



JOINT STOCK COMPANY
MINH HUNG QUANG TRI

REPORT ANNUAL

Year **2024**

minhhungqt.vn

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01

GENERAL INFORMATION

ABOUT THE COMPANY

COMPANY OVERVIEW

Company name	: MINH HUNG QUANG TRI JOINT STOCK COMPANY
	: 3200040982 issued by the Department of Planning and Investment of Quang Tri province for the first time on 2006-09-11, 7th change on 2021-11-30
Charter	: 165,000,000,000 VND
Owners' equity (as of 2024-12-31)	: 177,819,587,082 VND
Addre	: Km 8, National Highway 9, Ward 4, Dong Ha City, Quang Tri province, Vietnam
Phone	: 0233 358 2460
Fax	: 0233 358 4809
Website	: http://minhhungqt.vn/
Stock code	: GMH
Listed stock exchange	: Ho Chi Minh City Stock Exchange (HOSE)



FORMATION AND DEVELOPMENT PROCESS



1992: Establishment

Dong Ha Cement Plant (predecessor of MINH HUNG Shareholding Company) was established in 1992 with a capacity of 82,000 tons/year.



2000: Merging Vinh Linh Enterprise

Merging of Vinh Linh construction material production enterprise



2006: Converting business type

Converting the State Company into a One Member Limited Liability Company and named Dong Truong Son One Member Limited Liability Company



2012: Equitization

Quang Tri Provincial People's Committee approved the plan to convert Dong Truong Son One Member Limited Liability Company into a joint stock company



2015: Increase charter capital to VND 50 billion

The Company increased its charter capital from VND 40 billion to VND 50 billion through offering to existing shareholders to expand production and business activities

FORMATION AND DEVELOPMENT PROCESS

2020: Increase charter capital to VND 160 billion

The Company increased its capital from VND 50 billion to VND 160 billion through offering to existing shareholders and issuing bonus shares in order to merge additional brick factories, increasing to 04 tunnel brick manufacturing plants.



2021: Becoming a public company



The Company was approved by the SSC to become a public company under official letter No. 3922/UBCK-GSDC dated 2021-07-26.

The company offered an additional VND 5 billion through auction at HOSE to supplement working capital.



2022: Listing on HOSE

Shares of Minh Hung Quang Tri Corporation (HOSE: GMH) were officially put into trading on the Ho Chi Minh City Stock Exchange.



VISION - MISSION - CORE VALUES



Vision

To become the largest supplier of construction materials in the Quang Tri, Quang Binh, Thua Thien Hue, and Da Nang areas



Mission

To provide high-quality and reasonably priced construction materials to construction contractors in the area of operation



Corevalues



Reputation

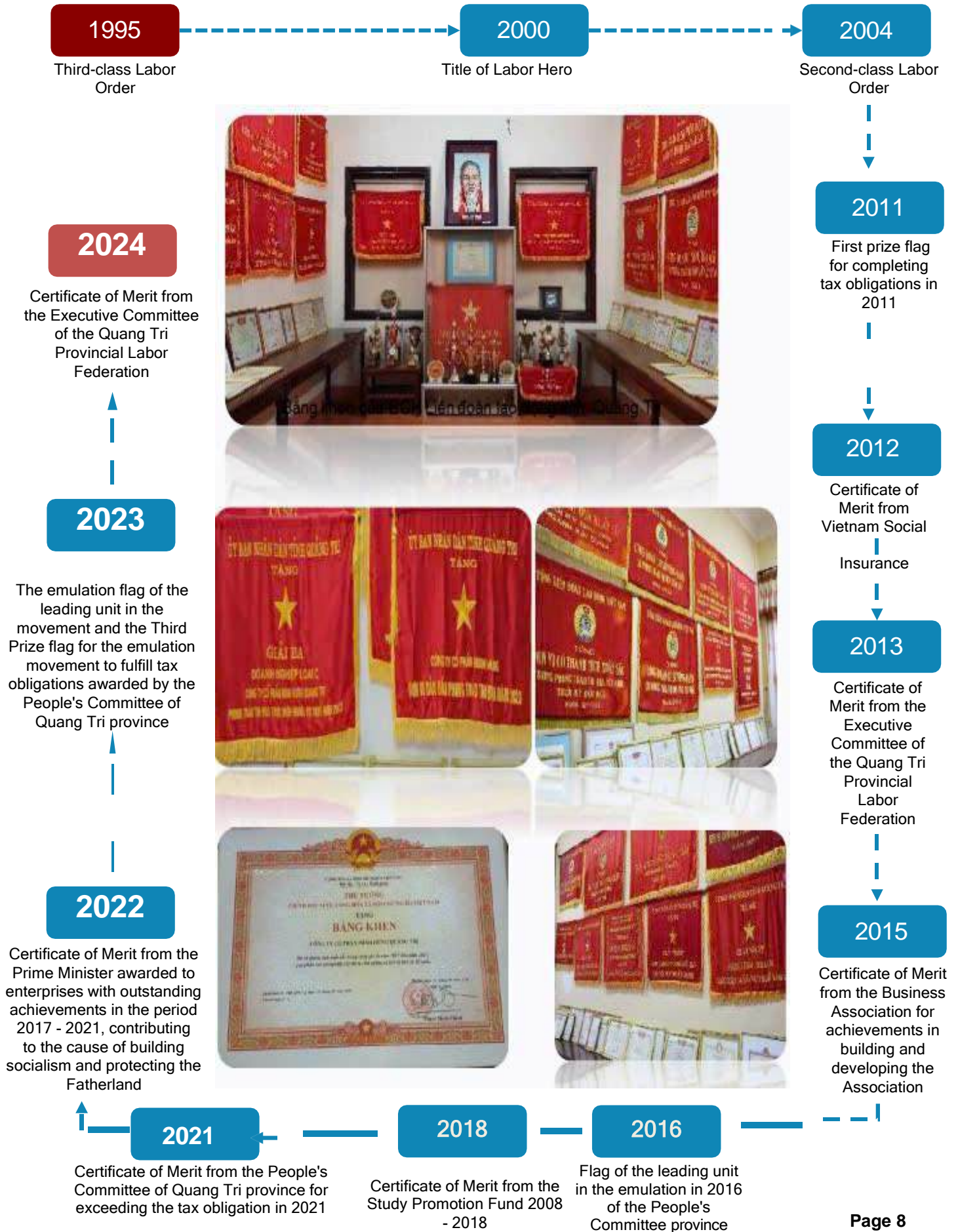
The company values and puts credibility first in production and business activities. Reputation with customers, reputation with suppliers, reputation with officials and employees working at the company.



Efficiency

The working motto is towards maximizing benefits, bringing efficiency to customers, in addition, it also promotes creativity, promoting the ability to innovate and improve the Company's business operations.

TYPICAL ACHIEVEMENTS & AWARDS



BUSINESS LINES AND AREAS

Minh Hung Quang Tri Corporation is a unit specializing in producing and trading construction materials in Quang Tri province and neighboring areas. The Company's main products are:

- (1) Cement (including branded products and processed products); and
- (2) Building bricks (including baked bricks, unbaked bricks, and terrazzo bricks)



PBC 30/40 cement

(Truong Son Cement brand)

Characteristics:

- Good adhesion, withstands great compressive force;
- High flexibility and limits cracking due to weather;
- High strength, develops quickly.

Baked bricks (tunnel bricks)

Characteristics:

- Good compressive strength;
- High impermeability;
- High durability;
- Commonly used in construction.



BUSINESS LINES AND AREAS



Non-fired brick

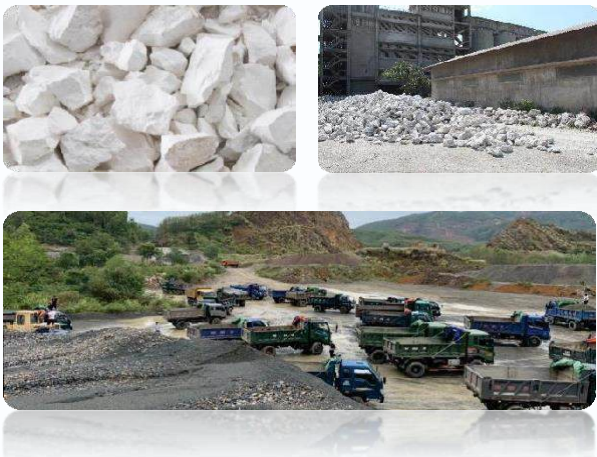
Characteristics:

- Using concrete as a material instead of clay like fired bricks;
- Good sound and heat insulation;
- Saves energy and causes less pollution to the environment;
- Often used to replace bricks fired in large construction projects.

Paving tiles (terrazzo tiles)

Characteristics:

- Very good compressive strength;
- Anti-slip and anti-moss;
- Low production costs.
- Widely used in public works

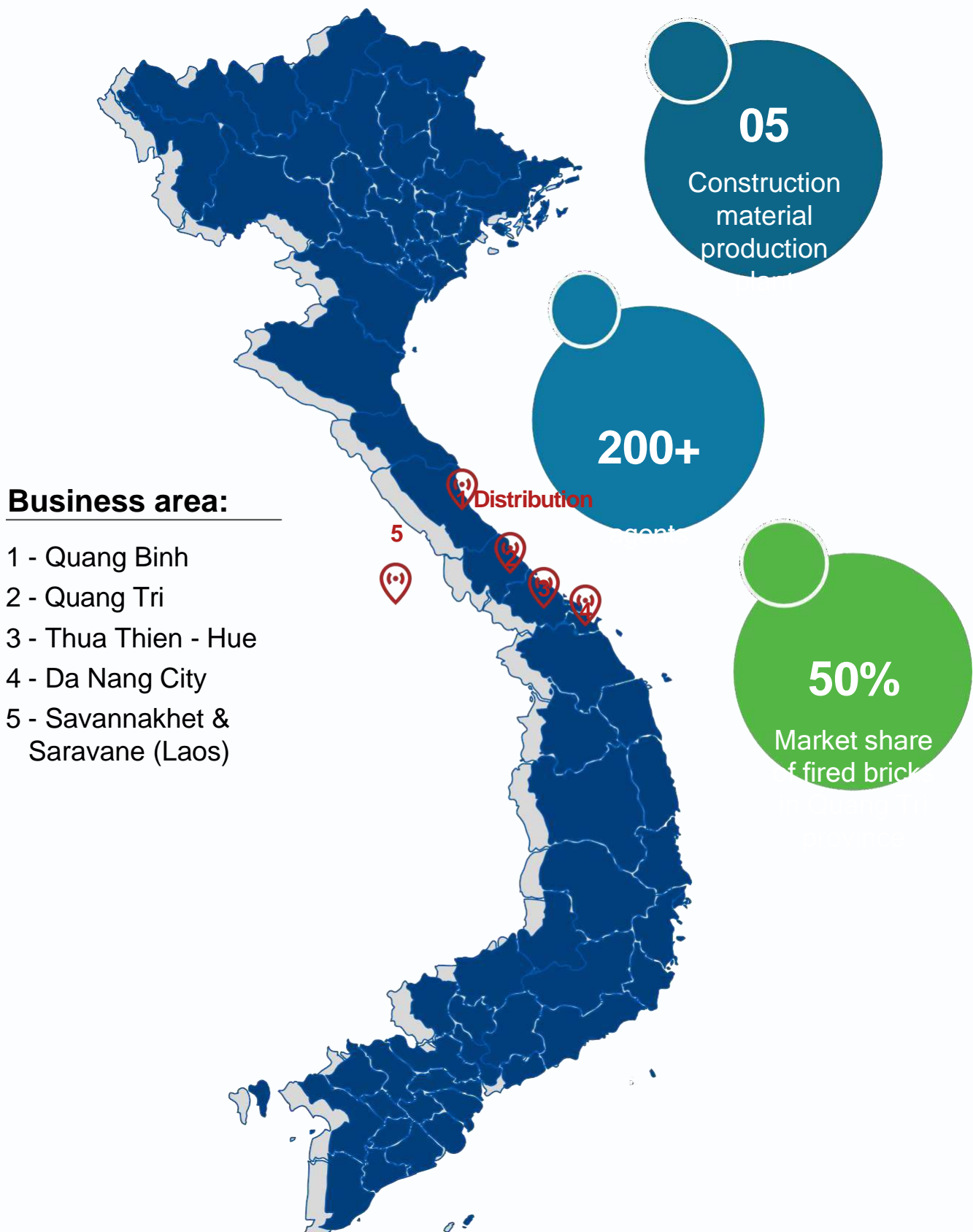


Other products and services

Besides bricks and cement, the company also exploits and provides other products and services including:

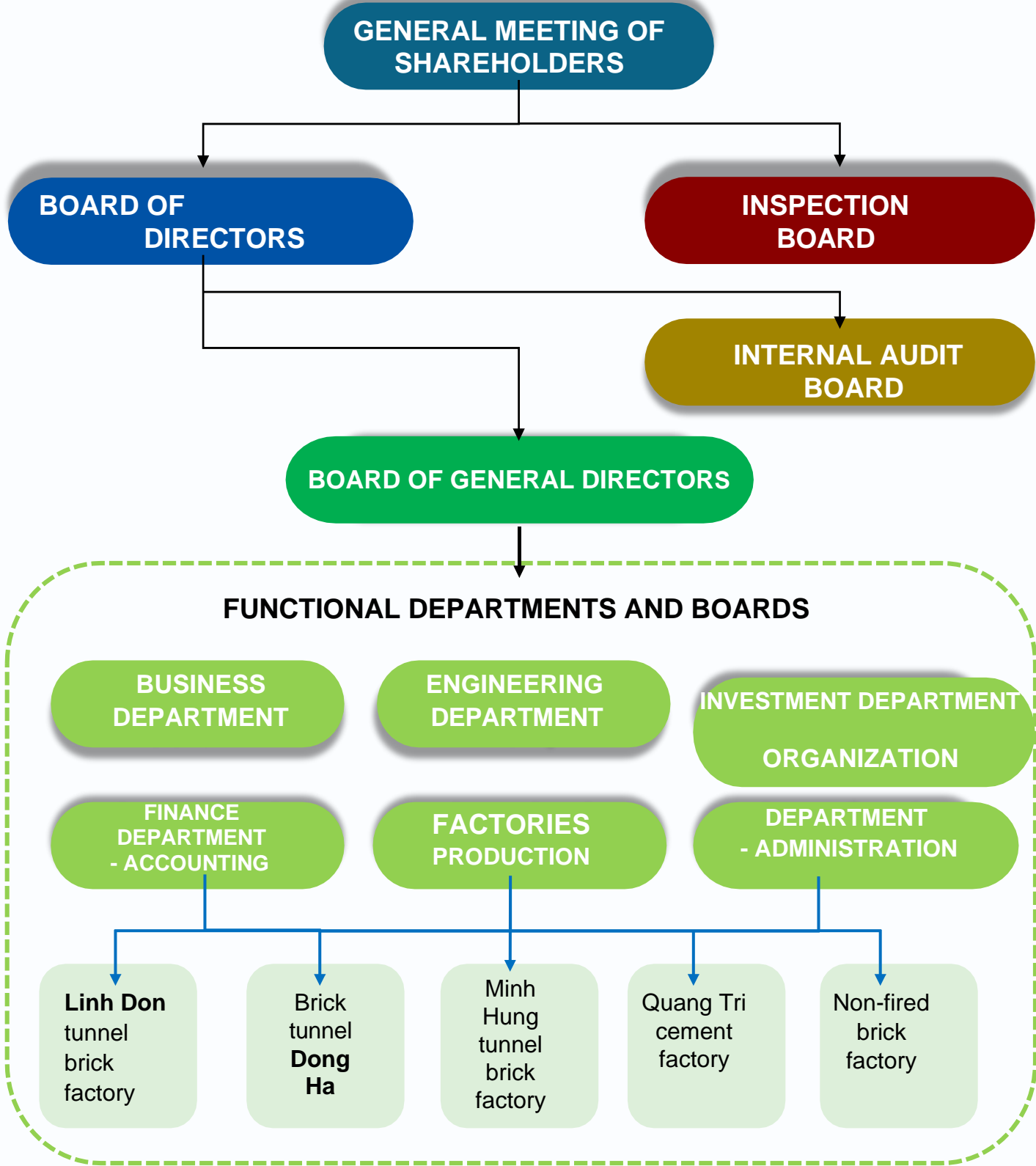
- Construction stone and stone powder;
- Construction material transportation services;

BUSINESS LINES AND AREAS



MANAGEMENT MODEL, ORGANIZATION
BUSINESS AND MANAGEMENT APPARATUS

ORGANIZATION CHART



Subsidiaries, affiliated companies: None

MANUFACTURING PLANT



QUANG TRI CEMENT FACTORY

Location: Km8, National Highway 9, Cam Hieu, Cam Lo, Quang Tri

Area: 67,421 m²

Product: Cement

Capacity: **160,000 tons/year**

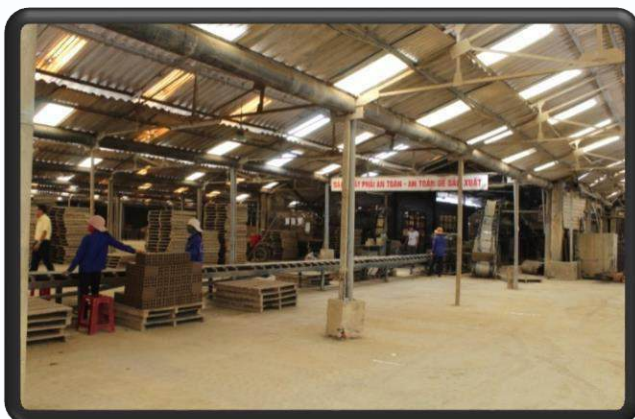
LINH DON TUNNEL BRICK FACTORY

Location: Linh Don Village, Vinh Hoa, Vinh Linh, Quang Tri

Area: 40,453 m²

Product: Fired bricks

Capacity: **20 million bricks/year**



DONG HA TUNNEL BRICK FACTORY

Location: Km8, National Highway 9, Cam Hieu, Cam Lo, Quang Tri

Area: 41,725 m²

Product: Baked bricks

Capacity: **30 million bricks/year**

MANUFACTURING PLANT

MINH HUNG TUNNEL BRICK FACTORY

Location: Ai Tu Town, Trieu Phong,

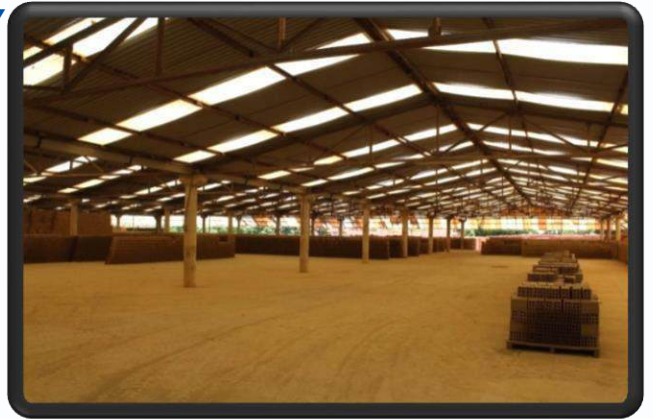
Location: Ai Tu Town, Trieu Phong,

Quang Tri

Area: 36,730 m²

Product: Baked bricks

Capacity: **20 million bricks/year**



NON-BURNING BRICK FACTORY

Location: Km8, National Highway 9, Cam Hieu, Cam Lo, Quang Tri

Area: 12,000 m²

Products: Non-burnt bricks, Terrazzo bricks

Capacity: **10 million non-burnt bricks and 160,000 m² of terrazzo bricks/year**

COMPANY OFFICE

Location: Km8, National Highway 9, Cam Hieu, Cam Lo, Quang Tri

Area: 6,031 m²



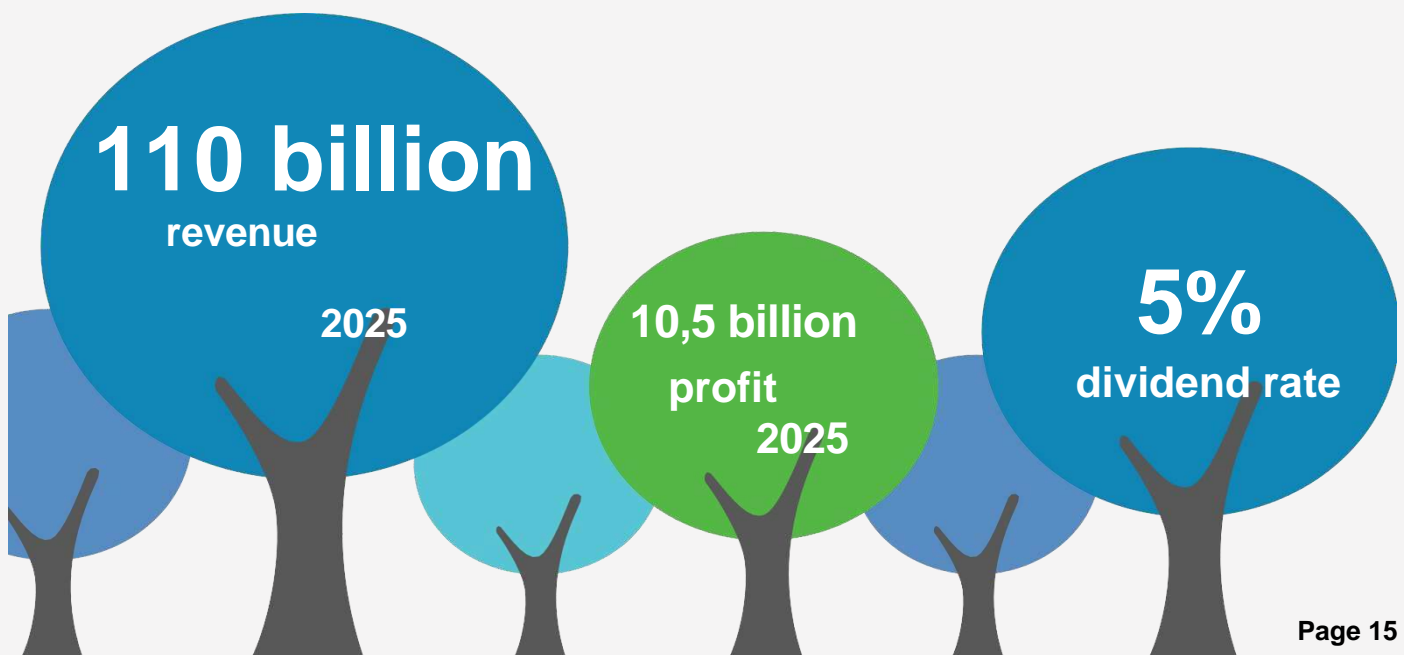
OPERATIONAL ORIENTATION

❖ Medium and long-term development strategy

- The demand for infrastructure development in Quang Tri province and other Central provinces is increasing sharply due to public investment policies and construction needs of large projects in the area such as the Southeast Quang Tri economic zone, real estate projects, infrastructure construction, and civil construction, creating great opportunities for the Company to expand its business operations, marketing market, reach new customers and focus on potential customers;
- Improving production efficiency through research and development of products, market research activities, gradually improving and upgrading production lines according to modern technology of advanced countries to improve quality and reduce product costs.
- The Company is focusing on research and development activities with the goal of launching new non-burnt brick products, fresh concrete, etc., suitable to the needs of the market and taking advantage of the available input materials of cement, limestone and construction stone.

❖ Sustainable development goals

- Focusing on charitable and volunteer activities for the community, promoting and promoting community campaigns, meaningful social marketing,...
- Orientation to protect the environment through 2 solutions: Innovating production technology lines in a modern direction and increasing the production of green building materials, non-burnt building materials gradually replacing traditional handicraft building materials.



OPERATIONAL RISKS



Competitive risk

The building materials industry is always one of the industries with a high level of competition. Currently, more and more new businesses are participating in the field of building materials with great financial potential, modern technology and more diverse and richer products, so the Company faces a lot of competition in the market.

The Company is operating in the production of construction raw materials with key products being non-burnt bricks, baked bricks, paving bricks and cement. With the advantage of being one of the businesses with many years of operation in Quang Tri province in particular and the Central region in general, the Company has a lot of experience in building appropriate strategies, available distribution systems and brands, understanding the customs and characteristics of the operating market, thereby building a suitable sales policy.



Raw material risk

The main source of raw materials for producing the Company's products currently being produced is clay, which is a natural resource that is increasingly scarce and the quality of the raw materials affects the quality of the product.

To minimize risks from raw material sources, the Company is completing documents to apply for competent authorities to license the exploitation of hillside clay material mines to have a source of quality raw materials to ensure long-term production operations.



Other risks

In addition, the Company may also encounter other risks such as natural disasters, epidemics, fires, etc., which are force majeure risks, and if they occur, they will cause damage to the Company's assets, people, and overall operations.

To limit damage from these risks, the Company has preventive measures to help minimize damage, such as purchasing insurance for assets and human insurance, installing fire extinguishing systems at the office, and promoting fire prevention and fighting and other security and safety measures.



02

SITUATION

ACTIVITIES DURING THE YEAR

PRODUCTION - BUSINESS ACTIVITIES

Year 2024



Net revenue

VND 88.1 billion



Profit before tax

VND 7.7 billion



Operating
profit margin:
17.8%

Year 2023



Net revenue

VND 113.5 billion



Profit before tax

VND 17.1 billion



Operating
profit margin:
20.9%

2024 continues to be a difficult year for the global economy in general and Vietnam in particular, despite continuing to show signs of recovery with many solutions from the Government. According to the summary report of 2024 and orientations and tasks for 2025 of the construction industry by the Ministry of Construction, in 2024, the real estate market still decreased, public investment disbursement was low and slow, and many projects and works were slow to implement, delaying progress, causing the building materials production industry to face output congestion, consumption of building materials faced difficulties both domestically and internationally, and inventory increased sharply. According to the audited 2024 financial statements, Minh Hung Quang Tri JSC achieved the following business results:

- Net revenue from the Company's production and business activities reached VND 88.1 billion, reaching 77.28% of the plan and 77.62% compared to net revenue in 2023.
- The Company's profit before tax reached VND 7.7 billion, reaching 46.67% of the plan and equal to 45.03% compared to the profit before tax in 2023.
- Revenue from financial activities reached VND 7.33 billion, equal to 77.65% compared to revenue from financial activities in 2023.

The Board of Directors and the General Director have promoted activities to reduce direct production costs, improve production efficiency, and effectively utilize capital sources through financial channels such as banks and securities to increase profits for the Company.

ORGANIZATION AND PERSONNEL:

BOARD OF DIRECTORS

Mr. LE DINH SUNG

Chairman of the Board of Directors

Year of birth: 1963
Qualification: Bachelor of Business Administration
Experience: 26 years of experience in Management and Business Building materials
Percentage of share ownership: 15.16%
Number of management positions held in other companies: 01

Mr. TRAN CANH BINH

Member of the Board of Directors
concurrently General Director

Year of birth: 1956
Qualification: Mechanical Engineer
Experience: Nearly 37 years of experience in the field of Production Management and trading of Construction Materials and is one of the first officers of the company
Percentage of share ownership: 0%
Number of management positions held in other companies: 0

Ms. PHAM THI MY LIEN

Member of the Board of Directors
concurrently holding the position of Deputy General Director

Year of birth: 1965
Qualification: Bachelor of Economics
Experience: Nearly 17 years of experience working at the company as Deputy General Director in charge of Sales and Business Development
Percentage of share ownership: 13.64%
Number of management positions held in other companies: 0

Mr. LE DINH MINH

Member of the Board of Directors, non-executive concurrently Head of the Internal Control Committee

Year of birth: 1990
Qualification: Bachelor of Business Administration
Experience: With experience studying and working abroad in Business Administration, Mr. Minh plays a role in monitoring business operations and financial situation.
Percentage of share ownership: 5.04%
Number of management positions held in other companies: 1

Mr. TRUONG DUC TRI

Independent Member of the Board of Directors

Year of birth: 1967
Qualification:
Experience: More than 21 years of experience in the field of management.
Percentage of share ownership: 0.91%
Number of management positions held in other companies: 0

ORGANIZATION AND PERSONNEL:

SUPERVISORY BOARD

Mr. PHAM QUOC HAI

Head of the Supervisory Board

Percentage of share ownership: 0%

Mr. THAI VINH DONG

Member of the
Supervisory Board

Percentage of share ownership: 0.01%

Ms. VO THI NGOC HA

Member of the Supervisory Board

Percentage of share ownership: 0%

BOARD OF GENERAL DIRECTORS

Mr. TRAN CANH BINH

Member of the Board of
Directors
concurrently holding the
position of General Director

Introduced in "Board of Directors"

Ms. PHAM THI MY LIEN

Member of the Board of Directors
concurrently holding the position of
Deputy General Director

Introduced in "Board of Directors"

Mr. HO DANG VINH

Deputy General
Director

Percentage of share ownership: 0%

Mr. DANG SI TIEP

Deputy General Director

Percentage of share ownership: 2.95%

Mr. NGUYEN BA HAI

Chief Accountant

Percentage of share ownership: 0.01%

ORGANIZATION AND PERSONNEL:

KEY LEADERSHIP



Mr. LE DINH SUNG

Chairman of the Board of Directors

Mr. TRAN CANH BINH

Member of the Board of Directors
Concurrently General Director



Mr. HO DANG VINH

Deputy General Director

Mr. DANG SI TIEP

Deputy General Director



Ms. PHAM THI MY LIEN

Member of the Board of Directors
concurrently Deputy General Director

Mr. NGUYEN BA HAI

Chief Accountant



ORGANIZATION AND PERSONNEL:

PERSONNEL POLICY

Number of officers and employees: The average total number of officers and employees of the entire Company as of 2024-12-31 is 207 people.

Recruitment and training: Due to the specific nature of the building materials industry's production activities, technical workers account for a high proportion of the personnel structure. In order to increase the labor productivity of each individual and optimize production activities, the Company always focuses resources on training and improving skills for officers and employees. The Company regularly organizes training and improves the skills of employees, supports the cost of studying to improve professional qualifications for employees as well as officers and employees, helping employees meet job requirements and feel secure in long-term attachment to the Company, which helps the Company stabilize its personnel to focus on production and business.

Labor safety: The Company pays special attention to policies and activities to ensure labor hygiene and safety for officers and employees when working. The Company also continuously implements training courses for employees on issues such as using labor protection equipment in accordance with regulations, strictly complying with regulations on fire prevention and fighting and how to handle situations when encountering natural disasters and floods.

Insurance and other benefits: The deduction and payment of social insurance, health insurance and unemployment insurance are deducted and paid by the Company in accordance with the provisions of current law. The Company implements social security regimes for employees in accordance with the Labor Law and Labor Regulations. The Company always cares about life and improves conditions for officers and employees. Insurance regimes for employees are fully implemented by the Company in accordance with the Labor Law.



Salary and bonus policy: The Company always maintains salary and bonus levels equivalent to or higher than the local average to ensure maximum benefits and help stabilize the lives of employees. In addition, the Company always has a reasonable reward and discipline policy, suitable to local culture and work efficiency of employees, encouraging employees to offer initiatives to improve and improve production efficiency.

INVESTMENT SITUATION AND PROJECT IMPLEMENTATION

Held-to-maturity investments, short-term

The Company's held-to-maturity investments as of 2024-12-31 of the Company are as follows:

No.	Item	Yield	Year-end number
1	Other held-to-maturity investments	7,0%	5.500.000.000
1.1	Deposits at VPS Securities JSC - Smartone Pay Payment JSC	7,0%	5.500.000.000
2	Bond	7.8% - 9.8%	82.897.346.400
2.1	VNDirect Securities Corporation - DNP Water Industry Investment JSC bond	7.8% - 7.9%	18.900.000.000
2.2	HD Securities JSC	8.0% - 9.8%	63.997.346.400
	- Vietjet Aviation JSC bond	8% - 8.45%	19.400.000.000
	- SOVICO Group JSC bond	8.8% - 9.1%	19.000.000.000
	- SOVICO JSC bond	8.8% - 9.4%	13.897.346.400
	- Vingroup Corporation - JSC bond	9.2% - 9.8%	11.700.000.000

Investment and project implementation

In 2024, the Company completed legal procedures and submitted an investment proposal dossier, conducted a survey of raw material mines to implement the HIGH-TECH TUNNEL BRICK PRODUCTION FACTORY project, the Company decided to adjust the project implementation location from Cam Hieu Industrial Cluster, Cam Hieu District, Quang Tri Province to the new location Km 8, National Highway 9, Ward 4, Dong Ha City, Quang Tri Province.



Project perspective image

Location: Km 8, National Highway 9, Ward 4, Dong Ha City, Quang Tri Province.

Area: 52,828 m²

Product: High-quality tunnel bricks Design capacity: 100 million bricks QTC/year.

Plan for 2025: Prepare design layout drawings, complete land lease documents, raw material mine permit documents, and related documents to commence construction.

FINANCIAL SITUATION

Unit: VND

Indicator	Year 2023	Year 2024	% change
Total assets	197.294.793.628	184.577.708.355	-6,45%
Net revenue	113.564.128.846	88.057.102.128	-22,46%
Net profit from business operations	17.627.438.025	8.415.526.270	-52,26%
Other profit	-476.139.679	-724.384.086	52,14%
Profit before tax	17.151.298.346	7.691.142.184	-55,16%
Profit after tax	13.702.276.482	5.955.684.370	-56,54%
Cash dividend payout ratio	10%	3,5%	-65,00%

Indicator	2023	2024
Payment ability		
Short-term CR (times)	16.75	23.55
QR Quick Ratio (times)	11.25	17.61
Capital structure		
DR Debt / Total Assets (times)	0.04	0.03
D/E Ratio (times)	0.05	0.04
Operating capacity		
Inventory turnover (times)	1.64	1.80
Net revenue / Average total assets	0,58	0,48
Profitability		
PAT / NSR (%)	12.06	6.76
NPAT / Equity (%)	7.27	3.35
PAT / Total Assets (%)	6.95	3.23
Profit from Operations / Net Revenue (%)	15.52	9.56

Solvency

The company always maintains high solvency, however, the Company's Solvency Ratio in 2024 is much higher than the same period, reflecting the Company's financial policy in a difficult market period. The company prioritizes maintaining a stable amount of liquid cash, ensuring daily business operations, and being ready for cases of advance payments for goods, advance payments for raw materials, etc.

Capital structure

The company operates mainly based on equity, with no bank credit loans and other payables accounting for a small proportion, resulting in the Company's Debt/Total Assets Ratio reaching 0.03 in 2024, which is very low compared to companies in the market. The low loan capital structure reflects the independence of capital sources, not being significantly affected by fluctuations in interest rate risks in the market.

Operational capacity

The Enterprise's inventory turnover reached 1.80 times/year. Total asset turnover reached 0.48 times. The rate of inventory turnover and total asset turnover has not changed much over the years, reflecting the stable business operations of the Company.

Profitability

The Company's profitability in 2024 decreased significantly compared to the same period due to the impact from the general consumption market and the building materials market in particular. The company has taken advantage of ensuring profit margins and dividend policies for shareholders.

SHAREHOLDER STRUCTURE



Total number of outstanding shares:
16,500,000 shares

Including

- *Common shares: 16,500,000 shares*
- *Preference shares: 0 shares*
- *Number of freely transferable shares: 16,500,000 shares*
- *Number of shares restricted from transfer: 0 shares.*

Detailed shareholder structure:

No.	Type of shareholder	Number of shares being held	Ownership ratio	Number of shareholders	Organization	Individual
1	Founding shareholder	4.801.221	29,10%	03	-	03
	Domestic	4.801.221	29,10%	03	-	03
	Foreign	-	-	-	-	-
2	Major shareholder	8.893.921	53,90%	05	01	04
	Domestic	8.893.921	53,90%	05	01	04
	Foreign	-	-	-	-	-
3	Other shareholders	7.556.043	45,79%	486	08	478
	Domestic	7.421.943	44,98%	475	05	470
	Foreign	134.100	0,81%	11	03	08
4	TOTAL	16.500.000	100%	492	09	483
	Domestic	16.365.900	99,19%	481	06	475
	Foreign	134.100	0,81%	11	03	08

Source: VSDC

CHANGES IN EQUITY



List of major shareholders:

No.	Shareholder	Address	ID/Citizen ID/Business Registration No.	Number of shares	Ratio
1	Mrs. Tran Thien Nhu An	Quarter 8, Ward 5, Dong Ha City, Quang Tri	197090781	911.800	5,53%
2	One-Member Limited Liability Company Fund Management of Joint Stock Commercial Bank for Industry and Trade of Vietnam	6th Floor, Cua Nam Market Trade Center, 34 Cua Nam, Hoan Kiem, Hanoi	50/UBCK-GP by SSC issued on 2010-10-26	2.400.000	14,55%
3	Mr. Le Dinh Sung	No. 46, Le Duan, Ward I, Dong Ha City, Quang Tri	190112325	2.501.185	15,16%
4	Ms. Pham Thi My Lien	No. 46, Le Duan, Ward I, Dong Ha City, Quang Tri	190997667	2.250.000	13,64%
5	Mr. Le Dinh Minh	No. 46, Le Duan, Ward I, Dong Ha City, Quang Tri	197216695	830.836	5,04%

Situation of changes in owners' investment capital:

- Increase in capital through issuing shares or selling treasury shares during the year: None
- Buyback of treasury shares: None
- Other types of securities: None

REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS

Impact on the environment

The Company's main business activity is the production of building materials including cement and bricks - industries that have a direct impact on the environment.

To minimize the impacts of business operations on the environment, the Company prioritizes selecting optimal solutions to protect the environment. The company has stopped using the cement production kiln system because the old technology does not meet environmental protection standards. The company applies closed technology from raw material sources to finished products to minimize waste into the environment.



The company's factories are all located far from residential areas. The company always focuses on promoting environmental protection through activities such as sorting waste for recycling, using electricity and water sparingly, turning them off when not in use, limiting the use of plastic bags, and choosing to use environmentally friendly products as replacements... These small actions and deeds will contribute to shaping a positive lifestyle within the company's staff and employees in particular and society in general.

Minh Hung Quang Tri Joint Stock Company aims to focus on developing environmentally friendly products such as non-fired building materials, promoting the development of the production market, and changing community perceptions about the use of non-fired building materials, contributing to the implementation of sustainable development and climate change goals in Vietnam.



REPORT ON IMPACTS RELATED TO ENVIRONMENT AND SOCIETY

Management of raw and input materials



Raw materials account for approximately 54% of the Company's total cost of goods sold. The main raw materials used for production include clay, clinker, and coal. The company uses 100% of hill soil for brick production, which both ensures the quality of the finished product and protects rice/living land, ensuring general geological safety.

In addition, the Company always maintains the level of exploitation within certain limits, without degrading biological resources in the production area. The clinker used for production is purchased directly by the company from reputable cement manufacturing plants on the market.

The percentage of recycled raw materials used in production at the factories is approximately 3%. The raw materials used in production are all allocated quotas by the Company to reduce waste. The application of advanced technology not only improves product quality but also saves a significant amount of fuel for the Company.



Energy consumption

The company pays special attention to energy saving in the process of production and business operations. The company is always conscious of promoting the economical use of electricity within the staff and employees system, turning off unused electrical equipment, using clean energy sources, and taking advantage of natural and recycled energy sources.



REPORT ON IMPACTS RELATED TO ENVIRONMENT AND SOCIETY

Consumption and treatment of wastewater



Saving water consumption is also always one of the issues that the Company focuses on. The company strictly complies with all legal regulations on the management and use of water resources. The company builds a wastewater treatment system before discharging it into the drainage system as prescribed.

Compliance with environmental protection laws

- Number of times of being penalized for violations due to non-compliance with the law laws and regulations on the environment: **None**
- Total amount of money due to being penalized for violations due to non-compliance with laws and regulations on the environment: **None**



Report related to responsibility to the local community



The company received a certificate of merit from the Prime Minister

The company actively participates in activities and movements to support and develop the community in terms of economy, society, and education; participates in campaigns, movements of mutual affection, supports the poor, supports donations during storms and floods, etc., contributing to maintaining order, security, and social safety in order to promote sustainable civilized social development. The company has received certificates of merit and commendation from agencies for its contributions to society for many years. In 2024, the Company presented 100 gifts to households facing difficulties in Ward 4 - Dong Ha City and Cam Hieu Commune, Cam Lo District.

REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS

Policies related to employees

- Number of employees (as of 2024-12-31): 207 people
- Average salary: VND 6,200,000/person/month

The company has implemented policies to strengthen discipline and improve labor productivity. At the same time, it always ensures that employees receive fair wages commensurate with their efforts and contributions.



In addition, the Board of Directors regularly pays attention to the regimes and policies for employees, fully and promptly deducts and pays social insurance, health insurance, and unemployment insurance; promptly resolves salary, bonus, sickness, and maternity benefits; and provides labor protection equipment. It organizes good mid-shift meals, gradually improves working conditions, and reduces heavy and hazardous work. It regularly improves and supplements the collective labor agreement. It creates conditions for the public to participate in contributing opinions to action programs and fighting against wrongful manifestations, in order to promote the spirit of ownership of employees.

Report on green capital market activities according to the Committee's instructions State Securities

Currently, Minh Hung Quang Tri JSC has not participated in and does not have any activities in the green capital market. However, the Company has been paying attention, monitoring, and will actively participate when suitable conditions and detailed legal guidelines are available.



03

REPORT, EVALUATION
OF THE BOARD OF GENERAL
DIRECTORS

EVALUATION OF PRODUCTION AND BUSINESS ACTIVITIES

In the field of construction material production, Minh Hung Quang Tri Joint Stock Company is currently one of the prestigious units and dominates the market in the Quang Tri province area. With advantages in brand, scale, and production technology, the Company's business operations have many advantages. However, 2024 is considered a challenging year for the world economy in general and the Vietnamese economy in particular, which has directly affected the business performance of the Company. With the efforts of the Executive Board and the collective of officials and employees, the business results in 2024 are specifically as follows:

- **Net revenue** from the Company's production and business activities reached **VND 88.1 billion**, reaching 77.28% compared to the plan and 77.62% compared to the revenue in 2023.
- **The Company's pre-tax profit** reached **VND 7.70 billion**, reaching 46.67% compared to the plan and equal to 45.03% compared to the pre-tax profit in 2023.
- Revenue from financial activities reached VND 7.33 billion, equal to 77.65% compared to revenue from financial activities in 2023.

Revenue reaching 77.28% of the plan and profit reaching 46.67% of the plan is due to the impact of the construction material consumption market nationwide in general and the consumption market in the locality in particular. In addition, due to the characteristics of products with long production times, the Company must produce and stockpile inventory, so when the consumption market is not favorable, the Company has to lower selling prices, even selling at prices lower than the production price in order to be able to consume the products that have been produced. The Board of Directors and the Board of General Directors have promoted activities to reduce direct production costs, improve production efficiency, and take advantage of capital sources through financial channels such as banks and securities to increase profits for the Company.

Company's achievements: In a competitive market, with high inflation and sharply increasing prices of basic commodities, and a rising wave of personnel layoffs, the Company focuses on stabilizing production, ensuring the livelihoods of its employees, fulfilling its role and responsibilities to the State Budget, and has consistently received certificates of merit from State agencies for many years. In addition, after being listed, the Company aims for more professional, transparent, and efficient management.

ASSESSMENT

FINANCIAL SITUATION

Unit: VND

ASSET STRUCTURE	2023-12-31	2024-12-31	% increase/decrease
Short-term assets	166.387.538.412	159.154.280.541	-4,35%
Cash and cash equivalents	10.921.319.246	6.430.101.553	-41,12%
Short-term financial investments	83.934.559.720	91.831.946.120	8,60%
Short-term receivables	15.917.795.981	20.236.714.326	21,34%
Inventory	54.581.762.566	40.134.386.782	-26,47%
Other short-term assets	1.032.060.899	521.131.760	-50,00%
Long-term assets	30.907.255.216	25.423.427.814	-17,74%
Long-term receivables	-	-	-
Fixed assets	29.615.467.576	26.605.430.234	-10,16%
Investment properties	-	-	-
Long-term unfinished assets	355.254.546	389.974.546	8,74%
Other long-term assets	936.533.094	428.023.034	-54,27%
TOTAL ASSETS	197.294.793.628	184.577.708.355	-6,45%

The Company's total assets as of 2024-12-31 reached VND 184.58 billion, a decrease of 6.45% compared to the same period in 2023. The structure of short-term assets accounts for a high proportion of total assets. Within the short-term asset structure, short-term financial investments still account for the highest proportion, followed by inventory and other short-term assets. The financial structure clearly demonstrates high solvency, and the Company effectively manages production cash flow.

For doubtful debts, the Company makes full provisions in accordance with the provisions of law.

ASSESSMENT

FINANCIAL SITUATION

Unit: VND

DEBT STRUCTURE	2023-12-31	2024-12-31	% increase/decrease
Short-term liabilities	8.930.890.916	6.758.121.273	-24,32%
Short-term trade payables	3.412.095.145	1.502.489.351	-55,98%
Short-term payments from buyers	150.920.804	87.099.319	-42,38%
Taxes and amounts payable to the State	2.116.119.102	1.985.539.358	-6,14%
Payables to employees	2.347.424.377	2.258.213.246	-3,79%
Short-term prepaid expenses	145.000.000	193.611.111	25,26%
Other short-term payables	434.416.312	410.403.712	-5,52%
Bonus and welfare fund	324.915.176	320.765.176	-1,23%
Short-term loans and finance leases	-	-	-
Long-term liabilities	-	-	-
TOTAL LIABILITIES	8.930.890.916	6.758.121.273	-24,32%

The Company continues to maintain a prudent financial policy, limiting the impact of interest rate fluctuations on production and business activities through short-term financial borrowing activities. At the end of the year, the Company has no outstanding debt from loans and financial leases, and interest expense accounts for a low proportion of operating expenses.

The Company has no overdue payables.

IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES AND MANAGEMENT

In 2024, the Company continued to apply consistent working processes and regulations, such as issuing internal regulations on corporate governance, regulations on the operation of the Board of Directors, regulations on the operation of the Supervisory Board, regulations on information disclosure, and regulations on internal audit to ensure compliance with the provisions of law.

In addition, the Company continues to improve its organizational structure by: training, recruiting, and appointing capable personnel suitable for management positions and functional departments.



DEVELOPMENT PLAN IN THE FUTURE



1. The Company will continue to implement the investment and construction of a high-tech tunnel brick factory to apply technology in production, improve product quality, and enhance the Company's competitiveness. In addition, it will conduct research and seek new products to meet market demands.



2. Have a plan to mobilize and use capital effectively, especially through the stock market. Enhance liquidity and capital turnover, and expand investment activities.



3. Promote corporate governance activities, attract and develop high-quality human resources, increase business performance, and maintain a policy of paying regular annual dividends to ensure the interests of shareholders.

ASSESSMENT OF ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

Assessment related to environmental indicators

The Company always maintains the level of exploitation of resources as raw materials for production within the limits allowed by the management agency, does not cause degradation and geological changes in the mining areas, does not use toxic chemicals in the production process, and does not contaminate water sources, food, and surrounding air.

Assessment related to labor issues

The company currently creates jobs for more than 200 employees, mainly local people living in the province. The company focuses on protecting the health and safety of employees, caring for and sharing the spiritual life of officials and employees. Creating a passionate working environment, gắn bó lâu dài with the company. All employees are assigned suitable and stable jobs and are signed labor contracts in accordance with the law. Due to the specific nature of the industry, the number of general workers is high, the Company has created conditions to recruit and train to improve the skills of workers, bringing job opportunities and improving income for workers in the area.

Training and practice activities on labor safety are regularly organized to raise awareness of labor safety for staff, in order to minimize damage to people and property during production.

The activities of the Trade Union and Party organization in the Company are vibrant, caring for and focusing on the spiritual life and health of employees, ensuring regular health check-ups in accordance with the Company's regulations.



Assessment related to the company's responsibility to the local community

The Company has actively participated in social activities, donating to support families in difficult circumstances and supporting storm and flood areas, and border and island areas. At the same time, participating in training programs, study promotion associations, and supporting the construction of gratitude houses to help improve people's lives and contribute to sustainable social development.



04

**BOARD OF DIRECTORS' ASSESSMENT
ON THE COMPANY'S OPERATIONS**

ASSESSMENT OF THE BOARD OF DIRECTORS

Assessment of the Board of Directors on the Company's operations

In 2024, each member of the Board of Directors has made efforts, united to perform their role well, participating in the management and supervision of production and business activities, and management activities to improve the Company's operating efficiency, stabilize production efficiency and the lives of officials and employees. In 2024, the Company continued to drastically implement cost-saving and efficiency-enhancing goals to respond to and maximize business efficiency to overcome this difficult economic period. The main activities the Board of Directors performed during the year:

- Implementing the contents of the resolution of the 2024 Annual General Meeting of Shareholders approved by the General Meeting of Shareholders, such as paying remuneration to the Board of Directors and remuneration to the Supervisory Board; Implementing the profit distribution plan: paying dividends in cash; selecting an audit unit for the Financial Statements;
- Supervising and directing the Executive Board to implement business plans, investment plans, develop plans and effectively use the Company's capital sources;
- Supervising and directing the implementation of quarterly Financial Statements, reviewed Financial Statements Semi-annual, Annual Report, periodic and extraordinary information disclosure;
- Implementing the Investment in the Tunnel Brick Factory: the implementation of submitting applications for land lease, applications for approval of the investment policy of the Factory serving the implementation of the investment plan was implemented by the Company's Board of Directors from 2024-01 and is still in the process of implementation.

Assessment of the Board of Directors on the operation of Board of Directors of the Company



In 2024, the Company's Board of Directors made great efforts to complete the goals according to the resolution of the General Meeting of Shareholders, but due to the market situation, the revenue and profit in the year did not reach the plan. However, the Company still maintained stability and operated the Company's operations in accordance with the orientation of the General Meeting of Shareholders, the profit margin improved but was still low, and the idle capital was used effectively.

Correctly exercise their powers and duties in operating the Company in accordance with the charter regulations. Strictly manage finances, pay the State budget for taxes, social insurance, health insurance and regimes for employees in accordance with the Company's regulations and laws.

The Company's management board has made reasonable decisions in accordance with market fluctuations, as well as the Company's situation to bring about the best production and business results.

PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS

In 2025, the Board of Directors identifies the Company's operating orientation specifically as follows:

1. Continue to focus on the Company's core business in the field of producing construction materials (tunnel bricks, cement, unburnt bricks). Continue to implement the High-Tech Brick Factory Project, and maximize the production capacity of cement.



2. Improve the level of corporate governance, review and complete the operation of governance processes to improve governance efficiency, learn about applying technology in governance, increase transparency, and improve business efficiency.

3. Continue to evaluate and improve recruitment policies to attract high-quality personnel; at the same time, train, improve skills, stabilize morale and motivation for employees.

4. Maintain the annual dividend policy, ensuring the rights of shareholders.





05

CORPORATE GOVERNANCE

ACTIVITIES OF THE BOARD OF DIRECTORS AND SUB-COMMITTEES

The Board of Directors operates in accordance with the spirit of the Charter, the Enterprise Law, the Securities Law and related legal documents. Meetings of the Board of Directors are maintained regularly. The Board of Directors has closely followed the orientation of the Resolution of the General Meeting of Shareholders and the actual situation of the Company, and has set out and directed, managed, and supervised the Company's activities to be implemented in accordance with the contents of the agreed Resolution. In 2024, the Board of Directors always closely followed the actual situation of the Company to propose policies, resolutions and decisions to provide timely guidance and create favorable conditions for the General Director to strive to complete his production and business tasks.

In 2024, the Board of Directors held many regular and unscheduled meetings to closely monitor the implementation of business activities and issued 04 resolutions and decisions to implement the resolution of the General Meeting of Shareholders and other activities under the authority of the Board of Directors as follows:

No.	Resolution Number	Date	Content	Approval rate
1	01/2024/NQ-HDQT- GMH	2024-03-04	BOD Resolution on Convening the 2024 Annual General Meeting of Shareholders and Cash Advance of 2023 Dividends	100%
2	02/2024/NQ-BOD-GMH	2024-04-01	BOD Resolution on Approving the Adjustment of the Time for Holding the 2024 Annual General Meeting of Shareholders, Program and Contents of the Meeting	100%
3	04/2024/NQ-BOD-GMH	2024-06-07	BOD Resolution on Selecting and Signing the Audit Contract and Reviewing the 2024 Financial Statements	100%
4	07/2024/NQ-BOD-GMH	2024-12-26	BOD Resolution on Changing the Location for Investment in the Project: Minh Hung High-Tech Tunnel Brick Factory	100%

ACTIVITIES OF THE BOARD OF DIRECTORS AND SUB-COMMITTEES

Activities of independent Board of Directors members

The company's Board of Directors includes 01 independent Board of Directors member. Independent BOD members have made many positive contributions, providing many objective and independent opinions for the operation of the Board of Directors, supervising the management and administration apparatus and preventing conflicts of interest, contributing to protecting the rights of shareholders.

The Board member prepared a report on the contents submitted to the Annual General Meeting of Shareholders.

The independent Board member assessed that the Board of Directors has organized and operated in accordance with the law, the Charter and the Company's operating regulations, and is flexible and sensitive in directing operations to help the Company overcome macroeconomic difficulties to achieve efficiency from business operations.

List of Board of Directors members with corporate governance training certificates

List of Board of Directors members participating in training programs and corporate governance courses during the year: None

Activities of the Internal Audit Department

In 2022, the Board of Directors established an Internal Audit Department directly under the Board of Directors to ensure compliance with regulations on internal audit at listed companies as prescribed in Decree 05/2019/ND-CP.

Members of the Internal Audit Department include:

1. Mr. Le Dinh Minh - Head of Department

2. Mr. Pham Minh Thanh - Member

Activities of the Internal Audit Department in 2024:

The Internal Audit Department, under the Board of Directors, held 01 meeting during the year regarding the content of planning coordination with the Supervisory Board to develop an internal audit plan for the year, monitoring and evaluating risks in accordance with the law.

SUPERVISORY BOARD

Activities of the Supervisory Board

In 2024, the Supervisory Board held 04 meetings and conducted inspection and supervision of compliance with the provisions of the Enterprise Law, the Law on Accounting and related legal documents; inspected and supervised the compliance with the Charter, the Company's organization and operation regulations, the Company's 2024 General Meeting of Shareholders Resolution, specifically:

- + Reviewing the appropriateness of the Board of Directors and General Director's Decisions on managing and operating the Company's business activities; Controlling the content, order, and procedures for issuing documents regulating corporate governance;
- + Inspecting and evaluating the development and implementation of key professional processes of the Company, in order to detect risks or shortcomings, and propose solutions;
- + Supervising the Board of Directors and the General Director in organizing the implementation of the General Meeting of Shareholders' Resolutions;
- + Inspecting and supervising quarterly financial statements to assess the reasonableness of financial data, and coordinating with independent auditors to review the impact of material accounting and auditing errors on the semi-annual financial statements and annual financial statements; Supervising the company's leadership to implement the recommendations made by the Auditor;
- + Supervising the Company's law enforcement.

Details of the Supervisory Board meetings:

No.	Decision number	Date	Content	Approval rate
1	01/NQ-BKS	2024-01-15	Approving the content of the 2023 Financial Statements	100%
2	02/NQ-BKS	2024-04-05	Approving the development of content Report on the activities of the Supervisory Board submitted to the General Meeting of Shareholders in the year 2024 and the content of the Submission on the selection of an auditing unit for reviewing reports and financial statements in 2024.	100%
3	03/NQ-BKS	2024-08-06	Approving the evaluation of targets and the Reviewed Financial Statements for 06 months	100%
4	04/NQ-BKS	2024-10-15	Evaluating the QIII 2024 financial statements targets 2024	100%

SALARIES, BONUSES, REMUNERATION, BENEFITS

Salaries, bonuses, remuneration, benefits and expenses for members of the Board of Directors, members of the Supervisory Board, General Director and other management personnel of the Company in 2024 are presented as a specific item in the audited financial statements of 2024, specifically:

No.	Full name	Title	Income, remuneration in 2024
1	Le Dinh Sung	Chairman of the Board of Directors	310.873.642
2	Pham Thi My Lien	Member of the Board of Directors cum Deputy General Director	193.997.437
3	Tran Canh Binh	Member of the Board of Directors cum General Director	212.397.716
4	Le Dinh Minh	Member of the Board of Directors	72.000.000
5	Truong Duc Tri	Member of the Board of Directors	72.000.000
6	Dang Si Tiep	Deputy General Director	101.695.393
7	Ho Dang Vinh	Deputy General Director	103.042.553
8	Pham Quoc Hai	Head of the Supervisory Board	72.000.000
9	Thai Vinh Dong	Member of the Supervisory Board	60.000.000
10	Vo Thi Ngoc Ha	Member of the Supervisory Board	60.000.000

TRANSACTIONS OF INSIDERS AND RELATED PERSONS

- Stock transactions of insiders and related persons: None

- Transactions with insiders and related parties

No.	Item	2024	2023
1. Purchases			
1.1.	Minh Hung Co., Ltd.	1.246.877.555	1.319.351.710
1.2 .	Phu Vinh Thinh Co., Ltd.	4.898.081.100	11.349.219.773
2 . Dividend payment			
2.1.	Mr. Le Dinh Sung	2.501.185.000	1.250.592.500
2.2 .	Ms. Pham Thi My Lien	2.250.000.000	1.125.000.000
2.3 .	Fund Management One Member Company Limited of Vietnam Joint Stock Commercial Bank for Industry and Trade	2.400.000.000	1.200.000.000
2.4 .	Mrs. Tran Thien Nhu An	911.800.000	455.900.000
2.5 .	Mr. Le Dinh Minh	830.836.000	415.418.000
3 . Outstanding balance transactions: Payables to short-term sellers			
3.1.	Minh Hung Co., Ltd.	161.601.526	116.208.400

Assessment of the implementation of corporate governance regulations

To improve efficiency in governance activities, the Company continues to implement and update corporate governance regulations in accordance with practices to increase transparency and ensure the rights of shareholders and related parties. At the same time, it updates and applies measures to improve the quality of governance in the Company, such as the application of information technology, etc.



05

FINANCIAL STATEMENTS

AUDITOR'S OPINION

The 2024 financial statements are audited by International Auditing Co., Ltd. (an auditing organization on the List of auditing organizations approved by the State Securities Commission to audit public interest entities in 2024) and appraised by the Company's Board of Supervisors. The auditing organization has given its full approval to the Company's 2024 financial statements.

Audit opinion on the 2024 financial statements

"The financial statements have fairly and reasonably reflected, in all material respects, the financial position of Minh Hung Quang Tri Joint Stock Company as at 2024-12-31, as well as the results of its business operations and cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations on the preparation and presentation of financial statements."

2024 financial statements audited: The full text of the Company's audited 2024 financial statements is posted on the Company's website at <http://minhhungqt.vn/bao-cai-tai-chinh/>

Place of receipt:

- HNX;
- SSC;
- Dear shareholders;
- Stored in BOD, DI.

LEGAL REPRESENTATIVE



LE DINH SUNG

MINH HUNG QUANG TRI JOINT STOCK COMPANY



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