

DAK LAK RUBBER JOINT STOCK COMPANY

# ANNUAL REPORT 2024



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## **GENERAL INFORMATION**

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## COMPANY'S OVERVIEW

**Company name:** DAK LAK RUBBER JOINT STOCK COMPANY

**English name:** DAK LAK RUBBER JOINT STOCK COMPANY

**Abbreviated name:** DAKRUCO

**Business Registration Certificate:** No. 6000175829 issued by the Dak Lak Department of Planning and Investment, initially on November 15, 2010, and 9th revision on January 17, 2025.

**Address:** No. 30 Nguyen Chi Thanh Street, Tan An Ward, Buon Ma Thuot City, Dak Lak Province.

**Phone:** (0262) 3865 015

**Fax:** (0262) 3865 041

**Website:** www.dakruco.com

**Email:** caosu@dakruco.com

**Charter Capital:** VND 1,558,000,000,000

**Owner's capital:** VND 1,890,515,135,399  
(Based on the 2024 audited consolidated financial statements)

**Securities code:** DRG



## ESTABLISHMENT AND DEVELOPMENT PROCESS

Dak Lak Rubber Joint Stock Company (DAKRUCO), formerly Dak Lak Rubber Company, was established in March 1993, based on the Dak Lak Rubber Enterprises Union, implementing the transformation of production and business organization model according to Decree 388 of the Government and approved by the Dak Lak Provincial People's Committee to operate as a One Member Limited Liability Company under Decision No. 2440/QD-UBND dated September 23, 2010, regarding the Approval of the Project to transform Dak Lak Rubber Company into a One Member Limited Liability Company and the Company's Charter from January 2011.

11/04/2018: Dak Lak Provincial People's Committee approved the equitization plan of Dak Lak Rubber One-Member Limited Liability Company according to Decision No. 739/QD-UBND.

04/09/2018: Dak Lak Provincial People's Committee issued Decision No. 2139/QD-UBND approving the adjustment of the initial issued share structure of Dak Lak Rubber One-Member Limited Liability Company.

31/07/2018: The Company conducted the initial public offering at the Ho Chi Minh City Stock Exchange with the following results:

- Total number of shares offered for public auction: 97,575,500 shares.
- Total number of shares sold: 52,500 shares.

29/09/2018: Dak Lak Rubber Joint Stock Company successfully held its first General Meeting of Shareholders.

01/10/2018: The Company officially transformed into a Joint Stock Company according to Business Registration Certificate No. 6000175829 issued by the Dak Lak Department of Planning and Investment, 6th amended registration with a charter capital of VND 1,558,000,000,000.

08/05/2019: Dak Lak Rubber Joint Stock Company was approved by the State Securities Commission of Vietnam (SSC) for its public company registration dossier.

11/12/2019: The Company officially registered for trading on the Hanoi Stock Exchange.

1993

2011

2018

2018

2019

2022

07/10/2022: Changed the business registration certificate, 7th amended registration.

2021

29/04/2021: Amended and supplemented the Charter of Dak Lak Rubber Joint Stock Company.

07/10/2021: The Company officially adjusted its securities from conditional transfer to free transfer.

2020

06/08/2020: Issued the Regulation on Organization, Management, and Operation of Dak Lak - Mondulkiri Rubber Development Co., Ltd.

2023

24/11/2023: Dak Lak Rubber Joint Stock Company (DAKRUCO) held the Extraordinary General Meeting of Shareholders for the II term (2023 - 2028), and the General Meeting of Shareholders elected the Board of Directors for the II term (2023 - 2028) comprising 7 members with Mr. Dinh Ngoc Thuan as Chairman of the Board; The Board of Supervisors comprises 3 members with Mr. Nguyen Thac Hoanh as Head of the Board.

2025

17/01/2025: Changed the business registration certificate, 9th amended registration.



## BUSINESS LINES AND LOCATIONS

### BUSINESS LINES

No.	Industry Name	Industry Code
1	Growing corn and other cereals	0112
2	Growing root and tuber crops	0113
3	Growing oil-bearing crops	0117
4	Growing vegetables, legumes and flowers	0118
5	Growing other annual crops	0119
6	Growing fruit trees	0121
7	Growing oil-bearing fruit trees	0122
8	Growing cashew trees	0123
9	Growing pepper	0124
10	Growing rubber trees	0125 (Chính)
11	Growing coffee trees	0126
12	Growing tea plants	0127
13	Growing perennial spices, medicinal plants, and aromatic plants	0128
14	Propagating and cultivating annual seedlings	0131
15	Propagating and cultivating perennial seedlings	0132
16	Breeding buffalo and cattle and producing buffalo and cattle breeds	0141
17	Breeding goats, sheep and producing goat, sheep, deer breeds	0144
18	Mixed farming	0150
19	Crop production services	0161
20	Livestock services	0162
21	Post-harvest services	0163
22	Seed processing for propagation	0164
23	Forest planting, forest care and forestry seedling propagation	0210
24	Processing and preserving vegetables and fruits	1030
25	Production of feed for livestock, poultry and aquaculture	1080
26	Sawing, planing, and preserving wood	1610
27	Production of plywood, veneer, particleboard and other thin boards	1621
28	Production of construction timber	1622
29	Production of wooden packaging	1623
30	Production of other wood products; production of products from bamboo, rattan, straw, and plaiting materials	1629
31	Production of fertilizers and nitrogen compounds	2012
32	Production of other rubber products	2219
33	Production of other ceramic products	2393

### BUSINESS LINES

No.	Industry Name	Industry Code
34	Repair of machinery and equipment	3312
35	Repair of electrical equipment	3314
36	Water extraction, treatment and supply	3600
37	Road construction	4212
38	Maintenance and repair of automobiles and other motor vehicles	4520
39	Wholesale of raw agricultural and forestry materials (except wood, bamboo) and live animals	4620
40	Wholesale of rice, wheat, other cereals, wheat flour	4631
41	Wholesale of food products	4632
42	Wholesale of agricultural machinery, equipment and spare parts	4653
43	Other specialized wholesale not elsewhere classified	4669
44	Intra-city passenger bus transport	4921
45	Intra-city and intercity passenger bus transport	4922
46	Other types of passenger bus transport	4929
47	Intra-city and suburban passenger road transport (except bus transport)	4931
48	Other passenger road transport	4932
49	Road freight transport	4933
50	Warehousing and storage	5210
51	Cargo handling	5224
52	Direct support services for road transport	5225
53	Short-term accommodation services	5510
54	Restaurants and mobile food services	5610
55	Catering services for irregular contracts	5621
56	Other food services	5629
57	Beverage serving services	5630
58	Real estate trading, land use rights owned, used or leased	6810
59	Travel agency activities	7911
60	Tour operator activities	7912
61	Reservation services and related services for tour promotion and organization	7990
62	Creative, arts and entertainment activities	9000
63	Activities of sports facilities	9311
64	Steam bath, massage and similar health enhancement services (except sports activities)	9610
65	Wedding service activities	9633



## BUSINESS LINES AND LOCATIONS

### BUSINESS LINES

The Company's main business lines are: Rubber tree planting, rubber latex processing and trading; Cultivation of high-tech agricultural crops such as: bananas, jackfruit, durian, pineapple; Hotel, restaurant business.



### RUBBER TREE PLANTING RUBBER PROCESSING RUBBER LATEX TRADING

The company continues to affirm its leading position in the rubber industry with two key product lines: Latex and SVR, meeting the diverse needs of domestic and international markets. Latex is supplied in liquid form with two main types, HA (High Ammonia) and LA (Low Ammonia), widely used in the medical, technical, and consumer goods sectors. It is an important raw material in the production of mattresses, medical gloves, adhesives, balloons, and many other products. In particular, the demand for Latex continued to grow in the past year, especially in the glove manufacturing industry due to increasing awareness of hygiene and health safety.

In addition, SVR is processed in block form, divided into three main product groups according to specific technical characteristics and applications. Rubber with high plasticity and adhesion such as SVR CV 60, SVR CV 50 is used in the production of elastics, adhesives, tire sidewalls, and table tennis racket surfaces. Rubber with high elasticity and abrasion resistance such as SVR 3L serves the production of car tires, belts, and electrical cables, helping to increase product life and performance. Meanwhile, high hardness rubber such as SVR 10, SVR 20 plays an important role in the production of truck tires and construction vehicle tires, meeting optimal durability and load-bearing requirements.

In addition to its main rubber products, the Company also operates a rubber thread factory, directly serving the textile industry, meeting domestic and international demand. With a closed production process, Dakruco continuously improves product quality by applying international standards. The Company's rubber planting, harvesting and processing activities are standardized according to the ISO 9001-2014 quality management system, the ISO 14000-2015 environmental management system, and the ISO/IEC 17025 standard. In addition, the Company's rubber products also achieve quality certification according to the Vietnam Rubber standard, ensuring reliability and safety for consumers.

Towards sustainable development, the Company reached an important milestone when the FSC-FM certification for more than 1,100 ha of rubber in the 19/8 and Phu Xuan farms was officially granted on the morning of October 22, 2024. This is an important step to help Dakruco affirm its commitment to sustainable forest management, meeting international standards on environmental protection and social responsibility. At the same time, the Company is also actively completing procedures to obtain FSC-CoC certification for the latex processing plant and latex trading, helping to improve competitiveness and expand export markets.

The Company's input materials mainly come from affiliated farm branches and external purchases, of which a large proportion of output comes from rubber plantations directly managed by the Company, ensuring high stability in quality and output. Thanks to strict control from raw materials to processing, the Company's latex products have been certified with the Vietnam Rubber brand by the Vietnam Rubber Association from 2016 to present, affirming its commitment to quality and solid position in the industry.





## BUSINESS LINES AND LOCATIONS

### FRUIT TREE CULTIVATION AND SALES

To date, the Company has invested in developing a concentrated production area with a total area of 284 ha, specializing in fruit trees such as bananas, durian, and pineapple using high-tech applications. Thanks to modern cultivation processes and strict quality control, products from this production area have begun to be harvested and brought to market since March 2020, of which bananas and durian are two key products. Both types of fruit have been granted VietGAP certification, ensuring food safety standards and agricultural product quality, and the Company is also completing procedures for certification of goods origin, creating favorable conditions for expanding export markets.

### HOTEL, GUESTHOUSE, AND TOURIST AREA SERVICES

The company has the Dakruco Hotel complex built on a total land area of 2.7 hectares, including: 4-star hotel, 11 floors high, scale of 114 rooms; 3-star hotel, 3 floors high, scale of 31 rooms; 2-story wedding restaurant, capacity of 1,000 guests; Other entertainment facilities include: swimming pool, tennis court.

In 2024 and the following years, the Company aims to expand the scale of high-tech fruit tree cultivation, in order to improve product output and quality, meeting the needs of domestic and international markets. In 2025, the Company will develop a project to replant rubber intercropped with coffee in Cu Mgar Farm Branch with an area of over 780 ha.

### TYPICAL PRODUCTS

SVR 3L, SVR 5, SVR 20, SVR 10, SVR CV50, SVR CV60, jackfruit, bananas, pineapple.

### BUSINESS LOCATIONS

The Company's head office is located at No. 30 Nguyen Chi Thanh Street, Tan An Ward, Buon Ma Thuot City, Dak Lak Province, mainly operating in Dak Lak Province.



Rubber plantations are mainly grown in Cu M'gar, Cu Kuin, Krong Buk districts and the Kingdom of Cambodia (Dak Lak Mondulkiri Rubber Development Co., Ltd.).

Orchards are grown in Cu Bao Commune, Buon Ho Town, Dak Lak Province, initial products are sold to the domestic market, China, Korea, Japan and Europe.

Coffee trees intercropped in rubber plantations are grown in Ea Kpam Commune, Cu Mgar District, Dak Lak Province, expected to have products from 2027.





## BUSINESS LINES AND LOCATIONS

### AFFILIATED BRANCHES

The main business lines of the affiliated branches are: Planting, caring for, harvesting and processing rubber; processing elastic thread; hotel and restaurant services.

#### 19-8 FARM BRANCH

Address: Km 13+500 National Highway 27 - Ea B'hok Commune - Cu Kuin District - Dak Lak Province - Vietnam.

Tel: (84-262) 3 633 083; (84-262) 3 636 599

Email: caosu.198@dakruco.com



#### CU MGAR FARM BRANCH

Address: Km 20 Provincial Road 8 - EakPam Commune - Cu M'gar District - Dak Lak Province - Vietnam.

Tel: (84-262) 3 834 496; (84-262) 3 834 266.

Email: caosu.cumgar@dakruco.com

# 2

#### CU KPO FARM BRANCH

Address: Cu K'po Commune - Krong Buk District - Dak Lak Province - Vietnam.

Tel/Fax: (84-262) 3 562 063

Email: caosu.cukpo@dakruco.com

# 5



#### LATEX PROCESSING PLANT BRANCH

Address: Ea D'rong Commune - Cu M'gar District - Dak Lak Province - Vietnam.

Tel: (84-262) 3 536 128- 3 536 245;

Email: caosu.xncb@dakruco.com

# 6



#### ELASTIC THREAD PROCESSING PLANT BRANCH

Address: Lot B35-B36 Hoa Phu Industrial Park, Hoa Phu Commune, Buon Ma Thuot City, Dak Lak Province, Vietnam.

Tel: (+84 0262) 3 98 99 79

Email: sale@dakruthread.vn

# 7



#### CUOR DANG FARM BRANCH

Address: Km 20 National Highway 14 - Ea D'rong Commune - Cu M'gar District - Dak Lak Province - Vietnam.

Tel: (84-262) 3 536 164; (84-262) 3 536 165

Email: caosu.cuordang@dakruco.com

# 3



#### PHU XUAN FARM BRANCH

Address: Ea D'rong Commune - Cu M'gar District - Dak Lak Province - Vietnam

Tel/Fax: (84-262) 3 536 124

Email: caosu.phuxuan@dakruco.com

# 4



#### DAKRUCO HOTEL SERVICES BRANCH

Address: 30 Nguyen Chi Thanh - Tan An Ward - Buon Ma Thuot City - Dak Lak Province - Vietnam.

Tel: (84-262) 3970888 - Fax: (84-262) 3970889

Email: sales@dakrucohoteles.com;

# 9



#### CU BAO FARM BRANCH

Address: Village 8 - Cu Bao Commune - Buon Ho Town - Dak Lak Province.

Tel: (84-262) 3 563 542

Email: cubao@dakruco.com

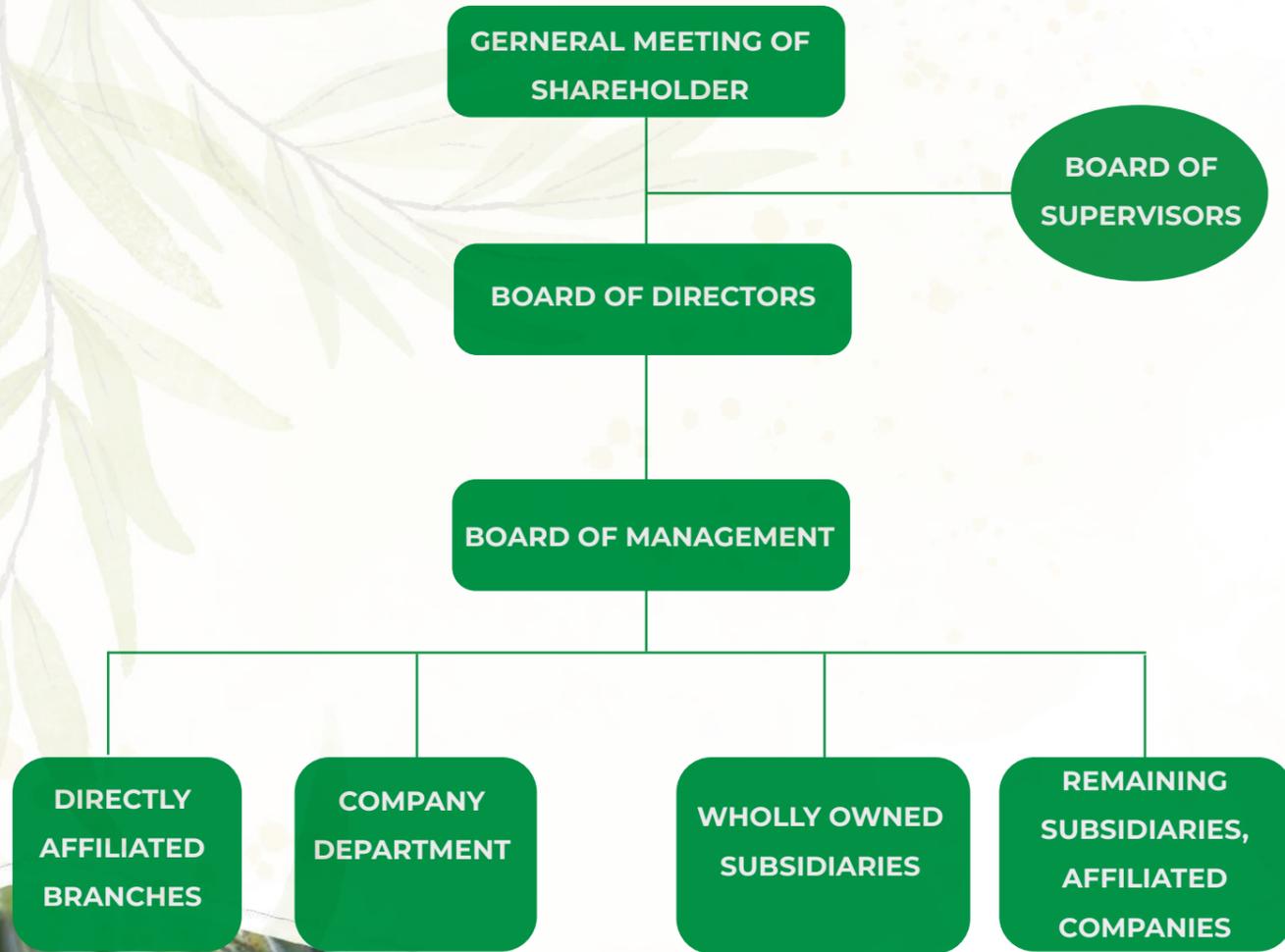
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# CORPORATE GOVERNANCE, BUSINESS ORGANIZATION, AND MANAGEMENT STRUCTURE

## GOVERNANCE MODEL

The Company operates under a management model comprising: General Meeting of Shareholders (GMS), Board of Directors (BOD), Board of Supervisors (BOS), Board of Management (BOM).

## MANAGEMENT STRUCTURE



## SUBSIDIARIES AND AFFILIATES

No.	Company Name	Address	Main Business Activities	Ownership Rate
<b>SUBSIDIARIES</b>				
1	Dak Lak Rubber Investment Joint Stock Company (DRI)	59 Cao Thang - Tan An Ward - Buon Ma Thuot City - Dak Lak	Industrial crop cultivation and processing	60.84%
2	Daknoruco Rubber Joint Stock Company	Village 13, Dak Lao Commune, Dak Mil District, Dak Nong Province	Rubber tree planting, care and latex processing	73.37%
3	Dak Lak Mondolkiri Rubber Development Co., Ltd.	Phun Chrey Sen, Sangkat Monorom, Mondolkiri, Kingdom of Cambodia	Rubber tree planting, care; latex harvesting and processing	100.00%
<b>AFFILIATES</b>				
1	Rubber Technical Joint Stock Company	Km 18, Doan Ket Village, Ea D'rong Commune, Cu M'gar District, Dak Lak Province	Technical consulting services, application of technology in planting, caring for, harvesting and processing latex; Bottled water production; Other related technical consulting activities.	28.79%
2	Dak Lak Rubber Wood Processing Joint Stock Company	Km19, National Highway 14, Ea D'rong Commune, Cu M'gar District, Dak Lak Province, Vietnam	Wood exploitation; Wood product processing; Household wood refining	45.13%
<b>INVESTED COMPANIES</b>				
1	Thai Duong Rubber Joint Stock Company	Lot No. 4, Street No. 7, Tan Tao Industrial Park, Tan Tao Ward, Binh Tan District, Ho Chi Minh City	Production and trading of rubber products for water supply and drainage, lying mats for cows, technical rubber accessories and colored rubber products	10.00%
2	Dak Lak Rubber People's Credit Fund	03 Nguyen Chi Thanh, Tan An Ward, Buon Ma Thuot City, Dak Lak	Credit activities and other banking activities	10.46%

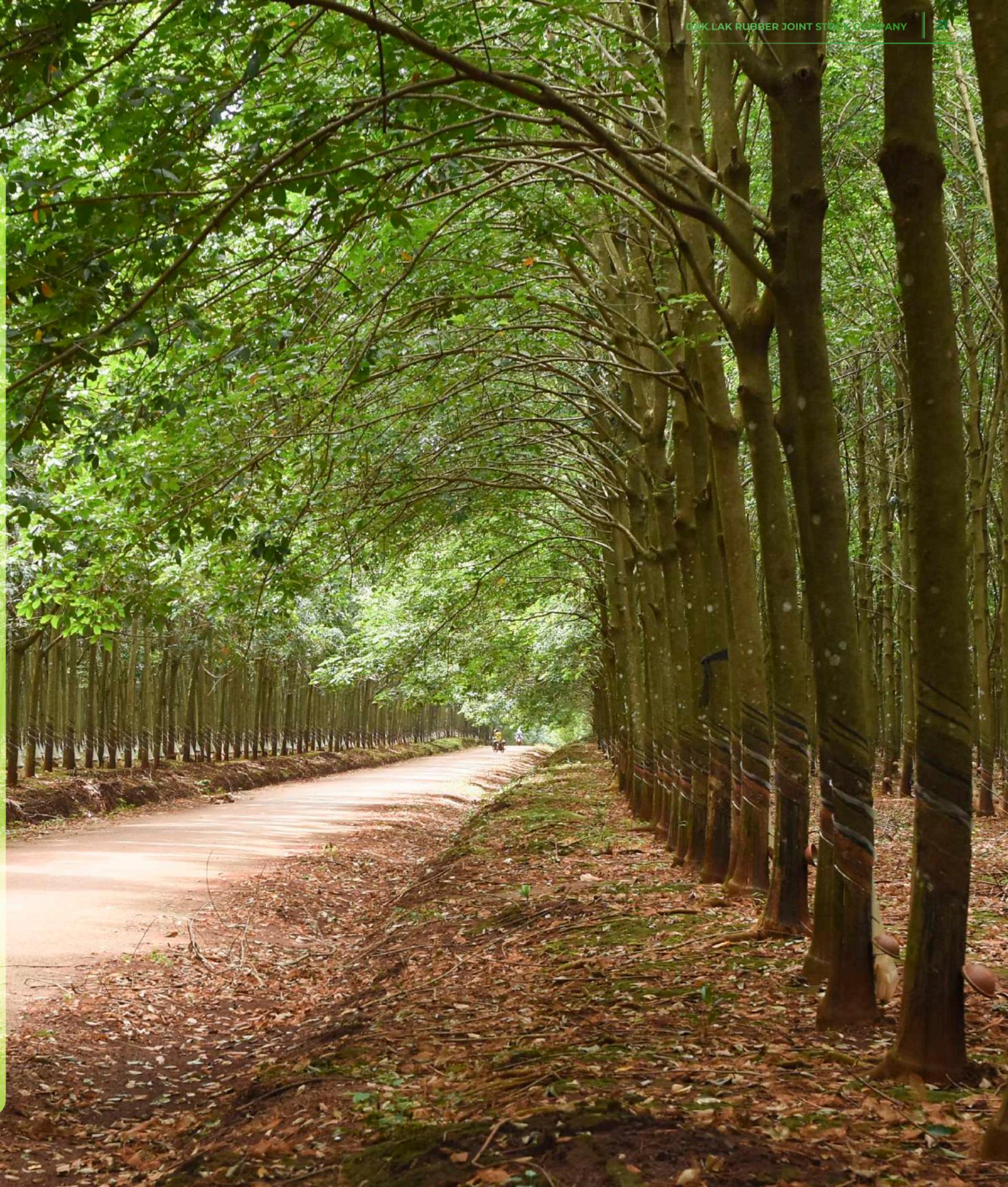




## DEVELOPMENT ORIENTATION

### MAIN GOALS

- Actively implement production and business tasks according to the direction and plan approved by the 2025 Annual General Meeting of Shareholders.
- Focus on consolidating the Company's organization and apparatus to ensure effective production and business management and administration; Focus on long-term inefficient units; Streamline the Company's departments and merge and dissolve some branches; At the same time, strengthen staff training and development; Issue regulations and rules in accordance with the Company's actual situation and legal regulations.
- Implement measures to improve the quality of rubber and fruit tree gardens, ensuring that the gardens are put into business on time and achieve good yields. Implement the replanting of rubber intercropped with coffee in Cu Mgar Farm in a quality manner and according to the planned schedule. Implement crop conversion at Cu Bao Farm Branch, to form a specialized durian cultivation unit.
- Continue to maintain and improve the quality of FSC-FM certified gardens. Evaluate and develop a sustainable rubber development program for the 2025-2030 period. Research to produce FSC-FM/CoC latex; Implement measures to ensure that the Elastic Thread Processing Plant is assessed to meet FSC-CoC standards, towards producing FSC-FM/CoC elastic thread products. Research to access and implement registration and project development to sell carbon credits when conditions permit.
- Maintain and improve the quality of ISO procedures; Vietnam Rubber brand certification standards; VietGap; GlobalGap; Complete procedures to certify the durian growing area code.
- Promote trade and advertise FSC-FM/CoC rubber and durian fruit products. Strengthen export activities for rubber, elastic thread and fruit products. Complete the software for tracing the origin of rubber products to sell rubber to the European market in accordance with the EU Anti-Deforestation Regulation (EUDR)..
- Focus on directing production and business activities of the Elastic Thread Processing Plant branch and the Hotel branch to ensure loss reduction, towards profitability.
- Complete the DRI divestment plan, borrow capital to invest in rubber replanting and other projects; Restructure loan debt, improve the Company's financial situation.
- Continue to implement the Company's digital transformation plan according to the roadmap, ensuring effective corporate governance.





## DEVELOPMENT ORIENTATION

### MID- AND LONG-TERM DEVELOPMENT STRATEGY

DRG's mid- and long-term development strategy focuses on optimizing production operations, expanding the value chain, effective financial management, sustainable development and diversifying business lines. With methodical investment in technology, corporate governance and strategic partnerships, the Company aims to increase corporate value, expand its international market share and develop sustainably in the rubber and high-tech agriculture industries. DRG's mid- and long-term strategy will focus on the following orientations:



### OPTIMIZE PRODUCTION OPERATIONS AND IMPROVE BUSINESS EFFICIENCY

→ Processing technology innovation; Application of digital technology in administration and management: Continue to invest in production technology, modernize latex and elastic thread processing lines to increase productivity, reduce costs and improve product quality, meeting international standards such as FSC, ISO. Continue to implement the Company's digital transformation plan to make corporate governance and management effective.



→ Improve land use efficiency: Expand the area of high-yield rubber, apply sustainable farming models, improve latex extraction efficiency and maximize resources from farm branches. Form a specialized durian farm at Cu Bao Farm. Put the coffee area intercropped on the rubber plantation in Cu Mgar Farm into operation.



→ Export market orientation: Promote trade activities, expand relationships with international partners to increase exports to potential markets such as China, EU, USA and Japan... Focus on developing markets for FSC-FM/CoC latex products; FSC-FM/CoC elastic thread; fruits...

### DIVERSIFY PRODUCTS AND DEVELOP THE VALUE CHAIN

- Expand agricultural production and processing: Utilize existing land to develop high-tech fruit trees (durian); develop a project to intercrop coffee on rubber plantations. Invest in coffee processing lines. Research and develop products based on the Company's and local raw material strengths.
- Invest in replacing outdated processing equipment with automated equipment and artificial intelligence applications to improve labor productivity and reduce costs.



### IMPROVE CORPORATE GOVERNANCE AND ENHANCE FINANCIAL EFFICIENCY

- Financial restructuring: Continue to implement appropriate divestment in subsidiaries and affiliates, especially completing the plan to sell shares of Dak Lak Rubber Investment Joint Stock Company (DRI), thereby restructuring loan debt and borrowing capital from commercial banks to invest in rubber replanting projects and new investment projects, improving the Company's financial health in a sustainable way.
- Expand strategic cooperation: Cooperate with large domestic and foreign partners to mobilize capital, transfer technology and improve competitiveness..



### TOWARDS SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY

- Achieve widespread FSC certification: DRG achieved FSC-FM certification for more than 1,100 ha of rubber in the 19/8 and Phu Xuan farms in October 2024 and will continue to expand the certified area in the coming years, based on the Sustainable Rubber Development Program for the 2025-2030 period.
- Implement a circular economy model: Combine Agriculture - Industry - Environment for sustainable development, reducing negative impacts on the environment.
- Develop human resources: Train highly specialized staff, while ensuring a safe working environment and good welfare for employees, especially rubber tapping workers.
- Actively implement social security policies launched by the locality and the Government, increasing the number of trade union houses in the Company.





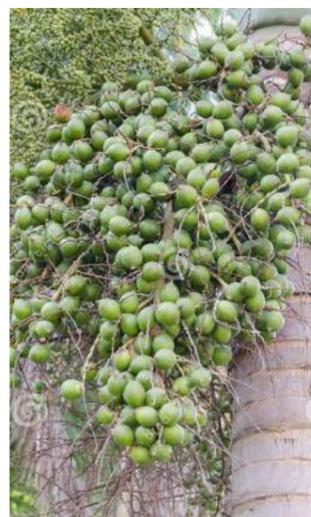
## DEVELOPMENT ORIENTATION

### PRODUCT ORIENTATION

The Company orients product development according to a strategy of diversifying its portfolio, increasing value and expanding markets, while ensuring sustainability and environmental friendliness. In the field of natural rubber, the Company will focus on optimizing production and improving the quality of Latex (HA, LA) and SVR (SVR 3L, SVR CV, SVR 10, SVR 20) to meet international export standards. In particular, DRG aims to develop FSC-certified products, helping to enhance brand value and reach customers with high demands for environmental standards. In addition to the rubber sector, the Company also orients towards developing high-tech agriculture, especially fruit trees and coffee. DRG will continue to expand the scale of durian cultivation in the existing area. With this strategy, DRG not only strengthens its position in the rubber industry but also expands into the field of sustainable agriculture, towards long-term development goals, enhancing brand value and expanding global markets.

Details of the plan for each product are as follows:

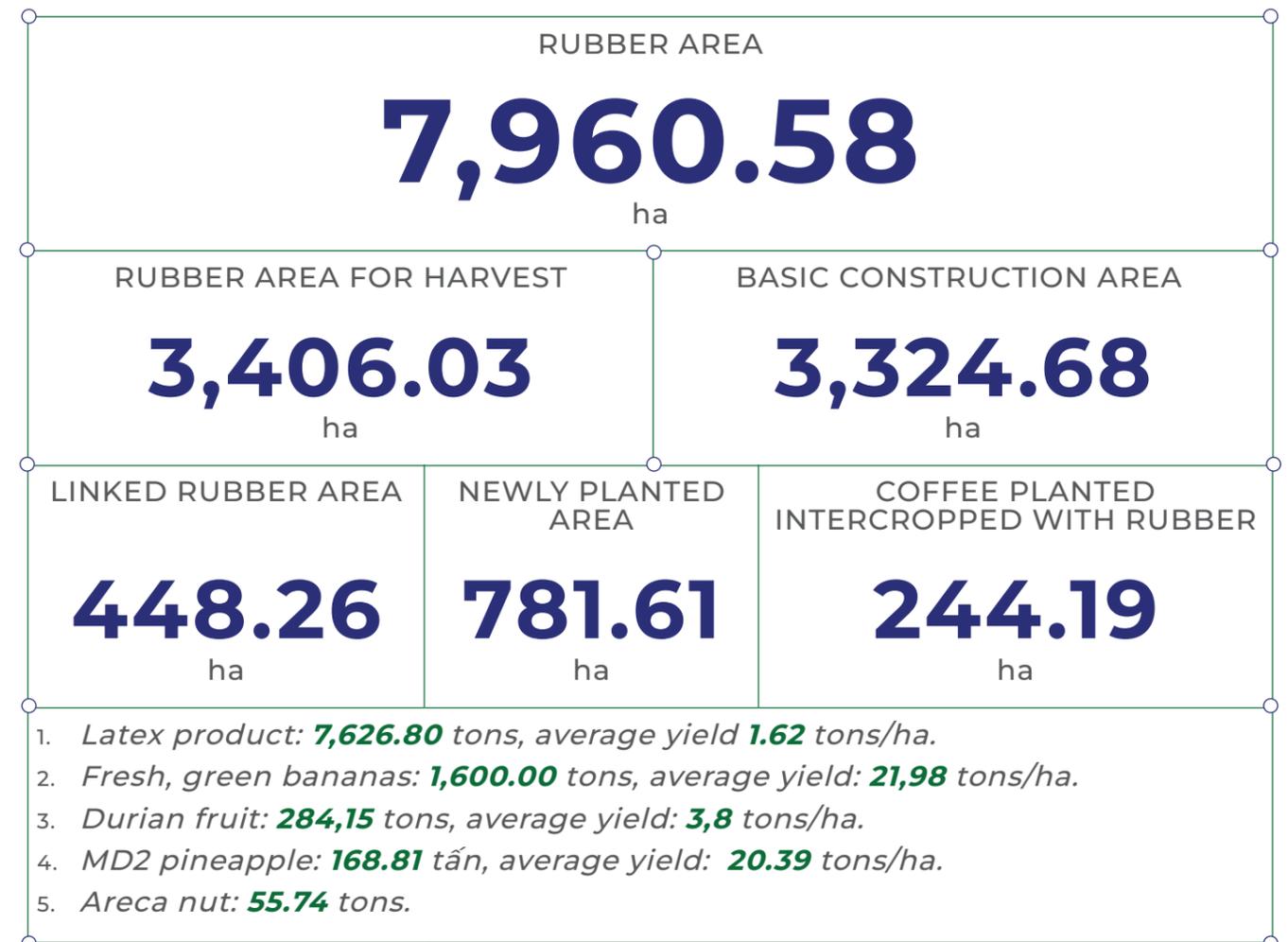
		Unit: Ton					
No.	Indicator	2024	2025	2026	2027	2028	Total
	<b>Production volume during the period</b>	<b>12,620.79</b>	<b>12,335.50</b>	<b>13,264.40</b>	<b>15,025.21</b>	<b>17,344.70</b>	<b>70,590.59</b>
1	Rubber latex production	7,356.41	7,626.80	9,293.64	10,841.08	12,170.55	47,288.48
2	Rubber thread production	2,500.00	2,600.00	3,000.00	3,200.00	3,400.00	14,700.00
3	Fruit production	2,764.39	2,108.70	970.75	984.13	1,373.68	8,201.64
3.1	- Banana production	2,303.81	1,600.00	-	-	-	3,903.81
3.2	- Areca nut production	40.00	55.74	66.88	80.26	96.31	339.19
3.3	- Pineapple production	193.12	168.81	-	-	-	361.93
3.4	- Durian production	227.45	284.15	903.87	903.87	1,277.37	3,596.71
4	Coffee production	-	-	-	-	400.47	400.47



### PRODUCTION AND BUSINESS ACTIVITIES IN 2025

- Complete legal procedures for the Cu Bao project and implement measures to improve the quality of orchards, ensuring that the gardens are put into business on time and achieve good yields; Convert the jackfruit garden to durian cultivation at Cu Bao Farm Branch. Implement the replanting of rubber intercropped with coffee at Cu Mgar Farm in a quality manner and according to the planned schedule.
- Continue to invest in and care for rubber trees according to the regulations of the Ministry of Agriculture and Rural Development (Decision 4689/QD-BNNPTNT, dated December 1, 2021), ensuring that the trees grow and develop well and are put into operation on time, with good and stable yields; Promote processing, improve the quality and design of latex products, ensure annual re-certification of the Vietnam Rubber brand, and increase competitiveness in the market.
- Continue to maintain and improve the quality of FSC-FM certified gardens. Evaluate and develop a sustainable rubber development program for the 2025-2030 period. Research to produce FSC-FM/CoC latex; Implement measures to ensure that the Elastic Thread Processing Plant is assessed to meet FSC-CoC standards, towards producing FSC-FM/CoC elastic thread products.
- Maintain and improve the quality of ISO procedures; Vietnam Rubber brand certification standards; VietGap; Global gap; Complete procedures to certify the durian growing area code... Raise awareness about climate change, greenhouse gas emissions and access the carbon credit market.
- Focus on completing legal procedures related to land, to facilitate management and investment.

Specific production plan for each of the Company's products in 2025:





## DEVELOPMENT ORIENTATION

### FINANCIAL AND INVESTMENT INFORMATION

- Continue to implement DRI divestment; review and propose to the Provincial People's Committee to approve the divestment and sale of assets for inefficient or loss-making investments. Develop a plan to consolidate and develop the Company for the 2025-2030 period. Approach commercial banks to borrow investment capital. Complete the transfer of investment capital structure and borrowing from commercial banks in Cambodia to transfer money to the parent company. Continue to balance cash flow for production and business activities and investment, avoiding liquidity issues.
- Continue to reduce production costs, in investment only invest in essential items for production; Investment in new projects must be financed by borrowing from commercial banks. Invest to gradually convert processing lines and production processes to automation and artificial intelligence applications; Adapt to the policy of reducing greenhouse gas emissions. Implement the project of planting rubber intercropped with coffee in

Cu Mgar Farm Branch with 781.61 ha of rubber, in the year only plant coffee intercropped on an area of 244.19 ha.

- Continue to implement the digital transformation plan; focus on completing existing applications; Complete the sales procedure software with product traceability to meet EUDR and FSC sales requirements in 2025.
- Evaluate the current status and invest in necessary items for the Elastic Thread Processing Plant, Latex Processing Plant and Dakruco Hotel, ensuring production and business requirements are met. Direct Dakmoruco to carry out legal procedures to invest in the first phase of the latex processing plant.
- Implement the plan to overcome the remaining shortcomings according to Conclusion 7337/KL-UBND issued by the General Director in Plan No. 16/KH-CT, dated December 26, 2024.

### SUSTAINABLE DEVELOPMENT GOALS

#### ENVIRONMENTAL GOALS

- Minimize environmental impact: Implement measures to limit and minimize negative impacts on the environment, strictly complying with regulations on resources and environment in production and business activities.
- Application of biotechnology:
  - » Apply biotechnology in planting, caring for, harvesting, preserving and processing products.
  - » Innovate technology and upgrade equipment to increase production efficiency and reduce negative impacts on the environment.
- Invest in wastewater and waste treatment systems:
  - » Ensure that plantations and processing plants have wastewater treatment systems that meet national standards.
  - » Maintain the operation of the automatic environmental monitoring system at the Latex Processing Plant to control emissions and wastewater quality; Operate the system at the Elastic Thread Processing Plant and the Latex Processing Plant, meeting the QCVN 01-MT:2015/ BTNMT standard; Contract with the Urban Environment Company to treat hazardous waste at the two plants, ensuring no environmental pollution and impact on the local community.
- Strictly comply with legal regulations:
  - » Environmental protection at processing plants continues to be highly appreciated by the Department of Natural Resources and Environment, demonstrating the Company's commitment to environmental and social responsibility.
- Towards clean agriculture and food safety:
  - » Ensure food safety in all production processes, from planting, care to processing and distribution, increasing the use of biotechnology preparations; Only use chemicals in accordance with Vietnamese and international laws; Maintain VietGap and GlobalGap certifications
  - » Commitment to providing high-quality, safe products for consumers, contributing to building a modern, environmentally friendly agriculture.
- Transition to a circular economy model: Optimize resource use efficiency, reduce emissions and increase recycling and reuse in production, initially planning to use water and energy sparingly, and partially reuse wastewater in production. Survey investment in solar power and gas incinerators at the Latex Processing Plant.

### SOCIAL AND COMMUNITY GOALS

- Create employment opportunities for local residents in production areas, contributing to improved livelihoods and income for local workers.
- Continue to operate the medical station at Dakmoruco Company in Cambodia, providing healthcare services to employees and maintaining regular health check-ups.
- Establish links between farm branches and local health stations to ensure employees have timely access to medical services.
- Organize charitable activities and support employees facing difficulties, including:
  - » Providing assistance to areas affected by natural disasters, epidemics, and floods.
  - » Collaborating with the Company's Trade Union to continue the "Trade Union Shelter" program, aligning with the Government's policy to eliminate temporary and dilapidated housing.
  - » Continuing the program to provide breeding cows to employees' families facing hardship.
  - » Supporting employees who experience accidents or illnesses.
- Develop high-tech agricultural projects in Dak Lak to create more jobs, increase income for local residents, and promote the adoption of new technologies in production.
- Participate with local authorities in rural development initiatives, supporting infrastructure development such as roads, electricity, healthcare stations, and other social welfare projects.
- Implement a twinning program with ethnic minority villages and border guard units to strengthen relationships and support community development.
- Prioritize improving the working environment, ensuring employee safety and health, and creating optimal working conditions.





## RISK FACTORS



## ECONOMIC RISKS

In 2024, DRG continued to face challenges in a volatile global and domestic economic environment. Geopolitical complexities, including the prolonged Russia-Ukraine conflict, escalating tensions in the Middle East, and attacks on Red Sea shipping routes, disrupted supply chains and increased logistics costs. Higher shipping costs directly impacted natural rubber exports and put pressure on product prices, reducing profit margins. Tightening monetary policies in the US and Europe to control inflation negatively affected demand for goods, including natural rubber, a key input in the tire and rubber industries. Reduced purchasing power could impact DRG's exports to major markets like China, the US, South Korea, and Europe, decreasing revenue and increasing pressure on cash flow.

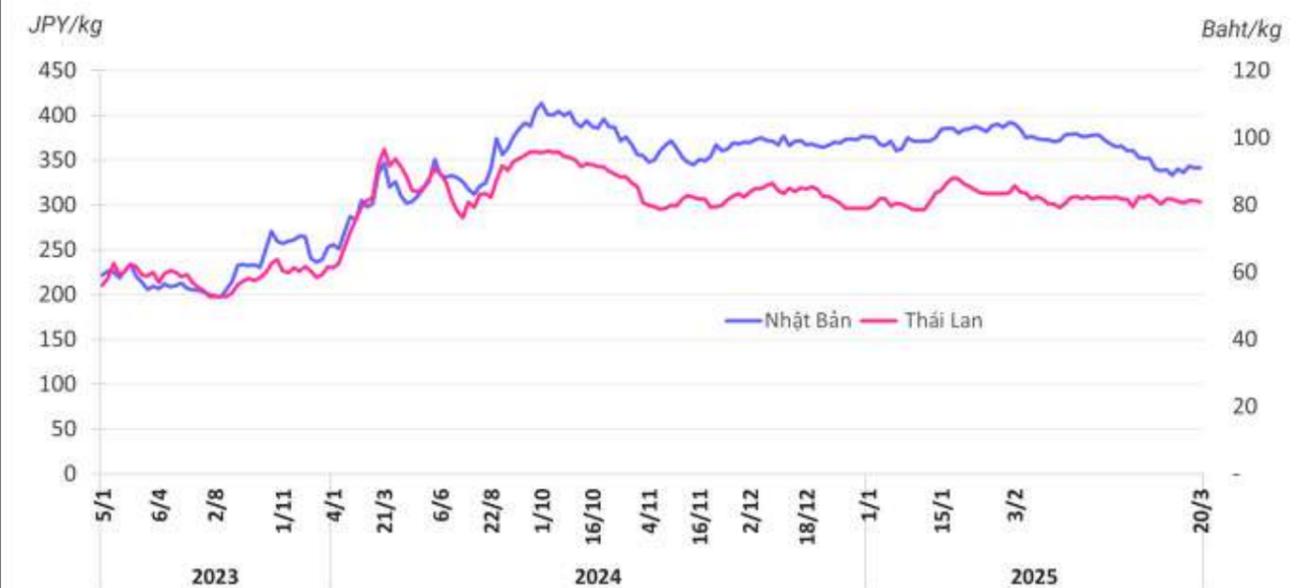
In addition to macroeconomic factors, crude oil price fluctuations pose a significant risk to the rubber industry. Higher oil prices increase the production cost of synthetic rubber (a substitute for natural rubber), which can support natural rubber prices. However, sharp declines in oil prices make synthetic rubber more competitive, putting downward pressure on natural rubber prices and directly affecting DRG's revenue. Exchange rate volatility can increase the cost of imported machinery and raw materials, impacting the Company's profitability.

DRG's debt structure is a concern, especially given recent interest rate volatility. While the consolidated financial statements for 2024 show a decrease in total liabilities compared to the previous year, the ratio of short-term debt to short-term assets is unbalanced, resulting in a low current ratio and difficulty accessing investment capital. However, the Company's sound financial strategies, such as active divestment, asset sales, and cash flow management, have shown initial positive results, suggesting improved prospects for financial restructuring and access to long-term financing. With interest rates showing signs of stabilization after the 2023 monetary tightening, the pressure on DRG's finance costs may be better managed. Nevertheless, a resurgence of interest rate increases due to global monetary policies would increase the burden of interest expenses, impacting the Company's cash flow and profitability, especially amid increased competition and unstable rubber price recovery.

To mitigate these challenges, DRG has proactively implemented risk management measures, including optimizing production costs, diversifying markets, increasing the production of high value-added products, and effectively managing financial risks. The Company will continue to closely monitor economic developments, adapt its business strategy, and seek new partnership opportunities to maintain stability and sustainable growth in 2025.



PRICE TRENDS OF RSS3 RUBBER FUTURES CONTRACTS IN JAPAN AND THAILAND





## RISK FACTORS



### EXCHANGE RATE RISKS

In 2024, the Company continued to be affected by exchange rate fluctuations, particularly the USD/VND exchange rate. With over 50% of revenue from exports, exchange rate volatility directly impacts the Company's profitability. The USD/VND exchange rate trended upward in 2024 compared to 2023, reaching a peak of 25,486 VND/USD at the end of the year. The appreciation of the USD provided some advantages for DRG, as a significant portion of its export revenue is denominated in foreign currency. A higher exchange rate translates to higher revenue in VND terms on the financial statements.

However, exchange rate volatility presents both opportunities and risks. While the Company does not import raw materials (as natural rubber primarily comes from its own plantations), other costs such as supplies, equipment, technology, and finance costs can be affected by significant exchange rate fluctuations. Changes in the State Bank of Vietnam's (SBV) exchange rate management policies are also a key factor that DRG needs to monitor closely. In 2024, the SBV continued to implement a flexible policy, intervening in the market as needed to maintain the stability of the VND amid international financial market volatility. This policy helps stabilize the macroeconomy and supports export-oriented businesses like DRG in long-term business planning.

To mitigate exchange rate risk, DRG has implemented strict financial risk management measures. The Company regularly monitors exchange rate developments, collaborates with financial institutions to develop cash flow protection strategies, and negotiates export contracts flexibly to optimize benefits from exchange rate fluctuations. Maintaining a strong financial strategy, combined with self-sufficient production capabilities, helps DRG limit the negative impact of exchange rate risk and maintain stable growth.

### NATURAL RISKS



The Company's agricultural production is directly affected by natural factors, including weather changes, natural disasters, droughts, floods, and fires. These risks impact crop yields, product quality, and rubber tapping schedules. With increasing global climate change severity, the rubber and agriculture sectors face significant challenges. Extreme weather events like prolonged storms increase humidity, creating favorable conditions for fungal diseases such as powdery mildew, pink disease, and black stripe canker in rubber trees. This not only degrades plantation quality but also reduces latex production. Higher average temperatures and prolonged droughts can stunt rubber tree growth, leading to unstable latex flow and reduced extraction efficiency. Fruit trees, a key growth area for DRG, are also sensitive to climate change. Sudden temperature changes or uneven rainfall can affect flowering and fruiting, reducing yields and product quality. Plant diseases tend to increase under harsh weather conditions, causing significant losses if not promptly controlled.

To mitigate natural risks, DRG is gradually specializing its agricultural production processes towards sustainability, adopting modern farming practices to optimize yields and minimize negative environmental impacts. The Company is also expanding its export market share for sustainable fruit and diversifying sales markets to reduce risk when production conditions are affected by natural disasters.



The Company operates in the agriculture and rubber processing sectors, subject to various domestic and international legal regulations. Changes in legal policies can affect the overall business environment and directly impact the Company's production, investment, and export activities. The 2024 revisions to Vietnam's legal framework, particularly the 2024 Land Law and related real estate regulations, could significantly affect DRG's land management and utilization. Given the Company's focus on agriculture, land and environmental policies are crucial to its development strategy. Therefore, closely monitoring and ensuring compliance with legal changes is essential.

DRG prioritizes compliance and adapts flexibly to legal changes by actively updating on new policies, analyzing their impact, and developing appropriate plans to ensure smooth and stable operations. Maintaining close relationships with regulatory bodies and legal experts helps DRG quickly understand and implement timely responses, enhancing business sustainability. This strategy enables DRG to not only ensure compliance but also capitalize on opportunities arising from legal changes, strengthening its position in domestic and international markets.

### LEGAL RISKS



In addition to domestic changes, DRG's operations are also influenced by the legal system in Cambodia, where it has a subsidiary. Despite the new Cambodian Investment Law aimed at attracting foreign investors, inconsistencies in law enforcement pose risks. Changes in tax, land, or investor rights policies could create challenges for DRG in ensuring stability and business efficiency in this market. The Company also faces international legal risks due to exports to major markets like China, India, South Korea, Europe, and the US. Each country has strict import-export regulations, quality standards, and technical requirements for rubber products. Changes in tariffs, technical barriers, or environmental and labor standards could affect market access and DRG's competitive advantage. Therefore, the Company continuously monitors global trade developments, proactively researches and improves production processes to ensure products meet international standards, strengthening its position in export markets. In 2024, the Company proactively completed procedures to comply with the EU Deforestation Regulation (EUDR) and successfully sold its first shipments of rubber under these regulations. The company is currently finalizing its product traceability software to better meet EUDR requirements.





## RISK FACTORS



### INTEREST RATE RISKS

The global economic landscape in 2024 continued to experience volatility, particularly with significant interest rate adjustments by major central banks. The US Federal Reserve (FED), after a prolonged tightening cycle, implemented two interest rate cuts, bringing the key interest rate range to 4.25-4.5% by the end of January 2025. However, FED Chairman Jerome Powell emphasized the central bank's continued caution regarding future moves, given the continued stability of the US economy and the strength of the labor market. The European Central Bank (ECB) implemented four interest rate cuts in 2024, reducing the deposit facility rate from a mid-year peak of 4.0% to 3.0% by year-end, to support the Eurozone economy amid growth slowdown concerns.

In Vietnam, the State Bank of Vietnam (SBV) maintained a flexible monetary policy, with the refinancing rate stable at 4.5%/year and the rediscount rate at 3.0%/year. The SBV's pro-growth policy, keeping interest rates lower than in previous periods, helped stabilize the financial market and support businesses in accessing loans. While lower interest rates reduce finance cost pressure, international interest rate volatility can indirectly affect the Company's ability to raise capital and its finance costs in the medium and long term. With short-term debt comprising a significant portion of total debt, DRG faces the risk of increased interest expenses if interest rates rise or commercial banks adjust lending rates in response to market developments, and access to long-term loans becomes more difficult. Although domestic interest rates are stable, finance costs remain a key factor that the Company needs to manage carefully to ensure operational efficiency. To address this risk, DRG has actively optimized its financial portfolio, sought favorable interest rate loan packages, and restructured its debt towards reducing short-term debt. At the same time, the company is gradually reducing debt to alleviate interest expense pressure. The Company also continuously monitors financial market fluctuations, especially exchange rates, to make timely adjustments to its business strategy. Over the years, DRG has implemented flexible financial risk management measures, combining capital optimization, monitoring monetary policies of partner countries, and adjusting its business strategy to maintain stability and sustainable growth in a volatile economic environment.



### SPECIFIC RISKS

The rubber industry in Vietnam, including the Company, is significantly affected by price fluctuations in the global market. Natural rubber prices are influenced by global supply and demand, as well as factors such as economic growth, crude oil prices, monetary policies of major economies (US, China, Japan), rubber reserves in China, and geopolitical and international trade developments. In 2024, global rubber prices continued to be volatile due to macroeconomic factors. China, consuming about 40% of global rubber production, adjusted trade and production policies, affecting demand for raw rubber imports. Crude oil prices, which directly impact the synthetic rubber industry, fluctuated due to tensions in the Middle East and changes in energy policies of major oil-exporting countries.

To mitigate price risks and ensure business sustainability, DRG continues to implement the Sustainable Rubber Development Program for 2020-2025, focusing on improving product quality, diversifying markets, and optimizing the supply chain. The Company obtained FSC-FM/CoC certification in October 2024, enhancing the value of its timber and rubber products in the international market. This provides a significant advantage for DRG in accessing markets with high environmental and social responsibility standards, strengthening long-term competitiveness. In addition to rubber, DRG is expanding its fruit export business to diversify revenue streams and reduce reliance on a single commodity. Key markets include China, South Korea, Japan, and Europe, which have strict import standards for agricultural products. To meet these requirements, DRG has adopted VietGAP and GlobalGAP production processes for its main products, bananas and durian, and is completing GlobalGAP certification to expand export markets.





**RISK FACTORS**



**ENVIRONMENTAL RISKS**

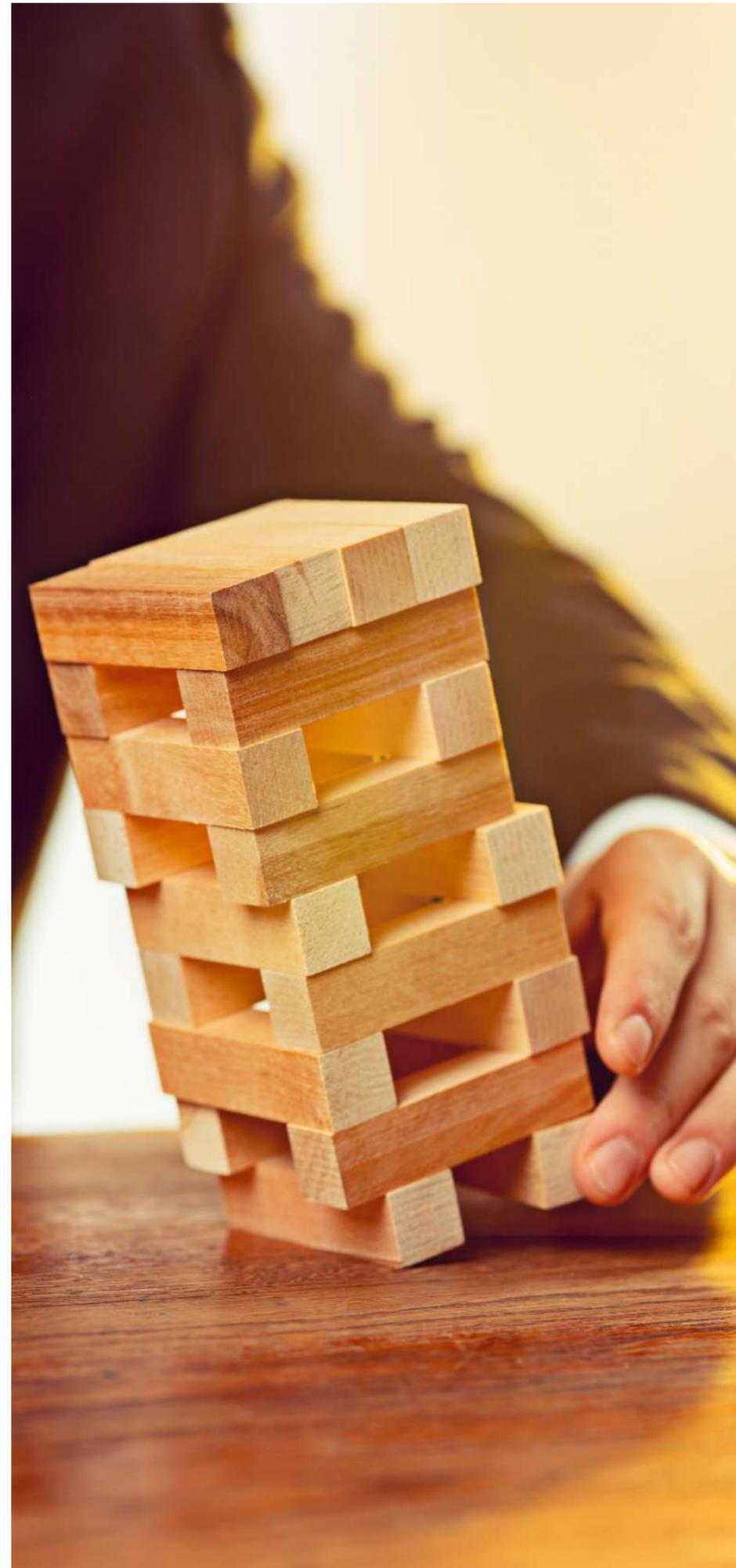
Amid increasing global environmental threats from resource depletion, industrial pollution, and climate change, manufacturing businesses, especially in the rubber and agriculture sectors, face pressure to comply with environmental standards. The Company recognizes its responsibility to protect the environment and pursue sustainable development, balancing economic growth with nature conservation. DRG's production activities are strictly managed according to environmental standards to minimize negative impacts on the ecosystem. The Company prioritizes the treatment of industrial waste and wastewater. Hazardous chemical containers and production waste are collected and treated according to regulations to prevent water and soil pollution. Wastewater treatment systems at the Rubber Processing Plant and the Thread Processing Plant have been upgraded to ensure treated wastewater meets environmental standards before discharge. DRG is gradually optimizing its production processes to conserve resources, reduce greenhouse gas emissions, and minimize energy waste. The Company adopts new technologies to improve electricity, water, and raw material efficiency, reducing production costs and protecting the environment.

With increasing demand for environmentally friendly products, obtaining FSC-FM/CoC certification in October 2024 is a significant step for DRG in demonstrating its commitment to sustainable development. This certification enhances the Company's reputation in the international market and opens opportunities to access customers and partners with stringent environmental standards. The company has also maintained ISO 14.000:2015 certification for environmental management. In the future, DRG will continue to invest in environmentally friendly production solutions, improve energy efficiency, and enhance the quality of the working environment, pursuing a sustainable business model that benefits the company, community, and ecosystem.

**OTHER RISKS**



The Company faces external risks such as natural disasters, epidemics, fires, and cash flow volatility. During the leaf-fall season from January to May, the risk of rubber plantation fires increases due to the thick layer of dry leaves, requiring the Company to implement strict fire prevention and control measures, clear vegetation, and provide safety training for workers. Financial pressure from delayed divestment and immature rubber plantation investments creates cash flow challenges. To address this, DRG has proactively cut non-essential investments, rebalanced capital, and optimized finance costs. The Company is also actively seeking appropriate funding sources and expanding partnerships to ensure uninterrupted production and long-term sustainable development. The shift of agricultural labor to industrial and service sectors is emerging, so DRG pays close attention to employee policies to mitigate labor shortages. DRG's subsidiaries are primarily involved in rubber cultivation, harvesting, and processing, so the parent company's risks also apply to its subsidiaries. DRG has directed its capital representatives in these entities to implement best practices in cultivation, production, business operations, and finance to maximize economic efficiency.





**02**

## **COMPANY'S YEARLY BUSINESS OPERATION**

- 01. BUSINESS AND MANUFACTURING ACTIVITIES**
- 02. ORGANIZATION AND HUMAN RESOURCES**
- 03. INVESTMENT AND PROJECT IMPLEMENTATION**
- 04. FINANCIAL SITUATION**
- 05. SHAREHOLDER STRUCTURE, CHANGE IN  
OWNER'S EQUITY**
- 06. COMPANY'S REPORT OF ENVIRONMENT AND  
SOCIETAL IMPACTS**



## BUSINESS AND MANUFACTURING ACTIVITIES

### RESULTS OF BUSINESS OPERATIONS IN 2024

#### STRUCTURE OF SALES REVENUE AND SERVICE PROVISION

*Unit: Million VND*

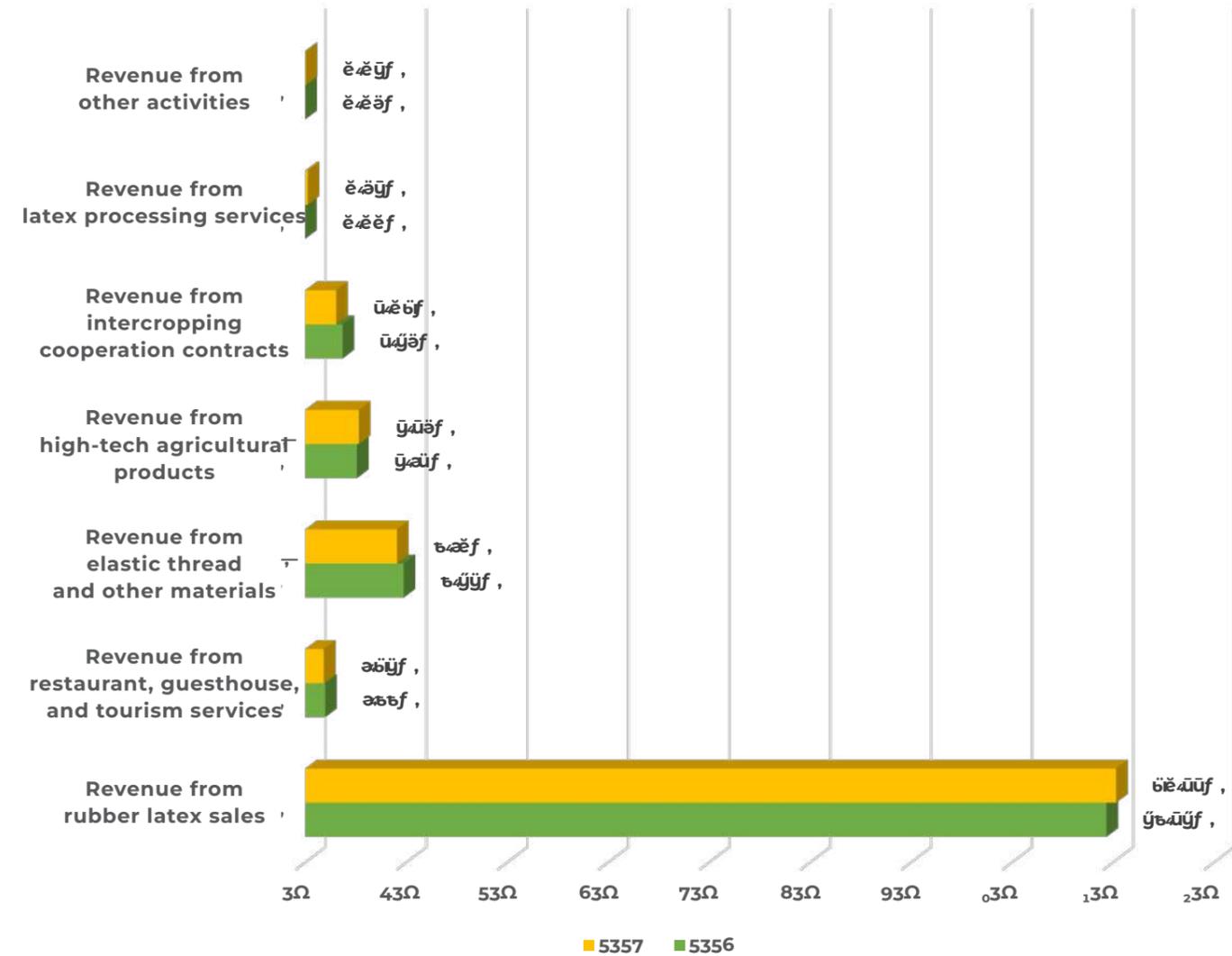
Indicator	2023		2024		% Change	
	Amount	Proportion	Amount	Proportion	Amount	Proportion
Revenue from rubber latex sales	250,876	56.12%	347,556	62.17%	96,680	38.54%
Revenue from restaurant, guesthouse, and tourism services	19,279	4.31%	22,045	3.94%	2,765	14.34%
Revenue from elastic thread and acid products	94,598	21.16%	107,984	19.31%	13,386	14.15%
Revenue from high-tech agricultural products	45,126	10.09%	40,335	7.21%	(4,790)	(10.62%)
Revenue from latex processing services	-	-	3,012	0.54%	3,012	-
Revenue from intercropping cooperation contracts	36,956	8.27%	37,539	6.71%	584	1.58%
Revenue from other activities	213	0.05%	599	0.11%	386	181.62%
<b>Total</b>	<b>447,047</b>	<b>100.00%</b>	<b>559,071</b>	<b>100.00%</b>	<b>112,023</b>	<b>25.06%</b>

*Separate Financial Statements 2024*

*Unit: Million VND*

Indicator	2023		2024		% Change	
	Amount	Proportion	Amount	Proportion	Amount	Proportion
Revenue from rubber latex sales	769,449	79.37%	953,430	80.33%	183,981	23.91%
Revenue from restaurant, guesthouse, and tourism services	19,279	1.99%	22,045	1.86%	2,765	14.34%
Revenue from elastic thread and other materials	94,598	9.76%	107,984	9.10%	13,386	14.15%
Revenue from high-tech agricultural products	49,856	5.14%	63,142	5.32%	13,286	26.65%
Revenue from intercropping cooperation contracts	36,022	3.72%	36,606	3.08%	584	1.62%
Revenue from latex processing services	-	-	3,012	0.25%	3,012	-
Revenue from other activities	213	0.02%	599	0.05%	386	181.62%
<b>Total</b>	<b>969,416</b>	<b>100.00%</b>	<b>1,186,818</b>	<b>100.00%</b>	<b>217,401</b>	<b>22.43%</b>

*Consolidated Financial Statements 2024*



*Consolidated Financial Statements 2024*

Overall, the Company's production and business activities, along with its branches and subsidiaries, showed positive signs in the challenging and volatile year of 2024, as reflected in the 22.43% increase in revenue from sales and service provision, from VND 969,416 million in 2023 to VND 1,186,818 million. Specifically, the Company continued to focus on its key strengths, with revenue from rubber latex reaching VND 953,430 million, accounting for the largest share at 80.33% of total revenue, an increase of 23.91% compared to 2023. The main reason for this increase comes from global rubber demand in recent years, especially from major markets such as China and India, as rubber latex is an important raw material in the tire industry and other rubber products.

Meanwhile, rubber prices remained high and stable in 2024. In addition, besides rubber latex sales, sales of rubber and agricultural products also saw certain increases and made significant contributions to the 2024 business results. Specifically, revenue from elastic thread and other materials accounted for 9.10%, increasing by VND 13,386 million, and revenue from high-tech agricultural semi-finished products increased by VND 13,286 million, generating 5.32% of total revenue. These are positive signs, demonstrating the company's efforts in diversifying its production and business activities and effectively utilizing its existing resources and land fund.

Furthermore, revenue from restaurant, hotel, and tourism services in 2024 reached VND 22,045 million, an increase of 14.34% compared to 2023. Although the proportion of this segment is still low (1.86% in 2024, slightly down from 1.99% in 2023), it is an important source of revenue for Dakruco as the domestic tourism market has been strongly driven by high demand from the population in recent years. To seize opportunities and new trends in domestic and global markets in 2025, especially in China with the electric vehicle race, the Company continues to strengthen its efforts, focusing on improving productivity, optimizing costs, and diversifying revenue streams to maintain sustainable development in the future.



## BUSINESS AND MANUFACTURING ACTIVITIES

### RESULTS OF BUSINESS OPERATIONS IN 2024

#### STRUCTURE OF PRODUCTION AND BUSINESS COSTS

*Unit: Million VND*

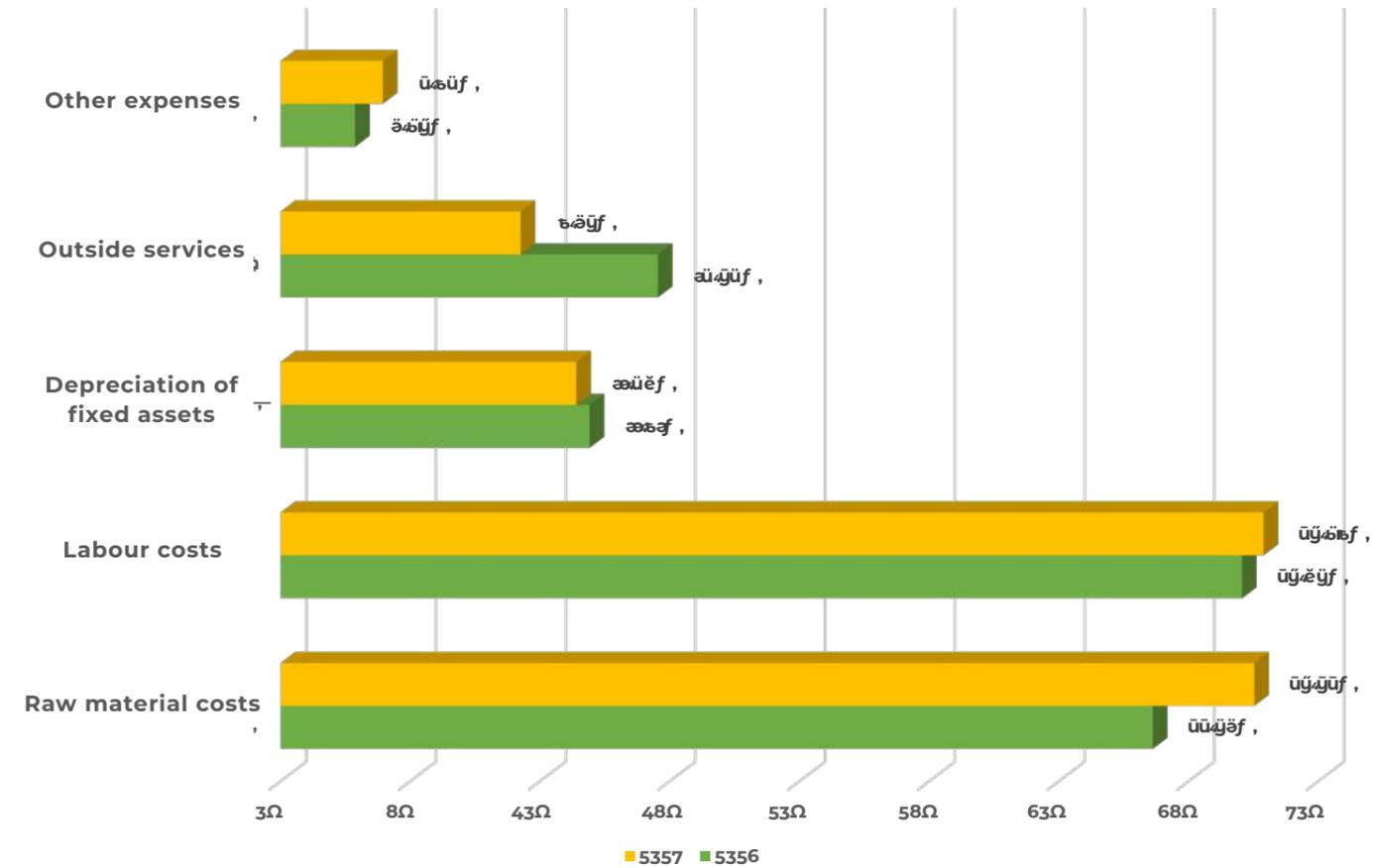
Indicator	2023		2024		% Change	
	Amount	Proportion	Amount	Proportion	Amount	Proportion
Raw material costs	220,282	46.96%	253,647	47.50%	33,365	15.15%
Labour costs	140,516	29.96%	157,951	29.58%	17,435	12.41%
Depreciation of fixed assets	48,242	10.28%	50,065	9.38%	1,823	3.78%
Outside services	50,016	10.66%	50,667	9.49%	651	1.30%
Other expenses	10,012	2.13%	21,676	4.06%	11,664	116.50%
<b>Total</b>	<b>469,067</b>	<b>100.00%</b>	<b>534,005</b>	<b>100.00%</b>	<b>64,938</b>	<b>13.84%</b>

*Separate Financial Statements 2024*

*Unit: Million VND*

Indicator	2023		2024		% Change	
	Amount	Proportion	Amount	Proportion	Amount	Proportion
Raw material costs	310,176	33.62%	392,339	37.53%	82,163	26.49%
Labour costs	341,884	37.06%	396,078	37.89%	54,194	15.85%
Depreciation of fixed assets	109,873	11.91%	119,141	11.40%	9,268	8.44%
Outside services	134,184	14.54%	96,695	9.25%	(37,490)	(27.94%)
Other expenses	26,491	2.87%	41,186	3.94%	14,695	55.47%
<b>Total</b>	<b>922,609</b>	<b>100.00%</b>	<b>1,045,439</b>	<b>100.00%</b>	<b>122,830</b>	<b>13.31%</b>

*Consolidated Financial Statements 2024*



*Consolidated Financial Statements 2024*

Overall, total costs in 2024, as recorded in the audited consolidated financial statements, were VND 1,045,439 million, an increase of 13.31% compared to the same period in 2023. The main reason for this increase comes from two key costs of the company: Raw material costs and labor costs. Specifically, raw material costs increased to VND 392,339 million, accounting for 37.53% of total costs, an increase of 26.49% compared to 2023. The scarcity of rubber and the rapid increase in demand in the world market, especially from China, caused rubber selling prices to rise sharply. This is both an opportunity and a major challenge for the company as high prices also led to a sharp increase in related products such as rubber processing additives, finished product packaging materials, and pesticides and fertilizers.

This resulted in increased raw material costs. In addition, labor costs increased by 15.85%, from VND 341,884 million (37.06% of total costs) to VND 396,078 million (37.89% of total costs). This increase is due to the increase in the base salary for employees from VND 7,320,000 to VND 8,039,000 per person per month, and the Company also has plans to expand its scale and business lines, as in addition to rubber and fruit trees, the company also has a coffee garden intercropped in the rubber plantation and is expected to have products from 2027.

Furthermore, one of the notable factors in the cost structure is the sharp decrease of 27.94% in purchased service costs, from VND 134,184 million (14.54% of total costs) to VND 96,695 million (9.25% of total costs). This shows that the company has invested in internal systems, funding, and improved production processes to reduce dependence on external services, thereby optimizing costs. To maintain profitability in the context of rising input costs, the company consistently focuses on optimizing processes, improving production efficiency, and seeking solutions to reduce unnecessary expenses.



## BUSINESS AND MANUFACTURING ACTIVITIES

### IMPLEMENTATION ACTUAL PROGRESS AGAINST THE PLAN

Unit: Million VND

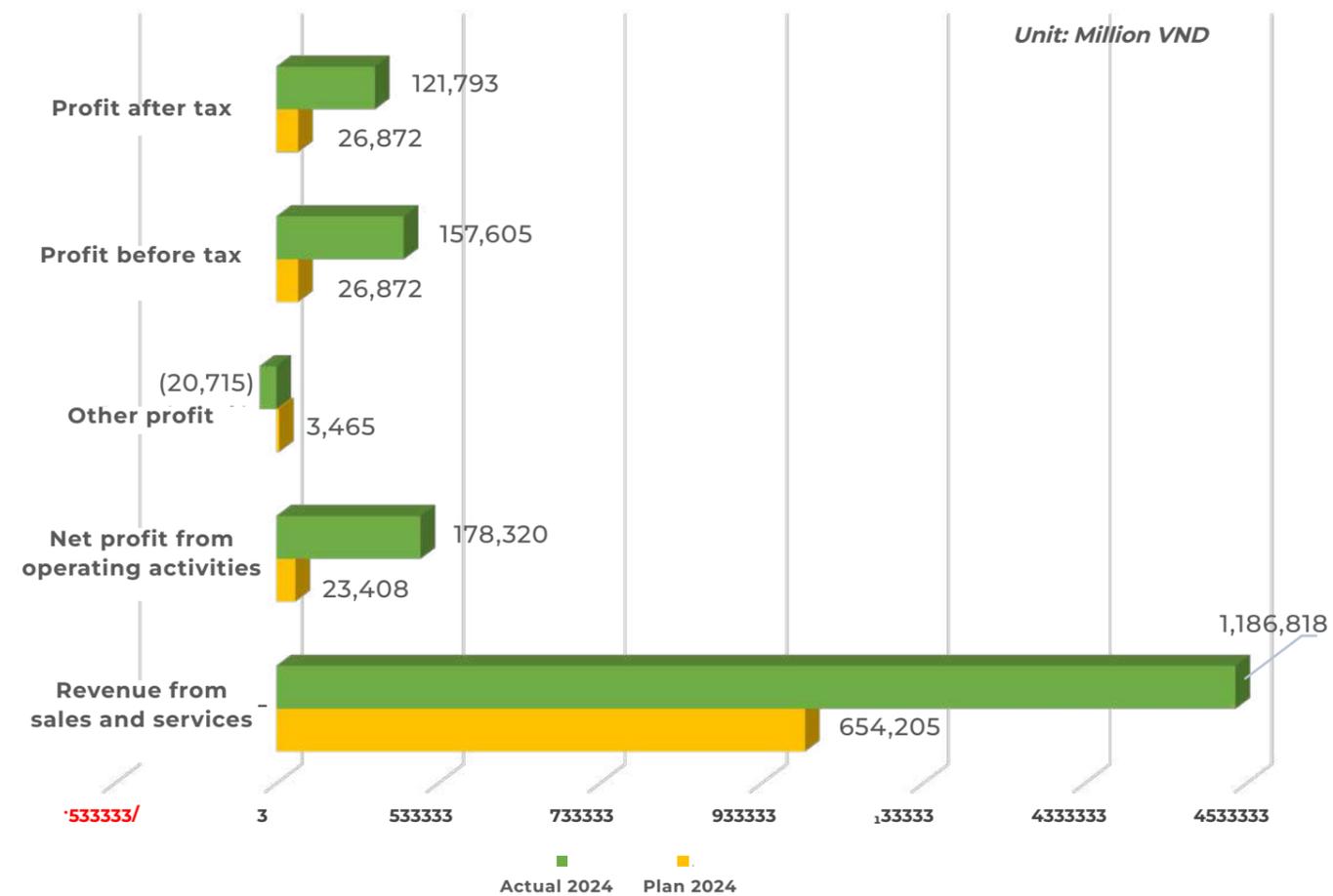
No.	Indicator	Actual 2023	Plan 2024	Actual 2024	Actual 2024/ Actual 2023	Actual 2024/ Plan 2024
1	Total revenue	533,718	532,194	641,171	120.13%	120.48%
	Revenue from latex sales	250,876	259,326	347,556	138.54%	134.02%
	Revenue from restaurant, accommodation, and tourism services	19,279	23,003	22,044	89.38%	95.83%
	Revenue from fruit sales	45,126	35,863	40,335	89.38%	112.47%
	Revenue from passion fruit sales	-	-	-		
	Revenue from elastic thread products	94,598	129,552	107,984	114.15%	83.35%
	Revenue from intercropping land leases	36,956	40,957	37,539	101.58%	91.65%
	Revenue from other activities - other income	86,883	43,493	85,713	98.65%	197.07%
2	Net profit from sales and services	(1,685)	13,675	70,159	-	513.05%
3	Profit before tax	21,785	13,675	50,296	230.87%	367.79%
4	Profit after tax	21,785	13,675	50,512	231.87%	369.37%
5	Dividend	-	-	-	-	-

Separate Financial Statements 2024

Unit: Million VND

No.	Indicator	Actual 2023	Plan 2024	Actual 2024	Actual 2024/ Actual 2023	Actual 2024/ Plan 2024
1	Charter capital	1,558,000	1,558,000	1,558,000	100.00%	100.00%
2	Revenue from sales and services	969,416	654,205	1,186,818	122.43%	181.41%
3	Net profit from operating activities	50,538	23,408	178,320	352.84%	761.79%
4	Other profit	14,618	3,465	(20,715)	-	-
5	Profit before tax	74,134	26,872	157,605	212.59%	586.50%
6	Profit after tax	52,018	26,872	121,793	234.14%	453.23%

Consolidated Financial Statements 2024



Consolidated Financial Statements 2024

Overall, the Company's business performance in 2024 significantly exceeded expectations, surpassing not only the prior year's results but also the initial targets set at the beginning of the year. Specifically, sales and service revenue reached VND 1,186,818 million, exceeding the 2024 plan by 181.41% and demonstrating a growth rate of 122.43% compared to 2023. This success was primarily driven by strong sales growth, particularly in the rubber business, with high and stable prices throughout the year, indicating the Company's effective utilization of market opportunities and stable rubber supply.

Furthermore, the Company effectively implemented its production cost management strategy, optimized processes, and improved production efficiency, contributing to profit growth. Net profit increased from VND 50,538 million in 2023 to VND 178,320 million in 2024, representing a year-on-year growth of 352.84% and a 761.79% increase compared to the plan. Pre-tax profit also demonstrated strong growth, reaching VND 157,605 million, a 586.50% increase compared to the plan and a 212.59% increase year-on-year, reflecting the Company's ability to maintain stable profitability despite rising costs. Ultimately, post-tax profit reached VND 121,793 million, a robust increase of 234.14% compared to 2023 and 453.23% compared to the plan, demonstrating the Company's successful execution of its sustainable growth strategy.

Amid market uncertainties and potential volatility in 2024, the Company's leadership proactively assessed and adjusted strategies, considering internal resources and production capabilities to make decisions aligned with the actual situation. Achieving these outstanding results, which surpassed both the plan and the 2023 performance, is a testament to the continuous efforts of all employees, the effective and timely guidance of the leadership team, and the strong support from partners and member companies. Consequently, the Company not only maintained operational stability but also achieved key objectives in the 2024 plan, positioning itself to capitalize on new opportunities in 2025.



**BOARD OF MANAGEMENT**

*As of December 31, 2024*

No.	Member	Position	Ownership Representation		Individual Ownership	
			Number of Shares	Ratio	Number of Shares	Ratio
1	Mr. Nguyen Minh	General Director	-	-	2,000	0.0012%
2	Mr. Nguyen Do	Deputy General Director	-	-	4,700	0.0029%
3	Mr. Nguyen Tran Giang	Chief Accountant	-	-	-	-

**CHANGES IN THE BOARD OF MANAGEMENT IN 2024**

- Mr. Bui Quang Ninh was suspended from his position on April 25, 2024, following an indictment against him, and the Board of Directors (BOD) subsequently suspended him. On August 15, 2024, the BOD dismissed him from his position as General Director.
- Mr. Nguyen Minh, Deputy General Director, was appointed as Acting Head of the Board of Management from April 25, 2024, and appointed General Director on August 15, 2024.



**BOARD OF MANAGEMENT PROFILES**

**Year of Birth** 1970  
**Nationality** Vietnam  
**Professional Qualifications**

- Agricultural Engineer
- Senior Political Theory

**Current Position** **General Director**  
**Positions at Other Organizations**

- BOD Member, Dak Lak Rubber Investment Joint Stock Company
- Chairman, Daknoruco Rubber Joint Stock Company

**Awards** Dak Lak Provincial People's Committee Certificate of Merit (2017)



**MR. NGUYEN MINH**  
**GENERAL DIRECTOR**

**Work Experience**

1991 – 1996 Student, Tay Nguyen University  
 1996 – 1998 Technical Officer, Dak Lak Rubber Company  
 1998 – 2000 Deputy Head, Dak Mil Rubber Farm, Dak Lak Rubber Company  
 2000 – 2006 Deputy Director, Dak Mil Rubber Farm, Dak Lak Rubber Company  
 2006 – 2007 Deputy Director, Champasak Salavan Project, Dak Lak Rubber Company (Laos)  
 2007 – 2008 Director, Farm III, Dak Lak Rubber Company (Laos)  
 2008 – 2009 Deputy Head, Equitization Committee, Dak Nong Rubber Joint Stock Company  
 2009 – 2010 Deputy Director, Kon Tum Branch, Dak Lak Rubber Company Limited  
 2010 – 2013 Director, Kon Tum Branch, Dak Lak Rubber Company Limited  
 2013 – 2015 Director, 30/4 Farm Branch, Dak Lak Rubber Company Limited  
 2015 – 09/2018 Head of Technical Department, Dak Lak Rubber Company Limited  
 10/2018 – 10/2021 Head of Technical Department, Dak Lak Rubber Joint Stock Company  
 11/2021 – 08/2024 Deputy General Director, Dak Lak Rubber Joint Stock Company  
 08/2024 - Present General Director, Dak Lak Rubber Joint Stock Company

<b>Number of Shares Owned</b>	<b>61,661,408</b>	<b>Ownership Ratio</b>	<b>39.5812%</b>
Personal Ownership	2,000	Ownership Ratio	0.0012%
Ownership Representation	61,659,408	Ownership Ratio	39.58%
Related Party Ownership	-	Ownership Ratio	-



## ORGANIZATION AND HUMAN RESOURCES

### BOARD OF MANAGEMENT PROFILES



<b>Year of Birth</b>	1966
<b>Nationality</b>	Vietnam
<b>Professional Qualifications</b>	Agricultural Engineer; Bachelor of Business
<b>Current Position</b>	<b>BOD Member &amp; Deputy General Director</b>
<b>Positions at Other Organizations</b>	<ul style="list-style-type: none"> <li>Chairman, Rubber Technical Joint Stock Company (DAKRUTECH)</li> <li>Chairman, Rubber Wood Processing Joint Stock Company (DAKRUWOOD)</li> </ul>

#### MR. NGUYEN DO

#### BOD MEMBER & DEPUTY GENERAL DIRECTOR

##### Work Experience

04/1989 – 02/1996	Head of Planning Department, Phu Xuan Rubber Farm, Dak Lak Rubber Company
03/1996 – 12/1997	Deputy Director, Processing Plant, Dak Lak Rubber Company
01/1998 – 09/1998	Staff, Dak Lak Rubber Company Office
10/1998 – 10/1999	Director, EaHding Rubber Center, Dak Lak Rubber Company
11/1999 – 9/2018	Deputy Director – Director, Secretary, Cuor Dang Rubber Farm, Dak Lak Rubber Company
10/2018 – nay	Deputy General Director, Dak Lak Rubber Joint Stock Company; Member of the Company's Party Committee Standing Committee; Member of the Company's Trade Union Standing Committee

<b>Number of Shares Owned</b>	<b>4,700</b>	<b>Ownership Ratio</b>	<b>0.0029%</b>
Personal Ownership	4,700	Ownership Ratio	0.0029%
Ownership Representation	-	Ownership Ratio	-
Related Party Ownership	-	Ownership Ratio	-

### BOARD OF MANAGEMENT PROFILES



<b>Year of Birth</b>	1981
<b>Nationality</b>	Vietnam
<b>Professional Qualifications</b>	Master of Finance - Banking
<b>Current Position</b>	<b>BOD Member, Chief Accountant &amp; Head of Finance - Accounting Department</b>
<b>Positions at Other Organizations</b>	<ul style="list-style-type: none"> <li>BOD Member, Dak Lak Rubber Investment Joint Stock Company</li> </ul>

#### MR. NGUYEN TRAN GIANG

#### BOD MEMBER & CHIEF ACCOUNTANT

##### Work Experience

1999 – 2003	Student, Da Nang University of Economics
2003 – 2005	Accountant, Dak Lak Petroleum Company (now Nam Tay Nguyen Petroleum Company)
2005 – 2010	Accountant, Dak Lak Rubber Company
2011 – 2013	Head of Finance - Planning - Investment Department, Dak Lak Rubber Company Limited
2014 – 9/2018	Deputy Head of Finance - Accounting Department, Dak Lak Rubber Company Limited
10/2018 – nay	Chief Accountant & Head of Finance - Accounting Department, Dak Lak Rubber Joint Stock Company

<b>Number of Shares Owned</b>	<b>-</b>	<b>Ownership Ratio</b>	<b>-</b>
Personal Ownership	-	Ownership Ratio	-
Ownership Representation	-	Ownership Ratio	-
Related Party Ownership	-	Ownership Ratio	-



## ORGANIZATION AND HUMAN RESOURCES

### NUMBER OF EMPLOYEES

As of December 31, 2024

No.	Classification	Number (people)	Percentage (%)
<b>A</b>	<b>By Labor Qualification</b>	<b>2,365</b>	<b>100.00%</b>
1	University Degree and Above	230	9.73%
2	College Degree	35	1.48%
3	Professional Secondary Degree	50	2.11%
4	Primary level	165	6.98%
5	Technical Workers	1,257	53.15%
6	Unskilled Laborers	628	26.55%
<b>B</b>	<b>By Labor Contract Term</b>	<b>2,365</b>	<b>100.00%</b>
1	Fixed-term contract	209	8.84%
2	Indefinite-term contract	2,153	91.04%
3	Probationary contract	3	0.13%
<b>C</b>	<b>By Gender</b>	<b>2,365</b>	<b>100.00%</b>
1	Male	1,000	42.28%
2	Female	1,365	57.72%

### AVERAGE INCOME IN 2024

Year	Unit	2021	2022	2023	2024
Average Income	million VND/person/month	7.44	7.30	7.32	8.039

### HUMAN RESOURCES - LEGAL AFFAIRS

#### HUMAN RESOURCES

- Fully implement all policies and regulations for employees regarding social insurance, sickness, maternity, convalescence, commendation and rewards, job reassignments, and salary increases in accordance with current regulations.
- Ensure the full and timely provision of labor protection equipment to employees, and strengthen regular inspections at branches to ensure proper use according to regulations.
- Organize regular occupational safety and health training, ensuring that workplace safety procedures in production are strictly implemented in accordance with current regulations.
- Prioritize the recruitment of employees who are the children of current Company staff, creating employment opportunities and maintaining a tradition of cohesion within the enterprise.
- Fully implement labor policies and regulations in accordance with the law, ensuring the best possible rights and benefits for employees.
- Strengthen the implementation of the Democracy Regulation at the grassroots level, building a transparent and democratic working environment, creating conditions for employees to participate and contribute opinions.
- Implement timely commendation and reward programs, encouraging and motivating employees to improve productivity, quality, and a sense of responsibility in their work.
- Review, adjust, and supplement regulations related to employee policies, including collective labor agreements and internal labor regulations, to ensure compliance with legal regulations and the actual situation. At the same time, guide units to correctly implement leave policies in accordance with regulations.
- Organize annual professional development training, focusing on potential leaders and employees with development potential, to help improve the qualifications and skills of staff.
- Provide full support for the costs of professional, political theory, and skills development training for staff in leadership pipelines, creating conditions for long-term career development.
- Send staff to professional and work skills training courses, combined with internal training on ISO standards, sustainable development, occupational safety, and rubber tapping skills, to improve human resource quality. At the same time, organize soft skills training to equip employees with comprehensive knowledge.
- Ensure that at least 80% of workers receive advanced skills training and participate in regular grading exams to improve discipline, productivity, and work efficiency.
- Establish a fire prevention and firefighting (FP&C) system at the facility, and organize annual FP&C and search and rescue training to improve emergency response skills.
- Provide full labor protection and safety equipment for employees working in specific environments, complying with state regulations and Company provision standards.





### HUMAN RESOURCES - LEGAL AFFAIRS

#### LEGAL AFFAIRS

The company continues to strengthen close coordination with local and provincial authorities to promptly address cases related to land disputes, encroachments, and acts of vandalism on rubber tree plantations when they arise. At the same time, the company proactively provides documentation and participates in legal proceedings at all levels of the court to protect its legal rights in related cases. Additionally, the company strictly implements measures for product protection, plantation security, fire prevention and fighting, and public order in the areas under its management, contributing to maintaining political security and social order. The company also focuses on raising awareness among its employees, helping them stay alert to safety risks, and promotes a nationwide movement to protect the national security within the organization. Moreover, Dakruco effectively carries out its coordination with the provincial police and local authorities in the protection of political security and public safety activities, especially during holidays, festivals, and major political events of the country, to ensure absolute safety for business operations and the well-being of employees.

#### REMUNERATION AND BENEFITS POLICY

- Ensure full payment of salaries and bonuses in accordance with legal regulations, with income determined based on market salary levels, qualifications, skills, roles, responsibilities, and work performance.
- Implement bonus policies for holidays and Tet (April 30th, May 1st, etc.), and provide income support for female employees on maternity leave in accordance with legal regulations.
- Provide gifts and support to female employees on March 8th and October 20th, and provide gifts to the children of staff members on June 1st and other important occasions.
- Implement commendation and reward policies to incentivize individuals and teams with excellent achievements, creativity, and high productivity, based on working time, contributions, and the quality of work completion.
- Ensure the right to annual leave in accordance with the Labor Law, and organize annual travel and recreation programs for employees.
- Maintain support for employees facing difficulties, including support in cases of illness, accidents, or hardship.
- Fully participate in insurance schemes (social insurance, health insurance, unemployment insurance) in accordance with legal regulations, ensuring long-term benefits for employees.
- Build a professional working environment, promoting harmonious, stable, and progressive labor relations between employees and the enterprise.
- Enforce labor regulations strictly, ensuring occupational safety, occupational hygiene, fire and explosion prevention, and protecting the health and safety of employees.
- Comply with environmental protection regulations, operate standardized wastewater and waste collection and treatment systems, and maintain a green, clean, and beautiful enterprise campus. Dakruco has completely eliminated single-use plastic bottles since 2019.
- Improve the material and spiritual lives of employees through policies supporting workers in terms of housing, workplaces, and collective activities.
- Ensure that 100% of workers have labor contracts, receive regular health check-ups, and that female workers have separate support policies.
- Create favorable conditions for workers to participate in cultural and sports activities, regularly organizing cultural performances, sports, travel, and recreational activities, enhancing the spiritual lives of employees.



# DAKRUCO CREATE THE BEST VALUES



## INVESTMENT AND PROJECT IMPLEMENTATION

### MAJOR INVESTMENTS

As of December 31, 2024

No.	Agricultural Investment	Volume/ Area (End of Period)	Investment Value in Year (VND)	Cumulative Investment Value (VND)	Investment Rate (VND/ha)
<b>I</b>	<b>Rubber Plantation + Buffer Zone</b>	<b>3,637.65</b>	<b>69,884,937,401</b>	<b>629,072,018,529</b>	<b>1,437,312,454</b>
1	2015 Planted Area	5.19	384,329,461	1,373,396,055	264,623,517
2	2016 Planted Area	737.36	12,346,694,017	167,946,098,179	227,766,760
3	2017 Planted Area	709.5	12,883,529,642	144,855,732,143	204,165,937
4	2018 Planted Area	593.39	9,502,838,303	99,260,750,704	167,277,424
5	2019 Planted Area	465.83	7,949,930,416	69,241,603,751	148,641,358
6	2020 Planted Area	560.81	11,984,022,593	78,439,243,230	139,867,768
7	2021 Planted Area	416.2	10,073,372,458	52,563,649,571	126,294,208
8	2022 Planted Area	121.57	3,054,073,390	13,461,095,698	110,727,118
9	2024 Planted Area	27.8	1,332,964,503	1,332,964,503	47,948,363
10	2023 FSC Forestry	-	104,086,785	265,281,662	-
11	2024 FSC Forestry	-	207,595,833	207,595,833	-
12	Buffer Zone Trees	-	61,500,000	124,607,200	-
<b>II</b>	<b>High-Tech Agriculture Project</b>	<b>86.43</b>	<b>4,368,081,652</b>	<b>1,976,347,089</b>	<b>-</b>
1	2019 New Planting Project - Areca Nut	-	35,111,969	545,549,482	-
2	2019 New Planting Project - Acacia Trees	-	38,002,428	300,273,561	-
3	2024 New Planting Project - Durian	11.73	1,130,524,046	1,130,524,046	-
4	2019 New Planting Project - Durian	74.7	3,164,443,209	-	Asset Increase
<b>Total</b>		<b>3,724.08</b>	<b>74,253,019,053</b>	<b>631,048,365,618</b>	<b>1,437,312,454</b>

### OTHER LONG-TERM FINANCIAL INVESTMENTS

None.

### SUBSIDIARIES AND AFFILIATES

No.	Company Name	Address	Main Business Activities	Ownership Rate
<b>SUBSIDIARIES</b>				
1	Dak Lak Rubber Investment Joint Stock Company (DRI)	59 Cao Thang - Tan An Ward - Buon Ma Thuot City - Dak Lak	Industrial crop cultivation and processing	60.84%
2	Daknoruco Rubber Joint Stock Company	Village 13, Dak Lao Commune, Dak Mil District, Dak Nong Province	Rubber tree planting, care and latex processing	73.37%
3	Dak Lak Mondolkiri Rubber Development Co., Ltd.	Phun Chrey Sen, Sangkat Monorom, Mondolkiri, Kingdom of Cambodia	Rubber tree planting, care; latex harvesting and processing	100.00%
<b>AFFILIATES</b>				
1	Rubber Technical Joint Stock Company	Km 18, Doan Ket Village, Ea D'rong Commune, Cu M'gar District, Dak Lak Province	Technical consulting services, application of technology in planting, caring for, harvesting and processing latex; Bottled water production; Other related technical consulting activities.	28.79%
2	Dak Lak Rubber Wood Processing Joint Stock Company	Km19, National Highway 14, Ea D'rong Commune, Cu M'gar District, Dak Lak Province, Vietnam	Wood exploitation; Wood product processing; Household wood refining	45.13%
<b>INVESTED COMPANIES</b>				
1	Thai Duong Rubber Joint Stock Company	Lot No. 4, Street No. 7, Tan Tao Industrial Park, Tan Tao Ward, Binh Tan District, Ho Chi Minh City	Production and trading of rubber products for water supply and drainage, lying mats for cows, technical rubber accessories and colored rubber products	10.00%
2	Dak Lak Rubber People's Credit Fund	03 Nguyen Chi Thanh, Tan An Ward, Buon Ma Thuot City, Dak Lak	Credit activities and other banking activities	10.46%



**FINANCIAL SITUATION**

*Unit: million VND*

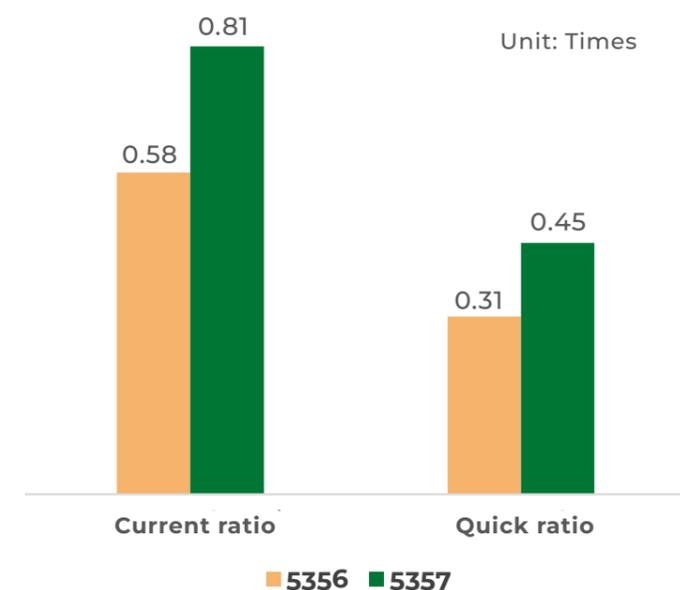
No.	Indicator	2023	2024	% 2024/2023
1	Total Assets	2,489,630	2,651,506	106.50%
2	Net revenue	969,024	1,186,770	122.47%
3	Profit from business activities	50,538	178,320	352.85%
4	Other profits	23,596	(20,715)	-
5	Profit before tax	74,134	157,605	212.60%
6	Profit after tax	52,018	121,793	234.14%
7	Payout ratio	-	-	-

*Consolidated Financial Statements 2024*

**MAJOR FINANCIAL INDICATORS**

No.	Indicator	Unit	2023	2024
<b>1</b>	<b>Solvency ratio</b>			
	Current ratio	Times	0.58	0.81
	Quick ratio	Times	0.32	0.45
<b>2</b>	<b>Capital structure ratio</b>			
	Debt/Total assets ratio	%	31.53	28.70
	Debt/Owner's Equity ratio	%	46.05	40.25
<b>3</b>	<b>Operation capability ratio</b>			
	Inventory turnover	Turn	4.86	4.83
	Total asset turnover	Turn	0.38	0.45
<b>4</b>	<b>Profitability ratio</b>			
	Profit after tax/ Net revenue Ratio (ROS)	%	5.37	10.26
	Profit after tax/ Total capital Ratio (ROE)	%	3.05	6.44
	Profit after tax/ Total assets Ratio (ROA)	%	2.09	4.59
	Profit from business activities/ Net revenue Ratio	%	5.22	15.03

*Based on 2024 Consolidated Financial Statements*

**SOLVENCY RATIO**


In 2024, the Company's solvency showed a significant improvement compared to 2023, reflected in the increase of both the current ratio and the quick ratio. Specifically, the current ratio increased from 0.58 to 0.81; indicating the Company's enhanced ability to meet its short-term liabilities. This improvement primarily resulted from a substantial increase in current assets, particularly cash and cash equivalents, from 122,132 million VND to 215,390 million VND, while current liabilities decreased slightly, enabling the Company to better manage its short-term financial obligations.

In addition, the quick ratio also increased from 0.31 to 0.45; reflecting the improved ability to pay short-term debts without relying on inventory. However, the Company's inventory continued to increase

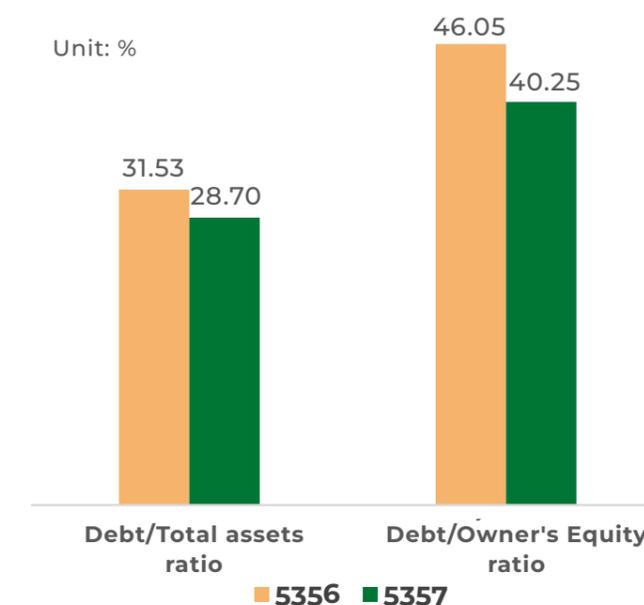
from 156,133 million VND to 212,438 million VND, which could affect liquidity if the sale of goods encounters difficulties. Although the increase in the quick ratio is a positive sign, this ratio is still below 1.0, indicating that the Company remains somewhat dependent on converting inventory into cash to meet its financial obligations.

Overall, 2024 marks a solid improvement in DRG's solvency, with better cash flow and a more stable financial structure. The Company continues to tightly control its receivables and enhance inventory management to maintain healthy cash flow, ensuring safe and sustainable solvency.

**CAPITAL STRUCTURE RATIO**

In 2024, the Company's capital structure improved compared to 2023, as demonstrated by the slight decrease in the debt-to-total assets ratio and the debt-to-equity ratio. Specifically, the debt-to-total assets ratio decreased from 31.53% to 28.70%, indicating a reduction in the Company's use of financial leverage, meaning that DRG's assets are increasingly financed by equity rather than debt.

Furthermore, the debt-to-equity ratio also decreased from 46.05% to 40.25%, reflecting an increase in equity and better debt management. This can be clearly seen from the growth of equity from VND 1,704,612 billion to VND 1,890,515 million, primarily due to undistributed post-tax profits and development investment funds. Meanwhile, the Company's total liabilities decreased from VND 785,017 million to VND 760,991 million, with a slight decrease in short-term liabilities and long-term liabilities maintained at a controlled level (long-term liabilities decreased compared to the 2023 period: 22,416 million VND).



Overall, 2024 marks a positive shift in DRG's capital structure, as the Company is gradually reducing its reliance on debt financing and increasing the use of its own funds. The decrease in the debt-to-equity ratio and the debt-to-total assets ratio not only helps DRG improve its financial position but also mitigates liquidity risk and future finance costs.



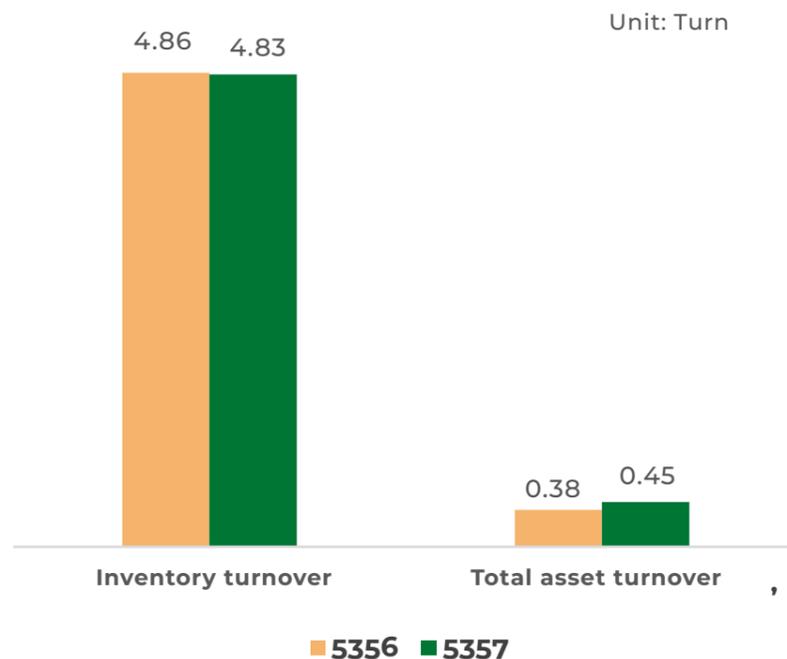
## FINANCIAL SITUATION

### OPERATION CAPABILITY RATIO

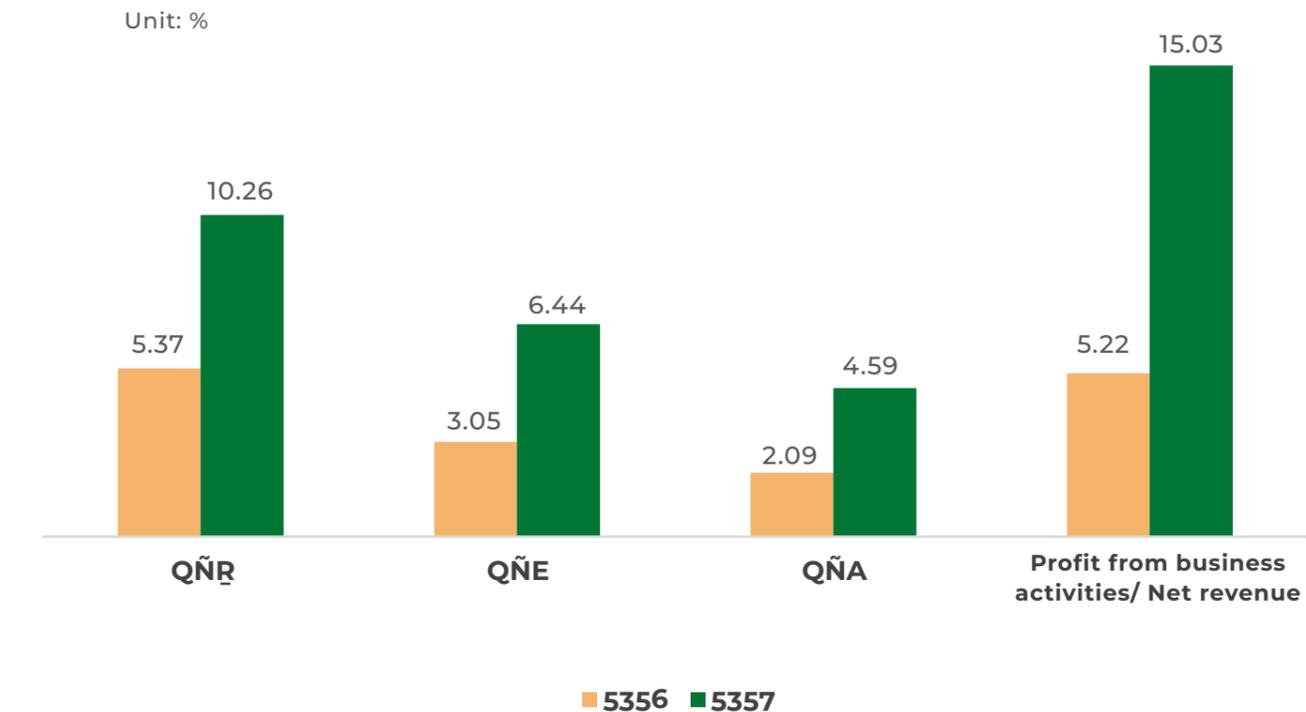
In 2024, the Company's operating efficiency continued to improve, as evidenced by the increase in inventory turnover and total asset turnover, reflecting more effective asset utilization and improved inventory circulation.

Specifically, inventory turnover decreased from 4.86 to 4.83, primarily due to a sharp increase in the cost of goods sold, from VND 789,445 million (2023) to VND 892,662 million (2024), while average inventory also increased by VND 56,304 million, but at a slower rate. This indicates that the Company has improved its inventory management capabilities, maintained a good rate of inventory turnover, helping to optimize cash flow and minimize the risk of high inventory. Gross profit also increased from VND 179,578 million to VND 294,107 million, suggesting an improvement in profit margins and higher operational efficiency.

In addition, total asset turnover also increased from 0.38 to 0.45, reflecting that DRG is utilizing its assets more effectively in generating revenue. The main reason is that net revenue increased from VND 969,023 million to VND 1,186,770 million (an increase of approximately 22.47%), while total assets increased by only 6.5%, from VND 2,489,630 million to VND 2,651,505 million. This shows that the Company has effectively controlled asset expansion and made focused investments, helping to improve capital efficiency. Furthermore, post-tax profit also increased significantly from VND 52,018 million to VND 121,793 million, contributing to increased profitability and a stronger financial foundation. The improvement in inventory turnover and total asset turnover ratios demonstrates that DRG has better managed its resources, optimizing assets and cash flow in business operations. In the future, the Company will continue to improve asset utilization efficiency, optimize inventory, and pursue its business strategy to maintain sustainable growth



### PROFITABILITY RATIO



In 2024, the Company's profitability improved significantly, demonstrated by the strong growth of key profit indicators, reflecting the business's operational performance and ability to generate profit. Specifically, the net profit margin increased from 5.37% to 10.26%, indicating a substantial improvement in business efficiency. This was mainly due to the growth of net revenue from VND 969,023 million to VND 1,186,770 million (an increase of 22.47%), while the cost of goods sold increased at a slower rate. At the same time, post-tax profit increased sharply from VND 52,018 million to VND 121,793 million, improving the post-tax profit margin.

In addition, the return on equity (ROE) increased from 3.05% to 6.44%, reflecting improved profitability on shareholders' equity. The main reason is that shareholders' equity increased from VND 1,704,612 million to VND 1,890,515 million, primarily due to an increase in undistributed profits and development investment funds, helping the Company maintain a stronger

financial position. Notably, the return on assets (ROA) increased from 2.09% to 4.59%, reflecting more efficient asset utilization in generating profit. Although total assets increased from VND 2,489,630 million to VND 2,651,505 million, the increase in profit was considerably higher, leading to a significant increase in the return on assets ratio.

Furthermore, the operating profit margin increased sharply from 5.22% to 15.03%, showing that the Company has better controlled operating expenses and optimized business efficiency. Net profit from business operations increased from VND 50,537 million to VND 178,320 million, reflecting effective business expansion, control of finance costs, and improved gross profit.

Overall, 2024 marks a remarkable improvement in DRG's profitability, driven by revenue growth, cost optimization, and more efficient asset utilization. In the future, the Company will continue to promote initiatives to enhance business efficiency, optimize capital, and maintain a sustainable growth rate.





## SHAREHOLDER STRUCTURE, CHANGE IN OWNER'S EQUITY

### INFORMATION OF SHARES

Charter Capital  
**1,558,000,000,000** VND

Par Value  
**10,000** VND/share

Number of Issued Shares  
**155,800,000** shares

Number of Outstanding Shares  
**155,800,000** shares

Treasury Shares  
**0** shares

Share type  
**COMMON SHARES**

### SHAREHOLDER STRUCTURE

As of December 31, 2024

No.	Type of Shareholder	Number of Shareholders	Number of Share	Ownership ratio/ Charter capital
<b>I</b>	<b>D o m e s t i c Shareholders</b>	<b>699</b>	<b>155,793,500</b>	<b>99.99%</b>
1	Institutional	1	154,141,600	98.94%
2	Individual	698	1,651,900	1.06%
<b>II</b>	<b>Foreign Shareholders</b>	<b>5</b>	<b>6,500</b>	<b>0.0041%</b>
1	Institutional	-	-	-
2	Individual	5	6,500	0.0041%
	<b>Total</b>	<b>704</b>	<b>155,800,000</b>	<b>100%</b>

#### MAXIMUM FOREIGN OWNERSHIP: 0%

Based on Official Letter No. 5953/UBCK-PTTT dated September 6, 2022, of the State Securities Commission regarding the dossier notifying the change in the maximum foreign ownership ratio of the Company, the maximum foreign investor ownership ratio of DRG is 0%.

### MAJOR SHAREHOLDERS

As of December 31, 2024

Name	ID/Business Registration No.	Address	Number of Shares	Ownership (%)
Dak Lak Provincial People's Committee	-	No. 09 Le Duan, Tu An, Buon Ma Thuot City, Dak Lak	154,141,600	98.94%
		<b>Total</b>	<b>154,141,600</b>	<b>98.94%</b>

### CHANGES IN OWNERS' EQUITY

None

### TREASURY SHARE TRANSACTIONS

None

### OTHER SECURITIES

None



## COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### ENVIRONMENTAL IMPACT

In its operations, the Company is committed to sustainable development, with environmental protection, social responsibility, and employee welfare as guiding principles. The Company continuously improves production processes to minimize negative impacts on the ecosystem and strictly adheres to environmental laws, contributing to sustainable and environmentally friendly production.

#### SUSTAINABLE FOREST MANAGEMENT

- » DRG has obtained FSC-FM certification, complying with environmental, economic, and social criteria, and is ready to comply with EUDR.
- » The Company implements a forest ecosystem restoration plan according to FSC standards and expands ecological buffer zones.
- » The Company maintains biodiversity through the development of protective forest areas.
- » The Company always replants rubber on cleared rubber areas.
- » The Company is completing its traceability software to comply with the European Union's EUDR. This regulation aims to prevent products linked to deforestation and forest degradation from entering the EU market. Complying with EUDR not only helps the Company access the EU market but also demonstrates its commitment to sustainable forest management and global environmental protection.

DRG considers environmental management an integral part of its operations. The Company maintains environmental management according to ISO 14001:2015 standards and has obtained FSC-FM certification for 1,122 hectares of rubber, ensuring environmental, economic, and social criteria, and is ready to comply with the EU Deforestation Regulation (EUDR). ***The highest-ranking person responsible for the company's environmental issues is Mr. Nguyen Minh - General Director of the Company.***

### EMISSION CONTROL

- » The Company is not required to conduct greenhouse gas emission inventories according to Decision No. 13/2024/QĐ-TTg dated August 13, 2024.
- » The company currently maintains air quality control according to legal regulations and implements measures to minimize the impact of production and business activities on the environment, monitoring emissions with automatic monitoring equipment.
- » The Company regularly checks the working environment quality and implements corrective actions to ensure employee health.

### ENVIRONMENTAL RISK AND IMPACT ASSESSMENT

In conjunction with production and business activities, the Company implements environmental control activities and measures. Potential environmental risks include outdated or degraded pollution control systems. All investment projects undergo environmental impact assessments. The Company regularly surveys and evaluates the effectiveness of environmental treatment facilities to implement timely improvements and upgrades, meeting environmental control requirements according to legal regulations (e.g., upgrading wastewater and air treatment systems at production facilities).

### WASTEWATER TREATMENT

- » The Company has 02 wastewater treatment systems at its 02 directly managed plants, with effluent meeting legal standards. Automatic environmental monitoring systems are installed at the Latex Processing Plant.
- » The Company has implemented standardized wastewater treatment measures at all latex collection points on rubber plantations.

### SOLID WASTE MANAGEMENT

Waste at the Company and its directly managed units is controlled according to waste management procedures, collected, and regularly transferred to qualified units according to different waste types (industrial waste, hazardous waste, domestic waste, etc.). The company currently has a contract with the Buon Ma Thuot Urban Environment Joint Stock Company for waste treatment at the two processing plants



## COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS



### RAW MATERIAL MANAGEMENT

DRG emphasizes natural resource protection, optimizing raw material use, and conserving energy in production. The Company applies strict environmental standards in forestry, harvesting, and rubber processing, complying with international standards and local community requirements. In 2024, the Vietnam Rubber Association continued to certify the Vietnamese Rubber Brand for DRG's 04 main rubber products, and VietGAP standards were maintained for banana and MD2 pineapple products, affirming product quality and enhancing brand value, contributing to increased competitiveness in domestic and international markets.

### ENERGY CONSUMPTION

Energy conservation is a top priority for the Company in its environmental protection and production efficiency strategy. The Company has invested in advanced energy-saving equipment and implements strict management measures to minimize energy consumption. With a goal to reduce electricity consumption by at least 5% in the coming year, DRG regularly inspects and maintains electrical systems to prevent energy loss and plans to invest in a solar energy system for the Latex Processing Plant. These efforts reduce production costs and demonstrate DRG's commitment to energy efficiency and environmental protection.

The Company has implemented measures to reduce pollution and use energy efficiently, such as:

- Using firewood instead of diesel to provide hot air for latex drying, reducing greenhouse gas emissions and utilizing renewable energy.
- Using electricity during off-peak hours to save costs and reduce strain on the national power grid.
- Researching and implementing new technologies to optimize production processes, reducing waste

and emissions

The Company always prioritizes the protection of natural resources, while optimizing the use of raw materials and conserving energy during the production process. The Company applies strict environmental standards in all activities, from forestry and harvesting to rubber product processing, ensuring compliance with international standards and meeting the requirements of local communities. In particular, DRG prioritizes the use of recyclable raw materials, contributing to minimizing negative impacts on the environment.

### WATER CONSUMPTION

In its production and business operations, the Company uses water from groundwater resources. To ensure compliance with the law and effective management of this resource, all DRG facilities are licensed to extract groundwater. Specifically, the Rubber Processing Plant uses 04 dug wells, the Thread Processing Plant is licensed for 01 drilled well, the Dakruco Hotel 01 drilled well, and the Cu M'gar Farm is licensed for 07 dug wells.

DRG clearly recognizes the importance of using water sustainably. The Company has implemented many solutions to reuse water in production and daily activities. At production farms, DRG prioritizes the use of drilled well water and applies water-saving irrigation technology, thereby significantly reducing water consumption. In addition, the company also invests in wastewater collection and treatment systems, allowing for water reuse in cooling and irrigation processes, helping to reduce pressure on natural water sources.

To raise awareness of water conservation among all staff, DRG regularly organizes training programs and encourages the adoption of water-efficient practices in daily work. These efforts have yielded positive results, with a water recycling and reuse rate of 20% of total water used.

### COMPLIANCE WITH ENVIRONMENTAL PROTECTION LAWS

The Company always prioritizes compliance with environmental protection laws in its production and business activities. The Company strictly implements current legal regulations, adhering closely to the State's plans and directives on responsibility and the protection of natural resources. DRG maintains a close cooperative relationship with local regulatory agencies to ensure that all production and business processes fully meet environmental standards and current legal regulations. In addition, DRG proactively conducts internal audits, monitors the environment, and regularly updates reporting procedures, making timely adjustments when necessary to improve environmental management efficiency. Beyond complying with legal requirements, DRG also organizes in-depth training programs for employees, helping them to better understand legal regulations related to environmental protection, wastewater treatment, waste management, and pollution reduction during operations. Annually, the company conducts environmental impact assessments in accordance with industry regulations and regulatory agencies, ensuring transparency and responsibility in all production activities, contributing to the sustainable development of the enterprise.

DRG maintains control over wastewater and air emissions in accordance with legal regulations and is not required to conduct greenhouse gas emission inventories under Decision No. 13/2024/QĐ-TTg. In the past two years, the company has not incurred any administrative penalties. The company is always transparent about whether or not it has been penalized for violations due to non-compliance with laws and environmental regulations, and the total amount of penalties incurred is 0 VND.





## COMPANY'S REPORT OF ENVIRONMENT AND SOCIETAL IMPACTS

### EMPLOYEES POLICIES

The Company always places employees at the center of its sustainable development strategy. DRG not only focuses on building a friendly and dynamic working environment, where each individual can maximize their potential, but also creates conditions for them to have long-term commitment to the company. To achieve this, DRG implements well-structured human resource training policies, ensuring that training programs are tailored to each job position.

Every year, the company develops human resource training plans and regularly organizes training courses and leadership development programs, aiming to proactively secure a high-quality workforce. In addition, DRG is committed to fully implementing policies and regulations in accordance with the law, including social insurance, sickness benefits, maternity leave, convalescence, salary increases, and promotions. Commendation and reward programs are also a particular focus for DRG, to encourage and motivate employee morale.

The company implements a reasonable incentive system for salaries, bonuses, and benefits, to increase productivity and ensure employees' living standards continuously improve. Other rights and benefits such as social insurance, health insurance, and occupational safety are also fully guaranteed. DRG builds harmonious labor relations, with effective mechanisms for dialogue and labor dispute resolution. The average employee income at DRG in 2024 is VND 7.56 million/person/month of actual work, and the plan for 2025 is VND 8.39 million/person/month, reflecting the company's concern for employee well-being.



To continuously improve the quality of human resources, DRG develops annual training plans, focusing on professional development programs, management skills training, and skills enhancement for workers. Internal training courses on ISO standards, sustainable development, rubber tapping skills, and other professional skills are conducted regularly. At the same time, DRG provides opportunities for employees to participate in soft skills training courses, enhancing their professional knowledge, helping them develop their careers and improve work performance.

DRG is committed to ensuring all insurance benefits for employees and building the best possible working environment.



### REPORT ON RESPONSIBILITIES TO THE LOCAL COMMUNITY

The Company not only focuses on production and business activities but also places a special emphasis on social responsibility and is strongly committed to contributing to the sustainable development of the local community. The Company proactively implements community support programs, thereby not only creating employment opportunities for local people but also building close cooperative relationships with other businesses, with the goal of enhancing competitiveness and promoting sustainable regional economic growth.

DRG regularly organizes charitable activities to support households in difficult circumstances and implements community education programs to raise awareness of environmental protection and sustainable development. With a commitment to building a comprehensively developed community, DRG continuously strives to implement supportive initiatives and promote positive social values, making a significant contribution to improving the quality of life of local residents.

The Company actively participates in charitable activities and supports the community through economic and social development projects, facilitating local development. DRG also creates many employment opportunities for local people, helping to reduce unemployment and increase income for the community. The Company is always willing to support and participate in the construction of public infrastructure to improve the living conditions of the people.

### REPORT ON GREEN CAPITAL MARKET ACTIVITIES ACCORDING TO SSC GUIDELINES

Currently, DRG does not have any official activities in the green capital market. However, the Company always closely monitors developments related to sustainable development trends and will proactively participate when specific guidelines are issued by the State Securities Commission. At the same time, DRG is exploring the carbon credit market to seize opportunities to participate in green finance mechanisms in the future, contributing to enhanced environmental responsibility and expanding access to sustainable funding sources.



**03**

## **REPORT OF THE BOARD OF MANAGEMENT**

- 01. Assessment on business and production outcomes**
- 02. Financial situation**
- 03. Progress in respect of organizational structure, policies, management**
- 04. Future Development Plan**
- 05. Explanation of the Board of Management on auditing opinions**
- 06. Assessment reports on the Company's environmental and social responsibility**



OVERALL ANALYSIS OF THE COMPANY'S PERFORMANCE COMPARED TO PLAN/FORECAST AND PAST PERFORMANCE

In 2024, Dak Lak Rubber Joint Stock Company (DRG) overcame many challenges from the macroeconomic environment to achieve significant progress, fulfilling its set production and business targets. This success stemmed from the unity of the leadership and employees, along with a strategy focused on sustainable development, production optimization, and market expansion. As a result, DRG maintained stable growth, improved financial indicators, and enhanced operational efficiency.

ADVANTAGES

The company is moving in the right direction with its strategy to transform its production structure, focusing on a high-tech fruit cultivation model, towards sustainable development, green technology, and FSC certification. Thanks to this direction, the company's production efficiency has significantly improved, as demonstrated by improvements in solvency ratios, optimization of the capital structure, increased inventory and total asset turnover, as well as revenue and profit growth.

One of the company's significant advantages is its leadership capacity and employee cohesion. The leadership team has high professional qualifications and consistently focuses on employee training and skills development. In addition, the collective of party members, employees, especially the management team, has extensive experience in management and administration, and is always united and highly determined to complete tasks, especially given the current difficult financial situation.

The company's member units are also operating effectively. Rubber tapping farms maintain stability, while the thread production branch remains profitable, contributing to the overall business results of the entire company.

In 2024, rubber prices showed clear signs of recovery, with an average increase of 23.7% compared to the same period last year. This growth directly increased revenue and profit for both the parent company and its subsidiaries, making a significant contribution to resolving the financial difficulties the company is facing.

The company's governance and management are conducted professionally and effectively. The Board of Directors has effectively exercised its supervisory and strategic guidance roles. Production and business operations consistently prioritize quality. Human resources management is also implemented professionally, aligned with the company's overall development direction.

CHALLENGES

The company is facing numerous difficulties due to the complex and volatile global economic context. Factors such as geopolitical conflicts, rising inflation, and tightening monetary policies in many countries have negatively affected input material prices and the company's export markets. In addition, global supply chain disruptions have increased shipping costs and extended delivery times, impacting production and business operations.

Beyond external factors, the company is also under pressure from high domestic interest rates, which increase borrowing costs. At the same time, the price of raw rubber, the primary source of revenue, remains unstable, affecting overall business performance. Input costs have also increased significantly due to the impact of inflation and exchange rate volatility.

Another internal challenge is that the company's replanted rubber area has not yet achieved optimal productivity because the rubber plantations are in the early stages of production, and the replanted area is large, accounting for nearly 2/3 of the total area, affecting latex production. In particular, the prolonged period of low raw rubber prices from late 2012 to late 2023 has negatively impacted the cash flow for the company's production and business operations.

Furthermore, the production and sales volume of the company's elastic thread products has also fallen short of expectations due to a sharp decline in market demand for this product in 2024, with a decrease of 50% to 70% across most customers.

Since 2015, the company has invested heavily in replanting a large rubber area of up to 4,806.65 ha, with a total cumulative investment exceeding VND 890 billion. However, the company has not received any long-term financing for this project, leading to the need to use short-term capital for long-term investment. This has resulted in an imbalance between short-term debt and short-term assets, causing financial imbalances and impairing solvency.

Furthermore, the production and sales volume of the company's elastic thread products has also fallen short of expectations due to a sharp decline in market demand for this product in 2024, with a decrease of 50% to 70% across most customers.

The company has pursued a policy of divestment and asset sales to restructure its finances and reduce debt. However, due to various objective factors, these plans have not yet been fully realized. For example, only a small portion of the DRI shares were sold in the offering. The sale of the Hotel complex and the Office building was also delayed because the Provincial People's Committee only approved the plan on October 9, 2024.

The company has directed Dakmoruco, its subsidiary in Cambodia, to work with the Cambodian government to adjust the investment capital structure. The proposal to adjust from 100% equity to 40% debt and 60% equity has been approved by the Cambodian Investment Committee. However, the charter amendment has not yet been completed, preventing the company from securing loans and transferring funds back to the country, creating difficulties in accessing bank financing.



2024



DRG



## ASSESSMENT ON BUSINESS AND PRODUCTION OUTCOMES

### COMPANY ACHIEVEMENTS

#### PRODUCTION

Harvesting, purchasing, processing, and sales volumes in 2024

No.	Indicator	Plan (Ton)	Actual (Ton)	%Actual/Plan
<b>I Production and Purchase Volume</b>				
<b>A</b>	<b>Latex</b>	<b>6,938.51</b>	<b>7,524.85</b>	<b>108.45%</b>
1	Self-harvested Rubber	4,760.96	4,769.53	100.18%
2	Rubber purchased from LK households	177.55	179.32	101.00%
3	Purchased as Raw Materials	2000	2230	111.50%
4	Purchased as Products	-	346	-
<b>B</b>	<b>Elastic Thread</b>	<b>2,020.83</b>	<b>1,600</b>	<b>79.18%</b>
<b>C</b>	<b>Fruit Products</b>	<b>2,763.73</b>	<b>2,899.45</b>	<b>104.91%</b>
<b>II Sales Volume</b>				
<b>A</b>	<b>Processed Latex</b>	<b>6,938.51</b>	<b>7,800</b>	<b>112.42%</b>
<b>B</b>	<b>Rubber Elastic Thread</b>	<b>2,020.83</b>	<b>1,600</b>	<b>79.18%</b>
<b>C</b>	<b>Fruit Products</b>	<b>2,763.73</b>	<b>2,899.45</b>	<b>104.91%</b>
1	Banana Production	1,981.99	2,292	115.64%
2	Durian Production	172.01	227.45	132.23%
3	Pineapple Production	609.73	380	62.32%



#### FINANCE

No.	Indicator	Plan (1,000VND)	Actual (1,000VND)	%Actual/Plan
<b>I</b>	<b>Total revenue</b>	<b>532,193,719</b>	<b>641,170,694</b>	<b>120.48%</b>
1	Revenue from sales and services	488,700,690	559,070,728	114.40%
-	Revenue from processed latex sales	259,325,760	347,555,735	134.02%
-	Revenue from elastic thread sales	129,551,929	107,983,918	83.35%
-	Revenue from fruit sales	35,863,438	40,335,396	112.47%
	+ Revenue from bananas	22,410,786	26,723,899	119.25%
	+ Revenue from durian	8,256,614	11,972,918	145.00%
	+ Revenue from pineapple	4,877,856	1,178,579	24.15%
	+ Revenue from jackfruit	318,182	-	-
	+ Revenue from areca nut	-	460,000	-
-	Revenue from hotel services	23,002,999	22,044,780	95.83%
-	Revenue from intercropping contracts	40,956,564	37,539,383	91.66%
-	Revenue from other activities	-	3,611,516	-
2	Financial income	40,530,357	68,582,937	169.21%
3	Other income (Net income before tax)	2,962,671	13,517,028	456.35%
<b>II</b>	<b>Total expenses</b>	<b>518,518,444</b>	<b>590,874,626</b>	<b>113.95%</b>
1	Rubber production and business expenses	308,371,033	402,374,860	130.48%
2	Elastic thread production expenses	133,576,896	116,622,381	87.31%
3	Fruit business expenses	37,923,483	35,899,296	94.66%
4	Hotel business expenses	28,268,653	25,638,835	90.70%
5	Expenses allocated to other revenue-generating activities	6,493,875	7,143,262	110.00%
6	10% of intercropping expenses allocated to Branches and the company office	3,884,504	3,195,992	82.28%
<b>III</b>	<b>Projected profit before tax</b>	<b>13,675,000</b>	<b>50,296,067</b>	<b>367.80%</b>
1	Profit from main business	(11,973,455)	39,338,186	-
2	Financial income + other income	36,999,154	17,644,862	47.69%
3	Profit from elastic thread business	(4,025,000)	(8,304,948)	206.33%
4	Profit from hotel business	(5,265,654)	(2,818,133)	53.52%
5	Profit from fruit business	(2,060,045)	4,436,100	-



## ASSESSMENT ON BUSINESS AND PRODUCTION OUTCOMES

### COMPANY ACHIEVEMENTS

#### QUALITY AND ENVIRONMENTAL MANAGEMENT

In 2024, product quality inspection reached: 21,683 samples, ensuring the quality of SVR products according to TCVN 3769:2016 for domestic and export sales. The QLCL (Quality Control) and QLMT (Environmental Management) systems were maintained according to ISO 9001:2015; ISO 14001:2015 and ISO/IEC 17025 standards. The Vietnam Rubber Association continued to maintain the Vietnamese Rubber Brand certification for the Company's products. VietG.A.P certification, growing area codes, and packaging facility certification were maintained for some fruit products under the high-tech agriculture project. FSC-FM certification was obtained for 1,122 ha of rubber; FSC-CoC certification was obtained for the Latex Processing Plant.

#### SUSTAINABLE RUBBER DEVELOPMENT PROGRAM IMPLEMENTATION

In 2024, DRG achieved a significant milestone in its sustainable development strategy when it officially received the Sustainable Rubber Forest Management System Certificate for nearly 1,122 ha at the 19/8 and Phu Xuan farms, with the code BV-FM/COC-196797. Notably, DRG is the first company in Dak Lak and the fourth in the country to be granted FSC-FM/CoC certification for rubber plantations, and is also the first unit to be granted this certification for latex products. This achievement not only affirms the Company's commitment to sustainable development but also opens up many opportunities to enhance product value, access international markets, and meet stringent environmental and social responsibility standards.

#### CAPITAL CONSTRUCTION INVESTMENT

In 2024, the Company continued to implement a resource optimization strategy, focusing on essential items to ensure production efficiency and improve operational quality. Accordingly, the Company temporarily suspended new investment items according to the plan, only implementing repairs and upgrades to key infrastructure, especially the plantation road system for latex harvesting, helping to improve transportation conditions and optimize production processes.

In addition, DRG completed and commissioned wastewater treatment systems at the Latex Processing Plant and the Thread Processing Plant, ensuring compliance with strict environmental standards. Supervision, acceptance, and settlement of construction items were carried out in accordance with capital construction regulations, ensuring project progress and quality according to requirements.

Beyond the rubber sector, the Company continued to promote the development of a high-tech fruit cultivation model, notably the Dona durian variety at its farms. 2024 marked the first harvest of previously planted durian areas, with an estimated output of 227 tons. Despite being a new product, durian generated significant revenue, contributing 12.4% to net revenue and 20% to gross profit in Q3 2024. The initial success of this model helps DRG diversify its revenue streams, reduce reliance on rubber price fluctuations, and leverage the advantages of Dak Lak's raw material resources and soil conditions. In the future, DRG will continue to research and implement selective investment projects, focusing on areas with high growth potential, while improving asset utilization and maintaining the Company's sustainable development.





## ASSESSMENT ON BUSINESS AND PRODUCTION OUTCOMES

### PERFORMANCE OF SUBSIDIARIES AND AFFILIATES IN 2024

#### DAK LAK RUBBER INVESTMENT JOINT STOCK COMPANY

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	% 2024/2023
1	Total asset	642,490	729,069	113.48%
2	Net revenue	443,508	471,071	106.21%
3	Cost of Goods Sold	284,218	281,492	99.04%
4	Financial Activities Revenue	17,798	23,205	130.37%
5	Selling Expenses, Enterprise Management, Finance	80,467	71,693	89.10%
6	Profit from Business Activities	96,621	141,091	146.02%
7	Other Profit	(2,883)	(1,414)	49.05%
8	Profit Before Tax	93,739	139,676	149.00%
9	Profit After Tax	73,658	110,402	149.89%

#### DAKNORUCO RUBBER JOINT STOCK COMPANY

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	% 2024/2023
1	Total asset	71,647	76,742	107.11%
2	Net revenue	16,658	30,460	182.86%
3	Cost of Goods Sold	17,794	27,723	155.80%
4	Financial Activities Revenue	16	17	106.25%
5	Selling Expenses, Enterprise Management, Finance	749	1,273	169.96%
6	Profit from Business Activities	(1,869)	1,481	-
7	Other Profit	974	559	57.39%
8	Profit Before Tax	(895)	2,040	-
9	Profit After Tax	(895)	1,973	-

#### DAK LAK MONDOLKIRI RUBBER DEVELOPMENT COMPANY LIMITED

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	% 2024/2023
1	Total asset	390,324	450,356	115.38%
2	Net revenue	85,092	127,148	149.42%
3	Cost of Goods Sold	84,652	98,813	116.73%
4	Financial Activities Revenue	635	735	115.75%
5	Selling Expenses, Enterprise Management, Finance	854	348	40.75%
6	Profit from Business Activities	221.4	28,721.6	12,972.72%
7	Other Profit	-	3.7	-
8	Profit Before Tax	221	28,725	12,997.74%
9	Profit After Tax	221	22,038	9,971.95%

#### RUBBER TECHNICAL JOINT STOCK COMPANY

Unit: Million VND

No.	Indicator	Actual 2023	Actual 2024	% 2024/2023
1	Total asset	26,462	29,558	111.70%
2	Net revenue	10,637	18,701	175.81%
3	Cost of Goods Sold	8,722	13,705	157.13%
4	Financial Activities Revenue	116	50	43.10%
5	Selling Expenses, Enterprise Management, Finance	1,762	2,738	155.39%
6	Profit from Business Activities	319	2,607	817.24%
7	Other Profit	21	(84)	-
8	Profit Before Tax	339	2,524	744.54%
9	Profit After Tax	299	2,002	669.57%

#### DAK LAK RUBBER WOOD PROCESSING JOINT STOCK COMPANY

Operations ceased in 07/2017. The company is currently undergoing dissolution procedures in accordance with the law.



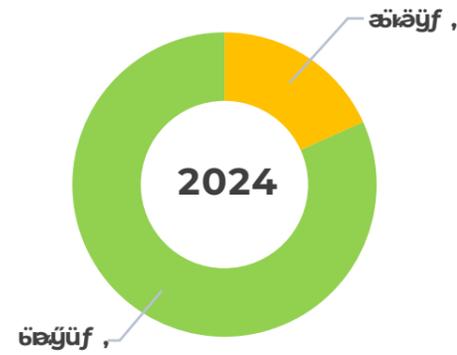
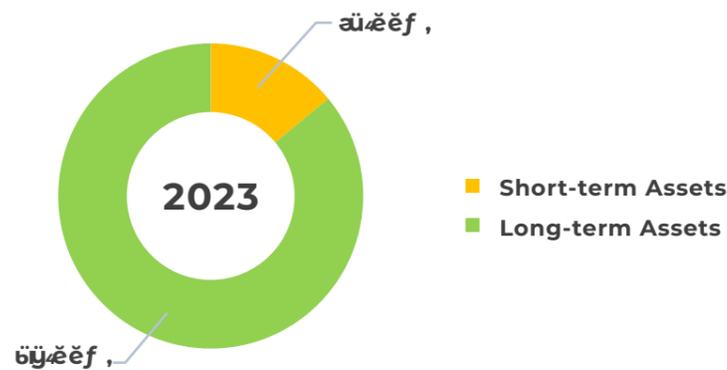
# FINANCIAL SITUATION

## ASSETS

Unit: Million VND

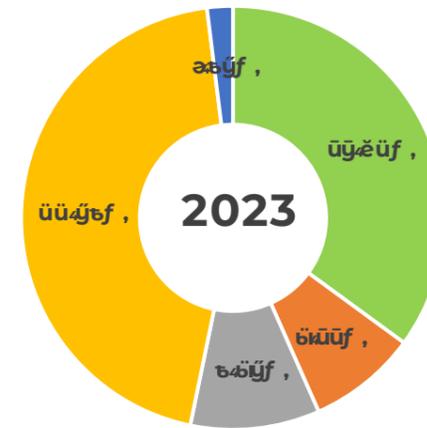
Indicator	2023		2024		% Change	
	Value	Proportion	Value	Proportion	Value	Proportion
<b>Short-term Assets</b>	<b>348,580</b>	<b>14.00%</b>	<b>484,191</b>	<b>18.26%</b>	<b>135,611</b>	<b>38.90%</b>
Cash and Cash Equivalents	122,132	35.04%	215,390	44.48%	93,258	76.36%
Short-term Financial Investments	29,046	8.33%	21,111	4.36%	(7,935)	(27.32%)
Short-term Receivables	34,399	9.87%	25,135	5.19%	(9,263)	(26.93%)
Inventory	156,134	44.79%	212,438	43.87%	56,304	36.06%
Other Short-term Assets	6,870	1.97%	10,116	2.09%	3,247	47.26%
<b>Long-term Assets</b>	<b>2,141,050</b>	<b>86.00%</b>	<b>2,167,315</b>	<b>81.74%</b>	<b>26,265</b>	<b>1.23%</b>
Long-term Receivables	6,210	0.29%	5,299	0.24%	(911)	(14.66%)
Fixed Assets	1,297,417	60.60%	1,395,978	64.41%	98,561	7.60%
Long-term Asset in Progress	783,189	36.58%	718,043	33.13%	(65,146)	(8.32%)
Long-term Financial Investments	29,786	1.39%	24,344	1.12%	(5,443)	(18.27%)
Other Long-term Assets	24,448	1.14%	23,651	1.09%	(797)	(3.26%)
<b>Total Assets</b>	<b>2,489,630</b>	<b>100%</b>	<b>2,651,506</b>	<b>100%</b>	<b>161,876</b>	<b>6.50%</b>

Consolidated Financial Statements 2024

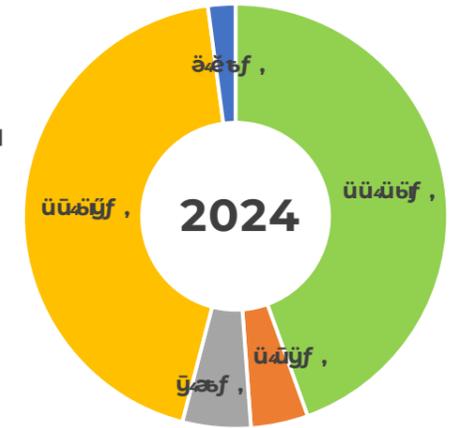


DRG's asset structure in 2024 demonstrates a sound financial strategy, with increased liquidity and optimized long-term investments. The Company has proactively adjusted its asset portfolio to ensure sustainable development, maintain financial stability, and create a solid foundation for future production and business operations.

## SHORT-TERM ASSETS

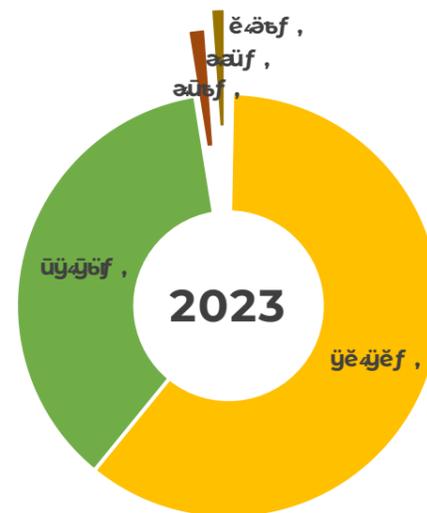


- Cash and Cash Equivalents
- Short-term Financial Investments
- Short-term Receivables
- Inventory
- Other Short-term Assets

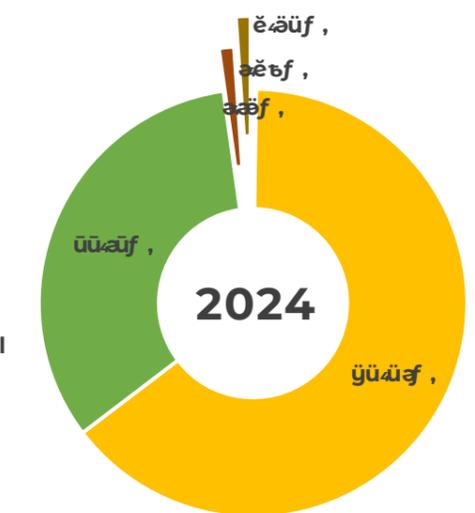


In 2024, the Company's total assets reached VND 2,651 billion, up 6.50% compared to 2023. Despite the volatile economic environment, the Company achieved positive growth in asset size, particularly a significant increase in the structure of short-term assets. Specifically, short-term assets reached VND 484 billion, accounting for 18.26% of total assets, a sharp increase of 38.90% compared to the previous year. This increase was mainly due to a 76.36% rise in cash and cash equivalents, reflecting a substantial improvement in operating cash flow; inventory increased by 36.06%, indicating that the Company is accumulating raw materials and products to meet future production and business needs; and other short-term assets also recorded an increase of 47.26%, suggesting that short-term investments or other receivables have expanded.

## LONG-TERM ASSETS



- Long-term Receivables
- Fixed Assets
- Long-term Asset in Progress
- Long-term Financial Investments
- Other Long-term Assets



Alongside the growth of current assets, long-term assets remained dominant, accounting for 81.74% of total assets, with a slight increase of 1.23% compared to the previous year. However, some long-term asset items showed notable adjustments. Fixed assets increased by 7.60%, reflecting investments in infrastructure, machinery, and equipment to improve production capacity. Meanwhile, long-term assets in progress decreased by 8.32%, indicating that the Company has completed some investment projects or optimized its project portfolio to focus on key areas. At the same time, long-term financial investments decreased by 18.27%, reflecting an adjustment in the investment portfolio to concentrate resources on core activities and improve capital efficiency.



# FINANCIAL SITUATION

## LIABILITIES

Unit: Million VND

Indicator	2023		2024		% Change	
	Value	Proportion	Value	Proportion	Value	Proportion
<b>Short-term Liabilities</b>	<b>600,956</b>	<b>76.55%</b>	<b>599,345</b>	<b>78.76%</b>	<b>(1,611)</b>	<b>(0.27%)</b>
Short-term accounts payable	38,232	6.36%	23,701	3.95%	(14,531)	(38.01%)
Short-term advances from customers	16,376	2.73%	42,753	7.13%	26,377	161.07%
Taxes payable	96,157	16.00%	108,365	18.08%	12,209	12.70%
Employee payable	81,878	13.62%	82,820	13.82%	942	1.15%
Short-term accrued expenses	8,620	1.43%	5,711	0.95%	(2,910)	(33.75%)
Short-term deferred revenue	14,311	2.38%	20,966	3.50%	6,655	46.50%
Other short-term payables	87,206	14.51%	93,629	15.62%	6,423	7.36%
Short-term debt	213,054	35.45%	173,936	29.02%	(39,118)	(18.36%)
Short-term provision for payable	4,400	0.73%	-	-	(4,400)	(100%)
Reward and welfare fund	40,721	6.78%	47,464	7.92%	6,743	16.56%
<b>Long-term liabilities</b>	<b>184,062</b>	<b>23.45%</b>	<b>161,646</b>	<b>21.24%</b>	<b>(22,416)</b>	<b>(12.18%)</b>
Long-term deferred revenue	373	0.20%	362	0.22%	(11)	(2.86%)
Other long-term payables	87,871	47.74%	86,799	53.70%	(1,073)	(1.22%)
Long-term debt	94,560	51.37%	73,227	45.30%	(21,333)	(22.56%)
Science and technology development fund	1,258	0.68%	1,258	1.45%	-	-
<b>Total liabilities</b>	<b>785,018</b>	<b>100%</b>	<b>760,991</b>	<b>100%</b>	<b>(24,027)</b>	<b>(3.06%)</b>

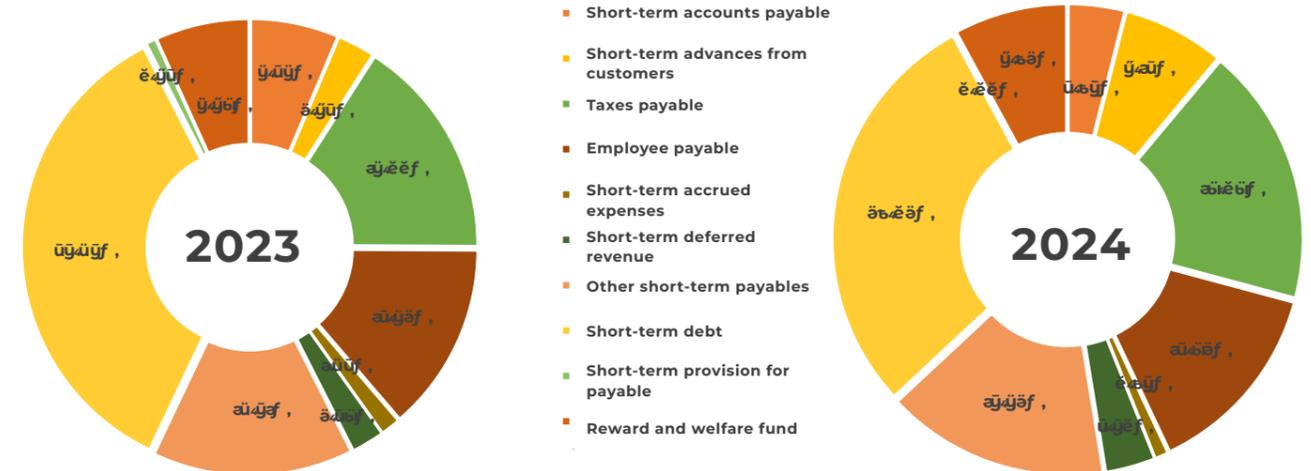
Consolidated Financial Statements 2024



In 2024, the Company's total liabilities were VND 760 billion, a 3.06% decrease compared to 2023. This reflects the Company's efforts to optimize capital sources and reduce borrowings to ensure financial security and improve operational efficiency.

## SHORT-TERM LIABILITIES

Short-term liabilities still account for a large proportion of the debt structure (78.76%), decreasing slightly by 0.27% compared to the previous year. Among these, accounts payable decreased sharply by 38.01%, indicating that the Company has made significant payments towards its financial obligations to suppliers. However, short-term customer advances increased dramatically by 161.07%, reflecting an increase in orders and advance payments from customers, contributing to improved cash flow. In addition, taxes and payables to the State increased by 12.70%, reflecting more profitable business operations. Notably, short-term borrowings and finance lease liabilities decreased by 18.36%, showing that the Company is reducing its financial burden and optimizing cash flow from production and business activities.

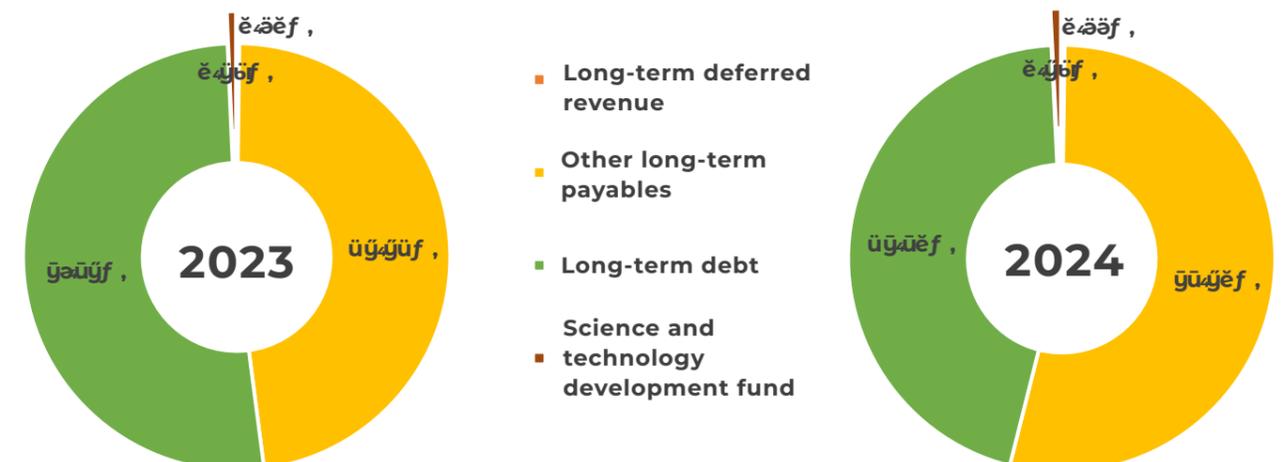


## LONG-TERM LIABILITIES

Long-term liabilities decreased by 12.18%, to VND 161 billion, mainly due to the Company's reduction in long-term borrowings and finance lease liabilities (down 22.56%), reflecting a trend of decreasing financial leverage and increasing financial autonomy.

In 2024, DRG made positive strides in reducing debt pressure, improving liquidity, and optimizing cash flow. This creates a solid foundation for the Company to maintain financial stability, promote business operations, and achieve sustainable growth in the coming years. In 2024, the Company continued to maintain its existing organizational structure, recognizing the effectiveness of this model. The stability in the organizational structure has significantly contributed to optimizing workflows and enhancing the efficiency of departments, facilitating the Company's rapid adaptation to the changing business environment.

However, to align with practical circumstances, at the Extraordinary General Meeting of Shareholders for the 2023-2028 term, the Company adjusted the structure of the Board of Directors by moving away from mandatory independent members to a structure with a minimum of 1/3 non-executive Board members, in accordance with the provisions of the 2020 Enterprise Law. In addition, the Company's management policies have also been maintained firmly, continuously improved and supplemented. The stability in management policies has created a positive working environment, where employees can develop and contribute effectively to the Company's success. These policies also strongly support the management activities of the General Board of Management, ensuring that decisions and strategies are implemented effectively and consistently.





## IMPROVEMENTS IN POLICIES, ORGANIZATIONAL STRUCTURE, AND MANAGEMENT

In 2024, DRG continued to maintain a stable organizational structure, while implementing personnel adjustments to align with the actual situation, consolidate, and improve its operational framework. To enhance operational efficiency and market competitiveness, DRG focused on improving policies and management. Specifically, the company strengthened marketing and branding for key products such as fruit and thread, while focusing on the export market for FSC-FM/CoC certified rubber. DRG also finalized its traceability software to comply with the European Union's EUDR regulations, expanding export opportunities.

In production management, DRG implemented detailed management procedures for each plantation to optimize harvesting output and ensure plantation quality. The company strictly controlled raw material quality from plantation to processing plant, limited the use of chemicals and additives, and prioritized the use of environmentally friendly fuels.

DRG also focused on cost control, invested in upgrading the thread production line, improved hotel service quality, maintained product quality and certifications, implemented employee incentive policies, and managed finances effectively.

No.	Indicator	Actual 2024	Plan 2025	% Plan 2025/ Actual 2024
1	Charter capital (million VND)	1,558,000	1,558,000	100.00%
2	Total revenue and other income (million VND)	641,171	697,545	108.79%
3	Profit before tax (million VND)	50,296	80,227	159.51%
4	Profit after tax (million VND)	50,512	74,890	148.26%
5	Payments to the state budget (million VND)	72,245	70,489	97.57%
6	Average equity (million VND)	1,687,842	1,748,450	103.62%
7	ROE (%)	2.99%	4.0%	133.78%
8	Payout ratio (%)	-	-	-
9	Employee income (per person/month)	8,039,000	8,410,000	104.62%





## FUTURE DEVELOPMENT PLAN

### INVESTMENT PLAN FOR 2025

#### INVESTMENT IN FRUIT ORCHARDS AT THE HIGH-TECH AGRICULTURE PROJECT, CU BAO FARM

THE HIGH-TECH AGRICULTURE PROJECT	Project	Area	Investment Cost	Proportion
	<b>7,699.99</b> million VND			
	NEWLY PLANTED DURIAN INTERCROPPED IN JACKFRUIT ORCHARD	50.05 ha	5,644.07 million VND	112.76 million VND/ha
	DURIAN PLANTED FROM 2024	11.73 ha	799.03 million VND	68.12 million VND/ha

#### INVESTMENT IN FORESTRY (FSC)

FSC-CERTIFIED FOREST	Project	Investment Cost
	<b>1,443.85</b> million VND	
	MAINTENANCE OF PREVIOUSLY INVESTED FOREST AREA	85.27 million VND
	EXPANSION OF NEW PLANTING AREA AT PHU XUAN AND 19/8 FARM BRANCHES	358.58 million VND
	NEW PLANTING AT OTHER RUBBER FARM BRANCHES WITH AN AREA OF 900 HA	1,000 million VND

#### INVESTMENT AT CU MGAR FARM BRANCH

CU MGAR FARM	Project	Area	Investment Cost	Proportion
		NEW COFFEE PLANTED INTERCROPPED IN RUBBER	244.19 ha	27,709.47 million VND
	REPLANTED RUBBER	781.61 ha	38,308.90 million VND	49.01 million VND/ha

#### INVESTMENT IN OTHER PLANTATION

INVESTMENT IN OTHER PLANTATION 57,225.72 MILLION VND	Project	Area	Investment Cost	Proportion
	REPAIRS AND MAINTENANCE		CAPITAL CONSTRUCTION	
<b>29,407.36</b> million VND		<b>27,818.36</b> million VND		
	THREAD BRANCH	2,501.38 million VND	LATEX PROCESSING PLANT RENOVATION	2,539.82 million VND
	LATEX PROCESSING BRANCH	5,306.59 million VND	HOTEL BRANCH UPGRADE	6,608.20 million VND
	COFFEE PROJECT AT CU MGAR FARM	5,000.00 million VND	THREAD BRANCH INVESTMENT	2,280.28 million VND
	CU BAO FARM	2,695.46 million VND	COFFEE PROJECT AT CU MGAR FARM	5,000.00 million VND
	-	-	CU BAO FARM	2,695.46 million VND
	Repairs to internal farm roads and other essential assets	Remainder	Allocation to other branches and company offices	Remainder



## FUTURE DEVELOPMENT PLAN

### INVESTMENT PLAN

In 2025, the Company will implement investments in various projects. Details are as follows:

No.	Indicator	Unit	Actual 2024	Plan 2025
<b>A</b>	<b>Harvested area</b>	<b>Ha</b>	<b>6,731</b>	<b>7,460</b>
1	Immature rubber area	Ha	3,669	3,324.7
2	Newly planted rubber area	Ha	28	781.61
3	Harvested rubber area	Ha	3,033	3,406
3.1	+ Harvested rubber area	Ha	2,812	3,033
3.2	+ Newly opened tapped area	Ha	221	373
3.3	+ Cleared rubber area	Ha		
3	Average yield	Ton/Ha		
<b>B</b>	<b>Production indicators</b>	<b>Ton</b>		<b>7,889</b>
1	Raw rubber inventory	Ton	168.4	213
2	Self-harvested rubber	Ton	6,939	5,532
3	Rubber purchased from associated households	Ton	137.6	95
4	Rubber recovered from investment	Ton	40	50
5	Volume of purchased latex	Ton	2,000	2,000
6	Total latex production	Ton		
6.1	+ Processing volume	Ton	8,293	7,627
6.2	+ Consumption volume	Ton	7,910	7,627
6.2.1	+ Export volume	Ton	2,560	3,051
6.2.2	+ Domestic volume	Ton	5,349	4,576
7	Production of rubber thread	Ton	1,591	2,500
7.1	+ Export volume	Ton	156.5	745
7.2	+ Domestic volume	Ton	1,434	1,855
8	Production of fruit	Ton	2,724	2,109
8.1	+ Volume of fresh bananas	Ton	2,304	1,600.0
8.2	+ Volume of durian	Ton	228	284.1
8.3	+ Volume of pineapple	Ton	193.12	168.81

### INVESTMENT PLAN

No.	Indicator	Unit	Actual 2024	Plan 2025
8.4	+ Volume of areca nuts	Ton		55.74
<b>C</b>	<b>Business performance indicators</b>			
1	Total revenue	Billion VND	641,171	697,545
1.1	+ Revenue from latex sales	Billion VND	347,556	320,394
1.2	+ Revenue from thread and acid sales	Billion VND	107,984	158,302
1.3	+ Revenue from hotel services	Billion VND	22,045	23,711
1.4	+ Revenue from fruit sales	Billion VND	40,335	33,588
1.5	+ Remaining revenue from intercropping contracts and financial activities + other income	Billion VND	123,251	161,548
2	Profit before tax indicators	Billion VND	50,296	80,227
3	Profit after tax indicators	Billion VND	50,512	74,890
4	Average income	million VND/person/month	8,039,000	8,410,000

Section C. 2025 Business Performance Targets  
(taken from Official Letter No. 10/CT-NDDV dated March 17, 2024,  
and Official Letter No. 09/CT-NDDV dated March 17, 2025)



## EXPLANATION OF THE BOARD OF MANAGEMENT ON AUDITING OPINIONS

According to the 2024 consolidated audited financial statements and the 2024 separate audited financial statements, the auditing firm Chuẩn Việt Auditing and Consulting Company Limited in Da Nang (VietValues) issued an unqualified opinion on the Company's reports. Therefore, the Board of Management has no further explanation. The Board of Management affirms that it has fully complied with the principles and regulations in preparing the financial statements, ensuring transparency and accuracy in accordance with current regulations.





# ASSESSMENT REPORTS ON THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

## ASSESSMENT OF ENVIRONMENTAL INDICATORS

In 2024, Dak Lak Rubber Joint Stock Company (Dakruco) continued to effectively manage the consumption and treatment of environmental indicators such as electricity and water, ensuring that production and business activities proceeded according to plan. The Company deeply recognizes the importance of using energy and water sparingly, considering this a guiding principle in all activities. To promote a spirit of environmental protection, Dakruco has issued policies encouraging staff and workers to strictly comply with environmental protection regulations.

## ASSESSMENT OF LABOR-RELATED ISSUES

Dakruco continuously strives to improve the quality of life for its staff and workers through updating and improving policies on salaries, bonuses, insurance, and benefits, ensuring stability and fairness. The company prioritizes professional development and training, providing opportunities and resources for employees to enhance their skills and knowledge. A comfortable and positive working environment is always emphasized, along with regular evaluations of management and leadership quality to ensure maximum support from the management team.

## ASSESSMENT OF CORPORATE RESPONSIBILITY TO THE LOCAL COMMUNITY

In addition to production and business activities, Dakruco pays special attention to social work, supporting the community in Dak Lak province. The company not only implements environmental protection policies but also creates employment opportunities for local people, establishing close cooperative relationships with other businesses to enhance competitiveness and promote local economic development. Dakruco also develops measures to strengthen sustainability through emergency response and recovery activities after natural disasters and floods, contributing to the overall prosperity of the community.

In particular, on October 22, 2024, Dakruco was granted FSC (Forest Stewardship Council) certification for sustainable forest management, becoming the first enterprise in Dak Lak and the fourth in the country to achieve this certification for rubber plantations, and also the first unit to be granted certification for latex products. This not only affirms the Company's commitment to sustainable development but also opens up export opportunities to markets with high environmental standards, such as Europe.

# DAKRUCO CREATE THE BEST VALUES

## 2024





**04**

## **ASSESSMENT OF THE BOARD OF DIRECTORS**

- 01. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S BUSINESS PERFORMANCE**
- 02. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BOARD OF MANAGEMENT'S PERFORMANCE**
- 03. PLAN AND DIRECTION OF THE BOARD OF DIRECTORS**



## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S BUSINESS PERFORMANCE

### GENERAL SITUATION

In 2024, the Vietnamese rubber industry continued to face many fluctuations from the international market, significantly affecting the production and business activities of enterprises in the industry, including DRG. According to data from the General Department of Customs, Vietnam's rubber exports reached approximately 2 million tons, down 6.2% compared to the previous year, due to declining consumption demand from major markets such as China and Europe. Rubber prices were under pressure from oversupply, while the slowdown of the Chinese economy – Vietnam's largest rubber import market – continued to create challenges for businesses in the industry. However, a notable bright spot was the strong growth of rubber exports to Malaysia, with output reaching 38,442 tons, equivalent to USD 56.16 million, an increase of 433.5% in volume and 515.7% in value compared to the previous year. This opened up important opportunities for DRG to diversify its markets, reduce reliance on China, and seek potential partners to promote sustainable growth.

### ASSESSMENT OF ORGANIZATION AND MANAGEMENT

In 2024, the Company continued to maintain transparent and effective corporate governance through the successful organization of the Annual General Meeting of Shareholders and Board of Directors meetings in accordance with the law and the Company's Charter. Meeting invitations and related documents were carefully prepared and sent in full to members of the Board of Directors (BOD) and the Board of Supervisors to ensure that all decisions were thoroughly considered, reflecting consensus and consistency in management strategy. Important resolutions were issued based on comprehensive assessments, ensuring strict compliance with legal regulations, the Company's Charter, and internal corporate governance regulations. All decisions were fully recorded in minutes, with signatures of confirmation from the Chair, Secretary, and attendees, and sent to members according to established procedures.

In addition to pressure from consumer markets, crude oil prices and global geopolitical factors continued to impact production, transportation, and export costs, requiring DRG to implement cost optimization measures, improve operational efficiency, and expand its distribution system. Faced with this challenging context, the Company took strategic steps to enhance its competitiveness, particularly by promoting international certifications such as FSC-FM/CoC, affirming its commitment to sustainable development and expanding export opportunities to markets with high environmental responsibility requirements. Overall, although 2024 presented many difficulties, DRG maintained a flexible development orientation, capitalized on opportunities from potential markets, and continuously improved production efficiency, laying the groundwork for growth in the next phase.

Beyond its focus on production and business, DRG also demonstrated a deep commitment to social responsibility through its participation and contributions to community support and local development programs. The company continuously strives to improve the quality of life for its employees, partnering with local authorities in welfare activities, building an image of a company that not only achieves sustainable growth but also develops in harmony with the community. This dedication to governance and commitment to the community are key factors that help DRG solidify its position and continue to grow strongly in the future.



## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BOARD OF MANAGEMENT'S PERFORMANCE

In 2024, the Company's Board of Directors (BOD) closely supervised the activities of the General Director and the Board of Management in organizing production and business operations and implementing resolutions of the General Meeting of Shareholders (GMS) and the BOD, in accordance with the Company's Charter and internal governance regulations. The BOD focused on directing the implementation of the 2024 production, business, and investment plan, with a particular emphasis on high-tech agriculture, seeking solutions for selling liquidated rubber trees; divesting DRI, and implementing measures to address the Company's financial difficulties.

According to the BOD's assessment, the activities of the General Director and the Board of Management in 2024 were timely, consistent with the resolutions of the GMS and the BOD, aligned with actual market conditions, and compliant with legal regulations. The Company ensured employment and income for employees, even in the context of rising inflation and increased production costs, raw materials, and input supplies. The Board of Management flexibly cut unnecessary investments to focus resources on production and promptly reported and sought BOD approval for issues within its authority.

In terms of financial management, the Company complied with legal regulations, balanced capital sources for investment and production, and avoided liquidity issues. Quarterly and semi-annual financial reports were prepared on schedule, accurately reflecting the financial situation according to accounting standards, and were disclosed in a timely manner. The Company also fully complied with disclosure requirements, providing complete and accurate information to the Board of Management and the Board of Supervisors.

The Company successfully organized the Annual General Meeting of Shareholders on June 28, 2024. At each BOD meeting, the BOD assessed the Board of Management's implementation of each item in the issued resolutions, providing guidance for the next phase. BOD members, especially the Chairman, regularly visited facilities and attended Board of Management meetings to inspect and supervise production and business activities, providing timely direction.





Entering 2025, the Vietnamese and global economies still face many challenges: complex geopolitical developments; President Donald Trump's tariffs on various goods from many countries and economies, triggering a potential trade war. These situations significantly affect global economic recovery, especially global supply chains; inflation may return; climate change is becoming increasingly severe and unpredictable; plant diseases will become more complex... The Vietnamese economy is considered a bright spot in the region and the world, with major initiatives being implemented, such as streamlining the bureaucracy and administrative apparatus; promoting science and technology development, innovation, and digital transformation; and increased public investment in economic and social infrastructure..., with a growth target of 8% in 2025, but will also be affected by global conditions, nature, and climate. All these issues will undoubtedly continue to affect the Company's production and business operations.

Dakruco still faces difficulties, especially the impact of the global economic situation and unpredictable weather patterns. However, in the early months of 2025, rubber prices remain relatively good, the stock market is active, DRI share prices are rising, and Dakruco has successfully divested two tranches from mid-2024 to early 2025, raising nearly VND 240 billion from over 15 million shares; combined with a long-term loan of VND 300 billion from Vietinbank, providing cash flow to pay off short-term loans, payments to the state budget; and dividend payments up to December 31, 2023, according to the resolution of the 2024 Annual General Meeting of Shareholders... and has restructured its debt, improving the Company's financial health. These are positive signs indicating Dakruco's recovery and growth in 2025.



## BOARD OF DIRECTORS' PLANS AND DIRECTIONS

### BOARD OF DIRECTORS' GUIDANCE FOR 2025

Regularly review and submit amendments to the Charter to the General Meeting of Shareholders; issue regulations and procedures related to the Company's organization and operations; personnel management and the Company's production and business activities; ensure a sufficient legal framework for the entire Company system to operate effectively and efficiently. Continue to guide and direct the restructuring of units; consolidate the Company's organization and personnel to ensure effective and efficient operations; develop a talent pipeline, train, and develop management personnel levels.



Seek effective solutions in production and business organization; continue to ensure the Company's financial health, striving to achieve the targets approved by the 2025 Annual General Meeting of Shareholders. Strengthen marketing and market development for all key products, especially fruit, thread, and FSC-certified rubber. The company will finalize product traceability software to meet EUDR standards for the European market. At the same time, plantations will be closely managed to increase harvesting output and ensure raw material quality from plantation to processing plant, optimizing the use of fuel and electricity to save costs. Maintain existing quality certifications and implement employee incentive policies to increase productivity. Continue to maintain and effectively implement the ISO quality and environmental management systems; Vietnamese Rubber Brand certification; FSC-FM/CoC sustainable forest management certification; finalize documentation to comply with the European Union's anti-deforestation regulations (EUDR); and explore the development and implementation of carbon credit schemes.

In the investment area, the Board of Directors will focus on maintaining existing immature plantations; plan to invest in upgrading the thread processing plant and improving hotel service quality; linked to effective production and business plans. Focus on replanting 781.61 ha of rubber and intercropping 244.19 ha of coffee at the Cu M'gar Farm branch; replace jackfruit orchards with durian orchards at the Cu Bao Farm branch. Continue to finalize legal documents according to investment certification procedures at the Cu Bao Farm to complete infrastructure investment according to the plan; focus on maintaining the health of fruit orchards, especially durian trees, to achieve optimal yields.





## BOARD OF DIRECTORS' PLANS AND DIRECTIONS

### BOARD OF DIRECTORS' GUIDANCE FOR 2025

#### Financial solutions:

Successfully divest shares in DRI; continue to disburse the Vietinbank loan to finance rubber replanting, thereby restructuring debt and improving financial health to access loans from commercial banks such as BIDV; Agribank for the rubber replanting with intercropped coffee project at Cu M'gar; and the project to replace inefficient jackfruit orchards with durian.

Implement adjustments to the investment capital structure at Dakmoruco and transfer loan funds from the commercial bank in Cambodia to the parent company upon completion of procedures. Transfer Dakmoruco's profits up to December 31, 2024, to the parent company. At the same time, propose the sale of shares in Thai Duong Rubber Joint Stock Company.

Fully settle outstanding payments to the state budget after equitization; taxes; social insurance; and employee debts.

Request the capital representative to recommend that the Provincial People's Committee consider and approve the transfer of all Dakruco's shares in Thai Duong Rubber Joint Stock Company in 2025 to reduce the risk of capital loss and increase cash flow for financial restructuring. At the same time, reassess the proposal to sell assets at the Dakruco Hotel and the Company's office building to explore solutions to retain and invest in these assets.

Direct production and business activities at branches, subsidiaries, and affiliates to achieve the highest possible efficiency. Seek approval from the Provincial People's Committee and implement the divestment of all Dakruco's capital in Thai Duong Rubber Joint Stock Company. Direct the dissolution/bankruptcy of the Wood Processing Joint Stock Company, or sell all of Dakruco's shares in this company.

Direct the implementation of the Company's strategic programs: Develop and implement the Company Consolidation and Development Plan for 2025 - 2030, including the restructuring of the Company's production and business; and the Sustainable Rubber Development Program for 2025 - 2030. Continue to implement the digital transformation plan.



**05**

## **CORPORATE GOVERNANCE**

- 01. BOARD OF DIRECTORS**
- 02. BOARD OF SUPERVISORS**
- 03. TRANSACTIONS, REMUNERATIONS, BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT, AND THE BOARD OF SUPERVISORS**



## BOARD OF DIRECTORS

### BOARD MEMBERS AND STRUCTURE

As of December 31, 2024

No.	Member	Position	Date of Appointment/ Dismissal		Number of Shares Owned	Rate
			Date of Appointment	Date of Dismissal		
1	Nguyen Viet Tuong	Chairman of the Board of Directors - Legal Representative	29/09/2018		Personal: 5,000 Representation: 92,492,760	0.003% 59.36%
2	Bui Quang Ninh	Executive Board Member (Legal Representative), General Director	29/09/2018	28/06/2024	6,600	0.0041%
3	Nguyen Minh	Executive Board Member - General Director	24/11/2023		Personal: 2,000 Representation: 61,659,408	0.0012% 39.58%
4	Nguyen Do	Executive Board Member - Deputy General Director	29/09/2018		4,700	0.0029%
5	Nguyen Giang	Tran Executive Board Member - Chief Accountant	06/05/2019		-	-
6	Nguyen Van Cuc	Non-executive Board Member, Head of Human Resources - Legal Department	29/09/2018		3,500	0.002%
7	Ta Quang Tong	Non-executive Board Member	20/06/2023		-	-
8	Nguyen Van Thong	Non-executive Board Member	28/06/2024		-	-



**Year of Birth** 1965  
**Nationality** Vietnam  
**Professional Qualifications** Master of Forestry, Bachelor of English, Bachelor of Industrial Economics, Bachelor of Political Theory  
**Current Position** Chairman of the Board of Directors  
**Positions at Other Organizations**

- Chairman, Dak Lak Rubber Investment Joint Stock Company
- Chairman, Dak Lak Rubber Company Limited in Laos (Daklaoruco)
- Chairman, Dak Lak - Mondolkiri Rubber Development Company Limited (Cambodia)

**Awards**

- Dak Lak Provincial People's Committee Certificates of Merit (1988, 1999, 2001, 2003, 2004, 2005, 2007, 2010, 2011)
- Provincial Party Committee Standing Committee Certificates of Merit (2008, 2012, 2017)
- Ministry of Planning and Investment Certificate of Merit (2007)
- Provincial Labor Federation Certificate of Merit (2020)
- Vietnam General Confederation of Labor Certificate of Merit (2021)

### BOARD OF DIRECTORS PROFILES



**MR. NGUYEN VIET TUONG**  
**CHAIRMAN OF THE BOARD OF DIRECTORS**

#### Work Experience

1983 – 1987 Student, Tay Nguyen University  
 1988 - 1996 Technical Officer, Deputy Head of Department, Deputy Director of Nam Nung Forestry Enterprise, Krong No District, Dak Lak (now Dak Nong)  
 1996 – 2001 Specialist, Deputy Head of Office, Chief of Office, Dak Lak Provincial Party Committee Organization Board  
 2002 – 2004 Secretary to the Provincial Party Committee Secretary, Dak Lak Provincial Party Committee Office  
 2004 – 2005 Deputy Head of Office & Secretary to the Provincial Party Committee Secretary, Dak Lak Provincial Party Committee Office  
 2006 – 2007 Provincial Party Committee Member, Deputy Director of Dak Lak Provincial Department of Planning and Investment  
 2007 – 2010 Provincial Party Committee Member, Secretary of the Cu Kuin District Party Committee, Dak Lak Province  
 2010 – 2012 Provincial Party Committee Member, Director of Dak Lak Provincial Department of Planning and Investment  
 2012 – 2015 Member of the Provincial Party Committee Standing Committee, Secretary of the Buon Ma Thuot City Party Committee, Dak Lak Province  
 2015 – 2018 Deputy Secretary of the Party Committee, Chairman of Dak Lak Rubber Company Limited  
 10/2018 – Present Deputy Secretary of the Party Committee, Secretary of the Party Committee (6/2020), Chairman of the Board of Directors of the Company

<b>Number of Shares Owned</b>	<b>92,497,60</b>	<b>Ownership Ratio</b>	<b>59.363%</b>
Personal Ownership	5,000	Ownership Ratio	0.003%
Ownership Representation	92,492,760	Ownership Ratio	59.36%
Related Party Ownership	-	Ownership Ratio	-

**BOARD OF DIRECTORS PROFILES**


<b>Year of Birth</b>	1955
<b>Nationality</b>	Vietnam
<b>Professional Qualifications</b>	Master of Law
<b>Current Position</b>	<b>Board of Directors Member</b>
<b>Positions at Other Organizations</b>	<ul style="list-style-type: none"> <li>Chairman, Dak Lak Lawyers Association</li> <li>Head, THT Law Firm, Dak Lak Lawyers Association</li> </ul>
<b>Awards</b>	<ul style="list-style-type: none"> <li>Certificate of Merit from the Irrigation Company</li> <li>Medal for the Cause of Agriculture and Rural Development</li> <li>Medal for the Development of the Vietnam Lawyers</li> <li>Medal from the Vietnam Lawyers Association</li> <li>Certificate of Merit from the Vietnam Lawyers Federation (2008 – 2013 term; 2014 – 2019 term, and 2010, 2012, 2014, 2017, 2020, 2021, 2022)</li> </ul>

**MR. TA QUANG TONG**  
**BOARD OF DIRECTORS MEMBER**
**Work Experience**

1696 – 1972	Secondary School Student, Nha Trang City, Khanh Hoa Province
1972 – 1973	Law Student, Hue University
1973 – 1975	Law Student, Saigon University
1975 – 1976	Farmer, Hoa Thuan Commune, Buon Ma Thuot City, Dak Lak Province
1976 – 1985	Employee, Dak Lak Irrigation Construction Company
1985 – 1992	Head of Planning Department, Dak Lak Irrigation Materials Enterprise
1992 – 1995	Head of Material Production Station, Dak Lak Irrigation Construction Company; Law Student (part-time), Dak Lak
1995 – 2006	Deputy Head of General Administration, Dak Lak Irrigation Works Exploitation Company; Retired in 2006
1996 – 2005	Lawyer, Dak Lak Lawyers Association
2005 – 2019	Deputy Chairman, Dak Lak Lawyers Association
2019 – Present	Chairman, Dak Lak Lawyers Association
2019 – Present	Secretary of the Party Branch, Dak Lak Lawyers Association

<b>Number of Shares Owned</b>	<b>- Ownership Ratio</b>	<b>-</b>
Personal Ownership	- Ownership Ratio	-
Ownership Representation	- Ownership Ratio	-
Related Party Ownership	- Ownership Ratio	-

**BOARD OF DIRECTORS PROFILES**

<b>Year of Birth</b>	1969
<b>Nationality</b>	Vietnam
<b>Professional Qualifications</b>	Bachelor of Law, Senior Political Theory
<b>Current Position</b>	<b>Board Member; Head of Human Resources - Legal Department</b>
<b>Positions at Other Organizations</b>	None
<b>Awards</b>	<ul style="list-style-type: none"> <li>Vietnam General Confederation of Labor Certificate of Merit</li> <li>Provincial People's Committee Certificate of Merit</li> <li>Ministry of Agriculture and Rural Development Certificate of Merit</li> <li>Prime Minister's Certificate of Merit</li> </ul>


**MR. NGUYEN VAN CUC**  
**BOARD MEMBER; HEAD OF HUMAN RESOURCES - LEGAL DEPARTMENT**
**Work Experience**

1986 – 1990	Student, University
01/1991 – 3/1993	Staff, Organization - Inspection Department, Dak Lak Rubber Enterprises Union
3/1993 – 12/2003	Staff, Inspection - Security Department, Dak Lak Rubber Company
01/2004 – 6/2007	Deputy Head, Inspection - Security Department, Dak Lak Rubber Company
7/2007 – 12/2010	Head, Inspection - Security Department, Dak Lak Rubber Company
01/2011 – 9/2018	Head, Human Resources - Legal Department, Dak Lak Rubber Company Limited
10/2018 – Present	Board Member, Head of Human Resources - Legal Department, Dak Lak Rubber Joint Stock Company

<b>Number of Shares Owned</b>	<b>3,500</b>	<b>Ownership Ratio</b>	<b>0.002%</b>
Personal Ownership	3,500	Ownership Ratio	0.002%
Ownership Representation	-	Ownership Ratio	-
Related Party Ownership	-	Ownership Ratio	-

*For detailed background information on other BOD members, please refer to Part II - Board of Management Information*



## BOARD OF DIRECTORS

### COMMITTEES OF THE BOARD OF DIRECTORS

None

### ACTIVITIES OF THE BOARD OF DIRECTORS

#### ASSESSMENT OF THE BOARD OF DIRECTORS' ACTIVITIES IN THE YEAR

The Board of Directors effectively supervised the management activities of the Board of Management in 2024 by adhering to the Law on Enterprises and the Company's Charter. The BOD conducted inspections and oversight of the General Director and management personnel in the performance of tasks related to production, business operations, and the implementation of resolutions from the General Meeting of Shareholders and the BOD. The Board of Management steadfastly adhered to the Company's business plan, ensuring the full implementation of set objectives and maintaining an effective control system that met the operational requirements of the enterprise.

#### MEETINGS OF THE BOARD OF DIRECTORS

No.	Board Member	Meetings Attended	Attendance Rate	Reason for Absence
1	Nguyen Viet Tuong	06	100%	
2	Bui Quang Ninh	06	100%	
3	Nguyen Minh	06	100%	
4	Nguyen Do	06	100%	
5	Nguyen Van Cuc	05	66.6%	Business trip outside the province
6	Nguyen Tran Giang	06	84%	
7	Ta Quang Tong	06	100%	
8	Nguyen Van Thong	03	100%	Appointed on June 28, 2024

#### ACTIVITIES OF INDEPENDENT BOARD MEMBERS

None





## BOARD OF DIRECTORS

### RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS FOR 2024

No.	Resolutions/Decisions	Date	Content	Approval Rate
1	01/NQ-HDQT	04/01	Approved the 2024 annual procurement policy; consultancy contracts for durian orchard care; procurement before budget approval (by written consultation).	100%
2	02/NQ-HDQT	11/01	Approved the 2024 business and investment plans for Dakmoruco and Daknoruco JSC (by written consultation).	100%
3	03/NQ-HDQT	26/01	Approved amendments to Dakruco's organizational regulations; loans from Vietinbank; consulting for high-tech agricultural projects (by written consultation).	100%
4	04/NQ-HDQT	14/3	Results of the 1st BOD meeting in 2024: Evaluation of Q4 performance; workplace democracy regulations; handling losses at CuBao farm; other matters.	100%
5	05/NQ-HDQT	08/4	Approved Dakruco representatives' agenda at Dakrutech BOD and GMS meetings (by written consultation).	100%
6	06/NQ-HDQT	24/4	Results of the 2nd BOD meeting: Personnel matters for Dakruco management; preparations for the 2024 Annual GMS.	100%
7	07/NQ-HDQT	10/5	Agreements with the Board of Management on personnel at Cuor Dang farm and Rubber Processing Plant (by written consultation).	100%
8	08/NQ-HDQT	22/5	Approved leadership reorganization and divestment of 30.6% charter capital at DRI (by written consultation).	100%
9	09/NQ-HDQT	31/5	Results of the 3rd BOD meeting: Reviewed 2024 financial statements, production plans, dividend distribution, and other key matters.	100%
10	10/NQ-HDQT	19/6	Approved procurement regulations, performance evaluations, and other GMS preparations for 2024.	100%
11	11/NQ-HDQT	01/7	Decisions on durian plantation care, profit transfers, and auditor selection for 2024 financial reports (by written consultation).	100%
12	12/NQ-HDQT	10/7	Agreements with the Board of Management on Dakruco hotel management; continuing leadership roles at DRI (by written consultation).	100%
13	13/NQ-HDQT	22/7	Results of the 4th BOD meeting: Evaluated mid-year performance, plantation adjustments, and production incentives.	100%
14	14/NQ-HDQT	15/8	Results of the 5th BOD meeting: Leadership restructuring, dismissal, and appointment of key executives for the 2023-2028 term.	100%
15	15/NQ-HDQT	26/8	Approved loan repayment extension proposals for DRI (by written consultation).	100%

No.	Resolutions/Decisions	Date	Content	Approval Rate
16	16/NQ-HDQT	12/9	Agreements on personnel matters at Rubber Thread Processing Plant and Export-Import Department (by written consultation).	100%
17	17/NQ-HDQT	23/9	Approved 2024 loan plans with Vietcombank and Agribank (by written consultation).	100%
18	18/NQ-HDQT	03/10	Approved durian plantation contracts and banking arrangements for Dakmoruco (by written consultation).	100%
19	19/NQ-HDQT	11/10	Results of the 6th BOD meeting: Evaluated Q3 performance, profit distribution, and Dakruco hotel divestment plans.	100%
20	20/NQ-HDQT	31/10	Adjusted remuneration policies; approved medium-term loans for DRI totaling VND 40 billion (by written consultation).	100%
21	21/NQ-HDQT	29/11	Approved investment in rubber-cafe intercropping projects and pre-funding for 2025 operational plans (by written consultation).	100%
22	22/NQ-HDQT	12/12	Approved personnel changes at CuBao farm and continued DRI divestment (by written consultation).	100%
23	23/NQ-HDQT	27/12	Approved 2025 production and trade plans, procurement strategies, and other significant matters (by written consultation).	100%
24	24/NQ-HDQT	31/12	Approved appointments for Deputy General Director and Chief Accountant positions (by written consultation).	100%

### TRAINING COURSES ON CORPORATE GOVERNANCE

Corporate governance training courses attended by members of the Board of Directors (BOD), the Board of Supervisors, the General Director, other management personnel, and the Company Secretary in compliance with corporate governance regulations: In 2024, the Person in charge of corporate governance attended a training course on Information Disclosure and Corporate Governance in the Securities Market organized by the Hanoi Stock Exchange in Ho Chi Minh City. The Company also organized training sessions to enhance knowledge on sustainable development, compliance with EUDR regulations, and the use of management software in digital transformation.



**BOARD OF SUPERVISORS**

**MEMBERS OF THE BOARD OF SUPERVISORS**

*As of December 31, 2024*

No.	Member	Position	Number of Shares Owned	Rate
1	Nguyen Thac Hoanh	Head of the BoS	-	-
2	Phan Thanh Tan	Member	-	-
3	Nguyen Thi Mai Quyen	Member	2,200	0.0014%

**BOARD OF SUPERVISORS PROFILES**

**Year of Birth** 1966  
**Nationality** Vietnam  
**Professional Qualifications** Bachelor of Finance - Accounting, Major in Industrial Accounting; Senior Political Theory  
**Current Position** **Head of Board of Supervisors**  
**Positions at Other Organizations**

- Head of the Board of Supervisors, Dak Lak Rubber Investment Joint Stock Company
- Head of the Board of Supervisors, Rubber Technical Joint Stock Company
- Head of the Board of Supervisors, Daknoruco Rubber Joint Stock Company

**Awards**

- Dak Lak Provincial People's Committee Certificate of Merit (2010)
- Company-Level Emulation Soldier (2015 - 2020)



**MR. NGUYEN THAC HOANH**  
**HEAD OF THE BOARD OF SUPERVISORS**

**Work Experience**

1991 – 1993 General Accountant, 1/5 Rubber Farm  
 1993 – 1999 Deputy Head of Accounting Department, 1/5 Rubber Farm  
 2000 – 2002 Chief Accountant, 1/5 Rubber Farm  
 2003 – 2003 Chief Accountant, Cu M'gar Rubber Farm  
 2003 – 2010 Chief Accountant, Phu Xuan Rubber Farm  
 2011 – 2011 Chief Accountant, Ban Don Ecotourism and Spa Branch  
 2011 – 2012 Head of Payroll Department, Dak Lak Rubber Company Limited  
 2012 – 2018 Internal Auditor & Head of the Board of Supervisors, Dak Lak Rubber Company Limited  
 10/2018 – nay Head of the Board of Supervisors, Dak Lak Rubber Joint Stock Company

Number of Shares Owned	Ownership Ratio
Personal Ownership	- Ownership Ratio
Ownership Representation	- Ownership Ratio
Related Party Ownership	- Ownership Ratio



## BOARD OF SUPERVISORS PROFILES



<b>Year of Birth</b>	1971
<b>Nationality</b>	Vietnam
<b>Professional Qualifications</b>	Bachelor of Finance - Accounting
<b>Current Position</b>	<b>Member of the Board of Supervisors</b>
<b>Positions at Other Organizations</b>	<ul style="list-style-type: none"> <li>Member of BOS, Dak Lak Rubber Investment Joint Stock Company</li> <li>Member of BOS, Daknoruco Rubber Joint Stock Company</li> <li>Member of BOS, Rubber Technical Joint Stock Company (Dakrutech)</li> </ul>

**MR. PHAN THANH TAN****MEMBER OF THE BOARD OF SUPERVISORS****Work Experience**

1993 – 2006	General Accountant, Dak Lak Rubber Company Office
2007	Chief Accountant, Ban Don Ecotourism Area Branch, Dak Lak Rubber Company
2008	Chief Accountant, Rubber Investment & Development Center, Dak Lak Rubber Company
2009 – 2011	General Accountant, Dak Lak Rubber Company Office
2012 – 2017	Internal Auditor, Dak Lak Rubber Company Limited
2018 – 2023	Member of the Board of Supervisors, Dak Lak Rubber Joint Stock Company

<b>Number of Shares Owned</b>	<b>-</b>	<b>Ownership Ratio</b>	<b>-</b>
Personal Ownership	-	Ownership Ratio	-
Ownership Representation	-	Ownership Ratio	-
Related Party Ownership	-	Ownership Ratio	-

## BOARD OF SUPERVISORS PROFILES



<b>Year of Birth</b>	1970
<b>Nationality</b>	Vietnam
<b>Professional Qualifications</b>	Master of Agronomy
<b>Current Position</b>	<b>Member of BOS, Head of Quality Management Department</b>
<b>Positions at Other Organizations</b>	None
<b>Awards</b>	<ul style="list-style-type: none"> <li>Provincial People's Committee Certificate of Merit (2014, 2017)</li> </ul>

**MS. NGUYEN THI MAI QUYEN****MEMBER OF BOS, HEAD OF QUALITY MANAGEMENT DEPARTMENT****Work Experience**

1989 – 1994	Student, Tay Nguyen University
1994 – 1997	Statistical Assistant, Technical Officer, K'Dang Rubber Farm, Mang Yang Rubber Company, Gia Lai
1997 – 1998	Technical Officer, Rubber Technical Science and Service Center, Dak Lak Rubber Company
1998 – 2008	Technical Officer, ISO Secretary, Deputy Head of Technical Department, Rubber Processing and Service Enterprise, Dak Lak Rubber Company
2008 – 2010	ISO Secretary, Dak Lak Rubber Company
2010 – 2014	ISO Secretary, Dak Lak Rubber Company Limited
2014 – 2015	Deputy Head of Administration Department, ISO Secretary, Dak Lak Rubber Company Limited
2015 – 2018	Deputy Head of Technical Department, ISO Secretary, Dak Lak Rubber Company Limited
2018 – 2020	Deputy Head of Technical Department, ISO Secretary, Dak Lak Rubber Joint Stock Company
2020 – 2022	Deputy Head of Technical Department, ISO Secretary, Head of Quality Management Department, Dak Lak Rubber Joint Stock Company
01/2022 – nay	Head of Quality Management Department, Member of the Board of Supervisors, Dak Lak Rubber Joint Stock Company

<b>Number of Shares Owned</b>	<b>2,200</b>	<b>Ownership Ratio</b>	<b>0.0014%</b>
Personal Ownership	2,200	Ownership Ratio	0.0014%
Ownership Representation	-	Ownership Ratio	-
Related Party Ownership	-	Ownership Ratio	-



## BOARD OF SUPERVISORS

### ACTIVITIES OF THE BOARD OF SUPERVISORS

During the year, the Board of Supervisors held 04 meetings to gather opinions as follows:

No.	BOS Member	Meetings Attended	Attendance Rate	Reason for Absence
1	Nguyen Thac Hoanh	02	100%	-
2	Phan Thanh Tan	02	100%	-
3	Nguyen Thi Mai Quyen	02	100%	-

### SUPERVISING BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND SHAREHOLDERS BY BOARD OF SUPERVISORS

- The members of the Board of Supervisors (BoS) attended all meetings of the Board of Directors (BOD) and the Board of Management. They promptly accessed information and documents related to the activities of the BOD. In 2024, the BOD conducted senior personnel changes, and the management team quickly adapted and performed effectively. The BOD convened meetings to provide timely directives and make decisions on all matters under its authority to support management, business operations, and divestment activities as proposed by the Board of Management. Led by the Chairman, the BOD regularly monitored and guided the Board of Management to successfully meet the business and production targets set by the General Meeting of Shareholders (GMS) for 2024. The BOD also instructed the Board of Management to review and update all regulations to align with changes in the legal framework.
- The BoS regularly supervised the coordination activities of the Company's management bodies and observed harmonious collaboration between the BOD and the Board of Management. The Board of Management, led by the General Director, complied well with the directives of the BOD. All matters exceeding the authority defined in the Company's Charter were referred to the BOD for guidance and resolution. Internal solidarity was maintained, with all parties working together with determination to help the Company overcome current challenges.
- Regarding shareholders, the BoS did not receive any complaints or petitions related to shareholder rights over the past year. The BoS consistently operated with honesty, objectivity, and responsibility, prioritizing the interests of shareholders and the Company. Reports submitted to the annual GMS and the end-of-term meeting were highly appreciated by shareholders.

### THE COORDINATION AMONG THE BOARD OF SUPERVISORS, THE BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND OTHER MANAGERS

- The Board of Supervisors (BoS) acts both as a supervisory body and an advisory unit, maintaining effective coordination with the Board of Management and the Company's departments. The focus lies on ensuring compliance, feasibility, and efficiency in the development of plans and project orientations.
- The BoS conducts inspections and monitoring activities when irregularities are detected. Regular supervision is carried out in areas such as financial management, procurement, quality control, and environmental management.
- Reports are prepared on findings that do not comply with the Company's regulations, legal requirements, or issues that need to be rectified. Direct discussions and proposed solutions are made with relevant professionals regarding these findings during inspections.
- Throughout its activities, the BoS strictly adheres to legal and corporate charter provisions, avoiding any interference with management operations. It ensures confidentiality, honesty, and objectivity in its work. The BoS is consistently supported by the Board of Management, departments, and leaders across the Company, enabling it to fulfill its duties effectively.

### OTHER ACTIVITIES OF THE BOARD OF SUPERVISORS

None

### PLAN OF THE BOARD OF SUPERVISORS FOR 2025

- The Board of Supervisors will continue to oversee the activities of the Board of Directors, the Board of Management and Company departments and branches. The Board of Supervisors will ensure fairness and transparency in monitoring the Company's share trading on the UPCOM exchange.
- The Board of Supervisors will review the annual, semi-annual, and quarterly business performance reports and financial statements of the Company and submit review reports to the General Meeting of Shareholders at the annual meeting.
- The Board of Supervisors will monitor the implementation and enforcement of the Company's resolutions, decisions, regulations, and procedures issued by the General Meeting of Shareholders, the Board of Directors, and the Board of Management. The Board of Supervisors will focus on risk management.



### TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, MANAGEMENT, AND THE BOARD OF SUPERVISORS

### SALARIES, BONUSES, REMUNERATION, AND BENEFITS

As of December 31, 2024

Unit: VND

No.	Name	Position	Remuneration	Salary + Bonus	Note
<b>I BOARD OF DIRECTORS</b>					
1	Nguyen Viet Tuong	Chairman	-	432,000,000	
2	Bui Quang Ninh	Executive Member - General Director	-	208,918,000	Dismissed the General Director on June 28, 2024
3	Nguyen Do	Executive Member - Deputy General Director	-	321,527,000	
4	Nguyen Minh	Executive Member - General Director	-	379,964,000	Appointed the General Director on August 15, 2024
5	Nguyen Tran Giang	Executive Member - Chief Accountant	-	312,870,000	
6	Nguyen Van Cuc	Non-executive Board Member	65,904,000	-	
7	Ta Quang Tong	Non-executive Board Member	65,904,000	-	
8	Nguyen Van Thong	Non-executive Board Member	-	-	Appointed on June 28, 2024
<b>Total</b>			<b>131,808,000</b>	<b>1,655,279,000</b>	
<b>II BOARD OF SUPERVISORS</b>					
1	Nguyen Thac Hoanh	Head	-	324,000,000	
2	Phan Thanh Tan	Member	-	158,908,000	
3	Nguyen Thi Mai Quyen	Member	32,400,000	-	
<b>Total</b>			<b>32,400,000</b>	<b>482,908,000</b>	



## TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, MANAGEMENT, AND THE BOARD OF SUPERVISORS

### CONTRACTS OR TRANSACTIONS WITH INTERNAL PERSONS

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

No.	Name of Organization /Individual	Relationship with the Company	NSH No.* date of issue, place of issue	Address	Time of transactions with the Company	Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors	Content, quantity, total value of transaction	Note
1	Dak Lak Rubber Investment JSC (DRI)	Dakruco holds 66.6% of charter capital	6001271719 issued on 24/02/2012	59 Cao Thang, Tan An Ward, Buon Ma Thuot City, Dak Lak	June 2024	No. 02/NQ-HDQT dated 03/03/2022	Divestment of Dakruco at DRI: 22,399,200 shares	Sold 4,212,500 shares; remaining 60.84% ownership
					December 2024	No. 20/NQ-HDQT dated 31/10/2024	Borrowed VND 40 billion from DRI	Completed borrowing of VND 20 billion
2	Thai Duong Rubber JSC	Dakruco holds 10% of charter capital	0302883746, issued on 13/07/2006	Street No. 7, Tan Tao Industrial Zone, Binh Tan District, Ho Chi Minh City	June - December 2024	No. 09/NQ-HDQT dated 31/05/2024	Sold 105.84 kg of finished rubber latex for VND 5.888 billion	
3	Rubber Technical Joint Stock Company	Dakruco holds 28.79% of Dakructech's charter capital	6000944792, issued on 13/10/2009	Km 18, Doan Ket Hamlet, Ea D'Rông Commune, Cu M'gar District, Dak Lak Province	June - December 2024	No. 09/NQ-HDQT dated 31/05/2024	Ammonia 10%: 7,000 liters, VND 132 million Sold 309,387 kg of rubber latex, totaling VND 12.1 billion	

#### TRANSACTIONS OF INTERNAL PERSONS AND AFFILIATED PERSONS WITH SHARES OF THE COMPANY

None

### CONTRACTS OR TRANSACTIONS WITH INTERNAL PERSONS

#### TRANSACTION BETWEEN INTERNAL PERSONS OF THE COMPANY, AFFILIATED PERSONS OF INTERNAL PERSONS AND THE COMPANY'S SUBSIDIARIES IN WHICH THE COMPANY TAKES CONTROLLING POWER

None

#### TRANSACTIONS BETWEEN THE COMPANY AND OTHER OBJECTS

- Transactions between the Company and the company that its members of Board of Management, the Board of Supervisors, Director (General Director) have been founding members or members of Board of Directors, or CEOs in three (03) latest years (calculated at the time of reporting): None
- Transactions between the Company and the company that its affiliated persons with members of Board of Directors, Board of Supervisors, Director (General Director) and other managers as a member of Board of Directors, Director (General Director or CEO): None
- Other Transactions of the Company (if any) may bring material or non-material benefits for members of Board of Directors, members of the Board of Supervisors, Director (General Director) and other managers: None

### ASSESSMENT OF THE IMPLEMENTATION OF CORPORATE GOVERNANCE REGULATIONS

The Board of Directors, the Board of Supervisors, the Board of Management, employees, and the representatives of state capital at the Company always seriously and effectively implement legal policies, organize production and business activities in accordance with registered and permitted industries, and comply with the regulations and directives of competent authorities and provincial departments.





06

## FINANCIAL STATEMENTS

01. AUDITOR'S OPINION
02. AUDITED FINANCIAL STATEMENTS

No: 24/2025/BCKT/AUD-DNVVALUES

## INDEPENDENT AUDITOR'S REPORT

**Dear: THE SHAREHOLDERS, BOARD OF DIRECTORS AND EXECUTIVE BOARD  
DAK LAK RUBBER JOINT STOCK COMPANY**

We have audited the accompanying consolidated financial statements of Dak Lak Rubber Joint Stock Company and subsidiaries ( hereinafter referred to as "the Group"), prepared on March 27, 2025, from page 09 to page 56, which comprise: the consolidated balance sheet as at December 31, 2024, the consolidated Income Statement, the consolidated statement of cash flows and the notes to the consolidated financial statements for the fiscal year ended as of December 31, 2024.

### The Executive Board's responsibility

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

### Auditor's Responsibility

Our responsibility is to express a conclusion about these Consolidated Financial Statements based on our review. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the Consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the The Executive Board, as well as evaluating the overall presentation of the Consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Auditor's Opinion

Based on our review, the Consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and the consolidated results of its operations and consolidated cash flows for the fiscal year ended as of December 31, 2024 in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

### Emphasis of matter

We draw the readers' attention to Note VIII.3 of the financial statements regarding the decision No. 104/QD-CSDT dated April 17, 2024, by the Investigation Police Agency of Dak Lak Province to prosecute Mr. Bui Quang Ninh, General Director of Dak Lak Rubber Joint Stock Company, for violating regulations on the management and use of state assets, causing losses and wastefulness during the period 2002–2012 at Dak Lak Rubber Company (prior to equitization). As of now, this matter has not been conclusively resolved.

Our audit opinion is not related to this matter.

Da Nang City, March 27, 2025.

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang City - **VIETVALUES**



**Huynh Minh Hung – Vice Director of Branch**  
Certificate of registration for practicing audit  
No: 3402-2025-071-1  
Authorized signature

**Nguyen Huu Huy – Auditor**  
Certificate of registration for practicing audit  
No: 4917-2024-071-1

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**AUDITOR'S OPINION CONSOLIDATED  
FINANCIAL STATEMENTS**

No: 22/2025/BCKT/AUD-DNVVALUES

## INDEPENDENT AUDITOR'S REPORT

**Dear: THE SHAREHOLDERS, BOARD OF DIRECTORS AND EXECUTIVE BOARD  
DAK LAK RUBBER JOINT STOCK COMPANY**

We have audited the accompanying financial statements (separate) of Dak Lak Rubber Joint Stock Company and subsidiaries ( hereinafter referred to as "the Company"), prepared on March 20, 2025, from page 09 to page 52, which comprise: the balance sheet (separate) as at December 31, 2024, the Income Statement (separate), the statement of cash flows (separate) and the notes to the consolidated financial statements (separate) for the fiscal year ended December 31, 2024.

### The Executive Board's responsibility

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

### Auditor's Responsibility

Our responsibility is to express a conclusion about these Financial Statements (separate) based on our review. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements (separate) are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Board, as well as evaluating the overall presentation of the financial statements (separate).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position (separate) of Dak Lak Rubber Joint Stock Company as of 31/12/2024, and its financial performance (separate) and its cash flows (separate) for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accountings Regime, and other regulations relevant to the preparation and presentation of financial statements.

### Emphasis of matter

We draw the readers' attention to Note VIII.3 of the financial statements regarding the decision No. 104/QD-CSDT dated April 17, 2024, by the Investigation Police Agency of Dak Lak Province to prosecute Mr. Bui Quang Ninh, General Director of Dak Lak Rubber Joint Stock Company, for violating regulations on the management and use of state assets, causing losses and wastefulness during the period 2002-2012 at Dak Lak Rubber Company (prior to equitization). As of now, this matter has not been conclusively resolved.

Our audit opinion is not related to this matter.

### Other Matter

We draw the readers' attention to the independent audit report, noting that the scope of this separate financial statement only reflects the financial position (separate) and investments measured at historical cost of the Company as of December 31, 2024, as well as its financial performance (separate) and cash flow (separate) for the financial year then ended. The consolidation of the Company's separate financial statements with its subsidiaries is not within the scope of this report.

Da Nang City, March 20, 2025

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang City - **VIETVALUES**



**Huynh Minh Hung** – Vice Director of Branch  
Certificate of registration for practicing audit  
No: 3402-2025-071-1  
Authorized signature

**Nguyen Huu Huy** – Auditor  
Certificate of registration for practicing audit  
No: 4917-2024-071-1

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## AUDITOR'S OPINION SEPARATE FINANCIAL STATEMENTS



AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR 2024

- **The audited consolidated financial statements for 2024 of Dak Lak Rubber Joint Stock Company include:** Management Report, Independent Auditor’s Report, Statement of Financial Position as of December 31, 2024, Income Statement for 2024, Cash Flow Statement for the period from January 1 to December 31, 2024, and Notes to the Financial Statements for the period from January 1 to December 31, 2024.
- **Explanatory Content:** Profit after corporate income tax on the audited consolidated income statement for 2024 showed a difference of 10% or more compared to the same period in 2023, Specifically, profit after tax in 2024 increased by 134.14% compared to 2023 equivalent to VND 69,775 million. The main reason is that the average selling price of rubber latex products at the Parent Company in 2024 increased by 34.1%; The selling price of products at the Subsidiary Company (DRI) increased by 26.27% compared to the same period last year; In 2024, the Company had additional revenue from durian products, which contributed to the increase in profit in 2024 compared to the same period last year. This explanatory report is enclosed with the audited consolidated financial statements for 2024 to serve the required information disclosure.
- Website Address for Full Financial Statement Publication: <https://www.dakruco.com>, or at the report link: [https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/03/28/File\\_1\\_3434\\_INDEPENDEN\\_AUDITORS\\_REPORT\\_ABOUT\\_CONSOLIDATED\\_FINANCIAL\\_STATEMENTS\\_2024\\_compressed.pdf](https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/03/28/File_1_3434_INDEPENDEN_AUDITORS_REPORT_ABOUT_CONSOLIDATED_FINANCIAL_STATEMENTS_2024_compressed.pdf)

AUDITED SEPARATE FINANCIAL STATEMENTS FOR 2024

- **The audited separate financial statements for 2024 of Dak Lak Rubber Joint Stock Company include:** Management Report, Independent Auditor’s Report, Statement of Financial Position as of December 31, 2024, Income Statement for 2024, Cash Flow Statement for the period from January 1 to December 31, 2024, and Notes to the Financial Statements for the period from January 1 to December 31, 2024.
- **Explanatory Content:** Profit after corporate income tax on the audited consolidated income statement for 2024 showed a difference of 10% or more compared to the same period in 2023, Specifically, profit after tax in 2024 increased by 131.87% compared to 2023 equivalent to VND 28,727 million, The main reason is that the average selling price of rubber latex products in 2024 increased by 34.1% compared to the same period last year.. his explanatory report is enclosed with the audited consolidated financial statements for 2024 to serve the required information disclosure.
- Website Address for Full Financial Statement Publication: <https://www.dakruco.com>, or at the report link: [https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/03/28/File\\_1\\_2832\\_INDEPENDEN\\_AUDITORS\\_REPORT\\_ABOUT\\_FINANCIAL\\_STATEMENTS\\_2024\\_compressed.pdf](https://file.fpts.com.vn/FileStore2/File/EzIR/UploadFile/News/2025/03/28/File_1_2832_INDEPENDEN_AUDITORS_REPORT_ABOUT_FINANCIAL_STATEMENTS_2024_compressed.pdf)

ANNUAL REPORT 2024  
DAK LAK RUBBER JOINT STOCK COMPANY

Dak Lak, April 16<sup>th</sup>, 2025

CONFIRMATION BY THE COMPANY’S LEGAL REPRESENTATIVE  
CHAIRMAN OF THE BOARD OF DIRECTORS



*Handwritten signature*

NGUYEN VIET TUONG

DAKRUCO  
CREATE  
THE BEST VALUES



**Company name:** DAK LAK RUBBER JOINT STOCK COMPANY

**Address:** No. 30 Nguyen Chi Thanh Street, Tan An Ward, Buon Ma Thuot City, Dak Lak Province

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