

Hai Phong, dated 20/3/2025



## REPORT ON BOM' ACTIVITIES THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

**To: General Meeting of Shareholders of Ha Long Canned Food JSC**

**Dear Shareholders!**

The Board of Management (" **BOM** ") would like to report an overview of the operating results of Ha Long Canned Food JSC (" **Company** ") and the activities of the Company's BOM in 2024 as follows:

### I. COMPANY ACTIVITIES IN 2024

#### 1. Production and business activities of the Company in the most recent 3 years (From 2022 to the end of 2024)

In order for the General Meeting of Shareholders (" **AGM** ") to have an overview of the Company's overall picture and its current position in the Vietnamese food processing industry, the BOM would like to review a number of basic indicators of the Company in the last 3 years (Year 2022; 2023; 2024)

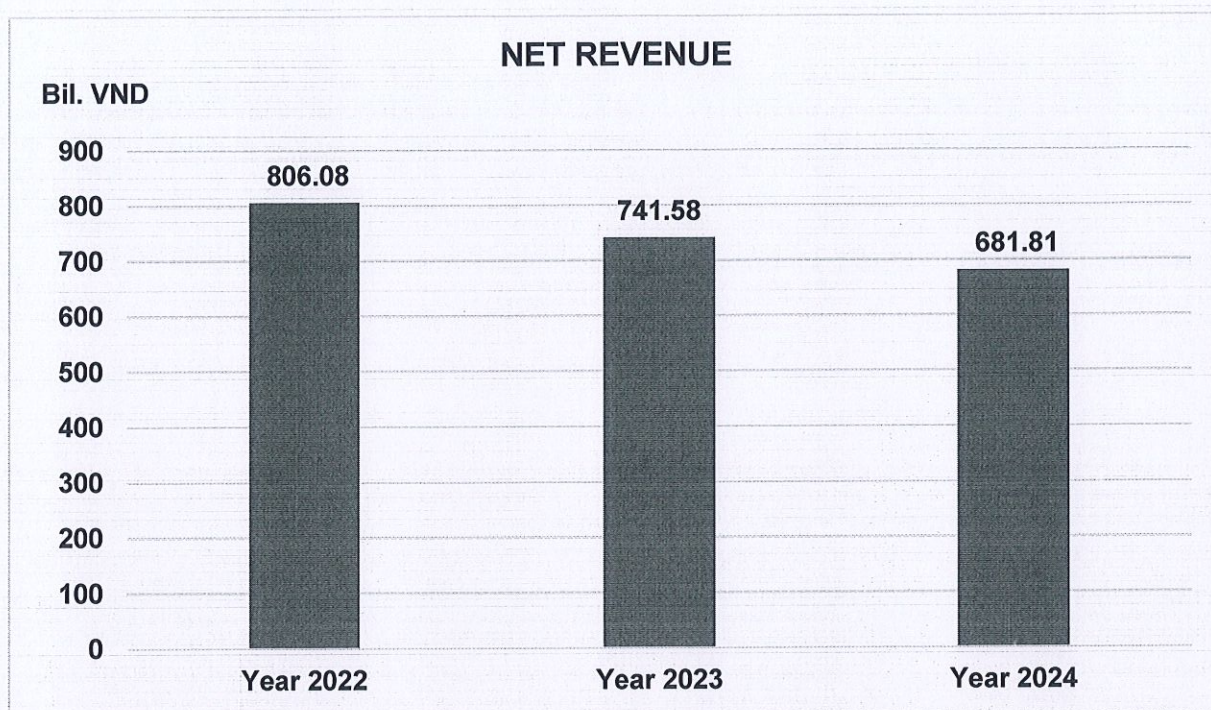
(The data below are taken from the Company's annual financial statements (consolidated). Price increase/decrease factor of each product group in 3 years instead offset/subtraction change, does not have much impact on revenue targets).

Specifically, the data of the Company's basic targets (consolidated) implemented in the three years 2022; 2023; 2024 are as follows:

(Unit: Billion VND)

Year	2022	2023	2024
Net revenue	806.08	741.58	681.81
Profit before tax	20.09	16.77	3.15
Profit after tax	16.02	12.07	2.13
Undistributed after-tax profits	52.93	57.00	51.18
Dividend	12.5	7.50	6.00





Some general analysis:

**Net revenue criteria** The Company's net revenue includes net domestic revenue and net export revenue (Halong Canfoco – Danang Company Limited).

**Profit criteria** In the three years 2022 - 2024, the Company's pre-tax profit will reach VND 20.09 billion, respectively, VND 16.77 billion and VND 3.15 billion.

**2. Production and business activities of the Company in 2024:**

2024, the Company is continuing to develop production and business with new orientations, changes, and restructuring of fields within the Company such as Market - Production - Human Resources - Financial Management.

As follows:

(Unit: Billion VND)

No	CRITERIA	Plan 2024	Implementation 2024	Implementation 2023	Compare (%)	
					Plan 2024	Same period 2023
(1)	(2)	(4)	(5)	(6)	(7)=(5)/(4)	(8)=(5)/(6)
1	Net revenue	712.29	681.81	741.58	96%	92%
2	Profit before tax	11.25	3.15	16.77	28%	19%
3	Profit after tax	8.87	2.13	12.07	24%	18%

In 2024, compared to the Revenue and Profit targets set by the Annual General Meeting of Shareholders, the Company has implemented the following:

- Net revenue reached VND 681.81 billion, 4% lower than the 2024 plan and 8% lower than the 2023 actual performance.
- Profit before tax reached VND 3.15 billion, 72% lower than the 2024 plan and 81% lower than the 2023 actual performance.



- Profit after tax reached VND 2.13 billion, 76% lower than the 2024 plan and 82% lower than the 2023 actual performance.

**Regarding capital mobilization and use in 2024:**

To ensure stable production activities and proactively manage selling prices and supply to the market in 2024, the Company increased its reserves of main raw materials, especially tuna. This raw material is caught seasonally, so having enough stock on hand is crucial. To achieve this, we mobilized capital to reserve raw materials at commercial banks, such as Vietcombank, Agribank, Techcombank, MBBank and Vietinbank, throughout the year.

**Regarding dividend payment for 2023**

According to the profit distribution plan approved by the 2024 Annual General Meeting of Shareholders, the 2023 dividend payment rate in cash is 12%/share which has been implemented by the BOM from April 2024 in accordance with regulations. law.

Regarding the BOM's activities, the assessment report of independent members of the BOM on the BOM's activities in 2024, management activities, and a summary of the BOM's meetings are shown in the Appendices attached to this report.

## **II. 2025 PRODUCTION AND BUSINESS PLAN AND DEVELOPMENT ORIENTATION**

Reflecting on the economic and social situation both domestically and internationally, as forecasted by financial institutions and economic experts, and based on the Company's long-term development strategy, the BOM has identified 2025 as a pivotal year filled with opportunities and challenges. Accordingly, we outline key development objectives and implementation strategies to ensure the Company continues its sustainable growth and strengthens its market position.

### **1. Human resources strategy**

Human resources are the key factor determining a Company's success and sustainable development. Therefore, the Company is committed to:

- Building and strengthening the core workforce: We continue to recruit, train, and develop personnel with high professional competency, innovative thinking, and disciplined work ethics. Enhancing professional qualifications and soft skills remains a top priority in human resource management.
- Creating a professional working environment that ensures employee benefits: The Company is committed to improving remuneration policies, enhancing working conditions, and fostering a friendly environment that motivates employees to grow.
- Developing a strong corporate culture: Emphasizing unity, individual and collective responsibility to create strong internal cohesion.
- Promoting corporate social responsibility activities: Beyond profit-making, the Company continues to expand community projects, striving for sustainable development and closer engagement with local communities.

### **2. Shareholder strategy**

- Enhancing transparent communication: We commit to providing accurate and timely information regarding the Company's operational and financial status to shareholders, ensuring investor trust and benefits.
- Increasing investment value: Continuously optimizing business strategies to ensure operational efficiency, bringing sustainable profits, and increasing share value for shareholders.

### **3. Capital strategy**

- Mobilizing and optimizing capital resources: The Company will leverage existing capital sources and seek opportunities to raise funds from financial markets to meet investment and development needs.
- Increasing asset value: We seek strategic investment solutions to enhance asset value, improve the Company's financial capacity, and optimize current investments.

### **4. Business strategy**

- Balancing capital and managing the supply chain: Utilizing available resources to procure and store raw materials efficiently, ensuring an effective supply chain operation, optimizing production costs, and mitigating risks related to material price fluctuations.
- Controlling operational costs: Continuing to implement cost-cutting measures without compromising product and service quality, ensuring maximum operational efficiency.



- Developing modern distribution channels: Adapting to new consumer trends by expanding e-commerce channels, integrating digital technology into sales systems to enhance customer experience and optimize market access strategies.
- Strengthening brand awareness and marketing efforts: Leveraging the power of social media platforms to promote products, share usage and preparation methods, attract new consumers, retain existing customers, and expand potential markets.
- Researching and developing new products: Constantly improving the quality of existing products and diversifying the product portfolio to meet evolving consumer demands. The focus will be on essential, convenient products that meet hygiene, safety, and health-conscious consumption trends.
- Capitalizing on competitive advantages: The Company will continue to research and implement strategies to expand both domestic and international markets, leveraging unique competitive strengths to increase market share.

#### **5. Long-term development prospects**

2025 is not only a year where the Company aims for strong revenue and profit growth but also a period to redefine long-term development strategies. We firmly believe that with a clear direction and the efforts of the entire leadership team and workforce, the Company will continue to strengthen its position in the domestic market while expanding operations internationally.

We are committed to actively adapting to market fluctuations, seizing every growth opportunity, optimizing business operations, overcoming challenges, and mitigating risks. The Company aims for sustainable growth, solidifying a strong foundation for future development phases.

#### **APPRECIATION**

On behalf of the BOM, I would like to extend my sincere gratitude to our shareholders, valued customers, partners, and all employees for your continued support, trust, and dedication. We look forward to further cooperation and contributions from all of you on our journey ahead.

Our deepest appreciation goes to the members of the BOM, the Executive Board, the Supervisory Board, and all Company employees for your unwavering dedication, commitment, and tireless efforts over the past year. We believe that with unity, high determination, and the right development strategy, the Company will continue to achieve significant milestones and bring sustainable value to all stakeholders.

Best regards.

**ON BEHALF OF THE BOM  
CHAIRMAN**

(Signed)

**KEK CHIN ANN**



**APPENDIX 01**  
**(Report on the activities of the BOM**  
**at the Annual General Meeting of Shareholders year 2025)**

**1. Remuneration, operating expenses and other benefits of the BOM**

- In 2024, remuneration payments to members of the BOM will be carried out in accordance with Resolution No. 01/2024/NQ-DHDCD passed at the 2024 Annual General Meeting of Shareholders.
  - Operating expenses and other benefits of the BOM are implemented in accordance with the provisions of the Charter and internal regulations of the Company.
- Details:

No.	Full name	Position	Remuneration (VND)	Bonus (VND)
1	Kek Chin Ann	BOM Chairman	316,981,128	181,132,076
2	Nguyễn Thành Trung	Deputy of BOM Chairman	290,566,032	166,037,736
3	Trần Hữu Hoàng	BOM Member	264,150,948	150,943,396
4	Bùi Quốc Hưng	BOM Member	264,150,948	150,943,396
5	Wilson Cheah Hui Pin	BOM Member	264,150,948	150,943,396
<b>Total</b>			<b>1,400,000,004</b>	<b>800,000,000</b>

**2. Summary of meetings of the BOM and decisions of the BOM.**

In 2024, the BOM discussed and passed 42 Resolutions. Important resolutions are as follows:

- Company:
  - o Approving the transfer of undistributed after-tax profits at Halong Canfoco – Danang Company Limited
- Halong Canfoco – Danang Company Limited
  - o Changes in the Members' Council and the Director position
  - o Reappointment of the Chief Accountant position
  - o Increase in charter capital
- Cot Den Food One Member Enterprise Liability Limited
  - o Appointment of key personnel positions

Please refer to the details of the BOM's 2024 resolutions in the Company's governance report No. 02/2025/BC—HDQT, dated January 10, 2025, which was announced by the Company.

**3. Report on transactions between the company, subsidiaries, companies controlled by a public company with 50% or more of charter capital and members of the BOM and related persons of that member; Company-to-company transactions in which a member of the BOM is a founding member or a business manager within the most recent 3 years prior to the transaction date**

No	Name of organization/individual	Relevant relationship with the company	Certificate number, date of issue, place of issuance	Head office address/Contact address	Transaction content	Total transaction value	Time to transact with the company	Note
1	Hanoi Seafood Import-Export Joint Stock Company/	Related persons of members of the BOM	Business Registration Certificate No. 0100102848, date of issue May 11, 2020 at Hanoi	20 Lang Ha, Lang Ha Ward, Dong Da District, Hanoi	Use the service	131,249,649 VND	From January 1, 2024	



No	Name of organization/individual	Relevant relationship with the company	Certificate number, date of issue, place of issuance	Head office address/Contact address	Transaction content	Total transaction value	Time to transact with the company	Note
			Department of Planning & Investment					
2	Vietnam Seafood Corporation – Joint Stock Company	Related persons of members of the BOM	Business Registration Certificate 0310745210 issued date March 31, 2011 at/ at Department of Planning and Investment of Ho Chi Minh City	2-4-6 Dong Khoi, Ben Nghe Ward, District 1, Ho Chi Minh City	Use the service	255,808,478 VND	From January 1, 2024	
					Compensation collection for goods	2,400,000 VND		
3	Halong Canfoco – Danang Company Limited	Subsidiaries	0401401591, date of issue November 7, 2011 at the City Department of Planning and Investment. Danang	Lot C3-4 C3-5 Tho Quang Fisheries Service Industrial Park, Tho Quang Ward, Son Tra District, Danang.	Use the service	47,662,280,000 VND	From January 1, 2024	
					Purchase goods	91,578,080 VND		
					Sales	2,903,712 VND		

#### 4. Results of the BOM' supervision of the Company's Executive Board

In 2024, the Management Board made efforts to maintain business operations, implement approved plans, and navigate the Company through a volatile market environment. However, the business results indicate that performance remained limited and did not meet expectations. Specifically:

- Net revenue reached VND 681.81 billion, 4% lower than the 2024 plan and an 8% decrease compared to 2023.
- Profit before tax was VND 3.15 billion, 72% lower than the 2024 plan and an 81% decrease compared to 2023.
- Profit after tax reached VND 2.13 billion, 76% lower than the 2024 plan and an 82% decrease compared to 2023.

Given this reality, the Board of Management (BOM) acknowledges the efforts of the Management Board but also frankly assesses that the execution of strategic oversight and operational plans was not sufficiently compelling to achieve key financial targets.

##### a. Reporting and Compliance with BOM Resolutions

The Management Board complied with periodic and ad-hoc reporting duties regarding business operations, financial performance, project progress, and potential risks. BOM resolutions were executed thoughtfully. However, the ability to translate strategy into tangible business outcomes remains limited, lacking breakthroughs in growth.

##### b. Performance of Key Responsibilities by the Executive Board

Despite underperformance in financial results, the Management Board initiated several foundational efforts, including:



- Improving capital mobilization and financial management to ensure liquidity and operational continuity;
- Expanding distribution channels, including online and direct-to-consumer sales;
- Enhancing R&D activities to introduce new products aligned with market trends;
- Strengthening internal controls and risk management, gradually improving governance frameworks.

However, these efforts have not been strong enough to improve business performance significantly.

**c. Future Directions for Management Enhancement**

To achieve sustainable growth and address the shortcomings of 2024, the Executive Board should focus on the following key areas:

- Completing and refining governance policies and operational guidelines: Updating and strengthening internal policies and operating procedures to ensure a systematic and efficient approach to company management.
- Enhancing financial management capabilities: Implementing financial strategies that optimize capital utilization, ensure financial transparency, reduce costs, and maximize profitability.
- Accelerating digital transformation: Leveraging advanced digital tools to streamline management processes, enhance operational efficiency, and improve the customer experience.
- Developing long-term strategic growth plans: Beyond short-term goals, the Executive Board should outline a sustainable development strategy that aligns with evolving market trends and consumer demands.

The BOM appreciates the efforts of the Executive Board in maintaining operational stability throughout 2024. However, given the unsatisfactory financial results, more decisive and effective measures are required going forward. The BOM will continue to strengthen its oversight role and work closely with the Management Board to improve performance and drive sustainable growth.

With the close supervision of the BOM, the decisive leadership of the Executive Board, and the collective commitment of all employees, the company is confident in achieving new milestones and continuing its success in the years ahead.

