

**CMC JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**

Independence - Freedom - Happiness

No.: 42/CBTT-CMC

Phu Tho, on 17 April 2025

**To:**

- State Securities Commission;
- Ho Chi Minh City Stock Exchange;
- Hanoi Stock Exchange.

**Company Name:** CMC JOINT STOCK COMPANY ("Company")

**Stock Code:** CVT

**Head Office Address:** Lots B10-B11, Thuy Van Industrial Zone, Thuy Van Commune, Viet Tri City, Phu Tho Province, Vietnam.

**Phone Number:** 02103 991706

**Information Disclosure Officer:** Ms. Nguyen Thi Huyen - Legal representative

**Type of Information Disclosure:**

☐ 24 hours ☐ 72 hours ☐ Upon Request ☐ Extraordinary ☒ Periodic

**Content of Information Disclosure:** ANNUAL REPORT 2024

This information is disclosed on the Company's website: <http://www.cmctiles.vn/cac-thong-tin-cong-bo/> on 17 April 2025

We hereby certify that the disclosed information is truthful and take full responsibility before the law for the content of this disclosure.

**Recipients:**

- As above;
- Archives: Office, Finance.

**REPRESENTATIVE OF THE ORGANIZATION**

Legal Representative



**NGUYEN THI HUYEN**

**Appendix IV**  
**ANNUAL REPORT**

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

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**ANNUAL REPORT**

- To:
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  - Ho Chi Minh City Stock Exchange
  - Hanoi Stock Exchange

**I. GENERAL INFORMATION**

**1. Overview**

- Trading name: CMC JOINT STOCK COMPANY (hereinafter referred to as the “Company” or “CMC”)
- Enterprise Registration Certificate No.: 2600106523
- Charter capital: VND 366,908,870,000 (as of December 31, 2023)
- Owner's investment capital: VND 898,789,134,068 (as of December 31, 2023)
- Address: Lots B10 - B11, Thuy Van Industrial Zone, Thuy Van Commune, Viet Tri City, Phu Tho Province, Vietnam
- Phone number: +84 2103 991 706      Fax: +84 2103 991 800
- Website: [www.cmctiles.vn](http://www.cmctiles.vn)
- Stock code: CVT

**Formation and Development History**

- The predecessor of CMC Joint Stock Company was the Viet Tri Concrete Factory, established in 1958 under a decision of the Council of Ministers.
- In 1965, the Chairman of the Council of Ministers decided to transfer the Viet Tri Concrete Factory to the Viet Tri Architecture Company (under the Ministry of Construction), and it was renamed Viet Tri Concrete Enterprise.
- According to Decree No. 338/HĐBT dated November 20, 1991, and Decree No. 156/HĐBT dated May 7, 1992, on the regulations for the establishment, restructuring, and

dissolution of state-owned enterprises, the Viet Tri Concrete Enterprise was re-established under Decision No. 126A/Ministry of Construction with a new name: Concrete and Building Materials Industry Company.

- During the period from 1996 to 1998, the Company invested in a tile production line with a capacity of 5 million square meters/year. The Company officially made its mark on the map of Vietnam's ceramic tile industry.
- In 2005, the Company was equitized and transformed into a joint stock company, officially renamed CMC Joint Stock Company under Decision No. 489/QĐ-BXD dated March 23, 2006, issued by the Minister of Construction.
- In September 2010, the Company began investing in the construction of CMC Tile Factory No. 2 – Phase 1 at Thuy Van Industrial Park, Viet Tri City, with a capacity of 5 million m<sup>2</sup>/year. By August 2012, Phase 1 of CMC Tile Factory No. 2 was completed and put into operation.
- In January 2015, the Company invested in Phase 2 of CMC Tile Factory No. 2 at the same location, with an additional capacity of 4 million m<sup>2</sup>/year, increasing the factory's total capacity to 9 million m<sup>2</sup>/year. By October 2015, Phase 2 was completed and operational.
- In 2016, the Company initiated investment in Phase 3 of CMC Tile Factory No. 2, specializing in soluble salt-penetrated granite tiles and nano-crystal glazed granite tiles with a capacity of 3 million m<sup>2</sup>/year. By December 2017, Phase 3 was completed and operational, raising the Company's total production capacity to 17 million m<sup>2</sup>/year.
- In 2021, the Company undertook a project to upgrade production lines No. 1 and No. 2 of Factory No. 2, increasing its capacity to 16 million m<sup>2</sup>/year and the Company's total capacity to 21 million m<sup>2</sup>/year.
- In 2022, the Company invested in production line No. 5 of Factory No. 2, boosting the factory's capacity to 21 million m<sup>2</sup>/year and the Company's total capacity to 26 million m<sup>2</sup>/year.

**Other Key Events:**

- In 1998, the Company was awarded a flag of merit by the Ministry of Construction and won 3 gold medals at 2 international industrial trade fairs in Can Tho and Hanoi.
- The Company achieved ISO 9001:2000 certification in 2003, ISO 9001:2008 in October 2010, and ISO 9001:2015 in 2017.



- In 2018, the Company launched the first and exclusive Loucia soluble salt-penetrated homogeneous granite tile and the ultra-glossy Luxurio diamond nano-crystal granite tile in Vietnam.
- In 2020, the Company reintroduced these same products—Loucia homogeneous granite tiles and Luxurio nano-crystal granite tiles—and received certification from the Ministry of Science and Technology for its 3 million m<sup>2</sup>/year production technology for soluble salt granite tiles.
- In 2022, CMC Joint Stock Company was honored as a **Vietnam National Brand** with two flagship products: CMC ceramic tiles and high-end glazed ceramic roof tiles under the Galaxy brand. This recognition reflects not only 64 years of innovation and development but also the Company's core values—product quality, technology leadership, continuous research, creativity, and innovation. It is a source of pride and motivation for all employees at CMC to keep innovating, contributing, and striving for excellence in providing superior products and services to customers.
- In Q4/2022, CMC was assigned by the People's Committee of Phu Tho Province as the official investor for developing infrastructure of the Ngoc Quan Industrial Cluster in Doan Hung District, Phu Tho. This 46-hectare project is one of the two key development projects in Doan Hung District. Becoming the official investor marks a significant step forward for CMC, affirming its rising status and laying a strong foundation for expanding production and meeting growing business demands.
- In November 2024, CMC was once again honored at the 9th Vietnam National Brand Announcement Ceremony, hosted by the Ministry of Industry and Trade, under Decision No. 2776/QĐ-BCT. This is the second consecutive time that CMC has received this prestigious award, with its PRATO ceramic tile product joining the ranks of certified items, bringing the total number of certified products to three: CMC ceramic tiles, CMC GALAXY glazed ceramic roof tiles, and PRATO tiles. These were selected among 359 products from 190 honored enterprises. The “VIETNAM NATIONAL BRAND” certification not only affirms CMC's commitment to improving product and service quality but also reflects the trust and confidence of Vietnamese consumers in CMC's offerings.

## 2. Business Lines and Areas of Operation

- **Business Lines:**

Manufacturing of construction materials from clay (producing and supplying wall tiles, floor tiles, decorative tiles, and high-end glazed roofing tiles for various construction projects, from residential to industrial and commercial buildings).

- **Areas of Operation:**

Currently, the Company's products are distributed across all 63 provinces and cities throughout Vietnam. Additionally, the Company is exploring and expanding into potential international markets to promote export activities.

### 3. Information on Governance Model, Business Organization, and Management Structure

- **Governance Model:**

CMC Joint Stock Company currently operates under the following governance structure: *General Meeting of Shareholders, Board of Directors (BOD), Supervisory Board, and Board of General Directors.*

- **Subsidiaries and Affiliates:**

No.	Company Name	Ownership Interest	Voting Rights	Head Office Address	Main Activities
1	CVT Investment and Development Co., Ltd.	99.986%	99.986%	Lot B10-B11, Thuy Van Industrial Zone, Thuy Van Commune, Viet Tri City, Phu Tho Province	Manufacturing construction materials from clay; production of other ceramic products; manufacturing concrete and products from cement and gypsum; investment consulting services

2	PT Industrial Infrastructure Investment and Development Co., Ltd.	100%	100%	Lot B10-B11, Thuy Van Industrial Zone, Thuy Van Commune, Viet Tri City, Phu Tho Province	Real estate business and land use rights management owned, leased, or used by the company
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#### 4. Development Orientation

- **Vision:**

Pioneering in creativity and innovation, CMC aims to be the most preferred tile and roofing brand in Vietnam.

- **Mission:**

- To lead in providing diverse, innovative, and high-quality product solutions tailored to customer needs.
- To create a happy working environment, offer good income, and provide development opportunities for employees.

- **Core Values:**

- Customer-centric
- Agility and speed
- Team spirit
- Creativity and innovation
- Transparency and integrity

#### Sustainable Development Strategy:

Vietnam's economy experienced many difficulties and challenges in 2023. It is forecasted that in 2024, the issues and risks that emerged in 2023 will continue to intensify, threatening and further hindering macroeconomic growth in general and the development of the construction materials industry in particular.

In this context, CMC has identified and focused its strategy on three key directions:

- Improving production efficiency and reducing costs:



By cooperating with international experts, implementing technological and equipment upgrades, adopting lean and modern production management, and investing in R&D, the Company aims to lower product costs and optimize gross profit margins.

- Enhancing business efficiency and restoring CMC's growth trajectory with strong profitability:

Boosting growth in the Project sales channels through resource investment in public projects and expanding exports to potential markets such as Laos, Cambodia, the Philippines, South Korea, and Taiwan. Reorganizing the product portfolio and sales policies to maximize product profitability.

- Optimizing CMC's internal strengths:

Building a culture of fast execution, strengthening cross-departmental communication and collaboration, and focusing on work efficiency. The human resources structure is lean, with clear delegation and high accountability.

## **5. Risk Factors**

Daily business and production activities always entail potential risks. Risk management is one of the top priorities of the Board of Directors (BOD) and the Executive Board in implementing the Company's development strategies. The leadership closely monitors macroeconomic conditions and market dynamics to identify risks and propose as well as implement measures aimed at minimizing the adverse impacts of these risks on the Company's development goals.

### **Policy and Regulatory Risks:**

- The Company's operations are subject to regulation by a system of legal documents including: the Law on Enterprises, the Law on Securities, the Law on Investment, and relevant Decrees and Circulars.
- The "lag" in legal policy issuance (such as the enactment of standards and regulations) can create challenges for market development, product consumption strategies, and the implementation of investment projects or development of new products. In addition, changes in domestic and international legal frameworks present systemic legal risks that can impact not only the industry but the overall economy, as well as interfere with the implementation of annual/short-term business and production plans — particularly in areas such as planning, land use, and resource management.

- Moreover, macroeconomic policy is governed by two main tools: inflation and interest rates. While stable core inflation helps stabilize prices, excessively low inflation may hinder growth momentum, creating a development barrier for the industry. Interest rate fluctuations and credit structure also pose risks, affecting capital allocation, disbursement, and the cost of capital for business and investment activities.
- National policies on international relations impact the ability to manage and expand export markets.

Thus, the Company must continuously update its knowledge and understanding of new policies and regulations to avoid unnecessary losses and to improve the legal environment for its operations.

#### **Economic Risks due to Macroeconomic Impacts:**

The global economy continues to demonstrate a notable recovery, supported by steadily declining inflation and stable growth. According to the International Monetary Fund (IMF), the resilience of major economies and the faster-than-expected decline in inflation have reduced the likelihood of a "hard landing" — a severe recession caused by monetary tightening.

Accordingly, the IMF forecasts that global growth in 2024 and 2025 will remain below the recent historical average of 3.8% due to the prolonged impact of high interest rates, the phasing out of pandemic-related government support, and persistently low productivity.

## **II. OPERATING PERFORMANCE DURING THE YEAR**

### **1. Business and Production Performance**

- In 2024, the Vietnamese economy faced numerous difficulties and challenges, particularly due to macroeconomic fluctuations and the real estate sector's instability. In this context, the Company's business and production activities were also impacted.
- The total output of CMC's product lines in 2024 remained relatively stable compared to 2023. Sales volume reached 15.9 million square meters, accounting for 80% of the sales volume achieved in 2023. Sales were primarily focused on porcelain, ceramic, and semi-porcelain tiles, which together made up 79% of the Company's total output in 2024. Notably, the semi-porcelain product line recorded significant growth, reaching 3.1 million square meters in sales volume—a 1,339% increase compared to 2023—thanks to the product's consistency and compatibility.



- Total revenue from sales across the Company reached VND 1,872.28 billion, achieving 87% of the annual target and 93% of 2023's revenue. While many companies in the same industry experienced a sharp decline in revenue, CMC's ability to maintain nearly the same revenue level as 2023 was considered a highlight.
- Net profit after tax reached VND 59.82 billion. Despite the challenging market conditions, the Company implemented multiple sales programs to enhance competitiveness.

**Performance Indicators for 2024 Compared to the Same Period:**

No.	Indicator	2023	2024	% Increase/Decrease
1	Total Assets	3,311.68	3,334.55	0.51%
2	Owner's Equity	911.52	970.51	6.14%
3	Net Revenue	1,831.80	1,711.85	-6.55%
4	Profit Before Tax	62.46	84.54	57.72%
5	Profit After Tax	40.62	59.82	65.24%

**2. Organization and Workforce**

**List of the Executive Board (Executive Management Team):**

No.	Name	Position	Academic Degree	CVT Shareholding Quantity	Shareholding Rate	Remarks
1	Trần Đức Huy	Chairman of the Board	Master of Business Administration	0	0.00%	
2	Vũ Thị Loan	Board Member – Deputy CEO	Bachelor of Chemistry	4,070	0.011%	
3	Nguyễn Văn Quý	Board Member – CEO	Master of Marketing	0	0.00%	

4	Vũ Quốc Toàn	Deputy CEO	Engineer in Computer Science	0	0.00%	
5	Trần Huy Ánh	Board Member	Bachelor of Economics	0	0.00%	Resigned as Deputy CEO of the Support Block on 12/11/2024
6	Nguyễn Việt Cường	Deputy CEO	Doctor of Science and Technology	0	0.00%	Resigned as Deputy CEO on 01/08/2024
7	Nguyễn Thị Bình Minh	Chief Accountant	Bachelor of Economics	0	0.00%	Resigned as Chief Accountant on 10/04/2024
8	Nguyễn Hoàng Sơn	Chief Accountant	Bachelor of Economics	0	0.00%	

*Note: Shareholding data is as of 23/12/2024.*

Changes in the Executive Board: As of December 31, 2024, there have been several changes in the Executive Board (Executive Management Team) of CMC as follows:

- Decision No. 01/2024/QĐ-CMC dated January 4, 2024: Appointment of Deputy CEO – Support Block: Trần Huy Ánh.
- Decision No. 03/2024/QĐ-CMC dated April 10, 2024: Dismissal and Appointment of Chief Accountant: Dismissed Nguyễn Thị Bình Minh, appointed Nguyễn Hoàng Sơn.
- Decision No. 05/2024/QĐ-HDQT dated April 20, 2024: Appointment of CEO Nguyễn Văn Quý.
- Decision No. 10/2024/QĐ-CMC dated August 1, 2024: Dismissal of Deputy CEO Nguyễn Việt Cường.



- Decision No. 13/2024/QĐ-CMC dated November 12, 2024: Dismissal of Deputy CEO Trần Huy Ánh.

### 3. Investment Situation and Project Implementation

**Large-scale Investments:** (Financial Investment and Project Investment) Report on Investment Activities for 2025:

No.	Project	Status
1	Ngọc Quan Industrial Cluster - Đoàn Hùng District	Expected to start in 2026

### 4. Key Financial Indicators

No.	Indicator	2023	2024	Notes
1	<b>Liquidity Ratios</b>			
	- Current Ratio (Short-term Assets/Short-term Liabilities)	1.20	1.02	
	- Quick Ratio (Short-term Assets - Inventory / Short-term Liabilities)	0.74	0.58	
2	<b>Capital Structure Ratios</b>			
	- Debt to Total Assets Ratio	0.73	0.71	
	- Debt to Equity Ratio	2.65	2.46	
3	<b>Activity Ratios</b>			
	- Inventory Turnover Ratio	2.35	2.13	
	- Cost of Goods Sold / Average Inventory			
	- Total Asset Turnover Ratio	0.89	0.52	
	- Revenue / Average Total Assets			
4	<b>Profitability Ratios</b>			
	- Net Profit Margin (Net Profit / Revenue)	0.02	0.03	
	- Return on Equity (Net Profit / Equity)	0.04	0.06	

	- Return on Assets (Net Profit / Total Assets)	0.01	0.02	
	- Operating Profit Margin (Operating Profit / Revenue)	0.02	0.04	

#### 5. Shareholder Structure, Changes in Investment Capital of the Owners

##### a) Shares

- The total shares currently in circulation: 36,690,887 shares
- Common shares: 36,690,887 shares
- Free transfer shares: 36,690,887 shares

##### b) Shareholder Structure

The capital contribution ratio of shareholders as of December 23, 2024 (according to the shareholder list as of December 23, 2024 provided by VSD):

No.	Organization Name	Number of Shareholders	Number of Shares	Shareholding Percentage (%)	Notes
	<b>Total Shares in Circulation</b>		<b>36,690,887</b>		
<b>I. INDIVIDUALS AND ORGANIZATIONS</b>					
1	Domestic Individuals	968	17,761,995	48.41%	
2	Foreign Individuals	26	109,985	0.30%	
3	Domestic Organizations	12	18,763,151	51.14%	
4	Foreign Organizations	10	55,756	0.15%	
	<b>Total</b>	<b>1,016</b>	<b>36,690,887</b>	<b>100.00%</b>	
<b>II. MAJOR SHAREHOLDERS</b>					



1	DNP Holding Joint Stock Company	01	18,761,964	51.14%	
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**c) Changes in the Investment Capital of the Owner:**

- CMC Joint Stock Company privatized in 2006 with a charter capital of 40 billion VND, corresponding to 4,000,000 shares.
- On November 5, 2009, the company began trading on the Hanoi Stock Exchange with 4,000,000 shares in circulation.
- On October 1, 2010, the company issued additional shares to increase its charter capital from 40 billion VND to 80 billion VND, corresponding to 8,000,000 shares in circulation.
- On November 4, 2014, the company issued additional shares to increase its charter capital from 80 billion VND to 160 billion VND, corresponding to 16,000,000 shares in circulation.
- In 2015, the company issued a 20% stock dividend, increasing the number of shares in circulation to 19,199,968 shares.
- In 2016, the company issued 5% ESOP shares for employees, increasing the number of shares in circulation to 20,159,966 shares.
- In 2016, the company issued a 40% stock dividend, increasing the number of shares in circulation to 28,223,903 shares.
- On October 5, 2017, CMC Joint Stock Company transferred its shares from the Hanoi Stock Exchange to the Ho Chi Minh Stock Exchange.
- On May 16, 2017, the company issued a 30% stock dividend, bringing the total number of shares in circulation to 36,690,887 shares.

d) Treasury Share Transactions: None

e) Other Securities: None

**6. Report on Environmental and Social Impacts**

**6.1. Environmental Impact:**

Total direct and indirect greenhouse gas (GHG) emissions:

The primary components of emissions include water vapor and CO<sub>2</sub>, with minor amounts of SO<sub>2</sub>, CO, N<sub>2</sub>, and NO<sub>x</sub>. The average total emission is 74,124.25 m<sup>3</sup>/h.

Initiatives and measures to reduce GHG emissions:

- Coal gasification station: The gasification process emits gases such as SO<sub>2</sub>, H<sub>2</sub>S, CO, N<sub>2</sub>, H<sub>2</sub>, CO<sub>2</sub>, and O<sub>2</sub>. To prevent emissions from leaking and polluting the environment, the gasification furnace is equipped with a 15-meter emergency exhaust pipe containing a burner at the chimney to burn off gas leaks during startup or shutdown. Additionally, gas from the coal gasification process is passed through a desulfurization tower (gas moves from the bottom up and encounters a sodium carbonate absorption solution sprayed from the top).
- Chain grate furnace: Hot gas is directly taken from the chain grate furnace and sent into the spray drying tower (raw materials are ground into slurry and sprayed from the top of the tower downward). Because the raw material contains feldspar and water, a large portion of SO<sub>2</sub>, CO, and CO<sub>2</sub> is absorbed and carried away with the material.
- Fluidized bed furnace: This technology includes a comprehensive gas and dust treatment system, ensuring gases are treated before being released into the environment. Limestone is added to the combustion chamber of the fluidized bed boiler to neutralize SO<sub>2</sub> generated during coal combustion.

#### **6.2. Raw Material Management:**

The total volume of raw materials used for production and packaging of the company's main products and services during the year was 397,302,461 kg.

#### **6.3. Electricity Consumption:**

- Electricity consumption during the year: 51,065,036 kWh
- Energy savings were achieved through the implementation of management measures, monitoring of quotas, optimization of equipment, and improved operational skills of specialized technical staff.

#### **6.4. Water Consumption:**

- Water source and usage: The company uses clean water supplied by Phu Tho Water Supply Joint Stock Company. The total water consumption during the year was 52,410 m<sup>3</sup>.
- The rate of recycled and reused water in the facility is 100%.

#### **6.5. Compliance with Environmental Protection Laws:**

- Number of violations penalized for non-compliance with environmental laws and regulations: None
- Total penalties incurred for environmental non-compliance: None



#### **6.6. Labor-Related Policies:**

As of December 31, 2024, the company had 991 employees, broken down as follows:

(i) Management staff (deputy department level and equivalent): 33 employees

(ii) Office staff: 263 employees

(iii) CMC Tile Factory No.1: 82 employees

(iv) CMC Tile Factory No.2: 585 employees

(v) Packaging enterprise: 28 employees

##### *Salary, Bonus, and Welfare Policies for Employees:*

- The company has developed and issued a salary scale, pay tables, and allowance policies applicable to employees of CMC Joint Stock Company in accordance with current legal regulations.
- A salary payment regulation has been established to ensure fair compensation based on individual contributions, motivating employees to improve productivity, quality, and work efficiency, while harmonizing the interests of the company and employees.
- Salary and bonus policies: Policies on wages, bonuses, allowances, social insurance, etc., are regularly reviewed and reasonably adjusted to ensure stable income for employees. In 2024, the company developed position-based salary tables to ensure competitive compensation aligned with market standards.
- The company provides 24/7 health and accident insurance for all employees to ensure their health and compensate for losses in the event of work-related accidents or illness.
- Employee benefits: The company offers good facilities, a favorable working environment, training, and welfare policies to strengthen employee loyalty.
- In 2024, the average monthly income per employee was VND 11,669,835.

##### *Other Policies to Ensure Health, Safety, and Welfare of Employees:*

- Each year, the company provides personal protective equipment depending on job position: protective clothing, shoes, helmets, gloves, gas masks, and hazardous-duty milk supplements. Annual occupational safety training and health check-ups are organized in accordance with regulations.
- The company gives gifts to employees' children on Children's Day and Mid-Autumn Festival; and provides gifts to policy beneficiaries, war invalids, and sick soldiers on Martyrs and War Invalids Day (July 27); to employees and their families on Vietnam

People's Army Day (December 22); and to female employees on International Women's Day (March 8) and Vietnamese Women's Day (October 20). Cash gifts are also given to employees during national holidays such as New Year's Day, April 30, May 1, and September 2.

- The company visits and supports employees and their families in times of hardship, bereavement, or celebration in accordance with the company's collective labor agreement.
- Employees are entitled to fully paid leave in accordance with labor laws and the company's labor agreement.

*Employee Training Activities:*

- Internal training programs: Product knowledge, occupational safety and hygiene, and Kaizen/6S system training and operation.
- New employee training programs: Orientation and product knowledge.
- Programs in collaboration with experts and professional training units: Leadership/management skills, team development, sales and customer care skills, professional teaching skills, and conflict resolution.
- Training required by government authorities: Courses on payroll, updates on the Labor Code, taxation, e-invoice usage, and training in national defense and militia duties.

*Report on Responsibility to the Local Community:*

Alongside production development, the company consistently prioritizes social welfare by participating in fundraising for charity and poverty reduction efforts. In 2024, the company sponsored all tiles and materials for classrooms, storage, and sanitation facilities for Huỗi Hỏm School Site.

### **III. REPORT AND ASSESSMENT BY THE BOARD OF DIRECTORS**

#### **1. Evaluation of Business Performance**

In 2024, Vietnam's economy in general faced many difficulties and challenges, including macroeconomic fluctuations and stagnation in the real estate sector. In this context, the Company's business activities were also affected:

- In 2024, the consumption volume of CMC's product lines remained stable compared to 2023, with total sales volume reaching 17.9 million m<sup>2</sup>, equivalent to 93% of the previous year. Among these, Porcelain and Ceramic tiles continued to account for a major share, contributing 60% of total sales. Notably, 2024 saw strong growth in the new Semi Porcelain



product line, with a volume of 3.5 million m<sup>2</sup>, accounting for 20% of total sales — reflecting a market shift and positive customer reception. In addition, roof tile and accessory products also recorded positive growth, with sales reaching nearly 3 million m<sup>2</sup>, up 3% compared to 2023, thanks to product synchronization and competitive advantages.

- The Company's total revenue from sales reached VND 1,872.28 billion, fulfilling 82% of the year's plan and achieving 97% compared to 2023. Despite the challenges in the overall market where many peers saw significant revenue declines, CMC's ability to maintain revenue at near-2023 levels is a highlight, confirming the company's resilience and adaptive capability.
- Net profit after tax for 2024 was VND 59.82 billion. Amidst a challenging market, CMC still maintained profit growth through streamlining operations, optimizing processes, and improving production efficiency. Strict cost control and the application of technology in management and production helped improve profit margins, reinforcing competitiveness and laying a solid foundation for sustainable development.

## **2. Financial Position**

### **a. Asset Status**

As of December 31, 2024, the Company's total assets reached VND 3,334.55 billion, up 0.69% compared to 2023; owner's equity reached VND 970.51 billion, up 6.47% compared to 2023.

### **b. Liabilities**

- The Company's financial autonomy remains at a safe level as the short-term debt-to-total asset ratio is at 50%.
- During business operations, to support investment expansion and working capital needs, the Company borrowed short-term loans from credit institutions. However, there were no overdue debts, so the debt structure and short-term solvency remain at a safe level.

## **3. Improvements in Organizational Structure, Policies, and Management**

The Board of Directors always focuses on improving the organizational structure and management policies in alignment with the company's development orientation for each phase. The human resource system is streamlined, efficient, and professional. Tasks are carried out according to processes issued by the Company.



Departments regularly update procedures to reflect practical changes. The Company also creates opportunities for staff to learn and be promoted through job rotations.

In addition, the Company is actively working to improve its distribution network, expanding the presence of key products in major markets.

Furthermore, the Company's specialized staff actively participate in seminars and training workshops organized by professional agencies and training institutions to stay updated and apply new knowledge within the enterprise.

#### 4. Future Development Plan

CMC's vision is to become the most preferred brand of tiles and roofing products in Vietnam — a pioneer in offering a wide range of creative, high-quality solutions that meet customer needs.

Entering 2025, the Vietnamese economy continues to face challenges carried over from the previous year, but also presents opportunities for recovery and growth. In this context, CMC remains steadfast in its sustainable development strategy, adapting flexibly to market changes and continuing to focus on three strategic pillars to strengthen its position in the industry:

- Enhancing production capacity and operational efficiency: CMC continues to invest heavily in technological innovation and automation, cooperating with international partners to improve product quality and optimize production costs. Lean production management combined with a breakthrough R&D strategy helps maximize gross profit and enhance market competitiveness.
- Driving revenue growth and market expansion: The company is restructuring its product portfolio to optimize profit margins while boosting project-based and commercial sales channels. Export expansion remains a key focus, targeting major markets such as Laos, the Philippines, South Korea, and Taiwan, with pilots in several other potential markets in the region.
- Optimizing internal capabilities and building a sustainable development foundation: CMC emphasizes a corporate culture based on innovation, transparency, and efficiency. Human resources are continuously streamlined and professionalized. The management model is improved to enhance proactivity and drive growth across the organization.

- By synchronously implementing these strategies, CMC aims not only to maintain stability but also to create a strong momentum for growth in 2025, reaffirming its leading position in the construction materials industry.

## 5. Environmental and Social Responsibility Assessment

### Environmental Responsibility

- The company consistently conducts environmental impact assessments and commits to environmental protection before commencing operations. During operation, wastewater and waste management are performed regularly and strictly. CMC continuously updates its practices to comply with environmental regulations.
- Within the factory premises, the company has allocated significant space for planting greenery to create a harmonious layout between production zones, enhance the landscape, and contribute to air quality improvement.

### Labor Responsibility

CMC always values and prioritizes employee well-being to foster long-term commitment and contribution. The company provides opportunities for personal development and maintains a friendly, cohesive working environment that nurtures corporate culture.

CMC is committed to ensuring job stability and quality of life for workers, guaranteeing full entitlement to both material and spiritual benefits in accordance with legal regulations. The salary and bonus schemes are fair and worthy, and employees are encouraged and supported to improve their knowledge and skills.

Additionally, occupational health and safety is a top priority, with concrete actions such as regular health check-ups and full provision of protective workwear and equipment.

### Corporate Social Responsibility to the Local Community

Community responsibility is a consistent and core policy throughout the company's operations, manifested in various initiatives and activities that support and give back to the local community.

## IV. BOARD OF DIRECTORS' EVALUATION OF THE COMPANY'S OPERATIONS

### 1. Board of Directors' Evaluation of the Company's Performance

- Business Operations:

In 2024, CMC Joint Stock Company made significant efforts to overcome numerous challenges in the construction materials market, particularly the decline in demand and volatility



in raw material prices. Although production and business activities were affected to some extent, the company still managed to maintain stable growth, ensure operational efficiency, and exercise effective cost control. The company's tile products continued to affirm their quality and reputation in the market, contributing to the retention of its market share. Overall, the past year's business results reflect the company's flexible adaptability in management and its orientation toward sustainable development.

- **Financial Oversight and Information Disclosure:**

The Board of Directors highly values the company's efforts in establishing and expanding financial relationships to attract funding and ensure liquidity for growth. Accurate and timely disclosure of information to shareholders, along with full transparency in operations, has helped attract and maintain strong shareholder relations and facilitated capital mobilization for business activities.

- **Environmental and Social Responsibility:**

The Board appreciates the company's initiatives and policies encouraging ideas that help save raw materials and efficiently utilize electricity and water. These initiatives have been effectively implemented, contributing to cost reduction and increased profitability, while also protecting natural resources and the environment around the company's facilities.

## **2. Board of Directors' Evaluation of the Executive Management's Performance**

In 2024, despite many challenges posed by the general economic situation, the Executive Board and management team continuously strived to operate and lead the company toward completing its key objectives.

The Board of Directors regularly monitored the Executive Board's operations to ensure alignment and compliance with the resolutions of the General Meeting of Shareholders (GMS) and those issued by the Board throughout 2024. The Board oversaw and directed the following:

- Implementation of the 2024 business plan approved by the GMS and Board of Directors, and full and effective execution of the Board's resolutions and decisions.
- Completion, submission, and timely public disclosure of the audited 2024 Financial Statements, the 2024 Annual Report, and quarterly financial statements for Q1, Q2, Q3, and Q4, as well as the reviewed semi-annual financial report.
- Chairing, directing, and organizing the 2024 Annual General Meeting of Shareholders on April 23, 2024, in accordance with the law and the Company's Charter, to approve



reports from the Board and Supervisory Board for 2024, the 2023 profit distribution plan, and the 2024 business plan.

- Monitoring the progress of the business plan and the execution of investment projects in 2024.
- Supervising and directing information disclosure to ensure transparency and timeliness in accordance with legal regulations.
- Overseeing the activities of the Executive Board to improve business performance and meet the planned targets for 2024.
- Promoting corporate culture, improving governance, and enhancing the efficiency of business operations.
- Monitoring salary payments to staff and workers.

Additionally, the Board of Directors, together with the Executive Board, successfully fulfilled other tasks outlined in the 2024 GMS resolution.

### 3. Plans and Orientations of the Board of Directors

The company aims to become the most favored tile and roofing brand in Vietnam—pioneering in offering diverse, innovative, and high-quality products that meet customer needs.

Vietnam's economy went through 2024 facing numerous difficulties and challenges. Looking ahead to 2025, it is forecasted that the issues and risks that emerged in 2024 will persist and intensify, further threatening and hindering macroeconomic growth in general, and development in the construction materials industry in particular. In this context, CMC has identified and set the following key objectives:

No.	Target	Unit	Actual 2024	Plan 2025	% Growth YoY
1	Consolidated Net Revenue	VND Billion	1,712	2,012	17.5%
2	Net Profit After Tax	VND Billion	59.8	63.8	6.7%

## V. CORPORATE GOVERNANCE

### 1. Board of Directors

#### a) Members and Structure of the Board of Directors:

No	Board Member	Position	Qualification	CVT Share Ownership (as of 31/12/2024)	Notes	Other Executive Positions in Other Companies
1	Mr. Tran Duc Huy	Chairman	MBA	0 shares (0.00%)	Appointed on 27/04/2022	<ul style="list-style-type: none"> <li>- Vice Chairman/Independent BOD Member, Tasco JSC</li> <li>- Independent BOD Member, Saigon General Services JSC (1)</li> <li>- Chairman &amp; Legal Representative, New Energy Holdings Co., Ltd. (2)</li> <li>- Chairman, DNP Holding JSC</li> <li>- Chairman &amp; Legal Representative, Tan Phu Vietnam JSC</li> </ul>
2	Mr. Nguyen Van Quy	BOD Member	Master in Marketing	0 shares (0.00%)	Appointed on 27/04/2022	—

3	Ms. Vu Thi Loan	BOD Member	Bachelor of Chemistry	4.07 shares (0.011%)	—	—.
4	Mr. Tran Huy Anh	BOD Member	Bachelor of Economics	0 shares (0.00%)	—	—
5	Mr. Phan Anh Tuan	BOD Member	MBA	0 shares (0.00%)	—	—

b) Subcommittees under the Board of Directors:

The company currently does not have any subcommittees under the Board of Directors.

c) General Assessment of the Activities of the Board of Directors (BOD)

- In 2024, the BOD consisted of five members, including one independent member. All BOD members were elected by the General Meeting of Shareholders (GMS) and continued their term from 2021 to 2026. The Chairman of the BOD was elected by the BOD itself. The BOD has consistently ensured compliance with the quantity, standards, and eligibility requirements for board membership as prescribed in the Company's Charter at each period. No subcommittees have been established within the BOD.
- BOD activities have been maintained in accordance with the Company's Charter and internal corporate governance regulations. Responsibilities have been clearly assigned to each member to examine matters under the BOD's authority, enabling the board to make informed decisions, as well as supervise and instruct the Executive Board in implementing resolutions and decisions.
- All BOD meetings were convened and conducted in accordance with legal regulations, with full participation of members as required. Procedures were followed appropriately, and voting matters received a high level of consensus.
- Throughout 2024, the BOD remained closely aligned with the Company's actual business operations and provided flexible guidance to help the Executive Board navigate challenges and continue expansion.



**d) Number of BOD Meetings Held in 2024**

No.	BOD Member	Meetings Attended	Attendance Rate	Reason for Absence
1	Mr. Trần Đức Huy	10/10	100%	—
2	Mr. Nguyễn Văn Quý	10/10	100%	—
3	Ms. Vũ Thị Loan	10/10	100%	—
4	Mr. Trần Huy Ánh	10/10	100%	—
5	Mr. Phan Anh Tuấn	10/10	100%	—

**e) Key Resolutions and Decisions from BOD Meetings**

No.	Resolution/Decision Code	Date	Content	Approval Rate
1	01/2024/NQ-HĐQT	12/01/2024	Resolution on capital contribution to establish PT Industrial Infrastructure Investment and Development Co., Ltd.	100%
2	02/2024/NQ-HĐQT	17/01/2024	Resolution on principal and interest payment for bonds issued by the Company	100%
3	03/2024/NQ-HĐQT	04/03/2024	Resolution on convening the 2024 Annual General Meeting of Shareholders of CMC JSC	100%

4	03/2024/QĐ-HĐQT	10/04/2024	Decision on dismissal and appointment of Chief Accountant	100%
5	05/2024/QĐ-HĐQT	20/04/2024	Decision on appointment of Mr. Nguyễn Văn Quý as General Director	100%
6	06/2024/QĐ-HĐQT	21/06/2024	Decision on changing the person in charge of governance and company secretary	100%
7	08/2024/NQ-HĐQT	27/06/2024	Resolution on approving transactions with related parties in 2024	100%
8	09/2024/QĐ-CTHĐQT	15/07/2024	Decision on asset investment through financial leasing	100%
9	09/2024/NQ-HĐQT	09/12/2024	Resolution on collecting shareholder opinions in writing for issues under the authority of the General Meeting	100%
10	11/2024/NQ-HĐQT	18/12/2024	Resolution on collecting bondholder opinions regarding bonds CVT12101 (CVTB2125003), CVT12102 (CVTB2126004); approval of payment for principal and interest of bonds CVT12101,	100%

			CVT12102, CVT122008, and CVT122009	
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**f) Supervision Activities of the Executive Board (Management)**

In 2024, despite facing numerous challenges in line with the overall economic situation, the Executive Board and the Company's leadership team made continuous efforts in managing business operations and successfully fulfilled important tasks.

The Board of Directors (BOD) regularly monitored the Executive Board's activities to ensure compliance and alignment with the Resolutions of the General Meeting of Shareholders (GMS) as well as the Resolutions/Decisions of the BOD issued throughout 2024. Accordingly, the BOD directed and supervised the following:

- Implementation of the 2024 business plan approved by the GMS and BOD, ensuring the resolutions and decisions of the BOD were carried out fully and effectively.
- Leading, directing, and organizing the 2024 Annual General Meeting of Shareholders in accordance with the law and Company Charter, approving the reports of the BOD, the Executive Board, and the Supervisory Board; profit distribution plan for 2023; and the 2024 business plan.
- Urging and monitoring the progress of the business plan and investment project implementation throughout 2024.
- Supervising and directing corporate disclosures to ensure transparency and timeliness as required by law.
- Monitoring the performance of the Executive Board to improve business efficiency and meet the targets set for 2024.
- Building corporate culture and enhancing governance and operational effectiveness.
- Overseeing salary payments for company staff.
- Directing the Executive Board in negotiating with financial institutions on interest rate reductions and debt rescheduling during periods of favorable policies issued by the State Bank.
- Additionally, the BOD and Executive Board completed other tasks assigned by the 2024 GMS Resolutions.

**g) Activities of Independent BOD Members**



- With assigned roles and responsibilities, the independent members of the BOD have effectively fulfilled their duties and contributed valuable opinions to the BOD, supporting the Company's overall success. These contributions included insights on production, sales, investment in new technology, market evaluations, and brand promotion.
- During the year, all BOD members either participated in meetings directly or delegated their participation via proxy, achieving a 100% participation rate — demonstrating their strong commitment and responsibility.

#### **h) Corporate Governance Training**

In 2024, BOD members, members of the Supervisory Board, the Executive Board, and key management personnel attended various seminars and training sessions on corporate governance.

### **2. Supervisory Board (BKS)**

#### **a) Members of the Supervisory Board:**

<b>No.</b>	<b>Member of the Supervisory Board</b>	<b>Position</b>	<b>CVT Shareholding (As of April 10, 2024)</b>	<b>Notes</b>
1	Phan Thùy Giang	Head of BKS	0 shares – 0.00%	Dismissed on April 23, 2024
2	Trần Đức Thanh	Member of BKS	0 shares – 0.00%	
3	Nguyễn Hồng Oanh	Member of BKS	0 shares – 0.00%	Dismissed on April 23, 2024
4	Nguyễn Thị Huyền	Head of BKS	0 shares – 0.00%	Appointed on April 23, 2024
5	Nguyễn Thị Minh Huyền	Member of BKS	0 shares – 0.00%	Appointed on April 23, 2024

#### **b) Activities of the Supervisory Board in 2024:**

- In 2024, the Supervisory Board held two official meetings and participated in several Board of Directors (BOD) meetings to monitor investment in construction, equipment upgrades, and the business operations of CMC Joint Stock Company.

- Meeting topics focused on evaluating the oversight activities of the BOD and Executive Board based on resolutions of the General Meeting of Shareholders (GMS) and the BOD, reviewing the Executive Board's management of business activities, and assessing the Supervisory Board's own operations.
- Conducted audits of the semi-annual and full-year 2024 financial statements.
- Reviewed and provided opinions on the auditor selection process, discussed ongoing issues and challenges based on interim or year-end audit findings.
- Oversaw the implementation and results of the 2024 GMS resolutions by the BOD and Executive Board.
- Monitored the execution of BOD resolutions.
- Supervised the timely disclosure of periodic and extraordinary information to shareholders.
- Coordinated with other departments within the company to enhance supervision of branch activities, thereby improving overall corporate governance.
- All Supervisory Board members fulfilled their duties as stipulated in the Charter of CMC JSC and GMS resolutions.
- Oversaw the compliance of the BOD, Executive Board, and other management staff with applicable laws and company regulations in their operations and decisions.
- Conducted appraisal and review of the 2024 financial statements after independent audit results were available.
- Carried out other tasks as assigned by the GMS, the Company Charter, and in accordance with the law.

3. Transactions, Remuneration, and Benefits of the Board of Directors (BOD) and Supervisory Board (BKS) in 2024

*a) Total remuneration of the BOD and BKS in 2024:*

Description	Actual Value in 2024
Remuneration paid to BOD in 2024	0 VND
Remuneration paid to BKS in 2024	0 VND



*b) Stock transactions by insiders:*

No.	Transaction party	Relation to insider	Shares at beginning	%	Shares at end	%	Reason for change (buy, sell, conversion, bonus, etc.)
I	Transactions by insiders	None					
II	Related parties to insiders	None					

*c) Contracts or transactions with insiders:*

There were **no contracts or transactions** in 2024 signed or executed between the Company (or its subsidiaries or controlled entities) and any members of the Board of Directors, Supervisory Board, General Director, management personnel, or related persons of the above individuals.

*d) Evaluation of corporate governance compliance:*

The Company has fully complied with all regulations regarding corporate governance.

## **VI. FINANCIAL STATEMENTS**

The audited 2024 financial statements of CMC Joint Stock Company are attached (photocopy enclosed).

Details can also be viewed on the Company's website: <http://www.cmctiles.vn>

**LEGAL REPRESENTATIVE**

(Signed)



The stamp is a red circular seal. The outer ring contains the text 'M.S.D.N: 2600106523-C' at the top and 'TP. VIỆT TRÌ - T. PHÚ THỌ' at the bottom, separated by two stars. The center of the seal contains the text 'CÔNG TY CỔ PHẦN CMC' in three lines.

**NGUYEN THI HUYEN**