

No: 16 /2025/BCTN-  
HHVN

Hanoi, March 14, 2025

**ANNUAL REPORT 2024****Dear:** - **State Securities Committee**  
- **HNX Stock Exchange****Part I. GENERAL INFORMATION****1. Overview information:**

- Trading name: **HONGHA VIETNAM JOINT STOCK COMPANY**
- Business registration certificate number: 0100109674 First issued by Hanoi Department of Planning and Investment on March 14, 2005, 19th change on March 3, 2022
- Charter capital: 200.000.000.000 vnd
- Owner's equity:
- Address of Head office: Operating building, New Urban Area of Tu Hiep, Tu Hiep Commune, Thanh Tri District, Hanoi City.
- Tel: (+84)24.3554.0845
- Website: www.honghavietnam.vn
- Stock code: PHH
- The process of formation and development(:

Time	Event
December 28, 2004	The Minister of Construction signed Decision No. 2076/QĐ-BXD on converting Hong Ha Construction Company - Song Hong Construction Corporation, a state-owned enterprise, into Hong Ha Investment and Construction Joint Stock Company, abbreviated as HONGHA JSC.
February 22, 2006	The company was granted the first change of Business Registration Certificate with new charter capital of 10.5 billions VND.
June 22, 2007	The second change of Business Registration Certificate with new charter capital of 20 billions VND
March 13, 2009	The 6th change of the Business Registration Certificate changed the name of "Hong Ha Investment and Construction Joint Stock Company" to "Hong Ha Petroleum Joint Stock Company", abbreviated as HONGHA PETROLIUM, JSC with new charter capital of 35 billions VND.
June 18, 2009	The 7th change of the Business Registration Certificate with new charter capital of 80 billions VND, actual contributed capital of 35

	billions VND
December 11, 2009	The 9th change of the Business Registration Certificate with charter capital of 80 billions VND, actual contributed capital of 50 billions VND.
March 17, 2010	The company's stock are officially listed on the Hanoi Stock Exchange with the trading code PHH.
August 10, 2010	The 10th change of the Business Registration Certificate with new charter capital of 102.5 billions VND
December 17, 2010	The 11th change of the Business Registration Certificate with new charter capital of 200 billions VND
December 12, 2011	Company office moved to 11th Floor, K3B Building, Alley 6A, Thanh Cong, Ba Dinh, Hanoi.
January 16, 2013	The 13th change of the Business Registration Certificate, changed the name "Hong Ha Petroleum Joint Stock Company" to "Hong Ha Vietnam Joint Stock Company", abbreviated name HONG HA VIET NAM, JSC.
January 13, 2016	The 14th change of the Business Registration Certificate, changed the head office to 161A To Hieu, Nghia Do, Cau Giay, Hanoi.
August 13, 2019	The 15th change of the Business Registration Certificate, the legal representative of the company is Mr. Le Vinh Viet - Chairman
October 29, 2019	The 16th change of the Business Registration Certificate, the title of the legal representative is changed to General Director - Mr. Le Hoang Anh
January 2, 2020	The 17th change in the Business Registration Certificate, changed the legal representative to General Director - Mr. Le Vinh Viet.
January 20, 2021	The 18th change of the Business Registration Certificate, changing the head office to the address of the Operator House, Tu Hiep new urban area, Tu Hiep commune, Thanh Tri district, Hanoi city.
March 3, 2022	The 19th change in the Business Registration Certificate, changed the legal representative to General Director - Ms. Tran Thi Thanh Binh.
June 1, 2023	The 20th change of the Business Registration Certificate, changes the ID card information of the legal representative.
November 6, 2024	The 21th change in the Business Registration Certificate, changed the legal representative to General Director - Ms. Nguyen Thi Thuy Huyen.

- The other event: no

## 2. Business sector and location

- Business sector:

- Construction of civil, industrial, technical infrastructure, traffic, irrigation works (bridges, roads, ports, dykes, dams, canals);
- Construction of all types of houses, construction of railways, roads and public works;
- Construction of power lines and transformer stations up to 110KV, underground works, foundation treatment;

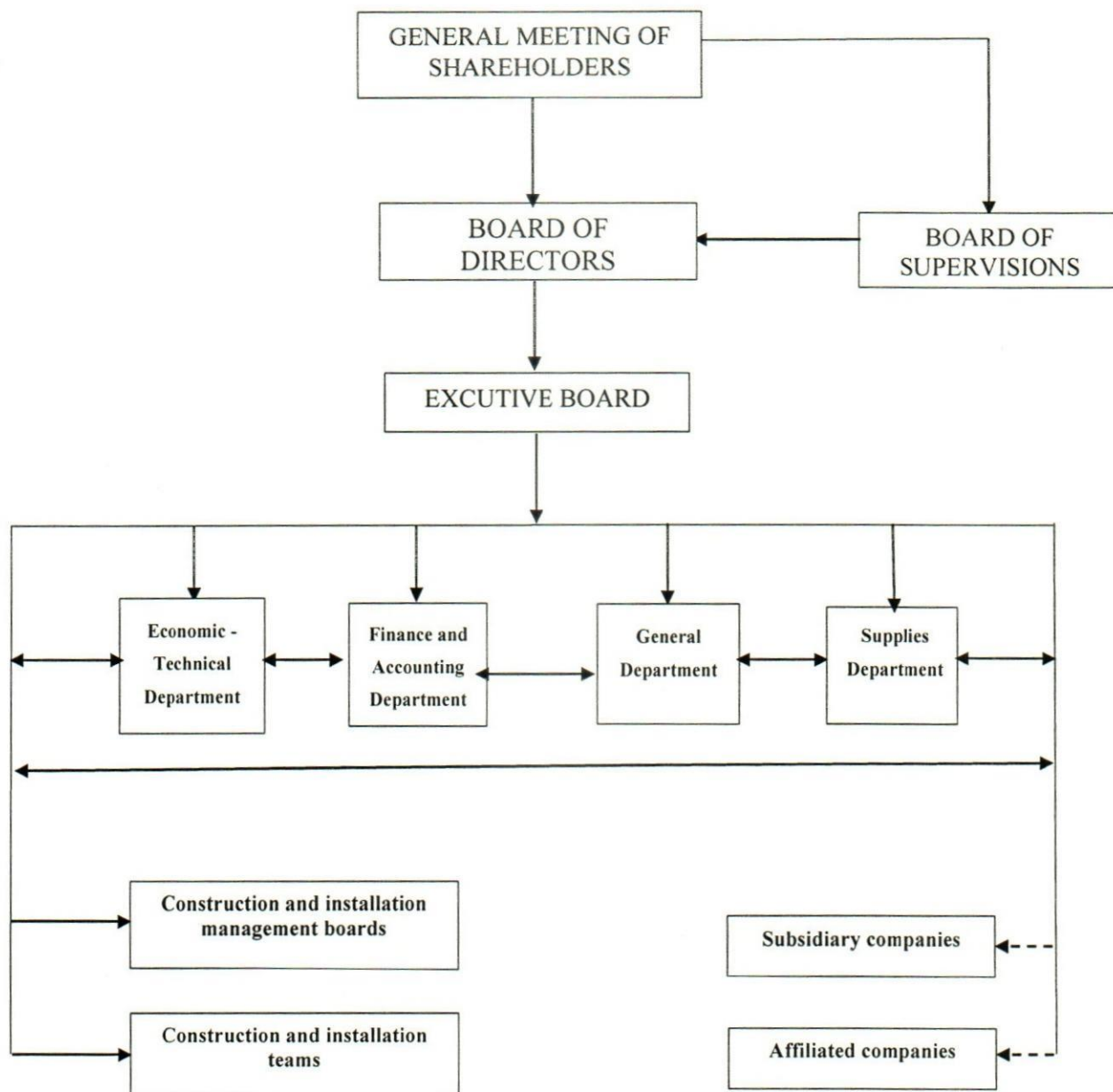
- Demolition and site preparation;
- Setting electrical systems, water supply and drainage systems, heating and air conditioning systems, and installation of other construction systems;
- Completing construction works; installing electrical systems, water supply and drainage systems, heating and air conditioning, installing other construction systems;
- Completing construction works;
- Other specialized construction activities;
- Construction and installation of specialized equipment for water supply and drainage, elevators, refrigeration systems, electrical systems, information systems, and environmental treatment in civil and industrial construction projects;
- Mechanical processing and installation of metal structures, wood processing, interior and exterior decoration;
- Production and trading of construction materials, consignment of goods;
- Investment in business development of housing, urban infrastructure, industry, real estate, office rental, hotel services, tourist transportation;
- Import and export business of machinery, materials and equipment;
- Investment consulting, general design of premises, architecture, interior and exterior for civil and industrial construction works;
- General, regional and detailed planning design for urban areas;
- Manufacturing, trading, and leasing of all kinds of civil and industrial construction machinery and equipment;
- Mechanical processing, installation, warranty, maintenance, repair and maintenance of all types of machinery and equipment for civil and industrial construction.;
- Business of transporting goods and transporting tourists by car;
- Construction quality inspection, design review and total project estimate (excluding construction design services);
- Bidding consultancy;
- Real estate services business:
  - + Real estate trading floor services;
  - + Real estate brokerage services;
  - + Real estate consulting services;
  - + Real estate auction services;
  - + Real estate advertising services;
  - + Real estate management services;
  - + Real estate valuation services;
- Wholesale of metals and metal ores;
- Wholesale of solid, liquid, gaseous fuels and related products;
- Wholesale of machinery, equipment and spare parts for mining and construction;
- Other mining and quarrying support service activities;
- Iron and steel casting;
- Non-ferrous metal casting;
- Production of iron, steel, cast iron;
- Mining of chemical minerals and fertilizer minerals;
- Mining of other non-ferrous metal ores;
- Iron ore mining;
- Geological and water resources exploration activities;
- Geological survey, construction survey;
- Drainage, wastewater treatment, non-toxic waste collection;
- Growing flowers, ornamental plants, perennial plants;

Cleaning services, general cleaning of houses and other buildings, landscape care and maintenance services;

- Business location: Thanh Tri District, Hanoi.

### 3. Information on governance model, business organization and management apparatus

- Management model:



Note:   
 —————> Direct operating relationship   
 <-----> Collaborative relationship   
 - - - - -> Affiliate Relationship

- Cơ cấu bộ máy quản lý:

Hong Ha Vietnam Joint Stock Company is organized and operated according to the Joint Stock Company model, in compliance with current legal regulations.

***General meeting of shareholders:***

The General Meeting of Shareholders is the highest authority of the Company, has full authority to decide on all activities of the Company and has the following tasks: Approving the Charter, the Company's business direction, the type of shares and the number of shares offered for sale, Merging, Reorganizing and dissolving the Company, Deciding to invest or sell assets with a value equal to or greater than 50% of the total value of assets recorded in the Company's most recent audited financial statements, Electing and dismissing the Board of Directors and the Board of Supervisors; Other tasks as prescribed in the Charter.

***Board of Directors:***

The Board of Directors is the highest management body in the Company elected by the General Meeting of Shareholders. The term of office of a member of the Board of Directors shall not exceed five (05) years; a member of the Board of Directors may be re-elected for an unlimited number of terms. The total number of independent non-executive members of the Board of Directors must account for at least one-third of the total number of members of the Board of Directors.

The Board of Directors has the following duties: Reporting to the General Meeting of Shareholders on the business situation, expected profit distribution, dividend rate, financial year settlement report, development direction and production plan of the Company; Deciding on the organizational structure, apparatus, and operating regulations of the Company; Deciding on the establishment of branches, representative offices and subsidiaries; Proposing the type, quantity and price of shares and bonds expected to be issued; Proposing amendments and supplements to the Company's Charter; Deciding on convening the General Meeting of Shareholders; Other duties as prescribed by the Charter.

The Company's Board of Directors currently has 03 members including: 01 Chairman, and 02 Members..

***Board of supervisors:***

The Board of Supervisors, on behalf of shareholders, controls all business, management and operation activities of the Company, and is elected by the General Meeting of Shareholders. The term of office of a member of the Board of Supervisors shall not exceed five (5) years; a member of the Board of Supervisors may be re-elected for an unlimited number of terms. The Board of Supervisors must have at least one member who is an accountant or auditor.

The Board of Supervisors has the following duties: Reviewing annual, six-month and quarterly financial reports before submitting them to the Board of Directors; Reviewing the company's report on internal control systems before the Board of Directors accepts them; Reviewing the independent auditor's signature letter and the company's management's feedback; Other duties as prescribed in the Charter.

The Company's Board of Supervisors currently has 3 members, including: 1 Head of the Board, 2 Members.

***Excutive board:***

The General Director is the highest executive in charge of all daily business activities of the Company. The General Director is appointed, dismissed, removed by the Board of Directors and does not necessarily have to be a shareholder of the Company. The General Director is

responsible to the Board of Directors and before the law for the implementation of assigned rights and duties.

The General Director has the following duties: Organizing and implementing decisions made by the Board of Directors and the General Meeting of Shareholders; Proposing plans for the arrangement of the company's management structure to the Board of Directors; Signing financial, commercial and labor contracts on behalf of the company, organizing and operating the Company's daily production and business activities; Implementing the annual business plan approved by the General Meeting of Shareholders and the Board of Directors; Submitting to the Board of Directors for approval the detailed business plan for the next fiscal year; Other duties as prescribed by the Charter.

Supporting the General Director are the functional Deputy General Directors. The General Director will, based on his/her ability and management, delegate certain powers to the functional Deputy General Directors.

The Company's Board of Directors currently has 02 members including: the General Director and 01 Deputy General Director.

#### **- Subsidiary company, Affiliated companies**

##### **❖ Subsidiary company**

1. Hong Ha Hanoi Joint Stock Company
  - Address: No. 18, Alley 4, Phuong Mai, Dong Da, Hanoi
  - Charter capital: 12,000,000,000 VND.
  - Parent company accounts for: 75.5%

##### **❖ Affiliated companies**

1. Song Day Hong Ha Petroleum Joint Stock Company
  - Address: Ha Man - Tri Qua Industrial Park, Ha Nam Commune, Thuan Thanh, Bac Ninh.
  - Charter capital: 102,805,290,000 VND.
  - Company holding: 35.53%
2. Tu Hiep Hong Ha Petroleum Joint Stock Company
  - Address: Tu Hiep new urban area, Tu Hiep commune, Thanh Tri district, Hanoi.
  - Charter capital: 706,000,000,000 VND.
  - Company holding: 20.69%

#### **4. Development orientation**

- The main objectives of the Company:

- In the field of construction and installation, become a General Contractor with enough competitive capacity to participate in bidding and construction of civil and high-rise construction works, meeting the increasingly strict requirements on quality, progress and aesthetics of the works of investors..
- Improve the efficiency of real estate business operations, project investment, focus on implementing projects that are qualified for implementation.
- Well manage investment cooperation activities, joint ventures and associations with business organizations to bring profits to the Company.

- Medium and long term development strategy

- In the field of construction and installation: Build and improve the quality management system, invest in improving the capacity of construction equipment and technology to ensure sufficient capacity to construct large and complex projects, ensuring both maintaining and exploiting the Company's traditional customers as well as expanding the market, especially projects with non-budgetary capital; Lĩnh vực đầu tư dự án bất động sản: Tập trung đẩy mạnh công tác phát triển Dự án mới, kết hợp khai thác hiệu quả hơn nguồn lực hiện tại; đồng thời rà soát lập kế hoạch triển khai các dự án, công trình thực hiện của đơn vị;
- Investment cooperation and capital contribution to enterprises: Restructuring invested portfolios, seeking new investment opportunities when the core activities of construction and real estate investment have stabilized.
- Perfecting the human resource management system, building a young, capable workforce as a successor team and resource for development; implementing training to improve professional skills and expertise for staff, engineers, and technical workers; developing policies to attract high-quality personnel to work at the Company.

#### 5. The risks:

- Construction activities have been narrowed due to the slow recovery of the real estate market. The construction industry has also been affected: economic disruption and reduced investment demand. At the same time, the price of raw materials and labor has fluctuated greatly, causing construction profit margins to collapse seriously.
- The Company's capital contribution activities in other enterprises are not as effective as expected, causing backlog, making it difficult to recover and preserve capital.

## Part II. REPORT ON PERFORMANCE IN THE YEAR

### 1. Production and business situation

- Business performance results during the year

#### *Net revenue structure by product group*

*Unit: million VND*

Category	2022		2023		2024	
	Value	Proportion	Value	Proportion	Value	Proportion
Construction revenue	106,8	0,54%	1.872	37,11%		
Service revenue	6.963,8	35,44%	853,6	16,92%	848,4	100.00%
Real estate transfer revenue	12.576,9	64,01%	2.318,2	45,96%		
Sales revenue						
<b>Total net revenue</b>	<b>19.647,5</b>	<b>100.00%</b>	<b>5.043,8</b>	<b>100.00%</b>	<b>848,4</b>	<b>100.00%</b>

#### *Gross profit structure of each product group (revenue - cost of goods sold)*

*Unit: million VND*

Category	2022	2023	2024
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	<b>Value</b>	<b>Proportion</b>	<b>Value</b>	<b>Proportion</b>	<b>Value</b>	<b>Proportion</b>
Construction operating profit	-2.302,5	-42,92%	-2.302,5	-42,92%	-	-
Service profit	-365,5	-6,81%	-365,5	-6,81%	292.5	100.00%
Real estate transfer profit	8.032,3	149,74%	8.032,3	149,74%	-	-
Sales profit						
<b>Total</b>	<b>5.364,3</b>	<b>100.00%</b>	<b>5.364,3</b>	<b>100.00%</b>	<b>292.5</b>	<b>100.00%</b>

### *Production cost structure*

*Unit: million VND*

<b>Category</b>	<b>Năm 2022</b>		<b>Năm 2023</b>		<b>Năm 2024</b>	
	<b>Value</b>	<b>Proportion</b>	<b>Value</b>	<b>Proportion</b>	<b>Value</b>	<b>Proportion</b>
Cost of goods sold	14.283	72,70%	14.283	72,70%	555.88	65.52%
Financial expenses	10.734	54,63%	10.734	54,63%		0.00%
Selling expenses	759	3,86%	759	3,86%		0.00%
Administrative expenses	7.316	37,24%	7.316	37,24%	3,301.9	389.19%
<b>Total</b>	<b>33.092</b>	<b>168,43%</b>	<b>33.092</b>	<b>168,43%</b>	<b>3,857.74</b>	<b>454.71%</b>

- Implementation status compared to plan

*Unit: million VND*

<b>Category</b>	<b>2023</b>	<b>Plan 2024</b>	<b>Implementation in 2024</b>	<b>Compare (by Implementation in 2024)</b>	
				<b>increase (+)/decrease (-) with 2023</b>	<b>with plan</b>
Total revenue	5,04	134	0.84	16.67%	0.63%
Profit before tax	2,38	0,039	-2.4	-100.84%	-6153.85%
Dividend ratio	-	-	-		

## **2. Organization and human resources**

- List of Executive Board

<b>order</b>	<b>Name</b>	<b>Position</b>	<b>Number of shares held</b>
1	Nguyen Thi Thuy Huyen	General Director	2.486.770



2	Tran Thi Thanh Binh	Deputy General Director	1.000.000
1	Nguyen Thi Hoa Vinh	Chief Accountant	0

- Changes in the Executive Board:

- On October 25, 2024, dismiss Ms. Tran Thi Thanh Binh from the position of General Director, appoint Ms. Nguyen Thi Thuy Huyen to the position of General Director and appoint Ms. Tran Thi Thanh Binh to the position of Deputy General Director.

- Number of staff

Category	As at 12/31/2024	Proportion
University and post-graduate	3	75%
College, secondary school	0	0
Worker	0	0
General labor	1	25%
<b>Total</b>	<b>4</b>	<b>100%</b>

### 3. Investment situation, project implementation situation

#### a) Big investments

In 2024, the Company will not participate in new investment capital, only focus on managing existing investments.:

**\* Commercial housing project phase 1 (CT14) and phase 2 (CT7-CT8-CT9-CT10) of Tu Hiep new urban area, Thanh Tri, Hanoi, invested by the associated company Tu Hiep Hong Ha Petroleum Joint Stock Company:**

- CT14 Building: Construction Permit has been adjusted. Expected to be implemented in the second quarter of 2025.

- CT7-CT8-CT9-CT10 Buildings: land allocation procedures completed, basic design adjusted.

#### **\* Project 407 Nguyen An Ninh, Vung Tau:**

The Company is reviewing the legal procedures that have been implemented, evaluating the economic efficiency and feasibility in completing the legal procedures according to the project contents approved by the competent authority in the Investment Certificate to ensure the investment efficiency of the project.

#### b) Subsidiaries and affiliates

In 2024, as of December 31, 2024, the Company contributed capital to 01 Subsidiary and 02 Associates. Specifically:

##### **- Hong Ha Hanoi Joint Stock Company:**

Hong Ha Hanoi Joint Stock Company is a subsidiary of Hong Ha Vietnam Joint Stock Company, operating in the field of construction and installation. The total investment value of the Company at Hong Ha Hanoi Joint Stock Company is: 9.06 billion VND, accounting for 75.5% of charter capital.

##### **- Tu Hiep Hong Ha Petroleum Joint Stock Company:**

Tu Hiep Hong Ha Petroleum Joint Stock Company is the investor of Tu Hiep New Urban Area project with an area of approximately 17 hectares, a scale of 16 apartment buildings, 01 commercial center. This investment is considered an effective investment. Total revenue in 2024 reaches 16.25 billion VND, profit after tax reaches 97 million VND.

The company's ownership ratio at Tu Hiep Hong Ha Petroleum Joint Stock Company is 20.69%.

**- Song Day Hong Ha Oil and Gas Joint Stock Company:**

Song Day Hong Ha Petroleum Joint Stock Company was established based on the investment project of the Autoclaved Aerated Brick Factory, taking advantage of the State's policy of using unburnt materials in construction works. As of December 31, 2024, the total investment value (calculated by par value of shares) of the Company at Song Day Hong Ha Petroleum Joint Stock Company is VND 34,470,000,000, accounting for 33.53% of charter capital.

Since its establishment, this Company has had difficulty operating because the market has not accepted new products and has continuously suffered losses. Currently, Song Day Hong Ha Petroleum Joint Stock Company is in the process of restructuring, debt settlement, and temporarily suspending production activities, only conducting warehouse leasing activities to maintain stability and regular operations..

**4. Financial situation**

**a) Financial situation**

*Unit: million VND*

<b>indicators</b>	<b>2023</b>	<b>2024</b>	<b>%</b>
Total assets	456.634	450.925	-1.25%
Net revenue	5.043	848	-83.18%
Operating profit	3.054	(2.401)	-178.62%
Other profit	(665)	1	-100.15%
Profit before tax	2.389	(2.400)	-200.46%
Profit after tax	2.313	(2.400)	-203.78%
Basic earnings per share	128	(133)	-203.54%
Dividend return			

- Other indicators:

**b) Key financial indicators**

<b>indicators</b>	<b>2023</b>	<b>2024</b>	<b>Note</b>
<i>1. Solvency ratio</i>			
Current Ratio (Current Assets/Current Liabilities)	1,04	1,04	
Quick Ratio (Current Assets - Inventory)/ Current Liabilities	0,24	0,23	

indicators	2023	2024	Note
<i>2. Capital structure indicators</i>			
Debt/Total Assets Ratio	0,5	0,5	
Debt/Equity Ratio	0,99	0,99	
<i>3. Performance indicators</i>			
Inventory Turnover (Cost of Goods Sold/Average Inventory)	0,02	0.003	
Total Asset Turnover (Net Sales/Average Total Assets)	0,01	0.002	
<i>4. Profitability ratio</i>			
Profit after tax/Net sales ratio	45,86%	-282,91%	
Profit after tax/Equity ratio	1,01%	-1,06	
Profit after tax/Total assets ratio	0,51%	-0,53	
Profit from business activities/Net sales ratio	60,55%	-283,03	

#### **5. Shareholder structure, change in owner's equity**

##### **a) Share:**

Total number of shares: 20,000,000 shares

Number of outstanding shares: 18,100,000 shares

Number of freely transferable shares: 18,100,000 shares

Number of shares subject to transfer restrictions: none

Current number of treasury shares (December 31, 2024): 1,900,000 shares

Number of shares traded/listed in foreign markets: none

##### **b) Shareholder structure (31/12/2024):**

Ord	Shareholders	Share	%
I	State shareholders	0	0
II	Internal shareholders and related persons	9.720.366	53,7%
III	Other major shareholders	7.253.960	40,08%
1	<i>Hanoi Land Management and Investment Joint Stock Company</i>	2.138.300	11,81%
2	<i>Pham Ngoc Dung</i>	2.243.900	12,40%
3	<i>Nguyen Tuan Anh</i>	2.871.760	15,87%
IV	Other shareholders	1.125.474	6,22%

	<b>Total number of outstanding shares</b>	<b>18.100.000</b>	<b>100,00%</b>
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- c) Changes in owners' equity: none during the year
- d) Treasury stock transactions: none during the year
- e) Other securities: none during the year

### **III. REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS**

#### **1. Evaluation of production and business performance**

In 2024, the real estate market froze due to complicated and prolonged investment procedures. Therefore, the Company's spearhead of operations, construction and installation, faced serious difficulties and had no new sources of work. At the same time, the Viet Duc Hospital 2 project has not yet resolved its problems, construction is at a standstill, and continues to have no revenue. The Company's revenue in 2024 comes only from service activities.

#### **2. Financial situation**

*Unit: million VND*

<b>Category</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Compare 2024 to 2023</b>
1. Current assets	237.127	237.247	233,833	-1.44%
2. Long-term assets	229.932	219.387	217,091	-1.05%
<b>Total assets</b>	<b>467.059</b>	<b>456.634</b>	<b>450,924</b>	<b>-1.25%</b>
3. Liabilities	240.005	227.348	224,039	-1.46%
4. Owner's equity	227.054	229.286	226,885	-1.05%
<b>Total capital</b>	<b>467.059</b>	<b>456.634</b>	<b>450,924</b>	<b>-1.25%</b>

#### **3. Improvements in organizational structure, policy, management**

In 2024, the Company's production and business activities will continue to be difficult because the Company cannot sign new construction contracts, and the unfinished construction project (Viet Duc Hospital, Branch II) continues to be suspended at the construction site due to legal procedures.

In terms of organization, the Company bases on the production and business situation to determine the workforce in accordance with job requirements, stabilizes salary policies, improves the streamlined management model, and holds multiple positions to ensure production and business activities and the lives of employees.

Strictly comply with the provisions of the Labor Code, the Social Insurance Law and policies and regimes for employees: sign labor contracts, extend labor contracts for employees in accordance with the law; participate in social insurance, health insurance, unemployment insurance and occupational accident and disease insurance fully and in accordance with regulations; resolve social insurance regimes such as sickness and maternity for employees when they arise; Organize regular health check-ups once a year....

#### **4. Future development plans**

**- Revenue: 63,558 million VND**

**- Profit after tax: 175 million VND**

**- Dividend ratio: 0%**

*(Data may be adjusted until the Company's 2025 Annual General Meeting of Shareholders)*

**5. Board of Directors' explanation of the audit opinion:**

Auditor's opinion:

In note 11 - "Long-term prepaid expenses", the Company is monitoring "Payment under Capital Transfer Contract No. 01/HĐCN" with an amount of VND 32,511,250,000. This is the remaining value of the transaction in which the Company acquired 20% of Mr. Nguyen Tat Lac's capital contribution at Chackkaphanh Mining Group Company Limited (now Huatangnai Mining Group Company Limited) since 2010 with a value of VND 77,022,500,000. The Company has determined the loss and recorded it in the Financial Statements from 2016 and earlier with an accumulated amount of VND 44,511,250,000. We do not have sufficient appropriate documents to be able to assess whether this remaining value has been completely lost and the impact of this issue on the separate financial statements for the fiscal year ended 31/12/2024.

We are unable to assess the recoverability of the amount of VND 11,347,160,000 that the Company has deposited with Phong Thinh Company Limited related to the Copper Flotation Line Contract No. 09/2010 dated 08/09/2010 and related appendices (Note No. 8(1)). Therefore, we are unable to determine whether it is necessary to adjust the item Provision for doubtful debts and other related items in the separate financial statements for the fiscal year ended 31/12/2024 of the Company.

The Company has not been able to obtain the Financial Statements for the fiscal year ending December 31, 2024 of Viet Lao General Trading Joint Stock Company, and has not considered setting aside a provision for financial investment losses for the investment in this Company worth VND 4,200,500,000. We do not have sufficient documents necessary to assess the impact of this issue on the attached Separate Financial Statements for the fiscal year ending December 31, 2024 of the Company.

We have not been able to obtain the necessary documents to assess the recoverability of the outstanding Customer Receivables balance as of December 31, 2024 of VND 3.28 billion. Therefore, we are unable to determine whether any adjustments to the Provision for doubtful debts and other related items in the Company's separate financial statements for the fiscal year ending December 31, 2024 are necessary.

The Company has not recorded any payables for guarantee costs as of December 31, 2024, amounting to approximately VND 2.46 billion. Due to the impact of this issue, on the separate balance sheet, the Other short-term payables (Code 319) reflects a shortage, while the Undistributed profit after tax (Code 421) reflects an excess of the same amount; on the separate income statement, the Corporate Administration Expenses (Code 26) reflects a shortage and the Profit after tax (Code 60) reflects an excess of the same amount.

**Disclaimer of Opinion:** Because of the significance of the matters described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we are unable to express an audit opinion on the accompanying separate financial statements.

Company's explanation::

At the time of the audit, the auditor did not collect sufficient appropriate audit evidence to form the basis for giving an audit opinion on the following contents:

+ The payment of VND 77,022,500,000 under the capital transfer contract No. 01/HĐCN dated June 23, 2010 between Hong Ha Vietnam Joint Stock Company and Mr. Nguyen Tat Lac was assessed by the company as a loss according to the Minutes of the Board of Directors'

meeting No. 10/2015/BB-HDQT dated December 25, 2015: Currently, our company is still trying to contact Mr. Nguyen Tat Lac to handle the rights and obligations of the parties under the Transfer Contract. To be cautious, in 2015, the Company allocated 50% (equivalent to VND 38,511,250,000) of the above payment to business expenses. In 2016, the Company continued to allocate VND 6,000,000,000 to business expenses. The remaining amount of VND 32,511,250,000 is currently recorded by the Company as a Long-term Prepaid Expense.

+ Other receivables of HH Phong Think Company related to the Copper Ore Flotation Line Contract No. 09/2010 dated September 8, 2010; Contract Appendix dated February 22, 2011; Contract Appendix 02 dated March 22, 2011 with the balance as of December 31, 2024 being: VND 11,347,160,000: Our Company also has a letter confirming the balance with HH Phong Think Company. However, due to the long-term debt, the Company does not have enough documents to determine the recoverable value as a basis for setting up a provision.

+ As of December 31, 2024, the Company has not yet collected the 2024 Financial Statement of Viet Lao General Trading Joint Stock Company, so it has not considered setting up a provision for financial investment losses in this Company.

+ Regarding the receivables from customers with a value of VND 3.28 billion, our company is still in the process of debt collection, so it has not considered setting up a provision for this receivable.

+ As of December 31, 2024, our Company has not yet recorded the guarantee cost payable to the bank in the amount of VND 2.46 billion.

#### **IV. BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S PERFORMANCE**

##### **1. Board of Directors' assessment of the performance of the company's Board of Directors:**

The Board of Directors highly appreciates the efforts, capacity and sense of responsibility of the Board of Directors in managing and operating the Company's production and business activities in 2024 in the following aspects:

- Closely follow and direct the implementation of decisions of the General Meeting of Shareholders and the Board of Directors in accordance with the actual situation, proactively develop and propose solutions to handle difficulties and problems in construction and installation activities, investment, etc.

- Manage and operate all aspects of activities in accordance with assigned responsibilities and tasks; there is a clear and flexible division of labor and decentralization between management levels.

- Accounting and financial management work is in accordance with standards and transparency according to the provisions of the Law; ensuring principles and timely disclosure of information according to regulations.

- The Company's human resource organization strictly complies with the provisions of the Labor Code and policies and regimes for employees.

##### **2. Plans and directions of the Board of Directors:**

###### **• Human resource organization**

- The Company's organization includes: The parent company Hong Ha Vietnam Joint Stock Company and 01 subsidiary Hong Ha Hanoi Joint Stock Company with the goal of stable and long-term development.

- Organize the parent company's apparatus in a compact, specialized direction and redefine the functions and tasks of each specialized department associated with specific and detailed personnel structure; Build a professional staff, create a suitable mechanism for employees to maximize their capacity.

- Focus on training, self-training to improve the quality of human resources for the company's employees to improve and enhance professional qualifications to effectively implement the Company's planning goals, meeting the increasingly high requirements of investors and customers.

- **For construction and installation activities**

- Focus on resolving problems and issues to complete the unfinished work volume to ensure technical requirements, quality and settlement of existing projects, promptly recover capital to ensure production and business activities.

- Strengthen marketing and bidding activities to develop the market in the long term.

- Improve capacity in the construction and installation sector, strengthen technical and quality management measures, invest in machinery and equipment, etc.

- Focus on drastically implementing measures to improve the efficiency of settlement and capital recovery.

- **Real estate business activities**

- Review the legal procedures that have been implemented, evaluate the economic efficiency and feasibility in completing the legal investment procedures for the 407 Nguyen An Ninh project in Vung Tau and other projects.

- Ensure financial resources to be able to implement projects that are eligible for implementation.

- Expand the search for business cooperation in other effective real estate projects.

- **Restructuring of capital investments and the Company's financial situation**

- Focus on reviewing and evaluating the effectiveness of the Company's existing investments, thereby proposing appropriate solutions: Managing and promoting effective investments; divesting and capitalizing into equity capital for investments in subsidiaries and affiliated companies that are losing money and operating ineffectively.

- Focus on handling and resolving existing difficulties in financial management to gradually improve the financial situation towards gradually reducing short-term financial imbalances through the following measures: restructuring the structure and financial investment; proactively arranging credit sources; promoting capital recovery and strictly controlling cash flow to ensure proper and effective use; Standardizing accounting work, enhancing the role of accounting in establishing information systems, financial management reports, and controlling activities to promptly respond to business administration and management.

## V. CORPORATE GOVERNANCE:

### 1. Board of Directors:

#### a) Members and structure of the Board of Directors:

Ord	Full name	Position	Number of shares held	Note

1	Nguyen Thi Huyen Trang	Chairman	3.575.600	Non-Executive Member
2	Nguyen Thi Thuy Huyen	Member	2.486.770	Executive Member
3	Tran Thi Thanh Binh	Member	1.000.000	Executive Member

**b) Subcommittees of the Board of Directors:** none

**c) Board of Directors Activities:**

The Board of Directors has held 05 meetings to promptly grasp the market situation as well as the production situation of the Company, in order to promptly issue Resolutions for the Board of Directors to serve as a basis for implementing production and business activities. In addition to regular meetings, members of the Board of Directors regularly exchange information and consult on important issues in the Company's operations via phone and email.

**d) Activities of independent Board members:**

Independent members have fully participated in Board of Directors meetings, providing objective opinions and assessments to find optimal solutions for Board of Directors' decisions.

## **2. Board of Supervisors:**

**a) Members and structure of the Board of Supervisors:**

Ord	Full name	Position	Number of shares held	Note
1	Nguyen Quoc Tuan	Head of Supervisory Board	0	Has accounting skills
2	Truong My Hanh	Board Member	2.511.496	Has accounting skills
4	Nguyen Thi Huong	Board Member	10.800	Has accounting skills

**b) Board of Control Activities:**

- The Board of Supervisors has 3 members, including Mr. Nguyen Quoc Tuan - Head of the Board of Supervisors and Ms. Truong My Hanh - Member and Ms. Nguyen Thi Huong - Member all of whom are experts in finance and accounting.

- Representatives of the Board of Supervisors fully participated in the meetings of the Company's Board of Directors and monthly, quarterly and annual production and business meetings to regularly monitor the Company's activities as well as the Company's development orientations in each period.

- Check the Company's quarterly and annual financial reports.

- Check and supervise the legality in the management and operation of business activities, in the recording of accounting books, financial reports and the compliance with the Company's Charter, Resolutions and Decisions of the Board of Directors.

- Control and participate in the process of building and perfecting the Company's internal regulations to ensure compliance with the Company's Charter and current regulations of the State.

## **3. Transactions, remuneration and benefits of the Board of Directors, Executive Board and Supervisory Board:**



**a) Board of Directors and Supervisory Board remuneration:**

- Board of Directors: 3.000.000 VND/person/month
- Board of Supervisors: + Head of the Supervisory Board: 2,000,000 VND/person/month  
+ Member: 1,000,000 VND/person/month

**b) Insider stock transactions: no**

**c) Assessment of implementation of corporate governance regulations: strict compliance**

**VI. FINANCIAL REPORT:**

**1. Audit opinion: disclaimer of opinion**

**2. Audited financial statements:**

The Company's 2024 Financial Statements and Consolidated Financial Statements have been audited by AASC Auditing Company Limited. The detailed contents of the above two reports are fully posted on the Company's website at [www.honghavietnam.vn](http://www.honghavietnam.vn)

The above is the full text of the 2024 Annual Report of Hong Ha Vietnam Joint Stock Company

**Recipients:**

- As directed;
- Filed: General Derpartment.

**CONFIRMATION OF THE COMPANY'S  
LEGAL REPRESENTATIVE**

(Sign full name, seal)

**GENERAL DIRECTOR**



**Nguyen Thi Thuy Huyen**