

**THAI BINH CEMENT JOINT STOCK COMPANY**



**TBX**

**ANNUAL REPORT  
THAI BINH CEMENT JOINT STOCK  
COMPANY  
2024**



**THAI BINH CEMENT  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness**

**ANNUAL REPORT  
THAI BINH CEMENT JOINT STOCK COMPANY  
2024**

**I. COMPANY'S HISTORY**

**1. Key Events:**

+ **Establishment:** Thai Binh Cement Company was a state-owned enterprise, operating independently under Decision No. 163/TC dated December 15, 1979, by the People's Committee of Thai Binh Province.

*Main business activities:* Manufacturing and trading of cement products and other construction materials.

*Total employees as of December 31, 2023:* 67 people

*Management staff:* 06 people

*Headquarters:* No. 01, Quach Dinh Bao Street, Tien Phong Ward, Thai Binh City, Thai Binh Province.

**+ Transformation into a Joint Stock Company:**

- According to Decree No. 44/1998/ND-CP dated June 29, 1998, by the Government on transforming state-owned enterprises into joint stock companies, Thai Binh Cement Company was equitized and operated as a joint stock company with 100% shareholder equity.
- On October 22, 2001, the People's Committee of Thai Binh Province issued Decision No. 1343/QD-UB to transform Thai Binh Cement Company into Thai Binh Cement Joint Stock Company with a charter capital of 7,500,000,000 VND and 284 shareholders.
- The company is organized and operates under the Enterprise Law. Its charter and operational regulations are approved by the General Meeting of Shareholders and registered in accordance with the law.
- The current charter capital of the company is 15,102,800,000 VND with 1,510,280 shares, each share having a par value of 10,000 VND.

**+ Listing:**

Following current regulations for public companies by the State Securities Commission, and after obtaining shareholder approval (at the 2007 Annual General Meeting), Thai Binh Cement Joint Stock Company proceeded with the listing registration procedures. On November 18, 2008, shares of Thai Binh Cement Joint Stock Company, with stock code TBX, were officially traded on the Hanoi Securities Trading Center (now the Hanoi Stock Exchange).

**2. Development Process:**

- At establishment: The company only produced one type of Ordinary Portland Cement (black cement) using two vertical kilns, each with a clinker firing capacity of 5,000 tons/year, totaling 10,000 tons/year. The equipment was domestically manufactured with outdated technology, leading to unstable quality, low productivity, heavy and hazardous labor, with maximum capacity reaching 5,000 tons of cement per year.



- **Results:** The quality of white cement remained stable and was continuously improved, meeting Vietnam Standard 5691-2000. The products gained trust from customers nationwide and were competitive with imported white cement in terms of both price and quality. Application of technological advancements: The company mechanized the clinker firing process, improving working conditions, protecting workers' health, and contributing to environmental protection.
  - **Regarding product quality:** Thanks to technological innovation and the application of scientific advancements, the product achieved whiteness  $\geq 70\%$  compared to absolute whiteness,  $\geq 80\%$  compared to BaSO<sub>4</sub>, and strength meeting TCVN 5691-2000 standards. Since 1982, the company's white Portland cement products have been awarded multiple medals at trade fairs.
- ⇒ It can be affirmed that the quality of Thai Binh White Cement products is equivalent to foreign white cement of the same type circulating in the Vietnamese market.

### **3. Development Orientation**

#### **The Company's Main Objectives:**

- Increase production output, improve product quality, promote product sales, grow revenue, and maximize profit.
- Improve the living standards and income of employees while ensuring shareholders' benefits. Fulfill obligations to the state budget.

#### **Medium and Long-Term Development Strategy:**

To achieve the goal, the Company has determined a comprehensive development strategy in terms of financial capacity, human resource capacity, capacity of machinery, equipment, technical facilities and technology, and management capacity. Develop product consumption strategies, classify and identify key markets, build corporate reputation and brand to increase sales efficiency.

Regularly analyze external factors affecting the Company's development such as environmental factors, socio-economic factors, science and technology, politics, law, market, financial and monetary factors, and the situation of world economic integration.

Thai Binh Cement Joint Stock Company takes prestige and product quality as the center for all production and business activities, considering customers as the most important factor determining the existence and sustainable development of the enterprise on the basis of applying the quality management system according to ISO 9001: 2008.

- Produce and supply high quality products.
- Provide customers with products of the right quality, quantity, type, place, and time as requested by customers.
- Be responsible for meeting all legitimate requirements of customers for the Company.
- Respect and build long-term cooperative relationships with customers as well as suppliers.
- All main raw materials and accessories must be purchased from reputable suppliers who have been and will be certified to ISO 9001: 2008.
- Commitment to quality is also demonstrated by regular training plans to improve the qualifications and skills of employees.
- The company maintains an effective quality management system based on the participation of all people and on the basis of applying ISO 9001: 2008.



- Regularly improve the quality management system to enhance the effectiveness of applying this system to continuously satisfy customers' needs for the Company's products.

Build an investment project to build a new factory to burn white Portland cement clinker using advanced technology in Tra Ly industrial cluster, Tien Hai district, Thai Binh province.

## **II. REPORT OF THE BOARD OF DIRECTORS**

### **A. Performance of Duties in 2024:**

In 2024, the Board of Directors consists of 05 members. The Board of Directors held regular and irregular meetings to strengthen governance and monitor the Company's production and business situation. All members attended the meetings. The decisions passed at the meetings were highly unanimous among the Board of Directors. The contents were all practical and timely, providing direction for the Company's production and business activities. The Board of Directors decided on policies, strategies, and solutions for the Company's production and business in accordance with actual conditions in 2023.

### **B. Company Operations**

The Board of Directors strengthens the supervision and management work with the Board of Directors and departments to implement in accordance with the Company's charter, resolutions of the General Meeting of Shareholders, resolutions of the Board of Directors, and working regulations of the Board of Directors and the Board of Directors. All instructions of the Board of Directors are implemented promptly. All reports of difficulties and problems are directed and thoroughly handled by the Board of Directors, ensuring a harmonious balance of the interests of the Company, shareholders and employees in the Company.

#### **1. Challenges in Achieving 2024 Targets:**

**Global and domestic economies** faced significant challenges, especially in the construction industry. Early-year epidemics greatly impacted the overall economy.

**Banks did not provide loans** to cement manufacturers with low output, including Thai Binh Cement Joint Stock Company, causing working capital difficulties. **The company had to sign a strategic partnership** to secure funding and jointly utilize machinery, equipment, and labor for production.

#### **2. Evaluation of Business Performance**

**Revenue in 2024:** 17,804,147,000 VND

**Sales volume was low** due to intense competition from imported white cement.

**Costs increased** due to investment in repairs, environmental treatment, and severe post-pandemic impacts.

#### **3. General Assessment**

From the beginning of the year, the Board of Directors has made flexible decisions to promptly and proactively respond to market fluctuations. Having chosen appropriate production methods and times, the Board of Directors has directed the Company's General Director to implement many measures to strengthen management, save costs, and actively seek quality sources of raw materials for production.

### **C. Plans, Directions, and Tasks for 2025**

In 2025, the general situation is still facing many difficulties, the real estate market has not shown any positive signs. The costs of electricity, water, gasoline, road transportation...are all increasing. Therefore, output products will still face difficulties due to the influence of imported goods.

From the above assessment, the Board of Directors has set out the general direction with the following production and business goals for 2025:



**1. Production:**

Closely cooperate with strategic investors to operate and exploit factory machinery and equipment and labor to ensure safe, efficient and economical production.

Focus on finding partners to exploit and find suitable, stable and low-cost raw materials for production. Focus on researching a specific business direction that can create positive changes in all activities of the Company.

Directing the management work, together with strategic investors, to manage and operate the factory safely and stably to ensure product quality and efficiency.

Directing the drastic and effective implementation of the Board of Directors' resolutions on investment efficiency supervision, corporate culture, internal control, production management, cost management, inventory management, human resources organization and training, finance and accounting, and inspection and supervision of thrift practice against waste.

Continue to direct the updating and adjustment of the Company's existing regulations, rules, and technical and economic norms to suit the reality.

**III. REPORT OF THE BOARD OF DIRECTORS**

**1. General assessment**

Entering the 2024 planning year, the General Director is under the direct management of the Board of Directors of the company. The Board of Directors has promptly directed the Board of Directors to implement the resolutions of the Board of Directors on a monthly and quarterly basis. Timely overcome the existing difficulties of previous years so that the Company can overcome difficulties in the year.

**a. Advantages**

The team of young, dynamic and enthusiastic executives in the production management process with the motto of minimizing costs, constantly increasing productivity and quality to bring efficiency.

**b. Difficulties**

The world and domestic situation is heavily affected by conflicts in the world. Therefore, slow-selling products and backlogs affect the Company's production plan.

**2. Assessment of the operations of departments in the Company**

**a. Management and operation**

Strengthening control of input material costs for production. Researching and applying solutions to increase product quality, reduce fuel consumption, etc.

Thanks to the above reform efforts, the Company has achieved the following:

- + Reasonable arrangement of the workforce, saving labor costs.
- + Reducing input material costs due to efforts to find new sources of raw materials.
- + Workers work more disciplined and orderly. Stable product quality.

**b. Production workshop operations.**

At the production workshop, TB3 and TB4 kilns have been put into stable production after periodic repairs. The kiln cycle has been extended, and the quality of Clinker is good.

Qualified management personnel, as well as reasonable arrangement of labor in production shifts, increase labor productivity.

**c. Environment:**

Industrial hygiene is increasingly improved, contributing to ensuring environmental hygiene and ensuring the health of workers. Domestic waste, solid waste, hazardous waste, and wastewater are treated through signing contracts with a company with full legal capacity to perform.



Design and renovate the drainage and circulating water system to ensure hygiene and environmental factors in production. Invested in a pellet drying pipe system and environmental emission treatment. The system has been accepted by the Department of Natural Resources and Environment of Thai Binh Province and evaluated as highly effective in treating emissions into the environment.

**d. Management and operation:**

Transfer and change personnel to create healthy competition, thereby contributing to improving production efficiency.

**e. Science and technology activities**

Research and propose solutions to improve production efficiency such as increasing furnace productivity, changing combustion methods to reduce fuel consumption.

Good control of the quality of raw materials for production and the quality of manufactured products. Regularly analyze, evaluate, and compare imported products with the Company's products to have realistic business orientations.

**f. Financial activities**

Closely contract with strategic partner investors to ensure capital sources for the Company's production and business. Control and manage costs, ensure effective use of capital. Regularly provide information and reports on production and business performance to serve the Board of Directors and the Board of General Directors with sufficient information on the financial situation to direct and operate the production and business process.

Track and strictly manage receivables and payables, fulfill obligations to the State, and make payments to customers to meet the requirements of production and business activities. Timely and transparently report on production and business activities in accordance with the provisions of the Securities Law, regulations of the Stock Exchange and relevant legal regulations.

**g. Organization and labor and salary activities**

Fully implement policies and regimes for employees.

Proactively develop plans to train and develop successor staff who are capable of undertaking production and business tasks, and closely follow production to detect unreasonable factors in labor and salary issues, and adjust the unit price and labor norms accordingly.

**h. Production planning and material procurement activities**

Always closely follow production and business tasks, promptly supply raw materials for production.

**IV BUSINESS PRODUCTION PLAN 2025**

**1. General assessment**

*The political situation and conflicts in the world will affect the global economy in general and Vietnam in particular, so domestic production will have another extremely difficult year and will affect the production and business implementation of the factory's 2025 plan.*

*Faced with the above basic advantages and difficulties, entering 2025, the Company's Board of Directors has developed the following production and business plan:*



**Production plan 2025**

| <i>Content</i>                       | <i>Work, product</i>       | <i>Weight (tons)</i> | <i>Value (billion VND)</i> |
|--------------------------------------|----------------------------|----------------------|----------------------------|
| <i>Manufacture</i>                   | <i>Clinker calcination</i> | 17.000               |                            |
|                                      | <i>Cement grinding</i>     | 10.000               |                            |
| <i>- Consume</i>                     | <i>White cement</i>        | 10.000               |                            |
| <i>-:</i><br><i>Other indicators</i> |                            |                      |                            |
|                                      | <i>Total revenue</i>       | billion dong         | 19 billion dong            |
|                                      | <i>Profit before tax</i>   |                      |                            |
|                                      | <i>Profit after tax</i>    | million dong         | 500.000.000                |
| <i>Dividend 2025</i>                 |                            |                      |                            |

**2. Solutions to Achieve the 2025 Business Plan**

**a. Business Development**

Expand the distribution network nationwide and explore solutions for exports.  
Implement additional incentive programs for loyal customers.

**b. Human Resources**

Continue reviewing and assigning personnel appropriately to ensure the right people are in the right positions. Strengthen staff training and development efforts. Plan to recruit skilled workers with technical expertise to form a successor workforce, ensuring stable production.

**c. Production**

Regular maintenance and servicing to ensure the stable operation of machinery and equipment. Arrange raw material drying areas properly to cope with unexpected weather changes. Improve equipment management, study electrical system upgrades, and reduce energy consumption.

**d. Science and Technology**

Strictly monitor raw materials, fuel inputs, and final products. Develop initiatives to reduce fuel consumption. Closely manage cost factors in production, ensuring compliance with material consumption norms. Continue researching and developing new products.

**e. Finance**

Maintain a good balance between revenue and expenses to ensure capital availability for business operations. Mobilize all resources, use capital efficiently, and ensure quick capital turnover.

Strictly control the procurement of raw materials and supplies, minimizing cash expenditures.



Regularly report and analyze financial data to detect and address negative or inefficient factors affecting business operations.

**f. Procurement of Materials and Supplies**

Ensure an adequate supply of materials for production, maintenance, and repairs. Seek cost-effective, stable sources of raw materials. Perform monthly settlements for material usage.

**g. Labor Unions and Competition Movements**

Create favorable conditions for the Party Cell and Trade Union to operate effectively. Actively participate in meaningful competition movements that contribute to the company's production and business activities.



**THAI BINH CEMENT  
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,  
Tien Phong ward, Thai Binh, Viet Nam

**Form B 01 - DN**

Issued under Circular 200/2014/TT-BTC dated  
22/12/2014 of the Ministry of Finance

**BALANCE SHEET**  
As at 31 December 2024

| ASSETS   | Code       | Note       | 31/12/2024<br>VND     | 01/01/2024<br>VND     |
|--|------------|------------|-----------------------|-----------------------|
| <b>A - CURRENT ASSETS</b><br>(100 = 110+130+140+150)         | <b>100</b> |            | <b>16,169,547,953</b> | <b>14,518,510,326</b> |
| <b>I. Cash and cash equivalents</b>                          | <b>110</b> | <b>5.1</b> | <b>2,706,569,564</b>  | <b>219,580,829</b>    |
| 1. Cash  | 111        |            | 2,706,569,564         | 219,580,829           |
| <b>II. Short-term receivables</b>                            | <b>130</b> |            | <b>7,807,531,281</b>  | <b>6,558,061,394</b>  |
| 1. Short-term receivables from customers                     | 131        | 5.2        | 5,266,193,535         | 3,886,162,454         |
| 2. Prepayments to suppliers in short-term                    | 132        |            | 68,760,000            | 119,200,000           |
| 3. Other short-term receivables                              | 136        | 5.3        | 2,793,890,346         | 2,874,011,540         |
| 4. Short-term allowances for doubtful debts                  | 137        | 5.4        | (321,312,600)         | (321,312,600)         |
| <b>III. Inventories</b>                                      | <b>140</b> | <b>5.5</b> | <b>5,655,447,108</b>  | <b>7,712,209,638</b>  |
| 1. Inventories   | 141        |            | 5,655,447,108         | 7,712,209,638         |
| <b>IV. Other current assets</b>                              | <b>150</b> |            | <b>-</b>              | <b>28,658,465</b>     |
| 1. Taxes and State receivables                               | 153        | 5.11       | -                     | 28,658,465            |
| <b>B - NON-CURRENT ASSETS</b><br>(200 = 210+220+240+250+260) | <b>200</b> |            | <b>8,126,484,768</b>  | <b>9,516,774,883</b>  |
| <b>I. Long-term receivables</b>                              | <b>210</b> |            | <b>-</b>              | <b>-</b>              |
| <b>II. Fixed assets</b>                                      | <b>220</b> |            | <b>900,453,156</b>    | <b>1,890,299,633</b>  |
| 1. Tangible fixed assets                                     | 221        | 5.7        | 900,453,156           | 1,890,299,633         |
| <i>Historical costs</i>                                      | 222        |            | 54,883,851,942        | 54,883,851,942        |
| <i>Accumulated depreciation</i>                              | 223        |            | (53,983,398,786)      | (52,993,552,309)      |
| 2. Intangible fixed assets                                   | 227        | 5.8        | -                     | -                     |
| <i>Historical costs</i>                                      | 228        |            | 33,500,000            | 33,500,000            |
| <i>Accumulated amortization</i>                              | 229        |            | (33,500,000)          | (33,500,000)          |
| <b>III. Long-term assets in progress</b>                     | <b>240</b> |            | <b>7,207,341,241</b>  | <b>7,604,953,711</b>  |
| 1. Construction in progress                                  | 242        | 5.9        | 7,207,341,241         | 7,604,953,711         |
| <b>V. Other long-term assets</b>                             | <b>260</b> |            | <b>18,690,371</b>     | <b>21,521,539</b>     |
| 1. Long-term prepaid expenses                                | 261        | 5.6        | 18,690,371            | 21,521,539            |
| <b>TOTAL ASSETS</b><br>(270 = 100+200)                       | <b>270</b> |            | <b>24,296,032,721</b> | <b>24,035,285,209</b> |



**THAI BINH CEMENT  
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,  
Tien Phong ward, Thai Binh, Viet Nam

**Form B 01 - DN**  
Issued under Circular 200/2014/TT-BTC dated  
22/12/2014 of the Ministry of Finance

**BALANCE SHEET ( CONTINUED)**

As at 31 December 2024

| RESOURCES  | Code       | Note        | 31/12/2024            | 01/01/2024            |
|--|------------|-------------|-----------------------|-----------------------|
|  |            |             | VND                   | VND                   |
| <b>C- LIABILITIES (300 = 310+330)</b>                  | <b>300</b> |             | <b>4,078,372,875</b>  | <b>3,919,495,172</b>  |
| <b>I. Short-term liabilities</b>                       | <b>310</b> |             | <b>4,078,372,875</b>  | <b>3,919,495,172</b>  |
| 1. Short-term trade payables                           | 311        | 5.10        | 1,847,416,682         | 1,797,672,857         |
| 2. Taxes and other payables to government budget       | 313        | 5.11        | 226,740,447           | 170,100,703           |
| 3. Payables to employees                               | 314        |             | 726,357,659           | 650,969,525           |
| 4. Short-term accrued expenses                         | 315        | 5.12        | 44,000,000            | 44,000,000            |
| 5. Other short-term payments                           | 319        | 5.13        | 438,633,421           | 431,027,421           |
| 6. Short-term borrowings and finance lease liabilities | 320        | 5.14        | -                     | -                     |
| 7. Bonus and welfare fund                              | 322        |             | 795,224,666           | 825,724,666           |
| <b>B- OWNERS' EQUITY</b>                               | <b>400</b> |             | <b>20,217,659,846</b> | <b>20,115,790,037</b> |
| <b>I. Owners' equity</b>                               | <b>410</b> | <b>5.15</b> | <b>20,217,659,846</b> | <b>20,115,790,037</b> |
| 1. Contributed capital                                 | 411        |             | 15,102,800,000        | 15,102,800,000        |
| - Ordinary shares with voting rights                   | 411a       |             | 15,102,800,000        | 15,102,800,000        |
| 2. Other capital                                       | 414        |             | 1,125,670,663         | 1,125,670,663         |
| 3. Development and investment funds                    | 418        |             | 3,485,918,238         | 3,485,918,238         |
| 4. Undistributed profit after tax                      | 421        |             | 503,270,945           | 401,401,136           |
| - Undistributed profit after tax brought forward       | 421a       |             | 401,401,136           | 660,585,880           |
| - Undistributed profit after tax for the current year  | 421b       |             | 101,869,809           | (259,184,744)         |
| <b>TOTAL RESOURCES</b>                                 | <b>440</b> |             | <b>24,296,032,721</b> | <b>24,035,285,209</b> |
| (440 = 300+400)  |            |             |                       |                       |

Prepared

Nguyen Thi Phuong

Chief Accountant

Nguyen Thi Lan

Thai Binh, 06 March 2025

General Director



Pham Van He



**THAI BINH CEMENT  
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,  
Tien Phong ward, Thai Binh, Viet Nam

Form B 02 - DN

Issued under Circular 200/2014/TT-BTC dated  
22/12/2014 of the Ministry of Finance

**INCOME STATEMENT**

For the year ended 31 December 2024

| ITEMS   | Code | Note | Year 2024<br>VND | Year 2023<br>VND |
|---|------|------|------------------|------------------|
| 1. Revenues from sales and services rendered                              | 01   | 6.1  | 17,804,147,615   | 18,240,566,077   |
| 2. Revenue deductions   | 02   |      | -                | -                |
| 3. Net revenues from sales and services rendered (10 = 01-02)             | 10   |      | 17,804,147,615   | 18,240,566,077   |
| 4. Costs of goods sold  | 11   | 6.2  | 13,971,561,761   | 14,687,823,275   |
| 5. Gross revenues from sales and services rendered (20 = 10-11)           | 20   |      | 3,832,585,854    | 3,552,742,802    |
| 6. Financial income   | 21   | 6.3  | 265,031          | 233,877          |
| 7. Financial expenses   | 22   | 6.4  | 10,985,750       | -                |
| <i>In which: Interest expenses</i>  | 23   |      | 10,985,750       | -                |
| 8. Selling expenses   | 25   | 6.5  | -                | -                |
| 9. General administration expenses  | 26   | 6.5  | 3,739,388,351    | 3,845,227,376    |
| 10. Net profits from operating activities<br>{30 = 20+(21-22)+24-(25+26)} | 30   |      | 82,476,784       | (292,250,697)    |
| 11. Other income  | 31   | 6.6  | 32,350,690       | 40,000,979       |
| 12. Other expenses  | 32   | 6.6  | 12,957,665       | 6,935,026        |
| 13. Other profits (40 = 31-32)  | 40   |      | 19,393,025       | 33,065,953       |
| 14. Total net profit before tax<br>(50 = 30+40+45)                        | 50   |      | 101,869,809      | (259,184,744)    |
| 15. Current corporate income tax expenses                                 | 51   | 6.7  | -                | -                |
| 16. Profits after enterprise income tax<br>(60 = 50-51-52)                | 60   |      | 101,869,809      | (259,184,744)    |
| 17. Basic earnings per share  | 70   | 6.8  | 67.45            | (171.61)         |

Prepared

Chief Accountant

Thai Binh, 06 March 2025

General Director



Nguyen Thi Phuong



Nguyen Thi Lan



Pham Van He



01 Quach Dinh Bao, Phong Phu Industrial zone,  
Tien Phong ward, Thai Binh, Viet Nam

Issued under Circular 200/2014/TT-BTC dated  
22/12/2014 of the Ministry of Finance

(Direct method)

For the year ended 31 December 2024

| ITEM   | Code       | Notes | Year 2024            | Year 2023            |
|--|------------|-------|----------------------|----------------------|
|  |            |       | VND                  | VND                  |
| <b>I. Cash flow generated from (used in) operating activity</b>                  |            |       | -                    | -                    |
| 1. Income from sales of merchandises, services rendered                          | 01         |       | 17,890,543,562       | 20,691,141,732       |
| 2. Payments to suppliers of merchandises and services                            | 02         |       | (7,182,924,129)      | (10,083,869,881)     |
| 3. Payments to employees   | 03         |       | (6,146,507,554)      | (7,462,250,209)      |
| 4. Interest payment  | 04         |       | (10,340,750)         | -                    |
| 5. Other income from operating activity  | 06         |       | 799,629,147          | 1,465,397,073        |
| 6. Other payments for operating activity   | 07         |       | (2,863,676,572)      | (4,666,256,915)      |
| <b>from (used in) operating activity</b>   | <b>20</b>  |       | <b>2,486,723,704</b> | <b>(55,838,200)</b>  |
| <b>II. Cash flow generated from (used in) investing activity</b>                 |            |       | -                    | -                    |
| 1. Payments for fixed asset purchase, construction                               | 21         |       |                      | (350,000,000)        |
| 2. Income from liquidation and sale of fixed assets and other non-current assets | 22         |       |                      | 44,000,000           |
| 3. Interest income, dividends and profits are distributed                        | 27         |       | 265,031              | 233,877              |
| <b>from (used in) investing activity</b>   | <b>30</b>  |       | <b>265,031</b>       | <b>(305,766,123)</b> |
| <b>III. Cash flow generated from (used in) financing activity</b>                |            |       | -                    | -                    |
| 1. Current, non-current loans received   | 33         |       | 2,600,000,000        | -                    |
| 2. Payments for the principal  | 34         |       | (2,600,000,000)      | -                    |
| <b>Net cash flow generated from (used in) financing activity</b>                 | <b>40</b>  |       | <b>-</b>             | <b>-</b>             |
| <b>Net cash flows for the year (50=20+30+40)</b>                                 | <b>50</b>  |       | <b>2,486,988,735</b> | <b>(361,604,323)</b> |
| <b>Cash and cash equivalents at beginning of the year</b>                        | <b>60</b>  |       | <b>219,580,829</b>   | <b>581,185,152</b>   |
| <b>Effect of change of foreign exchange rate</b>                                 | <b>61</b>  |       | <b>-</b>             | <b>-</b>             |
| <b>Cash and cash equivalents at end of the year (70=50+60+61)</b>                | <b>5.1</b> |       | <b>2,706,569,564</b> | <b>219,580,829</b>   |

### Chief Accountant

~~General Director~~

Nguyen Thi Lan

Pham Van He





## **VII. EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AND AUDIT REPORT**

### **1. Independent Audit**

#### **Auditing Firm:**

The Company has engaged CPA Vietnam Auditing Co., Ltd., an independent auditing firm, to audit its financial statements for the year 2024. CPA Vietnam Auditing Co., Ltd. is one of the reputable auditing firms in Vietnam.

#### **Auditor's Opinion:**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, as well as its financial performance and cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards (VAS), Vietnamese Corporate Accounting System, and relevant legal regulations on financial reporting.

### **2. Internal Audit**

Currently, Thai Binh Cement Joint Stock Company has not established an internal audit department and is in the process of developing an internal control system.

## **VIII. RELATED COMPANIES**

Companies in which the Company holds more than 50% of shares/equity: None.

## **IX. ORGANIZATION AND HUMAN RESOURCES**

### **1. Company Introduction:**

|  |   |
|--|---|
| <i>Company Name</i>                      | Thai binh Cement Joint Stock Company  |
| <i>International Trade Name</i>          | Thai binh Cement Joint Stock Company  |
| <i>Abbreviation</i>                      | TJC   |
| <i>Head Office</i>                       | No. 1, Quach Dinh Bao Street, Phong Phu Industrial Cluster, Tien Phong Ward, Thai Binh City, Thai Binh Province   |
| <i>Phone</i>                             | (036) 3647 505  |
| <i>Fax</i>                               | (036) 3647 506  |
| <i>Email</i>                             | thaibinhinfo@gmail.com  |
| <i>Website</i>                           | Ximangthaibinh.vn   |
| <i>Business Registration Certificate</i> | Business Registration Certificate No. 1000283494, issued for the 11th time by the Department of Planning and Investment of Thai Binh Province on May 25, 2023 |

#### *Company Logo*



#### *Business Activities*

- Manufacturing and trading cement and construction materials.



*- Import and export of white Portland cement clinker.*

## **2. Company Organizational Structure**

### **3. General Meeting of Shareholders**

Consists of all shareholders with voting rights and is the highest authority in the company, making decisions on matters as prescribed by law and the company's charter.

The General Meeting of Shareholders approves financial statements, reports from the Board of Directors, reports from the Supervisory Board, and the company's annual profit distribution plan.

The General Meeting of Shareholders elects the Board of Directors and the Supervisory Board of the company.

### **4. Board of Directors**

The Board of Directors is the company's legal authority, having full power to make decisions on all matters related to the company's purpose and interests, except for those under the authority of the General Meeting of Shareholders.

The Board of Directors is responsible for supervising the General Director and other managers of the company.

The Board of Directors of Thai Binh Cement Joint Stock Company consists of five members.

The rights and obligations of the Board of Directors comply with legal regulations, the company's charter, and resolutions of the General Meeting of Shareholders.

### **5. Supervisory Board**

The Supervisory Board is directly under the General Meeting of Shareholders and is elected by the General Meeting of Shareholders.

It is responsible for inspecting the legality and reasonableness of the company's management and business operations, including the recording of accounting books and financial reports.

The Supervisory Board consists of three members and operates independently from the Board of Directors and the Executive Board.

### **6. Executive Board**

The General Director is responsible for the daily operations of the company and is accountable to the Board of Directors for implementing the Board's resolutions, as well as resolutions of the General Meeting of Shareholders and the company's charter.

### **7. Functional Departments**

- Administration & Human Resources – Labor & Wages Department
- Accounting & Finance Department
- Science & Technology Department

These departments handle personnel management, labor and wage policies, material consumption norms, material supply sources, asset and capital management, occupational safety, and other tasks to support production and investment.

### **8. Production Workshop**



The production workshop is directly responsible for executing production processes and ensuring product output according to the specified production stages.

**9. List of members of the Board of Directors, Supervisory Board and Executive Board of the Company in 2024:**

**a. Members of the Board of Directors:**

| No. | Board Member        | Position                             | Start date of participation | According to the text       |
|-----|---------------------|--------------------------------------|-----------------------------|-----------------------------|
| 1   | Bui Thi Nguyên Hanh | Chairwoman of the Board of Directors | 22/3/2013                   | NQ-01/HĐQT ngày 22/3/2013   |
| 2   | Pham Van He         | Member of the Board of Directors     | 16/10/2016                  | NQ-04/ĐHĐCĐ ngày 16/10/2016 |
| 3   | Vu Tien Dung        | Member of the Board of Directors     | 20/4/2023                   | NQ-01/ĐHĐCĐ ngày 20/4/2023  |
| 4   | Bui Đức Anh         | Member of the Board of Directors     | 20/4/2023                   | NQ-13/HĐQT ngày 20/4/2023   |
| 5   | Vu Tien Nghia       | Member of the Board of Directors     | 27/12/2020                  |                             |
|     |                     |                                      |                             |                             |

**b. of Supervisors:**

| No. | Board member          | Position                    | Start date of participation | According to the text      |
|-----|-----------------------|-----------------------------|-----------------------------|----------------------------|
| 1   | Nguyen Thị Minh Thanh | Head of Supervisory Board   | 8/2015                      | NQ-01/ĐHĐCĐ ngày 20/4/2023 |
| 2   | Nguyen Thi Phuong Lan | Member of Supervisory Board | 8/2015                      | NQ-01/ĐHĐCĐ ngày 19/8/2015 |
| 3   | Đo Thi Tam            | Member of Supervisory Board | 20/4/2023                   | NQ-01/ĐHĐCĐ ngày 20/4/2013 |

**c. Board of Executives:**

| No. | Board member  | Position               | Start date of participation | According to the text         |
|-----|---------------|------------------------|-----------------------------|-------------------------------|
| 1   | Pham Van He   | General Director       | 25/9/2017                   | Số 43-QĐ/HĐQT ngày 24/09/2017 |
| 2   | Pham Van Tien | Deputy General Manager | 08/06/2018                  | Số 04-QĐ/HĐQT ngày 08/06/2018 |

**b. Benefits of the Board of Directors:**

Salary, bonuses of the Board of Directors and other benefits of the Board of Directors according to the Company's regulations.



## **X. CORPORATE GOVERNANCE INFORMATION**

### **Charter Capital**

Charter capital: 15,102,800,000 VND, equivalent to 1,510,280 shares.

### **Corporate Governance Structure**

The Board of Directors and the Supervisory Board of Thai Binh Cement Joint Stock Company include:

Board of Directors (BOD): 5 members

Supervisory Board: 3 members

#### **The Board of Directors (BOD) has carried out the following tasks:**

- In 2024, multiple meetings were held to implement resolutions from the General Meeting of Shareholders. The BOD issued resolutions assigning the Executive Board the tasks related to business operations and investment projects.
- Developed business and investment plans for Q1, Q2, Q3, and Q4.
- Prepared reports for the Board of Directors and formulated the 2025 business plan for the 2025 General Meeting of Shareholders.
- Organized the 2025 Annual General Meeting of Shareholders.
- Supervised the Executive Board and management team through periodic reports and review meetings regarding business plans, material consumption norms, wage plans, repair schedules, financial plans, and cost structures.

#### **Activities of the Supervisory Board**

The Supervisory Board, elected by the General Meeting of Shareholders, consists of 3 members.

It operates based on the company's Charter.

The Supervisory Board has established its operating regulations and assigned specific responsibilities to each member.

#### **The Supervisory Board performs the following activities:**

- Participating in Board of Directors meetings.
- Reviewing and verifying company financial documents, ensuring compliance with regulations set by the Ministry of Finance and accounting standards.
- Monitoring shareholder feedback through various communication channels.
- Examining financial reports from independent auditing firms.
- Supervising the activities of the Board of Directors, Executive Board, and management team in implementing resolutions of the General Meeting of Shareholders.

## **XI. Plan to Enhance Corporate Governance Efficiency**

### **a. Human Resource and Production Organization**

- Continuously reviewing and placing personnel in suitable positions based on competence and job requirements. Selecting competent and dedicated personnel for the sustainable development of the company.

- Effectively utilizing specialized staff.
- Strengthening recruitment and training efforts to develop future leaders with the necessary skills to drive the company's growth.



- Optimizing workforce allocation for stable production. If labor shortages occur in certain production lines, the company will consider outsourcing temporary workers or investing in mechanization where possible.

**b. Market Strategies**

- Market stability, innovation, and expansion are crucial for the company's survival and growth. The company will continuously improve and refine its market strategies.
- Enhancing marketing efforts to expand market share and improve sales capabilities through multiple channels.
- Establishing branches and distribution hubs to optimize supply chain efficiency and minimize transportation costs.
- Strengthening collaboration with Thai Binh Cement Trading Joint Stock Company to expand the retail market.
- Gradually entering regional and international markets, improving import-export capabilities, and promoting the company's brand globally.
- Exploring new product lines based on the company's existing technological capabilities.

**c. Material Planning Solutions**

- Enhancing planning processes to assist the Board of Directors and Executive Board in making timely and accurate business decisions.

Investing in modern technology and equipment within financial constraints to support sustainable development.

- Ensuring a stable supply of raw materials to meet production demands.
- Securing long-term, cost-effective raw material sources.
- Adjusting production schedules to match market demands.
- Developing detailed procurement plans for materials, equipment, and spare parts to ensure continuous production.

**d. Quality Control Solutions**

Quality control is a key factor in strengthening the company's market position. Implementing strict quality control measures from raw materials to finished products. Adhering to standardized procedures and prioritizing preventive measures to minimize defects and maintain product reputation.

**e. Technological Advancements**

Collaborating with industry experts to adopt advanced technologies. Keeping up with domestic and international scientific developments and applying them effectively. Encouraging continuous technical innovation and process optimization to reduce costs and improve efficiency. Researching and developing new products to diversify the company's offerings.

**f. Financial Management Solutions**

Ensuring adequate financial resources to meet the company's 2025 targets, including funding for raw materials, production, and investment projects.



Optimizing capital utilization, accelerating capital turnover, and strategically managing customer credit to prevent overdue debts. Implementing stringent controls over the purchase and sale of raw materials.

**g. Employee Welfare and Compliance with State Obligations**

Ensuring stable employment and income for all employees, while safeguarding their legal rights.

Providing social insurance and health insurance in accordance with labor laws.

Conducting regular health check-ups to detect occupational diseases early and arrange appropriate work assignments.

**h. Party - Union work and emulation movement**

Strengthening the Party Committee to maintain integrity and mobilize employees to fulfill strategic company goals.

Supporting labor unions to create an engaging and motivating work environment.

Organizing meaningful and competitive employee initiatives to recognize outstanding contributions and foster a strong corporate culture.

**Remuneration, other benefits and expenses for members of the Board of Directors and the Board of Supervisors:**

*In 2024, remuneration was paid to members of the Board of Directors and Board of Supervisors as follows:*

- 5 members of the Board of Directors = **117,129,600 VND** - 3 members of the Supervisory Board = **37,648,800 VND**

**Total: 154.778.400 VND**

**Board of Directors Remuneration**

| <i>Name</i>         | <i>Position</i>                | <b>2021</b> |
|---------------------|--------------------------------|-------------|
| Bui Thi Nguyen Hanh | <i>Chairwoman of the Board</i> | 33.465.600  |
| Pham Van He         | <i>Member of the Board</i>     | 20.916.000  |
| Vu Tien Dung        | <i>Member of the Board</i>     | 20.916.000  |
| Bui Duc Anh         | <i>Member of the Board</i>     | 20.916.000  |
| Vu Tien Nghia       | <i>Member of the Board</i>     | 20.916.000  |

**Board of Supervisors Remuneration**

| <i>Name</i>           | <i>Position</i>                         |            |
|-----------------------|---|------------|
| Nguyễn Thị Minh Thanh | <i>Head of the Board of Supervisors</i> | 12.549.600 |
| Nguyễn Thị Phương Lan | <i>Member of the Board</i>              | 12.549.600 |
| Đỗ Thị Tâm            | <i>Member of the Board</i>              | 12.549.600 |

**THAI BINH CEMENT JOINT STOCK COMPANY**  
**GENERAL DIRECTOR**



**PHAM VAN HE**