

**REPORT**  
**ON THE BOARD OF SUPERVISORS' ACTIVITIES IN 2025**  
**AND ACTIVITY PLAN FOR 2026**

**I. THE RESULTS OF BOARD OF SUPERVISORS' ACTIVITIES IN 2025**

**1. Activities of the Board of Supervisors in 2025**

The main activities of the Board of Supervisors carried out in 2025 are as follows:

- 1.1. Supervise the Board of Directors and General Director in the management and operation of the company;
- 1.2. Inspect the reasonableness, legality, honesty and prudence in the management and operation of production and business activities; the systematicity, consistency and appropriateness of financial accounting, statistics and financial reporting;
- 1.3. Monitor the financial situation, capital balance and cash flow management; operational efficiency and debt payment ability; capital usage, management and preservation, quarterly and 2025 production and business situation;
- 1.4. Supervise the implementation of the production and business plan according to the resolution of the 2025 General Meeting of Shareholders; Inspect/supervise the production and business activities of the Construction Management Boards through periodic financial management reports.
- 1.5. Conduct an assessment of the completeness, legality and honesty of the Company's business performance report, semi-annual financial report and 2025 financial report audited by UHY Auditing and Consulting Co., Ltd; report on assessment of the Board of Directors' management in 2025; submit the assessment report of the Board of Supervisors at the 2025 Annual General Meeting of Shareholders;
- 1.6. Conduct a review and assessment of the effectiveness and efficiency of the internal control system;
- 1.7. Propose to the Board of Directors measures to amend and supplement the organizational structure for management, supervision and operation of the Company's business activities;
- 1.8. Propose and recommend the General Meeting of Shareholders to approve the list of auditing firms approved to audit the Company's annual financial statements;
- 1.9. Participate in regular meetings of the Board of Directors and contribute your opinions at these meetings;
- 1.10. Exercise other rights and obligations as prescribed by the Law on Enterprises, the Company Charter and the Resolution of the General Meeting of Shareholders.

**2. The meetings of the Board of Supervisors in 2025**

No	Date	Contents
1	Meeting on April 10, 2025	<ul style="list-style-type: none"> <li>- Content: approval of the audit report on the 2024 financial statements, development of the Board of Supervisors' operational plan for 2025; approval of the Board of Supervisors' activity report for 2024 to be submitted to the General Meeting of Shareholders.;</li> <li>- Participant: 3/3</li> <li>- Voting rate: 100%</li> </ul>
2	Meeting on September 3, 2025	<ul style="list-style-type: none"> <li>- Content: Approval of the Board of Supervisors' performance report for the first 6 months of 2025; Deploying performance plan for the 4<sup>th</sup> quarter 2025;</li> <li>- Participant: 3/3</li> <li>- Voting rate: 100%</li> </ul>

In addition to formal and direct meetings as stipulated, the Board of Supervisors regularly exchanges opinions on work contents to ensure operational efficiency and cost savings.

**3. Salaries, remuneration and operation expenses of the Board of Supervisors and each member of the Board of Supervisors.**

- The salary and remuneration of the Board of Supervisors in 2024 was paid in accordance with the settlement approved by the 2025 Annual General Meeting of Shareholders in Resolution No. 01/2025/NQ-SD5-DHĐCĐ dated April 22, 2025.

- The salary and remuneration of the Board of Supervisors in 2025 was provisionally paid monthly and submitted for settlement at the 2026 Annual General Meeting of Shareholders.

- The operation expenses of the Board of Supervisors is in accordance with the Company's internal regulations;

**4. Evaluation of the Board of Supervisors' performance in 2025**

Acting on behalf of shareholders to oversee the company's production and business operations, and to supervise the activities of the Board of Directors and the Board of General Directors, the Board of Supervisors fully performed its duties and responsibilities as stipulated in the company's charter and relevant laws in 2025. The members of the Board of Supervisors worked with a high sense of responsibility, fulfilling the tasks and plans set by the Board of Supervisors for the year.

The activities of the Board of Supervisors and its members have complied with the regulations of the Board of Supervisors, the Company's Charter, and the Laws. The specific results of the Board of Supervisors' activities are summarized in the following items:

**II. RESULTS OF SUPERVISION ON THE IMPLEMENTATION OF PRODUCTION AND BUSINESS TARGETS IN 2025.**

No	Indicator	Unit	Plan	Performed	Rate
A	<b>TOTAL VALUE OF BUSINESS AND PRODUCTION</b>	10 <sup>9</sup> VND	2,046.87	3,566.34	174%
B	<b>FINANCIAL PLAN</b>				
I	<b>Sales</b>	10 <sup>9</sup> VND	2,040.38	3,615.16	177%
1	Revenue, income	10 <sup>9</sup> VND	1,986.13	3,551.40	179%
2	Output VAT	10 <sup>9</sup> VND	54.25	63.77	118%
II	<b>Profit</b>				
1	Profit before tax	10 <sup>9</sup> VND	30.92	34.73	112%
2	Profit after tax	10 <sup>9</sup> VND	23.11	23.76	103%
III	<b>Dividend</b>		7%	7%	100%
IV	<b>Ending Owner's equity</b>	10 <sup>9</sup> VND	479.91	481.58	100.3%
1	Charter capital	10 <sup>9</sup> VND	259.99	259.99	
	<i>Including: Capital contribution of Song Da Corporation</i>	10 <sup>9</sup> VND	166.82	166.82	
2	Share premiums	10 <sup>9</sup> VND	43.13	43.13	
3	Investment and development fund	10 <sup>9</sup> VND	143.06	143.06	
5	Other funds	10 <sup>9</sup> VND	10.6	10.6	
6	Retained earnings	10 <sup>9</sup> VND	23.13	24.80	107.2%
V	<b>Ending total assets</b>	10 <sup>9</sup> VND	1,867.72	1,388.36	74%
VI	<b>Ending receivables</b>	10 <sup>9</sup> VND	1,387.81	906.77	65%
	Debt to Charter Capital Ratio	time	5.34	3.49	
	Debt to Equity Ratio	time	2.71	1.88	
VII	<b>Investment cost</b>	10 <sup>9</sup> VND	99.26	12.4	13%

In 2025, the Company fulfilled and exceeded the targets approved by the Annual General Meeting of Shareholders in Resolution No. 01/2025/SĐ5-NQ-DHĐCĐ dated April 22, 2025, specifically as follows:

- Production: achieved 174% of the plan;
- Revenue: achieved 179% of the plan;

- Although the pre-tax and after-tax profit targets were met as approved by the General Shareholders' Meeting, they were not commensurate with the increase in production and revenue. This was due to the company making provisions for doubtful receivables from the Employer at the Bac Me Hydropower Project.

### III. MONITORING THE PERFORMANCE OF THE BOARD OF DIRECTORS

In 2025, the Company's Board of Directors worked with a high sense of responsibility, making timely decisions and directions, specifically as follows:

1. Directing the successful organization of the 2025 Annual General Meeting of Shareholders on April 22, 2025. The General Meetings were convened and organized in accordance with the procedures and regulations of the Law and the Company's Charter.
2. Organizing 04 regular Board of Directors meetings in accordance with regulations. The meetings were convened and organized in accordance with the procedures and regulations of the Law and the Company's Charter with the full participation of the members; the resolutions at the meetings were approved with 100% consensus.
3. The Board of Directors directed and closely monitored the progress and organization of construction at the construction sites, requested the Board of General Directors to timely report on the construction status, and speed up the progress of the key projects.
4. Actively directing the contract settlement process at various projects. As a result, settlements have been completed at the Nam Chien and Tuyen Quang hydropower projects, and six contract packages at the Hoa Phat Steel Complex Project in Quang Ngai. By December 31, 2025, several projects still have outstanding settlements, including Ban Ve HPP, Xekaman 3 HPP, and Bac Me HPP; some packages of Hoa Phat project; Tan My irrigation dam; Hoang Hai wind farm, etc.
5. Closely direct the collection of debts and unfinished value at the key projects, especially for large-value debts that are slow to be collected such as Hoa Phat and Bac Me, Nam Phak projects, etc. However, the value of debts and outstanding amount at the end of the year to be collected is still large, accounting for 76.76% of total assets.
6. Direct the General Director to analyze the results of production and business in the first 6 months and the year, and report the analysis results to the Board of Directors.
7. Direct the development of the plan for restructuring Song Da 5 Joint Stock Company for the period 2025 - 2030; Develop, amend and supplement internal management regulations and rules in accordance with legal regulations and meet management requirements.
8. In 2025, the Board of Directors issued a total of 46 resolutions and 15 decisions within its authority. Resolutions and decisions of the Board of Directors are issued within its authority, in accordance with the Company Charter and legal regulations. The Board of Directors closely monitors the implementation of issued resolutions and decisions through the General Director's periodic reports;
9. Directing the marketing and bidding work for job seeking, the results achieved in 2025 with the total value of signed bidding packages reaching 951.55 billion VND.
10. Directing the payment of dividends of 2023 on April 15, 2025 and dividends of 2024 before February 4, 2026.
11. The Board of Directors of the Company has prepared a report on the activities of the Board of Directors in 2025 and the 2026 operation plan to submit to the 2025 Annual General Meeting of Shareholders. In which, the report specifically assessed the Company's activities from the implementation of strategic orientation,

restructuring & corporate governance, investment work, job search bidding, cost management, health and safety and environment work. The report demonstrates the close direction and supervision of all aspects of production and business activities, in accordance with the reality, rights and obligations of the Board of Directors as stipulated in the Charter and in accordance with current legal regulations.

In summary, the activities of the Board of Directors in 2025 fully complied with the management regulations of Song Da Corporation - JSC, follow with the company charter and current legal regulations.

#### IV. MONITORING THE PERFORMANCE OF THE GENERAL DIRECTOR

Based on the Resolution of the General Meeting of Shareholders, the close direction and responsibility of the Board of Directors, the Board of General Directors has organized and implemented the 2025 business plan with high determination, despite the challenges of undertaking numerous small-scale projects and contracts both domestically and internationally, and the difficulties in mobilizing human resources and equipment. Specifically:

1. The company successfully implemented and completed 174% of the production plan (VND 3,566.34 billion/VND 2,046.87 billion); 179% of the revenue plan (VND 3,551.4 billion/VND 1,986.13 billion); 112% of the pre-tax profit plan (VND 34.73 billion/VND 30.92 billion); and 103% of the after-tax profit plan (VND 23.76 billion/VND 23.13 billion). The average income per employee reached VND 18.84 million/person/month, an increase of 20.9% compared to 2024.
2. Organize production and construction work at the site basically ensures safety, quality, and meets the progress targets signed with the investor and main contractor. Being trusted and highly appreciated by the investor and main contractor.
3. Organize capital arrangement to timely meet capital needs for production and construction work with competitive capital costs, for the intended purposes, maintain a rational financial structure, and maintain a high credit rating with banks and credit institutions.
4. Organize capital collection and debt recovery, reaching 121% of the plan (2,663 billion VND/2,208 billion VND). This helps maintain solvency, reduce outstanding bank credit, and meet capital needs for production and construction. However, accounts receivable and work-in-progress remain very high, accounting for 76.76% of total assets.
5. Organize and implement marketing, bidding activities, and job search efforts, with the total value of signed contracts in 2025 reaching VND 951.55 billion.;
6. Implement dividend payment for 2023 on April 15, 2025 according to the resolution of the Board of Directors; the dividend of 2024 is expected to be paid before February 4, 2026.
7. Complete obligations to the State Budget;

Within the limits of accessible documents and records, the Board of Supervisors found that the General Director's management activities regarding production and business in 2025 fully complied with internal management regulations, resolutions of the General Meeting of Shareholders, the Company's Charter and legal regulations, specifically:

- ✓ The decisions of the General Director were issued within the authority;

- ✓ Obligations to the State budget are fully and timely implemented;
- ✓ Policies for employees are promptly resolved in accordance with the provisions of the Law;
- ✓ The obligation to pay dividends to shareholders is implemented, although still slower than current regulations;
- ✓ Information disclosure obligations: Regular information is disclosed fully and promptly; some extraordinary information has not been disclosed fully and promptly; requested information is provided as requested.

## V. RESULTS OF MONITORING THE COMPANY'S FINANCIAL SITUATION

### 1. Financial report appraisal

After appraising the financial report ending on December 31, 2025 audited by A&C Auditing and Consulting Co., Ltd., the Board of Supervisors would like to report the appraisal results as follows:

#### 1.1. On implementation of accounting and financial reporting regime.

The Company applies Vietnamese accounting standards, the Vietnamese Enterprise Accounting System issued under Circular 200/2014/TT-BTC dated December 22, 2014, and other circulars guiding the implementation of accounting standards issued by the Ministry of Finance in the preparation and presentation of financial statements.

The Company's 2025 financial statements were prepared based on the selection and consistent application of appropriate accounting policies, reasonable assessments and estimates, and compliance with regulations, accounting standards, and the Vietnamese accounting system. Additional information not stipulated in the accounting standards is presented relatively clearly and fully in the notes to the financial statements.

#### 1.2. Regarding the figures in the 2025 financial report.

The Board of Supervisors agrees with the figures presented in the financial statements prepared as of December 31, 2025, which were audited by HUY Auditing and Consulting Company Limited. Accordingly, the Company's 2025 financial statements, in terms of material aspects, fairly and reasonably reflect the financial situation, business results and cash flows as of December 31, 2025.

*(The consolidated balance sheet figures as of December 31, 2025 are as follows:)*

No.	Indicators	Ending Balance	Beginning Balance
<b>I</b>	<b>Total assets</b>	<b>1,388,358,412,576</b>	<b>1,596,792,425,753</b>
1	Current assets	991,460,735,445	1,304,746,152,141
2	Long-term assets	396,897,677,131	292,046,273,612
<b>II</b>	<b>Total capital</b>	<b>1,388,358,412,576</b>	<b>1,596,792,425,753</b>
1	Liabilities	906,770,579,765	480,432,367,051

2	Equity capital	481,587,832,811	1,116,360,058,702
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*(Details are included in the audited financial report for 2025)*

## 2. Evaluation of the Company's financial situation.

Indicators	2023	2024	2025
<b>A. Profitability ratio</b>			
1. ROS (Operating profit/Net sales)	0.93%	1.01%	0.73%
2. ROA (Net Income/Average total asset)	1.29%	1.53%	1.59%
3. ROE (Net Income/Owners' Equity)	4.41%	4.92%	4.93%
<b>B. Solvency ratio</b>			
4. Liquidity ratio	0.097	0.178	0.275
5. Quick Ratio	0.91	0.903	0.689
6. Current Ratio	1.31	1.333	1.207
<b>C. Financial Ratio Reflects Capital Structure</b>			
7. Debt ratio (Total liabilities/Total assets)	0.68	0.699	0.653
8. Debt to Equity Ratio	2.13	2.32	1.88
9. Current assets/current liabilities ratio	0.76	0.75	0.83
<b>D. Capital Preservation and Growth</b>			
10. Capital Preservation Ratio	1.008	1.005	1.002

- In 2025, the net profit margin/revenue ratio reached only 0.73%, the lowest in the previous 10 years. This was due to the company's accounting for and provision for doubtful receivables from the Employer of Bac Me Hydropower Project.

- ✓ The solvency ratios at the end of 2025 show that the Company's current solvency has decreased compared to 2023 and 2024. However, the Company's solvency is still assured.
- ✓ The ratios reflecting the capital financing structure remain within appropriate limits and have improved compared to 2023 and 2024 due to the Company minimizing outstanding credit debt.
- ✓ Capital utilization has essentially only reached the preservation level; there has been no accumulation or development of the Company's capital sources.

*(Note: The above ratios are only relevant at a specific point in time. With a large proportion of work-in-progress and accounts receivable, the recovery of work-in-progress and accounts receivable is crucial to the Company's financial situation.)*

## VI. RESULTS OF INSPECTION AND MONITORING OF THE IMPLEMENTATION OF CONTRACTS AND TRANSACTIONS WITH RELATED PERSONS.

In 2025, the Company signed two construction contracts with its shareholder - Song Da Corporation – JSC (parent company), specifically as follows:

- Contract No. 23/2025/TAMR/TCTSD - SD5 dated July 22, 2025, for the construction of the power plant - Song Da part of works at Tri An Hydropower Plant Expansion Project between Song Da Corporation and Song Da 5 JSC (Estimated contract value: VND 228.7 billion; contract form: fixed unit rate and adjustable unit rate, ...)

- Contract No. 54/2025/TQ/TCTSD - SD5 dated November 28, 2025, for the construction of the package: remedy the problems of the reinforcement downstream of Tuyen Quang Hydropower Plant after the 2025 rainy season between Song Da Corporation and Song Da 5 JSC (Price Estimated contract value: VND 200 billion; contract type: fixed unit rate).

The above contracts have been approved by the Company's Board of Directors, in accordance with the charter and legal regulations, with a 5/5 vote of approval from the BOD members; Regarding contract price: Public bidding was conducted, in line with market prices; Information disclosure: Information is disclosed in the 2025 management report.

## **VII. EVALUATION OF COORDINATION BETWEEN THE BOARD OF SUPERVISORS WITH THE BOARD OF DIRECTORS, BOARD OF GENERAL DIRECTORS AND SHAREHOLDERS.**

1. The coordination of activities between the Board of Supervisors, the Board of Directors, the Board of General Directors and Shareholders was carried out on the principle of stability and sustainable development of the Company, ensuring the rights of Shareholders in accordance with the provisions of the Laws and the Company's Charter.
2. In 2025, the Board of Supervisors closely coordinated with the Board of Directors and the Board of General Directors in performing assigned functions and tasks. The Board of Directors and the Board of General Directors created favorable conditions for the Board of Supervisors to perform their tasks, promptly providing information and documents related to the Company's operations.
3. The Board of Supervisors has closely coordinated with the Board of Directors and the Board of General Directors in the inspection and supervision work at affiliated units as well as at the company's executive management boards to take timely measures to handle existing problems in order to improve the efficiency and effectiveness of management, ensuring full compliance with internal management regulations and current regulations of the Law.
4. The Board of Supervisors fully participated in the meetings of the Board of Directors; The opinions of the Board of Supervisors at the meetings had been considered and implemented by the Board of Directors and the Board of General Directors to ensure the benefits of the Company.
5. The Board of Supervisors supervised the preparation of quarterly financial reports and annual reports, coordinated well with the Board of Management in providing financial information and information on production and business results to competent state agencies and shareholders;
6. In 2025, the Board of Supervisors did not receive any claims from shareholders.

## **VIII. RECOMMENDATIONS OF BOARD OF SUPERVISORS**

1. The company needs to strengthen and develop risk management solutions for accounts receivable, risks of reduced production and revenue at construction sites, and reliably and reasonably assess work-in-progress in accordance with work-in-progress production costs.
2. The company is requested to urgently finalize the settlement of the Bac Me HPP, Xekaman 3 HPP, Tan My Irrigation, Song Cho 1 Reservoir Project, and several packages at the Hoa Phat Steel complex project in Quang Ngai.
3. Operating efficiency has been on a downward trend and is currently at its lowest level in 10 years. Therefore, the Company is requested to conduct a detailed analysis of business performance on a project-by-project basis to identify root causes and propose solutions to enhance overall operating efficiency.

#### **IX. OPERATION PLAN OF BOARD OF SUPERVISORS IN 2026**

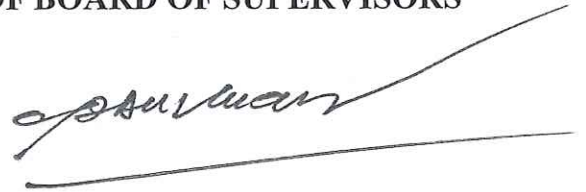
With the functions and tasks of the Board of Supervisors and based on the Company's production and business directions and tasks in 2026, the Board of Supervisors develops and submits to the General Meeting of Shareholders the 2026 operation plan as follows:

1. Supervise the activities of the Board of Directors and General Director in 2026 in the following tasks: (Management and operation of Song Da 5 Joint Stock Company; Exercise the rights and obligations of the Board of Directors and General Director in accordance with the provisions of the Law and the Company's Charter; Organization and implementation of resolutions of the General Meeting of Shareholders; Issuance of resolutions and decisions of the Board of Directors and organization of implementation to ensure enforcement and compliance with the Law, the Company's Charter, and resolutions of the General Meeting of Shareholders).
2. Supervise the financial situation, balance of capital and cash flow; operational efficiency and debt payment ability; capital usage, management and preservation; implementation of quarterly production and business plans in 2026;
3. Inspect and supervise the implementation of economic contracts in 2026 and related years (if required).
4. Review the financial statements as of December 31, 2025, semi-annual financial statements of 2026; Review documents and reports of the Board of Directors in 2026;
5. Prepare and submit the Board of Supervisors' activity report for 2025 at the 2026 General Meeting of Shareholders;
6. Continue to inspect and evaluate the company's internal control system in conjunction with the management of production and business costs, management of construction contracts, subcontracts and procurement contracts for materials and equipment, including: (Inspecting and evaluating the organizational model of functional departments, project management boards; Inspecting the issuance and implementation of regulations on decentralization and delegation of authority from the Board of Directors, the General Director and the managers of the Management Boards; Inspecting and evaluating the issuance and implementation of regulations

on management of specialized fields (Procurement regulations; import - export; contract settlement; ...)

7. Review the existing issues in the management of account receivables, management of unfinished output, especially for overdue receivables and unfinished volume values at completed projects but not yet settled;
8. Review the assessment of production and business efficiency at a number of key projects including: Hoa Phat Steel Complex Project in Quang Ngai; Nam Phak Hydropower Project, Song Cho 1 Reservoir Project.
9. Organize regular and ad hoc meetings of the Board of Supervisors to implement control tasks in 2026.
10. Check and control accounting documents and accounting records in 2026 and related years (if required).
11. Participate in regular meetings of the Board of Directors and give comments at the meetings;
12. Other tasks according to the functions and tasks of the Board of Supervisors.

**FOR AND ON BEHALF OF BOARD OF SUPERVISORS  
HEAD OF BOARD OF SUPERVISORS**



**Pham Quang Tuan**