

Hai Phong, Date ... Month ... Year 2025

DRAFT

REPORT
Summary of 2024 Business Operations and
Directions and Tasks for 2025

To: - Esteemed Delegates
- Esteemed Shareholders and the General Assembly

1. Overview of Company Performance in 2024

The year 2024 was full of challenges for the company. In addition to the continued strict implementation of Decree 100, the rising cost of raw materials significantly impacted production and business operations. Furthermore, in September 2024, the company suffered substantial damage from Typhoon No. 3 (Yagi), which directly hit Hai Phong. Despite preparations to secure goods, reinforce facilities, and assign storm response teams, the super typhoon's strong winds caused serious damage to assets and buildings.

Nonetheless, the company consistently upheld a proactive spirit across all stages to best fulfill the targets assigned by the Corporation. Thanks to the guidance and support from the parent company, functional departments, and the Board of Directors, along with the dedication of the management team and all staff, the company took resolute measures to conserve capital, safeguard workers' livelihoods, and stabilize production. Emphasis was placed on productivity-driven initiatives to complete the 2024 production targets.

2. Key Performance Indicators in 2024:

No.	Item	Unit	Year 2023	Year 2024		Ratio %	
			Actual	Annual Plan	Actual	Actual/Annual Plan	Actual/Same Period Last Year
<i>A</i>	<i>B</i>	<i>C</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4=3/2</i>	<i>5=3/1</i>
1	Industrial Production Value	Billion VND	243.92	255.11	245.81	96.35	100.77
2	Total Revenue	Billion VND	442.61	466.57	448.55	96.14	101.34
3	Production Output	1,000 liters	19,293	19,700	18,958	96.24	98.27
<i>a</i>	Bottled Beer Output	-	<i>139</i>	<i>200</i>	198.59	99.30	142.90
<i>b</i>	Canned Beer Output	-	<i>19,002</i>	<i>19,300</i>	18,669.77	96.73	98.25

No.	Item	Unit	Year 2023	Year 2024		Ratio %	
			Actual	Annual Plan	Actual	Actual/Annual Plan	Actual/Same Period Last Year
<i>c</i>	HP Canned Beer Output	-	152	200	90.04	45.02	59.34
4	Sales Volume	1,000 liters	18.566	19.700	18.887,28	95.87	101.73
<i>a</i>	Bottled Beer Output	-	139	200	198,59	99.30	142.90
<i>b</i>	Canned Beer Output	-	18.275	19.300	18.598,65	96.37	101.77
<i>c</i>	HP Canned Beer Output	-	152	200	90,04	45.02	59.34
4	Profit Before Tax	Billion VND	1.25	1.27	0.34	26.77	27.20
5	Tax Contribution	Billion VND	225.38	237.27	235.51	99.26	104.49
6	Employee wages	Million /Per/ month	10.09	10.26	10.78	105.07	106.84

3. Production Activities

3.1. Production Line Productivity

The company proactively coordinated labor and materials for off-season maintenance to ensure equipment readiness for peak production. Machine productivity increased in 2024. For example, the canning line exceeded the 2024 target by 6.3% and improved 1.3% compared to the 2023 average.

Content	Year 2021	Year 2022	Year 2023	Year 2024
Quota per shift (liters)	36,500	37,500	38,500	39,000
Average per shift (lít)	38,021	40,838	40,909	41,455

3.2. Quality Management

Quality remained stable per corporate standards, with an average sensory score of 7.02, higher than the 2023 average of 6.85. The company promoted innovation for production efficiency, cost savings, and labor productivity. In 2024, 34 improvement initiatives were implemented. Material consumption norms were met, though the energy consumption index (SEC) remained high versus other HABECO affiliates. More energy-saving initiatives are planned for 2025.

3.3. Environmental Protection and Occupational Safety

The company conducted environmental monitoring each quarter in 2024, with all results within legal limits and reports submitted to authorities. No complaints or violations occurred. All safety equipment (e.g., pressure tanks, forklifts, electrical grounding) was inspected and certified. Personal dosimeters and radiation checks were conducted quarterly

for two radiation sources. Waste segregation per Hai Phong's Decision No. 60/2023/QĐ-UBND was implemented with proper containers.

The company is preparing to apply for the 2025 Environmental Permit and reduce wastewater treatment capacity to 490 m³/day to cut costs.

4. ISO Management

ISO system activities met basic standard requirements. Of 8 quality objectives, 5 were achieved. Unmet goals included:

- Monthly steam consumption <0.7 tons/1,000L (met in only 4 months)
- CO₂ consumption <13kg/1,000L
- Filter aid consumption <1kg/1,000L

An ISO re-certification audit by TUV NORD on 16–17/12/2024 noted 1 minor nonconformity and 10 improvement recommendations. Departmental ISO implementation was based on updated documents. Quality checks met required frequencies, with real-time tracking and issue resolution ensuring compliance. New documentation from the Corporation was regularly distributed.

5. Food Safety, Fire Protection, and Labor Safety

- Food safety inspection records were consistently updated
- Full safety training and certification were conducted
- A chemical spill drill and fire safety drill were completed in Q1 2024

6. Financial Management

Financial oversight emphasized cost-effective borrowing. Working capital loans were sourced from Vietinbank (VND 48B limit) and BIDV Trang Tien (VND 15B limit) at stable interest rates (4.8–5%). Due to low output in 2024, loans were managed carefully to avoid overdue debts.

The company leveraged state support policies (e.g., land rent reductions, VAT deferments) and fulfilled tax obligations. In 2024, it paid VND 235.12 billion in taxes, reaching 99.09% of the target and 104.32% of the previous year's figure.

7. Raw Materials

Although malt prices dropped versus 2023, some key materials (e.g., can lids, rice) increased by 3.4% and 13% respectively. The company actively coordinated with the Corporation's materials department for the best procurement prices.

9. Organization, Labor, and Income

Operational difficulties impacted employment and wages. In low-output months, alternative work plans were introduced to retain workers. Five skilled employees resigned in the first 10 months, and recruitment was challenging due to uncompetitive wages. Wage distribution adhered to the approved plan, with legal compliance

10. Recruitment and Training

Nineteen training courses were organized, including sensory training, equipment repair, technology and operations, food safety, and corporate-level training.

11. Emulation and Commendation

Innovation and productivity campaigns were regularly launched. In 2024, achievements included:

- 34 technical innovations
- 68 advanced workers out of 75

- 18 emulation soldiers out of 75
- 11 advanced labor collectives out of 14
- 4 outstanding labor collectives out of 14

12. Party and Union Activities

The Party cell followed the Corporation's directives, upheld democratic practices, and successfully completed its 2024 agenda. It confirmed full Party membership for Ms. Dang Thu Uyen and processed applications for Mr. Hoang Van Hung and Mr. Dao Van Thanh. The Trade Union supervised labor safety training and organized fire drills. It ensured 100% of employees received annual health checks and safety gear.

The Union followed HABECO's guidelines to hold the 2024 Employee Conference and coordinated events with the Youth Union such as: International Women's Day (8/3), Ao Dai Week, staff excursions (Tam Dao, Sam Son), and blood donation drives. The Youth Union won three third-place awards in the "Proud of Hanoi Beer" photo contest.

13. 2025 Business Plan

Based on the Corporation's production plan, the Company targets:

No.	Item	Unit	Plan 2025	Notes
(1)	(2)	(3)	(4)	(5)
1	Revenue from main products	Billion VND	254.83	
2	Pre-tax profit	Billion VND	1.07	
3	Post-tax profit:	Billion VND	0.8	

Key strategies to meet the 2025 plan:

- Maintain proactivity in all stages to fulfill corporate targets
- Strictly monitor input materials to ensure product quality and yield
- Ensure continuous operations through scheduled maintenance
- Implement solutions to reduce consumption and costs per unit
- Eliminate unnecessary expenses

Sincerely,

DIRECTOR

Recipients:

- As addressed;
- Board of Directors, Supervisory Board;
- Archives.

Nguyen Hoang Giang