

*Hai Duong, April 18, 2025***ANNUAL REPORT****(The year 2024)**

**To: - The State Securities Commission;
- HaNoi Stock Exchange.**

I. General information:**1. General information**

- Trading name: B.C.H Joint Stock Company
- Business Registration Certificate No.: **0800286887** issued by the Hai Duong Authority for planning and investment on October 3, 2004 (10th amendment on Junly 4, 2024)
- Charter Capital: 190,000,000,000 VND
- Owner's Capital: 190,000,000,000 VND
- Address of head office: Km 77+500, Kim Lien Commune, Kim Thanh District, Hai Duong Province, VietNam.
- Tel: 022 0356 0641 Fax: 022 0356 0642
- Website: www.bch.com.vn
- Securities code: BCA
- Establishment and development process:

B.C.H Joint Stock Company was established on March 10, 2004, with an initial charter capital of VND 8 billion, its main activities being the production and trade of consumer goods; and the production and sale of construction materials. Through the development process, the Company has oriented and focused its spearhead on the production and trade of steel billets, construction steel, and coal products.

In the period of 2007 - 2008, the Company increased its charter capital to VND 120 billion and invested in the construction of a steel billet production plant with a scale of nearly VND 600 billion. The plant has been operating stably since 2009.

By 2012, the Company continued to increase its charter capital to VND 190 billion to improve its financial capacity. After 6 years of operation, by 2014, the Company's steel production plant, due to the strong development of science and technology in steel billet production, had outdated production lines that could not meet the competitive production cost. Therefore, on August 1, 2014, the General Meeting of Shareholders approved the temporary suspension of all steel billet production lines to carry out factory renovation and production technology upgrade. The General Meeting of Shareholders authorized the Board of Directors to develop a factory

renovation and upgrade plan as well as arrange capital sources for implementation, and develop a plan to use assets suitable to the current situation to generate revenue for the company. Consequently, starting from 2015, the Company temporarily suspended production activities and focused on developing a distribution and trading system for steel products.

Regarding its history, B.C.H Joint Stock Company has been established for over 20 years, operating in the production and trade of steel billets and steel products. Throughout its establishment and development, the Company has built a team of long-term dedicated officers and employees. The Company's leadership and members of the Board of Directors are all highly qualified professionals with long-term strategic vision. With a strategy focused on people, the Company always emphasizes the strategic human resource management development training, cares about improving the material and spiritual life of employees, and builds a professional, friendly, and fair working environment. This is the core value that has helped the Company develop as it is today, maintaining its position and image in the eyes of customers and partners.

In 2020, with the orientation to expand and develop the Company, B.C.H Joint Stock Company registered as a public company with the State Securities Commission and was approved as a public company on February 4, 2021.

In 2021, the Company successfully registered its shares for trading on the Hanoi Stock Exchange with a registered trading volume of 19,000,000 shares, according to the Decision on the Approval of Share Trading Registration of B.C.H Joint Stock Company issued by the Hanoi Stock Exchange on August 2, 2021.

In 2023, implementing the policy approved at the 2023 Annual General Meeting of Shareholders regarding the Company's restructuring and investment in merger and acquisition projects to expand and develop production and business activities, B.C.H. Company completed the transfer of 100% of the charter capital and assets of Tuyen Quang Iron Steel Co., Ltd. (Tax Code: 5000230718). Accordingly, Tuyen Quang Iron and Steel Co., Ltd. became a subsidiary of B.C.H Joint Stock Company.

2. Business lines and locations of the business:

a. Business lines:

Based on the Business Registration Certificate No. 00800286887 issued by the Hai Duong Authority for Planning and Investment, first registered on October 3, 2004, and the 8th amendment registered on Junly 04, 2024, the Company's main business lines include:

| No. | Business lines | Code |
|-----|--|-------------|
| 1 | Wholesale of Metals and Metal Ores Details: wholesale of iron, steel billets, iron ore, manganese ore, aluminum bauxite, dolomite, fluorite, ferro silicon, and other raw materials for the metallurgical industry. | 4662 (main) |
| 2 | Production of Iron, Steel, and Pig Iron Details: production and processing of metals and steel products. | 2410 |
| 3 | Production of Non-Ferrous and Precious Metals Details: production and processing of metals and metal products. | 2420 |

| No. | Business lines | Code |
|-----|--|------|
| 4 | Mining of Non-Ferrous Metal Ores Details: Mining and processing of manganese ore, aluminum bauxite, ferro. | 0722 |
| 5 | Iron ore mining | 0710 |
| 6 | Peat mining and gathering Details: mining and processing of coke and electrode carbon. | 0892 |
| 7 | Warehousing and Storage of Goods | 5210 |
| 8 | Other Supporting Service Activities Related to Transportation Details: Cargo weighing services. | 5229 |
| 9 | Wholesale of Other Construction Installation Materials and Equipment. Details: wholesale of lime, building materials, and refractory products. | 4663 |
| 10 | Road freight transport | 4933 |
| 11 | Leasing of other machinery, equipment and tangible goods Details: leasing of machinery, equipment, and cargo handling vehicles | 7730 |
| 12 | Wholesale of solid, liquid, and gaseous fuels and related products Details: wholesale of gasoline, oil, coal, coke, electrode coal, and other solid fuels | 4661 |

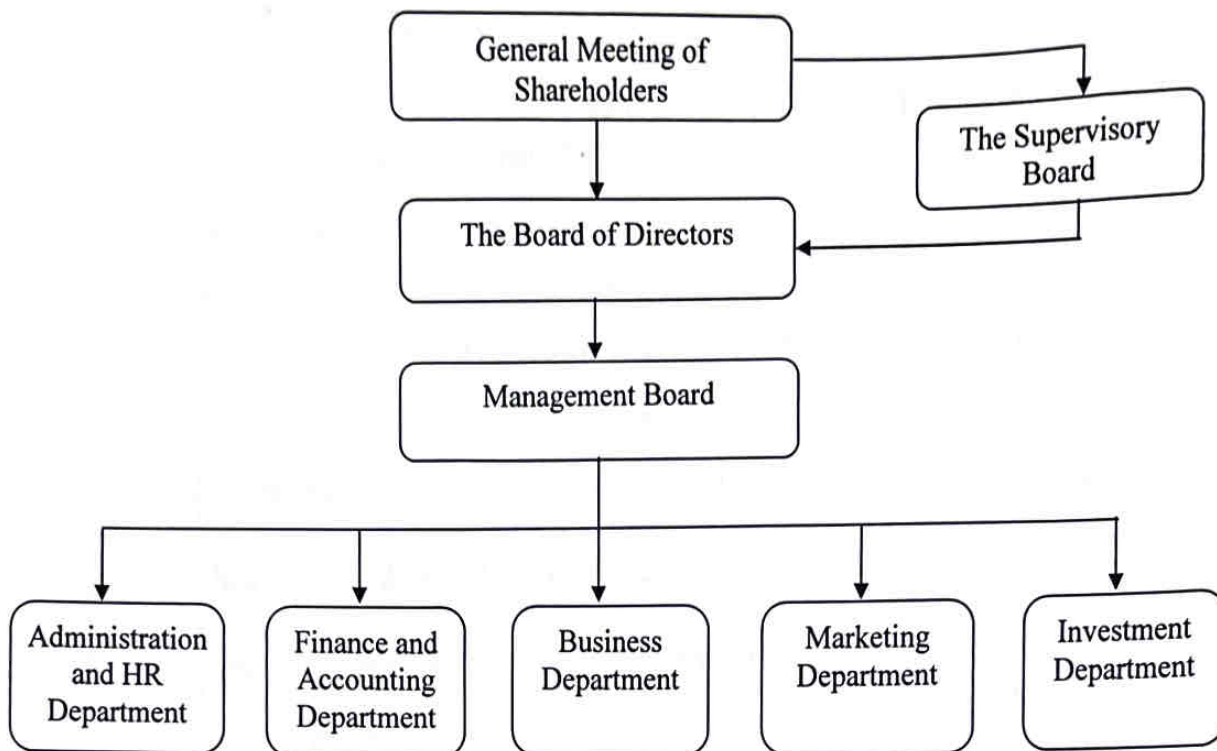
b. Location of business:

The Company's head office is located in Kim Thanh district, Hai Duong province, with a nationwide product distribution network.

3. Information about governance model, business organization and managerial apparatus

- Governance model: The company operates under the governance model of a public company, which includes: the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and General Directors.

- Management structure:



- Subsidiaries, associated companies: Currently, the company has one subsidiary.

| Name | Head office | Business line | Charter Capital | Ownership percentage in the subsidiary |
|--|--|--------------------------|-----------------------|--|
| Tuyen Quang Iron Steel Company Limited | Long Binh An Industrial Park, Doi Can Ward, Tuyen Quang City, Tuyen Quang Province | Sản xuất sắt, thép, gang | 2,167,013,698,000 VND | 100% |

4. Development orientations

a. Main objectives of the Company

- Continue to focus on developing the distribution and trading system for steel products, thereby accumulating and developing other business areas.
- Seek new consumption markets for steel products to expand the Company's product distribution network.
- Leverage available resources and the resources and facilities at the subsidiary to enhance the Company's steel production activities, aiming to expand and develop business operations and elevate the Company to a new level

b. Development strategies in medium and long term

- Continue to vigorously promote and maintain the production and trading of the Company's traditional products and goods.
- Ensure distribution efficiency, maintain the Company's traditional customers, and seek

new and potential customers in the market.

- Intensify Marketing activities to enhance the image and brand recognition among customers and the public.
- Continue to improve the quality of customer care services and after-sales services, strengthen the customer network, expand the market, and screen customers..

c. Corporate objectives with regard to Corporate environment, society and community Sustainability.

- Professionalize the company's employee workforce through training.
- Actively participate in social activities for the community.
- Prioritize local labor employment, creating jobs for local communities.

5. Risks

a. Economic risks

The global economy throughout 2024 continued to face numerous difficulties and challenges, with unpredictable developments and underlying instability. Although inflation cooled down, it remained at a high level, and many major economies maintained tight monetary policies with high interest rates; global trade, consumption, and investment continued to decline; protectionist and trade defense measures increased... affecting import and export activities.

In 2024, despite climate change, natural disasters, and fires causing significant difficulties and losses, it marked a year where the Vietnamese Government was proactive and flexible in its macroeconomic policy management. Core inflation was controlled, production recovered impressively, foreign investment flourished, and export turnover reached a new historical milestone. The full-year economic growth of 7.09% in 2024 was a bright spot for economic growth in the region and the world, ushering in a new transformation and a new stage of Vietnam's economic development in 2025-2030, a new level demonstrating the spirit of aspiration and extraordinary effort to achieve breakthrough growth and sustainable development.

For the Vietnamese steel industry in 2024, positive signs of recovery were evident, with increased production and exports. However, the steel sector still faced numerous difficulties and challenges, ranging from competition with imported steel and high input material prices to anti-dumping lawsuits. In 2025, the steel industry is expected to continue facing significant challenges from the macroeconomic environment, particularly the tariff policies of major economies worldwide.

b. Legal risks

Companies in the industry are significantly affected by government policies as well as foreign laws regulating steel tariffs, input materials, and environmental management. Any changes in these policies can impact the Company's production and business operations, causing fluctuations in profits.

As a public company, the Company's operations are governed by legal documents including the Enterprise Law 2020, the Securities Law 2019, and detailed guiding Decrees and

Circulars. Based on the production situation, legal documents will be continuously adjusted to align with practical realities. This will more or less affect the Company's management and business operations.

c. Specific risks in the Company's business operations:

The Vietnamese steel industry is currently facing significant competition, not only internally but also pressure from foreign imports, especially steel imported through informal channels from China. Intense competition within the industry will pose challenges to the Company's commercial trading activities due to increased costs, after-sales services, and pricing policies aimed at attracting customers. These costs may reduce profit margins and negatively impact the Company's business performance.

d. Other Risks:

Other risks such as environmental risks, fire, natural disasters, and epidemics are force majeure risks. If they occur, they will significantly impact the Company's production and business operations.

II. Operations in the year

1. Situation of production and business operations

| Indicator | Plan for 2024 | Implemented in 2024 | Completion rate (%) | Implemented in 2023 | YoY Variance 2024/2023 |
|-------------------|-------------------|---------------------|---------------------|---------------------|------------------------|
| Revenue | 5,000,000,000,000 | 5,567,860,349,708 | 11.36% | 3,843,305,614,192 | 44.87% |
| Profit before tax | 10,000,000,000 | (51,257,306,498) | -612.57% | 411,297,284,757 | -112.46% |
| Profit after tax | 10,000,000,000 | (50,120,331,439) | -601.20% | 411,297,284,757 | -112.19% |

The Company's business operations in 2024 recorded strong revenue growth compared to 2023 and the set plan. This increase was primarily due to the Company's complete acquisition of 100% equity and consolidation of the financial results of its subsidiary, Tuyen Quang Iron Steel. However, the Company's Profit After Tax in 2024 showed a loss of over VND 50 billion. This was mainly attributable to an increase in the Company's cost of goods sold during 2024 due to fluctuating steel prices and significant pressure from Chinese steel imports. Additionally, in 2024, the Company incurred bank loans to secure capital for restructuring production operations at the subsidiary, leading to a substantial increase in the Company's financial expenses compared to 2023. This was also a key factor contributing to the loss in the 2024 business results. In 2023, the Company recognized a significant after-tax profit from the bargain purchase of the subsidiary, resulting in a considerable difference in Profit After Tax between 2023 and 2024.

2. Organization and Human resource

a) The list of the Board of Management:

| Full name | Position | Number of shares held | Rate (%) |
|---------------------|-------------------------|-----------------------|----------|
| Đặng Ngọc Hưng | CEO | 1.126.000 | 5,93% |
| Lê Thu Phương | Deputy General Director | 1.343.000 | 7,07% |
| Đặng Thị Tuyết Dung | Chief Accountant | 0 | 0% |

Curriculum Vitae of members of Executive Board:

❖ **CEO – Mr. Đặng Ngọc Hưng**

- Full name: Đặng Ngọc Hưng
- Gender: male
- Date of birth: 03/06/1979
- Nationality: Vietnamese
- Address: No. 214, Nguyễn Trãi Street, Bac Ninh City, Bac Ninh Province
- ID number: 027079012291 Date of issue: 05/08/2022 Place: Ministry of Public Security
- Qualifications: Bachelor of Economics, MBA
- Current position at Company: member of the Board of Directors and CEO.
- Current positions held at other organizations: none.
- Work experience:

| Time period | Employer | Position |
|----------------|----------------------------|--------------------------|
| 2008 - 2013 | B.C.H Joint Stock Company | HR Director |
| 2013 - 2015 | Van Loi Iron and Steel JSC | Deputy General Directors |
| 2016 - 2018 | Viet Y Steel JSC | Member of the BoD |
| 2019 - 2022 | Viet Y Steel JSC | Deputy General Directors |
| 2018 - Present | B.C.H Joint Stock Company | Member of the BoD, CEO |

- Legal Violations: None
- Securities ownership of individual and related persons:
- Individual ownership: 1,126,000 shares
- Representative ownership: 0 shares
- Related Persons' ownership: 0 shares

❖ **Deputy General Director – Ms. Le Thu Phuong**

- Full name: Le Thu Phuong
- Gender: Female

- Date of birth: 17/07/1983
- Nationality: Vietnamese
- Address: No 6, alley 86, Hong Thai Strêt, Phu Thai Town, Kim Thanh District, Hai Duong Province
- ID number: 019183000706 Date of issue: 22/07/2022 Place: Ministry of Public Security
- Qualifications: Bachelor of Accounting
- Current position at Company: Deputy General Director.
- Current positions held at other organizations: none.
- Work experience:

| Time period | Employer | Position |
|-------------------|---------------------------|-------------------------|
| 2008 - 2010 | B.C.H Joint Stock Company | Accountant |
| 2010 – 05/2024 | B.C.H Joint Stock Company | Chief Accountant |
| 05/2024 – present | B.C.H Joint Stock Company | Deputy General Director |

- Legal Violations: None
- Securities ownership of individual and realted persons:
- Individual ownership: 1,343,000 shares
- Representative ownership: 0 shares
- Related Persons' ownership: 0

b. Changes in the Board of Management

In 2024, Company had the following changes in the Board of Management:

| No. | Member of the Board of Management | Position prior to the change | Position after change | Reason |
|-----|-----------------------------------|------------------------------|-------------------------|-----------------------------|
| 1 | Le Thu Phuong | Chief Accountant | Deputy General Director | Appointment from 15/05/2024 |

c. Employee's policies

Company's Labor Structure:

The quality of human resources is one of the key factors determining the long-term and sustainable development of a business. Therefore, the Company always sets the goal of building and developing an efficient, professional, and dynamic workforce. As of December 31, 2024, the Company's official staff count is 902 employees.

Working regime

- Working Hours: The Company operates on an 8-hour workday/shift basis. Office staff work according to administrative hours. In case of sudden personnel requirements to serve peak seasonal business periods, overtime work may be mobilized, and the

Company ensures the rights of employees in accordance with the Labor Regulations and Collective Labor Agreement issued. Leave, holiday, Tet holiday, sick leave, and maternity leave are guaranteed in accordance with the provisions of the Labor Law.

- Working Conditions: Employees work in a stable and professional environment with a compensation system commensurate with their expertise and work performance; competitive salaries and bonuses are offered. The office environment is spacious and well-ventilated, designed and constructed in accordance with standards ensuring occupational safety and fire prevention.

Recruitment Policy

- The leadership consistently prioritizes the organizational structure and staffing arrangements to align with the Company's actual business operations. The appointment and rotation of management personnel are conducted transparently, carefully, and in accordance with proper procedures. Incumbent and newly appointed management personnel during the year all possess good political and ethical qualities, competence, a high sense of responsibility, and prioritize the collective interest over individual interests.
- The recruitment of new employees is also carried out publicly with clear recruitment criteria. Recruitment is based on the actual labor needs of the Company to determine the appropriate number of hires, maximizing the utilization of human resources in business operations.

Training Policy

- Training to enhance the skills and professional qualifications of officers and employees is always a concern of the company to implement. Based on the development needs of the Company, the qualifications of officers and the level of attachment, the Company annually sets out a training plan in many forms: on the job training, organizing training seminars, sending employees to participate in training courses, etc.
- The Company regularly coordinates with functional units to organize training on occupational safety, occupational hygiene, and fire prevention and fighting for officers and employees.

Salary, Bonus, and Benefit Policy

- Salary policy: the Company pays salaries to employees based on job position, competence, title, qualifications, salary scale, and the Company's monthly business performance. Annual salary increases are implemented in accordance with current State regulations.
- Bonus Policy: To encourage and motivate employees within the Company to increase their contribution effectiveness and improve the quality and productivity of their work, the Company organizes quarterly and annual nominations for outstanding individuals and working groups. Timely rewards are given to individuals and teams that have made significant contributions to the Company's development, as well as for initiatives that enhance work efficiency. The consideration for rewards is based on the achievements of

individuals or teams in excellently completing assigned tasks, achieving high efficiency in business operations, and contributing to waste reduction and cost savings for the Company. In addition, the Company also appropriately handles and disciplines individuals whose actions harm the Company's image and business operations.

- **Insurance and Benefits:** The Company deducts and contributes to social insurance, health insurance, and unemployment insurance for employees in strict accordance with the Labor Law and the established Labor Regulations. The Company consistently focuses on improving the material and spiritual well-being of its employees, coordinating with the Company's trade union to fully implement welfare policies such as sick leave, maternity leave, bereavement, weddings, etc., and organizes regular company trips and vacations for employees.

3. Investment activities, project implementation

a. Major Investments

In addition to its core business operations, the Company also leverages opportunities and resources for financial investments, which include investments in the shares of large listed companies on the stock exchange and term deposits at banks.

Unit: VND

| No. | Investment Items | 31/12/2024 |
|-----|--|------------------------|
| 1 | Trading Securities | 9,766,953,487 |
| 2 | Short-term held to maturity investment (term deposits) | 133,000,000,000 |
| | Tổng | 142,766,953,487 |

b. Investments in Subsidiaries and Associates: The Company has only one subsidiary, Tuyen Quang Iron Steel Limited Company.

4. Financial situation

a) Financial situation

| Indicators | Year 2023 | Year 2024 | Increase/ Decrease 2024/2023 (%) |
|---------------------------------|-------------------|-------------------|--|
| Total Asset | 4,013,797,203,438 | 3,915,371,195,873 | -2.45% |
| Net Revenue | 3,835,337,152,692 | 5,528,816,582,131 | 44.15% |
| Profit from Business Activities | 2,534,393,403 | (48,853,960,091) | - |
| Other Profit | 408,762,891,354 | (2,403,346,407) | - |

| Indicators | Year 2023 | Year 2024 | Increase/ Decrease 2024/2023 (%) |
|-------------------|-----------------|------------------|--|
| Profit before tax | 411,297,284,757 | (51,257,306,498) | - |
| Profit after tax | 411,297,284,757 | (50,120,331,439) | - |
| Payout ratio | 0% | 0% | |

b) Major financial indicators

| No. | Indicators | Unit | Năm 2023 | Năm 2024 |
|----------|--|--------|----------|----------|
| 1 | Solvency ratio | | | |
| | Current ratio | Times | 0.856 | 0.853 |
| | Quick ratio | Times | 0.676 | 0.278 |
| 2 | Capital structure Ratio | | | |
| | Debt/Total Assets ratio | % | 86.30 | 87.24 |
| | Debt/Owner's Equity ratio | % | 630.13 | 683.68 |
| 3 | Operation Capability Ratio | | | |
| | Inventory turnover | Cycles | 10.51 | 4.77 |
| | Total asset turnover | Cycles | 1.66 | 1.39 |
| 4 | Profitability | | | |
| | Profit after tax/ Net revenue Ratio | % | 10.72 | -0.91 |
| | Profit after tax/ Total capital Ratio | % | 119.53 | -9.55 |
| | Profit after tax/ Total assets Ratio | % | 17.816 | -1.264 |
| | Profit from business activities/ Net revenue Ratio | % | 0.066 | -0.884 |

5. Shareholders structure, change in the owner's equity

a. Shares:

- Total number of floating shares: 19,000,000,000 shares
- Types of floating shares: common shares
- Number of freely transferable shares: 19,000,000,000 shares
- Number of preferred shares: none

b. Shareholders structure:

- List of shareholders holding 5% or more of the Company's share capital as of 29/07/2024:

| No. | Shareholders | Address | ID number | Number of shares held | Rate (%) |
|--------------|-----------------------|---|--------------|-----------------------|--------------|
| 1 | Lê Thu Phương | Phú Thái Town, Kim Thành District, Hải Dương Province | 019183000706 | 1,343,000 | 7.07% |
| 2 | Phạm Bá Phú | Group 8, Gia Sàng Ward, Thái Nguyên City | 030083025141 | 1,726,000 | 9.08% |
| 3 | Trần Nguyên Hưng | Group 06, Gia Sàng Ward, Thái Nguyên City | 042078000865 | 968,000 | 5.09% |
| 4 | Trần Văn Hiếu | Group 3, Hương Sơn Ward, Thái Nguyên City | 019083000604 | 968,000 | 5.09% |
| 5 | Đặng Ngọc Hưng | Nguyen Trai Street, Võ Cường Ward, Bắc Ninh City | 027079012291 | 1,126,000 | 5.93% |
| 6 | Thái Hưng Trading JSC | Group 8, Gia Sàng Ward, Thái Nguyên City | 4600310787 | 1,867,400 | 9.83% |
| Total | | | | 7,998,400 | 42,1% |

- Shareholder structure of the company as of 29/07/2024

| No. | Shareholders | Number of shareholders | Number of shares held | Rate (%) |
|----------|--|------------------------|-----------------------|------------|
| I | Domestic and foreign shareholders | | | |
| 1 | Domestic shareholders | 869 | 19,000,000 | 100 |
| 1.1 | State shareholders | 0 | 0 | 0 |
| 1.2 | Institutional shareholders | 5 | 2,004,100 | 10.55 |
| 1.3 | Individual shareholders | 864 | 16,995,900 | 89.45 |
| 2 | Foreign shareholders | 0 | 0 | 0 |
| 2.1 | Institutional shareholders | 0 | 0 | 0 |
| 2.2 | Individual shareholders | 0 | 0 | 0 |

| No. | Shareholders | Number of shareholders | Number of shares held | Rate (%) |
|-----------|-------------------------------------|------------------------|-----------------------|------------|
| | Total | 869 | 19,000,000 | 100 |
| II | Major, minority shareholders | | | |
| 1 | Major shareholders | 06 | 7,998,400 | 42.1 |
| 2 | Minority shareholders | 863 | 11,001,600 | 57.9 |
| | Total | 869 | 19,000,000 | 100 |

c. Change in the owner's equity

On March 10, 2004, B.C.H. Joint Stock Company was established with an initial charter capital of VND 8 billion. Since its establishment, the Company has implemented 03 capital increases (the current charter capital is VND 190 billion). Details of the capital increase process are presented in the table below:

| No | Completion Date | Issue Value (VND) | Charter Capital (VND) | Issuance Method |
|----|-----------------|-------------------|-----------------------|---|
| 1 | 08/2007 | 37,000,000,000 | 45,000,000,000 | Issuance to existing shareholders |
| 2 | 04/2008 | 75,000,000,000 | 120,000,000,000 | Issuance to existing shareholders |
| 3 | 01/2012 | 70,000,000,000 | 190,000,000,000 | Public offerings to existing shareholders |

d. Transaction of treasury stocks: Company does not conduct treasury stock transactions.

e. Other securities: Company does not have any securities other than common shares.

6. Environment – Social – Governance (ESG) Report of the Company

The Company consistently prioritizes environmental protection in its production and business operations. The leadership and all employees within the Company highly value energy conservation and environmental protection through practices such as waste sorting and treatment, water conservation, electricity saving, and participation in energy-saving campaigns organized by the Government and local authorities.

The majority of the Company's employees are local residents from the area where the Company's production and business activities are located. Therefore, the Company actively supports and participates in social movements and initiatives within the community.

III. Reports and assessments of the Board of Management

1. Assessment of operating results

Unit: 1.000.000 VND

| No. | Indicators | Planned 2024 | Actual 2024 | Completion Rate (%) | Year 2023 | Increase/ Decrease 2024/2023 (%) |
|-----|----------------------|-----------------|----------------|------------------------|-----------|---|
| 1 | Revenue | 5,000,000 | 5,567,860 | 11.36% | 3,843,305 | 44.87% |
| 2 | Profit before tax | 10,000 | (51,257) | -612.57% | 411,297 | -112.46% |
| 3 | Profit after tax | 10,000 | (50,120) | -601.20% | 411,297 | -112.19% |
| 4 | Dividen | 0 | 0 | | 0 | |

In 2024, the global economy continued to face difficulties with high inflation. Steel-consuming industries recorded slow but stable growth compared to the same period in 2023. With the dedicated efforts of the Company's leadership, the Company recorded a revenue increase of 44.87% compared to 2023, exceeding the target set by the General Meeting of Shareholders by 11.36%. However, Profit After Tax recorded a loss of over VND 50 billion, primarily due to high cost of goods sold and significant financial expenses incurred to secure capital for restructuring production operations at the subsidiary. In 2025, the Company's production and business activities are expected to gradually stabilize, and profitability is projected to return within this year.

2. Financial Situation

a. Assets

- The Company's total assets at the beginning of 2024 were: 4.013.797.203.438 VND.
- By the end of 2024, they were: 3.915.371.195.873 VND.

Furthermore, the Company has certain overdue short-term receivables with a low likelihood of collection from business partners, totaling VND 84.3 billion; the Company has made provisions for doubtful debts for these overdue receivables. The Management Board and the Board of Directors will strengthen management, tighten debt policies, and learn from the appraisal and quality assessment stages, enhancing the requirements in the selection of business partners..

b. Debt Payable

Liabilities at the beginning of 2024 amounted to VND 3,464,062,277,432. By the end of 2024, the Company's Liabilities were VND 3,415,756,601,306, a decrease of over VND 48 billion. This decrease was mainly in short-term liabilities, which accounted for 87.67% of total liabilities. The Company has been and is fulfilling its debt repayment obligations fully and on time. The debt structure does not include any bad debts, and all debts are fully within the Company's repayment capacity.

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

In 2024, the Company continued to maintain its organizational structure as a public company and further enhanced its management capabilities, establishing sound policies to achieve maximum efficiency in its production and business operations.

4. Development plans in future

| Indicators | Plan for 2025 (VND) |
|---------------------|---------------------|
| 1. Revenue | 5,950,000,000,000 |
| 2. Profit after tax | 70,000,000,000 |
| 3. Dividend | 0% |

5. Explanation of the Board of Management for auditor's opinion (in case the auditor's opinions are not unqualified): None

IV. Assessments of the Board of Directors on the Company's operation

1. Assessments of the Board of Directors on the Company's operation

In 2024, the Company's operations proceeded relatively well, with strong cohesion between the Board of Directors and the General Management Board, between the General Director and the departments, and among the representative departments and all company employees.

2. Assessment of Board of Directors on Board of Management's performance

In 2024, faced with the challenges and opportunities of the economy, the General Management Board of the Company made necessary efforts and provided guidance to maintain and develop the Company's business operations. The Board of Directors acknowledges the contributions of the Company's General Management Board in the growth of business activities and the completion of business plans during the year.

The General Management Board consistently participated fully and attentively listened to the directives of the Board of Directors during regular and unscheduled meetings. Under the guidance of the BOD, the Management Board ensured that all activities complied with legal regulations, the resolutions of the General Meeting of Shareholders, and the resolutions issued by the BOD.

3. Plans and orientations of the Board of Directors

In 2025, in addition to maintaining and enhancing the operational efficiency of the Board of Directors and addressing outstanding issues from 2024, the Company's Board of Directors plans to focus on intensifying the direction of several of the Company's activities as follows:

- Ensure that the Board of Directors' operations are always based on respect for legal regulations, with the principles of majority rule, integrity, and respect to ensure the effective implementation of the resolutions of the Annual General Meeting of Shareholders.
- Develop the orientation for the Company's production and business activities in accordance with the resolutions of the AGM to ensure the successful completion of the 2025 planned targets and achieve high growth.

- Build, strengthen, and develop the brand, increasing the Company's brand awareness.
- Accelerate and thoroughly resolve the issue of recovering outstanding customer debts.
- Leverage strengths and improve weaknesses in the Company's organizational and management system, refine corporate governance regulations, and ensure management capacity and efficiency align with the charter, legal provisions, and the Company's actual operations.
- Innovate salary and bonus policies, employee policies, the mechanism for delegation of authority, and reform administrative procedures.
- Enhance internal training and send staff for professional development courses.
- Pay attention to, share, and protect the maximum legitimate rights and interests of shareholders, as well as care for the income, rights, and working conditions of all Company employees.

V. Corporate governance

1. Board of Directors

a) Members and structure of the Board of Directors

| No. | Full name | Position | Number of shares held | Rate (%) |
|-----|-------------------|---------------------------|-----------------------|----------|
| 1 | Phạm Bá Phú | Chairman | 1,726,000 | 9.08% |
| 2 | Đặng Ngọc Hưng | Member of BoD cum CEO | 1,126,000 | 5.93% |
| 3 | Nguyễn Tổng Thắng | Independent member of BoD | 0 | 0% |

b) The committees of the Board of Directors: None

c) Activities of the Board of Directors:

- Meetings of the Board of Directors:

| No. | Board of Directors' members | Number of meeting attended by Board of Directors | Attendance rate | Reasons for absence |
|-----|-----------------------------|--|-----------------|---------------------|
| 1 | Phạm Bá Phú | 15/15 | 100% | |
| 2 | Đặng Ngọc Hưng | 15/15 | 100% | |
| 3 | Nguyễn Tổng Thắng | 15/15 | 100% | |

- Resolutions/Decisions of the Board of Directors:

| No. | Resolution/ Decision No. | Date | Content | Approval rate | Note |
|-----|--------------------------|------------|--|---------------|------|
| 1 | 01/NQ-HĐQT | 02/01/2024 | Approving the 2024 business and production plan of the Company's | 100% | Not |

| No. | Resolution/ Decision No. | Date | Content | Approval rate | Note |
|-----|-----------------------------|------------|--|------------------|--|
| | | | Subsidiary | | subject to disclosure obligations |
| 2 | 02/NQ-HĐQT | 05/01/2024 | Approving the transactions with Company's related parties | 100% | |
| 3 | 03/NQ-HĐQT | 06/03/2024 | Approving the plan to organize the 2024 annual general meeting of shareholders | 100% | |
| 4 | 04/NQ-HĐQT | 18/03/2024 | Approving the 2024 business and production plan of TuyenQuang Iron Steel Company Limited | 100% | Not subject to disclosure obligations |
| 5 | 05/NQ-HĐQT | 03/04/2024 | Approving the plan to carry out written comment to ratify a resolution of the GMS | 100% | |
| 6 | 06/NQ-HĐQT | 10/04/2024 | Approving for borrowing, using assets as collateral for TuyenQuang Iron Steel Company Limited at BIDV NamThaiNguyen | 100% | Not subject to disclosure obligations |
| 7 | 07/NQ-HĐQT | 03/05/2024 | Approving the plan to carry out written comment to ratify a resolution of the GMS | 100% | |
| 8 | 08/NQ-HĐQT | 15/05/2024 | Approving the changes of Chief Accountant, Corporate Governance Officer and appointing the Deputy General Director | 100% | |
| 9 | 09/NQ-HĐQT | 08/07/2024 | Approving the plan to carry out the second written comment to ratify a resolution of the GMS | 100% | |
| 10 | 10/NQ-HĐQT | 03/10/2024 | Approving the implementation of a private placement of shares to increase the company's charter capital in 2024 | 100% | |
| 11 | 11/NQ-HĐQT | 04/10/2024 | Approving the detailed disbursement plan for using the proceeds from the private placement of shares to increase the company's charter capital in 2024 | 100% | |
| 12 | 12/NQ-HĐQT | 05/10/2024 | Approving the registration dossier for the private placement of shares | 100% | |
| 13 | 13/NQ-HĐQT | 27/11/2024 | Approving borrowing and using assets as collateral ant BIDV HaiDuong | 100% | |
| 14 | 14/NQ-HĐQT | 31/12/2024 | Adjusting the detailed | 100% | |

| No. | Resolution/ Decision No. | Date | Content | Approval rate | Note |
|-----|-----------------------------|------------|---|------------------|------|
| | | | disbursement plan for using the proceeds from the private placement of shares | | |
| 15 | 15/NQ-HĐQT | 31/12/2024 | Approving the registration dossier for the private placement of shares | 100% | |

d) Activities of the Board of Directors independent members

Independent members of the Board of Directors consistently attended all BOD meetings, actively participated in oversight, and organized the implementation of controls over the Company's operations to ensure objectivity and reasonableness in the Board of Directors' decisions.

2. Board of Supervisors

a) Members and structure of the Board of Supervisors

| No. | Full name | Position | Number of shares held | Rate (%) |
|-----|-----------------|---------------------------------|--------------------------|----------|
| 1 | Lê Thanh Tuấn | Head of Board of Supervisors | 713,000 | 3.75% |
| 2 | Nguyễn Thị Linh | Members of Board of Supervisors | 38,000 | 0.2% |
| 3 | Vũ Văn Dương | Members of Board of Supervisors | 63,000 | 0.33% |

b) Activities of the Board of Supervisors

- Supervise and inspect the management and implementation of the 2024 profit plan by the Board of Directors (BOD) and the Executive Board; inspect and supervise the issuance of Resolutions and Decisions of the BOD and the Executive Board in accordance with authority and legal regulations.
- Monitor the implementation of the production and business plan through financial reports and periodic reports of the General Management Board; monitor the financial situation, capital balance, and cash flow management.
- Inspect the reasonableness, legality, and truthfulness of the business performance report and the level of prudence in the organization of accounting, statistics, and financial statement preparation. Review the Company's 2024 financial statements, including quarterly financial statements, reviewed semi-annual financial statements, and audited financial statements.
- Evaluate internal governance activities and provide feedback to improve the operational and control systems.
- Control and provide warnings regarding the Company's information disclosure activities to ensure compliance with legal regulations..

- Periodic meetings of the Supervisory Board:

| No. | Members of Board of Supervisors | Numbers of meeting attended | Attendance rate | Voting rate | Reasons for absence |
|-----|---------------------------------|-----------------------------|-----------------|-------------|---------------------|
| 1 | Lê Thanh Tuấn | 04 | 100% | 100% | |
| 2 | Nguyễn Thị Linh | 04 | 100% | 100% | |
| 3 | Vũ Văn Dương | 04 | 100% | 100% | |

3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors

a) Salary, rewards, remuneration and benefits:

| Full name | Position | Year 2024 |
|---------------------|-------------------------|-------------|
| Đặng Ngọc Hưng | CEO | 190,325,715 |
| Lê Thu Phương | Deputy General Director | 279,341,717 |
| Đặng Thị Tuyết Dung | Chief Accountant | 97,068,000 |

b) Share transactions by internal shareholders: none

c) Contracts or transactions with internal shareholders:

The Company used the savings deposit books of Mr. Pham Ba Phu and Mr. Dang Ngoc Hung as collateral for the Company's loans at the Joint Stock Commercial Bank for Investment and Development of Vietnam – Nam Thai Nguyen Branch.

d) Assessing the Implementation of regulations on corporate governance: In 2024, the Company made efforts to strictly comply with legal regulations on corporate governance.

VI. Financial statements

1. Auditor's opinions:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of B.C.H Joint Stock Company as of December 31, 2024, as well as the results of its operations and cash flows for the fiscal year then ended, in accordance with accounting standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations related to the preparation and presentation of financial statements."

Issues to be emphasized

We would like to draw the readers' attention to note VII.6 on the following issue:

The Company temporarily stopped the entire steel billet production line according to Resolution of the Extraordinary General Meeting of Shareholders No. 02/2014/BCH-DHDCD dated August 1, 2014. B.C.H Joint Stock Company leased the entire production line to Thai Hung Trading Joint Stock Company as collateral at the bank with a maximum agreed rental

price of 3.5% of the appraised asset value approved by the bank.

These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

However, since the temporary suspension of the steel billet production line, the Company has gradually promoted the steel billet trading business, helping the Company to remain stable in the market with a revenue of VND 4,845,498,292,642 in 2024. In addition, due to its demonstrated financial capacity and good business development orientation, the Company continues to receive loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Nam Thai Nguyen Branch, Vietnam Joint Stock Commercial Bank for Investment and Development - Hai Duong Branch, Vietnam Joint Stock Commercial Bank for Investment and Development - Nam Thai Nguyen Branch during the year. Therefore, the Company's working capital has always been maintained at a stable level, creating favorable conditions for sustainable development. The Company's Board of Directors affirms that there are no plans to stop the Company's operations in the coming years. Therefore, the Consolidated Financial Statements for the fiscal year ending December 31, 2024 are still prepared on the going concern basis.

The above matters do not affect our unqualified audit opinion on the consolidated financial statements stated above.

2. Audited financial statements: Posted on the Company's website

Recipients:

- HNX;
- Archived;

Confirmation By The Company's Legal Representative

(Signature, full name and seal)



The stamp is a red circular seal. The outer ring contains the text 'SỞ KHO' at the top and 'H. KIM THANH, T. HAI DUONG' at the bottom. The inner circle contains the text 'CÔNG TY CỔ PHẦN B.C.H.' in red. A black ink signature is written over the stamp.

Đang Ngọc Hung