

**ANNUAL REPORT**  
**HUONG GIANG TOURIST JOINT STOCK COMPANY**  
**Year: 2024**

*(Promulgated with the Circular 96/2020/TT-BTC on November 16, 2020 of the Ministry of Finance guiding the Information disclosure on securities markets )*

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**Kindly to:**     - **State Securities Commission,**  
                          - **Hanoi Stock Exchange.**

**I. General information**

**1. General information**

- Trading name: HUONG GIANG TOURIST JOINT STOCK COMPANY
- Certificate of business registration: 3300101124
- Charter Capital: 200,000,000,000 Vnd
- Address: 02 Nguyen Cong Tru Street, Phu Hoi Ward, Thuan Hoa District, Hue City
- Telephone: 0234.3826070 – 3826071
- Telefax: 0234.3833588
- Website: www.huonggiangtourist.com
- Securities code: HGT

**Incorporation and development process:**

❖ **Incorporation and development process:**

- Huong Giang Tourist JSC, formerly known as Huong Giang hotel Company, was established in accordance with the Decision No.1500 QD-UBND dated 3<sup>rd</sup> Oct, 1994.
- On Nov 02<sup>nd</sup>, 1996, the People's committee of ThuaThien Hue province issued the Decision No.3243/QD-UBND on changing the name of Huong Giang hotel company to Huong Giang Tourist company. On Nov 15<sup>th</sup>, 2007, the People's committee of Thua Thien Hue province issued the Decision No. 2559/QD-UBND on converting Huong Giang tourist company to Huong Giang tourist joint stock company.
- On Nov 17<sup>th</sup>, 2007, the company successfully organized the General shareholders meeting to establish Huong Giang tourist joint stock company and officially went into operation since January 01<sup>st</sup>, 2008.

❖ **Other events.**

- Huong Giang tourist JSC with a long history of development with over 30 years has always strived to be persistent to build stronger and stronger company, affirm the position and brand name in the domestic and international market. The company has been assessed by the leaders of Thua Thien Hue province (now Hue City) and Viet Nam National administration of Tourism as one of leading agencies in the locality, one of the units with high socio-economic efficiency continuously in tourism industry in Viet Nam. For many years of operation and development, the company has achieved many noble titles:
- President of the Socialist republic of Viet Nam awarded:
  - The title of labor hero in the renovation period;
  - 01 first class labor medal;
  - 02 second class labor medals;
  - 01 third class labor medal;



- 01 third class honor medal;
- The Prime Minister awarded: 04 emulation flags, 06 certificates and many emulation flags and certificates of the central and local department;
- For many consecutive years, Huong Giang tourist JSC is always a lead unit in the emulation movement in the tourism industry in ThuaThien Hue province.

## **2. Business Lines and locations of business**

- Business lines, the main products and services:

<b>No.</b>	<b>Name of business line</b>	<b>Code</b>
<b>1</b>	Short-stay services Details: Tourist accommodation business: Hotel and resorts with standard Hotel Resort & Spa	<b>5510 (Chính)</b>
<b>2</b>	Installation of electrical systems	<b>4321</b>
<b>3</b>	Wholesale of beverages Details: Buy and sell alcoholic and non-alcoholic drinks	<b>4633</b>
<b>4</b>	Operate tours Details: International and domestic travel services business. (Foreign-invested service providers only provide services to bring tourists to Vietnam (Inbound) and domestic travel for tourists to travel to Vietnam as part of service to bring tourists to Vietnam).	<b>7912</b>
<b>5</b>	Restaurants and mobile food services Details: Restaurants, eateries, food stalls	<b>5610</b>
<b>6</b>	Organize trade introduction and promotion Details: Event organization, introduction and trade promotion	<b>8230</b>

- Business locations: Hue City, Vietnam

## **3. Information about governance model, business organization and managerial apparatus.**

- Governance model and organizational structure of the company:

From January 01<sup>st</sup>, 2008, the company officially operated as joint stock company, including: General shareholders meeting; Supervisory board, Board of management, Board of Directors, functional departments of the company and its branches. The governance model of the company is built on the principle of assignment and management according to the function of work, have a close relationship each other. General Director of the company runs the company through decentralization to directly solve the specific tasks of the company through the leaders of functional department and directors of its branches.

### **- Management structure:**

Management apparatus of the company is organized according to the model of a Joint stock company.

### **❖ General shareholders meeting**

The general shareholders meeting is the highest authority of the company. The annual general shareholders meeting is held once a year. The general shareholders meeting must be held within 4 months from the last day of the fiscal year.

### **❖ Board of Management**

The business activities and tasks of the company have been decentralized and managed by the board of management. The Board of management is authorized to exercise all rights in the name of the company except for those belonged to the General meeting of shareholders and Supervisory board.



❖ **Supervisory Board**

The supervisory board has the powers and duties as stipulated in Article 170 of Law on enterprises and the charter of operation of Huong Giang tourist joint stock company.

❖ **Board of Directors**

Board of Directors of the company includes: 01 General Director, 01 Deputy General Director. General Director of the Company is appointed by the Board of Management, who has the main responsibility and the sole responsibility before the Board of management for all business activities of the company. Deputy General Director is appointed by the Board of Management.

❖ **Functional departments:**

a. **Financial and Planning Department:**

Having the function of managing the finance of the company; making the quarterly and annual financial statements, monitoring the fluctuation of fixed assets, instruments, tools and inventory; managing and monitoring finance in investment and capital construction, investment preparation and settlement; preparing the annual financial management reports, analyzing and making annual financial planning.

b. **Human Resources Department:**

Having the function of personnel management, wage, social insurance and labor insurance; drafting the statutes, regulation relating to executive activities, training policies, fostering, emulation, commendation and discipline; carrying out the work of organizing the party and mass organizations.

c. **Investment Department:**

Building investment plans to renovate and upgrade existing facilities of the Company. Advise and develop the Company's investment projects.

d. **Project Development Section:**

Building the plan for development of the business premises of the company, advising Board of directors on the company's objective, strategic planning and business plans, looking for partners in business;

e. **Internal Control Section:**

The internal control board conducts the business operations inspection at its affiliated units, inspecting the implementation of guideline of the Board of management and the Board of directors...

f. **Secretary of the Board of Management:**

Managing the list of shareholders and assisting the Board of Management and the General Shareholders meeting.

**4. Subsidiaries, joint venture companies:**

**4.1. Affiliated unit:**

**\* Huong Giang hotel Resort & Spa – Branch of the company**

Huong Giang resort & Spa – 4 star standard

- Address: 51 Le Loi street, Hue City

- Telephone: 0234.3 822122 – 3823958 Fax: 0234.3 82585

**4.2. List of joint venture companies of Huong Giang Tourist JSC:**

No	Name of company	Address, telephone number	Charter capital (mils dong)	Contributed capital of Huong Giang (mils dong)	Ownership rate (%)
1	Saigon Morin Hue Co.,Ltd	30 Le Loi, Thuan Hoa District, Hue City; Tel: 0234.3823526	69,215.0	34,607.5	50.00



2	Hotel De la Cite Imperiale Co., Ltd	05 Le Loi, Thuan Hoa District, Hue City; Tel: 0234.3837475	113,555.2	40,026.5	29.97
3	Huong Giang Travel Company Limited	02 Nguyen Cong Tru, Thuan Hoa District, Hue City; Tel: 0234.3949596	9,027.0	4,423.2	49.00
4	Citadel Investment Tourist Co.,Ltd	02 Nguyen Cong Tru, Thuan Hoa District, Hue City; Tel: 0234.3826070	61,953.0	21,683.5	35.00
5	Thien Phuc Tourist JSC	An Tay Ward, Thuan Hoa District, Hue City;	3,000.0	940.0	31.33
6	Lang Co tourist Co.,Ltd (*)	Lang Co Town, Phu Loc District, Hue city Tel: 0234.3826070	10,000	4,000	40.00
<b>Tổng cộng/Total amount:</b>				<b>105,680.7</b>	

(\*) In August 2024, Huong Giang Tourist Joint Stock Company transferred all of the capital that the Company is holding and owning in the charter capital of Lang Co Tourist Limited Company, which is 4 billion VND, equivalent to 40% of the total charter capital of Lang Co Tourist Limited Company.

## **5. Development orientation**

### **5.1 The main targets of the Company in this period**

- Concentration on investment in upgrading and renovating the service quality to improve the current business capacity.
- Implement Sales - Marketing activities in line with tourism activities are gradually restored.
- Investing in expanding and developing business capacity in the following projects:
  - Renovating and upgrading Huong Giang hotel – 51 Le Loi, Hue City;
  - NAMA luxury resort project at 85 Nguyen Chi Dieu street, Hue City with total area of 6,374 m<sup>2</sup> and scale of 6\* with 20 standard bedrooms.

### **5.2 Risks:**

- The global economic recession, price slippage, inflation, war and political conflict have affected the cost of input materials and affected the purchasing power and consumption ability of tourists.
- Tourism infrastructure, services to attract and serve tourists in the area are lacking and monotonous. Therefore, the spending level of tourists coming to Hue is still low, the length of stay is short, not really effective for the tourism industry in general and the company in particular.
- The number of businesses operating in the same industry is increasing, so the market share is increasingly divided.
- The change of tax and land policies will affect the Company's production and business activities.
- In addition to the above risk factors, there are also a number of force majeure risk factors such as natural disasters, pandemics that are potential risks that will continue to seriously affect development of the tourism industry.

## **II. Business operations in 2024.**

### **1. Situation of production and business operations**



- Total revenue reached **VND 57,444 million**, achieved 101.8% of the year plan, increased 12.5% compared to 2023.
- Total profit after tax: 64,632 billion VND, plan is loss 3,410 billion VND.
- **Factors affecting business results in 2024:**  
The main reason affecting the business results in 2024 is that the Company transferred all of its capital contributions at Lang Co Tourist Company Limited. In addition, the number of domestic visitors has grown and recovered well after the pandemic. However, tourists tend to tighten spending; inflation, rising exchange rates, political conflicts. In addition, the Company has focused on changing sales methods, and increasing access to domestic customer sources.

## **2. Administration and human resources**

### Decisions on Human resource in 2024

- Resolution No. 02/24/NQ-BOM dated February 22nd, 2024 on approval the plan to organize the Annual General Meeting of Shareholders in 2024, fiscal year 2023;
- Resolution No. 04/24/NQ-BOM dated March 27th, 2024 on approval the content of materials serving the 2024 General Meeting of Shareholders of Huong Giang Tourist Joint Stock Company.
- Resolution No. 05/24/NQ-GSM dated April 25th, 2024 of the General Meeting of Shareholders on approving the contents of the 2024 General Meeting of Shareholders of the Company.
- Decision No. 10/QD-BOM dated August 01st, 2024 on approval the sale/transfer of all capital that the HGT is holding and owning in the Charter capital of Lang Co Tourist Company Limited;
- Resolution No. 17/24/NQ-BOM dated December 01st, 2024 on unanimously receiving the resignation of Mr. Yoshida Tetsuya as a member of the Board of Management;
- Resolution No. 18/24/NQ-BOM dated December 10th, 2024 on approval estimated business results in 2024, business plan in 2025 and investment, repairing and upgrading plan at HGH.
- Resolution No. 19/24/NQ-BOM dated December 10, 2024 on approval the signing of the extension of the joint venture contract with SGT at Saigon Morin Hue Company Limited.
- Resolution No. 20/24/NQ-BOM dated December 10th, 2024 on approval sales and purchase contracts and transactions in 2025 between HGT and related companies.
- Decision No. 21/24/QD-BOM dated December 10th, 2024 on appointing personnel to participate in the Members' Council and representing the management of the capital portion of Huong Giang Tourist Joint Stock Company at Saigon Morin Hue Company Limited.

### **2.1 The list of executive board:**

#### **Board of directors**

- |                               |                         |
|-------------------------------|-------------------------|
| 1. Mr. Johnny Cheung Ching Fu | General Director        |
| 2. Mr. Le Ba Giang            | Deputy General Director |

#### **a. Mr. Johnny Cheung Ching Fu –General Director**

Full name:	Johnny Cheung Ching Fu	
Sex:	Male	
Date of birth:	01/Jul/1966	
Passport No:	K06941428	Issued date 22/Aug/2018;
Issued place:	Immigration Department, Hong Kong special administration region;	
Place of birth:	Hongkong	
Nationality:	Chinese	



Permanent address: 51 Lê Lợi, Phu Hoi Ward, Hue City  
Qualification: Financial expert  
Current position: BOM member, General Director of the company  
Number of shares held: 0.00 shares, in which:  
Number of shares represented: 0.00 shares, accounted for 0.0 % of charter capital.  
Personal ownership: 0.00 shares, accounted for 0.00% charter capital.  
Number of shares of related person: 0.0 share  
Debts with the company: None  
Law violations: None  
Benefit conflicts with the company's interest: None

**b. Mr. Le Ba Giang –Deputy General Director**

Full name: Le Ba Giang  
Sex: Nam/ Male  
Date of birth: 01/Jan/1961  
ID Card No: 046061001304 issued on: 22/Apr/2021 by the Police Department of Administrative Management of Social Affairs.  
Nationality: Vietnamese  
Ethnic group: Kinh  
Native country: Luong Ninh, Quang Ninh, Quang Binh  
Permanent address: No. 01 Alley 44 Le Ngo Cat Street, Thuy Xuan Ward, Thuan Hoa District, Hue City., Hue City  
Academic level: 12/12  
Qualification: Bachelor of Economics.

**Working history:**

- Mar/1979 - 1984: Join the People's Army of Viet Nam.
- 1984 - 1991: Officer of State bank of Huong Tra district, Thua Thien Hue province
- 1991 - 1996: Chief accountant of the State Treasury of Huong Tra District.
- 1996 - 1998: Deputy Manager of accounting department of Huong Giang tourist company.
- 1998 - 2005: Chief accountant of Huong Giang tourist company.
- Apr/2005 - Dec/2005: Manager of joint-venture project of Huong Giang tourist JSC.
- 2006 - Aug/2007: Deputy manager of innovation board, assistant to General Director of finance.
- Sep/2007 - Dec/2007: Deputy General Director of Huong Giang tourist JSC.
- 01/Jan/2008 – Mar/2011: Member of the Board of Management – Deputy General Director of Huong Giang JSC. The president of the Union of Huong Giang tourist JSC;
- Mar/2011 – Mar/2016: The First Deputy General Director of Hotel De La Cite Imperiale Co.,Ltd;
- Mar/2016 – nay: Deputy General Director of the company and Deputy General Director of Hotel De la Cite Imperiale Co.,Ltd.
- 01/Oct/2017 – 2023: Chairman of Huong Giang travel one member Co., Ltd;
- 31/May/2019 – Nay: BOM member, Deputy General Director of the company

Number of shares held: 0.00 shares, in which:  
Number of shares represented: 0.00 shares, accounted for 0.0 % of charter capital.  
Personal ownership: 0.00 shares, accounted for 0.00% charter capital.  
Number of shares of related person: 0.0 share  
Debts with the company: None  
Law violations: None  
Benefit conflicts with the company's interest: None

**2.2. Changes in the BOD: None**



**2.3. Number of employees and changes in policies for employees****a. Number of labors and labor structure**

The total number of employees of the company up to 31/Dec/2024 is 146 persons with the following structure:

<i>Academic level</i>	<b>Number of employees</b>	<b>Rate (%)</b>
Master's level	4	2.7
University level	43	29.5
College and intermediate level	39	26.7
Elementary level of occupation	52	35.6
General education	8	5.5
<b>Total</b>	<b>146</b>	<b>100%</b>

***Source: Huong Giang tourist JSC***

**b. Working regulations**

- Working time: the company works 44 hours/week. The Directors of the units can agree and request the employees to increase the shift in case to ensure the staffs to serve the guests according to the business plan of the unit.
- All employees are entitled to annual leave according to the current state regulations and are considered for salary when the term is due;
- Work conditions: The company provides full working equipment for staffs of the company. For direct labor force, the company is fully equipped with labor protection equipment and strictly obeys to the principles of labor safety.
- Training: every year, based on the actual needs, the company will assign staffs to join the training courses on improving professional skills, foreign languages and computer...which are organized by College of tourism, experts in and outside the country.
- In addition, training and in-the-job training are regularly held.

**c. Salary, bonus and welfare policies:**

- Average salary of the company's employees in 2024 is **8.5 million dong/person/month**.
- All staffs of the company are contracted to work and paid social insurance, health insurance and accident insurance as prescribed;
- Depending on the business result, the company will reward employees on the holidays.

**3. Investment activities, project implementation:****a) Major investments**

- Project at 85 Nguyen Chi Dieu - NAMA Resort: In 2024, the Company restructured the Company's organization, changed the Legal Representative, changed business registration information. On December 19, 2024, the People's Committee of Thua Thien Hue Province (now the People's Committee of Hue City) issued Decision No. 3280/QD-UBND on approving the Zoning Plan (scale 1/2000) of Hue Citadel area and Decision No. 2871/QD-UBND dated November 7, 2024 approving the adjustment of the Land Use Plan to 2030. Currently, the Company is preparing the conditions to carry out investment procedures such as: Report on project implementation status; Document requesting adjustment of investment project. Continue to monitor, grasp, and coordinate with Hue City's agencies to soon implement the project after receiving land allocation and construction permit from the City People's Committee.



- Joint venture contract at Saigon Morin Hue Company Limited: The General Meeting of Shareholders of Huong Giang Tourist Joint Stock Company has passed a resolution assigning the Management Board of the Company to carry out tasks related to the operations of Saigon Morin Hue Company Limited. After a period of negotiation between the two parties, on December 18, 2024, Huong Giang Tourist Joint Stock Company and Saigon Tourist Group agreed to sign a contract to extend the joint venture at Saigon Morin Hue Company Limited until August 04th, 2044. Currently, Saigon Morin Hue Company Limited is finalizing the Charter of Operations and upgrading and renovating a number of items at the hotel to improve business efficiency.

**b) Subsidiaries, associated companies:** *(Summarizing the operations and financial situation of the subsidiaries, associated companies)*

**\* Huong Giang Hotel Resort & spa:**

Regarding the 2024 business results of Huong Giang Hotel: In 2024, Huong Giang Hotel continued to have revenue growth, however, due to no longer receiving land rent incentives as in 2023, business results decreased compared to 2023, specifically: Revenue in 2024 was 51,282 million VND, an increase of 16% over the same period in 2023. Profit before tax: profit of 4,911 million VND, an increase of 14% compared to the 2024 plan and a decrease of 21% compared to 2023.

**\* Huong Giang Travel Co., Ltd:**

Regarding business performance results in 2024, the target revenue from sales of goods and services was 19,625 million VND, down 8% compared to the same period in 2023; Profit after tax: loss of 4,460 million VND, loss increased by 83% compared to the same period in 2023.

**\* Hotel De La Cite Imperiale Co., Ltd:**

Regarding business results in 2024, the target of revenue from sales of goods and services is 82,397 million VND, an increase of 17% over the same period in 2023; Profit after tax: loss of 10,487 million VND, a loss reduction of 44% over the same period in 2023.

**\* Saigon Morin Hue Co., Ltd:**

Regarding business results in 2024, the target of revenue from sales of goods and services is 61,867 million VND, an increase of 8% over the same period in 2023; Profit after tax: profit of 7,440 million VND, a decrease of 41% over the same period in 2023.

**\* LangCo Tourist Co., Ltd:**

In exercising the rights and obligations of the Management Board of the Company according to the Charter, after a period of evaluating the situation and business performance at Lang Co Tourist Company Limited, the Management Board of the Company agreed to transfer the entire capital that Huong Giang Tourist Joint Stock Company is holding and owning in the charter capital of Lang Co Tourist Company Limited, which is 4 billion VND, equivalent to 40% of the total charter capital of Lang Co Tourist Company Limited. The selling price of the entire capital contribution of Huong Giang Tourist Joint Stock Company is 84 billion VND (including taxes, debts, financial obligations, and remaining material responsibilities). The Company will use a portion of the revenue from this capital transfer to upgrade facilities at Huong Giang Hotel and other potential projects.

**4. Financial situation:**



**a. Financial situation according to audited financial statements of Huong Giang Tourist Joint Stock Company:**

Unit: Vnd

Indicators	Year 2024	Year 2023	% increase decrease compared to 2023
Total asset	256,122,783,366	212,001,289,493	120.8
Net revenue	57,443,538,554	51,055,970,906	112.5
Net profit from operating activities	67,731,393,013	942,362,527	7,187.4
Other profits	30,979,863	59,319,404	52.2
Profit before tax	66,828,678,187	1,001,681,931	6,671.6
Profit after corporate income tax	64,632,187,880	1,001,681,931	6,452.4
Dividends paid to shareholders	0.0	0.0	0.0

**b. The main financial indicators:**

Indicators	Year 2024	Year 2023	Remark
<i>Indicators of solvency</i>			
+ Short-term payment coefficient: Short-term assets /short term debt	3.14	1.30	
+ Quick payment coefficient: Short-term assets - Inventories Short term debt	3.13	1.29	
<i>Capital structure ratio</i>			
+ Debt/Total asset ratio	0.19	0.33	
+ Debt/Owner's equity ratio	0.24	0.50	
<i>Operation capacity ratio</i>			
+ Inventory turnover: Cost of goods sold Average inventory	119.19	98.29	
+ Net revenue/Total assets	0.22	0.29	
<i>Target on profitability</i>			
+ Profit after tax/ Net revenue	1.13	0.02	
+ Profit after tax/equity	0.313	0.007	
+ Profit after tax/Total assets	0.252	0.005	
+ Profit from business activities/Net revenue	1.179	0.018	

**5. Shareholders structure, change in the owner's equity**
**a) Shares:**

- Total number of outstanding shares: 20,000,000 shares
- Number of shares deposited: 7,393,323 / shares
- Number of shares not yet deposited: 12,606,677 shares

**b) Shareholders structure:**

No.	List	Value	Rate	Number of
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		(million dong)	%	shareholder
1.	Major (holding more than 5% of equity), minority shareholders			
	Major shareholders	182,993	91.5	05
	Minority shareholders	17,007	8.5	201
2.	Institutional and Individual shareholders			
	Institutional shareholders	182,993	91.5	05
	Individual shareholders	17,007	8.5	201
3.	Domestic and foreign shareholders			
	Domestic shareholders	102,000	51.00	203
	Foreign shareholders	98,000	49.00	03
4.	State and other shareholders			
	State shareholders	0	0	0
	Other shareholders	0	0	0

c) Change in the owner's equity:

In 2024, the entire capital that Huong Giang Tourist Joint Stock Company is holding and owning in the charter capital of Lang Co Tourist Limited Company was transferred, which is 4 billion VND, equivalent to 40% of the total charter capital of Lang Co Tourist Limited Company.

d) Transaction of treasury stocks: None

e) Other securities: None

## **6. Environment-Social-Governance (ESG) Report of the Company**

### *6.1. Impact on the environment:*

With the peculiarity of the tourism industry, the Company always prioritizes investment in new equipment, machinery and technology to improve using efficiency and reduce pollution to the environment. Strictly follow the maintenance schedule of equipment and machinery according to the manufacturer's regulations. Building a wastewater treatment system that meets environmental standards; periodically monitor the environment, wastewater and noise for appropriate treatment measures.

### *6.2. Management of raw materials:*

Input materials for the tourism industry are mainly agricultural products. The company always focuses on managing input materials with strict material norms. The by-products are often used as raw materials for animal feed. The rest is contracted by the Company with the Environmental Sanitation Company to handle according to regulations.

### *6.3. Energy consumption:*

The energy consumed at the hotels is mainly supplied from the Electricity Company and gas suppliers in the area. This is the direct energy source associated with the cost of capital, so the Company always has a plan to use energy in the most economical and efficient way. The lighting system, decorative lights, and the air-conditioning system are operated according to a strict and economical process and are adjusted through the time sensing system. The office always takes advantage of natural light during the day to reduce energy consumption.

### *6.4. Water consumption:*

The amount of water consumed at the company is mainly for the daily activities of guests staying at the hotels. The water used is provided by the local Water Company. In addition, the units also make use of natural water sources to water plants and clean the garden landscape.

### *6.5. Compliance with the law on environmental protection:*

a) Number of times the company is fined for failing to comply with laws and regulations on environment: None.



b) Total amount to be fined for failing to comply with laws and regulations on the environment: None

#### *6.6. Policies related to employees*

a) Number of employees, average wages of workers.

- The number of employees as of December 31, 2024 is 146 employees

- Average salary of the company's employees in 2024 is **8,5** million dong/person/month.

b) Labor policies to ensure health, safety and welfare of workers.

The company always pays full social insurance and health insurance for 100% of employees, there is no outstanding monthly insurance payment. Implement the policy of eating mid-shift, the policy of nutrition for employees working in the list of heavy and hazardous jobs according to regulations. Implement annual vacation regime for employees.

*6.7. Report on responsibility for local community: None*

*6.8. Report on green capital market activities under the guidance of the SSC: None*

### **III. Reports and assessments of the BOD:**

#### **1. Assessment of operating results**

- According to the audited financial report for 2024, the business performance indicators are as follows:

Total revenue reached VND **57,444** million, achieved 101.8% of the year plan, increased 12.5% compared to 2023.

Total profit after tax: VND **64,632** million (the 2024 plan is a loss of 3,410 million VND).

- The main reasons affecting the business results in 2024: although the situation of devaluation, inflation, war, and political conflicts has affected the business results in 2024. However, the number of domestic visitors has grown and recovered well. The transfer of all capital that Huong Giang Tourist Joint Stock Company is holding and owning in the charter capital of Lang Co Tourist Limited Company has greatly changed the profit target.

#### **2. Financial Situation 2024**

a) Assets

- According to the 2024 financial report, total assets at the end of the period increased by 21% compared to the beginning of the period (an increase of VND 44,121 million).

b) Debt Payable

- Total liabilities at the end of the period decreased by 29% compared to the beginning of the period (decreased by VND 20,510 million). Of which, long-term debt accounted for 19% (equivalent to VND 9,391 million), short-term debt accounted for 81% (equivalent to VND 40,399 million).

- As of December 31, 2024, the short-term payment ratio is 3.14 and the quick payment ratio is 3.13, showing that the company still ensures the ability to pay its debts.

#### **3. Improvements in organizational structure, policies, and management.**

- Supplement and complete internal governance regulations. Focusing on governance reports, periodical reports, and ad hoc reports from the units. Improve governance, especially cost management through optimization of organizational structure, management model, and non-urgent cost reduction.

- Timely prepare reports and proposals for opinions of the Board of Management on issues in accordance with the provisions of the Charter and fully implement the resolutions of the Board of Management of the Company.

#### **4. Development plans in future**

- Review the conditions of the facilities to have a plan for maintenance, repair, and replacement investment to be ready to serve guests. In the second quarter of 2025, upgrade 80 bedrooms, garden lighting system, reception hall, exterior items on the riverbank, etc. at Huong Giang Hotel, with a total investment of about 38 billion VND.



- Focus on investing in sales activities and brand promotion.
- Make a plan to arrange and add enough human resources to serve guests.
- Continue to maintain services to serve domestic and local customers to diversify revenue sources.
- Continue to effectively implement financial solutions in cash flow operations, loan restructuring to ensure capital for production and business activities and investment development in the 2025 plan. Urge units to actively collect debts to ensure operating cash flow.

**5. Explanation of the BOD for auditor's opinions (if any) -** (In case the auditor's opinions are not unqualified): None

**6. Assessment Report related to environmental and social responsibilities of the Company**

a. Assessment concerning the environmental indicators (water consumption, energy, emissions, etc.).

The company always implements policies to minimize water consumption, energy, and emissions to reduce costs and contribute to environmental protection. Use maximum business waste products for appropriate purposes to reduce environmental pollution.

b. Assessment concerning the labor issues

The company has successfully completed its goals related to human resource development and taking care of employees' lives through insurance policies; support workers in difficulty; Make maximum efforts to create jobs and income for employees.

c. Assessment concerning the corporate responsibility for the local community

In 2024, the Company participates in many material support activities for the community such as: humanitarian blood donation, participating in the fund to support Vietnamese Heroic Mothers, the Trade Union Shelter fund, the Day for the Poor fund, the Disaster prevention, One Day at a Time for Children Fund.....

**IV. Assessments of the Board of management on the company's operation.**

**1. Assessments of the BOM on the Company's operation, including the assessment related to environmental and social responsibilities.**

- The Company and related units have regularly analyzed and evaluated the business performance in each specific time to propose appropriate operating plans/scenarios to complete the annual business plan 2024.
- The Board of Management held quarterly meetings to review the implementation of the Company's production and business plans, promptly adjust the Company's business policies and strategies to suit the actual situation. economic analysis, risk measurement and timely resolution of arising problems and problems. In addition to the regular meetings, the BOM reviewed and offered written opinions on arising in business activities that are out of plan or beyond the authority of the Board of Directors.
- Through the inspection and supervision mechanism, the Board of Management assessed that the Board of Directors had performed its assigned rights and duties in accordance with the provisions of the current Law, the Company's Charter, the Resolution of the General Meeting of Shareholders and the Board of Management, and at the same time exercise their assigned rights and duties carefully, ensuring the maximum legitimate interests of the Company and its shareholders.
- The Company's Board of Directors always requires units to well implement policies related to environmental and social responsibility. Regularly direct, urge and encourage employees to participate in support activities for policy families on holidays and New Year. Participate in community activities organized locally.

**2. Assessment of BOM on BOD's performance**



The Board of Directors manages daily business activities, decides to organize the implementation of investment and repair projects according to the decisions, resolutions, business plans and operational directions assigned by the General Meeting of Shareholders and the Board of Management. Exercise of rights and obligations of shareholders, capital contributors and joint venture members through the management of the Representative of HGT's investment capital in other enterprises.

For projects: The Board of Directors has made great efforts to implement the projects according to the Resolution of the General Meeting of Shareholders and the Resolution of the Board of Management.

For business activities: The Company's Board of General Directors has made many efforts to organize services to increase revenue and employment for employees, and prepare for maintenance of facilities to prevent deterioration. Implement flexible measures to maximize the Company's operating costs. Therefore, business results were much better than the year's plan and compared to the same period last year.

### **3. Plans and orientations of the BOM.**

The Board of Management believes that business activities in 2025 will continue to face difficulties due to economic recession, inflation, and especially the reduction in the scale of operations during the investment and upgrading period of Huong Giang Hotel, which is expected to be 5 months. The business plan targets for 2025 are expected to be built as follows:

Revenue & Financial Income: 55,423 million VND.

Profit after tax (loss): 4,669 million VND.

Maintain BOM meetings once a quarter to evaluate the business performance of the Board of Directors as well as supervise the implementation of issued resolutions of the General Meeting of Shareholders and Board of Management.

Continue to strengthen the management work at the joint venture companies, improve the quality of services at the affiliated units, focus on completing the unfinished investment projects to soon put them into operation, increase the size and increase the revenue for the Company. Looking for investment cooperation opportunities in the future to enhance the position and develop the brand of the Company. Reviewing and consolidating the organizational structure and apparatus of advisory departments; improve the capacity and responsibility of managers at all levels; strengthen training and human resource development, rationally restructure the workforce and improve labor productivity.

## **V. Corporate governance**

### **1. Board of Management**

#### **a. Members and structure of Board of management:**

The Board of management (BOM) in the term of 2021-2026:

No.	Full name	Position	Percentages of ownership in voting shares (%)		Membership
			Individual	Representative	
1	Toshihiko Takahashi	Chairman	0,00	0,00	Independent members, not directly involved in executive
2	Johnny Cheung Ching Fu	Member	0,00	0,00	BOM member cum General Director
3	Yoshida Tetsuya (*)	Member	0,00	0,00	BOM member, Project Development Manager
4	Le Ba Giang	Member	0,00	0,00	BOM member, Deputy General



					Director
5	Dinh Nhat Tan	Member	1,50	0,00	Independent members, not directly involved in executive

(\*) In December 2024, Mr. Yoshida Tetsuya submitted a resignation letter from the Board of Management of the Company.

**b) The committees of the BOM:** (List of the subcommittees of the BOM and list of members of each subcommittee):

- BOM secretary team:

Mr. Ho Van Toai – Person in charge of corporate governance, Head of Human Resource Department - Leader

Mr. Yoshida Tetsuya – BOM member, Head of Project Development - Member

**c. Activities of the BOM in 2024:**

- The Board of Management has successfully implemented the Resolutions approved by the 2024 General Meeting of Shareholders. For new issues arising during the Company's operations, the Board of Management always organizes discussions and votes with a high consensus rate.
- The Board of Management has held quarterly meetings to review the implementation of the Company's production and business plans, promptly adjust the Company's business policies and strategies to suit the actual situation, analyze and measure risks and promptly resolve arising issues and problems.
- The Board of Management meetings and voting contents in the form of written opinions are organized in accordance with the provisions of the Law and within the authority of the Board of Management
- The Board of Management meetings are reported, discussed and fully evaluated in the spirit of openness, fairness, transparency and carefulness to provide the best directions and solutions for the Company.
- In 2024, the Board of Management organized 05 meetings and issued 8 decisions and resolutions to approve issues related to the Company's operations.

**d) Activities of the BOM independent members.** Activities of the BOM subcommittees: (Assessing activities of the subcommittees of the BOM, specifying the number of meetings of each subcommittee, their contents and results).

- For the activities of independent non-executive members of the Board of Management, mainly participate fully in the BOM meetings and the General Meeting of Shareholders, participate in giving feedback on arising issues proposed by the Chairman of the BOM to give written opinions in addition to the contents at the regular meeting. Non-executive independent BOM members have fulfilled their responsibilities and duties as prescribed.
- Secretary team of the Board of Management: Regularly directly exchange between members to advise and prepare the contents and programs of the BOM meetings o, the General Meeting of Shareholders and manage shareholders. The Secretary team has successfully completed its assigned tasks.

## **2. Board of Supervisors**

**a. Members and structure of the Supervisory board:**

No.	Full name	Position	Percentages of ownership in voting shares (%)		Note
			Individual	Representative	
1	Le Duc Quang	Head	0,00	0,00	
2	Fumiyo Okuda	Member	1,75	0,00	



3	Nguyen Phuoc Quy Thinh	Member	0,05	0,00	
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**b. Activities of the Supervisory board in 2024:**

The Supervisory board has checked and supervised the observance of the provisions of Law on Enterprise, the charter of the company, the resolutions of General meeting of shareholders in 2024 on the management and operation of business activities, in details:

- To implement the assigned tasks, always follow the resolution of General meeting of shareholders.
- To check and supervise the quarterly financial statement, appraise the annual financial statement to assess the reasonableness of the financial figures.
- To consider and assess the activities of the BOM & BOD in 2024 related to the implementation of investment and business plan in 2024 assigned by GSM.
- To appraise reports on business results, financial statement, analyze and elevate the financial status, performance, ability to preserve and develop capital.
- To consider the appropriateness of the decisions of the Board of Management on management and decisions of the Board of Directors on operation.
- To control the order and procedures for issuing the company's documents in accordance with the law and the company's charter.
- To check and supervise the implementation of the resolutions of GSM of BOM and BOD.

**3. Transactions, remunerations and benefits of the BOM, BOD and BOS/ Audit Committee**

**a) Salary, rewards, remuneration and benefits;** Salary, rewards, remuneration and other benefits and expenses for each member of the BOM, the BOS/ Audit Committee, Director and General Director and managers. Values of such remuneration, benefits and expenses shall be disclosed in details for each person. Nonmaterial benefits which have not been/cannot be quantified by cash shall be listed and explained):

DVT: triệu đồng/mil dong

No.	Full name	Position	Salary/ month	Bonus	Allowa nce	Other benefit
1	Toshihiko Takahashi	BOM chairman	0	0	0	0
2	Johnny Fu	/BOM member, General Director	60	0	0	0
3	Le Ba Giang	BOM member, Deputy General Director	60	0	0	0
4	Yoshida Tetsuya	BOM member, Head of Project Development	45	0	0	0
5	Đinh Nhat Tan	BOM member,	0	0	0	0
6	Le Duc Quang	Head of BOS	0	0	0	0
7	Fumiyo Okuda	Member of BOS	0	0	0	0
8	Nguyen Phuoc Quy Thinh	Member of BOS	23.7	0	0	0
9	Nguyen Ngoc Dieu Loan	Chief Accountant	22.8	0	0	0

**b) Share transactions by insiders:** Information about share transactions of members of BOM, members of the BOS/ Audit Committee, Director (General Director), Chief Accountant, the company's managers, secretaries, major shareholders and their affiliated persons): None.

**c) Contracts or transactions with insiders:** Information about the contracts, or transactions signed or executed in the year with the company, its subsidiaries, and companies over which



the company has control by the members of the BOM, BOS/ Audit Committee, Director (General Director), managers and affiliated persons to the above subjects:

No.	Name of organization/individual	Relationship with the company	NSH Certificate Number*, date of issue, place of issue	Head office address/Contact address	Time of transaction with the company	Resolution/Decision No. approved by the General Meeting of Shareholders/BOM... (if any, specify the date of issue)	Content, quantity, total transaction value	Remark
1	Crystal Treasure Limited	HGT Related Person			Year 2024	Resolution of the Board of Management No. 11/22/NQ-HDQT, issued on June 18, 2022; Decision No. 12/22/QD-HDQT, issued on June 19, 2022.	HGT paid off all interest and principal to Crystal Treasure Limited for loans in 2022 and 2021. Amount of VND 20.374 billion	
2	Huong Giang Travel Co., Ltd	HGT Related Person			Year 2024		HGT sells accommodation services, restaurants... to Huong Giang Travel Company Limited. Amount 499 million VND.	
3	Huong Giang Travel Co., Ltd	HGT Related Person			Year 2024		Huong Giang Travel Company Limited sells airline tickets, transportation services... to HGT. Amount 122 million VND.	
4	Huong Giang Travel Co., Ltd	HGT Related Person			Year 2024	Loan contract No. 02/HGT-LH-112024 dated November 20, 2024	HGT lent Huong Giang Travel Company 2 billion VND. Interest incurred was 51.78 million	

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5	Hotel De La Cite Imperiale Co., Ltd	HGT Related Person			Year 2024	Loan contract No. 02/KT-HG-122022 dated December 29, 2022	Interest accrued on the 2022 loan borrowed by Hotel De La Cite Imperiale Co., Ltd from HGT. Amount 805.68 million VND	
6	Citadel Investment Tourist Co., Ltd	HGT Related Person			Year 2024	Loan Contract No. 04/HGT-CIT-122024 dated December 20, 2024 and Loan Contract No. 043/HGT-CIT-122022 dated December 29, 2022.	HGT lent Citadel Investment Tourist Co., Ltd 4.3 billion VND. Interest incurred was 120 million VND.	

**d) Assessing the Implementation of regulations on corporate governance:** (Specifying the contents which have not been implemented in accordance with the laws on corporate governance, specifying reasons and solutions to improve the efficiency of corporate governance).

Implementation of regulations on corporate governance: Pursuant to the internal regulations on corporate governance, current charter of Huong Giang tourist JSC. The Board of management, Board of directors have fully and promptly implemented the procedures as well as the order of contents as prescribed, in details:

- The order and procedures for convening and voting at the general meeting of shareholders;
- The order and procedures for holding meetings of the Board of management
- The order and procedures for selecting, appointing and dismissing the senior managers;
- The order and procedures for coordination of activities between the Board of management, Board of directors and Board of supervisors;
- Disclosure of information on business result of the company.

## **VI. Financial statements**

### **1. Auditor's opinions:**

Auditing agency: AASC Auditing Firm Co., Ltd

Address: No. 01 Le Phung Hieu, Hoan Kiem district, Hanoi city

Audit opinion: Fully accepted.

**2. Audited financial statements:** the Financial statements give a true and fair view of the financial position at 31 December 2024, operating results and cash flows for the fiscal year ended on the same date, in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial statements.

Huong Giang Tourist Joint Stock Company respectfully submits to the State Securities Commission and the Hanoi Stock Exchange.





Respectfully Yours,

**GENERAL DIRECTOR/  
LEGAL REPRESENTATIVE UNDER AUTHORITY**



**Johnny Cheung Ching Fu**

