

*Hai Phong, Date ... Month ... Year 2025*

**(DRAFT)**

## **REPORT OF THE SUPERVISORY BOARD**

**To: - Distinguished Delegates;**

**- Shareholders and the General Meeting,**

Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;

Pursuant to the Charter of the Hai Phong HABECO Joint Stock Company;

Pursuant to the Resolution of the 2023 Annual General Meeting of Shareholders of the Hai Phong HABECO Joint Stock Company,

The Supervisory Board of Hai Phong HABECO Joint Stock Company (hereinafter referred to as “the Company”) hereby reports to the 2025 Annual General Meeting of Shareholders on the results of inspection and supervision of the Company’s activities in 2024 as follows:

### **I. Report on Activities of the Supervisory Board in 2024:**

In 2024, the Supervisory Board carried out its tasks in accordance with regulations, specifically as follows:

#### **1. Assessment Report on the Management of the Board of Directors and the Executive Board:**

- The Board of Directors (BOD) held meetings as required to discuss, analyze, and reach consensus decisions. In 2024, six (06) Resolutions were unanimously issued by the BOD.
- The BOD and Executive Board fulfilled their roles and responsibilities as defined by the Law on Enterprises, the Company Charter, and relevant legal regulations, and strictly implemented the Resolutions of the General Meeting of Shareholders and the BOD.
- They provided timely and appropriate guidance aligned with actual circumstances, striving to meet production and business targets to maximize Company interests.

#### **2. Assessment Report on Coordination between the Supervisory Board and BOD, Executive Board, and Shareholders:**

- The Supervisory Board attended BOD meetings and some Executive Board meetings (when invited).
- It maintained close relationships with shareholders and monitored compliance with disclosure regulations to protect shareholder interests

## II. Appraisal Report on Financial Statements and 2024 Business Results:

### 1. Appraisal of Financial Statements:

- The Company applies the corporate accounting regime under Circular No. 200/2014/TT-BTC dated December 22, 2014, and Circular No. 53/2016/TT-BTC dated March 21, 2016.
- The 2024 financial statements (ending December 31, 2024) were audited by Nhan Tam Viet Auditing Co., Ltd. and disclosed in accordance with regulations.
- The Supervisory Board agrees with the figures presented and issued a separate appraisal report expressing its viewpoint.

### 2. Implementation of Production and Business Targets:

No.	Item	Unit	Actual 2023	Year 2024		Ratio (%)	
				Plan	Actual	% of 2023	% of Plan
1	Industrial Production Value	VND billion	243.92	255.11	245.81	100.77%	96.35%
2	Total Revenue	-	442.61	466.57	448.55	101.34%	96.14%
3	State Budget Contribution	-	225.38	237.27	235.51	104.49%	99.26%
4	Pre-tax Profit	-	1.25	1.27	0.34	27.20%	26.77%
5	Average Employee Salary	million VND/person/month	10.10	10.26	10.78	105.94%	105.07%

Pre-tax profit in 2024 was VND 0.34 billion, reaching 26.77% of the annual plan and 27.20% of the 2023 performance.

### 3. Company's Financial Position in 2024:

No.	Items	As of 31/12/2024	As of 01/01/2024
1	Net Working Capital	69,263,945,189	40,191,161,821
2	Profitability Ratios		
-	<i>Return on Equity (ROE)</i>	3.63%	0.56%
-	<i>Return on Assets (ROA)</i>	2.09%	0.36%
3	Liquidity Ratios		
-	<i>Overall Liquidity Ratio</i>	2.36	2.80
-	<i>Current Payment Ratio</i>	1.56	1.43
-	<i>Quick Ratio</i>	1.35	1.13
4	Debt-to-Equity Ratio	0.73	0.55

The Company's financial condition is gradually stabilizing. Net working capital was VND +69.26 billion, and the capital preservation ratio exceeded 1.

**Other Remarks:**

- **Cost Control:** Production output reached 96.24% of the annual plan. Total costs were VND 248.28 billion, down VND 6.66 billion (2.61%) compared to the plan, mainly due to:
  - Material costs down VND 5.7 billion;
  - Depreciation costs down VND 0.67 billion;
  - Financial costs down VND 0.45 billion;
  - Labor costs and benefits increased by VND 0.24 billion.
- **Consumption Norms Control:** On April 19, 2024, the BOD issued Resolution No. 02/NQ-HĐQT-HHP setting 2024 consumption norms. Continued monitoring and adjustment of material norms and supervision are necessary to improve operational efficiency.

**III. Self-Assessment of Supervisory Board Performance**

**1. Board Performance Evaluation:**

- The Board fulfilled its legal rights, duties, and responsibilities effectively.
- It performed its supervisory role over the BOD and Executive Board.
- Financial reports and business performance were reviewed and appraised.
- Meetings were held regularly in accordance with the Enterprise Law and Company Charter, with additional email consultations as needed.

**2. Member Performance Evaluation:**

- Members adhered to legal obligations and performed their assigned roles effectively as agreed within the Board.

**IV. 2025 Work Plan of the Supervisory Board:**

Based on its legal functions, the Supervisory Board sets out key tasks for 2025:

- Monitor the implementation of resolutions from the General Meeting of Shareholders and decisions of the BOD.
- Review contracts and transactions involving related parties.
- Evaluate the accuracy and legality of 2025 financial and business reports.
- Carry out other duties as per legal and company regulations.

**V. Recommendations:**

Based on the 2024 financial results and management performance, the Supervisory Board recommends:

- Continued improvement in corporate governance and cost efficiency;
- Strive to meet and exceed targets set by the General Meeting of Shareholders;
- Maximize shareholder interests while ensuring employee benefits.

The Supervisory Board sincerely thanks the Board of Directors, Executive Board, departments, and shareholders for their cooperation and support.

This report has been unanimously approved by all members of the Supervisory Board and is respectfully submitted to the General Meeting of Shareholders.

**Wishing health to all delegates and shareholders in attendance.**

**Wishing the General Meeting great success!**

**On behalf of the Supervisory Board  
HEAD OF THE SUPERVISORY BOARD**

***Recipients:***

- As addressed;
- BOD, Supervisory Board;
- Archives.

**Bui Thi Huyen**