

No. 01/2025/RPT- AC/IDV

Vinh Phuc, January 18, 2025

**REPORT ON THE ACTIVITIES OF THE INDEPENDENT BOARD
MEMBER IN THE AUDIT COMMITTEE**

To: The General Meeting of Shareholders - Vinh Phuc Infrastructure Development Joint Stock Company

I. ACTIVITIES OF THE AUDIT COMMITTEE IN 2024

1. Organizational Structure

The Audit Committee (AC) is a committee under the Board of Directors (BOD) consisting of 02 members who operate based on the principles of independence, objectivity, integrity, and confidentiality. The list of members of the AC is as follows:

No.	Full Name	Position in the Company
1	Pham Huu Anh	Independent Board Member, Head of AC
2	Nguyen Thuy Linh	Independent Board Member, Deputy Head of AC

2. Remuneration, Operational Costs, and Other Benefits of the Audit Committee and Each Member

The remuneration, operational costs, and other benefits of the AC and its members comply with the provisions of the Enterprise Law and the Company's Charter.

3. Summary of Audit Committee Meetings in 2024

No.	Full Name	Number of Meetings	Attendance Rate	Notes
1	Nguyen Thuy Linh	4	100%	
2	Pham Huu Anh	4	100%	

4. General Evaluation of the Audit Committee's Activities

The AC has presented its 2024 activity plan, which was approved by the Board of Directors and includes:

- Checking compliance with current laws, the Company Charter, and the Company's governance regulations.
- Checking compliance with the Company's policies, regulations, and procedures; evaluating the appropriateness and effectiveness of the Company's internal control system in preventing, detecting, and timely handling risks.
- Reviewing and evaluating the Company's quarterly, semi-annual, and annual financial statements and the financial statements of its subsidiaries.



- Coordinating with the Independent Auditor to clarify arising issues, risks detected during periodic and extraordinary audits, and proposing solutions to address and prevent these risks.
- Evaluating the achievement of the Company's business goals.
- Recommending measures to improve the internal control system and enhance the Company's governance.
- Organizing and implementing the AC's functions and duties according to legal regulations, the Company's Charter, and its internal rules.

II. RESULTS OF INSPECTIONS AND EVALUATIONS IN CERTAIN MAIN ACTIVITIES

1. Results of Reviewing the Company's Financial Statements

- The AC has supervised the presentation of quarterly, semi-annual, and annual financial statements for 2024 before they were submitted to the Board of Directors, the General Meeting of Shareholders, or publicly disclosed as required by law. The supervision results show that:
 - The quarterly, semi-annual, and annual financial statements for 2024 were prepared and presented truthfully, in accordance with accounting standards and current regulations, with no material errors that could distort the financial results.
 - The accounting work, such as record-keeping, document storage, accounting information systems, and ledger preparation, is carried out in accordance with current regulations and in line with accounting standards, accounting regimes, and relevant legal regulations, reflecting the Company's financial situation in a stable and truthful manner.
 - The chosen Audit Firm: Moore AISC Audit and IT Services ensures reliability, integrity, compliance with audit deadlines, and adherence to professional regulations, guaranteeing independence and objectivity in their audit opinions.
 - The Company has prepared and disclosed periodic financial statements in compliance with legal regulations for public companies. The semi-annual financial statements were reviewed and audited by Vaco Audit Co., Ltd., and the annual financial statements were reviewed and audited by Moore AISC Audit and IT Services according to current regulations.

2. Results of Reviewing the Independent Audit Services

- The AC has engaged in discussions to clarify additional information related to the financial statements before the auditing firm issued the officially audited financial reports.
- The Audit Firm carried out its work independently, objectively, on time, and in compliance with legal regulations. The AC highly appreciates the independence and quality of the audit process at the Company.

3. Results of Monitoring the Company's Operations and Financial Situation
Some key performance indicators achieved in 2024 (on a consolidated basis) are as follows:

No.	Indicator	2023 Actual	Year 2024		Percentage Ratios	
			Plan	Actual	2024 Actual vs 2023 Actual	2024 Actual vs 2024 Plan
1	Total Assets	1.815,89	1.960,00	1.880,04	103,53%	95,92%
2	Total Revenue (Net revenue + share of profit/loss in associates + Financial income + Other income)	297,98	278,50	224,43	75,32%	80,58%
3	Net Profit After Tax	157,69	125,03	134,16	85,08%	107,30%
4	Basic Earnings per Share (VND)	4.708		3.463		
5	Dividend Payout Ratio:	30%	30%	30%		
	- In cash	15%	15%	15%		
	- In stock	15%	15%	15%		

(Source: The Company's audited consolidated financial statements)

Note:

(*) In 2024, the Company paid an interim cash dividend of 15% in December 2024. The remaining 15% dividend will be paid in shares after being approved by the Annual General Meeting (AGM) in 2025.

4. Evaluation of the Company's Internal Control System and Risk Management

- The Company has integrated risk management and enhanced internal control activities by implementing and completing the 2024 internal audit plan.
- The Company has provided consultancy to the Executive Board in improving the internal governance framework, thereby reducing risks and strengthening effective control mechanisms for departments and regular operations.
- The Executive Board has implemented flexible risk prevention measures in response to the economic downturn, minimizing the impact on business operations.
- The management of legal issues and legal risks was carried out effectively. In 2024, the Company did not face any significant legal risks.

5. Monitoring of Transactions between the Company, Subsidiaries, Board Members, the General Director, and Related Parties; Transactions Between the Company and Other Companies in which Board Members or the General Director are Founding Members or Managers within the Past 3 Years

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- The Company has complied with relevant regulations regarding approval authority, monitoring, and disclosure of transactions between internal parties, related parties, and subsidiaries. The Company ensures the full disclosure of information as required.
- 6. Monitoring of the Board of Directors (BOD), General Director, and Other Company Executives**
- Through the supervision of the Audit Committee (AC) over the activities of the BOD and Executive Board during the fiscal year 2024, the AC has noted the following outcomes:
 - The Company's operations are in compliance with its business registration certificate, the Company's Charter, and legal regulations concerning accounting, finance, and taxes.
 - The BOD and Executive Board have fully implemented the resolutions of the 2024 AGM.
 - Regarding the BOD:
 - The BOD has provided strategic directions for business development and long-term investment plans, implementing the goals and tasks as outlined in the 2024 AGM resolution.
 - Board meetings were held, with discussions and voting on items consistent with legal requirements and the BOD's authority.
 - BOD members performed their duties correctly, attended all meetings, and actively participated in decision-making processes that contributed to the development and strategic direction of the Company. Board meetings complied with the Company's Charter.
 - Regarding the General Director and Executive Board:
 - The Executive Board regularly held meetings to discuss business operations and, under the direction of the BOD, made timely decisions in line with actual circumstances.
 - The Executive Board has implemented the decisions and resolutions of the AGM/BOD and effectively carried out their duties as prescribed by law and the Company's Charter.
 - No violations or significant errors were reported from state regulatory agencies or other authorities during the management of the Company.
- 7. Evaluation of Collaboration Between the Audit Committee (AC), the BOD, General Director, and Shareholders**
- In 2024, the AC has worked well with the BOD, General Director, and shareholders. The AC was not interfered with in its duties, was provided access to relevant documents related to the Company's operations, and engaged with other BOD members and the General Director to gather information for the AC activities. Any arising issues were discussed and resolved in a manner appropriate to the actual situation.
- 8. Monitoring the Internal Audit Committee's Performance**

- The Internal Audit Committee (AC) has performed its duties effectively, adhering to professional ethics and regulations, internal audit policies, procedures, and methods as prescribed by the law and the Company.
- The KTNB regularly monitors weekly executive reports and participates in monthly meetings, offering feedback.

III. 2025 ACTIVITIES PLAN FOR THE AUDIT COMMITTEE (AC)

The AC plans its work based on the Company's 2025 business plan, as approved by the AGM, as follows:

1. Continue to monitor compliance with legal regulations, the Company Charter, AGM resolutions, BOD regulations, and internal management processes of the parent company and subsidiaries.
2. Advise the BOD on supervision, verifying the legitimacy, compliance, accuracy, and careful management of capital, materials, and assets by the Executive Board and subsidiaries.
3. Contribute to improving the governance, management regulations, procedures, and processes to enhance the Company's management capacity.
4. Monitor the quality of services provided by the independent audit unit during audits in 2025.
5. Direct and supervise the internal audit team in carrying out periodic audits as approved by the BOD and unplanned audits as requested by the BOD.
6. Ensure the coordination of activities between the internal audit team and the Executive Board and departments within the Company for the sustainable development of the entire system.
7. Hold quarterly meetings to review the UBKT & internal audit activities and set objectives for the next quarter.

This report on the activities of the independent BOD members in the AC for 2024 and the plan for 2025 is respectfully submitted to the AGM for consideration and approval.

On behalf of the AC, I wish all shareholders and attendees good health, happiness, and success. I wish the General Meeting a successful outcome.

Sincerely,

Distribution list:

- General Assembly of Shareholders (GAS)
- Board of Directors (BOD)
- General Director (CEO)
- Archive: Administration Department

**On behalf of the Audit Committee
Chairman**



Pham Huu Anh

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