

Hanoi, April 25 2025

REPORT
SUMMARY OF BUSINESS WORK IN 2024
AND ORIENTATION OF PLAN FOR 2025

I. SUMMARY OF MANUFACTURE AND BUSINESS PERFORMANCE IN 2024

The manufacture and business in 2024 achieve the following basic targets:

No	Target	Unit	Implementation 2023	Plan 2024	Implementation 2024	(%)	
						Plan	Year 2023
			(1)	(2)	(3)	(3/2)	(3/1)
1	Total Consumption	Ton	5.160	6000	5.373	89,6	104,1
2	Total revenue	Billion đồng	419,7	450	417,5	92,8	99,5
3	Profit before tax	Billion đồng	19,22	14	26,39	188,5	137,3
4	Basic earnings per share	Đồng	1.268		1.727		

In 2024, the manufacture and business situation will continue to have many difficult and challenging fluctuations, the Russia-Ukraine war, followed by conflicts in the Middle East, Israel-Palestine, US-China trade competition and the impact of the epidemic in China... affecting the global economy and the Asian region. The business situation of the Paint industry in Vietnam in 2024 will continue to face difficulties, with scarce raw materials and high prices. In 2024, the demand for paint in Vietnam's market decreased sharply, competition between paint companies in Vietnam was fierce (both foreign and domestic paint companies)... Oil prices remained high combined with the sharp increase in the USD exchange rate, causing raw material prices to always be high. Amidst the difficulties in 2024, with the

reasonable and timely direction of the Board of Directors, the Board of Directors and the efforts of all employees of the company, the company's manufacture and business results in 2024 achieved the following results:

1. Marketing and Sales

- Continue to promote the brand building of **Dai Bang Paint**, **Zinc-Inox Paint Z-Paint**, high-end paint **Finik Paint**, **Dai Bang Epoxy Paint** and the newly launched paint product **Chitah Paint** - super fast drying; Maintain large-scale advertising on some highways, gateways and centers of developing provinces, increase brand awareness; Continuously update detailed product information as well as complete information about the company's product sales point system on the website Sondaibang.com.vn; Increase promotion on social networking sites Facebook fanpage **Son Dai Bang**; Youtube more effectively.

- Successfully organized a Customer Conference to meet agents and distributors of **Dai Bang Paint** through the Dali - Lijiang - Shangrila tour program in China 10/2024, enhancing the connection, sharing, exchanging, and updating information between the company and customers and agents nationwide.

- In 2024, the company launched a super fast drying Alkyd paint product with the **CHITAH** paint brand (Chetaah logo), introducing it to customers and distributors, the product meets market demand.

- The Marketing Department has worked with the company's management to develop a business strategy that is appropriate to the actual situation and flexible to the rapid fluctuations of the market. Continue to develop and expand the dealer system, increase support and grasp the needs of dealers below level I.

- In 2024, the company will continue to promote the consumption of **Dai Bang Epoxy Paint** products, a separate brand of Epoxy paint, which is well received and highly appreciated by customers for its product quality. The sales proportion of Epoxy paint products continues to increase, accounting for a high proportion in the company's product structure and is a prestigious product in the paint industry.

- Continue to implement the strategy of systematically advertising the brand **Son Dai Bang** and **Epoxy** products, **Z-Paint**, especially the new product **Chitah** super fast drying paint (Chetaah logo) on VOV traffic channel, increasing brand awareness as well as awareness of the company's product groups to customers.

- In 2024, the company will continue to expand the new distributor system for the new brand of zinc-stainless steel paint products **Z-PAINT**. **Z-PAINT** product sales will increase compared to 2023. - Continue to manage and develop the distribution

and dealer system well. Revenue from paint products through dealers accounts for a high proportion and there is almost no bad debt.

2. Manufacture work

- Manufacture and manufacture management work fully implements the company's targets of producing products that meet customer needs quickly, ensuring both quantity and quality. Reasonable adjustment of production plans helps shorten the production speed of ordered paint products, meeting the needs of customers and large projects of large corporations being implemented.

- Ensure production according to plan, maintain a more scientific production organization, assign reasonable shift schedules during hot or stormy weather periods, coordinate reasonably on product groups that need to be produced between workshops to best meet the progress and product quality according to each customer's requirements. Maintain factory machinery hygiene, ensure occupational safety and fire prevention.

- Regularly perform periodic maintenance and cleaning of machinery and equipment according to plan, ensuring that no machinery or equipment problems occur during the production process, minimizing costs of replacing spare parts of production equipment.

- In 2024, raw materials are scarce and prices of raw materials for production are high. However, the company still ensures stable raw materials for production, ensures adequate supply of goods for customers, and does not lack or delay products, especially paint products for foreign-invested companies.

- The units in the company regularly discuss and have solutions to coordinate smoothly between the production department, the research and development department and product quality control department, and timely supplement human resources for the workshops. The rate of returned products is negligible, and product incidents almost never occur.

3. Investment and Basic construction

- In 2024, the company repaired and completed the KCS (product quality control department) room and the standard laboratory, which play an important role in the process of researching new products to serve the constantly developing needs of the market. Renovation and repair of the offices of the Materials Management Department, the Technology Engineering Department, etc.

- Repair all items affected by Typhoon Yagi such as: collapsed fences, blown-off roofs, repair drainage systems, replace LED lighting systems for production

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workshops, increase light intensity to ensure production conditions. Add high-pressure lamps, surveillance cameras, and monitoring screens for security and protection.

- Replace and upgrade air compressor and air conditioning systems for compressed air supply systems for workshops.

- Regularly maintain, repair and upgrade internal roads in the company, maintain trees and grass, repair and dredge to ensure good conditions for the drainage system in the company.

- Replace and repair the roofs of some areas in the company such as warehouses and workshops. Upgrade the raw material warehouse and sample spray booth of the motorbike painting department to meet the needs of upgrading facilities according to the requirements of customers Honda, Yamaha...

4. Science - Environmental and Safety

- Development teams including the Technical Department coordinate with the KCS Department and the Consumption Department to regularly exchange and analyze solutions on raw materials and new product improvements to meet customer needs.

- Conduct environmental monitoring 4 times a year, meeting the production environment conditions according to state regulations. Fully and stably operate the wastewater treatment system according to regulations.

- Maintain the operation of the ISO 9001 quality management system and the ISO 14001 environmental management system version 2015, continue to maintain and make additional certificates of conformity and standards for newly launched products.

- The technical department of the International Cooperation Department closely follows the needs of customers who are foreign-invested enterprises, researching to meet the needs of customers for new models and colors. Creating products that are highly competitive with competitors who are international paint enterprises, used by customers on new product models.

- The research team of the Technology Engineering Department continues to test many alternative materials, achieving high efficiency, ensuring proactive raw material sources as well as the ability to increase economic efficiency for the product.

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- Maintain training to upgrade skills, occupational safety and health, fire prevention and fighting, and equipment operation certificates for the company's employees, research and improve quality training and recruitment.
- In 2024, the company did not have any labor accidents or spills of raw materials into the environment and was highly appreciated by environmental management agencies for the company's compliance with environmental protection regulations.

5. Mechanical, Electrical, Plumbing system and Architectural works

- Implement well the planning and repair of machinery and production equipment to ensure continuous and stable production; repair and maintain environmental and fire prevention equipment to always be in the best operating condition. Due to the good implementation of monthly reports on repair work, it can be said that the company's repair work has improved a lot, such as quickly and completely resolving damages arising in production.
- The Electromechanical department plans to monitor and supervise operations as well as repair and replace detailed spare parts for each device to improve equipment efficiency, reduce repair costs and serve production well.
- Implement the plan to upgrade the fire protection system for workshops and warehouses, repair and maintain machinery and equipment, and loading and unloading vehicles to proactively maintain the company's equipment capacity.
- Regularly repaint the office, paint machinery and equipment, keep the tank system new, paint internal road markings in the company office area, plant more trees, grass... to beautify the company landscape.
- Renovate and paint the fences of the company's areas, paint the subdivisions, periodically maintain and line the entire company to create a clean, beautiful, and tidy landscape.

6. Labor salary, Security work, and Society

- Update and maintain labor and salary regulations to ensure fair and equitable remuneration for all employees in the company. Continue to research and develop salary regulations for the following years to suit the production and business situation as well as the salary and income policies of employees newly issued by the state.
- Organize vacations for all employees of the company, helping employees have time to rest, restore their labor force, and build solidarity among employees in the

company. Have a preferential treatment policy for employees who have the ability to contribute their efforts and knowledge to the overall success of the company.

- Maintain labor regulations and properly implement contracts with employees in the company.

- Care, help and visit workers and their families who are in difficulty or sick. Participate in charity work to visit and help people affected by natural disasters, contribute to local construction, and support the locality with money and paint products.

- Organize and create favorable working conditions for workers, improve industrial lunch methods, enhance hygiene, ensure quality, after Lunar New Year, pay for all workers to go on spring trips, organize sightseeing tours for women on March 8 and October 20.

- Conduct internal patrols and guarding well to prevent theft, especially during holidays, maintain close relations with local authorities and local police to do a good job of security. Paint and renovate the landscape outside the company to contribute to cleaning and beautifying the local environment.

- Carry out well the work of military service, militia and self-defense, training reserve officers and reserve soldiers; Pay attention to and support the activities of the Party organization, youth union, trade union, women's union of the company and cultural and sports activities in the locality...

7. International Cooperation

- In 2024, the Company will continue to maintain and effectively implement technical support contracts with Japanese partners to improve the quality of motorcycle paint products; promote technology transfer of other products in which they have strengths, such as other high-end paints.

II. PLAN FOR 2025

In 2024, the impact of the economic recession on the market will still be very large, in addition to the continued instability in Russia and Ukraine, Israel - Palestine causing instability in Europe, the high risk of a trade war between the US and China will strongly impact the world economy and affect the Vietnamese economy. The company still believes that 2025 will be a difficult year with many challenges for the production and business situation of enterprises in general and Hanoi Synthetic Paint Joint Stock Company in

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particular. The company's leaders decided to put the 2024 Production and Business Plan as follows:

1. Key target:

- **Total consumption: 6000 tons**
- **Total revenue: 440 billion đồng**
- **Profit before tax: 14 billion đồng.**

2. Focus works:

A. Marketing and sales:

- The focus in 2025 is to promote the development of new high-quality product lines, diversify products, and reasonable prices to serve diverse market needs.
- Retail segment: continue to expand the retail market, promote and develop more distributor systems.
- Project segment: focus on large corporations and key economic projects. Prioritize providing high-end products to large private economic corporations in the fields of steel, real estate, and energy. Continue to promote advertising and marketing through communication solutions, especially online.
- Continue to build and expand the product sales network in provinces and cities for brands and launch new product brands.

B. Production management:

- Operational work is closely linked to the market, constantly updating information on paint products that the market needs, improving efficiency in using raw materials and additives, and finding every measure to reduce production costs and product prices.
- Minimize unreasonable costs, increase savings in operating costs such as electricity, water, gasoline, use reasonable equipment as well as operate equipment more effectively
- Improving automation in production.

C. Technology, Research and Development:

- Continue to research and change production technology processes, strive to ensure product quality is improved and stable, research to add new raw materials and additives to diversify products and improve product quality in a timely manner to meet market demand.
- Invest in research and production of many new types of paint specifically serving both project and retail sectors.

D. Investment and Contruction:

- Maintain and periodically repair and maintain machinery and equipment, research and equip additional necessary production and testing equipment (especially for the technical department to serve the research and development of new products.
- Continue to maintain stable operation and upgrade the transportation fleet, warehouse infrastructure, administrative offices; repair and upgrade raw material storage areas to meet mandatory environmental and fire prevention requirements of state management agencies.

E. Labor salary work:

- The highest priority is to stabilize the salary and income of employees on the basis of compliance with state regulations and the company's neighboring areas, ensuring fair salary payment to employees for the right person and the right job.
- Recruitment and training to prepare for providing human resources for the company in the long term.

F. International Cooperation:

- Continue to maintain cooperation with current Japanese partners; maintain market share in motorcycle paint, continue to research to meet the requirements of developing new models for customers, and have the capacity to compete with strong potential competitors, which are foreign enterprises. Depending on the actual situation, find

partners who can cooperate in producing and distributing paints or other related products in Vietnam.

3. Some other implementation solutions:

- Focus on refining the management system, operating production and business in a streamlined manner, speeding up work progress, working effectively with the goal of completing work in the shortest time. Departments and production workshops use human resources reasonably, assigning specific and detailed tasks to help accurately evaluate the work performance of each individual.
- Improve production technology, upgrade machinery, equipment and factory systems, ensure stable quality of traditional products, improve product quality, and save production costs.
- Recruit new, competent personnel, improve the quality of existing personnel, to create a team of highly skilled, professional workers. Have policies to attract and retain competent and experienced workers.
- Maintain effective operation of ISO 9001 quality management system and ISO 14001 environmental management system.

This is a summary of all the main production and business activities in 2024 and the company's 2025 plan. We hope to continue to receive the encouragement and support of shareholders and partners in 2025 to develop Hanoi Synthetic Paint Joint Stock Company more and more sustainably and successfully.

Sincerely thank you!

HANOI SYNTHETIC PAINT JSC
GENERAL MANAGER



Nguyễn Ngọc Anh