



SONG CAM SHIPBUILDING JOINT STOCK COMPANY



ANNUAL REPORT 2024



Appendix IV
ANNUAL REPORT

(Promulgated with the Circular No 96/2020/TT-BTC on November 16, 2020 of the Minister of Finance)

SHIPBUILDING INDUSTRY CORPORATION
SONG CAM SHIPBUILDING JSC

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: 1/BCTN-SC

Hai Phong, 24/03/ 2025

ANNUAL REPORT
Year 2024

To - The State Securities Commission
- The Hanoi Stock Exchange

I. General information

1. General information

- Trading name: Song Cam Shipbuilding Joint Stock Company
- Business Registration Certificate No.: Business registration certificate No. 0200168673 first registered on April 29, 2008 and eighth registered for change on January 13, 2025 issued by Haiphong Department of Planning and Investment.
- Charter capital: 619,689,260.000 VND
- Owner's capital: 619,689,260.000 VND
- Address: Ngo Hung residential group, An Hong ward, Hong Bang district, Hai Phong city, Vietnam.
- Telephone: 0225.3525974
- Fax: 0225.3525512
- E-mail: Songcamship@songcam.vn
- Website: www.songcam.vn
- Securities code (if any): SCY
- Establishment and development process (Date of establishment, time of listing, and development milestones since the establishment until now).

Song Cam Shipbuilding Joint Stock Company, formerly Hai Phong Mechanical Enterprise, was established on May 28, 1959 according to Decision No. 152/QD of Hai Phong Administrative Committee.

In March 1961, it was merged with Shipyard 2, renamed Hai Phong Mechanical and became a state-owned enterprise of the Government managed by the Ministry of Transport with the main task of building and repairing all kinds of water transport vehicles.

On March 28, 1983, the Ministry of Transport issued Decision No. 373/QD-GTVT to change the name to Song Cam Shipyard .

Implementing the Government's policy on reforming state-owned enterprises , on

July 30, 2007, Vietnam Shipbuilding Industry Group (now Shipbuilding Industry Corporation) issued Decision No. 2349/QĐ-CNT-DMDN on approving the plan and converting Song Cam Shipbuilding Factory into Song Cam Shipbuilding Joint Stock Company. Starting from April 2008, the Company officially operates under the model of a Joint Stock Company.

After 65 years of development along with the growth of the country and the Vietnamese shipbuilding industry, Song Cam Shipbuilding Joint Stock Company has continuously developed with significant changes. From a small mechanical factory specializing in the production of bicycle spare parts and a few barges built a year using riveting technology with outdated machinery and equipment, a narrow production area (nearly 6 hectares), an unfavorable geographical location due to being deep in the Cam River channel and blocked by the Cement Bridge and the Swing Bridge. However, with the efforts of every generation of employees, the company, through each period, has strived to overcome all difficulties and challenges to achieve great advances in shipbuilding technology, and has built modern ships for export to countries around the world. The company has become one of the traditional and prestigious shipbuilding units in the shipbuilding industry in Vietnam with spacious and modern facilities on an area of 20 hectares in Ngo Hung residential group, An Hong ward, Hong Bang district, Hai Phong city.

The period from 2002 to present is a period of strong and steady development of the Company in the integration period. With the attention of the Ministry of Transport and the Shipbuilding Industry Corporation, the Company has boldly invested in upgrading infrastructure, purchasing modern machinery and equipment, and at the same time focusing on training and fostering the professional capacity and skills of the workers and staffs, thereby improving the capacity to build new types of specialized export ships and cargo ships of over 20,000 tons.

In March 2002, with the approval of the Government, the Ministry of Transport and the Vietnam IT Group, the Company signed a contract with the Damen Shipbuilding Group - Netherlands to build 05 new tugs at sea for the investor, the Vietnam Maritime Administration. After 04 years of implementing the contract with the transfer of technology, modern shipbuilding techniques from the Netherlands and construction supervision by Dutch experts, 05 tugs were completed and handed over to the investor, ensuring the quality equivalent to the sample products built in the Netherlands, recognized and highly appreciated by Dutch experts and international inspection agencies, Lloyd's and BV.

The success of this project is of particular importance to the development of the Company, marking the maturity of Song Cam shipbuilders in the process of international integration. It is a good start for the long-term cooperative relationship between the Company and Damen Shipbuilding Group - Netherlands, opening up a truly potential export shipbuilding market for the Company.

From 2003 to present, the Company has signed and implemented a series of contracts to build new specialized ships for export for Damen Shipbuilding Group - Netherlands. Newly built products are tugboats with capacity from 600CV to 7000CV and high-speed boats and construction ships. As of December 2024 the company has built and delivered over 350 ships to the Damen Shipbuilding Group - Netherlands.

These are specialized ships, small in tonnage but with complex routes and structures, modern equipment, requiring high technical and aesthetic standards. In particular, the company has successfully built the 3213 tugboat, which according to the ship owner's assessment is the ship with the largest pulling capacity in the world, and in the past few years, the company has deployed the construction of new electric-powered ships for the Damen Shipbuilding Group - Netherlands.

Every year, the company always completes its production and business plan. The annual growth rate is always higher than the previous year. The obligations to the State are fully and timely fulfilled. The lives of employees are increasingly improved. For many years, the company has been awarded a certificate of merit by the Ministry of Trade for its excellent export achievements and the title of "Prestigious Export Enterprise".

Achievements:

1. Emulation title

Year	Emulation title	Issuing body	Number, date, month, year of the decision to recognize the emulation title; issuing body
2002	Excellent Emulation Flag 2001	Ministry of Transport	No. 1078/QD/BGTVT dated December 4, 2002
2005	Hero of Labor in the Renovation Period	President	No. 688/2005/QD/CTN dated June 30, 2005
	Government Emulation Flag	Government	No. 206/QD-TTg dated April 1, 2005
	Excellent emulation flag	Ministry of Transport	No. 226/QD-BGTVT dated January 19, 2006
2009	Prestigious export enterprise in 2008	Ministry of Industry and Trade	No. 1904/QD-BCT dated April 16, 2009
	Government Emulation Flag 2008	Government	No. 66/QD-TTg dated January 14, 2009
2010	Emulation flag of Vietnam General Confederation of Labor	General Confederation of Labor	No. 1696/QD-TLD-2010 dated December 30, 2010
2011	Flag with the title "Clean and strong Party organization for 5 years (2006-2010)"	Party Committee of National-level Enterprises' Group	No. 198/QD/DUK dated March 16, 2011
	Government Emulation Flag 2011	Government	No. 88/QD-TTg dated January 13, 2012
2012	Emulation flag of Vietnam General Confederation of Labor	General Confederation	No. 128/QD-TLĐ dated February 11, 2012

		n of Labor	
2013	Prestigious export enterprise 2012-2013	Ministry of Industry and Trade	No. 2390/QD-BCT dated May 17, 2013
	Government Emulation Flag		2013
2014	Emulation flag of the Vietnam General Confederation of Labor for outstanding achievements in the emulation movement for good workers and building a strong Trade Union organization in 2013	General Confederation of Labor	No. 410/QD-TLĐ dated April 7, 2014
	Emulation flag of Vietnam General Confederation of Labor in 2014	General Confederation of Labor	No. 18/QD-CDCNT dated January 19, 2015
2015	The 2015 Emulation Flag of the Vietnam General Confederation of Labor achieved excellent results in the emulation movement for good workers and the construction of a strong Trade Union organization in 2015.	General Confederation of Labor	No. 64/QD-CDCNT dated March 14, 2016
2018	Prestigious Export Enterprise in 2018	Ministry of Industry and Trade	No. 2629/QD-BCT dated August 26, 2019
	Emulation flag of Vietnam General Confederation of Labor in 2018	General Confederation of Labor	12/2018
2021	Emulation flag of Vietnam General Confederation of Labor in 2021	Vietnam Confederation of Labor	12/2021
2022	Prestigious Export Enterprise 2021	Ministry of Industry and Trade	No. 2615/QD-BCT dated December 2, 2022

2. Rewards

Year	Reward title	Issuing body	Number, date, month, year of the award decision; issuing body
1991	First Class Labor Medal	President	No. 547/KT/CT dated February 22, 1991
1995	First Class Labor Medal	President	No. 461/KT/CT dated May 23, 1995
1999	First Class Labor Medal	President	No. 183/KT/CT dated May 24, 1999
2002	Third Class Independence Medal	President	No. 743/QD-CTN dated June 11, 2002

	Gold medal patrol boat SJ112	Ministry of Transport	No. 1153/BGTVT-QD dated April 18, 2002
	SAR 27 Gold Medal	Ministry of Transport	No. 1153/BGTVT-QD dated April 18, 2002
	Gold medal for high-speed patrol boat V56+V57	Ministry of Transport	No. 1153/BGTVT-QD dated April 18, 2002
2003	Gold medal survey boat 22M survey boat		No. 527/QD-VP dated March 27, 2003
	Quality Star Cup		
	Gold Medal Ambulance		
2007	Gold medal tug ASD 2411, ASD 3213 shipbuilding technology exhibition		March 2007
2009	Gold medal for tug ASD 2411, ASD 3213 at Vietship exhibition 2010		March 2009
	The Youth Union was awarded a certificate of merit by the Central Youth Union for its outstanding achievements.	Central Youth Union	No. 626/QD/TWĐTN dated October 12, 2009
2010	The Youth Union was awarded a certificate of merit by the Central Youth Union for its outstanding achievements.	Central Youth Union	No. 647/QD/TWĐTN dated December 24, 2010
	The Youth Union was awarded a certificate of merit by the Central Youth Union for its outstanding achievements in the 60-day and night emulation campaign to complete the 2010 plan.	Central Youth Union	No. 659/QD/TWĐTN dated December 29, 2010
2011	Third-class Independence Medal for Mr. Nguyen Duy Bien - Former Party Secretary - Director of the Company	Shipbuilding Industry Corporation	No. 773/QD/CNT dated May 20, 2011
	Certificate of merit from Hai Phong Tax Department	Haiphong Tax Department	No. 1440/QD/CT dated June 28, 2011
	Youth Union was awarded a certificate of merit for outstanding achievements in 2011.	Central Youth Union	No. 776/QD/TWĐTN dated December 27, 2011
	Decision of commendation from the Party Committee of the Group to the Party Committee of the company in 2011	Party Committee of National-level Enterprises' Group	No. 690-QD/DUK dated January 31, 2012
	Certificate of Merit for Labor Protection Work in 2011	Corporation	No. 119/QD-CNT dated February 21,

			2012
2012	Gold medal for ASD 3212 ship product at Vietship Exhibition 2012		March 1, 2012
	Certificate of Merit for the Company's good performance in complying with tax policies and laws in 2011 of the Ministry of Finance	Ministry of Finance	No. 1201/QD-BTC dated May 16, 2012
	Certificate of Merit for the Company's outstanding achievements in occupational safety and health in 2012	Shipbuilding Industry Corporation	No. 142/QD-CNT dated February 28, 2013
2014	Certificate of Merit from the Ministry of Finance (for good compliance with tax policies and laws in 2012)	Ministry of Finance	No. 1131/QD-BTC dated March 6, 2014
	Certificate of Merit from Vietnam Chamber of Commerce and Industry	Vietnam Chamber of Commerce and Industry	No. 451/PTM-HVĐT dated May 23, 2014
	Certificate – Glory of Vietnam	General Confederation of Labor	No. 562/QD-TLĐ dated June 30, 2014
	Certificate of Merit from Hai Phong Tax Department for good implementation of tax policies and laws in 2013	Hai Phong Tax Department	No. 1942/QD/CT dated June 30, 2014
	Certificate of Merit awarded to outstanding units in production, business and development cooperation of Vietnam's mechanical industry in 2014	Vietnam Mechanical Industry	No. 86/QD-VAMT dated November 18, 2014
	Certificate of Merit from the Vietnam Association of Mechanical Enterprises awarded to the typical mechanical unit in production, business and development cooperation of the Vietnamese mechanical industry in 2014	Vietnam Mechanical Industry	No. 86/QD-VAMT dated October 18, 2014
	Certificate of Merit from the Ministry of Transport for excellent labor collective in 2013	Ministry of Transport	No. 4009/QD-BGTVT dated October 23, 2014
2015	Certificate of Merit from the Prime Minister for achievements in work from 2009 to 2013 contributing to building Socialism and defending the Country.	Prime Minister	No. 10/QD-TTg dated January 7, 2015
	Certificate of Merit from Hai Phong City People's Committee for	Hai Phong City People's	No. 165/QD-CT dated January 21, 2015

	excellent performance in 2014	Committee	
	Certificate of Merit from Hai Phong City People's Committee for excellent performance in 2014	Hai Phong City People's Committee	No. 165/QD-CT dated January 21, 2015
	Certificate of Merit from Hai Phong City People's Committee for excellent performance in paying the State budget in 2014	Hai Phong City People's Committee	No. 332/QD-CT dated February 6, 2015
	Recognition of the workers' rest house as a project to welcome the 3rd Party Congress of Shipbuilding Industry Corporation (2015-2020)	Shipbuilding Industry Corporation	No. 149/CD-CNT dated June 30, 2015
	Certificate of Merit from Shipbuilding Industry Corporation for outstanding achievements in the patriotic emulation movement in the period 2010-2014	Shipbuilding Industry Corporation	No. 580/QD-CNT dated August 3, 2015
2016	Certificate of Merit from the Party Committee of the General Information Technology Corporation awarded to the exemplary clean and strong Party Committee in 2015	Shipbuilding Industry Corporation	No. 156/QD-DU dated January 12, 2016
	Certificate of Merit from Hai Phong City People's Committee for outstanding achievements in fulfilling the obligation to pay the State budget in 2015	Hai Phong City People's Committee	No. 44/BK dated January 19, 2016
	Certificate of Merit from the Central Party Committee of Enterprises for outstanding achievements in implementing Directive No. 03-CT/TW of the Ministry of Politics on "continuing to promote study and follow Ho Chi Minh's moral example" in the 5 years 2011-2015	Central Party Committee of National-level Enterprises	No. 291/QD/DUK dated May 6, 2016
	Certificate of Merit from Vietnam Mechanical Association awarded as a typical mechanical unit in production, business and cooperation to develop Vietnam Mechanical Industry 2016	Vietnam Mechanical Association	No. 100/QD-VAMI dated December 16, 2016
2017	Certificate of Merit from the Party Committee of Shipbuilding Industry Corporation awarded to the exemplary clean and strong Party Committee in 2017	Shipbuilding Industry Corporation	No. 639/QD/DU dated December 25, 2017
2018	Certificate of Merit from the Party Committee of Shipbuilding Industry	Shipbuilding Industry	No. 867-QD/DU dated December 28, 2018

	Corporation awarded to the exemplary clean and strong Party Committee in 2018	Corporation	
	Certificate of Merit from the Youth Union of Shipbuilding Industry Corporation awarded to the excellent Youth Union in 2018	Shipbuilding Industry Corporation	
2019	Certificate of Merit from Trade Union of Shipbuilding Industry Corporation for outstanding achievements in production and labor and building a strong Trade Union organization in the period 2013-2018	Shipbuilding Industry Corporation	No. 114/QD-CDCNT dated May 20, 2019
	Certificate of Merit from the Party Committee of Shipbuilding Industry Corporation awarded to the Company's Party Committee for 3 years 2016-2019 for implementing Directive 05 of the 12th Ministry of Politics to promote studying and following the moral example of Ho Chi Minh.	Shipbuilding Industry Corporation	No. 969/QD-DU dated May 15, 2019
	Certificate of Merit from the Ministry of Transport for many achievements in the labor production emulation movement, celebrating the 60th anniversary of the Unit's establishment.	Ministry of Transport	No. 1018/QD-BGTVT dated May 27, 2019
	Certificate of Merit from the Board of Directors of Shipbuilding Industry Corporation for excellent performance in 2018	Shipbuilding Industry Corporation	No. 235/QD-CNT dated May 23, 2019
	Certificate of Merit from the Youth Union of the Shipbuilding Industry Corporation for outstanding achievements in performing production and business tasks in the period 2014-2018	Shipbuilding Industry Corporation	No. 43/QD/DTNS dated May 15, 2019
	Certificate of Merit from the Party Committee of the Shipbuilding Industry Corporation awarded to the Party Committee of the Company for achieving the typical "clean and strong" standard in 2019	Shipbuilding Industry Corporation	No. 1120 QD/DU dated December 30, 2019
	Certificate of Merit from the Director of the Haiphong Tax Department awarded to the Unit for its achievements in implementing tax	Haiphong Tax Department	No. 5109/QD-CT dated October 12, 2020
2020			

	policies and laws in 2019		
	Certificate of Merit from Shipbuilding Industry Corporation to the Party Committee of Song Cam Shipbuilding Joint Stock Company Vietnam for outstanding achievements in the emulation movement for good workers and the construction of a strong Trade Union organization in 2020	Shipbuilding Industry Corporation	No. 73/QD-CDCNT dated December 21, 2020
	Certificate of Merit from the Shipbuilding Industry Corporation awarded to the Party Committee of Song Cam Shipbuilding Joint Stock Company for achieving the typical "Clean and strong" standard in 2020	Shipbuilding Industry Corporation	No. 71/QD/DU dated December 28, 2020
2021	Certificate of Merit from the General Department of Information Technology awarded to Song Cam Shipbuilding Joint Stock Company for its excellent performance in 2020.	CNTT Corporation	No. 02/QD-CNT dated January 6, 2021
	Certificate of Merit from the Executive Committee of the Ho Chi Minh Communist Youth Union of the National-level Enterprises' Group awarded to the trade union of Song Cam Shipbuilding Joint Stock Company for its outstanding achievements in union work and youth movements in 2020.	National-level Enterprises' Group	No. 171/QD/KTĐTNK dated January 6, 2021
	Certificate of Merit from the Party Committee of the National-level Enterprises' Group awarded to the Party Committee of Song Cam Shipbuilding Joint Stock Company for achieving the title of exemplary clean and strong for 5 consecutive years (2016-2020)	National-level Enterprises' Group	No. 103/QD/DUK dated January 19, 2021
	Certificate of Merit from the Party Committee of the National-level Enterprises' Group awarded to the Party Committee of Song Cam Shipbuilding Joint Stock Company for outstanding achievements in implementing Directive No. 05-CT/TW dated May 15, 2016 of the Politburo on "Promoting studying	National-level Enterprises' Group	No. 197/QD/DUK dated April 20, 2021

	and following Ho Chi Minh's ideology, morality and lifestyle" for the period 2016-2021		
2022	Certificate of Merit from Shipbuilding Industry Corporation awarded to Song Cam Shipbuilding Joint Stock Company for excellent performance in 2021	Shipbuilding Industry Corporation	No. 04/QD-CNT dated January 6, 2022
	Certificate of Merit from the Party Committee of the General Shipbuilding Industry Corporation awarded to the Party Committee of Song Cam Shipbuilding Joint Stock Company for achieving the standard of "Excellent completion of tasks" in 2021	Party Committee of the Corporation	No. 242/QD/DU dated December 20, 2021
	Certificate of Merit from the Vietnam General Department of Taxation for good implementation of tax policies and laws in 2020.	Vietnam General Department of Taxation	No. 1950/QD-TCT dated December 23, 2021.
	Certificate of Merit from the Corporation - For outstanding achievements, completing the 2022 production and business plan two months ahead of schedule.	Shipbuilding Industry Corporation	No. 347/QD-CNT dated November 30, 2022.
2023	- Certificate of Merit from the Party Committee of Shipbuilding Industry Corporation - Meeting the standard of "Excellent completion of tasks" in 2022.	Party Committee of the Corporation	- No. 442/QD/DU dated December 26, 2022
	Certificate of Merit from the Shipbuilding Industry Corporation - For excellent performance in completing tasks in 2022	Shipbuilding Industry Corporation	No. 08/QD-CNT dated January 10, 2023
	Certificate of Merit from the Transport Trade Union - For outstanding achievements in the Green-Clean-Beautiful emulation movement, ensuring occupational safety and hygiene in 2022	Transport Trade Union	No. 1682/QD-CDN dated April 28, 2023
	Certificate of Merit from the Vietnam Association of Mechanical Enterprises awarded the Company as a typical mechanical unit in production, business and development cooperation of the Vietnamese mechanical industry in the period 2018 - 2023.	Vietnam Association of Mechanical Enterprises	No. 55/QD-VAMI dated September 15, 2023

	Certificate of Merit from the Chairman of Hai Phong People's Committee awarded to Song Cam Shipbuilding Joint Stock Company for its outstanding achievements and positive contributions to the socio-economic development of Hai Phong city in 2023.	Hai Phong People's Committee	No. 199/QD-CT dated January 18, 2024
	Certificate of Merit from the General Corporation of Information Technology awarded to Song Cam Shipbuilding Joint Stock Company for its excellent performance in 2023	Shipbuilding Industry Corporation	No. 05/QD-CNT dated January 8, 2024
2024	Certificate of Merit from the Ministry of Transport	Ministry of Transport	No. 531/QD-BGTVT dated May 9, 2024
	Certificate of Merit from the Shipbuilding Industry Corporation awarded to Song Cam Shipbuilding Joint Stock Company for its excellent performance in 2024	Shipbuilding Industry Corporation	No. 334/QD-CNT dated December 12, 2024

- Other events:

2. Business lines and locations of the business:

- Business lines: (Specify major lines of business or products and services which account for more than 10% of the total revenue in the last 2 years).

- Shipbuilding and floating structures (building new ships, equipment and floating vehicles); Building boats, sports and recreational boats; Manufacturing metal structures; Installing industrial machinery and equipment; Manufacturing locomotives, trams and carriages,...

- Location of business: (Specify major locations of business which account for more than 10% of the total revenue in the last 2 years).

- Domestic and international markets.

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

- Governance model (as stipulated in Article 137 Law on Enterprises).

*** Board of Directors:**

1. Mr. Le Van Hai: Chairman of the Board of Directors

- Education level: 12/12

- Professional qualification: Economic engineer

- Over 30 years of experience.

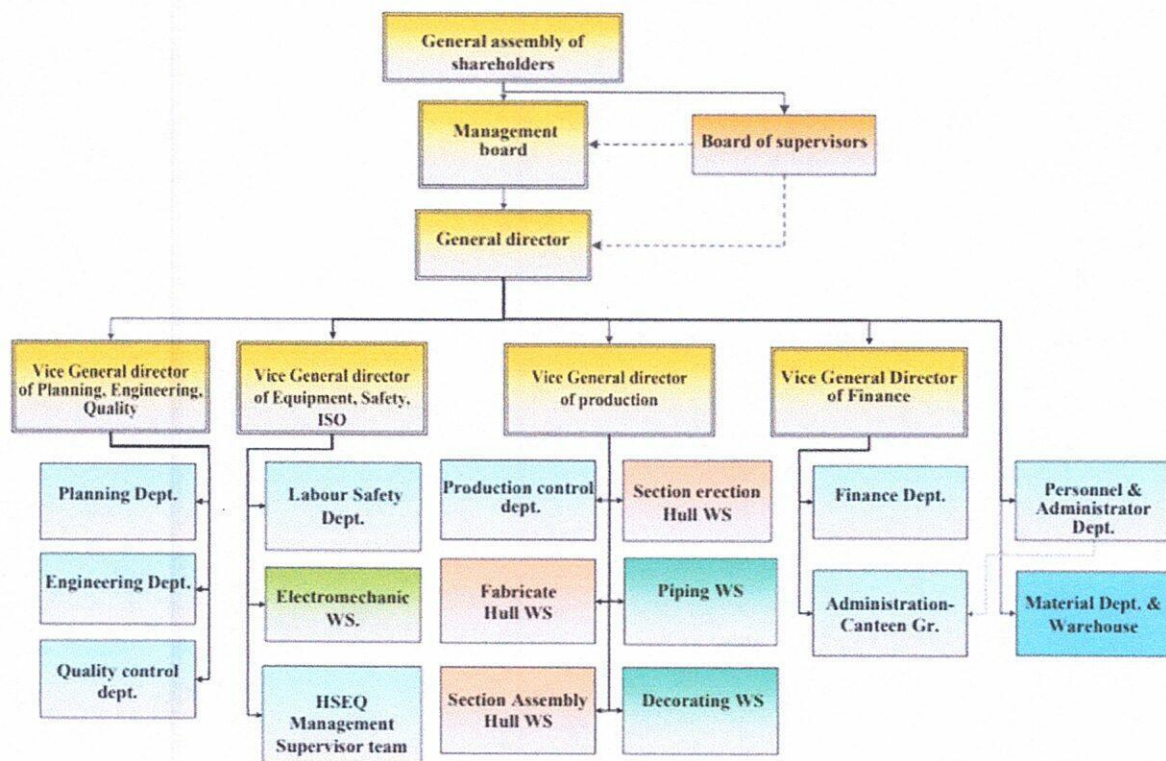
- Number of shares owned: none

- Number of authorized representative shares: 31,632,655 shares
- 2. Mr. Dam Quang Trung: Member of the Company's Board of Directors
 - Education level: 12/12
 - Professional qualification: Mechanical engineer - ship engineering
 - Over 18 years of experience.
 - Number of shares owned: 26,551 shares
 - Number of authorized representative shares: 24,191,195 shares
- 3. Mr. Nguyen The Trung: Member of the Board of Directors
 - Education level: 12/12
 - Professional qualification: Bachelor of Finance - Accounting
 - Over 19 years of experience.
 - Number of shares owned: none
 - Number of authorized representative shares: 4,672,278 shares

*** Board of Control:**

- 1. Ms. Phan Thi Hien: Head of Board of Supervisors
 - Education level: 12/12
 - Professional qualification: Bachelor of Finance - Accounting
 - Over 10 years of experience.
 - Number of shares owned: 13,496 shares
- 2. Mr. Phung Vu Loi: Member of the Board of Supervisors
 - Education level: 12/12
 - Professional qualification: Bachelor of Finance - Accounting
 - Over 13 years of experience.
 - Number of shares owned: 913 shares
- 3. Ms. Pham Thi Minh Thuan: Member of the Board of Supervisors
 - Education level: 12/12
 - Professional qualification: Bachelor of Finance - Accounting
 - Over 9 years of experience.
 - Number of shares owned: none
- Management structure

THE ORGANIZING PLAN OF SONGCAM SHIPBUILDING JOINT STOCK COMPANY



- Subsidiaries, associated companies: (Specify the names, addresses, major fields of production and business, paid-in charter capital, ownership percentages of the Company in such subsidiaries, associated companies).

* Joint venture between Song Cam Shipbuilding Joint Stock Company and Damen Group - Netherlands:

+ Joint venture company name: Damen - Song Cam Shipyard Company Limited.

+ Address: Residential group 1, Hoang Lam ward, Thuy Nguyen city, Hai Phong city, Vietnam.

+ Business registration certificate No. 0200767645, first registered on August 8, 2007 and 7th registered for change on February 8, 2025 by the Hai Phong Department of Planning and Investment.

+ Business activities: Building and repairing ships and water vehicles, tugboats, working boats, speedboats, ferries, barges,...

+ Charter capital: 887,029,564.423 VND.

In there:

- The value of the capital contribution of Damen Group - Netherlands is 620,920,695.337 VND.

- The value of the capital contribution of Song Cam Shipbuilding Joint Stock Company is 266,108,869.086 VND.

4. Development orientations

- Main objectives of the Company.

Promote international cooperation and integration, improve competitiveness,

focus on shipbuilding for export, and continue to expand the market for new shipbuilding, ship repair, processing and manufacturing of mechanical products domestically and internationally.

- + Strive for total annual output value to grow from 1% ÷ 5%.
- + Strive for total annual revenue growth from 1% ÷ 5%.
- + Strive for a profit/equity ratio of over 4% per year.
- + Strive for dividend level to reach over 2%/year.
- + Strive to contribute to the state budget to increase gradually every year.
- + Strive for the average income of workers to increase annually according to the labor market.

- Development strategies in medium and long term.

Focus on building ships for export for Damen Group - Netherlands; In addition, expand new shipbuilding and repair markets domestically and internationally; Continue to expand to the domestic and foreign mechanical product processing and manufacturing markets.

- Corporate objectives with regard to Corporate environment, society and community Sustainability.

+ Maintain the ISO 9001:2015 quality management system; ISO 14001:2015 environmental management system and ISO 45001:2018 occupational health and safety standards system. Pay special attention to using modern, advanced, environmentally friendly technology (complying with regulations on waste, wastewater, and emissions). Ensure industrial hygiene and labor safety during production and business. Encourage research and application of advanced environmental treatment technologies in all production stages of the company.

+ Closely combine modern advanced technology equipment with appropriate organizational structure and operating procedures. Strengthen propaganda, education, and dissemination of knowledge about safety, fire prevention and environmental protection to all employees of the company.

+ Strictly manage all stages of product construction, select advanced, high-performance technology and means, and minimize environmental impact.

+ Actively and proactively participate in social security activities to demonstrate responsibility to the community such as: supporting policy families, families in difficult circumstances, homeless elderly people, Vietnamese heroic mothers, supporting compatriots affected by natural disasters, storms and floods, charities, gratitude funds, education promotion funds, funds for the poor, etc.

5. *Risks:* (Specify the risks probably affecting the production and business operations or the realization of the Company's objectives, including environmental risks).

+ *Economic risks:* Vietnam's economic growth rate, inflation rate, export turnover, trade balance and government adjustment policies can directly or indirectly affect the company's operations.

+ *Exchange rate risk:* Because the company's production activities are related to import and export activities, any fluctuations in foreign exchange rates always affect the company's production and business results.

+ *Interest rate risk*: Enterprises operating in the shipbuilding sector have a fairly high debt-to-equity structure, stemming from the need to invest in fixed assets that require large amounts of capital, especially ineffective expansion and upgrade investment plans that increase financial costs and reduce the profitability of production and business activities.

+ *Industry risks*: The competitiveness of the Vietnamese shipbuilding industry is not high, the added value of products is still low, supporting technology for the shipbuilding industry is not yet developed, materials, machinery, and equipment serving the shipbuilding industry are mostly still imported. Therefore, competitiveness is still low, the risk level in the shipbuilding industry is still high compared to other countries in the region and other countries in the world.

+ *Human resource risks*: Human resource risks are mainly due to the weak quantity and quality of human resources, which are still insufficient to meet the company's production requirements for growth and to meet international standards as well as global integration trends.

+ *Other risks*: Impacts from natural disasters, fires, epidemics, wars, etc. are force majeure risks that, if they occur, will affect the company's assets, people and production and business activities.

I I. Operations in the Year

1. Situation of production and business operations

- Results of business operations in the year: Specify the results achieved for the year. Specify major changes and movements in business strategy, revenue, profits, costs, markets, products, supplies, etc.

In the context of the world situation continuing to develop in a complicated and unpredictable manner; fierce strategic competition; escalating conflicts in Ukraine, the Middle East, and the Red Sea; fluctuating prices of gasoline, materials, and freight rates; slow and unstable economic and trade recovery; unpredictable fluctuations in exchange rates and interest rates; natural disasters, storms, floods, climate change, and complex developments in energy security have greatly impacted and affected domestic economic activities and the Company's production and business efficiency; Shortage of shipbuilding human resources; small -scale contractors whose capacity has not yet met the Company's requirements for product quality and production progress; Production premises, factory systems, machinery, equipment, tools, and working instruments are not synchronized and must be continuously invested in, repaired, and upgraded, which also affects the Company's labor productivity, product quality, and production efficiency. However, to achieve the 2024 plan goals and maintain stable growth, the Board of Directors and all officers and employees are always united, dynamic, creative, proactively applying many breakthrough solutions to complete the targets approved by the General Meeting of Shareholders, specifically:

- Output value reached 1,105 billion VND, equal to 147% of the yearly plan.
- Revenue value from production and business activities reached: 1,036 billion VND, equal to 166% of the yearly plan.
- Revenue and other income reached: 1,069 billion VND, equal to 168% of the year plan.
- Profit before tax reached: 101.6 billion VND, equal to 339% of the year plan.

- State budget contribution reached: 34.9 billion VND, equal to 391% of the yearly plan.

- Newly built products completed and delivered during the year include 42 newly built products; 01 repaired product and other mechanical products.

- Implementation situation/actual progress against the plan: Comparing the actual progress with the targets and the results of the preceding years. Analyzing specific reasons of the unachievement/ achievement/excess of the targets and against the preceding years.

Although still facing many difficulties, with the high determination of the Board of Directors and all employees have continuously strived to complete the set targets, production and business activities always ensure profits, obligations to pay the state budget are fully and timely implemented and responsibilities to the community are always paid attention to, specifically:

- Output value reached 1,105 billion VND, equal to 147% of the annual plan and 105.43% compared to 2023.

- Revenue and other income value reached: 1,069 billion VND, equal to 168% of the annual plan and equal to 102.10% compared to 2023.

- Pre-tax profit reached: 101.6 billion VND, equal to 339% of the annual plan and 115.45% compared to 2023.

- State budget contribution reached: 34.9 billion VND, equal to 391% of the annual plan and equal to 155.80% compared to 2023.

2. Organization and Human resource

- *List of the Board of Management:* List, curriculum vitae and ownership percentage of the Company's voting shares and other securities by the Company's General Director, Deputy General Directors, Chief Accountant and other managers.

1. Mr. Dam Quang Trung: General Director

- Education level: 12/12
- Professional qualification: Mechanical engineer - ship engineering
- Over 21 years of experience.
- Number of shares owned: 26,551 shares
- Number of authorized representative shares: 24,191,195 shares

2. Mr. Phan Dinh Luong: Deputy General Director

- Education level: 12/12
- Professional qualification: Bachelor of Finance - Accounting
- Over 30 years of experience.
- Number of shares owned: 39,902 shares

3. Mr. Dang Minh Thinh: Deputy General Director

- Education level: 12/12
- Professional qualification: Mechanical engineer
- Over 25 years of experience.
- Number of shares owned: 11,853 shares

4. Mr. Nguyen Duc Trieu: Deputy General Director

- Education level: 12/12

- Professional qualification: Marine hull engineer
 - Over 25 years of experience.
 - Number of shares owned: 5,643
5. Mr. Pham Van Trong: Deputy General Director
- Education level: 12/12
 - Professional qualification: Marine hull engineer
 - Over 15 years of experience.
 - Number of shares owned: 913 shares
6. Mr. Hoang Van Tung: Chief Accountant
- Education level: 12/12
 - Professional qualification: Bachelor of Finance - Accounting
 - Over 15 years of experience.
 - Number of shares owned: 17,445 shares
- Changes in the Board of Management: (List the changes in the Board of Management in the year).
- + May 1, 2024: Mr. Nguyen Ngoc Thanh - Deputy General Director of the company retired.
 - + May 23, 2024: Mr. Pham Van Trong - Head of Technical Department was appointed to the position of Deputy General Director of the company.
- Number of staffs. Brief information and changes on the employee's policies.
- + Total number of employees as of December 31, 2024 is 1,015 people.
 - + The regimes on salary, bonus, training, treatment, incentives, promotion opportunities, social insurance, health insurance, unemployment insurance and allowances for employees are always fully implemented in accordance with the provisions of law.
 - + The Company's policy is to always focus on the human factor - taking the capacity, qualifications, awareness and responsibility of staff as the measure of all success; customers coming to the Company are coming to products of quality and trust.
3. *Investment situation, project implementation situation*
- a) Major investments: Specify major investments implemented for the year (including financial investments and project investments), the implementation progress of major projects. If the Company has conducted a public offering for the projects, it is necessary to indicate the progress of implementation of the projects and analyze the reasons in case of achievement/failure to achieve the announced and committed targets .
- During the year, we focused on investing in projects to improve the Company's production capacity and efficiency, specifically:
- + Invest in purchasing CNC laser cutting machine;
 - + Invest in building new material warehouse ;
 - + Invest in purchasing 200-ton forklifts
 - + Repair and upgrade shipyard.
- b) Subsidiaries, associated companies: (Summarizing the operations and

financial situation of the subsidiaries, associated companies).

+ Joint venture company name: Damen - Song Cam Shipbuilding Company Limited.

+ Address: Residential group 1, Hoang Lam ward, Thuy Nguyen city, Hai Phong city, Vietnam.

+ Business registration certificate No. 0200767645, first issued on August 8, 2007 and 7th registered for change on February 8, 2025 by the Hai Phong Department of Planning and Investment.

+ Business activities: Building and repairing ships and water vehicles, tugboats, working boats, speedboats, ferries, barges,...

+ Charter capital: 887,029,564,423 VND.

+ Revenue and other income value 1,791 billion VND;

+ Profit before tax 240.4 billion VND.

4. Financial situation

a) Financial situation :

Unit: VND

Indicators	Year 2023	Year 2024	% change
* Applicable for organizations other than credit institutions and non - bank financial institutions:			
Total asset	1,474,252,014,789	1,720,907,098,649	
Net revenue	1,012,940,759,845	1,036,420,364,313	
Profit from operating activities	88.667.111.918	101,069,936,875	
Other profits	648,773,916	606.834.903	
Profit before tax	88.018.338.002	101,676,771,778	
Profit after tax	67.191.346.512	80.882.453.039	
Payout ratio	3.8%	5% (expected)	

- Other figures : (depending on the specific characteristics of the industry and of the Company to clarify the company's operating results for the last two years).

b) Major financial indicators :

Indicators	Year 2023	Year 2024	Note
1. Solvency ratio			
+ Current ratio:	1.63	1.48	

Short term Asset/Short term debt + Quick ratio : <u>Current Assets - Inventory</u> Short-term debt	1.04	1.01	
2. Capital structure ratio + Debt/Total assets ratio + Debt/Owners ' Equity ratio	0.39 0.64	0.68 0.85	
3. Operational capacity Ratio + Inventory turnover: Cost of goods sold/Average inventory + Total asset turnover: Net revenue/Total assets	1.99 0.69	2.47 0.60	
4. Profitability + Profit after tax/ Net revenue ratio + Profit after tax / total capital ratio + Profit after tax / Total assets ratio + Profit from business activities/ Net revenue Ratio	0.066 0.075 0.046 0.087	0.08 0.09 0.07 0.10	

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

a) Shares : Specify the total number and types of shares in circulation, the number of freely transferable shares and the number of shares restricted from transfer according to the law, the company's charter or the owner's commitment. In case the company has securities traded in foreign countries or underwritten the issuance and listing of securities in foreign countries, it is required to specify the foreign markets, the number of securities to be traded or underwritten and important information concerning the rights and obligations of the company related to the securities traded or underwritten in foreign countries.

1. Founding shareholders: none

2. Shareholders owning over 5%: 60,496,128 shares, worth VND 604,961,280,000, accounting for 97.62%.

3. Shareholders owning less than 5%: 1,472,798 shares, worth VND 14,727,980,000, accounting for 2.38%.

b) Shareholders structure: Specify shareholders structure by ownership percentages (major, minority shareholders); institutional and Individual shareholders; domestic and foreign shareholders; State and other shareholders; foreign shareholder's maximum percentages.

1. Domestic shareholders:

- Shareholders are organizations: 60,496,128 shares, worth 604,961,280,000 VND, accounting for 97.62% of charter capital

- Internal individual shareholders: 185,163 shares, worth VND 1,851,630,000, accounting for 0.29% of charter capital

- Shareholders are individuals: 1.2 67,635 shares, worth 12,676,350,000 VND, accounting for 2.04% of charter capital

2. Foreign shareholders:

- Shareholders are foreign individuals: 20,000 shares, value 200,000,000 VND, accounting for 0.032% of charter capital

c) Change in the owner's equity: specify equity increases including public offerings, private offerings, bond conversions, warrant conversions, Issuance of bonus shares, shares dividend, etc.

*** Process of increasing the company's charter capital:**

No	Time	Form of capital increase	Charter capital (VND)	Number of increases and decreases (VND)	% incre ase, decre ase
1	April 29, 2008	Initial charter capital	142,127,940,000		
2	November 16, 2010	Issuance of shares to pay dividends in 2008 - 2009	167,364,780,000	25,236,840,000	18%
3	January 01, 2012	Issuance of shares to pay dividends in 2010 at a rate of 30% of profits as dividends (the remaining 70% is paid in cash)	171,412,780,000	4,048,000,000	2%
4	August 11, 2012	Issuance of shares to pay dividends in 2011. This is the dividend to be distributed to Bach Dang Shipbuilding Company Limited	177,939,260,000	6,526,480,000	4%
5	August 25, 2014	Capital contribution by facilities of Ben Kien Shipbuilding industry company limited according to Decision No. 320/QD - CNT dated May 20, 2014 of the Shipbuilding Industry Corporation .	619,689,260,000	441,750,000,000	248%

d) Transaction of treasury stocks: Specify number of existing treasury stocks, list transactions of treasury stocks conducted for the year including trading times, prices

and counter parties: no

e) Other securities: Specify other securities issues conducted during the year. Specify the number, characteristics of other types of floating securities and outstanding commitments of the Company to other individuals, organizations (including Company's staffs and managers) related to the securities issues: no

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

6.1 . Impact on the environment:

Total direct and indirect GHG emission : none

Measures and initiatives to reduce GHG emission : none

6.2 . Management of raw materials:

a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year .

No.	Materials	Unit of measure	Consumption volume in 2024
1	Round steel	kg	79,756
2	Steel plate	kg	13,553,090
3	Steel mine	kg	575,685
4	Angle steel	kg	343,985
5	Steel pipe	kg	1,155,922
6	Steel ball	kg	23,000
7	Steel Flat Bar	kg	23,109
8	Types of stainless steel	kg	261
9	Types of Aluminum	kg	26,113
10	Non-ferrous metals	kg	121
11	Types of welding wire	kg	456,922
12	Types of welding rods	kg	19,749
13	Types of paints	liter	228,619

b) The percentage of materials recycled to produce products and services of the organization.

Raw materials used for recycling for the company's main products: none

6.3. Energy consumption:

a) Energy consumption - directly and indirectly.

The company's electricity consumption in 2024 is 5,130,400 KW, of which: energy consumed directly for production is 4,769,882 KW, the total service energy consumption is 360,518 KW.

b) Energy savings through initiatives of efficiently using energy.

Continue to promote activities to save resources and energy. In 2024, the saving rate of electricity is 2% kw/kg of product compared to 2023; the saving rate of gas,

oxygen, and CO₂ is 2.5%/kg of product compared to 2023; the saving rate of materials is 2.1%/kg of product compared to 2023.

c) The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives.

- Invest in renovating the system of cabinets, electrical panels, and electrical wires to ensure electrical safety for workers in factories and wharf areas.

- Install additional electricity and water meters in each department and common production areas; collect monthly consumption statistics to have a basis for comparison, evaluation, and implementation of appropriate management measures to avoid wasting energy and resources.

6.4. *Water consumption:* (water consumption of business activities in the year)

a) Water supply and amount of water used .

Water consumption in 2024 is 26,836 m³ , of which: 25,714 m³ for production and 1,122m³ for daily life.

b) Percentage and total volume of water recycled and reused .

Water consumption in 2024, recycled for production, accounts for about 10% of water consumption in the year.

6.5. *Compliance with the law on environmental protection:*

a) Number of times the company is fined for failing to comply with laws and regulations on environment: no

b) The total amount to be fined for failing to comply with laws and regulations on the environment: none

6.6. *Policies related to employees*

a) Number of employees, average wages of workers .

- + Total number of employees as of December 31, 2024 is 1,015 people.

- + Salary is paid according to the product contract, the ability and work efficiency of the employee.

- + Bonuses on holidays, Tet, and company traditional days are implemented according to the company's Collective Labor Agreement.

- + Average salary of workers is over 17 million VND/person/month.

b) Labor policies to ensure health, safety and welfare of workers.

- + Regularly control and closely monitor weather conditions to see if they affect the quality and construction of products, especially in the welding and painting stages, such as humidity, dust, wind speed, etc. by arranging and dividing work areas, ensuring cover and preventing the spread of dust, metal shavings, and paint dust into the surrounding environment.

- + Strictly implement regulations on the use of personal protective equipment, ensuring that occupational safety and health work becomes a routine for every worker.

- + Implement and maintain the environmental management system according to ISO 14001:2015 standard and the occupational health and safety management system according to ISO 45001:2018 standard , determined to fulfill the commitment to protect the environment, protect the health of workers and continuously improve the

working conditions of workers.

- + Working time according to the provisions of the Labor Code.
- + Social insurance, health insurance, unemployment insurance, 24/24 insurance, etc. according to the law and the Company's regulations.
- + Employees are provided with free mid-shift meals, snacks during breaks, in-kind compensation, lunch breaks, gym, sightseeing trips, etc. according to the law and the Company's regulations.
- + Workers are arranged to work in factories with good working environment and conditions; fully equipped with personal protective equipment according to the law and regulations of the Company.

c) Employee training activities

- The average number of training hours per year, according to the staff and classified staff

The average number of training hours is about 20 hours/person/year, including: training on occupational safety and health, fire prevention and fighting, training on responding to chemical incidents, oil spills, natural disasters, fires, occupational accidents, etc. according to the provisions of law, retraining, advanced training in welding and assembly skills; professional training, training in management and operation skills for the Company's officers and employees.

- The skills development and continuous learning program to support workers employment and career development .

Every year, the Company organizes short-term training courses for employees on professional skills, improving technical skills, management skills, production management skills, and administrative skills. They are sent to attend specialized seminars and study tours with other units. The Company has organized vocational skills retraining courses for over 400 employees.

6.7. Report on responsibility for local community.

The community investments and other community development activities, including financial assistance to community service.

Regarding the performance of obligations to the state: The company has fully performed its obligations to pay the state budget, strictly complied with policies and laws on taxes, fees and charges.

Regarding social and community responsibilities: The company has supported families in especially difficult circumstances, families with meritorious services, people with revolutionary contributions, heroic Vietnamese mothers, homeless elderly people, supported people affected by natural disasters, storms and floods, charities, gratitude funds, funds for the poor, blind associations, disaster prevention funds, supported building houses of gratitude, repairing houses for poor households; fund to light up faith for children; program to give health insurance cards to the poor, etc. with a total amount of over 150 million VND.

Actively participate in responding to and supporting the activities of the local government of An Hong ward, Hong Bang district, Hai Phong city. Giving gifts to 20 poor households and policy families in An Hong ward, Hong Bang district , Hai Phong city on the occasion of the Lunar New Year 2025.

6.8 . *Report on green capital market activities under the guidance of the SSC.*

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

The Board of Management's reports and assessments shall include at least the following contents :

1. Assessment of operating results

- General analysis of the company's operations against the previous operating targets and results. In case of failing to meet the operating results and targets, the Board of Management must clearly state the reasons and their responsibilities for such results (if any) .

In the context of continuing conflicts around the world, which have negatively impacted the world economy and Vietnam, the supply chains of materials have been broken, material prices, foreign exchange rates, and product markets have continuously fluctuated in an unfavorable direction, increasing the production costs of the Company. The shortage of shipbuilding human resources, in addition to the capacity of subcontractors has not yet met the requirements of quality and production progress of the Company ; The system of factories, machinery, equipment, means and working tools is not yet synchronized, so it is necessary to continue to invest in upgrading to improve the productivity and efficiency of the Company.

However, with the spirit of solidarity, dynamism, creativity and high determination of the Board of Directors, the Board of General Directors and all officers and employees have determined to strive to successfully complete the 2024 production and business plan, all production and business activities are guaranteed. Profitable, shareholders' rights are guaranteed, the Company's capital is preserved and developed, obligations to the state and the community are fully and timely performed, and the lives and incomes of workers are gradually improved.

About production and business results:

- Output value reached 1,105 billion VND, equal to 147% of the yearly plan.
- Revenue from production and business activities reached 1,036 billion VND, equal to 166% of the yearly plan.
- Revenue and other income reached 1,069 billion VND, equal to 168% of the year plan.
- Pre-tax profit reached 101.6 billion VND, equal to 339% of the year plan.
- State budget contribution reached 34.9 billion VND, equal to 391% of the yearly plan.
- Dividend rate of 5% is equal to 250% of the annual plan.

Regarding product market: Maintain the cooperative relationship with Damen Group - Netherlands on the basis of ensuring long-term benefits for all parties. Continue to strengthen trust and reputation with customers, closely cooperate with Joint Venture Company of Damen - Song Cam to attract new construction contracts from Damen Group - Netherlands.

- Actively expand the market, search for products suitable to the company 's capacity and strengths. Actively prepare technical, financial and experience factors to improve competitiveness in domestic and foreign markets. Continue to approach other

domestic and foreign shipbuilding markets to seek new business cooperation opportunities

- Focus on export market, expand customer base. Strengthen cooperation with units within the Corporation; continue to implement contracts for new shipbuilding, ship repair and processing and manufacturing mechanical products in domestic and foreign markets

Regarding production management and operation: Continuously improve production management and operation methods. Clearly decentralize production management and operation activities. Carry out parallel management work, long-term, medium-term and short-term planning including: developing new products, expanding markets, customer relations with production management work to effectively perform production tasks.

- Training and retraining on professional qualifications, skills, management skills, production management for the company's mid-level management staff; Training and retraining for engineers and workers to improve professional knowledge, foreign language proficiency, IT and technical skills to suit production requirements. Update changes in standards and conventions in the industry to each employee, strictly regulate the material and responsibility of employees for the quality of the products they make.

- Review and revise the system of technical norms, labor norms, and salary unit prices to be able to carry out domestic shipbuilding and repair contracts at low unit prices.

- Improve production preparation: technical preparation, preparation of materials, equipment, means, working tools, occupational safety and fire prevention measures to reduce workers' delay time and increase useful time.

Restructuring and human resource development: The company continues to reorganize labor to ensure human resources suitable for scale, production capacity and meet immediate and long-term requirements of the company, specifically:

Continue to review, reduce and merge unnecessary indirect management units to streamline the management and operation apparatus to improve effectiveness and efficiency throughout the system. Continue to restructure the workforce, review and rearrange indirect, service and direct personnel to improve work efficiency and income for employees.

Focus on human resource development, cooperate with universities, vocational schools, job exchanges, job introduction centers in the city, through mass media channels and social networks to recruit young skilled workers to work and recruit untrained workers for vocational training at the company. In addition, to ensure production progress, the company also seeks more capable and reputable subcontractors to cooperate and supplement long-term human resources for the company's units.

Regarding development investment: Focus on green development, sustainable development, minimizing environmental impact; new investment and repair of shipyards, wharves, repair and purchase of new machinery, equipment, means and working tools to rationalize production lines, improve production capacity and efficiency, increase labor productivity, product quality and improve the environment and working conditions for workers.

- The Company's achievements.

The Company's products is checked, monitored and tracked at each stage, ensuring technical and aesthetic requirements, satisfying customer requirements, and maintaining the Company's reputation, specifically :

Completed the welded iron equipment parts in the general construction mode, before cleaning and painting; divided the general sections into detailed assemblies that were assembled and welded on a flat platform, shortening construction time and increasing labor productivity; Deployed design, created technological drawings, separated structural details, accessory equipment, so that units could do a good job of preparing for production, facilitating work assignment, work control and salary allocation; Improved construction process, assembled accessory parts in the general construction mode to shorten construction time of products; Built a data library to serve the management and use of data sheets with specialized software, rearranged the shot blasting line, cleaned the general section; Regarding production control: applying specialized software in making and monitoring progress : the assignment of plans and evaluation of progress implementation are carried out uniformly and centrally by functional departments (planning, production coordination) on the basis of regular and continuous updates of changes and developments during the week.

Regarding digital transformation: The Company assigns the IT department to coordinate with functional departments and divisions to research and propose pilot implementation of digital transformation plans in the Company's fields of operation, gradually changing the leadership, management and implementation methods of working processes. Currently, the Company is deploying the ERP - Bravo system in all aspects of the Company's production management activities.

+ In 2024, there were over 188 technical innovations and improvements applied to contribute to improving productivity, product quality and broduction efficiency, saving the company hundreds millions dong.

+ Maintain effective implementation of ISO 9001:2015 quality management system; ISO 14001:2015 environmental management system and ISO 45001:2018 occupational health and safety management system in each field of the company's operations.

2. Financial Situation

a) Assets

Analysis of assets and changes in assets (analysis and assessment of the efficiency of assets usage and bad receivable debts that affect operating results).

Shipbuilding Joint Stock Company is a unit whose main business lines are building, repairing water vehicles and processing and manufacturing mechanical products, so the Company's current assets are quite large. In recent years, the Company has exploited and used assets effectively, which is shown through the following financial indicators in 2024 :

+ Asset utilization efficiency = Total net revenue/Average total assets
(1,036,420 million VND /1,057,292 million VND = 0.98 times = 98 %).

+ Profit margin ratio = Profit before tax/Average total assets (101,676 million VND/1,057,292 million VND = 0.096 times = 9.6 %).

+ Fixed asset usage efficiency = Total net revenue/Average fixed asset cost
(1,036,420 million VND/680,203 million VND = 1.52 times = 152 %).

+ Working capital turnover = Total net revenue/Average working capital
(1,036,420 million VND/372,852 million VND = 2.78 times = 278 %).

According to the data of 2024, the efficiency of using fixed assets as well as current assets of the company during the year was very high, specifically:

+ Every 1 dong of assets generates 0.98 VND of revenue

+ Every 1 dong of assets creates 0.096 VND of pre-tax profit

+ Every 1 dong of original price of fixed assets creates 1.52 VND of revenue

+ Every 1 coin Average working capital generates 2.78 VND in revenue.

b) Debt Payable

- Current debts, major changes of debts.

Currently, there is only a bad debt of 89 million VND, this is a very small amount compared to the financial scale of the company, so it will not negatively affect the production and business results of the company.

- Analysis of bad debts, impacts of the exchange rate changes on operating results of the Company and impacts of lending rate changes .

No.	Interpretation	Amount (million VND)	Note
1	Short-term trade payables	31,614	
2	Short-term advance payment buyer	445,713	
3	Taxes and other payables to the State	0	
4	Payable to workers	17,389	
5	Short-term payable expenses	209,583	
6	Other short-term payables	15,927	
7	Short term loan	0	
8	Provision for short-term payables	47,275	
9	Welfare reward fund	23,339	

+ Liabilities/total capital (790,843 million VND/1,720,907 million VND = 0.46 times)

+ Liabilities/equity (790,843 million VND/ 930,063 million VND = 0.85 times)

According to 2024 figures, the company 's debt situation is still under control.

* Bad debt and exchange rate difference impact on business results.

+ Bad debt: None.

+ Impact of exchange rate differences: Exchange rate differences do not significantly affect the company's production and business situation in 2024.

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

The Executive Board has focused on directing units to consolidate and reorganize the organizational structure in a streamlined and efficient manner, develop labor utilization plans appropriate to assigned functions and tasks, and strive to bring the ratio of indirect to direct. Continue to reorganize labor, reorganize the management and operation structure, continue to reorganize the production line to improve the effectiveness and efficiency of operations throughout the system, specifically:

Regarding organizational structure: During the year, the human resources of the workshops were rearranged and the workshops were renamed according to the functions and tasks of the workshops of processed shells, assembled shells, girder shells, pipes, and decoration to streamline the management structure and improve the effectiveness and efficiency of the units.

Regarding labor: During the year, over 150 employees were arranged and mobilized internally in the direct production, service and indirect sectors in production departments and workshops to improve labor productivity, work efficiency and income for employees.

The company's management has found enough jobs for employees, policies for employees are fully and promptly implemented according to the law, no disputes or complaints occur.

Regarding employee income: The company ensures an average salary of over 17 million VND/person/month.

Salary, bonus, social insurance, health insurance, 24/24 personal insurance, and toxic compensation are always paid on time. Maintain the quality of shift meals. Organize periodic health check-ups and health classification to arrange the workforce.

Continue to implement solutions to reduce costs in production and business activities through strict control of input materials, technical and economic norms, and unit prices of wages. Strengthen management aspects, practice savings in production and spending: strictly check the implementation of regulations and rules on electricity management, management of machinery and equipment use, labor and material management to improve production and business efficiency.

Apply and deploy advanced scientific and technical advances in production. Apply software for planning and controlling production plans. Apply information technology in human resource management. Software for material management, work management, human resource management, and salary management applied in production workshops has brought good results.

Encourage and motivate workers to develop technical innovation initiatives to improve labor productivity and product quality, and reduce construction time at all stages. During the year, there were more than 188 production initiatives with a value of hundreds millions VND.

Maintain effective implementation of ISO 9001:2015 quality management systems, ISO 14001:2015 environmental management systems and ISO 45001:2018 occupational health and safety systems in each area of operation.

Practicing thrift, fighting waste, and reducing costs is one of the key tasks and solutions that the company's leaders focus on implementing. The Board of Directors

has issued resolutions on enhancing thrift and effectively using resources. The General Director has established an innovation and thrift committee to implement the program of practicing thrift and fighting waste in the Company. Innovation Committee and regular thrift monitoring of the implementation of units and reporting at weekly meetings to promptly rectify the practice of thrift and anti-waste, which has initially brought practical results.

4. Development plans in future

Promote international cooperation and integration, improve competitiveness, focus on shipbuilding for export, continue to expand the market for new shipbuilding, ship repair and processing, manufacturing mechanical products domestically and internationally:

- + Strive for total output value to increase from 1% to 5%.
- + Strive for total revenue to increase from 1% to 5%.
- + Strive for a profit/equity ratio of over 4% per year.
- + Strive for dividend level to reach over 2%/year.
- + Pay the budget correctly and fully according to the provisions of law.
- + Strive for workers' income to increase gradually every year.

- Maintain effective implementation of the ISO 9001:2015 quality management system; ISO 14001:2015 environmental management system and ISO 45001:2018 occupational health and safety management system in each field of operation of the Company. Pay special attention to using modern, environmentally friendly technology (complying with regulations on waste, wastewater, emissions, etc.). Ensure industrial hygiene and labor safety in production and business. Encourage research and application of advanced environmental treatment technologies in all production stages.

5. Explanation of the Board of Management for auditor's opinions (if any) - (In case the auditor's opinions are not unqualified). None .

6. Assessment concerning the environmental indicators (water consumption, energy, emissions, etc.).

a. Assessment concerning the environmental indicators (water consumption, energy, emissions, etc.).

During its operations, the company always complies with legal requirements, cooperates well with authorities, and promptly resolves problems as required by relevant parties, so the company has not received any complaints from the surrounding community or customers.

- Continue to maintain a good environmental management system in accordance with the requirements of ISO 14001:2015, the occupational health and safety management system ISO 45001:2018 and legal requirements related to the company's operations and significant environmental aspects.

- The commitment of the leadership and the efforts of all officers and employees to protect the environment and ensure the sustainable development of the company are always highly valued.

- Install additional electricity and water meters in each department and common production areas; collect monthly consumption statistics to have a basis for

comparison, evaluation, and implementation of appropriate management measures to reduce waste and consumption of energy and resources.

- Increase the scale of organization (in terms of frequency and number of participants) for drills to respond to occupational accidents, fires, and chemical incidents to raise awareness of risk prevention, response skills in unexpected incidents, and environmental protection awareness for officers and employees.

- Improve domestic wastewater treatment system to minimize pollution levels.

b. Assessment concerning the labor issues

Fully implement the regimes on salary, bonus, social insurance, health insurance, unemployment insurance, 24/24 insurance, in-kind allowances, and other welfare regimes in accordance with the provisions of law and the Company's labor agreement.

c. Assessment concerning the corporate responsibility for the local community

- Continue to support households in difficult circumstances, homeless elderly people, support people affected by storms and floods, charities, gratitude funds, funds for the poor, education promotion funds, etc.

- Continue to support the local government of An Hong ward, Hong Bang district in social security work, environmental protection activities and ensuring security and order, etc.

IV. Assessments of the Board of Directors on the Company's operation (for joint stock companies)

1. Assessments of the Board of Directors on the Company's operation, including the assessment related to environmental and social responsibilities.

In 2024, The continuing conflicts in the world have negatively impacted the world economy and Vietnam, which will directly affect the financial situation, production and business targets and profits of the Company. Grasping that situation, the Board of Directors and the Executive Board have promptly proposed many solutions to overcome difficulties, reduce losses, and at the same time stabilize the production and business situation of the Company.

The Board of Directors has performed well the function of supervising and orienting the Company's production and business activities. Through the supervision, the Board of Directors assesses that the Executive Board has well implemented the orientation of the Board of Directors and the General Meeting of Shareholders.

The Board of Directors strictly complies with legal regulations in its management activities, in accordance with the provisions of the Company's Charter. The resolutions and decisions issued by the Board of Directors are based on the high consensus of its members. The activities of the Board of Directors ensure the requirements on the quantity and quality of meetings, as well as the number of members attending to meet the legality and effectiveness of the meetings. The Board of Directors has performed its role well, ensuring maximum benefits for shareholders. The Board of Directors has oriented, supervised and urged the implementation of the completion of the targets approved by the 2024 General Meeting of Shareholders.

- *Regarding production and business results:*

- Output value reached 1,105 billion VND, equal to 147% of the yearly plan.

- Revenue from production and business activities reached 1,036 billion VND,

equal to 166% of the yearly plan.

- Revenue and other income reached 1,069 billion VND, equal to 168% of the year plan.

- Pre-tax profit reached 101.6 billion VND, equal to 339% of the year plan.

- State budget contribution reached 34.9 billion VND, equal to 391% of the yearly plan.

- Dividend rate of 5% is equal to 250% of the annual plan.

- Newly built products completed and delivered during the year include 42 newly built products; 01 repaired product and other mechanical products.

- *Regarding the direction of operations in 2025:*

- + *Enhance the leadership role of the Company's Party Committee* : Implement well the working relationship between the Party Standing Committee , the Board of Directors and the Executive Board, ensuring the leadership role of the Party, the management function and business orientation of the Board of Directors, the executive function of the Executive Board, the function of gathering, mobilizing and educating the masses of socio-political organizations.

Continue to thoroughly grasp the Party Committee's guiding ideology on leading production and business tasks, security, national defense, leading ideological work, planning work, organizing cadres, leading socio-political organizations and Party building work. Continue to promote the implementation of Directive No. 05-CT/TW dated May 15, 2016 of the Politburo "On promoting the study and following of Ho Chi Minh's ideology, morality and lifestyle" throughout the Party Committee.

- *Improve the quality of existing human resources*: Continue to direct training and retraining innovation for workers; arrange, organize, rotate, and plan staff, streamline the management apparatus to improve the operational efficiency of the operating apparatus, paying special attention to the team of middle-level managers and production team leaders at units within the Company .

- *Promote the application of advanced and modern technology in production and gradually implement digital transformation in the company's operations*: Continue to direct the research and innovation of processes and technologies to improve product quality and progress. Encourage and motivate employees to promote initiatives, improve techniques to improve productivity and product quality. Gradually pilot digital transformation in the company's activities.

Maintain effective application of ISO 9001:2015 quality management system, ISO 14001:2015 environmental management system and ISO 45001:2018 occupational health and safety management system in the Company's operations .

- *Improve the quality of management and production operations*: Continue to closely follow the direction of improving the quality of planning and controlling the implementation of production plans. Innovate technological processes to suit the practical situation of the company, review and amend technical standards to suit and be close to reality; apply information technology to production and business operations.

- *Launch a movement to practice thrift and fight waste*: Direct the implementation of cost savings, cut unnecessary costs, avoid waste and control costs in each area of operation. In the immediate future, together with the Board of Directors, review and

find measures to immediately reduce the Company's electricity consumption.

- *Promote development cooperation:* Strengthen cooperation with Damen Group - Netherlands. Continue to improve product quality to promote and enhance the image of the company.

- *Promote the implementation of corporate culture regulations:* Direct the better implementation of corporate culture regulations to create a friendly, dynamic, healthy competitive working environment, promote the spirit of cooperation and sharing among members of the company with the best working conditions to arouse each member's pride, desire to stick with and dedicate themselves to the company. Strengthen propaganda and education of officers and employees to raise awareness and responsibility in production and labor, improve productivity, quality and construction progress of products to maintain prestige and quality with customers.

2. Assessment of Board of Directors on Board of Management's performance

The Board of Directors highly appreciated the performance of the General Director and the Executive Board in 2024. The Board of Directors acknowledged the great efforts and determination to successfully complete the targets approved by the General Meeting of Shareholders. The General Director and the Executive Board have implemented production activities in accordance with the orientation of the Board of Directors on the basis of compliance with the provisions of the company's charter and the law.

3. Plans and orientations of the Board of Directors

In the context of the ongoing conflicts in the world, which have had a comprehensive and negative impact on the economy, trade, finance, and production and supply chains around the world as well as in Vietnam. Prices of materials, fuel, foreign exchange rates, and product markets will continuously have strong fluctuations in an unfavorable direction. Therefore, 2025 and the following years will continue to have many difficulties for the company, requiring us to have more drastic, dynamic and creative measures to gradually adapt and strive to complete the set production and business targets.

Based on market forecasts and negotiation plans with partners, the Board of Directors agreed on the following 2025 operational plan and orientation:

- Output value strives to reach 1,035 billion VND;
- Revenue value from production and business activities strives to reach: 958 billion VND;
- Revenue value and other income strive to reach: 975 billion VND;
- Pre-tax profit strives to reach: 54 billion VND;
- Striving to contribute to the State budget: 25.6 billion VND;
- The rate of return on charter capital strives to reach $\geq 4\%$;
- Dividend level strives to reach $\geq 2\%$;

V. Corporate governance

1. Board of Directors

a) Members and structure of the Board of Directors: (The list of members of the Board of Directors, ownership percentages of voting shares and other securities issued by the company, the list of independent members and other members; the list of

positions that a member of the Board of Directors at the Company holds at other companies).

1. Mr. Le Van Hai: Chairman of the Board of Directors

- Number of shares owned: none

- Number of authorized representative shares: 31,632,655 shares, accounting for 51.04% of charter capital.

2. Mr. Dam Quang Trung: Member of the Company's Board of Directors

- Number of shares owned: 26,551 shares, accounting for 0.03% of charter capital

- Number of authorized representative shares: 24,191,195 shares, accounting for 39.04% of charter capital.

3. Mr. Nguyen The Trung: Member of the Board of Directors

- Number of shares owned: none

- Number of authorized representative shares: 4,672,278 shares, accounting for 7.54% of charter capital.

b) The subcommittees of the Board of Directors: (The list of the subcommittees of the Board of Directors and list of members of each subcommittee).

- Secretariat: comply with current laws and regulations of the Company Charter.

c) Activities of the Board of Directors: Assessing activities of the Board of Directors and specifying the number of Board of Directors meetings, their contents and results.

The Board of Directors regularly monitors the company's production and business activities to have appropriate orientations and closely supervises the executive board's directions and operations in the company's activities to ensure that the activities bring the highest efficiency and comply with the provisions of law .

In 2024, the Board of Directors held 5 regular meetings and 8 extraordinary meetings. At these meetings, the Board of Directors approved the quarterly business performance results and the business plan for the following quarter, approved other issues under the authority of the Board of Directors; issued 21 resolutions and 30 decisions on operational aspects under the authority of the Board of Directors to consider and decide.

d) Activities of the Board of Directors ' independent members. Activities of the Board of Directors' subcommittees: (Assessing activities of the subcommittees of the Board of Directors, specifying the number of meetings of each subcommittee, their contents and results).

The non-executive Board members attended all meetings of the Company's Board of Directors.

e) The list of members of the Board of Directors possessing certificates on corporate governance. The list of members of the Board of Directors participating in corporate governance training programs in the year.

The Board members have attended a number of seminars on corporate governance and have experience in management and operations in the shipbuilding industry.

2. Board of Supervisors/Audit Committee

a) Members and structure of the Board of Supervisors/Audit Committee: (The list of members of the Board of Supervisors, ownership percentages of voting shares and other securities issued by the company).

1. Ms. Phan Thi Hien: Head of the Board of Supervisors

- Number of shares owned: 13,496 shares, accounting for 0.02% of charter capital

2. Mr. Phung Vu Loi: Member of the Board of Supervisors

- Number of shares owned: 913 shares, accounting for 0.001% of charter capital

3. Ms. Pham Thi Minh Thuan: Member of the Board of Supervisors

- Number of shares owned: 0

b) Activities of the Board of Supervisors/Audit Committee: (Assessing activities of the Board of Supervisors/ Audit Committee, specifying the number of Board of Supervisors'/ Audit Committee's meetings, their contents and results).

**** Evaluation of the performance of the board of supervisors***

In 2024, the Board of Supervisors fully performed the duties and responsibilities assigned by the General Meeting of Shareholders, including the following main tasks:

- Monitor the implementation of resolutions of the shareholders' meeting, resolutions of the Board of Directors; monitor compliance with the company's charter;

- Supervise the Board of Directors and the General Director in managing and operating the company;

- Control the company's financial reports quarterly, semi-annually and annually, review the transparency of the document circulation process;

- Control the process of building and implementing production and business plans, basic construction investment plans, labor, salary and income plans;

- Control information disclosure according to regulations of the Stock Exchange and regulations of the Law;

- Control the development and implementation of the Company's regulations and rules; Participate in contributing to the development and amendment of the Company's charter and internal regulations. Develop and revise the operating regulations of the Board of Supervisors according to current regulations; Coordinate with the Company's functional departments to inspect the Company's production and business activities;

- Other tasks according to the functions and duties of the Board of Supervisors.

In 2024, with the responsibilities, functions and powers of the Board of Supervisors as prescribed, the Board of Supervisors has completed its work well. Regularly organize inspection and supervision of the Company's production and business activities in accordance with the role and annual plan established by the Board; Review financial reports and investment activities of projects in accordance with the Enterprise Law and the Company's charter; Directly participate in the annual inventory of assets at the Company; Fully attend meetings of the Board of Directors, report to the Company's monthly meetings, control and evaluate compliance with the Company's charter, regulations and relevant laws, make appropriate and timely

proposals, recommendations and solutions to the Board of Directors and the Executive Board.

The Board of Supervisors basically assessed that the company's fixed asset procurement and basic construction in 2024 was consistent with the company's financial situation, production and business situation, and in accordance with the company's procedures and regulations and the laws issued by the state.

The Board of Supervisors assessed that the Company's financial and accounting work has complied with current accounting standards and accounting regimes, implemented well the Financial Reporting regime, and periodically disclosed financial information to the State Securities Commission and the Hanoi Stock Exchange within the prescribed time.

In 2024, the Board of Directors held regular and extraordinary meetings, issued 21 Resolutions, 30 Decisions and other documents in accordance with the correct procedures and with full legal basis in accordance with the provisions of law in accordance with the requirements of management and operation of the Company's production and business activities.

The Board of Supervisors assessed: The resolutions and decisions issued by the Board of Directors are consistent with the policies and resolutions of the General Meeting of Shareholders, consistent with the functions and powers of the Board of Directors as stipulated in the company's charter. The Board of Directors has clearly demonstrated its functions and tasks in the work of guiding, directing and managing the company within the authority of the Board of Directors, and has supervised the Executive Board in implementing and implementing the resolutions of the General Meeting of Shareholders with high efficiency.

Within the scope of its authority and responsibility, the Board of Directors over the past year has operated in accordance with its functions, duties, regulations, in accordance with the Enterprise Law and the company's charter, promptly implemented decisions and resolutions of the General Meeting of Shareholders, and the Board of Directors has not committed any violations that have affected the company's operational efficiency.

In 2024, the Board of Supervisors always received attention and favorable conditions from the Board of Directors, the Board of General Directors and the management staff in the company for the Board of Supervisors to complete its assigned tasks. The Board of Supervisors was fully and promptly provided with resolutions and decisions of the Board of Directors and the General Director in accordance with the company's operations. The Board of Supervisors closely coordinated and made appropriate and timely proposals, recommendations and solutions to the Board of Directors and the Executive Board on the principle of the legitimate interests of the unit, shareholders and in accordance with the provisions of law and the company's charter. In 2024, the Board of Supervisors did not receive any requests or complaints from shareholders or groups of shareholders about the Company's operations.

**** Board of Supervisors meeting***

In 2024, the Board of Supervisors held 4 meetings to deploy the tasks of its members in 2024, evaluate production and business activities as well as the company's planned targets according to the resolution of the General Meeting of Shareholders; Summarize the activities of the first 6 months of the year, the last 6 months of the year and the whole year of 2024, and propose directions for implementing the next tasks in 2025.

By the end of 2024, according to unaudited data, the Company's production and business plan targets according to the resolution of the General Meeting of Shareholders all achieved high results, specifically:

No	Indicators	Unit of measure	2024		
			Plan (P)	Implementation (I)	I/P(%)
1	Total output value	Billion VND	750	1.105	147
2	Revenue and other income	Billion VND	637	1,069	168
3	Revenue from production and business activities	Billion VND	625	1,036	166
4	Profit before tax	Billion VND	30	101.7	339
5	Pay to the state budget	Billion VND	8.95	34,96	391
6	Dividend level	%	2	5	250

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

a) Salary, rewards, remuneration and other benefits (Salary, rewards, remuneration and other benefits and expenses for each member of the Board of Directors, the Board of Supervisors/Audit Committee, Director and General Director and managers. Values of such remuneration, benefits and expenses shall be disclosed in details for each person. Non material benefits which have not been/cannot be quantified by cash shall be listed and explained).

Members of the Board of Directors and the Board of Supervisors directly participating in the management and operation of the Company are paid salaries, bonuses and allowances according to the Company's salary regulations; Members of the Board of Directors and the Board of Supervisors not directly participating in the management and operation of the Company are paid remuneration according to the Resolution of the Annual General Meeting of Shareholders, specifically:

Unit of measure 1,000 VND

No.	Full name	Position	Remuneration, wages, bonuses and other allowances
1	Le Van Hai	Chairman of the Board	1,239,258
2	Dam Quang Trung	Board Member/General Director	1,208,773
3	Nguyen The Trung	Board Member	52,822
4	Phan Dinh Luong	Deputy General Manager	899,258
5	Nguyen Duc Trieu	Deputy General Manager	1,045,387
6	Dang Minh Thinh	Deputy General Manager	980,876
7	Pham Van Trong	Company Management	813,897
8	Hoang Van Tung	Chief Accountant	665.137
9	Phan Thi Hien	Head of Board of Supervisors	525,862
10	Phung Vu Loi	Board of Supervisors	550,285
11	Pham Thi Minh Thuan	Board of Supervisors	37,855

b) Share transactions by internal shareholders: (Information about share transactions of members of the Board of Directors, members of the Board of Supervisors/Audit Committee, Director (General Director), Chief Accountant, the company's managers, secretaries, major shareholders and their affiliated persons).

In 2024, major shareholders and related parties did not have any transactions in the Company's shares.

c) Contracts or transactions with internal shareholders: (Information about the contracts or transactions signed or executed during the year by the members of the Board of Directors, Board of Supervisors/Audit Committee, Director (General Director), managers and affiliated persons with the Company, subsidiaries, and other companies in which the Company holds the control right): no transactions.

d) Assessing the Implementation of regulations on corporate governance: (Specifying the contents which have not been implemented in accordance with the laws on corporate governance, specifying reasons and solutions to improve the efficiency of corporate governance).

The Company reports and discloses information according to the instructions in Circular No. 96/2020/TT-BTC dated November 16, 2020, Circular No. 68/2024/TT-BTC dated September 18, 2024 and current legal provisions.

VI. Financial statements

1. Auditor's opinions


No comments excepted

2. *Audited annual financial statements:* (Audited annual financial statements include: Balance sheet; Income statement; Cash flow statement; Financial Statements Explanation. In case the company has to prepare consolidated or general Financial Statements in accordance with the law on accounting and audit, the Financial Statements presented in the Annual Reports shall be the consolidated Financial Statements; and clearly state the addresses where the financial statements of the parent company to be published and provided).

Recipients:

- As stated above;
- Archived: financial and administrative department.

CONFIRMATION OF THE COMPANY'S LEGAL REPRESENTATIVE

(Signature, full name and seal) 



Dam Quang Trung

