

## REPORT

### On corporate governance and performance of the Board of Directors in 2024 and plan for 2025

To: The 2025 Annual General Meeting of Shareholders of Song Da Consulting Joint  
Stock Company

*Pursuant to Law on Enterprises No. 59/2020/QH14 dated June 17<sup>th</sup>, 2020 of  
the National Assembly of the Socialist Republic of Vietnam;*

*Pursuant to the Charter of Song Da Consulting Joint Stock Company;*

The Board of Directors of Song Da Consulting Joint Stock Company  
respectfully reports the corporate governance and its performance in 2024 and  
business plan for 2025, to the 2025 Annual General Meeting of Shareholders of Song  
Da Consulting Joint Stock Company as follows:

#### I. BUSINESS SITUATION OF THE COMPANY AND THE RESULTS OF THE IMPLEMENTATION OF THE RESOLUTIONS OF THE 2024 GENERAL MEETING OF SHAREHOLDERS

##### 1. Key financial indicators

No.	Items	Unit	Annual plan	Annual performance	Percentage of completing the plan
I	Total production and business value	VND 10 <sup>3</sup>	56,300,000	67,368,710	119.7%
II	Financial plan				
1	Total revenue	VND 10 <sup>3</sup>	53,776,107	72,205,016	134.3%
2	Payment to the budget	VND 10 <sup>3</sup>	6,633,933	5,693,529	85.8%
3	Profit before tax	VND 10 <sup>3</sup>	2,515,000	2,546,774	101.3%
4	Profit after tax	VND 10 <sup>3</sup>	2,012,000	1,955,458	97.2%
5	Profit margin				
-	Profit before tax-to-revenue ratio	%	4.7%	3.5%	
-	Profit after tax-to-charter capital ratio	%	7.7%	7.5%	
-	Profit after tax-to-equity ratio	%	4.0%	3.9%	



6	Charter capital	VND 10 <sup>3</sup>	26,097,100	26,097,100	100.0%
7	Equity	VND 10 <sup>3</sup>	50,089,000	50,151,623	100.1%
8	Expected dividend payout ratio	%	5	5	

## 2. Overview of business performance for 2024

In 2024, despite numerous difficulties and challenges, the Company made significant efforts to mobilize all resources and expertise to achieve its planned production and business targets. As a result, the Company successfully met and exceeded key production and business indicators, maintained stable operations, ensured timely salary payments and other benefits for employees, and fulfilled its obligations to the State in accordance with regulations. The management and administration of production and business activities showed considerable effort. The Company focused all resources on technical management, quality control, and safety in construction, testing, and consulting activities at projects, in accordance with contractual requirements. Cash flow was balanced appropriately, maintaining the Company's financial stability, reducing outstanding bank loans, making timely and full debt repayments to banks, paying taxes and social insurance contributions on time, and avoiding any delays in employee salary payments. Specific results are as follows:

### 2.1. Key indicators

Total production and business value: Achieved VND 67.37 billion, compared to the plan of VND 56.3 billion, reaching 119.7% of the annual plan; Revenue: Achieved VND 72.2 billion, compared to the plan of VND 53.77 billion, reaching 134.3% of the annual plan; Cash inflow to accounts: Achieved VND 76.1 billion, compared to the plan of VND 59.3 billion, reaching 128.4% of the annual plan; Profit before tax: Achieved VND 2.55 billion, compared to the plan of VND 2.51 billion, reaching 101.3% of the annual plan, with a profit-to-revenue ratio of 3.5%.

### 2.2. Evaluation of the key targets

#### a. Achievements

- Strictly implemented corporate management and governance in accordance with legal provisions. The administration and management of production and business activities were consistent and closely aligned with actual conditions. The Company mobilized all resources to ensure technical management, quality control, and safety in construction, while conducting surveys, testing, and consulting at projects to meet contractual requirements and intensifying efforts to market and seek new projects.
- The management and operation of production and business activities were consistent and closely aligned with actual conditions. Technical management, quality control, and safety during construction were maintained at the highest standards. Surveys, testing, and consulting services of projects and worksites met contractual requirements. Marketing efforts were intensified to secure new projects.
- Although 2024 was a challenging year for many organizations, the Company has made effort to maintain a safe financial position. At present, the Company still ensures sufficient capital balance and smooth cash flow to promptly meet production and



business needs and fulfill obligations to the State, including full and timely monthly salary payments to employees (paid before the 20<sup>th</sup> of the following month), full and punctual fulfillment of tax obligations to the State, timely monthly payment of social insurance premium, ensuring employee benefits, compliance with all terms of contracts with credit institutions, timely debt repayments, and no overdue debts.

- Cost management: The Company implemented task-based cost allocation to its units and accounted for expenses in accordance with the assigned cost norms.

- The Company prioritized marketing, bidding, and seeking employment opportunities to ensure jobs for employees. In 2024, the Company signed 54 contracts and 15 contract appendices with a total value of VND 48.7 billion, along with an additional amount of VND 18.0 billion in grouting value from the Nam Phak project.

- The Company took multiple measures to recover capital and outstanding debts. In 2024, the Company successfully recovered long-overdue debts from several projects, totaling approximately VND 6.1 billion, including:

- + Design sector: Debt recovery from Nam He Thuong Hydropower (VND 318 million), Dakdrinh Hydropower (VND 850 million), Pake Hydropower (VND 100 million), Irrigation reservoirs in Kon Tum and Lam Dong Province (VND 265 million), etc.

- + Surveying and grouting sector: Debt recovery from Pake Hydropower (VND 352 million), Nam Emoun Hydropower (VND 524 million), Dak Drinh Hydropower (VND 514 million), Nam Cuoi Hydropower (VND 200 million), Ha Long Marina Highrise Project (VND 650 million), Ba Na Hotel and Entertainment Complex (VND 358 million), etc.

- + Testing sector: Debt recovery from Huoi Quang Hydropower (VND 153 million), Xekaman 1 Hydropower (VND 459 million), Vinh Son Hydropower (VND 200 million), Nam Emoun Hydropower (VND 928 million), Lac Hoa Wind Power (VND 100 million), etc.

- The Company balanced its cash flow and fully paid the 2022 dividends to shareholders. It is preparing funds to pay the 2023 dividends to shareholders in April 2025.

- The Company consistently prioritized employee welfare, ensuring salary payments in accordance with its Regulations, contributing to stable livelihoods, fostering long-term engagement to the Company, maintaining internal unity, and creating collective strength to successfully fulfill assigned tasks. Social and organizational activities were emphasized and effectively implemented.

- The Company adhered to all contents of the Resolutions approved at the 2024 Annual General Meeting of Shareholders.

#### b. Limitations and shortcomings

Alongside the achievements, the Company faced certain limitations and shortcomings:

- 2024 continued to be a challenging year for some subordinate units due to the specific nature of the industry, resulting in reduced opportunities in the design, supervision, and construction testing of hydropower projects, leading to a lack of employment. Marketing, bidding, and job-seeking efforts were prioritized by the Company's Party Committee and management, ensuring sufficient employment



during the recent period. However, employment remained unstable, discontinuous, and insufficient at some subordinate units. This situation continues to pose challenges for the Company in the near future.

- The transition of the Company's business structure to new sectors to maintain stability and expand the scale of production and business for development has been slow and faced numerous obstacles due to policy mechanisms, as well as the Company's limited capacity and capital scale.

- Capital recovery and debt collection continued to face significant difficulties, with a large amount of outstanding workload and liabilities. Although reduced compared to the beginning of the period, the value of outstanding workload and liabilities remains high. In particular, overdue liabilities require provisions to be set aside.

### **3. Activities of the Board of Directors**

#### **3.1. Evaluation of corporate governance in 2024**

The Board of Directors (BOD) directed, inspected, and supervised the management apparatus in accordance with the Company's regulations and legal requirements in production and business activities. The BOD organized periodic and extraordinary information disclosures in accordance with the Law on Securities, implemented democracy at grassroots level, respected and ensured shareholders' rights, and safeguarded the Company's rights and obligations toward other related stakeholders in the society.

#### **3.2. Activities of the Board of Directors in 2024**

No.	Member of the Board of Directors	Position	Attendance at BOD meetings	Percentage	Reasons for absence
1	Mr. Pham Van Manh	Chairman of the Board of Directors	04/04	100%	
2	Mr. Dinh Van Duan	Member of the Board of Directors, Chief Executive Officer	04/04	100%	
3	Mr. Nguyen Van Hoang	Member of the Board of Directors, Vice Chief Executive Officer	04/04	100%	
4	Mr. Cu Van Vinh	Member of the Board of Directors, Branch Director	04/04	100%	
5	Mr. Pham Anh Duc	Member of the Board of Directors	04/04	100%	

#### **3.3. Activities of Sub-Committees under the Board of Directors**

- The Board of Directors applies the principle of collective decision-making, with decisions made by majority vote. Each member of the Board of Directors has specific responsibilities and is individually accountable for their assigned tasks.

- The Board of Directors is supported by the Company's functional



departments and the Company Secretary.

**3.4. Resolutions/Decisions/Documents issued by the Board of Directors**

No.	Resolution/ Decision No.	Date	Contents	Approval rate
1	01/NQ-HDQT	January 4th, 2024	Resolution on approval of funding for 2023 emulation and reward activities and support for Lunar New Year of Dragon 2024 for certain cases	05/05 (100% of BOD members)
2	02/NQ-HDQT	January 9th, 2024	Resolution on Board of Directors meeting for the first quarter of 2024, including meeting minutes	05/05 (100% of BOD members)
3	03/CTCT-HDQT	January 9th, 2024	Working program of the Board of Directors for 2024	05/05 (100% of BOD members)
4	04/NQ-HDQT	January 15th, 2024	Resolution on approval of the plan for investing in cars for production and business purposes	05/05 (100% of BOD members)
5	05/QD-HDQT	January 15th, 2024	Decision on approval of the plan for investing in cars for production and business purposes	
6	06/NQ-HDQT	January 15th, 2024	Resolution on approval of the main contents of the contract to purchase a Universal Electronic Testing Machine model: WDW-100E for Song Da Consulting Joint Stock Company	05/05 (100% of BOD members)
7	07/NQ-HDQT	January 15th, 2024	Resolution on approval of the main contents of the contract to purchase a Universal Electronic Testing Machine model: WDW-100E, a Concrete Compression Testing Machine model: TYA-2000, and a Multi-purpose Tensile Testing Machine for steel and cables model: WES-1000B for Song Da Consulting Joint Stock Company	05/05 (100% of BOD members)
8	08/NQ-HDQT	January 15th, 2024	Resolution on approval of the main contents of the contract to purchase a Camry 2.5Q car	05/05 (100% of BOD members)
9	09/BC-HDQT	January 21st, 2024	Report on corporate governance for 2023 (including full personal information)	
10	10/BC-HDQT	January 21st, 2024	Report on corporate governance for 2023 (excluding personal information)	
11	11/NQ-HDQT	January 23rd, 2024	Resolution on approval of the settlement of 2023 corporate governance costs for the Company's head office	05/05 (100% of BOD members)
12	12/NQ-HDQT	January 23rd, 2024	Resolution on approval of the estimated 2024 enterprise management costs for the Company's head office	05/05 (100% of BOD members)



No.	Resolution/ Decision No.	Date	Contents	Approval rate
13	13/NQ-HDQT	January 30th, 2024	Decision on support for Tet holiday for certain cases	
14	14/VB-HDQT	February 1st, 2024	Plan for organizing the 2024 Annual General Meeting of Shareholders	
15	15/QD-HDQT	February 1st, 2024	Decision on establishment of a committee to review materials for the 2024 Annual General Meeting of Shareholders	
16	16/NQ-HDQT	February 2nd, 2024	Resolution on approval of the main contents of the consulting contract for the geotechnical survey package during the feasibility study phase of the Nam Ang Hydropower Project, Lao PDR	05/05 (100% of BOD members)
17	17/NQ-HDQT	February 22nd, 2024	Resolution on dismissal of the Deputy Director of Consulting Center 2	05/05 (100% of BOD members)
18	18/NQ-HDQT	February 22nd, 2024	Resolution on approval of the payment of 2022 cash dividends and finalizing the shareholder list for the 2024 Annual General Meeting of Shareholders	05/05 (100% of BOD members)
19	18a/NQ-HDQT	February 23rd, 2024	Resolution on approval of the main contents of the contract to purchase a Concrete Compression Testing Machine model: TYA-2000 and a Multi-purpose Tensile Testing Machine for steel and cables model: WES-1000B for Song Da Consulting Joint Stock Company	05/05 (100% of BOD members)
20	19/NQ-HDQT	March 4th, 2024	Resolution on approval of the plan to liquidate fixed assets	05/05 (100% of BOD members)
21	20/QD-HDQT	March 4th, 2024	Decision on establishment of a contract for the liquidation and sale of fixed assets	
22	21/NQ-HDQT	March 6th, 2024	Resolution on approval of the plan for reorganizing and handling the Company's land and property	05/05 (100% of BOD members)
23	21a/NQ-HDQT	March 12th, 2024	Resolution on approval of the plan to liquidate fixed assets	05/05 (100% of BOD members)
24	22/NQ-HDQT	March 26th, 2024	Resolution on approval of rewards for certain groups	05/05 (100% of BOD members)
25- 29	23-27	April 2nd, 2024	Proposals and reports submitted to the 2024 Annual General Meeting of Shareholders	



No.	Resolution/ Decision No.	Date	Contents	Approval rate
30	28/TB-HDQT	April 19th, 2024	Notice of the Board of Directors meeting for the second quarter of 2024	
31	29/NQ-HDQT	April 23rd, 2024	Resolution of Board of Directors meeting for the second quarter of 2024, including meeting minutes	05/05 (100% of BOD members)
32	30/NQ-HDQT	April 23rd, 2024	Resolution on approval of certain contents for the 2024 Annual General Meeting of Shareholders of Song Da Consulting Joint Stock Company	05/05 (100% of BOD members)
33	31/TB-HDQT	April 23rd, 2024	Resolution on approval of the establishment of a committee to verify shareholder eligibility for the 2024 Annual General Meeting of Shareholders	05/05 (100% of BOD members)
34	32/QD-HDQT	April 23rd, 2024	Decision on establishment of a committee to verify shareholder eligibility for the 2024 Annual General Meeting of Shareholders	
35	33/TTr-HDQT	April 23rd, 2024	Resolution on approval of the plan for investing in grouting machines and equipment	05/05 (100% of BOD members)
36	34/BB/2024/DH CD	April 24th, 2024	Minutes of the 2024 Annual General Meeting of Shareholders of Song Da Consulting Joint Stock Company	
37	35/NQ/2024/DH DCD	April 24th, 2024	Resolution of the 2024 Annual General Meeting of Shareholders of Song Da Consulting Joint Stock Company	
38	36/NQ-HDQT	May 8th, 2024	Resolution on approval of the contents of contracts for the investment in grouting machines and equipment for Song Da Consulting Joint Stock Company	05/05 (100% of BOD members)
39	37/NQ-HDQT	May 20th, 2024	Resolution on approval of funding for the 2024 summer holiday	05/05 (100% of BOD members)
40	38/QD-HDQT	May 20th, 2024	Decision on approval of funding for the 2024 summer holiday	
41	39/NQ-HDQT	May 21st, 2024	Resolution on approval of the selection of an auditing organization and the contents of the contract for auditing services for the 2024 financial statements of Song Da Consulting Joint Stock Company	05/05 (100% of BOD members)
42	40/QD-HDQT	June 18th, 2024	Decision on establishment of an inventory committee as of 12.00 AM on July 1 <sup>st</sup> , 2024	05/05 (100% of BOD members)
43	41/QD-HDQT	July 8th, 2024	Notice of Board of Directors meeting for the third quarter of 2024	



No.	Resolution/ Decision No.	Date	Contents	Approval rate
		July 18th, 2024	Minutes of the Board of Directors meeting for the third quarter of 2024	
44	42/NQ-HDQT	July 18th, 2024	Resolution of Board of Directors meeting for the third quarter of 2024	
45	43/NQ-HDQT	July 22nd, 2024	Resolution on approval of the salary scale, payroll system, and allowance regime for employees of Song Da Consulting Joint Stock Company in accordance with Decree No. 74/2024/ND-CP dated June 30 <sup>th</sup> , 2024, of the Government on the minimum wage for employees working under labor contracts	05/05 (100% of BOD members)
46	44/QD-HDQT	July 22nd, 2024	Decision on approval of the salary scale, payroll system, and allowance regime for employees of Song Da Consulting Joint Stock Company in accordance with Decree No. 74/2024/ND-CP dated June 30 <sup>th</sup> , 2024, of the Government on the minimum wage for employees working under labor contracts	
47	45/QD-HDQT	July 22nd, 2024	Decision on salary adjustment for Company's managers in accordance with Decision No. 44/QD-HDQT dated July 22 <sup>nd</sup> , 2024, of the Board of Directors	
48	46/BC-HDQT	July 25th, 2024	Report on corporate governance for the first six months of 2024 (excluding personal information)	
49	47/BC-HDQT	July 25th, 2024	Report on corporate governance for the first six months of 2024 (including full personal information)	
50	48/NQ-HDQT	August 7th, 2024	Resolution on approval of authorization to sign credit contracts, mortgages, loans, guarantees, and other related documents for borrowing and transactions with banks	05/05 (100% of BOD members)
51	49/NQ-HDQT	October 3rd, 2024	Resolution on approval of rewards for certain groups	
52	50/TB-HDQT	October 9th, 2024	Notice of Board of Directors meeting for the fourth quarter of 2024	
53	51/BB-SDCC	October 15th, 2024	Minutes of the Board of Directors meeting for the fourth quarter of 2024	
54	51a/NQ-HDQT	October 16th, 2024	Resolution on approval of the contents of the subcontract for experimental grouting at the Nam Phak Dam and grouting for reinforcement and seepage control at the Phou Pong Dam foundation, Nam Phak	05/05 (100% of BOD members)



No.	Resolution/ Decision No.	Date	Contents	Approval rate
			Hydropower Project, Champasak Province, Lao PDR	
55	52/NQ-HDQT	October 18th, 2024	Resolution on Board of Directors meeting for the fourth quarter of 2024	05/05 (100% of BOD members)
56	53-KH-HDQT	November 18th, 2024	Plan on development of the staffing plan for managers for the 2025–2030 period	
57–66	54–63 (NX-HDQT)	November 22nd, 2024	Evaluations of 10 officers for the development of the staffing plan for managers for the 2025–2030 period	
67	64-BC/SDCC	December 12th, 2024	Report on review of the Board of Directors' performance in 2024	
68	65/VB-HDQT	December 17th, 2024	Document on development of a plan and solutions to expand the Company's business sectors and fields	
69	66/QD-HDQT	November 19th, 2024	Decision on establishment of an inventory committee as of 12.00 AM on January 1 <sup>st</sup> , 2025	05/05 (100% of BOD members)
70	67/QD-HDQT	December 26th, 2024	Resolution on approval of funding for 2024 emulation and reward activities and support for Lunar New Year of Snake for certain cases	05/05 (100% of BOD members)

### ***3.5. Supervisory Activities of the Board of Directors over the Board of Management***

- In 2024, the Board of Directors (BOD) managed the Company and fulfilled its duties and responsibilities in accordance with legal provisions and the Company's Charter.

- The BOD regularly supervised and directed the management apparatus at all levels, held quarterly meetings with the Board of Management to review the implementation of production and business activities in the quarter, the production and business plan for the subsequent quarter, and the implementation of resolutions and decisions issued by the BOD.

- The BOD coordinated with the Board of Supervisors to direct, inspect and supervise the management apparatus in accordance with legal provisions in production and business activities, organized periodic and extraordinary information disclosures in accordance with the Law on Securities, implemented democracy at grassroots level, respected and ensured shareholders' rights, and safeguarded the Company's rights and obligations toward other related stakeholders in the society.

- The BOD's supervisory activities over the Board of Management were conducted in one or more of the following methods:



+ Exchanges, discussions, and questioning between the BOD and the Board of Management.

+ Detailed, comprehensive, and timely reports from the Chief Executive Officer on progress, difficulties, obstacles, analysis of causes, and proposed solutions.

+ Participation and provision of directives during key meetings of the Board of Management regarding the implementation of the BOD's resolutions and decisions.

+ Direct guidance and feedback to the Board of Management on critical issues arising during the management of production and business activities.

3.6. Transactions involving the companies, subsidiaries, or companies controlled by the public company with over 50% of charter capital, with members of the Board of Directors and their related persons; transactions between the Company and companies where a BOD member is a founding member or manager in the past three years prior to the transaction: *No transactions made.*

## **II. BUSINESS PLAN FOR 2025**

### **1. Forecast of the general situation affecting the Company's operations in 2025**

#### **1.1. Opportunities**

- In 2025, the entire country aims to achieve the highest possible results for the targets and indicators of the 2021-2025 Socio-Economic Development Plan. Priorities include promoting growth while maintaining macroeconomic stability, controlling inflation, ensuring major economic balances, accelerating the disbursement of public investment capital and social resources, and enhancing the role and efficiency of state-owned corporations, conglomerates, and enterprises, etc. These efforts will create numerous job opportunities aligned with the Company's production and business activities.

- 2025 is a pivotal year for implementing the "Restructuring Plan of Song Da Corporation - JSC for the 2023-2028 Period" under Decision No. 79/TCT-HDQT dated October 11<sup>th</sup>, 2024. The plan outlines that Song Da Corporation will continue to invest in appropriately scaled and efficient power projects, transportation infrastructure, industrial zones, and other profitable projects.

- Song Da Corporation - JSC and its member units will actively expand bidding and contracting activities for hydropower projects, transportation systems, traffic tunnels, and high-speed railways both domestically and internationally, in conformity with the Company's production and business activities.



## 1.2. Challenges

Thanks to policies facilitating competition among domestic and foreign enterprises for investment development, the level of competition has increased. On the other hand, the State is focusing on restructuring sectors of digital transformation, green transformation, and sustainable energy transition, which further restricts hydropower projects. Moreover, climate change and unpredictable, extreme natural disasters pose significant challenges.

Based on the above forecasts, the Company has developed its working program and key priorities for 2025, requiring all levels of management within the Company to focus on leading and directing to effectively achieve the set goals and tasks. Details are as follows:

### 1. Key indicators

No.	Items	Unit	Plan for 2025
1	Total production and business value	VND 10 <sup>3</sup>	72.800.000
2	Revenue	VND 10 <sup>3</sup>	67.407.407
3	Profit		
-	<i>Profit before tax</i>	<i>VND 10<sup>3</sup></i>	<i>2.750.516</i>
-	<i>Profit after tax</i>	<i>VND 10<sup>3</sup></i>	<i>2.200.413</i>
4	Payment to the State budget	VND 10 <sup>3</sup>	5.942.696
5	Charter capital	VND 10 <sup>3</sup>	26.097.100
6	Equity	VND 10 <sup>3</sup>	50.198.754
7	Dividends	%	5

### 3. Key targets

- Develop specific measures and comprehensively implement plans to ensure the successful completion of the 2025 business plan.
- Continue to restructure the Company, optimize staffing, and reorganize the indirect management structure from the Company to its subordinate units to enhance labor productivity and business performance.
- Organize and perform marketing and bidding activities for projects aligned with the Company's core strengths and primary business sectors, while intensifying efforts to seek and market consulting services in transportation, wind power, solar power, and nuclear power to ensure sufficient employment for 2025 and subsequent years. Closely coordinate with the Bidding Board of Song Da Corporation to participate in marketing and bidding for projects within the Company's core business sectors.



- Continue to enhance the quality of surveying, design consulting, and supervision activities, promptly and efficiently resolving design-related issues during construction. Improve and upgrade the application of internationally standardized quality management systems to ensure the quality of consulting products. Invest in research and strengthen regular maintenance and inspection of equipment and calculation software for surveying and design, adopting modern approaches. Ensure absolute legal compliance in the negotiation, signing, and performance of consulting and construction contracts.

- Continue to perform the divestment plan for investments in Song Da Urban and Rural Development Joint Stock Company and Phu Rieng – Caratie Rubber Company when conditions are met; continue to monitor and divest from Song Da Investment and Trading Joint Stock Company (Sodic) to maximize performance.

- Focus on debt recovery, clearly specify responsibilities for acceptance and payment processes, and conduct monthly reviews and inspections to propose appropriate solutions.

- Strengthen cost management and take reasonable cost-saving measures for production and business activities, including management costs, direct costs, and other expenses, to ensure the economic efficiency targets outlined in the plan. In particular, maximize savings in management costs such as fuel, electricity, water, and stationery.

- Review economic and financial management processes, inspect the implementation by subordinate units and the Company's head office, in accordance with legal provisions and the Company's policies and guidelines.

- Consider strategies for shifting the business sector structure. Expand consulting services in areas such as design, supervision, and verification of transportation and urban tunnels; design, supervision, and verification of wind power, solar power, and energy storage projects; and topographic mapping activities. Be aware of market demands and the Company's strategic direction.

- Expand consulting services in the market of the Lao People's Democratic Republic.

#### **4. Solutions for directing the implementation of production and business tasks**

Based on the economic-financial indicators and key tasks for 2025 approved by Resolutions of the General Meeting of Shareholders, the Board of Directors assigns the Chief Executive Officer of the Company to focus intensely on organizing and implementing the following critical and important tasks:

a. Ensure sufficient employment to meet the 2025 production plan with specific measures:

- Strengthen, closely direct, and reorganize the marketing and bidding apparatus at the Company's head office and its units.

- Develop a marketing and bidding plan, assign specific job-seeking tasks to subordinate units, and regularly supervise, urge, and review the implementation progress of the Company and its units.

b. Enhance discipline and consistency in directing and managing production and business activities, particularly in management, planning, and task assignment to subordinate units; organize the apparatus and establish inspection and supervision



plans; conduct periodic reviews to evaluate the task performance of each unit and the responsible individuals.

c. Review and adjust key personnel based on current staffing needs and organizational structure, evaluate key personnel at the Company and subordinate units for appropriate transfer, mobilization and supplement, while developing a 2025 staffing plan and workforce allocation plan.

d. Intensify efforts in capital recovery and debt recovery, ensure sufficient capital to meet production and business needs. Tightly control and manage finance at the Company and subordinate units to prevent violations of financial management principles and legal provisions.

e. Strictly implement the Company's regulations and policies in managing and directing production and business activities, including task planning, task-based cost allocation, cost planning, financial planning, management cost estimates, close management of task-based contracts, quality and progress management, and urging timely verification, payment, and settlement of completed contracts, etc.

f. Strengthen internal inspection and supervision, perform periodic and ad-hoc inspections of subordinate units to identify, prevent, correct, and promptly address issues, obstacles, and shortcomings arising in the management and operation of the Company's production and business activities.

g. Other tasks as assigned and issues arising in the Company's production and business activities.

The Board of Directors respectfully submits these to the 2025 Annual General Meeting of Shareholders of Song Da Consulting Joint Stock Company for consideration and approval.

**Recipient:**

- As above;
- Members of the Board of Directors and Board of Supervisors;
- The securities team of the Company;
- Company's website;
- Archives: The Board of Directors, Organization and Human Resource Department.

*on*

**ON BEHALF OF THE BOARD OF  
DIRECTORS  
CHAIRMAN**



**Phạm Văn Mạnh**



No.: 22 / BC-HDQT

Hanoi, April 21<sup>st</sup>, 2025

**REPORT**  
**OF THE BOARD OF DIRECTORS OF SONG DA CONSULTING JOINT**  
**STOCK COMPANY ON THE RESULTS OF THE 5-YEAR PERIOD (2020-**  
**2024) AND ORIENTATIONS, TASKS FOR THE 5-YEAR PERIOD (2025-2029)**  
**(To be submitted to the 2025 Annual General Meeting of Shareholders)**

In accordance with the duties and powers of the Board of Directors (BOD) as stipulated in the Organization and Operation Charter of Song Da Consulting Joint Stock Company, in order to evaluate the implementation of the Resolutions of the General Meeting of Shareholders (GMS) and to review the performance of tasks assigned by the GMS, the BOD of Song Da Consulting Joint Stock Company hereby reports the results of its activities over the 5-year period (2020-2024) and the orientations and tasks for the 5-year period (2025-2029) as follows:

**A. RESULTS OF THE 5-YEAR PERIOD (2020-2024)**

During the implementation of the plan for the 2020-2024 period, Song Da Consulting Joint Stock Company faced challenges due to the shrinking traditional market for consulting services in hydropower construction. Marketing efforts to secure contracts encountered significant difficulties, compounded by intense competition from other consulting firms in the same sector, leading to a shortfall in production output value. Additionally, the Covid-19 pandemic directly affected the Company's production and business operations. In accordance with the timely and effective guidance of Song Da Corporation - JSC, the Company's Management united and, together with the collective efforts of all employees, overcame challenges to maintain and stabilize production and business activities. The Company adhered closely to the set goals and plans, and consequently achieved the following key results:

**1. Implementation of key economic indicators**

No.	Items	Unit	Total for 5 years (2020-2024)		
			Planned targets	Actual results	Percentage
1	Total production and business value	VND 10 <sup>6</sup>	303,600	281,451	92.7%



No.	Items	Unit	Total for 5 years (2020-2024)		
			Planned targets	Actual results	Percentage
2	Total revenue	VND 10 <sup>6</sup>	276,401	274,422	99.3%
3	Payments to the budget	VND 10 <sup>6</sup>	39,516	33,272	84.2%
4	Profit before tax	VND 10 <sup>6</sup>	13,605	11,436	84.1%

## 2. Overview

- Despite numerous challenges during the 2020-2024 period, as outlined above, the Company focused on implementing its plans and achieved significant results, facilitating stable and sustainable development. In detail:
- Financial indicators: Maintained production and business activities with total revenue of VND 274.422 billion, accounting for 99.3% of the planned targets, and profit before tax of VND 11.436 billion, accounting for 84.1% of the planned targets.
- Production and business activities were managed in a focused, unified, and practical manner. The Company mobilized all resources to ensure technical management, quality control, and occupational safety in construction, testing, and consulting activities at various projects.
- During the 2020-2024 period, the Company continued to implement solutions for restructuring and reorganizing its organizational structure to meet market demands. Several functional departments were merged or renamed based on their specific functions and tasks, in conformity with practical requirements. Internal management regulations and policies were developed, revised, and supplemented.
- The Company strengthened efforts in marketing and bidding activities resulted in securing 238 contracts with total contract value of VND 283.65 billion.
- Capital raising basically met the requirements of production and business activities. Efforts in capital recovery, project acceptance, and settlement of outstanding debts were prioritized, leading to a gradual reduction in incomplete projects and liabilities over each reporting period.

## B. ORIENTATIONS AND TASKS FOR THE 5-YEAR PERIOD (2025-2029)

### 1. General objectives

- Review the strategy to diversify business sectors, expand consulting services to include design, supervision, and verification of transportation and urban tunnels; design, supervision, and verification of wind power, solar power, and energy storage projects; and topographic mapping activities. These efforts will align with market demands and the Company's strategic direction.



- Perform corporate restructuring to align with the new strategic orientation.
- Finalize and issue internal management regulations, address shortcomings from the 2020-2024 period to enhance business performance at projects, motivate employees, and ensure the Company's stability and development.
- Segment markets and categorize investors to develop appropriate marketing and bidding strategies.

## **2. Specific objectives**

- Maintain a strong presence in the traditional market for consulting services in hydropower construction in Vietnam and Laos, in line with the development strategy of Song Da Corporation - JSC, leverage the Company's reputation and existing relationships, particularly for projects where Song Da Corporation - JSC or its member units serve as the main contractor. Strengthen, expand, and develop consulting services for irrigation, renewable energy, and transportation infrastructure projects.
- Strive to become a leading contractor in construction consulting and foundation reinforcement in Vietnam and the ASEAN.
- Review investment opportunities to fully utilize the Company's office premises and review other investment projects to develop feasible investment plans in conformity with the Company's capabilities.

## **3. Key solutions**

### **3.1. Marketing, bidding, and market expansion**

- Continue to maintain a strong presence in the traditional market for consulting services in hydropower construction in Vietnam and Laos, in line with the development strategy of Song Da Corporation - JSC. Strengthen, expand, and develop consulting services for irrigation, renewable energy, and transportation infrastructure projects.
- Further expand traditional markets by fully leveraging mobilized resources, investments, and workforce, based on the Company's reputation and existing relationships, particularly for projects where Song Da Corporation - JSC or its member units serve as the main contractor.
- Review the strategic development plans of the electricity and transportation sectors nationwide to engage with and select projects suitable to the Company's capabilities.
- Seek strategic partners, major economic groups, and large corporations, especially foreign partners with strong expertise in construction, to collaborate in implementing projects in form of the EPC (Engineering, Procurement, and Construction).
- In the Company's core strength of hydropower project design consulting,



enhance participation in joint ventures and collaborations with units within Song Da Corporation - JSC, Vietnam Electricity (EVN), and other domestic and international partners to engage in investments and undertake various tasks in neighboring countries with hydropower demand and potential, such as Laos and Cambodia. This will help establish customer relationships, develop the brand, build connections with sponsors, and gain expertise.

- Participate in consulting for irrigation and hydropower projects in regional countries such as Laos, Cambodia, etc.
- Strengthen and develop a bidding and marketing apparatus from the Company to its units to participate in bidding for projects. Build a network of potential customers, maintain credibility with existing clients, and select partners for each market segment.
- Direct units to continue developing standardized management and construction processes to achieve competitive pricing. Enhance training for project management staff, with a particular focus on improving English proficiency for managers. Foster close coordination among units to support each other during the bidding process.
- The Company and its member units will develop and implement market development strategies for production and business activities based on the core business sectors of each unit to ensure production expansion and job creation for employees.
- Pursue cooperation and joint ventures with major domestic and international contractors to participate in bidding for contracts in Laos, with a view to expanding into other countries.

### *3.2. Recovery of outstanding sums and liabilities*

Implement solutions to accelerate the acceptance and payment processes to recover capital and minimize outstanding sums. In detail:

- For completed projects: Allocate resources to work with contractors and investors to finalize settlements once conditions are met.
- For ongoing projects: Focus manpower on expediting the completion of acceptance documents and payment processes to decisively recover capital for outstanding work volumes.

### *3.3. Finance and credit operations*

- Develop and enhance financial resources by diversifying capital mobilization channels to ensure sufficient capital for the Company's production, business, and investment activities.



- The Company and its subordinate units must consistently implement cost-saving measures, particularly in general and overhead expenses.
- Focus on capital recovery for major projects, address outstanding issues in the acceptance and payment processes for projects facing significant challenges, incomplete work volumes, and large liabilities.
- Emphasize accurate accounting for production and business activities, strictly manage production costs and general and overhead expenses to ensure efficient operations and capital accumulation for development.
- Analyze the economic performance of member units, with a particular focus on identifying and implementing solutions for units experiencing losses or underperformance.
- Ensure transparency in information disclosure and cost saving across all production stages to enhance business performance, increase income, and attract highly skilled labor.

#### *3.4. Internal management*

- Develop and refine regulations for task allocation and cost management that align with the management model and practical requirements of each unit; promptly issue allocation ratios for new additional tasks.
- Establish inspection teams to guide subordinate units in managing materials, machines, equipment, cost accounting, and implementing internal management regulations.
- Continue periodic (quarterly and annual) analysis of business performance, as well as upon project completion; conduct inspections in accordance with task allocation and settlement regulations to address management shortcomings.

#### *3.5. Technical, technological, quality, and occupational safety operations*

- Direct all units within the Company to perform consulting tasks with high quality and in accordance with the agreed timelines with investors and partners.
- Recruit additional qualified engineers and graduates with strong expertise to enhance the quality of investment project preparation, design, surveying, and testing, in accordance with the Company's integration and development requirements.
- Strengthen inspections and supervision to ensure the quality of consulting products. Effectively implement occupational safety and labor protection measures at construction sites.
- Continue implementing plans to research and apply scientific and technological advancements to consulting products to enhance competitiveness and bid for projects with high technical and aesthetic requirements.
- Continuously raise awareness of the role of science and technology in production and business development: Science and technology must become a driving force for the Company's growth, play a central role in improving labor

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productivity and product quality, significantly contribute to the Company's sustainable development and growth strategy.

- Restructure the organizational system, provide training, and enhance the expertise of technical and technological management staff to lay the foundation for research and technological innovation activities.

### *3.6. Human resource development*

- To ensure sufficient human resources, the Company and its subordinate units must develop a comprehensive human resource development strategy, covering recruitment, utilization, training, evaluation, and remuneration.
- Establish incentive policies, motivation mechanisms, and specific remuneration packages (including salaries, working conditions, career advancement opportunities, and other benefits), with a breakthrough in salary structures for employees and managers to retain and attract highly skilled workers and talented professionals.
- Effective personnel planning is required to develop a high-quality workforce capable of competing in an integrated environment. In the short term, focus on training key managerial and technical staff with sufficient expertise (in management, technical skills, and English proficiency) and skilled workers to manage and implement projects abroad.
- Restructure the workforce to streamline indirect management structures at the Company and its subordinate units. Enhance personnel management through performance-based evaluations.
- Foster a professional working manner, a positive lifestyle, and a healthy corporate culture, emphasizing culture in leadership, management, business operations, communication, and interactions within the Company.

### *3.7. Risk management*

- Issue risk control procedures for the Company's production and business activities.
- Establish quarterly internal inspection teams to work with units, analyze and evaluate risks, provide warnings about potential risks in production and business activities, and implement solutions to mitigate risks.

### *3.8. Investment operations*

In the coming years, the global and domestic economic situation is expected to remain challenging and complex, making capital raising for investment difficult. Additionally, the Company's financial capacity is still limited. Therefore, the Company's investment operations are oriented as follows:

- Balance production and business tasks, determine the quantity of machinery and equipment needed for investment, and prioritize investments in advanced and modern equipment to meet the requirements for production and



business development.

### **C. Recommendations**

The Board of Directors of Song Da Consulting Joint Stock Company respectfully submits the orientations and tasks for the 5-year period (2025-2029) to the 2025 Annual General Meeting of Shareholders for review and approval.

We sincerely hope that the valued shareholders attending the General Meeting will review and approve these recommendations, enabling the Board of Directors to continue leading, managing, and operating the Company with greater efficiency, and building Song Da Consulting Joint Stock Company toward sustainable development.

Best regards,

#### ***Recipients:***

- Song Da Corporation – JSC;
- The Company's Party Committee;
- The Board of Directors; Board of Supervisors;
- The Chief Executive Officer, Vice Chief Executive Officers;
- Departments and subordinate units;
- The securities team of the Company;
- Company's website;
- Archives: The Technical Economics Department, the Organization and Human Resource Department.

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#### **ON BEHALF OF THE GENERAL MEETING OF SHAREHOLDERS CHAIRMAN**



**Phạm Văn Mạnh**

*me*





SONG DA CONSULTING JOINT STOCK  
COMPANY  
BOARD OF SUPERVISORS

SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

No.: 02/BC-BKS

Hanoi, April 21<sup>st</sup>, 2025

**REPORT OF THE BOARD OF SUPERVISORS  
TO THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

To: The 2025 Annual General Meeting of Shareholders  
of Song Da Consulting Joint Stock Company

- Pursuant to Law on Enterprises No. 59/2020/QH14 dated June 17<sup>th</sup>, 2020 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Regulations on the Organization and Operation of the Board of Supervisors of the Company;
- Pursuant to the Resolution of the 2024 Annual General Meeting of Shareholders;
- Pursuant to the Report on business performance for 2024, the 2024 Financial statements audited by UHY Auditing and Consulting Co., Ltd., and other documents related to the Company's production and business activities.

In accordance with the functions and duties of the Board of Supervisors as stipulated by the Law on Enterprises and the Charter of Song Da Consulting Joint Stock Company, the Board of Supervisors respectfully submits the report on its performance for 2024 to the General Meeting as follows:

**I. Evaluation of the implementation of the Resolution of the 2024 General Meeting of Shareholders**

**1. Key targets**

We agree on the data on the business results for 2024 submitted by the Board of Directors to the General Meeting, as follows:

No.	Items	Unit	Annual plan	Annual performance	Percentage of completing plan
1	Total production and business value	VND 10 <sup>6</sup>	56,300	67,369	119.7%
2	Total revenue	VND 10 <sup>6</sup>	53,776	72,205	134.3 %
3	Profit				
-	Profit before tax	VND 10 <sup>6</sup>	2,515	2,547	101.3%
-	Profit after tax	VND 10 <sup>6</sup>	2,012	1,955	97.2 %



4	Payment to the budget	VND 10 <sup>6</sup>	6,634	5,694	85.8 %
5	Charter capital	VND 10 <sup>6</sup>	26,097	26,097	100.0%
6	Equity	VND 10 <sup>6</sup>	50,089	50,152	100.1%

According to the Board of Supervisors, 2024 continued to be a challenging year for businesses in the construction sector, particularly in domestic hydropower construction. However, the Company made significant efforts to unite and strive, actively seek solutions to expand bidding for overseas hydropower projects, achieve and surpass most of the key targets set for 2024. In detail:

- The total production value reached VND 67.369 billion, equivalent to 119.7% of the annual plan, of which, the proportion of design consulting activities accounted for 22.2%, surveying and drilling/grouting activities accounted for 60.6%, testing activities accounted for 13.8%, and other business activities accounted for 3.4% of the total production value achieved in the year.

- Total revenue reached VND 72.205 billion, equivalent to 134.3% of the annual plan, as the Company made efforts in project acceptance and payment processes, reducing the value of incomplete production and business activities by VND 8.278 billion compared to the beginning of the year.

- Profit before tax reached VND 2.547 billion, equivalent to 101.3% of the annual plan. However, the profit achievement rate was lower than the revenue achievement rate (134.3%) due to the following reason: The Company's most profitable activity as design consulting, accounted for only 19.5% of total sales in 2024, while less profitable activities, such as surveying, drilling/grouting, and testing, contributed 77.6% of total sales. This led to a profit achievement rate that was not proportionate to the revenue achievement rate.

- Payment to the State budget reached VND 5.694 billion, equivalent to 85.8% of the annual plan, primarily because revenue earned in Laos amounted to VND 38.4 billion, accounting for 53.5% of the Company's 2024 sales. The proportion of revenue from overseas activities, subject to 0% VAT rate, was higher than anticipated during the planning phase, resulting in the Company's failure to meet this target.

## 2. Review of financial statements and accounting data

### 2.1. Some key indicators in the balance sheet as of December 31<sup>st</sup>, 2024

Unit: VND

Items	Ending balance	Beginning balance
• Total assets	80,465,433,010	86,774,352,845
- Current assets	61,849,797,321	72,462,361,323



- Non-current assets	18,615,635,689	14,311,991,522
• <b>Total capital resources</b>	<b>80,465,433,010</b>	<b>86,774,352,845</b>
- Liabilities	30,313,809,551	36,673,364,211
- Equity	50,151,623,459	50,100,988,634



**2.2. Some indicators in the 2024 income statement are as follows**

Unit: VND

Items	Ending balance	Beginning balance
- Total revenue	72,205,016,434	52,371,588,481
- Cost	69,658,242,006	50,061,546,242
- Accounting profit before tax	2,546,774,428	2,310,042,239
- Current corporate income tax expenses	591,315,603	489,796,683
- Profit after corporate income tax	1,955,458,825	1,820,245,556

**2.3. Comments on the preparation of financial statements**

- The Company has complied with the requirements of current Vietnamese Accounting Standards and the Corporate Accounting System in organizing accounting activities, preparing and circulating accounting documents, recording transactions, and preparing financial statements.

- The accounting system, applied accounting policies, and presentation of financial statements are consistent with the Corporate Accounting System as stipulated in Circular 200/2014/TT-BTC on guidelines for corporate accounting system, in accordance with Vietnamese Accounting Standards issued by the Ministry of Finance.

- The 2024 financial statements were audited by UHY Auditing and Consulting Co., Ltd. Upon review, the Board of Supervisors agrees with the auditor's assessment that the financial statements of Song Da Consulting Joint Stock Company as of December 31<sup>st</sup>, 2024, provide a true and fair view of, in all material respects, the financial position of the Company and comply with regulations on the preparation and presentation of financial statements.

**2.4. Analysis of key financial indicators**

Items	Unit	2024	2023	Difference
<b>• Liquidity indicators</b>				
- Current ratio (Current assets / Current liabilities)	Times	2.45	2.19	0.26
- Quick ratio ((Current assets - Inventory) / Current liabilities)	Times	2.03	1.62	0.41
<b>• Capital structure indicators</b>				
- Debt-to-total capital ratio	Times	0.38	0.42	-0.05



Items	Unit	2024	2023	Difference
- Debt-to-equity ratio	Times	0.60	0.73	-0.13
• <b>Performance indicators</b>				
- Net revenue / Total assets	%	89.4	59.4	29.90
- Inventory turnover	Times	3.21	2.01	1.20
- Receivables turnover	Times	1.18	0.92	0.26
• <b>Profitability indicators</b>				
- Net profit after tax / Net revenue	%	2.72	3.53	-0.81
- Net profit after tax / Total assets (ROA)	%	2.43	2.10	0.33
- Net profit after tax / Equity (ROE)	%	3.90	3.63	0.27

Based on the financial analysis indicators as of December 31<sup>st</sup>, 2024, the Board of Supervisors provides the following assessment:

- Liquidity indicators: The liquidity ratios have improved compared to the previous year and remain above 2, indicating that the Company maintained a high capacity to meet its short-term obligations.
- Capital structure indicators: Debt-to-total capital ratio and Debt-to-equity ratio have decreased compared to the previous year, reflecting an enhanced ability of the Company to self-finance. A debt-to-equity ratio below 1 demonstrates the Company's financial safety in capital mobilization.
- Performance indicators: The net revenue-to-total assets ratio, inventory turnover, and receivables turnover in 2024 all increased compared to 2023, indicating improved efficiency in generating revenue from assets. The Company has made significant efforts to shorten the time for project acceptance, payment, and debt recovery, thereby enhancing capital use compared to the previous year.
- Profitability indicators: The ratio of net profit after tax to net revenue decreased, but the ratio of net profit after tax to total assets and ratio of net profit after tax to equity both increased compared to the previous year.

Based on the analysis of the above indicators, the Board of Supervisors assesses that as of December 31<sup>st</sup>, 2024, the Company maintained a high liquidity, ensured sufficient cash flow for production and business activities, made timely salary payments to employees, fulfilled obligations to the State, and preserved capital for shareholders.

## **II. Evaluation of the performance of the Board of Directors and the Chief Executive Officer**



## 1. Achievements

- In 2024, the Board of Directors and the Chief Executive Officer fulfilled their management and operational duties within the framework of current legal provisions, in accordance with the Laws, the Company's Charter, and internal regulations. The Board of Supervisors found no irregularities in the activities of the Board of Directors, the Chief Executive Officer, or managers of the Company.

- The Board of Directors held quarterly meetings as scheduled, with meeting procedures conducted in accordance with the Company's Charter. Resolutions of the Board of Directors achieved high consensus among members and were issued within the scope of their functions and authority as stipulated by the laws and the Company's Charter.

- The Chief Executive Officer implemented the Company's production and business activities in line with the directions set by the resolutions of the General Meeting of Shareholders and the decisions of the Board of Directors. The Chief Executive Officer's management activities were consistent with their functions, duties, and authority as prescribed.

- The Company strictly adhered to corporate governance and financial management regulations. The signing and performance of economic contracts were carried out in accordance with the laws and current regulations. Accounting management and bookkeeping complied with Vietnamese accounting standards, the accounting system, current State regulations, and the Company's internal regulations.

- In 2024, the Company signed 54 contracts and 15 contract appendices with a total value of VND 48.7 billion. Additionally, the additional value generated from the drilling/grouting contract at the Nam Phak Hydropower Project, amounting to VND 18 billion, contributed to exceeding the 2024 production and business plan and fulfilling approximately 20% of the 2025 production and business plan.

- In 2024, the Company effectively managed project acceptance, payment, and debt recovery. Ending inventory decreased by VND 8.3 billion, and accounts receivable from customers decreased by VND 2.6 billion compared to the beginning of the year. The Company also fully recovered the principal of other debts from Viet Lao Power Joint Stock Company, maintained sufficient cash flow for production and business activities, fulfilled obligations to employees, the State, and shareholders. There were no overdue debts to tax authorities, social insurance agencies, or banks, and the Company completed the payment of 2022 dividends to shareholders.

## 2. Shortcomings



- In 2024, the testing sector underwent a significant shift from traditional testing for hydropower projects to testing for transportation infrastructure projects. However, the design sector faced difficulties in finding a suitable direction amid the shrinking domestic hydropower project market, resulting in a lack of employment for the design consulting sector.

- Despite numerous measures and efforts in capital recovery, the value of ending inventory and accounts receivable from customers as of December 31<sup>st</sup>, 2024, remained high. Specifically, inventory stood at VND 10.639 billion, and accounts receivable from customers amounted to VND 69.7 billion, with many customers having high debt aging, requiring provisions for doubtful debts, which reduced the Company's asset value.

- The parent company took measures to rectify the operations of Song Da Urban and Rural Development Joint Stock Company. However, the subsidiary operated inefficiently, with accumulated losses as of December 31<sup>st</sup>, 2024, reaching VND 1.898 billion, equivalent to -75.92% of its charter capital, requiring provisions for diminution of investment in the subsidiary.

- The Company's internal regulation system is relatively comprehensive, but some regulations are outdated and need revisions or updates to align with new State regulations.

### **3. Recommendations of the Board of Supervisors to the Board of Directors and the Chief Executive Officer**

- The Company is recommended to intensify marketing efforts, bidding activities, joint ventures, and partnerships to expand markets, ensuring employment for employees, achieving the financial year's planned targets, and securing employment for subsequent years.

- Enhance cost and expense management by regularly inspecting and monitoring the implementation of internal cost allocation regulations and management cost estimates, rationally allocating human resources, applying cost-saving measures, and reducing production costs to ensure the fulfillment of the assigned profit plan.

- Strengthen risk management throughout the contract process, from negotiation and performance to acceptance, payment, and contract finalization.

- Increase inspection and oversight of subordinate units. Assign production and financial plans, as well as management cost estimates, to these units, and conduct periodic reviews of plan implementation to identify reasons for non-fulfillment or cost overruns, thereby implementing timely corrective measures.

- The Board of Directors and the Chief Executive Officer are urged to adopt more decisive measures in project acceptance, payment, and debt recovery to reduce outstanding workload and liabilities compared to the beginning of the year. Regularly review and classify debt aging, assign specific personnel to

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monitor each receivable to expedite timely collection, prevent overdue debts, and avoid increases in debt aging. Ensure provisions are made in accordance with regulations to safeguard future financial periods.

- The Company is advised to continue reviewing, revising, and supplementing internal management regulations in accordance with legal provisions and the Company's Charter, thereby enhancing corporate governance efficiency.

- The Board of Directors and the Chief Executive Officer are requested to study and reorganize the production management structure to suit the current scale of the enterprise.

- Prioritize recruitment and training of human resources, with particular emphasis on foreign language training to ensure sufficient personnel for performing contracts signed with partners for projects both domestically and internationally, while meeting the Company's development needs in the new context.

- Strengthen management, inspection, and supervision of the Company's capital representatives at Song Da Urban and Rural Development Joint Stock Company to ensure effective production and business operations.

### **III. Report on the activities of the Board of Supervisors**

#### **1. Activities and operations of the Board of Supervisors in 2024**

In 2024, the Board of Supervisors carried out its activities in accordance with its functions and duties as stipulated by the Law on Enterprises, the Company's Charter, and the Regulations on the Organization and Operation of the Board of Supervisors.

Members of the Board of Supervisors received remuneration as approved by the General Meeting of Shareholders, with operational expenses of the Board of Supervisors recorded as a part of the Company's overhead expenses.

In 2024, the Board of Supervisors held four meetings to approve its report to the General Meeting of Shareholders, adopt its operation plan, and review quarterly reports on its operations.

The Board of Supervisors developed a working plan and conducted regular oversight of the Company's activities. During its operations, the Board of Supervisors consistently coordinated and exchanged information via email and telephone to ensure timely, continuous, and effective operations. The inspection and oversight activities in 2024 focused on the following areas:

- Monitor the management and operation of production and business activities by the Board of Directors, the Chief Executive Officer, and managers of the Company.

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- Oversee the implementation of the General Meeting of Shareholders' resolutions, compliance with the Company's Charter, and State legal policies by the Board of Directors, the Chief Executive Officer, and functional departments. Review the issue and performance of the Board of Directors' resolutions and the appropriateness of the leadership's decision-making authority.

- Review accounting practices, preparation of quarterly financial statements, and periodic inventory reconciliation and processing by the Company and its subordinate units.

- Regularly monitor the progress of production and business plans and debt recovery.

- Prepare reports assessing the implementation of key targets approved by the General Meeting of Shareholders' resolutions, assessing the Company's financial position through the review of audited financial statements and annual reports, analyzing key financial indicators, and providing comments and recommendations.

- Attend meetings of the Board of Directors and the Company's regular briefings to stay informed about production and business activities, the implementation of strategic directions, and the progress of targets approved by the General Meeting of Shareholders. During these meetings, the Board of Supervisors provided feedback on issues requiring attention in the Company's operations.

- Monitor the Company's compliance with information disclosure regulations.

- Perform other tasks as stipulated by the Regulations on the Organization and Operation of the Board of Supervisors.

Throughout performance of its duties, the Board of Supervisors was provided with comprehensive information on the Company's production, business, and financial position. It received support and facilitation from the Board of Directors, the Chief Executive Officer, and the Company's departments, enabling the Board of Supervisors to fulfill the tasks assigned by the General Meeting of Shareholders.

In 2024, the Board of Supervisors received no complaints from shareholders regarding the management and operations of the Board of Directors or the Chief Executive Officer.

## **2. Operation plan of the Board of Supervisors for 2025**

- Regularly monitor the implementation of the General Meeting of Shareholders' resolutions, compliance with the Company's Charter, and State legal policies by the Board of Directors, the Chief Executive Officer, and functional departments.



- Review the issue of the Board of Directors' resolutions, the appropriateness of the Management's decision-making authority, and monitor the Chief Executive Officer's implementation of these resolutions.

- Attend meetings of the Board of Directors and the Company's regular briefings, maintain close coordination with the Board of Directors, the Chief Executive Officer, and the Company's departments.

- Review revenue, expenses, costs, receivables, and quarterly accounting practices at the Company and its subordinate units.

- Review income statements, audited financial statements, and annual reports submitted to the Board of Directors and presented to the Annual General Meeting of Shareholders.

- Review the signing and performance of economic contracts, compliance with State legal policies, parent company regulations, the Company's Charter, and internal regulations in production and business activities.

- Review the implementation of recommendations from inspection teams and independent auditors.

- Provide comments on the issue and revision of internal management regulations to align with legal provisions and the Company's Charter.

- Perform other tasks as stipulated by the Regulations on the Organization and Operation of the Board of Supervisors.

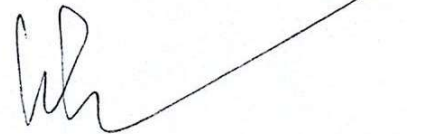
The above is the report on the performance of the Board of Supervisors of Song Da Consulting Joint Stock Company in 2024 and its operation plan for 2025.

Respectfully submitted to the General Meeting of Shareholders for approval.

***Recipients:***

- As above;
- The State Securities Commission;
- Hanoi Stock Exchange;
- Company's website;
- Archives: The Board of Supervisors.

**ON BEHALF OF BOARD OF SUPERVISORS  
HEAD**



**Bui Thi Kim Khanh**





**SONG DA CONSULTING JOINT  
STOCK COMPANY  
BOARD OF SUPERVISORS**

No.: 01/TTr-BKS

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

Hanoi, April 21<sup>st</sup>, 2025

**PROPOSAL**

**On the selection of an independent auditing firm to audit the Financial statements for 2025**

To: The 2025 Annual General Meeting of Shareholders of Song Da Consulting Joint Stock Company

*Pursuant to Law on Enterprises No. 59/2020/QH14 dated June 17<sup>th</sup>, 2020;*

*Pursuant to the Charter of Song Da Consulting Joint Stock Company.*

The Board of Supervisors respectfully submits the proposal on the selection of an auditing firm to audit the Financial statements for 2025 of Song Da Consulting Joint Stock Company to the General Meeting of Shareholders, as follows:

**1. Criteria for selecting an Independent auditing firm**

- The auditing firm must be a reputable independent auditor, permitted by the State Securities Commission of Vietnam and the Ministry of Finance to audit public companies and listed organizations.
- The firm must have honest experts and a team of auditors with high qualifications and extensive experience in auditing financial statements.
- The firm must have no conflicts of interest when auditing the financial statements of Song Da Consulting Joint Stock Company.
- The firm must offer competitive and reasonable service fees.

**2. Recommendations of the Board of Supervisors**

In order to select an auditing firm that is capable of meeting the above criteria, the Board of Supervisors recommends the General Meeting of Shareholders to authorize the Board of Directors to select an auditing firm to audit the 2025 financial statements from the following auditing firms:

- UHY Auditing and Consulting Co., Ltd.
- A&C Auditing and Consulting Co., Ltd.
- International Auditing and Valuation Co., Ltd.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.

Best regards,

**Recipients:**

- The General Meeting of Shareholders;
- Archives: The Board of Supervisors.

**ON BEHALF OF BOARD OF SUPERVISORS**

**HEAD**

**Bui Thi Kim Khanh**