



No.: 01/2025/BC-HĐQT

Hanoi, April 2<sup>nd</sup>, 2025

**REPORT OF THE BOARD OF DIRECTORS  
AT ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025**

*Dear Shareholders and Distinguished Guests,*

*On behalf of the Board of Directors of ELCOM Technology Communications Corporation, I would like to present the Board of Directors' Report for the year 2024 as follows:*

**I. ASSESSMENT OF THE COMPANY'S OPERATIONS IN 2024**

Business Results for 2024 (According to the audited consolidated financial statements of 2024):

	<i>2024 Plan (VND billion)</i>	<i>Actual 2024 (VND billion)</i>	<i>Plan Completion Rate (%)</i>
<i>Revenue</i>	<i>1.100</i>	<i>800,15</i>	<i>72,7%</i>
<i>Net Profit After Tax</i>	<i>108</i>	<i>99,25</i>	<i>91,9%</i>

In 2024, the Company focused its investment and development on core business areas, including Smart Transportation, Telecommunications, National Security & Defense, Digital Transformation, and providing high-tech "Make in Elcom" products and solutions to customers. The leadership also proactively reduced low-margin business areas to enhance operational efficiency. As a result, while revenue in 2024 decreased, **net profit after tax reached over VND 99 billion**, achieving **92% of the plan** and growing **18% compared to 2023**. The net profit margin increased from **8.6% in 2023** to **12.4% in 2024**.

With the goal of **maintaining its position as the leading technology company in Vietnam** in key product areas and strategic markets, ELCOM has been making significant investments in research, innovation, and mastering core technologies like AI, Datalakehouse, and IoT. The Company has developed many valuable products with huge potential over the coming years, contributing to the application of science, technology, and digital transformation to promote economic development, aligning with the spirit of Resolution 57 of the Politburo on breakthroughs in science, technology, innovation, and digital transformation.

These product lines are clearly directed towards specific markets and customers, **maintaining market leadership, trust, and value**, including:

**1. Products for National Security & Defense Market**

- Generation 2 Intelligent Surveillance Center (MetaINT): This product has effectively supported national security and defense efforts for the Ministry of Public Security and the Ministry of Defense for many years.
- Surveillance and Control Center for automatic traffic violations and regional security (ITMON): One of the most modern, intelligent, and reputable products in the market today, deployed at the provincial level.
- Intelligent Investigation Product (DeepSearchX): Set to launch in 2025.

## 2. Digital Transformation Products and Solutions

- Centralized Big Data Platform Solution (Data360X): A solution for monitoring, managing, and exploiting data across all periods, providing effective and user-friendly tools for provincial leaders, ministries, and agencies.
- Digital Platform-based Monitoring, Control, and Decision-making Center (eSightX): A product aimed at replacing paper-based systems, enabling economic management anytime, anywhere.

## 3. Smart Transportation Market Products

"Elcom ITS Smart Transportation Ecosystem," including:

- ITS systems for highways, national roads, and urban areas.
- Electronic toll collection (ETC) systems.
- Weigh-in-motion (eWIM) systems for load monitoring.  
This ecosystem has won the Make in Vietnam 2024 Gold Cup for Outstanding Digital Products in the Transport, Postal, and Logistics category. The products are being deployed in numerous large transportation projects nationwide.

## 4. Telecommunications Products and Solutions

- Optical transmission infrastructure (DWDM) and core IP network infrastructure.
- 5G network synchronization solutions.
- IT infrastructure solutions such as servers, operating systems, cloud platforms, security, etc.

ELCOM will continue to make significant investments in the research and development of these product lines and expand into many new products. With high-quality products meeting international standards and a huge, clear, and widespread market demand both domestically and internationally, ELCOM is well-positioned to enter the new era with confidence, determination, and high proactivity

## II. ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024

### 1. Information on members of the Board of Directors:

List of members of the Board of Directors:

No.	Member of the Board of directors	Position	Date of appointment/removal/independent member	
			Appointment date	Removal date
1	Mr. Phan Chien Thang	Chairman of the board	28/04/2022	
2	Mr. Tran Hung Giang	Member of the board	28/04/2022	
3	Mr. Nguyen Manh Hai	Member of the board	28/04/2022	
4	Mr. Ngo Ngoc Ha	Member of the board	28/04/2022	
5	Mr. Nguyen Duc Thien	Vice chairman of the board	28/04/2022	

6	Mr. Nguyen Manh Hung	Independent member of the board	28/04/2022	
7	Mr. Do Minh Tien	Independent member of the board	28/04/2022	

## 2. Meetings of the Board of Directors

No.	Member of the Board of directors	Position	Number of meetings attended	Attendance rate	Reason for non-attendance
1	Mr. Phan Chien Thang	Chairman of the board	19	100%	
2	Mr. Tran Hung Giang	Member of the board	19	100%	
3	Mr. Nguyen Manh Hai	Member of the board	19	100%	
4	Mr. Ngo Ngoc Ha	Member of the board	19	100%	
5	Mr. Nguyen Duc Thien	Vice chairman of the board	19	100%	
6	Mr. Nguyen Manh Hung	Independent member of the board	19	100%	
7	Mr. Do Minh Tien	Independent member of the board	19	100%	

## 3. Implementation of the Resolutions of the General Meeting of Shareholders

The Board of Directors respectfully reports to the esteemed shareholders on the implementation of the 2024 Annual General Meeting of Shareholders Resolutions and the Resolutions approved by written consultation as follows:

- Items already implemented:
  - ✓ Amendment and supplementation of business lines;
  - ✓ Payment of income to the Board of Directors and Supervisory Board in accordance with the plan approved by the 2024 Annual General Meeting of Shareholders;
  - ✓ Completion of the share issuance to increase charter capital from owners' equity (bonus share issuance to existing shareholders at a 100:5 ratio) under Resolution No. 02/2024/NQ- ĐHĐCĐ dated April 25, 2024.
- Items in progress:
  - ✓ Offering additional shares to existing shareholders at the price of VND 10,000/share (at a 100:15 ratio) under Resolution No. 02/2024/NQ-ĐHĐCĐ dated April 25, 2024. Implementation status: The offering has been licensed by the State Securities Commission and is currently being implemented. The Board of Directors respectfully submits for the Annual General Meeting's

approval to authorize the Board to continue completing the procedures for the share offering in compliance with legal regulations.

- Items not yet implemented:
  - ✓ Issuance of 3,800,000 shares at a price of VND 10,000/share under the Employee Stock Ownership Plan (ESOP) in accordance with Article 5 of Resolution No. 02/2024/NQ-ĐHĐCĐ dated April 25, 2024. Implementation status: Not yet implemented. Therefore, the Board of Directors respectfully submits to the General Meeting of Shareholders for approval the authorization for the Board of Directors to continue to be responsible for organizing and implementing the issuance of 3,800,000 shares under the employee stock option program, and to consolidate it with the 2025 employee stock issuance as proposed in Proposal No. 04/2025/TTr-HĐQT dated April 2, 2025.

#### **4. Activities and Evaluation Report of the Independent Members of the Board of Directors**

##### **4.1 Activities of the Independent Members of the Board of Directors**

In 2024, the Company had two independent members on the Board of Directors: Mr. Nguyen Manh Hung and Mr. Do Minh Tien, in compliance with legal regulations on the number of independent board members. These independent board members possess leadership, knowledge, and experience in governance, operations, and business activities in fields such as transportation, construction, and real estate, all of which are related to the Company's business activities. The independent members of the Board participated fully in all Board meetings, offering high-quality, multifaceted opinions, and proposing effective solutions for the issues discussed, contributing to the sound decision-making of the Board.

##### **4.2 Evaluation Report of the Independent Board Members on the Board's Activities**

- The Board has performed its role and duties correctly according to legal regulations, the Company's Charter, and the resolutions of the General Meeting of Shareholders.
- Board members have worked with a high sense of responsibility, dedication, and caution in making decisions and setting strategic directions for the Company's operations within their authority and duties. At the same time, the Board has continuously improved governance standards, transparency, and compliance with legal regulations for public companies/listed companies in the stock market in 2024.
- The Board meetings were convened timely and followed the procedures outlined in the Charter, internal governance regulations, and other relevant rules. The decisions made during Board meetings were based on discussions and votes of the Board members in accordance with the regulations. The meeting minutes were thoroughly recorded and signed by the attending members. The decisions made by the Board resolved important issues arising in the Company's operations. The Board also effectively supervised the activities of the Executive Board.

#### **5. Board of Directors' Supervision of the Executive Board**

The Board has issued decisions guiding the Company's business situation and supervised the activities of the Executive Board in 2024 as follows:

- Directed the Executive Board to develop the business plan for 2024 to present to the General Meeting of Shareholders for approval; urged and monitored the implementation of the 2024 business plan, particularly prioritizing resources to

accelerate the execution of major projects, which are large-scale and core to the Company's products and technologies, thereby asserting the Company's strong position in implementing similar or larger-scale projects.

- Directed the completion and publication of the 2023 Annual Report and the 2023 audited financial statements, the financial statements for 2024's quarters, and the 2024 semi-annual review financial statements.
- Directed the Executive Board and relevant departments to organize the 2024 Annual General Meeting of Shareholders.
- Directed and supervised the share issuance for employees and for existing shareholders.
- Supervised the implementation of the 2024 General Meeting of Shareholders' resolutions, including selecting the auditing firm for the 2024 financial statements, changing the business registration, etc.
- Directed and supervised the capital raising process to support the Company's business activities.
- Directed and supervised the transparent and timely disclosure of information to investors.
- Activities of the Board Committees: The Board Committees have participated in advising, supervising, and providing counsel to the Board in accordance with their assigned functions and duties.

## 6. Resolutions of the Board of Directors

No.	Resolution Number	Date	Content	Approval Ratio
01	01-01/2024/NQ-HĐQT	10/01/2024	Approval of the plan to organize the 2024 Annual General Meeting of Shareholders	100%
02	02-01/2024/NQ-HĐQT	18/01/2024	Approval of the share issuance under the Employee Stock Ownership Plan (ESOP)	100%
03	03-01/2024/NQ-HĐQT	29/01/2024	Approval of transactions with related parties	100%
04	01-02/2024/NQ-HĐQT	06/02/2024	Approval of changing the auditing firm for the 2023 financial statements	100%
05	02-02/2024/NQ-HĐQT	20/02/2024	Approval of amendments to the ESOP regulations	100%
06	03-02/2024/NQ-HĐQT	26/02/2024	Approval of the plan to organize the 2024 Annual General Meeting of Shareholders	100%
07	01-03/2024/NQ-HĐQT	05/03/2024	Approval of the transfer of shares in Ataniholdings Joint Stock Company	100%
08	02-03/2024/NQ-HĐQT	06/03/2024	Approval of the transfer of shares in the Telecommunication Infrastructure Investment and Development Consultancy Joint Stock Company and the acquisition of shares in Smart Energy Management Joint Stock	100%

			Company	
09	01-04/2024/NQ-HĐQT	01/04/2024	Approval of the list of employees eligible to purchase ESOP shares	100%
10	01-06/2024/NQ-HĐQT	28/06/2024	Approval of the credit limit with MB Bank and implementation of certain contents of the 2024 Annual General Meeting of Shareholders Resolution	100%
11	01-07/2024/NQ-HĐQT	15/07/2024	Approval of the investment budget for researching and developing the Company's technology products	100%
12	02-07/2024/NQ-HĐQT	15/07/2024	Approval of the share issuance plan for existing shareholders and related issues	100%
13	03-07/2024/NQ-HĐQT	18/07/2024	Approval of the public offering registration documents for additional shares	100%
14	01-09/2024/NQ-HĐQT	10/09/2024	Approval of adding some content to the public offering plan for existing shareholders	
15	01-10/2024/NQ-HĐQT	17/10/2024	Approval of adjustments to the use of funds from the public share offering	100%
16	01-11/2024/NQ-HĐQT	28/11/2024	Approval of acquiring a part of the H1CC1 project, West Lake Urban Center project	100%
17	02-11/2024/NQ-HĐQT	29/11/2024	Approval of ending the cooperation in the Socialized Housing Project for Resettlement Housing	100%
18	01-12/2024/NQ-HĐQT	17/12/2024	Approval of the credit limit at Tien Phong Commercial Joint Stock Bank	100%
19	02-12/2024/NQ-HĐQT	18/12/2024	Approval of the share issuance plan to increase capital from owners' equity	100%

## 7. Information on Remuneration and Benefits of the Board of Directors

The total income and benefits of the members of the Board of Directors for the year 2024 are as follows:

No.	Member of the Board of directors	Position	Year 2024 (Million VND)	Other Benefits
1	Mr. Phan Chien Thang	Chairman of the board	239,4	
2	Mr. Tran Hung Giang	Member of the board	152,0	
3	Mr. Nguyen Manh Hai	Member of the board	151,8	

4	Mr. Nguyen Duc Thien	Vice chairman of the board	152,0	
5	Mr. Ngo Ngoc Ha	Vice CEO/Member of the Board of Directors	396,0	
6	Mr. Nguyen Manh Hung	Member of the board	120,0	
7	Mr. Do Minh Tien	Member of the board	120,0	

### III. BUSINESS PLAN FOR 2025

In 2025, the Company will continue to develop its core business areas, focusing on Smart Transportation, Telecommunications, National Security – Defense, and Digital Transformation, with the following business targets:

Indicator	2025 Plan (Million VND)	Growth Compared to 2024
Revenue	1,160,000	45%
Net Profit After Corporate Income Tax	126,000	27%
Dividend	Up to 10%	

**ON BEHALF OF THE BOARD OF DIRECTORS  
CHAIRMAN**



**PHAN CHIEN THANG**