



Hai Phong, April 22th, 2025

**REPORT BY THE INDEPENDENT MEMBER
OF THE BOARD OF DIRECTORS IN THE AUDIT COMMITTEE
AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Independent Member of the Board of Directors – Chairman of the Audit Committee of Tien Phong Plastic Joint Stock Company respectfully submits the following report to the General Meeting of Shareholders:

I. ACTIVITIES OF THE AUDIT COMMITTEE

1. Members and Structure of the Audit Committee during the Term

The Audit Committee ("AC") is a body under the Board of Directors ("BOD") of Tien Phong Plastic Joint Stock Company, comprising 2 members: 01 Chairman of the Audit Committee, who is an Independent Board Member, and 01 member, who is a Non-executive Board Member. All AC members meet the criteria as stipulated by law, the Company's Charter, and the AC's Regulations. The specific structure of the AC in 2024 is as follows:

Full name	Date of commencement as Audit Committee member	Position
Dao Anh Thang	14/04/2021	- Chairman of the AC - Independent Member of the Board of Directors
Bui Duc Long	05/05/2023	- Member of the AC - Member of the Board of Directors

2. Activities of the Audit Committee

The Audit Committee fully participated in the Company's monthly and quarterly operational meetings, as well as ad-hoc meetings of the Board of Directors and the Board of Management, to stay informed of the Company's actual business operations and to fulfill its supervisory responsibilities. In 2024, the Audit Committee convened four meetings to exchange views and discuss matters within its scope of duties and responsibilities, including:

- Supervising compliance with the Company's Charter and applicable laws in the management and operation of business activities;

- Monitoring the implementation of resolutions of the General Meeting of Shareholders, and overseeing the performance of the Board of Directors and the Board of Management;
- Monitoring the implementation of the business plan;
- Reviewing the quarterly, semi-annual, and annual financial statements, and evaluating the impact of significant issues highlighted in the Independent Auditor's Report;
- Directing and supervising the activities of the Internal Audit Department, and providing recommendations to improve the effectiveness of the internal control system and risk management;
- Recommending the selection of the independent audit firm; monitoring and evaluating the independence and objectivity of the audit firm, as well as the effectiveness of the audit process.

In its role of reviewing and overseeing financial activities and the independent audit process, and analyzing potential risks in the Company's business and financial operations, the Audit Committee has promptly conducted evaluations and proposed solutions to issues arising during the course of operations, within the authority prescribed in the Company's Charter, and submitted them to the Board of Directors for consideration.

3. Remuneration, Operating Expenses, and Other Benefits

The remuneration, operating expenses, and other benefits of the Audit Committee and each of its members were in strict compliance with the provisions of the Law on Enterprises and the Company's Charter. Detailed information has been disclosed in the audited consolidated financial statements for the year 2024.

II. REPORT BY THE INDEPENDENT BOARD MEMBER IN THE AUDIT COMMITTEE

1. Oversight results on the Board of Directors and the Board of Management

In 2024, the Audit Committee performed oversight of the activities of the Board of Directors through participation in meetings of the Board of Directors and the Board of Management. Through its oversight activities, the Audit Committee assessed that:

- The corporate governance activities of the Board of Directors complied with current legal regulations, the Company's Charter, resolutions of the General Meeting of Shareholders, the Organization and Operation Regulations of the Board of Directors, and other relevant governance regulations.
- The Board of Directors effectively fulfilled its function of setting the Company's development orientation through the formulation, monitoring, and adjustment of strategic decisions.

- The Board of Management organized and operated the Company's business activities in accordance with the defined roles, responsibilities, rights, and obligations of each member, in compliance with applicable laws and the Company's internal governance regulations.
- The Board of Management promptly and properly implemented resolutions and decisions of the Board of Directors. Management activities were conducted with the necessary prudence while maintaining flexibility to adapt to changes and fluctuations in the market, customer behavior, and other relevant factors. Major decisions of the Board of Management were analyzed and consulted with the Board of Directors to ensure appropriate solutions for the Company.

2. Oversight Results on Independent Audit Services, Financial Statements, and the Company's Operations and Financial Position

KPMG Limited (Vietnam) was the selected auditing firm to conduct the audit of the Company's consolidated and separate financial statements. Through its oversight and evaluation of the independent audit quality, the Audit Committee has determined that KPMG met the key assessment criteria, including: ensuring the reliability, accuracy, and quality of the audited financial statements; complying with the audit timeline as prescribed; adhering to professional standards and maintaining independence and objectivity in expressing audit opinions.

The Audit Committee has reviewed the audited separate and consolidated financial statements for the year 2024 conducted by KPMG Limited (Vietnam) and provides the following assessment:

- The Committee agrees with the independent auditor's opinion on the truthfulness and fairness of the financial statements.
- The financial ratios are consistent with the Company's operational performance, with no unusually fluctuating indicators.
- The Company achieved and exceeded the revenue from product sales and profit before tax targets approved at the 2024 Annual General Meeting of Shareholders.

3. Assessment of Transactions Between the Company and Related Parties

The Company's transactions with related parties in 2024 are disclosed in detail in the notes to the audited financial statements.

Conflict of interest control mechanisms have been established to ensure strict oversight of related party transactions and transactions involving interested persons. Neither the independent audit report nor the internal audit report identified any cases of conflict of interest in related party transactions.

4. Assessment of the Internal Control and Risk Management System

The Management Board has established and implemented an internal control system with clearly defined procedures, aligned with the Company's operational requirements. The Company has placed strong emphasis on setting up control measures to safeguard assets and information, and to ensure compliance with legal regulations.

The Audit Committee has coordinated with the Management Board to closely monitor market developments, provide forecasts, and propose appropriate business strategies to mitigate environmental, financial, legal, and other risks.

In addition, the Company has made efforts to train and raise employee awareness on internal control and risk management. The assessment and monitoring of the system are conducted on a regular basis to ensure its continued effectiveness and ongoing improvement.

5. Assessment of Internal Audit Activities

In 2024, Internal Audit continued to serve as the third line of defense in the Company's enterprise risk management system — functionally reporting to and under the supervision of the Audit Committee and the Board of Directors through the approval and oversight of the annual audit plan.

Based on the assessment of performance in 2024, Internal Audit successfully completed the annual audit plan along with other assigned tasks as required.

The Audit Committee has continuously monitored and supervised Internal Audit to ensure its effectiveness.

6. Assessment of the Coordination Between the Audit Committee, the Board of Directors, the General Director, and Shareholders

The Board of Directors and the Management Board have provided timely information and documents regarding the Company's management and business operations as requested by the Audit Committee, thereby supporting and facilitating the Audit Committee in performing its functions.

The Audit Committee directly participated in meetings of the Board of Directors and the Management Board, contributing opinions on matters related to the Company's governance and business operations. The opinions and recommendations of the Audit Committee were acknowledged and responded to promptly by the Board of Directors and the Management Board.

In 2024, the Audit Committee did not receive any proposals or requests for inspection from shareholders.

7. Recommendations and Work Plan of the Audit Committee

To fulfill its operational objectives, the Audit Committee proposes the following recommendations and work plan for 2025:

- Perform oversight and monitoring of the activities of the Board of Directors and the Board of Management; supervise transparency and compliance in the management and operational activities of the Company.
- Monitor the implementation of the Company's strategies and objectives.
- Supervise risks arising during the execution of the business plan approved by the Annual General Meeting of Shareholders.

- Monitor the implementation of investment projects/plans during the year.
- Direct the review of related party transactions.
- For Internal Audit activities:
 - + Direct and supervise the Internal Audit Department in developing the annual audit plan based on a risk-oriented approach, prioritizing the auditing of critical risks associated with the Company's strategy and business objectives.
 - + Develop internal audit human resources and enhance internal/self-training efforts.
- Supervise the quality of services provided by the independent audit firm in 2025.

This report is respectfully submitted to the General Meeting of Shareholders for review and approval.

**CHAIRMAN OF THE AUDIT COMMITTEE
INDEPENDENT MEMBER OF THE BOARD
OF DIRECTORS**



DAO ANH THANG

