

Number: *107*/BCTN-BKC

Bac Kan City, month 04 day 09 year 2025

ANNUAL REPORT
Year 2024

--

To: - **The State Securities Commission of Vietnam;**
- **Hanoi Stock Exchange.**

I. GENERAL INFORMATION

1. Overview

- Trading name: **BAC KAN MINERALS JOINT STOCK CORPORATION**
- Enterprise Registration Certificate No.: 4700149595
- Charter capital: VND 117,377,280,000
- Owner's Equity: VND 234,928,396,177
- Address: Group 4, Duc Xuan ward, Bac Kan city, Bac Kan province.
- Phone: (0209)3 812 399.
- Website: <http://backanco.com> Email: bkc@backanco.com
- Stock code: BKC
- Company logo:



*** Formation and Development History**

- On April 5, 2000, Bac Kan Mineral Joint Stock corporation was established under Decision No. 312/QĐ-UB issued by the People's Committee of Bac Kan Province.

- In April 2006, the Company was transformed from a 100% state-owned enterprise into a joint stock company, with the State holding 51% of the charter capital.

- On August 18, 2009, the Company's shares (stock code: BKC) were officially listed on the Hanoi Stock Exchange (HNX).

- On October 22, 2009, the State Capital Investment Corporation (SCIC) divested its entire state capital from the Company.

- On July 12, 2021, the People's Committee of Bac Kan Province issued Decision No. 1190/QĐ-UBND approving the merger of three projects: Lead smelting plant with a capacity of 10,000 tons/year (reduced to 5,000 tons/year); Zinc oxide powder production plant; and Solid waste treatment project in mineral processing — into one project titled: “Adjusted and Expanded Production Project for Lead-Zinc Processing Complex.”

- On September 19, 2022, the Company's Board of Directors issued Resolution No. 40/2022/NQ-HĐQT approving the capital contribution to establish Tay Nguyen Durian Joint Stock Company.

- On November 4, 2022, the People's Committee of Bac Kan Province issued Decision No. 2140/QĐ-UBND on the establishment of Thanh Thinh Industrial Cluster in Cho Moi District, assigning Bac Kan Mineral Joint Stock Company as the investor responsible for developing technical infrastructure.

2. Business Lines and Operating Areas

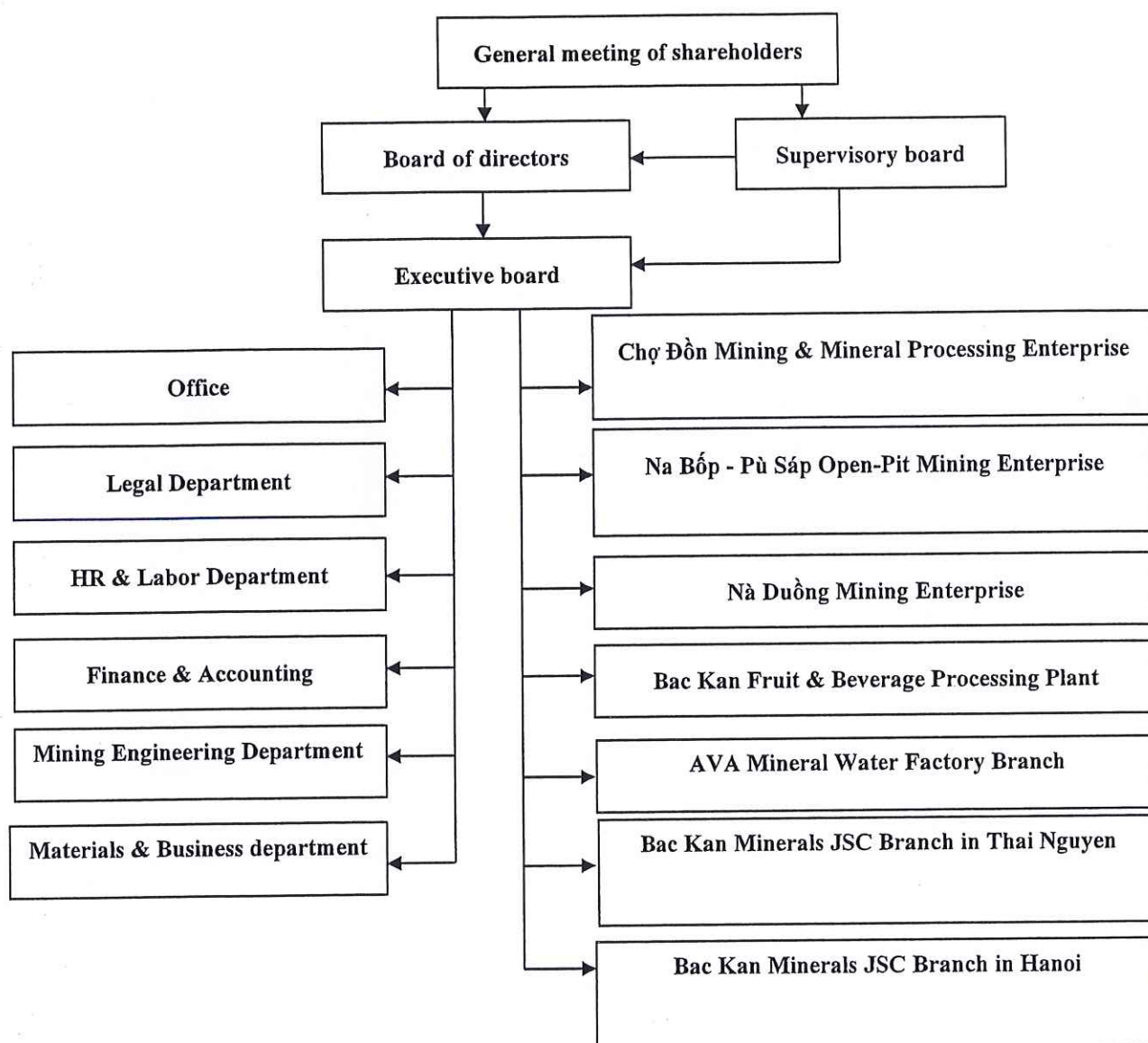
- Main business activities: Mining and processing of lead and zinc ores.
- Main business location: Bac Kan province.

3. Information on Governance, Business Organization and Management Structure

- Governance model: General Meeting of Shareholders, Board of Directors, Supervisory Board, and Executive Management (Board of General Directors) (Point a, Clause 1, Article 137 of the Law on Enterprises 2020).

- Organizational management structure:

Figure 1. Organizational chart of Bac Kan Mineral Joint Stock Corporation



- Subsidiaries and Associated Companies

*** Nghe An Bus Station Joint Stock Company**

+ Address: No. 77 - Le Loi Street - Vinh City - Nghe An Province.

+ Main business activities: Passenger transportation by bus; Bus station, parking lot, and vehicle parking services; Office and business kiosk leasing; Investment, construction, and operation of industrial zones, residential areas, and entertainment areas; Real estate business, etc.

+ Charter capital: VND 189,000,000,000

+ Ownership percentage of the Company in Nghe An Bus Station JSC: 5.41% of charter capital.

*** Tay Nguyen Durian Joint Stock Company**

+ Address: CN4, Tan An Industrial Park, Buon Ma Thuot City, Dak Lak Province.

+ Main business activities: Production, processing, and export of agricultural products; Construction and operation of industrial clusters; Freight transportation by road, etc.

+ Charter capital: VND 96,600,000,000

+ Ownership percentage of the Company in Tay Nguyen Durian JSC: 5.18% of charter capital.

4. Development Orientation

- Key Objectives of the Company: The Company aims to leverage its existing technical and infrastructure strengths to enhance production and business activities. It actively pursues technological advancements in mining and focuses on deep processing of non-ferrous and precious metals. Additionally, the Company seeks to optimize management policies to align with market demands, maximizing shareholder profits, increasing employee income, improving working conditions, and fully utilizing staff capabilities. At the same time, it remains committed to fulfilling tax obligations to the state and contributing to social welfare initiatives.

- Medium and Long-term Development Strategy: The Company plans to focus on key mineral exploitation in Bac Kan province and surrounding areas while gradually expanding to international markets. It also aims to develop and complete the infrastructure of the Thanh Thinh Industrial Cluster, laying the groundwork for investment in deep-processing metal factories while ensuring environmental protection.

5. Risks

During business operations, the Company is exposed to the following risk factors:

- *Economic risks*: The global economy remains unpredictable. The Company's products are referenced based on international market prices, making it highly sensitive to market fluctuations. In 2024, global trade continues to face restrictions due to ongoing conflicts such as the Russia-Ukraine war and the Iran-Hamas conflict, causing significant volatility in metal prices. Additionally, rising costs of raw materials, fuel, and supplies negatively impact the Company's operations.

- *Legal risks*: Changes in mineral extraction, utilization, and export policies, especially the Geology and Mineral Law coming into effect on July 1, 2025, directly impact the Company's business activities. Moreover, tightening regulations on taxes, fees, and environmental protection further challenge the industry.

- *Environmental and Natural Resource Protection Risks:* Increasingly strict regulations on environmental protection, non-renewable resource conservation, and land use pose challenges for the Company's operations.

- *Resource Reserve and Quality Risks:* In the mining industry, thorough exploration is required before extracting mineral resources. The transition between the old and new laws has prevented the Company from carrying out planned exploration projects. Despite conducting geological surveys and resource assessments, natural unpredictability poses a risk. Misjudging geological conditions and mineral reserves can significantly impact annual production plans. This remains a critical issue requiring further research and solutions.

- *Industry-Specific Risks in Mining and Mineral Processing:* Mineral extraction and processing generate large amounts of hazardous waste, toxic by-products, and general waste. Additionally, climate change significantly affects production; heavy rainfall increases the risk of water bursts in deep mining operations, leading to potential workplace accidents. Production disruptions due to such factors reduce productivity and create raw material shortages for processing plants.

- *Workforce Instability and Legal Awareness Issues:* Labor instability and limited legal awareness among workers pose challenges for human resource management. Voluntary resignations continue to impact production.

- *Local Customs and Traditions:* Regional customs and traditions also create operational challenges for the Company.

II. BUSINESS PERFORMANCE IN 2024

1. Business and Production Activities

In 2024, the Company continued to contribute to the province's industrial production value, increased local budget revenues, and helped revive and develop the mining and deep mineral processing sectors.

- Business performance results in 2024 compared to planned targets:

Table 1: Business Performance Results in 2024

No.	Target	Unit	2024		Completion Rate (%)
			Plan	Actual	
1	Total raw ore output	Ton	24.500	23.710,63	96,78
2	Processed product volume				
	- Lead concentrate (60% Pb)	Ton	4.550	3.835,16	84,29
	- Zinc concentrate (50% Zn)	Ton	3.650	3.933,936	107,78
	- Metallic lead (content \geq	Ton	8.000	5.368,569	67,11

No.	Target	Unit	2024		Completion Rate (%)
			Plan	Actual	
	97%Pb)				
	- Zinc oxide powder	Ton	6.500	4.612,73	70,97
3	Volume of goods sold				
	- Zinc concentrate (50% Zn)	Ton	0	13.060,253	
	- Metallic lead (content \geq 97%Pb)	Ton	7.500	5.302,232	70,70
	- Zinc oxide powder	Ton	6.800	2.271,104	33,40
4	Total revenue	Billion VND	437,7	567,5	129,66
5	Profit after corporate income tax	Billion VND	5,20	53,9	1.063,54
6	Contribution to state budget	Billion VND	50,0	61,8	123,60
7	Social insurance payment	Billion VND	Full	5,741	100,0
8	Average income	Million VND	8,0	8,0	100,0
9	Estimated capital demand during the year	Billion VND	1.713,64	48,583	2,84

*Note: The social insurance contributions are made by the company promptly as they arise.

2. Organization and Personnel

2.1. List of Executive Board:

Table 2: List of Executive Board

No.	Full name	Position	Note
1	Mr. Dinh Van Hien	General Director	

No.	Full name	Position	Note
2	Mr. Nguyen Tran Nhat	Deputy General Manager	
3	Mr. Vu Gia Hanh	Deputy General Manager	
4	Mr. Tran Van Quyen	Deputy General Manager	
5	Mr. Do Dinh Thang	Deputy General Manager	

*** Summary of Executive Board Profiles:**

- i) **Mr. Dinh Van Hien** - General Director, Board Member:
 - Year of birth: 1967 - Ethnicity: Tay - Nationality: Vietnamese.
 - Number of shares held: 2,576 shares.
- ii) **Mr. Nguyen Tran Nhat** - Deputy General Director, Board Member:
 - Year of birth: 1976 - Ethnicity: Kinh - Nationality: Vietnamese.
 - Number of shares held: 0.
- iii) **Mr. Vu Gia Hanh** - Deputy General Director:
 - Year of birth: 1978 - Ethnicity: Tay - Nationality: Vietnamese.
 - Number of shares currently held: 1,100 shares.
- iv) **Mr. Tran Van Quyen** - Deputy General Director:
 - Year of birth: 1982 - Ethnicity: Kinh - Nationality: Vietnamese.
 - Number of shares currently held: 8,500 shares.
- v) **Mr. Do Dinh Thang** - Deputy General Director:
 - Year of birth: 1982 - Ethnicity: Kinh - Nationality: Vietnamese.
 - Number of shares currently held: 0 shares.
- vi) **Ms. Tran Thi Yen** - Chief Accountant:
 - Year of birth: 1971 - Ethnicity: Kinh - Nationality: Vietnamese.
 - Number of shares currently held: 866 shares.

2.2. Changes in the Executive Board:

- Regarding senior personnel changes in 2024: No changes in senior personnel.
- In 2024, the CEO of the Company issued Decision No. 107/QĐ-BKC on July 11, 2024, appointing Mr. Be Xuan Hai as the Acting Director of the Cho Don Mineral Processing and Exploitation Plant.

2.3. Labor Force:

- The total number of employees in the Company as of December 31, 2024, is 394 people.

- Policies for employees: The Company always complies with labor laws (signing labor contracts, paying compulsory insurance, providing safety training, regular health check-ups, etc.). Employees working far from the Company are provided with free accommodation and a communal kitchen for daily meals. In addition to state policies, the Company gives gifts to the children of employees on International Children's Day (June 1) and Mid-Autumn Festival, honors students with excellent academic achievements, gives gifts to employees on public holidays and Tet, gifts to female employees on International Women's Day and Vietnam Women's Day, gifts to families with merit on War Invalids and Martyrs Day (July 27), supports charity funds, disaster relief funds, national solidarity day, gratitude for war veterans, child sponsorship, Agent Orange victims, etc. The Company also gives Tet gifts to families with revolutionary merit, poor and near-poor households, and students in difficult circumstances. Furthermore, the Company provides support for local public infrastructure construction as per regulations.

3. Investment Situation and Project Implementation

3.1. Major Investments

- Mining Projects: The mining projects are generally operating stably, with no major investments.

- Processing Projects: In 2024, the Company's major investment was in the Thanh Thinh Industrial Cluster, Chợ Mới district, with a total value of 42.855 billion VND, mainly for land clearance compensation.

3.2. Subsidiaries and Affiliates

The Company has 02 affiliate companies:

- Nghe An Bus Station Joint Stock Company; located at: No. 77 - Le Loi Street - Vinh City - Nghe An Province; Main business activities: Bus transportation; Bus station services, parking lots, car parking services; Office and business kiosk rentals; Investment and development of industrial park infrastructure, residential areas, amusement parks; Real estate business, etc. In 2024, Nghe An Bus Station Joint Stock Company increased its charter capital to VND 189,000,000,000.

- Tay Nguyen Durian Joint Stock Company; located at: CN4, Tan An Industrial Zone, Buon Ma Thuot City, Dak Lak Province. Main business activities: Agricultural product manufacturing, processing, and export; Construction and exploitation of industrial clusters; Freight transportation by road, etc. In 2024, the company has products available for sale.

4. Financial Situation

4.1. Financial situation:

Table 3: Company Financial Situation in 2023 and 2024

No.	Indicator	Year 2023 (December 31, 2023)	Year 2024 (December 31, 2024)	% Change (2024/2023)
1	Total assets	368,457,837.358	428,046,906.095	116.17
2	Net revenue	439,951,065,783	567,481,233.266	128.99
3	Net profit from business operations	4,297,100,745	62,774,568,102	1,460.86
4	Other profits	1,756,746,107	2,292,480,919	130.50
5	Profit before tax	6,053,846,852	65,067,049,021	1,074.81
6	Profit after tax	5,129,088,939	51,869,001,852	1,011.27
7	Dividend payout ratio	437	4,419	1,011.21

*4.2. Key financial indicators:***Table 4: Some Key Financial Indicators in 2023 and 2024**

Indicator	Year 2023	Year 2024
1. Liquidity indicators		
+ Current ratio (Current Assets/Short-term Debt)	1,718	1,773
+ Quick ratio (Current Assets - Inventory/Short-term Debt)	0.776	1,231
2. Capital structure indicators		
+ Debt/Total assets ratio	0.503	0.451
+ Debt/Equity Ratio	1,013	0.822
3. Operating efficiency indicators		
+ Inventory turnover ratio	2,790	4,866
+ Net revenue/Total assets ratio	1,194	1,326
4. Profitability indicators		
+ Profit after tax/Net revenue ratio	0.014	0.091
+ Profit after tax/Equity ratio	0.033	0.221

Indicator	Year 2023	Year 2024
+ Profit after tax/Total assets ratio	0.016	0.121
+ Net profit/Net revenue ratio	0.010	0.111

5. Shareholder Structure and Changes in Owner Investment Capital

5.1. Shares:

- Total number of shares of the Company: 11,737,728 shares.
- Total number of shares in circulation: 11,737,728 shares.
- Type of shares: Common shares, freely transferable.

5.2. Shareholder Structure

The Board of Directors of the Company has not yet issued a resolution to convene the 2025 Annual General Meeting of Shareholders, as the Company requires additional time to prepare the meeting agenda, determine production targets, and finalize documents to be submitted to the General Meeting of Shareholders.

Table 5: Shareholder Structure of the Company

No	Shareholders	As of April 16, 2024 ¹		Note
		Number of shares	% Charter capital	
1	Domestic shareholders	11.716.423	99,82	
	Individual shareholders	6.058.613	51,71	
	Institutional Shareholders	5.657.810	48,29	
2	Foreign shareholders	21.305	0,18	
	Total	11.737.728	100.00	

5.3. Changes in Owner Investment Capital: Yes.

5.4. Repurchased Shares Transactions: No.

5.5. Other securities: No.

6. Report on the Environmental and Social Impacts of the Company

6.1. Environmental impact:

- Total direct and indirect greenhouse gas (GHG) emissions:

¹ According to the list of securities holders prepared by the Vietnam Securities Depository and Clearing Corporation (VSDC) on April 16, 2024, which serves as the basis for the Company to convene the 2024 Annual General Meeting of Shareholders (Reference No.: V724/2024-BKC/VSDC-ĐK dated April 16, 2024).

- Initiatives and measures to mitigate GHG emissions:

6.2. Raw Material Management:

- Total amount of main materials used for production in 2024: 15,966,949 tons of dry weight (including: sulfur-lead concentrate, lead oxide, zinc hydrometallurgical sludge, steel furnace dust).

- Percentage of materials recycled and used in product production by the Company: Approximately 80%.

6.3. Energy consumption:

- Direct and indirect energy consumption: i) Electricity: 11,574,678.0 kWh/year; ii) Various types of coal: 13,481.84 tons; iii) Rice husk: 366.93 tons; iv) Fuels (gasoline, oil, etc.): 144,130.0 liters.

- Energy savings through energy efficiency initiatives: The Company has implemented energy-saving measures across the Company's units. However, due to the nature of mining and mineral processing, the effectiveness has not been high.

- Energy-saving initiative reports: None.

6.4. Water Consumption:

- Water sources and usage: Surface water and natural water; Total water usage: 46,773.8 m³/year.

- Percentage and total amount of recycled and reused water: 80%.

6.5. Compliance with Environmental Protection Laws:

- The Company strictly adheres to environmental protection regulations as per the current Environmental Protection Law.

6.6. Policies Related to Employees:

- Number of employees and average salary:

- + Number of employees: 394 people.

- + Average salary: 8.0 million VND/person/month.

- Labor policies ensuring the health, safety, and welfare of employees: The Company complies with safety and hygiene regulations, providing health care to employees such as: 100% of employees participate in mandatory insurance schemes, proper personal protective equipment is provided, regular and frequent safety training, periodic health check-ups, and compliance with hazardous work compensation regulations.

- Bonuses and benefits for employees in 2024:

No.	Key Activities	Amount (VND)
01	Organizing training for employees in 2024	50,040,000

No.	Key Activities	Amount (VND)
02	Annual health check-ups in 2024	87,480,000
03	Organizing experience-sharing sessions and visits	72,720,000
04	Organizing company trips, holidays, and wellness breaks	405,566,000
05	Visits for sick leave, funerals, and celebrations	101,000,000
06	Rewarding individuals and groups with outstanding achievements in 2024	237,500,000
07	Bonuses for New Year's Day, Lunar New Year, April 30, International Labor Day, and National Day	2,061,900,000
08	Recognizing and rewarding children of employees with excellent academic achievements in 2024	34,640,000
09	Gifts for female employees on October 20 and March 8, 2024	26,400,000
10	Gifts for children on Children's Day and Mid-Autumn Festival in 2024	131,400,000
11	Rewarding groups and individuals for outstanding business achievements in 2024	276,900,000
12	Gifts for families with meritorious services and revolution participants on July 27	9,500,000
13	Emergency financial support for employees' families in need	43,000,000
	Total	3,538,046,000

- Employee training activities (Average hours of training per year, per employee, and by employee classification): In 2024, the Company organized occupational health and safety training for 85 employees, conducted basic blasting training for 29 employees, provided safety training for 15 rounds of people, and performed health check-ups for 370 employees.

6.7. *Some Details Related to Social Responsibility Towards the Local Community:*

In 2024, the Company directly and in coordination with local authorities carried out many social and community welfare activities, specifically as follows:

No.	Key Activities	Amount (VND)
01	Donating Tet gifts to families with policy status, poor households, and students in difficult circumstances in Bang Lang Commune, Bang Lung Town, Cho Don District, Thanh Thinh Commune, Cho Moi District, and donating gifts according to the program of the Vietnam Fatherland Front Committee of Bac Kan Province with 200 gift packages	177,000,000
02	Supporting funding for the People's Committee of Cho Don District and Bac Kan City, Bac Kan Province, to organize fireworks to welcome the Lunar New Year 2024.	80,000,000
03	Monthly scholarship support for 4 students under the “Cặp lá yêu thương” program with 400,000 VND/student/month (total amount of support by the end of 2024 is 96,800,000 VND).	4,000,000
04	Donating 2 bicycles and 5 gift packages to 7 students in difficult circumstances at Bang Lang Primary School.	5,000,000
05	Supporting funding for purchasing playground equipment for children at the cultural house in Ban Thi Commune, Cho Don District, Bac Kan Province.	5,000,000
06	Donating to the Bac Kan Children's Support Fund.	5,000,000
07	Donating to the Cho Don District Children's Support Fund, Bac Kan Province.	5,000,000
08	Supporting funding for the People's Committee of Ban Thi Commune, Cho Don District, to organize visits and gifts for children with special difficulties, disabled children, and children who have suffered accidents on the occasion of Mid-Autumn Festival 2024 (2,000,000 VND) and supporting funding for Na Duong hamlet, Bang Lang Commune, Cho Don District to organize Mid-Autumn Festival 2024	7,000,000

No.	Key Activities	Amount (VND)
	(5,000,000 VND).	
09	Donating gifts to war invalids, policy families, revolution participants affected by chemical toxins in Thanh Thinh Commune, Cho Moi District, and Bang Lang Commune, Cho Don District, Bac Kan Province, on the 77th anniversary of War Invalids and Martyrs Day (July 27, 2024).	16,200,000
10	Donating to the people of Bac Kan Province affected by Typhoon No. 3 (Yagi).	73,700,000
11	Supporting funding for the Youth Union to organize winter volunteer activities at the Primary and Secondary School in Coc Dan Commune, Ngan Son District, Bac Kan Province.	5,000,000
12	Supporting funding for the People's Committee of Bang Lang Commune to participate in the "Spring Festival ATK Cho Don" in the Year of the Dragon 2024.	5,000,000
13	Supporting funding for the Youth Union of Bang Lang Commune to organize a volleyball tournament to celebrate the 93rd anniversary of the founding of the Ho Chi Minh Communist Youth Union.	2,000,000
14	Supporting funding for Bac Kan Radio and Television Station to participate in the national radio festival's final round in 2024.	10,000,000
15	Supporting funding for the Thanh Thinh Commune Trade Union, Cho Moi District, Bac Kan Province, to organize a source program.	5,000,000
16	Donating funds to buy necessities for the workers involved in the construction of the resettlement area in Ta Han, Xuan Lac Commune, Cho Don District, Bac Kan Province.	20,000,000
17	Other activities	50,000,000

No.	Key Activities	Amount (VND)
	Total	474,900,000

- In 2024, the Company awarded prizes to 1 collective for outstanding achievements in the first half of the year 2024 production plan; commended and awarded prizes to 55 students for outstanding achievements in study and training during the 2023-2024 school year.

- By the end of 2024, the Company rewarded 14 collectives (2 outstanding collectives, 12 advanced collectives) and 147 individuals (2 excellent workers, 50 excellent workers, 101 advanced workers) for outstanding achievements in production and work in 2024.

6.8. Report Related to Green Capital Market Activities According to the Guidance of the State Securities Commission.

III. REPORT AND EVALUATION BY THE BOARD OF GENERAL DIRECTORS

1. Evaluation of Business Operation Results

In 2024, the company's working environment continued to improve, ensuring workplace safety and environmental hygiene, increasing employees' income. Several initiatives were applied, and production steps were reviewed and adjusted to minimize costs. However, the company continued to face serious impacts from the war between Russia and Ukraine, and the conflict between Iran and Hamas. The disruption of the supply chain through the Red Sea led to an increase in the prices of raw materials, fuel, and supplies, affecting the company's production and business activities.

Administrative procedures have been streamlined, and response times shortened, but some overlapping and rigid processes still take a significant amount of time, which delays the progress of ongoing projects such as the new tailings reservoir, the construction of the office building in Thai Nguyen, and the technical infrastructure development of Thanh Thinh Industrial Cluster.

2. Financial situation

No.	Indicator	12/31/2023	12/31/2024	Difference (±)	Note
1	Total assets	368.457.837.358	428.046.906.095	59,589,068,737	
2	Debt situation	185.398.443.033	193.118.509.918	7,720,066,885	
3	Owner's equity	183.059.394.325	234,928,396,177	51,869,001,852	

3. Organizational Structure, Policies, and Management Improvements

The organizational structure is stable. The management policies are clear, transparent, flexible, and aligned with the foundation.

4. Development Plans for 2025 and Medium-Long-Term Plans:

4.1. Exploration and Mining Activities:

- Continue mining at the Na Bop - Pu Sap mine, with an output of 19,250 tons of ore per year.

- Na Duong mine: Mining at a capacity of 4,750 tons of ore per year, according to the approved license.

- Prepare documents to apply for exploration permits for the mining sites included in the planning.

4.2. Processing Activities:

- Put the new tailings reservoir of the flotation plant in Cho Don district into operation. Put the new tailings reservoir of the flotation plant in Cho Don district into operation.

- Complete legal documents and proceed with the investment and construction of the zinc smelting and electrolysis plant, including: Zinc sulfide treatment plant, Zinc oxide leaching plant, Zinc electrolysis plant, along with auxiliary facilities serving the project at Thanh Thinh Industrial Cluster in Cho Moi district, Bac Kan province.

4.3. Medium and Long-Term Projects:

- Adjust the planning and issue a construction permit for the office building in Thai Nguyen City.

- Focus on developing the technical infrastructure of the Thanh Thinh Industrial Cluster in Cho Moi district, Bac Kan province.

- Continue to implement projects approved by the General Meeting of Shareholders with capital needs in previous congresses when conditions are met.

- Continue to review each step in mining and processing to reduce costs and lower production expenses.

5. Explanation by the Board of General Directors regarding the auditors' comments

None.

6. Evaluation Report on the Company's Environmental and Social Responsibility:

- Evaluation related to environmental indicators: As a business operating in the mining and mineral processing sector, the use of substantial energy in production is unavoidable. In the coming years, the company will continue to implement new policies to encourage the efficient use of energy, as well as to minimize and thoroughly treat hazardous waste generated.

- Evaluation related to labor issues: The company will continue to encourage employee engagement by providing stable income, increasing wages, and offering various welfare policies.

- Evaluation related to corporate responsibility towards the local community: The company has been, is, and will continue to work alongside local communities on social welfare issues, particularly in areas where the company operates, as well as in economically disadvantaged areas that need support for development.

IV. EVALUATION BY THE BOARD OF DIRECTORS AND COMPANY ACTIVITIES

1. Evaluation by the Board of Directors on the Company's Activities

In 2024, with the collective effort of the Board of General Directors in management and decisive production leadership, the company's results were positive and stable.

2. Evaluation by the Board of Directors on the activities of the Board of General Directors

The Board of Directors regularly monitors the company's operations and the management work of the Board of General Directors. Through direct meetings and email consultations, the Board of Directors has discussed and provided feedback on various important issues related to the management work of the Board of General Directors. Additionally, through direct and written reports from the General Director, the Board of Directors promptly tracks the company's production and business situation, supervising the Board of General Directors in implementing the resolutions of the General Meeting of Shareholders and the Board of Directors.

3. Plans and Directions of the Board of Directors:

- Strengthen monitoring activities to ensure the company operates in compliance with legal regulations and the company's charter.

- Coordinate with the Executive Board to prepare the business plan for 2025 to be presented to the General Meeting of Shareholders for approval, and monitor the implementation of the resolution of the 2025 Annual General Meeting of Shareholders.

- Enhance support for the Executive Board to complete tasks assigned by the General Meeting of Shareholders and the Board of Directors.

- Strengthen supervision and push the Executive Board to implement the business plan, while considering timely adjustments to production plans and personnel organization based on the Executive Board's proposals, under the authority of the Board of Directors, to ensure the highest possible efficiency in business operations.

- Continue to maintain and enhance all other activities of the Board of Directors within its rights and responsibilities, promptly addressing any shortcomings to work with the Executive Board and drive the company's development in line with the expectations of the General Meeting of Shareholders.

V. CORPORATE GOVERNANCE

1. Board of Directors

1.1. Members and Structure of the Board of Directors:

Table 6: Members of the Company's Board of Directors

No.	Member	At the time		Notes
		Number of Shares	%/Charter Capital	
1	Mr. Vu Phi Ho	0	0	Chairman of the Board
2	Mr. Dinh Van Hien	2,576	0.02	General Director
3	Mr. Nguyen Tran Nhat	0	0	Deputy General Manager
4	Mr. Mai Thanh Son	0	0	Non-executive
5	Mr. Nguyen Huy Hoan	292,200	2.49	Non-executive

1.2. Sub-committees under the Board of Directors: Not yet established.

1.3. Activities of the Board of Directors:

- Board of Directors Meetings:

Table 7: Meetings of the Board of Directors

No.	Board Member	Number of Meetings Attended	Attendance Rate	Reason for Non-Attendance
01	Mr. Vu Phi Ho	04/04	100%	-
02	Mr. Dinh Van Hien	04/04	100%	-
03	Mr. Nguyen Tran Nhat	04/04	100%	-
04	Mr. Nguyen Huy Hoan	04/04	100%	-
05	Mr. Mai Thanh Son	04/04	100%	-

- Resolutions/Decisions of the Board of Directors in 2024:

Table 8 : Resolutions/Decisions of the Board of Directors

No.	Resolution/Decision No.	Date	Content	Approval Rate
01	05/2024/NQ-HĐQT	March 18, 2024	Postponing the Annual General Meeting of Shareholders 2024 and the last registration date for participation	05/05
02	06/2024/NQ-HĐQT	March 18, 2024	Adjusting the total investment for the Thanh Thịnh Industrial Cluster project via phased investment and allocation of funds for investment projects	05/05
03	09/2024/NQ-HĐQT	April 16, 2024	Organizing the Annual General Meeting of Shareholders 2024	05/05
04	10/2024/NQ-HĐQT	April 16, 2024	Adjusting the total investment for the Thanh Thịnh Industrial Cluster project via phased investment and allocation of funds for investment projects	05/05
05	18/2024/NQ-HĐQT	April 26, 2024	Participating in the General Meeting of Shareholders of Nghệ An Bus Station Joint Stock Company	05/05
06	21/2024/NQ-HĐQT	May 13, 2024	Approving the Board of Directors' remuneration for 2024	05/05
07	24/2024/NQ-HĐQT	June 14, 2024	Purchasing shares of Nghệ An Bus Station Joint Stock Company	05/05
08	26/2024/NQ-HĐQT	July 19, 2024	Approving the salary scale and table applied from 01/7/2024	05/05
09	29/2024/QĐ-HĐQT	September	Adjusting the timeline and progress of the Office Building	05/05

No.	Resolution/Decision No.	Date	Content	Approval Rate
		23, 2024	project in Thai Nguyen	

Additionally, the Board of Directors has prepared a governance report for the 6-month and 1-year periods and disclosed information in accordance with the regulations outlined in Circular 96/2020/TT-BTC.

1.4. Activities of Independent Board Members

The company does not have any independent board members.

1.5. List of Board Members with Corporate Governance Training Certification and Participation in Corporate Governance Programs: No members of the Board of Directors participated in any corporate governance training or programs in the year.

2. Supervisory Board

2.1. Members and Structure of the Supervisory Board:

Table 9: Members of the Company's Supervisory Board

No.	Member	Position	Start Date / End Date	Educational Background
01	Mr. Nguyen The Phong	Head of the Board	April 26, 2021	University
02	Mr. Bui Duc Hung	Member	April 26, 2021	University
03	Mr. Dang Thanh Van	Member	April 26, 2021	Master's Degree

2.2. Activities of the Supervisory Board:

Table 10: Attendance of Supervisory Board Members at Meetings

No.	Member	Number of meetings attended	Attendance Rate	Voting Rate	Reason for Non-Attendance
01	Mr. Nguyen The Phong	02/02	100%	100%	-
02	Mr. Bui Duc Hung	02/02	100%	100%	-
03	Mr. Dang Thanh Van	02/02	100%	100%	-

2.2.1. Oversight Activities of the Supervisory Board on the Board of Directors, the General Director, and Shareholders:

- *Regarding the Board of Directors:* Through monitoring, the Supervisory Board assesses that the Board of Directors (BOD) is implementing the resolutions of the Annual General Meeting of Shareholders (AGM) and BOD resolutions correctly. All meeting agendas and content are prepared thoroughly, openly discussed, and voted on according to the BOD's functions, duties, and rights. The meetings of the BOD have a sufficient number of members attending as required by law and the Company's Charter. The BOD regularly supervises and directs the General Director and management in executing the company's production and business plans, as well as the resolutions and decisions of the AGM and the BOD.

- *Regarding the General Director of the Company:* The General Director has implemented the resolutions of the AGM, resolutions, and decisions of the BOD, and has managed the production and business activities in compliance with the law and the Company's Charter. The directions and management activities of the General Director adhere to the resolutions of the AGM and the BOD.

- *Regarding Shareholders:* Through its monitoring activities, the Supervisory Board has not identified any violations of the Securities Law or failures in information disclosure by the Company's shareholders. The Supervisory Board has also not received any complaints from shareholders about any misconduct by the BOD, Supervisory Board, or management during the execution of their duties.

2.2.2. Cooperation Between the Supervisory Board and Other Corporate Bodies: Throughout its monitoring function, the Supervisory Board has always received cooperation and favorable conditions from the members of the Board of Directors, the General Director, and other d

2.2.3. Other Activities of the Supervisory Board (if any): None.

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

3.1. Salaries, Bonuses, Remuneration, and Other Benefits :

The total remuneration paid to the Board of Directors, Supervisory Board, and Company Secretary for the year 2024 was approved by the Annual General Meeting of Shareholders in Resolution No. 01/2024/NQ-DHĐCĐ dated May 13, 2024, amounting to **1,236,000,000 VND** (*One billion two hundred thirty-six million VND*):

- The remuneration for the Board of Directors in 2024 is: 1,080,000,000 VND.
- The remuneration for the Supervisory Board in 2024 is: 120,000,000 VND.
- The remuneration for the Company Secretary in 2024 is: 36,000,000 VND.

3.2. Insider Share Transactions: There were no insider share transactions in 2024.

3.3. Contracts or Transactions with Insiders: None

3.4. Evaluation of Compliance with Corporate Governance Regulations: The company does not yet have an independent board member.

VI. FINANCIAL REPORT:

1. Auditor's Opinion

In our opinion, the financial statements fairly and reasonably present, in all material respects, the financial position of the Company as of December 31, 2024, as well as the results of its operations and cash flows for the financial year ending on that date, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Regime, and relevant legal regulations related to the preparation and presentation of financial statements.

2. Audited Financial Statements:

The financial statements for the year 2024 have been audited by CPA Vietnam Auditing Co., Ltd, and include: the Balance Sheet, Income Statement, Cash Flow Statement, and Notes to the Financial Statements in accordance with the legal regulations on accounting and auditing.

The 2024 financial statements have been published on the Company's website at <http://backanco.com> and have been disclosed in accordance with applicable regulations.

Recipient:

- As per the list (Report);
- Board of Directors, Supervisory Board;
- General Director, Chief Accountant;
- Chief of Office, Finance and Accounting (Information Disclosure);
- Archives: Document Management, Chief of Office, Legal Affairs.

GENERAL DIRECTOR



Dinh Van Hien