

MINISTRY OF INDUSTRY AND TRADE
HANOI BEER ALCOHOL AND BEVERAGE
JOINT STOCK CORPORATION

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Ha Noi,2026

**BOARD OF DIRECTORS' REPORT
ON CORPORATE GOVERNANCE AND OPERATIONAL
PERFORMANCE IN 2025 AND ORIENTATIONS FOR 2026**

To: The General Meeting of Shareholders of HABECO

The Board of Directors of Hanoi Beer Alcohol and Beverage Joint Stock Corporation ("HABECO") respectfully reports to the General Meeting of Shareholders ("AGM") on the corporate governance and operational performance of the Board of Directors in 2025 and the orientations for 2026 as follows:

I. Report on corporate governance and operational performance in 2025

1. General context:

In 2025, the global economic situation continued to be complex, with many potential uncertainties. The imposition of tariffs by the United States on certain trading partners triggered retaliatory measures from many countries, increasing protectionist trends and global trade barriers. Concurrently, geopolitical instabilities and conflicts in various regions continued to affect supply chains and international trade activities, leading to rising logistics costs and volatile commodity prices on the global market.

Domestically, the business and production activities of enterprises suffered adverse impacts from unfavorable weather conditions, with frequent storms causing the highest level of damage in recent years. In addition, severe fluctuations in foreign exchange rates, with the EUR increasing by 16.3% and the USD increasing by 3.2%, directly affected the material and input costs of enterprises. Notably, the price of cans in 2025 increased by approximately 7.7% year-on-year, driving up production costs.

For the beer industry, the level of market competition remained consistently high. The strict and rigorous enforcement of blood alcohol content checks for drivers contributed to fostering responsible consumption habits in society, but simultaneously impacted and reduced the consumption volume of the entire industry. Given this context, businesses in the industry intensified communication activities and launched numerous high-value promotional programs to attract consumers, making market competition increasingly fierce.

2. Production and business results in 2025:

2.1. Key business and production indicators:

- Revenue from sales and provision of services (inclusive of Special Consumption Tax): 7,683 billion VND, representing a 4.3% increase year-on-year and a 3% increase compared to the annual plan;
- Total profit after tax: 400.3 billion VND, an increase of 8.5% higher year-on-year and 74.9% higher compared to the annual plan.

2.2. Financial ratios in 2025:

- The current ratio and quick ratio remained at a safe and stable level (>1);
- Return on charter capital after tax was 17.3%;
- Return on equity (ROE) was 9.2%;
- Return on total assets (ROA) was 6.5%.
- The debt-to-equity ratio remained low at 0.41.

These ratios indicate that HABECO's results were on par with the industry average which ensured effective business and production performance, financial safety, and a high self-financing capacity while safeguarding and growing its capital.

3. Main activities of the Board of Directors ("BOD") in 2025:

In 2025, to direct and oversee the production and business activities across the entire HABECO system, the Board of Directors regularly monitored, inspected, and supervised the Board of Management, ensuring strict adherence to the Resolutions of the General Meeting of Shareholders while implementing them with a proactive and prudent approach.

To execute and fulfill the resolutions approved by the 2025 Annual General Meeting of Shareholders, the Board of Directors issued 25 resolutions, including

07 approved through direct meetings and 18 approved via written consultation with members of the BOD. The implementation progress of these resolutions is closely monitored, and results are reported at each Board of Directors meeting.

In 2025, the resolutions passed by the Board of Directors primarily addressed the following key issues:

3.1. Regarding production and business activities:

- Developed the production and business plan targets, meeting agenda, and meeting documents for submission to the General Meeting of Shareholders for consideration and approval.
- Approved raw material and chemical norms for production activities.
- Approved the signing of contracts and transactions between HABECO and related parties falling under the authority of the BOD.

3.2. Regarding organization, labor, and compensation:

- Reappointed personnel whose terms had expired to the positions of Deputy General Director and Chief Accountant of HABECO.
- Agreed to introduce and nominate personnel for the election of Independent Member of the Board of Directors and Supervisor of HABECO for the 2025 - 2030 term.
- Approved the final salary settlement for 2024 and the labor plan and salary targets for 2025.
- Assessed the performance and fulfillment of responsibilities of the State Capital Representative at HABECO in 2024.
- Evaluated the performance and responsibilities of HABECO's Deputy General Directors and Chief Accountant in 2024.
- Reviewed the performance of the Capital Representative and Supervisors of HABECO at member companies in 2024.
- Strengthened the personnel representing HABECO's capital and nominated candidates for the Board of Directors and Board of Supervisors at member companies.

3.3. Regarding promulgation of internal regulations and rules:

Amended, supplemented, and promulgated: Regulations on the management and use of digital signatures; Internal audit regulations; Cash flow management regulations; Regulations on the payment of salaries, remuneration, and bonuses; Income payment regulations; Regulations on the fixed salary scale system, target income, and Bonus Fund of the Board of Management.

3.4. Regarding operations of member companies:

HABECO currently has 26 member companies categorized as follows: 16 companies with an ownership stake exceeding 50% of charter capital, 06 companies with an ownership stake between 20% and 50% of charter capital, and 04 companies with an ownership stake less than 20% of charter capital.

- In 2025, the Board of Directors exercised oversight of member companies' operations by appointing capital representatives to their Boards of Directors and Management. These representatives have fully complied with HABECO's information-sharing, reporting, and consulting requirements regarding voting matters at the Board and General Meetings of Shareholders. Additionally, the Board of Directors has approved and directed the implementation of financial supervision and internal audits at member companies.

- Furthermore, the Board of Directors has endorsed policies for the appointment and reappointment of key management positions, including Directors, Deputy Directors, and Chief Accountant,... to enhance the effectiveness of governance and operational management at member companies.

3.5. Regarding investments activities:

- Approved the final settlement of completed projects.
- Approved the policy and plan for the construction of the Hanoi Beer Museum tourist destination.

4. Results of the Board of Directors supervision and support for the Board of Management:

- The Board of Directors closely monitored all aspects of HABECO's operations, thereby providing timely guidance and support to the Board of Management in managing production and business activities.

- The Board of Management regularly and comprehensively provided information and reports to the Board of Directors, ensuring timely direction and

supervision.

- The Board of Management implemented the Resolutions of the General Meeting of Shareholders and the Board of Directors in a synchronized, consistent, and effective manner. They promptly reported on the implementation progress and made necessary adjustments in accordance with the actual situation and the requirements of the Board of Directors.

5. Supervision results of General Director:

- The General Director has correctly fulfilled his duties and exercised his powers as stipulated in the Law on Enterprise and HABECO's Charter of organization and operation.

- The General Director has overseen the implementation of resolutions from the General Meeting of Shareholders and the Board of Directors while managing all production, business, and investment activities.

- The General Director regularly reported to and sought direction from the Board of Directors, ensuring leadership and management in all aspects of the parent company's operations in compliance with legal regulations, State policies, and HABECO's Charter.

6. Supervision results of other managers:

Departments, divisions, and units properly performed their assigned tasks, powers, and responsibilities. Managers worked responsibly and set an example in leadership and management.

7. Report on the activities of each member of the Board of Directors:

7.1. Chairman of the Board of Directors - Mr. Tran Dinh Thanh:

- Diligently fulfilled the duties and powers of the Chairman of the Board of Directors by the provisions of law, HABECO's Charter, and internal regulations.

- Made efforts in executive direction and management, coordinating with the Board of Management to implement synchronized solutions to enhance HABECO's production and business efficiency and corporate value.

- Guided the HABECO's Capital Representative in working with the Boards of Directors of member companies to develop and implement cost-reduction strategies, improved operational efficiency, and leveraged competitive advantages to drive the consumption of HABECO's products.

7.2. Member of the Board of Directors and General Director - Mr. Ngo Que Lam:

- Diligently fulfilled the duties and powers of a member of the Board of Directors and General Director following the provisions of law, HABECO's Charter, and internal regulations.
- Organized the implementation of resolutions of the General Meeting of Shareholders and the Board of Directors and managed the production and business activities of HABECO.
- Regularly reported and sought direction from the Board of Directors, ensuring leadership and direction in all areas of the parent company's operations by the law, State policies and regulations, and HABECO's Charter.
- Together with the Board of Directors and the Board of Management of the Corporation, always resolutely directed the implementation of HABECO's production and business plans.

7.3. Member of the Board of Directors - Mr. Vu Xuan Dung:

- Diligently fulfilled the duties and powers of a member of the Board of Directors following the provisions of law, HABECO's Charter and internal regulations.
- Mr. Vu Xuan Dung and other members of the Board of Directors have contributed to developing solutions, directing operations, and stabilizing HABECO's production and business activities. Additionally, he has made significant contributions to corporate governance, technical management, quality control, and production, as well as the development of norms and technical standards which helps to enhance HABECO's overall operational efficiency.

7.4. Member of the Board of Directors - Mr. Tran Thuan An:

- Diligently fulfilled the duties and powers of a member of the Board of Directors following the provisions of law, HABECO's Charter, and internal regulations.
- Mr. Tran Thuan An and other members of the Board of Directors have made significant contributions to corporate governance, strategic planning, and the development and execution of marketing plans to build, protect, expand, and effectively leverage the HABECO brand.

7.5. Member of the Board of Directors - Mr. Bui Huu Quang:

- Diligently fulfilled the duties and responsibilities of a Board member, effectively serving as the key liaison in maintaining relations and reporting on HABECO's operations to the strategic shareholder, Carlsberg Breweries A/S.
- With other Board members, Mr. Bui Huu Quang has contributed to developing and proposing corporate management structures, enhancing governance efficiency, and improving HABECO's overall business and operational performance.

7.6. Independent member of the Board of Directors - Ms. Quan Le Ha:

Diligently fulfilled the duties and responsibilities of an independent Board member in accordance with the provisions of law, HABECO's Charter and its internal regulations and policies. Ms. Quan Le Ha significantly contributed to HABECO's corporate governance.

7.7. Independent member of the Board of Directors - Mr. Tran Danh Dang:

Diligently fulfilled the duties and responsibilities of an independent Board member in accordance with the provisions of law, HABECO's Charter and its internal regulations and policies. Together with other Board members, Mr. Tran Danh Dang significantly contributed to HABECO's corporate governance.

8. Report on salaries and remuneration paid to the members of the Board of Directors in 2025:

| No. | Full name | Term of office in 2024 | Title | Amount (VND) |
|-----|---------------------|-------------------------------|-----------------------|---------------|
| 1 | Mr. Tran Dinh Thanh | From 01/01/2025 to 31/12/2025 | Chairman of the Board | 1,391,640,000 |
| 2 | Mr. Ngo Que Lam | From 01/01/2025 to 31/12/2025 | Board Member | 192,000,000 |
| 3 | Mr. Bui Huu Quang | From 01/01/2025 to 31/12/2025 | Board Member | 192,000,000 |
| 4 | Mr. Vu Xuan Dung | From 01/01/2025 to 31/12/2025 | Board Member | 192,000,000 |

| No. | Full name | Term of office in 2024 | Title | Amount (VND) |
|------------|--------------------|-------------------------------------|---|----------------------|
| 5 | Mr. Tran Thuan An | From 01/01/2025 to 31/12/2025 | Board Member | 192,000,000 |
| 6 | Ms. Quan Le Ha | From 01/01/2025 to 31/12/2025 | Independent Member of the Board of Directors | 192,000,000 |
| 7 | Mr. Tran Danh Dang | From 01/01/2025 to 31/12/2025 | Independent Member of the Board of Directors | 192,000,000 |
| ADD | | | | 2,543,640,000 |

9. Report on the divestment progress at Hanoi Liquor and Beverage Joint Stock Company and the development of the corporate restructuring plan:

9.1. Regarding the implementation of divestment at Hanoi Liquor and Beverage Joint Stock Company ("Halico"):

Since 2017, HABECO has carried out the necessary work to divest its entire equity stake in Halico and desires to offer shares in Halico to other investors. However, the divestment methods are currently facing obstacles that prevent their implementation:

- Public auction method: Not yet eligible for implementation in accordance with the provisions of the Law on Securities due to Halico's loss-making business results and accumulated losses.
- Trading method on the system of the Hanoi Stock Exchange: Unfeasible because Halico's stock value (according to the valuation results) falls outside the market trading band, and Halico's stock liquidity is extremely low with almost no transactions (as the two major shareholders, HABECO and DIAGEO, already hold 99.86% of the charter capital).

Based on the State's guiding documents on divestment effective from 2026, HABECO will continue to research and develop a divestment plan for Halico. At the same time, HABECO continues to exercise the rights and responsibilities of a shareholder to provide opinions and vote on Halico's production and business

activities, supporting the enterprise in communication and sales to improve production and business efficiency and gradually reduce losses.

9.2. Regarding the development of the corporate restructuring plan:

HABECO has developed the "Restructuring Scheme for HABECO and its member companies for the 2021 - 2025 period" to submit to competent authorities for approval. In the restructuring scheme, HABECO formulated a plan for restructuring and divesting capital from companies operating outside its core business lines and underperforming companies, aiming to concentrate resources to enhance HABECO's operational efficiency and competitiveness. Up to now, the implementation period of this plan has expired. HABECO is currently continuing to develop the "Restructuring plan for HABECO and its member companies for the 2026 - 2030 period" for submission and approval.

10. Report on transactions between HABECO, subsidiaries, and controlled companies (holding over 50% of charter capital) with members of the Board of Directors and their affiliated members; transactions between HABECO and companies in which members of the Board of Directors are founder or business managers in three (03) latest year before the time of the transaction:

HABECO has compiled transactions in the 2025 Corporate Governance Report (Document No. 72/BC-HABECO dated January 29th, 2026), which has been submitted to the State Securities Commission and the Ho Chi Minh City Stock Exchange. Additionally, the company has fully disclosed the required information in compliance with legal regulations.

11. Assessment results by independent members of the Board of Directors on the activities of the Board of Directors in 2025:

In 2025, the Board of Directors of HABECO operated actively and effectively, adhering to the regulations of the Law on Enterprises, the Law on Securities, and other relevant legal documents. The BOD members fully participated in the BOD meetings and provided written opinions on issues under the authority of the BOD. They performed their duties and responsibilities proactively, demonstrating strong leadership for the benefit of shareholders and the sustainable development of HABECO. The BOD, in collaboration with the Board of Management, made significant efforts to implement various measures to

improve product quality and promote the distribution of HABECO's products nationwide, achieved notable growth in the Southern market and exports to international markets.

II. Operational orientation of the Board of Directors for 2026

Recognizing the opportunities and challenges ahead, the Board of Directors of HABECO has agreed on several key business targets to be submitted for approval by the General Meeting of Shareholders, as follows:

- Revenue from sales and provision of services (inclusive of Special Consumption Tax): 7,799.6 billion VND;
- Total profit after tax: 234.4 billion VND

To implement the 2026 production and business plan, the Board of Directors has outlined flexible, effective, and decisive measures to fulfill its tasks, specifically as follows:

1. Governance:

- Perform the functions, duties, and powers of the BOD as stipulated in the Charter and internal regulations of HABECO; enhance governance capabilities; and monitor and supervise the execution of tasks by BOD members.
- Continue to improve governance quality by adopting advanced management practices, leveraging HABECO's strengths, and gaining the trust of shareholders and investors.
- Direct the optimal utilization of the SAP ERP HABECO management system to support governance. Enhance the management system's efficiency between the Corporation and its subsidiaries.
- Focus on training and fostering to enhance the capacity of the management staff, meeting the requirements of governance and executive operations in the context of an increasingly fierce competitive market and a highly volatile business environment.
- Complete the development of the Restructuring plan for the Corporation and its member companies for the 2026 - 2030 period to submit to competent authorities for approval. This includes the orientation to divest from investments outside the core business lines and underperforming member companies, aiming to concentrate resources, improve operational efficiency, and enhance

HABECO's competitiveness.

- Organize the review, amendment, and supplementation of the Charter, Financial regulations, and internal regulations of HABECO to submit to competent authorities for approval and promulgation in 2026, ensuring compliance with the provisions of Law No. 68/2025/QH15 dated June 14th, 2025, on the management and investment of state capital in enterprises and its guiding documents.

2. Production, business, finance, and investment:

The Board of Directors organizes the implementation and supervises the execution of the goals and tasks approved by the General Meeting of Shareholders, striving to fulfill and exceed the 2026 production and business plan targets. The BOD closely monitors HABECO's production and business operations, providing timely guidance and support to the Board of Management in management and executive operations.

- Direct the management of assets and corporate finance to ensure efficiency, meet capital needs for production and business, optimize profits, and fulfill obligations to the State and shareholders.

- Direct the Board of Management to strengthen the analysis and forecasting of the production and business situation to enhance proactiveness in executive operations; continue to review and reduce costs, and concentrate resources on market activities and product consumption development, thereby improving business operational efficiency.

- Monitor development trends in the beverage industry and new packaging trends to promptly research and improve products; enhance the quality of existing products, seek solutions to reduce costs, and research and develop new products aligned with market consumption trends.

- Encourage and promote technical improvement initiatives, and rationalize production processes as well as market and distribution activities to enhance production and business efficiency.

- Strengthen the inspection, supervision, and evaluation of the operational efficiency of member companies; promptly provide support solutions for units facing difficulties, and enhance capital investment efficiency at member companies; simultaneously, leverage the advantages of each unit in brand

communication and the consumption of Hanoi Beer products.

- Direct the research and implementation of the digitalization of business processes and data systems; gradually integrate processes and databases into a unified governance system to serve management reporting, planning, and forecasting; simultaneously, research and implement projects to enhance production efficiency, promote clean production, and save energy at the factories.

The above is the report on corporate governance and operational performance in 2025, orientations for 2026 of HABECO's Board of Directors. We respectfully submit this to the General Meeting of Shareholders for review and feedback to ensure the BOD's activities become increasingly effective and contribute to HABECO's stable and sustainable development.

Best regards!

Recipient:

- GMS
- BoD
- BoS;
- Archive: AD, Offices of BoD.

**O/B. THEBOARD OF DIRECTORS
CHAIRMAN**

Tran Dinh Thanh