

CAO SON COAL JOINT STOCK COMPANY

No: **1964** /BC-TCS-HDQT

Cam Pha, March 4, 2025

**REPORT ON THE PERFORMANCE OF THE BOARD OF
DIRECTORS IN CORPORATE GOVERNANCE AND
SUPERVISION OF THE EXECUTIVE BOARD IN 2024
Board of Directors' mission orientation in 2025**

To: Annual General Meeting of Shareholders of Cao Son Coal Joint Stock Company.

- *Pursuant to the Enterprise Law No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;*
- *Pursuant to The Charter of Cao Son Coal Joint Stock Company, approved by the Annual General Meeting of Shareholders on April 26, 2023;*
- *Pursuant to The Operational Regulations of Cao Son Coal Joint Stock Company, approved by the Annual General Meeting of Shareholders on April 22, 2021.*
- *Pursuant to Resolution No. 01/NQ-TCS-DHDCD, approved by the Annual General Meeting of Shareholders on April 26, 2024*

The Board of Directors (BOD) respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the Report on the performance of the Board of Directors in corporate governance and supervision of the Executive Board in 2024; Board of Directors' mission orientation in 2025 as follows:

In 2024, Cao Son Coal Joint Stock Company implemented the business coordination plan assigned by the Vietnam National Coal and Mineral Industries Holding Corporation Limited (TKV). The company benefited from favorable conditions, such as a stable domestic coal consumption market and global coal demand, along with close guidance and management from TKV. Additionally, the effective leadership and administration of Party Committee, Board of Directors, and Board of Management, combined with the unity and consensus of all employees, were key factors enabling the company to successfully and comprehensively achieve its 2024 business and production targets.

Besides that, in 2024, the company also faced numerous challenges:

Throughout the year, the company had to continuously handle procedures for adjusting the licensed mining volume to meet the production targets set by TKV, while also addressing issues related to land management procedures, waste dump planning, and site clearance.

Additionally, production conditions at the Khe Cham 2 mining site were challenging as it was the final year of the mine's exploitation phase. The company had to undertake various procedures for mine closure preparation, as well as reorganize equipment and personnel, as operations were consolidated into a mining site from August 2024.

Extreme weather conditions, particularly Typhoon No.3, also had a significant impact on the company's production activities.

I. ACTIVITIES OF THE BOARD OF DIRECTORS.

1. Board of Directors structure

The company's Board of Directors currently consists of five members:

Among them, two members concurrently hold management positions within the company, while two others hold management positions at TKV. Additionally, one dedicated Board of Directors member is responsible for regular oversight. All Board of Directors members are assigned specific areas of management and business operations based on their expertise and experience.

2. Board of Directors' Activities

- The Board of Directors has operated in accordance with its functions, duties, and authority as prescribed by Law and the company's Charter.
- The Board of Directors has implemented the Resolutions of the 2024 Annual General Meeting of Shareholders and has directed the executive management through Resolutions and Decisions to ensure the company is managed effectively, legally, and transparently while safeguarding shareholders' interests.
- The Board of Directors has maintained regular meetings in compliance with legal requirements, ensuring proper agendas, quorum, and voting procedures. All meetings included invitations to and participation of the Board of Supervisory. Important matters under the Board of Directors's authority were reported by the Chairman for collective review and decision – making.

In 2024, the Board of Directors convened 38 meetings, including both in-

person and written discussions, along with three General Meeting of Shareholders sessions. A total of 244 official documents were issued, including 45 resolutions (38 general resolutions, 4 thematic resolutions, and 3 additional resolutions), 50 decisions, and 103 other directives covering business operations, investments, and regulatory matters. Additionally, the Board of Directors introduced and amended 10 internal management regulations.

2.1. Organizational work:

The Board of Directors has continued to implement organizational and personnel management efforts, streamlining the management structure from the company level to production units in accordance with the standardized model for coal production enterprises under the Vietnam National Coal and Mineral Industries Holding Corporation Limited – TKV.

- In 2024, the company did not appoint or reappoint any personnel. Adjustments in personnel assignments were made solely in response to restructuring efforts and production requirements. All transfers, assignments, and rotations were conducted in compliance with regulations, ensuring that personnel were placed in roles, matched their capabilities and met task requirements.
- The Company proactively executed the organizational and personnel restructuring plan as guided by TKV under the 2021-2025 restructuring roadmap. Specifically, the number of production units (workshops and divisions) was reduced from 20 to 16 by August 2024, successfully merging and dissolving four units. This restructuring has laid the groundwork for long-term production stability and ensured a positive work environment for employees.
- During the year, the Company developed and implemented plans for workforce reallocation following the restructuring, ensuring fair and lawful employee benefit settlements. Labor was reassigned between the two mining sites in accordance with actual production needs. Additionally, training and development programs for employees and management were planned and executed as required in 2024.

2.2. Investment work

In accordance with the Resolutions of the 2024 Annual General Meeting of Shareholders, the company has implemented investment projects in line with the approved Resolutions and prevailing regulations.

- The Company continued executing projects that had completed preparatory work and carried over from the previous year, while also initiating new

projects as per the investment plan approved by TKV and the Company's Board of Directors.

- Implement investment projects and components as approved by TKV and the Board of Directors. Continue executing projects that have completed preparatory work and were carried over from the previous year, while also investing in and commencing the construction of new projects as approved in TKV's investment plan and by the company's Board of Directors.
- The actual implementation value in 2024 reached 95% of the target assigned by TKV (Implemented: 538,483 billion VND / Plan: 565,812 billion VND) and 96% of the adjusted plan (Implemented: 538,483 billion VND / Plan: 560,625 billion VND).
- During project implementation, compliance with state regulations, TKV policies, and company regulations was strictly ensured. The progress, volume, and quality of investments were fundamentally maintained, enabling the timely commissioning and efficient operation of investment items, thereby contributing to the company's overall business performance. Notably, major projects such as the Cao Son Coal Mine expansion and capacity upgrade, as well as the the Automobile Investment Project to improve the capacity of soil and rock transportation, were initiated and executed. Additionally, the company continued to implement newly commenced projects and prepare for future projects in the coming years.

2.3. Coordination with political organizations within the company

The Board of Directors has collaborated with the company's Party Committee to lead and direct the company's activities through the implementation of the "Regulation on Coordinated Leadership between the Party Committee, the Board of Directors, and the Board of Management." The Board of Directors has instructed the the Board of Management to facilitate favorable conditions for the activities of the Trade Union, Youth Union, and Veterans Association, ensuring their participation in management in accordance with legal regulations and their respective functions and responsibilities.

3. Capital preservation and development work

Despite facing numerous challenges in production organization in 2024, the company achieved profitability thanks to the concerted efforts of the entire political system, including the Party Committee, Board of Directors, Board of Management, and mass organizations. The company reported earnings before interests of 162.506 trillion VND compared to the target of 130.398 trillion VND, reaching 124.6% of the Annual General Meeting of Shareholders' Resolutions.

Debt-to-equity ratio: 1.72 times / 3 times the target;

Short-term loan balance: 0 million VND / 200 million VND target;

Debt repayment ratio: 1.04 times / 0.85 times the target.

II. ACTIVITIES OF THE BOARD OF MANAGEMENT

1. Organizational Structure

The Board of Management consists of 07 members: 01 Directors, 05 Deputy Directors, and 01 Chief Accountant.

The company currently has 13 specialized departments and 16 construction sites and workshops.

2. Management and business operations

2.1. General Assessment

The company's executive management system has operated in accordance with its assigned functions, duties, and authority, strictly adhering to the leadership of the Board of Directors. At the same time, it has directed and organized production activities, coordinated effectively, and maintained good relations with partner units to fulfill assigned tasks.

The Director and the management team have been proactive and responsive in addressing arising management issues, promptly implementing solutions, and executing strategies to surpass the targets set by the General Meeting of Shareholders.

2.2. Specific results

* The specific targets are evaluated based on the Resolutions of the General Meeting of Shareholders:

No.	Item	Unit	Plan 2024		Implementation	Compare	
			Resolutions No. 01	Adjusted plan		Implementation /Resolutions (%)	Implementation/ Adjusted plan (%)
A	B	C	1	2	3	4=3/1	5= 3/2
1	Earth and rock excavation	1000 m3	58,250	58,030	58,043	99.6	100.0
2	Coal production	1000 Tons	4,700	5,129	5,150	109.6	100.4
-	Raw coal	"	4,100	4,084	4,084	99.6	100.0
-	Clean coal seperated from a mixture of rock and coal	"	600	1,045	1,066	177.7	102.0
3	Coal consumption	1000 Tons	4,700	4,700	5,108	108.7	108.7
4	Revenue from coal production	Billion VND	9,424.5	9,041	9,279	98.5	102.6

5	Salary	Million VND/month	11.855	15.559	16.60	140.0	106.7
6	Profit	Billion VND	130.398	130.0	162.506	124.6	125.0
7	Construction Investment	Billion VND	565.812	560.625	538.483	95.2	96.1
8	Dividend	%	7.0			0.0	

III. Assessment of Management Aspects.

At the beginning of the year, the company developed an operational plan and allocated production and cost targets to its units to ensure the successful achievement of TKV's assigned goals. At the same time, the company adhered to TKV's directives to scale up coal production in response to market demand. Key focus areas included:

1. Management of Technology, Engineering, and Production Operations.

- Developed operational plans, annual mining plans, and technical benchmarks as the foundation for extraction activities and production management.

- Prepared and submitted documents to the Ministry of Natural Resources and Environment for approval to increase the 2024 mining output (under Mining License No. 280) from 1.870 million tons to 3.5 million tons of raw coal. Additionally, collaborated with consulting units to adjust construction design drawings, update the mining schedule for certain project years, and continued reporting to TKV and the Department of Industry and Trade to facilitate implementation.

- Developed a rational mining and waste disposal plan for the Khe Chàm II dump site at +200 meters, completing the foundation for the stone conveyor belt route by May 13, 2024, ensuring timely progress for the system to resume operations ahead of schedule in accordance with TKV's conveyor belt relocation plan.

- Implemented and completed the mining plan before the 2024 rainy season, reaching the bottom of the Khe Chàm II mine project at -200 meters. The early closure of the mine will allow production to be consolidated into a single mining area by August 2024, significantly reducing the Company's production costs.

- Periodic mining plans and strategies are developed based on actual production conditions and flexible operations to maximize equipment efficiency. Key technical and technological indicators (KTCN) are monitored and updated monthly and quarterly, with timely solutions and adjustments implemented to ensure optimal performance and compliance with TKV's assigned technical targets, such as haul distance, drilling and blasting, and water-resistant explosives,...

- Disaster prevention and rescue operations: Following the damage caused by Typhoon No. 3, the company's natural disaster prevention and rescue Board (PCTT-TKCN) took direct departments and units to swiftly implement urgent recovery measures. These efforts aimed to restore production and stabilize workers' livelihoods as quickly as possible. The company was recognized for its effective disaster preparedness, rapid response, and efficient post-storm recovery. Additionally, it provided essential support to other TKV units, assisted Cam Pha Power, and extended aid to the local community, particularly the residents of Cam Son Ward.

2. Coal processing and consumption:

Enhanced coal quality through selective loading and screening, increased the production of lump coal and high-quality coal types that met the required standards and consumption categories as directed by TKV. Strengthened the processing of clean coal from non-coal materials to supplement the clean coal supply from raw coal.

3. Occupational Safety and Health:

- The company has issued and implemented numerous safety management documents, including Resolutions, statutes, regulations, establishment decisions, plans, directives,... as a basis for units to organize the implementation. Safety information was announced at briefings, radio stations and in monthly reports. Periodic training was organized, and safety licenses were issued for employees inside and outside the company. The company has applied various measures to control, prevent, reduce and eliminate unsafe risks in production.

- Inspection Work: A plan was prepared for inspection and supervision and the number of minutes was contracted for the departments. A scoring evaluation was conducted every 6 months, followed by a review and notification of the results.

- Implementation results: Basically, in the year, the company has strictly complied with the provisions of the law on occupational safety and health and has proposed multiple solutions to control and prevent safety risks in production.

Compared to 2023, the total number of accidents and incidents decreased by 01 case.

4. Management work:

4.1. Equipment management:

- Machines and equipment were arranged appropriately according to production conditions and concentrated in line with the production plan at the Khe Chàm II mining site, ensuring the excavation progress as planned.

- Equipment was repaired as per regulations, with enhanced technical management to improve operational time per shift.

- Maintenance at all levels and minor unexpected repairs were conducted, ensuring that equipment was sent to maintenance stations or repair units in compliance with the company's procedures and regulations.

- Long-term procurement plans for materials were proactively developed to minimize equipment downtime due to waiting for spare parts.

- Obsolete equipment with high operating hours, poor technical condition, and excessive repair costs was stored or liquidated to avoid inefficiencies and increased production costs.

- Measures to manage machinery and equipment were strengthened, ensuring the economical and efficient use of materials and fuel in production, reducing input costs. Materials and recovered equipment were classified and restored promptly to minimize inventory and maximize the utilization of existing company assets.

- Regular reviews of contracted material usage were conducted to adjust allocations according to the actual production needs of each unit.

- The productivity of machinery and equipment was generally maintained in accordance with company standards. Some types of equipment achieved or even exceeded expected performance, contributing to the successful completion of the company's production targets.

4.2. Material management:

- The company managed and procured materials and goods in compliance with current regulations, ensuring the production requirements were met. Throughout the year, the company revised and issued regulations on material management, including provisions on material management, material consumption norms, and reporting requirements.

- The selection of suppliers was conducted in accordance with regulations,

ensuring that capable suppliers with competitive pricing were chosen to meet the company's production needs, thereby contributing to cost reduction in production.

- Management of material consumption norms: On a monthly, quarterly, and annually, based on material consumption during the period and production targets, reports on the implementation of material consumption norms for each type of equipment were prepared. This ensured compliance with the company and TKV's regulations, serving as a basis for cost estimation and efficiency assessment in usage for material usage in production.

- The company implemented resource-saving measures by recovering and refurbishing used materials including replacement parts for equipment repairs at manufacturing plants. Recovered materials were classified for repair and reutilization in production while scrap materials were disposed of in accordance with regulations.

- The company ensured that material inventory levels were maintained in accordance with TKV's regulations.

4.3. Construction investment:

- The company implemented projects and investment items according to the plan approved by TKV and the Board of Directors. It continued executing projects that had completed preparation and transitioned from the previous year, as well as initiated new projects in line with the investment and construction plan approved by TKV and the company's Board of Directors.

- The implementation value in 2024 reached 95% of the target assigned by TKV (Implemented: 538,483 million VND; Planned: 565,812 million VND) and 96% of the adjusted plan (Implemented: 538,483 million VND; Planned: 560,625 million VND).

- Throughout project execution, the company ensured compliance with state regulations, TKV guidelines, and company policies. The projects were generally completed on schedule, meeting quantity and quality standards, and were promptly put into operation to achieve high efficiency, contributing to the company's business performance. Major and key projects initiated and implemented include the Cao Son Coal Mine expansion and capacity upgrade, as well as the the Automobile Investment Project to improve the capacity of soil and rock transportation. Additionally, the company continued launching new projects and preparing for upcoming investments in the following years.

4.4. Regular environmental work:

- The company successfully completed all environmental protection

projects under the 2024 environmental protection plan approved by TKV, including environmental protection works and regular periodic environmental tasks. The implementation value reached 77,008 million VND / planned 76,851 million VND, equivalent to 100.2%. Notably, the completion of the Bang Nau waste dump drainage project significantly contributed to effective environmental protection during mining operations. Throughout the year, the company has regularly inspected and urged company's units to strictly comply with state regulations on environmental protection, ensuring no environmental incidents occur. The company carried out water mist spraying to suppress dust, preventing dust dispersion into residential areas, dredged and cleared drainage ditches and perimeter water channels; and regularly operated high-capacity misting machines for dust suppression at the Bang Nau waste dump and coal processing and screening areas. Additionally, employees planted trees to green barren areas, workshop surroundings, and waste dumps, restoring and enhancing the environmental landscape.

- The company coordinated with the Environmental Company to treat wastewater generated during production. It also collected, classified, and thoroughly handled all types of solid waste and hazardous waste in strict compliance with legal regulations and TKV's policies.

4.5. Planning and cost management work:

Based on the business coordination plan assigned by TKV, the company promptly developed an operational plan and allocated production targets and cost management to workshops, factories, and management departments to ensure production efficiency.

The planning and cost management processes were continuously improved and managed more flexibly to align with actual conditions, enhancing the autonomy of units to maximize productivity, increase employee income, and improve the overall production efficiency of the company.

4.5.1. Result of the implementation of the business coordination plan and cost contracting with TKV.

The company has developed the 2024 business coordination plan, submitted it for TKV's approval, and implemented it in accordance with regulations. Periodic reports on implementation results have been submitted to TKV, while coordination efforts and two-way communication with relevant departments have been strengthened to address obstacles and adjust plans as necessary. With the comprehensive measures taken, in 2024, the company successfully achieved all planned targets, with increased profits and wages

compared to the plan. Cost savings were realized in accordance with the cost contracting regulations.

4.5.2. Results of plan implementation, internal cost contracting:

By the end of 2023, based on the approved plan and production targets, technical, and technological targets, the relevant departments, in line with their assigned functions and responsibilities, proactively implemented tasks while closely adhering to the directives of the company's leadership.

- For technical and technological indicators: Specific targets were assigned to technical departments for effective management and governance.
- For production output: Production quotas were allocated to each unit, taking into account actual equipment conditions, technological capabilities, and workforce capacity....
- For costs: The company developed measures and solutions to compensate for funding shortages (wages, general expenses, and management costs) compared to the unit price assigned by the group. It implemented performance-based cost allocation and governance assignment linked to workload and job quality. Specifically, Deputy Directors were assigned to oversee and direct units within their respective areas of expertise, as delegated by the General Director. Key indicators related to production output, allocated costs, and governance costs were regularly updated, managed, and consolidated into monthly reports for evaluation. At the unit level, the company granted autonomy in implementing of contracting to machine teams, production teams, and individual workers. The execution followed established regulations, with each unit held accountable to the General Director for its performance outcomes.
- The departments focused on strengthening management and closely monitoring cost utilization, advising the General Director to operate flexibly, enhance production efficiency, and achieve the set goals. Additionally, to ensure the overall production efficiency of the Company, considering the impact of production conditions and the adjusted workload progress according to the engineering license, the company reviewed, balanced, and issued (adjusted) contracted unit price of materials for certain types of equipment. This aimed to address difficulties faced by units, align with the company's overall production conditions, and facilitate operational management during production.
- Every month, the Planning Department prepared contracted cost reports as per regulations. In the last six months of the year, reports were submitted

every 10 days per month to the company's management for analysis, evaluation, and timely warnings regarding any budget overruns by units, enabling the General Director to provide necessary directives.

- With the synchronized solutions implemented, the Company's contracted cost management has proven effective, meeting the Company's management requirements, reducing costs to allocate additional wages for employees, and contributing to the overall business performance.

4.6. Organization – Labor - Salary:

4.6.1. Organization - Labor:

- During the year, the Company did not appoint or reappoint any officials. It only carried out staff transfers and assignments as part of the restructuring process and in response to production demands. The transfer, assignment, and rotation of personnel were conducted in compliance with regulations, aligning with employees' competencies to meet operational requirements.
- The company has promptly implemented the organizational and personnel restructuring plan in accordance with the Group's guidelines on continuing the restructuring plan for the 2021–2025 period. As part of this effort, the number of production units and workshops was reduced from 20 to 16 by August 2024. Additionally, the company has completed the merger and dissolution of four units. This restructuring lays the foundation for long-term production stability in the coming years while ensuring a stable mindset and morale among employees and management.
- Throughout the year, the company has developed a labor reassignment and allocation plan following the restructuring process, ensuring a fair and compliant benefits scheme for employees. Labor transfers between the two mining sites have been carried out in alignment with actual production needs. Additionally, the company has formulated and implemented a training and development plan for employees in 2024 as required.
- Effectively manage labor and labor discipline in compliance with regulations, coordinating with relevant departments to handle records and enforce disciplinary actions against employees who violate the company's rules and regulations.

4.6.2. Salary:

- The salary management process was implemented in compliance with the regulations of the State, the Group, and the Company, ensuring alignment with the company's conditions and actual circumstances.

- The Company assigned the 2024 wage fund plan to each unit, implementing contracted salary by unit and job title. This approach allowed units to proactively manage their workforce and balance salary funds effectively. The company issued various wage policies, including progressive salaries for truck drivers and excavator operators, productivity-based wages for drill operators, incentive pay based on repair progress, and additional wages for highly skilled repair workers. These measures were designed to motivate employees to enhance productivity. For management staff, salaries were determined based on performance evaluations using the KPIs framework.

4.7. Accounting – Finance - Statistics:

- In 2024, the company's financial situation remained stable, ensuring sufficient capital for business operations without the need for short-term loans and with no bad debts.

- The Company fully and timely paid salaries and social insurance contributions for employees in accordance with the labor agreement. It also fulfilled all financial obligations as required by the State and made payments to banks and financial institutions in compliance with contractual terms and loan agreements.

- The company conducted accounting and statistical reporting in accordance with the regulations of the Group and the State, ensuring a sound financial foundation, effectively utilizing capital, and proactively securing funding for business operations.

5. Military, security order, protection of mine boundary resources work.

- The company directed its units to strictly implement the Resolutions, Directives, and Decisions,... of the Government, local authorities, and TKV in organizing and executing the management and protection of assets, mine boundary resources, and maintaining security and order in coal mining, processing, and consumption within the company's jurisdiction.

- In fire protection efforts, the company promptly equipped high-risk areas with specialized fire protection equipment, replacing manual firefighting tools to enhance efficiency and ensure safety in fire protection.

6. Other aspects of work:

- Emulation and commendation in production labor:

+ In response to the Group's emulation launch plan, the Company developed a joint plan for the 2024 emulation campaign. This includes the joint plan for the 90-day-and-night production emulation in four quarter of 2024. The

emulation plan was implemented across all units, production teams, and employees of the Company, who actively supported and participated. Results were achieved in the “Enterprises for Employees” emulation movement, among others.

+ The Company regularly participated in cultural and sports movements, and general emulation campaigns organized by TKV and Quang Ninh province, as well as humanitarian and social charity activities of various units, commemorating national holidays. The Company upheld the Cao Son worker's cultural lifestyle and residential area's cultural lifestyle, encouraging employees to support local communities and contribute to charitable funds....

- The Company proactively arranged labor, improved working conditions, maintained citizen reception, democracy regulations, and workplace dialogue regulations. It also organized training to enhance professional skills and retrain technical workers for new careers, coached workers for skill promotion, and conducted periodic health check-ups for all employees..

- The company organized visits and support for employees after Storm No. 3 and focused on quickly overcoming the storm's damage.

- The company continued to improve the living standards of its employees by visiting and supporting those suffering from severe occupational diseases, and families in special difficulties, building new houses for 15 worker families, supporting the repair of houses for 04 worker families, and contributing to social charity funds. The company also fully provided labor protection equipment, physical nourishment, and mid-shift meals according to regulations,...

For the local community, the company supported the construction of cultural projects and historical sites, contributing to the development of a prosperous and civilized Quang Ninh and Cam Pha. The company encouraged 100% of its employees to participate in movements such as gratitude for those who served, poverty alleviation, disaster relief efforts, local community support, and assistance for disadvantaged children, orphans, and disabled individuals, along with other charitable and social initiatives. Additionally, the company coordinated closely with local authorities to ensure political security and maintain social order and safety both within the company and in the surrounding residential areas.

As of the present time, Cao Son Coal Joint Stock Company is one of the member enterprises of TKV that operates under a modern and highly specialized model. The company maintains a streamlined and rational organizational and labor structure, resulting in enhanced labor productivity and high-quality products

that are highly regarded by TKV. Employees benefit from stable employment, with salaries and bonuses that are comparatively higher than those in other open-pit mining units in the region. Consequently, the workforce remains committed to production activities, demonstrating confidence and long-term dedication to the company.

7. Salaries and Remuneration for the Board of Directors, Board of Supervisors, and Other Managers.

Compensation and remuneration are disbursed in accordance with the Resolution of the 2024 General Meeting of Shareholders and relevant state regulations.

No.	Position	Number of people	Salary		Remuneration		Notes
			People	Salary	People	Remuneration	
1	Board of Directors	05			05	271,920	
2	Board of Supervisors	05			05	265,200	
3	Other managers	07	07	3,774,816			
	Total			3,774,816		537,120	

III. ORIENTATION AND TASKS FOR 2025

In 2025, the company is expected to face greater challenges in business operations compared to 2024 due to rising input costs while selling prices remain unchanged. The company must continue addressing issues related to the expansion of mining boundaries to meet the production targets set by TKV, as well as handling land management procedures, waste disposal site planning, land clearance, and difficult conditions of thin coal seams in mining and coal quality grading. These factors will impact the execution of the company's operational plans.

1. Business and Production Targets for 2025:

No.	Item	Unit	Plan	Notes
1	Earth and rock excavation	1000 m ³	60,000	
2	Coal production	1000 tons	4,660	
-	Raw coal mined	"	4,000	
-	Clean coal separated from a mixture of rock and coal	"	660	
3	Coal consumption	1000 tons	4,660	
4	Revenue from coal production	Million VND	9,581.313	

5	Profit	Million VND	65,803	
6	Average salary (million VND/person/month)	Million VND	13.184	
7	Construction Investment	Million VND	193.719	
8	Expected dividend	%	≥ 7	

2. Some Directive Measures.

In 2025, the Board of Directors will continue to collaborate with the company's leadership to address legal and regulatory challenges, proactively working with local authorities and relevant agencies to resolve land clearance issues for mining and waste disposal operations.

Continuing the implementation of the post-merger restructuring plan for the 2021–2025 period, with a focus on improving the quality of all aspects of the company's operations; on this basis, directing the executive management to assess the current situation, identify strengths and weaknesses, analyze underlying causes, and propose appropriate solutions in areas such as employee awareness and education, operational management, and the administration of key functions, including the governance of technological indicators and labor management to ensure efficient equipment operation while aligning salary and bonus mechanisms to encourage employees to maximize productivity. Increasing labor productivity in machinery and equipment operation while ensuring safety across all production and production support activities of the company.

Investment activities shall be carried out in strict compliance with the regulations of the law, TKV, and the Company. The executive management is directed to ensure full adherence to internal regulations, processes, and standards across all operational fields; organize occupational safety and hygiene training for employees; continuously improve working conditions; and strictly enforce the Company's and TKV's regulations on occupational safety and hygiene, environmental protection, hazardous waste management, and wastewater treatment.

Efforts will continue to focus on implementing specific measures and solutions to reduce costs across all business and production areas while enhancing product quality and increasing labor productivity to ensure cost savings. Key measures include:

- + Enhancing the implementation of the National Digital Transformation Project to strengthen and support all aspects of corporate management and administration.

- + Strengthening the management of fundamental technical processes, improving screening efficiency and coal recovery rates, and reducing resource losses.

- + Maximizing the operational capacity of machinery and equipment, minimizing idle time, and increasing equipment productivity.

- + Establishing recruitment and incentive policies for highly skilled workers to support equipment maintenance and improve the efficiency of mobilizing and utilizing machinery.

- + Enhancing the expertise of company personnel and workers while organizing labor in a scientific and efficient manner.

3. Orientation for the Board of Directors' Activities in 2025

The Board of Directors shall operate in accordance with their functions, duties, and powers as prescribed by law and the Company's Charter. Their activities will be conducted following Plan No. 13605/KH-TCS-HDQT, issued on December 30, 2024.

Enhancing the effectiveness of the Board of Directors' operations, fostering unity among the company's employees, strengthening leadership, and proposing timely solutions and measures to support the Board of Management in ensuring stability and growth in business and production activities.

The Board of Directors shall maintain the regular meeting schedule, promptly review and decide on important matters within their authority to assist the General Director in managing and directing production in 2025 effectively, ensuring capital preservation and business growth for the Company.

Strengthening the management, supervision and direction of the activities of the Director and the Company's management apparatus in accordance with the law, the Company's Charter, the Resolutions of the General Meeting of Shareholders, the resolutions and decisions of the Board of Directors. Directing the implementation of the Company's production and business targets approved by the Annual General Meeting of Shareholders and ensuring the rights and interests of the Company's shareholders..

Continue to improve the organization of staff, arrange and complete the management apparatus from the Company to production units in the direction of reasonable rotation of staff; complete, build and amend (if necessary) the company's management regulations strictly, but still flexible, in accordance with new regulations of the law.

The Board of Directors coordinates with the Company's Party Committee to lead and direct the Company's activities, creating favorable conditions for

Trade Unions, Youth Unions, Veterans Associations, etc. to operate and participate in management in accordance with the provisions of law and the functions and tasks of the organizations.

Dear Shareholders, above is the report of the Board of Directors of the Company assessing the production and business results of the Company and the Board of Directors in 2024. With great efforts and attempts, the Board of Directors and the Executive Board of the Company have directed, operated, organized production, ensured enough jobs for workers in the actual production conditions facing many difficulties and have brought about good results: Profitable production and business, preserving capital and increasing shareholders' benefits, ensuring jobs and income for workers at a high level. The Board of Directors would like to express its deep gratitude and hope to continue to receive the trust, commitment and cooperation of shareholders, the efforts of the Board of Directors and all employees of the Company to continue to overcome all challenges and promote sustainable development and increase value for the Company's shareholders.

The above is the Board of Directors' report on corporate governance and the supervision of the Executive Management in 2024, along with key orientations for activities and task implementation in 2025, respectfully submitted to the Annual General Meeting of Shareholders in 2025.

Wishing all esteemed delegates and shareholders good health, happiness, and success!

Sincere thanks, and best wishes for a successful meeting!

Recipients:

- 2025 GMS;
- Shareholders;
- Archived: Clerical, BOD Office.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**

Vu Van Khan