

## 2024 ANNUAL REPORT OF ME LIN STEEL JOINT STOCK COMPANT



Hanoi, April 2025







# 2024 ANNUAL REPORT OF MEI LIN STEEL JOINT STOCK COMPANY

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## I. General Information

### 1. Overview Information

- **Business Name:** Mê Lin Steel Joint Stock Company
- **Business Registration Certificate:** No. 2500222727, issued by the Department of Planning and Investment of Vĩnh Phúc Province on January 13, 2003, and updated for the 19th time on January 22, 2025.
- **Charter Capital:** VND 150,000,000,000 (One hundred fifty billion VND)
- **Owner's Investment Capital:** VND 150,000,000,000 (One hundred fifty billion VND)
- **Address:** Administrative Area No. 8 - Dong Da Ward - Vinh Yen City - Vinh Phuc Province
- **Phone Number:** (024) 35840545
- **Fax:** (024) 35840544
- **Website:** <http://melinsteel.vn/>
- **Stock Code** (if any): MEL

#### *Formation and Development Process*

Mê Lin Steel Co., Ltd. was officially established and began operations in January 2003, with the business registration certificate No. 1902000310 issued by the Department of Business Registration - Department of Planning and Investment of Vĩnh Phúc Province. After operating as a limited liability company for a period, the members of the Board of Members decided to convert the company's operational model to a joint-stock company. On October 2, 2015, Mê Lin Steel Co., Ltd. officially transitioned to a joint-stock company with 03 founding shareholders and a charter capital of VND 120,000,000,000. In November 2016, the company issued shares to existing shareholders to increase its charter capital.

On November 14, 2016, the company was issued an updated business registration certificate with a charter capital of VND 150,000,000,000.

On August 16, 2017, the Hanoi Stock Exchange issued Decision No. 625/QĐ-SGDHN approving the listing of the company's shares.

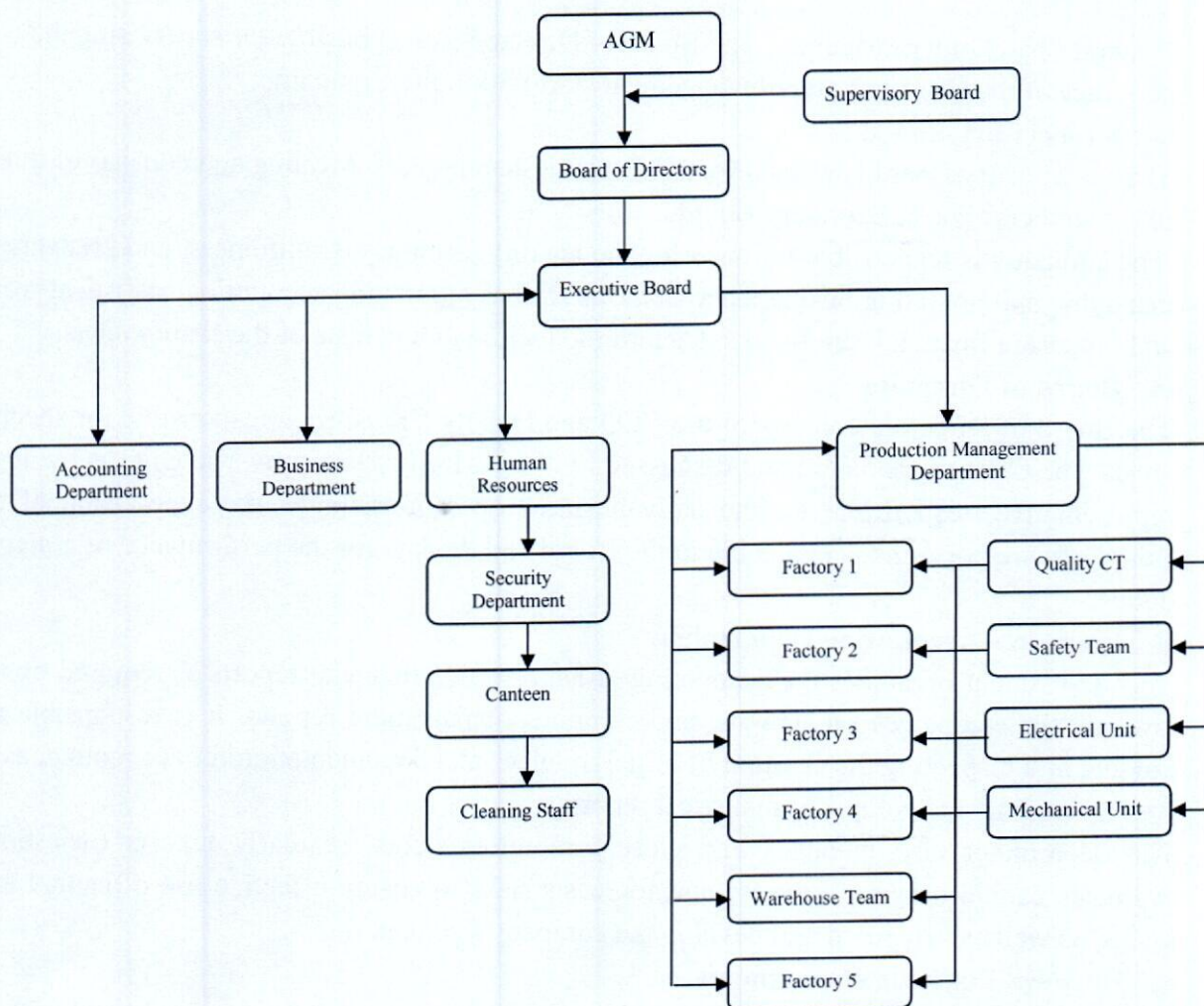
### 2. Business Sectors and Geographic Area

- **Business Activities:** Production of metal components, manufacturing other products made of metal.
- **Business Area:** Domestic and international markets.

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



**Diagram 1: Organizational  
Structure**



(Source: Mê Lin Steel Joint Stock Company)

### ✦ General Shareholders' Meeting

The General Shareholders' Meeting is the highest authority of the Company, responsible for deciding major matters related to the organization, business operations, and development investments in accordance with the Articles of Association. The General Shareholders' Meeting elects the Board of Directors and the Supervisory Board, which represent the shareholders in managing the Company between two meetings.

### ✦ Board of Directors

The Board of Directors is the highest management body of the Company, elected by the General Shareholders' Meeting, consisting of one (01) Chairman and two (02) members with a term of 5 years. The Board of Directors, on behalf of the Company, decides on all matters related to the Company's objectives and interests, except for issues within the authority of the



General Shareholders' Meeting. The Board of Directors is responsible for supervising the activities of the CEO and other management staff within the Company.

✦ **Supervisory Board**

The Supervisory Board is elected by the General Shareholders' Meeting and consists of three (03) members. The Supervisory Board...

The company is responsible for ensuring the legality, accuracy, truthfulness, and prudence in managing and operating business activities, as well as organizing accounting, statistical work, and preparing financial reports to safeguard the legitimate interests of the shareholders.

✦ **Board of Directors**

The Board of Directors consists of the CEO and Deputy CEOs, each responsible for specific areas. The CEO is appointed and dismissed by the Board of Directors. The CEO is the legal representative, responsible for the daily business operations, under the supervision of the Board of Directors, and accountable to the Board and the law for the performance of assigned duties.

✦ **Finance – Accounting Department**

This department organizes the accounting tasks, prepares financial reports as required by the law and the company's regulations, and compiles management reports. It is responsible for guiding and inspecting the creation of initial invoices and documentation for accounting, as well as guiding and compiling statistical reports.

The department also manages and closely monitors debts, regularly reports cash flow, evaluates capital usage efficiency, and forecasts risks to ensure effective use of capital and assets, as well as safeguard and develop the company's capital.

✦ **Business Planning Department**

This department leads the development of business strategies, market expansion plans, investment plans, and investment promotion (medium and long-term); and the development of production and business plans.

It is responsible for negotiating and organizing the signing of contracts, production orders, and the purchase of assets, materials, and supplies needed for the annual business operations; leading or coordinating the creation of expense limits for fuel, electricity, outsourced services, and other fixed costs in cash and material.

✦ **Administration – Human Resources Department**

This department is responsible for advising on the organizational structure of business operations and personnel planning; creating annual labor training and recruitment plans, labor standards, and wage rates; advising the Board of Directors on wage and bonus policies. It ensures compliance with labor laws and company regulations, coordinates the development and implementation of annual safety, security, defense, fire prevention, and flood control plans. It also tracks performance, awards, and disciplinary actions.

✦ **Production Management Department**

This department advises the CEO on production organization, arranges human resources appropriately to ensure the company meets its monthly, quarterly, and annual objectives.



It focuses on utilizing the company's technological production systems efficiently to meet customer product quality requirements while saving on raw materials.

✦ **Subsidiaries and Affiliates:** None.

#### **4. Development Orientation**

- Main Objectives of the Company:
  - Maintain stability and fulfill the planned business and production targets.
  - Gradually improve the management system and enhance operational efficiency; reduce costs.
  - Effectively utilize and preserve transportation equipment and production lines. Review and develop technical and economic norms suited to the Company's operational conditions.
- ✓ **Medium- and Long-Term Development Strategy:**
- Form joint ventures and investment partnerships with other entities to supply construction steel, hot-rolled and cold-rolled finished steel products for public infrastructure projects, the manufacturing industry, and civilian use.
  - Cooperate and partner with foreign manufacturing companies operating in Vietnam. Supply steel to FDI enterprises and companies with foreign investment.
  - Invest and collaborate with other enterprises in the logistics sector.
  - Invest in the construction of production facilities for lease purposes.

#### **5. Risks**

✓ **Economic Risks:**

Economic risk is identified as a systemic risk arising from macroeconomic factors (e.g., economic growth rate, inflation, exchange rates, interest rates, pandemics, wars, etc.), which directly or indirectly impact the business operations of companies in general and Mê Lin Steel Joint Stock Company in particular. The stability and strength of both the domestic and global economy play a critical role in business development. However, if deflation is not controlled and the Russia-Ukraine war escalates, along with U.S. tariff policies, inflation factors—especially fluctuations in exchange rates and rising interest rates—could reduce consumption and pose barriers to the Company's business growth.

In 2024, Vietnam's economy was heavily impacted by the Russia-Ukraine conflict, geopolitical tensions in many countries, and U.S. tariff policies against other nations, which may lead to global deflation and recession, particularly in major economies such as Europe, China, and Southeast Asia.

✓ **Legal Risks:**

Legal risks involve changes in the system of laws and regulations that directly or indirectly govern the Company's activities.

To enhance management efficiency and provide a legal framework for enterprise growth and development, the government has issued a series of legal documents to regulate business activities.



Mê Lin Steel Joint Stock Company is a public company, and all of its operations are governed by a system of legal documents, including the Law on Enterprises, the Law on Securities, and relevant legal documents and guiding circulars. The laws and subordinate legislation—particularly in the field of securities and the stock market—are still in the process of being refined. Changes in policies are always a potential risk, and any regulatory shifts may have a certain degree of impact on the Company's governance and business activities.

In addition, new accounting and auditing standards are still being gradually developed and finalized. As such, the Company must regularly monitor and update itself in order to promptly apply new regulations and ensure that its accounting practices comply with legal requirements.

## **II. Operational Performance During the Year**

### **1. Business and Production Activities**

#### **1.1. Key Performance Indicators as of December 31, 2024**

<b>Indicator</b>	<b>2024 Target (VND million)</b>	<b>2024 Actual (VND million)</b>	<b>Completion Rate (%)</b>
Total Revenue	800,000	879,845	109.98%
Total Expenses	790,000	870,542	110.19%
Profit Before Tax	10,000	9,303	93.03%
Profit After Tax	8,000	8,105	101.31%

#### **1.2 General Assessment**

In 2024, according to the Company's audited financial statements:

- The Company recorded total revenue of VND 879,845 million, achieving 109.98% of the annual plan.
- Profit after tax reached VND 8,105 million, fulfilling 101.31% of the target.
- Owner's equity as of December 31, 2024 was VND 259,299 million, an increase of 3.2% compared to 2023.
- Total assets as of December 31, 2024 were VND 729,133 million, up 12.43% year-on-year.

#### **Key contributing factors include:**

- Vietnam's economy maintained stable growth. The domestic steel industry showed a rebound in both local and export markets during 2024. Steel demand increased, and prices rose after several upward adjustments.
- The real estate market began to recover, public investment projects started disbursing capital, and mechanical engineering companies saw a resurgence with increased export orders to the U.S. and Europe.
- China's rise in steel exports led many businesses in the same sector to increase imports to raise production output, and expectations regarding Vietnam's protective tariffs triggered strong price competition among steel companies.

Mê Lin Steel Joint Stock Company also faced significant pressure from high financial costs, as the company used bank loans to purchase raw materials. Lending interest rates rose rapidly



at many banks, and foreign exchange rates surged in 2024, leading to a heavier financial burden that impacted profits.

Despite these challenges, 2024 marked an important milestone — the 8th year since Mê Lin Steel became a public company listed on the Vietnamese stock exchange. Thanks to the concerted efforts of the Board of Directors, Executive Board, and all employees, the company managed to remain balanced and profitable amid widespread market turbulence that negatively affected most companies in the steel industry.

## 2. Organization and Personnel

### 2.1. Executive Board List

#### List of the Board of Management and Chief Accountant

No.	Full Name	Position	Notes
1	Mr. Phạm Quang	General Director	General Director
2	Ms. Đỗ Thị Xuân Kiệm	Chief Accountant	Dismissed on May 27, 2024
	Mr. Nguyễn Thế Giang	Chief Accountant	Appointed on May 27, 2024
3	Mr. Lê Hồng Minh	Deputy General Director	Deputy General Director

#### ✦ Curriculum Vitae of Executive Board Member

##### **FULL NAME: PHAM QUANG**

- ID No.: 001070014634 issued by the Director General of the Police Department for Residence Registration and National Population Database on 06/02/2018
- Gender: Male
- Date of Birth: October 7, 1970
- Nationality: Vietnamese
- Ethnicity: Kinh
- Hometown: Thanh Hóa
- Permanent Address: 315 Hoàng Hoa Thám, Liễu Giai Ward, Ba Đình District, Hanoi
- Educational Background: 12/12
- Professional Qualification: Metallurgical Engineer

#### Work Experience:

- 01/1994 – 09/2001: Deputy Director, Đông Á Co., Ltd.
- 11/2001 – 09/2005: Sales Staff, Representative Office – Nippon Steel Trading Company in Hanoi
- 01/2003 – 06/2007: Deputy Director, Mê Lin Steel Co., Ltd.
- 07/2007 – 09/2015: Director, Mê Lin Steel Co., Ltd.





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- 01/2010 – Present: Member of the Board of Directors, Viet Metal JSC
- 10/2015 – Present: Member of the Board of Directors – General Director, Mê Lin Steel Joint Stock Company

### Current Positions:

- Member of the Board of Directors – General Director, Mê Lin Steel Joint Stock Company
- Member of the Board of Directors, Viet Metal Joint Stock Company

### Shareholding:

Total Shares Held: 818,000 shares, accounting for 5.45% of the company's outstanding shares

- Personally Owned: 818,000 shares (5.45%)
- Representative Ownership: 0 shares
- Related Party Ownership: 100 shares (0.0007%)

Including: Mrs. Lê Thanh Hà (spouse) holds 100 shares, accounting for 0.0007% of the company's outstanding shares.

Conflict of Interest with the Company: None

Outstanding Debts to the Company: None

### **FULL NAME: NGUYỄN THẾ GIANG**

- Citizen ID No.: 030080012856, issued by the Department of Police for Residence Registration and National Population Database on 18/05/2022
- Gender: Male
- Date of Birth: 24/08/1980
- Nationality: Vietnamese
- Ethnicity: Kinh
- Hometown: Hải Dương
- Permanent Address: An Bình City Apartment, 234 Phạm Văn Đồng – Cổ Nhuế 1 – Bắc Từ Liêm – Hanoi
- Educational Level: 12/12
- Professional Qualification: Accounting – Finance
- Work Experience:
  - ✓ Before 2007: Accountant at Thụy Khuê Shoes One Member Limited Liability Company
  - ✓ From 2007 to October 2015: Mê Lin Steel Joint Stock Company
  - ✓ From October 2015 to present: Mê Lin Steel Joint Stock Company
- Current Position at the Company: Chief Accountant
- Position Held in Other Organizations: None
- Number of Shares Held: 700 shares
  - ✓ Personal ownership: 700 shares
  - ✓ Representative ownership: None
- Number of Shares Held by Related Persons: None



- Conflicts of Interest with the Company: None
- Outstanding Debts to the Company: None
- Related Interests in the Company: None

**FULL NAME: LÊ HỒNG MINH**

- Citizen ID No.: 001095011577, issued by the General Director of the Department of Police for Administrative Management of Social Order on 04/03/2021
  - Gender: Male
  - Date of Birth: 09/11/1995
  - Nationality: Vietnamese
  - Ethnicity: Kinh
  - Hometown: Hanoi
  - Permanent Address: 74 Lò Đúc, Phạm Đình Hồ Ward, Hai Bà Trưng District, Hanoi
  - Educational Level: 12/12
  - Professional Qualification: Bachelor's Degree
  - Work Experience:
    - ✓ From April 2021 to June 2022: Director of Quang Minh Hai Phong Co., Ltd.
    - ✓ From June 2022 to present: Deputy General Director of Mê Lin Steel Joint Stock Company
  - Current Position at the Company: Deputy General Director of Mê Lin Steel Joint Stock Company
  - Position Held in Other Organizations: None
  - Number of Shares Held: 1,500,000 shares, accounting for 10% of the Company's outstanding shares
    - ✓ Personal ownership: 1,500,000 shares (10%)
    - ✓ Representative ownership: None
  - Conflicts of Interest with the Company: None
  - Outstanding Debts to the Company: None
  - Related Interests in the Company: None
- 2.2 Changes in the Executive Board: None
- 2.3 Number of staff and employees. Summary of policies and changes in labor policies

**Table 1: Workforce Structure**

Workforce Structure	Number of People	Percentage (%)
By Education Level	60	100%
Bachelor's degree and above	34	56.7%
College	7	11.7%
Vocational training	10	16.7%
Technical workers	9	15.0%
By Gender	60	100%
Male	46	76.7%
Female	14	23.3%

(Source: Mê Lin Steel Joint Stock Company)



### Salary and Bonus Policy

Every year, the company organizes mid-year and year-end reviews, and rewards employees for their contributions to the company. The bonus amount is based on the company's production performance and the economic outcomes of both the collective and individual employees. Individuals or units that fail to complete their assigned tasks, causing harm to the company's economy, assets, or reputation, will be specifically reviewed and subject to disciplinary actions, including fines and material compensation according to the collective labor agreement and the company's labor regulations.

### 3. Investment Situation and Project Implementation

- Large Investments: None
- Subsidiaries and Affiliates: None

### 4. Financial Situation

- Financial Situation

**Table 2: Financial Situation**

Indicator	Year 2023	Year 2024
Total Asset Value	648,497,075,016 VND	729,133,392,493 VND
Net Revenue	670,824,724,222 VND	879,845,362,827 VND
Profit from Business Activities	5,179,853,409 VND	5,354,562,800 VND
Other Profit	389,673,133 VND	3,949,240,918 VND
Profit Before Tax	5,569,526,542 VND	9,303,803,718 VND
Profit After Tax	4,446,378,720 VND	8,105,259,141 VND

(Source: 2024 Audited Financial Statements of the Company)

- Key financial indicators:

**Table 3: Key Financial Indicators**

Indicator	Unit	2023	2024	Notes
1. Liquidity Ratios	Times			
Short-term liquidity ratio (Current assets/Short-term liabilities)	Times	1.45	1.40	
2. Financial Independence Ratios				
Debt/Total Assets ratio		0.61	0.64	
Debt/Equity ratio		1.58	1.81	
Equity/Total Assets ratio		0.39	0.35	
3. Activity Ratios	Times			
Capital turnover	Times	1.19	1.43	
Asset utilization ratio	Times	1.03	1.21	
4. Profitability Ratios	%			
Profit after tax/Net revenue	%	0.7	0.9	
Profit after tax/Equity	%	1.8	3.1	
Profit after tax/Total assets	%	0.7	1.1	

(Source: Audited Financial Statements for 2024 of the Company)



## 5. Shareholding Structure, Changes in Ownership Capital

### a) Shares

- Total number of shares: 15,000,000 shares
- Type of shares: Common shares
- Nominal value: 10,000 VND/share
- Number of freely transferable shares: 15,000,000 shares
- Number of restricted shares under legal regulations, the company's charter, or commitments by the shareholders: 0 shares.

### b) Shareholding Structure as of 24/04/2025

**Table 4: Shareholder Structure**

No.	Shareholder Type	Number of Shareholders	Number of Shares	Percentage of Paid-up Capital (%)
1	Domestic Shareholders	15,000,000	15,000,000	100%
1.1	Organizations	0	0	0%
1.2	Individuals	15,000,000	15,000,000	100%
2	Foreign Shareholders	0	0	0%
2.1	Organizations	0	0	0%
2.2	Individuals	0	0	0%
3	Treasury Shares	0	0	0%
<b>Total</b>			<b>15,000,000</b>	<b>100%</b>

(Source: Mê Lin Steel Joint Stock Company)

c) Changes in owner's investment capital: None

d) Treasury stock transactions: None

e) Other securities: None

## 6. Company's Report on Environmental and Social Impact

### 6.1 Management of Raw Materials:

a) Total amount of raw materials used for the production and packaging of the company's main products and services in the year: None

b) Percentage of recycled raw materials used in the production of the company's main products and services: None

### 6.2 Energy Consumption:

a) Direct and indirect energy consumption:

Direct energy consumption is primarily electricity. Being a heavy industrial production sector, energy costs make up a significant portion of the company's total expenses. The company uses synchronized equipment to optimize energy savings. In addition, energy consumption levels are closely monitored, with each production step equipped with energy measurement systems to track usage and enable timely corrective actions.



- b) Energy saved through energy efficiency initiatives: None  
 c) Energy-saving initiatives reports (providing energy-efficient products and services or using renewable energy); results of these initiatives: None

**6.3 Water Consumption:**

- a) Water supply source and volume used:  
 ✓ Source: Quang Minh Clean Water Plant  
 ✓ Volume used: 613 m<sup>3</sup>/month  
 b) Percentage and total amount of recycled and reused water:  
 ✓ Average volume of wastewater treated: 490 m<sup>3</sup>/month

**6.4 Compliance with Environmental Laws:**

- a) Number of violations fined for non-compliance with environmental laws and regulations: None  
 b) Total amount of fines imposed for non-compliance with environmental laws and regulations: None

**6.5 Labor-Related Policies:**

- a) Number of Employees and Average Salary:

Year	Average Number of Employees	Average Monthly Income (VND/person)	Year	Average Number of Employees
2021	85	9,500,000	2021	85
2022	70	10,590,000	2022	70

*(Source: Mê Lin Steel Joint Stock Company)*

b) Labor Policies Ensuring Employee Health, Safety, and Welfare

The company fully implements all policies for employees, including provision of personal protective equipment (PPE), and contributions to social insurance (SI), health insurance (HI), and unemployment insurance (UI) in accordance with regulations. It also ensures fair treatment and protection of employees' rights upon termination.

The company adheres strictly to labor laws, guarantees job stability, improves employee income, and attends to the physical and mental well-being of its staff. A reward and welfare fund has been established to promptly support employees facing difficulties in life.

Additional employee benefits include:

- Free housing with utilities (electricity and water) for 100% of staff in need.
- A staff canteen providing three meals per day, with one main meal and breakfast offered free of charge, and dinner partially subsidized (50%).
- Company shuttle buses transporting staff between Hanoi and the company location.

c) Employee Training Activities

Based on its annual business expansion needs, the company develops recruitment plans to attract qualified personnel. Specific recruitment criteria are established for each position, but all roles share general requirements such as a basic level of professional qualifications, strong career development orientation, high discipline, and proactivity at work.



Thanks to its effective recruitment policies, the company has successfully built a competent workforce from various sources in recent years. Young and dynamic employees are continuously trained and equipped with new skills and experience through the company's training programs. With a people-centered approach, the company always creates favorable conditions for staff to enhance their professional knowledge. It regularly sends employees to attend both short- and long-term training programs in business operations and organizes technology workshops for technical staff.

#### 6.6 Report on Corporate Social Responsibility to the Local Community

The company engages in community investment and development activities, including financial support for community services such as: participating in social work, contributing to local associations and organizations, and supporting local initiatives.

#### 6.7 Report on Green Capital Market Activities (as guided by the State Securities Commission): None

### III. Report and Assessment by the Board of Directors

#### 1. Evaluation of Business Performance

According to the Company's 2024 audited financial statements:

- The Company's revenue reached VND 879,845 million, achieving 109.98% of the annual target.
- Profit after tax in 2024 was VND 8,105 million, accomplishing 101.31% of the target.
- Owner's equity as of December 31, 2024 was VND 259,299 million, an increase of 3.2% compared to 2023.
- Total assets as of December 31, 2024 were VND 729,133 million, up 12.43% compared to 2023.

#### 2. Financial Situation

##### a) Asset Status

**Table 5: Asset Status**

Indicator	2023 (VND)	2024 (VND)	Note
<b>Short-term assets</b>	<b>572,079,195,662</b>	<b>656,321,558,697</b>	
1. Cash and cash equivalents	8,156,464,399	17,220,861,473	
2. Short-term financial investments			
3. Short-term receivables	80,698,968,519	101,610,365,358	
<i>Trade receivables</i>	74,031,186,001	102,122,495,463	
<i>Prepayments to suppliers</i>	994,055,118	1,208,849,422	
<i>Short-term loans receivable</i>			
<i>Other short-term receivables</i>	11,751,252,142	4,538,122,403	
<i>Provision for doubtful debts</i>	(6,077,524,742)	(6,259,101,930)	
4. Inventories	480,524,028,658	533,421,737,149	
5. Other Current Assets	2,699,734,086	4,068,594,717	
<b>Non-current Assets</b>	<b>76,417,879,354</b>	<b>72,811,833,796</b>	



Indicator	2023 (VND)	2024 (VND)	Note
1. Long-term Receivables	0	0	
2. Fixed Assets	64.801.060.774	62.201.939.809	
3. Construction in Progress	640.235.467	0	
Construction in Progress Costs	640.235.467	0	
4. Other Non-current Assets	10.976.583.113	10.609.893.987	

*(Source: 2024 Audited Financial Statements of the Company)*

b) Current debt situation, significant changes in debt items

**Table 6: Debt Situation**

LIABILITIES	Year 2023 (VND)	Year 2024 (VND)
<b>Total Liabilities</b>	397,302,455,092	469,833,513,428
<b>I. Short-term liabilities</b>	397,302,455,092	467,170,027,589
1. Short-term loans and financial lease liabilities	362,810,871,704	395,386,026,099
2. Payables to suppliers (short-term)	28,655,372,530	67,752,067,413
3. Advances from customers (short-term)	1,274,626,504	1,321,075,291
4. Taxes and other payable amounts to the state	1,850,000	160,770,284
5. Payables to employees	0	540,381,669
6. Accrued expenses	455,862,081	318,112,333
7. Unearned revenue (short-term)	1,454,767,273	1,691,594,500
8. Other short-term payables	0	0
9. Welfare and reward fund	0	0
<b>II. Long-term liabilities</b>	2,649,105,000	2,663,485,839

*(Source: 2024 Audited Financial Statements of the Company)*

### 3. Improvements in organizational structure, policies, and management:

The company's management and leadership structure is streamlined and direct. Under the Board of Directors, there are departments with specific functions and duties, closely supervised and managed by the department heads. The company's policies comply with the current legal regulations of the Vietnamese government. The human resources policies are designed to promote the company's operations. The salary policy rewards employees based on their work capacity and offers good benefits, which has helped the company attract truly capable personnel who are dedicated to their work.

Control measures: The company has an independent Board of Supervisors that oversees both the financial activities and the management of the company.

### 4. Future Development Plan:

- With the nature of the steel manufacturing business, the company will focus more on production and processing by expanding the market, increasing labor productivity, and purchasing additional machinery to enhance capacity and the quality of cutting and rolling to meet market demands.



- Establish joint ventures and partnerships with other companies to supply construction steel and finished steel for industrial and civil construction projects.
- Invest in and form joint ventures with other businesses in the logistics sector.
- Search for and lease industrial land to build office buildings and factories for rent.

#### **IV. Board of Directors' Evaluation of the Company's Operations**

##### **1. The Board of Directors has assessed the Company's operations, including evaluations related to environmental and social responsibilities.**

- In 2024, the Board of Directors directed the departments to develop action plans aligned with the Company's operational objectives, providing guidance and monitoring the implementation of strategies while mitigating risks.
- The Board analyzed information and forecasted trends in the development of operational areas, helping to minimize investment risks in the upcoming years, ensuring stable and sustainable growth.
- Focused on refining the business plan and human resources development plan for the 2024-2025 period, to be presented to departments across the entire system.
- The Board has also reviewed the implementation of governance regulations, compliance with state laws, and regulations from relevant authorities. The Board held 08 meetings in 2024 and issued 08 resolutions/decisions concerning various operational areas of the Company.

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

The Board of Directors recognizes that the Executive Board has effectively carried out its functions, duties, and powers as outlined in the Company's charter. The Executive Board has diligently and successfully implemented the resolutions of the 2024 Annual General Meeting of Shareholders, as well as the resolutions and decisions made by the Board of Directors, ensuring compliance with both the Company's regulations and current legal requirements.

##### **3. Plans and Directions of the Board of Directors:**

The company's leadership has assessed the inflation situation in various countries, the growth trend of the steel industry worldwide, especially in China, and has analyzed the challenges and advantages of the domestic steel industry. Based on this, the Board has developed the following plans for the company's business activities in 2025:

- **Sustaining Business Operations:** The company will continue to maintain stable production and business operations, actively seeking new markets and export opportunities. The goal is to expand the network of steel suppliers with favorable advantages in sourcing and pricing. The company will leverage all available machinery, equipment, and facilities to increase the added value of products.
- **Enhancing Real Estate Business:** The company will continue to improve the efficiency of its business in renting industrial buildings and office spaces.



- Cost Management: Efficient management of all types of company costs, especially financial and administrative expenses. Maintaining a balanced and stable financial position, along with effective cash flow management.
- Inventory Management: The company will carefully manage inventory levels to reduce short-term loans and financial costs. Close monitoring of input material prices, exchange rates, and interest rates will help minimize foreign exchange risk and flexibly adjust product pricing to achieve better efficiency.
- Business Plan Execution: The Board will direct and supervise the implementation of the 2025 business plan, including market expansion in terms of supply sources and customer acquisition. Flexible and timely management will be applied in accordance with the global and domestic steel market trends.
- Shareholder Relations: The company will establish and maintain strong relationships with shareholders, ensuring timely, truthful, and compliant information disclosure.

## V. Corporate Governance

### 1. Board of Directors

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

The Board of Directors of Me Lin Steel Joint Stock Company currently consists of three (03) members. The term of the Board of Directors is five (05) years. Each member's term of office shall not exceed five (05) years, and members may be re-elected for an unlimited number of terms.

#### Current List of Members of the Board of Directors

No.	Full Name	Position	Note
1	Ms. Lê Thị Hương Giang	Chairwoman of the Board	Executive
2	Mr. Phạm Quang	Member of the Board	Executive
3	Ms. Bạch Thị Ngọc Thúy	Member of the Board	Non-executive

#### FULL NAME: LE THI HUONG GIANG

- ID Number: 001168009130 issued by the Director of the Police Department for Residence Registration and National Population Data on 03/02/2017
- Gender: Female
- Date of Birth: December 17, 1968
- Nationality: Vietnamese
- Ethnicity: Kinh
- Place of Origin: Thai Binh
- Permanent Address: 74 Lo Duc Street, Pham Dinh Ho Ward, Hai Ba Trung District, Hanoi City
- Educational Level: 12/12
- Professional Qualification: Bachelor of Economics
- Employment History
- From 09/1992 to 02/1997: Interpreter, Forestry Mechanical Company



- From 04/1997 to 12/2008: Head of Sales Department, Hanoi Representative Office of Nippon Steel Trading Co.
- From 01/2003 to 05/2005: Member of the Members' Council, Me Lin Steel Co., Ltd.
- From 06/2005 to 09/2015: Chairwoman of the Members' Council, Me Lin Steel Co., Ltd.
- From 01/2010 to Present: Chairwoman of the Board of Directors, Viet Metal Joint Stock Company
- From 10/2015 to Present: Chairwoman of the Board of Directors
- Current Positions
- At the Company: Chairwoman of the Board of Directors
- At Other Organizations: Chairwoman of the Board of Directors – Viet Metal Joint Stock Company
- Shareholding

Total shares held: 6,750,000 shares, accounting for 45% of the total outstanding shares of the Company

- ✓ Personal ownership: 6,750,000 shares (45%)
- ✓ Representative ownership: 0 shares

Shares held by related persons: 1,500,000 shares, accounting for 10% of the total outstanding shares

- ✓ Details: Son – Lê Hồng Minh owns 1,500,000 shares (10%)

- Conflicts of Interest: None
- Liabilities to the Company: None
- Relevant Interests in the Company: None

**FULL NAME: PHẠM QUANG**

Already stated in the Executive Members' Profile section.

**FULL NAME: BACH THI NGOC THUY**

- ID Number: 001168009803 issued by the Director General of the Police Department for Residence Registration and National Population Data on April 21, 2017
- Gender: Female
- Date of Birth: October 9, 1968
- Nationality: Vietnamese
- Ethnicity: Kinh
- Place of Origin: Hung Nguyen, Nghe An
- Permanent Address: B14 – Lot E9 – Pham Hung – Trung Hoa – Cau Giay – Hanoi
- Educational Level: 12/12
- Current Position at the Company: None
- Position at Other Organizations: None
- Number of Shares Held: None



- ✓ Personal Share Ownership: Not applicable
  - ✓ Represented Share Ownership: Not applicable
  - Number of Shares Held by Related Persons: None
  - Conflict of Interest with Company: None
  - Outstanding Debts to the Company: None
  - Related Interests with the Company: None
- a) Subcommittees under the Board of Directors: Secretary to the Board of Directors
- b) Activities of the Board of Directors:

**Table 7: Decisions and Resolutions of the Board of Directors in 2024**

No.	Resolution/Decision No.	Date	Content
1	1001/2024/NQ - HĐQT	10/01/2024	Approved the loan at VietinBank Quang Minh branch
2	3001/2024/NQ - HĐQT	30/01/2024	Approved the business performance results for Q4/2023 and implementation plan for Q1/2024
3	1204/2024/NQ - HĐQT	12/04/2024	Approved the business performance results for Q1/2024 and implementation plan for Q2/2024
4	04/2024/NQ - HĐQT	31/05/2024	Approved the personnel changes
5	2507/2024/NQ - HĐQT	25/07/2024	Approved the business performance results for Q2/2024 and implementation plan for Q3/2024
6	0908/2024/NQ - HĐQT	09/08/2024	Approved the loan at AgriBank My Dinh branch
7	1010/2024/NQ - HĐQT	10/10/2024	Approved the business performance results for Q3/2024 and implementation plan for Q4/2024
8	1410/2024/NQ - HĐQT	14/10/2024	Approved the loan, issuance of guarantees, issuance of LC, and issuance of XNCCTD at Military Commercial Joint Stock Bank – SGD 3 branch
In addition to regular meetings, the Board of Directors flexibly organizes short meetings to adjust the operational direction based on the current global steel market situation and domestic market conditions.			

*(Source: Mê Lin Steel Joint Stock Company)*

- d) Activities of the independent members of the Board of Directors. Activities of the



subcommittees within the Board of Directors: None.

e) List of Board of Directors members with corporate governance training certificates. List of Board of Directors members participating in corporate governance programs during the year: None

## 2. Supervisory Board

a) Members and Structure of the Supervisory Board:

The company's Supervisory Board consists of 03 (three) members. The term of office for each member is no more than 05 (five) years, and members of the Supervisory Board may be re-elected with an unlimited number of terms.

### List of Supervisory Board Members

No.	Full Name	Position
1	Mr. Nguyễn Thế Giang	Chairman of the Supervisory Board (Term ended on 27/05/2024)
	Ms. Đỗ Thị Xuân Kiệm	Chairman of the Supervisory Board (Appointed on 27/05/2024)
2	Mr. Nguyễn Mạnh Hải	Member of the Supervisory Board
3	Mr. Chu Đức Khương	Member of the Supervisory Board

### FULL NAME: ĐỖ THỊ XUÂN KIỆM

- ID number: 001159018585, issued by the Director of the Department of Public Security on July 28, 2020
- Gender: Female
- Date of birth: May 11, 1959
- Nationality: Vietnamese
- Ethnicity: Kinh
- Hometown: Thanh Hóa
- Permanent address: Alley 137, Quỳnh Alley, Thanh Nhân, Hai Bà Trưng, Hanoi
- Education level: 12/12
- Professional qualification: Bachelor of Accounting

Work experience:

- From 1981 to 1995: Employee at Vietnam Forest Machinery Corporation
- From 1995 to 2006: Chief Accountant at Vietnam Forest Machinery Corporation
- From 2006 to 2009: Head of Audit Department at Vietnam Forest Machinery Corporation
- From 2009 to October 2010: Chief Accountant at Me Linh Steel Co., Ltd.
- From October 2015 to May 27, 2024: Chief Accountant at Me Linh Steel Joint Stock Company

Current position at the company:

- Position at other organizations: Head of the Supervisory Board





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### Shares held:

- Total shares owned: 1,800 shares, accounting for 0.012% of the company's total outstanding shares
- Personal shares owned: 1,800 shares, accounting for 0.012% of the company's total outstanding shares
- Shares held on behalf of others: 0 shares
- Shares held by related parties: None
- Conflicting interests with the company: None
- Debts to the company: None

### **FULL NAME: CHU ĐỨC KHƯƠNG**

- ID number: 001065005809, issued by the Director of the Police Department on March 4, 2016
- Gender: Male
- Date of birth: June 16, 1965
- Nationality: Vietnamese
- Ethnicity: Kinh
- Hometown: Hanoi
- Permanent address: No. 107/528 Ngô Gia Tự, Long Biên District, Hanoi
- Education level: 12/12
- Professional qualification: Civil Engineer
- Work experience:
  - ✓ From January 1991 to February 2000: Worker at Thang Long Bridge 5 Company
  - ✓ From March 2000 to May 2000: Bridge Engineer at Thang Long Bridge 5 Company
  - ✓ From June 2000 to September 2006: Deputy Team Leader, Bridge Engineer at Thang Long Bridge 5 Company
  - ✓ From July 2008 to December 2012: Head of Production Management Department at Me Linh Steel Co., Ltd.
  - ✓ From January 2013 to September 2015: Head of Mechanical-Electrical Engineering Department at Me Linh Steel Co., Ltd.
  - ✓ From October 2015 to present: Member of the Supervisory Board - Construction Supervisor at Me Linh Steel Joint Stock Company
- Current position at the company: Member of the Supervisory Board - Construction Supervisor at Me Linh Steel Joint Stock Company
- Position held at other organizations: None

### Shares held:

- ✓ Total shares owned: 1,575 shares, accounting for 0.01% of the company's total outstanding shares
- ✓ Personal shares owned: 1,575 shares, accounting for 0.01% of the company's total outstanding shares
- ✓ Shares held on behalf of others: 0 shares



- Shares held by related parties: None
- Conflicting interests with the company: None
- Debts to the company: None
- Related benefits with the company: None

**FULL NAME: NGUYỄN MẠNH HẢI**

- ID number: 026081006651, issued on April 21, 2021, by the Director of the Police Department
- Gender: Male
- Date of birth: July 21, 1981
- Nationality: Vietnamese
- Ethnicity: Kinh
- Hometown: Tứ Yên, Sông Lô, Vĩnh Phúc
- Permanent address: Group 9, Quang Minh Town, Mê Linh, Hanoi
- Education level: 12/12
- Professional qualification: College degree
- Work experience:
  - ✓ From 2003 to 2020: Team Leader of the Operation Department at Me Linh Steel Co., Ltd.
  - ✓ From 2020 to May 2021: Production Manager at Me Linh Steel Joint Stock Company
  - ✓ From May 2021 to present: Member of the Supervisory Board - Production Manager at Me Linh Steel Joint Stock Company
- Current position at the company: Member of the Supervisory Board - Production Manager at Me Linh Steel Joint Stock Company
- Position held at other organizations: None

**Shares held:**

- ✓ Total shares owned: 1,050 shares, accounting for 0.007% of the company's total outstanding shares
- ✓ Personal shares owned: 1,050 shares, accounting for 0.007% of the company's total outstanding shares
- ✓ Shares held on behalf of others: None
- Shares held by related parties: None
- Conflicting interests with the company: None
- Debts to the company: None
- Related benefits with the company: None

**b) Activities of the Supervisory Board:**

In 2024, the Supervisory Board (BKS) organized regular meetings and attended the meetings of the Board of Directors (BOD) of the company.

The Supervisory Board conducted inspections and supervision on the compliance with legal regulations and the company's policies in managing and operating the business activities of the Board of Directors (BOD) and the Executive Board (BGD) in 2024, specifically:



- Reviewing the legality and procedures of issuing resolutions and decisions of the BOD and BGD in 2024;
- Providing opinions and making recommendations to the BOD and BGD on issues related to the company's operations during the year;
- Inspecting and supervising the implementation of the 2024 General Assembly resolutions by the BOD and BGD;
- Verifying the financial reports to assess the accuracy and reasonableness of the financial data.

**3. Transactions, remuneration, and benefits of the Board of Directors, Executive Board, and Supervisory Board.**

a) Salary, bonuses, remuneration, and benefits of the Board of Directors, Executive Board, and Supervisory Board:

**Table 8: Salary, bonuses, remuneration, and benefits of the Board of Directors, Executive Board, and Supervisory Board.**

No.	Full Name	Position	Remuneration (BOD, BKS, BGD)	Notes
1	Ms. Lê Thị Hương Giang	Chairman of the Board of Directors	36,000,000	
2	Mr. Phạm Quang	Member of the Board of Directors	24,000,000	
3	Ms. Bạch Thị Ngọc Thúy	Member of the Board of Directors	24,000,000	
4	Mr. Nguyễn Thế Giang	Head of the Supervisory Board	18,000,000	
5	Mr. Nguyễn Mạnh Hải	Member of the Supervisory Board	12,000,000	
6	Mr. Chu Đức Khương	Member of the Supervisory Board	12,000,000	

*(Source: Mê Lin Steel Joint Stock Company)*

- b) Transactions of shares by internal shareholders: None  
c) Contracts or transactions with internal shareholders: None  
d) Implementation of corporate governance regulations: None

**IV. Financial reports**

**1. Auditor's Opinion:**

In our opinion, in all material respects, the accompanying financial statements present fairly and accurately the financial position as of December 31, 2024, the results of operations, and cash flows for the financial year then ended of Me Lin Steel Joint Stock Company, in accordance with Vietnamese Accounting Standards, the current Vietnamese Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of financial statements.



## 2. Audited Financial Statements

The 2024 financial statements have been audited and include: the Balance Sheet; the Statement of Income; the Statement of Cash Flows; and the Notes to the Financial Statements, in accordance with legal regulations on accounting and auditing.

Disclosure address for the financial statements: <http://melinsteel.vn/>

ME LIN STEEL JOINT STOCK COMPANY



  
TỔNG GIÁM ĐỐC  
*Phạm Quang*

C.P.