



REPORT OF THE BOARD OF DIRECTORS IN 2024 AND THE STRATEGIC PLAN IN 2025

I. SITUATION CHARACTERISTICS

In 2024, the global situation will still face many difficulties and challenges due to numerous uncertain economic and political factors. The world economy will continue its slow and uneven recovery, with prolonged risks to international supply chains and commodity prices, although global inflation has improved significantly.

Domestically, the economy has recovered with the growth of the processing and manufacturing industries, the strong recovery of tourism and the stable development of the agricultural sector with a record increase in agricultural exports. However, the recovery and growth of the industries have not been uniform; textile and garment enterprises have to face challenges from the market, such as exchange rate fluctuations, high raw material costs, and increasingly strict requirements on quality and sustainability. In 2024, the stock market has experienced many difficulties and challenges with tense exchange rates, record net selling by foreign investors, and the market has many potential fluctuations and risks.

II. PRODUCTION AND BUSINESS RESULTS IN 2024

Saigon 3 Group operates under the Holdings model with many subsidiaries. Therefore, the Parent Company has no revenue from business activities but revenue from financial activities.

With an unfavorable market situation, the business activities of some member companies face many challenges and difficulties. Business results in 2024 have not met the plan set by the 2024 Annual General Meeting of Shareholders, details are as follows:

No.	Items	Plan in 2024 (billion VND)	Implementation in 2024 (billion VND)	% of implementation compared to the 2024 plan
1	Net revenues	1.428,2	1.569,3	109,9%
2	Revenues	1.622,5	1.950,9	120,2%
3	Total accounting profit before tax	125,3	10,1	8,1%
4	Profit after tax	92,9	2,2	2,4%
5	Profit after tax of Parent Company	53,3	7,7	14,4%

III. REPORT OF THE BOARD OF DIRECTORS IN 2024

- The Board of Directors is elected by the Annual General Meeting of Shareholders in 2024 with a new term of 2024 – 2029, including the following members:

No.	Full name	Position
1	Mr. Nguyen Khanh Linh	Chairman Non-executive
2	Mr. Pham Xuan Hong	Vice Chairman Non-executive
3	Ms. Nguyen Ngoc Diep	BOD Member Non-executive
4	Mr. Nguyen Quoc Viet	BOD Member cum General Director Executive Member
5	Mr. Nguyen Dang Khoa	Independent BOD Member

- In 2024, the Board of Directors has conducted 16 meetings held by the law. Members of the Board of Directors participate in giving opinions and orienting the Company's activities, deciding on issues within their powers in accordance with the prescribed order and procedures, well implementing the Resolution of the General Meeting of Shareholders ("AGM"), directing the timely settlement of arising issues, ensuring the Company's activities in accordance with the development orientation and efficiency.

For more details about the meetings of the Board of Directors, please see more in the 2024 Corporate Governance Report, which is published and posted on the Company's website

- Remuneration, operating expenses and other benefits of the Board of Directors:
Report on the income of members of the Board of Directors and the Board of Supervisors in the group in 2024, please refer to the Audited Consolidated Financial Statements for 2024 (page 54).
- Activities of independent members of the Board of Directors:
In 2024, independent members of the Board of Directors have fully attended Board of Directors meetings, made comments and advised the Board of Directors on policies and risk management and compliance to improve the Group's production and business activities.
- Transactions with related parties:
Report on transactions between related parties please refer to the Audited Separate Financial Statements for 2024 (pages 18, 19, 25) and the Audited Consolidated Financial Statements for 2024 (pages 38, 53, 54).
- The Board of Directors has been oriented and regularly attached to the Company's activities. The Board of Directors has directed and provided timely solutions on investment, market, and personnel to help the Company operate smoothly and effectively.
- In 2024, the Board of Directors has implemented the payment of 10% cash dividends (the remaining 5% of dividends in 2022 and 5% of dividends in 2023).

- Other activities: The Board of Directors has approved and is conducting a public tender offer for shares of Ho Chi Minh City Medical Import-Export Joint Stock Company (Yteco). Upon completion, Yteco will become a subsidiary of the Company to increase its competitive advantage and optimize production and business activities in the field of medical equipment and supplies of the group.

IV. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE PERFORMANCE OF THE EXECUTIVE BOARD IN 2024

Based on provisions of law and the Company's charter, the Board of Directors has supervised the activities of the General Director and the Executive Board of the subsidiaries. The Board of Directors participates in periodic meetings, monitors and supervises the results of management and administration of the implementation of the business plan through monthly reports on the Company's activities and upcoming plans. Through the process of monitoring the Company's activities in 2024, the Board of Directors has the following comments:

- The Board of Directors highly appreciates the efforts of the Executive Board of member companies in building a management system and improving business methods to bring efficiency. However, due to objective factors of the market and customers, the consolidated profit results in 2024 have not completed the plan. The results of the production and business activities of member companies will be presented by the General Director in the report on production and business activities in 2024.
- The activities of the Company and its subsidiaries are managed by the law and the Company's Charter.

The Board of Directors finds that the General Director and its subsidiaries have strictly implemented the Resolution of the Board of Directors and the General Meeting of Shareholders and promptly reported information to the Board of Directors to carry out supervision by regulations

V. REPORT TO THE GENERAL MEETING OF SHAREHOLDERS ON THE CONTENTS THAT HAVE NOT BEEN IMPLEMENTED:

1. Listing of SGI shares on HOSE:

The Board of Directors reports to Shareholders on the non-implementation of the Resolution of the Annual General Meeting of Shareholders No. 02/2024/NQ-DHDCHD dated 20/06/2024 of the General Meeting of Shareholders on the listing of SGI shares on HOSE:

The Company's shares (Stock Code: SGI) were approved by the General Meeting of Shareholders to list shares on the Ho Chi Minh City Stock Exchange (HOSE) according to Resolution No. 02/2024/NQ-DHDCD dated June 20, 2024. However, due to the unfavorable market situation for listing and the benefit of shareholders, the Company has not implemented the procedures for listing SGI shares on HOSE in 2024.

The Board of Directors will make a report on the suspension of the listing of SGI shares on HOSE, which has been approved by the 2024 Annual General Meeting of Shareholders.

VI. SITUATION AND ORIENTATION IN 2025

1. Assessment of the situation:

- On April 2, 2025, the reciprocal tariff policy announced by the US is considered a shock to the world economy, in the context that many countries have just escaped the period of record-high inflation after the Covid-19 pandemic and are facing pressure from accumulated debt as well as geopolitical conflicts.
- The inclusion of Vietnam in the group of countries subject to the highest reciprocal tariff - up to 46% % - will increase costs for businesses. Part of the increased cost can be factored into the selling price to the end consumer, tariffs can cause prices to rise, reduce revenue and narrow business profit margins.
- The stock market had the sharpest decline in the history of nearly 25 years, the VN-Index fell nearly 88 points on the first day after the information was announced, and all fluctuations were difficult to judge.
- As a multi-industry corporation in which the main activities are garment production and securities, 2025 will be quite a challenging year for Saigon 3 Group. The company needs to change drastically to match market trends, restructure and improve the quality of human resources to achieve the 2025 target

2. Plans and orientations for 2025:

2.1. Consolidated production and business plan in 2025:

No.	Items	Plan for 2025 (billion VND)
1	Net revenues	1.781,83
2	Revenues	2.091,67
3	Total accounting profit before tax	127,32
4	Profit after tax	85,28
5	Profit after tax of Parent Company	37,04
6	Expected Dividend (%)	10% in cash or stock

The General Meeting of Shareholders assigns/authorizes the Board of Directors to decide on the implementation and implementation of dividend payment to shareholders based on the actual situation.

2.2. Business orientation in 2025:

- Focus on implementing the consolidated revenue and profit targets of Saigon 3 Group and its subsidiaries in 2025.
- Strong restructuring of the management apparatus, people, and streamlined and efficiency-oriented work processes
- The orientation will promote digital transformation and technology, apply artificial intelligence (AI) to production - business - service activities to improve efficiency and competitiveness.
- Improve the corporate governance system of member companies.

- Safe and effective management of shareholders' capital.
- Update accurate, transparent and timely information for investors and shareholders about the Company's operation.

Ho Chi Minh City, April 23th, 2025
On behalf of the Board of Directors
CHAIRMAN

NGUYEN KHANH LINH