

No. : /BC-VNS

Hanoi, April 2026

DRAFT

**REPORT OF THE AUDIT COMMITTEE
THE 2026 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

Distinguished delegates attending the Congress.

In fulfilling its functions and duties as a Board of Supervisors under the Enterprise Law and the Charter of Vietnam Steel Corporation (the Corporation), the Corporation's Board of Supervisors respectfully reports to the General Meeting of Shareholders (GMS) the results of inspection and supervision in 2025, the summary of the 2021-2025 term, and the objectives and directions for operation in the 2026-2030 term, as well as the operational plan for 2026 as follows:

**A. RESULTS OF THE BOARD OF SUPERVISORS'S ACTIVITIES IN
2025**

1. Activities of the Board of Supervisors

In 2025, the Board of Supervisors closely followed Resolution No. 52/NQ-VNS dated April 28, 2025, of the General Meeting of Shareholders to develop a work plan to carry out the tasks of the Board of Supervisors, including:

- Develop and issue the Board of Supervisors's activity program for 2025.
- Supervise the selection process for the 2025 financial statements and the review of the 6-month financial statements for 2025, and the audit of the Corporation's 2025 financial statements according to the audit service contract signed with AASC Auditing Firm Co., Ltd.
- Supervise the auditing of financial statements of member units, identify problems and shortcomings in accounting, financial management, and profit distribution at these units.
- Attend Board of Directors meetings and monthly Executive Board briefings to stay informed about the situation as a basis for monitoring the management and operation of the Corporation in accordance with Resolution No. 52/NQ-VNS dated April 28, 2025 of the General Meeting of Shareholders.
- Conducting thematic control programs at 4 units regarding the implementation of the 2025 plan, production cost management, cost of goods sold, consumption norms, procurement of materials and raw materials, inventory, accounts receivable,

investment, major repairs, sales and system coordination, and the development and issuance of internal management regulations, including: Nha Be Steel Joint Stock Company - Vnsteel, Thu Duc Steel Joint Stock Company - Vnsteel, Vingal Industrial Galvanizing Joint Stock Company - Vnsteel, and Thang Long Galvanized Steel Joint Stock Company . Through the control work at each unit, the Control Board prepares a report on the control results and makes recommendations to the Board of Directors and the General Corporation's Executive Board to support management and operation within the system.

- Between the two general meetings, in order to serve the inspection and supervision work, the Board of Supervisors organized 4 meetings to seek opinions on the following contents: (1) The Board of Supervisors's 2025 activity program, (2) Approval of the plan and results of thematic inspection at 4 units: Nha Be Steel Joint Stock Company - Vnsteel, Thu Duc Steel Joint Stock Company - Vnsteel, Vingal Industrial Zinc Plating Joint Stock Company - Vnsteel, Vnsteel Thang Long Coated Steel Joint Stock Company, (3) Appraisal of the General Corporation's separate and consolidated financial statements for 2025, (4) Approval of the Board of Supervisors's report to the 2026 annual general meeting and the proposal to select an auditing firm for the 2026 financial statements.

2. Salaries and remuneration of the Board of Supervisors

No.	Full name	Position	Salaries and compensation in 2025	Note
1	Tran Tuan Dung	Head of the Board of Supervisors	920,480,000	
2	Truong Thi Tuyet	Board of Supervisors Member	691,965,000	
3	Nguyen Duc Vinh Nam	Board of Supervisors Member	691,965,000	
4	Dang Son Nguyet Thao	Board of Supervisors Member	100,800,000	
5	Nguyen Minh Duc	Board of Supervisors Member	100,800,000	

(The salaries and remuneration for the year 2025 do not include other income paid according to the regulations of the Corporation, such as: telephone expenses, uniforms, etc.)

B. EVALUATION OF OPERATIONAL RESULTS AND MANAGEMENT AND ADMINISTRATION WORK OF THE BOARD OF DIRECTORS AND THE GENERAL DIRECTOR IN 2025.

I. Results of monitoring the operational and financial situation of the Corporation

Through its oversight of the Corporation's governance activities and its review of the consolidated and separate financial statements for 2025, the Board of Supervisors has the following observations and assessments:

1. The operational status of the Corporation

Vietnam Steel Corporation's business operations in 2025 will take place against the backdrop of continued slow global economic growth, with the global steel market facing numerous impacts from geopolitical conflicts, financial and monetary instability, oversupply, and the increasing trend of trade protectionist measures in many countries. Domestically, the steel market is showing signs of recovery thanks to improvements in the real estate sector, accelerated disbursement of public investment, and increased domestic consumption.

Faced with the intertwined opportunities and challenges of the market, the Board of Directors provided timely guidance, and the Executive Board proactively implemented solutions to manage production and business operations, strengthen governance, improve resource utilization efficiency, and boost product sales. As a result, the Corporation's production and business activities have significantly improved compared to the previous period, contributing to consolidating the overall performance of the entire system.

As a result, the Corporation has completed and exceeded the production and business targets for 2025 approved by the Annual General Meeting of Shareholders, continuing to maintain its role as a core enterprise in the Vietnamese steel industry.

2. Preparation and auditing of financial statements

After reviewing the 2025 financial statements audited by AASC Auditing Firm Co., Ltd., the Board of Supervisors reports the following review results:

- The consolidated financial statements and separate financial statements for 2025 have essentially reflected the financial situation of the Corporation as of December 31, 2025, including the Balance Sheet, Income Statement, Cash Flow Statement, and Notes to the Financial Statements for the fiscal year 2025.

- The Board of Supervisors is generally in agreement with the figures in the Reports audited by AASC Auditing Firm Co., Ltd., along with the auditor's opinions on the Corporation's 2025 financial statements.

- To assist shareholders and investors in assessing the impact, the Board of Supervisors would like to note:

- + Some opening figures in the consolidated financial statements for 2025 of the Corporation have changed due to retrospective adjustments based on Audit Notice No. 246/TB-KTNN dated October 6, 2025 of the State Audit Office and Conclusion

on tax inspection No. 2389/KL-CTTNG dated May 30, 2025 of the Tax Department of Region VII with Thai Trung Steel Rolling Joint Stock Company (a subsidiary of Thai Nguyen Iron and Steel Joint Stock Company).

+ The exceptions noted in the 2025 separate and consolidated financial statements audit report indicate the existence of factors affecting the reliability of the report, including:

*) Risks related to the Corporation's investments in the following entities: Thai Nguyen Iron and Steel Joint Stock Company, Thach Khe Iron Joint Stock Company, affecting the Corporation's future operations.

*) Risk arising from the inability to obtain sufficient appropriate audit evidence at Thai Nguyen Iron and Steel Joint Stock Company (TISCO), specifically on June 20, 2025, the Tax Department of Region VII issued Decision No. 1165/QD-XP HC on administrative violations related to the declaration of environmental protection fees for low-grade ore mined from 2017 to 2024 at Tien Bo Iron Mine, with a total amount TISCO must pay as of the date of issuance of the decision being VND 225.52 billion (including: administrative fines, environmental protection fees, and late payment penalties for environmental protection fees). The company has provisionally paid VND 1.009 billion according to this decision. Currently, the Company is in the process of filing a lawsuit against the aforementioned administrative violation decision of the Tax Department of Region VII (now the Tax Department of Thai Nguyen Province) at the People's Court of Region I - Thai Nguyen. Therefore, the Company has not fully recorded all payment obligations under the aforementioned decision, as well as any arising obligations (if any) up to December 31, 2025, in its separate and consolidated financial statements.

*) Risk arising from the inability to obtain sufficient appropriate audit evidence regarding the reliability of the information in the unaudited financial statements for the fiscal year ended December 31, 2025, of the associated companies indirectly invested in through Vietnam Foreign Trade Logistics and Warehousing Joint Stock Company, which are used for consolidation under the equity method in the consolidated financial statements.

*) The Corporation has completed the equitization settlement report and is taking the next steps to settle the equitization in accordance with the law. Therefore, the financial statements as of September 30, 2011 may still change according to the decision of the competent authority, so the financial statements as of December 31, 2025 may also change accordingly.

Key issues highlighted in the audit report of the separate and consolidated financial statements for 2025:

*) Decision No. 639/QD-UBND of Hanoi City dated February 10, 2025, on the termination of the investment project for the construction of a high-rise residential building combined with services and offices at 120 Hoang Quoc Viet Street, Cau

Giay District, Hanoi. The Corporation records all costs related to the land plot as other expenses.

*) Thai Trung Mineral Exploitation and Processing Joint Stock Company is temporarily suspending operations to complete the procedures for applying for a mineral exploitation license in accordance with the law.

*) The Corporation has commitments and capital guarantees in Thai Nguyen Iron and Steel Joint Stock Company, Southern Steel Plate Joint Stock Company, Thong Nhat Steel Plate and Sheet Joint Stock Company, and Thach Khe Iron Joint Stock Company.

3. Related transactions of the Corporation

In 2025, the Corporation will have transactions with related parties within the Corporation's system totaling VND 2,075.6 billion, primarily transactions with Phu My Steel Sheet and Plate Company Limited worth VND 1,839.7 billion, and dividends received from units within the system in 2025 amounting to VND 213.7 billion.

4. Results of production and business operations

The Board of Supervisors unanimously agrees with the business performance figures presented in the consolidated financial statements and separate financial statements for 2025 of the Corporation, which were audited by AASC Auditing Firm Co., Ltd.

4.1. Consolidated business performance results of the Corporation

The key indicators of the Corporation's consolidated business results for the fiscal year 2025, as presented in the audited consolidated financial statements, are as follows:

Unit of measurement: Million VND

Item	2025	2024	Difference	
			Value	Percentage (%)
1	2	3	4 = 2 - 3	5 = 4/3
Net revenue	44,458,367	36,172,675	8,285,692	22.9%
Cost of goods sold	42,638,728	34,959,220	7,679,507	22.0%
Gross profit	1,819,639	1,213,454	606,185	50.0%
Financial revenue	488,177	288,158	200,019	69.4%
Financial costs	391,800	360,491	31,308	8.7%
Profit (Loss) of Affiliated Companies	92,340	122,998	(30,657)	-24.9%
Cost of goods sold	471,282	301,132	170,150	56.5%
Management costs	912,793	724,447	188,345	26.0%
Business profit	624,282	238,540	385,742	161.7%

Other profits	35,820	150,617	(114,797)	-76.2%
Profit before tax	660.102	389,157	270,945	69.6%
Corporate income tax expense	82,562	51,311	31,251	60.9%
Net profit after tax	577,540	337,846	239,694	70.9%

In 2025, the Corporation recorded positive growth in revenue and profit. Net revenue reached VND 44,458 billion (up 22.9%), and pre-tax profit reached VND 660 billion (up 69.6%), both exceeding the targets set by the General Shareholders' Meeting. This result demonstrates a significant improvement in consolidated operational efficiency compared to 2024.

Gross profit increased by 50% year-on-year due to the cost of goods sold growing at a slower rate than revenue. Financial revenue increased by 69%, while financial expenses increased by 8.7%. However, selling expenses and administrative expenses increased significantly, partly due to changes in the consolidation scope (including Ton Phuong Nam from May 2025, Vinausteel no longer consolidated from August 25, 2025, and the divestment of Vicasa), and partly due to increased salary costs as units completed their plans. Simultaneously, in some units, outsourced service costs and other cash expenses increased faster than revenue growth or increased year-on-year, requiring continued control to improve efficiency.

The Corporation exceeded its 2025 targets, achieving 132.7% of its revenue and 235.8% of its pre-tax profit. This marks the second consecutive year the Corporation has been profitable, demonstrating the efforts and improvements in operations across the entire system.

+ Some consolidated financial indicators regarding asset structure, capital sources, solvency, and profitability of the Corporation in 2025 are as follows:

No.	Target	Unit	December 31, 2025	December 31, 2024
1	Asset structure:			
	- Long-term assets / Total assets	%	46.3%	48.7%
	- Current assets / Total assets	%	53.7%	51.3%
2	Capital structure:			
	- Liabilities/Total Capital	%	63.2%	62.6%
	- Equity/Total capital	%	36.8%	37.4%
	- Liabilities/Equity	Time	1.72	1.67
3	Ability to pay:			
	- Ability to pay quickly	Time	0.61	0.60
	- Current payment capacity	Time	1.06	1.03
4	Profit margin:			

No.	Target	Unit	December 31, 2025	December 31, 2024
	- Net profit margin / Total assets	%	2.1%	1.3%
	- Net profit margin / Net revenue	%	1.3%	0.9%
	- Net profit margin / Equity	%	5.6%	3.6%

Regarding asset structure, the proportion of short-term assets has increased, contributing to meeting working capital needs. However, the decrease in the proportion of long-term assets indicates limited long-term investment, which needs to be prioritized in the future. Financial leverage tends to increase, while liquidity ratios have improved but remain at a level requiring monitoring.

Profitability indicators (ROA, ROE, ROS) all improved compared to 2024.

In 2025, cash flow from business operations reached VND 701 billion, a significant improvement compared to 2024 (negative VND 1,280 billion). The reduction in deductible VAT was due to tax refunds from some units such as Southern Steel and Nha Be Steel, contributing to supporting cash flow for business operations.

However, total cash flow remained negative at VND 245 billion (compared to positive VND 847 billion in 2024), mainly due to increased accounts receivable and inventory, as well as expenses incurred for investment and debt repayment during the period.

These fluctuations are partly influenced by changes in the scope of consolidation. After excluding this factor, accounts receivable and inventory are generally consistent with the scale of operations. However, the performance across units is uneven, with some instances of high inventory levels, accounts payable, or VAT increases compared to the same period last year. Further review and monitoring are needed to ensure consistency and flexibility with production and business plans and market developments.

At some units, such as Ho Chi Minh Metalworking and Thang Long Coated Steel, outsourced service costs and other cash expenses are increasing faster than revenue growth, and further control is needed.

At Vinatrans (separate financial statements), the core business operations still showed a loss, with pre-tax profit (72 billion VND) mainly coming from dividends and distributed profits (97.9 billion VND), while the service segment declined and outsourced service costs increased.

Some customers outside the Corporation's system have relatively large outstanding debts, originating from multiple units within the system, such as Tay Do Steel, Chin Rong, Nghia Phu, Chip Mong, BCH, Thai Hung, SMC, etc. The concentration of debts at a few customers and their dispersion across many units within the system could pose risks in debt recovery. Therefore, the Corporation needs to continue reviewing and assessing customers' payment capabilities, while

strengthening security measures such as collateral, credit limits, and appropriate payment terms to mitigate potential risks.

Looking ahead, the Corporation should continue to strengthen cost management and control of inventory, accounts receivable, VAT, and advances; while also managing capital flexibly in the context of rising interest rates to control financial costs and optimize profit efficiency.

4.2. Business results on the Corporation's separate financial statements

Some key indicators of the parent company's business performance in fiscal year 2025, as reported in its separate financial statements, are as follows:

Unit of measurement: Million VND

Target	2025	2024	Difference	
			Value	Percentage (%)
Net revenue from insurance and related services.	1,855,962	1,377,182	478,780	34.8%
Cost of goods sold	1,842,229	1,366,367	475,863	34.8%
LN includes insurance and CCDV	13,732	10,815	2,917	27.0%
Financial operating revenue	265,497	192,363	73,134	38.0%
Financial costs	2,368	87,705	-85,336	-97.3%
<i>In which: Interest expense</i>	<i>23,715</i>	<i>14,131</i>	<i>9,585</i>	<i>67.8%</i>
Cost of goods sold	0	0	0	
Management costs	109,297	78,072	31,225	40.0%
Net profit from business operations	167,564	37,402	130,161	348.0%
Other income	4,782	1,822	2,960	162.4%
Other expenses	37,192	94	37,098	39517.6%
Other profits	(32,410)	1,728	(34,138)	-1975.0%
Total accounting profit before tax	135,154	39,131	96,023	245.4%
Corporate income tax expense	0	0	0	
Net profit after tax	135,154	39,131	96,023	245.4%

In 2025, the parent company's pre-tax profit reached VND 135.1 billion, achieving 483% of the target set by the General Shareholders' Meeting (target of VND 28 billion) and increasing 2.45 times compared to 2024.

Sales revenue and service fees reached VND 1,856 billion, a 34.8% increase compared to 2024, mainly from HRC trading transactions with Phu My Steel Sheet and Plate Co., Ltd.; the remainder came from office rental activities. Due to the nature of these transactions as support within the system, the return on investment was low, with gross profit reaching VND 13.7 billion (a 27% increase), of which sales accounted for VND 1.45 billion and services for VND 12.28 billion.

Financial income reached VND 265 billion, an increase of 38%, including income from dividends, profits distributed from member units, interest on deposits

and loans, and interest from the transfer of capital in Vicasa Steel Joint Stock Company.

Financial expenses in 2025 amounted to VND 3.1 billion, a decrease of VND 84 billion compared to 2024, mainly due to the reversal of provisions for losses on financial investments. During the year, the Corporation reversed VND 85.9 billion from several units with good business performance and made provisions of VND 5.58 billion for several loss-making units. Specifically for Thai Nguyen Iron and Steel Joint Stock Company, despite a slight profit during the year, the Corporation still made a provision of VND 58.1 billion due to exchange rate losses from foreign currency loans for the Phase 2 expansion project.

Administrative expenses amounted to VND 109 billion, a 40% increase compared to 2024, mainly due to increased labor costs, land tax, and a decrease in the reversal of provisions for doubtful receivables compared to the previous year. In addition, other expenses increased by VND 37 billion, mostly related to costs at the 120 Hoang Quoc Viet land plot due to the termination of the investment project.

Overall, the parent company's revenue and pre-tax profit targets exceeded those set by the 2025 Annual General Meeting. However, the parent company's profit on its separate financial statements remains significantly dependent on dividends, profits distributed from subsidiaries, provisions for/reversal of reserves, and reductions in administrative expenses .

The Board of Supervisors recommends continuing to strengthen control over management costs, improving the efficiency of capital utilization and effectively managing cash flow from business operations; and at the same time, reviewing and addressing outstanding issues related to Tisco 2, the land plot at 120 Hoang Quoc Viet, and similar projects to limit the generation of additional financial obligations for the Corporation.

+ The financial indicators in the separate financial statements regarding asset structure, capital sources, solvency, and profit margin in 2025 show positive changes, specifically as follows:

No.	Target	Unit	December 31, 2025	December 31, 2024
1	Asset structure:			
	- Long-term assets / Total assets	%	86.5%	81.9%
	- Current assets / Total assets	%	13.5%	18.1%
2	Capital structure:			
	- Liabilities/Total Capital	%	13.3%	17.5%
	- Equity/Total capital	%	86.7%	82.5%
	- Liabilities/Equity	Time	0.15	0.21
3	Ability to pay:			
	- Ability to pay quickly	Time	1.96	1.60
	- Current payment capacity	Time	1.96	1.60
4	Profit margin:			
	- Net profit margin / Total assets	%	1.57%	0.44%

No.	Target	Unit	December 31, 2025	December 31, 2024
	- Net profit margin / Net revenue	%	7.28%	2.84%
	- Net profit margin / Equity	%	1.81%	0.53%

- The asset structure indicators in the separate financial statements for 2025 continue to show a shift from short-term to long-term assets; in particular, the Corporation's long-term assets mainly consist of long-term financial investments in units within the system, accounting for 86.5% and increasing by 2.15% compared to the same period (corresponding to VND 157 billion). This fluctuation is mainly due to the reversal/provisioning of long-term financial investment provisions during the year, along with capital increases, divestments, and dissolutions at some units.

- The corporation does not directly engage in business activities, so equity accounts for a large proportion of total capital; the ratio of liabilities to total capital and to equity remains low. Borrowings mainly arise to support production and business activities within the system, including the purchase of hot-rolled steel coils for Phu My Steel Sheet Company; at the same time, there were fluctuations in capital increases and decreases at some units during the year.

- The solvency ratios on the Corporation's separate financial statements are >1 , indicating that it can meet its short-term financial obligations.

- In 2025, the ROA, ROE, and ROS profit margins showed growth compared to the same period; however, since the Corporation does not directly engage in business activities, these indicators are mainly influenced by dividends and profits distributed from subsidiaries to the parent company, and the reduced provision for long-term financial investments compared to 2024.

II. Results of monitoring the management and operation of the Board of Directors and the General Director's Office.

- Through the monitoring of the management and operational activities of the Board of Directors and the Executive Board of the Corporation in 2025, the Board of Supervisors found that the members of the Board of Directors, the Executive Board, and the management staff have demonstrated a sense of responsibility in directing and managing the implementation of Resolution No. 52/NQ-VNS dated April 28, 2025, of the General Meeting of Shareholders and the Corporation's 2025 business plan.

- In 2025, the Board of Directors issued 96 resolutions related to the Corporation's activities. All resolutions of the Board of Directors were issued legally and within its authority, based on minutes of Board of Directors meetings and opinion polls of Board members as stipulated in the Corporation's Charter and Operating Regulations.

- The Board of Directors has effectively supervised the Executive Board's operations, ensuring strict adherence to the Corporation's regulations and compliance with the law. The Board has held regular quarterly meetings and expanded Board meetings to promptly monitor and direct the Corporation's production and business activities. Furthermore, to issue resolutions and decisions directing production and business, the Board regularly seeks the opinions of its members through written submissions and emails. Resolutions and decisions are issued promptly and in the correct order, in accordance with the Corporation's charter and the Enterprise Law, to guide production and business activities towards the objectives of Resolution No. 52/NQ-VNS dated April 28, 2025, of the General Meeting of Shareholders.

- The Corporation's Executive Board has made efforts to implement the Resolutions and Decisions of the Board of Directors with many timely solutions to overcome difficulties in 2025. The consolidated and parent company indicators of the Corporation have all met and exceeded the targets set by the General Meeting of Shareholders for 2025.

Through its supervisory work, the Board of Supervisors has made recommendations and proposals to the Board of Directors to enable timely decision-making aimed at strengthening management, investment development, and stabilizing production and business operations.

III. Regarding the coordination of activities between the Board of Supervisors and the Board of Directors, the General Director, and other management staff.

In 2025, the Board of Supervisors collaborated effectively with the Board of Directors, the Executive Board, and other management personnel, acting in the best interests of the Corporation and its shareholders, in accordance with the law and the Corporation's charter.

The Board of Directors, the Executive Board, and other managers have provided information and documents on the management, operation, and business activities of the Corporation as required, facilitating the supervisory work. Members of the Board of Supervisors fully attended all Board of Directors meetings and briefings. The Board of Supervisors contributed opinions on the management and operation of the Board of Directors and the Executive Board, and many opinions were received and promptly addressed by the Board of Directors and the Executive Board.

IV. Self-assessment report on the performance of the Board of Supervisors and its members in 2025

Based on the Corporation's Charter, the Regulations on the operation of the Board of Supervisors, the powers and responsibilities of the Board of Supervisors and its members, and the results of the Board of Supervisors's activities in 2025, the Board of Supervisors and its members make the following self-assessment:

- The Board of Supervisors and its members have closely followed their duties in accordance with the powers and responsibilities stipulated in the Corporation's Charter and the Board of Supervisors's Operating Regulations in supervising the Board of Directors and the Executive Board in governance and operation. The decisions and reports of the Board of Supervisors have been issued in accordance with the procedures of the Enterprise Law and the Corporation's Charter.

- The Board of Supervisors and its members fully participate in all Board of Supervisors meetings, Board of Directors meetings, and monthly briefings of the General Director, keeping abreast of the Corporation's operational situation.

- The Board of Supervisors and its members have successfully completed the review of the Corporation's 2025 financial statements in accordance with accounting standards, as audited by AASC Auditing Firm Co., Ltd.

- Through the performance of its duties, the Board of Supervisors has coordinated well with the Board of Directors, the Executive Board, and units within the system to successfully complete its assigned tasks. It has also made proposals and recommendations to the Board of Directors to strengthen internal governance and control, meeting the development requirements of the Corporation. The proposals and recommendations of the Board of Supervisors have been considered and implemented by the Board of Directors and the General Director, contributing to the achievement of the targets and tasks approved by the Shareholders' Meeting.

C. EVALUATION OF ACTIVITIES DURING THE 2021-2025 TERM

1. Regarding the implementation of targets set by the General Shareholders' Meeting.

During the period 2021-2025, the Corporation's production and business activities took place amidst significant fluctuations in the domestic and global steel markets. The Covid-19 pandemic, along with geopolitical conflicts, interest rate and exchange rate fluctuations, and the increasing trend of trade protection measures, put considerable pressure on the steel industry. Domestically, production capacity continued to increase as many large projects came online, leading to overcapacity and fierce competition, while input material prices fluctuated sharply, significantly impacting the production and business efficiency of enterprises in the industry.

The steel market during this period has a distinct cyclical pattern: strong growth in 2021, followed by a decline from 2022 to 2023 due to decreased demand and rising input costs. The market began to recover in 2024, although consumption remained lower than the previous period. A significant recovery is expected in 2025 thanks to increased public investment, a gradually improving real estate market, and a resurgence in domestic demand.

In this context, the Board of Directors promptly issued decisions appropriate to the actual situation, while the Executive Board implemented many solutions in managing production and business operations and supporting member units in overcoming difficulties. As a result, the operations of the Corporation and its units

were basically maintained stably, contributing to ensuring jobs and income for employees.

The results for the entire term show that the Corporation achieved consolidated total revenue of VND 192,185 billion, equivalent to 113% of the plan set by the General Shareholders' Meeting. However, consolidated pre-tax profit reached VND 1,100 billion, equivalent to 69% of the plan, mainly due to declining business results in 2022 and 2023 when the steel market faced many difficulties and some units in the system incurred losses. Specifically:

Unit of measurement : billion VND

No.	Target	Plan 2021- 2025	2021	2022	2023	2024	2025	Actual 2021- 2025	Actual/ Plan (%)
	Consolidated financial statement indicators								
1	Consolidated total revenue	169,850	41,52 4	38,74 3	30,40 1	36,758	44,75 9	192,18 5	113%
2	Consolidated pre-tax profit	1,585	1,052	-721	-252	389	632	1,100	69%

Overall, during the 2021-2025 term, the Corporation maintained stable revenue levels and exceeded planned targets. However, business performance was significantly affected by fluctuations in the steel market and the performance of some member units. This indicates that the steel industry still faces cyclical risks, requiring the Corporation to continue improving its management capabilities, controlling costs, and enhancing operational efficiency in the next phase.

During the 2021-2025 period, the investment performance of units within the Corporation's system did not meet the planned targets. The total disbursed value was VND 1,067 billion out of VND 4,407 billion, reaching only 24.2% of the plan. The implementation of several large investment projects did not meet the plan, mainly due to limitations in financial capacity, difficulties in capital mobilization, and investment procedures stipulated for state-owned enterprises, which prolonged the preparation and implementation time.

During the 2021-2025 term, the Corporation's production and business activities achieved some positive results; however, there are still some shortcomings and limitations that need to be addressed in the future, as follows:

- Finished steel sales volume and after-tax profit in the 2021-2025 period both decreased compared to the 2016-2020 period, reflecting increased competitive pressure in the steel industry.

- Selling and administrative expenses at some units tend to increase; continued control and rational allocation are needed to ensure they are in line with revenue growth in order to improve operational efficiency.

- Some units need to continue focusing on their core business, improving resource efficiency and reducing the dispersion of operations.

- Issues outside of the audit scope in the separate and consolidated financial statements of the Corporation, as well as at some member units, still exist and need to be continuously monitored and resolved.

- The process of finalizing the equitization process still has outstanding issues and needs to be accelerated.

- The restructuring and divestment process at the units, as planned, is progressing slowly.

- Some investment projects have not progressed according to plan due to difficulties in financial resources, legal procedures, and market conditions.

- The second phase of the production expansion investment project, invested by Thai Nguyen Iron and Steel Joint Stock Company, and the Lao Cai Iron and Steel Plant project of Viet Trung Mineral and Metallurgy Company Limited are among the 12 loss-making and inefficient enterprise projects under the Ministry of Industry and Trade. These projects are currently being processed according to the directives of the Government Steering Committee. However, some progress has been made in the process, such as TISCO and the contractor MCC signing an agreement to terminate and liquidate the EPC contract, and TISCO receiving US\$3.17 million (equivalent to 25% of the amount MCC committed to repay).

2. Regarding the management and operation of the Board of Directors and the General Management Board.

During the past term, the Board of Directors and the General Management Board assigned specific and clear tasks to each member, thereby enabling them to make timely and realistic business plan assessments. They identified existing problems and proposed specific and appropriate policies and solutions to overcome difficulties and improve the business efficiency of the Corporation.

Resolutions and decisions of the Board of Directors and the General Management Board are issued in accordance with the law and the Corporation's Charter. The internal regulations and rules system has been developed and perfected, ensuring compliance with current regulations and is implemented relatively effectively throughout the system.

The Board of Directors has fully implemented the directives of the Ministries, sectors, and the State Capital Investment and Business Corporation (SCIC) regarding enterprise management. The Board's activities closely follow the actual situation and comply with legal regulations, thereby effectively supporting the General Director's management work.

Assessment: During the 2021-2025 term, the Board of Directors carried out its duties carefully and decisively, focusing on strategic planning, issuing decisions appropriate to the actual situation, effectively supporting the management work of

the General Director's Office, and contributing to improving the operational efficiency of the Corporation.

3. Regarding the supervisory and coordination work of the Board of Supervisors with the Board of Directors and the General Management Board.

During the past term, with the support and facilitation of the Board of Directors, the General Management Board, the Board of Supervisors, and its members, the Board of Supervisors has effectively performed its functions and duties as prescribed, regularly supervising the management and operation activities of the Corporation and its units within the system. The Board of Supervisors has provided many timely suggestions to the Board of Directors, the General Management Board, and the capital representatives in subsidiaries and affiliated companies regarding management and operation. Many of these suggestions have been accepted and implemented in the management and operation of the Corporation.

During the 2021-2025 term, the Board of Supervisors developed and closely followed the annual plan, proactively and seriously implementing all assigned tasks in a timely manner. Throughout the term, the Board of Supervisors conducted 20 thematic inspections and supervisions at units within the Corporation's system. Following these inspections and supervisions, the Board of Supervisors submitted reports and recommendations to the Board of Directors and the Executive Board.

Through inspection and supervision during the 2021-2025 term, the Board of Supervisors has made timely recommendations for corrective measures and solutions regarding the management and use of resources (capital, assets) at the units. Through post-audits, the recommendations and proposals of the Board of Supervisors have been addressed and improved by the capital representatives at the units, enhancing their internal governance processes.

D. RECOMMENDATIONS

I. For Owner's Representatives and State Management Agencies

The Corporation has submitted the final accounts of the equitization process to the Ministry of Industry and Trade for appraisal. Now, with the ownership representation being transferred from the Ministry of Industry and Trade to the State Capital Investment and Business Corporation (SCIC), the Board of Supervisors continues to request the Ministry of Industry and Trade to promptly approve the final accounts of the equitization process so that the Corporation can complete the procedures for transferring from a state-owned company to a joint-stock company.

II. For the Corporation

Based on the results of inspection and supervision activities in 2025, the Board of Supervisors has several recommendations for the Corporation's operations in 2026 as follows:

1. The financial situation at the two units, Thai Nguyen Iron and Steel Joint Stock Company and Viet Trung Mineral and Metallurgy Company Limited, as of December 31, 2025, shows significant financial imbalances, high debt ratios, and low solvency, leading to risks in repaying debts when due. The Board of Supervisors recommends:

1.1. Focus on addressing the outstanding issues of the Phase 2 Production Expansion Project - Thai Nguyen Iron and Steel Joint Stock Company (TISCO) in accordance with the conclusions and directives of the Government and the Steering Committee for Underperforming Projects. As of December 31, 2025, the total investment of the project was VND 6,525.53 billion, of which capitalized interest expenses amounted to VND 3,307 billion; overdue debt was VND 2,481.19 billion, and short-term financial imbalance was VND 3,170.53 billion. The financial situation has not improved significantly despite the support of interest debt write-offs totaling VND 506.56 billion. In addition, TISCO's 2025 financial statements have an audit exception related to financial obligations as decided by the tax authorities, amounting to VND 225.52 billion. The company is currently pursuing legal action and has not yet fully recorded this obligation.

The Board of Supervisors recommends: accelerating the restructuring of project loan debts; definitively resolving outstanding issues of EPC contract No. 01#, while clarifying obstacles and developing a specific roadmap and timeline for resolution; developing a comprehensive restructuring plan, including increasing capital, seeking investors, or transferring capital to overcome financial imbalances and optimize operational efficiency after receiving guidance from the Government; and monitoring and promptly addressing arising financial obligations to mitigate risks.

1.2. Through the Capital Representative, continue to direct the Vietnam-China Mineral and Metallurgical Company Limited regarding the company's restructuring plan as directed by the Government, improving internal governance, definitively resolving the issue of surplus and shortage of goods arising during inventory, promptly addressing accumulated losses and repaying budget debts. Research and implement solutions to increase equity capital, restructure loan debts, and seek potential investors to restructure the company by increasing its charter capital to address financial imbalances or transferring ownership to preserve the Corporation's investment capital in VTM.

2. Continue to implement and definitively resolve the final settlement of the equitization of the Corporation in accordance with the regulations on converting state-owned enterprises into joint-stock companies.

3. Strengthen the analysis, forecasting, and planning work of the Corporation and its units to closely monitor market developments, balance resources flexibly to suit reality, and propose practical solutions to achieve the highest possible results in fulfilling the set objectives. Strengthen monitoring and plan management to help the Corporation operate efficiently, minimize risks, and control the achievement of planned objectives.

4. In the context of volatile geopolitical and international market conditions, with potential risks of supply chain disruptions, rising fuel and raw material prices, exchange rates, and interest rates, which could affect production costs and business efficiency, the Corporation is requested to direct its units to proactively monitor and assess risks; diversify supply sources, develop contingency plans, and manage production flexibly to ensure input supply and minimize adverse impacts on the 2026 plan objectives.

5. Focus on training high-quality human resources, effectively implementing rotation and training programs to meet operational needs and ensure staff standards align with planning and system development. Allocate resources for development investment, prioritizing key investment projects to enhance competitiveness. Renew the Corporation's development strategy, continue reviewing and adjusting the restructuring plan after 2025 to align with the Corporation's development strategy, redefine investment portfolios, and address the issue of scattered, fragmented, and inefficient investments.

6. Strengthen leadership and guidance for representatives at the units, implement digital transformation to improve the quality of information gathering at the units regarding all aspects of operations, focusing on input material management, production, sales, and financial management, in order to find solutions to reduce costs, lower prices, and improve the operational efficiency and investment efficiency of the Corporation at the units.

7. Strengthen financial supervision of units that are operating inefficiently, incurring losses, or have accumulated losses; require capital representatives to develop plans and roadmaps for remediation and propose appropriate solutions to reduce accumulated losses, maintain stable operations, improve production and business efficiency, thereby limiting the risk of financial investment provision and preserving and developing the Corporation's capital.

8. We recommend that the Corporation continue to strengthen the management of inventory, accounts receivable, deductible VAT, and advances to suppliers; while also improving the efficiency of capital utilization and enhancing the quality of cash flow from business operations.

9. Some customers have high outstanding debt balances and conduct transactions simultaneously at multiple units within the Corporation's system. The

Board of Supervisors recommends that the Corporation regularly review and issue warnings within the system for customers with high outstanding debt balances and simultaneous transactions at multiple units to promptly gather information for customer assessment and develop appropriate collateral/guarantee plans to ensure capital safety within the Corporation's system. In addition, it is necessary to strengthen debt recovery efforts, especially for bad debts at the parent company and its member units, thereby limiting provisions and contributing to improving the Corporation's operational efficiency.

10. Further strengthen cost management and production cost optimization to improve operational efficiency for units as well as the Corporation. Continue to enhance linkages and coordination among units to create systemic strength, and strengthen value chain linkages to maximize benefits for the Corporation.

11. The exceptions and issues requiring emphasis mentioned in the Audit Report on the Corporation's separate and consolidated financial statements for 2025 reflect some shortcomings that may affect the reliability of the financial statements. The Board of Supervisors recommends that the Corporation continue to review and address the above-mentioned issues; and at the same time improve the quality of financial statement preparation and auditing, ensuring compliance with current accounting regulations and fully and accurately reflecting the Corporation's operating results in the separate and consolidated financial statements.

12. Continue to review and update current regulations and rules to ensure they are consistent with legal requirements and the operational realities of the Corporation.

E. OBJECTIVES, DIRECTIONS OF ACTIVITIES FOR THE 2026-2030 TERM AND ACTIVITY PLAN FOR 2026

1. Objectives and operational directions for the 2026-2030 term

During the period 2026-2030, the Board of Supervisors will continue to adhere to the objectives and plans assigned by the General Shareholders' Meeting for the entire term to implement inspection and supervision activities in line with the Corporation's development orientation amidst a volatile market. Based on this, the Board of Supervisors has determined its operational direction, focusing on the following key tasks:

- Improve the quality of inspection and supervision; correctly identify the focus and priorities of inspection and supervision work each year, ensuring proactiveness, independence, and objectivity in the work to allocate resources appropriately.

- Strengthen the implementation of inspection and supervision work to prevent and control issues in accordance with the objectives and plans assigned by the General Shareholders' Meeting Resolution.

- Enhance the proactiveness and sense of responsibility of each member of the Board of Supervisors in their professional work.

- Effectively coordinate inspection and supervision with the Board of Directors, the Internal Audit Committee, the Party Committee's Inspection Committee of the Corporation, and the professional departments to improve the effectiveness of inspection and supervision work.

2. Action Plan for 2026

The Board of Supervisors performs the functions and duties stipulated in the Enterprise Law, the Charter of Organization and Operation of the Corporation, and continues to implement the work program issued in 2026 and the tasks between two General Shareholders' Meetings, specifically:

- Reviewing the 2025 Financial Statements and the 2025 Management and Operation Report of the Corporation; Approving the Board of Supervisors's Report on the 2025 operating results to be presented at the 2026 Annual General Meeting of Shareholders of the Corporation (already completed).

- Propose selecting an independent auditing firm to audit the Corporation's financial statements for 2026.

- Monitor the implementation of the objectives and plans approved by the 2026 Annual General Meeting of Shareholders.

- To monitor and inspect the reasonableness, legality, and level of prudence in the management and operation of the Corporation's business activities in fulfilling its responsibilities and duties.

- To exercise control over specific aspects of financial management, production and business management, and the implementation of the Corporation's management regulations issued at the parent company, its subsidiaries, and wholly-owned subsidiaries.

- Supervising the implementation of the Corporation's capital management representation function at its subsidiaries and affiliated companies; controlling specific aspects of capital utilization and preservation, investment, production, business operations, and financial management... of some subsidiaries and affiliated companies.

- Coordinate with the Party Committee's Inspection Committee, the Internal Audit Department, and the Corporation's professional departments to supervise a number of units according to the coordinated plan.

- Conduct unscheduled thematic inspections and controls when requested by the Board of Directors, shareholders, or groups of shareholders, as stipulated in Clause 2, Article 115 of the 2020 Enterprise Law.

The above is the Report on the results of inspection and supervision in 2025 and the operational plan for 2026 of the Board of Supervisors of the Corporation. This report has been unanimously approved by all members of the Board of Supervisors and is respectfully submitted to the General Meeting of Shareholders./.

Recipient:

- The shareholders of the Corporation;
- Members of the Board of Directors;
- Board of Directors;
- Members of the Board of Supervisors;
- Departments and divisions;
- Secretary of the Corporation;
- Saved: Administrative office, Board of Directors,
Board of Supervisors.

O.B.O. BOARD OF SUPERVISORS

HEAD OF BOS

Tran Tuan Dung