

DỰ THẢO

Ho Chi Minh City, June 26th, 2025

**REPORT
of the Board of Directors on the 2024 activities and the 2025 operational plan**

To: The Annual General Meeting 2025 (AGM)
Phuong Dong Viet Shipping and Logistics Corporation

The Board of Directors (BOD) of Phuong Dong Viet Shipping and Logistics Corporation (PVT Logistics) respectfully submits to the Annual General Meeting 2025 (AGM) the report on 2024 activities and 2025 operational plan of the B.o.D as follows:

I. ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024:

1. Member of the Board of Directors:

- The Board of Directors's includes 5 members:
 - Mr Le Truc Lam - Chairman
 - Mr Ho Si Thuan - Member of The BOD, C.E.O
 - Mr Doan Dinh Hieu - Member of The BOD
 - Mr Nguyen Hoai Phuong - Member of The BOD
 - Mr Hoang Minh Tuan - Independent member of The BOD
- In 2024, there had a change of Member of the BOD, as follow:
 - Mr Le Truc Lam - Chairman (Appoinment on 24th June 2025)
 - Mr Nguyen Trong Quy - Member of The BOD (Dismissal on 24th June 2025)
 - Mr Hoang Minh Tuan - Independent member of The BOD (Appoinment on 24th June 2025)

The Board of Directors's Phuong Dong Viet Shipping and Logistics Corporation carries out through Company Charter, The BOD's Regulations of Operation, Internal Regulations about The Corporate Governance and other regulations of Company.

2. BOD Activities in 2024:

2.1. General assessment:

In 2024, the maritime transportation sector continued to face significant challenges due to the global economic downturn, inflationary pressures, and geopolitical conflicts, including the Russia-Ukraine war, the Israel-Hamas conflict, and Houthi attacks on vessels transiting the Red Sea.

Amid these ongoing difficulties in the transport market, the BOD actively directed and coordinated with the Executive Board to develop targeted solution groups aimed at resolving critical issues faced by the Company during the year.

The BOD fully exercised its supervisory functions over the Company's management activities, providing appropriate direction and timely guidance to ensure effective utilization of resources in achieving the targets assigned by the General Meeting of Shareholders, in compliance with legal regulations and the Company's Charter.

With a strong sense of responsibility, unity, and cooperation, the BOD carried out its duties with integrity and prudence in the interest of shareholders and the Company. The Board implemented decisive governance measures and directed the Executive Management to execute the Resolutions of the General Meeting of Shareholders and the Resolutions/Decisions of the BOD, resulting in the following achievements for 2024:

- The Company successfully achieved its business targets, with revenue reached VND 1,552.06 billion, equal to 124% of the yearly plan. Profit before tax reached VND 280.40 billion, equal to 351% of the yearly plan. Tax payments to the state budget amounted to VND 61.37 billion. The ratio of Profit before tax/Average charter capital (excluding profit from selling PVT Synergy vessel) reached 22% of the yearly plan.

- In addition to surpassing all business performance indicators, the reputation and standing of PVT Logistics in the maritime transport industry were maintained and further strengthened in 2024. For the second time, PVT Logistics was named among the Top 10 Best Workplaces in the Logistics Sector, as assessed by Viet Research in collaboration with the Investment Review Newspaper.

- Corporate governance and management: In 2024, the Company experienced changes in its Board of Directors' member. The BOD continued to operate in accordance with its principles and working regulations, effectively fulfilling its assigned roles and responsibilities, and maximizing the contribution of each member. During the year, the BOD reviewed, amended, and supplemented the Company Charter following the completion of a charter capital increase. The Company continued to develop and refine internal processes, regulations, and management systems; actively reorganized and provided training to strengthen key personnel; and enhanced technical and safety management of its fleet. Strict control of operational cost norms, material supply, and support services was maintained to ensure that vessels operated continuously, safely, efficiently, and cost-effectively.

- The BOD always supervise business activities, in which, in addition to reviewing and improving the system of governance regulations, the BOD' representatives regularly attend meetings of the Executive Board to promptly update information, coordinate and direct to achieve the best results. In 2024, the Board of Directors established the Audit and Risk Management Subcommittee to support and improve the quality of the Board of Directors' activities in supervising the internal control system and risk management/control of the company.

- The development strategy is considered an important task in 2024. In addition to traditional maritime transport activities, the Board of Directors has directed the Executive Board to research and expand the development of the logistics sector, including seeking investment opportunities and cooperation in warehouse and port management for implementation in the period 2026 - 2030.

- Fleet investment: On the basis of the increased charter capital, remaining equity capital, and proceeds from other sources, the Company implemented four new projects. During the year, the Company invested in one Supramax bulk carrier, *PVT Topaz*, which was delivered and put into operation on September 4, 2024. The Company temporarily used its own funds and bank loans to acquire the vessel at a total cost of approximately VND 386 billion. The proceeds from the public share issuance (raising charter capital from VND 431 billion to VND 661 billion, an increase of VND 230 billion) were subsequently used to replenish Company funds for the acquisition of *PVT Topaz*. Another Supramax bulk carrier, *PVT Coral*, was delivered and commenced operations on November 4, 2024, funded by proceeds from the sale of *PVT Synergy* and remaining

equity. The *PVT Synergy* vessel was sold and transferred to the buyer on August 29, 2024, yielding an estimated profit of VND 158 billion.

- Charter capital increase and dividend distribution:

- + *Charter capital increase*: In 2024, the Company completed a public offering of 23,008,635 additional shares, increasing the Company's charter capital from VND 430,873,310,000 to VND 660,959,660,000 and the total registered shares of PDV are now 66,095,966. The Company completed the cash dividend payment of 10%, as approved by the 2024 General Meeting of Shareholders.

2.2. Assessment of the implementation of tasks according to the Resolution of the General Meeting of Shareholders:

In 2024, PVT Logistics has implemented the contents of the Resolution of the General Meeting of Shareholders No. 01/NQ-PĐV-ĐHĐCĐ dated April 24, 2024, as follows:

- Cash dividend payment: In September 2024, the company completed the payment of cash dividends from undistributed profit after tax in 2023 at a rate of 10% of charter capital.

- Amending and supplementing the charter, adjusting business lines: the company has issued a charter amending and supplementing business lines, adjusting charter capital and updating the Business Registration Certificate.

- Charter capital increase: Completed the plan to increase charter capital by VND 230 billion from VND 431 billion to VND 661 billion.

- PDV stock listing on the Ho Chi Minh City Stock Exchange: The company has submitted a registration dossier for stock listing at the Ho Chi Minh City Stock Exchange and is currently completing the dossier.

- Investment work: Due to fluctuations in the ship trading market and the world's political economy in 2024, PVT Logistics will only implement 2/4 investment projects according to the plan approved by the General Meeting of Shareholders, 2 investment projects that have not been implemented will be transferred for investment to 2025.

3. Activities of the Member of BOD:

Members of BOD actively carried out their assigned roles and responsibilities, fully participated in meeting, and voted on matter with the BOD's authority, as detail below:

1) Mr Le Truc Lam - Chairman

- Actively and proactively fulfilled the responsibilities of an independent BOD member and duties assigned by the BOD from January 1st to April 24th, 2024;

- From April 24th, 2024 onwards, upon appointment as Chairman of the BOD, he actively and proactively directed BOD operations, ensuring compliance with legal regulations, the Company's Charter, and the resolutions of the General Meeting of Shareholders, in line with the Company's operational requirements;

- Fully attended BOD meetings and participated in voting on matters under the BOD's authority.

2) Mr Ho Si Thuan – Member of The Board of Director/ C.E.O

- Demonstrated commitment and decisiveness in effectively managing the Company's business operations;

- Directly organized, led, and managed the Company's production and business activities in accordance with legal regulations, the Company's Charter, and

resolutions/decisions of the BOD and the General Meeting of Shareholders. Reported on operations and business results to the BOD periodically or upon request;

- Fully attended BOD meetings and participated in voting on matters under the BOD's authority;
- Performed information disclosure in accordance with legal requirements.

3) Mr Nguyen Hoai Phuong – Member of The Board of Director

- Consistently proactive in fulfilling his assigned duties and responsibilities; Have important contributions to the company's strategic development.
- Fully attended BOD meetings and participated in voting on matters under the BOD's authority.

4) Mr Doan Dinh Hieu – Member of The Board of Director

- Consistently proactive in fulfilling his assigned duties and responsibilities;
- Fully attended BOD meetings and participated in voting on matters under the BOD's authority.

5) Mr Hoang Minh Tuan – Independent member of The Board of Director

- Since April 24th, 2024, he has actively and proactively carried out the functions and responsibilities of an independent BOD member;
- Fully attended BOD meetings and participated in voting on matters under the BOD's authority;

All BOD members performed their roles and responsibilities in accordance with the Law on Enterprises, the Company's Charter, the BOD's Rules of Operation, and other relevant legal regulations, and successfully fulfilled the tasks assigned by the BOD.

4. Remuneration of the Board of Directors and Supervisory Board:

The remuneration for the Board of Directors (BOD) and Supervisory Board (SB) in 2024 was paid in accordance with the allowance levels approved by the 2024 GMS, as follows:

- For BOD members concurrently holding executive positions (including the General Director cum BOD member): VND 5,000,000 per person per month; For independent BOD members: VND 5,000,000 per person per month; For the Head of the Supervisory Board: VND 4,000,000 per person per month, For SB members: VND 2,500,000 per person per month. The total remuneration paid to the BOD and concurrent SB members amounted to VND 400,000,000. Bonuses from the annual executive bonus fund, subject to BOD review, were distributed in accordance with the Company's internal regulations and policies on remuneration and bonuses;

- For the full-time BOD member (Chairman of the BOD): Compensation was provided in accordance with the Company's salary, bonus, and policy framework. Total 2024 income: VND 651,704,000;

- For the BOD member concurrently serving as General Director: Compensation was based on the Company's executive remuneration and bonus policy. Total 2024 income: VND 1,711,418,182.

5. Management and supervision of activities of CEO and Executive Management:

In 2024, in addition to its role in strategic orientation and risk management, the Board of Directors has strengthened its management and supervision of the CEO and the

executive management in the implementation of business activities. Supervision is carried out on the basis of legal provisions, the Company's Charter, the Corporate Governance Regulations and internal management regulations. The management and supervision activities of the Board of Directors in 2024 include the following main contents:

- Assign work to members of the Board of Directors in charge of monitoring each field, each member on behalf of the Board of Directors supervises and urges the activities of the Executive Board in the assigned field to ensure that the resolutions/decisions of the Board of Directors are implemented effectively, on schedule and in compliance with regulations.

- The Board of Directors issues the Board of Directors' plan for 2024, including tasks for business activities, management and administration, supervision activities and shareholder work. Members of the Board of Directors shall, according to the assignment, direct or proactively perform the assigned duties and responsibilities.

- The Board of Directors supervises the management of business activities of the Executive Board, the implementation of investment projects, capital increase and the organization of the company's human resources. In addition, the Board of Directors reviews, updates and issues a number of internal management regulations.

In assessing the Company's Executive Board in 2024, the Executive Board has made great efforts and determination in implementing all aspects of the Company's operations, complying with the provisions of the law, the Charter and issued resolutions and decisions. With the achieved results, the Board of Directors acknowledges the Executive Board' proactiveness in promptly adapting to fluctuations in freight rates and market supply and demand, effectively exploiting resources to optimize operations, and highly appreciates the efforts of the staff and crew in successfully completing the 2024 business plan targets assigned by the General Meeting of Shareholders, specifically:

- Business activities with revenue and profit exceeding the 2024 plan;
- Complete the company's 2024 capital increase plan, increasing the total charter capital to VND 660,959,660,000. Complete the investment in 2 Supramax bulk carriers, PVT Topaz and PVT Coral, to improve the fleet capacity, meet customer requirements, thereby bringing maximum benefits to shareholders;
- Regarding the financial situation, the company maintains a solid financial foundation with high solvency indicators (> 1.69 times), debt/equity ratio at a safe level of 1.17 times. The loan and debt structure is reasonably established, in line with the Company's financial plan and risk management. Outstanding loans account for about 43% of total assets, helping the Company proactively maintain a reasonable leverage ratio, ensuring solvency.
- Ensure income and living standards of employees; build and train a team of leaders and employees with professional qualifications; build a good corporate culture and working environment to promote solidarity, creativity and enthusiasm, creating a foundation for the sustainable development of the company;
- Fully perform obligations to the State according to regulations, transparent management policies with clear division of labor and decentralization.

6. BOD Resolutions and Decisions in 2024.

In 2024, the Board of Directors held 45 meetings, including 04 quarterly meetings. Based on the results of the meetings, the Board of Directors issued 62

Resolutions/Decisions on important issues of the Company such as: organizing the Annual General Meeting of Shareholders; approving the 2024 business plan; plan to offer additional shares to the public to increase charter capital, pay dividends to shareholders; approve 2 investment projects for bulk carriers of about 25,000 - 75,000 DWT; Approved the sale of the PVT Synergy vessel; amend the Comapy Charter; amend the Regulations on Working principles and working relationships between the Board of Directors and the Executive Board and organizations in PVT Logistics; personnel, human resources, salaries...

7. Shareholder Relations (IR):

The Company has continued to maintain effective communication with shareholders, ensuring timely provision of requested information and full compliance with current laws, the Company's Charter, and its internal governance regulations.

All shareholders were fully informed of matters related to the organization of the 2024 Annual General Meeting of Shareholders, thereby contributing to the overall success of the meeting.

8. Transactions between the Company and BOD members or their related parties; Transactions with companies where BOD members hold founding or managerial roles:

Details of such transactions are disclosed in the Notes to the Company's audited 2024 Financial Statements.

9. Activities and Evaluation of the Independent BOD Member

• Activities of the Independent BOD Member:

- The independent member of the Board of Directors actively and proactively fulfilled the roles and responsibilities assigned, participated fully in BOD meetings, and provided opinions and votes on matters within the BOD's authority.

• Evaluation by the Independent Member on BOD Performance:

In 2024, the Board of Directors has performed well its role in strategic orientation, supervision and corporate governance on the basis of compliance with current regulations of law, Company Charter, internal regulations/rules of the Company, including:

- The Board of Directors has developed a work plan for 2024, assigning tasks to each member of the Board of Directors in charge of each field in accordance with their expertise and experience, thereby maximizing the capacity and knowledge of each member.

- The Board of Directors provide the necessary conditions for Independent members of the Board of Directors to fully exercise their rights and responsibilities, actively contributing to the supervision and management of the company.

- The Board of Directors focuses on improving management capacity through reviewing and perfecting the system of internal management regulations and rules to ensure that they are both flexible and adaptable to production and business activities while still meeting the requirements of legal regulations.

- The Board of Directors regularly updates the production and business situation to promptly orient and direct to ensure the best completion of the targets assigned by the Annual General Meeting of Shareholders.

- The Board of Directors always focuses on inspection and supervision, documents and information are provided fully and promptly for members of the Board of Directors and the Supervisory Board to perform their duties.

II. PLAN OF ACTIVITIES OF THE BOARD OF DIRECTORS IN 2025

1. Business Targets in 2025

No	Indicator	Unit (VND)	2025 Target
1	Total Revenue	Billion	1.450,00
2	Profit Before Tax	Billion	110,00
3	Profit After Tax	Billion	88,00
4	Tax Contribution to State	Billion	23,50

2. Key tasks in 2025.

Direct the development and submission of the 2025 business plan to the General Meeting of Shareholders (GMS) for approval, and continue to provide strong guidance in executing the plan once approved;

- Safely and effectively manage PVT Logistic's fleet in the international market. Expand the market, strengthen cooperation with partners, improve competitiveness and position in the international market, strengthen risk management, to stabilize business and respond flexibly to fluctuations in the global economy.

- Regularly monitor and update the transportation market and the S&P market to invest in expanding the fleet capacity.

- Improve ship management capacity, enhance technical supervision, and enhance cost reduction management.

- Actively implement solutions to seek opportunities to expand new business areas, improve production and business efficiency, including research and evaluation of investment in developing the fields of warehouses, ports, logistics, etc.

- Continue to review and improve the system of governance regulations, strengthen inspection and supervision, internal audit and risk management to minimize operational risks and improve governance efficiency; Promote communication and corporate culture and promote digital transformation, integrate digital technology into management and exploitation activities, and improve labor productivity. Review and improve the system of regulations, rules, and technical and economic norms in accordance with the orientation of the actual production and business situation of the company.

- Preserve and develop capital, maintain and improve indicators to ensure the safety of the company's financial operations.

- Improve corporate governance in the direction of ESG, ensuring sustainable development through compliance with environmental, social and corporate governance standards, aiming for long-term stable development.

- Develop high-quality human resources in management, administration and high expertise in a professional, sustainable and modern governance direction to meet the development requirements of the company.

- Safeguard the lawful rights of shareholders and improve working conditions and welfare for employees. Implement initiatives that encourage dedication, creativity, and wholehearted commitment from employees toward the Company's sustainable development.

III. CONCLUSION:

Base on the achievements of 2024, and with the unity, innovation, and determination of the Board of Directors, the Executive Board, and the collective efforts of all employees at PVT Logistics, the Board of Directors is confident in its ability to fulfill the tasks entrusted by the 2025 Annual General Meeting of Shareholders and to lead the Company toward even greater accomplishments. This will ensure the Company's long-term, stable development and deliver increasing value to shareholders.

Respectfully submit to the General Meeting of Shareholders for consideration and approval.

**FOR AND ON BEHALF OF BOD
CHAIRMAN**

Le Truc Lam