

**REPORT ON BUSINESS PERFORMANCE IN 2024 AND BUSINESS PLAN
FOR 2025**

Presented by the General Director of Song Hong Construction Joint Stock Company:

PART 1
BUSINESS PERFORMANCE IN 2024

1. General Assessment of 2024

In 2024, Vietnam's economy continued to recover and grow steadily. The real estate market followed this trend, becoming one of the leading sectors contributing significantly to overall development. Various real estate segments showed positive recovery, with the apartment segment experiencing the strongest rebound. Interest in apartments surged mid-year and maintained robust growth. After three years without new supply, Hanoi's apartment market saw a sharp increase, with prices rising by 40-50% within a year.

The positive recovery results were attributed to significant progress in improving the legal framework and close guidance from the Party, State, and Government. A series of new legal documents (e.g., the 2024 Land Law, the 2023 Housing Law, and the 2023 Real Estate Business Law along with their guiding decrees) helped address challenges faced by real estate investment and business companies, including Song Hong Construction JSC, in completing project legal procedures. However, access to loans remained limited as interest rates and capital mobilization channels for real estate businesses showed no significant improvement.

Seizing opportunities from regulatory changes, the Board of Directors made efforts to resolve long-standing legal issues for several company projects. Notably, the "Xuan La Commercial Center, Market, Supermarket, and Office for

Lease Project" received a construction permit from the Department of Construction and is currently in preparation for groundbreaking.

2. Business Performance Results in 2024

Although investment preparation for company projects accelerated, no new products were completed and launched for business during the year. Therefore, the Board focused on managing stable business activities to ensure revenue from leasing commercial service areas, parking spaces, and other areas owned by the company in its buildings. The business results achieved in 2024 were as follows:

No.	Content	Unit	2024 Plan	2024 Actual	Completion Rate (%)
1.	Total Revenue	Billion VND	15	15,247	101,6
2.	Profit Before Tax	Billion VND	2	1,004	50,2
3.	Corporate Income Tax	Billion VND	0	0,096	
4.	Profit After Tax	Billion VND	2	0,908	45,4
5.	Dividend Payout Ratio	%	0	0	0
6.	Average Number of Employees	People	28	25	89,29
7.	Average Monthly Salary	Million VND	15	16,3	108,67

3. Corporate Governance Activities

3.1. Management and Operations

- Strictly implemented resolutions from the company's Board of Directors regarding business operations.
- Directed departments to enhance reviews and develop comprehensive regulations and operational processes to ensure professional and efficient company activities.

3.2. Planning and Financial Management

- Developed production and business plans aligned with investment directions and project implementation progress while adapting to actual conditions.
- Successfully managed leasing activities for commercial service areas owned by the company at various projects to ensure stable rental income.

3.3. Financial Accounting

- Organized accounting activities for both the parent company and subsidiaries in compliance with current state accounting policies, company charters, and financial regulations.
- Maintained effective short-, medium-, and long-term financial planning to meet capital needs for all business operations.
- Enhanced financial risk management practices while promoting cost-saving measures across all operations to increase profitability.
- Secured sufficient funding to support business activities at several affiliated companies.

3.4. Labor Management and Compensation

- Fully implemented insurance policies (social insurance, health insurance, unemployment insurance) and other benefits for employees.
- Salaries were paid based on workload, quality, and individual performance while adhering to state regulations and internal compensation policies.
- Regularly cared for employees' well-being through activities such as periodic health check-ups and support for staff facing difficulties.

3.5. Party Affairs, Union Activities, and Other Initiatives

- In addition to business and production activities, the Company has also focused on political activities by regularly disseminating and thoroughly implementing the Party's guidelines and policies, as well as the State's laws, to all Party members, officers, and employees.
- The activities of the labor union have been consistently maintained. The union has successfully organized trips, vacations, and other recreational activities, fostering a sense of excitement and trust among all employees in the Company.
- Celebrations for International Women's Day (March 8) and the anniversary of the Vietnam Women's Union (October 20) were well-supported by the leadership, with financial assistance and time allocated to ensure full participation by all employees. The Company also gave gifts to children on International Children's Day (June 1) and presented birthday gifts to staff members on their special days.

4. Status of the Company's Investment Projects

Over the past year, several legal procedural obstacles have been resolved, accelerating the licensing process for numerous real estate projects nationwide, including some of the Company's projects. Specific details are as follows:

4.1. Vinh Tuy Bridge Mixed-use Complex – Residential Block (Phase 1)

Project Status: The project has completed handover to customers and is now in stable use. The Company continues to manage, operate, and lease office spaces, service areas, and parking facilities within the project.

4.2. Vinh Tuy Bridge Mixed-use Complex – Mixed-use Block (Phase 2)

Project Status: The project has received a construction permit from the Department of Construction (Phase 2). The Company is currently calculating land use fees (supplementary payments) and preparing for construction and sales activities, expected to commence in Q2/2025.

4.3. Thanh Xuan Villas & Eco-tourism Project

Project Status: Construction of Q1 villas is ongoing according to the approved master plan. For other sections, the Company is collaborating with Green Town Vietnam JSC to review and adjust the detailed 1/500 master plan for the project while preparing for basic design approval and construction permits for remaining areas.

4.4. Xuan La Commercial Center Project

Project Status: The project has received a construction permit from the Department of Construction. The Company is completing procedures to commence construction, scheduled for April 2025.

4.5. Sao Mai Mixed-use Complex Project

Project Status: The investment policy has been adjusted, and the Company is coordinating with Sao Mai Production & Trade JSC to negotiate with Hanoi City People's Committee for transferring agricultural land (expansion area). Both parties will proceed with subsequent steps to prepare for construction.

4.6. Kim Lien Block B Redevelopment (Phase 2)

Project Status: The Company has submitted investment registration documents to the Department of Construction for approval as the project developer.

4.7. Redevelopment of Old Apartment Complex at 135 Nguyen Van Cu, Long Bien District

Project Status: The Company is working with Long Bien District authorities on planning approval and investor selection as per regulations.

PART 2

BUSINESS PLAN FOR 2025

1. Business Plan Targets

In 2025, the Company anticipates revenue from the operation and leasing of commercial service areas it owns within its buildings, as well as financial income from dividends or equity transfers in affiliated companies. The projected business targets for 2025 are as follows:

No	Content	Unit	2025 Plan
1.	Total Revenue	Billion VND	66,62
2.	Total Revenue	Billion VND	19,35
3.	Corporate Income Tax	Billion VND	3,87

4.	Profit After Tax	Billion VND	15,48
5.	Dividend Payout Ratio	%	0
6.	Average Number of Employees	People	28
7.	Average Monthly Salary	Million VND	21,2

2. Implementation Solutions

The year 2025 presents many opportunities for the real estate market, thanks to new legal policies such as the Housing Law, Real Estate Business Law, and Land Law. These new regulations are expected to resolve obstacles in investment projects, accelerate the implementation of real estate developments, and create new supply for the market. Projects that meet actual demand and have complete legal documentation will attract significant customer interest. The leadership believes that the products from the Company's ongoing investment and construction projects have great potential to generate substantial profits once they meet transaction conditions. Therefore, to achieve the business targets entrusted by the General Meeting of Shareholders, the Company's leadership will focus all resources and implement comprehensive solutions as follows:

- Accelerate land use fee calculations for the Mixed-use Block of the Vinh Tuy Bridge Mixed-use Complex (Phase 2), proceed with construction, and bring project products to market when conditions are favorable.
- Concentrate resources on constructing the Xuan La Commercial Center, Market, Supermarket, and Office for Lease Project (expected completion in Q2/2026).
- Collaborate with Green Town Vietnam JSC to bring eligible products from the Thanh Xuan Villas & Eco-tourism Project to market while continuing construction of subsequent sections of the project.
- Partner with Sao Mai Production & Trade JSC in preparing for investment in the Qua Ha Residential Area Project and Sao Mai Mixed-use Complex Project.
- Review and restructure the investment portfolio, proposing partial or full divestment of shares held by the Company in subsidiaries or affiliates to ensure planned revenue targets.
- Strictly control and manage operational costs at buildings already in use to optimize efficiency.
- Fully utilize commercial service areas owned by the Company within its buildings to maximize revenue.

- Research and propose development of potential real estate projects nationwide, including social housing projects, ensuring alignment with the Company's strategic objectives and Board directives.
- Implement appropriate capital mobilization strategies, optimize capital utilization, and address inefficient long-term investments to support the 2025 business plan and medium- to long-term strategies.
- Focus on training and maintaining a skilled workforce to meet operational demands.
- Strengthen the INCOMEX brand by promoting real estate products that meet market needs within key Company projects.
- Strive to achieve and exceed production and business targets set by the Board of Directors for the 2025–2029 period.

This concludes the report on Song Hong Construction Joint Stock Company's business performance in 2024 and its business plan for 2025. We respectfully request that the Board of Directors review this report for presentation at the General Meeting of Shareholders.

GENERAL DIRECTOR

Recipients:

- Board of Directors; Supervisory Board;
- Archive: Administration/Chairman.

(Signed)

Pham Quynh Trang