

Appendix II
ANNUAL REPORT

(Issued together with Circular No. 155/2015/TT-BTC dated October 6, 2015 of the Ministry of Finance guiding the disclosure of information on the securities market)

ANNUAL REPORT
OF HAI PHONG PACKING VICEM JOINT STOCK COMPANY
IN 2024

I. General information

I. Overview Information

- Business name: HAI PHONG PACKING VICEM JOINT STOCK COMPANY
- Business registration certificate number: 0200600741, 5th amendment, issued by the Hai Phong Department of Planning and Investment on September 9, 2022.
- Charter capital: 30,120,400,000. VND
- Owner's investment capital: 30,120,400,000 VND
- Address: No. 3 Hanoi Street, So Dau Ward, Hong Bang District, Hai Phong City.
- Tel : 02253821832
- Fax no: 02253540272
- Website: hcpc.vn
- Stock code: BXH

1.1. The formation and development process

- The formation and development process: (establishment date, listed time, key milestones from establishment to present):

Hai Phong Packing Vicem Joint Stock Company was formerly the Cement Packaging Factory of Hai Phong (a subsidiary of Hai Phong Cement Company). The company was a pioneer in the production transformation program of Hai Phong Cement Company in line with the policy of industrialization and modernization.

Based on Decree No. 64/2002/ND-CP dated June 19, 2002, of the Government on "converting state-owned enterprises into joint-stock companies" and the guiding documents for implementing Decree 64/2002 from the relevant ministries and agencies; Based on Decision No. 908/XMVN-HĐQT dated June 10, 2002, of the Board of Directors of the Vietnam Cement Corporation.

After a period of urgent procedures, Hai Phong Packing Vicem Joint Stock Company officially began its operations on October 1, 2004, in accordance with Decision No. 1222/QD-BXD issued by the Ministry of Construction.

On January 7, 2008, the company was approved by the State Securities Commission as a public company. In 2009, the company registered for listing on the Hanoi Stock Exchange, and on November 25, 2009, the company's shares were officially traded on the Hanoi Stock Exchange.

Other events

1.1. Business activities:

- Business activities: (List the business sectors or main products and services that account for more than 10% of total revenue in the last 2 years):

- Manufacturing and trading cement packaging and other types of packaging.
- Leasing office spaces, warehouses, docks, and yards.
- Other businesses according to the Business Registration.

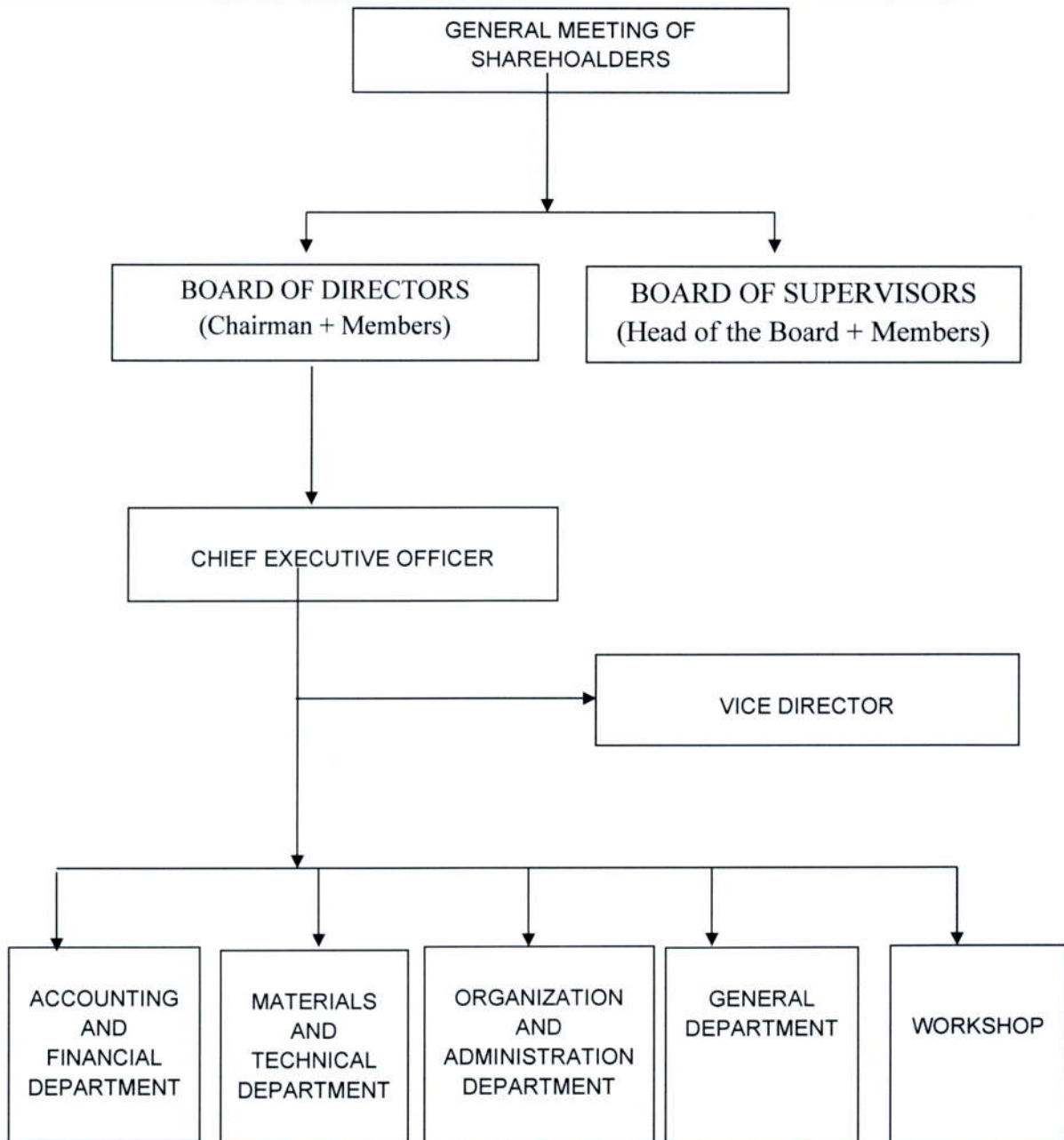
1.2 Business Locations: (List the main business areas that account for over 10% of total revenue in the last 2 years)

- . Vicem Hai Phong Cement Company Limited
- . Dien Bien Cement Joint Stock Company
- . Ha Long Cement Joint Stock Company
- . OMANCO Material Vietnam Company Limited
- . Vicem Song Thao Cement Joint Stock Company

1.3 Information about the management model, business organization, and management structure.

Management model.

Organizational structure.



Subsidiaries and affiliated companies: (List, address, main business sectors, actual contributed charter capital, ownership percentage of the Company in subsidiaries and affiliated companies): None.

1.2 Development orientation

The main objectives of the company: Expanding the market for packaging products, improving product quality to meet market demands.

Long term and medium development strategy:

The company's goals for the environment, society, and community.

1.2. Risks: (Describe the risks that could affect business operations or the achievement of the company's goals).

I. Business operations during the year

1. Business operations

Business operations: Results of business operations during the year: Highlight the achievements of the year. Mention significant changes or fluctuations in business strategy, revenue, profit, costs, market, products, supply sources, etc.

Performance comparison between 2024 and 2023:

Items	In 2023	In 2024	% increase (+); % decrease (-)
Production output (units of packaging)	42.982.977	26.017.343	-39,48
Sales volume (units of packaging)	43.458.386	25.963.384	-40,26

- In 2024, with the efforts of the company's leadership, the company has continuously focused on and sought to exploit the domestic cement packaging market. However, after many years of use, the machinery and equipment have increasingly shown signs of wear and tear, causing production delays at times. Currently, due to the shift from using sewn bags to bottom-sealed bags, the company has been unable to invest in the machinery and equipment necessary to produce bottom-sealed bags (due to the low-cost nature of this market), which has led to a decrease in the company's production and business performance in 2024 compared to 2023.

Performance compared to the plan:

Compare the results achieved during the year with the planned targets and the targets of the previous year. Analyze the reasons for not meeting, meeting, or exceeding the targets compared to the plan:

Items	Plan in 2024	Performance in 2024	% increase (+); % decrease (-)
Production output (units of packaging)	31.000.000	26.017.343	-16,08
Sales volume (units of packaging)	31.000.000	25.963.384	-16,25

Executive Board List: (List and ownership ratios of voting shares and other securities issued by the company, held by the Director, Vice Directors, Chief Accountant, and other managers).

Full name	Position	Number of voting shares.	Ownership rate (%)
1. Hong Anh Viet	Director	9.050	0,30
2. Nguyen Thi Thu	Vice Director.	3.950	0,13
3. Ha Thuy Mai	Chief countant	3.400	0,11

Changes in the executive board.

Full name	Position	Number of voting shares.	Ownership rate (%)
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2. *Number of staffs and employees: 168 people*

3. *Investment and project implementation*

Major investments: List the major investments made during the year (including financial investments and project investments), and the status of major project implementations. In the case where the company has issued securities to carry out projects, it is necessary to specify the progress of these projects and analyze the reasons for meeting/not meeting the announced and committed timelines: None.

Subsidiaries and affiliates: (Summary of the activities and financial status of subsidiaries and affiliates): None.

1. *Finance*

a, Financial situation:

Unit of measurement: million VND.

Article	In 2023	In 2024	% increase (+) % decrease (-)
Total assets	113.940	97.673	-14,27
Net revenue.	219.159	170.165	-22,35
Operating profit	260,2	-701,6	-269,63
Other profits	1.310	1.491	+13,81
Profit before tax	1.570	789,7	-50,29
Profit after tax	1.203	570	-52,61
Dividend payout ratio.	2,5%	1%	

b, Main financial ratios

Article	In 2023	In 2024	Note
<i>1. Liquidity ratios</i>			
+ Current ratio Short-term assets / Short-term liabilities.	1,85	2,18	
+ Quick ratio Current assets - Inventory. Short-term liabilities.	1,42	1,83	
+ <i>Capital structure ratios</i>			
+ Ratio: liabilities / total assets.	0,51	0,44	
+ Ratio: Total liabilities / Shareholders' equity.	1,06	0,78	
<i>2. Efficiency/ activities ratios</i>			
+ Inventory turnover ratios Cost of goods sold Average inventory.			
+ Net revenue / Total assets	1,90	1,74	
<i>3. Profitability ratios</i>			
Ratio: Net profit / Net revenue.	0,55	0,003	
4. Ratio: Net profit / Shareholders' equity.	2,17	0,01	
5. Ratio: Net profit / Total assets.	1,05	0,005	
6. Ratio: Operating profit/ Net revenue.	0,11	0,004	

4. *Shareholder structure, and changes in the owner's investment capital.*

a, Shares: Specify the total number of shares and types of shares in circulation, the number of freely transferable shares, and the number of shares subject to transfer restrictions under the law, the company's charter, or commitments by the shareholders. If the company has securities traded abroad or supports the issuance and listing of securities abroad, it should specify the trading market, the number of securities traded or supported, and any important information related to the rights and obligations of the company concerning the securities traded or supported abroad. Total shares in circulation during the year: 3,012,040 shares.

b, Shareholder structure: Specify the shareholder structure based on ownership ratio (major shareholders, minority shareholders); institutional shareholders and individual shareholders; domestic shareholders and foreign shareholders; state shareholders and other shareholders.

- State shareholders: 1,475,450 shares, accounting for 48.99%
- Individual shareholders: 1,536,590 shares, accounting for 51.01%

c, Changes in the owner's investment capital: Specify the capital increases during the year, including public offerings, private placements, bond conversions, warrant conversions, bonus share issuance, dividend payments in shares, etc., resulting in the issuance of new shares.

d, Treasury stock transactions: Specify the current number of treasury shares, and list the treasury stock transactions conducted during the year, including the transaction dates, transaction prices, and transaction counterparts.

e, Treasury stock transactions: Specify the current number of treasury shares, and list the treasury stock transactions conducted during the year, including the transaction dates, transaction prices, and transaction counterparts.

III. Report and evaluation by the Board of Directors: The Board of Directors reports and evaluates the overall situation of the company, covering all aspects.

1. Evaluation of business operation results

An overview analysis of the company's operations compared to the plan/forecast and previous business performance results.

Unit of measurement: Million VND.

Article	In 2023	In 2024	% increase (+) % Decrease(-)
Total revenue.	219.159	171.755	+101,39
Profit before tax.	1.570	789	-78,10
Profit after tax.	1.203	570	-77,36
Dividend payout ratio.			
National budget	6.581	4.329	+103,06
Average number of employees (people)	205	168	-93,18
Average salary (million VND/month).	11,519	7,59	+130,89

In 2024, the company did not achieve the planned business production targets.

Due to intense competition in the bag shell market, especially with the shift from using stitched bag shells to PP bottom-sealed bags, the company has not yet invested in machinery and equipment to meet market demand.

2. Financial situation.

a, Assets

Analyze the asset situation, including changes in assets (analyzing and evaluating the efficiency of asset use, bad debts, and impaired assets that impact business performance).

B, Liabilities situation.

The current debt situation, including significant changes in liabilities.

Unit of measurement: Thousand VND.

Article	In 2023	In 2024	% increase (+) % Decrease (-)
Receivables (million VND).	74.978	66.402	-11,43
- Accounts receivable from customers.	73.082	64.444	-11,82
- Other receivables.	1.896	1.958	-3,27
Payables (million VND).	58.639	43.005	-26,66
- Bank loan	9.253	0	
- Payable to customer	40.479	37.082	-8,39
- Other payables	8.907	5.923	-33,50

I. The Board of Directors evaluate the company's operations

1. Corporate governance

Board of Directors

a, Members and Structure of the Board of Directors: (List of Board of Directors members, ownership percentage of voting shares and other securities issued by the company, specifying independent members, non-executive members, and other members; the number of positions held by each Board member in other companies).

Full name	Position	Number of voting shares	Ownership rate (%)
1. Nguyen Thi Kim Chi	Chairman of the Board of Directors	0	0
2. Hong Anh Viet	Board member	9.050	0,300
3. Đặng Thị Thanh Hữu	Board member	0	0
4. Nguyen Van Hanh	Board member	74.400	2,470
5. Truong Thanh Hoan	Independent Board Member	0	0

b, Committees of the Board of Directors: (List the committees under the Board of Directors and the members of each committee): None

c, Activities of the Board of Directors: Number of Board meetings.

No	Number of Resolutions/Decisions	Date	Content
1	05/NQ-HĐQT	22/02/2024	Resolution on the Record Date for Exercising the Right to Attend the 2024 Annual General Meeting of Shareholders.
2	08/NQ-HĐQT	02/03/2024	Resolution on the Distribution of Profits in 2023.
3	10/NQ-HĐQT	02/03/2024	Resolution of the Business Operations Meeting for Quarter1 /2024.
4	11/QĐ-HĐQT	02/03/2024	Decision on the Establishment of the Organizing Committee for the 2024 Annual General Meeting of Shareholders.
5	12/QĐ-HĐQT	02/03/2024	Decision on the Establishment of the Shareholder Eligibility Verification Committee for the 2024 Annual General Meeting of Shareholders.
6	13/QĐ-HĐQT	04/04/2024	Decision on the Establishment of the Drafting Committee for the 2024 Annual General Meeting of Shareholders.
7	19/NQ-HĐQT	12/04/2024	Resolution of the General Meeting of Shareholders on the Purchase of Machinery and Equipment.
8	33/QĐ-HĐQT	16/04/2024	Decision on the Issuance of the Rules of Procedure for the General Meeting of Shareholders.

9	36/NQ-HĐQT	25/05/2024	Resolution of the Meeting to Prepare for the 2024 Annual General Meeting of Shareholders.
10	38/NQ-HĐQT	09/08/2024	Resolution of the Board of Directors Meeting for Quarter3/2024.
11	43/QĐ-HĐQT	19/08/2024	Decision on the Issuance of the Internal Audit Regulations.
12	46/NQ-HĐQT	08/11/2024	Resolution of the Board of Directors Meeting for Quarter 4/2024.
13	47/NQ-HĐQT	01/12/2024	Resolution on Appointing the Person Responsible for Internal Audit and the Internal Audit Model.
14	48/QĐ-HĐQT	01/12/2024	Decision on the Appointment of the Internal Auditor.
15	51/NQ-HĐQT	05/12/2024	Resolution on the Internal Audit Plan and Topics.
16	54/NQ-HĐQT	15/12/2024	Resolution on Approving the Plan for Selecting the Internal Audit Firm.
10	38/NQ-HĐQT	09/08/2024	Resolution of the Board of Directors Meeting for Quarter 3/ 2024.
11	43/QĐ-HĐQT	19/08/2024	Decision on the Issuance of the Internal Audit Regulations.
12	46/NQ-HĐQT	08/11/2024	Resolution of the Board of Directors Meeting for Quarter4 / 2024.
13	47/NQ-HĐQT	01/12/2024	Resolution on Assigning the Person Responsible for Internal Audit and the Internal Audit Model.
14	48/QĐ-HĐQT	01/12/2024	Decision on the Appointment of the Internal Auditor.

15	51/NQ-HĐQT	05/12/2024	Resolution on the Internal Audit Plan and Topics.
16	54/NQ-HĐQT	15/12/2024	Resolution on Approving the Plan for Selecting the Internal Audit Firm.
17	55/NQ-HĐQT	16/12/2024	Resolution on Approving the material norms in 2024
18	56/NQ-HĐQT	16/12/2024	Decision on Approving the material norms in 2024
19	57/NQ-HĐQT	16/12/2024	Request of the Board of Directors' opinion on Approving the Internal Audit Firm in 2024
20	58/NQ-HĐQT	20/12/2024	Resolution on the Approval of selecting the Internal audit firm in 2024
21	59/NQ-HĐQT	20/12/2024	Request of the Board of Directors' opinion on the Internal audit plan in 2025
22	60/NQ-HĐQT	27/12/2024	Resolution on the Internal audit plan in 2025

d. Activities of Non-Executive and Independent Board Members:

The Board of Directors meetings were convened in a timely manner and conducted in accordance with the self-regulated procedures set forth in the Company's Charter and Internal Governance Regulations. The content of the meetings was thoroughly discussed and carefully evaluated by the Board members to provide guidance and solutions that bring the highest effectiveness and benefits to the Company.

Issues related to business strategy, market expansion, building management systems, and product diversification research were all considered and assessed by the Board of Directors during the regular meetings.

1. The Board of Supervisors (Supervisory Board)

Members and Structure of the Supervisory Board: (List of members of the Supervisory Board, percentage of voting shares and other securities issued by the company).

Full name	Position	Number of voting shares	Ownership's rate (%)
1. Nguyen Thi Bich Hue	Head of the Committee	0	0
2. Pham Thi Thuy	Member	1.700	0,056
3. Nguyen Kim Anh	Member	0	0

Activities of the Supervisory Board: (Evaluation of the activities of the Supervisory Board, specifying the number of meetings held by the Supervisory Board, the content, and the outcomes of those meetings).

Start date of operations: from April 25, 2023, the number of meetings attended is 4, with a participation rate of 100%.

Supervisory activities of the Supervisory Board over the Board of Directors, Executive Board, and shareholders: Exercising the rights and duties as stipulated in Article 34 of the Company's Charter.

Coordination of activities between the Supervisory Board and the Board of Directors, Executive Board, and other management personnel:

Review of the annual, semi-annual, and quarterly financial statements before submission to the Board of Directors of the Company.

Accounting and financial bookkeeping in accordance with regulations.

Review of the salary and bonus policies.

Review of the financial management regulations.

Procurement Policy for Materials

Review and report to the Board of Directors on the internal control system of the Company's Executive Board.

The Supervisory Board informs the Board of Directors about any irregular activities of Board members or the Executive Board that fail to comply with corporate governance regulations or show signs of legal violations.

Other activities of the Supervisory Board: In accordance with the Corporate Law and the Company's current Charter.

Transactions, remuneration, and benefits of the Board of Directors, Executive Board, and Supervisory Board:

a. Salary, bonuses, remuneration, and benefits: (Salaries, bonuses, remuneration, other benefits, and expenses for each member of the Board of Directors, Supervisory Board members, the CEO or General Director, and other management personnel. The value of these remuneration, benefits, and expenses must be disclosed in

detail for each individual, specifying the exact amounts. Non-material benefits or benefits that cannot be quantified in monetary terms should be listed and fully explained).

Unit of measurement: VND

Full name	Position	Salary and bonus	Remuneration	Total income
1. Nguyen Thi Kim Chi	Chairman of the Board of Directors	0	72.000.000	72.000.000
2. Hong Anh Viet	Board Member - Director	466.141.200	48.000.000	514.141.200
3. Dang Thi Thanh Huu	Board Member	53.816.700	48.000.000	101.816.700
4. Nguyen Van Hanh	Board Member	0	48.000.000	48.000.000
5. Truong Thanh Hoan	Board Member - Appointed on April 25, 2023	0	48.000.000	48.000.000
6. Nguyen Bich Hue	Head of the Supervisory Board - Appointed on April 25, 2023	0	48.000.000	48.000.000
7. Pham Thi Thuy	Member of the Supervisory Board	114.764.400	36.000.000	150.764.400
8. Nguyen Thi Kim Anh	Member of the Supervisory Board	0	36.000.000	36.000.000

b. Insider Share Transactions: (Information on share transactions of members of the Board of Directors, Supervisory Board members, the CEO (General Director), the Chief Accountant, management personnel, the company secretary, major shareholders, and related persons to the aforementioned individuals).

No	Person made the transaction	Relationship with Internal Shareholders	The beginning of the period		The end of the period		Reason for decrease
			Number of shares	Rate (%)	Numer of shares	Rate (%)	
1							

c. Contracts or Transactions with Internal Shareholders: (Information on contracts or transactions signed or executed during the year with the company, subsidiaries, or companies controlled by members of the Board of Directors, members of the Supervisory

Board, the CEO (General Director), managerial officers, and persons related to the aforementioned individuals): None

I. Financial Statements

1. Audit Opinion: The accompanying financial statements present fairly, in all material respects, the financial position of Hai Phong Packing Vicem Joint Stock Company as of December 31, 2024, as well as its financial performance and cash flows for the fiscal year ended on that date, in accordance with Vietnamese Accounting Standards, the Corporate Accounting System, and relevant legal regulations on the preparation and presentation of financial statements.

The financial statements in 2024 have been fully accepted.

2. The Audited Financial Statements in 2024: The financial statements were audited in 2024 include: Balance Sheet, Income Statement, Cash Flow Statement, Notes to the Financial Statements, as required by laws on accounting and auditing.

LEGAL REPRESENTATIVE 





Hong Anh Viet