



ANNUAL REPORT 2024

FICO CORPORATION – JSC



Table of Contents

I. GENERAL INFORMATION	1
1. General information	1
2. Industry and business location:	4
3. Information on governance model, business organization and management apparatus	5
4. Development Orientation	16
5. Risks:	17
II. PERFORMANCE IN THE YEAR.....	18
1. Production and business situation	18
2. Organization and personnel	20
3. Investment situation, project implementation situation	23
4. Financial situation	26
5. Shareholder Structure, Changes in Shareholder Investment Capital	27
6. Report on the company's environmental and social impacts	29
III. BOARD OF DIRECTORS' REPORT AND ASSESSMENT	32
1. Assessment of Business Production Results	32
2. Financial Situation	33
3. Improvements in Organizational Structure, Policies, and Management	34
4. Future Development Plan	35
5. Explanation from the Board of Directors regarding the audit opinion (if any)	38
6. Environmental and Social Responsibility Report Evaluation	38
IV. BOARD OF DIRECTORS' EVALUATION OF THE COMPANY'S ACTIVITIES.....	39
1. Evaluation of the Board of Directors on the Company's Operations:	39
2. Assessment of the Board of Directors on the Activities of the Executive Board:	43
3. Plans and Orientations of the Board of Directors:	43
V. CORPORATE GOVERNANCE	43
1. Board of Directors	43
2. Board of Supervisors	49
3. Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Supervisory Board	51
VI. FINANCIAL STATEMENTS	53
1. Opinion of Auditors	53
2. Audited Financial Statements	53

I. GENERAL INFORMATION

1. General information

- Transaction name: FiCO CORPORATION – JSC
- Business Registration Certificate No. 0300402493, first issued by the Ho Chi Minh City Department of Planning and Investment on June 29, 2010, and amended for the 12th time on May 23, 2023.
- Charter Capital: 1,270,000,000,000 VND (One thousand two hundred seventy billion VND)
- Owner's Equity: 1,550,928,461,439 VND (One thousand five hundred fifty billion nine hundred twenty-eight million four hundred sixty-one thousand four hundred thirty-nine VND) *(As of December 31, 2024, according to the consolidated financial statements of FICO Corporation)*
- Address: 15th Floor, Sailing Tower, No. 111A Pasteur Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.
- Tel: (84-28) 3823 0809
- Fax: (84-28) 3821 3233
- Website: www.fico.com.vn
- Stock Code: FIC

Formation and Development Process

- The predecessor of the current FICO Corporation - JSC (formerly known as the Building Materials Corporation No. 1 - JSC) was the Building Materials Company No. 1, under the Ministry of Construction, established in 1976. In 1980, the company was renamed the Union of Brick and Ceramic Enterprises, still under the Ministry of Construction. In 1984, it was reorganized into the Union of Building Materials Enterprises No. 1, under the Ministry of Construction, as per Decision No. 1390/BXD-TCCB dated October 13, 1984.
- In 1995, implementing Decision No. 90/TTg dated March 7, 1994 of the Prime Minister on continuing to reorganize state-owned enterprises, FiCO was established under Decision No. 997/BXD-TCLĐ dated November 20, 1995 with the following organizational structure: FiCO has a total of 8 member units and 2,189 officers and employees. The main production and business areas are: Production of basic construction materials such as bricks, construction tiles, block

bricks, ceramic bricks, ceramic tiles, kaolin, sanitary porcelain; Construction and installation of civil and industrial works; Trading of materials for construction materials production; Exploitation and processing of minerals.

➤ **Period from 1996 to 2000:**

These were the initial years when the company operated under the management mechanism of a Corporation. In terms of organization, the Corporation had 11 member units with 4,865 employees.

➤ **Period from 2001 to 2005:**

The Corporation began implementing various new multi-sector investment projects, such as cement production, real estate investment and business, and construction glass manufacturing. It also focused on market development and the import-export of building materials. During this period, the Corporation expanded its operations nationwide and internationally. It had 16 member units (including dependent units) with a total workforce of 7,132 employees.

Since 2003, following Decision No. 1404/QĐ-BXD dated October 24, 2003, by the Minister of Construction, the Corporation officially changed its abbreviation from BMC No. 1 to FiCO and developed the FiCO brand.

➤ **Period from 2006 to June 2010:**

In 2006, FiCO Corporation converted to operate under the Parent Company - Subsidiary Company model according to Decision No. 2438/QĐ-BXD dated December 30, 2005 of the Ministry of Construction. During this period, the Corporation consisted of: Parent Company - Corporation and 05 dependent units; 05 Subsidiaries; 14 Associated Companies and 02 Joint Venture Companies. The Subsidiaries and Associated Companies are former affiliated units of the Corporation that have been equitized according to regulations. Most of these Companies after equitization have operated effectively such as Hoa An Joint Stock Company, Cotecons Joint Stock Company, etc.

- Strengthening commercial business activities and import-export operations, with a particular focus on brand promotion and development among domestic and international partners. Emphasis was placed on practical efficiency and strategic orientation for high-end product lines serving the export market. Notable companies in this effort included FiCO Building Materials Trading Company, FiCO Investment and Building Materials Trading JSC (BMT), and Building Materials Engineering and Construction JSC (COTEC).

- Strengthening joint ventures, partnerships, and international cooperation in construction and foundation treatment. Notable examples included Cotecons JSC, CHUNWO-FiCO Joint Venture Co., Ltd. (with Hong Kong), and FiCO-COREA Construction Joint Venture Co., Ltd. (with South Korea).
- Expanding investment and real estate business activities while actively seeking and collaborating with partners to scale up and extend investment projects. The focus was on developing residential areas, office buildings, and high-end apartments. Notable projects implemented by the Corporation included: City Garden Vietnam (59 Ngo Tat To, Ho Chi Minh City), Horizon Tower (214 Tran Quang Khai, Ho Chi Minh City), Van Do Apartment Project (348 Ben Van Don, Ho Chi Minh City)
- Continue to prioritize the production and trading of traditional construction materials with cement products (black and white), high-grade construction materials for export (ceramic tiles, granite, roof tiles, various types of construction bricks, stones, white sand, post-glazing products...). Typically, the implementation of projects: Tay Ninh Cement, White Cement (BMT), Exported Stone (Phuoc Hoa), Grinding superfine sand for export (Cam Ranh) and projects to renovate and upgrade brick and tile production lines at VITALY, Thanh Thanh, Dong Nai units...

➤ **Period June 2010 to September 2016:**

Following the directives of the Prime Minister and the Ministry of Construction on enterprise restructuring and reform, the Ministry of Construction issued Decision No. 614/QĐ-BXD on June 10, 2010, approving the transition of FiCO Corporation to a One-Member Limited Liability Company model until its equitization.

➤ **From October 2016 onwards:**

Pursuant to Decision No. 1874/QĐ-TTg dated November 3, 2015, by the Prime Minister approving the equitization plan of FiCO Corporation, the Ministry of Construction and FiCO Corporation conducted an initial public offering (IPO) of 25,006,300 shares on August 19, 2016, with an average successful auction price of 10,502 VND per share.

On September 28, 2016, with the approval of the Ministry of Construction, the FiCO Equitization Steering Committee successfully held the first General Meeting of Shareholders. Since October 1, 2016, FiCO Corporation has officially been transformed into a joint stock company under the name FiCO Corporation, with a

charter capital of VND 1,270,000,000,000 (according to Business Registration Certificate No. 0300402493 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on June 29, 2010, and the 6th change on October 1, 2016).

The Corporation was granted Securities Registration Certificate No. 43/2018/GCNCP-VSD dated June 13, 2018, with the number of registered securities being 127,000,000 shares.

➤ **From June 2018 onwards:**

The Corporation was officially approved to register securities with the Vietnam Securities Depository Center with stock code FIC from June 13, 2018 and officially traded on the UpCOM stock exchange of the Hanoi Stock Exchange from August 12, 2018 with a reference price of VND 12,100/share.

2. Industry and business location:

- The Corporation's business lines include:
 - + Production of construction materials, supplies, raw materials and products serving the construction industry, production of construction materials;
 - + Quarrying of stone, sand, gravel, clay;
 - + Foundation and infrastructure treatment, weak ground;
 - + Construction of traffic works and urban technical infrastructure;
 - + Construction of irrigation works, hydroelectric power plants, residential areas, industrial parks, export processing zones;
 - + Trading, importing and exporting construction materials, supplies, raw materials and products serving the construction industry, manufacturing construction materials;
 - + Real estate business;
 - + Real estate services business;
 - + Port and warehouse business;
 - + Office, factory for rent;
 - + Production of spare parts and specialized motor vehicle equipment for the construction industry and production of building materials;
 - + Trading, importing and exporting spare parts, equipment, specialized motor vehicles serving the construction industry and production of construction materials;
 - + Trading, importing and exporting specialized motor vehicles for the

- construction industry and production of construction materials;
- + Mining;
- + Design and construction of urban technical infrastructure works. Supervision of construction and completion of civil works. Consulting on investment in production of raw materials and construction materials. Mapping;
- + Investment consulting (Except financial and accounting consulting);
- + Research, application and technology transfer in production of construction materials;
- + Production of specialized motor vehicles for the construction industry and production of building materials;
- + Road freight transport;
- + Inland waterway freight transport;
- + Wholesale of coal, lignite, peat, charcoal, coke, diesel fuel, fuel oil;
- + Other support services related to transportation;
- + Construction of railway and road works;
- + Construction of public works;
- + Construction of other civil engineering works.
- The Corporation mainly operates in Ho Chi Minh City and neighboring provinces including Binh Duong, Dong Nai and Tay Ninh.

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

Governance Model

FiCO Corporation is currently operating under the model of a Joint Stock Company as stipulated in Point a, Clause 1, Article 137 (General Meeting of Shareholders, Board of Directors, Supervisory Board and General Director). This governance model is built on the basis of the Company's business strategy development goals, in compliance with the provisions of Vietnamese Law and the provisions of the Company's Charter.

The management structure is as follows:

❖ General meeting of shareholders

The General Meeting of Shareholders is the highest authority of the Corporation, responsible for approving the Board of Directors' reports on the production and business activities, deciding on production and business plans and tasks, and investing, discussing, approving, supplementing and amending the Company's Charter; approving development strategies; electing and dismissing the Board of Directors and the Board of Supervisors,

and deciding on the organizational structure of the Corporation and other tasks as prescribed by the Law on Enterprises.

❖ **Board of Directors**

The Board of Directors is the highest management body of the Corporation elected by the General Meeting of Shareholders, consisting of 05 members. The members of the Board of Directors meet and elect the Chairman of the Board of Directors. The Board of Directors, on behalf of the Corporation, decides on the annual business plan of the Corporation, decides on investment projects and assets according to the provisions of the charter and financial regulations. The Board of Directors is responsible for appointing, assigning tasks, and supervising the Board of Directors and other managers. The rights and obligations of the Board of Directors are stipulated by law and the Charter of the Corporation, the Internal Regulations of the Corporation and the Resolution of the General Meeting of Shareholders.

❖ **Board of Supervisors**

The Board of Supervisors is responsible for organizing, supervising and checking the reasonableness and legality in the management and operation of production and business activities, in the recording of accounting books and finances of the Corporation to ensure the legitimate interests of shareholders as prescribed in the Charter of the Corporation. The Board of Supervisors operates independently from the Board of Directors and the Board of General Directors. Currently, the Board of Supervisors of the Corporation consists of 03 members elected and dismissed by the General Meeting of Shareholders..

❖ **Executive Board**

The General Director is appointed by the Board of Directors, is the person who decides on the direction of production and business according to the authority in the charter and related laws, manages the daily production and business activities of the Corporation, is responsible to the Board of Directors and before the law for the production and business activities of the Corporation. In addition, the General Director of the Corporation can appoint heads and deputy heads of departments and divisions of the Corporation.

The Deputy General Directors are appointed by the Board of Directors to assist the General Director in managing and operating the daily business of the Corporation; are supervised by the General Director; are responsible to the General Director and before the law for the implementation of assigned rights and obligations.

❖ **Departments:**

The Board of Directors and Executive Board oversee functional departments and subsidiaries in the following business sectors:

- + **Head Office of the Corporation:** Assists the executive board in legal matters related to the Corporation's operations; manages external relations and communications with partners, governmental agencies, and relevant authorities. It also provides guidance and support to subsidiaries on foreign affairs and international transactions, and ensures compliance with information disclosure obligations.
- + **Human Resources and Legal Affairs Department:** Manages organizational structure, labor issues, salary rates, labor standards, bonuses, and approves job titles, appointments, dismissals, transfers, disciplinary actions, and workforce planning. It is also responsible for recruitment, training, and implementing policies for FiCO's employees. Additionally, the department handles legal affairs, develops internal regulations and guidelines, and ensures compliance with legal requirements in the Corporation's operations.
- + **Finance and Accounting Department:** Responsible for accounting operations, supervising accounting activities at FiCO's subsidiaries, and connecting FiCO with its subsidiaries through the management and coordination of cash flow.
- + **Planning and Operations Production Department:** Evaluates business operations and develops short, medium, and long-term business plans for FiCO and its subsidiaries. The Investment Planning Department also collaborates with the Finance and Accounting Department to prepare financial and investment plans, providing recommendations to leadership on the implementation of new projects.
- + **Investment and M&A Department:** Advises on FiCO's financial investment activities, ensuring the preservation, stability, and growth of FiCO's existing capital and assets. It is responsible for managing FiCO's financial investments in other companies (excluding those where FiCO holds a controlling stake). The department also serves as the main point of contact for identifying and executing new investment projects and mergers & acquisitions (M&A).
- + **Internal Audit Department:** Responsible for conducting internal audits, reviewing, evaluating, and monitoring the completeness, adequacy, and effectiveness of the internal control system. The department is directly managed and overseen by the Executive Board of the Corporation.

- + **FiCO HOME Phan Huy Ich Project Management Department:** This department represents FiCO Corporation and is responsible for organizing and directly managing the project titled "Mixed-use Residential and Commercial Complex with a Kindergarten and Garden Villas at 2/34 Phan Huy Ich, Ward 15, Tan Binh District." The project is being developed by FiCO Corporation as the main investor.

Subsidiaries and Affiliates:

No.	Branch	Address	Business Activities
1	Branch of FiCO Corporation – Thong Nhat Mining Enterprise	Village 3, Song Trau Commune, Trang Bom District, Dong Nai Province	Mining, processing, and trading of construction stones
2	Branch of FiCO Corporation – FiCO Building Materials Trading Company	15th Floor, Sailing Tower Building – 111A Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City	Business in construction steel, industrial steel, various types of cement, tiles, ceramics, faucets, raw materials; gypsum, all types of coal
3	Branch of FiCO Corporation – FiCO Dong Nai Branch	No. 5, 16A Street, Bien Hoa 2 Industrial Park, An Binh Ward, Bien Hoa City, Dong Nai Province	Production, mining, and warehouse leasing
4	Branch of FiCO Corporation – FiCO Binh Duong Branch	Lot F, Street No. 2B, Dong An Industrial Park, Binh Hoa Ward, Thuan An Town, Binh Duong Province	Installation of electrical systems, water supply and drainage systems, and other construction installations

Subsidiary:

No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percent age	Main business areas
1	Phuoc Hoa FiCO Joint Stock Company	Km 5, National Route 51, Tan Phuoc Commune, Tan Thanh District, Ba Ria – Vung Tau Province	Number 3500102894 issued by the Department of Planning and Investment of Ba Ria Vung Tau Province, first granted on January 21, 2005, and amended for the 14th time on November 17, 2021.	(0254)38 76139	60	73,87%	Production and trading of construction stones, Granite stones.
2	Tan Dinh FiCO Construction Mechanical Joint Stock Company	Sanitary Fittings Factory, Street No. 2B, Dong An Industrial Park, Thuan An, Binh Duong	Number 030114699 issued by the Department of Planning and Investment of Ho Chi Minh City, first granted on April 13, 2006, and amended for the 12th time on December 29, 2021	(0274)37 82350	30	64,24%	Mechanical processing; trading of materials; installation equipment in the construction industry
3	Thanh Thanh Ceramic Tile Joint Stock Company	Street No. 1, Bien Hoa 1 Industrial Park, Dong Nai Province	Number 3600665643 issued by the Department of Planning and Investment of Dong Nai Province, first granted on January 2, 2004, and amended for the 10th time on December 9, 2019	02513836 066	59,92	51,44%	Production of tiles

No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percent age	Main business areas
4	Asean Tiles Corporation	Chanh Phu Hoa Ward, Ben Cat Town, Binh Duong Province	Number 3700830308 issued by the Department of Planning and Investment of Binh Duong Province, first granted on September 27, 2007, and amended for the 11th time on August 31, 2018	06503543591	225	51,00%	Production of tiles
5	FiCO Cam Ranh Sand Company Limited	Tan Hai Village, Cam Hai Tay, Cam Lam District, Khanh Hoa Province	Number 4201764563 issued by the Department of Planning and Investment of Khanh Hoa Province, first granted on October 19, 2017, and amended for the 2nd time on January 10, 2019	(0258) 3989005	30	100%	Mining minerals of
6	FiCO Building Materials Trading Co., Ltd	15th Floor, Sailing Tower, 111A Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City	Number 0314964301 issued by the Department of Planning and Investment, first granted on April 3, 2018, and amended for the 5th time on May 25, 2021	02862 918899	100	100%	Building Materials Trading Business
7	FiCO Commerce Company Limited	15th Floor, Sailing Tower, 111A Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City	Number 0315650869 first issued by the Department of Planning and Investment on April 25, 2019, 6th change issued on December 13, 2023	02862 918899	41,60	100%	Building Materials Trading Business

The affiliates of the Corporation

No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percentage	Main business areas
1	Fico Tay Ninh Cement Joint Stock Company	26th Floor, E.Town Central, 11 Doan Van Bo, Ward 12, District 4, Ho Chi Minh City	Number 3900365922, issued by the Department of Planning and Investment of Tay Ninh Province on December 23, 2004, with the 15th amendment on June 18, 2018	(028)38212872	2.500	25,84%	Manufacturing and trading cement, lime, and gypsum; mining stone, sand, gravel, and clay
2	Hoa An Joint Stock Company	Cau Hang Hamlet, Hoa An Commune, Bien Hoa City, Dong Nai Province	Number 3600464464, issued by the Department of Planning and Investment of Dong Nai Province, first issued on June 8, 2000, and amended for the 12th time on March 13, 2023	(0251)2227564	151,2	23,73%	Mining and processing of minerals, production and trading of construction materials



No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percentage	Main business areas
3	Vitaly Joint Stock Company	Binh Chuan Area, N1 Street, Thuan An District, Binh Duong Province	Number 0300398078 was issued by the Department of Planning and Investment of Binh Duong Province, first on January 6, 2005, and amended for the 12th time on May 10, 2022	(0274)3788347	80	30,75%	Production and trading of construction materials, real estate business, real estate brokerage, and real estate consulting
4	Havali FiCO Joint Stock Company	No. 65, Street 3, Chu Van An Residential Area, Ward 26, Binh Thanh District, Ho Chi Minh City	Number 3700791338, issued by the Department of Planning and Investment of Ho Chi Minh City on August 23, 2007	(028)35113288	3	20%	Manufacturing and trading of glass bricks

No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percentage	Main business areas
5	FiCO Corea Construction Co., Ltd	M Floor, Block C, Vạn Đô Apartment, 348 Bến Vân Đồn, Ward 1, District 4, Ho Chi Minh City	Number 0304401701, issued by the Department of Planning and Investment of Ho Chi Minh City, first granted on October 11, 2007, and amended for the 11th time on October 31, 2023	02837715589	31,5	49,50%	Providing technical services for the treatment of weak soil foundations for construction projects and infrastructure projects
6	Tan Bach Viet Construction Investment Co., Ltd	15th Floor, No. 1, Bach Dang, Ward 2, Tan Binh District, Ho Chi Minh City	Number 0305202610 issued by the Department of Planning and Investment of Ho Chi Minh City, first issued on September 18, 2007, and amended for the fourth time on January 20, 2014	02862961718	79,27	29%	Construction of civil and industrial works

No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percentage	Main business areas
7	FiCO Binh Phuoc Mineral Joint Stock Company	408 Nguyen Hue, Phu Thinh Ward, Binh Long Town, Binh Phuoc Province.	Number 3800653444, issued by the Department of Planning and Investment of Binh Phuoc Province on January 25, 2010	02713612111	17.000	30%	Manufacture of building materials from clay. Production of concrete and products from cement and gypsum; Production of plastic products
8	FiCO High Technology Joint Stock Company	45 Hoa Mai, Ward 2, Phu Nhuan District, Ho Chi Minh City	Number 0310319621 issued by the Department of Planning and Investment of Ho Chi Minh City, first issued on September 16, 2010, with the 6th amendment on July 25, 2017	(028)54010412	20	45%	Production of non-fired bricks

No.	Enterprise Name	Head office address	Business Registration Certificate	Phone number	Charter capital (billion VND)	FiCO's Ownership Percentage	Main business areas
9	FiCO Pan – United Joint Stock Company	8th Floor, South Building, 60 Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City	Number 0310883115, issued by the Department of Planning and Investment of Ho Chi Minh City on August 23, 2007, with the 5th amendment on January 18, 2017	(028)35470303	120	45%	Manufacturing of ready-mixed concrete

4. Development Orientation

➤ Objective:

FiCO Corporation has set the following strategic goals for 2030:

By 2030, FiCO Corporation aims to become the leading producer and supplier of construction materials and construction material trade services in Vietnam, with the following key objective:

Revenue: 15,000 – 18,000 billion VND, of which:

- Cement: 8,000 - 10,000 billion VND, corresponding to an output of 6 - 8 million tons of cement/year;
- Minerals: 1,000 billion VND;
- Ceramic tiles, floor tiles: 2,000 billion VND;
- Trade, services and other business: 5,000 billion VND.

Profit: 800 - 1,200 billion VND, of which:

- Cement: 500 - 700 billion VND;
- Minerals: 150 - 200 billion VND;
- Ceramic tiles, floor tiles: 100 - 150 billion VND;
- Trade and services and other business: 100-150 billion VND.

➤ Development strategy:



Vision

Continuously developing, contributing resources to national projects, becoming the leading construction investment and material production unit in Vietnam and in the region.



Mission

We not only create high quality, environmentally friendly products and services that meet all customer needs, but also bring high value to the community, contributing to creating a humane and modern life.

➤ Sustainable Development Goals:

The construction materials industry contributes to national greenhouse gas emissions from two sources. The first source is emissions from industrial processes. Specifically, emissions during the firing process, converting CaCO_3 into CO_2 . These emissions are present in all construction materials production processes that involve firing limestone and clay. Among construction materials products, stone and sand products as well as unburnt bricks do not generate this type of waste. The second source is emissions from the use of fossil fuel energy for production activities and operations. It can be seen that the two largest groups of greenhouse gas emissions in the construction industry are the production of construction materials (direct and indirect emissions) and building operations (direct emissions). Implementing the Ministry of Construction's policy on the target of reducing 74 million CO_2 emissions, FICO always has a policy of optimizing the production of construction materials, recovering waste heat from the cement production process, etc. to limit negative impacts on the living environment.

Construction Corporation No. 1 – JSC operates in the construction industry, which has a huge impact on the environment in construction activities as well as construction material production. Realizing this, FICO has a plan to minimize the impact on the environment and respond to climate change.

In 2024, the Company will always closely monitor and calculate the amount of emissions into the environment, thereby having a plan to increase the use of green building materials and improve production processes while implementing environmentally friendly construction measures and technologies.

5. Risks:

Market risks:

In 2024, many real estate businesses experienced an unprecedented difficult period, manifested by the suspension and postponement of investment activities, construction of a number of projects, and the suspension of new projects... This affected the recovery and growth of the economy, indirectly affecting many related fields and most directly the construction materials industry of the Corporation.

Interest rate risk

The mobilization interest rate situation is facing many fluctuations and challenges in the coming time. While the US Federal Reserve (Fed) has stopped raising USD interest rates to curb inflation, the State Bank of Vietnam (SBV) has reduced operating interest rates to support the economy and increase access to capital for businesses. This move has helped lending interest rates cool down sharply in the second half of the year, creating

favorable conditions for production and business activities. However, interest rate developments still have many potential fluctuations as monetary policies of many countries are tightening to combat the global inflation crisis. In this situation, FiCO will always closely monitor interest rate fluctuations in the market to adjust business plans accordingly, strictly control financial costs, and ensure stable and effective production and business activities.

Risk of late payment

In the general situation of pressure to increase interest rates, the Corporation's customers are facing difficulties in cash flow and there are many risks of late payment or even inability to pay.

Environmental risks

During project implementation, the production of construction materials and construction work inevitably have negative impacts on the surrounding environment. These activities can cause noise, air and water pollution, affecting both the community and the ecology. Therefore, FiCO always focuses on implementing construction environment management and assessing the environmental impacts of each project. From there, solutions are proposed to minimize negative impacts on the environment, including reducing noise from construction, limiting construction at night in densely populated areas, treating wastewater and ensuring hygiene in the construction area according to regulations, and using energy resources economically and reasonably.

Occupational safety risks

The construction and material production industry is a special industry, most workers have to do outdoor work, so they are greatly affected by weather factors. In addition, workers also have to work at heights, so if the occupational safety management system is not followed, occupational accidents are very likely to occur. Once serious occupational safety incidents occur, in addition to human, mental and material losses, it also seriously affects the credibility of investors and consulting companies, affecting the reputation and brand of the company.

II. PERFORMANCE IN THE YEAR**1. Production and business situation**

2024 is a year of many fluctuations causing difficulties in the production and consumption of construction materials in Vietnam. The real estate market continues to fall into a state of stagnation, mainly due to: many basic construction and public

investment projects are slow to implement or delay progress, the process of site clearance and land compensation has not yet made specific progress... These causes negatively impact many supporting industries, especially the construction and building materials industry. In addition, the fluctuating price of raw materials has put great pressure on costs and production regulation. This situation has greatly affected the production and business situation of enterprises in the field of construction materials, including Construction Materials Corporation No. 1 - JSC, the leading unit in the production and trading of construction materials in the South, especially greatly affecting the tile production units of the FiCO system.

Faced with these challenges, the Corporation has made the right directions, prepared well, and accumulated resources in advance according to the policy of "achieving business efficiency, managing risks throughout the system, and ensuring stable output product quality" of the Corporation's Board of Directors, contributing to stability, and has completed a number of important targets in the production and business plan according to the Resolution of the 2024 General Meeting of Shareholders. Specifically:

The implementation status of the main production and business plan targets is as follows:

Unit: Million VND

No	Target	Plan according to 2024 General Meeting of Shareholders Resolution	2024 Executed	Rate (%)
I	Revenue			
1	FiCO Corporation – JSC (consolidated Financial Statement)	1,644,059	1,369,179	83
2	Parent Company (separate Financial Statement)	1,849,886	1,479,428	80
II	Pre-tax Profit			
1	FiCO Corporation – JSC (consolidated Financial Statement)	76,627	94,946	124
2	Parent Company (separate Financial Statement)	63,073	72,897	116

Revenue from units in the ceramic tile manufacturing sector only reached 60.3% of the 2024 plan, leading to a decrease in revenue of the Corporation - JSC (according to the consolidated financial statements) and the Parent Company (according to the

separate financial statements) compared to the 2024 plan. Although consolidated revenue only reached 83% of the plan as mentioned above, consolidated profit and the Parent Company's profit both exceeded the 2024 plan by 27% and 16%, respectively. The main reason is that cement and mineral production companies such as FiCO Tay Ninh Cement Joint Stock Company (FiCO - YTL), Hoa An Joint Stock Company and Phuoc Hoa FiCO Joint Stock Company all had profits exceeding the plan set by the shareholders' meeting.

2. Organization and personnel

❖ List of members of the Board of Directors and Executive Board

– Board of Directors:

No.	Full name	Position	Election/appointment date
1	Do Thi Hieu	Chairman of the Board of Directors (non-operating)	22/04/2021
2	Cao Truong Thu	Member of the Board of Directors	22/04/2021
3	Nguyen Xuan Thang	Member of the Board of Directors (non-operating)	22/04/2021
4	Pham Viet Thang	Member of the Board of Directors	22/04/2021
5	Dang Minh Thua	Member of the Board of Directors (non-operating)	22/04/2021

– Board of Directors and other management personnel:

No.	Full name	Position	Appointment date	Share ownership ratio	Resume summary
1	Cao Truong Thu	General Director	15/05/2021	0	Date of birth: 17/09/1983 Place of birth: Hai Phong City Qualification: Master of Economics
2	Pham Viet	Deputy	01/05/2021	0	Date of birth:

	Thang	General Manager			12/04/1978 Place of birth: Thanh Hoa Province Qualification: Master of Economics
3	Nguyen Xuan Hung	Chief accountant	01/11/2023	0	Date of birth: 01/06/1983 Place of birth: Ho Chi Minh City Qualification: Master of Economics
4	Pham Thi My Van	Former Corporate governance officer	03/01/2023	0	Date of birth: 06/05/1983 Place of birth: Tien Giang Province Qualification: Master of Law
5	Nguyen Le Dung	Corporate governance officer	02/05/2025	0	Date of birth: 08/06/1993 Place of birth: Dak Nong Province Qualification: Master of Economic Law

In 2024, change the person in charge of corporate governance from Ms. Pham Thi My Van to Ms. Nguyen Le Dung from May 2, 2024.

❖ **Human resources situation of the Corporation:**

No.	CONTENT	TYPE OF LABOR CONTRACT					
		Indefinite term contract		Fixed term contract		Seasonal contract	
I	Total number of employees	Total	Male	Total	Male	Total	Male
	- 18 - 30 years old	1	0	2	0		
	- 31 - 45 years old	27	20	11	5		
	- 46 - 55 years old	23	15	3	1		
	- 56 - 60 years old	2	2	1	0		
	- Over 60 years old				1		
II	Number of workers, managers and civil servants divided by highest level of training	Total		Male		Female	
1	Postgraduate	15		10		5	

2	University (and equivalent)	39	21	18
3	College (and equivalent)	4	1	3
4	Intermediate professional education	12	12	
5	Vocational training			
6	Untrained	1		1
III	Trained profession (including workers and managers)			
1	Build	3		
2	Architecture (Planning, design)			
3	Urban engineer (water supply, drainage, electrical engineering, refrigeration ...)	1		
4	Construction economics			
5	Transportation (Bridges, roads, traffic engineering)			
6	Irrigation (Hydraulic, irrigation)	1		
8	Mechanical	1		
9	Geodesy	2		
10	Material	1		
11	Other professions	60		

Average number of employees in 2024: 69 people

Average salary: 22,163,931 VND/person-month.

➤ Employee policy:

- Recruitment policy: The company builds a recruitment policy according to the roadmap, to ensure finding candidates with the capacity and qualifications suitable for the job requirements and at the same time suitable for the company's development strategy. The company uses many media and partners to attract external candidates, including job introduction centers, job exchanges, recruitment notices at universities and colleges. At the same time, the company also recruits internally to take advantage of the talents and experience of current employees.
- Training: FiCO considers human resources as the key factor to achieve sustainable development in the company. Therefore, the Company always encourages employees to improve their skills and spirit of continuous learning, along with cultivating soft skills to support their work. In addition, the Company also establishes reward policies and encourages employees to contribute ideas to the company's production and management activities. From there, FiCO builds

long-term relationships with employees, retains talents and has had few major changes in personnel over the years.

- Salary and welfare policy: FiCO is committed to strictly complying with the provisions of the Labor Law, the Law on Social Insurance and Health Insurance, including regimes such as vacation, sick leave, holidays, and maternity leave. In order to create better policies for staff and attract talent, retain and motivate employees, FiCO has applied the 3P salary model in the payment of salaries and benefits. This is a salary system built to pay salaries according to the position, capacity and work efficiency of employees to create fairness, encourage and motivate each employee to maximize their ability at work, contributing to the development of FiCO. At the same time, the Company has also established a clear career path for employees to create motivation and long-term commitment. In addition, the Company applies measures and regulations to punish employees whose behavior negatively affects the Company's operations and reputation.
- Working environment: To ensure that employees maximize their professional capacity, productivity and creativity, FiCO is committed to building a dynamic, safe and fair working environment. The company ensures to provide adequate protective equipment and comply with labor safety standards and regulations, creating conditions for each employee to feel that they are a part of the company. FiCO always strives to create the best working environment so that employees can develop and contribute to the company's success.

3. Investment situation, project implementation situation

a) Big investments:

- Investment projects of the Corporation:
 - In 2024, the Corporation continued to work with competent authorities and completed nearly 90% of the procedures for converting mining licenses for Thuy Trieu White Sand Mine, Cam Hai Dong, Cam Lam, Khanh Hoa. Continue to implement the settlement of costs incurred in the investment research for the 70-Ha Cam Duc white sand mine, Cam Lam, Khanh Hoa.
 - Implement compensation and site clearance in the area with an elevation of +160m of Ong Trinh Mountain construction stone quarry, Phu My city, Ba Ria - Vung Tau province, including dispute settlement for households in the area leased by the State to Phuoc Hoa FiCO Joint Stock Company in accordance with the resolution of the Board of Directors of the Corporation.

- Organize inspection, review and monitoring, finalize investment costs of projects, in-depth investment and major repairs at factories, evaluate quality and conformity of products at units such as Southeast Asia Factory.
- Continue to complete the legal adjustment procedures and re-evaluate the effectiveness and ability to complete the legal procedure change to continue implementing the investment project of Silica Powder Grinding with a capacity of 55,000 tons/year in Cam Lam, Khanh Hoa and implement the recovery of a part of the investment deposit of this project at the Department of Finance of Khanh Hoa province (valued at 8.7 billion VND) according to the provisions of the Investment Law.
- Continue to invest in repairing and rearranging working positions at the Corporation's office and organize the leasing of surplus or unused areas to maximize the space and optimize the cost of using office areas managed and operated by the Corporation such as the 15th floor of Sailing Tower building at 111A Pasteur, District 1; Building 9-19 Ho Tung Mau (4th floor) and the office at Bien Hoa Warehouse - Bien Hoa 2 Industrial Park. Sign contracts to re-lease warehouses and unused premises with partners, and carry out necessary investment procedures for customers.
- Continue to review the management and use of the Corporation's assets (commercial floors in apartment buildings and offices owned by the Corporation) to report to the State capital representative group; Develop and implement effective use plans, organize the liquidation of unnecessary assets such as machinery, equipment, tools, etc.
- Coordinate with relevant agencies to resolve problems in land valuation according to the equitization dossier of the Corporation related to the residential area project 2/34 Phan Huy Ich, Ward 15, Tan Binh District at the People's Committee of Ho Chi Minh City to be able to implement procedures to request an extension of the decision approving the investment policy and the investor for the project. Implement investment to complete the project management board's office building to serve as a basis for implementing the extension of project implementation and land adjustment procedures (investment cost of about more than 2 billion VND).

b) Subsidiaries, affiliates:

- **Subsidiaries and affiliates in the field of manufacturing ceramic tiles and decorative materials**

The total production output of the Corporation in 2024 reached nearly 6 million m², down 32% compared to the same period in 2023, equivalent to about 50% of the existing capacity. Consumption output reached nearly 6.65 million m². Total brick inventory was nearly 3.72 million m² (inventory value of about 307 billion VND), compared to the same period in 2023, down nearly 900 thousand m² (equivalent to more than 70 billion VND). Total revenue of the whole block reached 1,253 billion VND, equivalent to 60.3% of the 2024 plan and the efficiency of production and business activities did not meet the set requirements.

Some main causes of impact: In the general context of the continuing difficulties of the construction materials market, the domestic production of ceramic tiles in 2024 continues to decrease, reaching only about 450 million m², equivalent to only about 50% of the design capacity of the entire industry. The consumption output of ceramic tiles is estimated at about 400 million m², equivalent to about 89% of the production output for the whole year of 2024 (excluding unsold inventory). This is also the reason why the tile manufacturing sector at the Corporation has not grown for the second consecutive year, the inventory has increased due to slow consumption, leading to factories having to stop or interrupt production of some production lines to clear inventory such as at Thanh Thanh ceramic tile factory, Southeast Asia tile factory (FiCO Tile) and Vitaly factory for many months. The total production output in 2024 at the 3 factories only reached 54% of the planned output, the actual consumption of the 3 brands Thanh Thanh, Vitaly, FiCO Tile only reached 59% of the planned output.

➤ **Subsidiaries and affiliates in the field of mineral exploitation and processing**

– **Exploitation and processing of construction stone**

The results of construction stone mining and processing in 2024 at Ong Trinh Mountain quarry - Ba Ria Vung Tau province of Phuoc Hoa FiCO Joint Stock Company are quite good with revenue of 247 billion VND, exceeding 7% of the 2024 plan. Correspondingly, pre-tax profit reached 29.1 billion VND, an increase of 33% compared to the 2024 plan, with the total output of all kinds of stone mining reaching approximately 3.3 million tons, and the output of consumption reaching more than 3 million tons.

Particularly for the Tan Cang, Thanh Phu and Nui Gio mines of Hoa An Joint Stock Company (an affiliated unit of the Corporation), 2024 is the third consecutive year of high operating efficiency with the amount of stone produced and consumed reaching nearly 1.7 million m³, revenue reaching nearly 293 billion VND, exceeding 14% of the

2024 plan. Profit reached more than 67 billion VND, exceeding 40% of the 2024 profit plan because this is a unit with the advantage of good stone quality, reputable brand and products available to serve key projects.

– **Exploitation and processing of white sand.**

The output of white sand mining and processing in 2024 decreased compared to 2023 at the Thuy Trieu Silica white sand mine, Cam Ranh, Khanh Hoa because Cam Ranh FiCO Sand Company Limited had to temporarily stop mining from August 2024 because it could not complete the procedures for renewing the mining license. The output in the year only reached nearly 361 thousand tons of raw sand. The total output consumed for the whole year reached 361 thousand tons of washed white sand, nearly 80% compared to the implementation in 2023.

Revenue only reached 193 billion VND, equal to 73% of the 2024 plan, pre-tax profit reached 13.5 billion VND, reaching 69% of the 2024 plan, bringing the total profit from Silica white sand products of the whole Corporation to 26 billion, equal to 62% compared to 2023.

– **Other fields (cement production, concrete, construction mechanics...)**

In 2024, the Corporation will continue to strengthen its role and responsibility for its representatives; maintain high efficiency in key areas at units with large capital contributions from the Corporation such as FiCO Tay Ninh Cement Joint Stock Company, FiCO PanU Concrete Joint Stock Company, Tan Dinh Construction Mechanical Joint Stock Company... According to the assessment, in 2024, units with capital invested in this field will have stable production and business results and promote the efficiency of investment capital from the Corporation.

4. Financial situation

a) Financial situation

Indicators	2023	2024	% increase/ decrease
Total asset value	2.735.554.697.424	2.730.966.375.164	(0,17%)
Net revenue	1.325.411.378.386	1.369.179.208.330	3,3%
Operating profit	75.783.036.264	98.347.065.737	29,8%
Other profit	(1.608.537.387)	(3.400.876.146)	(111,4%)

Pre-tax profit	74.174.498.877	94.946.189.591	28%
Net profit	55.608.658.715	82.518.090.842	48,39%
Dividend payout ratio	440	657	58%

b) Key financial indicators:

Indicators	2023	2024	Notes
<i>1. Liquidity Ratios</i>			
+ Current Ratio Current Assets/Current Liabilities	1,22	1,25	
+ Quick Ratio <u>Current Assets - Inventories</u> Short-term liabilities	0,56	0,68	
<i>2. Capital structure indicators</i>			
+ Debt/Total assets ratio	0,42	0,43	
+ Debt/Equity ratio	0,72	0,76	
<i>3. Activity Ratios</i>			
+ Inventory Turnover Cost of Goods Sold / Average Inventory	1,56	1,85	
Net Revenue/Total Assets	0,48	0,50	
<i>4. Profitability Indicators</i>			
+ Net Profit Margin	0,04	0,06	
+ Return on Equity	0,03	0,05	
+ Return on Assets	0,02	0,03	
+ Operating Profit Margin	0,06	0,07	

5. Shareholder Structure, Changes in Shareholder Investment Capital**a) Shares:**

- Stock name: Shares of FiCO Corporation – JSC
- Stock code: **FIC**
- Type of stock: Common Stock
- Mệnh giá: 10,000 VND per share
- Total number of registered shares: 127,000,000 shares (*One hundred twenty-seven million shares*).
- Total registered share value: 1,270,000,000,000 VND (*One thousand two hundred seventy billion VND*).

- Number of freely transferable shares: 126,943,000 shares *(According to the shareholder list as of March 21, 2025).*
- Number of restricted shares: 57,700 shares *(According to the shareholder list as of March 21, 2025).*

b) Shareholder Structure *(According to the shareholder list as of March 21, 2025):*

Object	Number of shares	Ownership ratio
Major shareholder	120.966.511	95,25%
Minor shareholder	6.033.489	4,75%
Institutional shareholder	101.705.100	80,08%
Individual shareholder	25.294.900	19,92%
Domestic shareholder	126.994.000	99,995%
Foreign shareholder	6.000	0,005%
State shareholder	50.900.100	40,08%
Other shareholders	76.099.900	59,92%
Maximum foreign ownership ratio: 49%		

c) Situation of changes in owner's investment capital:

Based on Decision No. 1874/QĐ-TTĐ dated November 3, 2015, by the Prime Minister approving the equitization plan of the parent company – FICO Corporation under the Ministry of Construction, FICO Corporation has conducted the initial public offering (IPO) of 25,006,300 shares on August 19, 2016, with an average successful bid price of 10,502 VND per share

On September 28, 2016, with the approval of the Ministry of Construction, the FICO Equitization Steering Committee successfully held the first General Meeting of Shareholders. From October 1, 2016, FICO Corporation officially transitioned into a joint-stock company named FICO Corporation – JSC (FICO), with a charter capital of VND 1,270,000,000,000 (as per Business Registration Certificate No. 0300402493 issued by the Department of Planning and Investment of Ho Chi Minh City on June 29, 2010, and amended for the 6th time on October 1, 2016).

The Corporation was granted the Securities Registration Certificate No. 43/2018/GCNCP-VSD on June 13, 2018, with the registered number of 127,000,000 shares.

d) Treasury stock transactions: None.

e) Other securities: None.

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

6.1. Environmental impact:

The building materials industry contributes to national greenhouse gas emissions from two sources. The first source is emissions from industrial processes. Specifically, emissions occur during the calcination process, where CaCO_3 is converted into CO_2 . This type of emission is present in all building material production processes that involve heating limestone and clay. Among construction materials, products such as stone, sand, and non-fired bricks do not generate this type of waste. The second source of emissions is from the energy usage process, which involves fossil fuels used for production activities. It can be observed that the two largest sources of greenhouse gas emissions in the construction industry are building material production (both direct and indirect emissions) and building operations (direct emissions). In line with the Ministry of Construction's policy to reduce emissions by 74 million tons of CO_2 , FiCO has always implemented policies to optimize building material production activities, recover waste heat from cement production, and take other measures to limit negative impacts on the environment.

6.2. Resource Material Management:

The supply of raw materials is a crucial factor for the company's revenue and profits throughout the year. However, fluctuations in the prices of input materials can pose significant risks. Therefore, to ensure continuous production and construction operations while minimizing raw material costs, FiCO always plans for material supply and calculates appropriate inventory reserve strategies.

6.3. Energy consumption:

Energy consumption is a critical aspect of operations, especially in industries like construction materials, where energy-intensive processes are common. Efficient energy use not only contributes to cost savings but also plays a significant role in reducing environmental impact.

FiCO, as part of its environmental responsibility and operational efficiency,

focuses on optimizing its energy consumption throughout its production processes. The company monitors energy usage closely, implements energy-saving technologies, and seeks to transition to more sustainable energy sources when possible. This ensures that the company maintains a balance between productivity and environmental sustainability.

In addition, FiCO is actively engaged in efforts to reduce energy waste and improve overall energy efficiency across its facilities, which aligns with both environmental regulations and global sustainability goals.

6.4. Water consumption:

FiCO recognizes the importance of using water efficiently to protect this valuable resource and the environment. The company closely monitors water consumption and uses water-saving devices such as slow-flow faucets and self-closing wash taps. Additionally, FiCO has implemented regulations for water usage and wastewater treatment to minimize water waste and protect the environment. Regular checks on water usage are carried out to ensure prompt solutions when consumption exceeds the set limits. FiCO also frequently reminds employees to use water wisely and efficiently, ensuring that wastewater is not directly discharged into the environment but is properly treated according to regulations.

6.5. Compliance with environmental protection laws:

Urbanization is rapidly developing, and the prospects for the construction industry are gradually improving as many countries reopen their markets. The Construction Corporation No. 1 – JSC (FiCO) operates in the construction industry, which has a significant impact on the environment, both during the construction of projects and in the production of building materials. Aware of this, FiCO has plans to minimize environmental impacts and respond to climate change.

In 2024, the company will closely monitor and track the amount of emissions released into the environment, and from there, enhance the use of green building materials and improve production processes, while implementing environmentally friendly construction methods and technologies.

In 2024, FiCO has not been penalized for violations of environmental laws and regulations.

6.6. Policies related to employees:

- a) Average number of employees in 2024: 69 people

Average salary: 22,163,931 VND/person/month.

b) Policies to ensure health, safety, and welfare:

Compliance with and full implementation of welfare, insurance, and working hours regulations for employees as required by law is always prioritized by FICO. The company focuses on improving both the material and spiritual quality of life for its employees, creating an open working environment and fostering strong relationships between colleagues with several policies as follows:

- **Salary payment:** Salaries are determined based on the responsibilities of each job position, individual abilities, and the results of each employee's and department's performance (KPIs). Salary payment is linked to the position and work efficiency, which motivates employees and enhances productivity.
- **Reward policies:** Employees receive a 13th-month salary, performance-based bonuses, and rewards for contributions to the company's business results. In addition, the company also provides bonuses for holidays and festivals (New Year, Lunar New Year, April 30th, May 1st, etc.).
- **Allowances:** Employees receive allowances, including lunch allowance, phone allowance, business trip allowance, etc.
- **Career growth opportunities:** Employees have the opportunity to demonstrate their capabilities for promotions, appointments, and performance-based rewards.
- **Insurance benefits:** Employees are entitled to insurance policies as per regulations, ensuring their rights for retirement, illness, maternity leave, and annual health check-ups.
- **Welfare benefits:** Employees enjoy welfare benefits such as travel, vacation, allowances for family or personal illness, and for weddings or funerals.

6.7. Report on Responsibility towards the Local Community

The Corporation always emphasizes social work as part of its strategy, viewing it as a responsibility towards the community, contributing to the long-term and sustainable development of society.

At FiCO, we always demonstrate our responsibility to the community through activities such as sponsoring those in difficult circumstances, minimizing the impact of natural disasters, and organizing cultural and artistic activities to preserve and promote Vietnam's national identity.

FiCO has been actively involved in supporting people in disaster-stricken regions, floods, and storms by establishing educational funds, contributing to the construction of schools, and raising funds for the poor in localities facing difficult conditions, especially in remote and isolated areas. FiCO also offers support to staff members in difficult circumstances.

Additionally, FiCO always prioritizes safety and environmental protection, creating a safe working environment that does not harm the health and lives of employees, partners, and customers during the production and distribution of clean water. These activities reflect FiCO's clear commitment to social responsibility and are concrete efforts to protect the environment and ensure the health and safety of the community.

6.8. Report on Green Capital Market Activities According to the Guidelines of the State Securities Commission (SSC)

Currently, the company does not have any green capital market activities. However, FICO is closely monitoring information related to this activity and will actively participate when specific guidelines are provided by the State Securities Commission.

III. BOARD OF DIRECTORS' REPORT AND ASSESSMENT

1. Assessment of Business Production Results

2024 has been a year full of fluctuations that posed challenges in the production and consumption of construction materials in Vietnam. The real estate market continues to be in a state of stagnation, primarily due to the following reasons: many infrastructure construction projects and public investment projects have been delayed or postponed, the land clearance and compensation processes have not seen significant progress... These factors have had a negative impact on many supporting industries, particularly the construction and building materials sectors. Additionally, the increase in raw material prices has put significant pressure on costs and production adjustments. This situation has greatly affected the business operations of companies in the building materials sector, including the leading producer and supplier of construction materials in the South, FICO, particularly its tile manufacturing units within the FiCO system.

Facing these challenges, the Corporation has adopted the right direction and has proactively prepared and accumulated resources in advance under the policy of "achieving business effectiveness, managing risks throughout the system, and ensuring stable product quality output," as directed by the Corporation's management team. These efforts have contributed to stability and have allowed the company to complete several key performance indicators in line with the production and business plan outlined in the

2024 General Assembly resolution. Specifically:

Results of Operations and Key Financial Indicators for 2024 (Audited by CPA Vietnam Auditing Company Ltd.);

Unit: Million VND

No	Target	Plan according to 2024 General Meeting of Shareholders Resolution	2024 Executed	Rate (%)
I	Revenue			
1	FiCO Corporation – JSC (consolidated Financial Statement)	1,644,059	1,369,179	83
2	Parent Company (separate Financial Statement)	1,849,886	1,479,428	80
II	Pre-tax Profit			
1	FiCO Corporation – JSC (consolidated Financial Statement)	76,627	94,946	124
2	Parent Company (separate Financial Statement)	63,073	72,897	116

Revenue from tile manufacturing units only reached 60.3% of the 2024 plan, leading to a decrease in total revenue of the parent company (according to the consolidated financial statements) and the parent company (according to the separate financial statements) compared to the 2024 plan.

Although consolidated revenue only achieved 83% of the plan, as mentioned above, consolidated profit and the parent company's profit exceeded the 2024 plan, reaching 27% and 16%, respectively. The main reason is that cement and mining companies, such as FiCO Tay Ninh Cement Joint Stock Company (FiCO - YTL), Hoa An Joint Stock Company, and Phuoc Hoa FiCO Joint Stock Company, all achieved profits that exceeded the targets set by the general meeting of shareholders.

2. Financial Situation

a. Tình hình tài sản:

As of December 31, 2024, the total assets of the Parent Company (according to the separate financial statements) amounted to VND 2,281.6 billion, an increase of VND 78.6 billion compared to the beginning of the year. The main reason for this growth is that the company applied a financial strategy by increasing short-term savings deposits (since the interest rate on fixed deposits was higher than the short-term bank loan interest

rate), which resulted in financial profit. Additionally, accounts receivable from customers decreased compared to the beginning of the year.

As of December 31, 2024, short-term receivables totaled VND 558.7 billion (the balance on January 1, 2024, was VND 583.2 billion), a decrease of more than VND 24.4 billion, or a 4.2% reduction compared to the beginning of 2024. Specifically:

The short-term receivables from customers as of December 31, 2024, amounted to VND 400.8 billion, a decrease of VND 46.9 billion compared to the beginning of 2024, mainly due to a reduction in revenue and accounts receivable from the sale of materials such as stone, white sand, and supply of materials (SCM).

Among the total short-term receivables of VND 558.7 billion, there were overdue receivables amounting to VND 138.9 billion (mainly related to old outstanding debts at the Parent Company). By the end of 2024, full provisions had been made for these overdue receivables.

In 2024, the Parent Company managed to recover some of its overdue receivables, including VND 1.2 billion from overdue debts owed by partners; VND 2.38 billion from overdue debts owed by Thành Phát Construction and Inspection Consulting Joint Stock Company; VND 272 million from Trung Thành Phát Steel Co., Ltd., collected through the enforcement agency; and approximately VND 450 million from other overdue debts recovered with the support of its subsidiary units.

b. Liabilities situation

The accounts payable to suppliers as of December 31, 2024, is 67.2 billion VND (according to the consolidated financial statements for 2024). This is an amount temporarily held by the company from suppliers. In 2024, all payables due were paid on time, with no overdue debts.

In 2024, the company did not incur any overdue liabilities, and all debts were paid in accordance with regulations.

3. Improvements in Organizational Structure, Policies, and Management

In 2024, FICO faced many challenges and significant fluctuations. The Executive Board (EB) focused on developing a high-quality human resource base, aligning compensation policies with the vision appropriate for each stage: short-term, medium-term, and long-term.

Additionally, the EB carefully considered salary, bonus, and welfare policies to maintain competitiveness, attract talent, build relationships with the current workforce,

and improve work efficiency. The EB also reviewed current processes to enhance control, identify and prevent potential risks, while ensuring system effectiveness and applying advanced technology to the company's management and oversight systems.

In summary, the EB concentrated on developing human resources, improving personnel policies, and streamlining process management to overcome the significant challenges and fluctuations in 2024. The specific organizational, policy, and management improvements made by FICO in 2024 include:

- Despite facing numerous challenges, FICO ensured job stability and income for its employees.
- Focused on enhancing training efforts to improve employees' professional knowledge, skills, and expertise.
- Adjusted the organizational structure, appointed and assigned personnel in line with FICO's development needs.
- Established and implemented clear regulations to assign duties and responsibilities for each unit and other provisions to improve management efficiency.

4. Future Development Plan

4.1. Key Targets of the Business Plan for 2025

Unit: million VND

No.	Indicator	Plan 2024	Implementation 2024	Plan 2025	Rate
1	Consolidated revenue	1.644.059	1.369.179	1.191.133	86,9%
2	Separate revenue	1.849.886	1.479.428	1.411.662	95,4%
3	Consolidated profit before tax	76.627	94.946	75.846	79,9%
4	Separate Profit Before Tax	63.073	72.897	59.638	82,0%

4.2. Factors affecting the business production plan for 2025

According to the registered business production plan for 2025, revenue and profit are expected to decrease compared to the actual results of 2024 due to the following main reasons:

- **Licensing procedures for the Thuy Trieu white sand mine:** According to the report from Cam Ranh FiCO Sand Co., Ltd., due to delays in obtaining a new mining license, land usage plan registration, land reclamation, compensation for site clearance, and land lease procedures, sand mining at the mine can only begin at the earliest in the second quarter of 2026 (mining has been temporarily suspended since August 2024).

Therefore, the planned production and consumption of sand in 2025 will only reach 155,000 tons (using up the remaining stock of raw sand and large grain sand from 2024). As a result, the company's projected revenue and profit for 2025 are expected to be only 37.5% and 32.5%, respectively, compared to the actual results of 2024.

- **Legal procedures for the land at Ong Trinh Mountain Quarry - Phuoc Hoa FICO Joint Stock Company:** Similarly to the Thuy Trieu white sand mine, the procedures for adjusting investment policies, land usage planning, land reclamation, and land leasing at the Ong Trinh Mountain Quarry are delayed compared to the original plan. As a result, the mining and consumption volume in 2025 is expected to be only 50% of the production in 2024. In addition, the company must set aside funds for compensation related to site clearance for affected households, so Phuoc Hoa's revenue and profit in 2025 are expected to be only 71.1% and 32.5%, respectively, compared to the actual results of 2024.
- **Decline in trade business production and efficiency:** Due to the impacts of the mining production plan in 2025 for the mining units, the trade business results, particularly in construction stone and silica sand, are expected to decrease by 27% compared to the 2024 actual results.
- **Ceramic tile production:** For 2025, the market for ceramic tiles and decorative materials is expected to remain unfavorable compared to 2024. For example, at Vitaly Joint Stock Company (a subsidiary of the group), revenue has gradually decreased over the years, with 2024 revenue reaching only 91.7 billion VND, a 35% drop compared to 2023 revenue. This is expected to impact the company's business plan targets for 2025.

4.3. Dividend payout ratio for 2025

Based on the business production results and cash flow balance of the Group, the Board of Directors will propose the dividend payout plan for 2025 at the 2026 Annual General Meeting of Shareholders. The expected dividend payout for 2025 is 5%.

4.4. Some solutions for implementation in 2025

a) Regarding the management and operation activities of the Parent Company

- **Cost Management and Investment Capital Arrangement:** The Company will manage operational costs with a focus on efficiency and savings. It will also effectively arrange investment capital to focus resources on the development strategy for the 2025-2030 period, in line with the Government's development direction in the mineral and building materials production sectors.

- **Credit Operations and Cash Flow Balance:** Ensure proper credit operations and balance cash flows to prevent any financial imbalance within the Company. Enhance the use of cash flows to contribute to the effectiveness of the Company's business activities. The Company will renew its credit limits for 2025 with banks such as BIDV, Vietcombank, VIB, and VPBank, and intends to establish new credit relationships with other banks like Vietinbank and MB.
- **Management Accounting and Financial Control:** Carry out good management accounting practices, control the general cash flow, and enhance internal controls and operational efficiency within the Company and its subsidiaries. The Company will conduct asset and inventory checks and finalize year-end data in accordance with regulations.

b) For the subsidiaries

- **Ceramic Tile Sector:** Ensure stable and effective operations for Thanh Thanh Ceramic Tile Joint Stock Company, while developing and implementing a restructuring plan for Vitally Joint Stock Company; ensure stable production, revenue, and cash flow for Southeast Asia Ceramic Tile Joint Stock Company.
- **Mineral Sector:** Continue implementing production management solutions and ensuring safe and efficient mining operations. Expand the consumption market to ensure growth and effectiveness. Strive to complete legal procedures regarding land use at the Ong Trinh Mountain Quarry – Phuoc Hoa FiCO Joint Stock Company, and complete legal procedures for the 70Ha White Sand Quarry in Thuy Trieu, Cam Ranh, Khanh Hoa at Cam Ranh FiCO Single Member Limited Liability Company.

c) Joint Ventures and Affiliates

- Collaborate and support to ensure the effectiveness and profitability of the Group in key subsidiaries where FiCO holds significant investments, such as FiCO Tay Ninh Cement Joint Stock Company and Hoa An Joint Stock Company.
- Review, amend, and 完善 the FiCO Representative Regulation to enhance interaction and drive better overall performance within FiCO's member companies.

d) Development Investment Work

- Seek investment cooperation solutions to complete the investment project of the Silica Powder Processing Plant with a capacity of 55,000 tons/year at Cam Ranh

FiCO Mining One Member Limited Liability Company; finalize legal procedures related to land issues during the privatization process to restart the residential project 2/34 Phan Huy Ich, Ward 15, Tan Binh District, Ho Chi Minh City; continue to implement and complete ongoing investment projects from 2024, and organize cost settlements according to regulations.

- Prepare the 2025-2030 development investment program that aligns with FiCO's development strategy, focusing on the core area of construction materials, to be presented at the annual general meeting in 2026.

e) Capital settlement and state capital divestment work

Coordinate with the Steering Committee for Equitization of the Ministry of Construction, the State Capital Investment and Business Corporation (SCIC), and relevant authorities to complete the capital settlement procedures for the transfer of capital to the joint-stock company and implement the divestment of state capital in the Corporation in accordance with the Prime Minister's Decision.

5. Explanation from the Board of Directors regarding the audit opinion (if any):
None

6. Environmental and Social Responsibility Report Evaluation

a. Evaluation of Environmental Indicators (Water Consumption, Energy, Emissions, etc.)

- In 2024, the Group did not encounter any incidents that negatively impacted environmental indicators.
- The consumption of electricity, water, fuel energy, and emissions were all strictly monitored and optimized. Through various programs aimed at optimizing raw materials that impact the environment, the Group has been continuously improving efficiency and striving towards more environmentally friendly operations.

b. Evaluation Related to Labor Issues

i. Average Number of Employees in 2024: 69 employees

Average Salary: 22,163,931 VND/person/month

ii. Policies to Ensure Health, Safety, and Welfare:

- Overtime: Implemented in accordance with the Labor Code, ensuring a balance between the company's interests and the health of employees.

- Annual Health Check-ups: Organized comprehensive health check-ups for all employees.
- Health Insurance: Purchased an annual health insurance package for employees.
- Occupational Safety: Organized safety training and fire prevention training sessions for employees as per the Ministry of Labor, Invalids, and Social Affairs' regulations.
- Annual Travel and Benefits: Organized annual travel programs and provided uniforms and other benefits for all employees.

c. Assessment of the company's responsibility towards the local community

The Corporation always actively participates and is highly aware of its responsibilities towards the community. Every year, the Corporation and its subsidiaries effectively contribute to the local economy and society through their business activities, improving the working environment, creating more jobs for the local area, and supporting social activities in the region.

IV. BOARD OF DIRECTORS' EVALUATION OF THE COMPANY'S ACTIVITIES

1. Evaluation of the Board of Directors on the Company's Operations:

1.1. Regarding the restructuring of the management system:

- The corporation has restructured the organizational model and operations of its headquarters. It has undertaken the process of streamlining, defining personnel requirements, and issuing the roles and responsibilities for each department.
- The corporation has implemented a centralized management model for its member units to unify the management system, governance, and enhance the efficiency of resource utilization (financial, human, etc.):
 - + For subsidiaries and member units under the corporation's control: A centralized management model is applied at the corporation level.
 - + For joint ventures, affiliates, and other financial investments: A management model through the corporation's representatives is applied at the member units.
 - + The centralized governance mechanism is implemented synchronously across five main areas: Finance, Human Resources, Production, Business, and Investment.
- The corporation has issued a system of management report templates applicable to all its member units to facilitate the implementation of the centralized

management model.

- The corporation has strengthened the representatives of FiCO's capital in its member units to meet the requirements of implementing the new management model.

1.2. Regarding the planning work:

- The company has assigned production and business plan targets to its subsidiary units. This includes setting targets for production costs, product pricing, sales prices, etc.
- The company also regularly reviews the plan targets, assesses their feasibility, and makes adjustments to align with the actual production capacity and market conditions; as well as evaluates the progress of plan implementation by the subsidiary units.

1.3. Investment and Development Activities and M&A:

In 2024, the parent company continued to work with relevant authorities and successfully completed nearly 90% of the procedures for transferring the mining license for the Thuy Trieu white sand mine in Cam Hai Dong, Cam Lam, Khanh Hoa. The company also continued to implement the final settlement of costs for the research and investment project of the 70Ha Cam Duc white sand mine in Cam Lam, Khanh Hoa.

The company proceeded with compensation and land clearance at the high elevation area (+160m) of the Nui Ong Trinh construction stone mine in Phu My city, Ba Ria - Vung Tau province, including handling disputes with households within the area leased to Phuoc Hoa FiCO JSC as per the resolution of the parent company's Board of Directors.

The company conducted checks, reviews, and cost finalization for investment projects, in-depth investments, and major repairs at factories, assessing the quality and compliance of products at units like the Dong Nam A factory.

The company also continued to complete the legal procedures for adjustments and re-evaluated the effectiveness and the ability to complete the legal document updates to proceed with the investment project of silica powder grinding with a capacity of 55,000 tons/year in Cam Lam, Khanh Hoa. This also included the recovery of part of the investment deposit (8.7 billion VND) from the Khánh Hòa Department of Finance, as per the Investment Law.

The company continued to invest in repairs and reorganization of workstations at the parent company office and arranged for the leasing of unused areas to maximize office

space efficiency and optimize costs at office buildings managed by the parent company, such as the 15th floor of the Sailing Tower Building at 111A Pasteur, District 1; the 9-19 Ho Tung Mau Building (4th floor); and the office at the Bien Hoa Warehouse in Bien Hoa 2 Industrial Park. Contracts were signed for the lease of unused warehouses and spaces with partners, and necessary investment procedures for customers were implemented.

Furthermore, the company continued to review the management and use of assets owned by the parent company (commercial floors at residential buildings, offices) and reported to the state capital representative. It also developed and implemented plans for efficient use and liquidation of unnecessary assets, such as machinery, equipment, and tools.

The company coordinated with relevant authorities to resolve issues in land valuation related to the parent company's privatization process, specifically for the residential project at 2/34 Phan Huy Ich, Ward 15, Tan Binh District, Ho Chi Minh City. This would allow for the completion of procedures for extending the investment approval and developer status for the project. Additionally, the company invested in completing the project management office building as a basis for extending the project's execution and adjusting the land procedures (investment costs amounted to more than 2 billion VND).

1.4. Regarding Human Resources Work

During the period, there were several changes related to human resources. The key personnel changes include:

- On May 2, 2024: Ms. Nguyen Le Dung was appointed as the Corporate Governance Officer, replacing Ms. Pham Thi My Van.

1.5. Regarding Shareholder Relations and Information Disclosure

- + The Corporation always complies with information disclosure regulations for public companies as required by law.
- + Ensuring full, timely, and transparent provision of information related to business operations, financial status, and other important matters to shareholders and investors.
- + Maintaining good relationships with shareholders, regularly receiving and responding to their opinions and inquiries to enhance transparency and efficiency in corporate governance.

- + Successfully organizing the 2024 Annual General Meeting of Shareholders, ensuring that the organization and meeting content meet shareholders' expectations and comply with regulations.

1.6. Regarding the Assessment of Environmental and Social Responsibilities

a. Evaluation of Environmental Indicators (Water Consumption, Energy, Emissions, etc.)

- In 2024, the Group did not encounter any incidents that negatively impacted environmental indicators.
- The consumption of electricity, water, fuel energy, and emissions were all strictly monitored and optimized. Through various programs aimed at optimizing raw materials that impact the environment, the Group has been continuously improving efficiency and striving towards more environmentally friendly operations.

b. Evaluation Related to Labor Issues

i. Average Number of Employees in 2024: 69 employees

Average Salary: 22,163,931 VND/person/month

ii. Policies to Ensure Health, Safety, and Welfare:

- Overtime: Implemented in accordance with the Labor Code, ensuring a balance between the company's interests and the health of employees.
- Annual Health Check-ups: Organized comprehensive health check-ups for all employees.
- Health Insurance: Purchased an annual health insurance package for employees.
- Occupational Safety: Organized safety training and fire prevention training sessions for employees as per the Ministry of Labor, Invalids, and Social Affairs' regulations.
- Annual Travel and Benefits: Organized annual travel programs and provided uniforms and other benefits for all employees.

c. Assessment of the company's responsibility towards the local community

The Corporation always actively participates and is highly aware of its responsibilities towards the community. Every year, the Corporation and its subsidiaries effectively contribute to the local economy and society through their business activities,

improving the working environment, creating more jobs for the local area, and supporting social activities in the region.

2. Assessment of the Board of Directors on the Activities of the Executive Board:

Although the construction materials market faced numerous challenges in 2024, the Executive Board demonstrated a high level of responsibility, implementing flexible and timely solutions in compliance with regulations, policies, and state laws. As a result, the company successfully achieved its business performance targets, fulfilled tax obligations, and ensured employee benefits as outlined in the Executive Board's report.

3. Plans and Orientations of the Board of Directors:

- **Enhance the Leading Role of the Corporation:** Strengthen the role of the Corporation in product distribution, cost management, and product quality control at the manufacturing units. Research and implement unified management programs and a robust internal control system from the Parent Company to its subsidiaries. Ensure proper information control, monitor operational processes, and apply information technology more extensively in management at the office and relevant departments, aiming for optimal efficiency in business operations and timely risk evaluation for quick decision-making.
- **Enhance the Evaluation of Capital Representatives:** Strengthen the review of capital representatives' effectiveness at various units, making adjustments and appointing new representatives to improve operations, particularly in underperforming businesses.
- **Transparent and Effective Loan Management:** Ensure transparent and effective loan management for each activity, maintaining financial security and stable cash flow.
- **Coordination with State Capital Representatives:** Collaborate with state capital representatives at FiCO and direct the Executive Board to continue finalizing the process of transferring state capital to the Joint Stock Company. Complete legal procedures and resolve issues at ongoing projects, especially the 2/34 Phan Huy Ích project.

V. CORPORATE GOVERNANCE

1. Board of Directors

1.1 Members and Structure of the Board of Directors (BOD):

No.	Board of Directors' members	Position (Independent members of the Board of Directors, Non-executive members of the Board of Directors)	The date becoming/ceasing to be the member of the Board of Directors	
			Date of appointment	Date of dismissal
1	Ms. Do Thi Hieu	Chairman of the BOD /Non-executive members of the Board of Directors	22/04/2021	
2	Mr. Cao Truong Thu	Members of the BOD	22/04/2021	
3	Mr. Nguyen Xuan Thang	Members of the BOD /Non-executive members of the Board of Directors	22/04/2021	
4	Mr. Pham Viet Thang	Members of the BOD	22/04/2021	
5	Mr. Dang Minh Thua	Members of the BOD /Non-executive members of the Board of Directors	22/04/2021	

1.2 Subcommittees of the Board of Directors: None

1.3 Activities of the Board of Directors:

No.	Board of Director' member	Number of meetings attended by Board of Directors	Attendance rate	Reasons for absence
1	Ms. Do Thi Hieu	5	100%	
2	Mr. Cao Truong Thu	5	100%	
3	Mr. Nguyen Xuan Thang	5	100%	
4	Mr. Pham Viet Thang	5	100%	
5	Mr. Dang Minh Thua	5	100%	

Between meetings of the Board of Directors, to resolve matters requiring the Board of Directors' opinion related to production, business and management activities, the Corporation organized 32 times to collect opinions and votes from the Board of Directors by document. These documents for organizing voting opinions are carried out in accordance with the procedures prescribed by the Enterprise Law and relevant guiding documents, in accordance with the Regulations on organization and operation of the Board of Directors and under the supervision of the Board of Directors. Corporation

Supervisory Board.

Supervision activities of the Board of Directors (BOD) over the Executive Board:

- The Board of Directors (BOD) has effectively supervised the management and operation of the Executive Board. In addition to discussing and exchanging at regular meetings or other meetings of the Executive Board, the BOD frequently communicates via phone, email, and other information channels regarding strategy, operational results, the implementation of the Shareholders' General Meeting (AGM) resolutions, and the objectives set by the AGM for the year.
- Through documents soliciting voting opinions from the BOD in writing, the BOD has also shown responsibility in supervising and resolving issues within its authority.
- Overall, in the context of economic challenges and fluctuations in the real estate market, the BOD, the Executive Board, and all management levels have made efforts, been creative, and proactive in their work to achieve the targets set by the AGM.

1.4 Activities of Subcommittees of the Board of Directors (if any):
The Board of Directors (BOD) of the Corporation has not established any subcommittees. The BOD members perform their duties as assigned by the BOD.

1.5 Resolutions/Decisions of the Board of Directors:

No.	Resolution/Decision No.	Date	Content	Approval rate
1	3/NQ-HDQT	24/01/2024	Amending the Regulations on Representatives FiCO	100%
2	6/NQ-HDQT	29/02/2024	Approving 2023 production and business results, 2024 plan and financial situation until December 31, 2023	100%
3	8/NQ-HDQT	29/02/2024	Closing the list of shareholders attending the 2024 General Meeting of Shareholders	100%
4	9/NQ-HDQT	29/02/2024	Approval of pre-feasibility study report, preliminary environmental impact assessment report of Thuy Trieu White Sand Mine Project	100%
5	13/NQ-HDQT	07/03/2024	Strengthen FiCO capital representatives at Vitaly, Phuoc Hoa, Tafico, FiCO Investment	100%

			(FCI), BT20 - Cuu Long	
6	21/NQ-HĐQT	12/03/2024	Approving the plan to buy and sell shares of Construction Materials Corporation No. 1 - Joint Stock Company at Hoa An Joint Stock Company	60%
7	22A/NQ-HĐQT	12/03/2024	Approving the content of dismissal and appointment of General Director of Hoa An Joint Stock Company	100%
8	24/NQ-HĐQT	04/04/2024	Approving the program and documents of the 2024 Annual General Meeting of Shareholders of FiCO Corporation	100%
9	34/NQ-HĐQT	10/04/2024	Approved the voting content at Vitaly's 2024 Annual General Meeting of Shareholders	100%
10	38/NQ-HĐQT	15/04/2024	Approved the voting content at Thanh Thanh's 2024 Annual General Meeting of Shareholders	100%
11	40/NQ-HĐQT	15/04/2024	Appoint a FiCO capital representative in Hoa An and approve the voting content at the 2024 Hoa An Joint Stock Company Annual General Meeting of Shareholders	100%
12	45/NQ-HĐQT	23/04/2024	Approve contracts and transactions between FiCO Corporation and related persons	100%
13	49/NQ-HĐQT	26/04/2024	Approving the voting content at the 2024 Annual General Meeting of Shareholders of Phuoc Hoa FiCO Joint Stock Company	100%
14	51/NQ-HĐQT	02/05/2024	Assign personnel to hold the position of person in charge of corporate governance	100%
15	55/NQ-HĐQT	02/05/2024	Approving the voting content at the 2024 Annual General Meeting of Shareholders of FiCO PanU Concrete Joint Stock Company	100%
16	58/NQ-HĐQT	07/05/2024	Payment of dividends in 2023 to shareholders	100%

17	61/NQ-HĐQT	13/05/2024	Approving the content of opinions and votes at the 2024 Annual General Meeting of Shareholders of Cuu Long BT20 Joint Stock Company	100%
18	63/NQ-HĐQT	13/05/2024	Approving the voting content at the 2024 Annual General Meeting of Shareholders of No. 1 Packaging and Minerals Joint Stock Company	100%
19	68/NQ-HĐQT	17/05/2024	Approving the voting content at the extraordinary General Meeting of Shareholders of FiCO Tay Ninh Cement Joint Stock Company on adjusting the Project Scale of Line 2 Investment Project	60%
20	70/NQ-HĐQT	17/05/2024	Approving the voting content at the 2024 Annual General Meeting of Shareholders of FiCO Construction Materials Investment and Trading Joint Stock Company	100%
21	73/NQ-HĐQT	06/06/2024	Appoint a representative for FiCO capital at Vitaly Joint Stock Company	100%
22	78/NQ-HĐQT	06/06/2024	Select and approve FiCO's 2024 financial statements audit unit	100%
23	79/NQ-HĐQT	06/06/2024	Approving the voting content at the extraordinary General Meeting of Shareholders of FiCO Tay Ninh Cement Joint Stock Company on adjusting the Investment Registration Certificate of FiCO Cement Grinding Station project	60%
24	84/NQ-HĐQT	18/06/2024	Approve the Corporation's 2024 salary plan	100%
25	86/NQ-HĐQT	18/06/2024	Appoint a representative for FiCO capital at Phuoc Hoa FiCO Joint Stock Company	100%
26	92/NQ-HĐQT	21/06/2024	Appoint a representative for FiCO capital at Southeast Asia Brick Joint Stock Company and approve the voting contents at the 2024 Annual General Meeting of Shareholders of Dong Nam A	100%

			Brick Joint Stock Company	
27	95/NQ-HĐQT	26/06/2024	Approval of voting contents at the 2024 Annual General Meeting of Shareholders of Tan Dinh FiCO Construction Mechanical Joint Stock Company	100%
28	97/NQ-HĐQT	03/07/2024	Consolidate the Corporation's organizational structure and reorganize the Internal Audit Department	100%
29	101a/NQ-HĐQT	18/07/2024	Approving the plan to exercise the right to buy shares issued to increase capital at FiCO Construction Materials Investment and Trading Joint Stock Company	60%
30	106/NQ-HĐQT	26/07/2024	Through loan from Vietcombank - Bac Binh Duong Branch	100%
31	108/NQ-HĐQT	30/07/2024	Approval of the policy on handling assets such as machinery and equipment for manufacturing shower faucets and molds of Tan Dinh FiCO Construction Mechanical Joint Stock Company	100%
32	110/NQ-HĐQT	09/08/2024	- Approve the Report on the results of implementing production and business tasks for the first 6 months of the year and the plan for the last 6 months of the year; - Approval of the Corporation's financial situation report until June 30, 2024.	100%
33	113/NQ-HĐQT	18/09/2024	Approving the content presented to the 2024 Annual General Meeting of Shareholders of FiCO Tay Ninh Cement Joint Stock Company	100%
34	116/NQ-HĐQT	26/09/2024	Approving the policy of reducing part of the principal debt and all interest arising for 472 Construction Company Limited	60%

35	120/NQ-HĐQT	16/10/2024	Approval of compensation plan, site clearance compensation and agreement to receive land use rights to recover land at Nui Ong Trinh quarry, Phu My town, Ba Ria Vung Tau province	60%
36	123/NQ-HĐQT	24/10/2024	Approve the plan to change the organizational structure and reorganize labor of FiCOCOM Company Limited	60%
37	127/NQ-HĐQT	19/11/2024	Approve the plan to renovate the Fire Protection system at FiCO Binh Duong Warehouse	100%
38	129/NQ-HĐQT	27/11/2024	- Approve the Report on the results of implementing production and business tasks for 09 months and the implementation plan for 2024; - Approval of the Corporation's financial situation report until September 30, 2024.	100%
39	131/NQ-HĐQT	20/12/2024	Through borrowing capital and using assets as security at BIDV Bank - Ho Chi Minh City Branch	100%

2. Board of Supervisors

2.1. Information about members of Board of Supervisors:

No.	Members of Board of Supervisors	Position	The date becoming/ceasing to be the member of the Board of Supervisors	Qualification
1	Mr. Dao Quang Son	Head of the Board of Supervisors	22/04/2021	Bachelor of Accounting
2	Mr. Le Van Huy	Member of the Board of Supervisors	22/04/2021	Master of Economics
3	Mr. Tran Linh Chi	Member of the Board of Supervisors	22/04/2021	Master of Accounting

2.2. Meetings of Board of Supervisors:

No.	Members of Board of Supervisors	Number of meetings attended	Attendance rate	Voting rate	Reasons for absence
1	Dao Quang Son	2	100%	100%	
2	Le Van Huy	2	100%	100%	
3	Tran Linh Chi	2	100%	100%	

2.3. Activities of the Supervisory Board:

- The Supervisory Board has carried out the inspection and supervision of the activities of the Group in accordance with the provisions of the Group's Charter and the Law on Enterprises.
- It has supervised the issuance and implementation of the resolutions, decisions, and directives of the Board of Directors (BOD) and the General Director in the governance and operation of the Group.
- Participating in regular meetings, operational meetings of the General Director regarding production and business, and meetings of the Board of Directors of the Group.
- The Supervisory Board has conducted the assessment of the financial report of the parent company for the first half of 2024, which includes evaluating the ability to settle short-term liabilities of the parent company FiCO as of June 30, 2024, evaluating inventory, accounts receivable, with special attention to overdue receivables and long-term outstanding receivables, and has issued recommendations to the Board of Directors in Document No. 03-2024/CV-BKS, dated August 30, 2024, regarding the review of the 6-month financial report of the Group.
- Weekly, the Supervisory Board reviews, evaluates, warns, and urges the recovery of overdue receivables, while also participating in meetings with the Finance and Accounting Department, Commercial Department of the Group to monitor and expedite the collection of receivables.
- Monthly, the Supervisory Board collaborates with the Internal Audit Department of the Group to review and evaluate the financial situation of FiCO's parent company and send evaluation results to the Group's Management Board regarding:

- + The status of receivables and warnings about bad debts of the Group's commercial department (Unit code 01), receivables from old steel trading (Unit code 02), and FiCO Construction Materials Trading Co., Ltd (Unit code 12).
- + Analysis and evaluation of business sectors of the Group's Commercial Department.
- + Evaluation of liquidity and the ability to settle short-term liabilities of the parent company at the end of each month.
- + Evaluation of potential losses of FiCO's parent company up to the end of each month.
- In 2024, the Supervisory Board, in coordination with the Internal Audit Department of the Group, performed internal audits at various departments of the Group and its subsidiaries, providing feedback on the compliance with accounting regimes, processes, and regulations, such as: the Group's departments, the Group's Commercial Department, Eastern Asia Brick Co., Ltd, and FiCO Products Trading Co., Ltd.

Throughout its activities, the Supervisory Board has received coordination and support from the Board of Directors, the General Director, as well as the relevant departments/divisions of the Group to help fulfill its duties assigned by the General Meeting of Shareholders.

3. Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Supervisory Board

a. Salaries, Bonuses, Remuneration, and Benefits:

Remuneration and other benefits of the Board of Directors

Name	Position	Year 2024 VND
Mrs. Do Thi Hien	Chairman	1,179,400,000
Mr. Cao Trung Thu	Member	96,000,000
Mr. Nguyen Xuan Thang	Member	832,000,000
Mr. Pham Viet Thang	Member	96,000,000
Mr. Dang Minh Thua	Member	96,000,000
Total		<u>2,299,400,000</u>

Remuneration and other benefits of the Board of Supervisors

Name	Position	Year 2024 VND
Mr. Dao Quang Son	Head of the Board	600,240,000
Mrs. Tran Linh Chi	Member	60,000,000
Mr. Le Van Hay	Member	60,000,000
Total		720,240,000

Remuneration and other benefits of the Board of Management and other managers

Name	Position	Year 2024 VND
Mr. Cao Truong Thu	General Director	1,030,000,000
Mr. Pham Viet Thang	Deputy General Director	794,800,000
Mr. Nguyen Nuan Hung	Chief Accountant	736,000,000
Mrs. Pham Thi My Van	Former Administration in charge	181,122,800
Mrs. Nguyen Le Dung	Administration in charge	161,210,000
Total		2,903,132,800

b. Transactions of Insider Shareholders: None

c. Transactions Between the Company and Related Parties

Related parties	Relationship	Nature of transactions	Year 2024 VND
Purchasing			84,615,641,244
Vitaly Joint Stock Company	Associates	Purchasing of materials	37,421,307,191
Mineral Packaging No. 01 Joint Stock Company	Associates	Purchasing of construction materials	13,295,249,500
FICO - Corea Construction Company Limited	Associates	Purchasing of construction materials	33,898,884,553
Selling			91,781,771,574
Vitaly Joint Stock Company	Associates	Sales of materials	21,389,081,931
FICO Tay Ninh Cement Joint Stock Company	Associates	Sales of materials	2,459,397,910
FICO Pan United Concrete Joint Stock Company	Associates	Sales of construction materials	22,086,727,035
FICO - Corea Construction Company Limited	Associates	Sales of construction materials	45,846,564,698
Revenue Deductions			1,478,407,572
FICO - Corea Construction Company Limited	Associates	Revenue deductions	1,478,407,572
Other transactions			51,347,562,738
Vitaly Joint Stock Company	Associates	Income from compensation support for broken bricks	67,062,712
		Sales discount received	136,229,934
		Trade discount received	284,470,092
		Increase adjustment for invoices	9,750,000
Xuan Cau Investment Joint Stock Company	Significant shareholders	Dividends	25,400,000,000
State Capital Investment Corporation - Limited Company	Significant shareholders	Dividends	25,450,050,000

d. Evaluation of Compliance with Corporate Governance Regulations

Corporate governance is always ensured in accordance with the law, the Company's Charter, internal regulations, and criteria aimed at ensuring the smooth operation of the Corporation. It pursues objectives that serve the best interests of the Corporation and its shareholders while facilitating effective supervision of the Corporation's activities. This, in turn, encourages the Corporation to utilize its resources in the most efficient manner.

VI. FINANCIAL STATEMENTS**1. Opinion of Auditors**

In our opinion, the accompanying Consolidated Financial Statements gives a true and fair view of, in all material respects, the consolidated financial position of the Corporation as at 31 December 2024 and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the relevant statutory requirements applicable to the preparation and presentation of the Consolidated Financial Statements in Vietnam.

2. Audited Financial Statements

The 2024 audited financial statements of FiCO Corporation – JSC has been publicly disclosed in accordance with regulations and published on the Company's website at: <https://www.fico.com.vn/> under the section: Shareholders/Financial statements, Annual Reports.

CONFIRMATION OF THE LEGAL REPRESENTATIVE OF FICO CORPORATION

 **TỔNG GIÁM ĐỐC**
Cao Trường Thọ

