

Ho Chi Minh City, April 24, 2025



No: 39/BKS-2025

**REPORT ON ACTIVITIES IN 2024 AND
PLAN OF ACTIVITIES IN 2025 OF THE BOARD OF SUPERVISORS**

To: General Meeting of Shareholders of Logistics VICEM Joint Stock Company

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

Pursuant to the Charter of Organization and Operation of Logistics VICEM Joint Stock Company;

Pursuant to the Operating Regulations of the Board of Supervisors of Logistics VICEM Joint Stock Company;

Based on the 2024 audited financial statements by RSM Vietnam Auditing & Consulting Co., Ltd.;

The Board of Supervisors respectfully reports to the 2025 Annual General Meeting of Shareholders the results of the inspection and supervision of Logistics VICEM Joint Stock Company's activities in 2024 as follows:

I. ACTIVITIES OF THE BOARD OF SUPERVISORS IN 2024

- Inspecting and supervising the reasonableness, legality, honesty, and prudence in the management and administration of the business operations of the Board of Directors and the Board of General Directors in compliance with the provisions of law and the Company's Charter.

- Inspecting and supervising the implementation of Resolutions of the General Meeting of Shareholders, the Board of Directors, and the Board of General Directors;

- Reviewing the order and procedures for issuing Resolutions and Decisions of the Board of Directors and the Board of General Directors;

- Appraising the report on production and business performance results and the 2024 financial statements;

- Inspecting the reasonableness, legality, honesty, and prudence in organizing accounting, statistics, and preparing financial statements;

- Supervising compliance with the Company's information disclosure regulations in accordance with the provisions of law.

(Details of the inspection and supervision results are provided in Sections II, III, IV, and V below)

✓ On the coordination between the Board of Supervisors and the Board of Directors and the Board of General Directors of the Company

- During the operation and performance of its function of supervising the Board of Directors and the Board of General Directors of the Company, the Board of Supervisors always maintains an independent relationship;

- The inspection and supervision activities of the Board of Supervisors are always carried out on the basis of exchange so as not to affect or hinder the normal activities of the Board of Directors and not to interrupt the business operations of the Board of General Directors of the Company.

✓ *Regarding the remuneration of the Board of Supervisors*

The remuneration of the Board of Supervisors during the year is received according to the level approved by the 2024 General Meeting of Shareholders. Specifically:

- Head of the Board of Supervisors remuneration level: 4 million VND/month;
- Member of the Board of Supervisors remuneration level: 3 million VND/month.

II. RESULTS OF SUPERVISING THE IMPLEMENTATION OF THE RESOLUTION OF THE 2024 GENERAL MEETING OF SHAREHOLDERS

1. Regarding production and business activities:

- Output of 5.073 million tons, reaching 94% of the plan (5.406 million tons);
- Total revenue of 294.680 billion VND, reaching 84% of the plan (350.964 billion VND);
- Profit before tax of 11.675 billion VND, reaching 102% of the plan (11.398 billion VND);
- Profit after tax of 8.960 billion VND, reaching 103% of the plan (8.705 billion VND);
- Profit after tax margin (excluding exchange rate difference)/Equity: 3.47%, reaching 103% of the plan (3.37%);
- Budget contribution of 13.382 billion VND, reaching 101% of the plan (13.207 billion VND).

(Details are provided in Section IV.1 below)

2. Regarding asset investment and procurement:

The approved plan includes 01 project: Investment in water transport vehicles (04 barges with a load capacity of 2,650 tons) with an estimated total investment of 92.9 billion VND (excluding VAT).

In 2024, the Company has not implemented any procurement; the reason according to the report is due to fluctuations in the price of steel and iron during the year, the Company's business operations are still facing difficulties...

3. Regarding labor and wages:

- The total number of employees (excluding managers) is 220 people, equal to 107% of the plan (206 people).

- The total salary fund (excluding managers) is 49.607 billion VND, equal to 100% of the plan (49.607 billion VND).

- Average monthly salary: 18.791 million VND/person/month, equal to 94% of the plan (20.07 million VND/person/month).

III. SUPERVISION RESULTS OF THE COMPANY'S BOARD OF DIRECTORS' MEMBERS IN 2024

- The Board of Directors has held quarterly and annual meetings as prescribed by the Company's Charter. The Board of Supervisors assesses the operation of the Board of Directors' members in 2024 as being in accordance with the law, the Company's Charter, and meeting timely and fully the requirements of production, business activities, and human resources organization of the Company;

- The Board of Directors has issued Resolutions and Decisions related to the Company's operations in accordance with proper procedures and authority; compliant with the provisions of the law and the Company's Charter;

- During the year, there were no commercial transactions between the Company and the Board of Directors' members;

- The Company has paid dividends and allocated funds according to the profit distribution plan for 2023 approved in Resolution No. 67/NQ-ĐHĐCĐ on April 23, 2024, of the Company's Annual General Meeting of Shareholders in 2024. Specifically:

+ Dividends paid for 2023 were 3%, with a total amount of 3,931,200,000 VND;

+ Allocated to the reward and welfare fund the amount of 5,773,395,490 VND.

- The Board of Supervisors did not receive any complaints from shareholders regarding errors of the Board of Directors, Board of Supervisors, and the Board of General Directors of the Company during the performance of their duties.

IV. SUPERVISION RESULTS OF THE BOARD OF GENERAL DIRECTORS IN 2024

1. Results of implementing the main production and business targets in 2024 are as follows:

No	Indicators	Unit	Implementation 2023	Plan 2024	Implementation 2024	Actual/Plan 2024	Actual 2024/Actual 2023
1	Total Revenue	Billion VND	320.188	350.964	294.680	84%	92%
2	Profit before tax	Billion VND	9.994	11.398	11.675	102%	117%
3	Profit after tax	Billion VND	7.602	8.705	8.960	103%	118%
4	Budget contribution	Billion VND	13.746	13.207	13.382	101%	97%
5	Dividend (expected)	%	3	≥ 3	-	-	-

2. The Company's financial situation as of December 31, 2024:

Financial analysis indicators:

No	Indicators	Unit	Year 2022	Year 2023	Year 2024
1	Asset Structure				
	- Long-term assets/Total assets	%	15.93	13.65	11.16
	- Short-term assets/Total assets	%	84.07	86.35	88.84
2	Capital Structure				
	- Payables/Total capital	%	23.13	20.37	16.99
	- Equity/Total capital	%	76.87	79.63	83.01
	- Payables/Equity	%	30.09	25.58	20.46
3	Solvency Ratio				
	Quick ratio	Times	3.62	4.22	5.19
	Current ratio		3.63	4.24	5.23
4	Profitability				
	- Profit before tax/Net revenue	%	6.16	3.33	4.20
	- ROE	%	6.55	3.11	3.64

- Account receivable from customers as of December 31, 2024, was 130.596 billion VND, equal to 84% of the same period last year and equivalent to 47% of the Company's net revenue in 2024. In which:

Short-term receivables from related parties are 80.015 billion VND:

+ VICEM Ha Tien Cement Joint Stock Company: 75.426 billion VND;

+ Ha Long Cement Joint Stock Company: 4.589 billion VND.

Receivables from other customers are 50.581 billion VND, including:

+ Long Phuoc Trading Investment Joint Stock Company: 13.864 billion VND;

+ Other customers: 36.717 billion VND.

Comments:

- The ratio of accounts payable to owner's equity is 20.46%. This Percentage is lower than in 2023 and is within the safe threshold for the Company's operations.

- Comparing the Percentage increase/decrease in short-term Account receivable from customers with the increase/decrease in net revenue of the same period last year shows that the Company has focused on improving cash collection, avoiding outstanding debts occupying capital.

3. Regarding the Company's business transactions with related parties:

In 2024, the Company had the following principal transactions with related parties:

- *Sales and provision of services with:*

+ VICEM Ha Tien Cement Joint Stock Company: 127.709 billion VND;

- Purchase of services:

+ Vietnam National Cement Corporation: 1.392 billion VND.

- *Dividends distributed to:*

+ Vietnam National Cement Corporation: 1.969 billion VND;

+ Mr. Do Van Huan - General Director of the Company: 780,000 VND

- *Payment of remuneration to the Company's Board of Directors: 0.264 billion VND.*

- *Payment of income to the Board of General Directors: 1.457 billion VND.*

- *Payment of remuneration to the Board of Supervisors: 0.12 billion VND.*

Comments:

The above transactions were conducted based on market mechanisms and in compliance with legal regulations, the Company's Charter of Organization and Operation.

4. Overdue receivables as of December 31, 2024, were 10.053 billion VND:

- Cat Van Hung Limited Liability Company: 0.979 billion VND;
- Bao Viet Phat Joint Stock Company: 1.817 billion VND;
- Other customers: 7.257 billion VND.

Comments:

The Company has made a provision for short-term receivables that are difficult to collect as of December 31, 2024, amounting to 6.890 billion VND, an increase of 1.331 billion VND compared to December 31, 2023 (5.559 billion VND).

V. AUDIT OF 2024 FINANCIAL STATEMENTS

- The 2024 financial statements were audited by RSM Vietnam Auditing & Consulting Co., Ltd., a unit approved by the State Securities Commission to audit listed companies. The 2024 financial statements are prepared and presented in accordance with current Vietnamese accounting standards and regimes;

- In the Independent Audit Report No. 56/2025/KT-RSMHCM dated February 28, 2025, the auditor's opinion on the Company's separate financial statements for 2024: "In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of Logistics Vicem Joint Stock Company as of December 31, 2024, as well as its business performance and cash flow for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System issued pursuant to Circular No. 200/2014/TT-BTC dated December 22, 2014, and Circular No. 53/2016/TT-BTC dated March 21, 2016, of the Ministry of Finance, and relevant legal regulations on the preparation and presentation of separate financial statements."

VI. OPERATIONAL PLAN AND ORIENTATION FOR 2025

- The Board of Supervisors continues to perform the function of supervising the Board of Directors and the Board of General Directors in managing and operating the Company based on compliance with the provisions of law, the Company's Charter of Organization and Operation, the Company's internal governance regulations, the Board of Supervisor's operating regulations, and the implementation of the resolutions of the 2025 Annual General Meeting of Shareholders;

- Strengthen the supervisory function in managing and monitoring debt collection, especially for overdue debts;

- Strengthen the supervisory function over transactions between the Company and related parties;

- Perform other tasks according to the functions and duties of the Board of Supervisors.

VII. SOME PROPOSALS AND RECOMMENDATIONS

- Regarding the documents submitted to the General Meeting of Shareholders for the year 2025: The Board of Supervisors agrees with the documents submitted to the 2025 Annual General Meeting of Shareholders.

- Regarding production and business activities: After the production and business plan is approved by the 2025 Annual General Meeting of Shareholders, it is recommended that the Company's Board of Management research and implement synchronized solutions to achieve the targets of the Company's 2025 production and business plan.

- Regarding the repair of fixed assets and investment in asset procurement; it is recommended to the Company's Board of Management:

+ Continue to focus on reviewing the scope and norms of periodic repairs, promote initiatives throughout the Company to reduce costs and increase the effectiveness of production and business activities.

+ Update the situation, review and assess the necessity of investment and the scope of investment to establish and appraise investment projects for the procurement of waterway transport vehicles, and submit them to competent authorities for approval.

- Regarding the Company's internal regulations and processes: It is recommended that the Board of Directors and the Company's Board of Management continue to direct the Departments/Divisions to review, establish, and submit supplements in accordance with regulations.

- Regarding debt collection: It is recommended that the Company's Board of Management continue to review and devise debt collection plans to reduce the provision for doubtful debts.

Above is the 2024 Activity Report and the 2025 Action Plan of the Board of Supervisors of Logistics VICEM Joint Stock Company.

The Board of Supervisors sincerely thanks the Board of Directors, the Board of General Director, and the Company's Departments/Divisions for providing adequate information and relevant documents for the Board of Supervisors to implement and complete the tasks assigned by the General Meeting of Shareholders.

**ON BEHALF OF THE BOARD OF SUPERVISORS
HEAD OF BOARD**

Recipients:

- As above;
- BOD;
- Members of the Board of Supervisors;

Ha Minh Ngoc