

**PHUONG ANH
INTERNATIONAL JOINT
STOCK COMPANY**

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No: 12/2025/CBTT-PAS

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

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HungYen, April 19, 2025

**DISCLOSURE OF INFORMATION ON THE WEBSITE OF THE STATE
SECURITIES COMMISSION**

To : - Hanoi Stock Exchange

Company: **PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY**

Stock Code: PAS

Head Office Address: No. 60, Pham Ngu Lao Street, Tu My Ward, Phung Chi Kien, My Hao
Town, Hung Yen Province

Phone: 0221 394 82 68

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Person Responsible for Information Disclosure: Đoàn Thị Thu Thủy

Phone (Mobile, Office, Home): 0335724136

Type of information disclosure ☐ 24h ☐ 72h ☐ Extraordinary ☐ On demand ☒ Periodic

Content of Disclosed Information (*):

Phuong Anh International Joint Stock Company announces the 2024 Annual Report.

This information has been disclosed on the company's official website on April 19, 2025, at
the following link: <http://www.phuonganhgroupp.com.vn>

We hereby confirm that the information disclosed is true, and we take full responsibility for
the content of the disclosed information under the law.

Attachments:

- Content of the disclosed information
and related documents.

Authorized Person for Information Disclosure

(Signature, Full Name, Title, Seal)


Doan Thi Thu Thuy

**PHUONG ANH INTERNATIONAL JOINT STOCK
COMPANY**



ANNUAL REPORT 2024

T04/2025



No. 09/2025/BC-PAS

Hung Yen, April 19, 2025

ANNUAL REPORT 2024

To: - State Securities Commission
- Ha Noi Stock Exchange

I. General Information

1. Overview Information

- Trading Name: **PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY**
- Enterprise Registration Certificate No. 0900613295, initially issued on August 30, 2010, by the Business Registration Office – Department of Planning and Investment of Hung Yen Province
- Charter Capital: 280.499.680.000 VND
- Owner's Investment Capital: 280.499.680.000 VND
- Address: No. 60 Pham Ngu Lao Street, Tu My Residential Group, Phung Chi Kien Ward, My Hao Town, Hung Yen Province, Vietnam
- Phone Number: 0221 3948 166
- Số fax:
- Website: www.phuonganhgroup.com.vn
- Stock Code: PAS
- The Company's Formation and Development Process:

Phuong Anh International Joint Stock Company was established on August 30, 2010, based on the transformation of ownership from Thanh Nam Stainless Steel Co., Ltd. Its original name was Thanh Nam Stainless Steel Joint Stock Company.

In its early days, the company focused on manufacturing and processing mechanical products; trading in various types of steel, stainless steel, non-ferrous metals, and special-purpose steel; as well as freight transportation. The company's primary goal was to process and cut stainless steel and manufacture stainless steel pipes.

Stainless steel cutting and processing capacity: 60,000 tons/year

Stainless steel pipe manufacturing capacity: 20,000 tons/year

In the course of economic development in 2015, the trend of linking, merging, and consolidating enterprises to form larger and stronger corporations became an inevitable tendency, especially in the context of global economic integration. In response to this trend, Thanh Nam Stainless Steel Joint Stock Company merged with Saigon Steel Joint Stock Company, thereby expanding its capital base, human resources, and number of branches. This strategic move enabled the company to secure funding for larger, more capital-intensive, and long-term projects, while

maintaining competitive interest rates.

After the merger, on April 13, 2016, the company completed business registration procedures and officially changed its name to Phuong Anh International Joint Stock Company.

Since its establishment, Phuong Anh International Joint Stock Company has undergone three increases in charter capital to support its development and expansion of business activities.

Currently, in addition to its core business areas—manufacturing and processing mechanical products, trading in various types of steel, stainless steel, non-ferrous metals, and special-purpose steel—the company has also entered the real estate sector, which promises to bring significant economic benefits both to the company and its shareholders.

On November 13, 2018, the State Securities Commission of Vietnam issued Official Dispatch No. 7595/UBCK-GSDC approving Phuong Anh International Joint Stock Company to become a public company.

On November 21, 2018, Phuong Anh International Joint Stock Company was granted the Securities Registration Certificate No. 105/2018/GCNCP-VSD by the Vietnam Securities Depository (VSD), with the stock code PAS, charter capital of VND 255,000,000,000, and a total of 25,500,000 registered shares.

On July 28, 2022, Phuong Anh International Joint Stock Company was issued the 15th amendment of the Business Registration Certificate No. 0900613295 by the Department of Planning and Investment of Hung Yen Province, which approved the increase of the charter capital to VND 280,499,680,000.

Phuong Anh is considered a leading metal cutting center with a 100% new, modern technology and equipment line imported from Taiwan, Japan, and South Korea. The center includes: sheet and coil cutting lines; small strip slitting lines; and large strip slitting lines. With a cutting capacity of approximately 60,000 tons per year, Phuong Anh is ready to meet the demands for cutting sheets and slitting various types of steel, metals, and alloys (stainless steel, hot-rolled steel, cold-rolled steel, coated steel, electrical steel, etc.) to specified sizes, at competitive costs.

In addition, Phuong Anh is one of the few cutting centers in Vietnam offering advanced features such as double-sided PVC coating and paper lining for stainless steel, as well as printing product information on the surface of sheets/coils.

- Other events: None

2. Business sectors and operating areas:

Main business sectors:

- Wholesale of metals and metal ores. Details: Wholesale of iron and steel (Main business sector)
- Mechanical processing; metal treatment and coating Địa bàn kinh doanh:

Phuong Anh International Joint Stock Company is currently headquartered in Hung Yen. It is a leading metal cutting and slitting factory in Vietnam, specializing in providing various types of steel and metal products such as stainless steel, hot-rolled black steel, cold-rolled black steel, coated steel, silicon steel, structural steel, and other types of steel (mold steel, special bars, steel pipes, etc.).

In addition, Phuong Anh also offers processing services such as sheet cutting, metal and alloy slitting. It is one of the few cutting and slitting centers in Vietnam with advanced features such as PVC/PE

coating on one side, both sides, and paper lining for stainless steel, as well as printing product information on the surface of sheets/coils.

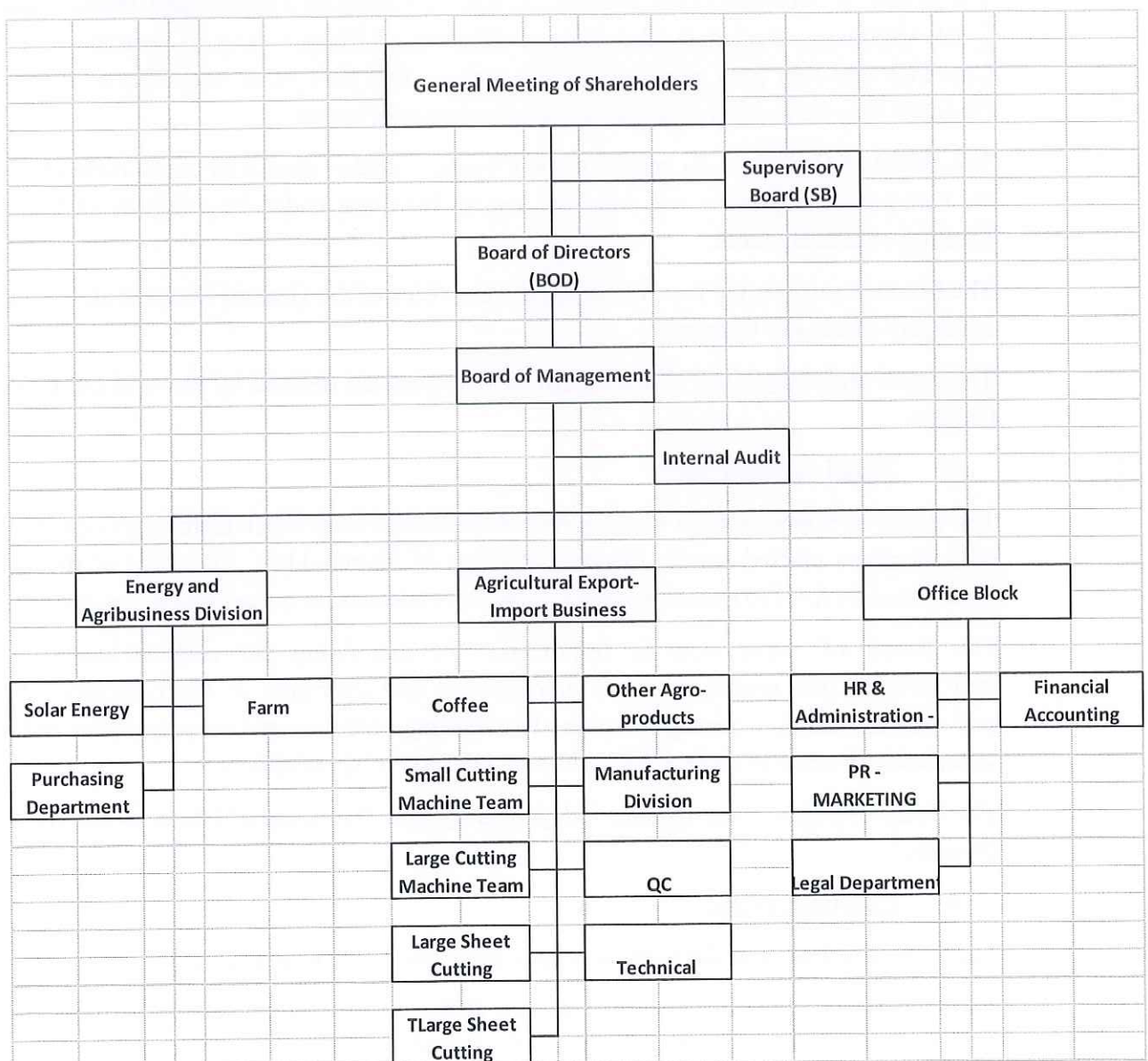
3. Information about management model, business organization, and management structure

- Management model

As a joint-stock company, the company's management model complies with the provisions of Point a, Clause 1, Article 137 of the Enterprise Law, specifically as follows:

- General Meeting of Shareholders
- Board of Directors
- Board of Supervisors
- General Director
- Functional departments

- Management structure



❖ General Meeting of Shareholders

The General Meeting of Shareholders is the highest authority of the Company, responsible for making decisions on matters within its duties and powers as stipulated by the Company's

Charter and applicable laws. The General Meeting of Shareholders has the following rights and responsibilities:

- It is the highest authority of Phuong Anh International Joint Stock Company.
- The General Meeting of Shareholders has the right and responsibility to approve the development direction and decide on business production plans and tasks.
- Decide on the amendments and supplements to the Company's Charter.
- Elect, dismiss, and remove members of the Board of Directors and the Board of Supervisors.
- Decide on the reorganization or dissolution of the Company.
- Other rights and responsibilities as prescribed by law and the Company's Charter.

❖ Board of Directors

The Board of Directors is the highest management body of Phuong Anh International Joint Stock Company, elected by the General Meeting of Shareholders. It consists of one (01) Chairman and four (04) members, with a term of five (05) years. Members of the Board of Directors may be re-elected for an unlimited number of terms.

The Board of Directors, on behalf of the Company, makes decisions on all matters related to the Company's objectives and interests, except for those under the authority of the General Meeting of Shareholders.

The Board is responsible for overseeing the activities of the General Director and other senior managers within the Company.

The rights and obligations of the Board of Directors are defined by law and the Company's Charter.

❖ Board of Supervisors

The Board of Supervisors of Phuong Anh International Joint Stock Company consists of three (03) members elected by the General Meeting of Shareholders. The term of the Board of Supervisors is five (05) years; members may be re-elected for an unlimited number of terms.

The Board of Supervisors is responsible for examining the reasonableness, legality, transparency, and prudence in the management and operation of the company's business activities, as well as in the organization of accounting, statistics, and the preparation of financial statements, in order to protect the legitimate interests of shareholders.

The Board of Supervisors operates independently from the Board of Directors and the General Director.

❖ Executive Board

The Executive Board of the Company consists of one (01) General Director.

The General Director manages and makes decisions on matters related to the Company's business operations, and is responsible to the Board of Directors for the execution of assigned rights and duties.

❖ Internal Audit

- Develop internal audit procedures for the unit and submit them to the direct management level for review and approval.

- Prepare an annual internal audit plan for approval by the competent authority and carry out audit activities in accordance with the approved plan.
- Implement approved internal audit policies, procedures, and processes, ensuring quality and effectiveness.
- Conduct ad-hoc audits and provide consulting services at the request of the Board of Directors.
- Recommend corrective and remedial measures; propose improvements to enhance the effectiveness and efficiency of the internal control system.
- Prepare audit reports.
- Timely notify and deliver internal audit results in accordance with regulations.
- Develop, revise, and improve internal audit methodologies and scope to keep pace with the organization's growth and development.
- Provide consulting to departments and units on the selection and oversight of independent audit services to ensure cost-effectiveness and efficiency.
- Present internal audit opinions when required for the Board of Directors to consider and make decisions on budget estimates, allocations, settlements, financial statements, and management reports.
- Maintain regular communication with the company's independent audit firm to ensure effective collaboration.

❖ Business Division

● **Commercial Sales Department, Processing and Slitting Sales Department:**

- Collect and analyze historical sales data, customer information, market trends, and competitors, and propose short, medium, and long-term business strategies for the Company.
- Consult and propose long-term business policies to the company's leadership.
- Develop business plans on a periodic basis (monthly, quarterly, yearly, etc.) in line with the company's business strategy.
- Consolidate, analyze, and evaluate business/market information; propose necessary adjustments to the business strategy to the General Director.
- Develop the customer base, exploit additional orders to ensure business targets are met.
- Coordinate the organization and implementation of market research programs and marketing campaigns to support sales as per the plan.
- Monitor and assess the implementation of plans, and propose adjustments to align with actual market business developments.
- Manage receivables, inventory, and sales expenses in accordance with company regulations.
- Monitor sales speed, propose appropriate times for stock entries and exits.
- Prepare periodic reports on sales, market conditions, products, and competitor activities.
- Receive and address customer feedback and complaints regarding the quality of goods and services.
- Consult and support customers on technical aspects during product installation and usage as per customer requirements or regular care plans.

- Handle customer complaints in accordance with the company's procedures and regulations.
- Develop strategies, organizational structures, job objectives, job descriptions, work guidance, evaluations, motivation, training, etc.
- Train and motivate the team to develop a stable, sustainable, and effective business operation.
- Have a clear plan and direction to search for and train a successor team of employees.
- **Procurement Department**
 - Advise the Group Leadership/General Director on the strategy and policies for developing the company's procurement activities.
 - Develop strategies, organize systems, and operate the procurement activities.
 - Identify and manage suppliers, ensuring they meet the criteria of reliability, trustworthiness, delivering products with the right quality, quantity, and reasonable pricing.
 - Negotiate, sign contracts, manage contracts, and research and gather information before negotiations with suppliers (product details, market pricing, etc.) to meet pricing requirements based on market prices and the needs of departments.
 - Ensure timely delivery and payment terms, and guarantee the accuracy and consistency of information stated in contracts.
 - Manage accounts payable and monitor the payment status of each order.
 - Carry out customs clearance procedures, working closely with the Logistics and Finance/Accounting departments.
 - Receive and process complaints from departments and customers, prepare documentation to notify suppliers about the complaints, and negotiate to achieve the best possible outcome.
 - Monitor the implementation of plans and conduct internal assessments within the department

Production Division

- Train and develop a management team to meet the current and future development requirements.
- Participate in the development, implementation, and execution of the factory's goals and action plans.
- Develop, organize, implement, evaluate, and adjust the factory's goals and action plans to align with the company's objectives, plans, and strategies.
- Organize and arrange the layout and storage for raw materials, finished products, and goods.
- Organize the procedures for warehouse entry and exit, and the transfer of materials, finished products, and goods.
- Ensure the proper storage, arrangement, and preservation of raw materials, finished products, and goods.
- Organize and execute the transportation and delivery of goods.
- Coordinate the delivery and receipt of goods with customers and partners.

- Develop and implement the factory's goals and action plans.
- Develop, organize, implement, evaluate, and adjust workshop goals and action plans to meet the company's objectives, plans, and strategies.
- Plan, organize, and arrange resources (4M) and production layout to meet production plans.
- Organize production activities to ensure products follow the technological process and technical requirements.
- Control the progress, output, productivity, and coordinate production to meet production and delivery plans.
- Organize and implement quality control activities during production in the workshop.
- Control and handle non-compliant products.
- Build and organize the quality control system, inspection standards, and quality control methods.
- Control the equipment and measuring instruments.
- Perform maintenance and repairs for workshop machinery and equipment.
- Repair and resolve all machinery-related issues (including power systems such as electricity, air, water, fire protection systems, etc.).
- Control measuring instruments and equipment in the workshop.
- Develop safety, hygiene, and fire prevention regulations for production.
- Establish operating safety guidelines for production.
- Monitor and ensure safety practices are followed during production.
- Organize training for employees on occupational health, safety, and fire prevention (OH&S).
- Implement activities related to environmental protection as required by law.
- Maintain a quality evaluation process, training, and developing employee capabilities to meet competence standards (knowledge, skills, attitude).
- Train and develop a management team to meet current and future development needs.
- Advise the factory leadership on factory planning and plan management.
- Develop weekly, monthly, and quarterly production plans for the factory.
- Arrange the production line to match machine capacity.
- Prepare shift schedules and production output reports for each machine.
- Prepare daily, monthly production reports for the factory.
- Prepare delivery schedules for the leadership team.
- Implement plan improvements to ensure efficient production.
- Ensure production plans are executed on schedule.
- Report progress to superiors and the Sales department upon request

❖ Office Division Responsibilities

- **Human Resources, ISO, and IT Department**

- Develop and operate HR policies.
- Develop recruitment programs and related procedures.
- Lead the organization of training and development for the company's staff and workers.
- Lead the evaluation of the effectiveness and performance of the staff and labor relations.
- Develop plans and implement corporate culture.
- Lead the development of procedures, guidelines, and operation of document management and archiving.
- Lead the procurement activities related to office supplies, tools, and event organization partners.
- Lead administrative tasks related to: security, food safety, labor safety, fire prevention, waste management, ensuring a working environment that meets the company's requirements.
- Participate in developing, evaluating, modifying, improving, and adhering to operational procedures in the responsible area.
- Participate in monitoring and evaluating the effectiveness of the previous period's budget and periodically using the budget plan, providing suggestions for effective budget usage.
- Participate in providing documents and data reports to clarify figures upon request from leadership and authorities.
- Participate in statistics, evaluating, and proposing improvements in the management of production plant infrastructure.
- Organize periodic inventory checks.
- Develop regulations and rules on occupational health and safety, and fire safety in production.
- Organize and monitor the implementation of safety measures in production.
- Organize training on occupational safety and health (OSH) for employees.
- Maintain quality evaluation activities, training, and development of employee competencies (knowledge, skills, attitudes).
- Develop safety operation procedures and guidelines in production.
- Participate in ensuring the legal compliance of documents within the department's scope of responsibility.

- **Legal Department**

- Monitor and control the activities of departments within the company to ensure compliance with the company's internal regulations and policies.
- Provide legal advice and review drafts of contracts prepared by other departments before presenting them to the Board of Members, Board of Directors, Chairman, CEO, or Managing Director. Participate in contract negotiations and signings.
- Assist the Board of Members, Board of Directors, Chairman, CEO, and Managing Director in providing feedback on draft legal documents from governmental or organizational bodies; summarize and evaluate laws relevant to the company's production and business activities.

- Disseminate and educate employees about the laws, company regulations, internal rules, and policies.
- Monitor, urge, and verify the implementation of laws, internal regulations, and company policies. Conduct assessments of employees' legal knowledge and their awareness of legal compliance.
- Assess investment and business risks for the company's international investment projects. Provide legal opinions regarding management decisions and organizational activities.
- Participate in litigation or provide counsel as an authorized representative of the Chairman, CEO, or Managing Director to protect the company's legal rights and interests.
- **Marketing Department**
- Develop marketing strategies and marketing mix; create marketing plans and activity programs for the Company.
- Collect market information to identify market demand, target markets, and new markets. Define the market scope for existing products and forecast demand for new products, sales direction, analyze trends in volume and demand structure, and determine characteristics of different regions and market segments.
- Analyze market acceptance of the company's current products; develop programs for new product research and development, improvements, and enhancements of existing products. Identify product development directions, evaluate the marketability of new products, and propose recommendations for manufacturing new products. Formulate a rational product line policy and improve product packaging.
- Research different types of distribution channels; establish a distribution network, define relationships regarding ownership, benefits, cooperation, and information within the distribution system. Determine product consumption locations, sales strategies, warehouse organization, and storage methods.
- Control cost factors; analyze the variation of fixed and variable costs in relation to production volume. Develop projected pricing levels, conduct break-even analysis to identify the most marketable products, and apply differentiated pricing strategies to optimize market segmentation.
- Develop advertising and promotional campaigns to boost product visibility and sales. Promote products and the company image; evaluate advertising effectiveness, select appropriate advertising channels, and organize exhibitions, trade fairs, and customer conferences
- **Phòng Accounting**
- Establish the accounting system at the parent company.
- Advise, propose, and guide accounting management tasks for subsidiaries to improve the effectiveness of accounting management across the group.
- Support the establishment and organization of accounting departments at subsidiaries.
- Develop operational accounting procedures.
- Design an accounting reporting system to meet the requirements of the Board of Directors and investors.
- Perform accounting operations in compliance with Vietnamese Accounting Standards and regulations.

- Propose solutions to apply accounting standards and regulations effectively to enhance work performance and safeguard the company's interests.
- Establish and maintain good relationships with relevant governmental and regulatory authorities.
- Organize training sessions and updates to enhance knowledge on Vietnamese accounting standards and practices.
- Prepare and finalize tax declarations in compliance with current tax laws.
- Organize training and update sessions on tax laws.
- Develop/improve financial and accounting regulations and procedures in accordance with business operations and current legislation.
- Organize training and updates on procedures and policies related to financial and accounting management.
- Prepare consolidated financial statements on a quarterly and annual basis

❖ **Subsidiaries: 2 companies**

No.	Company Name	Business Registration Number	Address	Date of Issue
1	Ha Long Peach Garden Hotel Joint Stock Company	57001920029	Ha Long Road - Zone 4, Bai Chay, Ha Long City, Quang Ninh Province	12/10/2024
		Date of Issue: 05/02/2018		
		Place of Issue: Department of Planning and Investment of Quang Ninh Province		
2	Kien Dai Duong Hotel Joint Stock Company	0402244581	No. 135 Tran Bach Dang Street, My An Ward, Ngu Hanh Son District, Da Nang City	13/12/2024
		Date of Issue: 02/08/2024		
		Place of Issue: Department of Planning and Investment of Quang Ninh Province		

❖ **Affiliate companies: 01 company**

No.	Company Name	Business Registration Number	Address	Date of Issue
1	Thanh Lam Real Estate Co., Ltd	0901965365	97 Lý Triện, An Khê, Thanh Khê, Đà Nẵng	27/12/2022
		Date of Issue: 01/04/2019		
		Place of Issue: Department of Planning and Investment of Da Nang Province		

4. Development orientation

- **Main objectives of the company.**

With the company's motto "Accompanying development, creating success through connection," and its mission "sharing values, harmonizing the benefits of customers, partners, employees, and society," the business philosophy is built around "product quality as the focus; customer benefits as the key; improving the life of workers and contributing to the community." The company has set the following main objectives:

- ✓ Become a professional, reputable, and high-quality global steel enterprise.
- ✓ Expand the international market and increase the proportion of export revenue in total revenue

- **Medium and Long-term Development Strategy**

Phuong Anh International Joint Stock Company develops a comprehensive development strategy across all areas such as: management, business production, financial accounting, and human resources training to establish a strong brand in both the domestic and international markets

Công tác tổ chức và quản lý:

- Enhance the direct role of leadership and management in the organization, ensuring that all activities are carried out according to plan and achieve growth targets.
- Continue to build and implement short-term, medium-term, and long-term strategies to create a solid ecosystem for the organization, bringing revenue, brand value, reliability, reputation, etc., to the company, such as business strategies, product strategies, marketing strategies, distribution strategies, financial management, and human resource management tailored to each period.
- Be decisive in the role of managing the implementation of business plans approved by the General Shareholders' Meeting and the Board of Directors.
- Monitor, measure, and evaluate the company's business activities to propose improvements to the Board of Directors.
- Emphasize the role of communication and brand image promotion to ensure the achievement of the business objectives set

Financial and Accounting Operations

- Control and approve financial policies, while assessing and making necessary adjustments to the company's costs in an appropriate manner.
- Approve or directly make decisions and strategies that align with the company's policies and comply with legal regulations.
- Evaluate and approve projects and proposals from departments, ensuring they are closely linked to appropriate financial assessments to avoid risks for the company

Human Resources Training and Development

- Strategic Planning and Management to guide the organization in achieving the company's vision and mission.
- Establish core values, nurture corporate culture, build a positive image, and maintain strong relationships with customers, partners, and the community.
- Develop specific plans, outlining clear steps for every employee to follow in order to achieve the organization's common goals.
- Establish a streamlined management structure, organize the human resources system effectively, while defining the responsibilities and goals of each department to ensure the achievement of set plans.

- Review proposals and recruitment plans, including policies on appointments, dismissals, salary regulations, bonuses, and allowances; assess staff performance and implement appropriate reward policies

- Sustainable Development Goals (Environmental, Social, and Community) and Key Programs for Short-Term and Mid-Term of the Company.

- ✓ *Prioritize the use of modern, environmentally friendly technologies with the aim of efficiency, cost savings, and minimizing environmental harm.*
- ✓ *Enhance investment in pollution control systems and improve environmental quality at the factory and within the community. The company has signed contracts with units specializing in hazardous waste treatment and always develops specific plans for hazardous waste management and environmental protection.*
- ✓ *Commit to promoting activities that raise employee awareness about environmental conservation and protection.*
- ✓ *Commit to using energy efficiently and avoid wasting resources.*
- ✓ *The company has made certain contributions to sustainable development, bringing economic and social benefits to the local community, such as: creating jobs and providing stable income for local workers; supporting and participating in local development programs*

Risks:

❖ ***General Economic Risks***

The steel industry in 2024 has shown signs of recovery after a prolonged decline, with the gap between production and consumption narrowing. The Vietnam Steel Association (VSA) reported positive effects on the domestic steel market, driven by increased demand for galvanized steel and construction steel used for repairing and rebuilding homes and infrastructure damaged by Typhoon Yagi and other storms in central Vietnam in September 2024.

In addition, the real estate market is showing signs of improvement. The steel industry is recovering amid the challenges posed by anti-dumping and countervailing investigations initiated by various countries. The export share of finished steel products in the first 11 months of this year decreased to 28%, down from 31% during the same period last year.

❖ ***Legal and Regulatory Risks***

"Regarding domestic legal policies, one of the risks is the bottleneck in the legal process, making it difficult for businesses and investors to access credit from banks. Additionally, with the simultaneous amendments of four important laws related to real estate, which have been approved by the National Assembly, including: the amended Housing Law, the amended Real Estate Business Law, the amended Land Law, and the amended Credit Institutions Law, all of which will take effect from January 1, 2025, experts and representatives from regulatory agencies share the common view that the previous shortcomings in the policy mechanism will be addressed, starting with the preparatory steps in 2024. However, the important issue is that government agencies need to cooperate early to complete and harmonize the legal framework and issue specific guidelines to apply these laws effectively.

Regarding international legal policies, since the beginning of 2024, steel exports to the EU will have to comply with new regulations, including safeguard measures and the Carbon Border Adjustment Mechanism (CBAM). These are significant challenges that the steel industry must overcome when exporting to this market.

The first barrier comes from safeguard measures on imported steel, as the new regulation from the EU, effective from July 1, 2023, will continue to maintain safeguard measures on steel imports

into the EU until June 30, 2024. In order for Vietnam to be exempt from safeguard duties, it must maintain an export share of less than 3% of the total EU import turnover for each product type. If the quota is exceeded, the import duty on the excess will be 25%.

The second barrier is the Carbon Border Adjustment Mechanism (CBAM), which aims to impose carbon taxes on all goods imported into EU markets, based on the greenhouse gas emission intensity of the production process in the exporting country. Currently, this mechanism is in its first phase, where exporting businesses, including steel companies, must report their emission levels. However, in the future, as CBAM moves into subsequent phases, steel companies, including those from Vietnam, will be required to purchase CBAM emission certificates starting in 2026. This will increase costs and make it difficult to compete on price unless companies plan to reduce their carbon emissions in production. Overall, Vietnam's steel export market has been and will continue to be impacted by protectionism from other countries and carbon emission requirements

❖ *Competitive Risks*

According to the Vietnam Steel Association (VSA), Vietnam's steel production is expected to increase by around 10% in 2024 as domestic demand for steel in key economic sectors begins to recover. Forecasts indicate that finished steel production for 2024–2025 will reach approximately 28–30 million tons, while domestic steel consumption is projected at about 21–22.5 million tons. Steel consumption in 2024 is expected to rise by 6.4% to nearly 21.6 million tons. Meanwhile, exports of finished and semi-finished steel products are anticipated to increase by 12%, reaching nearly 13 million tons.

However, in 2024, the steel industry will face certain risks related to China's policy changes. China is shifting towards producing higher-quality steel and implementing stricter environmental protection measures, while also offering competitive pricing in the market. As a result, the export landscape remains challenging, as global demand for steel is weakening in most regions. This has intensified the imbalance between supply and demand, especially as low-cost Chinese steel floods the global market.

❖ *Risk of Raw Material Price Volatility*

The price competition is also becoming increasingly fierce, making it more difficult for steel enterprises to improve their business efficiency.

In 2024, production costs in the steel industry are expected to rise due to increasing prices of input materials for manufacturing, notably including:

- ✓ Electricity accounts for a significant portion of production costs in steel manufacturing; however, with electricity prices continuously increasing, this poses a major obstacle for Vietnam's steel industry.
- ✓ Input material prices for steel production, especially iron ore, remain highly volatile. Specifically, the price of iron ore for May 2024 delivery on the Dalian Commodity Exchange (DCE, China) is USD 110.32/ton. Meanwhile, on the Singapore Exchange (SGX), the price for May 2024 delivery is USD 101.04/ton.
- ✓ Another essential material for steel production—coal—is also expected to see price increases, especially as India ramps up coal imports for steelmaking. Global coal prices are projected to range between USD 187.94 – 213.9/ton in the near future

II. Business Performance During the Year

1. Business and Production Performance

- Business and Production Results for the Year:

Unit: VND

Indicator	2024	2023	% Increase/Decrease
Net Revenue	1,068,089,717,388	683,162,687,450	56%
Profit After Corporate Income Tax	2,913,806,355	(2,274,026,545)	228%

The Company recorded a total revenue of VND 1,068 billion, achieving 71.21% of the set target, and a post-tax profit of VND 2.9 billion, reaching 36.42% of the business plan.

The steel sector remains the core and primary area of operation, contributing the largest portion of the company's revenue.

Within the total revenue achieved:

Stainless steel (Inox): VND 265 billion

Cold rolling: VND 91.9 billion

Hot rolling: VND 79.8 billion

Galvanized steel: VND 153.5 billion

Color-coated steel: VND 376 billion

Processing services: VND 17.2 billion

Other steel products: VND 60.8 billion

Other revenue: VND 23.9 billion.

- Performance vs. Plan:

Amid the complex and negative developments in the market, with a significant global economic downturn affecting various sectors, in 2024, despite facing unstable phases in both the socio-economic situation in general and the steel industry in particular, the Board of Directors (BOD) instructed the Executive Board to be flexible and creative in managing production and business operations. The goal was to strengthen the stable foundation and overcome the difficulties and challenges. By the end of 2024, with the efforts of the BOD and the Executive Board, the company achieved the following business results:

- Revenue:

Unit: VND

No.	Indicator	Plan	Actual	Implementation Rate (%)
1	Total Revenue	1,500,000,000,000	1,068,089,717,388	71.21%
2	Profit Before Tax	10,000,000,000	5,331,173,485	53.31%
3	Profit After Tax	8,000,000,000	2,913,806,355	36.42%

2. Organization and Personnel

- Executive Board Members:

List of Executive Board Members of the Company:

Executive Board Members	
Nguyễn Hùng Cường	Chairman of the Board of Directors
Trần Duy Cường	Chief Executive Officer (CEO)
Trần Thị Hồng Khang	Chief Accountant

Mr. Nguyễn Hùng Cường – Chairman of the Board of Directors

FULL NAME:	NGUYEN HUNG CUONG
CITIZEN ID NO:	001077000526 Date of Issue: 09/01/2022 Place of Issue: Department of Administrative Management of Social Order
GENDER:	Male
DATE OF BIRTH:	26/05/1977
PLACE OF BIRTH:	Ha Noi
NATIONALITY:	Viet Nam
ETHNICITY:	Kinh
PERMANENT ADDRESS:	Residential Group No. 5, Phu My, My Dinh 2 Ward, Nam Tu Liem District, Hanoi City
EDUCATIONAL BACKGROUND:	Completed high school (12/12)
PROFESSIONAL QUALIFICATION:	Bachelor of Economics – Foreign Trade University
CURRENT POSITION AT THE LISTED ORGANIZATION:	Chairman of the Board of Directors, Phuong Anh International Joint Stock Company
POSITION HELD AT OTHER ORGANIZATIONS:	None
PERSONAL SHAREHOLDING RATIO:	0 SHARES (EQUIVALENT TO 0 %)
SHAREHOLDING RATIO OF RELATED PERSONS:	0 SHARES (EQUIVALENT TO 0 %)
LEGAL VIOLATIONS:	None
OUTSTANDING DEBTS TO THE	None

COMPANY:		
RELATED INTERESTS IN THE LISTED ORGANIZATION	None	
WORK EXPERIENCE		
4/2023 – PRESENT	Phuong Anh International Joint Stock Company	Chairman of the BOD

Mr Tran Duy Cuong – Chief Executive Officer (CEO)

Full Name:	TRAN DUY CUONG	
ID Number:	011783232 issued by the Hanoi Police Department on 28/09/2008	
Gender:	Male	
Date of Birth:	05/05/1975	
Place of Birth:	Hà Tĩnh	
Nationality	Việt Nam	
Ethnicity:	Kinh	
Permanent Address:	TT Cầu 11, xã Hải Bối, huyện Đông Anh, Tp Hà Nội	
Education Level:	12/12	
Professional Qualification:	Mechanical Engineering	
Current Position in the Company:	CEO	
Position Held in Other Organizations:	None	
Personal Ownership of Securities:	0	
Securities Ownership of Related Persons:	0	
Criminal Record:	None	
Debts to the Company:	None	
WORK HISTORY		
APRIL 2023 – PRESENT	Phuong Anh International Joint Stock Company	CEO

Mrs Trần Thị Hồng Khang – Chief Accountant

FULL NAME:	TRẦN THỊ HỒNG KHANG	
CITIZEN ID NO:	034176000005 Administrative Management of Social Order on 24/06/2021	
GENDER:	Female	
DATE OF BIRTH:	03/02/1976	
PLACE OF BIRTH:	Hà Nội	
NATIONALITY:	Việt Nam	
ETHNICITY:	Kinh	
PERMANENT ADDRESS:	Giao Quang Residential Group, Dai Mo Ward, Nam Tu Liem District, Hanoi	
EDUCATIONAL BACKGROUND:	12/12	
PROFESSIONAL QUALIFICATION:	Corporate Accounting	
CURRENT POSITION AT THE LISTED ORGANIZATION:	Chief Accountant	
POSITION HELD AT OTHER ORGANIZATIONS:	None	
PERSONAL SHAREHOLDING RATIO:	None	
SHAREHOLDING RATIO OF RELATED PERSONS:	None	
LEGAL VIOLATIONS:	None	
DEBTS TO THE COMPANY:	None	
WORKING EXPERIENCE		
TIME PERIOD	Workplace	Position
05/2000 – 07/2014	Thien Viet Co., Ltd	Tax Accountant, General Accountant
08/2014 – 12/2015	Thien Viet International Trading Co., Ltd	Chief Accountant
01/2016 – 03/2017	Minh Thao Pharmaceutical Co., Ltd	Chief Accountant
04/2017 – 03/2022	Self-employed	Farm Business Owner
04/2022 – PRESENT	Phuong Anh International Joint Stock Company	Chief Accountant

- **Changes in the Executive Board:**

Mrs. Hà Thị Hải Vân was appointed as Chairwoman of the Board of Directors on June 29, 2021, and was dismissed on April 20, 2023.

Mr. Nguyễn Dương Hải was appointed as General Director on October 28, 2021, and was dismissed on April 20, 2023.

Mrs. Trần Thị Hồng Khang was appointed as Chief Accountant on April 29, 2022.

- **Number of Employees. Summary of Policies and Changes in Employee Policies.**

As of December 31, 2024, the Company's workforce consisted of approximately 50 employees. With a clearly defined personnel hierarchy, transparent salary scale policies, and unified welfare regimes applied across the organization, all employees are guaranteed full rights in accordance with state regulations as well as various additional benefits.

At the same time, there are ample opportunities for career advancement due to the Company's ongoing expansion in investment and business activities.

With the philosophy that human resources are the core key to the success of the enterprise, the management always pays close attention to maintaining and developing the capabilities of each individual, thereby building a solid foundation for the sustainable development of the Company.

Working Regime

The Company's regular working hours are **8 hours/day, 48 hours/week**, from Monday to Saturday, with Sundays off. The daily working hours are specified as follows:

- Morning: From 8:00 AM to 12:00 PM;
- Afternoon: From 1:00 PM to 5:00 PM.

In case of urgent production or business requirements, employees are expected to work overtime. The Company ensures that employee rights are protected in accordance with state regulations and provides reasonable benefits for the employees.

Leave, Holidays, and New Year Holidays: Employees are entitled to 12 days of paid annual leave after working for 12 months. For employees who have not worked for 12 months, leave will be calculated proportionally based on the time worked.

Employees are entitled to holiday leave as per the provisions of the Labor Law.

Sick Leave and Maternity Leave: These are provided in accordance with current legal regulations

❖ **Working Conditions**

The office is spacious, well-ventilated, and fully equipped with necessary tools and devices to support work. The company also provides all the required equipment and safety gear for employees working at construction sites with safety requirements. Specifically, for the direct labor force, the company ensures that all workers are equipped with the proper personal protective equipment and workplace hygiene tools in compliance with legal regulations, aiming to ensure the highest level of safety for employees.

❖ **Recruitment Policy**

Recruitment activities are carried out according to the company's development strategy and are planned annually. The company sets recruitment criteria, prioritizing candidates who have graduated with a bachelor's or master's degree, both domestically and internationally. The company also focuses on recruiting individuals with strong professional expertise, experience, and capabilities that meet the company's requirements. Additionally, the company aims to hire outstanding graduates, both local and international, to create a long-term talent pipeline for future growth.

❖ Training Policy

Training and development of employees is one of the top priorities of the Company. The Company's training policy aims to build and develop a team of employees who are proficient in their profession, possess strong business ethics, are professional in their working style, and enthusiastic in serving customers.

Based on the Company's business development orientation and annual plans, the Company's training policy is implemented through the following types of training::

- Professional Training: Based on job requirements and evaluation results, the Company analyzes training needs and designs specialized training programs, in collaboration with both internal and external experts (training organizations) to implement them;
- Management Training: Similar to professional training, but with a special focus on employees who are part of the succession plan or those who are promoted to higher positions or rotated to different roles;
- On-the-job Mentoring: This is carried out regularly by departments or units, with experienced employees assigned to mentor new staff members;
- Regular Participation in Conferences and Trade Fairs Abroad: The Company regularly sends employees to participate in international conferences, trade fairs, and technical product training courses, funded by the Company or with support from partners and suppliers.

❖ Reward Policy

- The reward policy for the Company's employees is closely linked to business performance and service quality. The key elements of this policy include:
- Annual Salary Bonus: Each year, employees are entitled to a minimum of one month's salary as a bonus. In addition, employees can earn performance-based salary and completion bonuses depending on their productivity and the achievement of job tasks.
- Awards for Outstanding Units and Individuals: Employees or departments that demonstrate exceptional performance during the year are recognized with awards, which may include bonuses or other forms of recognition. Innovation suggestions are also rewarded.
- Bonuses for National Holidays and Company Anniversaries: Employees receive bonuses during national holidays and the Company's anniversary celebrations as part of the Company's tradition of recognizing employee contributions

❖ Allowances and Social Insurance Policy

All official employees of the Company are entitled to allowances and social insurance benefits in accordance with the Labor Law. In addition, depending on their specific work areas, employees may receive allowances such as hazardous work allowances, risk allowances, and specialized allowances.

The Company also continuously improves its welfare policies by providing subsidies for various life events, including weddings, illness (hospitalization), maternity, retirement, disability, and bereavement.

Furthermore, the Board of Directors, together with the Company's Trade Union, places great emphasis on promoting cultural and sports activities, as well as maintaining extracurricular events such as sports tournaments, arts performances, team-building activities, and charitable initiatives to support the less fortunate.

These policies reflect the Company's commitment to the well-being of its employees and fostering a supportive, engaging, and healthy work environment

3. *Investment Status, Project Implementation Status*

a) **Large Investments:**

Based on the recent evaluation and market survey, the Board of Directors recognizes that the real estate sector in the western part of Hanoi is currently a 'hotspot' in the property market and holds significant development potential in line with the satellite urban planning of Hòa Lạc / Hòa Lạc City in the near future..

- For cases where the company has issued securities to finance projects, it is necessary to specify the progress of these projects and analyze the reasons for meeting or failing to meet the announced and committed timelines): *none*

b) **Subsidiaries and Associated Companies:**

- Subsidiaries: 02 companies

No.	Company Name	Business Registration Number	Address	Relevant Date
1	Vuon Dao Ha Long Hotel Joint Stock Company	57001920029	Ha Long Street - Zone 4, Bai Chay, Ha Long, Quang Ninh	12/10/2024
		Issue Date: 05/02/2018		
		Issuing Authority: Quang Ninh Department of Planning and Investment		
2	Kien Dai Duong Hotel Joint Stock Company	MSDN: 0402244581	135 Tran Bach Dang Street, My An Ward, Ngu Hanh Son District, Da Nang City	13/12/2024
		Issue Date: 02/08/2024		
		Issuing Authority: Da Nang Department of Planning and Investment		

- Associated Companies: 01 company

No.	Company Name	Business Registration Number	Address	Relevant Date
	Thành Lâm Real Estate LLC	0901965365	97 Ly Triet, An Khe, Thanh Khe, Da Nang	27/12/2022
		Issue Date: 01/04/2019		

1		Issuing Authority: Da Nang Department of Planning and Investment		
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4. Financial Situation

Unit: VND

Target	2023	2024	Percentage Increase/Decrease
<i>* For organizations that are not credit institutions and non-bank financial organizations</i>			
Total Asset Value			
Net Revenue	683,162,687,450	1,068,089,717,388	56%
Profit from Operating Activities	746,850,349	7,094,579,106	850%
Other Income	(870,371,107)	(1,763,405,621)	103%
Profit Before Tax (PBT)	(123,520,758)	5,331,173,485	(4416%)
Profit After Tax (PAT)	(2,274,026,545)	2,913,806,355	(228%)
Dividend Payout Ratio	(81)	104	

Key Financial Indicators:

Unit: VND

Indicator	Year 2024	Year 2023	Note
1. Liquidity Ratios			
+ Current Ratio:			
Current Assets / Current Liabilities	1.425	1.014	
+ Quick Ratio:			
(Current Assets - Inventory) / Current Liabilities	337,954,346,488	46,255,649,294	
2. Capital Structure Ratios			
+ Debt to Total Assets Ratio	0.5489	0.4776	
+ Debt to Equity Ratio	1.2167	0.9141	
3. Operating Efficiency Ratios			
+ Inventory Turnover			
Cost of Goods Sold / Average Inventory	3.5054	2.2403	
+ Total Asset Turnover:			

Net Revenue / Average Total Assets	1.39931	0.9307	
4. Profitability Ratios			
+ Net Profit Margin (after tax)	0.0027	(0.0033)	
+ Return on Equity (ROE)	0.0079	(0.0062)	
+ Return on Assets (ROA)	0.0035	(0.0032)	
+ Operating Profit Margin	0.0066	0.0011	
Indicator	Year 2024	Year 2023	Note

5. Shareholding Structure, Changes in Owner's Equity.

a) Shares:

The company's charter capital as of December 31, 2024, is VND 280,499,680,000, divided into 28,049,968 shares with a nominal value of VND 10,000 per share.

Content	Number of Shares
Number of Shares Outstanding	28,049,968
Number of Freely Transferable Shares	28,049,968
Number of Restricted Shares	0

b) Shareholding Structure:

If the shareholder structure is categorized based on ownership ratio (major shareholders, minor shareholders); institutional shareholders and individual shareholders; domestic shareholders and foreign shareholders; state shareholders and other shareholders, as well as the maximum foreign ownership ratio.

As of March 25, 2025, according to the consolidated list of securities holders provided by the Central Securities Depository, the shareholder structure is as follows:

Unit: VND

Category	Domestic Shareholders			Foreign Shareholders			Total		
	Number of Shares	Value (thousand VND)	Percentage (%)	Number of Shares	Value (thousand VND)	Percentage (%)	Number of Shares	Value (thousand VND)	Percentage (%)
1. State Shareholders	-	-	-	-	-	-	-	-	-
2. Internal Shareholders: (Board of Directors)	-	-	-	-	-	-	-	-	-

Executiv e Board, Supervis ory Board, Chief Accounta nt)									
3. Sharehol ders within the company: Treasury Shares Employee es	-	-	-	-	-	-	-	-	-
4. External Sharehol ders: Individua l Organizat ion	27.903.0 89 0	27.903.089 .000 0	99,47 0	284.3 90 0	284.390. 000 0	1,53 0	28.049. 986 0	28.049.986.000 0	100 0

c) Changes in the Owner's Investment Capital:

n 2022, Phuong Anh International Joint Stock Company was issued a Business Registration Certificate for the 15th amendment by the Department of Planning and Investment of Hung Yen Province on July 28, 2022. The amendment was related to the change in the charter capital to VND 280,499,680,000, through the implementation of a share issuance plan to pay dividends for the year 2019, as detailed below:

No.	Details	Information
1	Name of Issued Share	Phuong Anh International Joint Stock Company Shares
2	Stock Code	PAS
3	Type of Issued Shares	Common Shares
4	Par Value per Share	VND 10,000 per share
5	Charter Capital Before Issuance	VND 255,000,000,000

6	Charter Capital After Issuance	VND 280,499,680,000
7	Target of Issuance	Existing shareholders based on the shareholder list confirmed by the Vietnam Securities Depository (VSD) as of the last registration date on February 24, 2022, to receive stock dividends.
8	Purpose of Issuance	To issue shares to pay dividends for 2019 to shareholders in cash.
9	Payment Ratio	5% per share

Along with the development of the socio-economic environment, the company has grown stronger and has implemented many large projects. To ensure the financial resources for its operations, Phuong Anh International Joint Stock Company has increased its charter capital three times, from VND 40 billion to over VND 280 billion, as detailed below:

Unit: billion VND

Time	Additional Charter Capital	Charter Capital After Increase	Method of Capital Increase	Legal Basis
October 2014	110	150	Conversion of ownership form combined with an increase in charter capital	- - Resolution No. 169/NQ-HĐQT dated September 16, 2014, by the Board of Directors of Phuong Anh International Joint Stock Company regarding the approval of the capital increase plan and conversion of the business type for its subsidiary.
- Business Registration Certificate No. 0900613295, 4th amendment on October 21, 2014				-
November 2015	105	255	Merging companies through a merger agreement	- - Resolution No. 31-08/QĐ-TNINOX dated August 31, 2015, by the General Meeting of Shareholders of Thanh Nam Inox Joint Stock Company.

d) Treasury Stock Transactions: None.

e) Other Securities: None.

6. Environmental and Social Impact Report of the Company

6.1. Environmental Impact:

Total direct and indirect greenhouse gas (GHG) emissions: Insignificant.

Initiatives and measures to reduce greenhouse gas emissions: In order to contribute to reducing greenhouse gas emissions, combating climate change, and protecting a clean living environment for the community, the company has proposed several recommendations, such as: encouraging employees to actively participate in public transportation; promoting green transportation in cities; changing traffic habits, reducing dependence on transportation vehicles within short distances... The company encourages employees to take small actions such as waste sorting, recycling office materials, disposing of waste in designated areas, and maintaining a clean and green office environment. The overall culture promotes energy-saving and efficient use of equipment, machinery, lighting, and other methods.

6.2. Material Management:

- a) Total amount of raw materials used for the production and packaging of the company's main products and services in the year: 0
- b) Report on the percentage of recyclable materials used in the production of the company's main products and services: 0

6.3. Energy Consumption:

- a) Direct and indirect energy consumption: Electricity
- b) Energy savings through energy efficiency initiatives: Significant reduction in monthly electricity costs.
- c) Energy-saving initiatives reports (providing energy-efficient products and services or using renewable energy); report on the results of these initiatives:

The company always emphasizes building a corporate culture of turning off unused electrical equipment and continuously raising awareness about energy conservation, using recycled products, and avoiding waste. This is particularly important during the COVID-19 pandemic, which has had a global economic impact

- **6.4. Water Consumption:**

- a) Water supply source and amount of water used: Tap water
- b) Percentage and total amount of water recycled and reused: 0

- **6.5. Compliance with Environmental Protection Laws:**

- a) Number of violations and penalties for non-compliance with environmental laws and regulations: 0
- b) Total fines due to non-compliance with environmental laws and regulations: 0

- **6.6. Employee-Related Policies:**

- a) Number of employees, average salary of employees:
 - As of December 31, 2024, the company employed more than 50 people. Employees' salaries are evaluated according to their professional skills and experience, ensuring stable income for their livelihood.
- b) Labor policies to ensure the health, safety, and welfare of employees:
 - Working hours, rest periods, weekly holidays, annual leave, and public holidays are in

compliance with the Labor Law. Benefits for sickness, maternity, and marriage are provided in accordance with government regulations.

- The company maintains an annual health check-up for employees and gives birthday and holiday gifts to staff.

c) Employee training activities:

- Currently, the company is conducting employee training by assigning management or department heads to directly train employees during their daily work. These managers or department heads then monitor the results and report to the company's leadership for the necessary adjustments. The company is building a separate training process for employees based on their classification.
- There are continuous skill development and learning programs to support employees, ensuring they have employment and career development opportunities.
- The company highly values and encourages the self-learning process to improve each employee's skills. Newly hired workers undergo onboarding training to understand the company's history, core values, mission, vision, corporate culture, and job functions. The company is developing skill-building programs and continuous learning to support employees in ensuring employment and career development.
- Employee training and development are among the company's top priorities. The company's training policy aims to build and develop a team of skilled professionals with business ethics, professional work styles, and enthusiastic customer service.
- Based on the company's business development orientation and annual plans, the company's training policy is implemented in the following ways:
- Professional training: Based on job requirements and evaluation results, the company analyzes training needs and designs specialized training programs, in collaboration with internal and external experts (training organizations) to implement them.
- Management training: Similar to professional training, but with special focus on staff in the planning process or those being promoted to higher positions or rotated.
- On-the-job coaching: Carried out regularly by departments/sections, with experienced personnel mentoring new employees.
- Frequent participation in workshops, trade fairs abroad, and technical product training courses, sponsored by the company or supported by partners and suppliers.

6.7. *Report on Responsibility to the Local Community.*

Community Investment Activities and Other Community Development Activities, Including Financial Support for the Community

The company, in cooperation with the trade union, organizes various activities to motivate and boost the morale of employees (such as celebrating International Women's Day on March 8, Vietnamese Women's Day on October 20, and giving gifts to employees' children on June 1). The company also organizes activities that benefit the local community, such as visiting and supporting employees' families in times of illness or bereavement, donating to people affected by natural disasters, and providing assistance to people in disadvantaged areas. The company has actively carried out charitable and social welfare activities both at the workplace and in other localities.

6.8. Report on Green Capital Market Activities According to the Guidance of the State Securities Commission (SSC): None

III. Report and Evaluation from the Board of Directors (The Board of Directors reports and evaluates the overall situation of the company)

The report and evaluation from the Board of Directors must include at least the following content:

1. Evaluation of Business Operations Results

Looking back on the challenging and turbulent year of 2024, with the determination to overcome difficulties from the Board of Directors and Executive Board, the company has recorded the following business results

- Revenue:

Unit: VND

No.	Indicator	Plan	Actual	Achievement Rate/Plan (%)
1	Total Revenue	1,500,000,000,000 VND	1,068,089,717,388 VND	71.21%
2	Net Profit	8,000,000,000 VND	2,913,806,355 VND	36.42%

The Company recorded revenue of VND 1,068 billion, achieving 71.21% of the set target, and net profit after tax of VND 2.9 billion, reaching 36.42% of the business plan. The steel sector remains the company's core and leading business, contributing the majority of total revenue.

Of the total revenue achieved:

Stainless steel (Inox): VND 265 billion

Cold rolling: VND 91.9 billion

Hot rolling: VND 79.8 billion

Galvanized steel: VND 153.5 billion

Color-coated steel: VND 376 billion

Processing services: VND 17.2 billion

Other steel products: VND 60.8 billion

Other revenue: VND 23.9 billion

2. Financial Situation

a) Asset Situation

Unit: VND

No.	Indicator	As of 31/12/2024	As of 01/01/2024
1	ASSETS		
1.1	Current Assets	643,042,921,576	341,049,946,887
1.2	Non-current Assets	179,178,438,415	363,328,228,129
Total Assets	822,221,359,991	704,378,175,016	
2	LIABILITIES & EQUITY		
2.1	Liabilities	451,305,638,948	336,376,260,328

2.2	Owner's Equity	370,915,721,043	368,001,914,688
Total Liabilities & Equity	822,221,359,991	704,378,175,016	

In general, the year 2024 marked a period of recovery and growth for Vietnam's steel industry, with significant increases in production, consumption, and exports. However, the industry also faced challenges from the influx of cheap imported steel and trade defense measures imposed by other countries.

Regarding the operations of Phuong Anh Joint Stock Company, the company demonstrated strong efforts by the Board of Management in closely monitoring both domestic and international market trends. The company actively expanded its market outreach and customer base. Proactive strategies were implemented to selectively source materials right from the purchasing stage, ensuring quality, quantity, and reasonable pricing.

At the same time, the company effectively managed its import and inventory operations, making calculated decisions to align with actual business demands in order to minimize excess stock. Operating costs were closely monitored, with a focus on key expenditures to generate the highest possible profit for the business.

b) Liabilities Overview

- The company currently has no overdue debts.

To support its business and production activities, the company has the following short-term and long-term borrowings:

Short-term loans: VND 333,422,586,607

Long-term loans: VND 0

3. Organizational, Policy, and Management Improvements

To effectively manage the company during a period of rapid growth, the Company has focused on upgrading its enterprise management system and has achieved significant improvements. The Company places particular priority on innovation, capacity enhancement, and the application of information technology.

While the Company already had a solid foundation in processes and management systems, these need to be further professionalized to meet new development demands—ensuring strict compliance while remaining flexible and open to support new trends.

Therefore, alongside business operations, internal restructuring and innovation have been continuously carried out through the updating of management policies and adjustments to rules and processes to align with practical needs and legal regulations. The Company is gradually completing and stabilizing the operations of departments such as the Planning Department and the R&D Department, clearly defining the objectives, effectiveness, and functions of each department in line with their expertise and duties.

4. Development Plan for the Future

In 2024, Vietnam's steel industry faced many difficulties and a sluggish market. However, by year-end, the market began showing positive signs. Looking ahead to 2025, the steel industry is expected to recover and grow stronger. Steel production and consumption in 2025 are forecasted to reach

32.9 million tons (up 12%) and 32.5 million tons (up 11%) respectively, thanks to increased civil construction value and low industry inventories.

Moreover, 2025 is considered a pivotal year for the steel industry, with expectations of continued recovery in steel prices. Additionally, newly passed laws such as the amended Land Law and Real Estate Business Law help resolve legal obstacles in the real estate market, especially in land valuation, compensation, and site clearance enabling investors to accelerate project implementation and increase market supply.

- **Trading Activities:** This remains the core operation and main source of revenue and profit for the Company. The management aims to:
 - Strengthen market research and monitor export market demands to proactively plan and prepare.
 - Focus on developing the steel business, especially stainless steel, to fully tap into market potential by region/industrial zone, expand the customer base, and enhance customer engagement.
 - Supervise and manage inventory levels, monitor raw material price fluctuations, and implement appropriate adjustment policies.
 - Keep up-to-date with global and domestic economic trends, especially exchange rates and interest rate trends, to implement effective financial policies and organizational restructuring.
- **Other Activities:**
 - Seek investment opportunities in the real estate market, which is expected to improve in 2025, by forming joint ventures, partnerships, or equity participation in other companies to boost business operations and market expansion.
 - Accelerate legal procedures to obtain approval for investment in the Sơn Trà project (Đà Nẵng).
 - Initiate legal procedures for the renovation of the hotel project in Quảng Ninh.
 - Operate the condo-hotel project in Đà Nẵng.
 - Invest in and renovate the resort villa project in Quốc Oai.

5. Management Explanation of Audit Opinion

Phuong Anh Company has been operating in the steel business for 14 years. With extensive experience in steel processing and trading, the company understands the importance of continuously investing in plant expansion and maintaining inventory to meet domestic and international demand.

Capital mobilization from investors and bank loans is essential. However, the 30% EBITDA cap on related-party interest expenses has posed challenges for many businesses, including Phuong Anh, as it leads to the exclusion of interest expenses and results in increased corporate income tax.

This is a necessary financial activity to sustain business development. The company strictly adheres to borrowing regulations and consistently pays actual interest expenses, which banks recognize for tax purposes in accordance with the law.

6. Environmental and Social Responsibility Report

a. Environmental Indicators (Water, Energy, Emissions...)

Over the past year, the company encouraged employees to maintain workplace cleanliness, fostering a civilized and healthy work environment. Green plants were placed around the office to create a greener space and enhance employee well-being.

b. Labor-Related Evaluation

Employees are key to the company's sustainable development. The leadership always creates opportunities for employees to maximize their potential in a dynamic, professional environment. The company continuously improves wage, bonus, and welfare policies to enhance both material and spiritual life.

c. Community Responsibility Evaluation

In addition to profit-making and maximizing shareholder value, the company is also committed to contributing a portion of its profits to the development of the community and residents in its operational areas. Social and environmental responsibility is embedded in all of the company's development activities. Key initiatives include:

- Strict compliance with environmental protection regulations, waste management, and resource conservation.
- Consistent orientation toward selecting solutions, technologies, and products that optimize environmental protection from the construction phase to the customer use phase

IV. Assessment by the Board of Directors on the Company's Operations (for Joint Stock Companies)

1. Board of Directors' Evaluation of the Company's Activities, Including Environmental and Social Responsibility

In 2024, the Board of Directors highly appreciated the proactive, flexible, creative, and determined efforts of the Executive Board and all employees in organizing and implementing business activities. At the same time, internal governance was well-executed, helping the company achieve its targets in line with the set strategy.

The Board of Directors recognized that the Executive Board made significant efforts in implementing business plans and properly managing internal operations. All directives and decisions from the Board of Directors were fully and promptly executed by the Executive Board, with detailed and responsible reporting of the outcomes.

Overall, in 2024, the company operated according to its planned orientation. Departments worked collaboratively to promote business activities and achieved notable results. Alongside this, efforts were made to enhance financial and accounting practices, internal control systems, and human resource training. Throughout its operations, the company maintained a strong focus on environmental and social responsibility, fully complying with legal regulations.

2. Board of Directors' Evaluation of the Executive Board's Performance

Based on the Company Charter and Corporate Governance Regulations, the Board of Directors monitored the General Director and other key management personnel in 2024 to ensure they implemented resolutions from the General Meeting of Shareholders and the Board of Directors, as well as handled the company's day-to-day operations effectively. This oversight was carried out regularly and strictly.

Given the difficulties in the national economy and the steel industry in particular, the Board of Directors, the Executive Board, and all employees united in striving to fulfill the company's strategic plans. While the company did not fully achieve its 2024 targets, the year served as a valuable stepping stone. The experience gained will strengthen solidarity and determination within the company to reach new expectations in 2025.

3. Board of Directors' Plans and Strategic Direction

For the year 2025, the Board of Directors has proposed strategic directions for business operations and development goals as follows:

Unit: VND million

<i>Indicator</i>	<i>Parent Company Plan</i>	<i>Consolidated Plan</i>
<i>A. Revenue Plan</i>		
<i>Sales Revenue</i>	1,695,000	1,700,000
<i>B. Cost Plan</i>		
<i>Cost of Goods Sold</i>	1,642,800	1,633,600
<i>Depreciation</i>	3,200	5,400
<i>Financial Costs</i>	15,000	20,000
<i>Selling Expenses</i>	4,000	5,000
<i>Business Management Expenses</i>	7,000	9,000
<i>Other Costs</i>	3,000	5,000
<i>C. Profit Plan</i>		
<i>Profit Before Tax</i>	10,000	12,000
<i>Profit After Tax</i>	8,000	9,600

- To implement the financial plan for 2025, the Board of Directors has developed the following strategy and operational direction for the company's business activities:
- Products and Business Areas:
- Focus on strengthening the business activities related to galvanized steel, cold rolled steel, and stainless steel.
- Expand cutting and slitting services by opening up new markets, providing after-sales services for traditional customers, and offering special policies for potential and new customers.
- Improve the product quality and slitting services at the manufacturing plant
- Expand business operations by seeking additional suitable locations and completing related procedures to implement new product projects through acquisitions, mergers, or joint ventures with potential partners.
- Authorize the Board of Directors to implement the legal procedures for real estate projects in Da Nang, Quang Ninh, and Quoc Oai.
- Market Monitoring:
- Closely monitor and swiftly respond to market developments, especially in the case of significant price fluctuations, to devise timely and effective solutions.
- Cost Control:
- Implement effective cost control measures.
- Human Resources Development:

- Focus on developing the team's capabilities through self-training and participation in advanced professional training courses.
- This plan outlines clear strategic goals for product development, market expansion, cost control, and human resource investment, with the aim of enhancing business performance in the coming year.

V. Corporate Governance

1. Board of Directors

a) Members and Structure of the Board of Directors

In 2024, the Board of Directors (BOD) consists of 5 members. The composition and titles of the Board members are as follows:

No.	Full Name	Position	Note	Ownership Percentage
1	Nguyễn Hùng Cường	Chairman of the BOD	Executive Member	0%
2	Trần Duy Cường	Member of the BOD, CEO	Executive Member	0%
3	Nguyễn Thị Ngọc Hà	Member of the BOD	Non-Executive Member	0%
4	Lê Hoàng Yến	Member of the BOD	Independent Member	0%
5	Lưu Thị Thu Thùy	Member of the BOD	Non-Executive Member	0%

b) Committees under the Board of Directors: None

c) Activities of the Board of Directors:

In 2024, the Board of Directors (BOD) and its members have remained dedicated to the interests of shareholders and the Company. They have carried out their duties responsibly, honestly, carefully, and in compliance with the law and the Company's Charter, ensuring the Company operates effectively, stably, and continuously develops.

The Board of Directors of Phương Anh International Joint Stock Company held both regular and extraordinary meetings. During these meetings, the BOD passed resolutions and decisions in a timely manner, ensuring they aligned with the actual operations of the Company and adhered to the strategic direction approved by the Annual General Meeting of Shareholders (AGM)

The contents of the meetings in 2024 are outlined in the specific Resolutions and Decisions as follows:

Date	Content	Approval Rate
27/02/2024	Approval of asset pledge plan/credit granting from VPBank	100%
27/02/2024	Approval of the record date for shareholder list to attend the 2024 Annual General Meeting	100%
08/04/2024	Approval of asset pledge plan/credit granting from Sacombank	100%
02/05/2024	Approval of the policy for trading goods with Saigon Steel Joint Stock Company	100%

21/05/2024	Approval of the policy for transferring shares at Thành Lâm Real Estate Joint Stock Company	100%
04/06/2024	Change of the capital management person at Thành Lâm	100%
28/06/2024	Approval of policy for acquiring real estate in Ho Chi Minh City	100%
28/06/2024	Approval of the cancellation of the land transfer contract in Quoc Oai, Hanoi	100%
03/07/2024	Selection of the auditing firm for 2024	100%
05/07/2024	Approval of the cancellation of the real estate transfer in Ho Chi Minh City	100%
18/07/2024	Approval of the signing of a credit agreement with SHB Vinh Phuc	100%
08/10/2024	Approval and authorization to sign with Saigon Thuong Tin Commercial Joint Stock Bank - Hanoi Branch	100%
07/10/2024	Approval of the policy to appoint a representative to manage the capital contribution at Thành Lâm Real Estate Co., Ltd	100%
12/10/2024	Approval of the policy for acquiring shares at Vườn Đào Ha Long Hotel Joint Stock Company	100%
15/11/2024	Approval of asset pledge/credit granting from Vietnam Prosperity Joint Stock Bank 250 billion VND	100%
13/12/2024	Approval of the acquisition of shares at Kiến Đại Dương Hotel Joint Stock Company	100%
27/12/2024	Approval of the Investment Trust Agreement with Mr. Nguyễn Hùng Cường	100%

d) Activities of Independent Members of the Board of Directors:

The independent members of the Board of Directors have properly fulfilled their functions and roles, ensuring the independence of the Board.

They provided objective, fair, and transparent opinions that focused on the overall interests of the company, rather than the individual interests of any specific shareholder or group of large shareholders. Thanks to this objective voice, the Board avoided making decisions that could be self-serving, which could create conflicts of interest among shareholders or even within the Board itself.

The independent members of the Board have had more access to information about the market and the business environment, allowing them to make insightful analyses and judgments. This enabled the Board to gain additional perspectives, leading to sound decisions that were not dependent on the company's past precedents.

They contributed to the Board's decision-making by providing counterarguments based on their knowledge and accumulated experience. This ensured a diverse and multi-dimensional approach within the Board, promoting fairness and transparency in the company's governance activities.

Activities of Sub-committees within the Board of Directors: None

e) List of Board Members with Corporate Governance Training Certificates: None

List of Board Members Participating in Corporate Governance Programs in the Year: None

2. Supervisory Board

a) Members and Structure of the Supervisory Board:

In 2023, the Supervisory Board of the Company consisted of 03 members as follows:

No.	Full Name	Position	Percentage of Shares (%)
1	Nguyễn Thị Thu Hằng	Head of the Supervisory Board	0
2	Lê Hồng Quân	Member	0
3	Phạm Xuân Bắc	Member	0

b) Activities of the Supervisory Board

In 2024, after the General Shareholders' Meeting, the Supervisory Board held a meeting to assign tasks to each member of the board to perform their functions and duties, and to review and supplement the operational plan.

The board monitored compliance with the Company's Charter, as well as applicable legal regulations in the management and operation of the Company's business activities.

The board oversaw the implementation of resolutions from the General Shareholders' Meeting and the Board of Directors in 2024.

The board checked and monitored the Company's activities by participating in meetings of the Board of Directors, the Executive Board, and reviewing periodic reports from the relevant departments to understand the business situation, contribute opinions, and make recommendations to the Board of Directors and the Executive Board within their scope of responsibility and authority

3. Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Supervisory Board

a) Salaries, Bonuses, Remuneration, and Benefits

STT	Description	Monthly Remuneration per Person (VND)	Other Operational Costs and Benefits in 2024	Total Remuneration for 2024 (VND)
1	Chairman of the Board of Directors	5,000,000	0	60,000,000
2	Board of Directors Members (4 people)	2,000,000	0	96,000,000

3	Supervisory Board Chairman	2,000,000	0	24,000,000
4	Supervisory Board Members (2 people)	1,000,000	0	24,000,000

b) Transactions of Shares by Insiders

As of December 31, 2024, the statistics on share transactions by insiders are recorded as follows:

TT	Person Conducting Transaction	Relationship with Insider	Shares Held at Beginning of Period	Shares Held at End of Period	Reason for Increase/Decrease (Buy, Sell, Conversion, Bonus...)
1	Trần Duy Cường	Insider	600,000 (2.1%)	0 (0%)	Sold
2	Nguyễn Thị Ngọc Hà	Insider	300,000 (1.05%)	0 (0%)	Sold

c) Contracts or Transactions with Insiders:

This refers to transactions between the company and its related parties; or between the company and major shareholders, insiders, or related parties of insiders:

TT	Full Name	Position	Transaction Company Name	Purpose of Transaction	Approval Document
1	Nguyễn Hùng Cường	Chairman of the Board	Phuong Anh International Joint Stock Company	Approval and authorization to sign with VPBank	Resolution No. 08/2024/BB-HĐQT-PAS dated 27/02/2024
1	Nguyễn Hùng Cường	Chairman of the Board	Phuong Anh International Joint Stock Company	Approval and authorization to sign with Sacombank	Resolution No. 11/2024/BB-HĐQT-PAS dated 08/04/2024
2	Trần Duy Cường	CEO	Phuong Anh International Joint Stock Company	Change of the representative managing the capital contribution at Thành Lâm Real Estate Joint Stock Company	Resolution No. 20/2024/BB-HĐQT-PAS dated 06/04/2024
3	Trần Duy Cường	CEO	Phuong Anh International Joint	Change of the representative managing the capital contribution at Thành Lâm Real Estate	Resolution No. 33/2024/BB-HĐQT-PAS dated 07/10/2024

			Stock Company	Joint Stock Company	
4	Nguyễn Hùng Cường	Chairman of the Board	Phuong Anh International Joint Stock Company	Approval and authorization to sign with Saigon Thuong Tin Commercial Joint Stock Bank – Hanoi Branch	Resolution No. 34/2024/BB-HĐQT-PAS dated 08/10/2024
5	Nguyễn Hùng Cường	Chairman of the Board	Phuong Anh International Joint Stock Company	Approval and authorization to sign with Vietnam Prosperity Joint Stock Commercial Bank	

Second, Transactions between the company’s insiders, related parties of the insiders, and subsidiaries or companies controlled by the company:

No .	Company Name	Position	Transaction Company	Purpose of Transaction	Approval Document
1	Thành Lâm Real Estate JSC		Phuong Anh International JSC	Approve the plan to transfer shares in Thành Lâm Real Estate JSC	Resolution No. 19/2024/BB-HĐQT-PAS dated May 21, 2024
2	Vườn Đào Hạ Long Hotel JSC		Phuong Anh International JSC	Approve the plan to receive share transfer at Vườn Đào Hạ Long Hotel JSC	Resolution No. 35/2024/BB-HĐQT-PAS dated October 12, 2024
3	Kiến Đại Dương Hotel JSC		Phuong Anh International JSC	Approve the plan to receive share transfer at Kiến Đại Dương Hotel JSC	Resolution No. 38/2024/BB-HĐQT-PAS dated December 13, 2024

Three: Transactions between the company and other entities

- Transactions between the company and a company where members of the Board of Directors, members of the Supervisory Board, the Director (General Director), and other managers have been or are currently founders or members of the Board of Directors, Directors (General Directors) in the past three (03) years (as of the time of the report): None.
- Transactions between the company and a company where related parties of members of the Board of Directors, members of the Supervisory Board, the Director (General Director), and other managers are members of the Board of Directors, Directors (General Directors) managing the company: None.
- Other transactions of the company (if any) that could bring material or immaterial benefits to members of the Board of Directors, members of the Supervisory Board, the Director (General Director), and other managers: None.

d) Assessment of the implementation of corporate governance regulations: The company strictly adheres to the corporate governance regulations and relevant legal provisions

VI. Financial Report

1. Audit Opinion

The 2024 financial statements of the Company have been audited in accordance with the regulations in the Articles of Association and the 2024 General Shareholders' Meeting Resolution, conducted by the auditing and consulting firm UYH Co., Ltd. The audit firm has issued an opinion with a qualification on the 2024 audited financial statements. Overall, the financial statements accurately reflect the company's production, business, and financial situation, presented in accordance with the prescribed reporting formats. The report has faithfully and reasonably reflected the financial situation as of December 31, 2024, in all material aspects. The bookkeeping, ledger maintenance, and classification of economic transactions have been conducted in compliance with accounting standards issued by the Ministry of Finance.

2. Audited Financial Statements

The Company has prepared and disclosed periodic reports in compliance with the legal requirements for information disclosure on the securities market.

Recipients:

- *The State Securities Commission*
- *The Stock Exchange*
- *Company Archives*

LEGAL REPRESENTATIVE'S CONFIRMATION OF THE COMPANY



NGUYEN HUNG CUONG