

DRAFT

Bim Son, April ... 2025

REPORT ON THE PERFORMANCE OF THE BOARD OF DIRECTORS FOR THE TERM 2020-2025 AND ACTION PLAN FOR THE TERM 2025-2030

Pursuant to Enterprise Law No.59/2020/QH14 dated 17 June 2020.

Pursuant to the Company Charter.

Pursuant to the Operating Regulations of the Board of Directors issued together with Decision No. 297/QĐ-BBBS dated 21 April 2023 of the Board of Directors.

Pursuant to Resolution of the 2020 Annual General Meeting of Shareholders of Vicem Bim Son Packaging Joint Stock Company No. 426/NQ-DHCD dated 30 June 2020.

Pursuant to Resolution of the 2021 Annual General Meeting of Shareholders of Vicem Bim Son Packaging Joint Stock Company No. 352/NQ-DHCD dated 29 April 2021.

Pursuant to Resolution of the 2022 Annual General Meeting of Shareholders of Vicem Bim Son Packaging Joint Stock Company No. 295/NQ-DHCD dated 23 April 2022.

Pursuant to Resolution of the 2023 Annual General Meeting of Shareholders of Vicem Bim Son Packaging Joint Stock Company No. 295/NQ-DHCD dated 21 April 2023.

Pursuant to Resolution of the 2024 Annual General Meeting of Shareholders of Vicem Bim Son Packaging Joint Stock Company No. 334/NQ-DHCD dated 19 April 2024.

The Board of Directors of Vicem Bim Son Packaging Joint Stock Company (“BOD”) reports on the performance of the Board of Directors for the 2020-2025 term and the action plan for the 2025-2030 term, with the following contents:

I. PERSONNEL OF THE BOD FOR THE 2020-2025 TERM

1. Period from 30/6/2020 to 02/12/2022

The 2020 Annual General Meeting of Shareholders (AGM) on 30 June 2020 elected the BOD for the 2020-2025 term, consisting of 05 members:

- | | |
|--------------------------|---------------------------|
| - Mr. Nguyen Van Chang | Chairman |
| - Mr. Trinh Van Dien | Member - CEO |
| - Ms. Pham Thi Thu Huong | Member - Chief Accountant |
| - Mr. Nguyen Minh Duc | Member |
| - Mr. Mai Viet Dung | Member |

Of which, there are 02 people who are non-executive member (Mr. Nguyen Van Chang and Mr. Nguyen Minh Duc) and 01 person who is non-executive member from October 2022 (Mr. Mai Viet Dung retired from October 2022).

2. Period from 02/12/2022 to 21/4/2023

On November 12, 2022, Mr. Nguyen Van Chang - Chairman was arrested by the Investigation Police Agency - Hai Duong Provincial Police for temporary detention due to violations of bidding regulations causing serious consequences (occurring during the time Mr. Nguyen Van Chang worked at Vicem Hoang Thach Cement Company). Therefore, Mr. Nguyen Van Chang is not qualified to participate in the management and operation of the Company. The BOD held a meeting and elected Mr. Trinh Van Dien as in charge of BOD (*while waiting for the GMS to dismiss Mr. Chang from his position and elect additional members of the BOD*).

The Board of Directors during this period has 05 members, including:

- | | |
|--------------------------|---------------------------|
| - Mr. Trinh Van Dien | BOD In charge- CEO |
| - Ms. Pham Thi Thu Huong | Member - Chief Accountant |
| - Mr. Nguyen Minh Duc | Member |
| - Mr. Mai Viet Dung | Member |
| - Mr. Nguyen Van Chang | Member |

Of which, there are 02 people who are non-executive member (Mr. Mai Viet Dung and Mr. Nguyen Minh Duc) and 01 person who is not qualified to participate in management process (Mr. Nguyen Van Chang).

3. Period from 21/4/2023 up to now

Based on the resignation letter of Ms. Pham Thi Thu Huong and the announcement of the Hai Duong Provincial Police Department on the temporary detention of Mr. Nguyen Van Chang, on 27 April 2023, the 2023 AGM approved the dismissal of Ms. Pham Thi Thu Huong and Mr. Nguyen Van Chang and elected 02 additional members of the BOD for the 2020-2025 term (Ms. Nguyen Thi Kim Chi and Mr. Nguyen Duc Son).

The Board of Directors during this period has 05 members, including:

- | | |
|--------------------------|--------------------|
| - Ms. Nguyen Thi Kim Chi | Chairwoman |
| - Mr. Trinh Van Dien | Member - CEO |
| - Mr. Nguyen Minh Duc | Member |
| - Mr. Mai Viet Dung | Member |
| - Mr. Nguyen Duc Son | Independent Member |

Of which, there are 04 people who are non-executive member (Ms. Nguyen Thi Kim Chi, Mr. Nguyen Minh Duc, Mr. Mai Viet Dung, Mr. Nguyen Duc Son).

III. PERFORMANCE OF THE BOARD OF DIRECTORS FOR THE 2020 - 2025 TERM

1. Business results for the 2020 - 2025 term

Over the past 5 years, the world situation has changed rapidly, complicatedly and with many risks. In particular, the COVID-19 pandemic, strategic competition between major powers, the Russia-Ukraine conflict, natural disasters, climate change, etc. have had a strong impact on economic growth, supply chains, trade, investment, consumption, real estate, etc. globally and nationally.

The period 2020-2025 is also the most difficult period ever for the cement industry, leading to difficulties for the cement packaging industry. The demand for bags from cement companies has decreased, the supply of bags is in excess, and the proportion of bulk cement has increased rapidly, making the consumption of bags extremely difficult. The emergence of several new cement packaging companies (Dai Duong Packaging, Long Son Packaging...) has increased the "supply exceeds demand" situation

in the packaging market. Packaging companies are competing fiercely to find outlets for their products, leading to a situation where some companies agree to reduce prices to maintain their operations through this difficult period. Meanwhile, the prices of key raw materials (plastic, paper) remain high, due to the disruption of the global supply chain, which has affected the Company's operation efficiency.

Due to the competitiveness of the cement market, cement manufacturers require increasingly high-quality bags, causing the cost of bag production to increase. The production equipment has been using old technology for a long time, requiring the company to always strengthen control and repair lead to increasing the cost of repair and maintenance.

Faced with these difficulties and challenges, the Board of Directors of the Company promptly assessed and analyzed opportunities and challenges, proposed many measures and directions in leadership, management and operation of the Company; closely following the goals and tasks assigned by the GMS to direct and operate production and business. The company has continued to practice thrift and manage material consumption standards well to minimize production costs. At the same time, the company has actively sought customers to increase packaging output.

The results for the period 2020-2025 are as follows:

(C: actual/budget)

	Items	Unit	2020		2021		2022		2023		2024	
			Actual	C	Actual	C	Actual	C	Actual	C	Actual	C
1	Production volume	Mio bags	48.49	91	49.70	99	48.60	97	40.13	84	49.68	123
2	Sales volume	Mio bags	48.17	91	49.15	98	48.64	97	40.99	85	49.58	123
3	Total revenue	Bio VND	249.53	88	264.33	102	263.78	98	228.00	87	269.00	121
4	Profit before tax	Bio VND	7.21	103	4.63	146	1.56	67	1.69	111	1.51	113
5	Profit after tax	Bio VND	5.32	95	3.76	164	1.09	58	1.13	92	1.10	142
6	ROE	%	6.04	95	4.26	164	1.24	58	1.28	92	1.24	142
7	State budget payment	Bio VND	8.60	104	5.08	69	2.35	31	4.36	70	3.06	76
8	Dividend	%	8	100	3	100	2	100	2	100		

2. Owner's capital management, preservation and development

During the 2020-2025 term, the owner's equity is always preserved, specifically as follows:

No.	Items	Unit	2020	2021	2022	2023	2024
1	Total assets	Bio VND	205.89	183.19	207.14	187.04	178.14
2	Chartered Capital	Bio VND	38.00	38.00	38.00	38.00	38.00
3	Owner's Capital	Bio VND	88.146	88.146	88.146	88.146	88.146

3. Implementation and supervision of the Board of Directors

During the 2020-2025 term, the BOD held 42 meetings, issued 53 resolutions and 45 decisions related to the Company's operations.

BOD's meetings are held in accordance with the provisions of the Company Charter. In all meetings, the BOD invites representatives of the Board of Supervisors to attend. The content of all meetings is recorded and approved before the meeting ends. Resolutions of the BOD are sent to the BOD's members, the Board of Supervisors, the Board of Management, and Head of departments in the Company for implementation.

The BOD exercises the right to supervise the Director and other Executives through the implementation of report regularly the results of performing assigned tasks according to the Resolutions of the meetings. The Director and other executives have fully performed the functions and tasks prescribed in the Company Charter, regularly following the Company's plans and the BOD's Resolutions to operate. Departments in the Company coordinate closely with each other, carrying out production and business in accordance with the provisions of law.

4. General assessment

- The BOD has closely followed the Company Charter, fully implemented the Resolution of the AGM, and properly performed its functions, duties and powers.

- The BOD has focused on directing the Company's operations to be effective, in accordance with the Charter and the law, fully fulfill obligations to the State budget, ensure shareholders' rights, stabilize employment and life for laborers, preserve and develop capital.

- The members of the Board of Directors have closely followed their assigned tasks and performed their responsibilities well in management and operations.

III. DIRECTIONS AND TASKS FOR THE 2025-2030 TERM

In the 2025-2030 term, it is forecasted that the Company's will continue to face many difficulties due to: demand for cement bags continues to decline due to slow cement consumption, and the trend of shifting from bag cement to bulk cement continues to increase; The situation of "oversupply" continues, so there is fierce competition in quality and price among packaging companies. Legal regulations on packaging recycling fees have come into effect, so the Company will have to share with cement manufacturers through reducing sale prices. Cement manufacturers facing difficulties in business therefore will prolong payment time, affecting the capital for operations of the Company.

To ensure the Company's stable operation and development, the BOD sets out the following main goals and tasks:

- Production and sales volume: about 40 million bags per year or more.
- Revenue: about 216 billion VND per year or more.
- Profit before tax: about 1.3 billion per year or more.
- State budget payment: about 4 billion per year or more.
- Average annual income of employees: each year is 1 to 2% higher than the previous year.
- Dividend: 2% or more.
- Strengthen marketing activities, seek opportunities to increase traditional cement bag output and produce new product lines other than cement bags on the basis of

ensuring effective operation.

- Stabilize and improve packaging quality, maintain the Company's reputation in the market.

- Ensure policies and improve working conditions for employees. Maintain and improve labor discipline, prevent fire and explosion, ensure absolute safety for people and equipment.

This GMS will elect the BOD for the 2025-2030 term. The new BOD is tasked with developing a specific program to successfully implement the resolutions of the GMS.

Above is the report on the performance for the 2020-2025 term and the action plan for the 2025-2030 term of the BOD.

Respectfully submit to the GMS for consideration and approval.

Recipients:

- Shareholders attend GMS
- Archieve.

**ON BEHALF OF
THE BOARD OF DIRECTORS
CHAIRWOMAN**

Nguyen Thi Kim Chi