



Hanoi, May 28, 2026

(DRAFT) REPORT
OF THE BOARD OF SUPERVISORS
OF SONG DA 6 JOINT STOCK COMPANY

(Submitted to the 2026 Annual General Meeting of Shareholders)

To: - Distinguished Delegates and Guests
 - Shareholders of the Company

Pursuant to the functions and duties of the Board of Supervisors in accordance with the Law on Enterprises, the Company Charter, and the Regulations on organization and operation of the Board of Supervisors, the Board of Supervisors of Song Da 6 Joint Stock Company respectfully submits to the 2026 Annual General Meeting of Shareholders the report on the operational results of the Board of Supervisors in 2025 as follows:

I. Assessment of the implementation of the Resolution of the 2025 General Meeting of Shareholders::

1. Results of production and business activities in 2025:

The results of production and business activities in 2025 presented by the Board of Directors to the General Meeting of Shareholders are as follows:

No.	Key Indicators	Unit	Plan	Actual	Achievement Rate (%)
1	Total value of production and business activities	VND billion	200.176	23.839	12
2	Revenue	VND billion	372.756	43.857	12
3	State budget contributions	VND billion	9.386	7.097	76
4	Profit before tax	VND billion	11.783	(67.047)	(569)
5	Profit after tax	VND billion	11.183	(67.047)	(600)
6	Charter capital	VND billion	347.716	347.716	100
7	Equity	VND billion	191.972	113.743	59
8	Total assets	VND billion	860.080	721.694	84
9	Expected dividend payout ratio	%	0	0	

Implementation of the 2025 production and business plan approved by the General Meeting of Shareholders was not completed due to the following reasons:

a. Production output did not meet the planned target:

- Ha Se Kong A Hydropower Project: VND 0 billion achieved compared to the planned VND 96.90 billion, equivalent to 0% of the plan. The reason was that the project owner initially planned to resume construction in June 2025; however, due to failure to arrange sufficient funding, construction could not be implemented as scheduled. The project is expected to resume construction in early January 2026.

- Production of crushed stone and manufactured sand at the Bac Ai Pumped Storage Hydropower Project was expected to commence in mid-August 2025; however, due to the absence of available land for construction and installation of the crushing station, implementation could not proceed.

- Thac Ba 2 Hydropower Project: achieved VND 9.27 billion out of the planned VND 15.46 billion, equivalent to 60% of the plan. The principal reason was that the project owner did not approve additional quantities relating to the operational access road item; therefore, there was no basis for implementation, and the Company consequently discontinued construction of such work item. The project has been handed over, accepted, and put into operation, and settlement procedures are currently being implemented.

- In addition, due to limitations in financial capacity, during the year the Company could not secure additional new work sources.

b. Revenue did not meet the planned target:

Due to low production output, revenue from assigned-contractor projects including Xekaman 3, Xekaman 1 + Sanxay, Huoi Quang, Hua Na, Dong Nai 5, Lai Chau, Nam Chien, and Se San 4 reached VND 0.00 billion compared to the planned VND 220.95 billion, due to outstanding issues beyond the Company's control and resolution authority.

c. Profit did not meet the planned target due to the following reasons:

- Production output and revenue failed to achieve planned targets, while annual revenue remained low;

- Several large projects experienced settlement procedures prolonged over many years, resulting in failure to recover receivables and causing substantial expenses, including bank loan interest (including overdue penalty interest), late payment interest for taxes and social insurance obligations, and significant corporate management expenses. Meanwhile, low revenue levels were insufficient to offset such expenses, resulting in losses.

2. Implementation of profit distribution and dividend payment:

- The Company did not distribute dividends because it did not satisfy the required conditions for dividend distribution. As of December 31, 2025, the outstanding dividend payable amount to shareholders was VND 97,402,326,459 (including the remaining dividend of 5% for 2015; 12% for 2016; 8% dividend for 2017; and 3% dividend for 2019).

3. Selection of the independent auditing firm for the audit of the 2025 financial statements:

- The Company implemented the Resolution of the 2025 Annual General Meeting of Shareholders authorizing the Board of Directors to select and execute the audit engagement contract with UHY Auditing and Consulting Company Limited to perform the audit of the Company's 2025 financial statements.

4. Payment of remuneration to the Board of Directors and the Board of Supervisors in 2025:

- The Company implemented payment of remuneration to the Board of Directors and the Board of Supervisors in compliance with the Company's regulations and the Resolution approved by the 2025 Annual General Meeting of Shareholders.

II. Financial position of the Company:

1. Review of the financial statements:

Based on the review of the 2025 financial statements audited by UHY Auditing and Consulting Company Limited, the Board of Supervisors reports the review results as follows:

- The Company's 2025 financial statements prepared by the Executive Management Board substantially complied with the requirements of Vietnamese Accounting Standards and the Vietnamese enterprise accounting regime. However, the Board of Supervisors noted that, in preparing the financial statements, the Executive Management Board had to make estimates and assumptions affecting the reported figures relating to receivables, assets, and the presentation of contingent receivables and contingent assets as of the financial statement date. Therefore, the Board of Supervisors does not agree with the 2025 financial statements prepared by the Executive Management Board and requests the Executive Management Board to review and work with the auditing firm regarding matters related to the qualified opinions raised by the auditing firm in order to prepare the financial statements in accordance with Accounting Standards and applicable regulations.

2. Figures presented in the 2025 financial statements:

- The financial statements prepared as of December 31, 2025 were audited by UHY Auditing and Consulting Company Limited (Audit Report attached).

- As of December 31, 2025, customer receivables and trade payables with outstanding balances that had not yet been confirmed by reconciliation amounted to VND 108 billion and VND 26 billion, respectively. The Company was unable to obtain all confirmation letters sent to its customers; therefore, it was not possible to determine the impact of such matters on the related items presented in the Company's 2025 financial statements.

- As of December 31, 2025, overdue short-term customer receivables amounted to VND 178.7 billion (compared to VND 291.3 billion as of January 1, 2025). Of this amount, receivables relating to Song Da Corporation - JSC and its affiliated companies totaled VND 176.7 billion (including VND 47.3 billion recognized by the Company as other income in 2024 relating to the Xekaman 1 - Sanxay Hydropower Project and the Xekaman 3 Hydropower Project), compared to VND 187.4 billion as of January 1, 2025. The corresponding provision recognized was VND 32.3 billion; therefore, there was insufficient appropriate audit evidence to assess the recoverability of the above-mentioned receivables.

The Board of Supervisors hereby presents its assessment, evaluation, and analysis of certain indicators in the 2025 financial statements prepared by the Executive Management Board as follows:

INDICATORS / RATIOS	UNIT	2024	2025
A. ASSET AND CAPITAL STRUCTURE INDICATORS			
1. Net working capital (Permanent working capital)	VND million	113,044	53,613
2. Working capital requirement	VND million	360,788	217,671
3. Short-term bank borrowings	VND million	250,876	184,971
4. Working capital financing sources	VND million	363,920	238,584
Short-term bank borrowings/Working capital requirement	%	69.5%	85.0%
B. INCOME STATEMENT INDICATORS			
5. Earnings before interest and taxes (EBIT)	VND million	31,457	(44,006)
6. Net cash flow (NCF)	VND million	(10,768)	(78,472)
Long-term borrowings	VND million	-	-
C. CASH FLOW STATEMENT INDICATORS			
7. Cash flows from operating activities	VND million	(10,920)	61,612
D. GROWTH INDICATORS			
8. Revenue growth	%	(38.4%)	(61.5%)
9. Growth in operating profit	%	(72.5%)	52.8%
10. Growth in profit after tax	%	(101.7%)	(2,591.5%)
11. Growth in total assets	%	(6.6%)	(16.1%)
12. Growth in equity	%	1.5%	(37.1%)
E. BUSINESS OPERATION EFFICIENCY INDICATORS			
Profit margin (ROS)	%	1.83%	(152.87%)
13. Cost of goods sold/Net revenue from sales and services	%	100.5%	185.1%
14. Financial expenses/Revenue from sales and services	%	31.2%	66.5%
15. Selling expenses/Revenue from sales and services	%	0.0%	0.0%
16. Administrative expenses/Revenue from sales and services	%	17.9%	42.1%
FINANCIAL RATIO ANALYSIS			
1. Short-term solvency (Liquidity)			
Current ratio (Current assets/Current liabilities)	Times	1.17	1.09
Quick ratio ((Cash & cash equivalents + short-term financial investments)/Current liabilities)	Times	0.59	0.52
Cash ratio ((Current assets - Inventories)/Current liabilities)	Times	0.005	0.034
Times interest earned ratio (TIE)	Times	1.10	(1.91)
2. Long-term solvency and leverage			
Total debt ratio (Total liabilities/Total capital)	Times	0.79	0.84
Equity ratio (1 - Total debt ratio)	Times	0.21	0.16
Debt-to-equity ratio (Total liabilities/Equity)	Times	3.76	5.34
Long-term debt ratio	Times	0.00	0.00
3. Asset management efficiency			
Inventory turnover (Cost of goods sold/Average inventories)	Times	0.24	0.19
Inventory turnover period (365/Inventory turnover)	Days	1,529.03	1,890.19
Receivables turnover (Total revenue/Average short-term	Times	0.38	0.15

INDICATORS / RATIOS	UNIT	2024	2025
receivables)			
Average collection period (365/Receivables turnover)	Days	964.38	2,386.96
Payables turnover (Cost of goods sold/Average payables)	Times	0.74	0.65
Average payment period (365/Payables turnover)	Days	493.57	559.60
Net working capital turnover	Times		
Fixed asset turnover (Total revenue/Average long-term assets)	Times	2.17	0.73
Total asset turnover (Total revenue/Total assets)	Times	0.17	0.06
Operating cycle (Inventory turnover period + Average collection period)	Days	2,493.41	4,277.15
Working capital turnover (365/Operating cycle)	Times	0.15	0.09
Cash conversion cycle (Operating cycle - Average payment period)	Days	1,999.83	3,717.56
4. Profitability ratios			
Gross profit margin (Gross profit/Revenue from sales and services)	%	(0.55%)	(85.13%)
Net operating margin (Operating profit/(Net sales revenue + Financial income))	%	0.00%	0.00%
Profit margin (ROS) (Profit after tax/Total revenue)	%	1.83%	(132.87%)
Basic earning power (BEP) (EBIT/Total capital)	%	0.00%	(2.93%)
Return on assets (ROA) (Profit after tax/Total assets)	%	0.31%	(9.29%)
Return on equity (ROE) (Profit after tax/Equity)	%	1.49%	(58.95%)

As of December 31, 2025, the Company's financial ratios decreased compared to 2024, reflecting low operational efficiency. Indicators relating to asset and capital structure, solvency, and operational efficiency remained at very low levels (administrative expenses and financial expenses accounted for up to 108.6% of sales revenue), indicating an unstable financial condition:

- Regarding short-term solvency indicators: the current ratio remained above 1.0 time; however, short-term borrowings accounted for up to 85% of working capital requirements, while the quick ratio and cash ratio were both below 0.034 times, demonstrating that the Company was facing severe difficulties relating to capital resources and short-term operating capital.

- Regarding long-term solvency: the debt-to-equity ratio based on the financial statements as of December 31, 2025 was 5.34 times (exceeding the regulatory threshold of 3 times).

- Regarding efficiency in asset management and utilization: inventory value as of December 31, 2025 decreased by VND 48.2 billion compared to 2024, equivalent to 12%; the average collection period increased from 964 days to 2,386 days; inventory turnover (0.19 times) decreased compared to 2024 (0.24 times), indicating ineffective cost management and inventory management by the Company; total asset turnover (0.06 times) decreased compared to 2024 (0.17 times), reflecting ineffective management and utilization of assets.

- Regarding profitability indicators: the Company's ROA and ROE ratios in 2025 were negative 9.2% and negative 58.9%, respectively, decreasing compared to 2024 due to continuously declining revenue, limited construction output, increasing losses from operating activities, and long-outstanding work-in-progress receivables currently under settlement negotiations with project owners without a determined recovery timeline.

- Outstanding liabilities relating to taxes, social insurance obligations, and dividend payments to Shareholders still existed.

- The balancing of financial resources for payment of taxes, social insurance obligations, due debts to banks, and payables to customers remained extremely difficult.

III. Supervision over the Board of Directors, the Board of Management, and the management apparatus of the Company:

- During 2025, the Board of Supervisors did not identify any acts inconsistent with the assigned rights and obligations of members of the Board of Directors, the General Director, and other management personnel in accordance with the Company Charter, resolutions of the General Meeting of Shareholders, and relevant laws, while ensuring the legitimate interests of the Company and its Shareholders.

- Resolutions of the Board of Directors achieved a high level of consensus among members of the Board of Directors, were issued within the proper authority and functions of the Board, and were consistent with the policies and resolutions approved by the 2025 Annual General Meeting of Shareholders. Such resolutions were also implemented seriously and promptly by the Board of Management.

- The Board of Supervisors conducted inspections and supervision over the implementation of the 2025 production and business plan and the 2025 financial statements.

- Members of the Board of Supervisors fully attended quarterly meetings of the Board of Directors and other meetings as required, promptly grasped the actual business situation of the Company, and provided comments and recommendations regarding matters requiring attention in the Company's production and business activities.

IV. Report on operational results of the Board of Supervisors in 2025:

1. Report on activities of the Board of Supervisors in 2025:

The Board of Supervisors performed its functions and duties in accordance with the Regulations on organization and operation of the Board of Supervisors, the Company Charter, the Law on Enterprises, and current State regulations. Supervisory activities within the Company were implemented in accordance with the 2025 plan approved by the General Meeting of Shareholders. During 2025, the Board of Supervisors convened two (02) meetings and collected opinions to approve Company matters, including review and assessment of the 2025 financial statements, reports submitted to the General Meeting of Shareholders, supervisory and inspection plans of the Board of Supervisors, and reports on implementation activities of the Board of Supervisors..

The supervisory activities of the Board of Supervisors during 2025 focused on the following matters:

- Supervising the management and operation of production and business activities by the Board of Directors, the Board of Management, and other management personnel;

- Supervising compliance with the Company Charter, implementation of resolutions of the General Meeting of Shareholders, resolutions of the Board of Directors, and other resolutions, decisions, regulations, and directives;

- Supervising implementation of the Company's 2025 production and business plan;
- Reviewing the semi-annual financial statements and the 2025 annual financial statements;
- Supervising compliance and financial management activities;
- Fully participating in quarterly meetings of the Board of Directors and other meetings as required, promptly grasping the actual business situation of the Company, and providing comments and recommendations regarding matters requiring attention in the Company's production and business activities;
- Inspecting and supervising procedures and processes relating to the organization of the Annual General Meeting of Shareholders to ensure compliance with legal regulations and the Company Charter.

V. Conclusions and recommendations::

1/ The Board of Supervisors respectfully recommends that the Board of Directors and the Executive Management Board review and work with the auditing firm regarding matters related to the qualified opinions of the independent auditing company in connection with the audit of the Company's 2025 financial statements, and restate the financial statements in accordance with Accounting Standards and applicable regulations;

2/ The Board of Supervisors recommends that the Board of Directors and the Executive Management Board act more decisively and flexibly in carrying out acceptance, payment, settlement, and maximum recovery of capital from bidding packages/projects in order to ensure economic efficiency and protect the rights and interests of the Company and its Shareholders.

3/ To review and assess investment portfolios in order to develop plans and measures for divestment from ineffective investments, and for transfer or liquidation of unnecessary and inefficient assets.

VI. Operational plan of the Board of Supervisors for 2026.

Pursuant to the functions and duties of the Board of Supervisors and based on the Company's orientation and production and business tasks for 2026, the Board of Supervisors has established the following operational plan for 2026:

- To supervise compliance with laws, the Company Charter, and the Company's internal rules/regulations in the management and operation of the enterprise;
- To supervise the implementation of resolutions approved by the General Meeting of Shareholders;
- To supervise the Company's financial condition, balancing of capital sources and cash flows, operational efficiency and debt repayment capacity, the use, management, and preservation of capital, and the implementation of quarterly production and business plans;
- To supervise the implementation of the 2026 production and business plan, and inspect and supervise production and business activities in 2026 at affiliated units through the reporting system or directly where deemed necessary;
- To review the completeness, legality, and truthfulness of business performance reports, semi-annual financial statements, and audited annual financial statements; and to review semi-annual and annual financial statements;

- To examine the reasonableness, legality, truthfulness, and prudence in management and business administration; and to assess the systematicity, consistency, and appropriateness of accounting, statistical work, and financial statement preparation;

- To review accounting books, accounting records, accounting files, and other documents of the Company, as well as the management and operational activities of affiliated units where deemed necessary;

- To coordinate in inspecting and supervising internal control activities; evaluate the effectiveness and efficiency of the internal control, risk management, and early warning systems of the Company; and make recommendations and proposals to improve the effectiveness of internal control activities;

- To supervise investment activities and the use and management of capital;

- To supervise the implementation of recommendations made by inspection, examination, and independent audit teams (if any);

- To perform other duties of the Board of Supervisors in accordance with the Law on Enterprises..

**ON BEHALF OF
THE BOARD OF SUPERVISORS
HEAD OF THE BOARD OF SUPERVISORS**



Nguyen Dinh Tu