

Appendix IV
ANNUAL STATEMENTS

*(Issued together with Circular No. 96/2020/TT-BTC dated November 16, 2020 of the
Minister of Finance)*

**THANG LOI COFFEE
JOINT STOCK
COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: 72/BC-CTCP

Dak Lak, March 25, 2025

**ANNUAL
STATEMENT IN 2024**

To: State Securities Commission of Vietnam
Hanoi Stock Exchange

I. General information

1. *General information*

- Transaction name: **THANG LOI COFFEE JOINT STOCK COMPANY**
- Enterprise registration certificate No.: 6000182456
- Registered capital: VND 126,500,000,000
- Owner's investment capital:
- Address: Km 17 National Highway 26, Hoa Dong Commune, Krong Pac District, Dak Lak Province
- Phone number: 02623.514.365
- Fax number: 02623.514.365
- Website: <http://thangloicoffee.com.vn/>
- Share code: CFV
- Process of formation and development (date of establishment, time of listing, time of important events since its establishment)

Time	Typical events
1977 - 2007	<p>The company was formerly known as Thang Loi Coffee Farm established under Decision No. 103/QD-UB dated March 1, 1977 of the People's Committee of Dak Lak Province and announced on April 20, 1977 on the basis of acquisition of 317 hectares of coffee left by some private plantations.</p> <p>On October 27, 1992, the People's Committee of Dak Lak Province issued Decision No. 650/QD-UB on changing its name to Thang Loi Coffee Company.</p>

Time	Typical events
	<p>On April 11, 2007, the People's Committee of Dak Lak Province issued Decision No. 776/QD-UBND on approval of plan to convert Thang Loi Coffee Company into Thang Loi Coffee One Member Limited Liability Company and operating under Enterprise Registration Certificate No. 4004000141 dated August 10, 2007 of the Department of Planning and Investment of Dak Lak Province.</p>
<p>2007 – 2016</p>	<p>On the first day of establishment, the Company only had 160 employees and officers. After nearly 40 years of construction and development, Thang Loi Coffee One Member Limited Liability Company has nearly 1,200 employees, laborers receiving contracted plantations, and is responsible for managing and producing 1,822.39 hectares of coffee under various production types.</p>
<p>2016 - 2019</p>	<p>On April 22, 2016, the People's Committee of Dak Lak Province issued Decision No. 1128/QD-UBND on equitization of Thang Loi Coffee One Member Limited Liability Company. On January 31, 2019, the People's Committee of Dak Lak Province issued Decision No. 249/QD-UBND on approval of equitization plan of Thang Loi Coffee One Member Limited Liability Company.</p> <p>On March 28, 2019, the Company successfully organized the auction of shares for the first time to the public on Ho Chi Minh Stock Exchange with the total number of shares successfully offered for sale of 6,256,100 shares, and the average successful auction price was VND 21,300/share.</p> <p>On October 2, 2019, the company held the General Meeting of Shareholders to establish Thang Loi Coffee Joint Stock Company.</p> <p>On October 9, 2019, Thang Loi Coffee One Member Limited Liability Company was officially converted into Thang Loi Coffee Joint Stock Company according to Enterprise Registration Certificate No. 6000182456, registered for 5th amendment on October 9, 2019 issued by the Department of Planning and Investment of Dak Lak Province with a registered capital of VND 126,500,000,000.</p>

- Other events:

2. *Business lines and locations:*

- Business lines:

No.	Name of added business lines	Code	Notes
1.	Growing of coffee tree	0126	Main business lines

2.	Wholesale of agricultural raw materials (except wood, bamboo) and live animals <i>Except for trading specimens of wild plants and animals on the banned list in accordance with Law on Investment 2020</i>	4620	
3	Manufacture of grain mill products	1061	
4	Wholesale of agricultural machinery, equipment and supplies <i>Details: Trading machinery, supplies, equipment for public service, agriculture</i>	4653	
5	Wholesale of construction materials, installation supplies <i>Details: Trading in construction materials</i>	4663	
6	Wholesale of solid, liquid and gaseous fuels and related products <i>Details: Petroleum trading (business location in DakLak province shall be in accordance with the planning approved by the competent authority) and related products</i>	4661	
7	Real estate activities with own or leased property	6810	
8	Travel agency activities <i>Details: Travel services</i>	7911	
9	Coffee production	1077	
10	Power transmission and distribution <i>Details: Distribution of solar power, wind power, electricity from renewable energy</i>	3512	
11	Wood logging	0220	
12	Growing of maize and other cereals	0112	
13	Growing of vegetables, leguminous, flower, plants for ornamental purposes	0118	

14	Growing of fruits	0121	
15	Mixed farming <i>Details: Agricultural production - high-tech application</i>	0150	
16	Electricity generation	3511	
17	Growing of other perennial crops	0129	
18	Short-term accommodation activities <i>Details: Hotel, Villa or short-stay service apartment, Guest house, short-stay service guesthouse</i>	5510	
19	Other accommodation	5590	
20	Raising of pigs	0145	
21	Raising of poultry	0146	
22	Raising of other animals	0149	
23	Water collection, treatment and supply <i>Details: Business of water exploitation, treatment and supply services</i>	3600	

- Business location:

+ Head office address: Km 17 National Highway 26, Hoa Dong Commune, Krong Pac District, Dak Lak Province

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

- Management apparatus includes:

+ General Meeting of Shareholders.

+ Board of Directors.

+ Supervisory Board.

+ General Director

- Structure of the management apparatus.

+ Executive Board.

+ Departments and coffee factories

- Subsidiaries and associates: None

4. Development orientation

- Focusing on coffee production and business of the Company, where:

+ Production coffee: towards sustainable development, plantations and coffee products meet the quality standards certified by prestigious organizations such as Rainforest Alliance.

+ Purchase of coffee: taking advantage of the strengths and brand name of Thang Loi high-quality coffee products for export to foreign markets.

- Developing production and business activities to bring high efficiency along with ensuring the lives of employees, supporting and participating in social activities in the locality.

II. Operating situation during the year

1. Situation of production and business activities

The Company's Leadership was flexible to properly grasp the market, achieved business efficiency in 2024.

2. Organization and Personnel

- List of Management Board:

No.	Member of the Management Board	Date of birth	Qualification	Date of appointment/ dismissal of members of the Management Board	Proportion of ownership of shares with voting rights
1.	Mr. Pham Xuan Thu	October 20, 1965	Bachelor	October 3, 2024 (Dismissed)	0.008%
2.	Ms. Hoang Thi Thu Ha	August 23, 1987	Master	December 3, 2019	0%
3	Mr. Doan Dinh Hong	July 20, 1965	Bachelor	June 1, 2020	0.023%
4	Ms. Nguyen Thi Quynh Nhu	February 14, 1994	College of Accounting	June 19, 2023	0%

- Changes in the Management Board: Mr. Pham Xuan Thu resigned as General Director as of October 3, 2024.

- Number of officers and employees: The total number of employees by December 31, 2024 is 78 people.

3. Investment situation, project implementation situation

- a) Large investments: None
b) Subsidiaries and associates: None

4. Financial Situation

- a) Financial Situation

Unit: VND

Items	In 2023	In 2024	% Increase/Decrease
Total asset value	279,338,072,812	243,083,019,514	-13%

Net revenue	456,039,524,753	293,676,622,715	-36%
Profit from operating activities	2,139,819,122	56,280,063,166	+2,530%
Other profits	2,756,595,301	3,153,260,189	+14%
Profit before tax	4,896,414,423	59,433,323,355	+1,114%
Dividend payout ratio	0	0	0%

b) Main financial indicators:

Indicator/	In 2023	In 2024	Notes
1. Indicators of solvency			
+ Current payment coefficient: Current assets/liabilities	3.23	1.57	
+ Quick payment coefficient: <u>Current assets - Inventories/</u> Current liabilities	2.49	0.64	
2. Indicators of capital structure			
+ Debt-to-total assets ratio	0.24	0.50	
+ Debt-to-equity ratio			
3. Indicators of operational capacity			
+ Inventory Turnover Ratio: Costs of goods sold/Average inventory	2.35	5.10	
+ Total asset turnover ratio: Net Revenue/Average total assets	1.86	1.12	
4. Indicators of profitability			
+ Net profit margin	0.01	0.15	
+ Return on equity	0.02	0.34	
+ Return on assets	0.01	0.17	
+ Operating profit margin	0.00	0.19	

5. Shareholder structure, changes in equity investment

a) Shares:

- Total outstanding shares and types: 12,650,000 common shares, where:
 - Freely transferable shares: 12,650,000 shares.

- Restricted shares: 0 share.

b) Shareholder structure:

- Shareholders are individuals or organizations that own at least one share of the company.

- Major shareholders are shareholders specified in Clause 18, Article 4 of Securities Law 2019.

c) Changes in equity investment: None.

d) Treasury share transactions: none.

e) Other securities: None

6. Environmental & social impact report

6.1. Impact on the environment:

The company produces dry coffee beans with no waste harmful to the environment.

6.2. Management of raw materials:

- In 2024, the company used 45,622 jute bags (100% natural fiber) for packaging, with no recycled materials utilized.

6.3. Energy consumption:

The company adopts green energy and environmental protection measures, thereby minimizing production during peak hours to save energy and reduce costs.

6.4. Water consumption: (water consumption of business activities during the year).

The company uses 100% groundwater because there is no clean water system provided to the Company, so it is not measurable, but consumption is negligible as no water is used in machinery operations.

6.5. Compliance with laws on environmental protection

a) Number of sanctions for non-compliance with environmental laws/regulations:

None

b) Total penalty amount for environmental violations: None.

6.6. Employee-related policies

a) Number of employees, average salary.

The total number of employees by December 31, 2024 is 78 people. The company still maintains stable jobs for the employees with an average income of VND 8,249,915/person/month.

b) Occupational health, safety & welfare policies

- Full compliance. The company prioritizes occupational safety, hygiene, protective equipment, and fire prevention. Regular training and awareness programs are conducted to enhance employee safety.

- In 2024, the Company has fully and timely contributed to mandatory social insurance, health insurance and unemployment insurance policies for the employees in accordance with law provisions.

c) Employee Training

- Average training hours per year, by employee and by employee classification

- Skill development and continuous learning programs to support employees to secure jobs and develop their careers.

6.7. Community Responsibility Report

Deduction was made for the Natural Disaster Prevention Fund in 2024 with a total amount of VND 59,743,000 (Inwords: *Fifty-nine million seven hundred and forty-three thousand Vietnamese dong*s).

III. Report and evaluation of the Executive Board (the Executive Board reports and evaluates the situation of the *company in all aspects*)

The report and evaluation of the Executive Board shall include but not limited to:

1. Evaluation of production and business results.

- Basic indicators are as follows:

No.	Items	Unit	Performance in 2024	Plan in 2024	Performance in 2024 compared to plan in 2024
A	COFFEE PRODUCTS	Ton of coffee beans	3,181	6,310	50%
B	PRODUCTION AND BUSINESS RESULTS				
I	Total revenue	Million VND	306,140	395,586	77%
II	Profit before tax	Million VND	59,433	5,114	1,162%
III	Corporate income tax	Million VND	12,401	1,023	1,212%
IV	Profit after CIT	Million VND	47,032	4,091	1,150%

- Company's achievements.

Based on the Executive Board's Resolution on business operations, the Executive Board has developed plans and implementation solutions, effectively leading departments to achieve planned indicators.

2. Financial situation

a) Asset position

Compared to the beginning of the year, year-end total assets decreased by VND 34,822 million, equivalent to a decrease of 13%, broken into details of each department:

- Current assets decreased by VND 35,013 million, corresponding to a decrease of 16% due to:
 - + Cash and cash equivalents increased by VND 5,886 million, equivalent to an increase of 896%
 - + Short-term investment increased by VND 62,500 million, equivalent to an increase of 99%
 - + Short-term receivables decreased by VND 15,856 million, equivalent to a decrease of 65%
 - + Inventories decreased by VND 86,692 million, equivalent to a decrease of 69%
 - + Other current assets decreased by 851 million VND, equivalent to a decrease of 84%
- Non-current assets decreased by VND 1,242 million, corresponding to a decrease of 2% due to:
 - + Fixed assets increased by VND 577 million, equivalent to an increase of 2% due to the influence of asset purchase in the period
 - + Investment properties decreased by VND 1,433 million, equivalent to a decrease of 11% due to the impact of depreciation in the period
 - + Long-term works in progress increased by VND 80 million, corresponding to an increase of 2%
 - + Long-term investment increased/decreased by VND 0 million, corresponding to an increase/decrease of 0%
 - + Other non-current assets decreased by VND 467 million, equivalent to a decrease of 5%

b) Liability position

- As at December 31, 2024, the Company's liabilities were VND 57,169 million, a decrease of VND 83,287 million compared to January 1, 2024, corresponding to a decrease of 59%, caused by:
 - + Short-term liabilities decreased by VND 81,962 million, corresponding to a decrease of 59%, mainly due to short-term bank loans decreasing by VND 101,374 million, a decrease of 82% from inventory purchase debt repayment.
 - + Long-term liabilities decreased by VND 1,325 million, equivalent to a decrease of 64%.

3. *Organizational structure, policy, and management improvements*

4. *Future development plans:*

5. *Executive Board's response to audit opinion*

On March 17, 2025, Thang Loi Coffee Joint Stock Company and AFC Vietnam Auditing Company Limited prepared the financial statements for the fiscal year ended December 31, 2024. In particular, the auditor provided qualified opinions.

Thang Loi Coffee Joint Stock Company began operations as a joint-stock company on October 9, 2019, but so far there has not been a Decision on approval of capital handover settlement between One Member Company Limited and a Joint Stock Company, preventing full verification of figures.

6. *Environmental & social responsibility assessment report*

a. Environmental Indicators:

- Production and business activities of the Company produce no environmental emissions.

b. Employees

- The Company always ensures adequate policies and regimes for the employees and organizes Trade Unions at the Company.

c. Community responsibility

- The company actively contributes to local community programs.

IV. Evaluation of the Board of Directors on the Company's operations

1. Evaluation of the Board of Directors on the Company's activities.

The Company's Leadership was flexible to properly grasp the market, achieved business efficiency in 2024.

2. Evaluation of the Board of Directors on activities of the Company's Directors

In 2024, the Management Board properly and fully implemented the resolutions of the Board of Directors and achieved certain results.

The Management Board has made great efforts, united and completed its tasks well.

3. Plans and orientations of the Board of Directors

- In 2025, the Board of Directors will continue to direct the implementation of investment and development in the field of production and business, focusing on both domestic and export markets.

V. Corporate Governance

1. Board of Directors

a) Members and structure of the Board of Directors:

No.	BOD member	Position/ <i>(independent member of the Board of Directors, non-executive member of the Board of Directors)</i>	Start/End Date as BOD Member/independent BOD member	
			Date of appointment	Date of dismissal
1.	Mr. Do Hoang Phuc	Chairman of the BOD	April 24, 2024	
2.	Mr. Pham Xuan Thu	Vice Chairperson of the BOD	April 24, 2024	
3	Mr. Do Hoang Phuong	BOD member	April 24, 2024	
4	Ms. Hoang Thi Thu Ha	BOD member	October 2, 2019	April 24, 2024
5	Ms. Dang Thi Huyen	BOD member	April 24, 2024	

6	Ms. Pham Thi Linh	BOD member	April 24, 2024	
---	----------------------	------------	----------------	--

b) Subcommittees of the Board of Directors: None.

c) Activities of the Board of Directors:

- The Board operates on collective decision-making principles, in full compliance with legal regulations and the Company's articles of association.

- In 2024, the Board of Directors of Thang Loi Coffee Joint Stock Company conducted 16 meetings and issued 16 Resolutions, specifically as follows:

No.	Resolution/ Decision No.	Date	Content	Ratio of approval
1.	01/2024/NQ – BOD	January 12, 2024	Regarding approval of contents at the meeting of the Board of Directors on January 12, 2024	100%
2.	02/2024/NQ– HDQT	February 26, 2024	Regarding approval of the plan to organize the Annual General Meeting of Shareholders in 2024	100%
3	03/2024/NQ – HDQT	March 8, 2024	Regarding approval of the plan to elect members of the Board of Directors and the Supervisory Board of the Company for the term of 2024-2028	100%
4	04/2024/NQ-HDQT	March 25, 2024	Regarding approval of documents at the Annual General Meeting of Shareholders in 2024	100%
5	05/2024/NQ-HDQT	April 24, 2024	Regarding election of the Chairperson of the Board of Directors of Thang Loi Coffee Joint Stock Company for the term of 2024 - 2028	100%
6	06/2024/NQ-HDQT	April 24, 2024	Regarding election of the Vice Chairperson of the Board of Directors of Thang Loi Coffee Joint Stock Company for the term of 2024 - 2028	100%
7	08/2024/NQ-HDQT	April 27, 2024	Regarding approval of appointment of members of the Board of Directors to travel to the United States	100%

8	09/2024/NQ-HDQT	April 27, 2024	Regarding approval of investment policy of warehouses and processing factories	100%
9	10/2024/NQ-HDQT	July 5, 2024	Regarding the issuance of the effectiveness assessment plan for durian and pepper cultivation	100%
10	11/2024/NQ-HDQT	July 12, 2024	Regarding disapproval of the General Director's proposal for dividend payment in 2023	100%
11	13/2024/NQ-HDQT	July 15, 2024	Regarding promulgation of Regulations on land liquidation, improvement and re-cultivation of coffee plantations	100%
12	14/2024/NQ – HDQT	July 15, 2024	Regarding issuance of the replanting procedure for robusta coffee plantations	100%
13	15/2024/NQ– HDQT	July 15, 2024	Regarding investment in new construction of warehouses and processing factories (coffee bean production factory)	100%
14	16/2024/NQ– HDQT	August 7, 2024	Approval of funding support for the 2nd annual Krong Pak Durian Festival 2024	100%
15	16a/2024/NQ– HDQT	September 20, 2024	Regarding Loan Facility at Vietcombank-Dak Lak	100%
16	17/2024/NQ – HDQT	October 3, 2024	Regarding approval of assignment of tasks and powers to the Standing Vice Chairperson of the Board of Directors and related regimes	100%

In 2024, the Board of Directors strictly implemented corporate governance, human resource strategy... in line with the scope of powers and duties of the Board of Directors as stipulated in the Articles of Association of Thang Loi Coffee Joint Stock Company.

d) Activities of independent members of the Board of Directors. Activities of subcommittees in the Board of Directors: *None*.

e) List of members of the Board of Directors with training certificates in corporate governance. List of members of the Board of Directors participating in corporate governance programs during the year.

2. Supervisory Board/Audit Committee

a) Members and structure of the Supervisory Board/Audit Committee:

No.	Member of the Supervisory Board/Audit Committee	Position	Start/End Date as member of the Supervisory Board/Audit Committee	Qualification
1	Mr. Tran Quoc Do	Head of the Supervisory Board	April 24, 2024 (Dismissed)	Bachelor of Economics - Finance and Accounting
2.	Mr. Pham Dinh Bo	Member of the Supervisory Board	October 2, 2019	Forestry engineer majoring in economics; bachelor of politics; Lawyer
3	Ms. Nguyen Thi Thuy Hang	Member of the Supervisory Board	April 24, 2024 (Appointed)	Bachelor of Accounting
4	Ms. Le Dang Uyen Dan	Member of the Supervisory Board	November 14, 2023	Bachelor of Law

b) Activities of Supervisory Board/Audit Committee:

In 2024, the Supervisory Board conducted biannual meetings and supervised the implementation of the General Meeting of Shareholders' Resolutions, decisions of the Board of Directors and the Management Board in accordance with corporate governance regulations and the company's articles of association.

Monitoring the company's operation and financial situation: The Supervisory Board reviewed financial statements in 2024 and audited financial statements to assess the reasonableness and accuracy of financial data in accordance with Vietnamese accounting standards, and worked with the Board of Directors and the Management Board for unusual activities.

3. Transactions, remuneration and benefits of the Board of Directors, Directors and Supervisory Board/Audit Committee

a) Salary, bonus, remuneration, *benefits*:

Complying with the Resolution of the General Meeting of Shareholders in 2024 on approval of remuneration plan for the Board of Directors and the Supervisory Board, in 2024, the total payment

of remuneration and bonuses of the Board of Directors and the Supervisory Board is VND 843,677,778/year.

b) Insider Share Transactions: None

c) Contracts or transactions with insiders: None

d) Corporate governance compliance assessment: full compliance with legal requirements.

VI. Financial Statements

1. Auditor's Opinion

The auditor's assessment of the Financial Statements in 2024 of Thang Loi Coffee Joint Stock Company is detailed in Audit Report No. 063/2025/BCKT-PB.00333 dated March 17, 2025 of AFC Vietnam Auditing Company Limited – Northern Branch. In particular, the auditor provided qualified opinions.

2. Audited Financial Statements: Attached.

Recipients:

- As per addressed;
- Filing: Archived.

CONFIRMED BY LEGAL REPRESENTATIVE OF THE COMPANY

(Sign, write full name and seal)



CHỦ TỊCH HĐQT

Lỗ Hàng Phúc