

ANNUAL REPORT

2024

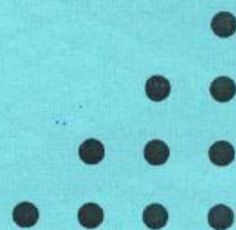


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I. GENERAL INFORMATION

1. General Information

- Trading name: **VIET NAM ECO PLASTIC TECHNOLOGY JOINT STOCK COMPANY**
- Business registration certificate No. 0106798702 issued by Hanoi Department of Planning and Investment for the first time on March 24, 2015, 10th change on October 18, 2024.
- Charter capital: VND 200.000.000.000
- Owner's equity: VND 224.397.799.741
- Address: Trung Duong Village, Kieu Ky Commune, Gia Lam District, Hanoi City, Vietnam
- Phone number: 0221 3791 003 Email: info@ecoplastic.com.vn
- Website: www.ecoplastic.com.vn
- Stock code: ECO
- Formation and development process:

Viet Nam Eco Plastic Technology Joint Stock Company was established in 2015, operating in the field of manufacturing traditional thin-film plastic packaging used in daily life and trading plastic granules. The Company's plastic packaging products that qualified for international standards in design and quality are mainly exported to international markets. Taking advantage of its strengths in commercial business, the Company not only uses plastic granules for production and business activities at the Factory, but also brings them into domestic trade, increasing the Company's revenue and economic efficiency.

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- **2015**
 - Viet Nam Eco Plastic Technology Joint Stock Company was established on March 24th 2015 with the initial charter capital of VND 6 billion.
 - The Company's main business is the production of plastic products (plastic and synthetic rubber in primary form). The ISO 9001:2015 certified factory is built on an area of over 3,600 m² with an initial capacity of 150 tons of products/month. The main products are plastic packagings (T-shirt bags and Flat roll bags) exported to several international markets such as Poland and the US.
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- **2017**
 - The Company increased its charter capital to VND 20 billion through issuing shares to existing shareholders. The factory was equipped with additional LDPE, LLDPE film blowing machines, vertical packaging presses - zippers, HMD cutting eyes, plastic film printers, packaging presses, coating machines. Its capacity increased by over 20%, reaching 200 tons of products/month. Plastic packaging products are produced with higher capacity and diverse designs and types (multi-color printed T-Shirt bags, rolled T-shirt bags, Die-cut bags, folded Flat bags, drawstring bags). The Company expanded its customer network, reaching more international markets such as Japan, Singapore, Germany, France.
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- In 2017, the Company's revenue had a breakthrough when it reached VND 143 billion.
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- 2019
 - The company increased its charter capital to VND 50 billion through issuing shares to existing shareholders. The company made a large, synchronous investment in upgrading the entire factory: installing an additional 8-color printing system, roll cutting machine, plastic packaging production machine, surface treatment machine, plastic film surface, durability testing machine. Total factory capacity was up to 300 tons of products/month.
 - Given a stable customers network in the European, the US and some Asian markets, the Company's revenue maintained high and stable growth over the years, especially the Company's revenue in 2019 reached VND 182 billion, marking an important development milestone when the Company entered the list of 10 enterprises with the highest export revenue in the plastic packaging industry in the North of Vietnam.
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- 2020
 - The company invested in additional 10-color gravure printing machines, plastic pellet mixers, pelletizing machines, granulation lines, modern 5-layer blowing machines... increasing the total capacity to 600 tons/month.
 - Facing difficulties due to the impact of the Covid-19 pandemic on export activities to international markets, the Company focused on trading plastic granules in domestic markets.
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- 2022
 - September 2022: the Company increased its charter capital to VND 100 billion through issuing shares for existing shareholders.
 - December 2022: The Company increases its charter capital to VND 200 billion through issuing shares for existing shareholders.
 - During the year, the Company invested in Tan Quang Plastic Joint Stock Company, corresponding to 45,71% ownership of Tan Quang Plastic Joint Stock Company's charter capital.
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- 2023
 - The company focuses on promotion, marketing and developing international sales systems to increase access to new customers, thereby improving the competence of the sales team and increasing revenue for the Company. The Company reached some new markets such as Africa and the Middle East, which also contribute significantly to the Company's revenue of plastic packaging production activities.
 - With many years of experience in the industry and strengths in production capacity and competitive prices, ECO PLASTIC's Board of Directors and all of the Company's employees have completed 98% of the 2023 revenue plan of 276 billion VND, nearly 2 times higher than 2022.
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• **2024**

- On July 12th 2024, the Company officially became a public company according to Official Dispatch No. 4330/UBCK-GSDC of the State Securities Commission on public company registration.
- On October 8th 2024, Viet Nam Eco Plastic Technology Joint Stock Company's shares were officially traded on the UPCOM trading system.
- April 2024: the Company established a Manufacturing Factory Branch and moved the entire manufacturing factory to a new location in Tan Quang Industrial Park, Tan Quang Commune, Van Lam District, Hung Yen Province to meet the Company's needs of expanding scale and increasing output. The Company's manufacturing plant is located on an area of over 1 hectare, including more than 6,400 m² of manufacturing area, 300m² of office building and other warehouse facilities. Here, the Company not only invested in upgrading modern machinery systems for production, but also focused on establishing international quality control standards, developing a management system for implementing social responsibilities, occupational health and safety and environmental protection commitments.
- During the year, the Company invested in Viet Nam Eco Plastic Packaging Joint Stock Company, corresponding to 98% ownership of the charter capital of Viet Nam Eco Plastic Packaging Joint Stock Company.

2. Business sector and location

The Company's main production and business activities include: (1) Production and export of plastic packaging; (2) Trading of plastic granules. The Company's products are manufactured on modern equipment lines, meeting international standards on quality control and environmental management systems such as Certificate ISO 9001:2015 issued by the International Accreditation Forum (IAF).

2.1. Plastic packaging production and export activities

The plastic packaging products that the Company is producing include: garbage packaging, multi-color printed packaging, roll packaging, supermarket packaging, ... in the form of T-shirt bags (bags with 2 handles like the shape of a shirt), Die-cut bags (3-sided die-cut bags or standing bottom bags), and Flat roll bags (bags with flat mouths, no handles, large capacity).

Details of the Company's plastic packaging products are as follows:

➤ **T-shirt/ Printed T-shirt /Roll T-shirt bags**

Material: HDPE 6-64 mic
(Virgin and recycled)
LPDE 18-50 mic
MDPE/ LLDPE



Width: 100-850 mm

Length: 120-150 mm

Numbers of printing colors: 1-4

Usage: Shopping bags, grocery bags, trash bags, etc.

Production capacity: 500 tons/month

➤ **Die-cut bags**

Material: HDPE 16-30 mic

LDPE 30-40 mic

(Virgin and recycled)

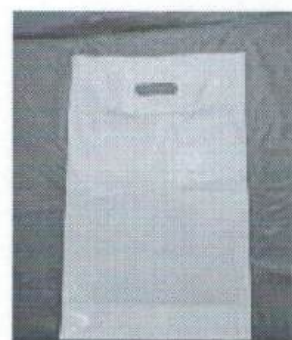
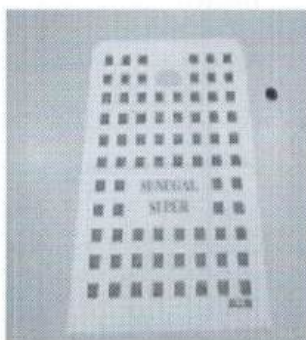
Width: 250-500 mm

Length: 300-800 mm

Numbers of printing colors: 1-4

Usage: Supermarket, retail store, shopping mall, grocery store, household

Production capacity: 100 tons/month



➤ **Túi Flat (garbage bags, roll bags, drawstring garbage bags, food bags)**

Material: HDPE 10-35 mic

LDPE 20-95 mic

(Virgin or recycled, durable plastic)

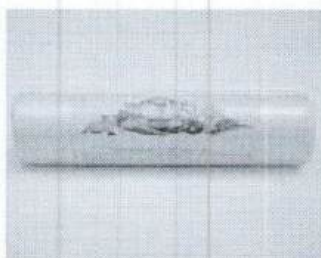
Width: 400-1100 mm

Length: 400-1600 mm

Numbers of printing colors: 1-4

Usage: Used to pack food in supermarkets, restaurants, schools, hospitals, household

Production capacity: 100 – 150 tons/month



ECO PLASTIC packaging products are manufactured on modern machinery lines and followed Japanese quality standards. With a system of 40 film blowing machines and 40 cutting machines operating continuously, ECO PLASTIC always ensures production meets required progress and product quality is accurate, meeting customers' different technical standards.

ECO PLASTIC's factory is built on an area of over 3,600m² in Van Lam district, Hung Yen province with full equipment and machinery for different production requirements accordance to ISO 9001:2015 standards, 9001:2015 and customers' preferences. With the existing capacity of the factory and a team of skilled engineers and workers, ECO PLASTIC can annually produce a maximum capacity of nearly 600 tons of products/month to meet customers' requirements and ensure product quality according to output standards. In addition, the factory also installs a dust blower system, anti-insect nets and a system of advanced quality management machinery and equipment.

To ensure stable input factors in the production process, the Company prioritizes the selection of plastic granules, directly imported from prestige and well-known international suppliers in the industry. Raw materials are quality controlled from input, storage and preservation according to the ISO 9001:2015 Quality Management System and followed the 5S management process.

Currently, the Company's plastic packaging products are mainly exported to the international markets, of which nearly 90% of products are exported to European markets (France, Netherlands, UK, Italy, Germany), other markets such as the US, Australia, some Asian countries (Japan, Singapore, Hong Kong) and some African countries account for over 10%. According to data from the General Department of Customs in 2022-2023, ECO PLASTIC was in the list of 10 manufacturers and exporters of plastic packaging with the highest export revenue in the North of Viet Nam.

2.2. Plastic granules trading business activities

Plastic granules are the main raw material used in the packaging industry, in addition to materials such as paper, glass and metal. Plastic granules used to produce packaging are made from a number of different industrial processes from crude oil.

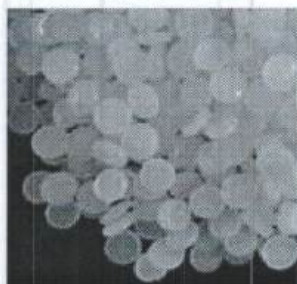
In the current market, plastic packagings are widely used due to its convenience and low cost. Each type of packaging is produced from different types of plastic particles, they have unique properties to suit the product inside.

The company operates in the business of trading original and recycled plastic granules.

Specifically as follows:

Virgin plastic granules (HDPE, LDPE, LLDPE plastic beads): are completely pure plastic beads, without impurities, without additives from the process of processing and distilling petroleum fractions. Virgin plastic beads are easy to recognize because they are transparent and colorless. Packaging made from virgin plastic has high flexibility, good strength, high aesthetics due to smooth surface, bright colors.

HDPE plastic beads



LDPE plastic beads

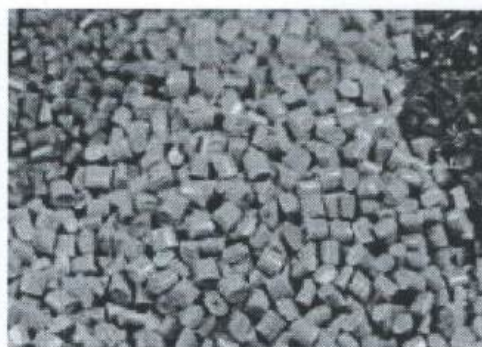


LLDPE plastic beads



- Favored by the market for its toughness and good resistance
- Used to produce PE packaging
- Low density polyethylene compared with HDPE
- high durability, flexibility and does not react with other toxic chemicals, ensuring safety for users.
- Higher strength than LDPE and equal to HDPE and lower stiffness than HDPE
- Flexible properties, easier to make form than LDPE, so saving materials and reducing price.

Recycled plastic granules (LD, HD and purple recycled plastic particles): this type of plastic granules is produced from used plastic products, going through the process of collection, classification, processing and being melted into fibers or granules to return to being raw materials for plastic production. Because the purity will gradually decrease after many recycling times, recycled plastic granules will be classified into many different colors.



Recycled plastic packaging is less flexible, durable and aesthetically pleasing than virgin plastic packaging, however, it is cheaper than virgin plastic so it is widely used in life.

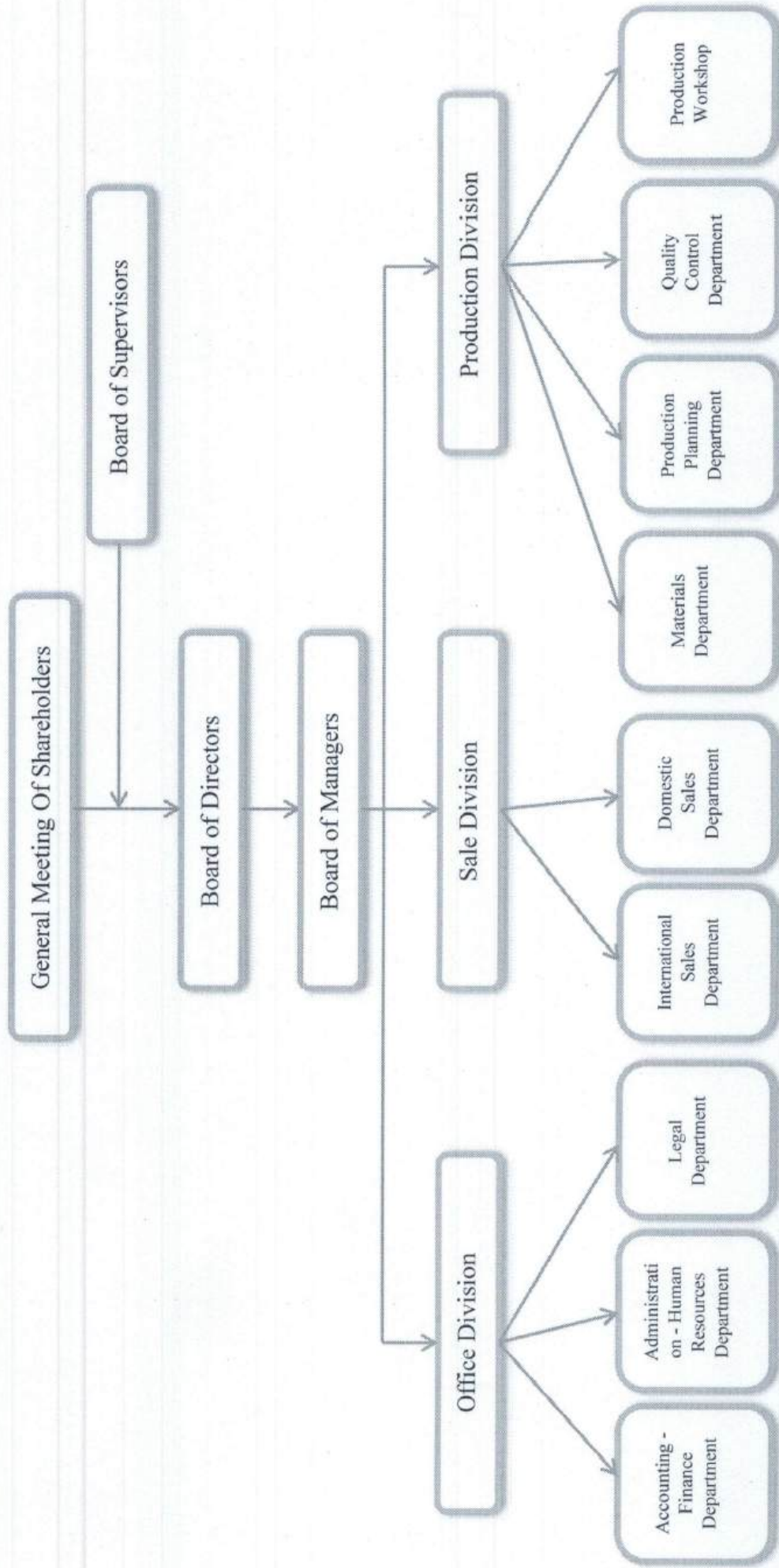
The company always proactively monitors market fluctuations and plans to import goods closely following the actual needs of the business and bringing economic efficiency. The company's commercial plastic granules supply is mainly from countries in the Middle East, Korea, and the US - countries with large reserves of oil and natural gas in the world, which are input materials for plastic granules production.

Finding sources of quality raw materials at competitive prices from abroad and taking advantage of a team of staff with many years of experience in the industry, ECO PLASTIC has seized the opportunity to expand its domestic business market and become one of the prestigious plastic resin trading businesses in Vietnam. In recent years, the Company's commercial plastic resins have mainly been distributed directly to production units in the same industry in the Northern provinces, in order to minimize transportation costs and optimize resources for market development. Revenue from plastic resin trading activities has accounted for 30% to 50% of the Company's total net revenue since 2020.

3. Information on governance model, business organization and management boards

Viet Nam Eco Plastic Technology JSC organizes management and operations according to the model at Point a, Clause 1, Article 137 of the Law on Enterprises 2020, including: General Meeting of Shareholders, Board of Directors, Board of Supervisors and Board of Managers.

3.1. Organization chart of Viet Nam Eco Plastic Technology JSC



➤ **General Meeting of Shareholders**

The General Meeting of Shareholders (GMS) consists of all shareholders with voting rights and is the highest authority of the Company, deciding on issues within the rights and obligations stipulated by law and the Company's Charter. The General Meeting of Shareholders has the right to decide on the development direction of the Company; approve reports of the Board of Directors on the production and business situation; decide on the organizational structure of the Company and other rights and obligations stipulated in the Company's Charter and the Law on Enterprises.

➤ **Board of Directors**

The Board of Directors (BOD) is the Company's management body, with full authority to act on behalf of the Company, decide, exercise the rights and obligations of the Company, except for the rights and obligations under the authority of the General Meeting of Shareholders. The Board of Directors has the right to decide on the medium-term development plan and the Company's annual business plan; supervise and direct the Board of Directors in operating the Company's daily business operations and other rights and obligations as prescribed in the Company Charter and the Law on Enterprises.

The Board of Directors of the Company consists of 05 members. The term of office of a member of the Board of Directors shall not exceed 05 years and may be re-elected for an unlimited number of terms. An individual may only be elected as an independent member of the Board of Directors of the Company for no more than 02 consecutive terms

➤ **Board of Supervisors**

The Board of Supervisors (BOS) is elected by the General Meeting of Shareholders, on behalf of shareholders to control all management and business operations of the Company. The Board of Supervisors is responsible before the law and the General Meeting of Shareholders for the work performed according to the rights and obligations of the Board of Supervisors as stipulated in the Company Charter and the Law on Enterprises.

The Board of Supervisors consists of 03 members with a term of office not exceeding 05 years and can be re-elected for an unlimited term.

➤ **Board of Managers**

The Board of Managers includes the General Director, Deputy General Directors and Chief Accountant. The General Director of the Company is appointed by the Board of Directors, is supervised by the Board of Directors and is responsible to the General Meeting of Shareholders, the Board of Directors and the law for the implementation of assigned rights and duties. Currently, the General Director is the legal representative of the Company. The Deputy General Director is responsible for assisting the General Director in managing and operating the Company's activities according to the assigned specialized responsibilities.

➤ **Office Support Division**

✦ *Accounting - Finance Department*

The Accounting - Finance Department is the department primarily responsible for the financial management, accounting, statistics, and economic information of the Company according to regulations in accordance with the Company's Charter and legal provisions; inspecting and supervising financial revenues and expenditures, collection and payment obligations, debt payment; inspecting the management and use of assets and sources of asset formation; detecting and preventing acts of violations of the law on financial accounting; advise the Board of Directors and coordinate with functional departments to control arising costs; balance and plan revenue and expenditure; advise the Board of Directors in complying with and applying legal regulations on accounting and finance.

✦ ***Administration - Human Resources Department***

The Administration - Human Resources Department is the department that performs the functions of managing organizational work, administrative work, personnel management and labor and wages. The Administration - Human Resources Department is responsible for personnel work, labor and wages, advising and organizing the implementation of regulations. internal management and policies for employees; training, professional development, skill improvement, administrative and management work; emulation and reward work; union work; management and archiving of administrative documents; implementation and management of work related to office organization, miscellaneous work, document archiving, and health care for employees of the Company.

✦ ***Legal Department***

The Legal Department is responsible for ensuring that the Company's activities are carried out in accordance with the procedures and regulations of current laws. The Legal Department supports the Board of Managers and related departments in performing tasks such as: participating in negotiations and negotiating the Company's contracts with business partners; evaluating cooperation contracts and investment projects to ensure that they do not violate the provisions of law, the Company's Charter and avoid loopholes and errors that may cause damage to the Company.

➤ ***Business Division***

✦ ***International Sales Department***

The international sales department is responsible for organizing business; searching for potential international customers and partners, expanding the consumer market; taking care of close international partners and customers; developing and organizing the implementation of marketing and communication activities to reach new customers and markets; receiving feedback from customers on product quality; coordinating with other departments in the Company to manage import and export of goods and researching measures to improve product quality to meet the increasing demands of customers, especially customers in "difficult" markets such as Japan and Europe.

✦ ***Domestic Sales Department***

The domestic sales department was established with the task of building business strategies, searching, exploiting, and expanding domestic customer files; developing a distribution system, promoting the ECO PLASTIC brand nationwide; and at the same time, coordinating with related

departments to solve problems arising during the contract implementation process to bring the best products to customers.

➤ **Production Division**

✦ ***Materials Department***

The Materials Department is responsible for finding suppliers of materials and raw materials for production; negotiate prices with suppliers to get reasonable input material prices based on market prices; receive purchasing needs from relevant departments and send orders to suppliers; draft sales contracts and principle contracts; monitor suppliers' delivery progress to meet factories' production schedules, promptly resolve arising issues with suppliers such as issues related to quality, delivery progress, etc. to ensure smooth production.

✦ ***Production Planning Department***

The production planning department is responsible for planning the volume of raw materials for production, machinery and equipment, order execution time, etc. immediately after receiving order information from the sales department. At the same time, the production planning department is also responsible for coordinating with the sales department to provide the best quotation for each customer order; coordinating with the materials department to control the quantity and quality of input materials for production activities; coordinating with the production workshop to ensure order execution progress.

✦ ***Quality Control Department (QC Department)***

QC Department is the department responsible for checking product quality before and after production and warehouse release to ensure that the Company's products always meet the standards set by customers. Cooperate with relevant departments/divisions to build, apply, operate and improve the Management System according to international standards ISO 9001:2015, SA 8000, HACCP into the Company in a suitable and effective manner. Receive and coordinate with the Sales Department to handle and answer customer questions and complaints related to product quality. Take the lead and coordinate with relevant units to implement corrective, preventive and improvement actions in product quality control activities.

✦ ***Production Workshop***

The production workshop is the unit responsible for receiving production plans based on the overall plan as required and organizing work according to the correct technological process, orders, and assigned production plans, ensuring quality and productivity on schedule; Balancing production capacity, proactively proposing Propose solutions to improve the exploitation coefficient, use of machinery and production human resources; Direct the construction and maintenance of production processes, product quality management processes, work implementation processes; Direct issues related to product technology; Direct the construction of labor norms, raw material consumption norms, other consumption norms in production. In addition, electromechanical engineers under the production workshop are responsible for operating, maintaining and upgrading tools, engines,

machinery, production lines in the factory to ensure equipment stable and safe operation helps the production process proceed according to plan.

3.2. Subsidiaries and Affiliates

➤ Viet Nam Eco Plastic Packaging Joint Stock Company (*Subsidiary*)

- Address: Lot CN1, Road G6, Pho Noi A Industrial Park expansion, Minh Hai commune, Van Lam District, Hung Yen province, Vietnam
- Business registration certificate number: 0901172036
- Charter capital: VND 100.000.000.000
- Main business activities: Production of plastic packaging and trading of plastic granules
- ECO's ownership ratio: As of December 31st 2024, Vietnam Eco Plastic Technology Joint Stock Company owns 98% of the total shares of Vietnam Eco Plastic Packaging Joint Stock Company.

➤ Tan Quang Plastic Joint Stock Company (*Affiliate*)

- Address: Chi Trung Village, Tan Quang Commune, Van Lam District, Hung Yen Province
- Business registration certificate number: 0901125195
- Charter capital: VND 70.000.000.000
- Main business activities: Trading of plastic granules
- ECO PLASTIC's ownership ratio: As of December 31st 2024, Vietnam Eco-Plastic Joint Stock Company owns 45,71% of total shares of Tan Quang Plastic Joint Stock Company.

4. Development orientation

4.1. The Company's main objectives

- Maintain and expand the Company's market share globally through leading product quality, products, product diversification, production cost optimization.
- Become a top brand in the field of plastic packaging production in the Vietnamese market.
- Ensure transparency, efficiency, financial prudence, and protect shareholders' interests;
- Harmony between economic efficiency and sustainable development.

4.2. Medium and long-term development strategies

- Upgrade production and quality control systems to ensure the highest quality of output products, not only meeting national regulations and standards but also international standards, meeting the standards of the most demanding markets.
- Improve research and development capacity to improve production processes to increase productivity, labor productivity, reduce waste of raw materials in production;
- Expand product portfolio to suit each market segment and consumers' needs;
- Maintain regular training programs for staff to improve their technical skills and professional competence;
- Develop a corporate culture with its own identity, creating a cohesive working environment.

4.3. Sustainable development goals (environmental, social and community) and key programs relating to the short and medium term of the Company

- ECO always ensures growth in revenue and profit, thereby fully fulfilling its obligations. tax, contribute to socio-economic development, contribute to the State Budget.
- Since its establishment, ECO has been maintaining stable jobs and income for people in the area and neighboring provinces, contributing to social security. At the same time, ECO also focuses on investing in human resource development, contributing to improving people's knowledge and building a civilized society. In addition, every year ECO always organizes and sponsors community activities, charity, sharing difficulties, etc.
- ECO is a company operating in the field of plastic packaging production, traditional plastic products themselves have caused environmental concerns. Aware of that, ECO has focused on investing in waste treatment systems, improving production lines and processes to limit energy consumption and waste. At the same time, the factory campus is planned with spacious green space, the energy saving movement is launched and responded to by all officers and employees in the company.

5. Risks

5.1. Economic risks

Economic development is often assessed through economic growth rate, fluctuations in inflation, interest rates or exchange rates, etc. These factors have systemic impacts on the economy. Abnormal fluctuations in these factors can cause risks to entities participating in the economy in general and Vietnam Eco Plastic Technology Joint Stock Company in particular.

5.1.1. Economic growth rate

In 2024, the world situation continues to evolve in a complex and unpredictable manner with many risky and uncertain factors. Military conflicts continue to escalate, strategic competition between major countries becomes increasingly fierce, many countries strengthen trade protection policies, public debt and budget deficits increase, some major economies decline, and global supply chains are locally broken, affecting world peace, stability, and economic growth. However, the world economy is gradually stabilizing as global trade in goods improves again, inflationary pressures gradually decrease, financial market conditions continue to loosen, and the labor market recovers positively.

Domestically, the General Statistics Office estimates that GDP in 2024 will increase by 7.09% over the previous year, only lower than the growth rates of 2018, 2019 and 2022 in the 2011-2024 period. In the total added value growth of the entire economy, the agriculture, forestry and fishery sector will increase by 3.27%, contributing 5.37%; the industry and construction sector will increase by 8.24%, contributing 45.17%; the service sector will increase by 7.38%, contributing 49.46%. In 2024, the total import and export turnover of goods will reach 786.29 billion USD, up 15.4% over the previous year, of which exports will increase by 14.3% and imports will increase by 16.7%. Our

country's growth rate in 2024 is assessed to be very positive in the context of unpredictable world fluctuations and the country being affected by natural disasters.

Positive results in economic growth in 2024 are an important premise for Vietnam's economy to accelerate and break through in 2025. Along with economic development is the growth in consumer demand for products in general, and plastic packaging products in particular, thereby increasing consumer demand for products provided by the Company.

5.1.2. Inflation

Fluctuating inflation will directly and indirectly affect economic entities in general and the production activities of enterprises in particular. The risk of rising inflation will lead to increased production and business costs while commodity prices are affected by market demand.

In addition, inflation risks also affect the discount rate of capital, reducing the value of current cash flows. Conversely, reducing inflation also poses risks to businesses in the economy, accompanied by a decline in market demand and stagnant spending in the entire economy.

On average, core inflation in 2024 will increase by 2.71% compared to 2023, lower than the average CPI increase (3.63%). This is an inflation rate consistent with the domestic socio-economic situation, supporting supporting economic growth, contributing to macroeconomic stability, is a bright spot in economic development results in 2024.

5.1.3. Interest rate

In the production and business process, depending on the characteristics of the business, each enterprise has a different capital structure. However, most enterprises use loans from commercial banks, so fluctuations in interest rates will cause certain risks for the enterprise.

In 2024, the basic interest rate will be stable with the timely intervention of the State Bank and efforts to reduce costs and profit margins of credit institutions. Thereby helping businesses in general and ECO in particular stabilize interest costs, actively supporting production and business activities.

5.1.4. Exchange rate risk

With a stable macroeconomic foundation, strong foreign investment flows into the Vietnamese market help increase foreign currency resources, the value of the Vietnamese currency in recent years has always remained stable in the context of many fluctuations in the world economy.

In case the domestic market experiences large exchange rate fluctuations, the State Bank is ready to intervene in the market with a central exchange rate mechanism and regulatory tools to help the exchange rate situation in recent years fluctuate within a certain range, without causing too much impact on businesses and the economy. The Company's input materials are mostly imported from abroad because the domestic market has not yet met the demand for these materials. Therefore, exchange rate fluctuations can directly affect the Company's product costs.

5.2. Legal risks

Changes in policies and laws such as the Enterprise Law, Securities Law, Tax Law, Investment Law, etc. and other relevant legal regulations have a great impact on the Company's production and

business activities. However, legal risks are systemic risks, requiring each enterprise to make appropriate adjustments and adaptations to maximize the advantages and minimize the disadvantages that each policy change causes to the Company's production and business activities.

5.3. Industry-specific risks

Currently, ECO's main business is the production of plastic packaging. Therefore, the Company's business performance will be affected by many factors specific to the field in which the Company is operating.

5.3.1. Competitive risks

The plastics industry is currently among the industries with the highest growth rate in Vietnam. As of 2024, the Vietnamese plastics industry will have more than 4,000 operating enterprises. The number of new enterprises entering the industry is increasing, however, the difference in products is not large, and the product life cycle is short. Competition in this field is also increasingly fierce, requiring enterprises to constantly improve their techniques and have new and creative directions to survive and develop.

5.3.2. Raw material risks

Vietnam's plastic industry currently has to import 80% - 90% of input materials to serve its needs for the production process. Raw materials account for about 75% - 80% of the product cost. The import price of raw materials for the plastic industry depends on the price of oil, natural gas, and coal in the world. When there is a change in the above factors, it will affect the price of raw materials for plastic, affecting the production and business activities of the Company.

Enterprises in the industry in general and ECO in particular are greatly affected by this risk because the price of input materials increases, but it is difficult for enterprises to adjust the selling price to increase at the same time because they have signed contracts with customers in advance. The lack of initiative in the source of input materials is a major limitation for the Vietnamese plastics industry.

5.4. Environmental risks

All types of solid waste, wastewater, emissions from fuel use, etc. generated during the production process are inspected by the Company to ensure that they meet standards and comply with State regulations and internal regulations to avoid/minimize environmental pollution.

5.5. Force majeure risks

Businesses in the market in general and ECO in particular are affected by force majeure risks such as: fire, natural disasters, epidemics, wars, etc. If these risks occur, they will cause serious consequences, directly affecting the business activities and development of the economy as well as the Company.

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II. PERFORMANCE IN 2024

1. Production and business performance

1.1. Production and business performance results in 2024

Indicator	2024 (VND billion)	2023 (VND billion)	% increase (decrease)
Net revenue from goods sold and services rendered	454,05	276,55	64,18%
Cost of goods sold	424,16	252,70	67,85%
Financial expenses	7,57	3,68	105,71%
In which: Interest expenses	2,44	2,21	10,41%
Selling expenses	7,72	4,80	60,83%
General and administrative expenses	6,26	3,89	60,93%
Gross profit from goods sold and services rendered	29,89	23,85	25,32%
Net profit from operating activities	17	15,33	10,89%
Total accounting profit before tax	17,77	15,72	13,04%
Profit after corporate income tax	14,11	12,48	13,06%
Profit after tax of the parent company	14,11	12,48	13,06%

(Source: Audited consolidated financial statements for 2024 of Vietnam Eco Plastic Technology JSC)

In 2024, the Company's consolidated net revenue will reach VND 454.05 billion, an increase of 64.18% compared to 2023. The strong growth in 2024 is thanks to the flexible strategic orientation of the Board of Directors in developing the domestic and export markets, along with the effective operation of the Company's sales system when continuing to maintain stable export customers, while promoting commercial activities to capture the potential niche market share in the country.

Profit after tax reached 14.11 billion VND, an increase of 13.06% compared to 2023. One of the efforts that helped the Company achieve the above results was thanks to technical innovation, improving labor productivity, researching and introducing new production methods to help optimize product costs while still ensuring quality requirements, improving efficiency and competitiveness.

1.2. Performance compared to plan

Indicator	Plan for 2024 (VND billion)	Performance in 2024 (VND billion)	% completion of plan
Net revenue	350,0	454,05	129,73%
Profit after corporate income tax	13,6	14,11	103,75%

The Company's revenue and after-tax profit in 2024 both exceeded the targets set at the 2024 Annual General Meeting of Shareholders, demonstrating the effectiveness in reforming operational management and the determination to achieve the Company's growth goals.

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2.1. List of Executive Board

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Member	Brief resume	Tỷ lệ sở hữu
	<ul style="list-style-type: none"> • 2019 - 2020: Head of Production and Materials Department - Vietnam Eco Plastic Technology Joint Stock Company • 2021 - 2023: Factory Director – Vietnam Eco Plastic Technology Joint Stock Company • T1/2023 - present: BOD Member – Vietnam Eco Plastic Technology Joint Stock Company • T9/2024 - present: Deputy General Director (in charge of technical and material planning) – Vietnam Eco Plastic Technology Joint Stock Company 	
	Professional qualifications: Bachelor of Foreign Language <ul style="list-style-type: none"> • 2015 - 2020: Sale – Vietnam Eco Plastic Technology Joint Stock Company • 2021 - 2024: Sales Manager – Vietnam Eco Plastic Technology Joint Stock Company • T09/2024 - Nay: Deputy General Director (in charge of international business) – Vietnam Eco Plastic Technology Joint Stock Company 	0,05%
Le Thi Thuy Deputy General Director	Professional qualifications: Bachelor of Economics <ul style="list-style-type: none"> • 2009 - 2016: General Accountant - Tan Dong Duong Hanoi Production and Trading Company Limited • 2016 - T1/2023: Chief Accountant - Hyundai KPI HY Special Vehicle Company Limited • T2/2023 - present: Chief Accountant – Vietnam Eco Plastic Technology Joint Stock Company 	0,0025%

2.2. Changes in the Executive Board

- Appoint Mr. Dao Quoc Hung as Deputy General Director (in charge of technical and material planning) from September 17th 2024.
- Appoint Ms. Le Thi Thuy as Deputy General Director (in charge of international business) from September 17th 2024.

2.3. Number of employees

As of December 31st 2024, the number of employees and workers of the Company is 130 people (including official and seasonal/job employees). The employee structure in the Company is as follows:

Company's labor structure as of December 31st 2024

Criteria	31/12/2024
Classified by educational level	130
1. University and above	20
2. College, secondary school	24
3. General labor	86
Classified by type of labor	130
1. Official	71
2. Seasonal	59

(Source: Viet Nam Eco Plastic Technology JSC)

2.4. Policy for employees

2.4.1. Working regime

➤ Working hours:

- ✦ **For production workers:** To ensure production progress, workers should work at The factory operates in shifts, typically 8 to 12 hours per shift.
- ✦ **For office staff:** Office staff work according to the Company's administrative hours: Morning from 8:00 to 12:00, afternoon from 13:00 to 17:00 and work 6 days/week, off on Sunday.
- ✦ The Company always ensures the rights of employees according to the provisions of the labor regulations and the Labor Code. Time off, holidays, Tet holidays, sick leave, and maternity leave are guaranteed in accordance with the provisions of current law..

➤ Working conditions

The office and factory are designed to be spacious and airy. Office staff are fully equipped with work equipment such as computers, software, etc. Production workers are fully equipped with uniforms and labor protection equipment. In addition, for each shift of production workers, the Company supports 01 main meal and 01 snack.

2.4.2. Recruitment and training policy

➤ Recruitment

The Company's recruitment objective is to attract employees with sufficient qualifications, skills, and experience for the position to be recruited, with good moral character, and a desire to stay with the Company for a long time. Employees taking on high positions are carefully selected by the Company to meet the qualifications and experience required by the job.

➤ Training

The Company always pays attention to training to improve the capacity and professional

qualifications of its staff. Based on the development needs of the Company, the capacity, qualifications of its staff, and the level of commitment, the Company will develop a training plan suitable for each department and each employee. Every year, the Company organizes training for its staff through on-site training, internal training, and external training programs. Training programs include: integration training, advanced training, management skills training, fire prevention training, practical training, etc

2.4.3. *Salary, bonus and welfare policy*

➤ **Salary policy**

The Company pays salaries to its employees based on their job level, position, skills and professional qualifications, and individual performance. Salaries are paid once a month from the 10th to the 15th of each month. Annual salary increases are made in accordance with current State regulations. In particular, the Company has special competitive salary and bonus policies for employees with extensive experience in related fields, both to retain employees and to attract talented people from various sources.

➤ **Bonus policy**

In order to encourage and motivate the Company's staff to improve work efficiency and increase labor productivity, every quarter and every year the Company organizes voting for outstanding individuals and working groups, promptly rewarding individuals and groups who have made many contributions to the Company's production and business activities, as well as initiatives that increase work efficiency. The award is based on the achievements of individuals or groups when they excellently complete assigned tasks, achieve high efficiency in business, prevent waste, and save costs for the Company. In addition, the Company also handles and disciplines individuals who have caused damage to the Company's image and business activities. The award level will be based on the annual award regulations approved by the Board of Directors. The form of award is also very diverse, in addition to cash or in-kind awards.

➤ **Insurance and welfare**

Insurance: The Company shall pay social insurance, health insurance, and unemployment insurance for employees in accordance with the provisions of the internal labor regulations and current laws. Once a year, the Company shall organize a periodic health examination program for all employees in the Company.

Welfare: The Company's welfare policy is built in great detail and is regularly

updated, adjusted and supplemented to create the best welfare for employees, thereby contributing to



motivating and encouraging employees to work more effectively and contribute more to the development of the Company. The Company always has gifts in cash or in kind for all officers and employees in the Company on holidays and Tet such as: New Year, Lunar New Year, International Women's Day (March 8), Southern Liberation Day (April 30), International Labor Day (May 1), National Day (September 2), ... In addition, the Company also has other allowances such as visiting allowances when sick, bereaved family, travel support allowance, gasoline allowance, phone allowance, lodging allowance, diligence allowance, ...

3. Investment, project implementation

3.1. Big investment

As of December 31st 2024, the Company's financial investments include investments into subsidiaries and affiliates as follows:

Long-term investment	31/12/2024	
	Ownership ratio	Value (VND)
Viet Nam Eco Plastic Packaging JSC	98%	50.000.000.000
Tan Quang Plastic JSC	45,71%	32.000.000.000

In 20224, ECO established a subsidiary - Vietnam Eco Plastic Packaging Joint Stock Company to invest in the project "Plastic packaging factory" in Pho Noi A Industrial Park expansion, Minh Hai commune, Van Lam district, Hung Yen province with an area of 11,732m². The new factory with modern machinery and equipment is expected to be put into operation in the period of 2025 - 2026. This investment project is expected to help ECO improve production productivity, product quality and increase the Company's competitiveness

3.2. Subsidiaries and affiliates

	Viet Nam Eco Plastic Packaging JSC	Tan Quang Plastic JSC
Equity	49.938.165.786	70.026.051.045
Total assets	49.939.365.786	76.135.459.661
Liabilities	1.200.000	6.109.408.616
Net revenue	0	36.832.458.410
Profit after corporate income tax	(61.834.214)	24.225.953

4. Financial situation

4.1. Financial situation

Indicator	2024	2023	% increase (decrease)
Total assets	315.200.845.365	264.072.222.433	19,36%
Net revenue	454.052.455.516	276.547.496.898	64.19%
Net profit from operating activities	16.994.674.013	15.334.123.808	10.83%
Other profit	778.257.730	385.183.349	102.05%
Total accounting profit after tax	17.772.931.743	15.719.307.157	13.06%
Dividend yield ratio	-	-	-

4.2. Key financial indicators

Indicator	Unit	2024	2023
A. Solvency ratio			
1. Current Ratio Current Assets/Current Liabilities	time	2,83	3,85
2. Quick Ratio (Current Assets – Inventory)/Current Liabilities	time	2,07	3,09
B. Capital structure indicators			
Debt/Total Assets Ratio	%	28,81	20,37
Debt/Equity Ratio	%	40,47	25,57
C. Efficiency ratio			
1. Inventory Turnover Cost of Goods Sold/Average Inventory	Turnover	7.74	4,61
2. Total Asset Turnover Net Revenue/Average Total Assets	Turnover	1,57	0,95
D. Profitability ratio			
1. Profit after tax/Net revenue ratio	%	3,11	4,51
2. Profit after tax/Average total assets ratio	%	4,87	4,31
3. Operating Profit/Net Revenue ratio	%	3,74	5,54

5. Shareholder structure, changes in owner's capital

5.1. Shares

- Type of shares : Common share
- Face value : 10.000 VND/share
- Total number of shares : 20.000.000 shares
- Total Outstanding shares : 20.000.000 shares
- Total Free-Floating shares : 20.000.000 shares
- Total Restricted Transferable shares : 0 share

5.2. Shareholder structure

Shareholder structure of Vietnam Eco Plastic Technology JSC as of March 19th 2025

No	Shareholder	Number of shares	Owners hip ratio (%)	Number of shareholders	Shareholder structure (*)	
					Organization	Individual
1	State shareholder	0	0	0	0	0
2	Founding shareholder/ FDI shareholder	0	0	0	0	0
	- Domestic	0	0	0	0	0
	- Foreign	0	0	0	0	0
3	Major shareholder	7.000.000	35	2	0	2
	- Domestic	7.000.000	35	2	0	2
	- Foreign	0	0	0	0	0
4	Company Union	0	0	0	0	0
	- Domestic	0	0	0	0	0
	- Foreign	0	0	0	0	0
5	Treasury stock	0	0	0	0	0
6	Shareholders owning preferred shares (if any)	0	0	0	0	0
7	Other shareholder	13.000.000	65%	264	2	262
	- Domestic	13.000.000	65%	264	2	262
	- Foreign	0	0	0	0	0
TOTAL		20.000.000	100	266	2	264
<i>In which: - Domestic</i>		<i>20.000.000</i>	<i>100</i>	<i>266</i>	<i>2</i>	<i>264</i>
<i>- Foreign</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

5.3. Changes in owner's capital

The Company was established as a joint stock company in March 2015 with a charter capital of 6 billion VND. During the development process, the Company has increased its charter capital 4 times to expand its production and business activities. The Company's current charter capital is 200 billion VND. The Company's charter capital increase process since its establishment is as follows:

Change	Finish of capital increase	Capital increase (VND million)	Capital after increase (VND million)	Form of capital increase	Legal base
First	Establishment	6.000	-	- Founders contributed capital to establish the Company	<ul style="list-style-type: none"> - Business Registration Certificate No. 0106798702 issued by the Department of Hanoi City Planning and Investment for the 1st time on 24/03/2015. - Decision No. 01/QĐ-NHƯA SINH THÁI of the General Meeting of Shareholders of Viet Nam Eco Plastic Technology Joint Stock Company dated 14/03/2015; - Decision No. 03/QĐ-NHƯA SINH THÁI of the General Meeting of Shareholders of Viet Nam Eco Plastic Technology Joint Stock Company dated 22/06/2015.
1	12/2017	14.000	20.000	- Shares issuance to existing shareholders	<ul style="list-style-type: none"> - Business Registration Certificate No. 0106798702 issued by the Department of Hanoi City Planning and Investment for the 3rd on 11/12/2017; - Decision No. 02/QĐ-NHƯA SINH THÁI of the General Meeting of Shareholders of Viet Nam Eco Plastic Technology Joint Stock Company dated 25/11/2017
2	05/2019	30.000	50.000	- Shares issuance to existing shareholders	<ul style="list-style-type: none"> - Business Registration Certificate No. 0106798702 issued by the Department of Hanoi City Planning and Investment for the 5th time on 24/05/2019; - Decision No.60/QĐ-STVN of the General Meeting of Shareholders of Viet Nam Eco Plastic Technology Joint Stock Company dated 17/05/2019.
3	09/2022	50.000	100.000	- Shares issuance to existing shareholders	<ul style="list-style-type: none"> - Business Registration Certificate No. 0106798702 issued by the Department of Hanoi City Planning and Investment for the 5th time on 24/05/2019;

Change	Finish of capital increase	Capital increase (VND million)	Capital after increase (VND million)	Form of capital increase	Legal base
					- Resolution No.12.09/2022/NQ-DHĐCĐ/NST of the General Meeting of Shareholders of Viet Nam Eco Plastic Technology Joint Stock Company dated 12/09/2022;
Lần 4	12/2022	100.000	200.000	- Shares issuance to existing shareholders	- Business Registration Certificate No. 0106798702 issued by the Department Hanoi City Planning and Investment for the 9 th time on 26/12/2022; - Resolution No.21.11/2022/NQ-DHĐCĐ/NST of the General Meeting of Shareholders of Viet Nam Eco Plastic Technology Joint Stock Company dated 21/11/2022

5.4. Treasury stock transactions

None.

5.5. Other securities

None.

6. Report on the company's environmental and social impacts

6.1. Environmental impact

Source of emissions:

➤ **Dust and emissions from transportation and unloading of raw materials and goods**

Including components: dust, SO₂, CO, NO₂, HC,.The concentration of dust and gas generated in the surrounding air environment is mainly within the allowable limits of QCVN 05:2023/BTNMT. Therefore, this type of dust and gas emissions have a negligible impact on the environment of the area surrounding the Company's factory.

➤ **Emissions generated during the printing process**

The printing process uses inks and solvents in the production of plastic packaging, which involves heating, so this process will generate chemical vapors and ink. All of these gases are collectively called solvent vapors. This type of gas emission is very small and does not significantly affect the health of workers in the workshops.

Although the emissions generated during the company's production process are within permissible limits and do not significantly affect the health of employees, the Company always strives to minimize greenhouse gas emissions, including:

- Design airy factory, plant lots of trees in the Company premises;
- Review the production process, continuously optimize to increase efficiency in using raw materials and reduce emissions generated.

6.2. Management of raw materials

Total amount of main raw materials used in production and packaging of products:

No	Material	Unit	Quantity
1	Plastic beads	Tons/month	500
2	Color masterbatch, additives	Tons/month	250
3	Solvent	Tons/month	7
4	Printing ink	Tons/month	3

ECO's main raw material in production is plastic pellets - a product from non-renewable resources. Therefore, the Company always strives to improve the production process to minimize the consumption of raw materials. The Company's scrap rate in production in 2024 is about 5%. All scrap from the production process is utilized by the Company to generate revenue for the Company.

6.3. Energy consumption

The main source of energy that ECO uses is electricity provided by national power companies to operate machinery, equipment, and lighting systems to serve the Company's production activities. ECO's annual electricity consumption is very large, so the issue of energy saving is also one of the top concerns of the Company's Board of Directors. Therefore, ECO always focuses on training employees on energy saving awareness and has the following energy saving measures: • Calculate, arrange, and select appropriate equipment capacity, avoid operating equipment at low load to reduce loss and improve equipment working conditions:

- Arrange lighting grid reasonably, focus on necessary points
- Adjust lighting time appropriately according to season, make the most of natural light;
- Develop and promulgate regulations on energy saving in all departments;
- Properly carry out periodic inspection, repair and maintenance of machinery to ensure it is always in good condition.

6.4. Water consumption

ECO has signed clean water supply contracts with local water supply units. Water consumption is mainly for the daily activities of employees at the Company.

All wastewater parameters meet the permitted standards. The wastewater treatment system is effective.

6.5. Compliance with environmental protection laws

ECO always strives to limit the impact on the environment during the production and business activities of the enterprise. In 2024, the Company did not have any violations of the law or environmental incidents during the production process.

6.6. Employee related policies

As of December 31, 2024, the Company's total number of employees were 130 (*including official and seasonal/ job employees*). The average monthly income of employees in the Company in 2024 is as follow:

- Office and Sales staff: 12.5 million VND/person.
- Production Division employees: 9.5 - 10 million VND/person.

Compared to the average salary of other enterprises in the same industry in the same area, the average salary of the Company is considered relatively competitive, along with ensuring the implementation of other welfare regimes for officers and employees such as social insurance, health insurance, unemployment insurance.

With the goal of creating the best conditions for employees to maximize their abilities and creative, the Company always strives to build a safe, professional, dynamic working environment and constantly improve human resource policies. In addition to focusing on compensation and welfare policies, the Company's Board of Directors together with the human resource management department directly consult employees and jointly develop promotion and reward policies. These policies are based on the following criteria: work results, contributions to the overall development of the company, business performance, etc. To encourage collectives and individuals to contribute and stay with the company for a long time, the Company always creates conditions for employees to demonstrate their capacity, demonstrate management and leadership skills, and propose innovative ideas in production and operations at the factories.

In addition, with the desire to promote the continuous development of the whole team, the Company pays special attention to training and professional development for all staff in all positions.

Create conditions for employees to participate in internal and external training courses to improve their professional skills, learn new skills necessary for employees to develop their work capacity such as: production management training programs, advanced training programs, etc. to meet the current and future job requirements of the Company. At the same time, the Company also organizes labor safety and fire prevention training programs to improve the knowledge and skills of employees in the Company. The average number of training hours for employees in the Company is 28 hours/employee/year.

6.7. Reports relating to responsibility towards local communities

ECO always understands that the support and trust of the community is an important foundation for achieving ultimate success. Therefore, the Company always attaches business goals to responsibility towards the local community.

The company always focuses on environmental protection in the operating area, ensuring food safety and health for workers and the community, saving fuel, saving water resources, reducing emissions into the environment, etc. to contribute to environmental protection.

Last year, all staff in the Company participated in charity programs at local hospitals, encouraged, visited and gave gifts to employees in difficult circumstances.

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III. REPORT AND ASSESSMENT OF THE BOARD OF MANAGERS

1. Evaluation of production and business performance in 2024

Indicator	Unit	Implementation	Plan	% implementation/plan
Net Revenue	VND Billion	454,05	350	129,73%
Profit after tax	VND Billion	14,11	13,6	103,75%

(Source: Viet Nam Eco Plastic Technology JSC)

By the end of 2024, the Company's production and business activities continue to maintain a stable growth momentum, affirming its competitive position in the market and recording impressive business results. Consolidated Net revenue reached VND 454 billion, an increase of 64% compared to the previous year. Consolidated Profit after tax reached VND 14,1 billion, an increase of 13% compared to 2023. These two targets respectively reached nearly 130% and 103% of the business plan set at the 2024 Annual General Meeting of Shareholders.

In April 2024, the Company established a Factory Branch and moved the entire production factory to an area of nearly 6.000m² at a new location in Tan Quang Industrial Park, Tan Quang commune, Van Lam district, Hung Yen province for the needs of expanding scale and increasing output. Here, the Company continues to invest in specialized and modern production machinery, meeting the higher requirements for quality and product design of many customers. At the same time, it satisfies strict conditions of foreign production standards such as AENor Recycling Certificate, BSCI International Standards - A set of standards for assessing compliance with social responsibility in business.

On July 12, 2024, the Company officially became a public company and the Company's ECO shares were officially approved by the Hanoi Stock Exchange to trade on UPCoM on September 26, 2024. Ensuring compliance with current regulations for public companies is an affirmation of the Company's commitment to information transparency and effective governance that the Company pursues with the goal of protecting the legitimate rights and interests of the Company and its shareholders.

2. Financial Situation

2.1. Assets

Indicator	31/12/2024 (VND)	Ratio (%)	31/12/2023 (VND)	Ratio (%)
I. Current Assets	256.812.755.933	81,48	207.100.563.034	78,43
1. Cash and cash equivalents	52.430.821.051	16,64	10.938.360.569	4,14
2. Short-term financial investments	45.362.296.404	14,39	69.305.875.613	26,24
3. Short-term receivables	87.554.604.577	27,78	84.073.995.672	31,84

Indicator	31/12/2024 (VND)	Ratio (%)	31/12/2023 (VND)	Ratio (%)
4. Inventory	68.879.476.480	21,85	40.786.291.198	15,45
5. Other assets	2.585.557.421	0,82	1.996.039.982	0,76
I. Long-term Assets	58.388.089.432	18,52	56.971.659.399	21,57
1. Fixed assets	17.122.503.291	5,43	24.901.469.123	9,43
2. Long-term financial investments	32.012.743.298	10,15	32.000.834.249	12,12
3. Other long-term assets	9.252.842.843	2,94	69.356.027	0,02
TOTAL ASSETS	315.200.845.365	100	264.072.222.433	100

(Source: Audited consolidated financial statements for 2024 of Vietnam Eco Plastic Technology JSC)

Total assets increased by VND 80 billion, or 130,3% as compared to December 31, 2023 and reached VND 344,1 billion as of December 31, 2024.

Current assets increased by VND 48,1 billion, or 123,2% compared to December 31, 2023. In which, inventory increased by VND 21,6 billion, primarily due to an increase of raw materials for production activities.

Non-current assets increased by VND 31,9 billion, or 156,1% year-on-year (YoY), compared to December 31, 2023. In which, prepaid expenses for land rental for the construction of the Company's Factory No. 2 in Pho Noi A Industrial Park, Van Lam District, Hung Yen Province accounted for 44,7% of the value of non-current assets.

2.2. Liabilities

No	Indicator	31/12/2024 (VND)	Ratio (%)	31/12/2023 (VND)	Ratio (%)
I	Current liabilities	85.981.042.923	94,69%	53.780.612.523	100.00%
1	Short-term trade payables	19.087.070.273	21,02%	7.379.176.269	13.72%
2	Short-term advances from customers	5.873.750.723	6,47%	790.906.114	1.47%
3	Taxes and payables to State budget	3.353.343.409	3,69%	2.681.233.948	4.99%
4	Payables to employees	951.000.000	1,05%	0	0.00%
5	Short-term accrued expenses	123.266.855	0,14%	58.212.167	0.11%

No	Indicator	31/12/2024 (VND)	Ratio (%)	31/12/2023 (VND)	Ratio (%)
6	Other short-term payables	448.417.907	0,49%	289.564.875	0.54%
7	Short-term borrowings and finance lease liabilities	56.144.193.756	61,83%	42.581.519.150	79.18%
II	Long-term liabilities	4.822.002.701	5,31%	0	0.00%
1	Long-term borrowings and finance lease liabilities	4.822.002.701	5,31%	0	0.00%
TOTAL LIABILITIES		90.803.045.624	100%	53.780.612.523	100%

(Source: Audited consolidated financial statements for 2024 of Vietnam Eco Plastic Technology JSC)

Total liabilities as of December 31, 2024 were VND 90.8 billion, an increase of 69% compared to 2023. Of which, short-term debt was VND 86 billion, accounting for the proportion and long-term debt was VND 4.8 billion. The increase in liabilities was mainly due to the need to supplement working capital and machinery and equipment to expand the Company's production and business activities. The Company had no overdue liabilities, so the Company's debt structure and short-term debt payment ability are still at a safe level.

3. Improvements in organizational structure, policies, and management

With the goal of rapid and sustainable development, ECO always focuses on improving the organizational structure and management policies in accordance with the development orientation of each stage. The human resources are guaranteed to be streamlined, efficient and professional. Periodically, departments will update changes in business processes to suit the actual situation. The company always creates conditions for employees to have many opportunities to study and advance. In addition, the company also focuses on improving the distribution channel system, increasing the coverage of key products in major markets.

In addition, the Company's specialized staff always actively participate in seminars and series of workshops organized by the State Securities Commission, Hanoi Stock Exchange, Vietnam Securities Depository and Clearing Corporation and specialized agencies in coordination with training units to update knowledge and apply it in the enterprise.

4. Future development plan

In 2025, the Company aims to increase production output and expand the market through flexible and multi-modal sales policies. In addition, the Company will continue to invest in depth in

human resources and technology, organize and manage production scientifically, improve and rationalize production to optimize production and business costs, and gradually improve product quality according to international standards.

The production and business plan for 2025 is as follows:

- Net revenue from goods sold and services rendered is about 500 billion VND;
- Profit after corporate income tax is about 15.5 billion VND.

5. Assessment report related to the Company's environmental and social responsibility

5.1. Assessment related to environmental indicators (water consumption, energy, emissions...)

ECO always maintains compliance with environmental laws. During operation, wastewater, waste and exhaust gas management is carried out regularly and seriously.

5.2. Assessment related to labor issues

Human resources are one of the factors that determine the success of a business. The company always cares and values this issue to gain support, dedication, and long-term cooperation with employees through caring and creating conditions for individual employees to have opportunities to develop themselves. Employees in the company are always cared for and have appropriate policies to build long-term cooperative relationships.

The Company always creates a friendly working environment, strengthens relationships between employees and builds corporate culture. In addition, the company always joins hands and unites with employees, ensures stable employment and life for employees, ensures that employees enjoy all material and spiritual benefits according to the provisions of law.

The salary and bonus regime of employees in the company is always guaranteed to be fair and equitable. Employees are always encouraged and facilitated to improve their knowledge and skills for development.

In addition, the Company always pays attention to occupational safety and hygiene through specific activities such as: periodic health check-ups for employees, uniforms, full provision of labor protection equipment, etc

5.3. Assessment related to corporate responsibility towards local communities

Responsibility to the community is a consistent policy throughout the Company's operations with many different policies and activities. In the past year, charity programs for local social protection centers, hospitals, and disadvantaged families in the area were organized by ECO and received enthusiastic support from all staff

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IV. BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S PERFORMANCE

1. The Board of Directors' assessment of the Company's operations, including assessments related to environmental and social responsibility

Vietnam has overcome common geopolitical challenges and the global economic recession in 2024. According to statistics from the General Department of Vietnam Customs, Vietnam's export turnover of plastic products in 2024 reached over 6.072 billion USD, an increase of 29,8% over the same period in 2023. The plastic packaging market in 2024 experienced a stable growth continuously, despite being affected by many complex developments in raw material sources and prices in domestic and international market.

In that context, by the end of 2024, the Company's main business activities continue to maintain its position in the market and record impressive business results. Consolidated Net revenue reached 454 billion VND, an increase of 64% compared to the previous year; Profit after tax presented on the consolidated financial statement 2024 was 14,1 billion VND, an increase of 13% compared to 2023. These two targets respectively reached 130% and 103% of the business plan set at the 2024 Annual General Meeting of Shareholders. The above business results were achieved thanks to good management of the production process, reducing scrap rate, expanding the factory, improving inventory management as well as increasing sales efforts and reaching potential customers, expanding the market. In addition, the consensus of the staff has contributed significantly to ECO's success in 2024.

In addition to completing the revenue and profit targets, in 2024, ECO also fully fulfilled its tax obligations, contributing to socio-economic development, contributing to the State Budget, ensuring no violation of environmental laws, and creating more jobs for local workers.

2. Board of Directors' assessment of the performance of the company's Board of Managers

With the results achieved in 2024, the Board of Directors assessed that the Board of Managers has ensured stable production and business activities, excellently completed the plan targets assigned by the General Meeting of Shareholders, ensured jobs for employees, ensured employee health and safety, and conducted business with high responsibility to related parties, strictly complied with current laws and regulations and the Company's operating regulations.

The Board of Managers has well managed the Company's business operations with experience and the ability to make flexible decisions in response to market fluctuations. The Board of Managers has planned appropriate business solutions, taking advantage of the Company's advantages to bring about business results exceeding the plan in 2024.

The Board of Directors also highly appreciated the performance of the Board of Managers in corporate governance and building a safe, dynamic internal culture, improving benefits for employees.

3. Plans and directions of the Board of Directors

The Company's development orientation is to become a stable manufacturing enterprise, with long-term and sustainable development, while expanding its market share and position in the global plastic packaging industry to achieve long-term business efficiency. Accordingly, the Company will continue to invest in depth in human resources and technology, exploiting the Company's potential and strengths in developing and expanding the market through flexible and multi-modal sales policies to improve production productivity and increase revenue.

The operating strategies that the Company will implement in 2025 are as follows:

- Investing in production lines and machinery;
- Organizing production operations and management in a scientific manner and constantly innovating and improving production rationalization;
- Proactively ensuring raw materials, strictly managing production norms, and gradually improving product quality according to international standards;
- Improving the professional qualifications and skills of employees, saving costs for production and business, and increasing labor productivity;
- Expanding new markets domestically and internationally.

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V. CORPORATE GOVERNANCE

1. Board of Directors

1.1. Members and structure of the Board of Directors

No	Member	Current position	Shares ownership
1	Nguyen Van Binh	<ul style="list-style-type: none"> 01/2023 - present: Chairman of the Board of Directors – Viet Nam Eco Plastic Technology JSC 	20%
2	Nguyen Huu Duong	<ul style="list-style-type: none"> 07/2022 - present: Member of the Board of Directors – Viet Nam Eco Plastic Technology JSC 09/2022 - present: General Director – Viet Nam Eco Plastic Technology JSC 	15%
3	Dao Quoc Hung	<ul style="list-style-type: none"> 01/2023 - present: Member of the Board of Directors – Viet Nam Eco Plastic Technology JSC 09/2024 - present: Deputy General Director – Viet Nam Eco Plastic Technology JSC 	0,15%
4	Nguyen Thanh An	<ul style="list-style-type: none"> 01/2023 - present: Independent member of the Board of Directors – Viet Nam Eco Plastic Technology JSC 	0,75%
5	Nguyen Dinh Tuan	<ul style="list-style-type: none"> 01/2023 - present: Member of the Board of Directors – Viet Nam Eco Plastic Technology JSC 	1,5%

1.2. Activities of the Board of Directors

In 2024, the Board of Directors has performed well in its leading role in directing, developing goals, orientations, strategies and business plans for 2024 with a focus on flexible adaptation, increasing benefits for shareholders, ensuring harmony of interests of stakeholders, improving efficiency in corporate governance, building and spreading corporate culture, promoting collective strength.

In accordance with the provisions of the Enterprise Law and the Company Charter, in 2024, the Board of Directors held 12 meetings to discuss, exchange, agree and promptly issue instructions in the company's operations. The organization of Board of Directors meetings ensures compliance with current laws. Board members attended the meetings in person with a 100% attendance rate.

No.	Resolution No.	Date	Content	Approval rate
1	01/2024/NQ-HĐQT/ECO	05/01/2024	Approval of the transactions between the Company and related parties in 2024	100%

2	02/2024/NQ-HĐQT/ECO	12/07/2024	Approval of the registration of securities at the Vietnam Securities Depository and Clearing Corporation and the registration of Viet Nam Eco Plastic Technology Joint Stock Company's shares for trading on the UPCoM trading system.	100%
3	03/2024/NQ-HĐQT/ECO	13/08/2024	Approval of the date for the shareholder list to organize the 2024 Extraordinary General Meeting.	100%
4	04/2024/NQ-HĐQT/ECO	26/08/2024	Approval of the adjustment of the date for the shareholder list to organize the 2024 Extraordinary General Meeting.	100%
5	05/2024/NQ-HĐQT/ECO	17/09/2024	Approval the investment policy, construction of Factory No. 2 and the appointment of the Company's Deputy CEO.	100%
6	06/2024/NQ-HĐQT/ECO	27/09/2024	Approval of the first trading date and the reference price of Viet Nam Eco Plastic Technology Joint Stock Company's shares on the UPCOM trading system	100%
7	07/2024/NQ-HĐQT/ECO	04/10/2024	Approval of the loan from Military Commercial Joint Stock Bank (MB Bank) – Thang Long Branch	100%
8	08/2024/NQ-HĐQT/ECO	07/10/2024	Approval of the amendments and additions to the content and documents presented at the 2024 Extraordinary General Meeting	100%
9	08.1/2024/NQ-HĐQT/ECO	14/10/2024	Approval of the establishment of a subsidiary to implement the project.	100%

10	09/2024/NQ-HĐQT/ECO	25/10/2024	Approval of the termination of the Company's Representative Office	100%
11	10/2024/NQ-HĐQT/ECO	04/11/2024	Approval of the appointment of the person in charge of company administration cum Secretary of the Board of Directors	100%
12	11/2024/NQ-HĐQT/ECO	23/12/2024	Approval of changing the service provider for auditing the 2024 financial statements	100%

1.3. Activities of Independent Board member

The Board of Directors appreciates the participation and contribution of the Independent Board member. Therefore, the Company always maintains and ensures the number of independent Board members in accordance with the provisions of law.

The participation of Independent Board members helps ensuring transparency, providing a more comprehensive view of all the interests of related entities and provides opinions to enhance the effectiveness and feasibility of the Board of Directors' decisions to improve the Company's business performance, ensuring the rights and interests of the enterprise and shareholders.

1.4. Policy on development and training for members of the Board of Directors

It is recognized the importance of building a professional and effective Board of Directors to ensure the profitability and sustainable development of a business. Therefore, policies on professional training and development for Board members have been developed to support Board members to effectively perform their roles and functions.

The Company regularly organizes internal training programs on corporate governance, information disclosure, etc. and other related fields for the Board of Directors, Board of Supervisors, and Board of Managers to proactively update changes in legal regulations.

In addition, the Company always creates maximum conditions for members of the Board of Directors and managers to participate in seminars and programs on corporate governance and information disclosure organized by the State Securities Commission, Hanoi Stock Exchange, and Vietnam Securities Depository and Clearing Corporation.

2. Board of Supervisors

2.1. Members and structure of the Board of Supervisors

No	Member	Current position	Shares ownership
1	Nguyen Thu Hang	Head of Board of Supervisors	0,025%

No	Member	Current position	Shares ownership
2	Tran Ngoc Phuong	Member of Board of Supervisors	0,25%
3	Do Thi Duyen	Member of Board of Supervisors	0,75%

2.2. Activities of the Board of Supervisors

In 2024, the Board of Supervisors held 02 regular meetings with an attendance rate of 100%. The Board of Supervisors has supervised and inspected the implementation of the 2024 business objectives of the Board of Directors and the Board of Managers; inspected and supervised compliance with the provisions of the Enterprise Law and the Company's Charter in the management and operation of the Company's production and business activities; monitored and supervised the implementation of the Resolutions of the General Meeting of Shareholders and the Board of Directors. In addition, the Board of Supervisors also reviewed the Financial Reports to assess the truthfulness and reasonableness of financial data, in accordance with current accounting standards, regimes and financial policies.

3. Transactions, remuneration and benefits of the Board of Directors, Board of Managers and Board of Supervisors

3.1. Salary, bonus, remuneration, benefits

Total income of the Board of Directors, Board of Supervisors, Board of Managers in 2024 as follows:

No	Member	Title	Income (VND)
1	Nguyen Van Binh	Chairman of the Board of Directors	60.000.000
2	Nguyen Huu Duong	Member of the Board of Directors Cum General Director	293.185.034
3	Dao Quoc Hung	Member of the Board of Directors Cum Deputy General Director	239.899.310
4	Nguyen Thanh An	Independent member of the Board of Directors	121.877.978
5	Nguyen Dinh Tuan	Member of the Board of Directors	36.000.000
6	Nguyen Thu Hang	Head of Board of Supervisors	187.822.844
7	Tran Ngoc Phuong	Member of Board of Supervisors	170.779.419
8	Do Thi Duyen	Member of Board of Supervisors	168.625.721

No	Member	Title	Income (VND)
9	Le Thi Thuy	Deputy General Director	66.525.693

3.2. Transactions of the internal persons

None.

3.3. Contracts or transactions with the internal persons

STT	Name	Relationship	Transaction	Value
1	Tan Quang Plastic Joint Stock Company	Affiliated Company	Purchase transaction	VND 26.024.523.637
2	Viet Nam Eco Plastic Packaging Joint Stock Company	Subsidiary Company	Capital contribution	VND 50.000.000.000

3.4. Assessment of implementation of corporate governance regulations

In 2024, ECO has successfully fulfilled its obligations to periodically and irregularly disclose information to investors as prescribed. However, in order to better implement regional and international corporate governance standards, in the coming time, ECO needs to continue to carry out the following tasks related to corporate governance:

❖ Short-term plan

- Ensure full disclosure of information in accordance with regulations to shareholders, customers and investors on the Company's website.
- Continuously update changes in legal regulations on information disclosure;
- Participate in corporate governance training courses organized by the State Securities Commission, Vietnam Stock Exchange, Hanoi Stock Exchange, Vietnam Securities Depository and Clearing Corporation and reputable organizations.

❖ Long-term plan

- Continue to improve the governance model to enhance coordination between the Company and its member units, and between members on the basis of ensuring unity and enhancing compliance throughout the system.
- Promote the role of centralized governance, supporting the Company's governance for member units in finance, human resources - training, information technology, branding, investment, and basic construction throughout the system.
- Regularly update legal knowledge and good practices on corporate governance at home and abroad to apply to the Company's practical operations.
- Promote risk management, compliance and internal audit to provide information for corporate governance activities

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VI. FINANCIAL STATEMENTS

1. Auditor's opinion

The Financial Statements give a true and fair view, in all material respects, of the financial position of Viet Nam Eco Plastic Technology Joint Stock Company as of 31 December 2024, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of the Financial Statements.

2. Audited Financial Statements

The 2024 Audited Financial Statements of Vietnam Eco Plastic Technology Joint Stock Company has been fully posted on the Company's website. The link to view the financial report is: <https://ecoplastic.com.vn/more/bao-cao-tai-chinh-kiem-toan-nam-2024.html>.

To:

- State Securities Commission;
- Hanoi Stock Exchange;
- Company archived.

