

REPORT OF THE SUPERVISORY BOARD AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

To: SHAREHOLDERS OF HOA AN JOINT STOCK COMPANY

- Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020 of the National Assembly and related legal documents guiding its implementation.
- Pursuant to the current Charter of Hoa An Joint Stock Company prescribe the functions, duties and powers of the Company's Board of Supervisors;
- Based on the 2024 Financial Report of Hoa An Joint Stock Company audited by CPA Vietnam Auditing Company Limited.

The Board of Supervisors of Hoa An Joint Stock Company reports to the General Meeting of Shareholders the results of inspection and supervision of all aspects of Hoa An Joint Stock Company's operations in the fiscal year ending December 31, 2024 as follows:

I. Operational status of the Board of Supervisors:

Performing the functions and duties of the Board of Supervisors as prescribed in the Company Charter and the Board of Supervisors' operating regulations, in 2024, the Company's Board of Supervisors has supervised the Company's activities as follows:

Check and supervise the implementation of production and business plans, financial situation, compliance with the Company's charter, compliance with the Company's regulations and operating procedures.

Inspect and supervise the Board of Directors and the General Director in leading and managing the Company's production and business activities according to the Resolution of the General Meeting of Shareholders.

Review the legality, order and procedures of the Resolutions and Decisions of the Board of Directors and the General Director in managing and operating all production and business activities of the Company on the basis of the provisions of the Enterprise Law, the Company's Charter, Resolutions of the General Meeting of Shareholders and the Company's Financial Management Regulations.

Review quarterly, semi-annual and annual financial reports, assess the truthfulness and reasonableness of financial data, and see if they comply with current Vietnamese accounting standards, regimes and financial policies.

** Operational situation during the year:*

In 2024, the Board of Supervisors held two meetings to carry out the Board's tasks, and all members fully participated in the meetings. The Board of Supervisors also fully participated in the meetings of the Board of Directors, contributed opinions, and questioned the contents raised in the meetings of the Board of Directors.

On May 30, 2024, the Board of Supervisors met and selected an auditing unit to review the semi-annual and audit the 2024 Financial Statements for the Company.

On December 25, 2024, the Board of Supervisors inspected and controlled the operations of Hoa An Joint Stock Company to evaluate the operations of the entire company in 2024.

In general, the company's production and business activities in 2024 are relatively stable, exceeding the overall production and business plan targets of the whole company. Labor safety and environmental work are well implemented. It is recommended that the Company continue to maintain and develop production and business activities, while closely following the legal documents of the mines to complete them in accordance with the provisions of law.

Remuneration and operating expenses of the Board of Supervisors: According to the 2024 Shareholders' Meeting Resolution, the total remuneration of the Board of Supervisors is 288,000,000 VND and is divided as follows:

Ordinal	Full name	Position	Remuneration (Vnd)	Note
1	Pham Viet Thang	Chief of Board	120.000.000	Not yet deducting PIT
2	Đang Xuan Long	Member	84.000.000	Not yet deducting PIT
3	Tran Quoc Trung	Member	84.000.000	Not yet deducting PIT
		Total	288.000.000	

During the year, the Board of Supervisors did not incur any other expenses.

II. Results of monitoring the company's operations and finances in 2024.

1. Financial accounting and financial statement auditing:

The Company performs accounting work in accordance with the provisions of the accounting regime. The data is fully and accurately recorded and has been reviewed by CPA Vietnam Auditing Company Limited semi-annually and audited in 2024, ensuring independence and full reflection. The Board of Supervisors has reviewed the quarterly, semi-annual and annual financial reports before issuance.

2. Results of production and business activities:

Ord	Content	unit	Plan 2024	Result 2024	Result 2023	Ratio %	
						Result 2024/ PLn2024	Result 2024/ Result2023
I	Total stone products of all kinds	m³	1.410.000	1.677.623	2.201.128	119%	76%
1	Nui Gio 2 quarry.	m ³	320.000	254.685	270.028	80%	94%
2	Tan Cang 3 quarry.	m ³	720.000	855.252	849.225	119%	101%
3	Thanh Phu 2 quarry.	m ³	370.000	567.687	1.081.874	153%	52%
II	Total Revenue:	Million Vnd	267.500	309.366	390.021	116%	79%
1	Sales Revenue	Mi. Vnd	258.000	296.193	375.398	115%	79%
	Nui Gio 2 quarry.	Mi. Vnd	60.000	48.882	51.345	81%	95%
	Tan Cang 3 quarry.	Mi. Vnd	141.000	156.383	159.331	111%	98%
	Thanh Phu 2 quarry.	Mi. Vnd	57.000	90.928	164.723	160%	55%
2	Financial and Other Revenue.	Mi. Vnd	9.500	13.173	14.622	139%	90%
III	Total profit before tax	Million Vnd	47.940	68.270	109.900	142%	62%

1	Nui Gio 2 quarry.	Mi. Vnd	13.300	10.266	9.448	77%	109%
2	Tan Cang 3 quarry.	Mi. Vnd	22.140	40.857	36.364	185%	112%
3	Thanh Phu 2 quarry.	Mi. Vnd	10.300	12.322	28.385	120%	43%
4	Financial and Other Profit	Mi. Vnd	2.200	4.825	35.703	219%	14%
III	Total profit after tax	Million Vnd	38.352	51.707	87.054	135%	59%

Assessment about bussiness result:

Net revenue from sales and service provision reached 296 billion VND/258 billion VND of the plan, equal to 115% of the plan.

Total pre-tax profit reached 68.3 billion VND, reaching 142% of the plan, equal to 62% of the 2023 implementation. (In which: Profit from financial activities and other profits was 4.8 billion VND and profit from main production and business activities was 63.5 billion VND).

- Profit from financial activities and other income is 4.8 billion VND, specifically:
- + Financial revenue: 13.2 billion VND (interest on deposits).
- + Financial costs: 1 billion VND (mainly TTC stock provision costs).
- + Other profits: - 7.4 billion VND (mainly resource tax and additional environmental protection costs).

Production and business results of each quarry:

+ **Nui Gio 2 Quarry:** Output reached 254,685 m³/320,000 m³ = 80% of the plan; revenue reached 48.9 billion VND/60 billion VND = 81% of the plan; profit reached 10.3 billion VND/13.3 billion VND = 77% of the plan and equal to 109% of the implementation in 2023. The profit/revenue ratio in 2024 is 21% (in 2023 it is 18.4%).

+ **Tan Cang 3 Quarry:**

Tan Cang quarry area is having many advantages from key projects in the area, such as Long Thanh airport, Bien Hoa - Vung Tau expressway... so the demand for stone is increasing. In 2024, the quarry will reach its licensed capacity. Output will reach 855,252m³/720,000m³ = 119% of the plan; Revenue will reach 156.4 billion VND/141 billion VND = 111% of the plan and equal to 98% of the implementation in 2023; TT profit will reach 40,857 billion VND/22,140 billion VND = 185% of the plan. Profit/revenue ratio in 2024 is 26.1% (in 2023 it is 22.8%).

+ **Thanh Phu 2 Quarry:** Output reached 567,687m³/370,000m³ = 153% of the plan; revenue reached 90.9 billion VND/57 billion VND = 160% of the plan; profit reached 12.3 billion VND/10.3 billion VND = 119.6% of the plan and equal to 43.4% of the actual performance in 2023. Profit/revenue ratio in 2024 is 14% (in 2023 it is 17.2%).

Capital and asset management situation:

- About Debt:
- + The company has recovered some bad debts, however, debt collection has encountered some difficulties and has not been completed as required by shareholders at the 2024 General Meeting of Shareholders, including: receivables for short-term loans to Phu My An Company have not been recovered and the company has set aside 18.6 billion VND as a provision (2024: 5.3 billion VND) for this debt.
- Bank loans: The company does not borrow from banks.

- In 2024, the Company paid the remaining dividend for 2023 with a total amount of VND 29.45 billion.

- As of December 31, 2024, the amount of deposits at the bank is 150 billion VND, this is a good source of capital to serve the Company's long-term expansion strategy.

- Investment work: implementing Board of Directors Resolution No. 27/NQ-HĐQT dated September 4, 2024 and No. 32/NQ-HĐQT dated October 22, 2024, the company invested 149 billion VND in VLB shares.

Other situation at the quarries:

- Nui Gio 2 Quarry:

+ The mining and production site is favorable, machinery and equipment meet production needs and licensed capacity. The labor force is sufficient to meet production requirements and has been trained in occupational safety according to regulations.

+ Regarding product consumption: After installing a new stone crusher, the product quality is better, along with actively searching for customers and expanding the market, so the consumption output has increased significantly, the Branch's goal is to strive to produce and consume to reach the licensed capacity.

- Tan Cang 3 Quarry:

+ Machinery and equipment meet production requirements according to licensed capacity, market demand is high, so consumption is favorable and reaches licensed capacity.

+ Stable labor meets job requirements, has been trained in labor safety according to regulations.

- Thanh Phu 2 Quarry:

+ In 2024, Thanh Phu 2 Mine's output exceeded the plan, but compared to capacity, it only reached about 40%, the reason is that the source of raw stone is currently not much and is in a difficult to exploit location.

+ Currently there is only one crushing and screening system, meeting the production of about 500,000m³/year of various types of stone.

III. Results of monitoring the activities of the Board of Directors and the Board of General Directors and other contents are as follows:

In 2024, the Board of Directors held 9 meetings with the main content of evaluating the production and business activities and other aspects of the company's operations. Discussing measures to implement the 2024 Production and Business Plan to achieve the best results, as well as discussing strategic directions for the company.

The Board of Directors has performed well its role in directing, supervising and supporting the Board of Directors in effectively managing production and business activities.

The Board of Directors has issued Resolutions and Decisions after meetings for implementation, Resolutions on dividend payment, etc., all of which have been carried out in accordance with the procedures prescribed by law, ensuring good performance of the Board of Directors' governance function.

The Board of Directors has effectively implemented the Resolutions and Decisions of the Board of Directors, promptly resolved difficulties and obstacles in the production and business operations, and taken many necessary management measures to strive to complete the production and business plan targets for 2024 according to the Resolution of the General Meeting of Shareholders.

The Board of Directors has promoted the company's advantages in production and business to maximize production and business efficiency in complex market conditions

and made timely management decisions, focusing on serving customer needs first, adjusting selling prices appropriately according to market developments... to bring about the best efficiency.

The implementation of salary and bonus allocation for company employees according to production and business results (according to consumed products) is appropriate, the income of employees is stable, the average income according to products is 13.4 million VND/person/month, reaching 111.7% of the plan. During the year, there were no disputes between employers and employees.

The company maintains harmony of interests between shareholders, production and business cooperation partners, employee rights, and accumulates capital for development.

Regarding information disclosure: The Company complies with legal regulations, fully discloses periodic information on a quarterly, semi-annual, annual basis and other unusual information. Insiders comply with the disclosure of relevant information of themselves as well as of related persons.

In 2024, the Board of Supervisors did not receive any complaints or denunciations, and did not see anything unusual in the activities of the members of the Board of Directors, the Board of General Directors and management leaders at the Company's affiliated facilities.

IV. CONCLUSION AND RECOMMENDATIONS:

In 2024, the Board of Supervisors regularly coordinated with the Board of Directors and the Board of General Directors to perform its functions and tasks and achieved good results in the inspection and supervision of activities throughout the Company.

In 2025, the Board of Supervisors recommends:

- *In the face of some legal document issues at the mines that are still pending, the company is requested to actively implement to complete the legal documents, so that production and business activities are stable and uninterrupted.*
- *Actively collect customer debts and find solutions for outstanding debts of Phu My An Company.*
- *The Company needs to continue to research and analyze so that financial investment in companies on the market achieves better results, and research other investment areas to expand scale and sustainable development.*
- *Strengthen supervision and control to minimize risks in production and business.*
- *The Board of Directors and the Executive Board need to closely follow the market situation and balance the financial investment situation to ensure efficiency in the Company's capital use.*

Sincerely thank shareholders and wish the General Meeting a great success.

**On behalf of. BOARD OF SUPERVISORS
CHIEF OF BOARD**

(Signed)

PHAM VIET THANG