

No.: 03../2025/BC-TTH

Hanoi, April 05, 2025

ANNUAL REPORT FOR THE YEAR 2024

To: - The State Securities Commission (SSC)
 - The Hanoi Stock Exchange (HNX)
 - Shareholders of the Company

I. General information

1. General information

- Trading name: Tien Thanh Service and Trading Joint Stock Company
- Business Registration Certificate No.: 0100596523
- Charter capital: 373.748.460.000 VND
- Owner's capital: 373.748.460.000 VND
- Address: Viet Hung Urban Area, Duc Giang Ward, Long Bien District, Hanoi city
- Telephone: (84.4) 38770620
- Fax: (84.4) 38772668
- Website: tienthanhjsc.vn
- Securities code: TTH
- Establishment and developmet process:

Tien Thanh Co., Ltd. was established in 1994, specializing in the production of handicrafts. With the motto “Integrating social benefits into business and production”, the Company has welcomed workers with disabilities from the northern provinces to come and work at the Company.

On December 12, 1994, the Hanoi Department of Labor, War Invalids, and Social Affairs issued a decision recognizing the Company as a business facility that employs workers with disabilities.

On November 4, 2003, Tien Thanh Co., Ltd. transitioned into Tien Thanh Service and Trading Joint Stock Company, it was granted Business Registration Certificate No. 0100596523 by the Hanoi Department of Planning and Investment, with a charter capital of 8 billion VND. In addition to continuing the production of handicrafts for workers with disabilities, Tiến Thành also expanded its business activities to include high-end fashion and real estate investment.

On October 26, 2016, 10 million shares of Tien Thanh Service and Trading Joint Stock Company were listed on the Hanoi Stock Exchange.



On January 9, 2017, the company completed the issuance of 2.999.998 shares to pay dividends, increasing its charter capital to 129.999.980.000 VND.

On November 9, 2017, the Company successfully issued 16.899.983 shares, including 3.899.985 shares issued to pay dividends and 12.999.998 shares offered to the public, increasing the company's charter capital to nearly 300 billion VND.

On September 9, 2020, the Company successfully issued 7.474.865 shares to pay dividends, increasing its charter capital to 373.748.460.000 VND.

Over more than 20 years of operation as a joint-stock company, the Company's charter capital has grown from 8 billion VND to 373.748.460.000 VND.

2. Business lines and locations of the business

- Business lines (Specify major lines of business or products and services which account for more than 10% of the total revenue in the last 2 years:

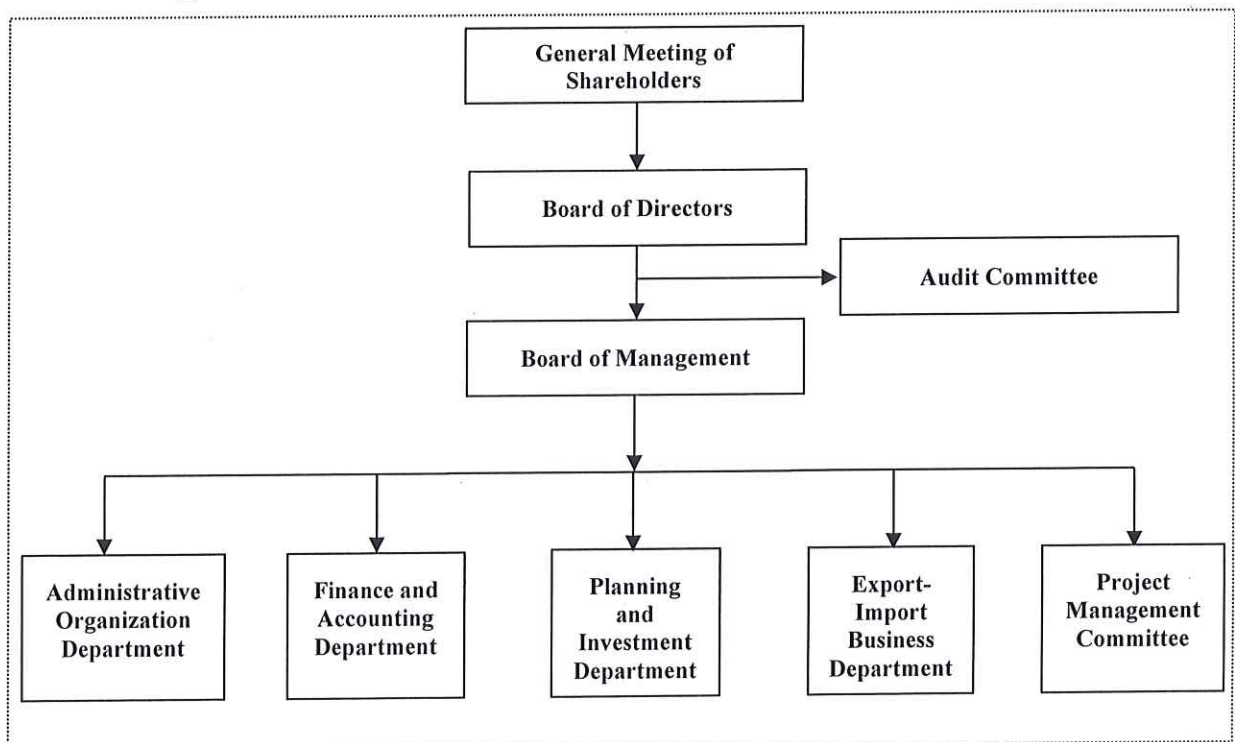
- + Commercial trading (stell, steel billets, plastic products,...);
- + Real estate business.

- Locations of business (Specify major locations of business which account for more than 10% of total revenue in the last 2 years): nationwide

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

- Governance model: The Company operates under the Joint Stock Company model, as regulated in point b, clause 1, Article 137 of the Law of Enterprises, which includes the General Meeting of Shareholders (GMS), the Board of Directors (BOD), and the General Director. In this model, at least 20% of the members of the Board of Directors are independent members, and the company also has an Audit Committee.

- Management structure:



- Subsidiaries, associated companies: None

4. Development orientations

- Main objectives of the Company:
 - + Always striving to complete and exceed the production and business targets set by the GMS.
 - + Continuing to maintain and develop the trading business sector, while building the company's image and brand
 - + Training human resources, with priority given to internal training, to meet the company's development needs
- Development strategies in medium and long term:
 - + Continuing to develop the trading sector
 - + Expanding the investment towards the holdings model
- Corporate objectives with regard to Corporate environment, society and community Sustainability:
 - + Environment: Comply with legal regulations to prevent environment pollution, save electricity and office supplies; reduce office waste, ect.
 - + Society: Create jobs for workers, ensure a safe and fair working environment, protect workers' rights, which helps employees build long-term commitment to the Company
 - + Community: Support flood-affected areas, natural disasters; participate in charity programs.

5. Risks:

As a joint-stock company listed on the Hanoi Stock Exchange, the Company's operations are subject to the regulations of the Vietnamese legal system, including the Law on Enterprises, Law on Securities, and other related regulations in the fields of securities, taxation, etc. Therefore, any unfavorable changes in these legal documents could negatively impact the Company's operations.

In recent years the competent government authorities have been amending, supplementing, and issuing various legal documents to improve the legal framework for public companies and those listed on the securities market, aiming for more transparent operations. To mitigate legal risks, the Company has proactively updated and implemented the provisions of the law.

II. Operations in the year

1. Situation of production and business operations

Unit: VND

No.	Indicators	Year 2023	Year 2024		% change	
			Plan	Result	Compar ed to 2023	Comp ared to plan
1	Revenue from sales of goods and rendering of services	947.178.000.988	603.692.000.000	783.143.603.491	-17,3%	29,7%
	In which:					
-	Revenue from the sales of goods	621.539.001.950	-	712.504.155.390	14,6%	-
-	Revenue from investment property business	325.638.999.038	-	70.639.448.101	-78,3%	-
2	Profit after tax	19.801.270.338	7.700.000.000	-16.033.823.730	n/a	n/a

In 2024, although the Company achieved revenue target but recorded a loss of over 16 billion VND, failing to meet the targets set by the General Meeting of Shareholders. The main reasons were as follows:

- In 2024, real estate revenue decreased significantly compared to 2023 (revenue of 2023 was 325,6 billion VND; revenue of 2024 was 70,6 billion VND);

- In 2024, the Hanoi Tax Department conducted a tax inspection for the 2022-2023 period. According to the Inspection Minutes, the Company had to adjust revenue, cost of goods sold, and profit for 46 properties in the real estate sector, transferring these figures from 2024 to 2023. As a result, the Company was subject to tax arrears for 2023 and was fined for administrative violations and late tax payment.

- The Company set aside a provision for doubtful receivables from customers in the trading sector, amounting to nearly 24 billion VND.

2. *Organization and human resource*

a) List of the Board of Management:

❖ **Mr Phan Thanh Nam – Management Director**

- Year of birth : 1978
- Nationality : Vietnam
- Address : No. 72, neighborhood group Vien 7, Co Nhue Ward, Bac Tu Liem District, Hanoi
- Qualification : Bachelor's degree in application programming
- Work experience
 - 2007 - 2008 : Area Super – 4 Orange Paint Company
 - 2006 - 2016 : Area Supervisor and Regional Manager – TOA Paint Co., Ltd.

- 2016 – 2019 : Business Department Manager – KCC Vietnam Co., Ltd.
 Since 2019 : Member of the Board of Directors, General Director – Tien Thanh Service and Trading Jsc.
 - Percentage of shares owned : 0%

❖ **Mr Pham Quang Chien – Deputy general director**

- Year of birth : 1986
 - Nationality : Vietnam
 - Address : Lam Xuyen 2, Tam Hong, Yen Lac, Vinh Phuc
 - Qualification : Civil Engineer
 - Work experience :
 2009 - 2016 : Team leader - Licogi 13 E&C Joint Stock Company
 2016 - 2023 : Director - Nam Hanoi Service and Trading Co., Ltd.
 Since July 2020 : General Director - Phuong Dong Hoa Binh Investment Joint Stock Company
 Since October 2020 : Deputy General Director - Tien Thanh Service and Trading Joint Stock Company
 - Percentage of shares owned : 0%

❖ **Mrs Nguyen Thi Hue – Chief Accountant**

- Year of birth : 1984
 - Nationality : Vietnam
 - Address : CT4 Van Khe Urban Area, La Khe Ward, Ha Dong District, Hanoi
 - Qualification : Bachelor of Accounting
 - Work experience :
 2008 – 2015 : Head of the Accounting and Finance Department - T&T Hung Yen Company
 2015 – 2016 : Chief Accountant - Aeolus Phong Thuan Co., Ltd.
 2017 – 2018 : Chief Accountant - Aeolus Henan Co., Ltd.
 2019 – 2020 : Chief Accountant - Thanh Dong Security Service Jsc.
 2021 – 2022 : Accountant - Tien Thanh Service and Trading Jsc.
 19/4/2022 – đến nay : Chief Accountant - Tien Thanh Service and Trading Jsc.
 - Percentage of shares owned : 0%

b) Changes in the Board of Management: None

c) Number of staffs, brief information and changes on the employee's policies

- As of December 31, 2024, the Company has 8 employees (At the beginning of the year was 18 employees).

- Working hours: The Company operates with 8-hour workday and 5,5-day workweek. When there are requirements regarding work progress, employees may work overtime, but the Company ensures proper rest periods and appropriate compensation in accordance with regulations.

- Human resource development policy: The company always focuses on internal training to enhance professional skills, streamline the organizational structure to increase work efficiency, and save labor costs.

- Salary and bonus policy: The salary and bonus orientation for employees is always aligned with their job titles and work performance.

- Insurance and welfare policy: The Company contributes to social insurance, health insurance, and unemployment insurance in accordance with current legal regulations.

3. *Investment activities, project implementation*

a) Investments:

No.	Investment	Value (VND)	Note
1	Equity investment in Toan Phat Investment, Production and Trading Co., Ltd.	10.450.000.000	According to the BOD's Resolution No. 07/2023/NQ-HĐQT dated September 27, 2023

b) Implementation progress of projects:

- The project of a supermarket, office, and residential complex at plot CT-08C, Viet Hung Urban Area, Duc Giang Ward, Long Bien District: As of December 31, 2024, the project has handed over 182 out of 182 apartments and 18 out of 22 commercial service units. On February 17, 2025, the People's Committee of Duc Giang Ward issued a Decision recognizing the condominium management board. Currently, the Company is processing the procedures to obtain property ownership certificates for the residents.

c) Subsidiaries, associated companies: None

4. *Financial situation*

a) Financial situation

Indicators	Year 2023 (VND)	Year 2024 (VND)	% change
Total assets	572.851.778.071	645.084.562.080	12,6
Net revenue	947.178.000.988	783.143.603.491	-17,3
Profit from business activities	23.552.255.124	-12.881.375.085	n/a
Other profits	-50.668.844	-1.530.282.592	n/a

Profit before tax	23.501.586.208	-14.411.657.677	n/a
Profit after tax	19.801.270.338	-16.033.823.730	n/a
Dividend payout ratio	-	-	-

b) Major financial indicators

Indicators	Year 2023	Year 2024	Notes
<i>1. Solvency ratio</i>			
+ Current ratio: (times) Short term asset/ Short term debt	3,85	2,60	
+ Quick ratio: (times) <u>Short term asset – Inventories</u> Short term debt	3,50	2,57	
<i>2. Capital structure ratio</i>			
+ Debt/Total asset ratio (%)	25,52	36,43	
+ Debt/Owner's equity ratio (%)	34,26	57,31	
<i>3. Operation capability ratio</i>			
+ Inventory turnover: Cost of goods/ average inventory (times)	3,97	25,04	
+ Total asset turnover Net revenue/ average total asset (times)	1,39	1,29	
<i>4. Profitability</i>			
+ Profit after tax/ Net revenue ratio (%)	2,1	-2,0	
+ Profit after tax/ Owner's equity ratio (%)	4,6	-3,9	
+ Profit after tax/ Total asset ratio (%)	3,5	-2,5	
+ Profit from business activities/ Net revenue ratio (%)	2,5	-1,6	

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

a) Shares

- Total number of floating shares : 37.374.846 shares
- Types : Common stock

In which:

- + Number of freely transferable shares: 37.374.846 shares
- + Number of preferred shares: 0 shares

b) Shareholder structure (according to the shareholder list as of March 14, 2024)

No.	Shareholders	Number of shares	Ownership ratio	Number of shareholders	Structure	
					Organization	Individual
	Total	37.374.846	100	4.481	13	4.468
	In which:					
I	Domestic shareholders	37.200.731	99,53	4.469	10	4.459
1	State shareholders	0	0	0	0	0

2	Major shareholders owning 5% or more of shares	0	0	0	0	0
3	Other shareholders	37.200.731	99,53	4.469	10	4.459
II	Cổ đông nước ngoài	174.115	0,47	12	3	9

- The maximum foreign ownership ratio of the Company is 49% (according to Document No 4564/UBCK-PTTT dated July 29, 2019 from the State Securities Commission)

c) Change in the owner's equity: None

d) Transaction of treasury stocks: None

e) Other securities: None

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

6.1. Impact on the environment

Total direct and indirect greenhouse gases (GHG) emission: None

6.2. Management of raw materials

a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year

The company operates in the trading business sector, not as a manufacturing unit, so it mainly imports finished products for trade.

b) The percentage of materials recycled to produce products and services of the organization: None

6.3. Energy consumption:

a) Energy consumption – directly and indirectly: the energy used for the Company's business operations is mainly electricity.

b) Energy savings through initiatives of efficiently using energy: None

c) The report on energy saving initiatives: None.

6.4. Water consumption

a) Water supply and amount of water used: The Company uses clean water supplied by Hanoi city

b) Percentage and total volume of water recycled and reused: Currently, the Company doesn't have system for recycling and reusing wastewater.

6.5. Compliance with the law on environmental protection

a) Number of times the Company is fined for failing to comply with laws and regulations on environment: None

b) The total amount to be fined for failing to comply with laws and regulations on environment: None.

6.6. Policies related to employees

a) Number of employees, average wages of workers:

- As of December 31, 2024, the Company has 215 employees
- Average income: 9,5 million VND per person per month

b) Labor policies to ensure health, safety and welfare of workers:

The Company always adheres to labor policies in accordance with the Labor Law and Labor Regulations

- Working hours: The Company operates on an 8-hour workday and 5,5-day workweek (with time off on Saturday afternoons and Sundays). When additional tasks arise and there is a need to meet deadlines, employees can register for overtime and will receive appropriate compensation. Employees are entitled to public holidays, sick leave, maternity leave, etc., in accordance with the state's regulations and are granted at least 12 days of annual leave for each year worked at the Company.

- Working conditions: The company provides fully equipped facilities to ensure a conducive working environment for employees.

- Salary and bonus policy: The salary and bonus system is designed to distribute compensation to employees in accordance with their job positions, seniority, and work performance. Periodic evaluations are conducted to adjust job positions as needed and to increase salaries for employees.

- Insurance and social welfare policy: The company contributes to social insurance, health insurance, and unemployment insurance in accordance with current legal regulations. The company implements social benefits for employees as per the Labor Law and the company's internal regulations. It ensures full and timely provision of benefits for sick leave, maternity leave, annual leave, public holidays, and hardship allowances as stipulated.

c) Employee training

The staff in charge of departments/sections conduct internal training for the personnel under their management to ensure they are capable of performing their tasks.

6.7. Report on responsibility for local community

The Company creates jobs for employees with a good income. In addition, the Company always pays attention to charitable activities.

6.8. Report on green capital market activities under the guidance of the SSC: None

III. Report and assessment of the Board of Management

1. *Assessment of operating results*

In 2024, the Company recorded a loss of 16 billion VND, failing to meet the production and business targets set by the General Meeting of Shareholders. The main reasons were as follows

- In 2024, real estate revenue decreased significantly compared to 2023 (revenue of 2023 was 325,6 billion VND; revenue of 2024 was 70,6 billion VND);

- In 2024, the Hanoi Tax Department conducted a tax inspection for the 2022-2023 period. According to the Inspection Minutes, the Company had to adjust revenue, cost of goods sold, and profit for 46 properties in the real estate sector, transferring these figures from 2024 to 2023. As a result, taxable revenue for 2023 increased, leading to the emergence of additional value-added tax payable, which resulted in the Company being subject to tax arrears for 2023 and fined for administrative violations and late tax payment.

- The Company set aside a provision for doubtful receivables from customers in the trading sector, amounting to nearly 24 billion VND.

The Board of Management has made efforts to work with partners to accelerate debt collection. As of March 31, 2025, the Company has recovered 2.95 billion VND of overdue receivables

2. Financial situations

a) Assets

No.	Indicators	Year 2023 (vnd)	Year 2024 (vnd)	% change
	Total assets	572.851.778.071	645.084.562.080	12,6
1	Current assets	562.355.305.629	611.357.127.191	8,7
1.1	Cash and cash equivalents	8.130.933.053	14.663.472.499	80,3
1.2	Short-term receivables	502.316.054.328	587.223.266.377	16,9
-	Short-term receivables from customers	454.429.136.748	611.044.558.083	34,5
-	Short-term prepayments to suppliers	19.997.763.120	162.000.000	-99,2
-	Receivables from short-term loans	30.000.000.000	0	-
-	Other short-term receivables	526.654.460	0	-
-	Provision for doubtful debts	-2.637.500.000	-23.983.291.706	n/a
1.3	Inventories (Work-in-progress production and business costs)	51.053.557.040	8.427.768.762	-83,5
1.4	Other short-term assets	854.761.208	1.042.619.553	22,0
2	Long-term assets	10.496.472.442	33.727.434.889	221,3
2.1	Other long-term receivables	6.000.000	6.000.000	0
2.2	Fixed assets	0	23.271.434.889	-
2.3	Long-term financial investment	10.450.000.000	10.450.000.000	-
2.4	Other long-term assets	40.472.442	0	-

- As of December 31, 2024, the total assets of the Company is 645 billion VND, an increase of 12,6% compared to the beginning of the year. The main reasons are: (1) an increase in short-term receivables from customers; (2) an increase in fixed assets.

- In the assets structure, short-term receivables from customers account for the largest proportion (94,8% of total assets). Receivables from customers include amounts due from customers purchasing apartments in the project (19,2 billion VND) and customers involved in commercial trading. Of these, overdue receivables from commercial trading customers amount to nearly 80 billion VND, leading the Company to set aside a provision of nearly 24 billion VND, which significantly affected the business results for 2024. The Board of Management has been working with partners and is actively pursuing debt collection efforts. As of March 31, 2025, the Company has recovered 2,95 billion VND of overdue receivables.

- Assets efficiency:

$$\text{Total asset turnover} = \frac{\text{Net revenue}}{\text{Average total assets}} = \frac{783,1 \text{ billion VND}}{608,9 \text{ billion VND}} = 1,29$$

b) Debt payable

No.	Indicators	Year 2023 (vnd)	Year 2024 (vnd)	% change
	Total liabilities payables	146.179.503.733	235.013.452.596	60,8
I	Short-term debt	146.179.503.733	235.013.452.596	60,8
1	Short-term trade payables	61.660.489.777	209.915.165.543	240,4
2	Short-term advances from customers	58.460.096.064	0	-
3	Tax and other payables to the State	5.763.449.851	1.032.627.219	-82,1
4	Other short-term payables	18.014.213.202	21.014.213.202	16,7
5	Bonus and welfare fund	2.281.254.839	2.281.254.839	-
II	Long-term debt	0	0	-

As of December 31, 2024, the Company's liabilities significantly increased compared to the beginning of the year (an increase of 60,8%), mainly due to payables to commercial trading partners. However, the Company balance the the debt repayment sources from receivables from customers to pay suppliers when due.

In 2024, the Company incurred an overdue payable of 12,7 billion VND with Duong Hieu Trading and Mineral Exploitation Joint Stock Company (a commercial trading partner). The Company has worked with the partner and will settle the overdue debt before June 30, 2025, without incurring any late payment interest

- Solvency ratio:

$$\text{Current ratio} = \frac{\text{Short-term assets}}{\text{Short-term debt}} = \frac{611,3 \text{ billion VND}}{235,0 \text{ billion VND}} = 2,6$$

$$\text{Quick ratio} = \frac{(\text{Short-term assets} - \text{Inventories})}{\text{Short-term debt}} = \frac{602,9 \text{ billion VND}}{235,0 \text{ billion VND}} = 2,57$$

- Capital structure ratio:

$$\text{Debt/total assets ratio} = \frac{\text{Debt}}{\text{Total assets}} = \frac{235 \text{ billion VND}}{645 \text{ billion VND}} = 36,4\%$$

$$\text{Debt/Owner's equity} = \frac{\text{Debt}}{\text{Owner's equity}} = \frac{235 \text{ billion VND}}{410 \text{ billion VND}} = 57,3\%$$

Thus, the Company's assets and equity are still sufficient to settle its liabilities.

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

In 2024, the Company maintained its operational model with the General Meeting of Shareholders, the Board of Directors, and the Board of Management (headed by the General Director). Accordingly, there is an Audit Committee under the Board of Directors.

4. *Development plans in future*

The Company will focus all its resources to achieve the business plan targets for 2025 set by the General Meeting of Shareholders, while closely following the Company's development strategy for the next phase. Specifically, as follows:

- In the projects sector: Building on existing experience and operational capacity, the Company is currently approaching several real estate projects to continue implementation once the current project is completed;
- Continuing to maintain and develop the commercial business sector;
- Continuing to improve and perfect the Company's internal management system in line with the actual business operations of the Company;
- Focusing on and paying attention to employee policies, improving recruitment training quality, and social welfare policies to motivate, encourage employees to contribute, and ensure long-term commitment;
- Staying closely aligned with the actual situation, updating information, analyzing, and forecasting the global and domestic economic conditions affecting the company's production and business activities to guide and adjust specific goals, tasks, and set timely economic indicators in line with the situation.

5. *Explanation of the Board of Management for auditor's opinions: None*

6. *Assessment report related to environmental and social responsibilities of the Company:*

a) Assessment concerning the environmental indicators: The Company has efficiently used energy, water, office supplies, etc. It strictly adheres to environmental hygiene practices and properly manages waste disposal in accordance with regulations.

b) Assessment concerning the labor issues: The Management always creates favorable conditions for employees during their time at the company; employee

benefits and policies are consistently ensured; opportunities for staff to learn and enhance professional knowledge are provided; and a professional and friendly working environment is guaranteed.

c) Assessment concerning the corporate responsibility for the local community: Creating employment opportunities and ensure social security for employees working at the Company.

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

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

- Regarding the implementation of business plan targets: The business production and operations plan for 2024 approved by the General Meeting of Shareholders was not completed, and the business activities incurred a loss.

- The Company's operations are in accordance with the Business Registration Certificate, complying with legal regulations and the Company's Charter.

- Management: The Board of Directors, the Board of Management, and other managers have worked well together in managing and operating the company. Departments and positions have fulfilled their roles and functions as required. Rewards, penalties, and disciplinary actions for employees are carried out in accordance with regulations, ensuring fairness among workers

- Shareholder relations: The Company has effectively disclosed complete, accurate, and timely information to shareholders, ensuring transparency in all of its operations. In 2024, the Company was not subject to any penalties or violations by government authorities.

- Environmental and social responsibilities: The Company has created jobs for workers, ensuring a fair and safe working environment while protecting rights and interests of employees. It also promotes a spirit of saving and environmental protection.

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

a) Achievements

- In 2024, the Board of Management has fully performed its functions and duties in accordance with the law and the Company's Charter; adhered to the resolutions of the GMS and the BOD; maintained regular meetings to ensure timely direction;

- Through meetings of the BOD, the Board of Management reported on the production and business situation and proposed suitable solutions to the BOD to promptly address the company's challenges;

- The financial statements of the Company were completed in accordance with regulations and on time; the 2024 financial statements was fully accepted by the independent auditing company;

- Information disclosure was conducted according to the correct procedures and regulations; the company was not reprimanded or fined by any regulatory authorities.

b) Outstanding issues:

- The production and business plan for 2024 were not fully achieved;
- There has been insufficient direction in debt collection efforts, leading to the emergence of hard-to-collect receivables, which caused the company to set aside nearly 24 billion VND for provision, negatively impacting the company's business operations results.

- The Company was subjected to back taxes for 2023 and fined for tax administrative violations, with a total amount of nearly 4,47 billion VND.

3. Plans and orientations of the Board of Directors

a) The business plan for 2025:

No.	Indicators	Year 2024 (VND)	Plan for 2025 (VND)	% change
1	Revenue from sales of goods and rendering of services	783.143.603.491	539.860.000.000	-31,1
-	Revenue from the sale of good	712.504.155.390	528.000.000.000	-25,9
-	Revenue from investment property business	70.639.448.101	11.860.000.000	-83,2
2	Profit before tax	-14.411.657.677	3.260.000.000	n/a
3	Profit after tax	-16.033.823.730	2.608.000.000	n/a

b) The BOD's plan for 2025:

- Continuing to perform its duties and functions in accordance with the provisions of the law and the Company's Charter;

- Continuing to direct, supervise, and urge the Board of Management to implement the tasks and business targets in accordance with the Resolution of the 2025 Annual General Meeting of Shareholders.

- Strengthening forecasting activities, enhance financial capacity to ensure the company's finances are safe, efficient, and have sufficient funds to meet the capital needs for the company's operations

- Maintaining and developing current business areas while exploring and expanding new business fields that align with the company's capabilities, creating sustainable value.

V. Corporate governance

1. Board of Directors

a) Members and structure of the Board of Directors:

The Board of Directors has 5 members, including 1 independent member, as follows:

No.	Full name	Positions	Ownership percentages of voting shares	Number of positions at other companies
1	Dao Vu Thinh Van	Chairwomen of the BOD	0	0
2	Phan Thanh Nam	Member of the BOD and General Director	0	0
3	Nguyen Anh Tuan	Independent member of the BOD and Chairman of the Audit Committee	0,026%	1
4	Nguyen Huu Truong	Non-executive member of the BOD and member of the Audit Committee	0	1
5	Nguyen Thi Hue	Member of the BOD and Chief Accountant	0	0

b) Subcommittees of the Board of Directors: Audit Committee (details in Section 2 of Part V)

c) Activities of the Board of Directors:

As the highest governing body, representing the interests of the shareholders, the members of the BOD perform their duties and functions in accordance with the law and the Company's Charter.

In 2024, the BOD held 5 meetings, during which the policies and decisions were in line with the resolutions approved at the Annual General Meeting of Shareholders and other matters within the BOD's authority. All members of the BOD participated fully, discussed, provided input, and unanimously approved the following items:

No.	Resolutions/ Decisions No.	Date	Content	Approval rate
1	01/2024/NQ-HĐQT	February 21, 2024	Approval of plan for organizing the 2024 Annual General Meeting of Shareholders	100%
2	02/2024/NQ-HĐQT	April 23, 2024	Selection of the auditing firm for the 2024 financial statements	100%
3	03/2024/NQ-HĐQT	August 9, 2024	Some activities of the Company in the last 5 months of the year	100%
4	04/2024/NQ-HĐQT	November 12, 2024	Reappointment of the General Director	100%
5	05/2024/NQ-HĐQT	December 15, 2024	Amendment of the Information Disclosure Process	100%

d) Activities of the Board of Directors' independent members:

The BOD has 5 members, including 1 independent member. The independent member of the BOD, who also serves as Chairman of the Audit Committee, strives to fulfill their roles and functions in accordance with the law and the Company's Charter.

In 2024, the independent member of the BOD assessed that all members of the BOD had fulfilled their roles correctly, demonstrated high responsibility and offered timely solutions to assist the General Director in managing the Company. All meetings of the BOD were conducted in accordance with proper procedures; all members of BOD attended the meetings and the meeting contents were carefully discussed to make decisions in line with the resolutions of the GMS and the authority of the BOD.

e) The list of members of BOD possessing certificates on corporate governance. The list of members of BOD participating in corporate governance training programs in the year: None

2. Audit Committee

a) Members and structure of the Audit Committee:

No.	Full name	Positions	Ownership percentages of voting shares
1	Nguyen Anh Tuan	Independent member of the BOD and Chairman of the Audit Committee	0,026%
2	Nguyen Huu Truong	Non-executive member of the BOD and member of the Audit Committee	0%

b) Activities of the Audit Committee:

The Audit Committee has properly exercised its rights and duties in accordance with the law and the Company's Charter, specifically:

- Monitoring the Board of Management's implementation of the resolutions of the GMS and the BOD in 2024;
- Proposing the selection of the independent auditing company for 2024 and validating the financial statements of the Company;
- Review transactions with related parties;
- Implementing internal audit, overseeing the internal control system, and managing risks;
- Monitoring the disclosure of information.

In 2024, the Audit Committee held two meetings, with full attendance of members and unanimous approval of all matters discussed during the meetings.

The recommendations of the Audit Committee at the meetings:

- The Board of Management should strengthen monitoring, tracking, and urging the collection of receivables in accordance with the scheduled progress.

- The accounting department should regularly exchange professional knowledge with tax officers to correctly implement with tax regulations and avoid violations that could affect business results.

3. Transactions, remuneration and benefits of the Board of Directors, Board of Management and Audit Committee

a) Salary, rewards, remuneration and benefits

- Remuneration of the BOD and Audit Committee for 2024: According to the Resolution of the 2024 Annual General Meeting of Shareholders, the total amount of remuneration paid to the BOD and the Audit Committee is 456.000.000 VND.

- Salary of the General Directors: According to salary regulation of the Company.

- Income of the BOD, the Audit Committee, and General Director in 2024 is disclosed in the Notes to the 2024 audited financial statements, as follows:

No.	Full name	Positions	Income (*)
1	Dao Vu Thinh Van	Chairwomen	138.600.000
2	Phan Thanh Nam	Member of the BOD and General Director	361.537.068
3	Nguyen Thi Hue	Member of the BOD and Chief Accountant	99.800.000
4	Nguyen Huu Truong	Member of the BOD and Member of the Audit Committee	97.200.000
5	Nguyen Anh Tuan	Member of the BOD and Chairman of the Audit Committee	97.200.000

(*) *Incom includes: the remaining remuneration for 2023, the full remuneration for 2024 and the salary of the General Director.*

b) Share transactions of internal persons and their affiliated persons: None

c) Contracts or transactions with internal persons and their affiliated persons: None

d) Assessing the implementation of regulations on corporate governance:

The Company has applied and complied with the regulations on corporate governance for public companies in accordance with the Law on Enterprises, the Securities Law, the guiding documents of the Securities Law, the Company Charter and the internal regulations on corporate governance.

VI. Financial statements

1. Auditor's opinions

"In our opinion, the financial statement referred to have fairly and reasonably reflected, in all material respects, the financial position of Tien Thanh Service and Trading Joint Stock Company as of December 31, 2024, as well as the results of its operations and cash flows for the financial year ended on the same date, in accordance

with accounting standards, the Vietnamese accounting system, and relevant legal regulations regarding the preparation and presentation of financial statements”.

2. Audited financial statements

The audited financial statements for the year include:

- Report of the Board of Directors;
- Auditor’s report;
- Balance sheet as of December 31, 2024;
- Income statement for the year 2024;
- Cash flow statement for the year 2024;
- Notes to the financial statements for the year 2024.

The audited financial statements for the year 2024 have adjusted some of the key figures at the beginning of the year on the Balance Sheet, Income Statement, and Cash Flow Statement according to the Tax Inspection Minutes for the 2022-2023 period details were provided in the Notes to the Financial Statements).

The audited financial statements for the year 2024 has been fully published on the Company’s website: www.tienthanhjsc.vn (Shareholder Relation Section – Financial statements for the year 2024).

Recipients:

- SSC, HNX
- Archived in documents departments

CONFIRMATION BY THE COMPANY’S LEGAL REPRESENTATIVE



TỔNG GIÁM ĐỐC
Phan Thanh Nam