

Hanoi, April 28.2026

**REPORT ON THE PERFORMANCE OF THE BOARD OF DIRECTORS IN 2025  
AND ORIENTATION FOR THE 2026 - 2031 TERM**

**To: The 2026 Annual General Meeting of Shareholders**

The year 2025 continued to witness complex and unpredictable developments, with intensifying strategic competition and escalating conflicts in many regions worldwide. Domestically, natural disasters and climate change caused severe and prolonged impacts in various localities.

In the face of such challenges, the Board of Directors of Construction and Investment Joint Stock Company No.18 (hereinafter referred to as the “Company”) has flexibly directed the Company’s operations. The Board of Directors respectfully reports to the General Meeting of Shareholders on its performance, the implementation of the 2025 GMS Resolution, and the orientation for the new term as follows:

**I. PERFORMANCE OF THE BOARD OF DIRECTORS IN 2025**

**1. General activities of the Board of Directors**

- The Board maintained 05 members, including one non-executive member and one independent member. All members fully performed their roles and duties in accordance with applicable laws, the Company’s Charter, and the BOD’s internal regulations in managing business operations and supervising the executive management of the Board of Management (BOM).
- All BOD members attended meetings in full and provided opinions through written resolutions, enabling the BOD to issue key decisions on investment, research and development of real estate projects, industrial clusters/industrial parks, and capital contributions to establish project companies.
- The BOD directed capital representatives to exercise their rights and obligations at invested entities.

**2. Summary of BOD meetings**

- In 2025, the BOD held 04 regular meetings, in addition to meetings with the BOM and written consultations. The BOD issued 44 resolutions/decisions covering major matters across business operations and strategic directions, including:
  - o Approval of reports requesting instructions for capital representatives at subsidiaries: 08 resolutions
  - o Investment-related resolutions/decisions: 06 resolutions
  - o Related-party transaction approvals (including subsidiaries and major shareholders): 14 resolutions
  - o Share issuance for capital increase from equity: 03 resolutions
  - o Corporate governance matters: 13 resolutions/decisions

- All BOD resolutions and decisions have been detailed in the Corporate Governance Report and the Annual Report 2025, which were duly disclosed on the website of the Hanoi Stock Exchange (HNX) and published on the Company's website: <http://www.licogi18.com.vn>,

### **3. Supervisory activities of the BOD over the Board of Management**

#### **3.1. Methods of supervision**

- Direct participation in meetings with the BOM to review quarterly and cumulative business performance, implementation of GMS and BOD resolutions, and corporate governance activities; identify challenges and opportunities; and make timely decisions as a basis for execution.
- Supervision through periodic and ad-hoc reports, as well as proposals submitted by the General Director across operational areas.
- Supervision of subsidiaries and affiliates through reports and proposals submitted by capital representatives.

#### **3.2. Results of supervision**

- Successfully organizing the 2025 Annual General Meeting of Shareholders on April 25, 2025.
- Implementing the 2025 business plan and investment plan approved by the AGM, ensuring construction progress, quality, and safety.
- Selecting and signing an audit service contract with CPA Vietnam Auditing Co., Ltd. for the review and audit of the Company's 2025 financial statements.
- Approving related-party transactions in compliance with applicable laws and the Company's Charter.
- Completing the share issuance for capital increase from equity for shareholders, including registration of additional depository, additional listing, and completion of trading procedures (official trading date: July 22, 2025).
- Completing the establishment of the Company's branch in Hai Phong and consolidated its organizational structure.

### **4. Overall assessment of the Board of Management**

- The BOM demonstrated effective management capability, implementing a reasonable expansion strategy into real estate, diversifying revenue sources beyond construction, maintaining stable revenue, and mitigating economic fluctuations.
- Members of the BOM fulfilled their assigned duties, regularly reported, and proactively proposed solutions to arising issues.
- BOM members acting as capital representatives ensured effective governance across subsidiaries, contributing to the successful implementation of the Company's consolidated plan.

### **5. Activities of the Independent BOD Member**

- The Independent Director performed duties in compliance with legal regulations and the Company's Charter, attended all meetings, and contributed actively to strategic planning and corporate development.
- The Independent Director assessed that:

- The BOD operated responsibly and in compliance with regulations applicable to public companies.
- Meetings were convened and conducted in accordance with procedures, with transparent and constructive discussions.
- Resolutions and decisions were issued properly and disclosed transparently.

## **6. Report of Related-party transactions in 2025**

- The BOD approved transactions with related parties, mainly subsidiaries and major shareholders, to ensure smooth system-wide operations and support the Company's consolidated targets. Key transactions include:
  - Transaction with LICOGI 18.1 to sign construction contract for executing 10 shophouses slot, contract value VND 10.89 billion
  - Transaction with LICOGI 18.3 to sign loan agreement, contract value VND 51.5 billion
  - Transaction with LICOGI 18.5 to sign transfer contract for real-estate sale and construction contracts, total value VND 66.2 billion
  - Transaction with LICOGI 18.6: to sign loan and construction contracts, total value VND 75.29 billion
  - Transaction with LICOGI 18.7 to sign construction contract with value VND 14.499 billion
  - Transaction with LICOGI 18.8 to sign construction contract with value VND 15.825 billion
  - Transaction with VPID to sign sale contract of real estate sale and land transfer, total value VND 174.25 billion
- All transactions were disclosed in accordance with regulations and included in the Corporate Governance Report and Annual Report 2025 which were duly disclosed on the website of the Hanoi Stock Exchange (HNX) and published on the Company's website: <http://www.licogi18.com.vn>.

## **7. Implementation of the 2025 AGM Resolution**

### ***7.1. Share issuance Plan to Increase Charter Capital from Owner's Equity***

- The BOD implemented the share issuance plan approved by the AGMS, including:
  - April 29, 2025: Issuance plan approved by BOD
  - May 13, 2025: Approval by the State Securities Commission for the plan of Share Issuance Plan to Increase Charter Capital from Owner's Equity
  - June 9, 2025: Approval by the State Securities Commission of issuance results (7,623,265 shares)
  - June 23, 2025: Additional depository completed in VSDC (total shares: 45,739,793)
  - July 7, 2025: Additional listing approved by HNX
  - July 22, 2025: Official trading date

### ***7.2. Amendment of Charter capital and head office address:***

- Charter capital updated to VND 457,397,930,000 in article "Charter Capital"
- Head office: No. 471 Nguyen Trai Street, Thanh Xuan District, Hanoi
- Business registration updated accordingly

### **7.3. Selection of auditor**

- The BOD selected CPA Vietnam Auditing Co., Ltd. to review semi-annual and audit annual financial statements for 2025 as authorised by AGM

### **7.4. Remuneration of the BOD**

Remuneration of the BOD and the Person in charge of Corporate Governance was implemented in accordance with the 2025 AGMS Resolution. No additional expenses were incurred.

Remuneration of the BOD, salary of Board of Management were listed in the 2025 Audited Financial Statements and which were duly disclosed on the website of the Hanoi Stock Exchange (HNX) and published on the Company's website: <http://www.licogi18.com.vn>

### **7.5. Results of implementation of the 2025 business plan**

- Despite facing numerous challenges in 2025, under the close direction of the Board of Directors (BOD) and the decisive management of the Board of Management (BOM), the Company successfully fulfilled its consolidated targets:
  - o Total output value, total revenue, and cash collection all exceeded the plan, with respective increases of 16%, 10%, and 35%. This reflects significant improvements in business development capability, contract acquisition, and project execution across the system. Strong cash collection also demonstrates enhanced cash flow management, improved liquidity, reduced bad debt risks, and increased capital turnover efficiency.
  - o In 2025, unusual heavy rains and flooding occurred in many localities, achieving the planned profit target represents a notable effort by the management team.

Detailed assessments of the implementation of the 2025 business plan will be further presented by the General Director in the following section.

## **II. REPORT ON THE IMPLEMENTATION OF FOR THE 2021-2026 TERM PLANNING TARGET**

The major target of 2021-2026 term was to fulfill the Company's mission: leveraging its long-standing tradition, accumulated strength, experience, and reputation to seize new opportunities, and to become a leading parent - subsidiary group operating in construction, real estate business, and building materials; developing sustainably with sufficient competitiveness both domestically and internationally; and making significant contributions to the country's industrialization and modernization in the new era.

To achieve these objectives, throughout the term, the Board of Directors adhered closely to the Resolutions of the General Meeting of Shareholders and proactively directed and managed business operations amid complex and volatile domestic and global economic conditions, particularly the prolonged impacts of the COVID-19 pandemic in the early years of the term. In addition, geopolitical fluctuations, monetary policies, raw material prices, logistics costs, and disruptions in global supply chains significantly affected business activities.

However, the Board of Directors and the Board of Management effectively utilized resources such as capital, technology, and human resources to maximize profitability, enhance shareholder returns, ensure stable employment for employees, contribute to the State budget, and promote the Company's development.

### **1. Personnel of BOD and BOM**

### ❖ *Board of Directors*

- The Board of Directors maintained 05 members throughout the term, including one non-executive member and one independent member.
- The BOD operated on the principles of collective leadership, majority decision-making, and democratic task allocation, promoting collective intelligence and leveraging the strengths of each member.

### ❖ *Board of Management*

- The number of members of the Board of Management increased from 10 to 12 members during the 2021-2026 term.
- BOM member responsibilities and duties were assigned clearly based on the principles of centralization, democracy, and accountability, ensuring consistency with the Company's Charter and applicable legal regulations.

## **2. Corporate governance and system management**

- The Company maintained a parent - subsidiary model with 08 subsidiaries and 01 associate company, including:
  - o Subsidiaries operating in both investment and construction: LICOGI 18.1, LICOGI 18.3, LICOGI 18.5, LICOGI 18.6, and associate LICOGI 18.7.
  - o In 2022 and 2024, the BOD established two limited liability companies: LICOGI 18.8 and LICOGI 18.9 to implement investment projects.
  - o In July 2024, the BOD approved the acquisition of shares from shareholders of Muong Khuong Energy Joint Stock Company, totaling 3,000,000 shares (equivalent to 60% of charter capital).
  - o In November 2025, the BOD approved the establishment of the Company's Hai Phong Branch to expand market presence and implement investment and business activities in Hai Phong City.
- The BOD issued a comprehensive system of internal management regulations for each operational field, gradually standardizing processes and enabling the executive management to operate systematically, while enhancing the BOD's supervisory effectiveness.
- The BOD strengthened the system of capital representatives at invested enterprises and finalized the Operation Regulations of Capital Representatives, providing a legal framework for representatives to perform their duties.
- In the construction sector: Focusing on its core business lines such as: construction of infrastructure (particularly roads and bridges), high-rise building and industrial factory.
- In the investment sector: Implementing simultaneously ongoing real estate projects such as: Bac Cau Han New Urban Area Project in Hai Phong (Hai Duong former) and Huong Thuong Urban Area No.1 (Thai Nguyen). Notably, the Bac Cau Han Project (Phase 1) has been completed 1<sup>st</sup> stage - construction and launched for sale, contributing significantly to the Company's revenue.

## **3. Key achievements during the term**

### 3.1. Charter capital

No	Name of Company	Charter capital in beginning of the term (2021)	Charter capital in the end term (Dec.2025)	LICOGI 18's Owned rate
1.	LICOGI 18	381,165,280,000	457,397,930,000	
2.	LICOGI 18.1	75,000,000,000	82,500,000,000	51%
3.	LICOGI 18.3	100,000,000,000	100,000,000,000	51%
4.	LICOGI 18.5	35,000,000,000	50,000,000,000	51%
5.	LICOGI 18.6	10,000,000,000	10,000,000,000	100%
6.	LICOGI 18.7	20,000,000,000	30,000,000,000	34.34%
7.	LICOGI 18.8	10,000,000,000	23,000,000,000	100%
8.	LICOGI 18.9	-	100,000,000,000	51%
9.	Muong Khuong Energy JSC	-	50,000,000,000	60%

### 3.2. Total assets of the entire system

No	Name of Company	Value at the beginning of the term (2021) (VND)	alue at the end of the term (31/12/2025) (VND)	Growth rate
1.	LICOGI 18	1,723,116,838,492	3,897,185,473,051	+126,1%
2.	LICOGI 18.1	469,836,250,587	415,734,667,377	-11.5%
3.	LICOGI 18.3	952,322,713,354	1,063,970,781,462	+11.7%
4.	LICOGI 18.5	231,192,589,819	444,616,806,677	+92.3%
5.	LICOGI 18.6	94,083,390,483	188,435,878,178	+100.3%
6.	LICOGI 18.7	149,815,045,266	185,502,761,038	+23.8%
7.	LICOGI 18.8	1,739,184,500	33,097,877,415	
8.	LICOGI 18.9	-	100,238,531,796	
9.	Muong Khuong Energy JSC	-	179,266,056,704	

### 3.3. Total revenue of the entire system

No	Name of Company	Value at the beginning of the term (2021) (VND)	alue at the end of the term (31/12/2025) (VND)	Growth rate
1.	LICOGI 18	851,170,562,637	1,749,780,783,832	+105.5%
2.	LICOGI 18.1	272,457,325,902	170,543,646,552	-11.5%
3.	LICOGI 18.3	1,490,087,711,638	2,590,068,338,898	+73.8%
4.	LICOGI 18.5	251,414,644,318	444,584,190,374	+76.8%
5.	LICOGI 18.6	132,749,610,210	119,160,184,822	-10.2%
6.	LICOGI 18.7	150,308,017,583	105,428,470,378	-29.8%
7.	LICOGI 18.8	-	31,716,374,083	

No	Name of Company	Value at the beginning of the term (2021) (VND)	Value at the end of the term (31/12/2025) (VND)	Growth rate
8.	LICOGI 18.9	-	325,000,000	
9.	Muong Khuong Energy JSC	-	38,472,269,675	

### 3.4. Before tax Profit

Name	Year 2021 (VND)	Year 2022 (VND)	Year 2023 (VND)	Year 2024 (VND)	Year 2025 (VND)
LICOGI 18	37,465,516,095	33,506,648,659	48,023,348,139	253,398,081,335	195,249,459,920
LICOGI 18.1	12,503,468,135	12,457,097,123	12,109,769,968	25,296,605,859	10,457,924,653
LICOGI 18.3	16,139,086,013	16,844,219,517	21,750,439,224	24,111,107,701	25,547,300,257
LICOGI 18.5	5,194,735,179	5,281,337,615	5,695,882,842	7,304,432,852	8,832,486,665
LICOGI 18.6	1,205,403,288	1,829,297,832	24,172,905	928,853,076	1,517,224,087
LICOGI 18.7	1,738,765,243	1,385,087,017	2,769,050,186	3,051,046,071	587,092,142
LICOGI 18.8	-73,310,913	-15,067,443	11,929,848	116,439,788	81,476,880
LICOGI 18.9					11,688,232
Muong Khuong JSC				492,748,207	7,837,429,510

### 3.5. Dividend payout ratio

TT	Tên công ty	Dividend payout ratio by year				
		2021	2022	2023	2024	2025
1.	LICOGI 18	8% in shares	7%	10%	20% in shares	25% in shares
2.	LICOGI 18.1	12%	12%	12%	15%	12%
3.	LICOGI 18.3	13%	12%	13%	13%	12%
4.	LICOGI 18.5	12%	11%	12%	12%	12%
5.	LICOGI 18.6	1,027,015,559	1,396,352,944	18,350,623	557,702,939	1,161,923,941
6.	LICOGI 18.7	6%	5%	10%	8,5%	5%
7.	LICOGI 18.8		-88,378,356	11,619,550	85,915,135	54,627,932
8.	LICOGI 18.9	-	-	-	-	1,419,453
9.	Muong Khuong Energy JSC	-	-	-	-	10%

During the 2021-2026 term, the Board of Directors assesses that the Company has successfully navigated numerous difficulties and challenges, while achieving significant accomplishments that lay a solid foundation for development in the next phase.

Firstly, the Company maintained stable operations amid a highly volatile market environment, particularly under the impacts of the pandemic, fluctuations in raw material prices, and rising cost pressures in the construction industry. Basically, the Company has gradually recovered and established a clear growth momentum in the latter years of the term.

In terms of scale, total assets, revenue, and charter capital have all recorded strong growth compared to the beginning of the term, reflecting the Company's increasingly enhanced capacity in organization, execution, and business expansion. Notably, the 2023–2025 period witnessed a breakthrough in revenue and profit, establishing a new level of operational efficiency across the entire system.

Regarding the business model, the Company has undergone a significant transformation from a construction-focused enterprise to a multi-sector development model. While construction remains the core foundation, the Company has progressively developed and improved the effectiveness of its project investment and development segment. The successful implementation and commercialization of the Bac Cau Han Urban Area Project marked a major milestone, opening up a new growth direction for the Company.

With respect to the organizational system, subsidiaries have been strengthened and expanded, with many units achieving positive growth and contributing to overall performance. At the same time, the Company has established new legal entities and gradually expanded into potential sectors such as energy, thereby forming a more diversified business ecosystem.

In terms of financial fundamentals, despite ongoing pressure from financing costs during the investment and expansion phase, the Company has maintained financial stability, ensured operational cash flows, and progressively increased its equity base.

From these achievements, it can be affirmed that the 2021–2026 term was not merely a period of maintaining stability, but a phase in which LICOGI 18 strengthened its internal capacity, expanded its scale, transformed its growth model, and established a solid foundation for a higher growth cycle in the years ahead.

### **III. BOD'S ORIENTATION FOR THE 2026 - 2031 TERM**

#### **1. Guiding principles**

- To develop an appropriate, sustainable, and flexible strategy, with a focus on maintaining and strengthening the core business of construction while expanding investments in real estate projects, industrial parks, and small and medium hydropower. The Board of Directors shall play a central role in strategic orientation, supervision of execution, risk control, and resource optimization, ensuring that:
  - o Infrastructure construction serves as majority to stable cash flow and core brand foundation.
  - o Real estate and industrial parks play as medium- term and long-term growth dynamic.
  - o Small and medium hydropower constitutes long-term investment assets generating stable income.
  - o Financial balance is maintained safely, risk management capacity is enhanced, and transparency and efficiency are ensured.
- To develop a 5-year strategic plan and annual operational plans, progressing through the following stages: Strategic foundation building-Project pipeline development-Investment acceleration and implementation-Business model completion and brand building-Ecosystem completion and preparation for the next cycle.

## **2. Key activities of the Board of Directors**

### **2.1. BOD operating structure over the 5-year term**

- The BOD shall maintain a standard governance model, including:
  - o Regular meetings: once per quarter
  - o Specialized meetings: held for major projects or significant issues, ensuring that key matters relating to investment, finance, strategy, human resources, and risk are discussed comprehensively, transparently, and in compliance with procedures.
- Reporting system: reports from the Board of Management (BOM), periodic reports from capital representatives, and project-based reports.
- Strengthening transparency, accountability, and information disclosure, in full compliance with regulations applicable to public companies.

### **2.2. For Construction activities**

- To standardize construction management processes, establish internal norms, and promote investment in key machinery and equipment, while applying advanced management technologies such as BIM, progress and quality management software, to enhance competitiveness and construction quality.
- To accelerate digital transformation in corporate governance, gradually implementing data digitization, quality documentation management, and equipment/material management; and, in the future, applying artificial intelligence (AI) for risk forecasting, material price forecasting, and optimization of construction methods.

### **2.3. For Project investment activities**

- To review land banks, existing investment portfolios, and new investment opportunities based on: project legal status, resource mobilization capacity (financial and human resources), financial efficiency, and risk assessment. The BOD may establish specialized subcommittees (if necessary) to appraise and submit major investment decisions for approval.
- To approve key project portfolios for each sector, including: 2-3 real estate projects; 1-2 potential industrial park projects; Survey and development of small hydropower locations. At the same time, to approve cooperation with strategic partners (funds, banks, investors) and establish mechanisms for investment capital management and project cost control.
- From investment to implementation and completion stages, the BOD shall strengthen supervision (including legal progress, construction progress, and capital efficiency), conduct specialized meetings to evaluate investment performance and returns, consider bond issuance or capital cooperation (if necessary), and restructure the investment portfolio when required.
- To enhance supervision and evaluation of the performance of subsidiaries; to consider divestment from underperforming projects/entities or increase ownership in high-performing entities.

## **3. Key for the term**

- Target for project investment:
  - o Clean land bank for real estate : Minimum 50 hectares
  - o Industrial clusters/industrial parks: At least 01 approved industrial cluster
  - o Small and medium hydropower: At least 01 operational project

- Total revenue: Growth of 10%-15% per year, in which real estate transfer revenue accounting for 40%-45%
- Dividend payout ratio: Maintain 15%-20% per year (including cash and share dividends)

#### 4. Key tasks of the BOD in 2026

- To complete the organizational structure of the BOD, assign responsibilities to each member, and develop the full-term working plan.
- To finalize the Company Charter and internal regulations and policies.
- To supervise and direct the executive management in implementing the 2026 business plan and resolutions approved by the General Meeting of Shareholders.
- To continue maintaining centralized governance across subsidiaries through working plans being implemented by relevant departments, such as planning and control units, for each subsidiary. At the same time, to exercise oversight through directives to the Company's authorized representatives of capital to perform their rights and obligations at enterprises in which the Company holds equity interests.

The above constitutes the Report of the Board of Directors on the implementation of the Resolution of the 2025 General Meeting of Shareholders, the summary of the fourth term (2021-2026) and the orientation and plan for the upcoming term. The Board of Directors respectfully submits this report to the 2026 Annual General Meeting of Shareholders for consideration and approval.

**Recipient:**

- As above;
- Achied

**ON BEHALF OF BOD**

**CHAIRMAN**



**Nguyen Xuan Hung**