

**VIETNAM STEEL  
CORPORATION**

**THE SOCIALIST REPUBLIC OF  
VIETNAM**  
**Independence – Freedom – Happiness**

No.: /TTr-VNS

*Hanoi, date month year 2025*

DRAFT

**PROPOSAL**

**Regarding the approval of the Development Strategy of Vietnam Steel Corporation to 2030 and vision to 2035**

To: General Meeting of Shareholders of Vietnam Steel Corporation

Pursuant to:

- Decision No. 360/QD-TTg dated March 17, 2022 of the Prime Minister approving the Project "Restructuring state-owned enterprises, focusing on economic groups and state-owned corporations for the period 2021 - 2025" ;

- Resolution No. 68/NQ-CP dated May 12, 2022 of the Government on continuing to innovate, improve operational efficiency and mobilize resources of state-owned enterprises, focusing on economic groups and corporations in socio-economic development;

- Resolution No. 90/NQ-CP dated June 16, 2023 of the Government on the promulgation of the Government's Action Program to implement Resolution No. 81/2023/QH15 of the National Assembly on the National Master Plan for the 2021-2030 period, with a vision to 2050 and the Plan to implement the National Master Plan for the 2021-2030 period, with a vision to 2050;

- Draft Steel Industry Development Strategy for the period up to 2030, with a vision to 2050, developed by the Ministry of Industry and Trade;

- Charter of organization and operation of Vietnam Steel Corporation;

To suit the actual situation and ensure the ability to achieve strategic goals, the Board of Directors respectfully submits to the General Meeting of Shareholders for approval the Development Strategy of Vietnam Steel Corporation to 2030, with a vision to 2035 with the following main contents:

**1. Development orientation**

- Strengthening market position with traditional products and gradually move towards providing high quality steel products, specialized steel in both long steel and flat steel product groups and related services.

- Establishing a position as a highly competitive manufacturer in the Vietnamese steel industry.

- Meet the increasing demands of customers for product quality and service excellence.

## **2. Development orientation**

- Regarding ownership structure, continue to maintain the dominant state capital ownership ratio ( $\geq 51\%$ ) at VNSTEEL.

- Focus all resources on steel production and trading to make it VNSTEEL's core business.

- Focus on perfecting and investing in technology, developing production capacity to make VNS one of the leading steel manufacturers in Vietnam.

- Build and perfect the product distribution and consumption system; build and develop strong product brands in the system.

- Continue to research and perfect the management apparatus, ensuring streamlining and efficiency; improve the quality of technical, management and market human resources... to ensure competitiveness.

- Regularly review, improve, develop and innovate management regulations and rules in the system, ensuring to create all favorable conditions for production and business activities.

## **3. Vision :**

**Becoming one of the top 3 steel manufacturers in Vietnam**, offering a diverse range of high-quality steel products that are highly competitive in both domestic and export markets.

## **4. Development goals**

### **4.1. General objectives**

- Becoming a leading steel manufacturer in terms of production volume, product quality, and competitiveness, meeting domestic and export market demands.

- Ensuring VNSTEEL's sustainable, dynamic, and efficient development based on appropriate technology, an advanced quality management system, and modern labor and environmental management standards.

- Restructuring affiliated units and implementing new investment projects to concentrate production in geographically suitable regions with favorable conditions in terms of raw material supply, labor availability, transportation, industrial infrastructure, seaports, and market accessibility.

- Establishing strong product brands in the domestic market.

### **4.2. Specific objectives**

#### *4.2.1. Period up to 2030:*

- Production Capacity Targets:

+ Steel billet production capacity: 3,815,000 tons/year (billet).

+ Long steel production capacity: 4,650,000 tons/year .

+ Cold rolled steel capacity (CRC) 605,000 tons/year .  
 + Galvanized steel capacity: 905,000 tons/year; color coated steel capacity: 490,000 tons/year .

+ Galvanized pipe capacity: 260,000 tons/year .

- Market Share Targets:

+ In the period of 2026 - 2030, strive for the proportion of construction steel output compared to the whole industry to account for 20%, galvanized steel to account for 8%, and Cold rolled steel companies operate at 100% of their CRC capacity.

+ Units gradually restore lost markets, harmoniously and flexibly balance the goals of maintaining output and business efficiency at each time to ensure the set profit plan.

#### 4.2.2. Vision Towards 2035

- Regarding long steel production: Maintain position in the Top 3 leading construction steel manufacturers in Vietnam; increase the proportion of high-quality construction steel products and alloy steel.

- Regarding flat steel production: supplement hot rolled steel products (HRC), increase cold rolled steel capacity as a basis for developing galvanized steel products, steel pipes, etc.

- Strive to maintain 20% market share for construction steel and 10% for galvanized steel.

### 5. VNSTEEL's production and business plan for the next 5 years

- Consumption Targets:

No.	Indicator	Plan for 2025	Plan for 2026-2030	Average Growth Rate 2025-2030 (%)	2035	Growth Rate 2035/2030
		2026	2027	2028	2029	2030
1	Long Steel Output	2,510,000	2,650,000	2,800,000	3,000,000	3,300,000
2	Flat Steel Output	995	1,050,000	1,200,000	1,300,000	1,400,000

- Financial indicators:

Target	Unit	2025	2026	2027	2028	2029	2030
Total consolidated revenue	Billion VND	34,000	36,500	38,500	41,500	42,500	43,500
Consolidated profit before tax	Billion VND	180	200	250	300	350	400
Parent	Billion	1,809	2,078	2,100	2,146	2,178	2,200

Company Total Revenue	VND						
Profit before tax of parent company	Billion VND	20	50	70	100	130	150

- Labor and salary indicators:

Target	Unit	2025	2026	2027	2028	2029
Total number of employees	People	10,085	10,200	10,200	10,200	10,200
Average income	m.VND per month	14.8	15	15.5	15.9	16.4

*(Note: he above labor plan includes subsidiaries and affiliates (including an estimated workforce of 1,200 employees at VTM); Excludes companies where VNSTEEL holds less than 20% of charter capital and companies undergoing dissolution/bankruptcy procedures (Nippon Steel VN Steel Pipe, Thi Vai International Port, Thach Khe Iron, Southern Plate Steel, Tan Thanh My).*

- Investment and development indicators:

No	Capital source	Unit	2025	2026	2027	2028	2029
1	Total	Billion VND	1,134.45	3,440.77	3,805.74	6,265.37	4,172.04
2	Enterprise capital in which:	Billion VND	929.93	1,253.37	1,056.88	1,829.61	1,354.89
2.1	<i>VNS Capital</i>	<i>Billion VND</i>	<i>542.05</i>	<i>214.00</i>	<i>100.00</i>	<i>80.00</i>	<i>50.00</i>
2.2	<i>Capital from subsidiaries/affiliates</i>	<i>Billion VND</i>	<i>387.88</i>	<i>1,039.37</i>	<i>956.88</i>	<i>1,749.61</i>	<i>1,304.89</i>
3	Loans and other capital	Billion VND	204.52	2,187.40	2,748.86	4,435.76	2,817.15

## 6. Implementation organization

### 6.1 . Implementation Orientation

- Based on the Development Strategy, VNSTEEL builds appropriate annual and medium-term plans to effectively implement and achieve the set goals.

- Regularly monitor and periodically evaluate the implementation of solutions and plans; make timely adjustments to achieve the goals and development directions of the Strategy.

## **6.2. Assignment of implementation**

- **Steering Committee:** Led by the Chairman of the Board of Directors of VNSTEEL; responsible for directing and supervising the implementation of the strategy.

- **Board of Management:** Led by the General Director/Deputy General Director of Strategy; responsible for coordinating, supervising and monitoring the implementation status of solutions; reporting arising issues to the steering committee and supporting resolution as required.

- **Implementation Teams:** The Head of Department/Team Leader is responsible for implementing each specific solution and a Deputy General Director is responsible for implementing strategic solutions.

The above document presents the Proposal for the approval of the Development Strategy of Vietnam Steel Corporation to 2030, with a vision to 2035, respectfully submitted to the General Meeting of Shareholders for consideration and approval and assigned to the Board of Directors of the Corporation for approval and direction of implementation to ensure the set goals.

Best regards. /.

***Recipient:***

- Shareholders of VNSTEEL;
- BOD; BOS;
- General Director, Deputy General Directors;
- Relevant Departments;
- Save: Administration Office, BOD.

**O.B.O THE BOARD OF DIRECTORS  
CHAIRMAN**

**Le Song Lai**