

Appendix IV

ANNUAL REPORT

(Promulgated with the Circular No 96/2020/TT-BTC on November 16, 2020 of the Minister of Finance)

**VMG MEDIA JOINT
STOCK COMPANY**

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness

No. ^{29A}129BC-VMG

Ha Noi, month 10 day 4 year 2025

ANNUAL REPORT 2024

To: Hanoi Stock Exchange (HNX)

I. General information

1. General information

- Trading name: VMG Media Joint Stock Company
- Business Registration Certificate No.: 0101883619, first issued on February 10, 2006
- Charter capital: 203.930.000.000 VNĐ
- Owner's capital: 203.930.000.000 VNĐ
- Address: 6th Floor, PEAKVIEW Tower, No. 36 Hoang Cau Street, O Cho Dua Ward, Dong Da District, Hanoi City, Vietnam
- Telephone: 024.35378820
- Fax: 024.37726091
- Website: <https://vmgmedia.vn/>
- Securities code (if any): ABC
- Establishment and development process (Date of establishment, time of listing, and development milestones since the establishment until now):
 - February 10, 2006: The company was first granted its business license under the name Vietnamnet Media Joint Stock Company and its headquarters were located at No. 4 Lang Ha, Hanoi. Implemented the SMS Content Management & Delivery platform with software from partner Boungionor Spa Italia, which was considered the best in Vietnam at that time.

- 2008: The company changed its name to VMG Media Joint Stock Company and was honored with the VietNam Mobile Award.
- 2009: VMG was recognized by the Ministry of Information and Communications as a service provider with the most innovative and potential content services.
- 2010: Increased charter capital from VND 26 billion to VND 80 billion; relocated headquarters to Vien Dong Building, No. 36 Hoang Cau, Hanoi.
- 2011: Increased charter capital to VND 100 billion; NTT Docomo, the largest telecom company in Japan, became a major shareholder of VMG. VMG officially entered the SMS Brandname sector.
- 2012: Increased charter capital to VND 203.93 billion; officially opened a new office in Ho Chi Minh City.
- 2013: Ranked in the Top 1000 Taxpaying Companies in Vietnam.
- 2014: Registered securities and received the stock code ABC.
- 2015: VMG was named among the Top 40 Leading IT Enterprises in Vietnam by Vinasa, and became the largest revenue earner in Vietnam's digital content sector.
- 2016: Partnered with NTT Vietnam, established OCG Technology JSC; invested in Imedia Technology JSC; received the Top 50 Leading Companies in Vietnam award, particularly for the highest revenue per capita, nearly VND 7 billion/person.
- 2017: Exited from VNPT Epay JSC (Vietnam Post and Telecommunications Group's electronic payment company).
- 2019: Moved the headquarters to 6th Floor, Peakview Tower, No. 36 Hoang Cau, Dong Da, Hanoi.
- 2020: VMG was honored with two awards: Top 10 Digital Content Enterprises and Top 10 Digital Marketing Enterprises.
- 2021: VMG proudly received the Sao Khue Award for SMS Brandname service.
- 2022: Revenue reached VND 1,246 billion, with profit plan exceeding 106%.
- 2023: Exited from OCG Technology JSC; VMG acquired the broadcasting rights to several international sports events such as the 2023 FIFA Women's World Cup and the DFB-Pokal German Cup.
- 2024: VMG Media and HyperVerge entered a comprehensive partnership to develop e-KYC (electronic Know Your Customer) solutions. VMG was officially chosen as the exclusive provider for Vietcombank and Lienvietbank for the Chip-enabled Citizen ID Authentication Solution.

- Other events: None

2. Business lines and locations of the business:

- Business lines:

No	Industry Name	Industry Code
	Other telecommunications activities	
1	Details: Online gaming services; Publishing services (books, newspapers, periodicals); Agents providing and exploiting value-added services on Vietnam's telecommunications networks, the Internet; Providing online gaming services; Digital content services: services provided on an online environment to support, serve the production, exploitation, publishing, upgrading, warranty, maintenance of digital content products and other related activities; Providing content services on mobile telecommunications networks; Providing content services on telecommunications networks..	6190 (Main)
	Printing	
2	Details: Printing design, printing services, and related printing services (according to current legal regulations).	1811
	Manufacture of computers and peripheral equipment	
3	Details: Production of computer hardware.	2620
4	Retail sale of computers, peripheral equipment, software, and telecommunications equipment in specialized stores	4741
	Motion picture, video, and television program production activities	
5	Details: Producing, buying and selling, organizing radio, television programs, and stage performances (except for state-banned programs)	5911
	Sound recording and music publishing activities	
6	Details: Sound recording and publishing music.	5920
	Data processing, hosting, and related activities	
7	Details: Providing infrastructure for hosting, data processing services, and related activities such as renting websites, streaming services, or hosting applications, providing mainframe devices to customers. Data processing includes completing and reporting output results from data provided by customers or entering and processing data automatically..	6311
	Portals	
8	(Non-journalistic activities)	6312

9	Wholesale trade of computers, peripheral equipment, and software Details: Software consulting and related service	4651
10	Wholesale trade of machinery, equipment, and spare parts Details: Trading in equipment and machinery for telecommunications, media, and information technology industries.	4659
11	Retail trade via mail order or the Internet	4791
12	Educational support activities Details: Education consulting; Providing advice on education; Educational assessment services; Educational test services; Organizing student exchange programs; Overseas study consulting services.	8560
13	Other recreational activities not classified elsewhere Details: Entertainment services on television, public media (except for state-banned entertainment activities).	9329
14	Computer and peripheral equipment repair Details: Computer hardware repair and related consulting services.	9511
15	Real estate business, ownership or lease of land Details: Office leasing.	6810
16	Advertising Details: Advertising services, event organization, public relations activities.	7310
17	Market research and opinion polling Details: Market research services.	7320
18	Services related to calls	8220
19	Trade promotion and commercial event organization Details: Organizing, promoting, and/or managing events such as business exhibitions, introductions, conferences, with or without management and providing staff for event organization	8230
20	Trade promotion and commercial event organization Details: Organizing, promoting, and/or managing events such as business exhibitions, introductions, conferences, with or without management and providing staff for event organization	8230

21	Preschool education	8511
22	Kindergarten education	8512
23	Primary education	8531
24	Secondary education	8532
25	Higher education	8533
26	Sports and recreation education	8551
27	Cultural and arts education	8552
28	Other education not classified elsewhere Details: Foreign language teaching, conversation skills, computer skills teaching, non-degree education in training centers; Private tutoring services; Pre-school education; Driving schools for non-professional drivers;	8559
29	Other sports activities Details: Event management in sports, whether with or without facilities; Activities of athletes, referees, and others in personal accounts; Organizing sports events; Activities of racehorse stables, dog kennels, and garages; Hunting and fishing sports activities.	9319
30	Other information services not classified elsewhere Details: Telephone information services; Paid information search services; Information clipping services.	6399
31	Insurance agent and broker activities Details: Activities of insurance agents (brokers) in selling, negotiating, or advising on insurance policies.	6622
32	Other retail sale in non-specialized stores	4719

33	Photocopying, document preparation, and other specialized office support activities Details: Photocopying, document preparation.	8219
34	Payment and credit support services Details: Payment intermediary services, e-wallet services, payment gateway services; Bill payment support services, money transfer support services; Payment intermediary services (operating under the license from the State Bank of Vietnam)	8291
35	Wholesale of electronic equipment and telecommunications equipme	4652
36	Wireless telecommunications activities	6120
37	Wired telecommunications activities	6110
38	Artistic and entertainment creation activities	9000
39	Computer programming activities	6201
40	Computer consulting and systems management activities	6202
41	Information technology service activities and other computer-related services	6209

- Location of business: Nationwide

3. *Information about governance model, business organization and managerial apparatus*

- Governance model (as stipulated in Article 137 of the Law on Enterprises):

- General Meeting of Shareholders
- Board of Directors
- Supervisory Board
- General Director

- Management structure.

- Subsidiaries, associated companies:

- + Associate Company: VNN Plus Media Joint Stock Company (VNN Plus)
- + Address: 6th Floor, Building No. 18, Alley 11, Thai Ha Street, Trung Liet Ward, Dong Da District, Hanoi, Vietnam..
- + Main Business Activities::
 - Information portal services (excluding journalism activities);
 - Call-related service activities;
 - Audio recording services;
 - Online gaming services;
 - Public relations services;
 - Agency for providing and operating value-added services on telecommunications and internet networks in Vietnam;
 - Entertainment services via television and mass media (excluding those prohibited by the State);
 - Advertising, event organization, and public relations activities..
- + Charter Capital as of December 31, 2024: VND 17,840,000,000
- + VMG's Ownership Ratio in VNN Plus as of December 31, 2024: 28.59%

4. Development orientations:

- Main objectives of the Company:
 - + Optimize production and business operations, leveraging all opportunities to increase revenue and profit from traditional services, while accelerating the development of new services where VMG holds a pioneering advantage;
 - + Continue investing in the development of new services as a foundation for future growth;
 - + Expand and strengthen technological activities to turn technology into a competitive advantage;
- Medium and Long-term Development Strategy:
 - + Maintain and further develop VAS (Value-Added Services) with mobile network operators;
 - + Become one of the top 3 providers of digital identification and electronic authentication services;
 - + Develop new services such as: outsourcing personnel leasing, software outsourcing, and acting as a digital service agency for telecom operators;
 - + Optimize management efficiency and improve labor productivity.
- Sustainable Development Goals (Environment, Society, and Community) and Related Short-to-Mid-Term Programs:

VMG consistently fulfills its social responsibilities and obligations to the community. Alongside business activities, VMG actively promotes social contribution initiatives through the VMG Charity Fund, aiming to support underprivileged children in remote areas with strong academic potential. The company strives to help them pursue education more effectively, bringing greater value not only to the children but also to society as a whole.

5. *Risks (Specify the risks probably affecting the production and business operations or the realization of the Company's objectives, including environmental risks):* None

II. Operations in the Year

1. Situation of production and business operations

- Results of business operations in the year:

No	Indicator	2023	2024	% Increase / (Decrease)
1	Revenue	1.078.710	1.193.605	11%
2	Profit Before Tax	27.487	11.012	- 60%
3	Profit After Tax	26.324	7.048	- 73%

- Total revenue in 2024 reached VND 1,193,605 billion, an increase of 11% compared to 2023, fulfilling 103% of the annual plan.
- Profit before tax in 2024 was VND 11,012 billion, a decrease of 60% compared to 2023, achieving only 38% of the 2024 target.

2. Organization and Human resource

- *List of the Board of Management:* (List, curriculum vitae and ownership percentage of the Company's voting shares and other securities by the Company's General Director, Deputy General Directors, Chief Accountant and other managers):

No	Position	Full Name	Shareholding Ratio	Change
1	General Director	Mr. Nguyen Hoang Nam	0%	Dismissed as of April 24, 2024
2	Deputy General Director	Mr. Nguyen Duc Tho	0%	Appointed from September 15, 2023

- Changes in the Board of Management (List the changes in the Board of Management in the year): Mr. Nguyen Hoang Nam stepped down from the position of General Director.

- Number of staffs. Brief information and changes on the employee's policies:
- + Average number of employees in 2024: 115 people
- + In Q4/2024, the company implemented a new salary and bonus policy, along with the successful development of a KPI system applicable to each department and individual. This new compensation mechanism has created strong motivation for the workforce, enhancing employee morale and internal cohesion.
A fair and transparent salary–bonus structure not only ensures employees' rights and benefits, but also encourages dedication and improves work efficiency.
As a result, the company aims to optimize human resources, improve business performance, and lay the foundation for sustainable development in the future.

3. Investment activities, project implementation

a) Major investments: Cash equivalents and investments

Category	Amount (VND)
Short-term term deposits (*)	143.432.793.273
Bonds (**)	30.000.000.000
Total	173.432.793.273

(*) As of December 31, 2024, held-to-maturity investments include time deposit contracts with terms ranging from 6 to 12 months, totaling VND 143.432.793.273. These deposits are placed at commercial banks and financial companies with interest rates ranging from 3.5% to 6.4% per annum.

(**) This refers to an investment in bonds issued by Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) with a total value of VND 30.000.000.000 a term of 120 months, and an interest rate equal to the reference rate plus 1.3% per annum.

b) Subsidiaries, associated companies: VNN Plus Media Joint Stock Company

Financial Overview of VNN Plus:

Item	2023	2024	% Increase / Decrease
Total Assets	17.948	139.507	677%
Net Revenue	40.502	133.239	199%
Profit Before Tax	-3.558	79	
Profit After Tax	-3.558	79	

c. Project Implementation Status

Project	Planned Activities	Implementation Status
	Apply for a Payment Intermediary License from the State Bank of Vietnam in Q4/2024, including:	Project on Developing a Payment Intermediary Software (Payment Gateway)
Payment Intermediary	1. E-wallet 2. Payment gateway 3. Collection and disbursement services 4. Electronic money transfer services	Due to the impact of Decree No. 52/ND-CP and Circular No. 07/TT-NHNN, which introduce several new regulations that may pose challenges to the business operations of e-wallet services - particularly new market entrants - the licensing application and software implementation for the payment intermediary project have been temporarily suspended. The signing of the software development contract has also been put on hold to allow for a reassessment of the market and future business strategies in light of the new regulatory landscape.
MVNO (Mobile Virtual Network Operator)	Q2/2024: Sign MOU with telecom operator Q4/2024: Apply for telecommunications network license (Ministry of Information and Communications) Q4/2024 or Q1/2025: Apply for MVNO license	Did not meet MobiFone's partnership requirements (MOU – 800-store chain). → The project has been discontinued.
eContract	Go-live target: May 2024 Apply for license for electronic transaction connection to CECA platform : May 2024	The ezDoc Digital Signature and Document Management System has been implemented and put into operation.

4. Financial situation

a. Financial situation

Indicators	2023	2024	% Increase/ (Decrease)
Total asset	641.306.839.859	897.364.061.745	40%
Net revenue	1.078.709.786.617	1.146.997.928.816	6%
Profit from business activities	26.016.962.686	11.034.188.728	-58%
Other profits	1.470.318.802	(22.160.151)	-102%
Profit before tax	27.487.281.488	11.012.028.577	-60%
Profit after tax	26.324.248.099	7.026.864.892	-73%
Payout ratio	5%	0%	

b. Major financial indicators:

Indicators	2023	2024	Note
<i>1. Solvency ratio</i>			
+ Current ratio: (Short term Asset/Short term debt)	3,85	2,01	
+ Quick ratio: <u>Short term Asset - Inventories</u> <u>Short term Debt</u>	3,84	2,01	
<i>2. capital structure Ratio</i>			
+ Debt/Total assets ratio	0,22	0,45	
+ Debt/Owner's Equity ratio	0,29	0,83	
<i>3. Operation capability Ratio</i>			
+ Inventory turnover: (Cost of goods sold/Average inventory)	956,38	814,42	
+ Total asset turnover: Net revenue/ Average Total Assets	1,68	1,28	

<i>4. Profitability</i>			
+ profit after tax/ Net revenue Ratio	0,02	0,006	
+ profit after tax/ total capital Ratio	0,05	0,014	
+ profit after tax/ Total assets Ratio	0,04	0,008	
+Profit from business activities/ Net revenue Ratio	0,02	0,01	

5. Shareholders structure, change in the owner's equity.

a. Shares (Specify total number and types of floating shares, number of freely transferable shares and number of preferred shares in accordance with the law, the Company's Charter and commitments of the owner. Where the company has securities traded in foreign countries or underwritten the issuance and listing of securities in foreign countries, it is required to specify the foreign markets, the number of securities to be traded or underwritten and important information concerning the rights and obligations of the company related to the securities traded or underwritten in foreign countries):

- Total number of shares: 20,393,000 shares
- Type of outstanding shares: Common shares
- Number of freely transferable shares: 20,393,000 shares
- Number of restricted shares (due to legal regulations, company charter, or shareholder commitments): 0 shares

b. Shareholders structure (Specify shareholders structure by ownership percentages (major, minority shareholders); institutional and Individual shareholders; domestic and foreign shareholders; State and other shareholders; foreign shareholder's maximum percentages):

- Major shareholders: 01 shareholder
- Institutional shareholders: 04 shareholders
- Individual shareholders: 1,395 shareholders
- Foreign shareholders: 16 shareholders
- Domestic shareholders: 1,379 shareholders
- State shareholders: 01 shareholder

c. Change in the owner's equity (specify equity increases including public offerings, private offerings, bond conversions, warrant conversions, Issuance of bonus shares, shares dividend, etc): During the year, the Company made no changes to the owner's equity capital.

d. Transaction of treasury stocks (Specify number of existing treasury stocks, list transactions of treasury stocks conducted for the year including trading times, prices and counter parties):

- Number of treasury shares: 4,000 shares
- In 2024, VMG did not conduct any treasury share transactions

e. Other securities(other securities issues conducted during the year. Specify the number, characteristics of other types of floating securities and outstanding commitments of the Company to other individuals, organizations (including Company's staffs and managers) related to the securities issues): No

6. Báo cáo tác động liên quan đến môi trường và xã hội của công ty/ Environment-Social-Governance (ESG) Report of the Company

6.1. Environmental Impact

Total direct and indirect GHG emission: None

Measures and initiatives to reduce GHG emission: None

6.2. Management of raw materials:

a. The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year: None

b. The percentage of materials recycled to produce products and services of the organization: None

6.3. Energy consumption:

a. Energy consumption - directly and indirectly: None

b. Energy savings through initiatives of efficiently using energy: None

c. The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives: None

6.4 Water consumption (water consumption of business activities in the year)

a. Water supply and amount of water used: In 2024, the total cost incurred by the Company for water usage at the office was VND 17,393,695.

b. Percentage and total volume of water recycled and reused: None

6.5. Compliance with the law on environmental protection:

a. Number of times the company is fined for failing to comply with laws and regulations on environment: None

b. The total amount to be fined for failing to comply with laws and regulations on the environment: None

6.6. Policies related to employees

a. Number of employees, average wages of workers.

- Average number of employees in 2024: 115 employees
- Average monthly salary: VND 20,903,580 per person

b. Labor policies to ensure health, safety and welfare of workers.

- Periodic health check-ups for all staff
- Participation in fire prevention and safety training
- Support and visits for employees during illness
- Organization of company trips and celebrations for occasions such as International Women's Day (March 8), Vietnamese Women's Day (October 20), etc., to honor and strengthen employee engagement

c. Employee training

- The average number of training hours per year, according to the staff and classified staff: 75 hours
- The skills development and continuous learning program to support workers employment and career development: Professional training programs, operational training, and soft skills development.

6.7. Report on responsibility for local community.

The community investments and other community development activities, including financial assistance to community service: None

6.8. Report on green capital market activities under the guidance of the ssc: None

III. Reports and assessments of the Board of Management (the Board of Management reports and assesses the Company's situation through every facet)

1. Assessment of operating results

- 2024 remained a challenging and difficult year for businesses operating in the media and digital services sectors, and VMG Media Joint Stock Company was no exception to the market trend.

It was also a year of continued significant changes in VMG's organizational structure and executive management.

However, thanks to the dedication and efforts of the Board of Management and all employees, the Company strived to fulfill the tasks assigned by the Board of Directors.

- Although VMG has not fully achieved its set targets, the overall business performance showed several positive signs:
 - + VAS services experienced a rebound toward the end of the year.
 - + The SMS Brandname service has overcome the previous "loss-making" status, actively handling inventory, aiming for profitability in the 2025 financial results.
 - + VMG promoted digital music copyright sales and distribution of trending hits, including acquiring rights to distribute UEFA Euro 2024 content.
 - + Development of the new VMGeID service: contracts signed with major clients such as Vietcombank, LPBank, Futa, and Payoo.

- + Launch of a new software outsourcing service: contracts signed and implemented with several partners including Mobifone, TMT, HMG, and Đại Lải.
- + Since September 2024, the Company has subleased a portion of its office space to VNNPLUS Media Joint Stock Company and Airsoft Software Co., Ltd., helping VMG reduce costs and optimize workspace usage.
- + In November 2024, VMG Media Joint Stock Company and HyperVerge (India) Technologies Private Limited officially announced a comprehensive partnership to develop cutting-edge electronic Know Your Customer (e-KYC) identity verification solutions for clients including banks, securities companies, and other organizations..

2. Financial Situation

a. Assets

Category	2023	2024	% Increase/Decrease
Current Assets	546.045.332.203	815.088.889.226	49%
Cash & Cash Equivalents	87.737.825.341	244.783.994.311	179%
Short-term Financial Investments	11.912.480.000	143.432.793.273	1104%
Short-term Receivables	339.692.541.757	392.322.237.874	15%
Non-current Assets	95.261.507.656	82.275.172.519	-14%
Total Assets	641.306.839.859	897.364.061.745	40%

Current assets increased by 49% compared to 2023. Notably, short-term financial investments (including term deposits from 3 to 12 months) rose by 1,104%, and cash & cash equivalents increased by 179%.

b. Debt Payable

Category	2023 (VND)	2024 (VND)	% Increase/Decrease
Liabilities	143.101.541.523	406.486.106.714	184%
Short-term Liabilities	141.991.230.328	405.221.911.139	185%
Short-term Trade Payables	18.542.302.432	19.309.638.747	4%
Short-term Borrowings	11.000.000.000	264.268.115.955	2302%
Long-term Liabilities	1.110.311.195	1.264.195.575	14%
Short-term Provisions	80.369.909.158	87.803.381.758	9%
Owner's Equity	498.205.298.336	490.877.955.031	-1%
Contributed Capital	203.930.000.000	203.930.000.000	0%
Total Capital	641.306.839.859	897.364.061.745	40%

- Total liabilities increased by 184% compared to 2023, in which short-term borrowings surged by 2,302%, from VND 11 billion to VND 264 billion. The Company has no long-term borrowings.

3. Improvements in organizational structure, policies, and management.

- The technical system (hardware + software) has been effectively monitored, controlled, and stabilized, minimizing errors and ensuring service stability. The management board evaluates that the current system meets approximately 80% of service requirements.
- The server system has been classified, optimized, and reorganized for VMG's services. A gradual migration to cloud infrastructure is being implemented to improve efficiency and reduce costs
- Successfully renewed the ISO 9001 certification and continued operating the SMS Brandname business segment in compliance with ISO standards.
- Research and development of several new services:
 - Copyright business: Initiated the distribution of digital music copyrights, including trending tracks and broadcasting rights for Euro 2024.
 - VMGeID service: Contracts signed with Vietcombank, LPBank, Futa for service provision.
 - ezContract service has been internally deployed at VMG, optimizing document processing time and contributing to the refinement of the service for customer rollout in 2025.
 - Software outsourcing services: Contracts signed and implementation underway with partners such as Mobifone, TMT, HMG, and Dai Lai.
 - Subleased part of the office space to VNN Plus Media Joint Stock Company and Airsoft Software Co., Ltd., helping VMG reduce monthly rental expenses by approximately VND 80 million since September 2024.

4. Development plans in future

VMG's Objectives for 2025:

- Maintain and further develop VAS (Value-Added Services) in cooperation with mobile network operators.
- Become one of the top 3 providers of digital identity and eKYC (electronic Know Your Customer) services.
- Expand new service offerings, including outsourcing personnel, software development services, and acting as a digital services agency for telecom operators
- Optimize management efficiency and improve labor productivity.

5. Assessment Report related to environmental and social responsibilities of the Company

- Assessment concerning the environmental indicators (water consumption, energy, emissions, etc.): None
- Assessment concerning the labor issues: None

c. Assessment concerning the corporate responsibility for the local community: None

IV. Assessments of the Board of Directors on the Company's operation (for joint stock companies)

1. Assessments of the Board of Directors on the Company's operation, including the assessment related to environmental and social responsibilities.

On April 24, 2024, the Company held the 2024 Annual General Meeting of Shareholders. The meeting approved the dismissal and election of new members to the Board of Directors for the 2023–2027 term.

- Dismissed: Mr. Nguyen Manh Hung (Chairman of the Board); Mr. Luong Minh Tuan (Board Member); Ms. Nguyen Thi Thuy Duong (Board Member).
- Elected: Mr. Nguyen Hoang Nam as Chairman of the Board; Mr. Nguyen Duc Tho and Mr. Hoang Tri Cuong as Board Members.

In 2024, the Company's business activities continued to face many difficulties as the telecommunications industry remained in a saturated state. VMG Media Joint Stock Company was not exempt from the general market trend. However, with the dedication and efforts of the Board of Management and all employees, the Company strived to fulfill the tasks assigned by the General Meeting of Shareholders. Overall, VMG's business operations were relatively positive, as the Company still recorded profits, though it did not meet the planned targets due to several reasons

For traditional services:

- SMS Brandname services saw growth compared to previous quarters; however, the growth rate was lower than the assigned target
- SMS Brandname services saw growth compared to previous quarters; however, the growth rate was lower than the assigned target.
- The value-added services (VAS) market with telecom operators showed a declining trend and was heavily influenced by policy changes. From Q3/2024, telecom providers reduced their revenue-sharing ratios, which significantly impacted the revenue of the VAS1 Center and the Copyright Center. New service deployment efforts could not compensate for the decline in existing services. However, thanks to cost optimization, the gross profit margin of these units improved
- The VMGeID service (citizen ID verification with chip), launched at the end of 2023, only generated VND 14.7 billion in revenue in 2024, reaching just 18.3% of the annual plan (VND 80 billion).
- Efforts to strengthen the sales team for core services have not yielded the expected results.
- Regarding the software infrastructure supporting business operations:
 - Software from the Datatech Center (which was dissolved) incurred VND 2 billion in depreciation in 2024.
 - The Digital Advertising Center's software, especially the SMS Brandname Ver3 platform, generated high depreciation costs - VND 6 billion for the year—putting considerable pressure on the final business results

- Regarding the GPS/UTC lawsuit, the Company recorded VND 5.5 billion in legal fees paid to TGT Law Firm in 2024. This cost was related to the legal dispute with GPS/UTC at the Singapore International Arbitration Centre (SIAC).

2. Assessment of Board of Directors on Board of Management's performance

- The Executive Board's management and operations were in full compliance with applicable laws as well as the Company's internal governance rules and regulations. The Executive Board made considerable efforts in administration, debt recovery, and closely following the Resolutions of the General Meeting of Shareholders (GMS) and the Board of Directors (BOD), aiming to maintain stable business activities and progressively meet the objectives and directions set by the GMS and the BOD.
- Directed the Executive Board to restructure the organizational model, title system, and functional responsibilities in line with the new framework approved by the BOD, ensuring alignment with the Company's current business conditions and strategic direction.
- Supervised the Executive Board in carrying out the 2023 dividend distribution to shareholders as approved by the GMS and the BOD.
- Monitored and required the Executive Board to regularly report on the progress of the tax-related arbitration case between the Company and the plaintiff – the Global Payment Services Investment Association and UTC Co., Ltd. – at the Singapore International Arbitration Centre (SIAC).
- Required and oversaw the Executive Board's implementation of the 2024 business plan and development of the 2025 business plan.
- Conducted regular reviews and inspections of periodic reports and disclosures to ensure compliance with relevant regulations.
- Ensured full compliance in organizing BOD meetings in terms of content and participant requirements..

3. Plans and orientations of the Board of Directors

Based on the aforementioned advantages and challenges, the Board of Directors of the Company has outlined the following directions and business plans for 2025:

a. Maintain and develop traditional service lines:

- VAS segment:
 - + Continue seeking and partnering with content providers to develop high-quality, diverse content for commercial deployment; promote the development of new services with enhanced features to attract users.
 - + Strengthen the e-card – top-up business, and expand distribution channels to reach more customers.
- Copyright segment:
 - + Develop and expand major service platforms such as music, books, and games to build a diverse digital ecosystem, enhance user experience, and drive revenue and profit growth.

- + Expand partnerships with major media partners owning rich libraries of entertainment and sports copyrights to meet increasing demand for digital content
- + Develop music copyright business through cooperation with international platforms and aggressively tap into the digital music market.
- + Collaborate with promising young artists to produce trendy music products.

- SMS Brandname segment:

- + Expand the individual customer market, promote prepaid sales services.
- + Develop new customer bases in public sectors (electricity, water, healthcare, taxation, education, etc.)
- + Integrate SMS Brandname with new VMG services to offer comprehensive solutions.
- + Upgrade technical systems to meet new market requirements and regulatory standards
- + Re-engage with large clients and promote cooperation to optimize revenue.

b. New Services:

Continue to internally develop new products and services while also collaborating with domestic and international partners to provide services to customers.

c. Research and Development:

- + Develop new gaming products and collaborate with telecom carriers' gaming platforms to distribute gaming content.
 - + Continue applying and expanding digital transformation efforts at VMG, aiming to complete a comprehensive service ecosystem that offers optimal solutions for clients.
 - + Recruit high-quality technical personnel to strengthen capabilities in developing new technological products that support business operations.
 - + Cost Optimization: Specifically, the company will continue to sublease part of its current office space to other entities, thereby reducing the area it needs to rent and saving costs related to facilities, utilities, and support services. Additionally, the company will review and optimize its support personnel structure to ensure efficient resource allocation, while implementing technological solutions to automate certain processes and reduce reliance on manual labor. These measures are expected not only to cut costs but also to improve operational efficiency, laying a foundation for sustainable growth.
- d. Engage a professional legal consulting firm and allocate necessary resources to protect the company's best interests in legal and business matters, particularly in the tax-related dispute with GPS/UTC concerning EPAY's obligations.

V. Corporate governance

1. Board of Directors

- a. Members and structure of the Board of Directors:

No	Full Name	Position on the Board	Share holding Percentage	Start/End Date of Board Membership"		Position as a Board Member at Other Companies
				Date of Appointment	Date of Dismissal	
1	Nguyen Manh Hung	Chairman of the Board	1,48%	03/04/2023	24/04/2024	
2	Luong Minh Tuan	Member of the Board – CEO	0%	03/04/2023	24/04/2024	
3	Nguyen Thi Thuy Duong	Member of the Board	0%	03/04/2023	24/04/2024	
4	Nguyen Thanh Hai	Member of the Board	0%	03/04/2023		
5	Vo Thang Long	Member of the Board	0%	03/04/2023		
6	Nguyen Hoang Nam	Chairman of the Board	0%	24/04/2024		
7	Nguyen Duc Tho	Member of the Board	0%	24/04/2024		
8	Hoang Tri Cuong	Independent Board Member	0%	24/04/2024		

Number of non-executive members: 06

- b. The committees of the Board of Directors (The list of the subcommittees of the Board of Directors and list of members of each subcommittee): None
- c. Activities of the Board of Directors (Assessing activities of the Board of Directors and specifying the number of Board of Directors meetings, their contents and results): According to the published Corporate Governance Report
- d. Activities of the Board of Directors independent members. Activities of the Board of Directors' subcommittees (Assessing activities of the subcommittees of the Board of Directors, specifying the number of meetings of each subcommittee, their contents and results): None
- e. The list of members of the Board of Directors possessing certificates on corporate governance. The list of members of the Board of Directors participating in corporate governance training programs in the year: None

2. Board of Supervisors/Audit Committee

- a. Members and structure of the Board of Supervisors/ Audit Committee (The list of members of the Board of Supervisors, ownership percentages of voting shares and other securities issued by the company):

No	Full Name	Position	Shareholding Ratio	Notes
1	Mr. Nguyen Thoi Dai	Head of the Board	0%	Appointed on 03/04/2023
2	Ms. Do Kim Thuy	Member	0%	Appointed on 19/09/2022 Reappointed on 03/04/2023
3	Ms. Truong Thi Minh Tho	Member	0%	Appointed on 29/06/2023

- b. Activities of the Board of Supervisors/ Audit Committee (Assessing activities of the Board of Supervisors/ Audit Committee, specifying the number of Board of Supervisors'/ Audit Committee's meetings, their contents and results) : According to the published Corporate Governance Report

3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors/ Audit Committee

- a. Salary, rewards, remuneration and other benefits and expenses for each member of the Board of Directors, the Board of Supervisors/ Audit Committee, Director and General Director and managers. Values of such remuneration, benefits and expenses shall be disclosed in details for each person. Nonmaterial benefits which have not been/cannot be quantified by cash shall be listed and explained).

=> Total expenses related to salaries, bonuses, remuneration, other benefits, and associated costs for each member of the Board of Directors, the Supervisory Board, and the Executive Board in 2024 amounted to VND 3,256,685,431, as detailed in the published 2024 Financial Statements.

- b. Share transactions by internal shareholders (Information about share transactions of members of Board of Directors, members of the Board of Supervisors/ Audit Committee, Director (General Director), Chief Accountant, the company's managers, secretaries, major shareholders and their affiliated persons): None
- c. Contracts or transactions with internal shareholders (Information about the contracts, or transactions signed or executed in the year by the members of the Board of Directors, Board

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- R.C.P. ★ IC

**CONFIRMATION BY THE COMPANY'S
LEGAL REPRESENTATIVE**
(Signature, full name and seal)



CHỦ TỊCH HĐQT
Nguyễn Hoàng Nam