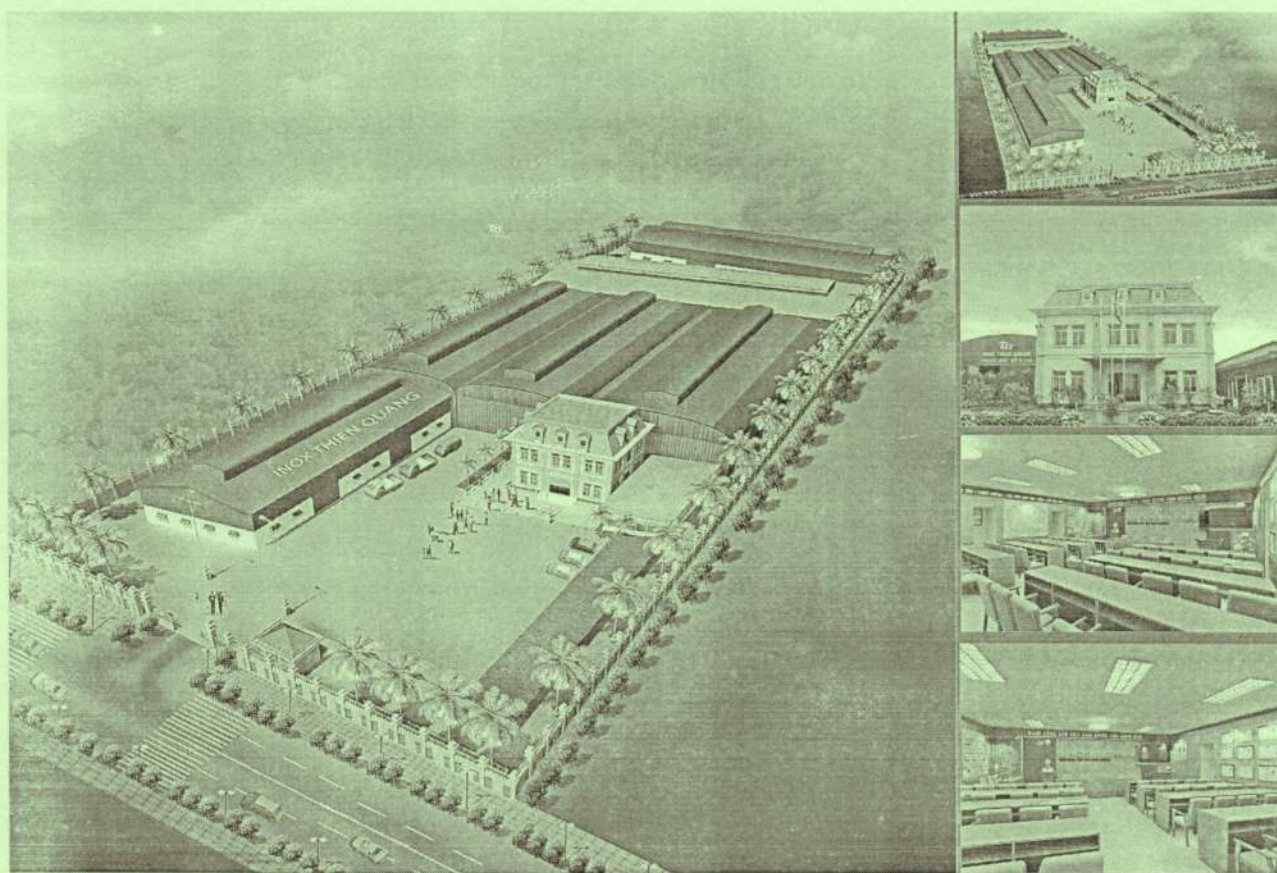


ANNUAL REPORT THIEN QUANG GROUP JOINT STOCK COMPANY IN 2024



REPUTATION - QUALITY
CONTINUOUS IMPROVEMENT - SUSTAINABLE DEVELOPMENT

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I. **Overview**

1. **General information**

- Trading name: Thien Quang Group Joint Stock Company
- Business registration certificate No. 0900233261 issued by the Department of Planning and Investment of Hung Yen province for the first time on May 16, 2007; registered for the 10th change on March 14, 2022.
- Charter capital: 318,433,050,000 VND (*In words: Three hundred eighteen billion four hundred thirty-three million fifty thousand VND*)
- Owner's investment capital: 318,433,050,000 VND (*In words: Three hundred eighteen billion four hundred thirty-three million fifty thousand VND*)
- Address: An Lac Village, Trung Trac Commune, Van Lam District, Hung Yen Province
- Phone number: (0221) 399 7185
- Fax number: (0221) 398 0908
- Website: [http:// www.inoxthienquang.com.vn](http://www.inoxthienquang.com.vn)
- Stock code: ITQ

Formation and development history

- Thien Quang Group Joint Stock Company was established in 2001 as a limited liability company and converted into Thien Quang Group Joint Stock Company in 2007. After 20 years of establishment, with the efforts of Thien Quang staff and leaders, along with methodical strategies and slow, steady steps, changes to overcome and the experiences of the past 20 years, Thien Quang Group Joint Stock Company has created a positioning name in the Vietnamese stainless steel industry. Currently, Thien Quang Group Company is a trusted partner of many domestic and foreign partners and enterprises, and has created a consumption network stretching from North to South and exported to many countries around the world. In the Vietnamese market, Thien Quang Stainless Steel is always a strategic partner of famous steel corporations in the world such as: Thyssen Krupp; Acelor; Posco; Nippon Steel; Thainox; Acesita; Avesta Polarit...
- In the annual business and production development strategy, the Company has set a growth target of 20-30% compared to the previous year and the management strategy: Manage according to ISO 9001:2015 standards in the enterprise with the slogan: "Prestige - quality - continuous improvement - sustainable development" to improve and meet customer satisfaction.
- Continue to invest in high-tech machinery to expand the factory and increase production output.

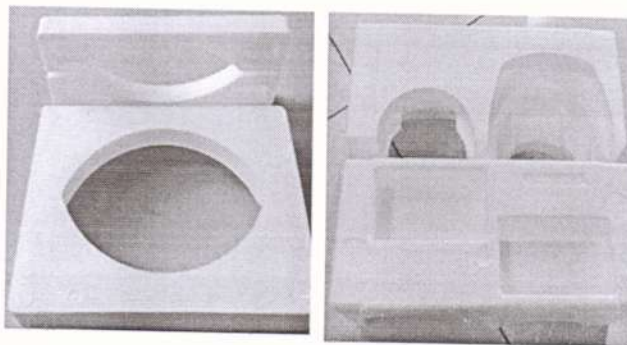
2. **Business lines and trading location**

- Business lines :

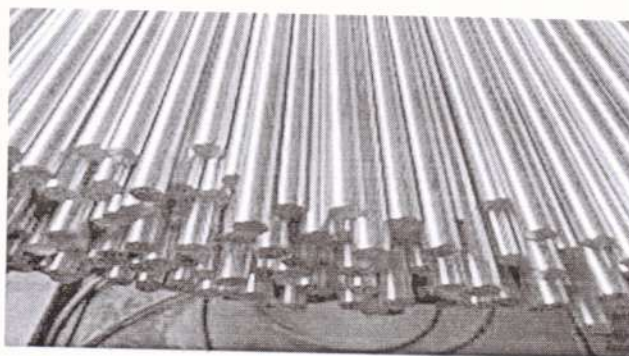
Plate coil Stainless steel



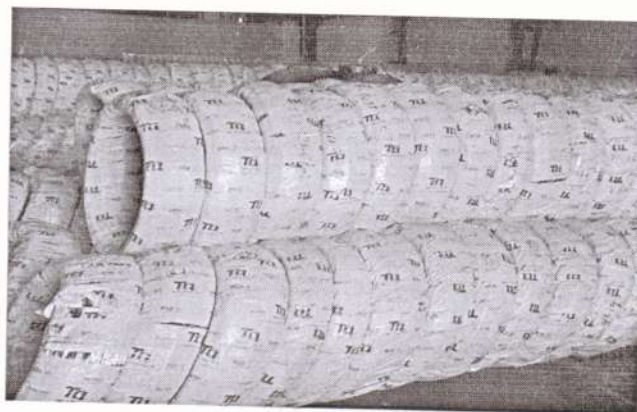
EPS foam



Stainless steel solid bar



Stainless steel wire



– Business location :

The Company's business area is developed in all provinces and cities of Vietnam.
Some strong developing markets are Hanoi, Hai Phong, Ho Chi Minh City.

3. ***Information on governance model, business organization and management apparatus***

3.1. Management structure

The Company is organized and operates in accordance with the Law on Enterprises, the Charter of Organization and Operation of the Company and other relevant legal documents.

Based on product characteristics, production processes and operating principles, to ensure

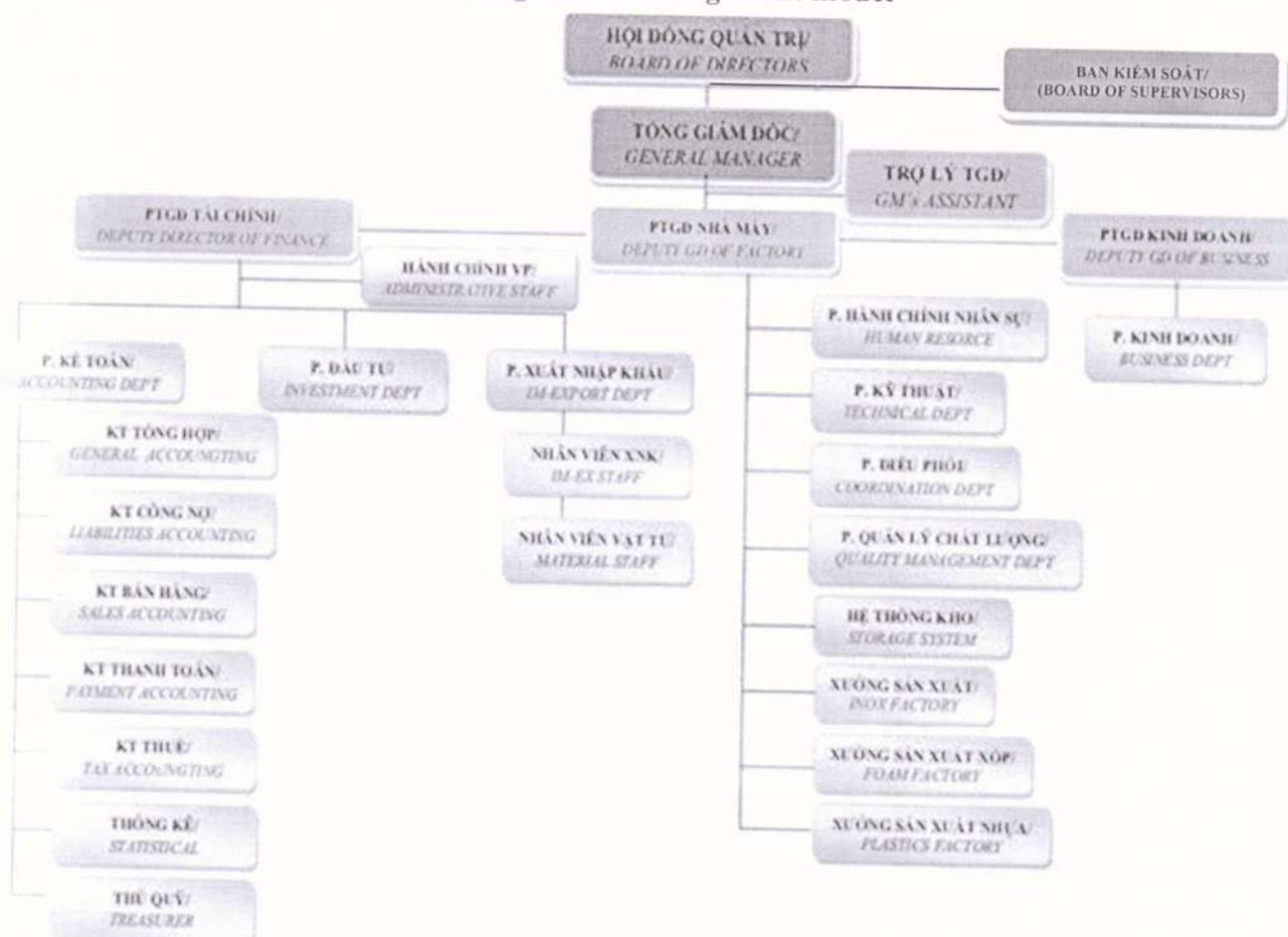
effective business, the Company has built a management organization suitable for the functions and tasks of each department, team and production station.

The Company's organizational structure includes:

- **04 departments:** Administration Department; Accounting Department; Import-Export Department; Sales Department.

3.2. Management diagram

Diagram 1: Management model



(Source: Thien Quang Group JSC)

✦ **Functions and tasks of the departments are as follows:**

▪ **General Council of shareholders:**

Is the highest authority of the Company. The General Council of Shareholders has the right and duty to approve development orientation, decide on production and business plans and tasks; decide to amend and supplement the Company's Charter; elect, dismiss, and remove the Board of Directors and the Board of Supervisors; decide to reorganize and dissolve the Joint Stock Company and other rights and duties as prescribed by law and the Charter of Thien Quang Group Joint Stock Company.

▪ **Board of Directors:**

The highest management body of the Company elected by the General Council of Shareholders, consisting of 01 Chairman and 03 members with a term of 5 years. The Board of

Directors, on behalf of the Company, decides all matters related to the purpose and interests of the Company, except for matters under the authority of the General Meeting of Shareholders. The Board of Directors is responsible for supervising the activities of the Director and other managers in the Company.

▪ **Board of Supervisors:**

The Board of Supervisors elected by the General Council of Shareholders consists of three (03) members. The Company's Board of Supervisors is responsible for checking the reasonableness, legality, honesty and prudence in the management and operation of business activities, in the organization of accounting, statistics and financial reporting to ensure the legitimate interests of shareholders.

▪ **Board of Directors:**

Including the General Director and Deputy General Directors in charge of each field. The Director is appointed and dismissed by the Board of Directors. The Director is the legal representative, managing daily business operations; subject to the supervision of the Board of Directors and responsible to the Board of Directors and the law for the implementation of assigned rights and duties.

▪ **Import and Export Department**

Managing and implementing foreign affairs activities, analyzing, expanding markets and introducing products, exploiting domestic and imported goods to provide raw materials and goods for production and business and managing export activities of products manufactured by ITQ. The Import-Export Department has truly been a bridge between ITQ and domestic and foreign partners and organizations, promptly meeting all needs of production and business activities, advertising, trade promotion and brand building. The foreign import-export department has contributed to increasing the production and business efficiency of ITQ.

▪ **Administration Department**

Undertake and be responsible for advising on the construction of the organizational structure for production and business management, staff planning; Develop training and labor recruitment plans, develop annual labor norms and salary rates; Advise the Board of Directors on the construction of salary and bonus regulations. Implement policies for employees according to the law and regulations of the Company; Coordinate the construction and implementation of annual plans for protection, security, national defense, fire prevention, and flood prevention. Monitor emulation, reward, and discipline work.

▪ **Accounting Department**

Undertake and be responsible to the Company for the field of finance and accounting. The department has the function of developing and organizing the implementation of the annual financial plan; Organizing accounting work, preparing financial reports according to regulations and management reports according to the Company's requirements. Responsible for guiding and checking the preparation of initial invoices and documents for accounting work; guiding and summarizing statistical reports.

▪ **Investment Department**

- Invest in basic construction, in-depth investment, and expand the Company's production capacity.
- Prepare application for investment incentives, investment interest rate support, marketing, sales,... when requested;
- Market research, search for investment opportunities, make investment plans and present them to the company's leaders.

▪ **Sales Department**

Responsible for Production and Consumption Plan; Purchasing materials and supplies for production; Managing warehouses in the Company; Consulting the Board of Directors on consumption and development of new products. Cooperating with departments to develop production plans for each month and the whole year.

3.3. Subsidiaries and affiliates: None

4. Development orientation

- The main objectives of the Company:
- Become the leading corporation in manufacturing solid bars, stainless steel wires, and trading stainless steel coils in Vietnam.
- Continuously develop and expand production and business activities to develop the company sustainably and maximize shareholder profits, enhance the company's brand value, improve the lives, working conditions and income of employees, and fulfill the obligation to pay the State budget.
- Medium and long-term development strategy:
- Research, invest and apply advanced production technologies to increase productivity as well as product quality. Increase labor productivity by 10-15%/year, increase production output by 25-30%/year.
- Training and improving the qualifications of management staff, improving the working awareness as well as the skills of the factory's staff.
- Sustainable development goals (environment, society and community) and the main programs related to the short and medium term of the Company:
- Comply with regulations on environmental protection, labor safety, fire prevention, job creation and welfare for employees

5. The risks

✦ **Economic risk**

Macroeconomic factors play an important role in the growth and development of enterprises. Economic risks are defined as systematic risks created by macro factors with basic factors being objective factors but directly affecting the production and business activities of enterprises, including: GDP growth rate, inflation, interest rates, exchange rates, etc. The fluctuations of these factors often have a systemic impact on most industries in the economy.

2024 is still a difficult year for the world economy, with a decline in both GDP growth,

global trade and investment; while bad debt increases and inflation remains high, associated with tense developments in geopolitical conflicts and technological fragmentation, extreme weather and widespread epidemics, etc., also affecting economic sectors in Vietnam, causing disruptions in the global supply chain, causing imbalances in the volume of imported and exported goods and changing the habits and transportation methods of some major customers.

Although Vietnam's economy in 2024 still faces many difficulties, with the participation of the entire political system, the Government and the Prime Minister have been proactive, flexible, resolute, and closely directed ministries, branches, and localities, along with the solidarity, trust, and support of the people and the business community, many solutions have been implemented to overcome difficulties, promote growth, maintain macroeconomic stability and major balances of the economy, thanks to which our country's economy has still achieved positive results, showing that the economy continues to have a tendency to recover, with growth rates higher in each quarter than in the previous quarter.

In 2024, economic growth is estimated at 7.09% (increased by 5.98% in the first quarter; 7.25% in the second quarter; 7.43% in the third quarter; 7.55% in the fourth quarter); of which, the agriculture, forestry and fishery sector increased by 3.27%, accounting for 11.86% of the economic structure; industry, industry and construction increased by 8.24%, accounting for 37.64%; services increased the most with 7.38%, contributing 42.36% of the economic structure, and product taxes minus product subsidies accounted for 8.14%.

Regarding labor productivity of the entire economy in 2024, it is estimated to reach 221.9 million VND/worker, equivalent to 9,182 USD/worker/year, an increase of 726 USD compared to 2023. In 2024, agricultural, forestry and fishery production will grow positively, continuing to maintain its role as a pillar of the economy.

Regarding service activities in 2024, the total retail sales of goods and consumer service revenue in 2024 is estimated to reach VND 6,391 trillion, up 9.0% over the previous year. International visitors to Vietnam in 2024 will reach 17.6 million, up nearly 40% over 2023. According to data released by the General Statistics Office this morning, the number of international visitors to Vietnam in 2024 will reach 17.6 million, equal to 98% compared to 2019 - the golden year of tourism.

The export turnover of goods in 2024 is estimated at 405.5 billion USD, up 14% over the previous year. Meanwhile, the import turnover of goods in 2024 is estimated at 380.7 billion USD, up 16.2% over the previous year.

The trade balance of goods in 2024 is estimated to have a trade surplus of 24.7 billion USD, a decrease of 4.6 billion USD compared to 2023. The consumer price index (CPI) in 2024 increased by 3.66% compared to the previous year, achieving the target set by the National Assembly.

Vietnam's economy is forecast to grow by 7% in 2024, higher than the World Bank's forecast of 6.1%, and is forecast to continue growing by 6.5% in 2025 and 2026. The report

shows the resilience of the Vietnamese economy amid increasing global challenges.

Faced with difficulties and challenges of the global economy, Vietnam needs to maximize its internal resources, mobilize and attract investment waves, and take advantage of every opportunity to participate deeply and widely in the global value chain to continue affirming the country's position and prestige at new heights.

✦ **Interest rate risk**

Interest rates are sensitive economic variables, changes in interest rates will impact changes in production and consumption behavior of society. For a business, interest rate risk is the risk when the cost of borrowing of the business is higher than the ability to generate profits of the business and the level of interest rate risk also varies between industries depending on the debt structure of that industry.

In interest rate management, the State Bank continues to maintain the rediscount and refinancing interest rates at low levels, creating conditions for credit institutions to reduce lending interest rates in the market. According to the interest rate reports of commercial banks, the lending interest rate level by December 2024 decreased by about 0.96%/year compared to the end of 2023. The State Bank's loose monetary policy, along with the US Federal Reserve Bank (FED)'s interest rate reduction, has contributed to maintaining the mobilization interest rate level of commercial banks at a stable low level in 2024.

According to the State Bank, as of September 2024, Vietnam's total M2 money supply reached VND16,949 trillion, up 5.94% compared to the end of 2023 and up 12.80% (YoY). Credit growth reached 9.11%, far exceeding the growth in money supply, reflecting high capital demand in the economy.

Currently, the Company is seeking to minimize this interest rate risk through measures such as: Strictly controlling receivables, optimizing capital usage, increasing cash flow, prioritizing early repayment of high-interest loans, debt restructuring, and restructuring loans from high interest rates to low interest rates.

✦ **Inflation risk**

Inflation is one of the important macroeconomic factors, closely related to the stability and development of the economy. Economic development often goes hand in hand with inflation. However, high inflation is a risk of instability for economic and social development, so inflation is also the cause of negative impacts on production and business activities and the stock market. Realizing this, inflation is always an index that Thien Quang Group Joint Stock Company pays attention to and closely monitors to make timely adjustments to its operations.

✦ **Legal risks**

Thien Quang Group Joint Stock Company is a joint stock company that has registered for listing. Therefore, like other Vietnamese enterprises, the highest legal documents regulating the Company's operations are currently the Enterprise Law, the Securities Law and guiding documents. However, the system of sub-law documents is still in the process of completion, with many provisions being changed and revised. Every year, the Company sends members of the

Board of Directors, the Board of Supervisors, officers in charge of information disclosure and the Secretariat to attend management courses and seminars to update newly issued legal documents to promptly grasp changes in related legal documents.

✦ **Risk of listed stock price fluctuations**

Thien Quang Group Joint Stock Company is listed on the Hanoi Stock Exchange, the Company's stock price fluctuations not only depend on the Company's production and business performance but also depend on many other factors such as: the implementation of information disclosure, the market supply and demand situation for the Company's shares. Stock price fluctuations can affect the brand, value, and psychology of shareholders and customers of the Company.

To minimize the above risks, Thien Quang Group Joint Stock Company and related individuals ensure full and timely implementation of regulations on information disclosure on the Stock Market. This will help investors access relevant information of the Company accurately and effectively. From there, investors can make better investment decisions.

✦ **Other risks**

Unforeseen risks such as natural disasters, wars, and epidemics in the region and the world can all affect the Company's operations. Therefore, the Company needs to collect and promptly grasp information about the economic, political, and social developments in Vietnam as well as neighboring countries to plan optimal operations and restructure the investment scale of the products that the Company is providing accordingly.

II. Operational situation during the year

I. Production and business situation

Table 1: Production and business performance

(Unit: Million VND)

No.	Target	2023	2024	Growth in 2024 vs. 2023 (%)
1	Total asset value	516,624	541,961	5
2	Equity	331,689	332,535	0
3	Net revenue	544,393	555,394	2
4	Profit from Operations	2,095	613	(71)
5	Other profits	(106)	435	(510)
6	Profit before tax	1,989	1,048	(47)
7	Profit after tax	1,923	1,048	(46)
8	Profit after tax/ Net revenue	0.35%	0.19%	(47)
9	Return on equity	0.58%	0.32%	(46)

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

2. Organization and personnel

2.1. List of Executive Board

✦ List of Board of Directors, Chief Accountant

✦

No.	Full name	Position
1	Pham Quang Trung	General Director
2	Hoang Anh Son	Deputy General Manager
3	Nguyen Dieu Linh	Deputy General Manager
4	Phan Thi Hoai Thuong	Chief Accountant

✦ Executive Board Member Profile

✦

PHAM QUANG TRUNG

- Gender: Male
- Date of birth: December 17, 1983
- Place of birth: Gia Lai
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number: 064083000001 issued on April 24, 2021 by Police Department for Administrative Management on Social Order
- Hometown: Viet Hoa, Khoai Chau, Hung Yen
- Permanent address: Old Group 29, New Group 49 Vinh Hung, Hoang Mai, Hanoi
- Education level: 12/12
- Qualification: Engineer
- Work process:
 - From 2009 to 2016 : K-Tech Vietnam Company*
 - From 2017 to present : Thien Quang Group Joint Stock Company*
- Current position at the Company: General Director of Thien Quang Group Joint Stock Company
- Current positions held in other organizations: None
- Number of shares held: 131,000 shares, accounting for 0.4% of charter capital.
 - In which:
 - + Individually owned shares: 131,000 shares, accounting for 0.4% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Number of shares held by related persons: 453,700 shares, accounting for 1.4% of charter capital.

Full name	Relationship	Quantity	Proportion
Nguyen Thi Bich Hanh	Wife	453,700	1.4%

- Debts to the Company: None
- Related Benefits to the Company: None

NGUYEN DIEU LINH

- Gender: Female
- Date of birth: September 13, 1979
- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number : 001179006756 issued on April 8, 2021 by Police Department for Administrative Management on Social Order
- Hometown: Hanoi
- Permanent address: Anh Dao Villa 9-16 Vinhomes Riverside, Viet Hung ward, Long Bien, Hanoi
- Education level: 12/12
- Qualification: Bachelor of Economics
- Work process:
 - From 2001 to 2007 : Thien Quang Hung Yen Company Limited*
 - From 2007 to present : Thien Quang Group Joint Stock Company*
- Current position at the Company: Deputy General Director of Thien Quang Group Joint Stock Company
- Current positions held in other organizations: None
- Number of shares held: 29,580 shares, accounting for 0.09% of charter capital.
In there:
 - + Individually owned shares: 29,580 shares, accounting for 0.09% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Number of shares held by related persons: 2,787,865 shares, accounting for 8.75% of charter capital

In which:

Full name	Relationship	Quantity	Proportion
Nguyen Van Quang	Husband	2,787,865	8.75%

- Debts to the Company: None
- Related Benefits to the Company: None

HOANG ANH SON

- Gender: Male
- Date of birth: August 26, 1977

- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number: 001077005680 issued on April 25, 2021 by Police Department for Administrative Management on Social Order
- Hometown: Vinh Long, Vinh Loc, Thanh Hoa
- Permanent address: Ngu Hiep – Thanh Tri – Hanoi
- Education level: 12/12
- Qualification: Bachelor of Economics
- Work process:
 - From 2002 to 2004 : Sales Staff – Tan Hiep Phat Company*
 - From 2004 to 2006 : Sales Staff – Nam Hung Long Company (Philips Vietnam)*
 - From 2006 to present : Thien Quang Group Joint Stock Company*
- Current position at the Company: Deputy General Director of Thien Quang Group Joint Stock Company
- Positions held in other organizations:
- Number of shares held: 0 shares, accounting for 0% of charter capital.
 - In there:
 - + Individual ownership shares : 0 shares, accounting for 0% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Number of shares held by related persons: 0 shares, accounting for 0% of charter capital.
- Debts to the Company: None
- Related Benefits to the Company: None

PHAN THI HOAI THUONG

- Gender: Female
- Date of birth: 01/01/1982
- Place of birth: Quang Tri
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number : 04182000835 issued on November 22, 2021 by Police Department for Administrative Management on Social Order
- Hometown: Quang Tri
- Permanent address: Group 35 Thinh Liet - Hoang Mai - Hanoi
- Education level: 12/12
- Qualification: Bachelor of Economics
- Work process:
 - From 2005 to 2006 : Thien Anh Trading Company Limited*
 - From 2006 to 2008 : Artisan World Company Limited*

From 2009 to present : Thien Quang Group Joint Stock Company

- Current position at the Company: Chief Accountant of Thien Quang Group Joint Stock Company
- Positions held in other organizations:
- Number of shares held: 0 shares, accounting for 0% of charter capital.

In there:

- + Personal ownership shares: 0 shares, accounting for 0% of charter capital.
- + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Number of shares held by related persons: 0 shares, accounting for 0% of charter capital.
- Debts to the Company: None
- Related Benefits to the Company: None

2.2. Number of staff. Summary of policies and changes in policies for employees

Table 2: Labor structure

Labor structure	Number	Rate (%)
Classification by labor level	139	100
University and post-graduate	35	25.2
College	24	17.2
Intermediate	15	10.8
General labor	65	46.8
Classification by labor contract	139	100
Fixed term contract	64	46
Indefinite term contract	75	54
Seasonal contract	0	0

(Source: Thien Quang Group Corporation)

✚ Salary and bonus policy

The Company builds a salary policy that is appropriate to the characteristics of the industry and ensures that employees receive full benefits according to State regulations, in accordance with the qualifications, capacity and professional work of each person. In addition to receiving a monthly salary according to the basic salary scale, employees in the Company also receive a salary based on productivity and efficiency.

In order to encourage and motivate employees in the Company to increase labor productivity and contribution efficiency, the Company has a policy of periodic and extraordinary bonuses for individuals and groups that have practical contributions to the overall performance.

The Company contributes social insurance and health insurance in accordance with the law. The Company always creates favorable conditions for the Company's Trade Union and Youth Union to operate effectively. Every year, the Company's officers and employees enjoy benefits on holidays and Tet.

3. Investment situation, project implementation situation

- a) Major investments: None

b) Subsidiaries, affiliates: None

4. Financial situation

a) Financial situation

Table 3: Financial situation

(Unit: Million VND)

Target	2023	2024	% increase/decrease
Total asset value	516,624	541,961	5
Net revenue	544.39 2	555,394	2
Profit from business activities	2,095	613	(71)
Other profits	(106)	435	(510)
Profit before tax	1,989	1,048	(47)
Profit after tax	1,923	1,048	(46)
Dividend yield ratio	-	-	-

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

b) Key financial indicators:

Table 4: Key financial indicators

INDICATORS	Unit of measure	2023	2024	Note
1. Payment capacity indicators				
Current ratio (Current assets/Current debt)	Time	2.14	1.90	
Quick liquidation ratio Current assets – Inventory Short-term debt	Time	1.09	0.92	
2. Capital structure indicators				
Debt/Total Assets Ratio	%	35.80	38.64	
Debt/Equity Ratio	%	55.76	62.98	
3. Performance indicators				
Inventory Turnover Cost of goods sold Average Inventory	Ring	2.47	2.64	
Net Revenue/Total Assets Average	Time	1.02	1.05	
4. Profitability indicators				

Profit after tax/Net revenue	%	0.35	0.19	
Average Profit after tax/Equity	%	0.58	0.32	
Net Profit/Total Assets Average	%	0.36	0.20	
Operating Profit/Net Revenue	%	0.38	0.11	
Profit after tax/Charter capital	%	0.60	0.33	

(Source: Audited financial statements of the Company in 2024)

5. Shareholder structure, changes in owner's equity)

a) Share

- Total shares: 31,843,305 shares
- Type of shares: Common stock
- Par value: 10,000 VND/share
- Number of freely transferable shares: 31,843,305 shares
- Number of shares restricted from transfer according to law, company charter or owner's commitment: 0 shares.

b) Shareholder structure as of April 1, 2025

Table 5: Shareholder structure

No.	Type of shareholder	Quantity shareholder	Quantity share	Percentage of actual contributed charter capital
1	Domestic shareholders			
1.1	Organization	4	5,930	0.019%
1.2	Individual	2810	31,802,675	99.87%
2	Foreign shareholders			
2.1	Organization	2	600	0.001%
2.2	Individual	4	34,100	0.1%
3	Treasury stock			
Total		2.8 20	31,843,305	100%

(Source: Thien Quang Group Joint Stock Company)

- c) Owner's capital change situation: None
- d) Treasury stock transactions: None
- e) Other securities: None .

6. Report on the company's environmental and social impact

6.1. Raw material management:

a) Total amount of raw materials used to manufacture and package the organization's main products and services during the year:

- Main raw materials for stainless steel wire and rod production: 2,303 tons equivalent to value: 89 billion VND.
- Main raw materials for plastic and foam production: 1,757 tons equivalent to 59 billion VND

b) Report the percentage of recycled materials used to manufacture the organization's primary products and services: None

6.2. Energy consumption:

a) Direct and indirect energy consumption .

b) Energy saved through energy efficiency initiatives : None

c) Reports on energy-saving initiatives (providing energy-saving products and services or using renewable energy); reports on the results of these initiatives: None

6.3. Water consumption:

a) Water supply and water usage: underground exploitation, water usage 35m3/day and night.

b) Percentage and total amount of recycled and reused water: 60-70%, total amount of recycled and reused water 20-25m3.

6.4. Compliance with environmental protection laws:

a) Number of times 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. Employee related policies.

a) Number of employees, average salary for employees:

Year	2022	2023	2024
Average labor (people)	133	130	139
Average income (million VND/person/month)	17,020,000	17,000,000	17,200,000

(Source: Thien Quang Group Corporation)

b) Labor policy to ensure the health, safety and welfare of workers

Working hours: 8 hours/day, 44 hours/week, 1.5 hour lunch break. When there is a requirement for production and business progress, employees are responsible for working overtime and the Company has regulations to ensure the rights of employees according to State regulations.

Leave, holidays, Tet, maternity leave. Employees are entitled to 10 days off for holidays and Tet according to the provisions of the Labor Law. Employees who have worked at the Company for 12 months or more are entitled to 12 days off per year. The remaining employees will be entitled to leave calculated according to the working time ratio. During maternity leave,

in addition to the 6-month leave with insurance according to regulations, they will also receive a basic salary paid by Social Insurance.

Working conditions: The company is fully equipped with labor protection tools, and the company always complies with labor safety principles to ensure high labor productivity and safety for employees.

c) **Employee training activities**

The Company's recruitment objective is to attract employees with appropriate capacity and professional qualifications to work at the Company, meeting the Company's need to expand its operations. Depending on each specific position, the Company sets its own standards, but all positions must meet basic requirements such as having basic professional qualifications appropriate to the Company's field of operation, enthusiasm and eagerness to learn, love for work and proactive creativity in work. For important positions, recruitment is stricter with requirements on work experience, ability to analyze and work independently, foreign language and computer skills.

The Company also has a policy of salary, bonus and high benefits for talented employees with high education and experience in fields related to the Company's business activities, on the one hand, to create a stable mentality for employees and on the other hand, to gather and attract talented human resources to work for the Company.

In addition, every year the unit always develops plans, conducts training and retraining of workers' skills and qualifications in many forms, in order to develop a team of officers and employees to meet the requirements of diversifying the Company's professions, keeping up with the technological level of advanced countries in the world.

6.6. *Report on responsibility to local communities.*

Community investment activities and other community development activities, including financial support for community service: *None*

6.7. *Reports related to green capital market activities according to the guidance of the State Securities Commission: None*

III. Board of Directors' Report and Evaluation

1. Financial situation

a) **Asset situation**

Table 6: Asset situation

(Unit: Million VND)

Target	2023	2024	% increase/ decrease
Current assets	395,535	398,695	1
1. Cash and cash equivalents	4,750	4,709	(1)
2. Short-term financial investment	4,000	10,000	150
3. Short-term receivables	173,195	156,712	(10)

4. Inventory	194,539	205,552	6
5. Other current assets	19,051	21,722	14
Long-term assets	121,089	143,265	18
1. Fixed assets	55,773	47,602	(15)
2. Investment real estate	30,006	72,690	142
3. Long-term unfinished assets	27,366	19,623	(28)
4. Other long-term assets	1,944	3,350	72
5. Long-term financial investment	6,000	-	(100)

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

b) Accounts Payable Status

- Current debt situation, large fluctuations in debt .

Table 7: Liabilities situation

(Unit: Million VND)

LIABILITIES PAYABLE	2023	2024
A. LIABILITIES	184,935	209,426
I. Short-term debt	184,935	209,426
1. Short-term payables to suppliers	70,113	88,634
2. Short-term prepayment by buyer	604	30
3. Taxes and other payments to the state	-	-
4. Must pay employees	1,076	449
5. Short-term payable expenses	127	109
6. Other short-term payables	131	148
7. Short-term loans and financial leases	112,382	119,749
8. Welfare reward fund	502	307
II. Long-term debt	-	-

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

2. Improvements in organizational structure, policy, management.

Advances in organizational structure, policies, and management: The executive and leadership apparatus is streamlined and direct. Under the Board of Directors, there are departments with specific functions and tasks under the close supervision and management of department heads. The company's policies are guaranteed to comply with current laws of the Vietnamese government, and personnel policies to promote the company's operations. The policy of paying employees according to their work capacity and good treatment has helped the company recruit truly capable employees who are dedicated to working for the company.

Control measures: the company has a Board of Supervisors consisting of independent members, supervising the financial and management activities of the company.

3. Future development plans:

Focus on prioritizing production, rebuilding production standards to produce low-cost products, expanding sales to promote consumption output .

IV. Board of Directors' assessment of the Company's performance

1. *The Board of Directors' assessment of the Company's operations, including assessments related to environmental and social responsibilities.*

- In 2024, the Board of Directors directed departments to develop action plans in line with the Company's operational objectives to advise and monitor strategy implementation and mitigate risks.

- Analyze information, evaluate and forecast development trends in operating areas, thereby limiting investment risks in the following years, ensuring stable and sustainable development.

- Focus on completing the business plan and human resource development plan for the period 2024 to departments throughout the system.

- Checking the implementation of governance regulations, regulations issued by the Board of Directors and the compliance with regulations of the State and competent authorities. The Board of Directors held 05 Board of Directors meetings, thereby issuing 05 resolutions/decisions related to the Company's fields of operation.

2. *Board of Directors' assessment of the performance of the company's Board of Directors :*

The Board of Directors finds that the Company's Board of Directors has properly performed its functions, duties and powers according to the Company's Charter; has seriously and effectively organized the implementation of the Resolution of the 2024 Annual General Meeting of Shareholders, the Resolutions and decisions of the Board of Directors, ensuring compliance with the Company's regulations and current laws.

3. *Plans and directions of the Board of Directors: Upgrade the foam production line system. Expand the warehouse and production workshop system to serve domestic and foreign customers.*

V. Corporate governance.

1. *Board of Directors*

a) Members and structure of the Board of Directors :

The Board of Directors of Thien Quang Group Joint Stock Company has 03 (three) members. The term of the Board of Directors is 05 (five) years. The term of a member of the Board of Directors shall not exceed 05 (five) years and a member of the Board of Directors may be re-elected for an unlimited number of terms.

List of members of the Company's Board of Directors

No.	Full name	Position	Note
1	Mr. Nguyen Van Quang	Chairman of the Board of Directors	
2	Mr. Pham Bao Duong	Member of B.O.D	
3	Mr. Le Quyet Tien	Member of B.O.D	

NGUYEN VAN QUANG

- Gender: Male
- Date of birth: February 4, 1971
- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number: 001071005237 issued on August 21, 2021 at Police Department for Administrative Management on Social Order
- Hometown: Hanoi
- Permanent address: Anh Dao Villa 9-16 Vinhomes Riverside, Viet Hung ward, Long Bien, Hanoi
- Education level: 12/12
- Qualification: Bachelor of Economics
- Work process:
 - From 2001 to 2007 : Thien Quang Hung Yen Company Limited*
 - From 2007 to : Chairman of Board of Directors of Thien Quang Group Joint present Stock Company*
- Current position at the Company: Chairman of the Board of Directors
- Current positions held in other organizations: None
- Number of shares held: 2,787,865 shares, accounting for 8.75% of charter capital.
 - In there:
 - + Individually owned shares: 2,787,865 shares, accounting for 8.75% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Number of shares held by related persons: 29,580 shares, accounting for 0.09% of charter capital.

In which:

Full name	Relationship	Quantity	Proportion
Nguyen Dieu Linh	Wife	29,580	0.09%

- Debts to the Company: None
- Related benefits to the Company: None

PHAM BAO DUONG

- Gender: Male
- Date of birth: November 22, 1983
- Place of birth: Tu Loc, Hai Duong
- Nationality: Vietnamese
- Ethnicity: Kinh

- ID Card number : 001083019890 issued on June 14, 2022 at Police Department for Administrative Management on Social Order
- Permanent address: AD 8-20, Vinhomes DT Riverside, Viet Hung, Long Bien, Hanoi City
- Education level: 12/12
- Qualification: Bachelor of Economics
- Current position at the Company: Member of the Board of Directors of Thien Quang Group Joint Stock Company
- Current positions held in other organizations: Deputy Director of Nhat Hoa Production and Trading Company Limited
- Number of shares held: 0 shares, accounting for 0% of charter capital.
In there:
 - + Personal ownership shares: 0 shares, accounting for 0% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Debts to the Company: None
- Related Benefits to the Company: None

LE QUYET TIEN

- Gender: Male
- Date of birth: 02/01/1978
- Place of birth: Hoa Binh
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number : 017078000065 issued on April 27, 2021 at Police Department for Administrative Management on Social Order
- Hometown: Hanoi
- Permanent address: 241 Nguyen Van Cu, Long Bien, Hanoi
- Education level: 12/12
- Qualification: Bachelor
- Work process:

From 2003 to present : Working at Thien Quang Group Joint Stock Company
- Current position at the Company: Member of the Board of Directors of Thien Quang Group Joint Stock Company
- Current positions held in other organizations:
- Number of shares held: 24,038 shares, accounting for 0.075% of charter capital.
In which:
 - + Individually owned shares: 24,038 shares, accounting for 0.075% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital
- Debts to the Company: None
- Related Benefits to the Company: None
- b) Subcommittees of the Board of Directors : *Secretary of the Board of Directors*

c) Activities of the Board of Directors :

Table 8: Decisions and resolutions of the Board of Directors in 2024

No.	Resolution Number/ Decision	Date	Contents	Passage Rate
1.	2704/2024/NQ-HĐQT	April 27, 2024	Resolution of the Annual General Meeting of Shareholders 2024	100%
2.	2406/2024/NQ-HĐQT	June 24, 2024	Selecting an auditor for financial statements in 2024	100%
3.	2007/2024/NQ-HĐQT	07/20/2024	Report on production and business results for the first 6 months of 2024, plan for the third quarter of 2024	100%
4.	25102024/NQ-HĐQT	10/25/2024	Report on business results for the third quarter of 2024 and business plan for the fourth quarter of 2024	100%
5.	15012025NQ-HĐQT	15/01/2025	Report on business results in the fourth quarter of 2024, business plan for 2025	100%

(Source: Thien Quang Group Corporation)

d) Activities of independent members of the Board of Directors. Activities of subcommittees in 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. *Board of Supervisors*

a) Members and structure of the Board of Supervisors :

The Company's Board of Supervisors has 03 (three) members. The term of office of members of the Board of Supervisors shall not exceed 05 (five) years. Members of the Board of Supervisors may be re-elected for an unlimited number of terms.

List of Board of Supervisors members

No.	Full name	Position
1	Mr. Dang Ngoc Phan	Head of the Board
2	Ms. Nguyen Thi Cao Lien	Member
3	Ms. Cao Thi Huyen	Member

DANG NGOC PHAN

- Gender: Male
- Date of birth: April 12, 1978
- Place of birth: Thai Binh
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number: No. 034078000744 issued on December 3, 2014 at Police Department for Administrative Management on Social Order
- Hometown: Thai Binh
- Permanent address: P206 – N9 – Dong Tau, Thinh Liet, Hoang Mai, Hanoi
- Contact phone number:
- Educational level:
- Qualification: Bachelor
- Work process:
From 2000 to : Phuc Gia Trading Engineering Company Limited
present
- Current position at the Company: Head of Supervisory Board of Thien Quang Group Joint Stock Company
- Positions held in other organizations:
- Number of shares held: 102 shares, accounting for 0.00032% of charter capital.
 In there:
 - + Individually owned shares : 102 shares, accounting for 0.00032% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0% of charter capital.
- Number of shares held by related persons: 0 shares, accounting for 0% of charter capital.
- Debts to the Company: None
- Related Benefits to the Company: None

NGUYEN THI CAO LIEN

- Gender: Female
- Date of birth: February 29, 1980
- Place of birth: Thanh Khuong, Thuan Thanh, Bac Ninh
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card number: 027180000040 issued on April 11, 2014 at Police Department for Administrative Management on Social Order
- Permanent address: Room 1208, CC 130 Nguyen Duc Canh, Tuong Mai, Hoang Mai, Hanoi City
- Education level: 12/12
- Qualification: Bachelor

- Current position at the Company: Member of the Board of Supervisors of Thien Quang Group Joint Stock Company
- Positions held in other organizations:
- Number of shares held: 0 shares, accounting for 0% of charter capital .
In there:
 - + Individual ownership shares: 0 shares account for 0% of charter capital .
 - + Representative shares owned: 0 shares, accounting for 0 charter capital
- Number of shares held by related persons: 0 shares, accounting for 0% of charter capital.
- Debts to the Company: None
- Related Benefits to the Company: None

CAO THI HUYEN

- Gender: Female
- Date of birth: June 25, 1991
- Place of birth: Chi Tan, Khoai Chau, Hung Yen
- Nationality: Vietnamese
- Ethnicity: Kinh
- ID Card Number : No. 033191005940 issued on April 25, 2021 at Police Department for Administrative Management on Social Order
- Hometown: Chi Tan, Khoai Chau, Hung Yen
- Permanent address: Ung Di, Trung Trac, Van Lam, Hung Yen
- Education level: 12/12
- Qualification: Bachelor
- Work process:
From 2016 to present: Thien Quang Group Joint Stock Company
- Current position at the Company: Member of the Board of Supervisors of Thien Quang Group Joint Stock Company
- Positions held in other organizations:
- Number of shares held: 0 shares, accounting for 0% of charter capital.
In there:
 - + Individual ownership shares: 0 shares, accounting for 0% of charter capital.
 - + Representative shares owned: 0 shares, accounting for 0 charter capital
- Number of shares held by related persons: 0 shares, accounting for 0% of charter capital.
- Debts to the Company: none
- Related benefits to the Company: none
- b) Activities of the Board of Supervisors:
During 2024, the Supervisory Board held regular meetings and attended meetings of the Company's Board of Directors.
The Board of Supervisors has inspected and supervised the compliance with the provisions

of law and the Company in the management and operation of business activities of the Board of Directors (BOD) and Board of Directors (BOD) in 2024 specifically:

- Review the legality and procedures for issuing Resolutions and Decisions of the Board of Directors and the Board of Management in 2024 ;
- Participate in giving opinions and making recommendations to the Board of Directors and the Executive Board on issues related to the company's operations during the year;
- Inspect and supervise the implementation of the 2024 Shareholders' Meeting Resolution by the Board of Directors and the Board of Management;
- Auditing annual financial statements to assess the truthfulness and fairness of financial figures.

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

a) Salary, bonus, remuneration, benefits of the Board of Directors, Board of Management, Board of Supervisors:

Table 9: Salary, bonus, remuneration, benefits of the Board of Directors, Board of Management, Board of Supervisors

No.	Full Name	Position	Salary, bonus	Remuneration (Board of Directors, Supervisory Board, Management Board)	Total income	Note
1	Nguyen Van Quang	Chairman of the B.O.D	491,970,273	0	491,970,273	
2	Le Quyet Tien	Member of B.O.D	327,383,926		327,383,926	
3	Pham Bao Duong	Member of B.O.D	0	0	0	
4	Nguyen Dieu Linh	Deputy General Director	451,666,641	0	451,666,641	
5	Hoang Anh Son	Deputy General Director	435,057,649	0	435,057,649	
6	Pham Quang Trung	CEO	485,603,487	0	485,603,487	
7	Dang Ngoc Phan	Head of Supervisory Board	0	0	0	
8	Nguyen Thi Cao Lien	Member of Supervisory Board	364,064,659	0	364,064,659	
9	Cao Thi Huyen	Member of Supervisory Board	212,471,459	0	212,471,459	

(Source: Thien Quang Group Corporation)

- b) Stock transactions of internal shareholders : None
- c) Contracts or transactions with internal shareholders: (Information about contracts or transactions signed or carried out during the year with the company, subsidiaries, companies that the company controls by members of the Board of Directors, members of the Board of Supervisors, General Director, managers and people related to the above subjects.
- d) Implementation of corporate governance regulations: (Clearly state the contents that have not been implemented according to the legal regulations on corporate governance. Causes, solutions and remedial plans/plans to enhance efficiency in corporate governance activities

VI. Financial statements

1. Audit opinion:

In our opinion, the financial statements referred to above give a true and fair view, in all material respects, of the financial position of Thien Quang Group Joint Stock Company as at December 31, 2024, as well as the results of its operations and its cash flows for the fiscal year then ended, in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of financial statements.

2. Audited financial statements

financial statements for 2024 include : Balance sheet; Report on business performance; Cash flow statement; Notes to the financial statements in accordance with the law on accounting and auditing.

(Detailed financial statements attached)

Address for publication of Financial Statements:

<http://www.inoxthienquang.com.vn>

THIEN QUANG GROUP JOINT STOCK COMPANY



TỔNG GIÁM ĐỐC
Phạm Quang Trung