



TRUNG AN®

ANNUAL REPORT 2024



**“ TRUNG AN - “THE LEADING BIRD”
AND THE MISSION OF SUSTAINABLE AGRICULTURAL DEVELOPMENT**



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01 GENERAL INFORMATION

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GENERAL INFORMATION

NAME OF COMPANY

TRUNG AN HI-TECH FARMING JOINT STOCK COMPANY

English trading name

TRUNG AN HI-TECH FARMING JOINT STOCK COMPANY

Abbreviated name

TRUNG AN HI-TECH FARMING JSC

Stock code

TAR

Business registration certificate number

1800241736 issued by the Business Registration Department - Department of Planning and Investment of Can Tho City, first issued on August 16, 1996, registered for the 25th change on August 23, 2023

Charter capital

783,197,770,000 VND

Owners' investment capital

1,192,063,162,864 VND

Total number of shares issued

78,319,777 SHARES

Stock code

TAR

Address

649A, National Highway 91, Qui Thanh Area, Trung Kien Ward, Thot Not District, Can Tho City

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Website

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FORMATION AND DEVELOPMENT PROCESS

“For over 25 years, we have continuously strived to turn our passion for rice into a strong position in Vietnam’s agricultural market.”



FORMATION AND DEVELOPMENT PROCESS (Cont.)

2014



The company was awarded the **“Certificate of Merit for Outstanding Products in the Mekong Delta Region”** by the Vietnam Chamber of Commerce and Industry (VCCI).

2015



Trung An has consistently affirmed its position and built a strong brand in the rice industry, earning the trust of both domestic and international customers. The year 2015 marked a significant milestone in the development of its brand and market reputation. During this year, Trung An signed strategic cooperation agreements for production and distribution with major partners such as Vinmart Supermarket Joint Stock Company and VinEco Agriculture Development and Production Limited Liability Company. Additionally, the company expanded its customer base by selling products to a range of prominent partners, including Vimex Import-Export Company, Angimex Kitoku Co., Ltd., Thinh Rice Trading and Service JSC, Vinacam Agricultural Products JSC, Southern Food Corporation, and Vincommerce Trading and Service Corporation.

Trung An’s products meet international standards, including Global GAP, ECO SERC, ISO 22000, and HACCP, and are exported to various countries. The company has also gained recognition from well-known clients such as SENGKANG IMPORT & EXPORT PTE. LTD., KONG HWA CHAN TRADING PTE LTD., ALWAYS FRESH TRADING CO PTY LTD, GL INTERNATIONAL CORP, JT INTERNATIONAL CO., LTD, and EVERGREEN RICE PTE LTD.

Thanks to its continuous efforts, Trung An was honored with the Prime Minister’s Certificate of Merit for its contributions to rural development between 2010 and 2015, and the Ministry of Agriculture and Rural Development’s Certificate of Merit for “Enterprises for Farmers” in 2015.



2018

The company has increased its charter capital from 200,000,000,000 VND to 350,000,000,000 VND through cash contributions from existing shareholders.

The company operates under the Business Registration Certificate No. 1800241736 issued by the Can Tho Department of Planning and Investment, initially granted on August 16, 1996, and updated for the 19th time on November 23, 2017, with a charter capital of 350,000,000,000 VND



2020

The company has increased its charter capital from 350,000,000,000 VND to 419,999,770,000 VND through a stock dividend distribution to existing shareholders at a 5:1 ratio.

The company is currently operating under the Business Registration Certificate No. 1800241736 issued by the Can Tho Department of Planning and Investment, initially granted on August 16, 1996, and updated for the 20th time on November 10, 2020, with a charter capital of 419,999,770,000 VND.

In addition to its business achievements, Trung An continues to invest in infrastructure, modern machinery, and expanding its raw material zones to produce the highest quality products that meet the increasing demands of both international and domestic markets. With favorable transportation conditions via the river network and flat terrain, Trung An’s factories are strategically located to facilitate efficient rice transportation and ensure quick and convenient product delivery.

In 2015, the company also underwent a transformation, changing from a Limited Liability Company (LLC) to a Joint Stock Company (JSC), as registered in the Cần Thơ Department of Planning and Investment under Business Registration No. 1800241736, initially registered on August 16, 1996, and updated on December 12, 2015, with a charter capital of 200 billion VND.



FORMATION AND DEVELOPMENT PROCESS (Cont.)

2021

The company is implementing a share offering in the form of a private placement of 25,000,000 shares to increase its charter capital.

As of December 31, 2021, the Company is operating under Business Registration Certificate No. 1800241736 issued by the Department of Planning and Investment of Can Tho City, first issued on August 16, 1996, and changed for the 21st time on August 23, 2021, with a charter capital of 461,999,330,000 VND.

2022

The company has increased its charter capital from 461,999,330,000 VND to 783,197,770,000 VND through the private issuance of 25,000,000 shares and a stock dividend distribution to existing shareholders at a 10:1 ratio.

As of December 31, 2022, the company is operating under the Business Registration Certificate No. 1800241736 issued by the Can Tho Department of Planning and Investment, initially granted on August 16, 1996, and updated for the 24th time on December 7, 2022, with a charter capital of 783,197,770,000 VND.



PRESENT

After more than 25 years of establishment and development, with continuous efforts, the wise leadership of the Board of Directors, the skilled management of the General Director, and, most importantly, the solidarity and dedication of the entire staff, Trung An High-Tech Farming Joint Stock Company has achieved notable successes. These include expanding its large raw material regions to the Mekong Delta provinces through production linkage models; providing seeds, fertilizers, and pesticides; collaborating with scientists to support modern farming techniques that help farmers reduce production costs, lower prices, increase profits, and create green, clean products that meet consumer demands. Currently, the company operates four rice mills equipped with modern machinery and facilities:

- » **Rice Milling and Export Processing Factory No. 03:** Area - 3,040 m², located at Thanh Phuoc, Thanh Hoa, Thot Not, Can Tho
- » **Export Processing Plant 04:** Area - 1,032 m², located at Trang Tho, Trung Nhut, Thot Not, Can Tho
- » **Export Processing Plant 05:** Area - 53,562.8 m², located at 649A, QL91, Trung Kien, Thot Not, Can Tho
- » **Rice Processing Plant 06:** Area - 33,774 m², located at Phuoc Loc, Thanh Phu, Co Do, Can Tho



Trung An Clean Rice – Soft, Fragrant, Safe – Full Flavor, Full Nutrition!



BUSINESS LINES AND LOCATIONS

BUSINESS LINES

The Company's main business is **processing rice milling and processing for export**. The Company's products mainly include:

Industry code	Industry name
0111	Rice cultivation
0210	Planting and tending of forests
0710	Iron ore mining
1061	Rice milling and production of rough flour (Main occupation)
1080	Production of feed for livestock, poultry and aquatic animals
2592	Mechanical processing; metal treatment and coating
3511	Electricity production
3600	Extraction, treatment and supply of water
3700	Drainage and wastewater treatment
3811	Collection of non-hazardous waste
3812	Collection of hazardous waste
3821	Treatment and disposal of non-hazardous waste
3822	Treatment and disposal of hazardous waste
3830	Recycling of scrap
3900	Pollution treatment and other waste management activities
4101	Construction of houses for habitation
4102	Construction of non-residential buildings
4211	Construction of railway projects
4212	Construction of road projects
4299	Construction of other civil engineering projects
4312	Site preparation
4329	Installation of other construction systems
4631	Wholesale of rice
4632	Wholesale of food
4659	Wholesale of other machinery, equipment and machine parts
4669	Other specialized wholesale not classified elsewhere
5610	Restaurants and mobile food service activities
6810	Real estate business, quyền sử dụng đất belonging to owners, users or lessees

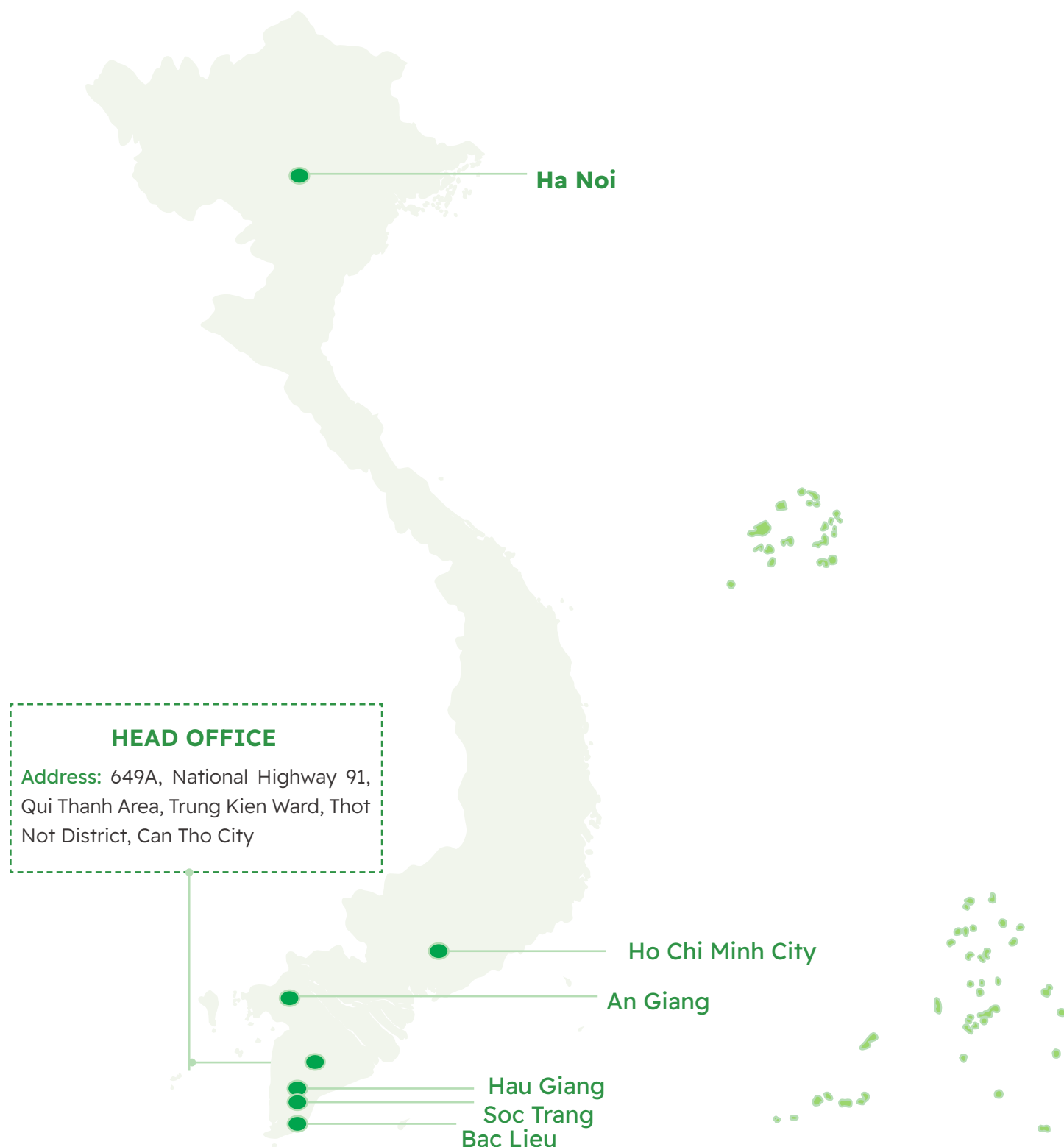
CLEAN PRODUCTS





BUSINESS LINES AND LOCATIONS

BUSINESS LOCATION

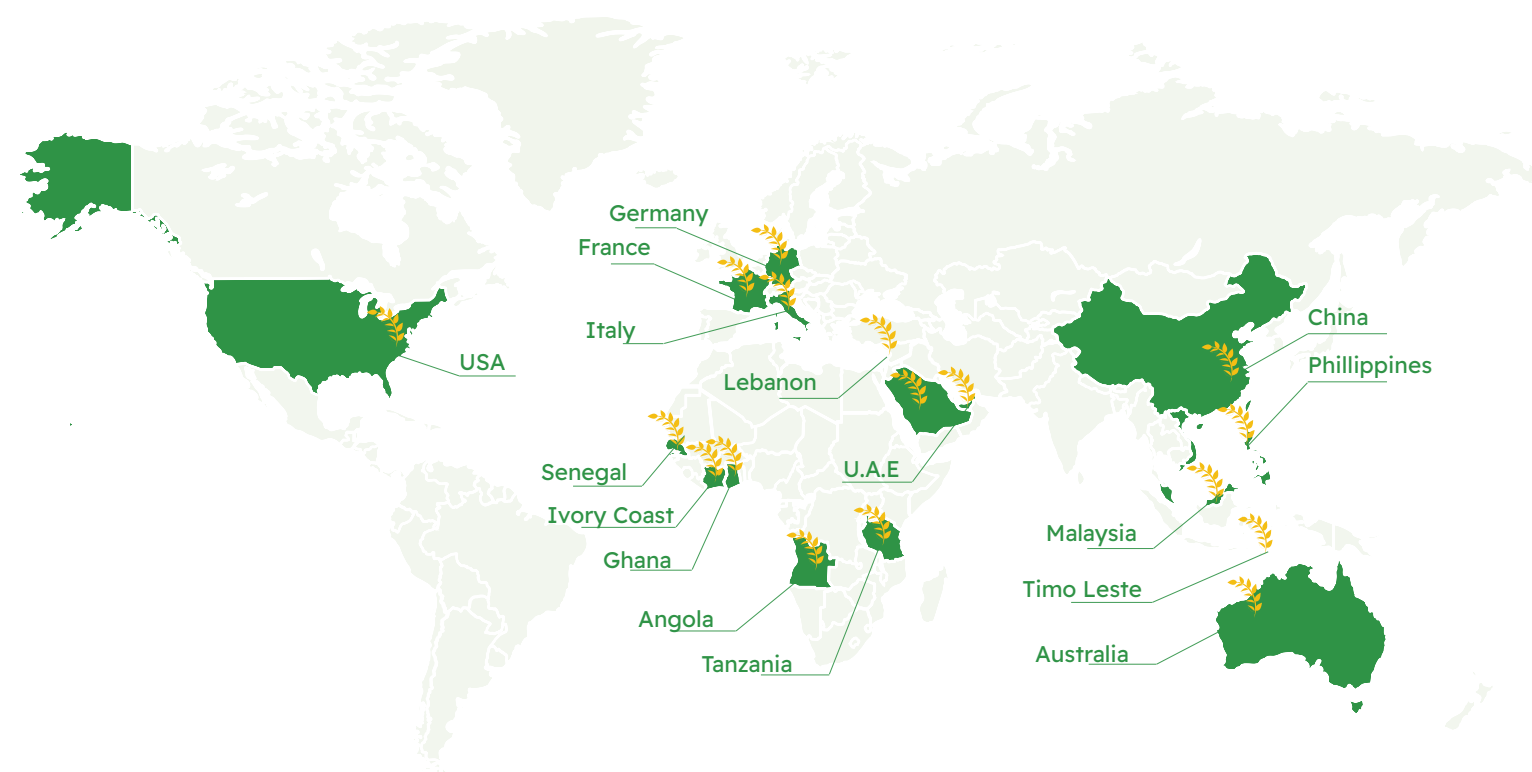


Distribution Network

Trung An High-Tech Farming Joint Stock Company has progressively affirmed its pioneering role in the production and distribution of high-quality rice in Vietnam. The Trung An rice brand has been continually strengthened, building a solid reputation in both domestic and international markets, earning the trust of consumers and business partners alike

In parallel with brand development, the company has actively expanded its retail distribution network under the Trung An brand, not only within Can Tho City but also extending to neighboring provinces such as **An Giang, Hau Giang, Soc Trang, and Bac Lieu, as well as penetrating major cities like Ho Chi Minh City and Hanoi.**

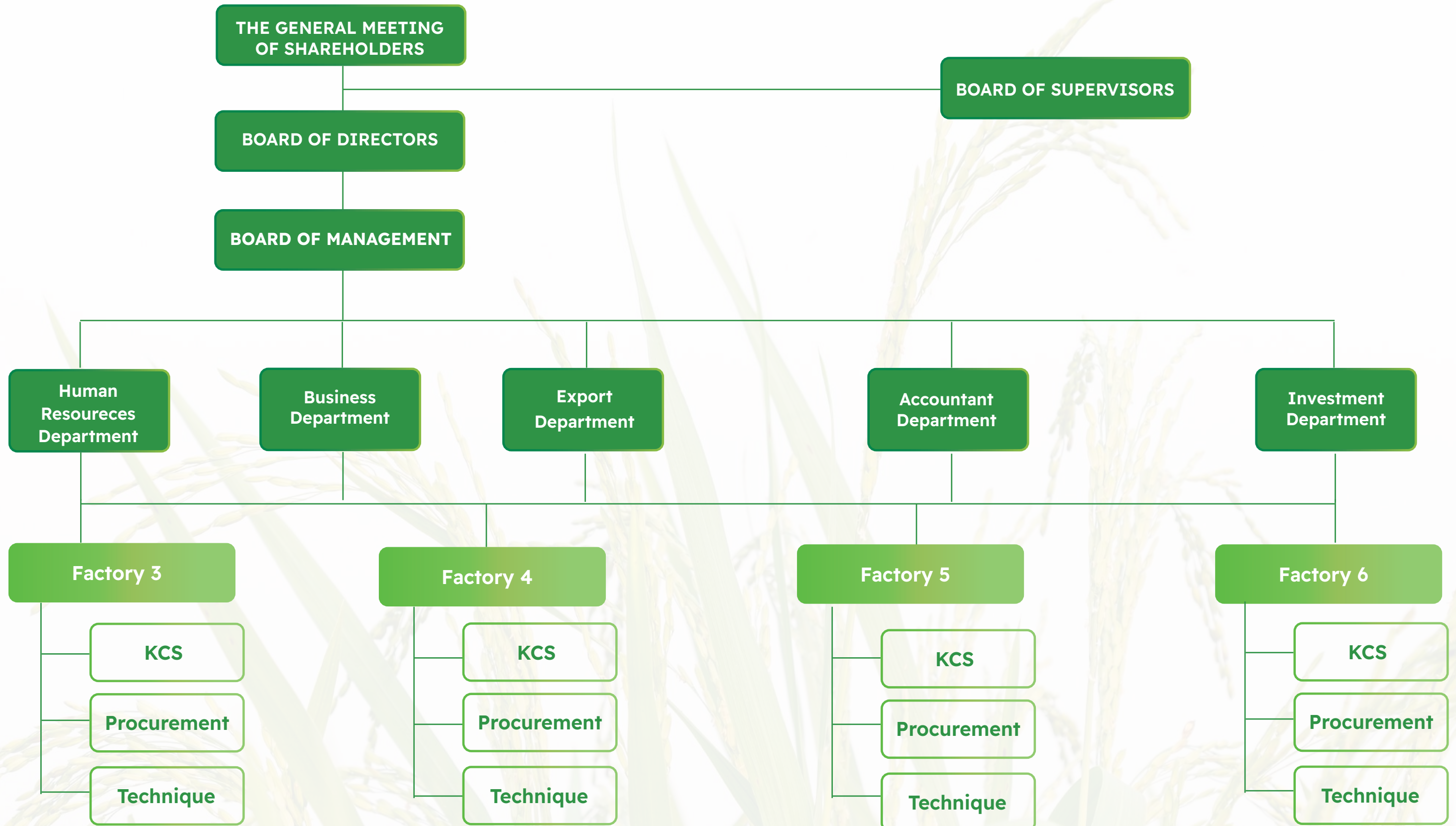
On the international front, the Company always identifies expanding export markets as a key strategy. Currently, Trung An rice products are present in 19 countries on different continents, including **Europe, Asia, Africa and Australia.** Trung An's international customer list includes many reputable partners who have strict quality requirements and maintain sustainable cooperative relationships such as: ALWAYS FRESH TRADING CO PTY LTD, GUANGZHOU IMTON IMP AND EXP AGENCY CO., LTD, GLOBAL RISE TRADING PTE. LTD, HANIFAT COMPANY LIMITED, INDOCHINA FOOD TRADING PTE. LTD, AT (KOREA AGRO - FISHER AND FOOD TRADE CORPORATION), MIVI FOODS, MICHAEL KIM TRADING, PADIBERAS NASIONAL BERHAD, PAR INVESTMENTS PTE LTD, SHARIFA KENAR SADGI GENERAL TRADING L.L.C, SUZHOU XINQIANHE IMPORT AND EXPORT CO., LTD, SUREWAVE INTERNATIONAL GROUP (HONG KONG) CO.,...





INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

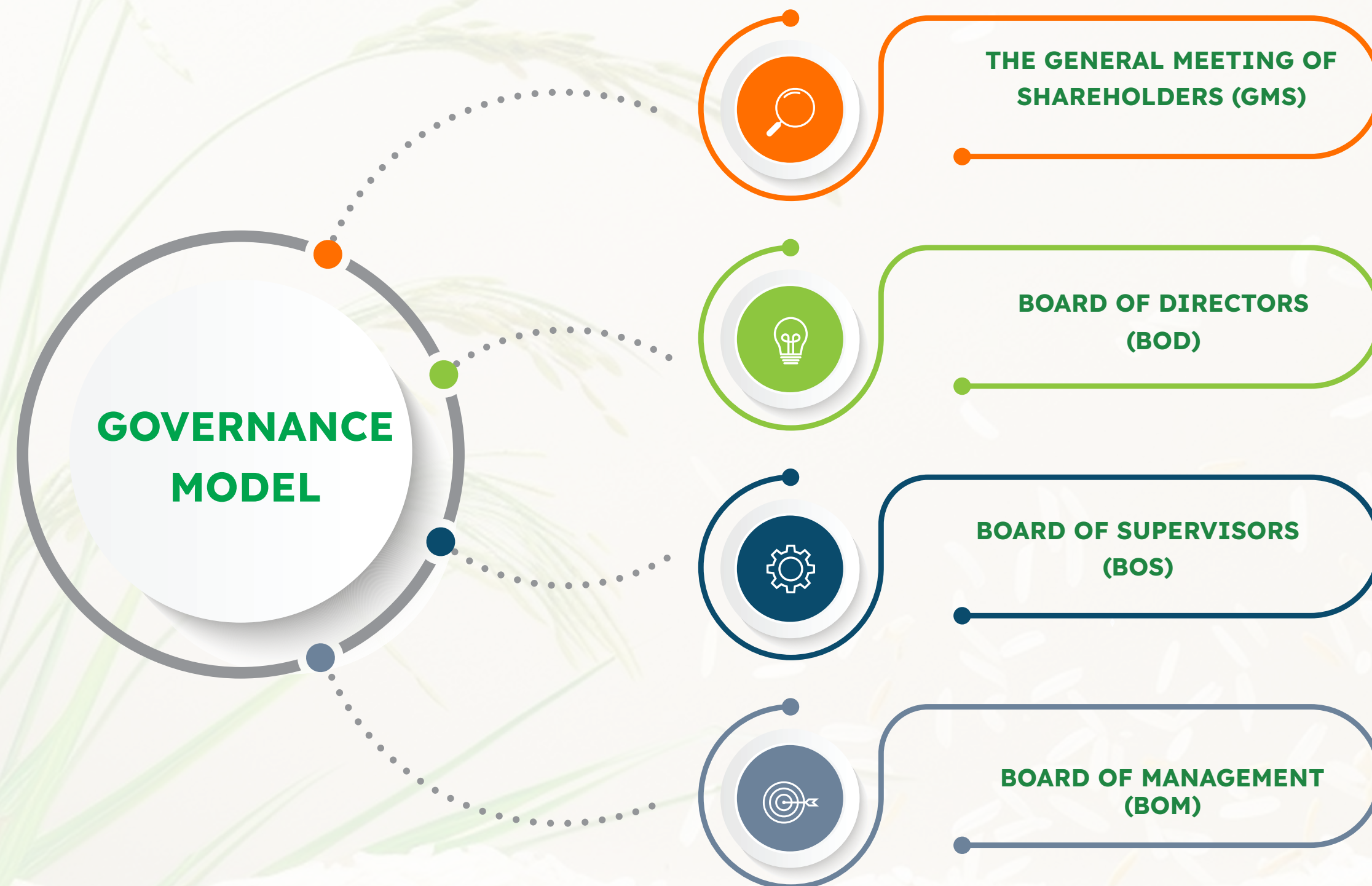
MANAGEMENT APPARATUS STRUCTURE





INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS (CONT.)

GOVERNANCE MODEL



The Governance model of Trung An Hi-Tech Farming Joint Stock Company is designed according to the organization and management model in Point a, Clause 1, Article 137 of the 2020 Enterprise Law, including:

The General Meeting of Shareholders: The highest decision-making body of the Company, consisting of all shareholders with voting rights, which meets at least once a year. The General Meeting of Shareholders decides on issues stipulated by the law and the company's charter, including approval of the annual financial reports, business performance reports, and the business plan for the following year. It also has the authority to elect, dismiss, or relieve members of the Board of Directors and the Supervisory Board.

The Board of Directors: The management body of the Company, with the authority to represent the Company and decide on all matters related to the Company's objectives and interests, except for those matters within the General Meeting of Shareholders' jurisdiction

The Board of Supervisors: An independent body elected by the General Meeting of Shareholders, separate from the Board of Directors and the The Board of Management, responsible for overseeing all management and operational activities of the Company to ensure they align with legal requirements and company interests.

The Board of Management comprised of the General Director and the Chief Accountant, appointed by the Board of Directors, this team directly manages the daily financial and operational activities of the Company. They are accountable to both the law and the Board of Directors for the execution of their assigned duties and responsibilities.



INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS (CONT.)

SUBSIDIARY



TRUNG AN KIEN GIANG HIGH-TECH AGRICULTURE JOINT STOCK COMPANY

Address: Group 9, Duong Thec Hamlet, Binh Giang Commune, Hon Dat District, Kien Giang Province

Operating under business registration certificate No.: 1702050412 issued by the Kien Giang Department of Planning and Investment, first issued on June 07, 2016

The company's investment in its subsidiary: 189,281,680,000 VND, equivalent to an ownership ratio of 67.14% of the charter capital.

Main business activities: Cultivation, trading in food, processing, processing rice for export



TRUNG AN RICE EXPORT COMPANY LIMITED

Address: Nguyen Trong Quyen, Phung Thanh 2 Area, Trung Kien Ward, Thot Not District, Can Tho City

Operating under business registration certificate No.: 1801724214 issued by the Can Tho Department of Planning and Investment, first issued on May 20, 2022.

The company's investment in its subsidiary: 20,000,000,000 VND, equivalent to an ownership ratio of 100% of the charter capital

Main business activities: Processing rice for export



TRUNG AN REAL ESTATE BUSINESS COMPANY LIMITED

Address: Area 7, Hung Phu Ward, Cai Rang District, Can Tho City

Operating under business registration certificate No.: 11801724207 issued by the Can Tho Department of Planning and Investment, first issued on May 20, 2022

The company's investment in its subsidiary: 10,000,000,000 VND, equivalent to an ownership ratio of 100% of the charter capital

Main business activities: Real estate business





INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS (CONT.)

AFFILIATED COMPANY



VIET DUC RICE PRODUCTION PROCESSING TRADING EXPORT COMPANY LIMITED

Address: 647A, National Highway 91, Qui Thanh Area, Trung Kien Ward, Thot Not District, Can Tho City

Operating under business registration certificate No.: 571022000022 issued by the Can Tho City Department of Planning and Investment, first issued on August 07, 2009.

The company's investment in its affiliate: 4,865,679,000 VND, equivalent to an ownership ratio of 39% of the charter capital.

Main business activities: Cultivation, trading in food, processing, processing rice for export

However, the new joint venture company is in the stage of members contributing capital. At the time of contributing capital according to the joint venture contract and the investment certificate, the foreign partner (Germany) did not fulfill its obligations under the signed contract, violating the joint venture contract... The Vietnamese side has filed a lawsuit against the German side to the Court. On March 09, 2021, the High People's Court in Ho Chi Minh City issued a verdict: Canceling the joint venture contract between the Vietnamese side, which includes 02 Trung An + Hung Yen Companies, and the German side, which includes 02 POMA Companies, regarding the establishment of Viet Duc Rice Production Processing Trading Export Company Limited (VIGERICE), and simultaneously terminating the investment activities of the aforementioned project. Previously, 02 members of the Vietnamese side (Trung An Company and Hung Yen Food Company) had been fully refunded the initial contributed capital by VIGERICE Company. Therefore, from 2025, the joint venture company VIGERICE will officially cease to exist.



NOVATECH - TRUNG HUNG COMPANY LIMITED

Address: 649, National Highway 91, Qui Thanh Area, Trung Kien Ward, Thot Not District, Can Tho City

Operating under business registration certificate No.: 571022000040 issued by the Can Tho City Department of Planning and Investment, first issued on July 16, 2012

The Company's contributed capital in the associated company: 9,352,000,000 VND, equivalent to an ownership ratio of 39% of the charter capital.

Main business activity: Production of high-quality plywood from rice husk

However, the Novotech - Trung Hung joint venture is also in the phase where members are contributing capital. During the period of investment and capital contribution according to the joint venture agreement and the investment certificate, the foreign partner (Germany) did not fulfill its obligations under the signed contract, thus violating the joint venture agreement. The Vietnamese side has filed a lawsuit against the German side in court. The German side requested that the Vietnamese side not sue the German side in court, and the German side would compensate the Vietnamese side 3,560,000 USD and request to terminate the joint venture contract, to which the Vietnamese side agreed. The two sides are carrying out procedures to request the Department of Planning and Investment of Can Tho City to terminate the joint venture contract. Prior to that, 02 Vietnamese members (Trung An Company and Hung Yen Food Company) had been fully refunded their initial capital contributions by Novotech - Trung Hung Co., Ltd. Therefore, from 2025, Novotech - Trung Hung Co., Ltd. will officially cease to exist.



DEVELOPMENT ORIENTATION



THE COMPANY'S MAIN OBJECTIVES

Trung An Company aims to mobilize and use capital sources most effectively, constantly developing business activities to maximize profits, ensure long-term benefits for shareholders, and create stable jobs and improve income for employees. The company is committed to fulfilling its tax obligations to the State Budget, contributing to building a sustainable economy and developing an increasingly strong business. As a company specializing in trading food and processing rice for export, Trung An not only focuses on business efficiency but also aims to contribute to the development of the Vietnamese economy. The company strives to bring the Trung An rice brand to the international market, affirming the position of Vietnamese rice on the world map. With the advantage of owning a large, stable raw material area and a cultivation process that meets GlobalGAP and Organic standards, Trung An is proud to produce organic, green, clean, and high-quality rice products for consumers at home and abroad. With over 25 years of formation and development, Trung An has affirmed its role in the rice export industry, becoming one of the leading enterprises in the country. Not only is it a reputable rice supplier, but the company also actively contributes to enhancing the position of Vietnamese rice, towards sustainable and long-term development in the global market.



MEDIUM AND LONG-TERM DEVELOPMENT STRATEGY

Market expansion: Trung An aims to comprehensively develop the domestic and international markets with the orientation of providing clean and organic rice products that meet GlobalGAP and Organic standards. Domestically, the company focuses on enhancing customer experience by taking care of the existing convenience store system, while expanding its network with high-end organic rice stores in two major cities, Hanoi and Ho Chi Minh City. These products not only meet the needs of mid-range and high-end customers but also promote the trend of safe and quality consumption. In addition, Trung An expands the market by participating in the value chain of vermicelli and pho production corporations, taking advantage of standard cultivation processes and stable raw material areas. This creates a solid foundation for developing value-added products from rice such as vermicelli, pho, and other preparations. In the international market, the company promotes the strategy of transitioning from retail to wholesale, bringing the Trung An clean rice brand to major supermarkets in developed markets such as Saudi Arabia, Dubai, Malaysia, Germany, Australia, and the United States. This is the result of carefully studying the consumption needs of each customer group in the target markets, ensuring suitability and efficiency in the export strategy.





DEVELOPMENT ORIENTATION (CONT.)



MEDIUM AND LONG-TERM DEVELOPMENT STRATEGY

Raw Material Area Control: To ensure a high-quality input material source, Trung An applies a modern production linkage model with cooperative groups, cooperatives, and farmers. The company not only invests synchronously in facilities such as machinery and equipment but also provides comprehensive support in terms of seeds, fertilizers, and plant protection drugs. The production process is strictly managed from sowing to harvesting according to organic standards on a large scale, helping to meet the material needs for both domestic and international markets. The General Director Board also proposed a flexible price management mechanism, ensuring sustainability and stability in production links with farmers. The pricing policies for purchasing, underwriting, and selling are designed not only to create production motivation but also to share benefits fairly with farmers, helping to build long-term and effective cooperative relationships



Expanding Related Industries: : In order to increase value in the food industry chain, Trung An is oriented to develop more related fields. One of the important initiatives is to combine investment in agricultural tourism, with the goal of preserving nature and developing a sustainable ecosystem, creating ideal conditions for rice plants to develop. This service not only brings economic value but also contributes to promoting the Trung An rice brand associated with sustainable development. In addition, the company also invests in the field of clean energy and năng lượng tái tạo to support business operations. A prominent project is cooperation with international partners to build a household waste treatment plant combined with power generation, which not only meets internal needs but also creates a long-term source of income. These strategies help Trung An affirm its pioneering position in the agricultural industry, expand its scope of operations, and comprehensively enhance brand value.





DEVELOPMENT ORIENTATION (CONT.)



OBJECTIVES FOR THE ENVIRONMENT, SOCIETY AND COMMUNITY

With farmers: The company continues to effectively implement the production linkage model between enterprises and farm households, creating a sustainable agricultural value chain. Accordingly, the Company is responsible for supplying crop varieties, fertilizers, plant protection drugs and coordinating with experts and scientists to transfer advanced farming techniques. This model contributes to optimizing production costs, reducing costs, increasing economic efficiency, and ensuring stable output for farmers through product underwriting policies, helping farmers feel secure in production and reduce pressure on investment capital.

With the community: The company actively participates in community programs, with special attention to rural environmental protection. One of the typical activities is collecting agricultural waste and transporting it to specialized treatment areas for hazardous waste. In addition, the Company accompanies local authorities in investing in the construction of rural transport infrastructure, contributing to promoting the process of rural urbanization in accordance with the orientation of the new rural construction program set out by the Party and the State.

TRUNG AN

– “The Leading Bird” and the mission of sustainable agricultural development



RISKS REGARDING THE RATE OF ECONOMIC GROWTH

Vietnam’s economic situation in 2024 continues to record impressive progress with a GDP growth rate of 7.09%, higher than in 2023. According to statistics, this strong development comes from the large contribution of the industrial and construction sectors, with a growth rate of 8.24%, and the service industry, reaching a growth rate of 7.38%. These sectors show outstanding recovery and development, especially in the fields of tourism, retail, and manufacturing. Meanwhile, the agriculture, forestry, and fishery sector, although only achieving a growth rate of 3.27%, still plays an important role in ensuring the stability of the economy. In addition, import and export continue to be a bright spot as Vietnam achieved a trade surplus of 24.77 Billion VND, reflecting strong competitiveness in the international market. The GDP structure in 2024 also recorded stability with the proportion of services accounting for 42.36%, industry and construction 37.64%, and agriculture 11.86%. These achievements not only show the sustainability in the economic recovery process after the pandemic but also affirm Vietnam’s

position in the global supply chain. Nevertheless, high growth rates and increased incomes are also creating significant shifts in consumer demand. Consumers are increasingly transitioning from traditional essentials to more premium products. In this context, Trung An rice products, with their GlobalGAP and Organic standard quality, are considered well-suited to meet the growing demands of the market. However, reliance on product development trends and changes in consumer preferences also pose a significant challenge for Trung An. Therefore, the company needs to continuously innovate and invest in research and product development to adapt to the diverse and increasingly sophisticated demands of the market. This will not only help maintain competitiveness but also affirm Trung An’s position in both domestic and international markets.



INTEREST RATE RISK

To ensure efficient production and business operations, the Company currently utilizes borrowed capital from both short-term and long-term sources. However, fluctuations in market interest rates have a significant impact on its financial situation. When interest rates rise, borrowing costs increase, directly affecting the Company’s business performance and profitability.

In 2024, the general interest rate level remained low due to the State Bank of Vietnam’s (SBV) and the Government’s policies prioritizing economic development promotion. This not only supports the economic recovery process but also helps businesses and financial institutions easily access capital at lower costs, thereby boosting production, business, and investment, contributing to sustainable economic growth in Vietnam.

Regarding the debt structure, the Company mainly uses short-term loans and financial lease liabilities. This makes the business vulnerable to interest rate fluctuations, causing significant pressure on

financial costs and the ability to repay debts when due. To mitigate this risk, the Company has set a goal to prioritize shifting to long-term credit facilities. This policy not only helps reduce the pressure from interest expenses but also ensures financial stability and long-term liquidity, creating a solid foundation for the Company’s sustainable development.

EXCHANGE RATE

The Company’s business operations depend mainly on foreign currencies because both the supply and output are closely linked to the import-export sector. Therefore, exchange rate fluctuations will certainly have a significant impact on the Company’s business results. Recently, the interest rate differential between the U.S. Federal Reserve (Fed) and the State Bank of Vietnam (SBV) has led to a sharp increase in the VND/USD exchange rate. To stabilize the exchange rate, the SBV had to intervene through open market operations and continuous issuance of government bonds. At the same time, the SBV maintained low interest rates to support the economy. However, these measures have led to a liquidity shortage in the financial system, making exchange rate regulation less effective.

Nevertheless, the signal of interest rate cuts from the Fed recently has reduced pressure on the VND/USD exchange rate, helping to alleviate the burden on the SBV. For the Company, exports account for more than 20% of revenue; therefore, changes in the exchange rate can cause significant fluctuations in business performance.



RISKS (CONT.)



ECONOMIC RISKS

INFLATION

Risks in corporate finance are often associated with inflation in the economy. For businesses, high inflation directly affects and increases input costs, including raw material costs, labor costs, and other expenses. If the inflation rate is higher than the economic growth rate, it will certainly increase the Company's production and business costs due to rising raw material prices, labor prices, etc. To cope with this issue, the Company always strengthens control activities, manages fluctuations in raw material prices to promptly implement flexible handling measures to minimize costs.



LEGAL RISKS

In Vietnam's economic development strategy, agriculture is identified as a priority sector to promote industrialization and modernization. Therefore, the Government has issued many legal documents to facilitate enterprises, cooperatives, and farmers' access to loan capital, while encouraging specialization and modernization of production. One of the key policies is to strengthen the link between farmers and businesses, in which businesses take on the role of consumption, while farmers must adhere to standard production processes to ensure export quality. The government also encourages land accumulation and centralized production to form large-scale fields.

Grasping this trend, Trung An Company has pioneered the implementation of the large-scale field model, with an area of approximately 800 ha, while building production links with farmers in Co Do, Kien Giang and Dong Thap. This is a strategic step to help the Company optimize the supply chain and increase the value of export products.

The Company's operations are strongly influenced by Vietnam's legal and policy system, including: the Enterprise Law, the Investment Law, the Securities Law, the Tax Law, and the Commercial Law. Recently, The State Securities Commission (SSC) have strengthened the inspection and review of compliance with the obligations of public companies, issuing many reminders and sanctioning violations. These moves pose significant challenges to the Company's management and operation. However, this is also an opportunity for Trung An to affirm its brand, reputation and quality in the market.

In addition, in order to expand export markets in countries such as Saudi Arabia, Dubai, Malaysia,

Germany, Australia and the United States, Trung An must not only meet domestic legal regulations but also strictly comply with the specialized laws of each country, including regulations on import and export duties. The Company always seriously studies, updates and complies with legal documents through cooperation with professional consulting units and organizing legal knowledge training for employees.





RISKS (CONT.)



SPECIFIC RISKS

COMPETITION RISKS

TRUNG AN, along with many businesses in Vietnam's food - rice industry, is facing increasing competitive pressure from international competitors such as Thailand, China, India, Indonesia, Laos, Cambodia... In this context, the requirement to maintain stable product quality, ensure competitive prices and strictly comply with the delivery schedule according to the contract are always vital factors, forcing businesses to constantly improve production and management capacity.

Vietnam's accession to the World Trade Organization (WTO) has opened the door to extensive integration, and also led to a strong wave of investment from foreign businesses. These businesses often possess modern facilities, a well-trained workforce with high professional skills, creating great competitive pressure on domestic businesses, especially in the construction and food processing industries.



While foreign businesses effectively utilize marketing and promotion tools to enhance brand value and expand consumption markets, most domestic businesses are still relying on traditional relationship networks, not fully exploiting the potential from professional marketing activities. This is one of the key weaknesses that needs to be overcome.

To deeply integrate and maximize advantages in the global economy, the Company needs to proactively grasp fluctuating trends, clearly identify opportunities and challenges, thereby building and adjusting production and business strategies flexibly, in accordance with the requirements of the new development phase.

RISKS REGARDING RAW MATERIALS

As a business specializing in the production and export of rice, Trung An is significantly dependent on input materials from farmers and traders. Therefore, fluctuations in output and prices in the raw material market can directly affect the stability and efficiency of the Company's production and export activities. Faced with this reality, the Company has proactively implemented many risk control solutions to ensure a stable supply and maintain competitiveness in the international market.

The situation of rice production and export in the past time continues to clearly reflect the structural problems of Vietnam's rice industry. Specifically, the cultivation of diverse rice varieties, which are not uniform in quality, has led to difficulties in tracing origin and building brands, which are core elements in export activities. Production costs are also pushed up due to dependence on imported materials such as fertilizers, plant protection drugs, and fuels, along with an inefficient distribution system. In addition, the harvesting and post-harvest stages have not been synchronously mechanized, lack close links with businesses, and low purchase prices discourage farmers from long-term investment, leading to high post-harvest yield losses, estimated at 10 - 12%.



Faced with that context, Trung An has gradually applied the large field model in the direction of close association with farmers. The Company proactively invests in comprehensive mechanization from sowing with machinery, automatic care, installation of water regulation pumping stations, to harvesting with modern harvesters. The goal is to minimize intermediate costs, increase the efficiency of resource use, standardize quality and enhance the added value of Vietnamese rice in the export market.



RISKS (CONT.)



SPECIFIC RISKS

RISKS REGARDING HUMAN RESOURCES

Human resources are always a key factor ensuring the stability and sustainable development of any manufacturing enterprise. However, in the context of strong fluctuations in the labor market along with the trend of labor movement between regions and industries, risks regarding human resources are becoming increasingly clear and worrisome.

For manufacturing enterprises, especially those with factories located in areas far from urban centers, recruiting and maintaining a high-quality labor force faces many difficulties. The supply of skilled labor, technicians, and specialized engineers is increasingly scarce, while the general labor force lacks stability and is prone to fluctuations. This situation directly affects labor productivity, production progress as well as the quality of output products.

In addition, the shortage of personnel in key technical positions also makes it difficult for businesses to implement technology improvement plans, optimize production processes and improve competitiveness. In the long term, risks regarding human resources can hinder the process of expanding scale, developing new products and maintaining customer service quality.

Faced with those challenges, businesses need to proactively build a comprehensive human resource development strategy, including internal training, establishing policies to attract and retain talent, improving the working environment and employee benefits, as well as strengthening links with vocational training institutions and universities. These are core solutions to minimize risks and ensure the maintenance of stability in the business operations of enterprises



OTHER RISKS

Similar to many businesses in the manufacturing and export sector, the Company is inevitably affected by objective and unavoidable risks such as natural disasters (earthquakes, floods, droughts), fires, wars, large-scale epidemics, or global geo-political fluctuations. Although these risks occur beyond the control of the business, when they arise, they can seriously disrupt the supply chain, production and business operations, labor safety, as well as the Company's financial situation.

Clearly aware of these potential impacts, Trung An proactively develops response plans and contingency plans to ensure continuous operation in all situations. Specifically, the Company has đã thực hiện the purchase of insurance for fixed assets, goods, and employees, considering this a practical solution to minimize financial losses in the event of a major risk. At the same time, the Company also implements risk prevention and control measures at the production site such as building a fire protection system, ensuring labor safety, and regularly reviewing and updating emergency response scenarios.

Being proactive in risk management not only helps minimize losses for the Company and its employees, but also demonstrates a commitment to protecting the legitimate interests of investors and stakeholders in the context of an increasingly volatile business environment.





TRUNG AN®

02 OPERATING SITUATION DURING THE YEAR

1. Situation of production and business operations
2. Organization and Human resource
3. Investment activities, project implementation
4. Financial situation
5. Shareholders structure, change in the owner's equity
6. Environment-Social-Governance (ESG) Report of the Company





PRODUCTION AND BUSINESS PERFORMANCE

GENERAL SITUATION OF THE RICE INDUSTRY

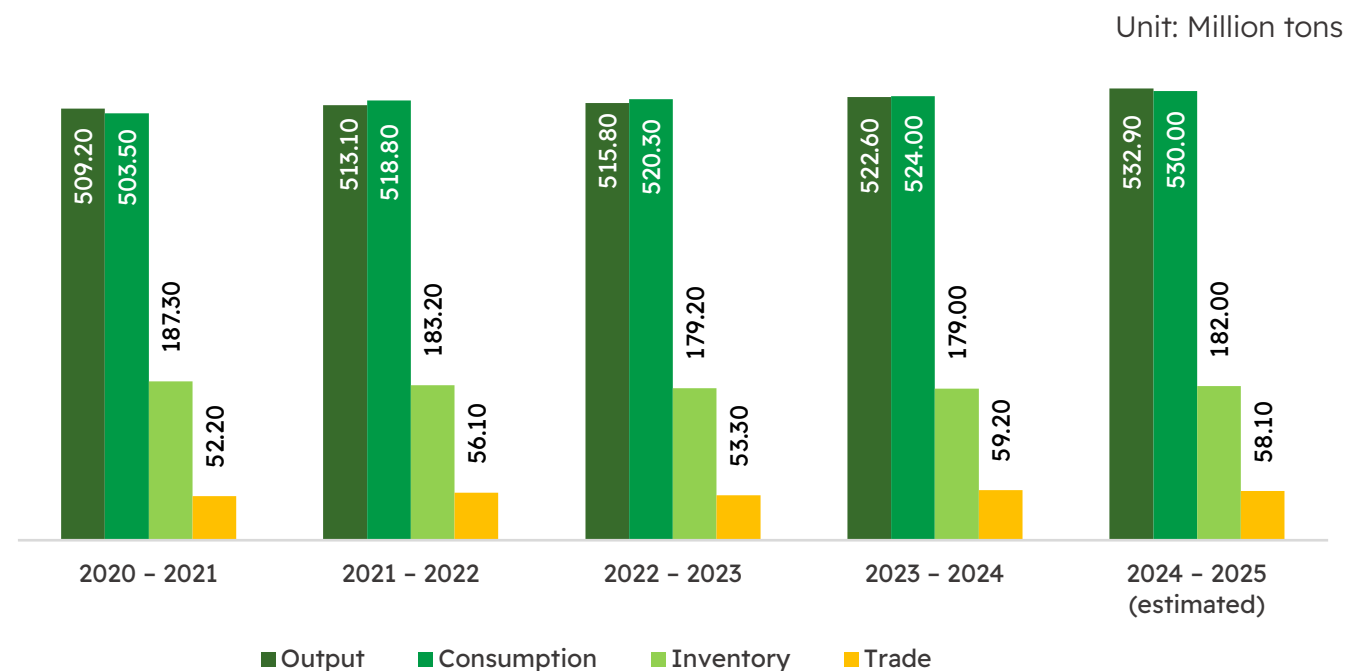
The general situation of the rice industry in Vietnam and the world in 2024 shows many noteworthy highlights, while also facing many challenges, reflecting the volatility of the global food market and the adaptive efforts of major producing countries like Vietnam.



WORLD RICE INDUSTRY SITUATION IN 2024

In 2024, the global rice market witnessed many significant fluctuations from factors such as climate change, trade policies, and increased consumption demand. The prolonged El Nino phenomenon caused droughts and floods in many major producing areas such as Thailand, India, and Indonesia, reducing productivity in some countries. In particular, India – the world’s largest rice exporter – cont. to maintain policies restricting the export of white rice and broken rice to ensure domestic food security, causing global commercial supply to be tightened. According to a report from the U.S. Department of Agriculture (USDA), global rice production for the 2023-2024 crop year reached approximately 522.65 million tons, lower than the forecast of 532.9 million tons for the 2024-2025 crop year (a decrease of 813,000 tons compared to the previous forecast but still an increase of 10.25 million tons compared to the previous crop year). Total supply (including beginning inventory and production) for the 2024-2025 crop year reached a record level of 712.4 million tons, an increase of 9.1 million tons compared to the previous crop year. Global consumption is expected to reach 530.2 million tons, an increase of 6.5 million tons, leading to a supply-demand surplus of approximately 2.7 million tons, reversing the previous deficit.

World rice supply and demand from the 2020–2021 to 2024–2025 crop years

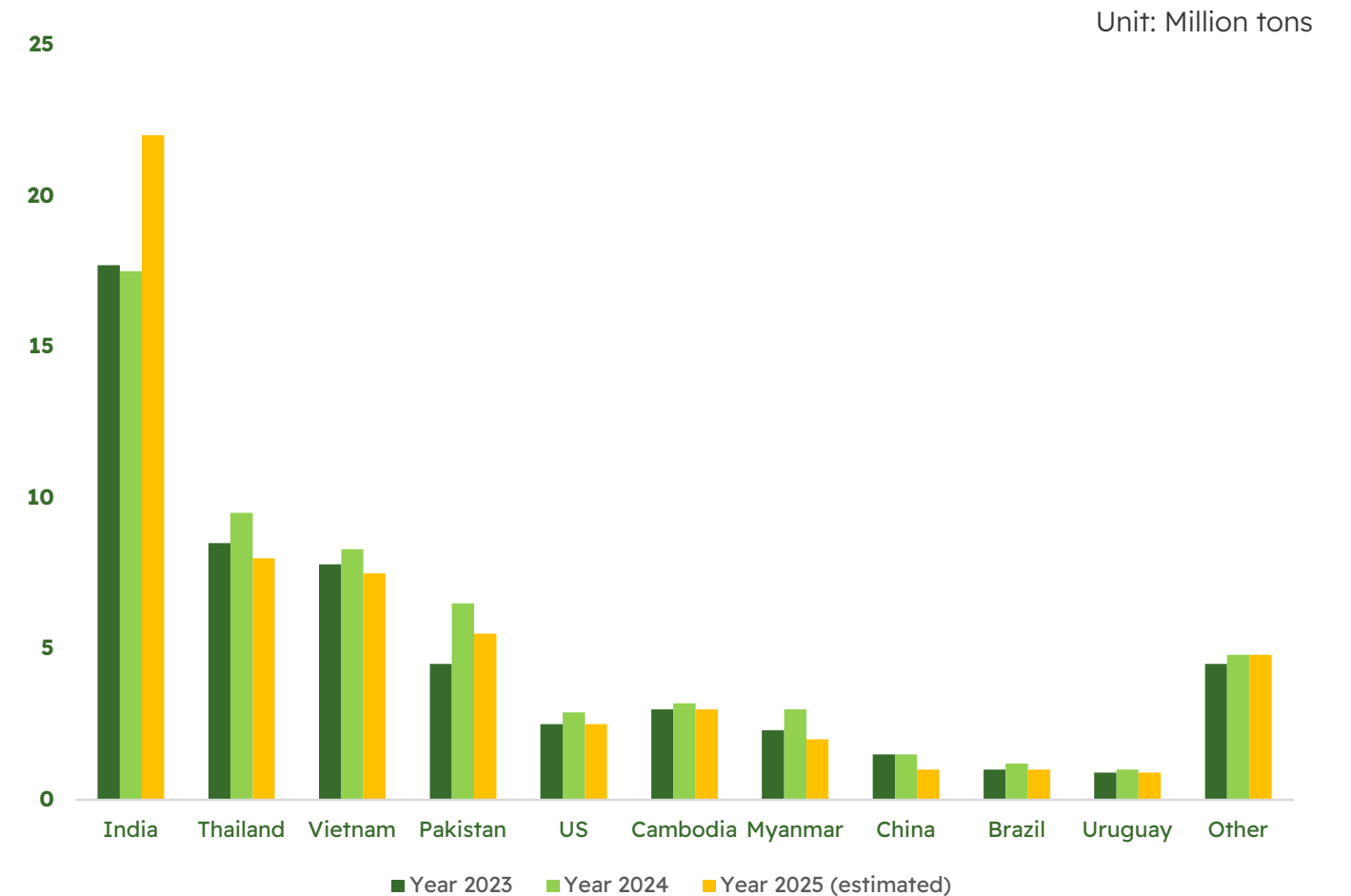


Source: USDA

Global rice consumption demand remains high, especially in Asia and Africa. In terms of trade, India – the world’s largest rice exporter – recorded a decrease in exports in 2023 (17.3 million tons), but is forecast to recover strongly to 22 million tons in 2025 thanks to the removal of export restrictions from the fourth quarter of 2024. This has caused world rice prices to fall sharply from the beginning of the fourth quarter, after maintaining high levels in the first 9 months of the year due to large import demand from Asia and Africa, along with India’s previous export ban. The price of 5% broken rice from Thailand increased by 24.5 USD/ton, Indian rice increased by 70 USD/ton, while Vietnamese rice increased by 11.2 USD/ton compared to 2023, but the downward trend in prices at the end of the year affected exporters.

Thailand achieved a record export of 10 million tons in 2024, the highest in 6 years, thanks to demand from Indonesia (1.12 million tons), Iraq (950,000 tons), and the Philippines (490,000 tons). Cambodia exported 651,522 tons, mainly fragrant rice (76.15%), while Pakistan grew strongly with 2.37 million tons in the first 5 months of the 2024-2025 fiscal year, targeting 5 Billion USD.

Rice exports of leading producing countries in 2023, 2024, and estimated 2025



Nguồn: USDA



PRODUCTION AND BUSINESS PERFORMANCE (CONT.)



OVERVIEW OF THE RICE INDUSTRY IN VIETNAM IN 2024

In 2024, Vietnam’s rice industry marked an outstanding year, especially in the export sector, setting a new record with **exports reaching 9.18 million tons, generating 5.75 billion USD in revenue, a 12.9% increase in volume and a 23% increase in value compared to 2023**. The average export price reached 627 USD/ton, up 16.7% from 2023, surpassing the 600 USD/ton threshold – a significant milestone, reflecting the trend towards higher-quality rice varieties such as fragrant and premium rice. This achievement solidified **Vietnam’s position among the top three rice exporters in the world**, after India and Thailand.



This success is attributed to several factors. **Firstly**, Vietnam effectively capitalized on the global supply shortage, particularly when India restricted exports. **Secondly**, flexible government policies, along with coordination between ministries and businesses, helped balance between exports and domestic consumption, while stabilizing domestic rice prices. **Thirdly**, participation in free trade agreements (FTAs) such as EVFTA and CPTPP expanded export markets, enhancing the value of Vietnamese rice. The ST25 rice brand cont. to assert its presence by being popular in international markets, further elevating the position of the Vietnamese rice industry.

However, Vietnam’s rice industry also faces several challenges. Climate change, drought, and saltwater intrusion in the Mekong Delta – the country’s largest rice-producing region – are impacting productivity and cultivated area. Production costs have risen due to uncontrolled input prices, coupled with low mechanization rates and significant post-harvest losses, reducing competitiveness. Additionally, the export market still heavily relies on traditional customers such as the Philippines, China, and Indonesia, while diversification into new markets remains limited.

Overall, the global rice industry in 2024 presents a multifaceted picture: supply constraints due to climate and policy factors, but with rising demand creating opportunities for exporting countries like Vietnam to shine. Vietnam not only achieved record exports but also demonstrated a strong shift towards improving quality and value, gradually building a sustainable brand in the international market. However, to sustain growth and long-term development, Vietnam needs to continue investing in technology, high-quality rice varieties, mechanization, market diversification, and effectively respond to challenges from climate change and global fluctuations. This is a pivotal moment for Vietnam’s rice industry to solidify its role not only in national food security but also on the global food map.

PRODUCTION AND BUSINESS OPERATIONS SITUATION

Regarding the proportions of Trung An’s export markets

STT	Market	Year 2024 (Consolidated)	Proportion (%)
I Domestic		4,091,071	92.12%
1	Rice, broken rice, bran...	4,063,885	91.51%
2	Other services and goods	27,186	0.61%
II Export		349,901	7.88%
1	Germany	31,994	0.72%
2	Malaysia	41,839	0.94%
3	Dubai	10,556	0.24%
4	China	180,212	4.06%
5	South Korea	2,073	0.05%
6	Hong Kong	27,245	0.61%
7	Australia	525	0.01%
8	Singapore	55,457	1.25%
Total		4,440,972	100%



PRODUCTION AND BUSINESS PERFORMANCE (CONT.)

PRODUCTION AND BUSINESS OPERATIONS SITUATION

Performance targets

Unit: Million VND

STT	Indicator	Year 2023	Year 2024	% Increase/ Decrease
1	Net revenue	4,484,746	4,235,656	-5.55%
2	Cost of goods sold	4,274,065	4,122,292	-3.55%
3	Gross profit	210,680	113,347	-46.20%
4	Profit from business activities	(11,438)	(65,280)	-
5	Other profits	1,177	17,857	1.417.16%
6	Profit before tax	(10,261)	(47,423)	-
7	Profit after tax	(15,562)	(58,147)	-

In 2024, Trung An Hi-Tech Farming Joint Stock Company recorded net revenue of 4,235,656 Million VND, equivalent to 118.02% of the year's plan, continuing to maintain growth momentum compared to previous years. This result reflects the Company's ability to maintain market share and promote exports in the context of many unfavorable fluctuations in the international rice market.

However, the after-tax profit result was achieved when the Company recorded a loss of (58,147) Million VND. The main reasons come from: (1) The world rice price movements reversed sharply from the beginning of 2024, causing a sharp decrease in selling prices, while input costs such as shipping costs to Europe increased, the Company also gradually shifted to signing contracts with customers and partners in Asia, but even the European market was heavily affected. (2) The gross profit margin was significantly narrowed, as Trung An proactively maintained stable selling prices for strategic customers in order to maintain its position in the market, despite pressure from output price fluctuations. (3) Financial costs continue to be a bottleneck, with high borrowing interest rates and increasing pressure to pay short-term loan interest, reducing pre-tax profits.

Thus, it can be seen that 2024 is a year of revenue growth but is not profitable. Maintaining a stable sales price policy and expanding export markets are commendable efforts of the Board of Management, but this needs to go hand in hand with a strategy to control financial costs and optimize operating costs to avoid falling into a situation of "growth does not go hand in hand with profits" in the following years.



NET REVENUE

(Million Dong)

4,484,746

Exceeding 18.02% of the 2023
annual plan

Unit: Million Dong

NO.	INDICATOR	PLAN 2024	IMPLEMENTED 2024	% IMPLEMENTED/ PLAN
1	Net revenue	3,100,000	4,235,656	118.02%
2	Profit after tax	31,000	(58,147)	-120.69%
3	Dividend payout Percentage	-	-	-





ORGANIZATION AND PERSONNEL

LIST OF THE BOARD OF MANAGEMENT

As of December 31, 2024

No.	Member	Position	Number of shares owned	Percentage of ownership
1	Nguyen Le Bao Trang	General Director	-	-
2	Pham Thai Binh	Deputy General Director	11.000.000	14,04%
3	Pham Le Khanh Han	Deputy General Director	-	-
4	Pham Le Khanh Huyen	Chief Accountant	-	-

MS. NGUYEN LE BAO TRANG - GENERAL DIRECTOR CUM MEMBER OF THE BOD

Date of birth	26/02/1978
Qualification	12/12
Position held at other organizations	None

WORK EXPERIENCE

From 2005 - 2015	Warehouse Manager - Trung An Co., Ltd.
From 05/2016 - present	Member of Board of Directors of Trung An High-Tech Farming JSC
From 17/08/2023 - present	General Director of Trung An High-Tech Farming JSC

MS. PHAM LE KHANH HAN – DEPUTY GENERAL DIRECTOR

Date of birth	18/11/1981
Qualification	12/12
Position held at other organizations	None

WORK EXPERIENCE

2000 - 2015	Head of Import-Export Department - Trung An Co., Ltd.
12/2015-present	Board of Directors' members cum Deputy General Director of Trung An Hi-Tech Farming Joint Stock Company

ÔNG PHẠM THÁI BÌNH - CHỦ TỊCH HĐQT KIÊM PHÓ TỔNG GIÁM ĐỐC

Date of birth	05/10/1956
Qualification	Intermediate degree in economic management
Position held at other organizations	Chairman of the Board of Directors of Trung An Kien Giang High-Tech Agriculture Joint Stock Company Director of Viet Duc Rice Production, Trading and Export Co., Ltd. Director of Novotech Trung Hung Co., Ltd.

WORK EXPERIENCE

1978 - 1996	Rice and paddy purchasing agent
1996 - 12/2015	General Director - Trung An Co., Ltd.
09/2009 - present	Director of Viet Duc Rice Production, Trading and Export Co., Ltd.
07/2012 - present	Director of Novotech Trung Hung Co., Ltd.
12/2015 - 08/2023	Vice Chairman of the Board of Directors cum General Director of Trung An Hi-Tech Farming Joint Stock Company
06/2016 - present	Chairman of the Board of Directors of Trung An Kien Giang Hi-Tech Farming Joint Stock Company
08/2023 - present	Chairman of the Board of Directors cum Deputy General Director of Trung An Hi-Tech Farming Joint Stock Company

MS. PHAM LE KHANH HUYEN - CHIEF ACCOUNTANT

Date of birth	20/01/1978
Qualification	Associate Degree in Accounting
Position held at other organizations	None

WORK EXPERIENCE

1999-12/2015	Head of Accounting Department - Trung An Co., Ltd.
12/2015 - 06/2023	Board of Directors' members of Trung An Hi-Tech Farming JSC
05/2022 - present	Chief Accountant of Trung An Hi-Tech Farming Joint Stock Company



ORGANIZATION AND PERSONNEL (CONT.)

CHANGES IN THE THE BOARD OF MANAGEMENT IN 2024: None

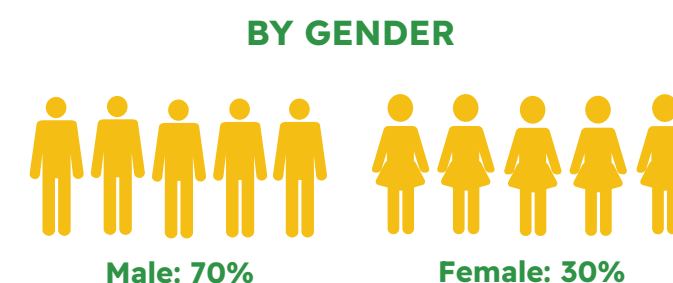
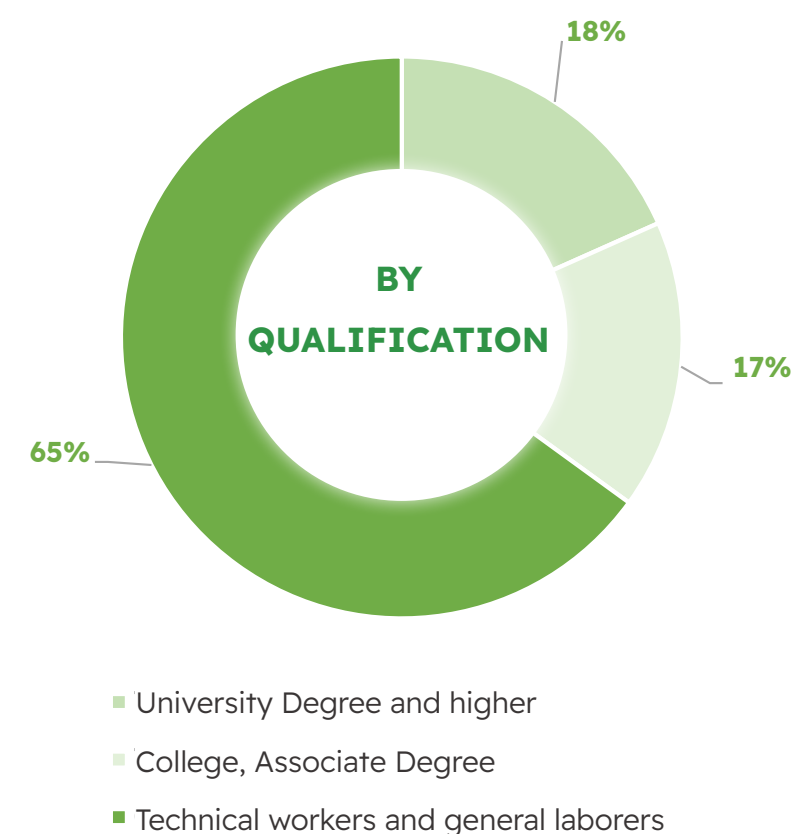
NUMBER OF OFFICERS AND EMPLOYEES

As of December 31, 2024

No.	Classification nature	Quantity (person)	Percentage (%)
A	By Qualification	60	100%
1	University Degree and higher	11	18%
2	College, Associate Degree	10	17%
3	Technical workers and general laborers	39	65%
B	By duration	60	100%
1	Seasonal workers	-	-
2	Long-term contract	60	100%
C	By gender	60	100%
1	Male	42	70%
2	Female	18	30%

AVERAGE INCOME

Items	Year 2021	Year 2022	Year 2023	Year 2024
Total number of employees (person)	193	205	128	60
Average income (VND/person/month)	9,717,835	10,349,398	10,705,612	11,853,935



Total number of employees

1,412

person

Average income

8,100,000

VND



ORGANIZATION AND PERSONNEL (CONT.)

HUMAN RESOURCES POLICY



RECRUITMENT STRATEGY

With the goal of developing sustainable and high-quality human resources, the Company considers recruitment as a key element in its overall human resource management strategy. Recruitment activities focus not only on selecting candidates with the appropriate professional qualifications for the job but also emphasize criteria such as professional ethics, responsibility, and long-term commitment. For key management and technical positions, the selection process is carried out rigorously to ensure that candidates meet the required level of expertise and practical experience.



WORKING HOURS

The Company fully allocates working hours in accordance with current labor laws, and is also consistent with the reality of production specifics. Specifically, for the office block, the standard working time is 8 hours per day, 6 days per week, a 2-hour lunch break and a day off on Sunday. For the production block, employees work in rotating shifts. In addition, during peak production periods, employees may be mobilized to work overtime on a voluntary basis and with prior agreement. The direct production block works in shifts to optimize productivity, while the indirect block operates during administrative hours.



TEAM TRAINING AND DEVELOPMENT

The Company is committed to long-term investment in training and improving the capacity of all employees, seeing this as the foundation for stable development and enhanced competitiveness. The training program is designed in two main directions:

For direct labor: Organize training classes at the workshop to improve skills, chuyên môn knowledge, and awareness of quality standards in each stage of production.

For professional and business blocks: Encourage personnel to participate in in-depth training programs, short-term training courses on policies, taxes, and management operations, both domestically and abroad, to improve work efficiency and the ability to adapt to changes in the business environment.



WORKPLACE ENVIRONMENT AND WORKING CONDITIONS

The Company always focuses on building a safe, modern, and friendly working environment. The factory system is thoroughly invested in, ensuring full compliance with standards for lighting, ventilation, and industrial hygiene. Direct laborers are fully equipped with labor protection equipment and other support facilities to ensure safety throughout the working process. For the office department, the Company provides synchronous technical infrastructure, equipped with modern computers connected to a high-speed network to optimize work efficiency.



REMUNERATION AND BENEFIT POLICIES

The salary and bonus policy is built by the Company based on a combination of job characteristics, qualifications, experience, and labor efficiency, and is also linked to the actual production and business situation. Salaries are paid in two installments each month (on the 15th and the last day of the month), in which the salary increase roadmap is considered periodically every year, with a minimum of 5%. The year-end bonus policy is based on the Company's financial performance but always ensures an average monthly income of 13 for employees.

In addition, employees are fully covered by all types of insurance as prescribed (social insurance, health insurance, unemployment insurance), and also enjoy welfare policies such as vacations, periodic travel, health check-ups, and other programs to take care of their spiritual and material lives.





INVESTMENT STATUS, PROJECT IMPLEMENTATION STATUS

MAJOR INVESTMENTS

In 2024, the Company cont. to implement key investment projects to serve the goal of sustainable development and improve the efficiency of the production and processing value chain. Specifically:

The model field construction project in Kien Giang province cont. to be implemented from previous years. This project plays an important role in standardizing raw material areas and strengthening the link between enterprises and farmers according to a concentrated, modern production model.

The Waste Treatment Plant project is a project that the Company has been planning for a long time. By 2024, the project was implemented according to the plan set out by the Company, with the investment value recorded by the end of the year reaching 352,008,036 VND. This project not only aims to treat waste effectively in agricultural production but also takes advantage of developing revenue from năng lượng tái tạo.

In addition, the Company cont. to maintain investment in the housing category for employees, with the value unchanged at 13,681,005 VND, contributing to improving living conditions and social security for employees.

Unit: Dong

Investment Indicators	January 01, 2024	December 31, 2024
Purchase of Fixed Assets	459,564,435	32,445,775
Basic construction in progress	7,050,704,478	7,402,712,514
Kien Giang Model Field Construction Project	7,037,023,473	7,037,023,473
Waste Treatment Plant Project	-	352,008,036
Staff Housing	13,681,005 VND	13,681,005
Total	14,560,973,391	14,837,870,803



ASSOCIATED COMPANIES

01

Viet Duc Rice Production Processing Trading Export Company Limited

Unit: Đồng

No.	Indicators	Year 2023	Year 2024	%2024/2023
1	Total assets	16,664,590,634	16,665,522,693	100%
2	Owners equity	16,659,550,528	16,641,282,587	100%
3	Net revenue	-	-	-
4	Profit after tax	-885,278	-17,429,281	-

02

Novotech Trung Hung Company Limited

Unit: Đồng

No.	Indicators	Year 2023	Year 2024	%2024/2023
1	Total assets	11,385,986,085	11,382,994,879	99,97%
2	Owners equity	11,384,396,117	11,366,037,738	99,84%
3	Net revenue	-	-	-
4	Profit after tax	6,359,873	-18,358,379	-



FINANCIAL SITUATION

FINANCIAL SITUATION

No.	Indicators	Year 2023	Year 2024	% Increase/ Decrease
1	Total asset value	2,993,983	2,614,397	-12.68%
2	Net revenue	4,484,746	4,235,638	-5.55%
3	Gross profit	210,680	113,347	-
4	Net profit from business activities	(11,438)	(65,280)	-
5	Other profit	1,177	17,857	1417.16%
6	Profit before tax	(10,261)	(47,423)	-
7	Profit after tax	(15,562)	(58,147)	-
8	Basic earnings per share	(202)	(739)	-
9	Dividend payout Percentage	-	-	-



KEY FINANCIAL INDICATORS

Indicators	Unit	Year 2023	Year 2024
Solvency ratio			
Current ratio	Time	1.21	1.42
Quick ratio	Time	0.62	1.24
Capital structure Ratio			
Debt/Total assets ratio	%	60.64	54.4
Debt/Owners equity ratio	%	153.27	118.86
Operation capability Ratio			
Inventory turnover	Turn	3.42	6.17
Total asset turnover	Turn	1.55	1.51
Profitability			
Profit after tax/Net revenue ratio (ROS)	%	-0.35	-1.37
profit after tax/ total capital Ratio (ROE)	%	-1.33	-4.88
profit after tax/ Total assets Ratio (ROA)	%	-0.55	-2.06
Profit from business activities/ Net revenue Ratio	%	-0.26	-1.54%

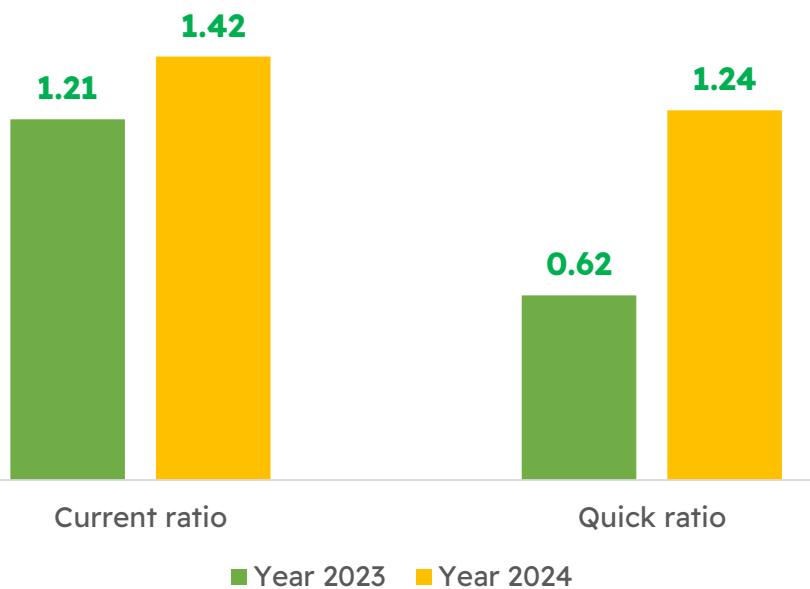


FINANCIAL SITUATION (CONT.)



SOLVENCY RATIO

In 2024, the short-term solvency indicators of Trung An High-tech Agriculture Joint Stock Company recorded a clear improvement compared to the previous year. Specifically, the current ratio increased from 1.21 times to 1.42 times, while the quick ratio rose sharply from 0.62 times to 1.24 times. These are positive signals, reflecting strengthened liquidity due to effective management of working capital and short-term debt structure.



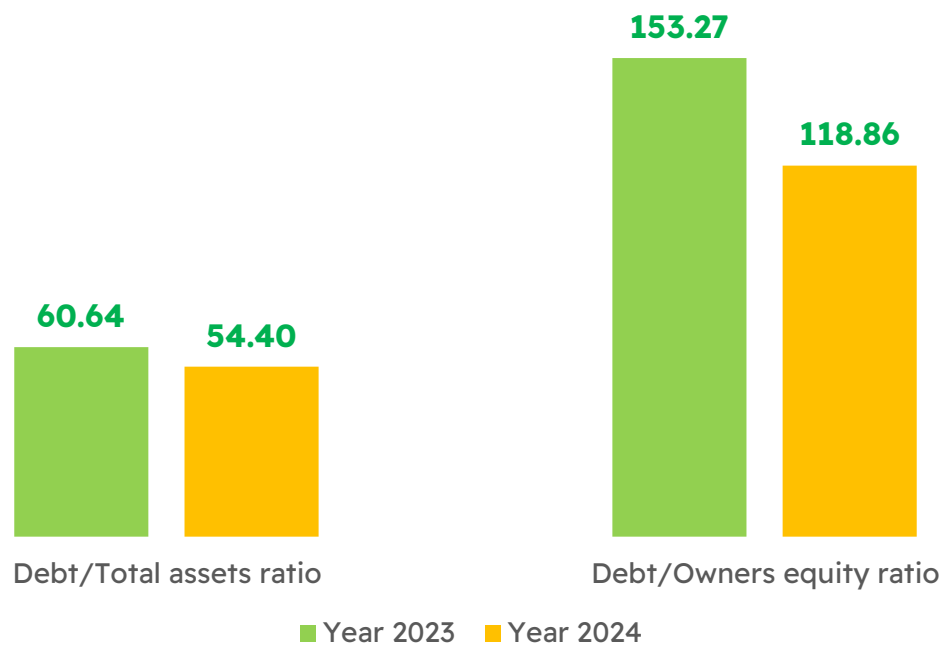
As of December 31, 2024, the Company's total short-term assets decreased by 8.45% compared to the same period in 2023. This decrease was primarily due to two main factors: Short-term receivables from customers decreased sharply from 484 billion VND to just over 80 billion VND, a reduction of 83.36%. This change was mainly due to significant debt recovery from major partners such as Ngoc An Nam Trading JSC and An Dien Food Processing JSC, which helped improve cash flow and reduce credit risk. Inventory at the end of the year also recorded a sharp decline of 76.05%, equivalent to over 819 billion VND, mainly because the Company expedited the sale of a large amount of reserved raw materials, accelerating production and sales progress during the year.

Additionally, short-term liabilities in 2024 also decreased significantly, totaling 1.417 trillion VND, a 21.55% drop compared to the end of 2023. The largest decrease was in accounts payable to suppliers, which fell by 95.25%, indicating that the Company paid off most of its obligations to suppliers during the period. Furthermore, short-term financial borrowings at the end of December 31, 2024 also decreased by 15.87% (equivalent to over 244 billion VND), mainly due to the settlement of loans from Hong Leong Vietnam Bank – Ho Chi Minh Branch and Malayan Banking Berhad – Ho Chi Minh and Hanoi Branches.

Although Trung An's financial structure still heavily relies on receivables and payables with partners and customers, the liquidity risk is relatively low due to the fact that the majority of the counterparties are reputable, long-term partners. The Company's management also continues to maintain strict financial control policies, constantly monitoring financial fluctuations to take timely actions and implement flexible solutions, ensuring stability and financial security for long-term operations.



CAPITAL STRUCTURE RATIO



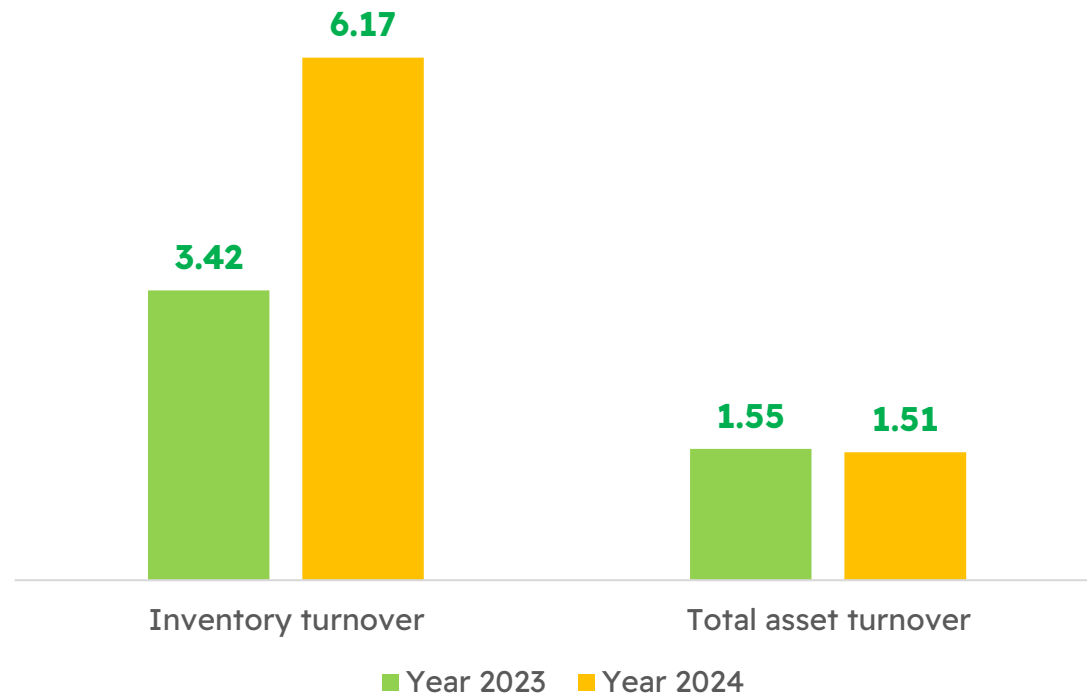
In 2024, the Company's debt ratio slightly decreased compared to the previous year. Specifically, the debt-to-total assets ratio fell from 60.64% to 54.4%, while the debt-to-equity ratio increased from 153.27% to 118.86%. The total assets recorded a decrease of 12.68%, primarily due to reductions in items such as inventory and investments held to maturity, along with a decrease in time deposits.

Short-term debts accounted for a significant proportion, reaching 91.25%, mainly consisting of short-term loans from commercial banks (including VietinBank - Mekong Delta Branch with 576 billion VND, First Commercial Bank with 334 billion VND, and Sacombank with 300 billion VND). These loans were used to supplement working capital, discounting, guarantees, and opening letters of credit (L/C) for production and business activities. While the Company's accounts payable decreased by 21.66%, its owner's equity only saw a slight increase of 1.16%. Both capital structure ratios decreased compared to the previous year, but the debt ratio remained at a relatively safe level, effectively leveraging the tax shield from interest expenses.



TÌNH HÌNH TÀI CHÍNH (TIẾP THEO)

OPERATION CAPABILITY RATIO



In 2024, Trung An recorded a remarkable improvement in operational efficiency, particularly in the inventory turnover ratio. Specifically, the inventory turnover surged from 3.42 times in 2023 to 6.17 times in 2024, reflecting a significant reduction in the inventory turnover cycle. This result stemmed from the company’s strategy of restructuring its raw material inventory policy towards a leaner, more flexible approach in response to the unpredictable fluctuations in global rice prices. Amid declining demand in traditional export markets such as the Philippines and Indonesia, Trung An proactively adjusted its production plan and accelerated shipment schedules, significantly reducing the end-of-period inventory. This contributed to optimizing storage costs and improving cash flow.

Meanwhile, the total asset turnover recorded a slight decrease to 1.51 times, down from 1.55 times in 2023. This decline reflects the slower growth of revenue in comparison to the contraction of asset scale, especially given that average total assets in 2024 decreased by more than 12% due to reductions in financial investments and inventory. Similar to the previous year, this indicator shows that the company’s asset utilization efficiency has not shown substantial improvement, despite efforts to control costs and maintain stable revenue. To further enhance asset utilization efficiency, Trung An needs to continue expanding its market reach, improving profit margins, and optimizing its long-term asset structure to accelerate revenue generation per unit of invested capital.

PROFITABILITY

In 2024, the profitability indicators of Trung An High-tech Agriculture Joint Stock Company cont. to show a declining trend, indicating that financial performance is still significantly influenced by various cost factors and market conditions. Specifically, the profit margin after tax to net revenue (ROS) dropped from -0.35% to -1.37%, while the return on equity (ROE) decreased sharply from -1.33% to -4.88%. At the same time, the return on assets (ROA) also fell from -0.55% to -2.06%. The profit margin from business operations to net revenue cont. to remain negative at -1.54%, reflecting that core activities did not generate significant value-added during the year.

Unlike 2023, when rising financial costs were the main factor eroding profits, in 2024, the decline in profitability was primarily driven by a significant contraction in the gross profit margin. Export rice prices on the international market dropped unexpectedly, while input and production costs remained high, leading to a considerable squeeze in profit margins. Additionally, fixed costs such as labor, logistics, and storage were maintained at high levels, putting further pressure on business results.

While financial costs showed signs of easing, thanks to the stability of domestic and international interest rates, they still accounted for a significant proportion of total costs and need to be closely monitored. Furthermore, the policy of maintaining stable selling prices to protect relationships with strategic customers also contributed to limiting the potential for short-term margin improvement.

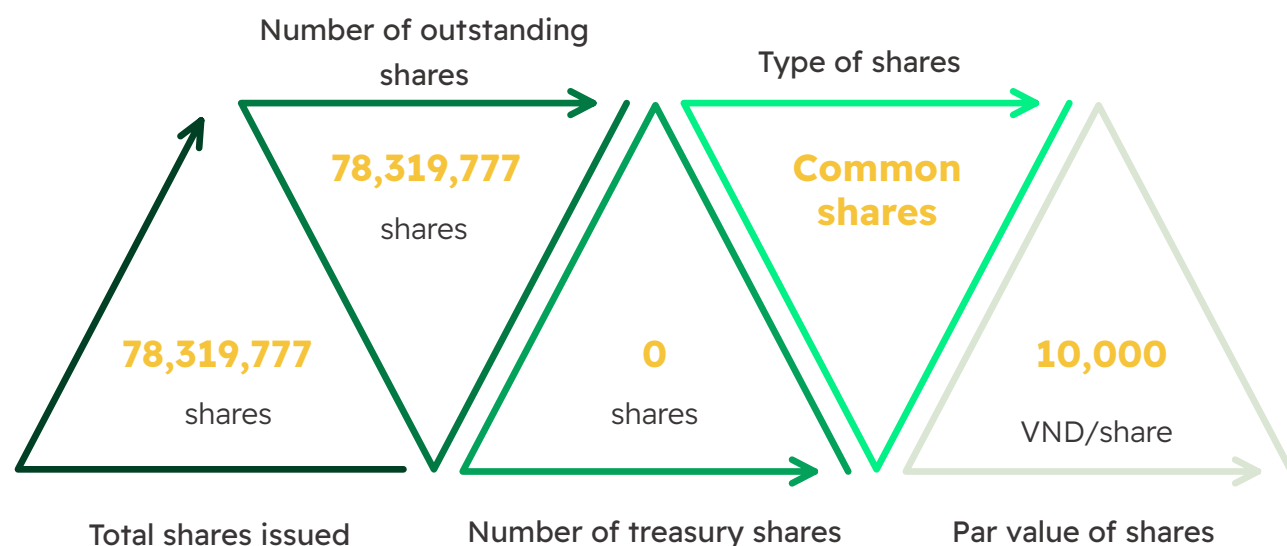
In this context, Trung An needs to focus on restructuring its products to increase value, expand into niche markets, and target segments with higher profit margins. Combining effective cost control with the positive signals from the stable interest rate environment will be a crucial foundation to gradually improve profitability indicators and strengthen the financial capacity for the next phase of growth.





SHAREHOLDER STRUCTURE, CHANGES IN OWNER'S INVESTMENT CAPITAL

SHARES



SHAREHOLDER STRUCTURE

Based on the latest shareholder list as of May 24, 2024

No.	Shareholder type	Number of shares	Value (VND)	Ownership Percentage
I	Ownership Percentage	78,322,777	783,227,770,000	100%
1	Cổ đông lớn	11,000,000	110,000,000,000	14.04%
2	Small shareholders	67,322,777	673,227,770,000	85.96%
II	Object of ownership	78,322,777	783,227,770,000	100%
1	State shareholders	-	-	-
2	Institutional shareholders	462,679	4,626,790,000	0.59%
3	Individual shareholders	77,860,098	778,600,980,000	99.41%
III	Ownership scope	78,322,777	783,227,770,000	100%
1	Domestic	78,286,287	782,862,870,000	99.95%
2	Foreign	36,490	364,900,000	0.05%
Total (I+II+III)		78,322,777	783,227,770,000	100%



LIST OF MAJOR SHAREHOLDERS

Based on the latest shareholder list as of May 24, 2024

No.	Name	Address	Number of shares	Ownership Percentage/ Charter capital
1	Mr. Pham Thai Binh	2A1, Vo Thi Sau, An Hoi Ward, Ninh Kieu District, Can Tho City	11,000,000	14.04%

MAXIMUM FOREIGN OWNERSHIP RATIO: 0%

(*) Based on Official Letter No. 2495/UBCK-PTTT dated June 2, 2021, from the State Securities Commission regarding the notification of the maximum foreign ownership ratio

TREASURY STOCK TRANSACTIONS

None

OTHER SECURITIES

None



SHAREHOLDER STRUCTURE, CHANGES IN OWNER'S INVESTMENT CAPITAL (CONT.)

SITUATION OF CHANGES IN OWNER'S INVESTMENT CAPITAL

Time	Completion Time	Charter capital before issuance (VND)	Additional capital (VND)	Charter capital after issuance (VND)	Form of capital increase	Legal basis
1	2015: Converting from Limited Liability Company to Joint Stock Company	200,000,000,000	350,000,000,00	200,000,000,000	-	-
2	2017	200,000,000,000	70,563,001,129	270,563,001,129	Private placement of shares	Resolution of the Board of Directors No. 05-2017/TAG/NQ-HĐQT dated September 15, 2017 approving capital contribution by assets of shareholders; Business Registration Certificate No. 1800241736, 18th change dated March 23, 2017 issued by the Department of Planning and Investment of Can Tho City.
3	2018	270,563,001,129	79,436,998,871	350,000,000,000	Issuing shares to existing shareholders	Resolution of the Board of Directors No. 06-2017/TAG/NQ-HĐQT dated October 26, 2017; Business Registration Certificate No. 1800241736, 19th change dated November 23, 2017 issued by the Department of Planning and Investment of Can Tho City.
2	04/09/2020	350,000,000,000	69,999,770,000	419,999,770,000	Issuing shares to pay dividends for 2019	General Meeting of Shareholders Resolution No. 01/2020/NQ-ĐHĐQT/TAR dated June 29, 2020; Resolution of the Board of Directors No. 08/2020/TAR/NQ-HĐQT dated September 04, 2020 Approving the results of issuing shares to pay dividends for 2019;
3	2021	419,999,770,000	41,999,560,000	461,999,330,000	Issuing shares to pay dividends for 2020	General Meeting of Shareholders Resolution No. 01/2021/NQ-ĐHĐQT/TAR dated April 27, 2021; Resolution No. 06-2017/TAG/NQ-HĐQT dated October 26, 2017;
4	10/01/2022	461,999,330,000	250,000,000,000	711,999,330,000	Private offering of shares to professional investors	General Meeting of Shareholders Resolution No. 01/2021/NQ-ĐHĐHĐ/TAR dated April 27, 2021; Resolution of the Board of Directors No. 01/2022/TAR/NQ-HĐQT dated January 10, 2022 on the Report on the results of private placement of shares.
5	20/06/2022	711,999,330,000	71,198,440,000	783,197,770,000	Issuing shares to pay dividends for 2021	General Meeting of Shareholders Resolution No. 01/2022/NQ-ĐHĐHĐ/TAR dated June 27, 2022; Resolution of the Board of Directors No. 21/2022/TAR/NQ-HĐQT dated June 20, 2022.



REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS OF THE COMPANY

IMPACT ON THE ENVIRONMENT

In its sustainable development orientation, the Company pays special attention to integrating environmental protection factors into the entire production and business operation chain. Internal training programs are frequently organized to raise legal awareness and environmental responsibility for staff and employees. The Content of the training includes current regulations of functional agencies on water resource management, energy use and environmental monitoring. For the linked production ecosystem, the Company also actively disseminates knowledge about environmental impacts and risk mitigation measures to farmers participating in the cooperation model.



Initiatives and solutions to mitigate the greenhouse effect

To proactively adapt to climate change and control greenhouse gas emissions, the Company implements synchronous environmental monitoring activities on a scale appropriate to each production facility. The periodic monitoring system is operated in strict compliance with legal regulations, ensuring strict control of electricity and water consumption indicators and emissions within permitted limits. In particular, the formulation and implementation of environmental protection projects are methodically deployed at each production unit, contributing to limiting risks and improving operational efficiency.

Simultaneously, Trung An is gradually transitioning to using renewable energy sources that are environmentally friendly, such as solar power, demonstrating the enterprise's long-term efforts in the green transition and sustainable development process.



RAW MATERIAL MANAGEMENT

With a commitment to minimizing environmental impact, Trung An prioritizes the use of raw materials and packaging that are ecologically friendly. The Company collaborates closely with research units and management agencies to select products such as organic fertilizers, ensuring safety for both consumers and the soil and water environment. The packaging used in processing and packaging is supplied by licensed manufacturers with certifications related to environmental standards and product safety.

Besides controlling the selection of

input materials, the Company also strictly implements material storage and preservation processes according to internal standards to optimize operating costs and minimize resource losses.

- » The amount of packaging used in the Company's product packaging process: **3,700 units**
- » The volume of main materials for the finished product production process: **44,354 tons**



ELECTRICITY CONSUMPTION

The production and business operations of Trung An primarily rely on electricity from the national power grid. Additionally, the company has invested in solar power systems at several production sites, helping to reduce reliance on traditional power sources. To ensure continuous operations, the company has also equipped itself with backup gasoline-powered generators.

In the office, the lighting system has been converted to energy-efficient devices, along with the implementation of regulations for the rational management of electricity consumption to reduce operating costs.

Amount of direct electricity consumption: **5,246,795 kWh**



REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS OF THE COMPANY (CONT.)

WATER CONSUMPTION

Trung An implements many technical and management measures to use water efficiently in production and daily life. Clean water is supplied by Thot Not Water Supply Joint Stock Company, fully meeting the technical standards for input water quality.

The maintenance of the water supply system is carried out periodically, combined with controlling consumption flow to ensure continuous and stable operation. Domestic wastewater is pre-treated through a three-compartment septic tank, which reduces up to 70% of the pollution content before being discharged into the public system, ensuring compliance with legal requirements for urban drainage.

Total water consumption: **7,297 m³**

REPORT ON RESPONSIBILITY TO THE LOCAL COMMUNITY

Trung An is committed to harmonious development with the community by regularly participating in social security programs, accompanying local authorities in charitable activities and community support in Can Tho City and neighboring provinces.

POLICIES RELATED TO EMPLOYEES

Up to now, the total number of officials and employees working at the Company is 60 people, with an average income of 11,853,935 VND/person/month. Trung An always maintains a personnel policy based on the principles of fairness, transparency, and respect, considering this as a foundation for building a stable and professional working environment.

The Company fully fulfills its legal obligations related to employees, including the signing of clear and transparent labor contracts, and ensuring that all personnel participate in social insurance, health insurance, and unemployment insurance regimes in accordance with legal regulations, in order to protect the long-term and legitimate rights of employees.

In parallel, the Company focuses on training and developing professional capacity, helping the staff improve their skills, meet job requirements well, and adapt flexibly to changes in the production and business environment. The assignment of tasks is based on an assessment of each individual's competence, qualifications, and development potential.

In addition, collective activities, care for spiritual life, and enhancement of internal culture are also regularly implemented by the Company, contributing to strengthening solidarity and long-term attachment between employees and the enterprise.

Through harmonious remuneration policies and a methodical personnel development strategy, Trung An affirms its commitment to building a professional, humane, and sustainable working environment.

REPORT ON GREEN CAPITAL MARKET ACTIVITIES ACCORDING TO THE GUIDELINES OF THE STATE SECURITIES COMMISSION (SSC)

Currently, the company has not yet implemented any capital raising programs through the green capital market mechanism. However, the company consistently monitors the guidelines and policies of the State Securities Commission (SSC) and is ready to research and participate when the conditions are suitable.



03

REPORT AND EVALUATION FROM THE BOARD OF MANAGEMENT

1. Assessment of production and business performance in the year 2024
2. Financial Situation
3. Improvements in organizational structure, policies, and management
4. Future development plan
5. Explanation from the Board of Management regarding the audit opinion
6. Report on the company's environmental and social responsibilities





EVALUATION OF PRODUCTION AND BUSINESS RESULTS



In 2024, Trung An Hi-Tech Farming Joint Stock Company operated in the context of the international rice industry facing many unpredictable fluctuations, especially the sharp decline in rice prices in the world market after a period of dramatic growth in 2023. Faced with the double pressure from reduced selling prices and high input costs, the Company's production and business activities faced many difficulties, directly affecting the financial performance of the entire year.



Unit: Million Dong

Indicators	Actual 2023	Plan 2024	Actual 2024	%Increase/ Decrease compared to the same period	% Actual 2024/ Plan 2024
Total asset value	2,993,983	-	2,614,397	7.19%	-
Net revenue	4,484,746	3,100,000	4,235,638	18.08%	118.02%
Gross profit	210,680	-	113,347	-24.37%	-
Net profit from business activities	(11,438)	-	(65,280)	-	-
Other Profit	1,177	-	17,857	-80.02%	-
Profit before tax	(10,261)	-	(47,423)	-	-
Profit after tax	(15,562)	31,000	(58,147)	-	-20.69%
Basic earnings per share	(202)	-	(739)	-	-
Dividend Percentage	-	-	-	-	-

Total net revenue in 2024 reached 4,235.638 Billion VND, equivalent to 118.02% of the plan, although lower than the actual figure for 2023, it still demonstrates great efforts in maintaining output and export market share in the context of weakening global demand. However, gross profit decreased sharply by 24.37%, reaching only 113.347 Billion VND, due to the narrowing of profit margins as the average selling price decreased faster than the rate of cost adjustment.

The consequence of the decline in profit margins along with the pressure of high financial and operating costs led to a net loss from main business activities of 65.280 Billion VND, nearly six times the loss in 2023. Although other profits improved significantly, reaching 17.857 Billion VND (compared to 1.177 Billion VND in the previous year), it was not enough to offset the loss from main activities. Therefore, profit before tax and after tax recorded negative 47.423 Billion VND and negative 58.147 Billion VND respectively, causing the after-tax profit implementation tỷ lệ to reach only -120.69% of the year's plan, meaning that not only was the profit target not achieved, but losses were also deeper than expected.

Given the unsatisfactory business performance, the General Director has determined that urgent measures are needed in 2025, including: reviewing the cost structure, adjusting the market strategy to reduce dependence on certain traditional markets, promoting value-added consumption channels, and expanding the customer base in niche markets. In addition, the Company will take advantage of the gradual decline in global interest rates to restructure its capital sources, reduce financial pressure, and gradually improve the efficiency of its production and business operations.



EVALUATION OF PRODUCTION AND BUSINESS RESULTS (CONT.)

In 2024, the Company also encountered several advantages and disadvantages during its operations, as follows:

ADVANTAGES

01 Self-sufficient supply thanks to production links



Trung An continues to benefit from production link contracts with farmers through the Large Field Model project and other areas. This helps the company maintain a stable supply of output and selling prices, while ensuring the quality of rice according to the **“Green Process - Clean Product”** standards. In 2024, when Vietnam’s rice production reached 24.1 million tons, a slight increase compared to 2023 despite drought and saline intrusion in the Mekong Delta, Trung An may have taken advantage of this condition to consolidate its supply.

Export market expanded with high-quality rice 02

With a strategy focused on organic and high-quality rice (such as ST24, ST25), Trung An continues to penetrate deeply into demanding markets such as Europe, South Korea, and Australia. In 2024, Vietnam exported a record 9.18 million tons of rice, of which high-quality rice accounted for a large proportion (80% in the first quarter of 2025, according to VFA). Trung An, with its established reputation, may have signed more export contracts, especially as markets such as the Philippines (importing 3.6 million tons from Vietnam) and Indonesia increased their import demand.



03 International rice prices rose sharply for most of 2024



Global rice demand increased sharply in the first 9 months of 2024 due to the impact of India’s previous export ban, pushing Vietnam’s rice prices to an average of 627 USD/ton (up 16.7% compared to 2023). This creates an opportunity for Trung An to increase the value of exports, especially with high-end rice lines. In addition, the geographical location near large markets such as the Philippines helps Trung An save transportation costs and delivery time, creating a competitive advantage over competitors such as Thailand or India.

Favorable support policies and market trends 04

The Vietnamese government continues to promote the 1 million-hectare high-quality, low-emission rice project, creating conditions for businesses like Trung An to develop sustainable raw material sources. Furthermore, the global consumer trend is shifting towards fragrant and organic rice varieties (such as ST24, ST25), which is in line with Trung An’s strategy, helping the company maintain its advantage in high-end markets. Increased demand from new markets such as Africa (18% of Vietnam’s total rice exports) also opens up opportunities for Trung An to diversify its markets.



DIFFICULTIES

01 Increased competition and pressure to reduce prices at the end of the year



From the 4th of 2024, India lifted export restrictions, “discharging goods” from abundant reserves (60.9 million tons at the beginning of the year), causing global rice prices to fall sharply. The price of Vietnam’s 5% broken rice fell to 481 USD/ton in December 2024, the lowest in 19 months. This puts great pressure on Trung An, especially as the company depends on price-sensitive export markets such as the Philippines and Indonesia. India’s return with an expected export of 22 million tons in 2025 further increases competition.

Demand in some key markets is declining 02

Rice exports to China have sharply decreased to 250,000 tons (down 71% compared to 2023) as the country focuses on domestic production and applies strict standards for quality and packaging. As one of the previously important markets for Trung An, this decline may affect revenue. In addition, demand for high-quality rice in markets such as Europe, Korea, and Australia may be limited due to slow global economic recovery and prolonged inflation.



03 Transportation costs and interest rates remain a challenge

Despite its geographical advantage with nearby markets like the Philippines, transportation and global sales costs remain high in 2024, affecting Trung An’s profits. In addition, the high-interest-rate environment continues to be a stumbling block for businesses reliant on short-term loans to finance working capital, such as Trung An, increasing financial pressure.

Climate change and production risks 04

Climate change, drought, and saltwater intrusion in the Mekong Delta (where Trung An has its main supply) continue to affect the quality of rice during production, processing, and storage. Although Vietnam’s rice production has slightly increased, these factors may raise production costs and risks for Trung An, especially as the company focuses on organic products that require high standards.





EVALUATION OF PRODUCTION AND BUSINESS RESULTS (CONT.)

In 2024, Trung An effectively capitalized on the advantages of increased global rice demand, favorable rice prices for most of the time, and a strategy focused on high-quality rice to achieve impressive export achievements, in line with the overall record of the Vietnamese rice industry (9.18 million tons, 5.8 Billion VND). However, the company also faced numerous difficulties from increased competition, falling rice prices at the end of the year, declining demand in some major markets, and pressure from transportation costs, interest rates, and climate change. To maintain its position, Trung An needs to continue optimizing its supply chain, promote its premium rice brand, and leverage free trade agreements (FTAs) to expand into new markets in an increasingly competitive environment.





THE PROGRESS THE COMPANY HAS MADE

Maintain and improve the organizational structure and management policies

Following the strategic direction approved by the General Meeting of Shareholders and the Board of Directors, Trung An in 2024 may have maintained a consistent and synchronized organizational structure and management policies like in the 2022-2023 period. This stability continues to be a solid foundation for the company to develop comprehensively, especially as the Vietnamese rice industry achieved a record export of 9.18 million tons, bringing in nearly 5.8 Billion VND. With the established foundation, Trung An may have optimized its operational processes and enhanced its ability to adapt to market fluctuations, such as the return of India and the fall in rice prices at the end of the year.

Complete the KPI system and improve work efficiency

In 2023, Trung An implemented a system of key performance indicators (KPIs) for each individual, including management personnel. In 2024, the Company may have completed and widely applied this system, ensuring specific, clear, and measurable criteria. Combining KPIs with a strict delivery and reporting regime may have helped employees be more proactive in their work, improve their personal capacity, and receive salaries and bonuses commensurate with their contributions. This not only enhances work efficiency but also promotes a sense of responsibility, contributing to the overall success of the company when facing increased competition from competitors such as India and Thailand.

Enhance management and operational capabilities

By implementing KPI systems and organizational structure improvements, Trung An Hi-Tech Farming Joint Stock Company may have achieved significant progress in management and operations in 2024. Management processes have become more standardized and transparent, enabling the company to respond quickly to market fluctuations, such as the sharp decline in rice prices from the fourth quarter of 2024 (down to 481 USD/ton in December 2024) and decreased demand in China (only 250,000 tons, a 71% decrease compared to 2023). Synchronization in management also supported Trung An in optimizing the supply chain, from production to export, ensuring the maintenance of product quality in a fiercely competitive environment.



THE PROGRESS THE COMPANY HAS MADE (CONT.)

Promote technology application and sustainable development

With the orientation of “Green Process - Clean Product,” Trung An Hi-Tech Farming Joint Stock Company may have cont. to invest in production and processing technology in 2024 to improve the quality of organic rice and meet the stringent standards of the international market. In particular, the support from the Vietnamese Government’s 1 million-hectare high-quality, low-emission rice project may have created conditions for Trung An to apply sustainable farming methods, reducing the impact of climate change such as drought and saltwater intrusion in the Mekong Delta. This not only enhances brand reputation but also helps the company meet the global consumer trend towards environmentally friendly products.

Enhance competitiveness in the international market

In 2024, Trung An Hi-Tech Farming Joint Stock Company may have made significant progress in building a high-quality rice brand in demanding markets such as Europe, South Korea, and Australia. With Vietnam’s rice export value reaching a record of nearly 5.8 Billion USD and an average price of 627 USD/ton, Trung An may have taken advantage of this trend to increase revenue from fragrant and organic rice varieties. Maintaining relationships with major markets such as the Philippines (importing 3.6 million tons from Vietnam) and expanding into potential markets such as Africa (accounting for 18% of Vietnam’s total rice exports) is also a remarkable achievement, helping the company diversify its markets and reduce dependence on areas with declining demand such as China.

Promote the solidarity and motivation of employees

Thanks to improvements in management policies and the KPI system, Trung An Hi-Tech Farming Joint Stock Company may have created a more professional and transparent working environment in 2024. This has not only helped improve work efficiency but also promoted the solidarity and responsibility of all employees. With improved work motivation, the company may have overcome challenges such as high transportation costs, rising interest rates, and competitive pressure from India to continue to affirm its position in the market.



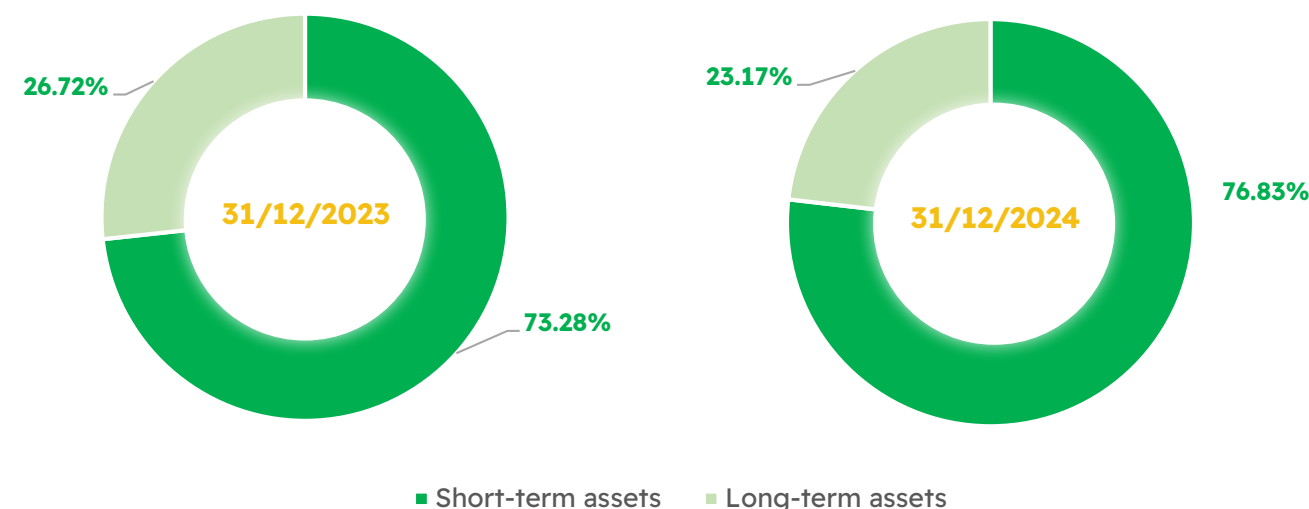
FINANCIAL SITUATION

ASSET SITUATION

Unit: Million VND

Item	31/12/2023		31/12/2024	
	Value	Proportion	Value	Proportion
Short-term assets	2,193,900	73.28%	2,008,514	76.83%
Cash and cash equivalents	14,041	0.47%	1,626	0.06%
Short-term receivables	1,076,085	35.94%	1,726,684	66.05%
Inventory	1,078,037	36.01%	258,234	9.88%
Other short-term assets	25,737	0.86%	21,971	0.84%
Long-term assets	800,082	26.72%	605,883	23.17%
Fixed assets	625,208	20.88%	580,994	22.22%
Long-term assets in progress	7,510	0.25%	7,435	0.28%
Long-term financial investments	164,279	5.49%	14,758	0.56%
Other long-term assets	3,086	0.10%	2,697	0.10%
Total assets	2,993,983	100%	2,614,397	100%

As of December 31, 2024, the total assets of Trung An Hi-Tech Farming Joint Stock Company were recorded at 2,614,397 Million VND, a decrease of 12.68% compared to the end of 2023. The asset structure continues to maintain the typical characteristics of enterprises operating in the production-agriculture sector, with short-term assets accounting for an overwhelming proportion, reaching 76.83% of total assets, a sharp increase compared to the previous year's level of 73.28%. This shift shows that the Company is continuing to optimize current assets to flexibly adapt to fluctuations in the international rice market.



In the structure of short-term assets, short-term receivables surged from 1,076,085 Million VND to 1,726,684 Million VND, equivalent to an increase of 60.47%, and accounted for 66.05% of total assets - the highest level in the Company's asset structure. This is a notable point as this indicator has far exceeded the proportion of inventory and cash, mainly due to prepayments to sellers such as Huynh Loan NS Processing and Trading Co., Ltd, and prepayment for property transactions regarding the transfer of quyền sử dụng đất with Mr. Nguyen Thai Binh, causing this item to increase sharply.

Conversely, inventory decreased sharply by 76.05%, from 1,078,037 Million VND to 258,234 Million VND, causing the proportion of total assets to drop significantly from 36.01% to 9.88%. This is a steep decline, reflecting the trend of accelerating inventory turnover and reducing reserves to lower storage costs and the risk of goods devaluation amid strong fluctuations in the global rice market.

Long-term assets at the end of 2024 decreased by 24.29% compared to 2023, to 605,883 Million VND, accounting for 23.17% of total assets. In particular, fixed assets decreased slightly by 7.07% to 580,994 Million VND, but still play a key role in the structure of long-term assets (accounting for 22.22% of total assets), indicating that the Company continues to maintain a stable production base.

Overall, the asset structure in 2024 shows a shift from long-term assets to short-term assets, which is in line with the strategy of responding quickly to adverse market developments. However, the sharply increased proportion of receivables needs to be closely monitored to ensure liquidity and efficient use of capital. Trung An's asset structure still retains the characteristics of an agricultural production enterprise, but the profound changes in the internal structure of short-term assets reflect the Company's financial and operational strategy adjustment process in the context of the rice industry facing many challenges over the past year.



FINANCIAL SITUATION (CONT.)

LIABILITIES SITUATION

Unit: Million VND

Item	31/12/2023		31/12/2024	
	Value	Proportion	Value	Proportion
Short-term liabilities	1,806,157	99.48%	1,416,847	99.61%
Short-term payables to suppliers	170,696	9.40%	8,115	0.57%
Short-term advances from customers	6,105	0.34%	100,797	7.09%
Taxes and amounts payable to the State	3,998	0.22%	5,856	0.41%
Payables to employees	-	0.00%	680	0.05%
Short-term payables expenses	3,374	0.19%	3,308	0.23%
Other short-term payables	79,233	4.36%	225	0.02%
Short-term loans and finance lease liabilities	1,542,751	84.97%	1,297,865	91.25%
Long-term debt	9,413	0.52%	5,488	0.39%
Long-term loans and finance lease liabilities	8,348	0.46%	4,174	0.29%
Deferred income tax liabilities	1,065	0.06%	1,314	0.09%
Total liabilities	1,815,570	100%	1,422,334	100%

With the specificity of manufacturing enterprises, Trung An mainly finances working capital with short-term debts due to their flexibility and timeliness. Specifically, at the end of 2024, short-term debt recorded a decrease of more than 389,310 Million VND, equivalent to a decrease of 21.55%. In which, the proportion of short-term loans and financial lease debts accounted for 91.25% of total liabilities. On the other hand, long-term debt decreased by 41.7%, mainly because the Company has fully paid off its debt with Chailease International Company Limited.

In general, Trung An's debt structure in 2024 continues to show the orientation of short-term capital financing for production and business operations as the main focus, but also reflects efforts to narrow financial debt, closely control interest expenses and increase the proportion of capital from customers through effective sales policies. Although the debt structure still leans towards liquidity risk due to the large short-term proportion, thanks to the ability to negotiate and sustainable partnerships, Trung An still maintains a relatively good level of financial safety. Continuing to maintain good control of financial costs and maintaining proactive operating cash flow will be a key factor in helping businesses improve financial efficiency in the coming years.



IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

In order to ensure consistency and synchronicity with the development orientation approved by the General Meeting of Shareholders and established by the Board of Directors, the Company continues to maintain the stability of the current organizational structure and management policy system. This is an important basis for ensuring continuity in operations, while creating favorable conditions for the implementation of strategic goals in the medium and long term.

In parallel, in order to improve the quality of work, labor productivity and income of employees, the Company has developed and implemented a system of key performance indicators (KPIs) for each individual, including the management and executive team. The application of KPIs is a significant step forward in human resource management, helping to enhance transparency, measure effectiveness and promote the proactiveness of each employee.

The KPIs mechanism is closely integrated with the assignment process, completion deadlines, reporting regime, and a reward-penalty system based on performance results. As a result, employees are further motivated to develop personal plans, promote professional capabilities, and improve work results, thereby receiving salaries and bonuses commensurate with their actual contributions.

With the gradual professionalization of the management system and improved operational efficiency, the Company has achieved many positive results in 2024. This is an important foundation for Trung An to continue promoting management reform and sustainable development in the next phase.





FUTURE DEVELOPMENT PLAN

Prospects and growth potential in 2025

01

Supply-demand forecast

According to the United States Department of Agriculture (USDA), global rice exports in 2025 are expected to reach 56.3 million tons, an increase of 2.3 million tons compared to the previous forecast. Rice demand continues to increase, especially from the Philippines (expected to import a record 5.4 million tons), opening up great opportunities for Vietnam - a country capable of supplying over 9 million tons/year. However, competition will be fiercer as India returns to the “race” with abundant and cheap supply, putting pressure on price negotiations for large orders.

02

Opportunities and challenges

Opportunity: The quality of Vietnamese rice is increasingly improved, in line with the global consumption trend towards fragrant and high-quality rice. Large markets such as the Philippines and Indonesia still prioritize Vietnam thanks to its reputation and sustainable trade relations. The project of 1 million hectares of high-quality, low-emission rice also promises to enhance the value and sustainability of the industry, creating a long-term competitive advantage.

Challenge: Rice prices tend to decrease slightly as global supply recovers, especially from India. The decrease in demand from China and competitive pressure from Thailand and Pakistan require Vietnam to diversify its markets and optimize production costs.



Accordingly, it is expected that in 2025, the Company will implement investment in projects. In which, specifically as follows:

Expanding industries and developing value chains

01

Trung An aims to expand the value chain in the food sector by investing in agricultural tourism and expanding production activities. The Company owns a vast raw material area, including 800 hectares of organic farming land and a natural cajuput forest with a diverse ecosystem. To optimize infrastructure, the Company plans to plant many types of fruit trees and herbs, creating an ecological agricultural tourism complex, to bring resort experiences to customers interested in nature and organic agriculture. In addition, the Company focuses on natural conservation and development, invests in clean and renewable energy, as well as develops by-products from rice such as flour, vermicelli and dried pho, which are trusted by consumers at home and abroad.

Production and business activities

02

The Board of Management continues to promote the Company’s core strengths in the field of food business and rice exports. In order to move towards sustainability and stability in farming linkages with farmers, while sharing real benefits for them, the General Director Board has researched and reorganized the operating mechanism of purchase prices, guaranteed prices and selling prices. In addition, the Company focuses on taking care of existing customers and seeking potential customers to expand export markets, increasing export turnover in the following years. The company also promotes the application of information technology to cut operating costs, such as online meetings, remote work and task delivery on the system.

Human resources development

03

Enhancing the quality of the staff is Trung An’s sustainable development strategy, focusing on two main areas: perfecting the management team and building a multi-generational corporate culture. In-depth training programs, along with appropriate rotation and promotion policies, will be implemented for the management team. In addition, a multi-generational working environment will be encouraged to create a solid foundation for the Company’s future operations. With this strategy, the Company believes it will build a dynamic, creative, and long-term workforce, contributing to the Company’s sustainable development goals.

Financial strategy

04

With a strategic vision, the Company prioritizes the development of long-term credit products to ensure a stable source of capital, minimizing the pressure of interest expenses and debt payments due. At the same time, the Company actively participates in agricultural support programs implemented by the Government. In parallel, the Company aims to reduce borrowing, thereby creating a solid financial foundation for the business operations of the enterprise.



FUTURE DEVELOPMENT PLAN (CON.T)

Investment plan for 2025

01

High-quality rice area for procurement, processing, and export of 15,000 hectares in Phu Yen Province

The People's Committee of Phu Yen Province has issued an investment approval decision.

02

Waste-to-energy plant in Phu Yen Province

Initial implementation steps have been carried out, and the company is in the process of completing the documentation for the People's Committee of Phu Yen to issue the investment policy decision and proceed with the next steps.

03

Specialized high-quality rice cultivation area with low emissions of 50,000 hectares

Specialized high-quality rice cultivation area with low emissions of 50,000 hectares in Kien Giang Province as part of the 1 million hectares project approved by the Prime Minister in November 2023: The investment project is currently under preparation.

04

Waste-to-energy plant in Soc Trang Province

The People's Committee of Soc Trang has submitted the proposal to the Ministry of Industry and Trade since 2021 and is finalizing the documentation to issue the investment policy decision for the company.



EXPLANATION FROM THE BOARD OF GENERAL DIRECTORS REGARDING THE AUDIT OPINION

The separate and consolidated financial statements for 2024 of Trung An Hi-Tech Farming Joint Stock Company were audited by AASCS with the result that the report was "Disclaimer of Opinion."

The auditor provided the following reasons:

- » Currently, the Company is awaiting verification results from the competent authorities regarding the issues raised in the State Securities Commission's inspection conclusion dated September 13, 2023, which includes: The ownership of 15 million TAR shares in the company's private placement of shares. The preparation of the 2021 private placement registration. Information related to inventory figures disclosed in the 2022 audited financial statements, which were valued at 1,255,542,463,892 VND. The auditing firm has stated that it is unable to assess or quantify the impact of these issues on the 2024 consolidated financial statements of the Company. As of the issuance of this audit report, these issues remain unresolved and continue to affect the 2024 consolidated financial statements.
- » Trung An High-tech Agriculture Joint Stock Company (the parent company) did not conduct an inventory count as of December 31, 2023, and is also unable to assist with the inventory count at the time of the audit. Based on the records currently held by the Company, the auditing firm is unable to perform procedures to verify the inventory figures as of December 31, 2023, presented in the consolidated financial statements, amounting to 965,372,768,579 VND.
- » Due to the significance of the issue described in the section "Basis for the Disclaimer of Opinion", the auditing firm was unable to obtain sufficient appropriate audit evidence to form a basis for an audit opinion. Therefore, AASCS is unable to express an audit opinion on the consolidated financial statements of Trung An High-tech Agriculture Joint Stock Company as of December 31, 2024.
- » The Company has addressed and rectified the issue regarding the failure to conduct an inventory count as of December 31, 2023 by conducting an inventory count from February 25, 2025, to March 5, 2025, and performing retroactive procedures to determine the inventory value as of December 31, 2024, presented in the consolidated financial statements, amounting to 258,233,762,424 VND.

The General Director Board has the following comments:

The Company's leadership stated that the enterprise disagrees with the conclusions of the State Securities Commission's inspection on September 13, 2023, because it believes that the conclusions related to inventory data of the State Securities Commission were made based on incomplete recording of import and export documents; the Company has changed its goods reserve policy to ensure greater convenience for inventory work.



REPORT ASSESSING THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

Assessment related to environmental indicators



Assessment related to labor issues



Assessment related to the company's responsibility to the local community



In 2024, Trung An cont. to implement measures to minimize negative impacts on the environment, including:

- » **Water Resource Management:** The Company applies water-saving methods in both production and daily activities, ensuring efficient water use and minimizing waste.
- » **Waste Treatment:** The Company adheres to regulations for the treatment of rice straw and agricultural waste, while also guiding farmers on proper disposal of pesticide packaging to prevent environmental pollution.
- » **Use of Renewable Energy:** The Company invests in solar power systems at its production facilities, helping to reduce greenhouse gas emissions and promote the use of clean energy.
- » **Compliance with Legal Regulations:** The Company ensures that all production and waste management activities strictly comply with environmental protection laws.

These actions demonstrate Trung An's commitment to sustainable development and protecting the living environment for the community.

Trung An places people at the center of its development strategy, with specific policies such as:

- » **Welfare policy:** Ensuring the rights of employees through the signing of full labor contracts and participation in social insurance, health insurance, and unemployment insurance regimes in accordance with the law.
- » **Training and development:** Organizing training courses to improve skills and expertise for employees, helping them adapt to job requirements and develop their careers.
- » **Taking care of spiritual life:** Conducting collective activities and caring for the spiritual life of employees, creating a positive and connected working environment.

These efforts aim to build a professional, dynamic, and long-term committed workforce for the company.

Trung An is committed to developing with the community through activities such as:

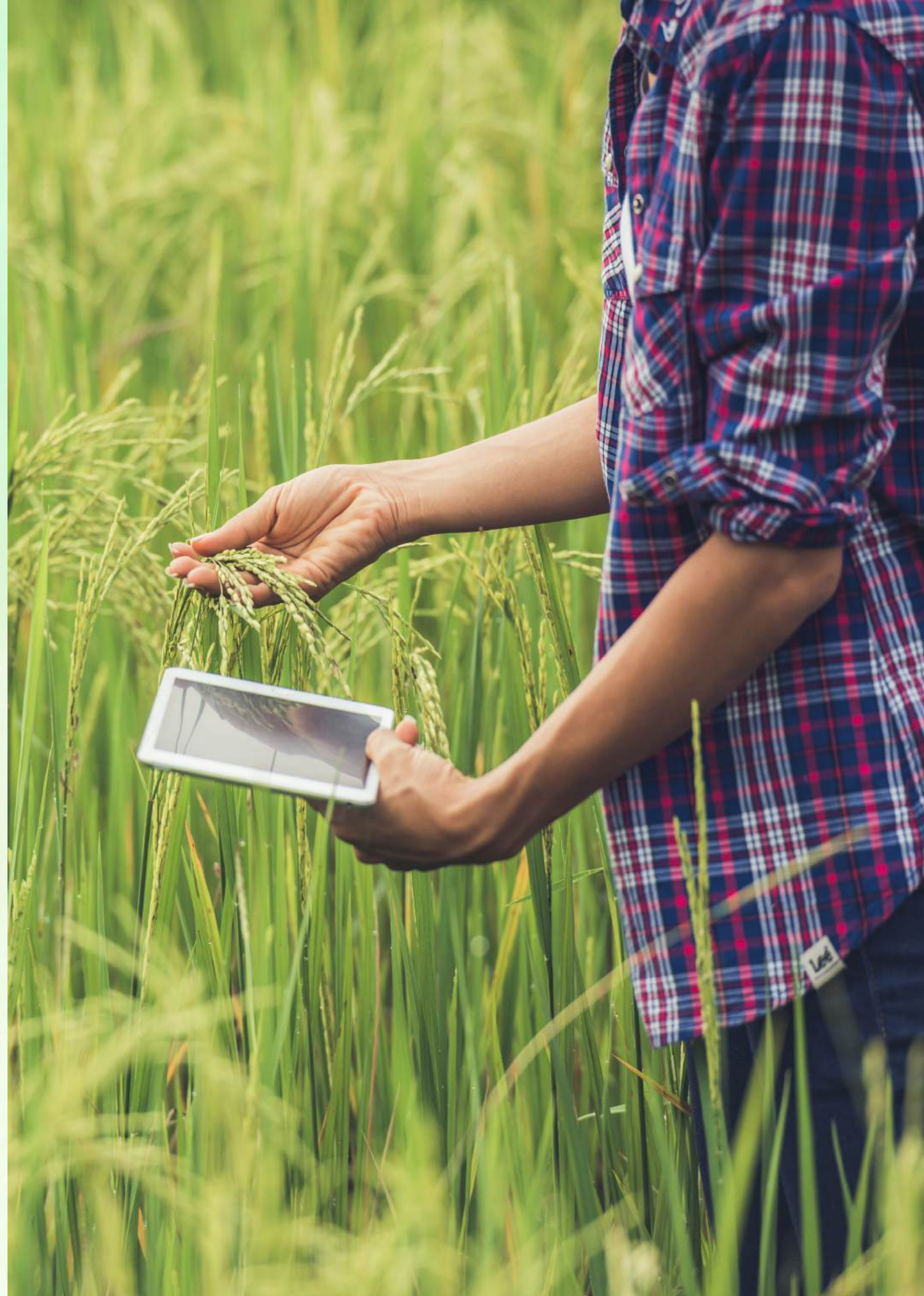
- » **Charity activities:** Organizing programs to donate rice to local areas affected by natural disasters and supporting poverty reduction efforts.
- » **Sustainable agricultural development:** Guiding farmers in linkage models on farming techniques and field management, contributing to improving production efficiency and protecting the environment.

Through these activities, Trung An demonstrates social responsibility and commitment to the local community, contributing to building a sustainable and humane developing society.

04

ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION

1. Assessments of the Board of Directors on the Company's operation
2. Assessment by the Board of Directors on the activities of the company's Board of Management
3. Plans and orientations of the Board of Directors





ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION

In 2024, the Board of Directors acknowledged the stable and sustainable development of the Company, demonstrated through maintaining efficient production and business operations, expanding export markets, and fully implementing commitments to social and environmental responsibilities.

Regarding the environment, Trung An continues to implement sustainable agricultural models, effectively manage water resources, and safely treat straw. The modern wastewater treatment system at the factories operates efficiently, contributing to minimizing waste and strictly complying with environmental legal regulations.

Regarding social responsibility, the Company has implemented many activities to support the community, especially the children of associated farmers. Technical training programs on farming and field management are organized regularly, contributing to improving knowledge and skills for the trẻ generation attached to agriculture. Besides, the Company also actively participates in charitable activities, supports localities affected by natural disasters, and contributes to poverty reduction.



ASSESSMENT BY THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE COMPANY'S BOARD OF GENERAL DIRECTOR

The Board of Directors highly appreciates the proactivity and flexibility of the Board of General Director in operating production and business activities, especially in the context of market volatility. The Board of General Director has effectively implemented business strategies, expanded export markets, and maintained good relationships with domestic and international partners.

Internal management has been strengthened through the application of a system of Key Performance Indicators (KPIs), which helps improve labor productivity and work efficiency. At the same time, the Board of General Director also focuses on training and developing human resources, ensuring that the staff has sufficient capacity and skills to meet job requirements.





PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS



OPPORTUNITIES

Stable demand from the high-end market: Markets such as the EU and Japan continue to maintain stable demand for high-quality rice, creating conditions for Trung An to develop value-added products.

Support policies from the government: Promoting agricultural exports and supporting businesses in digital transformation and sustainable development from the government will create favorable conditions for Trung An in expanding markets and improving competitiveness.



CHALLENGES

Fluctuations in global rice prices: The increase in supply from major exporting countries such as India may continue to put downward pressure on rice prices in the international market, affecting business profits.

Fierce competition: Competition from other rice exporting countries such as Thailand and Myanmar requires Trung An to continuously improve product quality and operational efficiency to maintain its position in the market.

High requirements for quality and traceability: High-end markets are increasingly setting strict standards for quality and traceability, requiring Trung An to invest heavily in quality management systems and information technology.



PLAN

Amid the volatile global rice market, the Board of Dof Trung An has determined that 2025 is a pivotal period for consolidating its position and developing sustainably. Key orientations include:

- » **Diversifying export markets:** Reduce dependence on traditional markets such as the Philippines, Indonesia, and Malaysia by expanding into other potential markets to spread risk and capitalize on opportunities from new regions.
- » **Enhance the production of high-quality rice:** Continue to invest in premium and specialty rice product lines, meeting the demands of discerning markets such as the EU, Japan, and the U.S., where quality and food safety requirements are high.



"The rice exporting businesses today must invest in building factories, warehouses, machinery and equipment, otherwise they will not be able to operate and will not have rice to export. Therefore, the main need of rice businesses is a great need for capital, especially medium and long-term capital."

The project "Sustainable Development of 1 million ha of high-quality and low-emission rice specialized cultivation associated with green growth in the Mekong Delta region by 2030" is the solution to the problem of sustainable development of the rice industry. "The most important thing is production linked to consumption, then Vietnamese rice will no longer be in a situation where there is a good harvest but prices drop, or prices are good but the harvest is bad."

Mr Pham Thai Binh, Chairman of the Board of Directors of Trung An

- » **Strengthen ties with farmers:** Expand the area of production linked with farmers, provide support for seeds, supplies and farming techniques, and ensure the purchase of products at stable prices to improve input quality and ensure a sustainable supply.
- » **Promote digital transformation:** Apply technology in production management, traceability and business administration to improve operational efficiency and meet the increasing demands of the market.

The Trung An Board of Directors is committed to continuing to lead the company towards sustainable development, seizing opportunities from high-end markets and effectively addressing challenges from the global business environment. Diversifying markets, improving product quality and applying technology will be key factors in the company's development strategy in 2025 and the following years.

05 CORPORATE GOVERNANCE

1. Board of Directors
2. Board of Supervisors
3. Transactions, remuneration and benefits of the Board of Directors, the General Director and the Board of Supervisors





BOARD OF DIRECTORS

BOARD OF DIRECTORS

As of December 31, 2024

STT	Member	Position	Number of shares owned	Ownership Percentage
1	Pham Thai Binh	Chairman of the Board cum Deputy General Director	11,000,000	14.04%
2	Le Thi Tuyet	Non-executive members of the Board of Directors	-	-
3	Nguyen Le Bao Trang	Board of Directors' member cum General Director	-	-
4	Pham Le Khanh Han	Board of Directors' member cum Deputy General Director	-	-
5	Lu Le Tran	Independent Board of Directors Member	726	0.00%

BOARD OF DIRECTORS MEMBER INFORMATION

MR. PHAM THAI BINH - CHAIRMAN OF THE BOARD CUM DEPUTY GENERAL DIRECTOR

Details in the Personnel organization section, Part II

MRS. LE THI TUYET – NON-EXECUTIVE MEMBERS OF THE BOD

Date of birth	01/04/1956
Qualification	12/12
Position currently held in other organizations	None

WORK EXPERIENCE

1976 - 1996	Rice and grain purchasing agent
1996 -2015	Chairman of the Board of Members - Trung An Limited Company
From 12/2015- 06/2023	Chairman of the Board of Directors of Trung An Hi-Tech Farming Joint Stock Company
06 2023 – now	Deputy Chairman of the Board of Directors of Trung An Hi-Tech Farming Joint Stock Company

MS. NGUYEN LE BAO TRANG - BOARD OF DIRECTORS' MEMBERS CUM GENERAL DIRECTOR

Details in the Personnel organization section, Part II

MS. PHAM LE KHANH HAN - BOARD OF DIRECTORS' MEMBERS CUM DEPUTY GENERAL DIRECTOR

Details in the Personnel organization section, Part II

MS. LU LE TRAN – INDEPENDENT MEMBER OF THE BOD

Date of birth	01/01/1960
Qualification	12/12
Position currently held in other organizations	None

WORK EXPERIENCE

1980- 1996	Rice and grain purchasing agent
1996-2006	Warehouse Manager of Thot Not District Cooperative
2006-05 2016	Warehouse Manager of Co Do Cooperative
05 2016 - present	Independent Board of Directors Member of Trung An Hi-Tech Farming Joint Stock Company

CHANGE OF THE BOARD OF DIRECTORS IN 2024

None

SUBCOMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has not established any subcommittees. The Board of Directors appoints an officer to hold the position of the Person in Charge of Corporate Governance, who also serves as the Company Secretary. When necessary, the Board of Directors utilizes the company's management staff to support its work.



BOARD OF DIRECTORS (CONT.)

ACTIVITIES OF THE BOARD OF DIRECTORS



In 2024, the Board of Directors always closely monitored the operating situation and administration of the Board of General Director. The Board of General Director regularly discussed and exchanged information on important issues of the Company and reported the progress of work implementation to the Board of Directors through weekly meetings. Therefore, the supervision of the Board of Directors for the Board of General Director is carried out closely, promptly and continuously, specifically as follows:

- » Complete, submit, and disclose information on time for the annual financial statements, quarterly financial statements, reviewed semi-annual financial statements, and annual reports in 2024.
- » The Board of Directors has effectively supervised the management and operation of the General Director, ensuring that the Company's activities are stable, safe, and in compliance with legal regulations;
- » Monitor the compliance with current legal regulations related to corporate governance and fully and promptly disclose information on business operations to shareholders, management agencies, and affiliated persons on the basis of transparency, accuracy, and timeliness;
- » Review and approve the business plan targets for 2024 to be submitted to the General Meeting of Shareholders for approval;
- » Organize the annual General Meeting of Shareholders;
- » Attend and provide opinions in the company's periodic giao ban meetings

Additionally, the Board of Directors has directed the Management Board to actively investigate, supervise, and ensure compliance with the proper procedures, processes, and legal regulations regarding related party transactions as stipulated in point c, clause 46, Article 4 of the Securities Law, and the disclosure of information on the securities market.



MEETINGS OF THE BOARD OF DIRECTORS

No.	Board of Directors' members	Number of meetings attended by BOD	Meeting attendance percentage
1	Mr. Pham Thai Binh	17/17	100%
2	Mrs. Le Thi Tuyet	17/17	100%
3	Ms. Nguyen Le Bao Trang	17/17	100%
4	Ms. Pham Le Khanh Han	17/17	100%
5	Mrs. Lu Le Tran	17/17	100%

THE SPECIFIC CONTENT OF THE MEETINGS AND THE CORRESPONDING ISSUED RESOLUTIONS ARE AS FOLLOWS:

No.	Resolution/ Decision No.	Date	Content	Approval Rate
1	01/2024/TAR/NQ-HĐQT	05/01/2024	Approval of the change of audit firm for the semi-annual financial statements of 2023 and the annual financial statements of 2023	100%
2	02/2024/TAR/NQ-HĐQT	13/01/2024	Approval of policy for signing contracts and transactions with related parties in 2024	100%
3	03/2024/TAR/NQ-HĐQT	17/01/2024	Approval of the establishment of the Internal Audit Department and the selection of internal audit service provider	100%
4	04/2024/TAR/NQ-HĐQT	21/03/2024	Approval of a credit loan at Vietnam Prosperity Joint Stock Commercial Bank	100%
5	05/2024/TAR/NQ-HĐQT	10/04/2024	Adjustment of the credit limit at credit institutions	100%
6	06/2024/TAR/NQ-HĐQT	22/04/2024	Resolution regarding the extension of the 2024 Annual General Shareholders' Meeting	100%



BOARD OF DIRECTORS (CONT.)

THE SPECIFIC CONTENT OF THE MEETINGS AND THE CORRESPONDING ISSUED RESOLUTIONS ARE AS FOLLOWS:

No.	Resolution/ Decision No.	Date	Content	Approval Rate
7	07/2024/TAR/ NQ-HĐQT	03/05/2024	Resolution regarding finalizing the list of shareholders to attend the 2024 Annual General Shareholders' Meeting	100%
8	08/2024/TAR/ NQ-HĐQT	20/05/2024	Resolution to approve the policy of signing contracts and conducting transactions between the Company and partners and clients	100%
9	09/2024/TAR/ NQ-HĐQT	04/06/2024	Resolution to authorize transactions of assets for business expansion purposes	100%
10	10/2024/TAR/ NQ-HĐQT	05/06/2024	Resolution regarding approval of documents submitted to the 2024 Annual General Meeting	100%
11	11/2024/TAR/ NQ-HĐQT	13/06/2024	Approving the policy of executing contracts and transactions between the Company and its partners and clients.	100%
12	12/2024/TAR/ NQ-HĐQT	28/06/2024	Resolution on securing a loan from the Vietnam Investment & Development Joint Stock Commercial Bank – Mekong Delta Branch	100%
13	13/2024/TAR/ NQ-HĐQT	28/06/2024	Selection of an audit firm for the 2024 Financial Statement audit	100%
14	14/2024/TAR/ NQ-HĐQT	18/07/2024	Resolution regarding securing a loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Can Tho Branch.	100%
15	15/2024/TAR/ NQ-HĐQT	24/09/2024	Authorization of contracts and transactions with related parties in 2024	100%
16	16/2024/TAR/ NQ-HĐQT	18/10/2024	Resolution on securing a loan from Joint stock Commercial Bank for Investment and Development of Viet Nam – Dong bang Song Cuu Long Branch	100%
17	17/2024/TAR/ NQ-HĐQT	27/11/2024	Resolution concerning the dissolution of a subsidiary to restructure the organizational framework	100%

ACTIVITIES OF INDEPENDENT BOARD MEMBERS

The Board of Directors of the Company currently includes Ms. Lu Le Tran. With her reputable professional expertise and many years of experience in the Company's core operations, she has played an important role in developing and implementing strategic decisions.

In 2024, the Board of Directors actively participated in all decisions and matters within its authority. In particular, the independent member consistently demonstrated a high level of responsibility in overseeing and evaluating transactions between the Company and related parties. Thanks to her contribution, the Board ensured transparency and effectively controlled conflicts of interest, thus maximizing the protection of the Company's and shareholders' interests.



LIST OF BOARD OF DIRECTORS MEMBERS WITH CORPORATE GOVERNANCE TRAINING CERTIFICATES

None





BOARD OF SUPERVISORS

LIST OF BOARD OF SUPERVISORS

As of December 31, 2024

STT	Member	Position	Number of shares owned	Ownership Percentage
1	Huynh Nguyen Thuy Vy	Head of Member of the Board of Supervisors	-	-
2	Nguyen Van Duc	Member of the Board of Supervisors	-	-
3	Huynh Thi Ngoc Quyen	Member of the Board of Supervisors	-	-

ACTIVITIES OF BOARD OF SUPERVISORS



SUPERVISORY ACTIVITIES OF THE BOARD OF SUPERVISORS (BOS) OVER THE BOD, THE EXECUTIVE BOARD, AND SHAREHOLDERS:

In 2024, the Board of Supervisors carried out activities to monitor compliance with the regulations stipulated in the Enterprise Law and relevant legal documents. The BoS also supervised the implementation of the Company's Charter, the Organizational Regulations, and the Resolutions of the Annual General Meeting of Shareholders 2024 by the Board of Directors and the Executive Board, specifically as follows:

Reviewed the appropriateness of the decisions made by the Board of Directors and the Executive Board regarding the management and operation of the Company's business activities.

Monitored the BoD and Executive Board in the implementation of the Resolutions of the General Meeting of Shareholders.

Supervised the compliance with the law by the Company.



THE COORDINATION AMONG THE BOS, AUDIT COMMITTEE, THE BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND OTHER MANAGERS

The BOD, BOS, Executive Board, and the management departments of the Company always work closely together in managing and operating the business activities of the Company and its subsidiaries under TAR.

Periodically, the BOS proactively communicates and agrees with the BOD on content, plans, inspections, and supervision, coordinating with the Executive Board in the process of carrying out inspection and supervision tasks. The head of the BoS is regularly invited to attend the BOD and Executive Board's meetings to stay updated on the Company's business activities.

The feedback and opinions from the BOS to the BOD and Executive Board are always responded to fully and promptly.

With its effective activities, the Board of Supervisors (BOS) has contributed to ensuring that the Company's operations comply with the law, the Charter, and deliver benefits to shareholders. The BOS has organized 2 meetings:

No.	Member of the Board of Supervisors	Number of meetings attended	Percentage of attendance	Voting rate	Note
1	Ms. Huynh Nguyen Thuy Vy	02	02/02	100%	
2	Mr. Nguyen Van Duc	02	02/02	100%	
3	Mrs. Cao Que Huong	-	-	-	Dismissed on June 26, 2024
4	Ms. Huynh Thi Ngoc Quyen	02	02/02	100%	Appointed on June 26, 2024





TRANSACTIONS, COMPENSATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE GENERAL DIRECTOR, AND THE BOARD OF SUPERVISORS

SALARIES, BONUSES, REMUNERATION, BENEFITS

Unit: VND

No.	Name	Position	Total income
1	Mr. Pham Thai Binh	Chairman of the Board cum Deputy General Director	-
2	Mrs. Le Thi Tuyet	Non-executive Vice Chairman of the Board of Directors	-
3	Ms. Nguyen Le Bao Trang	Board of Directors' members cum General Director	180,000,000
4	Ms. Pham Le Khanh Han	Board of Directors' members cum Deputy General Director	192,000,000
5	Mrs. Lu Le Tran	Independent Member of The BOD	-
6	Ms. Huynh Nguyen Thuy Vy	Head of the Member of the Board of Supervisors	-
7	Mr. Nguyen Van Duc	Member of the Board of Supervisors	96,000,000
8	Ms. Huynh Thi Ngoc Quyen	Member of the Board of Supervisors	-
9	Mrs. Pham Le Khanh Huyen	Chief Accountant	132,000,000
Total			770,699,232



EVALUATION OF THE IMPLEMENTATION OF REGULATIONS ON CORPORATE GOVERNANCE:



The Board of Directors has identified the enhancement of the quality and capacity of corporate governance as a key aspect of the company's strategic direction, aimed at building a strong governance system based on the application of international best practices. This will be combined with the overall strength of resources across the entire system to responsibly, transparently, and effectively control and supervise the company's operations

In 2024, the members of the Board of Directors, Supervisors, the General Director, the Person in charge of corporate governance, the Company Secretary, and other management personnel have regularly updated relevant legal documents and regulations regarding corporate governance. They also actively participated in training sessions, discussions, and knowledge updates on governance such as:

- 1 A workshop entitled “Towards an Innovative and Efficient General Meeting of Shareholders” organized by the State Securities Commission of Vietnam (SSC) with the collaboration of The Ho Chi Minh City Stock Exchange (HOSE), the Hà Nội Stock Exchange (HNX) and the Vietnam Institute of Directors (VIOD).
- 2 The conference “Key Issues in Complying with Securities Laws and Regulations for Public Companies and Listed Companies; Errors in Preparing and Presenting Financial Statements of Public Companies and Listed Companies” organized jointly by the State Securities Commission and the Vietnam Association of Certified Public Accountants (VACPA).
- 3 “Conference of Securities Registration Organizations at VSDC in 2024” to review operational activities during 2022-2024; disseminate and discuss coordinating tasks and further information alongside appropriate specialist knowledge arising amidst liaison between the Vietnam Securities Depository (VSDC), plus further engagement encompassing participation from across Security Registration Organizations, together also on topics relating to oversight over Public Companies under the collaborative auspices consisting of a joint arrangement constituted by both the aforementioned VSDC alongside relevant Functional Departments of said (above declared) SSC.

SHARE TRANSACTIONS OF INTERNAL PERSONS

In 2024, internal persons and affiliated persons related to internal persons of the Company did not conduct any share transactions related to the Company.



TRANSACTIONS, COMPENSATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE GENERAL DIRECTOR, AND THE BOARD OF SUPERVISORS

TRANSACTIONS BETWEEN THE COMPANY AND ITS AFFILIATED PERSONS OR BETWEEN THE COMPANY AND ITS MAJOR SHAREHOLDERS, INTERNAL PERSONS AND AFFILIATED PERSONS

No.	Organization/ Individual Name	Relationship with the Company	Enterprise Registration Certificate No.*, Date of Issue, Issuing Authority	Head Office Address/Contact Address		Transaction Date with the Company	Resolution/Decision No. of the General Meeting of Shareholders/Board of Directors... for Approval (if applicable, specify the date of issuance)	Transaction Details, Quantity, Total Value (excluding VAT)
1	Trung An Kien Giang High-Tech Farming Joint Stock Company	Subsidiary	No. 1702050412, initially issued on June 7, 2016, 6th amendment on, issued by Kien Giang Department of Planning and Investment	Group 9, Duong Thec Hamlet, Binh Giang Commune, Hon Dat District, Kien Giang Province		In 2024	Resolution of Board of Directors No. 02/2024/TAR/NQ-HDQT dated January 13, 2024	Milling Processing Services: 169,955,360 VND Rice Purchase: 62,719,414,050 VND Rice Sales: 149,381,642,500 VND
2	Mr. Pham Thai Binh's Household	Mr. Pham Thai Binh is the Chairman of the Board of Directors and Deputy General Director	Mr. Pham Thai Binh is the representative of the household (No. 030056008175 issued on 16/11/2022, issued by Police department on administrative management of social order)	2A1 Vo Thi Sau Street, Tan An Ward, Ninh Kieu District, Can Tho City		In 2024	Resolution of Board of Directors No. 09/2024/TAR/NQ-HDQT dated June 04 2023.	321,984,070,000 VND.

TRANSACTIONS BETWEEN THE COMPANY AND A COMPANY WHERE RELATED PARTIES OF MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD OF SUPERVISORS, THE GENERAL DIRECTOR, AND OTHER MANAGERS ARE BOARD MEMBERS OR THE GENERAL DIRECTOR

None

TRANSACTIONS BETWEEN THE COMPANY AND A COMPANY WHERE RELATED PARTIES OF MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD OF SUPERVISORS, THE GENERAL DIRECTOR, AND OTHER MANAGERS ARE BOARD MEMBERS OR THE GENERAL DIRECTOR

None



06

FINANCIAL STATEMENTS 2024

1. Opinion of Audit
2. Financial Statements





INDEPENDENT AUDITOR'S REPORT

To: Shareholders, Board of Directors, and Board of Management
TRUNG AN HI-TECH FARMING JOINT STOCK COMPANY

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Trung An Hi-Tech Farming Joint Stock Company, prepared on March 27th, 2025, as set out on page 07 to 42, which comprise the Consolidated Balance Sheet as at December 31st, 2024, Consolidated Income Statement, Consolidated Cash flows Statement for the fiscal year then ended and Notes to the consolidated financial statements.

The Board of Management's responsibilities

The Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal controls that the Board of Management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express an opinion on these consolidated financial statements based on conducting the audit in accordance with Vietnam Standards on Auditing. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

- Up to now, the Company is waiting for the verification results of the competent authorities on the issues stated in the Inspection Conclusion of the State Securities Commission dated September 13th, 2023, including: Owners of 15 million TAR shares in the Company's private share offering; Preparation of registration documents for private offering in 2021; Information related to inventory figures disclosed in the Audited consolidated financial statements for the year of 2022 with a value of VND 1,255,542,463,892. We are unable to assess and quantify the impact of these issues on the Company's 2024 consolidated financial statements.

- Along with the above content, in the Audit's Report on the Company's consolidated financial statements ended on December 31st, 2023, the auditor has "Disclaimer of Opinion" because the Auditor cannot determine the impact (if any) of these problems on the consolidated financial statements ending on December 31st, 2023 and December 31st, 2024.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the attached consolidated financial statements of Trung An Hi-Tech Farming Joint Stock Company for the year ended on December 31st, 2024.

Other matter

In the Audit Report on the Company's consolidated financial statements for the fiscal year ending December 31st, 2023, the Auditor also expressed a "Disclaimer of Opinion" on the following issue:

- The Company did not conduct an inventory count as of December 31st, 2023 and could not assist in the inventory count at the time of audit. With the records currently kept at the Company, we were unable to perform audit procedures to retrieve the inventory figures as of December 31st, 2023 presented in the consolidated financial statements with the amount of VND 965,372,768,579.

- Trung An Kien Giang High-Tech Farming Joint Stock Company (subsidiary) conducted an inventory count as of December 31st, 2023, however, at that time we had not been appointed to audit the 2023 financial statements for the Company and the Company could not support the inventory count at the time of the audit. With the records currently kept at the Company, we could not perform the audit procedures to retrieve the inventory data as of December 31st, 2023 presented in the financial statements of the subsidiary and the consolidated financial statements with the amount of VND 112,663,953,950.

The Company has handled and resolved the issue of not taking inventory at December 31st, 2023 as follows: The Company has carried out inventory from February 25th, 2025 to March 05th, 2025 and performed data retrieval procedures to determine the existence of inventory at December 31st, 2024 presented in the consolidated financial statements with a value of VND 258,233,762,424.

Southern Accounting and Auditing Financial
Consulting Services Co., Ltd. (AASCS)



Deputy General Director

Vo Thi My Huong

Practicing Auditor Registration
Certificate No.: 0858-2023-142-1

Ho Chi Minh City, March 29th, 2025

Auditor

Tran Nguyen Hoang Mai
Practicing Auditor Registration
Certificate No.: 1755-2023-142-1



2024 AUDITED FINANCIAL STATEMENTS

The audited separate and consolidated financial statements for the year 2024 of Trung An High-Tech Farming Joint Stock Company have been disclosed in compliance with regulations and published on the company's electronic information page at the website: trunganrice.com.



TRUNG AN®

Can Tho, April 18, 2025

THE LEGAL REPRESENTATIVE OF THE COMPANY



GENERAL DIRECTOR

NGUYEN LE BAO TRANG





TRUNG AN ®

TRUNG AN HI-TECH FARMING JOINT STOCK COMPANY

 649A, National Highway 91, Qui Thanh Area, Trung Kien Ward, Thot Not District,
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