

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

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**ANNUAL REPORT**  
**YEAR OF 2024**  
**VNECO1 ELECTRICAL CONSTRUCTION JOINT STOCK COMPANY**



*Da Nang, day 05 month 04 year 2025*

Appendix IV  
ANNUAL REPORT

(Attached to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Minister of Finance)

VNECO1 ELECTRICITY  
CONSTRUCTION JOINT-  
STOCK COMPANY

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No : 29/BCTN-VNECO1

THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom – Happiness

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Da Nang, day 06 month 04 year 2025

ANNUAL REPORT  
(Year of 2024)

To: - The State Securities Commission  
- HaNoi Stock Exchange

**I. General Information**

**1. General Information**

- Name of listing company: VNECO1 ELECTRICITY CONSTRUCTION JOINT-STOCK COMPANY

- Enterprise Registration Certificate No: 0400447064

- Charter capital : 60.000.000.000

- Owner's Investment Capital: 60.000.000.000

- Address of headoffice : 489 Nguyen Luong Bang, Hoa Hiep Nam Ward, Lien Chieu District, Da Nang City

- Telephone : 0236.377.2006

- Fax number : 0236.377.2006

- Website : vneco1.com.vn

- Securities code : VE1

**Formation and Development Process**

Formation and Development Process: VNECO1 Construction Joint Stock Company, formerly known as Construction Electricity Joint Stock Company 3.1, was established by Decision No. 158/2004/QĐ-BCN on December 6, 2004, by the Minister of the Ministry of Industry, transitioning from the former Electricity Construction Company 3.1 into Construction Electricity Joint Stock Company 3.1. On March 20, 2006, the company was renamed to VNECO1 Construction Joint Stock Company under Decision No. 54 QĐ/XLDD3.1-HĐQT by the Board of Directors of Electricity Construction Joint Stock Company 3.1. The company was granted a business registration certificate by the Department of Planning and Investment of Da Nang City, with the first registration number 3203000512 on December 31, 2001, and its seventh amendment on June 17, 2020.

- Listing: The company listed its shares on the Hanoi Stock Exchange on September 4, 2008.

**2. Business Sectors and Business Area:**

• Business Sectors:

- Manufacturing equipment and accessories
- Mining stone, sand, gravel, and other types of building materials
- Wholesale of stone, sand, gravel, and other building materials
- Real estate development, infrastructure construction for urban areas, industrial zones, export processing zones, high-tech zones, and new economic zones

- Wholesale of electrical materials, construction materials, transportation equipment, and construction machinery
- Import and export of electrical materials, construction materials, transportation equipment, and construction machinery
- Road freight transportation
- Fabrication of steel structures, mechanical products, and galvanized products
- Maintenance and repair of construction machinery and transport vehicles
- Construction of electrical grid systems, substations up to 500 kV, power plants, industrial and civil works; construction of transport infrastructure, irrigation, telecommunications, cultural works, airports, and seaports (main)
- Restaurants, eateries, and fast-food chains
- Providing catering services under occasional contracts with clients
- Short-term lodging services (tourism accommodation businesses)
- Power generation: investment in independent power plants, production, and business of electricity
- Other catering services
- Real estate consultancy, land use rights brokerage
- Bars and pubs (excluding nightclubs, discotheques)
- Production of concrete products
- Other businesses in compliance with legal regulations
- Business Area: Construction of power plants, electrical grid systems, and substations nationwide.

### ***3. Information on Management Model, Business Organization, and Management Structure***

- Management Model: The company's management system follows top-down directives, with annual general meetings of shareholders and board meetings in compliance with regulations.
- Organizational Structure: The General Assembly of Shareholders elects the Board of Directors, the Supervisory Board, and appoints the Executive Director. The company consists of various departments and 03 production teams. The company office and production teams are based in Da Nang city.
- Subsidiaries and Affiliates: (List, address, main business sectors, charter capital, ownership percentage of the company in subsidiaries and affiliates).

### ***4. Development Orientation***

Main Goals of the Company:

- The company strives to achieve an average annual growth rate of over 10%. This goal reflects the company's commitment to maintaining stable and sustainable growth, both in terms of revenue and profit.
- To achieve this goal, the company will focus on optimizing production activities, expanding markets, developing new products/services, and continuously improving management processes and business operations.

Medium and Long-Term Development Strategy:

- The company will implement a multi-industry development strategy in the following key areas:
  - Culture, Society, and Tourism: The company will intensify the development of projects related to culture and tourism to contribute to the sustainable development of society. These projects will not only enhance the company's image and brand value but also bring cultural and community value to society.
  - Industrial and Civil Production: The company will continue to expand its industrial production activities, especially in sectors with high demand and low volatility, while also developing products and services for civil use to meet daily living and construction needs.



- Real Estate Business: The company will develop real estate projects, including the construction and leasing of office buildings, apartments, and modern residential areas. These projects will not only generate high profits but also enhance the company's image and reputation in the construction and real estate industry.

Sustainable Development Goals (Environment, Society, and Community) and Key Programs for the Company's Short-Term and Medium-Term Plans:

- Based on its multi-industry development in fields such as culture, society, tourism, and industrial production, the company always aims to maintain environmental cleanliness, meet quality standards in industrial production, and contribute positively to cultural and social life.

## 5. Risks:

Social and Economic Fluctuations:

- Risk: The country's socio-economic situation may change rapidly and unexpectedly due to factors such as inflation, policy changes, international crises, or global financial market fluctuations. These changes can negatively impact the demand for the company's goods and services, thereby reducing revenue and profit.
- Impact on the company: Economic fluctuations can lead to a decrease in customers' purchasing power, reducing construction contracts, especially in the construction sector, where the company may rely on public investment projects or civil works.

Increase in Material Prices and Scarcity of Supply:

- Risk: The prices of building materials, particularly key materials like cement, sand, stone, and steel, tend to escalate in the context of supply shortages or external factors such as oil price fluctuations, rising interest rates, or changes in tax policies and environmental regulations. These materials are especially vulnerable to environmental factors, leading to scarcity and price hikes.
- Impact on the company: An increase in material prices will raise production and construction costs, affecting the company's profit. Furthermore, if the company cannot maintain reasonable selling prices or implement an appropriate material storage strategy, it may lose its competitive advantage and struggle to complete projects on time, which could lead to dissatisfaction from customers or partners.

Competition in Tendering:

- Risk: Tendering and contract procurement are becoming increasingly competitive, especially when many companies in the industry are vying for high-profit projects. Competitors may reduce prices or offer better commitments on quality, construction time, and payment terms, increasing competition and reducing the company's success rate in winning tenders.
- Impact on the company: To maintain its market share in such a competitive environment, the company needs to have a reasonable pricing strategy, invest in technology, improve service quality, or introduce differentiation factors. Otherwise, the company will struggle to maintain or expand its market presence.

Environmental Impact on Material Prices:

- Risk: Materials such as sand, stone, and cement can have a negative environmental impact. In particular, sand and stone extraction can reduce arable land, pollute water sources, and affect biodiversity. As a result, the government may impose stricter environmental regulations, which could reduce material supply or increase prices due to companies having to comply with environmental protection processes.
- Impact on the company: The company must closely follow legal and environmental regulations during construction to avoid penalties or work stoppages due to violations of environmental protection regulations. Additionally, the increased material costs could affect the company's costs and competitiveness.



### Scarcity of Construction Materials:

- Risk: In some areas, scarcity of materials like cement, sand, and stone may occur due to difficulties in extraction or transportation issues. This can delay construction projects, causing time loss and additional costs for the company.
- Impact on the company: If the company does not have a stable supply chain or cannot maintain an adequate material stock, material shortages could disrupt construction progress and increase costs. This may result in higher production costs or damage the company's reputation in the eyes of customers.

## II. Operating Situation in the Year

### 1. Business Production Situation:

- The revenue for 2024 has decreased compared to the plan and only reached 63% of the 2023 figure. This needs to be carefully reviewed for improvement.
- The post-tax profit has shown a strong improvement, turning from a loss to a profit, surpassing the set plan, indicating that the company has made a good financial recovery.
- The contribution to the state budget has been completed according to the plan.
- The charter capital remained unchanged and was in line with the plan.
- The average workforce did not meet the plan, only reaching 15% of the target, and needs to be reassessed.
- The average income remained stable and met the plan.
- While the company has made progress in profit, metrics such as revenue and labor still haven't met expectations and will require corrective measures in the coming period.

### 2. Organization and Personnel

- Executive Board List: (List of executives, brief biographies, voting shareholding ratio, and other securities issued by the company, including the Director, Deputy Directors, Chief Accountant, and other managers).

- Company Structure:

The current organizational structure of the company includes 1 main office and 03 production teams.

- Company Headquarters: 489 Nguyen Luong Bang, Hoa Hiep Nam Ward, Lien Chieu District, Da Nang City.
- Phone: 0236.377.2006
- Fax: 0236.377.2006
- Email: vnecolvel@gmail.com
- Website: vnecol.com.vn

The production teams have offices at 489 Nguyen Luong Bang, Hoa Hiep Nam Ward, Lien Chieu District, Da Nang City.

- Summary of Executive Board Members' Background:

- a. Mr. Đỗ Như Hiệp

- Gender: Male
- Birthdate: 08/08/1987
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Thuy Trieu, Thuy Nguyen, Hai Phong
- Permanent Address: Village 3, Thuy Trieu Commune, Thuy Nguyen District, Hai Phong City
- ID Card: 031087007532
- Education Level: 12/12
- Professional Qualification: Mechanical Engineer
- Current Position: Company Director

- b. Mr. Võ Ngọc Hải

- Gender: Male
- Birthdate: 27/03/1979
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Tien Loc, Tien Phuoc, Quang Nam
- Permanent Address: Village 2, Tien Loc Commune, Tien Phuoc District, Quang Nam Province
- ID Card: 205849746
- Education Level: 12/12
- Professional Qualification: Electrical Engineer
- Current Position: Deputy Director
- Changes in Executive Board
- Number of Employees: Summary of policies and changes in employee-related policies.

**Classification by Employee Qualification**

Qualification	As of 31/12/2023 (people)	As of 31/12/2024 (people)	Percentage (%)
University and Postgraduate	5	3	1
College	1	1	50
Intermediate (Vocational)	2	1	100
Technical Workers	12	3	0.3
Unskilled Workers	0	0	
Total	20	8	0.4

**3. Investment Situation and Project Implementation**

- a) Major Investments:
- b) Subsidiaries and Affiliates:

**4. Financial Situation**

- a) Financial Situation:

Indicator	Year 2023	Year 2024	% Increase/Decrease
Total Assets	28,111,379,581	29,261,013,414	104
Net Revenue	5,953,961,849	800,173,437	13
Profit from Business Activities	-3,665,092,037	-1,652,825,362	46
Other Profit	-100,502,988	2,728,669,818	2.715
Profit Before Tax	-3,665,092,037	1,075,844,456	29



Profit After Tax	-3,665,092,037	493,380,820	13
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- Other Indicators: (Depending on the industry and the company's specific characteristics, provide a more detailed explanation of the business performance in the last two years.)

b) Key Financial Indicators:

Indicator	Year 2023	Year 2024
1. Liquidity Indicators:		
+ Current Ratio (Short-term Assets/Short-term Liabilities)	15.63	12.09
+ Quick Ratio (Short-term Assets - Inventory/Short-term Liabilities)	14.56	11.11
2. Capital Structure Indicators	0.06	0.08
+ Debt to Total Assets Ratio		
+ Debt to Equity Ratio	0.06	0.09
3. Operational Capacity Indicators:		
+ Inventory Turnover (COGS/Average Inventory)	3.0	0.41
Revenue to Total Assets Ratio	0.21	0.03
4. Profitability Indicators:		
+ Net Profit Margin (Net Profit/Net Revenue)	-0.62	0.62
+ Return on Equity (Net Profit/Equity)	-0.14	0.02
+ Return on Total Assets (Net Profit/Total Assets)	-0.13	0.02
+ Operating Profit Margin (Operating Profit/Net Revenue)	-0.60	-2.07

**5. Shareholder Structure, Changes in Owners' Investment Capital**

a) Shares:

- Book Value as of 31/12/2023: 60,000,000,000 VND
- Changes in Share Capital/Investment Contributions:
  - Total Shares by Type (Ordinary Shares, Preferred Shares): 6,000,000 shares
  - Total Bonds Outstanding by Type (Convertible Bonds, Non-convertible Bonds): None
  - Outstanding Convertible Preference Shares: 5,931,280 shares

b) Shareholder Structure:

- Domestic Shareholders: 2,115,600 shares
- Foreign Shareholders: 1,524,600 shares
- Institutional Shareholders: 2,291,080 shares
- Major Shareholders: (No details provided)

c) Changes in Ownership Investment:

- (Provide details on any capital increases during the year, including public offerings, private placements, bond conversions, warrants, stock dividends, etc.)

d) Treasury Stock Transactions:

- Current Treasury Stock: 68,720 shares
- (Details on any treasury stock transactions, including timing, transaction price, and transaction parties.)

e) Other Securities:

- (Provide details on any other securities issued during the year, including quantity, characteristics of the securities, and any ongoing commitments the company has related to these securities with individuals or organizations such as employees or management.)

## **6. Company's Environmental and Social Impact Report**

### **6.1. Environmental Impact:**

- Total Direct and Indirect Greenhouse Gas (GHG) Emissions: (Provide details on total direct and indirect emissions of GHG)
- Initiatives and Measures to Mitigate GHG Emissions: (Report on the company's strategies and actions taken to reduce GHG emissions)

### **6.2. Management of Raw Materials:**

- a) Total Amount of Raw Materials Used in the Production and Packaging of the Organization's Main Products and Services in the Year: (Provide data on the total quantity of raw materials used)
- b) Report the Percentage of Recycled Raw Materials Used in the Production of the Organization's Main Products and Services: (Provide the percentage and details of recycled materials used)

### **6.3. Energy Consumption:**

- a) Direct and Indirect Energy Consumption: (Provide data on energy usage, both direct and indirect)
- b) Energy Saved Through Energy Efficiency Initiatives: (Report on the energy saved through energy efficiency initiatives)
- c) Reports on Energy-Saving Initiatives (such as providing energy-efficient products and services or using renewable energy); results from these initiatives: (Provide details and outcomes of energy-saving initiatives)

### **6.4. Water Consumption:**

- a) Water Supply and Amount of Water Used: (Report on the total amount of water consumed in business operations)
- b) Percentage and Total Volume of Water Recycled and Reused: (Provide data on water recycling and reuse)

### **6.5. Compliance with Environmental Protection Laws:**

- a) Number of Violations and Fines for Non-Compliance with Environmental Laws and Regulations: (Report any environmental law violations and the number of fines received)
- b) Total Amount of Fines for Non-Compliance with Environmental Laws and Regulations: (Provide details of fines paid for violations of environmental regulations)

### **6.6. Labor-Related Policies:**

- a) Number of Employees, Average Wage of Employees:
  - Total employees: 8 (2 female employees)
  - Average wage per employee: 7 million VND
- b) Labor Policies to Ensure Employee Health, Safety, and Welfare: (Provide details on policies for employee health, safety, and welfare)
- c) Employee Training Activities:
  - Average training hours per employee per year, categorized by employee classification.
  - Continuous skill development programs and learning opportunities to help employees secure jobs and grow in their careers.

### **6.7. Report on Local Community Responsibility:**

- Community Investment and Other Community Development Activities: (Provide details on financial and non-financial support for the local community)



6.8. Report on Green Capital Market Activities According to the Guidelines of the State Securities Commission of Vietnam: (Provide details of the company's involvement in green capital market activities, if applicable)

### III. Report and Evaluation from the Board of Directors

#### 1. Evaluation of Business Production Results

No.	Indicator	Plan 2024	Actual 2024	% of Actual vs Plan
1	Sales Revenue & Service Provision	8,000,000,000	3,731,991,619	47
2	Revenue Reductions		0	
3	Net Revenue from Sales and Services		800,173,437	
4	Cost of Goods Sold		939,087,602	
5	Gross Profit from Sales & Services		-138,914,165	
6	Financial Revenue		157,357,890	
7	Financial Expenses		-526,990,430	
8	Selling Expenses		-	
9	Administrative Expenses		2,198,259,517	
10	Operating Profit (Loss)		-1,652,825,362	
11	Other Income		2,931,818,182	
12	Other Expenses		203,148,364	
13	Other Profit (Loss)		2,728,669,818	
14	Total Profit Before Tax		1,075,844,456	
15	Current Income Tax Expense		0	
16	Deferred Income Tax Expense		582,463,636	
17	Net Profit (Loss) After Tax	250.000.000	493,380,820	197
18	Basic Earnings per Share		83	
19	Dividends per Share		0	

- Although the company has achieved a post-tax profit exceeding the plan by 197%, revenue and profit from core business operations did not meet expectations (Revenue reached 47% of the plan, and profit from core operations was a loss of 1.65 billion VND). Other income helped the company achieve a positive final result. However, the company needs to improve its core operations and control costs to minimize risks and ensure sustainable growth in the future.

- The company has made significant progress in optimizing tax expenses, resulting in a post-tax profit higher than the plan (surpassing 197%). Despite difficulties in meeting revenue targets and incurring losses from core business operations, other income and tax savings helped the company maintain positive financial results. However, to ensure sustainable development, the company needs to focus on improving the efficiency of core business operations in the coming years.

#### 2. Financial Situation

##### a) Asset Situation

No.	Content	01/01/2024	31/12/2024
	Total Assets	25,993,276,861	28,038,013,339
A	Current Assets	5,467,807,262	10,802,256,944
I	Cash and Cash Equivalents	9,459,670,100	9,986,660,530

II	Short-Term Financial Investments	9,242,407,086	4,951,195,367
III	Short-Term Receivables	1,771,253,664	2,272,730,253
IV	Inventory	52,138,749	25,170,245
V	Other Current Assets	2,118,102,720	1,223,000,075
B	Non-Current Assets	-	-
I	Long-Term Receivables	2,049,088,362	1,177,692,034
II	Fixed Assets	699,088,362	502,692,034
	- Tangible Fixed Assets	1,350,000,000	675,000,000
	- Intangible Fixed Assets	-	-
	- Financial Lease Fixed Assets	-	-
	- In-progress Construction Costs	-	-
III	Investment Property	-	-
IV	Long-Term Financial Investments	-	-
	- Investments in Subsidiaries	-	-
	- Investments in Affiliates	-	-
	- Other Long-Term Investments	-	-
	- Provision for Impairment of Long-Term Financial Investments	69,014,358	45,308,041
V	Other Non-Current Assets	28,111,379,581	29,261,013,414
	Total assets	25,993,276,861	28,038,013,339

Analysis of Asset Situation:

- Short-term assets have increased significantly, especially cash and cash equivalents, indicating that the company has improved its liquidity in 2024.
- Long-term assets have decreased, mainly due to a reduction in the value of tangible and intangible fixed assets, which may be due to depreciation or asset sales.
- The company has improved the efficiency of short-term asset utilization, but attention needs to be given to the decline in long-term assets in the future.

b. Liabilities Situation:

No.	Content	01/01/2024	31/12/2024
	Liabilities	1,663,542,437	2,319,795,450
A	Short-Term Liabilities	1,663,542,437	2,319,795,450
B	Equity	-	-
I	Shareholder Equity	26,447,837,144	26,941,217,964
	- Owner's Investment	26,447,837,144	26,941,217,964
	- Share Premium	60,000,000,000	60,000,000,000
	- Other Owner's Equity	111,973,829	111,973,829
	- Treasury Shares	-	-
	- Asset Revaluation Difference	-436,450,000	-436,450,000
	- Foreign Exchange Difference	-	-
	- Investment and Development Fund	-	-
	- Undistributed Net Profit	-	-
	- Capital Investment Fund	-33,227,686,685	-32,734,305,865
II	The funds and other reserves:	-	-



	Total equity	28,111,379,581	29,261,013,414
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Liabilities have increased significantly in 2024, possibly due to the rise in short-term debt, primarily customer debts, with no bad debts

### 3. Improvements in Organizational Structure, Policies, and Management:

- Financial management improvements: Reduce dependence on short-term debt, restructure debt, and optimize cash flow usage.
- Interest rate and exchange rate risk management: Implement risk hedging tools to protect the company from financial fluctuations.
- Investment in fixed assets: Increase investment in both tangible and intangible fixed assets to enhance production capacity and long-term assets.
- Bad debt management: Improve debt recovery processes and manage bad debts.
- Profit allocation and development fund review: Optimize the use of profits and create an investment development fund to drive long-term growth.
- The company needs to maintain flexibility in adjusting financial strategies and risk management to ensure stability and sustainable development.

### 4. Future Development Plans:

- The company has set a goal for strong development in the coming years with a multi-industry strategy, focusing on key areas.
- To become a multi-industry business organization, particularly in the fields of electrical construction, industrial, and civil works.
- Achieve sustainable growth in core industries, solidifying its position as a reputable contractor in the construction and energy sectors.
- The company will continue to expand its scale and optimize operations in strategic areas to achieve long-term goals and meet the demands of domestic and international economic development

### 5. Explanation of the Auditor's Opinion (if applicable):

- The Board of Directors acknowledges that the auditor's qualified opinion was issued regarding the inability to verify the cash balance as of December 31, 2024. However, the Board affirms that other items in the financial statements, including assets, liabilities, and business results, have been correctly and fully recorded in accordance with current accounting standards.
- To prevent similar situations in future audits, the Board of Directors is committed to improving the financial reporting process and enhancing cooperation with auditors throughout the auditing process. At the same time, the company will organize timely cash inventory and provide more transparency in supplying audit evidence to auditors.
- The Board of Directors agrees with the qualified opinion and is committed to taking the necessary measures to address the issues related to cash inventory in the future. The company remains committed to complying with Vietnamese accounting standards and the Vietnamese enterprise accounting regime, while also ensuring transparency and clarity in the preparation and presentation of financial statements.

### 6. Environmental and Social Responsibility Report:

- Environmental Indicators (Water, Energy Consumption, Emissions, etc.): The company will continue to monitor and minimize its environmental impact, focusing on reducing emissions, optimizing water usage, and implementing energy-efficient practices across operations.
- Labor Issues: The company has consistently maintained fair labor policies and will continue to ensure that its employees work in a safe, fair, and healthy environment. Training programs and skills development initiatives are provided to improve employee competencies and support career growth.
- Responsibility to the Local Community: The company remains committed to its social responsibility initiatives, including:



- Community investment: Providing financial support for local projects and social programs.
- Sustainable practices: Contributing to the well-being of the local communities where the company operates.

By aligning its operations with both local and international sustainability standards, the company continues to work towards becoming a responsible corporate entity in its industry.

#### **IV. Board of Directors' Evaluation of the Company's Operations (for joint-stock companies)**

##### **1. Board of Directors' Evaluation of the Company's Operations, Including Environmental and Social Responsibility**

Throughout the year, regular and timely meetings were held to find solutions and measures to address management issues and procedural changes. These meetings aimed to evaluate the financial situation and make important decisions to improve the company's current situation. The meetings were focused on creating jobs, attracting investment, and developing the company in line with the goal of promoting a healthy environment and society, which remains the top priority in the Board of Directors' guidance

##### **2. Board of Directors' Evaluation of the Executive Board's Performance**

The Board of Directors assigned members to oversee the company's business operations and report the results for the year.

##### **3. Plans and Directions of the Board of Directors**

Based on the domestic and international economic situation, the company's development strategy, and the implementation plan for projects, the company has set the goal of becoming a multi-industry business organization. The main sectors include: electric power construction, industrial and civil electric power construction, export of electrical equipment and materials, expansion of transportation means, machinery for production and business operations in the energy sector, and investment in independent power plants.

#### **V. Corporate Governance**

##### **1. Board of Directors**

a) Members and Structure of the Board of Directors: (List of members of the Board of Directors, the percentage of shares with voting rights and other securities issued by the company, clearly stating independent members and other members; the number of positions held by each member of the Board of Directors in other companies.)

The Board of Directors consists of 5 members:

- Mr. Đỗ Văn Đạt – Chairman of the Board of Directors
- Mr. Đỗ Như Hiệp – Member of the Board of Directors
- Mr. Đỗ Văn Huân – Member of the Board of Directors
- Mr. Lã Bá Độ – Member of the Board of Directors

Transaction Details of Board Members

No.	Person Conducting Transaction	Relationship with Internal Shareholders	Number of Shares Owned as of 01/01/2024		Number of Shares Owned as of 31/12/2024	
1	Mr. Đỗ Văn Đạt	Chairman of the Board of Directors	54,700	0.92	54,700	0.92
2	Mr. Đỗ Như Hiệp	Member of the Board of Directors	83,653	1.41	83,653	1.41
3	Mr. Đỗ Văn Huân	Member of the Board of Directors	198,600	3.3	198,600	3.3
4	Mr. Lã Bá Độ	Member of the Board of Directors	0	0	0	0

b) Committees under the Board of Directors:



The Company has established several committees under the Board of Directors to ensure effective governance and compliance. These committees meet regularly on a monthly, quarterly, semi-annual, and annual basis, ensuring proper information disclosure in line with regulations set by the State Securities Commission and the Hanoi Stock Exchange.

#### Audit Committee

- Ms. Trần Thị Hà Trinh – Head of the Committee
- Mr. Nguyễn Huy Kha – Member
- Ms. Lê Thị Nga – Member

The Audit Committee performs regular reviews of the Company's activities and reports to the Board of Directors in its periodic meetings (quarterly, semi-annually, and annually).

These committees play an essential role in ensuring the transparency and accuracy of the company's operations and financial reports, maintaining the trust of shareholders and regulatory bodies.

#### c) Activities of the Board of Directors:

During the term of the Board of Directors, there have been 7 meetings, specifically as follows:

1. February 27, 2024: The Board of Directors meeting to finalize the record date for the annual General Meeting of Shareholders (GMS) in 2024.
2. April 3, 2024: Meeting to finalize the date for the annual General Meeting of Shareholders in 2024.
3. February 27, 2023: The Board of Directors meeting to finalize the record date for the annual General Meeting of Shareholders in 2023. Through the finalization of the shareholder list for the organization of the annual General Meeting of Shareholders in 2024, as follows:
  - Record date for shareholders: March 27, 2024.
  - Scheduled meeting date: From April 24, 2024, to April 29, 2024 (official notice will be sent to shareholders).
  - Location: At VNECO1 Electric Construction Joint Stock Company, 489 Nguyen Luong Bang, Hoa Hiep Nam Ward, Lien Chieu District, Da Nang City.
  - Agenda of the meeting:
    - Reports from the Board of Directors and the Supervisory Board, the business operations report for 2023 and the business plan for 2024, financial statements.
    - Proposal for the selection of an auditing company for the fiscal year 2024.
    - Election of members of the Board of Directors and Supervisory Board for the 2022-2027 term.
    - Other matters within the authority of the General Meeting of Shareholders and the Board of Directors.
4. June 31, 2024: Board meeting to elect the Chairman of the Board, select the auditing company, and elect the head of the Supervisory Board, with specific content as follows:
  - Approval of the selection of Vietnam Auditing and Valuation Co., Ltd. to review the mid-year financial statements and audit the 2024 financial statements.
5. April 3, 2024: Board meeting to finalize the date for the annual General Meeting of Shareholders.
  - Finalized date for the 2024 annual General Meeting of Shareholders: 8:00 AM, Friday, June 24, 2024.
6. November 27, 2024: Board meeting on the transfer of land use rights.
7. December 27, 2024: Board meeting to summarize the business operations for 2024 and the business plan for 2025.

#### d) Activities of Independent Board Members:

- Independent Board members played a vital role in ensuring corporate governance and contributed to critical decision-making. Their duties also included participation in various committee meetings, particularly in areas such as audit and financial oversight.

### Activities of the Committees under the Board of Directors:

- The Audit Committee and other sub-committees held regular meetings throughout the year to oversee corporate operations and compliance. Specific details on the frequency of meetings and agendas were as follows:

- **Audit Committee:** Held quarterly meetings to review financial performance, audit outcomes, and ensure that the company adhered to legal and regulatory requirements. The committee provided its reports to the Board for decision-making.

e) List of Board Members with Corporate Governance Training Certificates:

- List of Board Members who participated in corporate governance programs during the year

The Board members continue to enhance their skills in corporate governance to ensure that the company operates with the highest standards of transparency, compliance, and efficiency.

## 2. Audit Committee:

**a) Members and Structure of the Audit Committee:**

- Chairwoman: Trần Thị Hà Trinh
- Member: Nguyễn Huy Kha
- Member: Lê Thị Nga

No.	Name	Relationship with Internal Shareholders	Number of Shares Owned (as of 01/01/2024)		Percentage Owned (as of 31/12/2024)	
			Số CP	Tỉ lệ	Số CP	Tỉ lệ
1	Trần Thị Hà Trinh	Chairwoman of the Audit Committee	0	0	0	0
2	Nguyễn Huy Kha	Member of the Audit Committee	0	0	0	0
3	Lê Thị Nga	Member of the Audit Committee	0	0	0	0

## b) Activities of the Audit Committee:

### Activities of the Supervisory Board:

(Assess the activities of the Supervisory Board, specifying the number of meetings held by the Supervisory Board, the contents, and the results of the meetings.)

Each quarter, semi-annually, and annually, the Supervisory Board monitors the company's activities and reports during the meetings of the company's Board of Directors

3. *Salary, bonuses, remuneration, and benefits of the Board of Directors, Executive Board, and the Audit Committee:*

a) Salaries, bonuses, remuneration, other benefits, and expenses for each member of the Board of Directors, Audit Committee members, the Director/CEO, and other management personnel: The remuneration for the Board of Directors and Audit Committee members in 2023 is as follows:

Position	Remuneration (VND)
Chairman of the Board	3,000,000
Member of the Board	1,500,000
Chairperson of Audit Committee	1,500,000
Member of Audit Committee	1,000,000

These figures represent the monetary remuneration provided to the members. Non-monetary benefits or any other benefits that cannot be quantified in terms of money will be listed and explained separately as required by law.



b. Share transactions of internal shareholders: Information regarding stock transactions by members of the Board of Directors, Audit Committee members, the Director (CEO), Chief Accountant, other management personnel, the company secretary, major shareholders, and related parties: Details of any stock transactions made by members of the above-mentioned groups would typically be disclosed here, including the number of shares bought or sold, the dates of such transactions, and the parties involved.

c. Contracts or transactions with internal shareholders:

Information regarding contracts or transactions entered into during the year with the company, subsidiaries, or companies controlled by members of the Board of Directors, Audit Committee members, the Director (CEO), management personnel, and related parties:

This section should list any contracts or business transactions made between the company and these internal stakeholders. It could include sales, service agreements, loans, and other financial dealings. These transactions should be disclosed in accordance with transparency and legal guidelines to prevent conflicts of interest.

d. Compliance with corporate governance regulations: Implementation of corporate governance regulations: This section provides information on any items that the company has not been able to fully implement as per legal requirements regarding corporate governance. It will also outline the causes of non-compliance, the strategies to rectify these issues, and plans to improve corporate governance in the future. This could involve further staff training, changes in internal controls, or improvements to communication with stakeholders.

## **VI. Audit Opinion**

### **1. Independent Audit Firm:**

#### **INTERNATIONAL AUDITING AND VALUATION LLC**

- Independent Auditor's Opinion:

In our opinion, except for the effect of the matter mentioned in the "Basis for the Qualified Opinion" paragraph, the financial statements fairly and reasonably present, in all material respects, the financial position of the Company as of December 31, 2024, as well as the results of its operations and cash flows for the fiscal year then ended, in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and the relevant legal regulations related to the preparation and presentation of the financial statements.

- Special Comments (Management Letter):

We have audited the attached financial statements of VNECO1 Electric Construction Joint Stock Company (hereinafter referred to as the "Company"), prepared on April 4, 2025, from page 5 to page 27, including the balance sheet as of December 31, 2024, the income statement, the cash flow statement for the fiscal year then ended, and the accompanying notes to the financial statements.

The audited financial statements, including the aforementioned sections, are attached herewith.

**Da Nang, day 06 month 04 year 2025**

**GENERAL DIRECTOR**

(Signature and full name)



**ĐỖ NHƯ HIỆP**