation Center*.

On June 5, 2000, re-established on the basis of Song Da Overseas Labor Cooperation Center under Decision No. 129/TCT/HĐQT of the Board of Directors of Song Da Corporation under the name *Song Da International Manpower Supply and Trading Company*.

- **Transformation into a Joint Stock Company**

On May 9, 2003, pursuant to Decision No. 627/QĐ-BXD of the Minister of Construction, *Song Da International Manpower Supply and Trading Company* – a state-owned enterprise under Song Da Corporation – was transformed into a joint stock company under the name *Song Da International Manpower Supply and Trading Joint Stock Company*.

On July 21, 2003, the Hanoi Department of Planning and Investment issued the first *Business Registration Certificate* (Giấy chứng nhận đăng ký kinh doanh) No. 0103002544.

- **Listing and Becoming a Public Company**

On November 29, 2006, the Director of the Hanoi Securities Trading Center issued Decision No. 49/QĐ-TTGD approving the share registration for trading of *Song Da International Manpower Supply and Trading Joint Stock Company*.

On December 21, 2006, the Company's shares, under the stock code **SDA**, were officially traded on the Hanoi Securities Trading Center. On June 18, 2007, the Company officially changed its name to *Song Da Simco Joint Stock Company*.

On June 29, 2007, Song Da Simco Joint Stock Company officially submitted its public company registration dossier to the State Securities Commission of Vietnam.

- **Restructuring and Transformation of Development Orientation**

Since 2021, the Company has officially expanded its business scope to include investment and development activities in the technology sector, covering both the production and trading of household goods and investment in manufacturing within the technology value chain in cooperation with major corporations relocating operations to Vietnam. This is considered a highly promising area with significant growth potential, particularly if opportunities for collaboration with global technology partners can be effectively leveraged.

2. Business lines and locations of the business:

2.1 - Business lines:

- *Real Estate and Infrastructure Business*

The Western Bypass Road Project, including the development of technical urban infrastructure on both sides of the Western Bypass in Ha Tinh Town, was jointly invested in by Song Da International Manpower Supply and Trading Joint Stock Company (now Simco Song Da Joint Stock Company, hereinafter referred to as "Simco Song Da") and the People's Committee of Ha Tinh Town (now the People's Committee of Ha Tinh City), authorized by the People's Committee of Ha Tinh Province. The investment agreement was signed on June 21, 2006. Pursuant to Investment Contract No. 05/HĐĐT signed between the two parties, the total investment capital for Phase I of the project amounted to VND 157.3 billion.

- *Mining and Mineral Processing*

The Company has invested in several potential stone mines. One of the projects implemented since the early 2000s is the Marble Mining and Processing Project at the Nayputaung mine, Taunggok Township, Rakhine State, Myanmar, with a total investment capital of USD 18.147 million, equivalent to VND 381 billion.

- *Technology Business and Product Development*

Since 2021, the Company has officially expanded its business lines to include investment and development in the technology sector, covering the production and trading of household goods as well as investment in manufacturing within the technology value chain, in collaboration with major corporations relocating operations to Vietnam.

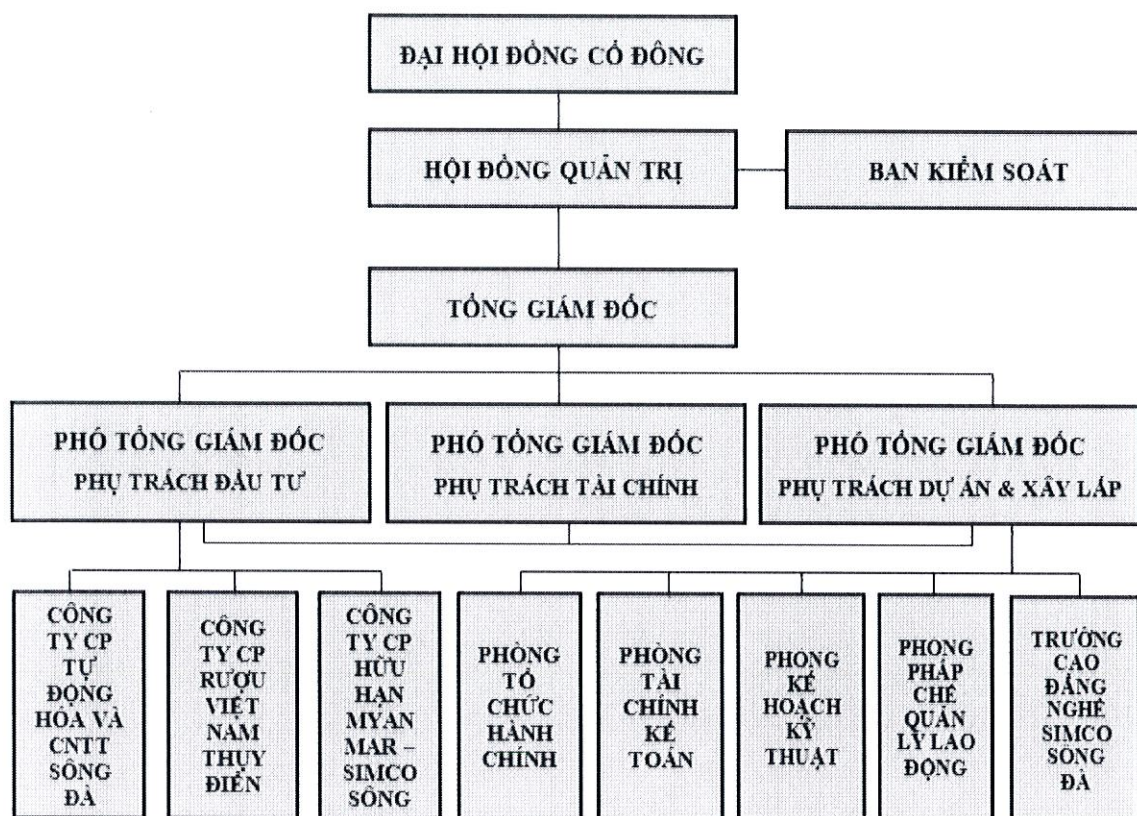


2.2 – Business Locations

For its real estate business, the Company operates in Hanoi and Ha Tinh. Mining and mineral processing activities are carried out in the Republic of the Union of Myanmar.

3. Information about governance model, business organization and managerial apparatus

- Governance model



- Management structure

Organizational Structure of the Company:

Board of Directors: 05 members

Supervisory Board: 03 members

Executive Management: General Director and Deputy General Directors

Departments: Administration and Human Resources Department, Finance and Accounting Department, Legal and Labor Management Department, Planning and Technical Department

01 Directly Affiliated Unit:

- Hanoi College of Foreign Languages.

The College is mandated to provide training and grant diplomas at the intermediate and college levels for technical workers in construction-related trades and other professions based on market demand. It also offers foreign language training, essential knowledge education, and skills enhancement programs for workers preparing to work overseas on fixed-term contracts.

Address: Km 6, Road 70, Binh Minh Commune, Thanh Oai District, Hanoi.

In November 2023, Simco Song Da Joint Stock Company divested its entire investment in Simco Song Da Vocational College (now renamed Hanoi College of Foreign Languages). The College is currently in the process of separating to become an independent economic entity.

- Subsidiaries, associated companies:

➤ **Affiliated Company:**

- Song Da Automation and Information Technology Joint Stock Company

Head Office: 6th Floor, Simco Song Da Building, Van Phuc New Urban Area, Ha Dong District, Hanoi

Charter Capital (paid-in): VND 9,768,000,000

Capital Contribution by Simco Song Da JSC: VND 2,900,000,000 (equivalent to a shareholding value of VND 3,500,000,000)

Principal Business Activities: Trading of machinery, equipment, electronic and informatics components, computers, as well as telecommunication and communication devices.

- Vietnam – Sweden Liquor Joint Stock Company

Head Office: Phu Nghia Industrial Zone, Chuong My District, Hanoi

Charter Capital (paid-in): VND 56,005,000,000

Capital Contribution by Simco Song Da JSC: VND 23,970,000,000 (including VND 5,750,000,000 entrusted capital contributed by the Company's employees)

Principal Business Activities: Distillation, refinement, and blending of spirits; bottling of liquor products.

- Simco Song Da Myanmar Limited Joint Stock Company

Head Office: Kamayut Township, Yangon Region, Myanmar

Capital Contribution by Simco Song Da JSC: VND 53,822,905,914

Principal Business Activities: Exploration, mining, production, processing, and marketing of minerals with approval from the Government; cultivation, production, harvesting, preservation, packaging, milling, and manufacturing of agricultural products and produce; logging and pruning (subject to approval by competent authorities), milling, processing, preservation, and drying of timber (excluding teak) and forest products; manufacturing of construction materials and paints.

4. Development orientations

After a long period of development primarily based on labor export activities, Simco is currently undergoing a restructuring phase to transition into industries with strong development potential, aligned with the global trends of green growth and high technology.

- Firstly, the Company is restructuring its underperforming investments, with a focus on maximizing the efficiency of its existing facilities. Ineffective and non-core investments will be divested in order to redirect capital into more promising sectors.

- With regard to subsidiaries and affiliated companies, the Company is restructuring its capital participation ratios, maintaining investments only in enterprises whose business activities align with the Company's core business areas.

- The Company continues to leverage its traditional strengths in urban and infrastructure construction, while combining these with the production and trading of building materials, with a focus on environmentally friendly "green" materials.

- The Company will continue investing in production within the technology value chain in collaboration with major corporations relocating operations to Vietnam, while partnering with leading technology enterprises that have proven successful both globally and in Vietnam.

– Corporate Governance:

- + Implement the plan to research and restructure the Company in line with its development strategy, applying a lean and efficient governance model, and improving the Company's operational processes;

- + Carry out transformation initiatives to modernize the governance system, enhance management quality and capacity, and implement specific development and training programs tailored to actual requirements, equipping employees with the skills, competencies, and experience necessary to fulfill tasks and address challenges in business development;

- + Build a customer-oriented corporate culture. Develop and improve policies to foster a highly qualified and committed workforce, who are responsible to both customers and the Company's shareholders;

- + Establish and implement cost-saving measures, develop performance-based contracting mechanisms for each business area in order to improve operational efficiency and ensure the objective of maximizing profit.

5. Risks

In 2025, Vietnam's socio-economic landscape evolved amid a global economy characterized by continued complexity and unpredictability. Inflationary pressures, volatility in financial markets, and geopolitical factors have had certain impacts on business operations. Domestically, although the Government has implemented various measures to stabilize the macroeconomy and support enterprises, the market remains challenging, with demand yet to show a strong recovery.

SIMCO Joint Stock Company has not been immune to the broader economic headwinds. Fluctuations in financial markets, exchange rates, input material costs, and consumer demand have directly affected the Company's business performance. During this period, maintaining flexibility, optimizing operations, and proactively identifying opportunities amid challenges will be key factors enabling SIMCO to sustain and grow in a highly volatile environment.

- ***Legal Risks:***

All business activities are subject to legal regulations, and SIMCO is no exception. As a company listed on the Hanoi Stock Exchange, SIMCO is governed by the Enterprise Law, the Securities Law, the Investment Law, and other related legislations. These laws

are frequently amended to align with the process of integration and development. The Company's management continuously monitors and updates these changes in order to promptly adjust internal regulations and corporate charters, thereby ensuring compliance with the law and contributing to the improvement of business performance.

- ***Monetary Policy Risk***

Inflation remains one of the most significant macroeconomic challenges and is expected to persist in the coming years. Although it has moderated from its peak, global inflation continues to stay at relatively high levels, prompting central banks worldwide to maintain tight monetary policies to control prices and stabilize financial markets.

In Vietnam, the State Bank of Vietnam continues to utilize monetary policy instruments to control inflation and maintain macroeconomic stability. However, such measures have also led to notable fluctuations in exchange rates and interest rates, thereby increasing pressure on enterprises' cost of capital. Access to credit has become more constrained, affecting the expansion plans, business operations, and investment activities of many enterprises.

In response, the Board of Directors and Management of SIMCO Song Da Joint Stock Company have proactively monitored market developments and implemented appropriate adjustments to financial activities to control costs, ensure liquidity balance, and mitigate adverse impacts arising from monetary policy fluctuations. The Company continues to maintain a prudent approach to financial management, gradually enhancing its resilience and adaptability to market changes.

- ***Force Majeure Risks***

In addition to the aforementioned risks, the Company is also subject to certain force majeure risks such as natural disasters, fires, and other unforeseen events. To mitigate these risks, the Company has taken proactive measures, including purchasing insurance policies covering both assets and personnel, in order to minimize potential losses to the greatest extent possible.

II. Operations in the Year

1. Situation of production and business operations

In 2025, the economy continued to face various challenges, with aggregate demand recovering slowly and unevenly across sectors. Business operations were generally under pressure from weak consumption, rising input costs, and fluctuations in the overall economic environment. As a result, the Company's business performance did not meet the targets set at the beginning of the year.

According to actual results, the Company's net revenue reached VND 21.467 billion, equivalent to 21.47% of the annual plan. However, profit after tax amounted to VND 2.36 billion, exceeding the plan by 18%, reflecting the Company's efforts in cost control and operational efficiency optimization.

Unit: Billion VND

No	Indicators	Plan	Year 2025	% Achieved
1	Net Revenue	100	21,467	21,47%
2	Profit after Tax	2	2,36	118%

With Respect to Expenses:

In 2025, cost of goods sold decreased in line with the decline in revenue compared to the previous year.

Administrative expenses decreased mainly due to a significant reduction in the provision for doubtful receivables in 2025 compared to 2024.

Financial expenses were negative in 2025 as the Company recognized a reversal of provision for financial investment losses during the period, following the divestment from an investment in another entity for which provisions had been made in prior years.

Unit: Billion VND

No	Indicators	Year 2025	Year 2024	% 2025/2024
1	Cost of Goods Sold	19,618	40,795	48,01
2	Financial Expenses	-35,815	31,632	-113,22
3	General and Administrative Expenses	36,420	73,830	49,32
4	Other Expenses	0,236	0,73	32,33

2. Organization and Human resource

List of the Board of Management

No	List of the Board of Management	Position	Date of Appointment/Dismissal of Executive Members	Reason for the Change
1	Vu Viet Tai	General Director	Appointed on July 20, 2023	Appointment pursuant to Resolution No. 14/SIMCO-HDQT

2	Nguyen Thi Hong Ngoc	Deputy General Director	Appointed on December 1, 2021	
3	Doan Thi Mai	Deputy General Director	Appointed on October 10, 2023	Appointment pursuant to Resolution No. 27/SIMCO-HĐQT
4	Nguyen Van Phuc	Deputy General Director	Appointed on November 24, 2023	Appointment pursuant to Resolution No. 41/SIMCO-HĐQT

1. Mr. Vu Viet Tai

Date of Birth: October 9, 1985

Professional Qualification: Bachelor's Degree in Business Administration

Current Position: General Director

Shareholding Ratio: 0 shares, accounting for 0% of charter capital

2. Ms. Nguyen Thi Hong Ngoc

Date of Birth: April 17, 1980

Professional Qualification: Master's Degree in Banking and Finance

Current Position: Deputy General Director, Vice Chairwoman of the Board of Directors

Shareholding Ratio: 4,004,766 shares, accounting for 15.28% of charter capital

3. Ms. Doan Thi Mai

Date of Birth: December 28, 1975

Professional Qualification: Bachelor's Degree in Business Administration

Current Position: Deputy General Director

Shareholding Ratio: 0 shares, accounting for 0% of charter capital

4. Mr. Nguyen Van Phuc

Date of Birth: November 2, 1992

Professional Qualification: Master's Degree in Economics

Current Position: Deputy General Director

Shareholding Ratio: 0 shares, accounting for 0% of charter capital

As of December 31, 2025, the total number of employees of the Company was 18, of which:

Criteria	Number	Percentage
By Education Level		
University and above	14	77,7%
College	0	0%
Intermediate	1	5,55%
Skilled Workers	1	5,55%
Unskilled Labor	2	11,2%
By Gender		
Male	7	38.1 %
Female	11	61.9%
Total	18	100%

- Average monthly income of employees in 2024: VND 11.5 million per person per month.

- The Company's management always places great emphasis on taking care of employees' well-being and has proposed practical measures to implement policies related to employees' rights and obligations, in accordance with labor laws, salary regulations, and social, health, and unemployment insurance policies. The Company ensures that salaries are fully paid and on time, and regularly shows concern for employees by organizing periodic health check-ups, providing support and encouragement to those facing difficulties, illness, maternity, or family events. Additionally, the Company proactively organizes trips, outings, and commemorative activities, including giving gifts to female employees on International Women's Day and the anniversary of the Vietnam Women's Union, among other events.

- The Management Board regularly focuses on improving working conditions for employees. Equipment, machinery, office furniture, and lighting systems are frequently upgraded, supplemented, repaired, and maintained to create a professional working environment, thereby contributing to enhancing work quality and efficiency.

- Training Policy: The Company sends employees to professional training courses in their respective fields with the objective of building and developing a highly professional workforce.

- Reward Policy:

Bonuses for employees who complete assigned tasks excellently.

Bonuses for employees on holidays and Tet

- Other Benefits: The Management Board regularly coordinates with the Trade Union to implement additional welfare policies, such as hardship allowances, benefits for female employees, and awarding cash prizes to children of employees who achieve outstanding academic results.

3. Investment activities, project implementation

Domestic Project Investments:

- Western Ring Road Project; Urban Technical Infrastructure on both sides of the Western Ring Road, Ha Tinh: VND 0 billion executed.

- SIMCO TOWER Building Project, Cau Buou, Thanh Tri, Hanoi: VND 0 billion executed. The Company is closely monitoring the detailed zoning plan of Hanoi City to develop an appropriate implementation plan, with the objective of ensuring investment efficiency.

Foreign Project Investments:

- Marble Mining Investment Project in Myanmar: The total investment of the project is USD 18.147 million, equivalent to VND 381 billion. As of December 31, 2025, the actual capital contribution to Myanmar – SIMCO Ltd. by investors was VND 117.35 billion. Among them, SIMCO Song Da Joint Stock Company contributed VND 53.8 billion, accounting for 45.86% of the total capital.

4. Financial situation

a) Financial situation

Unit: vnd

Indicator	Year 2024	Year 2025	% Change
Total Assets	156.120.770.195	155.731.761.116	-0.25%
Net Revenue	41.330.743.041	21.467.867.808	-48.06%
Profit from business activities	(104.691.857.812)	2.375.058.828	
Other Profit	4.549.235.050	(12.543.304)	
Profit Before Tax	(100.142.622.762)	2.362.515.524	
Profit After Tax	(100.142.622.762)	2.362.515.524	
Payout ratio			

b) Major financial indicators:

Indicator	Year 2024	Year 2025	Ghi chú
1. Solvency ratio			
+ Current ratio:			

Short term Asset/Short term debt	0,61	0,65	
+ <i>Quick ratio:</i>			
<i>Short term Asset - Inventories</i>	2,41	2,98	
Short term Debt			
2. Capital structure Ratio			
+ Debt/Total assets ratio	0,45	0,43	
+ Debt/Owner's Equity ratio	0,81	0,75	
3. Operation capability Ratio			
+ Inventory turnover:			
Cost of goods sold/Average inventory	87,18	409,6	
+ Total asset turnover:			
Net revenue/Average Total Assets	0,2	0,14	
4. Profitability			
+ profit after tax/Net revenue Ratio	-2,42	0,11	
+ profit after tax/total capital Ratio	-1,16	0,03	
+ profit after tax/Total assets Ratio	-0,64	0,02	
+ Profit from business activities/Net revenue Ratio	-2,53	0,11	

5. Shareholders structure, change in the owner's equity

a) Shares: The Company has 26,206,158 outstanding common shares, all of which are freely transferable.

b) Shareholders structure:

Shareholders structure:	Number of shareholders	Number of shares	Value (VND)	Percentage (%)
/ Domestic shareholders	2.467	26.194.554	261.945.540.000	99,95%
Institutional	12	154.451	1.544.510.000	0,59%
/ Individual	2.455	26.040.103	260.401.030.000	99,37%
Foreign shareholders	14	11.604	11.604.000	0,04%
Institutional	0	0	0	0
Individual	14	11.604	11.604.000	0,04%
Total	2.927	26.206.158	262.061.580.000	100%

c) Changes in the owner's equity capital: None

d) Treasury share transactions: None

e) Other securities: None



6. Environment-Social-Governance (ESG) Report of the Company

6.1. Impact on the environment: None

6.2. Management of raw materials:

- a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year: None.
- b) The percentage of materials recycled to produce products and services of the organization: None.

6.3. Energy consumption:

- a) Energy consumption - directly and indirectly: 325.400 kwh
- b) Energy savings through initiatives of efficiently using energy: None
- c) The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives: None

6.4. Water consumption:

- a) Water supply and amount of water used.
 - Clean water supplied by Hanoi City: 2.062 m³/year.
 - Groundwater (well water): 0 m³/year.
- b) Percentage and total volume of water recycled and reused: 0 m³.

6.5. Compliance with the law on environmental protection:

- a) Number of times the company is fined for failing to comply with laws and regulations on environment: None.
- b) The total amount to be fined for failing to comply with laws and regulations on the environment: 0 VND.

6.6. Policies related to employees

- a) Number of employees and average salary of employees
 - Average number of employees in the year: 18 persons
 - Average monthly income per employee: VND 11.5 million/person/month
- b) Labor policies to ensure employees' health, safety, and welfare:
 - Employees working at the Company are entitled to all benefits and rights in accordance with the law to ensure their health, safety, and welfare. In addition, the Company provides various employee welfare policies such as birthday celebrations, gifts for employees on special occasions (International Women's Day – March 8, Vietnamese Women's Day – October 20, New Year, Lunar New Year, health insurance, wedding and maternity benefits, etc.), annual leave, awards for outstanding employees, and employee incentive programs/policies.
 - Regularly maintain occupational safety practices and fire prevention measures.
- c) Employee training activities
 - Average training hours per year, per employee, and by employee category:
 - + Occupational safety and fire prevention training: 48 hours/year.

- Skill development and continuous learning programs to support employees in securing employment and career development: None..

6.7. Report on responsibility to the local community:

- The Board of Management and all employees actively participate in social activities to contribute to building and developing the community.

- Participation with local authorities in supporting livelihoods and presenting gifts to disadvantaged and low-income households in the locality.

6.8. Report on green capital market activities in accordance with the guidance of the SSC:
None.

III. Reports and assessments of the Board of Management (the Board of Management reports and assesses the Company's situation through every facet)

1. Assessment of operating results

a) Regarding the housing and infrastructure business sector:

The investment project for the construction of the Western Ring Road and the technical urban infrastructure along both sides of the Western Ring Road in Ha Tinh Town (now Ha Tinh City) was approved for final settlement by the People's Committee of Ha Tinh Province in October 2015. However, the project's revenue plan has not been achieved mainly due to the following reasons:

The recovery of profit-sharing amounts from Ha Tinh Province has faced significant difficulties due to the prolonged duration of the project and changes in leadership at both the provincial and city levels. In addition, on December 10, 2015, the People's Committee of Ha Tinh Province issued an opinion on the adjustment of the financial mechanism under Decision No. 702/QĐ/UB/XD dated April 15, 2005 of the People's Committee of Ha Tinh Province. The Company has repeatedly submitted petitions to the Office of the Party Central Committee, the Government Office, the National Assembly's Committee for Petitions, the Economic Committee of the National Assembly, and other relevant authorities. At the same time, the Company has engaged law firms and competent consulting entities to support and advise on the implementation of necessary procedures, and has issued formal requests to the People's Committee of Ha Tinh Province and the People's Committee of Ha Tinh City to fully resolve the contractual obligations of the parties.

In 2025, the Company's representatives and legal counsel conducted multiple working sessions with the People's Court of Ha Tinh City, providing documents and evidence to serve the filing of a lawsuit against the People's Committee of Ha Tinh City. On May 16, 2025, the People's Court of Ha Tinh City brought the case to trial and subsequently issued Judgment No. 03/2025/DS-ST dated May 27, 2025 regarding the dispute over the construction investment contract, requiring the People's Committee of Ha Tinh City to pay the additional profit difference to SIMCO Song Da Joint Stock Company. Following the issuance of the Judgment, from July 1, 2025, under the implementation of the two-tier administrative mechanism, Ha Tinh City ceased to exist as an administrative unit. Therefore, no entity was responsible for enforcing the Judgment. After multiple

official requests submitted to the People's Committee of Ha Tinh Province, the Civil Judgment Enforcement Department of Ha Tinh Province has now accepted and approved the enforcement of Judgment No. 03/2025/DS-ST dated May 27, 2025 and is currently handling the case. The Company continues to work with relevant authorities to expedite the recovery of the above-mentioned amount to the Company's account.

b) Regarding the field of technology product research and development:

The Company has invested in HXS Vina Technology Joint Stock Company, which manufactures ink, cleaning agents, and lubricants for the high-tech industry, with major partners such as Samsung, Goertek, and Foxconn. HXS Vina has completed its factory investment and is currently conducting product testing and completing procedures to become a supplier to these global technology corporations. The Company plans to continue increasing its investment proportion in HXS Vina once the company operates effectively.

c) Regarding investment activities

Domestic investment projects:

- Western Bypass Road Project; construction of urban technical infrastructure on both sides of the Western Bypass Road, Hà Tĩnh: implemented VND 0 billion.
- SIMCO TOWER Project, Cầu Bươu, Thanh Trì, Hà Nội: implemented VND 0 billion. The Company is closely following the detailed zoning plan of Hanoi City to develop an appropriate implementation plan, with the objective of ensuring investment efficiency.
- The Company continues to review and evaluate the effectiveness of its projects with a view to optimizing the investment portfolio and ensuring sustainable returns. During the process of capital contribution and capital transfer at An Vien Lac Son Joint Stock Company, the Company encountered obstacles related to the transfer of land use rights as contributed capital. As a result, the Company proceeded to liquidate and terminate the agreement for the transfer of its entire invested capital in An Vien Lac Son Joint Stock Company.

Overseas Investment Projects:

In 2025, the Company continued to monitor and manage the marble mining and processing project in Myanmar. The total investment of the Project is USD 18.147 million (equivalent to approximately VND 381 billion). As of December 31, 2025, the Company had cumulatively invested VND 53.8 billion; no additional investment was recorded during 2025.

The Company has oriented to divest from the Project when market conditions and actual implementation allow, for the following reasons:

- Since 2023, due to the ongoing civil conflict in Myanmar, the Company has not been able to carry out further activities at the mine. The project site is currently located in a "red zone" under the control of the AA armed group. The only access route to the mine has been blocked by the military, preventing the movement of people and vehicles. There is no electricity or internet access, and telecommunications have been largely disrupted, with only occasional contact from on-site security personnel. Schools have been closed, and most local residents and officials have left the area. Although there have been no

incidents of looting and machinery, equipment, and extracted stone inventory remain intact, there is no assurance of their continued safety.

- The quality of the extracted marble is relatively low, with a recovery rate of only approximately 20%.

- At the meeting held on October 6, 2025 between SIMCO Song Da Joint Stock Company (Investor 1), Viet Trang Import-Export Joint Stock Company (Investor 2), and Mr. Duong Van Toan, representative of Myanmar SIMCO Song Da Company Limited, it was proposed that the Project should be terminated to avoid incurring further costs. This proposal has been submitted to the Board of Directors of the Company; however, it is currently subject to pending legal procedures.

The Company continues to coordinate with Viet Trang in fulfilling overseas investment reporting obligations to the Ministry of Finance in accordance with regulations.

Other Activities:

- Improve the material and spiritual well-being of employees, ensure stable income, and regularly organize collective activities, celebrations of public holidays, and quarterly birthday events for staff.

- Provide timely rewards and encouragement to individuals and teams with outstanding achievements in business operations.

- Maintain effective organization of company-provided meals for employees.

2. Financial Situation

a) Assets

Unit: vnd

No.	Indicators	Year 2025	Year 2024	Change
1	Short term Asset	33.001.493.057	32.206.533.110	794.959.947
2	Non-current Assets	122.730.268.059	123.914.237.085	(1.183.969.026)
	Total	155.731.761.116	156.120.770.195	(389.009.079)

Total assets in 2025 decreased by VND 0.389 billion compared to 2024, while current assets increased by VND 0.795 billion year-on-year.

b) Debt Payable

Đvt: vnd

No	Indicators	Year 2025	Year 2024	Change
1	Short term debt	50.878.963.650	52.561.958.725	(1.682.995.075)
2	Long-term debt	16.110.036.099	17.178.905.627	(1.068.869.528)
	Total	66.989.339.749	69.740.864.352	(2.751.524.603)

The Company's total liabilities in 2025 amounted to VND 66.98 billion, a decrease of VND 2.75 billion compared to 2024.

3. Improvements in organizational structure, policies, and management..

- The Company's Board of Management has implemented measures to streamline the organizational structure. A review and evaluation of the management team were conducted, with continued improvements to the organizational system from management to operational units, ensuring a lean structure aligned with the Company's business operations. Personnel have been assigned in accordance with their training background, professional expertise, and strengths.

- The Company has developed, amended, revised, and finalized the issuance of corporate governance documents.

- Strengthened management practices have been applied to reduce costs and ensure efficiency in business operations.

- Regular specialized and professional training programs have been organized to enhance expertise and managerial skills.

4. Development plans in future

The Company's strategic objective in the upcoming period is to restructure the enterprise toward sustainable development, laying the foundation for business growth in subsequent years, while ensuring that profit targets remain at an average level compared to national economic sectors. Specific objectives for each business segment are as follows:

- Real estate business: Leverage advantages in relationships with foreign partners; explore investment cooperation models for large-scale projects by utilizing partners' financial capacity. Consider investing in tourism projects combined with green real estate located in prime areas, in line with the Company's green development orientation.

- Mineral exploitation and processing: Focus on resolving the consequences of prior investments in Myanmar. In case operations cannot be continued, necessary procedures will be undertaken to close the project.

- Other activities: maintaining operations and ensuring efficient business performance in related sectors. For training activities, the Company develops plans to expand joint ventures and partnerships with foreign partners in vocational training, aiming to meet social demands and supply skilled labor to overseas markets.

5. Explanations of the Board of Directors regarding the qualified audit opinion:

- The investment in Cat Tuong Thien Tan Lac Joint Stock Company amounted to VND 37,050,000,000. Due to project delays and prolonged implementation, in 2024 the Company made a full (100%) provision for impairment of this long-term financial investment. In 2025, the Company divested this investment to restructure its investment portfolio and enhance economic efficiency.

- As at January 1, 2025, other receivables recorded under "Other short-term receivables" amounted to VND 58,163,618,000. As these receivables were unsecured, to ensure prudence, in 2024 the Company fully provided (100%) for doubtful short-term receivables. In 2025, the Company recovered a portion of these receivables and accordingly reversed the provision based on the amount recovered during the period.

6. Report evaluating the Company's environmental and social responsibilities

a) Assessment related to environmental indicators:

- The Company's activity of sending workers to work abroad under contracts in Vietnam is a service product related to people; therefore, the impacts on the environment are insignificant.
- For real estate and infrastructure business projects, the Company carries out environmental impact assessments in accordance with regulations and always complies throughout the project investment process.
- Mineral exploitation and processing activities operating in the Republic of the Union of Myanmar currently use surface water sources from streams, and energy used is gasoline and oil to operate machinery. Surface water is collected and reused. Due to block stone mining activities, the amount of debris and waste rock is restored and covered with planted trees.

b) Assessment related to labor issues:

- The Company always improves material and spiritual life, ensures stable income for employees, regularly organizes collective activities, celebrates holidays, organizes birthday events for employees; timely rewards, encourages and motivates individuals and groups with outstanding achievements in production and business activities; regularly maintains occupational safety and fire prevention activities.

c) Assessment related to the Company's responsibility toward the local community: The Company always supports and contributes to funds and support programs at the request of local authorities where its headquarters is located.

IV. Assessment of the Board of Directors on the Company's performance

In 2025, the global economy continued to experience complex developments, with slow growth, persistently high interest rates, and prolonged geopolitical risks. Weakening aggregate demand in major markets negatively affected trade and investment activities.

Domestically, demand recovery remained slow, the business environment still faced many difficulties, capital costs stayed at a high level, and the consumption market had not yet fully improved, thereby directly impacting the Company's production and business activities.

Although the Company's management proactively implemented solutions to maintain operations, reduce costs, and improve governance efficiency, due to the overall market conditions, the business results in 2025 did not meet expectations.

Total revenue for the year reached VND 21.467 billion, accounting for only 21.47% of the plan; profit before tax reached VND 2.36 billion. Details are presented in the report of the Company's General Director.

Some performance indicators were not achieved as planned, particularly the revenue target, as the Ha Tinh Project has not yet completed the finalization of investment costs and profit distribution with Ha Tinh Province as scheduled. In addition, due to the ongoing economic difficulties, enterprises faced challenges in accessing capital. These developments significantly affected the Company's production and business activities,

especially those directly related such as real estate business and domestic and overseas investments.

4.1. Assessment of the Board of Directors on the performance of the Company's Management

In 2025, the Board of Directors carried out supervisory activities over the management and administration of the General Director, ensuring compliance with the Company's Charter, the Resolution of the Annual General Meeting of Shareholders, and the Resolutions of the Board of Directors.

The Board of Directors participated in the Company's regular periodic meetings to review the production and business performance, and at the same time directly instructed the Board of Management and other managers in the monthly and quarterly operation of production and business activities, proposing effective solutions and promptly resolving difficulties and obstacles arising in the course of management, monitoring expenses, and balancing capital sources.

Based on the resolutions approved by the General Meeting of Shareholders in 2025, the Board of Directors assesses that: the General Director and the management apparatus have basically implemented the resolutions of the General Meeting of Shareholders and the Board of Directors. The Board of Management and the executive apparatus have made efforts to overcome difficulties in order to fulfill the assigned plans and tasks, specifically:

- Fully complying with the provisions of law, the Company's Charter, internal regulations, and the resolutions of the Board of Directors;
- Ensuring employment and income for employees;
- Ensuring and maintaining the Company's production and business operations during a period when the economy faced many difficulties.

4.2. Plans and orientations of the Board of Directors

In 2025, the Board of Directors will focus on directing solutions to increase labor productivity and improve employees' income, through the application of scientific and technological advancements and restructuring the organizational model to enhance operational efficiency.

Closely coordinate with the Board of Management to implement governance, control, and performance evaluation solutions, as well as timely and effective management measures to ensure the achievement of planned targets. In case of complex market developments affecting business performance, proactively develop and adjust production and business plans accordingly.

Continue to direct the study of investment plans for the kindergarten land lot under the Van Phuc New Urban Area Subdivision Project, and the HH land lot under the Cau Buu New Urban Area Project.

Focus on directing the recovery of profits from the Western Ring Road Project and the urban technical infrastructure on both sides of the Western Ring Road in Ha Tinh City.

Focus on directing the review and re-evaluation of the efficiency of investment projects.

Continue to increase investment in the technology sector and seek cooperation with major partners that have been successful in high-tech manufacturing.

V. Corporate Governance

1. Board of Directors

a) Members and structure of the Board of Directors

No.	Member of the Board of Directors	Members of the Board of Directors	Date of Appointment / Cessation as Member of the Board of Directors		Reason for Appointment / Resignation	Total Shares Currently Held
			Date of Appointment Date of Dismissal	Date of Appointment Date of Dismissal		
1	Ms. Nguyen Thi Hong Ngoc	Standing Vice Chairwoman of the Board of Directors	12/04/2016			4,004,766 shares (15.28% of charter capital)
2	Mr. Le Quang Huy	Chairman of the Board of Directors	20/07/2023		Appointed under Resolution No. 14/SIMCO-HDQT	0 shares (0% of charter capital)
3	Ms. Pham Ngoc Tram	Independent, Non-executive Member of the Board of Directors	13/07/2023		Appointed under Resolution No. 01/NQ-DHDCĐ	0 shares (0% of charter capital)
4	Mr. Ngo Duc Anh	Non-executive Member of the Board of Directors	24/06/2022		Appointed under Resolution No. 01/NQ-DHDCĐ	200,000 shares (0.76% of charter capital)
5	Mr. Nguyen Ngoc Quyen	Member of the Board of Directors	26/06/2024		Appointed under Resolution No. 01/NQ-DHDCĐ	0 shares (0% of charter capital)

Members and structure of the Board of Directors: The Board of Directors consists of 05 members, including 01 Chairman and 04 members, of which there is 01 full-time member and 01 member concurrently holding an executive position.

- Mr. Le Quang Huy – Chairman of the Board of Directors

Date of birth: 01 December 1959

Professional qualifications: Civil Engineer; Master's degree, Telecommunications and Electronics Engineering

- Ms. Nguyen Thi Hong Ngoc – Standing Vice Chairwoman of the Board of Directors

Date of birth: 17 April 1981

Professional qualifications: Master of Business Administration

- Ms. Pham Ngoc Tram – Member of the Board of Directors

Date of birth: 18 May 1985

Professional qualifications: Master's degree

- Mr. Ngo Duc Anh – Member of the Board of Directors

Date of birth: 19 May 1997

Professional qualifications: Master's degree

- Mr. Nguyen Ngoc Quyen – Member of the Board of Directors

Date of birth: 02 July 1965

Professional qualifications: Master's degree

b) Sub-committees under the Board of Directors:

No sub-committees have been established.

c) Activities of the Board of Directors

In 2025, the Board of Directors seriously implemented the contents approved by the Annual General Meeting of Shareholders 2025 in its resolutions. At the same time, the Board of Directors focused on strengthening the supervision of the Board of Management through periodic and ad hoc meetings to evaluate the Company's production and business results as well as other activities.

Meetings and activities of the Board of Directors were organized and conducted in accordance with the Company's Charter and applicable laws, and all resolutions achieved a high level of consensus among members.

The Board of Directors held 08 meetings and issued a total of 08 resolutions, decisions, and documents related to the Company's production and business activities, serving as a basis for the Board of Management to organize implementation in compliance with current State regulations and the Company's governance regulations. Some notable resolutions include:

No	Resolution/Decision No.	Date	Content	Approval rate
1	03/SIMCO-HĐQT	17/03/2025	Resolution on Full Divestment of Capital Contribution in Cat Tuong Thien Tan Lac JSC	100%
2	04/SIMCO-HĐQT	17/03/2025	Resolution on Capital Contribution to An Vien Lac Son JSC	100%

3	06/SIMCO-HĐQT	25/03/2025	Resolution on Adjustment of Capital Contribution Price and Percentage for An Vien Lac Son JSC	100%
4	08/SIMCO-HĐQT	28/03/2025	Resolution Re: Approval of Extension of the 2025 General Meeting of Shareholders	100%
5	10/SIMCO-HĐQT	25/04/2025	Resolution Re: Convening the 2025 General Meeting of Shareholders	100%
6	18/SIMCO-HĐQT	30/06/2025	Resolution Re: the complete divestment of contributed capital from An Vien Lac Son Joint Stock Company	100%
7	24/SIMCO-HĐQT	08/07/2025	Resolution on convening the 2nd and 3rd Annual General Meeting of Shareholders in 2025	100%
8	27/SIMCO-HĐQT	15/09/2025	Resolution on amending Article 1 of Resolution No. 43/SIMCO-HĐQT dated 28 November 2023	100%

In addition, the Company's monthly regular production briefings in the fields of production and business have the participation of the Chairman of the Board of Directors; therefore, the Board of Directors, the Board of Management as well as managers are regularly updated with information and closely grasp the Company's production and business situation in order to timely and effectively resolve and handle arising issues.

The management, direction and supervision of production and business activities at enterprises in which the Company has contributed capital are carried out through the Company's representatives of capital contribution to exercise rights and obligations at such enterprises, ensuring compliance with the provisions of law and the Company's Charter.

d) Activities of independent members of the Board of Directors

In 2025, independent members of the Board of Directors performed their rights and obligations in accordance with the Company's Charter and the provisions of law.

e) List of members of the Board of Directors holding certificates in corporate governance training: None.

2. Supervisory Board

a) Members and structure of the Supervisory Board:

Including 03 members, comprising the Head of the Supervisory Board and 02 members.

No.	Members	Position	Date of becoming / ceasing to be a member of the Supervisory Board	Professional qualifications
1	Mrs. Nguyen Thi Hong Dịu	Head of the Supervisory Board	13/07/2023	Bachelor of Economics
2	Ms Vu Thi Lanh	Member	13/07/2023	Bachelor of Economics
3	Mrs. Dau Thi Thanh Thuy	Member	26/06/2024	Bachelor of Accounting

b) Activities of the Board of Supervisors

During the year, accounting activities, including bookkeeping and preparation of accounting records, were carried out in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Regime, and other relevant legal regulations, thereby reflecting the Company's stable and truthful financial position.

The Company prepared and disclosed periodic financial statements in full compliance with the legal requirements applicable to listed companies. The semi-annual and annual financial statements were reviewed and audited in accordance with current regulations.

Results of Supervision of the Board of Directors, the General Director, and Other Executive Officers

- For the Board of Directors:

The Board of Directors has provided strategic orientations for business development and appropriate medium- and long-term investment plans, and has fully implemented the objectives and tasks approved by the 2025 Annual General Meeting of Shareholders.

.. For the General Director and Executive Management:

The Executive Management regularly held meetings to discuss business performance, based on the timely directions of the Board of Directors, and made appropriate business decisions consistent with actual conditions to ensure efficient operations.

3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors

a. Salary, rewards, remuneration and benefits:

Board of Directors:

- Lê Quang Huy	375.287.000 đồng
- Nguyễn Thị Hồng Ngọc	268.062.000 đồng

- Phạm Ngọc Trâm 32.167.000 đồng
- Ngô Đức Anh 32.167.000 đồng
- Nguyễn Ngọc Quyền 32.167.000 đồng

Board of Management

- Vũ Viết Tài - đồng

Board of Supervisors

- Nguyễn Thị Hồng Dịu 32.167.000 đồng
- Vũ Thị Lanh 21.445.000 đồng
- Đậu Thị Thanh Thủy 21.445.000 đồng

b) Share transactions by internal shareholders: None

No.	Person Conducting the Transaction	Relationship with Insider	Number of Shares Owned at the Beginning of the Period		Number of Shares Owned at the End of the Period		Reason for Increase/Decrease (Purchase, Sale, Conversion, Bonus, etc.)
			Number of Shares	Percentage	Number of Shares	Percentage	

c) Contracts or transactions with internal shareholders: None

d) Assessing the implementation of regulations on corporate governance:

- The Company's governance is conducted in full compliance with applicable laws, the Company Charter, and internal regulations, ensuring the protection of the Company's and shareholders' interests, as well as facilitating effective oversight of the Company's operations.

- In addition, the Company continuously enhances the governance knowledge of the Board of Directors and the Executive Board through corporate governance training programs.

VI. Financial statements

1. Auditor's opinions

Basis for qualified audit opinion

As at 31 December 2025, the Company had receivables from Mr. Do Tuan Duong and advances to Ms. Nguyen Thi Tuyet and Mr. Nguyen Cong Giap amounting to VND 9,694,100,000, VND 33,700,000,000 and VND 44,908,000,000, respectively. At the time of preparing this Report, the Board of General Directors had made provisions for doubtful short-term receivables. Based on the documents currently available, we have not obtained sufficient appropriate audit evidence to assess the appropriateness of the transactions

relating to these receivables, the provision made for these receivables, as well as their impacts on other items (if any) presented in the accompanying combined Financial Statements.

As disclosed in Note 4.12 – “Long-term financial investments” to the Combined Financial Statements, the Company made a capital contribution investment in Cat Tuong Thien Tan Lac Joint Stock Company amounting to VND 37,050,000,000 and subsequently transferred this investment at a transfer price of VND 37,050,000,000. Based on the documents currently available, we have not obtained sufficient appropriate audit evidence to assess the appropriateness of the transaction relating to this investment, the recognition and reversal of the provision for this investment, as well as their impacts on the line items: Taxes and other payables to the State and other balances presented in the accompanying Combined Financial Statements.

As disclosed in Note 4.6 – “Other short-term receivables” to the Combined Financial Statements, as at January 1, 2025, the Company recorded a receivable amounting to VND 58,163,618,000 and recognized a 100% allowance for doubtful short-term receivables for this balance. As at the reporting date, the Company recovered a portion of other receivables and reversed the aforementioned allowance for doubtful receivables amounting to VND 57,163,618,000. Based on the documents currently available, we have not obtained sufficient appropriate audit evidence to assess the appropriateness of the transaction relating to this receivable, the recognition and reversal of the provision for this receivable, as well as their impacts on the line items: Taxes and other payables to the State and other balances presented in the accompanying Combined Financial Statements.

Qualified opinion

In our opinion, except for the effects of the matter described in the paragraph “Basis for Qualified Opinion”, the Combined Financial Statements present fairly, in all material respects, the combined financial position of Simco Song Da Joint Stock Company as at December 31, 2025, and its combined results of operations and combined cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations relating to the preparation and presentation of combined financial statements.

Emphasis of matter

We draw attention to Note 4.13 to the Combined Financial Statements relating to construction in progress amounting to VND 75,902,112,441 as at December 31, 2025, which has been approved by the Board of Directors for the implementation of the Simco Tower Project at the mixed-use complex HH – Cau Buu New Urban Area Project, Thanh Tri District, Hanoi, with a total estimated investment of VND 351,780,000,000. As at the date of issuance of this Audit Report, the Project is in the process of implementation in accordance with Resolution No. 27/SIMCO-HDQT dated September 15, 2025 of the Company, and the Company is working with Hanoi Housing and Urban Development Trading Joint Stock Company to convert the technical infrastructure transfer contract into a business cooperation contract in order to continue developing the project in accordance

with Decision No. 1439/QĐ-UBND dated March 13, 2025 of the Hanoi People's Committee regarding the approval of adjustments to the investment policy and the implementation schedule for the remaining portion of the project.

We also draw attention to Note 2.2 – Going concern assumption, which indicates that as at December 31, 2025, the Company's short-term liquidity and ability to continue as a going concern may be affected. However, Management has confirmed that the Company will continue its operations as it has planned to liquidate long-term financial investments to ensure sufficient cash flows for business operations, and accordingly, the 2025 financial statements have been prepared on a going concern basis, which is considered appropriate.

This Emphasis of Matter does not modify our qualified opinion.

2. Audited financial statements

(The Company's financial statements are published on the Company's website)

Recipients:

- As above;
- File for archiving.

LEGAL REPRESENTATIVE OF THE
COMPANY



CHỦ TỊCH HĐQT
Lê Quang Huy

