



Ho Chi Minh City, April 24, 2025

**BOARD OF DIRECTORS' REPORT OF OPERATIONS FOR 2024 AND
PLAN OF OPERATIONS FOR 2025**

Pursuant to the Law on Enterprises dated June 17, 2020;

Pursuant to the Law on Securities dated November 26, 2019;

Pursuant to the Charter of Organization and Operation of Logistics Vicem Joint Stock Company.

The Board of Directors reports on the 2024 operations and the 2025 Operational Plan as follows:

I. OPERATIONS IN 2024

I.1. Characteristics of the Situation

1. Advantages

- The Company possesses a strong brand, reputation, and standing within the Southern region's transportation sector, ensuring stability and providing supportive policies for customers during challenging times, thus maintaining market share and partner/customer trust; successfully collaborating with new clients, guaranteeing continuous operation of the Company's fleet;

- A highly experienced, unified, and committed crew workforce;

- The Company receives support from Vietnam National Cement Corporation (VICEM) and its member units.

2. Difficulties

- Due to the unstable and recessionary global political and economic landscape, escalating conflicts in certain nations impact global peace and stability. Furthermore, climate change causing storms, floods, natural disasters, and extreme weather has significantly affected all aspects of life and economic development, thus impacting Vietnam's economic activities, including the freight transportation sector;

- Logistics Vicem Joint Stock Company operates in the logistics sector, primarily focusing on inland waterway transportation of raw materials for the construction materials industry, such as cement, clinker, sand, and steel, serving cement production and related industries. The sluggish real estate market, which has yet to recover, affects numerous sectors, with the construction materials industry being the most significantly impacted. In 2024, domestic cement consumption declined due to the stagnant real estate market, slow recovery of civil construction, and delayed project implementation, resulting in stagnant cement consumption. The slow consumption of construction materials led to low transportation volumes of clinker,

coal, and other raw materials to cement grinding stations, alongside slow loading and unloading speeds at terminals, prolonging the Company's vehicle turnaround time;

- Within the transportation market, several entities have restructured and invested in new transportation vehicles optimized for specific routes with maximum transport capacity, reducing transportation costs, increasing competitiveness, and demonstrating a willingness to lower prices to gain market share. Trading companies have independently invested in large-capacity vehicles ranging from 3,700 to 4,700 tons for transshipment, forgoing Logistics Vicem's services, thus reducing Logistics Vicem's transport volume;

- Currently, the Company lacks storage facilities and loading/unloading ports, hindering the development of a comprehensive logistics chain as envisioned by VICEM and limiting the Company's competitiveness. Consequently, business operations face increasing difficulties, lack competitiveness, and remain dependent on clients for service contracts, without proactively securing transport orders or optimizing load capacity and revenue;

- Fluctuating and increasing fuel prices throughout the year significantly affected the Company's transportation operations, escalating transport costs due to the high proportion of fuel costs within the cost structure;

- The Company's barge fleet is aging, with a high average vehicle age, leading to reduced operating efficiency (increased repair costs, decreased operating time).

I.2. Results of task implementation in 2024

1. Regarding production-business

The Board of Directors has closely monitored the actual situation to direct and orient production-business activities, minimize costs, increase vehicle operating efficiency, and seek to expand the market, along with the efforts of all employees in the Company. Therefore, the production-business results have exceeded the plan, ensuring stable jobs and livelihoods for all employees of the company.

No.	Indicators	Unit	Plan year 2024	Implemented year 2024	Percentage of implementation compared to the plan (%)
1	Total commodity output	Ton	5,405,758	5,072,504	94%
2	Total revenue and other income	Million VND	350,964	294,680	84%
3	Profit before tax	Million VND	11,398	11,675	102%
4	Profit after tax	Million VND	8,705	8,960	103%
5	Return on equity (ROE)	%	3.37	3.47	103%
6	Budget contribution	Million VND	13,207	13,382	101%
7	Dividend (expected)	%	≥ 3%	-	-

(Dividends implemented in 2024 will be submitted to shareholders for approval at the 2025 Annual General Meeting of Shareholders).

2. Regarding investment

Approved the plan and urged the Company's Board of Management to implement procedures for investing in new barges to serve the Company's core business (04 barges with a capacity of 2,650 tons/barge). However, given the Company's difficulties and the fluctuating prices of sheet metal, iron, and steel, the Company did not purchase the aforementioned assets in 2024.

3. Regarding organization and personnel

- On January 04, 2024, the Board of Directors issued Decision No. 04/2024/QĐ-HĐQT on the reappointment of Mr. Do Van Huan – Member of the Board of Directors to the position of General Director of Logistics Vicem Joint Stock Company for the 2021-2026 term, effective January 04, 2024.

4. Other tasks

Based on the rights and obligations as prescribed by law and the Company's Charter; the Company's Board of Directors has closely followed the spirit of the resolutions of the 2024 Annual General Meeting of Shareholders to implement, organize periodic meetings, and issue timely resolutions directing the work of organization, production-business, investment, and other tasks.

No.	Resolution/Decision/Minutes Number	Date, month	Content	Approval rate (%)
1	03/2024/NQ-HĐQT	January 4, 2024	The Board of Directors agreed to approve the reappointment of Mr. Do Van Huan as General Director of Logistics Vicem Joint Stock Company.	100%
2	23/2024/NQ-HĐQT	March 6, 2024	The Board of Directors agreed upon and ratified the contents of the organization of the 2024 Annual General Meeting of Shareholders of Logistics Vicem Joint Stock Company, as follows: - Last registration date: March 27, 2024; - Expected time of the General Meeting of Shareholders: to be announced later; - Location: to be announced later; - Meeting format: to be announced later.	100%
3	31/2024/NQ-HĐQT	March 29, 2024	- The Board of Directors agreed upon and ratified the contents of the organization of the 2024 Annual General Meeting of Shareholders of Logistics Vicem Joint Stock Company as follows: - Expected time of the General Meeting of Shareholders: April 23, 2024; - Location: Saigon Palace Hotel, a branch of Bong Sen Corporation, 56-66 Nguyen Hue Street, Ben Nghe Ward, District 1, Ho Chi Minh City; - Meeting format: in-person. - And some other contents.	100%

No.	Resolution/Decision/Minutes Number	Date, month	Content	Approval rate (%)
4	53/2024/NQ-HĐQT	April 15, 2024	The Board of Directors agreed on the production-business results of Quarter 1/2024 as reported by the Board of Management. - The Board of Directors agreed on the business objectives and tasks for Quarter 2/2024 and the first 6 months of 2024, as well as the implementation solutions reported by the Board of Management; - And some other contents.	100%
5	88/2024/NQ-HĐQT	June 12, 2024	- Some contents under the authority of the Board of Directors regarding the Waterway Transportation Equipment Investment Project and Truong Tho Thu Duc Real Estate Investment and Development Company Limited.	100%
6	95/2024/NQ-HĐQT	July 17, 2024	Implementing the payment of 2023 dividends: - Closing the list of shareholders: August 2024; - Implementing dividend payment: before October 23, 2024.	100%
7	111/2024/NQ-HĐQT	July 29, 2024	The Board of Directors agreed on the production-business results of Quarter 2/2024, as reported by the Board of Management. - The Board of Directors agreed on the business objectives and tasks for Quarter 3/2024 and the first nine months of 2024, as well as the implementation solutions reported by the Board of Management; - And some other contents.	100%
8	115/2024/NQ-HĐQT	August 28, 2024	The Board of Directors approved the internal audit and thematic work plan for 2024 of the Company.	100%
9	118/2024/NQ-HĐQT	September 9, 2024	The Board of Directors agreed and approved the appointment of personnel for business trips.	100%
10	122/2024/NQ-HĐQT	September 30, 2024	The Board of Directors agreed upon and ratified the Regulation on Personnel Management and Representatives of the Company's Capital, replacing the Regulation on Personnel Management and Representatives of the Company's Capital of Logistics Vicem Joint Stock Company, issued along with Decision No. 92/QĐ-LGSVICEM-HĐQT dated May 30, 2023, by the Board of Directors of Logistics Vicem Joint Stock Company.	100%
11	130/2024/NQ-HĐQT	October 10, 2024	The Board of Directors acknowledged the production-business results of Quarter 3/2024 as reported by the Board of Management. - The Board of Directors concurred on the business objectives and tasks for Quarter 4/2024 and the first	100%

No.	Resolution/Decision/Minutes Number	Date, month	Content	Approval rate (%)
			nine months of 2024, as well as the implementation solutions reported by the Board of Management. - And some other contents.	
12	133/2024/NQ-HĐQT	November 8, 2024	The Board of Directors agreed on approving the policy of establishing several key targets for the 2025 production-business plan of Logistics Vicem Joint Stock Company.	100%
13	139/2024/NQ-HĐQT	November 29, 2024	The Board of Directors agreed upon and ratified the "Regulations on Investment Project Management and Construction" of Logistics Vicem Joint Stock Company.	100%
14	143/2024/NQ-HĐQT	December 6, 2024	The Board of Directors agreed upon and approved the policy of signing an appendix to the contract for the supply of goods and services between Logistics Vicem Joint Stock Company and Vietnam National Cement Corporation.	100%
15	145/2024/NQ-HĐQT	December 6, 2024	The Board of Directors agreed upon and approved the policy of signing contracts and appendices to contracts for the supply of goods and services between Logistics Vicem Joint Stock Company and Vicem Ha Tien Cement Joint Stock Company.	100%
16	147/2024/NQ-HĐQT	December 6, 2024	The Board of Directors agreed upon and approved the policy of signing contracts for the supply of goods and services between Logistics Vicem Joint Stock Company and Ha Long Cement Joint Stock Company.	100%
17	149/2024/NQ-HĐQT	December 6, 2024	The Board of Directors agreed upon and approved the policy of signing contracts for the supply of goods and services between Logistics Vicem Joint Stock Company and VICEM member companies.	100%
18	155/2024/NQ-HĐQT	December 18, 2024	The Board of Directors agreed upon and approved the General Director of Logistics Vicem Joint Stock Company's leave of absence for personal overseas travel.	100%
19	159/2024/NQ-HĐQT	December 24, 2024	The Board of Directors agreed upon and ratified the 2025 Internal Audit and Thematic Implementation Plan of Logistics Vicem Joint Stock Company.	100%

I.3. Evaluation of task performance in 2024

With the spirit of striving to achieve the highest level for the set plan, the Company has reviewed everything to minimize costs, increase the efficiency of production-business activities, and ensure optimal vehicle turnaround time. This is the main factor in reducing costs, increasing the competitiveness of Logistics Vicem, and stabilizing employee income. In addition, the Company also achieved several goals and results as follows:

- Continue to expand market share and exploit new commodity markets and new types of goods based on the Company's fleet and satellite units to achieve high transport capacity, well-organized transport operations, and meet diverse goods and transportation routes, etc.;

- Continue to maintain market share in imported and exported steel, which is being effectively exploited. Maintain the prestige and presence of the Company's vehicles on transportation routes;

- Strengthen close relationships with traditional customers to ensure prestige, service quality, and progress. Always affirm the Logistics Vicem brand and build trust with new and potential customers;

- Closely monitor and promptly grasp market information and competitors to offer the most optimal solutions;

- Enhance and exploit the operational efficiency of sea transport, road transport, and cargo handling services;

- Functional departments have good coordination and the operating efficiency of vehicles is enhanced;

With the efforts and striving of the Board of Management and all employees of the company, along with policies to reduce costs, increase vehicle operating efficiency, and expand the market, the Company has been able to take advantage of favorable aspects, overcome some difficulties, and achieve 103% of the after-tax profit plan in the extremely difficult context of 2024.

II. ACTION PLAN FOR 2025

Building upon the achieved results and addressing existing challenges, the Company's Board of Directors will continue to focus on directing the implementation of several key objectives and tasks for 2025 as follows:

1. Regarding Production and Business Activities

- Total goods volume: 5,200,783 tons.

- + *Inland waterway transport services: 4,791,453 tons.*

- + *Maritime transport services: 107,750 tons.*

- + *Road transport services: 66,500 tons.*

- + *Loading and unloading services: 66,000 tons.*

- + *Trading services (Construction Materials Trading): 169,080 tons.*

- Revenue and other income: 330,419 million VND.

- + *Revenue from Insurance, Brokerage & Supporting Services: 321,394 million VND.*

- + *Financial Income: 4,525 million VND.*

- + *Other income: 4,500 million VND.*

- Pre-tax profit: 15,256 million VND.

- *(excluding exchange rate differences)*

- After-tax profit: 11,809 million VND.

- *(excluding exchange rate differences)*

- Return on Equity (ROE): 4.57%.

- Budget contribution: 17,450 million VND.
- Total payroll fund: 46,077 million VND.
- Planned workforce for the year: 200 people.
- Dividends (expected): $\geq 4\%$.

2. Regarding Fixed Asset Investment and Procurement

Prepare, appraise, approve, and implement fixed asset investment and procurement projects serving the Company's core business lines as follows:

- Investment method: fixed asset procurement project under the Bidding Law.
- Quantity of vehicles: 04 barges with a capacity of approximately 2,900 tons/barge.
- Estimated total investment: 97.2 billion VND (excluding VAT).
- Expected time for vehicles to be operational: Fourth quarter of 2025.

3. Regarding Organization and Personnel

Review and streamline the personnel structure of professional departments for greater efficiency. Develop training plans for employees to enhance their productivity in current roles or prepare them for new positions.

4. Other Activities

- The Board of Directors will continue to monitor, urge, and direct the Company's Board of Management to implement comprehensive solutions to ensure the achievement of the set production, business, and investment targets.
- Ensure the Board of Directors' operations adhere to the Charter, internal governance regulations, Resolutions of the General Meeting of Shareholders, and comply with current legal regulations.
- Continue to refine the company's internal regulations and processes, and create the best possible working environment for employees, thereby enhancing the Company's business performance.

The above is the report on the 2024 activities and the 2025 action plan of the Company's Board of Directors. Respectfully submitted to the General Meeting of Shareholders for review and approval.

Sincere thanks./.

Recipients:

- As above;
- Company's Board of Directors;
- Company's Board of Management;
- Member of the Board of Supervisors;
- Experts;
- Archived: Office, Board of Directors Secretariat.

**On behalf of the Board of Directors
CHAIRMAN OF THE BOARD OF
DIRECTORS**

Ha Quang Hien