

REPORT OF THE SUPERVISORY BOARD AT THE 2026 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, 2025 as follows:

I. Operational status of the Board of Supervisors:

Based on the functions and duties of the Supervisory Board as stipulated in the Law on Enterprises, the Company's Charter, and the Operating Regulations of the Supervisory Board, in 2025 the Supervisory Board carried out inspection and supervision over the Company's activities with the following main contents:

Inspecting and supervising the implementation of the Company's production and business plan and financial situation, while monitoring compliance with the Company's Charter, internal regulations, management procedures, and operational processes across the Company.

Supervising the activities of the Board of Directors and the Board of Management (Executive Board) in leading, managing, and operating the Company's production and business activities in accordance with the resolutions of the General Meeting of Shareholders.

Reviewing the legality, order, and procedures for issuing resolutions and decisions of the Board of Directors and the Board of Management, ensuring compliance with legal regulations, the Company's Charter, resolutions of the General Meeting of Shareholders, and the Company's internal management regulations.

Reviewing and appraising the Company's quarterly, semi-annual, and annual financial statements; assessing the truthfulness and reasonableness of financial data; and evaluating compliance with applicable Vietnamese accounting standards, accounting regimes, and financial policies.

** Operational situation during the year:*

In 2025, the Supervisory Board held two meetings to carry out its duties, with full attendance by all members. The Supervisory Board also attended all meetings of the Board of Directors, providing comments and raising questions on matters discussed during such meetings.

On June 12, 2025, the Supervisory Board convened to select an audit firm to conduct the semi-annual review and the audit of the Company's 2025 financial statements.

On December 4, 2025, the Supervisory Board held an on-site inspection meeting at Hoa An Joint Stock Company to evaluate the Company's overall operations in 2025.

In general, the Company's production and business activities in 2025 remained stable, with all key performance targets exceeding those approved by the General Meeting of Shareholders. Occupational safety and environmental protection were also well maintained.

Remuneration and operating expenses of the Board of Supervisors: pursuant to the Resolution of the 2025 General Meeting of Shareholders, the total remuneration of the Supervisory Board 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 supervision over the activities of the Board of Directors and the Board of Management, and other matters as follows

Through inspection and supervision activities in 2025, the Supervisory Board notes that:

The Board of Directors has performed its functions and duties in accordance with legal regulations and the Company's Charter; it has convened meetings and issued resolutions in a timely manner to orient the Company's production and business activities.

The Board of Management (Executive Board) has been proactive and active in managing and operating production and business activities; it has organized the implementation of resolutions of the General Meeting of Shareholders and the Board of Directors, ensuring the stable operation of the Company.

The management and executive decisions of the Board of Directors and the Board of Management have, in general, been made within proper authority, in accordance with prescribed procedures, and in compliance with legal regulations as well as the Company's Charter.

In 2025, the Board of Directors held seven meetings, focusing on reviewing the implementation of the production and business plan and the Company's overall operations; at the same time, it discussed and proposed solutions to effectively execute the 2025 business plan as well as to define the Company's strategic development direction.

The Board of Directors performed well its roles in governance, direction, and supervision, while also supporting the Board of Management in operating the Company's production and business activities.

The Board of Directors issued resolutions and decisions for implementation, including those related to production and business activities, profit distribution plans, and dividend payments, etc. All were carried out in accordance with prescribed procedures and legal regulations, ensuring the effective exercise of the Board's governance functions.

The Board of Management fully implemented the resolutions and decisions of the Board of Directors; proactively and promptly addressed difficulties and issues arising during operations; and applied various management measures to strive for the achievement

of the 2025 production and business targets in line with the resolutions of the General Meeting of Shareholders.

In its executive role, the Board of Management leveraged the Company's advantages, proactively adjusted business and production strategies in line with market conditions, and focused on improving product quality to better meet customer demand, thereby achieving high efficiency.

The implementation of wage allocation and bonus schemes based on production and business performance (linked to product consumption) is appropriate. Employee income remained stable, with the average income based on output reaching VND 18.8 million per person per month, equivalent to 129.8% of the plan. During the year, no labor disputes occurred between the employer and employees.

The Company has consistently maintained a balance of interests among shareholders, business partners, and employees, while accumulating capital to support its sustainable development orientation.

Information disclosure: The Company complied with legal regulations, fully disclosing periodic information on a quarterly, semi-annual, and annual basis, as well as other extraordinary information. Internal persons complied with disclosure requirements regarding their own transactions and those of related persons.

In 2025, the Supervisory Board did not receive any complaints or denunciations and did not identify any unusual issues in the activities of the Board of Directors, the Board of Management, or the management at the Company's affiliated units.

III. Results of Appraisal of Financial Statements and Production and Business Performance in 2025.

1. Assessment and appraisal of the audit of financial statements:

The Company's 2025 financial statements have been prepared in accordance with applicable Vietnamese accounting standards, accounting regimes, and prevailing legal regulations.

The figures presented in the financial statements fairly and accurately reflect the Company's financial position, results of operations, and cash flows.

The Company's financial and accounting management has been implemented in a relatively rigorous manner, in compliance with State regulations and the Company's internal financial management policies.

2. Results of Production and Business Activities:

Ord	Content	unit	Plan 2025	Result 2025	Result 2024	Ratio %	
						Result 2025/ PLan2025	Result 2025/ Result2024
	PARENT COMPANY						
I	Total stone products of all kinds	m³	1.570.000	1.808.650	1.677.623	115%	108%
1	Nui Gio 2 quarry.	m ³	350.000	572.801	254.685	164%	225%
2	Tan Cang 3 quarry.	m ³	720.000	859.244	855.252	119%	101%
3	Thanh Phu 2 quarry.	m ³	500.000	376.606	567.687	75%	66%
II	Total Revenue:	Million Vnd	315.600	429.234	307.366	136%	139%
1	Sales and service revenue	Mi. Vnd	303.600	395.365	296.193	130%	133%

2	Financial and Other Revenue.	Mi. Vnd	12.000	33.870	13.173	280%	257%
III	Total profit before tax	Million Vnd	72.000	139.854	68.270	194%	205%
III	Total profit after tax	Million Vnd	57.600	116.783	51.706	203%	226%
	Consolidated Report						
1	Total revenue	Million Vnd		437.851			
2	Total profit before tax	Million Vnd		132.814			
3	Total profit after tax	Million Vnd		109.743			

Assessment of business performance:

In 2025, the Company's production and business activities achieved very strong results, with many key targets significantly exceeding the planned levels

Parent Company:

Net revenue from sales of goods and services reached VND 395 billion, compared to the planned VND 304 billion, achieving 130% of the annual plan.

Total profit before tax reached VND 139.8 billion, equivalent to 194% of the 2025 annual plan and 205% compared to the 2024 actual results. Of which:

Profit from core production and business activities: VND 109.2 billion.

Profit from financial activities and other income: VND 30.6 billion, including:

Financial income: VND 30.1 billion, mainly from bank deposit interest and dividends received from VLB Company.

Financial expenses: VND 1 billion, mainly related to the Company's financial activities.

Other profit: VND 1.5 billion, mainly arising from other income during the Company's operations.

• Company-wide Consolidation

Total revenue reached VND 437 billion and total pre-tax profit reached VND 132.8 billion.

Overall, the 2025 business results show that the Company has organized its production and business activities effectively, controlled costs well, and efficiently utilized capital sources, contributing to increased profits and ensuring benefits for shareholders.

Production and business results and the situation at the quarries:

+ **Nui Gio 2 Quarry:** Demand for construction stone in the region increased significantly; the branch intensified mining and sales activities, resulting in outstanding growth in production and business performance at Nui Gio 2 Quarry in 2025.

Profit before tax reached VND 55 billion, equivalent to 385% of the annual plan and 536% compared to the 2024 actual results. This is also the highest profit level achieved by the quarry in many years.

The profit margin (profit/revenue) in 2025 reached 38.7%, compared to 21% in 2024, indicating a clear improvement in the quarry's operational efficiency.

Situation at the quarry: The mining and production site is favorable; the machinery and equipment meet the production requirements according to the licensed capacity. The workforce meets production needs and has received safety training as required.

Regarding product consumption: After investing in the installation of new crushing machines, the product quality is good, and with active efforts to find customers and expand the market, product consumption is expected to be very good in 2025, nearly reaching the licensed capacity.

+ Tan Cang 3 Quarry:

In 2025, the Tan Cang quarry area continued to benefit from strong demand for construction materials driven by key infrastructure projects such as Long Thanh International Airport and the Bien Hoa – Vung Tau Expressway. As a result, the quarry's stone consumption volume reached a high level.

Profit before tax reached VND 47 billion, equivalent to 136% of the annual plan and 114% compared to the 2024 actual results.

The profit margin (profit/revenue) in 2025 reached 26.4%, compared to 26.1% in 2024.

Situation at the quarry:

The machinery and equipment system meets production requirements in line with the licensed capacity.

The consumption market is favorable due to strong demand for construction materials in the region; accordingly, mining and product sales have reached the licensed capacity.

The workforce meets job requirements and has been fully trained in occupational safety in accordance with regulations.

+ Thanh Phu 2 Quarry: From the beginning of 2025, during the preparation of the annual plan, the Management had anticipated difficulties in mining operations and therefore set a reduced production target, with planned output at approximately 40% of capacity. However, Thanh Phú 2 Quarry still did not achieve the planned targets.

Profit before tax reached VND 7.5 billion, equivalent to 66% of the annual plan and 61% compared to the 2024 actual results.

The profit margin (profit/revenue) in 2025 reached 10%, compared to 14% in 2024.

Currently, the Thanh Phu 2 mine only has one crushing and screening system, with a production capacity of approximately 500,000 m³ of various types of stone per year. This somewhat limits the ability to increase processing and consumption output.

In 2025, the Thanh Phu 2 mine will not meet its production and business plan. The main reasons are difficulties in overburden removal, specifically the lack of an overburden storage area. Furthermore, legal procedures related to connecting the mine pit with the Thanh Phu 1 mine (Bien Hoa Construction Materials and Production Joint Stock Company) have not been completed, and obtaining permits for transporting accompanying minerals remains problematic. This prevents the removal of overburden from the mine area, affecting the mining progress and production output for the year.

The situation regarding the management and utilization of capital and assets:

- Regarding Accounts Receivable:

+ The company has recovered some bad debts; however, debt recovery has encountered some difficulties, especially the short-term loan receivable from Phu My An Company, which has not been recovered. The company has made a provision for the entire bad debt of Phu My An Company, amounting to VND 26.5 billion.

- Bank Loans: The company has no bank loans.

- In 2025, the company paid the remaining dividends for 2024, totaling VND 44 billion.

- Investment Activities: In accordance with Board of Directors Resolution No. 22/NQ-HĐQT dated May 21, 2025, the company acquired 99.997% of the shares of Anh Duong Construction Stone Exploitation and Production Joint Stock Company (owner of Tay Ka Rom 1 quarry), headquartered in Ba Ho Hamlet, Cong Hai Commune, Khanh Hoa Province.

IV. CONCLUSION AND RECOMMENDATIONS:

Based on the results of supervision over the Company's operations in 2025, the Supervisory Board recommends that the Board of Directors and the Board of Management focus on implementing the following:

Certain legal issues related to mining activities at the quarries remain unresolved. The Company should proactively coordinate with competent authorities to promptly complete the necessary legal procedures, ensuring that production and business operations remain stable, continuous, and compliant with legal regulations.

In particular, regarding the extension of land lease for Nui Gio 2 Quarry, which is currently affected by overlaps with defense land planning, it is recommended that the Board of Directors and the Management coordinate with enterprises in the Nui Gio quarry cluster and actively work with relevant authorities to seek adjustments to designate the land for construction materials production, thereby enabling a prompt return to normal operations.

Strengthen the management and recovery of receivables, and proactively implement solutions to address outstanding debts, with a focus on fully resolving the receivable from Phu My An Company.

Continue to study and evaluate the effectiveness of financial investments to enhance investment efficiency in market enterprises; at the same time, consider and identify suitable new investment opportunities to expand operational scale and build a foundation for sustainable development.

Enhance inspection, supervision, and internal control to promptly detect and minimize risks arising in production and business activities.

The Board of Directors and the Management should closely monitor market developments and maintain a reasonable balance between production and business operations and financial investments, thereby improving capital utilization efficiency and ensuring shareholders' interests.

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

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

(Signed)

PHAM VIET THANG