

VIETNAM NATIONAL CEMENT  
CORPORATION  
VICEM ENERGY AND ENVIRONMENT  
JOINT STOCK COMPANY  
No: 240/NL&MT-KTKH

SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

Hanoi, day 27 month 02, 2026

**REPORT ON THE RESULTS OF PRODUCTION AND BUSINESS  
ACTIVITIES IN 2025,  
PRODUCTION AND BUSINESS PLAN FOR 2026**

Part one

**GENERAL SITUATION FOR THE YEAR 2025**

The Company's coal business operations in 2025 continue to face significant difficulties. Commercial and imported coal, with abundant supply and a wide range of options at prices substantially lower than TKV's coal prices, have resulted in the Company's coal quantity by annual contracts with TKV remaining at a low level.

The cement production companies continue to conduct price proposals and open competitive bidding in small lots on a monthly and quarterly basis to procure commercial and imported coal at lower prices. With coal supply sourced primarily from TKV, in order to successfully win bids, create employment, and stabilize workers' livelihoods, VICEM E&E has been required to minimize costs to the greatest extent possible to ensure competitive bid pricing.

With respect to the business of alternative raw materials: due to the specific characteristics of combustion technology, the identification of supply sources that fully meet the required standards for material type, moisture content, and pre-processing size remains subject to certain limitations. In addition, the strict control of product origin and quality is a top priority on which the Company is focusing on, in order to ensure its credibility with the plants.

With respect to Clinker trading: the Company's purchase and sale of Clinker with the cement production companies are primarily carried out for the purpose of offsetting receivables and payables.

Part two

**RESULTS OF PRODUCTION AND BUSINESS ACTIVITIES**

The Company's leadership team and employees have sought various proactive solutions to balance coal types in alignment with the specific consumption requirements of the plants. At the same time, they have closely monitored and coordinated logistics and transportation arrangements to ensure that coal deliveries meet the required specifications and quantities, thereby supporting the continuous production operations of VICEM's cement plants. Although the Company's



business results showed growth compared to the same period in 2024, they still fell short of the established targets.

## I. Status of the Implementation of Political Mandates in 2025

### 1. Production and Business Performance

\* 2025 Production and Business Performance Indicators

No.	Indicators	Unit	2025 Statutory Plan	2025 Actual	Compared to Statutory Plan	2024 Actual	Compared to 2024
<b>1</b>	<b>Coal business</b>						
	Purchase	Ton	531.000	474.558	89%	409.778	116%
	Sale	Ton	530.000	474.596	90%	406.777	117%
<b>2</b>	<b>Clinker business</b>	Ton	240.000	264.156	110%	370.248	71%
<b>3</b>	<b>Alternative Fuel</b>		57.000	98.817	173%	65.889	150%
	Industrial waste	Ton	15.000	17.125	114%	10.640	161%
	General waste	Ton	30.000	59.652	199%	36.788	162%
	Synthetic plaster	Ton	12.000	22.040	184%	18.461	119%
<b>4</b>	<b>Other indicators</b>						
	Total revenue	Billion. đ	1.683,27	1.471,57	87%	1.362,88	108%
	Profit before tax	Billion. đ	3,01	3,11	103%	-6,32	
	State budget contribution	Billion. đ	13,98	8,30	59%	10,92	76%
	Financial costs	Billion. đ	21,28	18,1	85%	19,33	94%
	EBITDA	Billion. đ	35,18	32,03	91%	24,06	133%
	Average salary	Million. đ/person/year	17,0	15,07	89%	16,50	91%
	Total labor	Person	148	140	95%	155	90%

Coal sales volume in 2025 reached 474,596 tons, fulfilling 90% of the 2025 annual plan and representing a 17% increase compared to the same period last year.

Clinker trading volume totaled 264,156 tons, achieving 110% of the annual plan and equivalent to 71% of the figure recorded in the same period.

The volume of alternative materials traded reached 98,817 tons, attaining 173% of the 2025 annual plan and reflecting a 50% year-on-year increase.

Total revenue in 2025 amounted to VND 1,471.57 billion, representing 87% of the full-year target and 108% compared to 2024.

Profit before tax in 2025 reached VND 3.11 billion, against the 2025 annual target of VND 3.01 billion, achieving 103% of the plan.

### 2. Business operations:

#### \* Coal products:

##### a, Purchase volume:

The Company's coal procurement volume in 2025 reached 474,558 tons, equivalent to 89% of the 2025 statutory plan and representing a 16% increase compared to the same period in 2024. Of this total, coal purchased from TKV amounted to 19,787 tons, with its proportion declining relative to the plan and previous years due to a shift in demand toward lower-grade coal. In particular, price disparities compared with commercial and imported coal suppliers have resulted in coal sourced from TKV not being prioritized by VICEM's cement manufacturing companies. Approximately 96% of the Company's total coal procurement in 2025 was sourced from commercial suppliers, ensuring flexible responsiveness to the operational requirements of VICEM's cement manufacturing companies and maintaining price competitiveness in line with prevailing market conditions at each point in time.

***b, Sale volume:***

In 2025, VICEM's cement manufacturing companies implemented coal procurement through competitive bidding and quotation processes for small monthly and quarterly lots, thereby creating opportunities for commercial traders to participate in price competition. As a result, the bid-winning ratio of VICEM E&E remained low.

In order to fulfill its assigned political mandate and to maintain employment and stable livelihoods for its workforce, VICEM E&E made considerable efforts to supply coal at price levels equivalent to those offered by successful commercial bidders. However, this approach resulted in limited business efficiency.

***c, Quality Management and Loss Control of Goods:***

In 2025, the Company processed 77,874.92 tons of coal, accounting for 16% of the total coal sales volume. All processing plans implemented by VICEM E&E ensured operational efficiency and met the quality requirements for coal supplied to the cement manufacturing companies.

During the year, the Company continued to strictly enforce control measures over delivery and receipt procedures, quality inspection (KCS), and overall coal quality management, thereby minimizing losses. Commodity losses were effectively controlled, with the average loss rate in 2025 recorded at 0.14%, significantly lower than the Company's prescribed threshold of 0.3%.

**\* *Clinker and Alternative Materials Trading:***

**Industrial Waste:** The development of supply sources continued to face challenges due to the limited number of suppliers and the scarcity of providers capable of pre-processing industrial waste to meet required specifications in terms of size and moisture content. In 2025, the Company handled 17,125 tons, achieving 114% of the annual plan and representing a 61% increase compared to the same period in 2024.

**General Waste:** In 2025, the Company processed 59,652 tons, equivalent to 199% of the 2025 annual plan and up 62% year-on-year, primarily supplied to Vicem Bút Sơn and Vicem Hoàng Mai.

Synthetic plaster: Total supply volume in 2025 reached 22,040 tons, fulfilling 184% of the 2025 annual plan and increasing 19% compared to the same period, with the majority delivered to Vicem Hoàng Mai.

Clinker: Total clinker consumption in 2025 amounted to 264,156 tons, against a planned volume of 240,000 tons, achieving 110% of the annual target. This corresponded to an offset debt value of VND 201.5 billion.

**\* Real Estate Business Sector:**

In 2025, the Company effectively maintained existing tenants while actively securing new leasing clients. The cumulative occupied area reached 9,348 m<sup>2</sup>, achieving a 100% occupancy rate.

Total estimated revenue for 2025 from office leasing and building management and operation services amounted to VND 39.259 billion, representing 96% of the 2025 annual plan and 102% compared to the same period in 2024.

**3. Financial Operations:**

The average accounts receivable balance in 2025 amounted to VND 684 billion, remaining at a high level relative to the monthly import volume. Receivables were prolonged and slow-moving, as cement manufacturing companies tended to extend payment terms under economic contracts. This created significant challenges for the Company in proactively managing cash flow to meet loan repayment obligations to credit institutions on schedule, thereby reducing overall business efficiency.

Supplier TKV requires advance payment for coal purchases, while contracts with commercial coal suppliers stipulate short payment terms. The failure of cement manufacturing companies to settle payments in accordance with contractual commitments resulted in VICEM E&E being unable to proactively manage cash flow for supplier payments, leading to cash flow shortages.

Several banks have not renewed new credit limits or have declined to finance any activities related to Halong Cement, thereby creating difficulties in securing sufficient cash flow for business operations.

Despite numerous challenges in its business activities, the Company has maximized cost-saving measures, strengthened inventory management and stock balancing, and actively worked with commercial banks to secure loan disbursements at preferential interest rates and extended tenors. The Company has arranged sufficient funding to ensure timely payments to suppliers, maintain the import schedule in support of production and business operations, and avoid overdue debts, thereby contributing positively to overall operational efficiency.

**4. Transportation Operations:**

In 2025, transportation operations encountered significant challenges in fleet management and dispatching due to adverse weather conditions, including storms and heavy rainfall. Prolonged unloading times and delays in vessel release adversely affected turnaround cycles and waiting times, while total transported volumes fell short of targets. Nevertheless, the Company made concerted efforts to fulfill its

assigned tasks, ensuring flexible and efficient fleet management and operational control.

Total coal transportation volume in 2025 reached 535,634 tons, while clinker transportation volume amounted to 157,086 tons.

Revenue generated from leasing three river vessels (each with a carrying capacity of 1,600 tons) in 2025 totaled VND 2.8 billion.

#### **5. Strategic Planning:**

Developed and implemented the 2025 production and business plan, and submitted reports to VICEM in accordance with applicable regulations.

Conducted a comprehensive review and assessment of the implementation of the 2021–2025 production and business plan, and formulated the five-year production and business plan for the 2026–2030 period in line with VICEM's requirements.

Completed a review of the Company's organizational structure and operations to ensure alignment with its production and business objectives.

#### **6. Organization and Labor Affairs:**

The average workforce in 2025 was 140 employees, compared to a planned headcount of 148 employees (a decrease of 8 employees versus the 2025 plan and a reduction of 15 employees compared to the same period in 2024, which recorded 155 employees).

The estimated average monthly salary in 2025 was VND 15.07 million per employee, against the planned level of VND 17 million per employee per month (equivalent to 89% of the 2025 plan), and representing 91.3% of the corresponding figure in 2024, which was VND 16.5 million per employee per month.

#### **7. Legal Affairs and Governance:**

Effectively implemented control procedures for documentation and contracts, and participated in the selection of suppliers of goods and services.

Implemented revisions to a number of internal regulations that were no longer consistent with prevailing legal provisions, the regulations of VICEM, and the Company's operational realities, including the collective labor agreement, emulation and commendation regulations, personnel regulations, and coordination procedures for handling work among departments and affiliated units.

#### **8. Other Activities:**

With respect to the action program issued under Document No. 422/QD-VICEM dated March 20, 2025 by VICEM, VICEM E&E promulgated its own action plan and implemented it in full compliance with the prescribed objectives and contents.

## Part three

### Objectives and Implementation Measures for 2026

#### I. Market Outlook for 2026:

##### 1. Advantages:

Entering 2026, the global socio-economic landscape is forecast to experience moderate growth amid ongoing uncertainties. International organizations estimate global GDP growth at approximately 2.7%–3.1%, with risks concentrated in trade tensions, geopolitical instability, and policy volatility. In Vietnam, the National Assembly has set a GDP growth target of 10% or higher and an inflation (CPI) target of approximately 4.5%, indicating a continued policy orientation toward economic expansion.

##### 2. Challenges:

Global coal prices currently remain lower than the domestic coal prices offered by TKV. Cement manufacturing companies continue to implement competitive quotations and bidding for externally sourced commercial coal, resulting in coal volumes supplied by TKV to VICEM E&E falling below contractual commitments. It is projected that in 2026, coal procurement volumes from TKV are unlikely to increase unless specific policies and mechanisms are introduced to incentivize the use of domestically produced coal.

#### II. Production and Business Objectives for 2026:

No.	Indicators	Unit	2026 plan (expected)	2026 first quarter plan	2025 Actual	Comparison of 2026 Plan/ 2025 Actual (%)
<b>I</b>	<b>Business</b>					
<b>A</b>	<b>Coal trade</b>					
1	Purchase	Ton	502.000	113.000	474.558	106%
2	Sale	Ton	500.000	110.000	474.596	105%
<b>B</b>	<b>Alternative Fuel</b>					
1	Industrial waste	Ton	18.000	4.500	17.125	105%
2	General waste	Ton	36.000	9.000	59.652	60%
3	Synthetic plaster	Ton	20.000	5.000	22.068	91%
<b>C</b>	<b>Clinker</b>	Ton	300.000	50.000	268.161	112%
<b>II</b>	<b>Finance</b>	Billion. d				
1	Total revenue	"	1.587,08	361,45	1.471,57	108%
2	Profit before tax	"	3,39	0,766	3,11	119%
3	State budget contribution	"	14,39	4,862	8,3	173%
<b>III</b>	<b>Organization - Labor</b>					

No.	Indicators	Unit	2026 plan (expected)	2026 first quarter plan	2025 Actual	Comparison of 2026 Plan/ 2025 Actual (%)
1	Average salary	Million \$/person/year	15,6	11	15,07	103%
2	Total labor	Person	138	132	140	99%

### III. Key Tasks and Solutions for Implementing Production and Business Activities in 2026:

The year 2026 is projected to remain challenging for the Company's production and business operations. To successfully achieve the established targets, all employees are required to demonstrate strong determination and concerted efforts in effectively implementing the following key measures:

#### 1. Business Operation:

##### a) Coal trading:

Closely monitor developments in the global coal market, conduct timely assessments, and proactively balance and regulate supply sources to ensure operational efficiency.

Strengthen engagement with the leadership, sales division, and production division of TKV to propose adjustments to domestic coal pricing, thereby enhancing the competitiveness of VICEM E&E when participating in bidding packages.

Expand collaboration with suppliers to secure adequate, timely, and specification-compliant coal supplies for the cement manufacturing companies.

Enhance coordinated efforts between branches and functional departments to closely track each plant's import schedule; maintain a firm grasp of regional market conditions; and minimize costs to the greatest extent possible in order to ensure competitive coal pricing and appropriate business strategies tailored to each cement manufacturing company.

Based on the specific coal grade requirements of each cement manufacturing company, the Company will study and develop coal processing and blending plans to ensure both operational efficiency and suitability.

Strengthen quality control from the source and enhance coal storage management at stockyards to preserve quality standards.

Branches shall coordinate closely with transportation units to strictly monitor vehicle fleets and transport routes. Close supervision of delivery and receipt processes will be maintained to promptly detect and address arising issues, ensure comprehensive control over the quality of each shipment, and receive and handle feedback from cement manufacturing companies in a timely manner during coal utilization.

Establish and maintain harmonious and cooperative relationships between the Company and cement plants, thereby improving debt recovery efficiency and enhancing coordination in the implementation of production and business plans.

**b) Real Estate Business and Building Management & Operations:**

In 2026, continue focusing on maintaining office leasing operations at 100% occupancy, with particular emphasis on tenant retention.

Strictly comply with fire prevention and firefighting regulations, as well as security and public order requirements within the building and surrounding areas. Strengthen security measures and patrol activities, particularly in high fire-risk locations such as basements. Ensure adequate allocation and preparedness of personnel, equipment, and tools to respond effectively to storms, natural disasters, rescue, and emergency situations.

Continue reviewing and optimizing management expenses to maximize cost efficiency and enhance business performance, while researching and introducing additional value-added amenities and services.

**c) Alternative Materials Trading:**

Continue expanding the search for additional suppliers of pre-processed industrial waste to meet the volume and quality requirements of the cement manufacturing companies.

Maintain close coordination with suppliers and downstream branches to maximize monthly inbound volumes.

Identify and engage additional environmental service companies specializing in conventional waste treatment in order to secure sufficient transfer volumes to meet the raw material requirements of the cement manufacturing companies.

Continue clinker trading activities with the objective of reducing outstanding receivables from the cement manufacturing companies.

Coordinate with cement companies to supply synthetic gypsum that meets production requirements and aligns with the strategic direction of VICEM.

**2. Financial Management:**

Continue closely monitoring and coordinating with departments and affiliated units to expedite the collection of receivables from the cement manufacturing companies.

Maintain engagement with banks to secure credit facilities at preferential interest rates, while identifying additional credit institutions to expand credit limits and enhance interest rate competitiveness.

Regularly review and reasonably optimize expenses; conduct thorough financial performance analysis and evaluation. Manage working capital flexibly to ensure balanced cash flow in business operations.

Continue submitting proposals to obtain loans from VICEM in accordance with regulations, with the objective of stabilizing cash flow for production and business activities.

**3. Organization and Labor:**

Review the organizational structure and functions of departments and units to ensure a streamlined and efficient structure aligned with production and business requirements.

Review and supplement the leadership succession planning for positions under the management of the Corporation and the Company for the 2026–2031 period.

#### 4. Legal Affairs:

Finalize and promulgate a number of regulations and internal policies in accordance with the approved plan and as agreed with VICEM.

Review, amend, and supplement the Company's internal regulations and policies to ensure compliance with prevailing laws and VICEM's rules and regulations.

Gradually improve and standardize the Company's internal regulatory documentation system.

#### 5. Other activities:

Launch the 2026 emulation and performance movement.

Implement occupational safety and hygiene measures and fire and explosion prevention activities for 2026.

Deploy the 2026 storm and flood prevention and control plan./.

Thank you very much!

*Recipients* ✓

- Board of Directors (for reporting);
- Supervisory Board;
- Archives: Office, Planning.

**GENERAL DIRECTOR**



*Tran*  
**Tran Khắc Mạnh**