







With an unwavering commitment to excellence, Hoa Phat rises to new heights

CONTENTS

Development Orientation	4
Message from the Chairman of the Board of	
Management	5
Highlights of Hoa Phat Group in 2024	7

1 OVERVIEW

1	General Information	9
2	Stock Information	9
3	Bussiness lines	9
4	Organization structure	10
5	Operating model	11
6	Key financial indicators	12
7	Subsidiaries and Ownership	13
	percentages	
8	Background of Hoa Phat Group	17
9	Our History and Development	18
10	Operational risks	20

2 REPORT OF BOARD OF DIRECTORS

1	List of member of BOD and	27
	Chief Accountant	
2	Report of the Board of Directors	28
3	Assessment of business results	29
4	Finance	31
5	Asset structure	35
6	Capital structure	37
7	Business performance	38
8	Improvement of management	40
	structure	
9	Business and Production plan for	41
	2025	

PERFORMANCE IN 2024

1	Performance of subsidiaries		
	Hoa Phat Iron and Steel Corporation	43	
	Hoa Phat Steel Products Corporation	47	
	Hoa Phat Agriculture Corporation	50	
	Hoa Phat Real Estate Corporation	53	
	Hoa Phat Home Appliances Corporation	45	
2	Human resources management	58	
3	Employee polices	59	
4	Investment progress of major projects	61	
5	Structure of shareholder	62	
6	Shareholder relations	66	

4 CORPORATE GOVERNANCE

1	List of BOM members and their	69
	ownership percentage	
2	BOM's assessment of Operations	72
3	Report of Independent Board	75
	Members	
4	BOM's assessment over the	75
	Board of Directors	
5	Key Activities of the Board of	75
	Management in 2024	
6	Plans and Orientations	76

5 REPORT OF SUPERVISORY BOARD

1	List of Personnel and Ownership	78
	percentage	
2	Report of Supervisory Board	79
3	Internal Audit report 2024	80

6 SUSTAINABLE DEVELOPMENT

1	Hoa Phat completes group-wide	
	greenhouse gas inventory	
2	Technical innovation initiatives save	83
	hundreds of billions VND	
3	Self-sufficiency in 90% of Electricity	86
	for Steel Production	
4	Innovating new products	87
5	Hoa Phat Group's digital	89
	transformation milestone in 2024	
6	Corporate social responsibility:	91
	Growing together with the Community	

CONSOLIDATED FINANCIAL STATEMENTS

1	Report of the Board of Directors	94
2	Independent Auditor's report	97
3	Consolidated balance sheet	99
4	Consolidated statement of income	103
5	Consolidated statement of cash flows	105
6	Notes to the consolidated financial	108
	statements	





DEVELOPMENT ORIENTATION

HOA PHAT AIMS TO RANK AMONG THE WORLD'S TOP 20 LARGEST STEEL ENTERPRISES BY 2030



VISION:

To become a leading industrial manufacturing group in terms of quality, with steel as its core sector.



MISSION:

To deliver leading products that enhance quality of life and earn the trust of customers.



POSITIONING:

Hoa Phat - A Vietnamese brand, global standard. Hoa Phat Group - Harmony for Joint Development



CORE VALUE:

At the heart of Hoa Phat Group lies the philosophy of "Harmony for Joint Development". This guiding principle shapes every relationship - among employees, between the Group and its partners, distributors, shareholders, and the broader community. By fostering a balanced and mutually beneficial approach, Hoa Phat ensures that all stakeholders move forward together toward sustainable growth. Notably, the Group has cultivated enduring, trust-based partnerships with its distributors - many of whom have stood alongside Hoa Phat since its inception, growing together like family.



TRAN DINH LONG CHAIRMAN OF THE BOARD OF MANAGEMENT

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF MANAGEMENT

Dear Valued Shareholders,

The year 2024 sees the global economy, including Vietnam, navigating ongoing challenges posed by geopolitical conflicts and the rise of protectionism. In this landscape, Hoa Phat Group remains steadfast yet adaptable, embracing a prudent and flexible business strategy to stay ahead of market shifts. Remaining steadfast in our vision, we pursue large-scale production with a focus on streamlining, modernization, and advanced technology - fully prepared to embrace a new era.

LEADING HIGH-TECH STEEL - EMBRACING A NEW ERA

Hoa Phat's strategy has always centered on investing in producting and delivering high-quality steel products, and optimizing costs at every stage.

In the past year, Hoa Phat recorded revenue exceeding VND 140 trillion and a net profit of over VND 12 trillion, marking respective increases of 17% and 77% compared to 2023. The steel sector - including iron and steel, and steel products - continues to be the backbone of the Group, contributing 93% of total revenue and 86% of net profit. Meanwhile, the agriculture sector saw remarkable growth, with profits rising 4.6 times year-over-year.

Export activities played a pivotal role, accounting for 31% of the Group's total revenue. Hoa Phat exported 2.63 million tons of steel billets, construction steel, high-quality steel, and hot-rolled coils (HRC) to more than 40 countries and territories, including Southeast Asia, Japan, South Korea, the United States, Canada, and several European nations. These exports not only diversify Hoa Phat's market presence but also contribute to Vietnam's

foreign currency reserves and trade balance.

As Vietnam's No. 1 steel producer and one of the Top 50 steel enterprises globally, Hoa Phat is now focusing on manufacturing high-quality steel products to replace imports. The Group is fully capable of producing railway tracks, train axles, and high-speed rail wheels to meet government demands, as well as specialized high-grade steel for national infrastructure projects and global markets.

With this vision, Hoa Phat is dedicating all resources to completing the Hoa Phat Dung Quat 2 Steel Integrated Complex by 2025, laying the foundation for double-digit growth in the years ahead. The Group is committed to developing high-value, technology-driven products while optimizing its closed-loop production chain. Once completed, the Hoa Phat Dung Quat 2 Steel Integrated Complex will expand Hoa Phat's steel production capacity to 15 million tons per year, positioning the Group among the Top 30 largest steel companies worldwide.

SETTING NEW RECORDS IN TAX CONTRIBUTIONS

As Hoa Phat continues to expand, it plays an increasingly vital role in Vietnam's socio-economic development. In 2024, the Group contributed nearly VND 13.5 trillion to the national budget - the highest in its 32-year history, representing a 48% increase from 2023. According to Tuoi Tre newspaper, Hoa Phat's tax contributions were nearly equivalent to the total budget revenue of six provinces and higher than that of 34 other provinces and cities.

Notably, Hoa Phat ranks as Vietnam's second-largest private enterprise and the 12th-largest company nationwide (according to VNR500). The Group has been recognized as a National Brand, one of the Top 3 private enterprises with the highest tax contributions, and among the Top 50 most efficient businesses in Vietnam, and so on. Hoa Phat remains deeply committed to corporate social responsibility, allocating over VND 100 billion to meaningful community initiatives. These include eradicating makeshift and dilapidated homes nationwide, as well as programs such as "Heartbeat of Love," "Spring of Love," and "Hoa Phat Accompanies Children to School",...

In 2025, the Vietnamese government has set an ambitious target of 8% GDP growth or higher, paving the way for double-digit expansion between 2026 and 2030. A series of major national investment projects in infrastructure, energy, and rail transport are set to create vast opportunities for domestic enterprises.

Hoa Phat's Board of Management is committed to propelling the Group forward. From 2025 to 2030, we pledge to sustain growth of no less than 15%, making significant contributions to Vietnam's economic development.

On behalf of the Board of Management, I extend my deepest gratitude to our valued shareholders for their trust and support, to our customers and partners for their continued collaboration, and most importantly, to all Hoa Phat employees - the dedicated individuals who have stood by my side through challenges and triumphs, helping build the solid foundation we have today.

Chairman of the Board

TRAN DINH LONG





HIGHLIGHTS OF HOA PHAT GROUP IN 2024

1

Boosting high-tech steel production and supplying products for major infrastructure projects.

4

Expanding pre-stressed steel cable (PC Strand) production to meet growing demand.

7/

Developing an industrial park land bank of nearly 1,500 hectares, with a strong focus on attracting FDI.

2

Ensuring on-schedule progress of the Hoa Phat Dung Quat 2 Project, with Phase I trial operation set for Q1/2025.

51

Completing greenhouse gas inventory in compliance with ISO 14064-1:2018 and ISO 14067:2018.

84

Launching a range of new household appliances and marking the first-ever export of refrigerators to the United States.

3

Supplying Hoa Phat steel pipes for key national projects and surpassing domestic sales targets for galvanized steel sheet.

61

Achieving a record-breaking output of 330 million eggs and supplying over 90,000 breeding pigs in 2024.

9/

Maintaining a position among Vietnam's top 10 largest private enterprises for 10 consecutive years and accelerating digital transformation.

10/

Contributing nearly VND 1,000 billion in taxes, the highest amount in the company's history. Allocating over VND 100 billion for social welfare initiatives.





PART OVERVIEW

- 1 GENERAL INFORMATION
- 2 STOCK INFORMATION
- 3 BUSINESS LINES
- 4 ORGANIZATION STRUCTURE
- 5 OPERATING MODEL
- 6 KEY FINANCIAL INDICATORS
- 7 SUBSIDIARIES AND OWNERSHIP PERCENTAGES
- 8 BACKGROUND OF HOA PHAT GROUP
- 9 OUR HISTORY AND DEVELOPMENT
- 10 OPERATIONAL RISKS



PART 1

OVERVIEW

General Information

Stock Information

Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks



GENERAL INFORMATION

- Transaction name: Hoa Phat Group Joint Stock Company
- Business Registration Certificate No.: 0900189284
- Charter Capital: VND 63,962,502,000,000
- Head Office Address: Pho Noi A Industrial Zone, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam.
- Hanoi Office: 66 Nguyen Du Street, Nguyen Du Ward, Hai Ba Trung District, Hanoi City.
- Tel: +84 24 6284 8666 | Fax: +84 24 6283 3456
- Da Nang Branch: 171 Truong Chinh Street, An Khe Ward, Thanh Khe District, Da Nang City.
- Tel: +84 23 6372 1232 | Fax: +84 23 6372 2833
- Ho Chi Minh City Branch: 22 Vo Van Kiet Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.
- Tel: +84 28 6298 5599 | Fax: +84 28 6298 7799
- Website: www.hoaphat.com.vn

STOCK INFORMATION

- Stock sticker: HPG
- Stock exchange: HOSE
- Listing date: November 15, 2007
 Par value: VND 10,000 per share
- Outstanding shares: 6,396,250,200 shares

BUSINESS LINES

- 1. Manufacturing construction steel and hot-rolled coil (HRC) steel;
- 2. Wholesaling and importing/exporting steel, metallurgical materials, and rolling equipment;
- 3. Manufacturing rolled steel, roofing sheets, galvanized sheets, cold-coated sheets, and color-coated sheets;
- 4. Producing coated and non-coated steel pipes;
- Manufacturing and trading non-ferrous metals and metal scrap;
- 6. Refining cast iron, steel; Casting cast iron, iron, steel;
- 7. Producing and wholesaling coke coal;
- B. Mining metal ores; Trading in metals, metal ores, scrap iron and steel;
- 9. Manufacturing, trading, assembling, installing, repairing, and servicing electrical, electronic, refrigeration, household electrical appliances, air conditioning products, water purifier, induction cooker;
- 10. Investing in and developing synchronized industrial park and urban infrastructure;
- 11. Investing in and trading real estate;
- 12. Producing and trading livestock and poultry feed, livestock farming, meat processing, and related products from meat, eggs;
- 13. Operating inland, coastal, and ocean freight transportation;
- 14. Manufacturing and trading containers;



PART 1 **OVERVIEW**

General Information
Stock Information
Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks





PART 1 **OVERVIEW**

General Information
Stock Information
Bussiness lines
Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks

OPERATING MODEL



IRON AND STEEL CORPORATION

- Hoa Phat Hung Yen Steel Co., Ltd
- Hoa Phat Hai Duong Steel JSC
- Hoa Phat Dung Quat Steel JSC
- An Thong Mineral Investment JSC
- Hoa Phat Shipping JSC

STEEL PRODUCTS CORPORATION

- Hoa Phat Steel Pipe Co., Ltd
- Hoa Phat Steel Sheet Co., Ltd
- Hoa Phat Metal Producing Co., Ltd
- Hoa Phat Container Producing JSC

AGRICULTURE CORPORATION

- Hoa Phat Hung Yen Feeds Co., Ltd,
- Hoa Phat Development of Livestock JSC
- Hoa Phat Trading Co., Ltd
- Hoa Phat Phu Tho Poultry One Member Co., Ltd

REAL ESTATE CORPORATION

- Hoa Phat Urban Development and Construction JSC,
- Hoa Phat Hanoi Real Estate JSC
- Hoa Phat Sai Gon Real Estate JSC

HOME APPLIANCES CORPORATION

- Hoa Phat Refrigeration Engineering Co., Ltd
- Hoa Phat Ha Nam Home Appliances JSC



PART 1 **OVERVIEW**

General Information

Stock Information

Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks



KEY FINANCIAL INDICATORS

Indicator (Unit: billion VND)	2022	2023	2024
INCOME STATEMENT			
Revenue from goods sales & services rendered	142,771	120,355	140,561
Net revenue	141,409	118,953	138,855
Gross profit	16,763	12,938	18,498
Net financial expenses	(3,283)	(2,018)	(1,348)
Selling expenses	2,666	1,961	2,337
Administrative expenses	1,019	1,307	1,546
Other profits	129	142	426
Pre-tax profit	9,923	7,793	13,694
Corporate income tax	1,479	992	1,673
After-tax profit	8,444	6,800	12,020
Profit of shareholder as holding company	8,484	6,835	12,021
Depreciation and amortization	6,772	6,773	6,928
BALANCE SHEET			
Total assets	170,336	187,783	224,490
Current assets	80,515	82,716	87,079
Non-current assets	89,821	105,066	137,411
Liabilities	74,223	84,946	109,842
Owner's equity	96,113	102,836	114,647
Authorized capital	58,148	58,148	63,963
CASH FLOW STATEMENT			
Net cash from operating activities	12,278	9,472	6,608
Net cash from investing activities	(24,626)	(12,801)	(29,788)
Net cash from financing activities	(1,778)	7,273	17,815
Net cash flow during the period	(14,127)	3,944	(5,365)
Cash and equivalents at the beginning of the period	22,471	8,325	12,252
Cash and equivalents at the end of the period	8,325	12,252	6,888
KEY FINANCIAL INDICATORS	·		•
Gross profit/Net sales rate	12%	11%	13%
After-tax profit/ Net revenue rate	6%	5.7%	8.7%
ROA	5%	3.6%	5.4%
ROE	8.8%	6.6%	10.5%
Earnings before interest and taxes	16,950	12,984	17,660
Earning before interest, taxes, depreciation and amortization	23,722	19,758	24,588



PART 1 **OVERVIEW**

General Information
Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators

Subsidiaries and Ownership percentages

Background of Hoa Phat Group
Our History and Development
Operational risks



SUBSIDIARIES AND OWNERSHIP PERCENTAGES AS OF DECEMBER 31, 2024

No.	SUBSIDIARIES	ADDRESS	PRINCIPAL BUSINESS ACTIVITIES	CONTRIBUTED AUTHORIZED CAPITAL (BILLION DONGS)	OWNERSHIP PERCENTAGE OF HPG
1	Hoa Phat Iron and Steel JSC		Investing in, producing and trading in construction steel and supporting activities.	61,610	99.9987%
2	An Thong Mineral Investment JSC	No. 415, Tran Phu Street, Tran Phu Ward, Ha Giang City, Ha Giang Province, Vietnam	Steel and cast iron production, iron ore mining, lignite mining and collection; Wholesale of metals and metal ores; and coke production and sale.	500	99.9587%
3	Hoa Phat Hai Duong Steel JSC	Hiep Thuong Residential Area, Hiep Son Ward, Kinh Mon Town, Hai Duong Province, Vietnam		6,000	99.9970%
4	Hoa Phat Dung Quat Steel JSC	Dung Quat Economic Zone, Binh Dong Commune, Binh Son District, Quang Ngai Province, Vietnam	Producing iron, steel, cast iron; producing, transmitting and distributing electricity; wholesaling solid, liquid, gas fuels and related products; coastal and ocean freight transportation, inland waterway transportation, etc.	55,000	99.9987%
5	Hoa Phat Hung Yen Steel Co., Ltd	Pho Noi A Industrial Zone, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam	Producing iron, steel, cast iron; Wholesaling metals and metal ores.	1,000	99.9987%
6	Hoa Phat Shipping JSC	Hiep Thuong Residential Area, Hiep Son Ward, Kinh Mon Town, Hai Duong Province, Vietnam	Coastal, inland waterway and ocean freight transport.	500	99.5187%
7	Hoa Phat Phu Yen Steel JSC	Phuoc Tan Hamlet, Hoa Tam Commune, Dong Hoa Town, Phu Yen Province, Vietnam	Production of iron, steel, and cast iron	50	99.9987%
8	Bai Goc Port Phu Yen JSC	Phuoc Tan Hamlet, Hoa Tam Commune, Dong Hoa Town, Phu Yen Province, Vietnam	transportation	50	99.9987%



PART 1 **OVERVIEW**

General Information
Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators

Subsidiaries and Ownership percentages

Background of Hoa Phat Group
Our History and Development
Operational risks



SUBSIDIARIES AND OWNERSHIP PERCENTAGES AS OF DECEMBER 31, 2024

No.	SUBSIDIARIES	ADDRESS	PRINCIPAL BUSINESS ACTIVITIES	CONTRIBUTED AUTHORIZED CAPITAL (BILLION DONGS)	OWNERSHIP PERCENTAGE OF HPG
9	Hoa Phat Steel Products JSC	39 Nguyen Dinh Chieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Investment, production, and business of steel pipes, color-coated sheets, and auxiliary activities	8,380	99.9958%
10	Hoa Phat Steel Pipe Co., Ltd	39 Nguyen Dinh Chieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Production and commercial trading of steel pipes	2,500	99.9758%
11	Hoa Phat Steel Sheet Co., Ltd	Road E1, Area E, Pho Noi A Industrial Park, Lac Dao Commune, Van Lam District, Hung Yen Province, Vietnam	and the control of th	2,000	99.9958%
12	Hoa Phat Metal Producing Co., Ltd	39 Nguyen Dinh Chieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Manufacturing construction equipment; trading in construction machinery and equipment and exploiting small and medium-sized minerals.	480	99.9125%
13	Hoa Phat Container Production JSC	Lot B5, Road D, Phu My II Industrial Park (expanded), Tan Phuoc Ward, Phu My Town, Ba Ria - Vung Tau Province, Vietnam		3,500	99.8244%
14	Hoa Phat Agriculture Development JSC	Pho Noi A Industrial Park, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam	Production of feed for livestock, poultry and aquatic products.	2,800	99.9992%



SUBSIDIARIES AND OWNERSHIP PERCENTAGES AS OF DECEMBER 31, 2024

No.	SUBSIDIARIES	ADDRESS	PRINCIPAL BUSINESS ACTIVITIES	CONTRIBUTED AUTHORIZED CAPITAL (BILLION DONGS)	OWNERSHIP PERCENTAGE OF HPG
15	Hoa Phat Hung Yen Feeds Co., Ltd	Road A2, Area A, Pho Noi A Industrial Park, Lac Hong Commune, Van Lam District, Hung Yen Province, Vietnam		400	99.9992%
16	Hoa Phat Phu Tho Poultry One Member Co., Ltd	Van Thang Area, Dong Luong Commune, Cam Khe District, Phu Tho Province, Vietnam	Poultry farming	350	99.9992%
17	Hoa Phat Trading Co., Ltd	39 Nguyen Dinh Chieu, Le Dai Hanh Ward Hai Ba Trung District, Hanoi City, Vietnam	Breeding buffaloes and cows; providing cultivation, livestock and post-harvest services.	800	99.9367%
18	JSC	Pho Noi A Industrial Park, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam	Livestock farming, supply of breeding pigs and commercial pigs	1,200	99.9742%
19		Pho Noi A Industrial Park, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam		6,800	99.9706%
20	Hoa Phat Urban Development and Construction JSC	39 Nguyen Dinh Chieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Civil and industrial construction, real estate business, investment, and synchronized technical infrastructure development	4,800	99.9398%
21	Hoa Phat Hanoi Real Estate Development JSC	66 Nguyen Du Street, Nguyen Du Ward, Hai Ba Trung District, Hanoi, Vietnam	Real estate business, land use rights trading under ownership, usage, or lease	550	99.9342%

Stock Information

PART 1

Organization structure

OVERVIEW

General Information

Operating model

Key financial indicators

Subsidiaries and Ownership percentages

Background of Hoa Phat Group
Our History and Development
Operational risks



PART 1

OVERVIEW

General Information

Organization structure

Key financial indicators

Subsidiaries and Ownership

Background of Hoa Phat Group

Our History and Development

Stock Information

Operating model

percentages

Operational risks

Bussiness lines

SUBSIDIARIES AND OWNERSHIP PERCENTAGES AS OF DECEMBER 31, 2024

No.	SUBSIDIARIES	ADDRESS	PRINCIPAL BUSINESS ACTIVITIES	CONTRIBUTED AUTHORIZED CAPITAL (BILLION DONGS)	OWNERSHIP PERCENTAGE OF HPG
22	Hoa Phat Saigon Real Estate Development JSC	22 Vo Van Kiet Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam		335,5	99.8218%
23	New City Investment and Development Co., Ltd	22 Vo Van Kiet Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	Real estate business, land use rights trading under ownership, usage, or lease	150	99.9706%
24	Hoa Tam Industrial Park Infrastructure Development Joint Stock Company	Phuoc Tan Hamlet, Hoa Tam Commune, Dong Hoa Town, Phu Yen Province, Vietnam	Real estate business, land use rights trading under ownership, usage, or lease	680	99.9506%
25	Hoa Phat Home Appliances JSC	39 Nguyen Dinh Chieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Investment, production, and business of household electrical appliances	1,000	99.9000%
26	Hoa Phat Refrigeration Engineering Co., Ltd	Pho Noi A Industrial Park, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam		500	99.8001%
27	Hoa Phat Ha Nam Home Appliances	Hoa Mac Industrial Park, Hoa Mac Ward, Duy Tien Town Ha Nam Province Vietnam	Production and commercial trading of	500	99.8201%



PART 1 OVERVIEW

General Information

Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators
Subsidiaries and Ownership
percentages

Background of Hoa Phat Group

Our History and Development
Operational risks

BACKGROUND OF HOA PHAT GROUP

Hoa Phat is a leading industrial manufacturing conglomerate in Vietnam. Founded in August 1992 as a company specializing in trading construction machinery, Hoa Phat steadily expanded into new sectors, including Furniture (1995), Steel Pipes (1996), Construction Steel (2000), Refrigeration (2001), and Real Estate (2001). In 2007, the company restructured into a conglomerate model, with Hoa Phat Group Joint Stock Company serving as the parent entity overseeing its subsidiaries. On November 15, 2007, Hoa Phat officially listed its shares on the Vietnam stock market under the ticker symbol HPG.

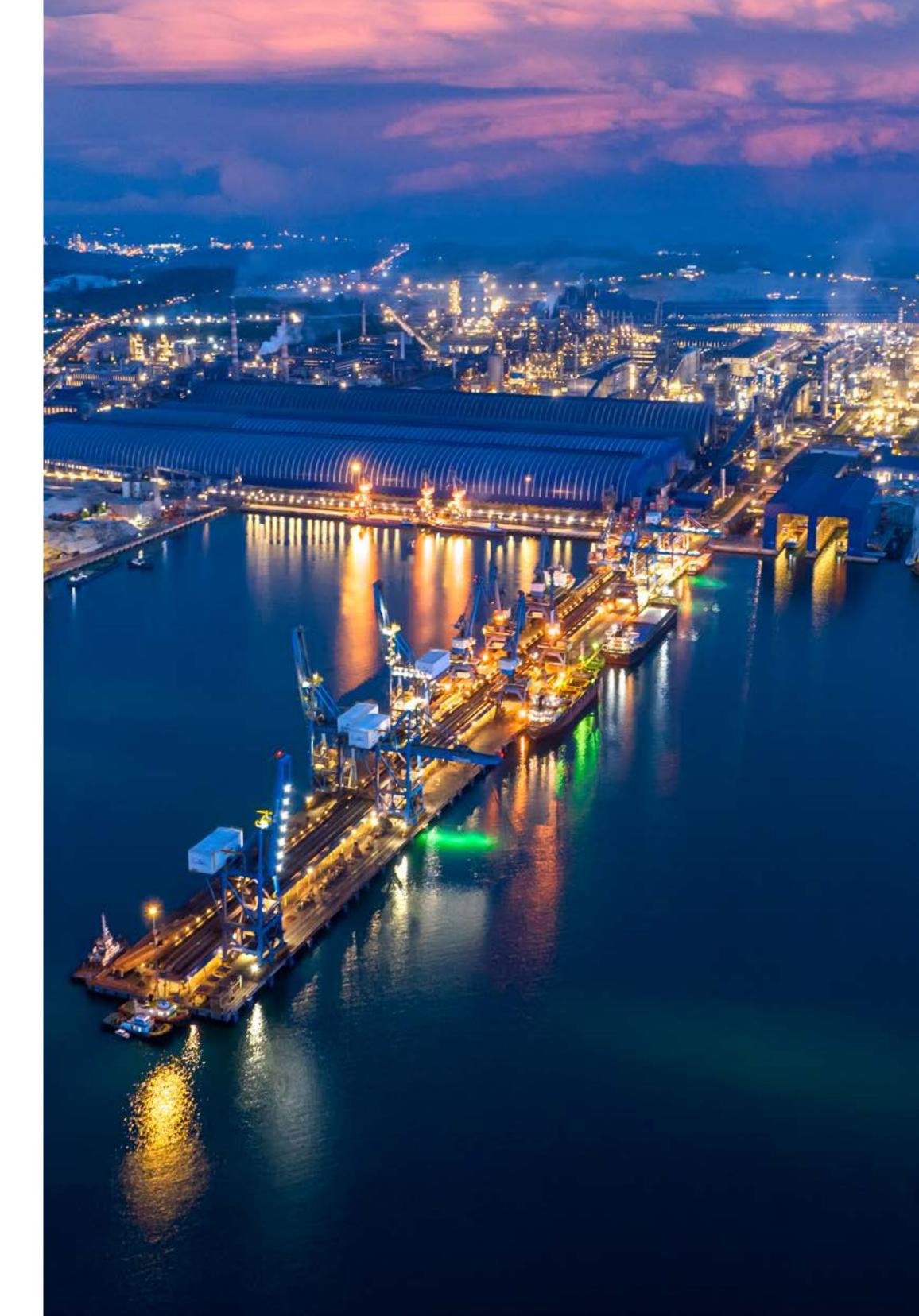
Today, the Group operates across five key industries: **Iron and steel** (including construction steel and hot-rolled coil steel) - **Steel products** (such as steel pipes, galvanized steel sheet, drawn steel wire, container shells, and pre-stressed steel) - **Agriculture - Real estate - Home appliances**. Steel production remains the core business, contributing 90% of the Group's total revenue and profit. With a designed capacity of 15 million tons of crude steel per year, Hoa Phat is the largest steel producer in Southeast Asia.

The Group holds the No.1 market share in Vietnam for construction steel and steel pipes while ranking among the top five galvanized steel sheet manufacturers nationwide. Hoa Phat's eggs dominate the northern Vietnam market, and its bio-secure pig farming operations are also among the industry's leaders.

As part of its long-term strategy, Hoa Phat is committed to **producing high-quality steel, including specialized steel for railway infrastructure, mechanical engineering, automotive manufacturing, and shipbuilding.** The Group is currently focused on completing the Hoa Phat Dung Quat 2 Steel Integrated Complex by the end of 2025. Once operational, this project will elevate Hoa Phat's total steel production capacity to 15 million tons per year, placing the company among the world's top 30 steel manufacturers, with 70% of its output consisting of steel, hot-rolled coil steel.

For many consecutive years, Hoa Phat has been recognized as a National Brand and has ranked among the Top 10 largest private enterprises in Vietnam for a decade. The company has also been listed among the Top 10 most profitable businesses, the Top 10 best-performing listed companies, and the Top 30 highest corporate taxpayers in the country.

Guided by the philosophy of "Harmony for Joint Development", Hoa Phat dedicates tens of billions of VND annually to corporate social responsibility programs, actively supporting communities nationwide through a wide range of impactful charitable and social initiatives in areas where the Group and its subsidiaries operate.





PART 1 **OVERVIEW**

General Information

Stock Information

Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks

OUR HISTORY AND DEVELOPMENT

Aug - 1992

Establishment of Hoa Phat Equipment Accessories Co., Ltd, now Hoa Phat Metal Producing Co., Ltd.

Aug - 1996

Establishment of Hoa Phat Steel Pipe Co., Ltd.

Jan - 2007

Reorganized as a group with Hoa Phat Group Joint Stock Company being the Parent Company of its Subsidiaries

Nov 15 - 2007

Listed HPG shares on the Vietnam Stock Exchange.

Jan - 2011

Restructured the operation model of the Parent Company by separating the steel production and trading sector.

Oct - 2013

Finished the second phase of the Hoa Phat Hai Duong Steel Integrated Complex, raising the total capacity of Hoa Phat to 1.15 million tons per year.



Nov - 1995

Establishment of Hoa Phat Furniture JSC.

2001

Establishment of Hoa Phat Steel JSC, now Hoa Phat Hung Yen Steel Co., Ltd; Hoa Phat Refrigeration Engineering Co., Ltd. and Hoa Phat Urban Development and Construction JSC.

Jun - 2009

An Thong Mineral Investment JSC became a member of Hoa Phat Group.

Dec - 2009

Finished the first phase of Hoa Phat Steel Integrated Complex in Hai Duong.

Aug - 2012

20th Anniversary of Hoa Phat development, Third Class Labour Order awarded by the President.

Mar - 2015

Hoa Phat Hung Yen Feeds Co., Ltd was officially launched, marking a new step in the Group's development history by investing in the agricultural sector.



PART 1 **OVERVIEW**

General Information

Stock Information

Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks

Feb - 2016

- Establishment of Hoa Phat Agriculture Development JSC, which manages and coordinates the operations of all subsidiaries in the agriculture sector (including feed and breeding).
- Finished the third phase of Hoa Phat Steel Integrated Complex in Hai Duong, raising the total capacity of Hoa Phat to 2 million tons per year.

Feb - 2017

Establishment of Hoa Phat Dung Quat Steel JSC, initiating Hoa Phat Dung Quat Steel Integrated Complex in Quang Ngai Province with the capacity of 4 million tons per year and the total investment of VND 52,000 billion, marking a turning point in Hoa Phat Group's development.

Dec - 2020

Hoa Phat Group restructured its operating model with the divestment from the interior sector and the establishment of Corporations in charge of the Group's business sectors.

2021

Establishment of Hoa Phat Real Estate Corporation and Hoa Phat Home Appliances Corporation, marking the completion of restructuring the Group's operating model with five Corporations in charge of each sector: Iron and Steel - Steel Products - Agriculture - Real Estate - Home Appliances.

2023

- August: Hoa Phat officially launched container shell products to the market.
- November: Hoa Phat Group maintains the No. 1 position in the Top 10 largest private enterprises in Vietnam for the 2nd consecutive year and ranked 8th in the Top 10 largest enterprises nationwide.

Apr - 2016

Establishment of Hoa Phat Steel Sheet Co., Ltd, implementing the project of prepainted hot dipped galvanized steel sheet, galvanized steel sheet and galvanized steel sheet with the capacity of 400,000 tons per year.

2019

The first two blast furnaces of the Hoa Phat Dung Quat Steel Integrated Complex Project were officially put into operation, bringing the total construction steel output of Hoa Phat to 4.4 million tons per year.

Nov - 2020

Hoa Phat Group officially launched its commercial hotrolled coil onto the market, helping optimize Hoa Phat's steel ecosystem.

Jan - 2021

Blast furnace No. 4 - Hoa Phat Dung Quat Steel Integrated Complex was put into operation, marking the completion of the entire project, and bringing Hoa Phat's total crude steel output to 8.5 million tons per year, the most in the Southeast Asia.

Q1/2022

Hoa Phat Dung Quat 2 Steel Integrated Complex Project was commenced, with a capacity of 5.6 million tons of HRC per year and a total estimated investment of VND 85,000 billion.

▲ Aug - 2022

Hoa Phat Group celebrated the 30th anniversary of Hoa Phat development, Second Class Labour Order awarded by the President.

Dec - 2024

Phase 1 of Hoa Phat Dung Quat 2 Steel Integrated Complex has completed installation and is gearing up for trial operations in Q1/2025. Phase 2 is set for completion by the end of 2025.



PART 1 OVERVIEW

General Information

Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators
Subsidiaries and Ownership
percentages
Background of Hoa Phat Group
Our History and Development

Operational risks



OPERATIONAL RISKS

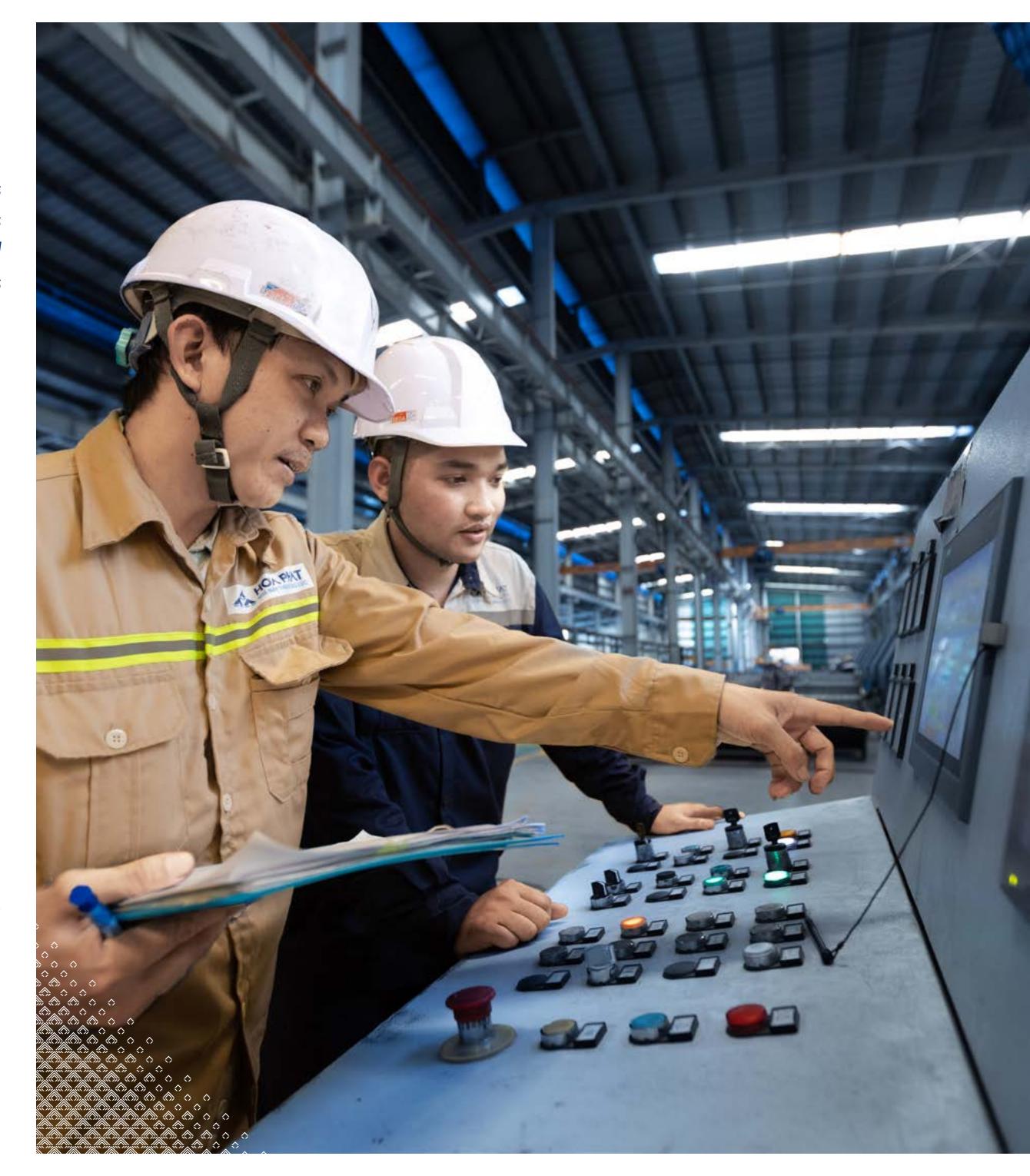
As a multi-industry conglomerate with an extensive operational footprint across Vietnam, Hoa Phat inevitably encounters various risks throughout its business activities. To mitigate these risks effectively, the Group has implemented targeted measures for each critical risk category, with a particular focus on fluctuations in raw material prices, regulatory policies, and workforce management.

RAW MATERIAL PRICE VOLATILITY

Steel production and trading serve as Hoa Phat's core business. The steel industry is expanding both in depth and breadth - vertically integrating upstream production and logistics chains while diversifying into a wider range of steel-related products and downstream applications. Raw material costs account for approximately 72 - 75% of total production expenses. As a result, even a 1% fluctuation in the prices of key inputs such as iron ore, coal, and scrap can significantly impact production costs. Additionally, risks related to raw material quality variations and supply chain disruptions also directly affect production costs.

SOLUTIONS

Hoa Phat closely monitors macroeconomic trends in key markets that influence global steel prices, ensuring a multi-dimensional, real-time response to market changes. The Group has developed credit strategies to hedge against commodity price risks while optimizing inventory management to swiftly adapt to price fluctuations. Additionally, Hoa Phat diversifies its supplier network across various regions and markets and secures long-term procurement contracts to ensure a stable supply of raw materials.





PART 1 OVERVIEW

General Information

Operational risks

Stock Information

Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

> REGULATORY RISKS

In 2024 alone, the National Assembly passed 31 new laws, introducing legal and regulatory changes that reflect Vietnam's evolving economic landscape. While continuous legal reforms and the government's ongoing structural streamlining are expected to bring long-term benefits - such as reducing administrative procedures and enhancing regulatory consistency - transitional periods may cause temporary disruptions in the implementation of procedures that Hoa Phat is actively pursuing. Hoa Phat pays special attention to regulations governing the quality control of steel products. When exporting, Hoa Phat's subsidiaries must comply with stringent inspections conducted by authorities in the destination countries, ensuring that all products receive quality certification before shipment.

However, in Vietnam, imported steel is not subject to mandatory specialized quality inspections. This creates an imbalance, as steel from various sources with inconsistent quality standards can easily enter the domestic market without undergoing any assessment or quality control. As a result, while product variety increases, the absence of unified standards allows subpar steel products to infiltrate supply chains, negatively affecting both the domestic steel industry and consumer rights.

SOLUTIONS

Understanding the challenges posed by evolving regulations, Hoa Phat proactively takes the following steps to minimize legal risks:

- Establishing a dedicated team to track, summarize, and update legal and regulatory changes relevant to its business. This information is disseminated weekly or immediately in the case of critical updates to all subsidiaries.
- Actively reviewing and providing feedback on draft legal documents to help shape policies that impact the industry.
- Assigning specialized personnel to collaborate with the Vietnam Steel Association and industry peers in reviewing incomplete or outdated national regulations and standards, forming the basis for proposals to relevant government authorities.
- Ensuring timely, transparent, and comprehensive communication with state agencies whenever cooperation is required.
- Conducting thorough research on international product quality management regulations to align with global best practices.



PART 1 OVERVIEW

General Information

Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators
Subsidiaries and Ownership
percentages
Background of Hoa Phat Group
Our History and Development

Operational risks

TRADE DEFENSE RISKS

Vietnam is emerging as a key player in the global supply chain, reflected in its rising export value and expansion into new potential markets. However, the increasing wave of trade protectionism worldwide presents significant challenges for Vietnamese exports.

In recent years, protectionist policies in key export markets such as the United States, Japan, the European Union, Mexico, Australia, Canada, and India have placed considerable pressure on Vietnam's export sector, including Hoa Phat's products.

Against this backdrop, trade defense measures targeting Hoa Phat's exports have become more frequent and complex. The risks faced by exporters like Hoa Phat due to trade defense mechanisms imposed by foreign governments include:

First, many countries have introduced various forms of tariffs - such as anti-dumping duties, safeguard duties, countervailing duties, and anti-circumvention measures - to protect their domestic industries from foreign competition.

Second, trade defense measures often come with tightened technical and regulatory requirements for imported goods, creating additional barriers for Vietnamese exports.

Third, companies under investigation for trade defense violations may suffer financial and reputational damage. These investigations can take years to resolve, during which affected businesses must allocate significant resources to legal proceedings while temporarily halting exports to the targeted markets.

SOLUTIONS

Facing multiple trade defense cases in international markets, Hoa Phat proactively implements measures to respond or avoid risks:

- Proactively providing information and actively participating in investigations, resulting in significantly lower tariff rates compared to competitors. This not only minimizes losses but also creates a comparative advantage and enhances competitiveness in the market.
- Actively researching and improving understanding of trade defense instruments implemented in import markets, including principles and conditions for application. Timely exchange and updates on trade defense policies of various countries while coordinating to develop effective response strategies.
- Maintaining transparent and clear financial and accounting records, ensuring readiness and cooperation in providing data when requested by investigating authorities.
- Expanding market access and improving product quality to enhance competitiveness.
- Increasing the use of domestic raw materials, diversifying inputs, and ensuring transparent origins, helping Hoa Phat reduce the risk of anti-circumvention tariffs and navigate legal barriers, thereby building trust with consumers and partners in export markets.
- Proactively preparing information and documentation to request the Trade Remedies Authority under the Ministry of Industry and Trade to consider initiating and applying trade defense measures against imports from countries engaging in dumping practices that harm domestic industries.



PART 1 **OVERVIEW**

General Information

Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators
Subsidiaries and Ownership
percentages
Background of Hoa Phat Group
Our History and Development

Operational risks

GREENHOUSE GAS INVENTORY AND RISKS FROM THE CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

In August 2024, the Prime Minister of Vietnam officially signed Decision No. 13/2024/QD-TTg, introducing a list of sectors and facilities required to conduct greenhouse gas (GHG) inventories and submit facility-level GHG inventory reports to the relevant authorities starting in March 2025.

According to this Decision, six sectors are subject to mandatory GHG inventory reporting: energy, transportation, construction, industry, agriculture, and waste management. As a multi-sector corporation, Hoa Phat has more than ten subsidiaries included in the list of companies required to conduct GHG inventories.

Subsequently, in January 2025, the Prime Minister issued Decision No. 232/QĐ-TTg, approving the plan for establishing and developing a carbon market in Vietnam. The country aims to pilot a carbon credit trading platform in 2025 and launch full-scale operations by 2029. However, as Vietnam's carbon credit market remains in the development and trial phase, the specific mechanisms for buying, trading, or offsetting carbon credits have yet to be clearly defined.

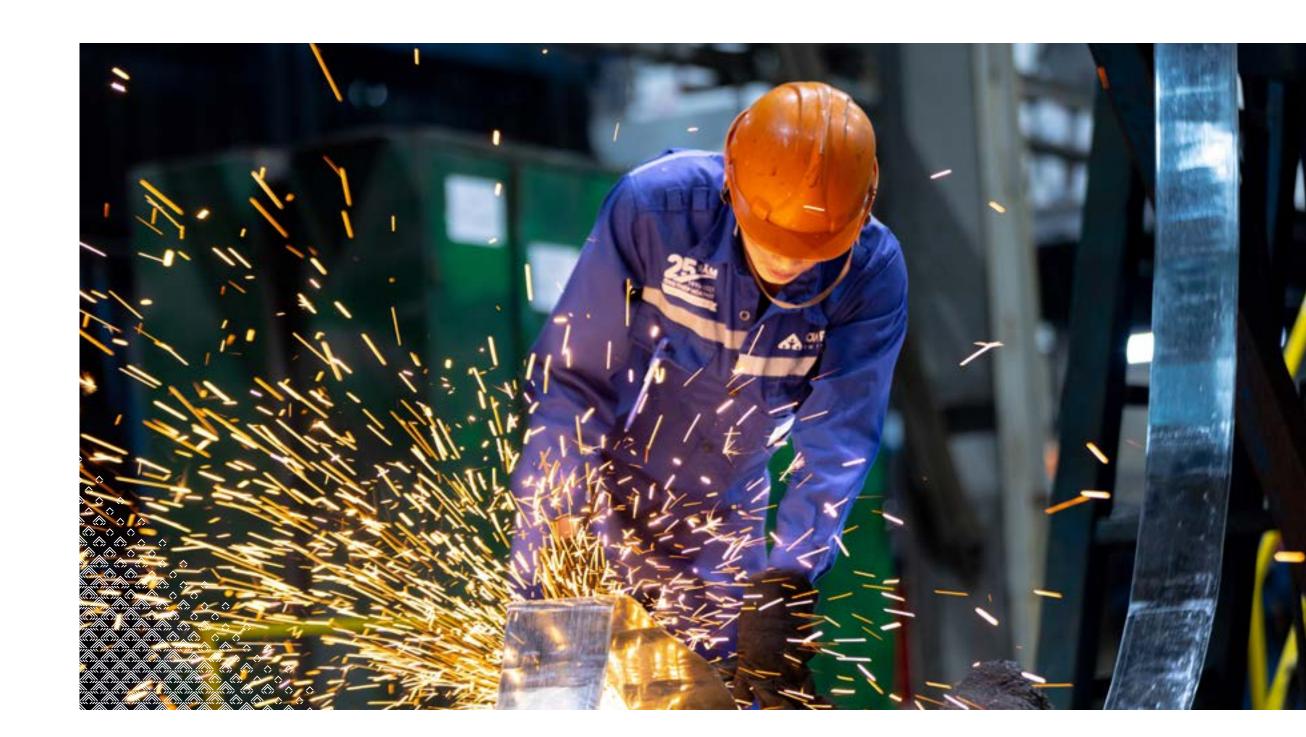
The Carbon Border Adjustment Mechanism (CBAM) introduced by the European Union (EU) also presents a significant challenge, given Hoa Phat's exports to this market. Under CBAM, EU importers are required to purchase CBAM certificates equivalent to the carbon emissions generated during the production of imported goods, including steel products. The transition phase of CBAM will conclude at the end of 2025, with full implementation scheduled for 2026. Once in effect, CBAM will significantly increase export costs due to the mandatory purchase of carbon emission certificates, impacting profitability and putting pressure on market share retention in the EU - one of Hoa Phat's key export markets.

SOLUTIONS

Hoa Phat has partnered with BSI - one of the UK's leading certification bodies - to provide GHG inventory training for its subsidiaries.

By January 2025, BSI had completed verification and certification of Hoa Phat's GHG inventory in accordance with ISO 14064-1:2018 standards. Completing the GHG inventory is a crucial step in the Group's sustainable development strategy. Hoa Phat is committed to proactively adopting the latest quality, technological, and operational standards in its business activities. Moving forward, the Group will continue to optimize production processes to manage GHG emissions and meet evolving regulatory requirements.

Additionally, Hoa Phat is actively studying the allocation and calculation of emission quotas outlined in the Government's draft decree while exploring Vietnam's carbon credit market. This research will help the Group develop appropriate strategies to ensure regulatory compliance and optimize costs.





PART 1 **OVERVIEW**

General Information

Stock Information
Bussiness lines
Organization structure
Operating model
Key financial indicators
Subsidiaries and Ownership
percentages
Background of Hoa Phat Group

Our History and Development

Operational risks

MONETARY RISKS

Inflation remains one of the most persistent macroeconomic challenges in the coming years, prompting central banks worldwide to tighten monetary policies to curb inflation. Exchange rates serve as a tool for inflation control, and the State Bank of Vietnam is expected to leverage this instrument to stabilize the country's macroeconomic indicators.

For Hoa Phat, imports accounted for over 70% of the Group's total cost of goods sold in 2024, highlighting its reliance on foreign-sourced raw materials such as coal and iron ore. Since the Group imports more than it exports, exchange rate fluctuations have a significant impact on production costs. A depreciation of the domestic currency would lead to higher import costs and increased financial expenses, making foreign exchange risk management a critical daily task.

Additionally, Hoa Phat's use of loans, financial instruments, and interest rate-based derivative products presents further challenges in interest rate risk management. In an environment of rising inflation and tightening monetary policies, effective interest rate risk management is essential to ensuring cost-efficient loan management.

SOLUTIONS

Hoa Phat employs a range of financial risk management strategies to address foreign exchange and interest rate risks. The first approach involves balancing credit exposure between the Vietnamese dong (VND) and foreign currencies. The Group requires its subsidiaries to coordinate with the foreign exchange team when conducting foreign currency transactions or planning foreign currency purchases, ensuring they remain updated on market rates. Given the high proportion of imported raw materials, particularly in a volatile exchange rate environment like in 2023, Hoa Phat has optimized inventory management to minimize stockpiling during periods of unfavorable exchange rate fluctuations. This approach has helped reduce the impact of currency depreciation on the Group's working capital. Additionally, Hoa Phat continuously gathers market intelligence, forecasts trends, and establishes exchange rate risk limits and hedging instruments in collaboration with financial institutions.

The Group also actively monitors capital and financial markets to implement timely measures aimed at mitigating interest rate risks. This includes optimizing the debt portfolio and financial obligations to maintain a balanced and cost-efficient capital structure.

Through these measures and instruments, Hoa Phat effectively manages raw material costs, ensuring strong financial discipline and sustaining high profit margins.





PART 1 **OVERVIEW**

General Information

Stock Information

Bussiness lines

Organization structure

Operating model

Key financial indicators

Subsidiaries and Ownership

percentages

Background of Hoa Phat Group

Our History and Development

Operational risks



HUMAN RESOURCE RISKS

With a workforce of 33,000 employees from diverse regions across Vietnam, and a predominantly young labor force, managing personnel fluctuations remains a critical challenge. The steel manufacturing sector demands a highly skilled technical workforce, yet Vietnam's mechanical engineering and vocational training systems have yet to fully meet industry requirements.

SOLUTIONS

Hoa Phat considers human capital the cornerstone of its success and consistently prioritizes training programs to enhance employees' technical expertise and skill sets. Over the past year, the Group has restructured its organizational framework, streamlining management levels from the corporate headquarters to its member units.

Hoa Phat's member companies continuously organize specialized training programs and work closely with universities, colleges, and vocational schools in mechanical and technical fields to enhance recruitment and workforce development. The Group maintains a balanced approach to both the quantity and quality of human resource development. To standardize personnel management across the entire organization, Hoa Phat has implemented a rank-based evaluation system, gradually integrating it into salary and bonus structures to ensure fair compensation and motivate employees.





PART 2 REPORT OF BOARD OF DIRECTORS

- 1 LIST OF MEMBERS OF BOD AND CHIEF ACCOUNTANT
- 2 REPORT OF THE BOARD OF DIRECTORS
- 3 ASSESSMENT OF BUSINESS RESULTS
- 4 FINANCE
- 5 ASSET STRUCTURE
- 6 CAPITAL STRUCTURE
- 7 BUSINESS PERFORMANCE
- 8 IMPROVEMENT OF MANAGEMENT STRUCTURE
- 9 BUSINESS AND PRODUCTION PLAN FOR 2025



PART 2

REPORT OF BOARD **OF DIRECTORS**

List of member of BOD and Chief Accountant

Report of the Board of Directors Assessment of business results Finance

Asset structure

Capital structure

Business performance

Improvement of management

structure

Business and Production plan for 2025



NGUYEN VIET THANG Member of the Board of Management cum General Director

Educational qualification:

Bachelor of civil engineering, National University of Civil Engineers.

Joining date: 2003

Mr. Nguyen Viet Thang had over 20 years of leadership experience at Hoa Phat Group with the positions of Member of the BOM, Deputy General Director of the Group, Deputy Director of Hoa Phat Urban Development and Construction JSC, Director of Hoa Phat Hung Yen Feed Co., Ltd, Director of Hoa Phat Hai Duong Steel JSC. On April 26th, 2021, Mr. Thang was appointed to hold the position of General Director of Hoa Phat Group.

Number of shares held at March 17, 2025



NGUYEN THI THAO NGUYEN Deputy General Director

Educational qualification:

Bachelor of economics - Hanoi University of Finance and Accounting. Joining date: 1998

Ms. Nguyen Thi Thao Nguyen was the Chief Accountant of Hoa Phat Steel Pipe Co., Ltd. and the Head of Supervisory and Legal Board of Hoa Phat Group Joint Stock Company before she was appointed as the Deputy General Director of Hoa Phat Group Joint Stock Company on 1st September 2010.

Number of shares held at March 17, 2025

0.01%



TRAN THI THU HIEN Deputy General Director

Educational qualification:

Bachelor of Law, Hanoi Law University. **Joining date: 2008**

Before holding the position of Vice General Director of Hoa Phat Group Joint Stock Company, Mrs. Tran Thi Thu Hien held positions such as Head of the Legal Department Chairman of Hoa Phat Group, Vice Director of Hoa Phat Hanoi Real Estate Development Joint Stock Company. In December 2023, Mrs. Tran Thi Thu Hien was appointed to the position of Vice General Director of Hoa Phat Group.

Number of shares held at March 17, 2025

0.00%



PHAM THI KIM OANH Chief Accountant cum CFO

Educational qualification:

Master of economics, National Economics University. Joining date: 2008

Ms. Pham Kim Oanh was Thi & Chief appointed as CFO Accountant of Hoa Phat Group Joint Stock Company on April 28, 2016.

at March 17, 2025

Number of shares held 0.00%



PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and Chief Accountant

Report of the Board of Directors

Assessment of business results

Finance

Capital structure

Asset structure

Business performance

Improvement of management

structure

Business and Production plan for 2025

REPORT OF THE BOARD OF DIRECTORS

In 2024, the global economy recovered at a slow and uneven pace. While economic activity has avoided a full-scale recession, it remained below its potential. Inflation, though lower than in 2023, still exceeded targets in many countries. Geopolitical tensions, particularly between the U.S. and China, as well as Russia and the West, continue to negatively impact global economic growth. The global growth rate was projected to remain stable at 3.2% in both 2024 and 2025 (IMF, 2024). For developed economies, overall growth in 2024 is expected to reach 1.8%, a slight increase from 1.7% in 2023.

Vietnam's socio-economic situation remained stable over the past year, with inflation under control and key economic balances maintained. The country continues to stand out as a bright spot in both regional and global economies. Vietnam's GDP in 2024 is estimated to grow by 7.09% year-over-year, marking the highest growth rate since 2022, surpassed only by 2018 and 2019. In terms of sectoral contributions to overall economic expansion: agriculture, forestry, and fisheries grew by 3.27%, contributing 5.37%; industry and construction expanded by 8.24%, accounting for 45.17%; and the services sector increased by 7.38%, making up 49.46%. The industrial sector maintained positive growth momentum in 2024, with businesses ramping up production compared to the previous year. Overall, industrial production grew by an estimated 8.4% in 2024, the highest rate since 2020. (Source: mpi.gov.vn)

Steel, a fundamental commodity of the economy, was heavily influenced by global and domestic economic conditions. Between 2022 and 2023, Vietnam's steel industry experienced a sharp decline due to rising input costs and weakening demand. However, from late 2023 into early 2024, the industry began showing signs of recovery, driven by an improvement in domestic demand and a more optimistic global steel market outlook. For the full year, total finished steel production reached 29.4 million tons, up 6.1% from 2023. Steel sales totaled 29.09 million tons, an increase of 10.4% year-over-year, while exports slightly declined by 0.6% to 8.04 million tons.

From a positive perspective, the Vietnamese steel industry passed its most challenging phase and is gradually regaining stability. In 2024, both the domestic steel sector and Hoa Phat Group recorded strong recovery signals. Hoa Phat Group achieved revenue of VND 140,561 trillion and net profit of VND 12,020 trillion, marking year-over-year increases of 17% and 77%, respectively. The company contributed VND 13,500 trillion in taxes to the state budget, with the highest contributions in Quang Ngai, Hung Yen, and Hai Duong provinces. Hoa Phat Group continues to rank among the Top 10 largest private enterprises in Vietnam and is the 12th largest enterprise nationwide. This marks the 17th consecutive year that Hoa Phat has been recognized in the VNR 500 ranking of Vietnam's largest companies.

INDICATORS	2023 (VND bn)	2023 (VND bn)	PLAN 2023 (VND bn)	% COMPARED TO 2024/2023	% ACHIEVED COMPARED TO PLAN
REVENUE	120,355	140.561	140,000	17%	100%
PROFIT	6,800	12,020	10,000	77%	120%



PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors

Assessment of business results

Finance

Asset structure

Capital structure

Business performance

Improvement of management

structure

Business and Production plan for 2025

REVENUE - PROFIT

In 2024, revenue reached 100% of the planned target, marking a 17% increase compared to 2023. Steel accounted for 93% of the Group's total revenue. The steel sector's revenue grew by 16%, driven by rising market demand and stable steel prices. Meanwhile, revenue from the real estate segment surged by 123%. Net profit for 2024 reached 120% of the planned target, reflecting a 77% increase year-over-year, with the primary driver of this growth being the steel sector, which saw a 64% increase in profit compared to 2023.

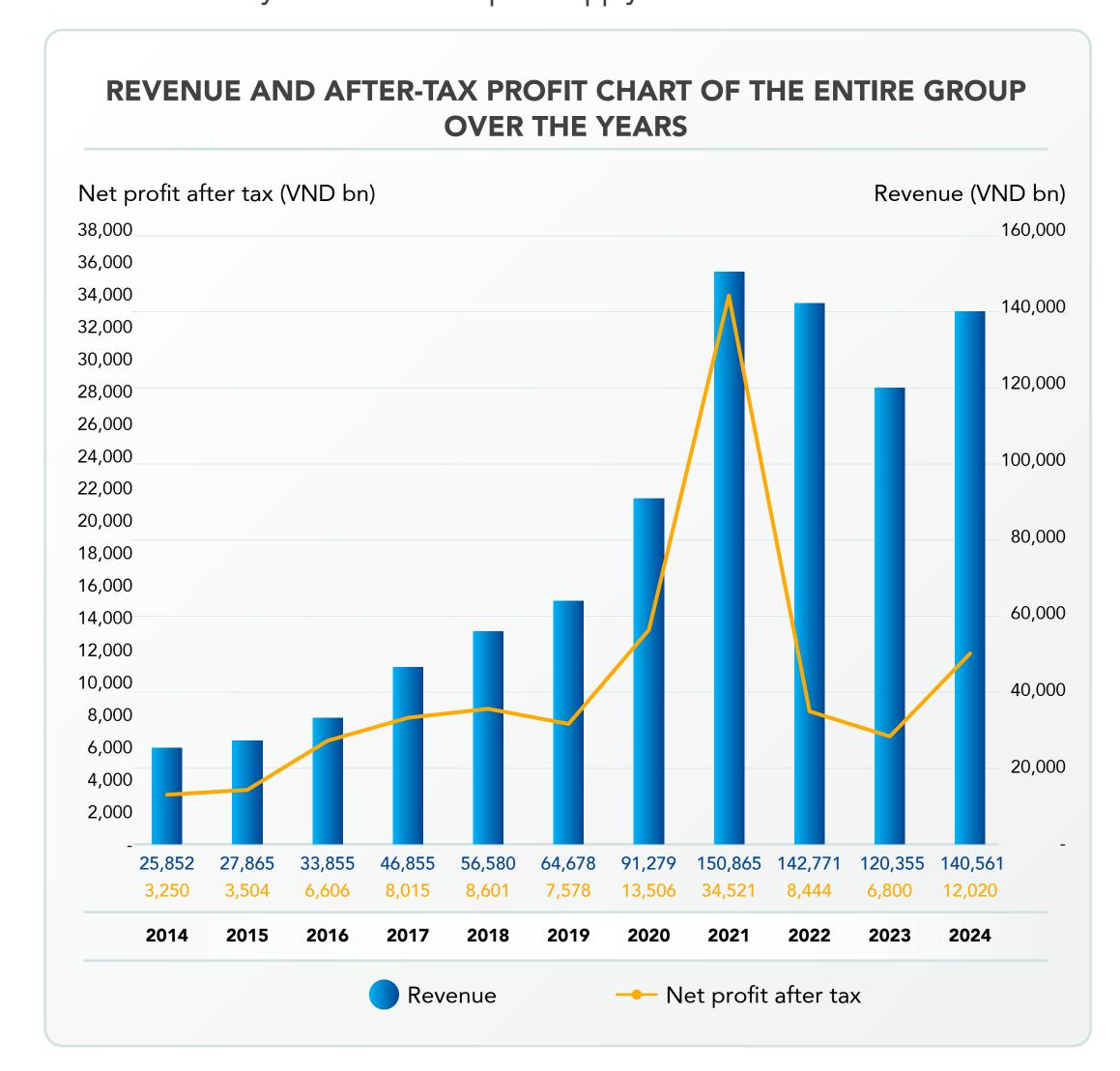
The steel industry experienced robust growth in both revenue and profit in 2024, supported by improving domestic consumption and stable raw material costs. Steel consumption volume showed stronger growth than in 2023, while raw material prices for steel production declined compared to the previous year. Additionally, domestic steel prices rebounded from a three-year low and remained stable throughout 2024.

The Steel segment (including iron and steel, and steel products) continued to play a dominant role, reaffirming its position as the Group's core business. Revenue and net profit from this segment accounted for 93% and 86% of the Group's total, respectively. In 2024, sales volumes of HRC, construction steel, high-quality steel, and steel billets reached 8.11 million tons, a 21% increase. Hoa Phat supplied 2.9 million tons of HRC to the market, up 3% year-over-year. Construction and high-quality steel reached 4.48 million tons, reflecting an 18.5% increase. Hoa Phat maintained its No. 1 position in the long steel market, holding a 38% market share. Additionally, the company supplied 708,191 tons of steel pipes, up 3% from 2023, while galvanized steel sheetreached 446,411 tons, a 35.6% increase. Hoa Phat's steel pipe segment continued to hold the No. 1 position with a 27.7% market share by the end of 2024. The coated steel segment firmly remained in the Top 5 largest market players.

The agriculture sector contributed 5% of the Group's revenue and 8% of its net profit, with profits surging 4.6 times compared to 2023. After nearly a decade in the agriculture industry, Hoa Phat has solidified its leading position and continuously optimized operational efficiency. The animal feed sector recorded a 4% increase in production volume, placing Hoa Phat among the top 15 largest animal feed

suppliers in Vietnam. In poultry farming, the company achieved sales of 330 million eggs, an increase of nearly 20 million compared to the previous year. Hoa Phat currently holds the No. 1 market share for fresh eggs in Northern Vietnam, with daily production exceeding 900,000 eggs.

Hoa Phat's pig farming operations provided employment for 1,100 workers and were continuously optimized with the latest technological advancements. The company currently owns nearly 25,000 breeding sows, ranking among the top pig farming enterprises in Vietnam. Its closed-loop farm network ensures quality control and maintains stability in the domestic pork supply chain.





PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors

Assessment of business results

Finance

Asset structure

Capital structure

Business performance

Improvement of management

structure

Business and Production plan for 2025

The real estate segment exceeded both revenue and net profit targets. In 2024, revenue from real estate grew by 123%, while net profit surged by 118% compared to 2023. Hoa Phat's industrial parks successfully handed over more than 57.3 hectares of land, nearly reaching full occupancy of developed infrastructure areas.

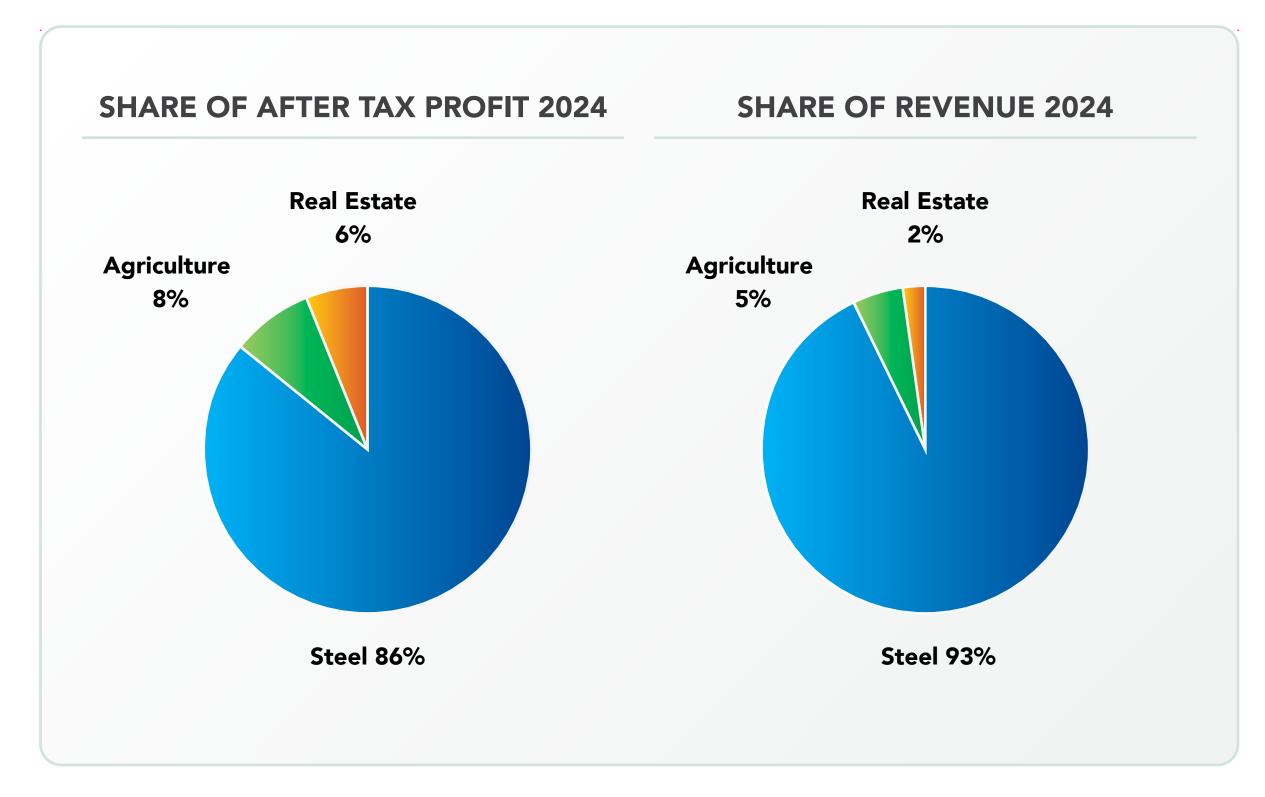
The Group's total industrial park land bank currently spans nearly 1,500 hectares, concentrated in Hung Yen, Ha Nam, and Bac Giang provinces. Hoa Phat owns and operates four industrial parks: Pho Noi A Industrial Park (over 687 hectares in Hung Yen), Hoa Mac Industrial Park (131 hectares in Ha Nam), Yen My II Industrial Park (313.5 hectares in Hung Yen), and Dong Phuc Industrial Park (354.6 hectares in Bac Giang). As of 2024, Yen My II Industrial Park Phase 1 has reached a 99% occupancy rate, Hoa Mac Industrial Park is 96% occupied, and Pho Noi A Industrial Park in Hung Yen has achieved approximately 90% occupancy.

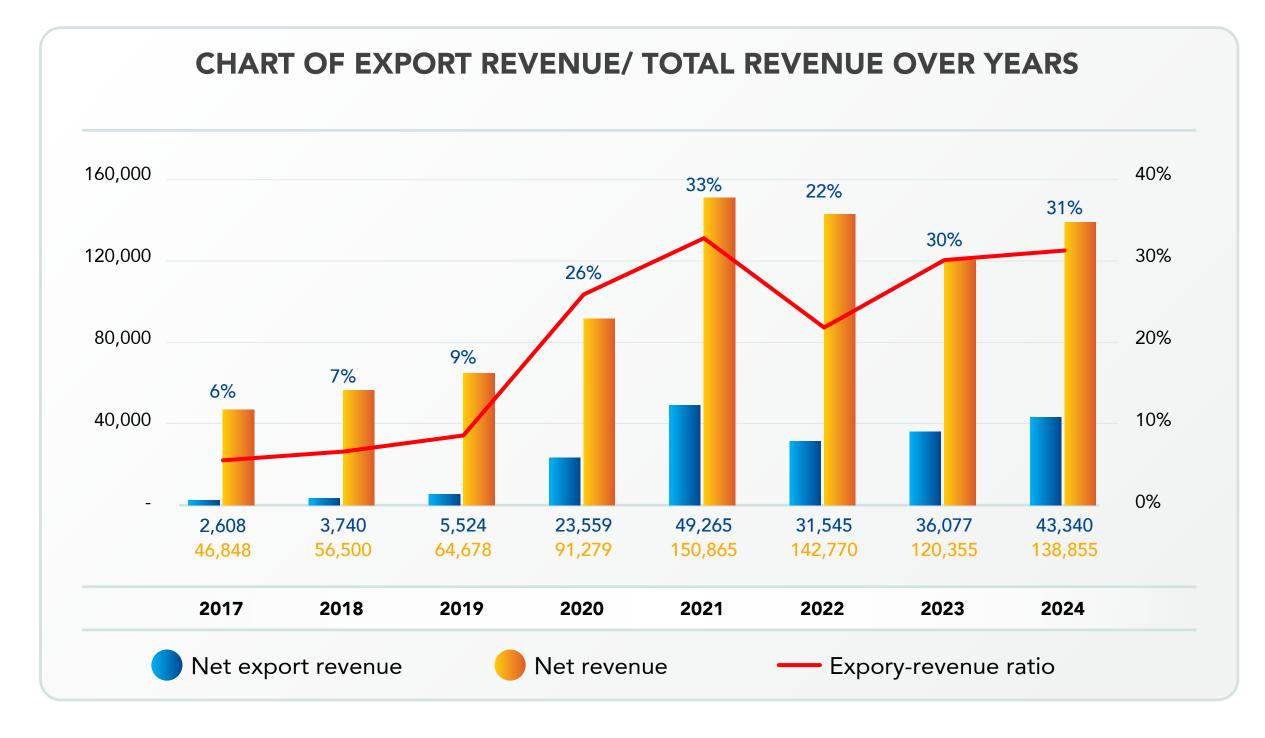
Hoa Phat plans to develop two additional industrial parks in the near future, expanding its clean land bank and infrastructure to accommodate investment and production needs for both domestic and foreign enterprises. Over the next decade, the Group aims to establish 10 industrial parks, including those currently in operation. Additionally, residential and urban development projects are under study, with applications submitted for implementation.

IMPORT AND EXPORT

In 2024, export activities played a crucial role in the Group's total output. Net revenue from exports reached VND 43,340 billion, accounting for 31% of the Group's total revenue for the year. Despite a decline in global steel demand, Hoa Phat's export volume of billet, construction steel, and HRC reached 2.63 million tons. The company's export markets are highly diversified, spanning over 40 countries and territories, including Southeast Asia, Japan, South Korea, the U.S., Canada, and various European nations.

Exports of steel pipes, galvanized steel sheet, and pre-stressed steel totaled 330,799 tons, contributing 25% of Hoa Phat's total steel supply to the market. In recent years, Hoa Phat has prioritized expanding its export activities to diversify consumption markets while also generating foreign exchange earnings and helping to balance Vietnam's trade deficit.







PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results

Finance

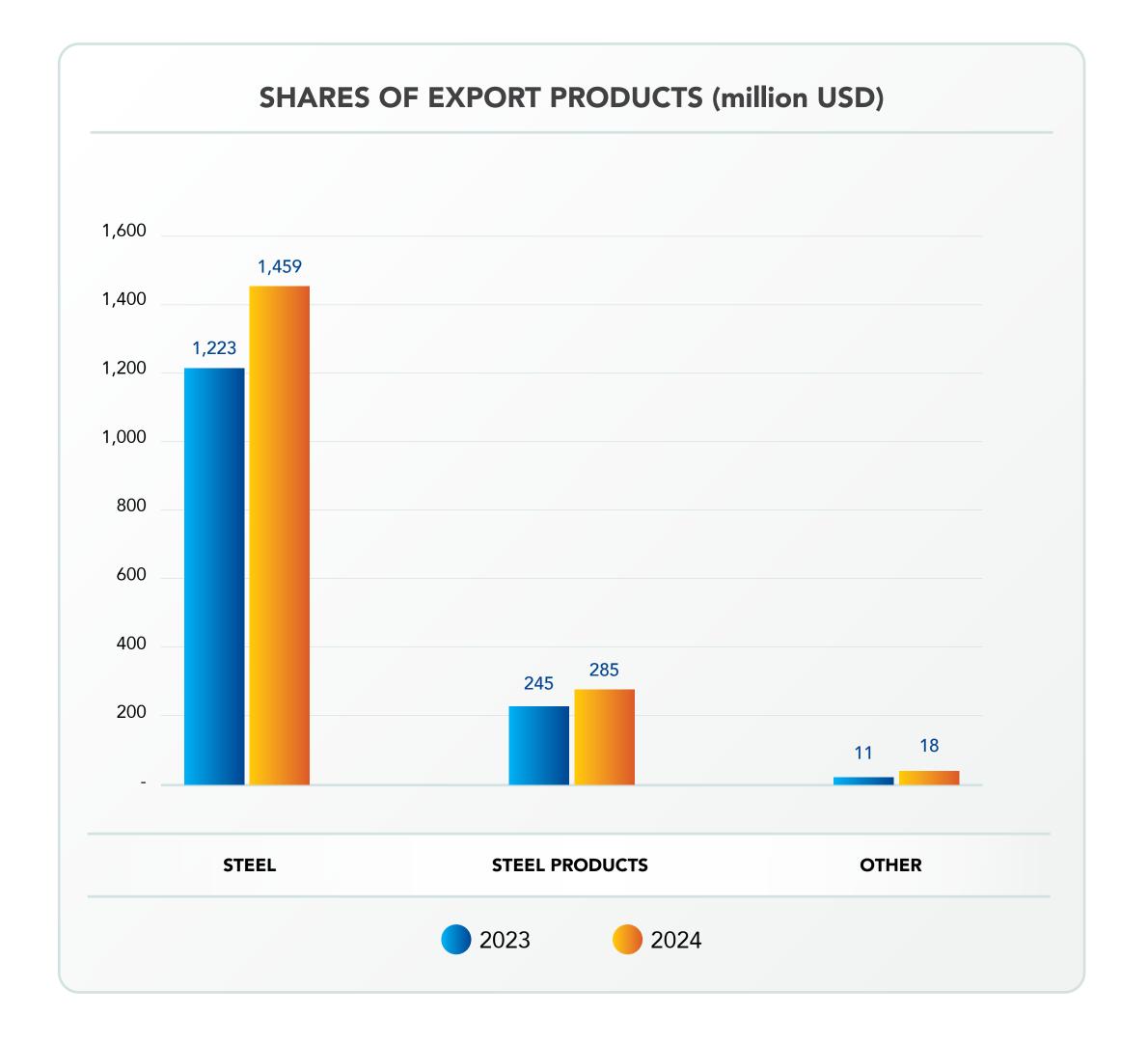
Asset structure
Capital structure
Business performance
Improvement of management
structure
Business and Production plan for
2025

FINANCE

The Group's after-tax profit reached 120% of the target, increasing by 77% year-on-year to VND 12,020 billion. The after-tax profit margin on net revenue for 2024 stood at 8.7%. Amid market challenges, this profit margin reflected the Group's strong cost management efforts and its competitive advantage from an integrated upstream production process.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) for 2024 amounted to VND 24,588 billion, a 25% increase from 2023. This growth indicates improved core business performance, excluding corporate income tax, financial costs, and depreciation expenses. The absolute EBITDA figures per quarter showed an upward trend compared to previous years. In Q4 2024, EBITDA reached VND 6,007 billion, 1.7 times higher than the VND 3,511 billion recorded in Q1 2023. The highest quarterly EBITDA was recorded in the 2nd Quarter of 2024 at VND 6,534 billion, followed by a slight decline in the subsequent quarters, reflecting the slow recovery of both demand and steel prices. While construction steel prices rebounded at the beginning of the year, it experienced a slight decline throughout 2024.

Additionally, raw material prices trended downward throughout the year, lowering production costs and improving gross profit margins compared to the previous year. However, domestic and global market demand remained weak, with declining purchasing power in most major economies, putting pressure on the domestic steel industry. To mitigate market-driven impacts on EBITDA, the Group continued to implement strict inventory management, optimize selling and administrative expenses, and reduce working capital pressure.





PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results

Finance

Asset structure

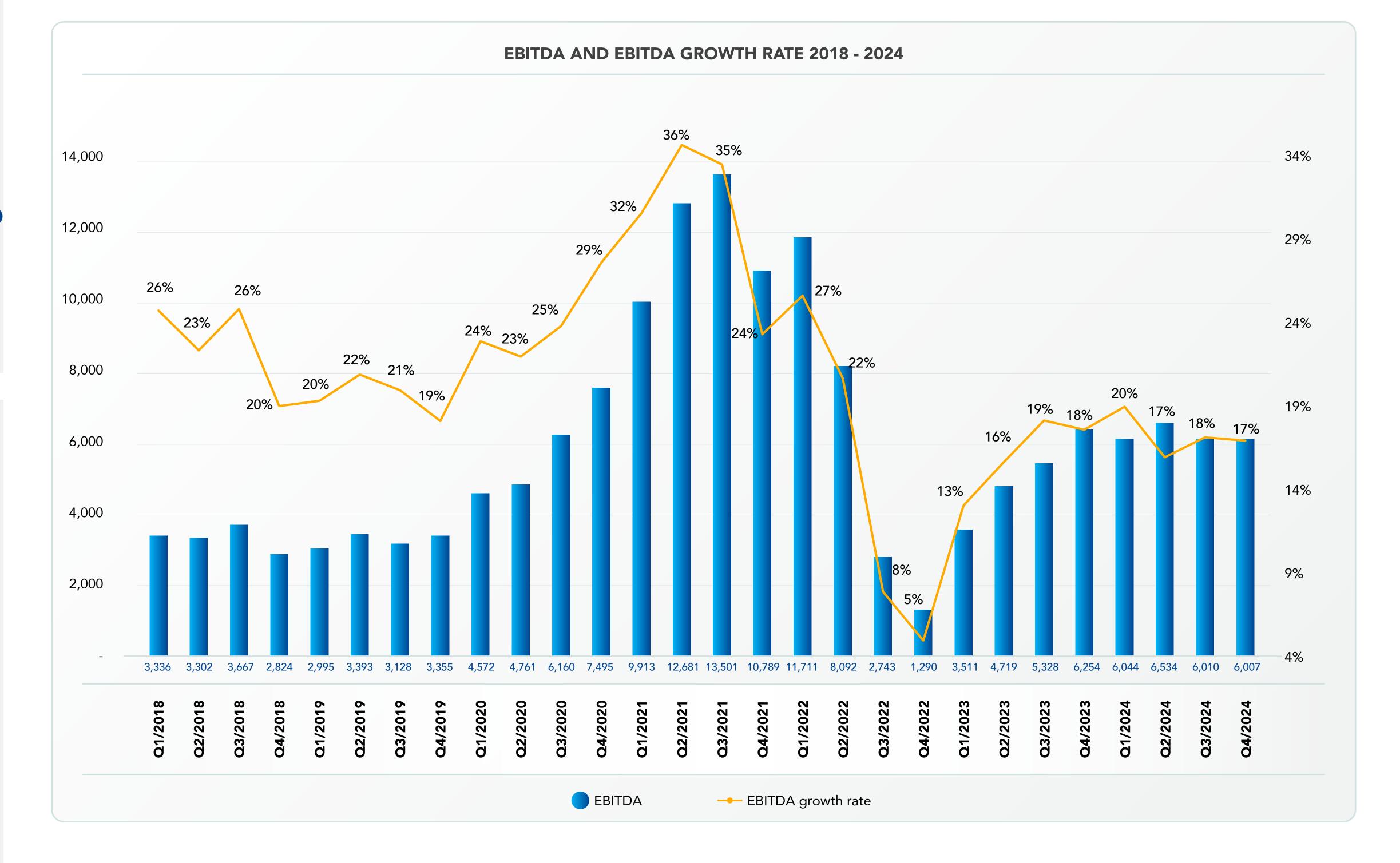
Capital structure

Business performance

Improvement of management

structure

Business and Production plan for
2025





PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors

Assessment of business results

Finance

Asset structure

Capital structure

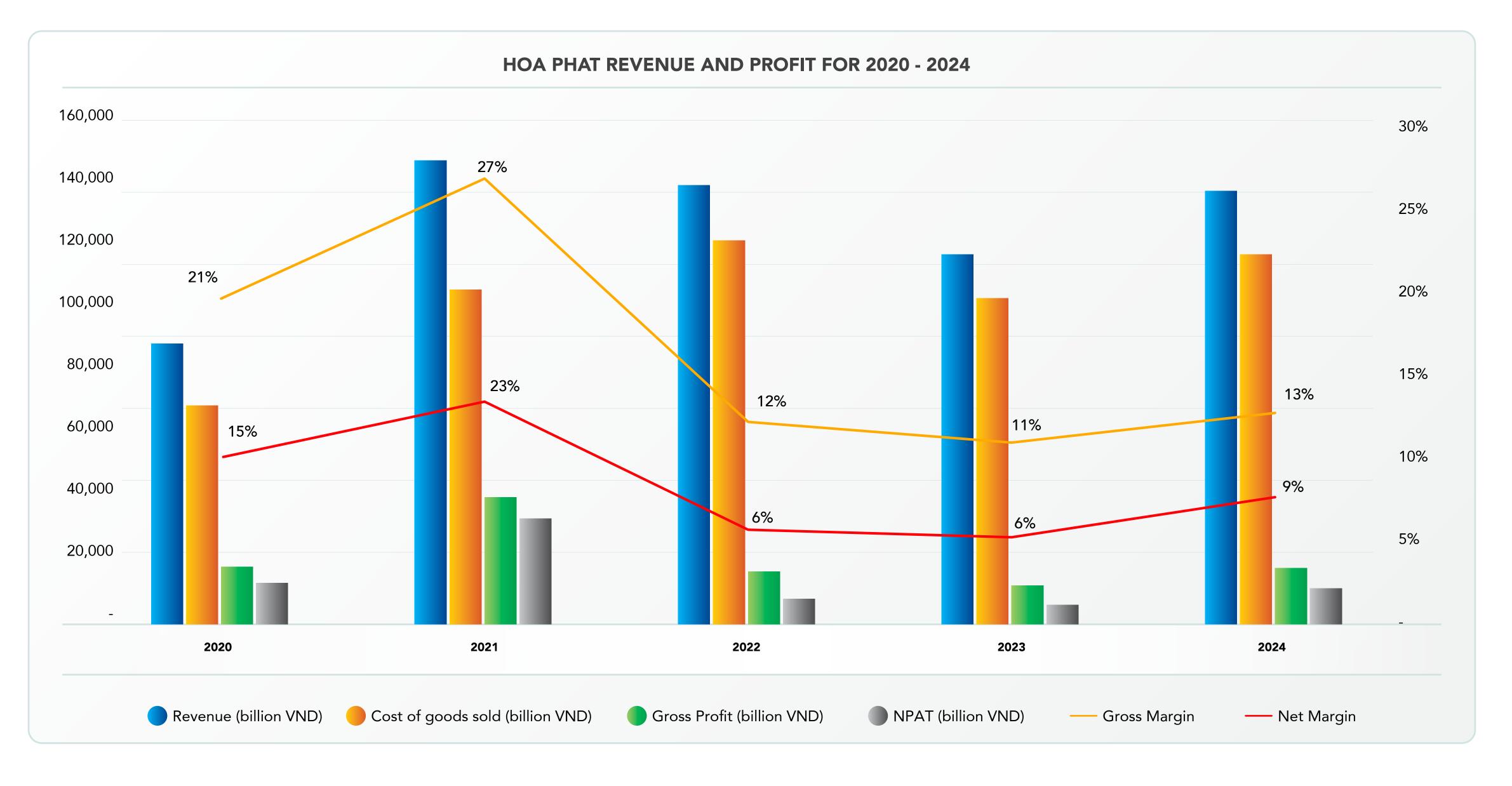
Business performance

Improvement of management

Business and Production plan for

2025

structure



In 2024, interest expenses amounted to VND 2,287 billion, marking a decrease of VND 1,298 billion compared to 2023, despite a 27% increase in outstanding debt. The primary reason for this decline was the Group's ongoing investment in large-scale projects, particularly Hoa Phat Dung Quat 2 Steel Integrated Complex. Interest expenses on loans allocated for these investment projects were capitalized, resulting in a 36% reduction in financial costs compared to 2023. The Group invested over VND 35 trillion in various projects. Hoa Phat maintained a stable financial cost ratio throughout 2024, benefiting from stable interest rates and exchange rates. By the end of the year, the short-term VND lending rates for the Group's subsidiaries ranged from 3.25% to 5%, while medium- and long-term rates varied between 2.6% and 7.2%.



PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results

Finance

Asset structure

Capital structure

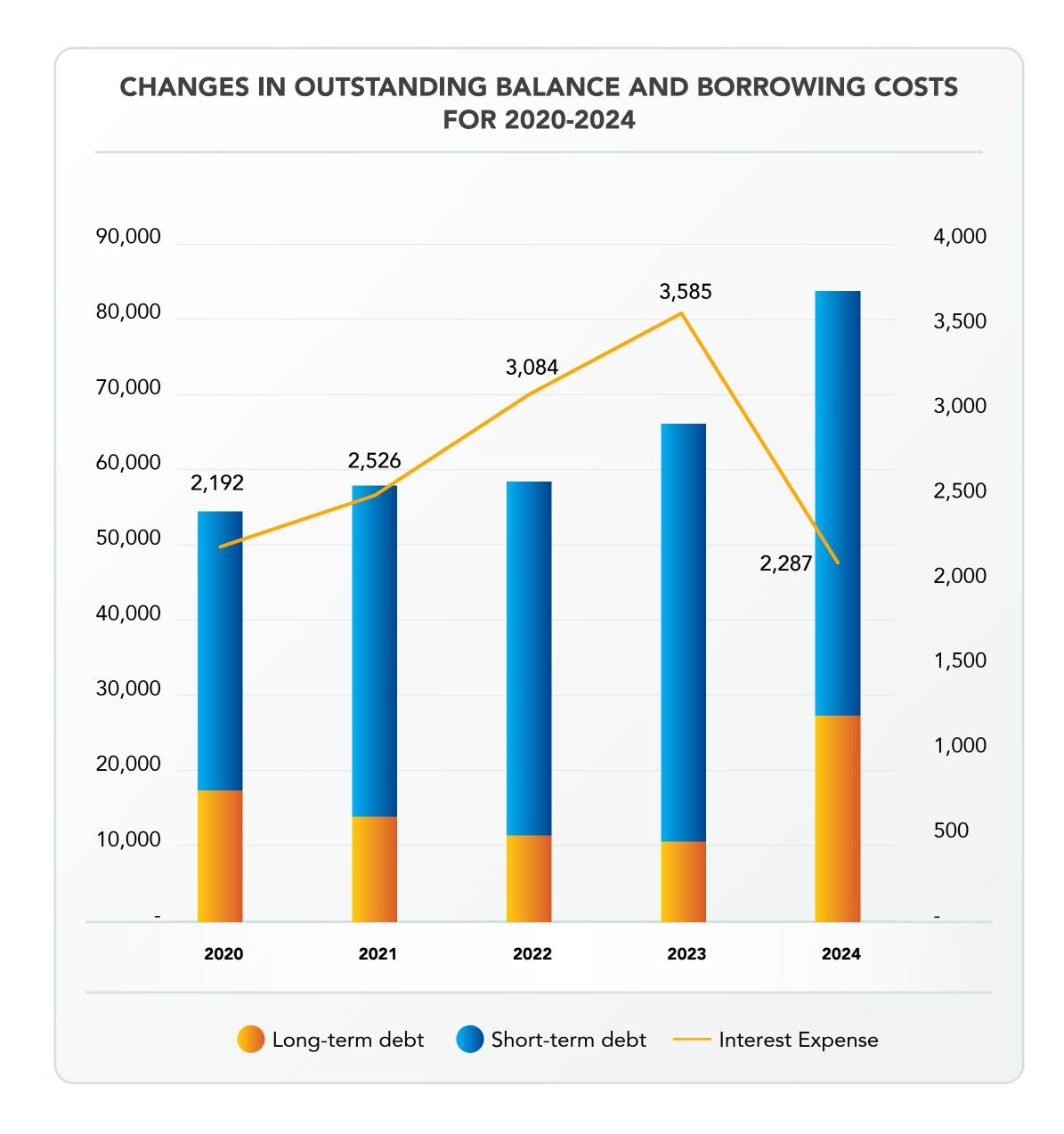
Business performance

Improvement of management

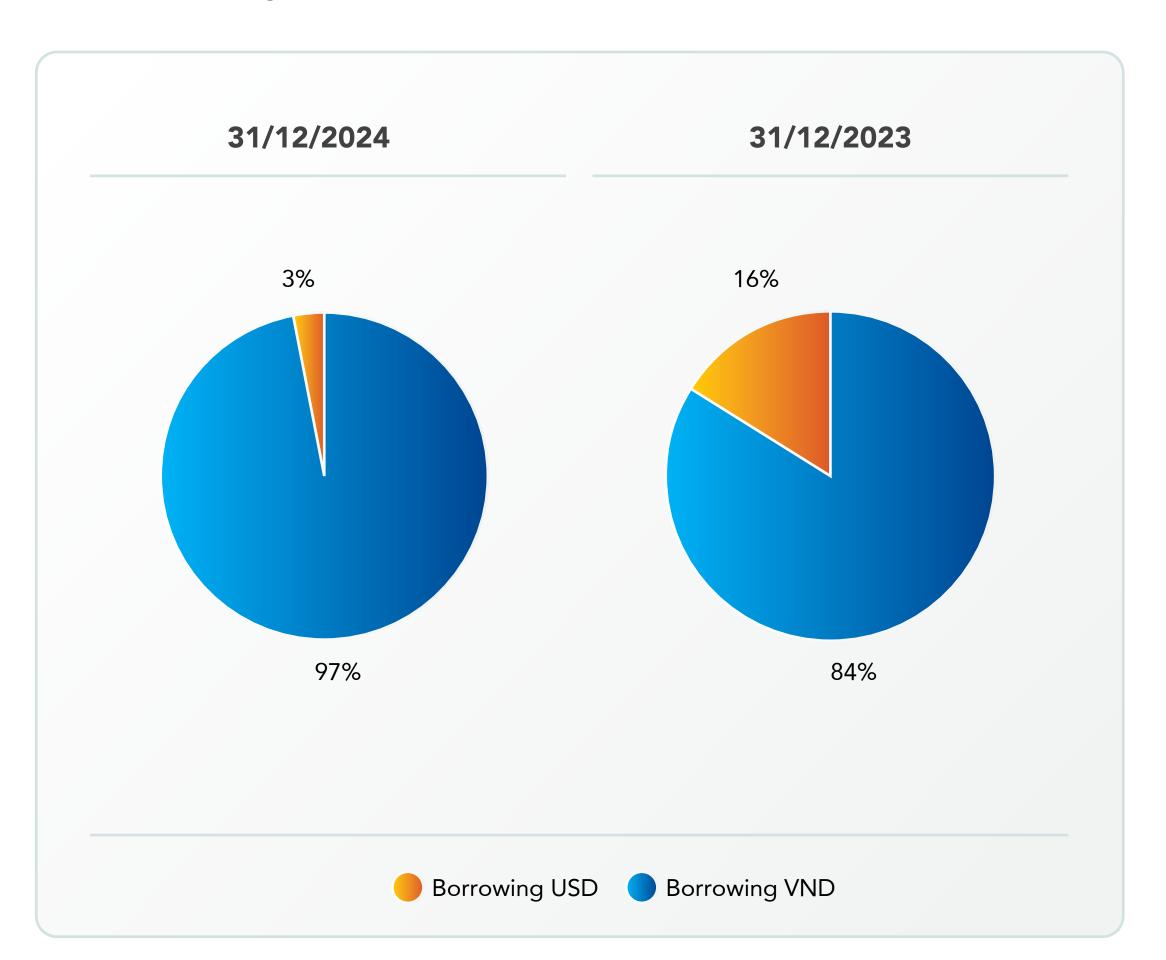
structure

Business and Production plan for

2025



Due to the uncompetitive USD lending rates in 2024, the Group reduced the proportion of debt denominated in USD from 16% in 2023 to just 3% in 2024 to minimize exchange rate and interest rate risks.





PART 2

REPORT OF BOARD **OF DIRECTORS**

List of member of BOD and Chief Accountant Report of the Board of Directors Assessment of business results Finance

Asset structure

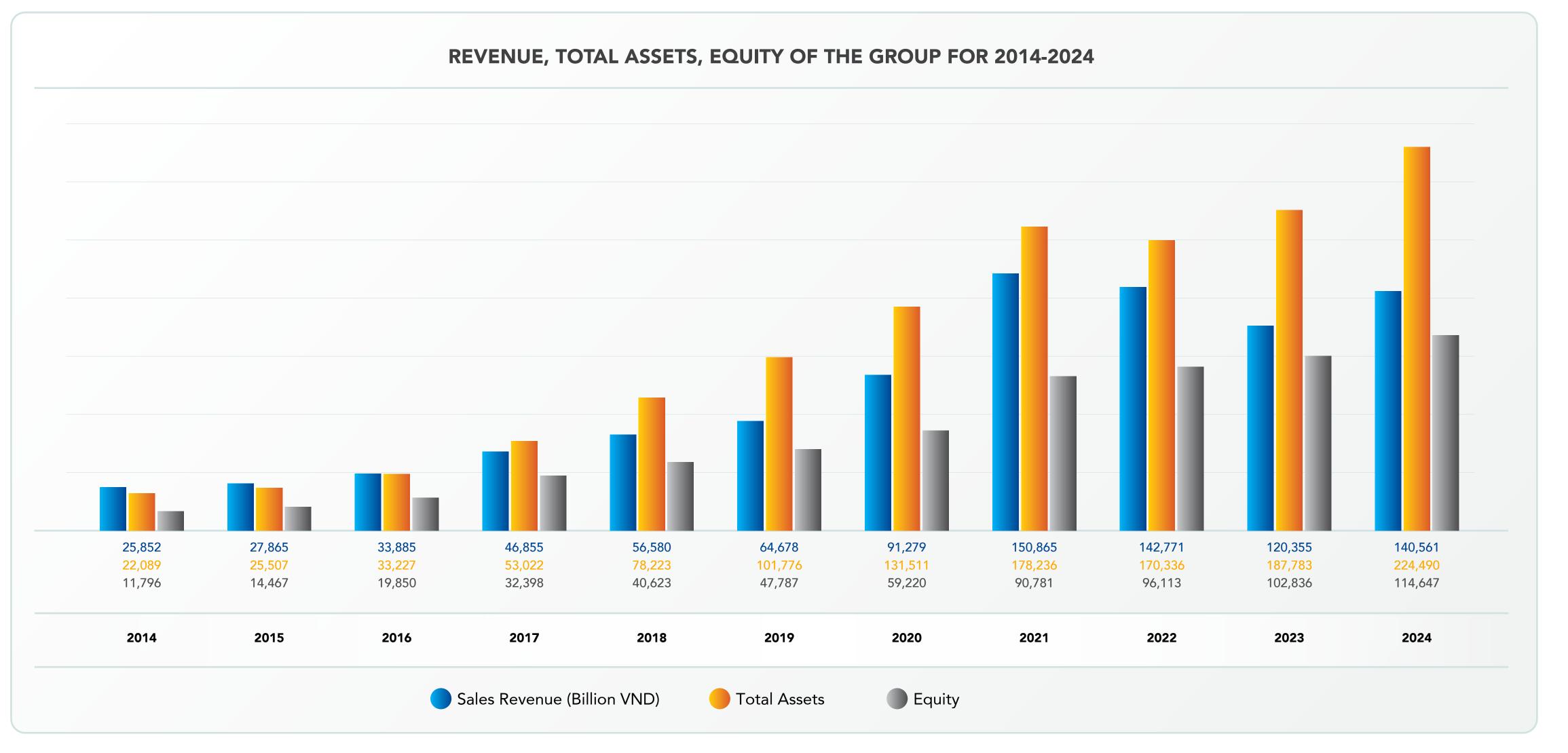
Capital structure Business performance Improvement of management structure Business and Production plan for 2025



ASSET STRUCTURE

Over the past year, the Group's total assets increased by 20% compared to 2023. Long-term assets continued to dominate, rising by VND 32,345 billion to reach VND 137,411 billion. The Group continued to record additional investments in ongoing construction projects, particularly in major developments such as the Hoa Phat Dung Quat 2 Steel Integrated Complex and the container manufacturing plant.

In 2024, short-term assets also grew by VND 3,958 billion, marking a 5% increase compared to the same period in 2023. As of the end of 2024, short-term assets accounted for 39% of total assets, while long-term assets made up 61%. The total asset scale has quadrupled over the past ten years since 2014, when the investment and construction of the Hoa Phat Dung Quat Steel Integrated Complex began. This remains a suitable and typical asset structure for the industrial manufacturing sector.





PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results
Finance

Asset structure

Capital structure

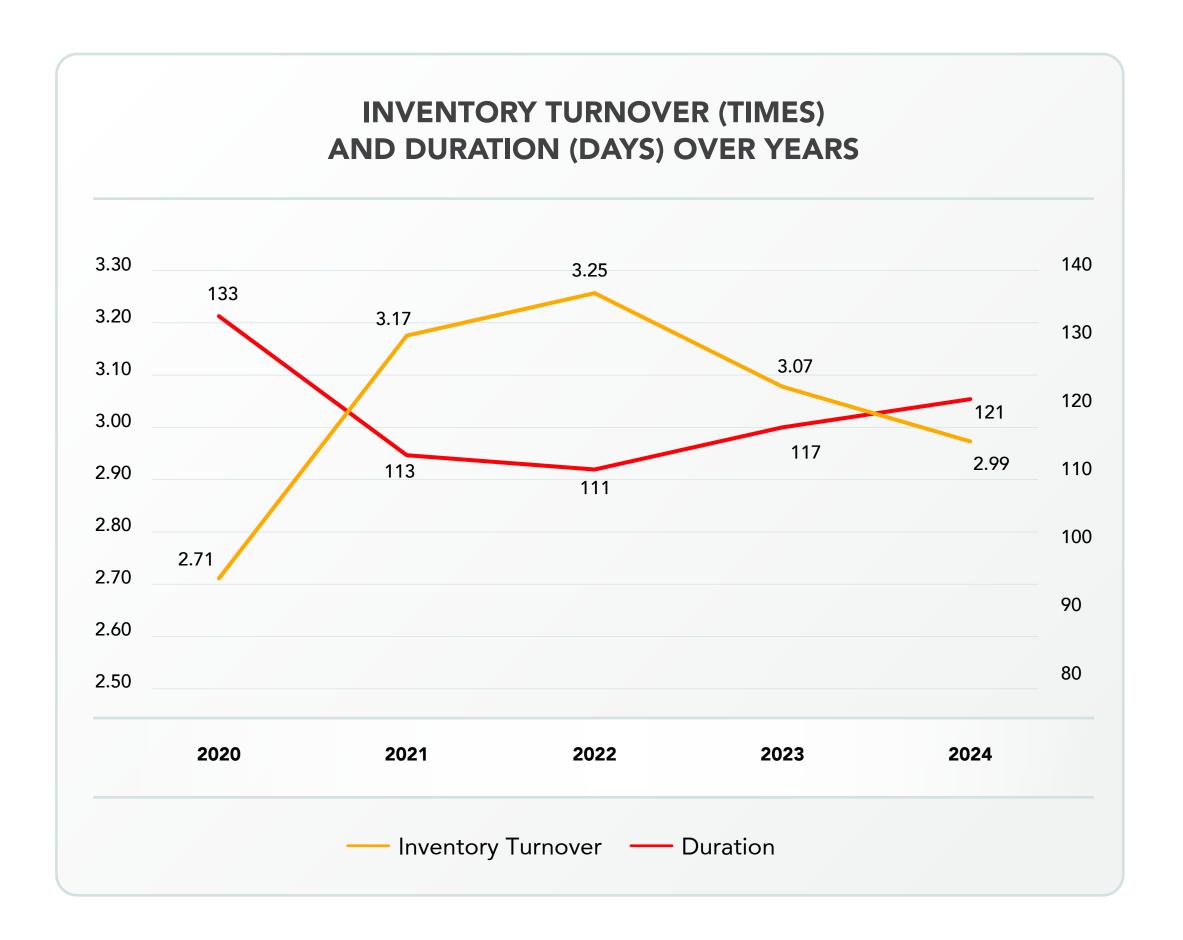
Business performance

Improvement of management

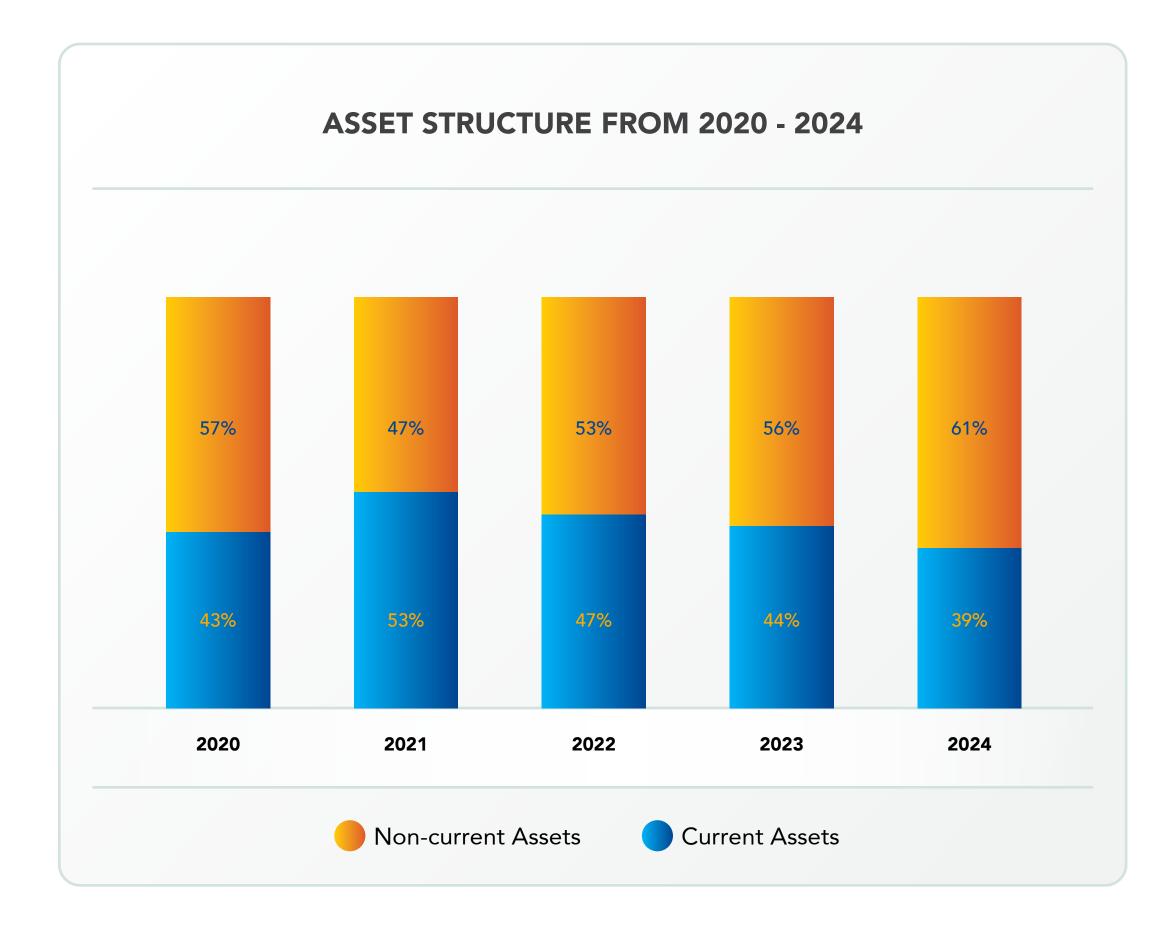
structure

Business and Production plan for
2025

Inventory accounted for 53% of current assets, with an inventory turnover ratio of 2.99 times as of December 31, 2024, representing an increase of 4 days compared to 2023. The rise in inventory levels was primarily due to preparations for the trial operation phase of Hoa Phat Dung Quat 2 Steel Integrated Complex. Given the continued downward adjustment of steel prices throughout the year, Hoa Phat has prioritized strict inventory management to minimize the production of high-cost finished goods. This approach also helps alleviate working capital burdens and reduce financial expenses



The Group has dedicated all its resources to the Hoa Phat Dung Quat 2 Steel Integrated Complex. The increase in long-term assets was primarily driven by the continued recognition of major asset categories throughout the year. Notably, construction in progress for key projects such as the Hoa Phat Dung Quat 2 Steel Integrated Complex and the Container Manufacturing Plant grew 1.5 times compared to December 31, 2023, significantly contributing to the overall expansion of long-term assets. As of December 31, 2024, the Group's long-term assets reached VND 137,815 billion, marking a strong 31% growth year-over-year. Fixed assets, investment properties, and long-term work-in-progress collectively accounted for 96% of total long-term assets, underscoring the Group's commitment to strategic, large-scale investments.





PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results
Finance

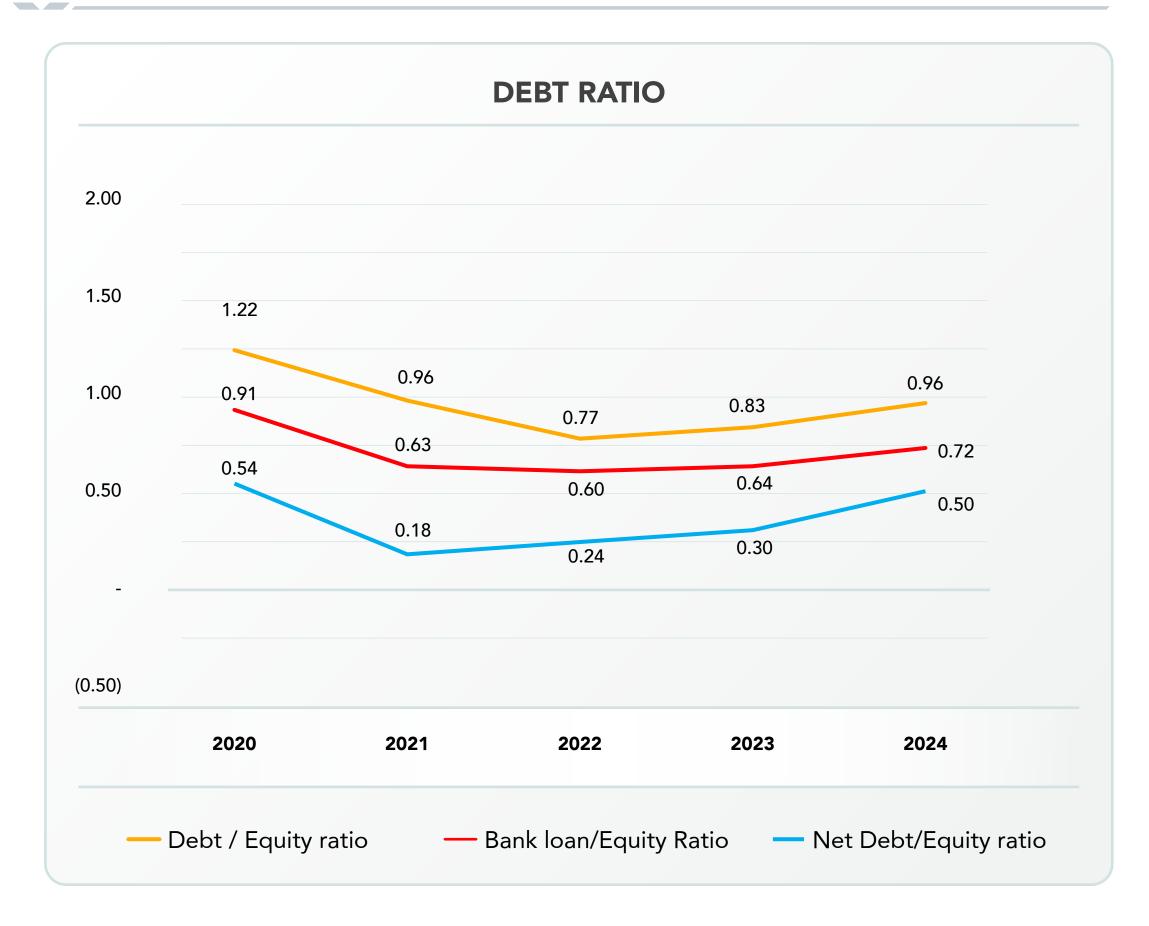
Capital structure

Asset structure

2025

Business performance
Improvement of management
structure
Business and Production plan for

CAPITAL STRUCTURE



In 2024, the Group maintained a stable financial structure. Shareholders' equity increased by 11%, rising from VND 102,836 billion to VND 114,647 billion, primarily driven by profits generated during the year. The debt-to-equity ratio declined to below 1, while the bank loan-to-equity ratio increased to 0.72x, and the net debt-to-equity ratio stood at 0.5x. The increase in debt ratios was appropriate given the accelerated progress of the Hoa Phat Dung Quat 2 Steel Integrated Complex, ensuring the project stays on schedule. Despite the rise in debt, leverage remained at a safe level, reflecting the Group's financial stability and strong self-sufficiency.



As of the end of 2024, the current ratio stood at 1.15x, and the quick ratio was 0.45x. The consistent maintenance of a current ratio above 1 indicates the Group's solid ability to meet short-term liabilities.



PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results
Finance

Capital structure

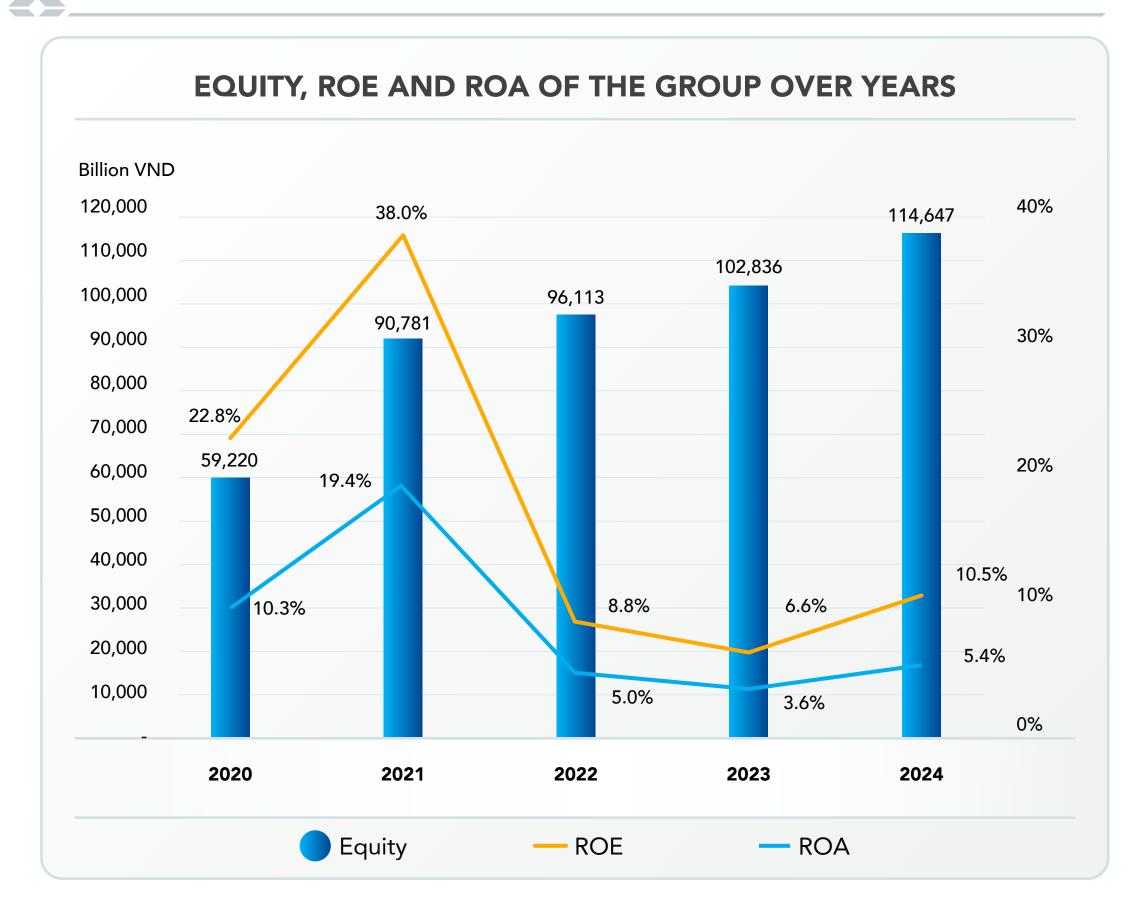
Asset structure

Business performance

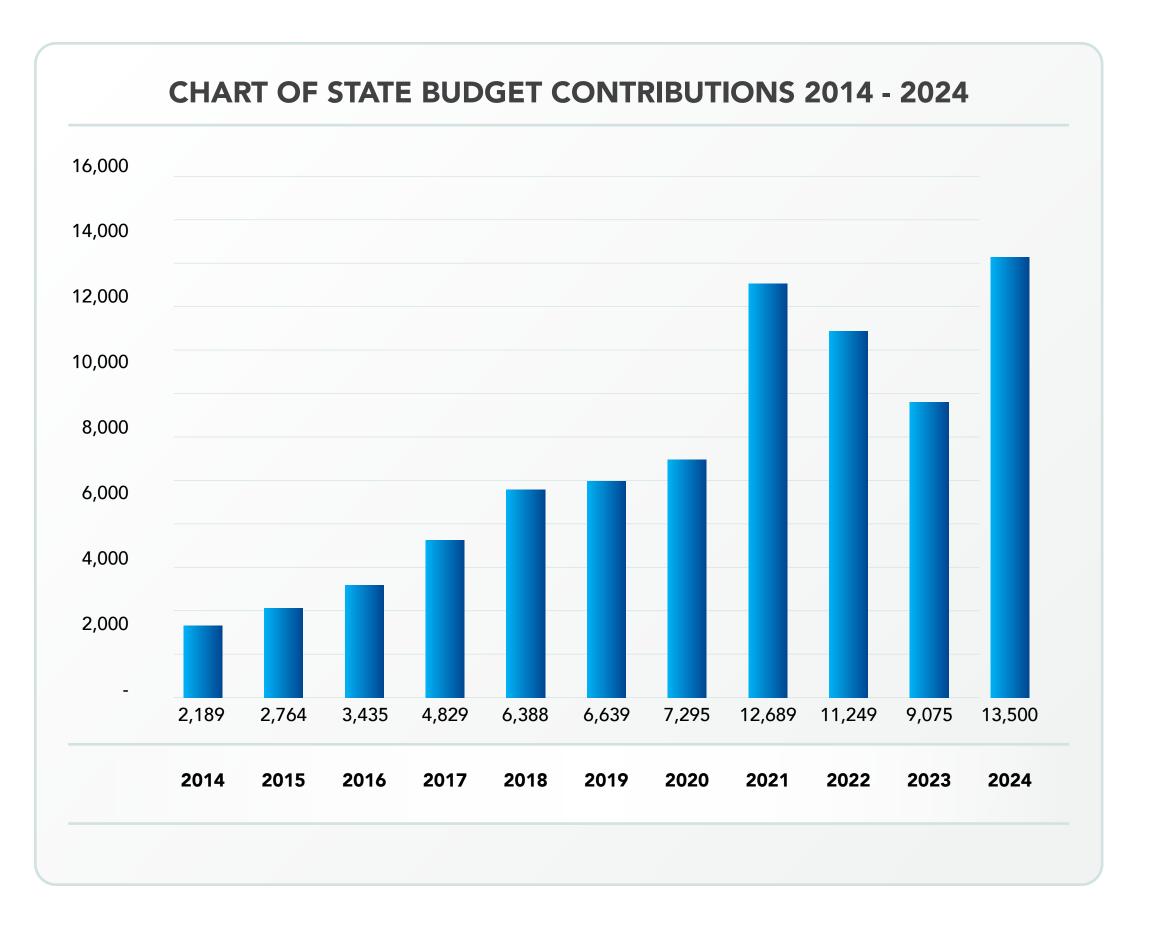
Improvement of management structure

Business and Production plan for 2025

BUSINESS PERFORMANCE



Key performance indicators for evaluating efficiency include ROE (Return on Equity) and ROA (Return on Assets). In 2024, Hoa Phat's ROE reached 10.5%, up from 6.6% in 2023. This increase reflects the Group's effective management and operational improvements, contributing to a recovery in net profit growth. Similarly, the Group's ROA improved to 5.4%, compared to 3.6% in the same period of 2023. Despite a 20% increase in total assets, the improvement in ROA indicates that net profit growth was the primary driver behind this positive change. Looking ahead, these indicators are expected to improve further as the Group's investments begin to generate greater operational efficiency.



In 2024, Hoa Phat made an unprecedented tax contribution of nearly VND 13,500 billion - the highest in the Group's 32-year history. This marks an increase of VND 4,400 billion, or 48%, compared to the previous year. The largest contributors were key subsidiaries, including Hoa Phat Dung Quat Steel, Hoa Phat Hai Duong Steel, Hoa Phat Steel Pipe, Hoa Phat Refrigeration, and Hoa Phat Construction & Urban Development. Operating in 26 provinces and cities across Vietnam, Hoa Phat remains committed to sustainable development that benefits both the company and the community. The Group actively upholds its corporate social responsibility, focusing on four key areas: Healthcare, Education, Infrastructure, and Community Development.



PART 2

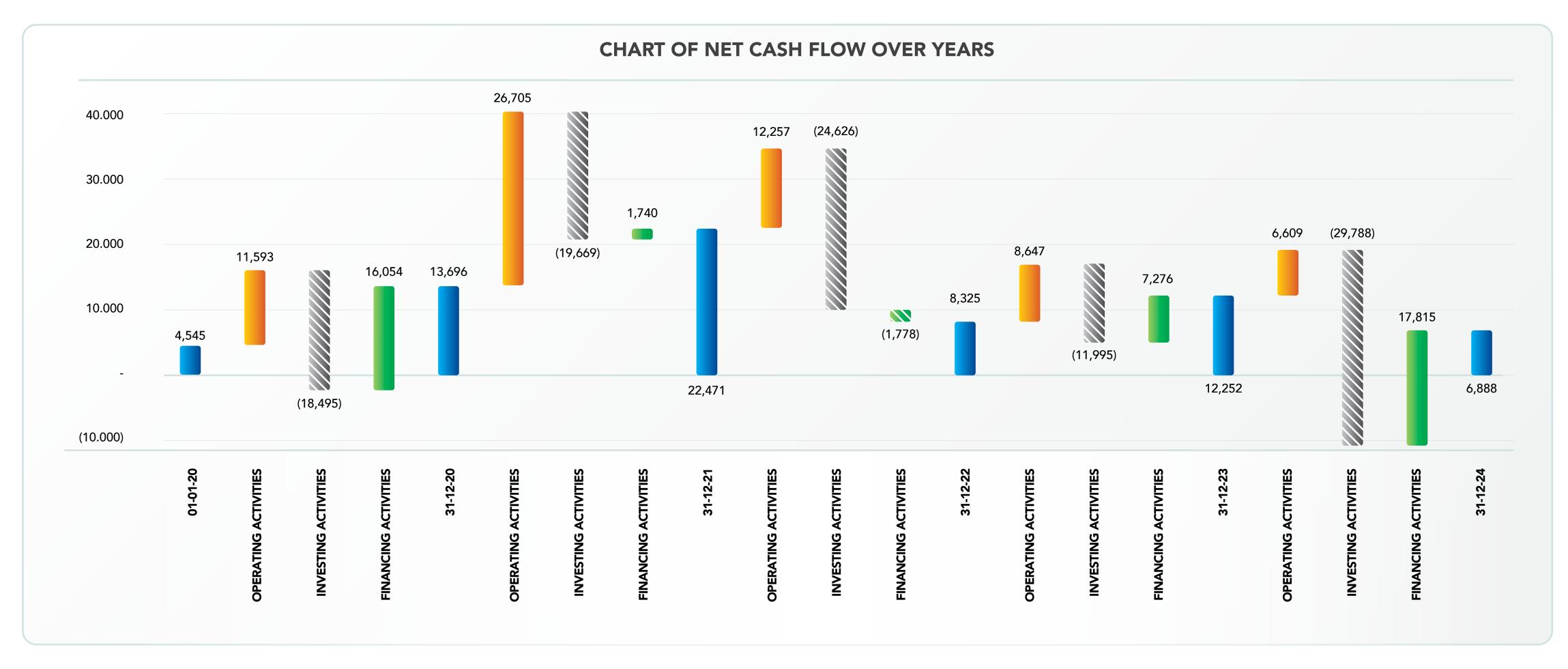
REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results
Finance
Asset structure

Business performance

Capital structure

Improvement of management structure
Business and Production plan for 2025



Throughout the years, Hoa Phat Group has continuously invested in large-scale projects, solidifying its position as a key player in Vietnam's steel industry. In 2017, the Group embarked on the Hoa Phat Dung Quat 1 Integrated Steel Complex, an ambitious project spanning nearly 400 hectares with a total investment of VND 86,000 billion. Designed for an annual capacity of 6 million tons, the complex produces 3 million tons of hot-rolled coil (HRC) and 3 million tons of high-quality construction steel. By the first quarter of 2021, the facility was fully operational, marking a significant milestone in Hoa Phat's growth journey.

Continuing its strategic expansion, Hoa Phat launched the Hoa Phat Dung Quat 2 Steel Integrated Complex in 2022, situated adjacent to its predecessor. With an area of over 280 hectares and a total investment of VND 85,000 billion, this

cutting-edge facility is set to produce 5.6 million tons of HRC and high-quality steel annually. Once completed by the end of 2025, Hoa Phat's total crude steel production capacity will reach 15 million tons per year, including 8.6 million tons of HRC. This expansion will be a game-changer for Vietnam's mechanical engineering industry, ensuring a stable domestic supply of raw materials and reducing reliance on imports, thereby fostering greater self-sufficiency in the nation's industrial sector.

Ongoing investments in large-scale projects provide the driving force behind Hoa Phat's robust and sustainable growth. The Group is poised to accelerate its expansion into high-tech steel production, reinforcing its position as the premier steel manufacturer in Southeast Asia.



PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results

Finance

Capital structure

Asset structure

Business performance

Improvement of management

structure

Business and Production plan for 2025

IMPROVEMENT OF MANAGEMENT STRUCTURE

In 2024, Hoa Phat Group continued to refine its organizational structure, consolidating its five business sectors under five General Corporations. Alongside this restructuring, the Group also appointed several key management positions at both the corporate and subsidiary levels. Additionally, Hoa Phat has implemented modern management solutions such as e-office systems, ERP, smart factories, and human resource management platforms to enhance operational efficiency.

Currently, Hoa Phat Group operates through five General Corporations across five key sectors: Iron and Steel (construction steel, hot-rolled coil, minerals, and maritime transport), Steel Products (steel pipes, galvanized steel sheet, metal processing - wire drawing steel, pre-stressed steel, and container manufacturing), Agriculture, Real Estate, and Home Appliances.

The Group's BOD currently consists of three members: Mr. Nguyen Viet Thang (CEO), along with two Deputy CEOs, Ms. Nguyen Thi Thao Nguyen and Ms. Tran Thi Thu Hien.

In 2024, the Board of Management appointed several key management positions across its General Corporations and subsidiaries. Ms. Pham Thi Hong Van was appointed CEO of Hoa Phat Agricultural Development General Corporation, Mr. Tran Kien Cuong as Director of Hoa Phat Construction and Urban Development JSC, Mr. Le Tuan Anh as Director of Hoa Phat Ha Nam Home Appliances JSC, Ms. Trinh Thi Thu Trang as Director of Hoa Phat Poultry Co., Ltd., and Mr. Vu Son Dong as Deputy Director of Hoa Phat Ha Nam Home Appliances JSC. Additionally,

in early February 2025, Mr. Hoang Ngoc Phuong was appointed Deputy Director of Hoa Phat Dung Quat Steel Company.

According to the Group's BOM, these appointments will optimize the BOD's operations, ensuring deeper engagement across business sectors and meeting the evolving demands of Hoa Phat's future growth. The Group has also prioritized leadership rejuvenation, actively developing a pipeline of managerial talent aged 30-35. Special attention is given to individuals who have demonstrated long-term commitment and a deep understanding of Hoa Phat's corporate culture and operational model. The appointment of key personnel across the General Corporations and subsidiaries is expected to enhance the Group's stability and operational efficiency.

Furthermore, numerous management appointments were made across both office divisions and production facilities. A stable, friendly working environment, attractive compensation policies, and ample career advancement opportunities continue to inspire employees to dedicate themselves to the long-term success of Hoa Phat.

To further streamline management, the Group has introduced a Corporate Structure Standards, a Corporate Governance Model Diagram at both the General Corporation and subsidiary levels, and a Delegation of Authority Policy outlining approval rights for HR-related matters, including recruitment, appointments, and transfers. Additionally, the Group is gradually implementing digital transformation initiatives to enhance the efficiency of its HR management practices.



PART 2

REPORT OF BOARD OF DIRECTORS

List of member of BOD and
Chief Accountant
Report of the Board of Directors
Assessment of business results

Asset structure

Finance

Capital structure

Business performance

Improvement of management

structure

Business and Production plan for 2025

BUSINESS AND PRODUCTION PLAN FOR 2025

On December 27, 2024, the Prime Minister issued the Official Telegram No. 140/CD-TTg on striving for double-digit economic growth in 2025. In February 09, 2025, during the visiting and working program of Prime Minister Pham Minh Chinh at the Hoa Phat Dung Quat Steel Integrated Complex, Chairman of the Board of Management Tran Dinh Long reported to the Prime Minister and the leaders of ministries and Quang Ngai province: "Hoa Phat commits itself to growing by 15% per year, responding to the country's double-digit growth target for the period 2025-2030".

Board of Directors realises many challenges in 2025 as followings:

- (1) The trade war continues to escalate in many regions and countries, limiting the ability of Vietnamese steel to access foreign markets and significantly affecting export growth.
- (2) The Russia-Ukraine conflict remains complex despite numerous efforts by the U.S. and Russia to de-escalate tensions. This situation is expected to increase the risk of unpredictable fluctuations in raw material prices.
- (3) China's economy, particularly the real estate sector, is recovering very slowly, greatly impacting the supplydemand balance of the country's steel industry. China is striving to address its surplus steel by increasing exports, which is intensifying trade tensions with other countries, including Vietnam.
- (4) Global inflation has cooled down but remains unstable. The central banks continue to maintain tight monetary policies, keeping interest rates at high levels.

With the above context, the Board of Directors has set plan for 2025 as the following directions:

- Ensure stable operation of Phase 1 of the Hoa Phat Dung Quat 2 Steel Integrated Complex project and continue investing to complete Phase 2 by Q4/2025;
- Research and produce rail steel, steel for train and high-speed train axles as well as high-quality steel for key national projects and export to the world;
- Focus on completing investment procedures to develop new industrial parks in the coming time;
- The home appliances segment focuses on expanding its product portfolio, innovating technology, and developing its brand.
- Strengthen digital transformation, implement a number of other projects such as: E-office Project, Phase 2– digitizing documents and building knowledge management warehouse;
- Standardize human resource management; MDM system a shared data management platform for the entire Group.

With the above objectives and assessments, the Executive Board submits the General Meeting of Shareholders the following consolidated business plan for the entire Group in 2025 as follows:

Expected revenue: **VND 170,000 billion**Expected profit after tax: **VND 15,000 billion**







PART PART PERFORMANCE IN 2024

- 1 PERFORMANCE OF SUBSIDIARIES
 - 1.1. Hoa Phat Iron and Steel Corporation
 - 1.2. Hoa Phat Steel Products Corporation
 - 1.3. Hoa Phat Agriculture Corporation
 - 1.4. Hoa Phat Real Estate Corporation
 - 1.5. Hoa Phat Home Appliances Corporation
- 2 HUMAN RESOURCES MANAGEMENT
- 3 EMPLOYEE POLICIES
- 4 INVESTMENT PROGRESS OF MAJOR PROJECTS
- 5 STRUCTURE OF SHAREHOLDER
 SHAREHOLDER RELATIONS





HOA PHAT IRON AND STEEL CORPORATION

Hoa Phat Iron and Steel Corporation oversees the entire iron and steel production and business operations, along with the Group's supporting activities. In 2024, Hoa Phat produced 8.7 million tons of crude steel, with total sales of hot rolled coil steel (HRC), construction steel, high-quality steel, and billets reaching 8.1 million tons.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel Corporation

Hoa Phat Steel Products
Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

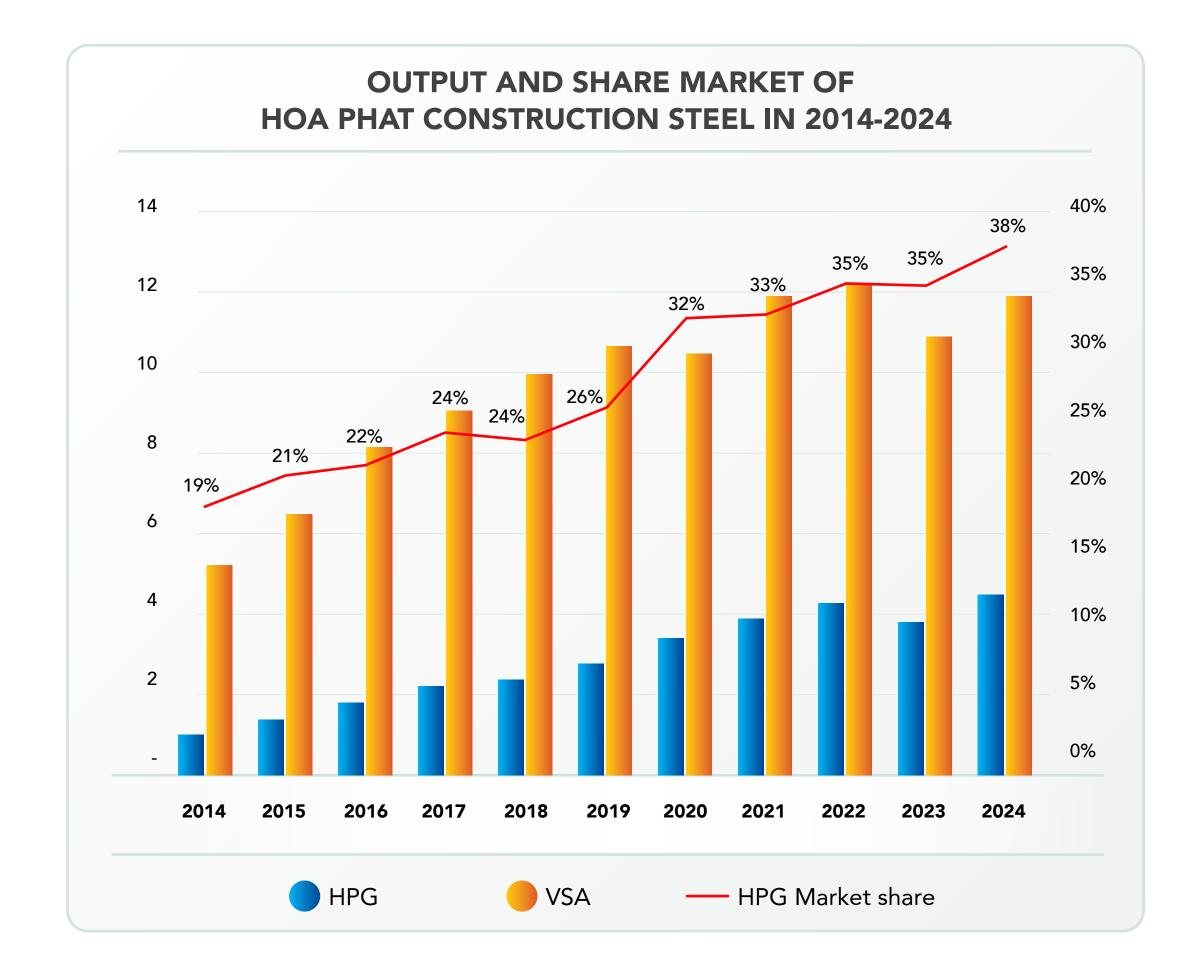
projects

Investment progress of major

Structure of shareholder

Shareholder relations

EXPANDING HIGH-QUALITY STEEL PRODUCTION AND SUPPLYING MAJOR INFRASTRUCTURE PROJECTS

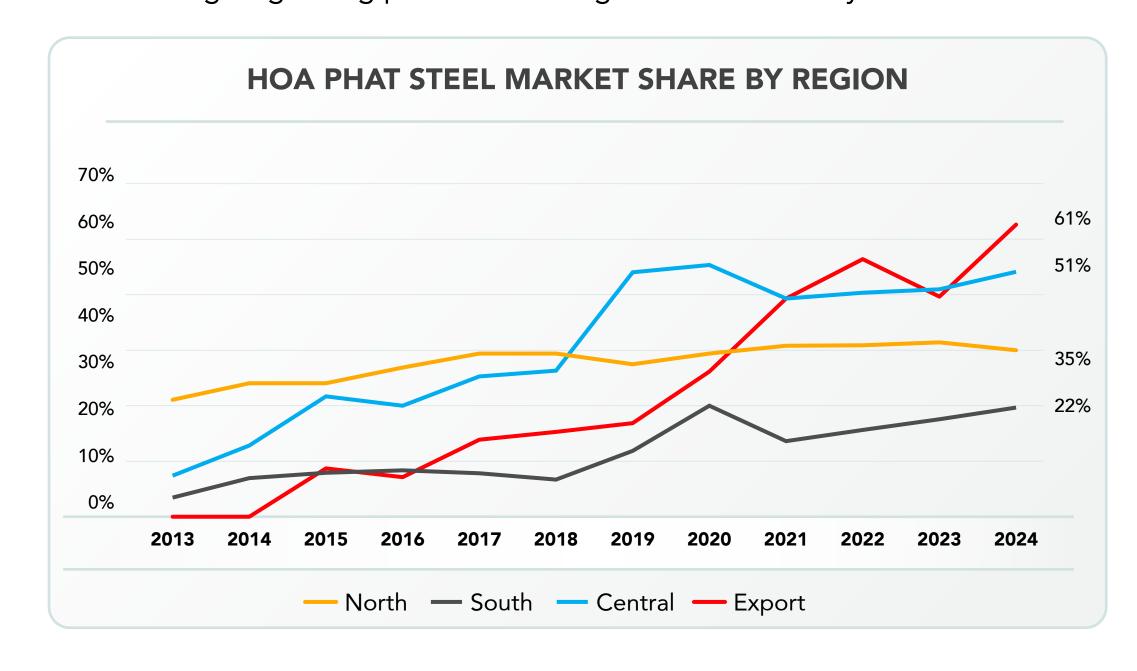


With an annual crude steel capacity of 8.7 million tons - marking a 30% increase from 2023 - Hoa Phat is currently the largest steel producer in Vietnam as well as Southeast Asia. Total steel product sales, including HRC, construction steel, high-quality steel, and billets, reached 8.1 million tons, up 20% year-on-year. Notably, construction steel and high-quality steel accounted for 4.48 million tons, reflecting an 18% incre ase from the previous year. Meanwhile, HRC production exceeded 3 million tons, growing 5% compared to 2023.

According to the Vietnam Steel Association, Hoa Phat has solidified its position as the leading player in Vietnam's construction steel market, commanding a 38% market share. Its products have been supplied to a wide range of major infrastructure projects, including airports, metro lines in Hanoi and Ho Chi Minh City, as well as other key national developments.

The Group has also produced and supplied hundreds of thousands of tons of high-tech, specialized steel for complex applications, such as tire bead wire, screws and bolts, welding rod cores, elevator cables, high-alloy cold-stamping steel, crane steel, and high-strength pre-stressed steel.

Hoa Phat Steel has expanded its footprint to nearly 40 countries and territories worldwide. In 2024, exports contributed 31% of the Group's total revenue, underscoring its growing presence in the global steel industry.





PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel Corporation

Hoa Phat Steel Products
Corporation
Hoa Phat Agriculture
Corporation
Hoa Phat Real Estate
Corporation
Hoa Phat Home Appliances
Corporation

Human resources management
Employee polices
Investment progress of major
projects
Structure of shareholder

Shareholder relations

HOA PHAT DUNG QUAT 2 PROJECT PROGRESSES ON SCHEDULE

Hoa Phat Dung Quat 2 Steel Integrated Complex, launched in the 1st quarter of 2022, spans 280 hectares with a total investment of VND 85 trillion. Designed to produce 5.6 million tons of high-quality hot-rolled coil (HRC) annually, the project utilizes advanced European continuous casting and rolling technology, enabling the production of diverse, high-quality steel products for industries such as automotive manufacturing, low-carbon steel for food can packaging and household appliances, profile steel, and weather-resistant high-strength HRC for container production.

On February 07, 2025, the Hoa Phat Dung Quat Steel Integrated Complex celebrated a milestone, surpassing 25 million tons of steel production, with HRC accounting for 48% - approximately 12 million tons.

With the unwavering commitment of tens of thousands of employees and hundreds of contractors and suppliers, the project has successfully completed the installation of Phase 1 equipment. Trial operations are scheduled to commence in the 1st quarter of 2025, adhering strictly to the planned timeline. Phase 2 is expected to be completed by the 3rd quarter of 2025.

Hoa Phat has invested USD 7 billion in the Dung Quat Economic Zone, with key projects including the Hoa Phat Dung Quat and Hoa Phat Dung Quat 2 Steel Integrated Complexes, boasting a combined investment of over VND 171 trillion. Since its inception in 2017, Hoa Phat Dung Quat Steel has contributed nearly VND 35 trillion to the state budget. The Group's projects in the Dung Quat Economic Zone have directly created jobs for approximately 17,000 workers - of which over 80% are local - alongside tens of thousands of additional jobs through contractors and partners.

Beyond job creation, the project is set to significantly drive Vietnam's mechanical and supporting industries, enhancing industrial production value and long-term fiscal revenue for Quang Ngai Province.

Currently, Hoa Phat remains committed to the successful completion and stable operation of the Hoa Phat Dung Quat 2 Steel Integrated Complex while expanding

its high-value steel processing capabilities in the Dung Quat Economic Zone. A key strategic goal is achieving self-sufficiency in steel production to support national infrastructure projects, particularly the North-South high-speed railway, slated for development between 2026 and 2030.

Upon completion in late 2025, the Hoa Phat Dung Quat 2 project will elevate the Group's total steel production capacity to 15 million tons per year, positioning Hoa Phat among the world's top 30 largest steel manufacturers.

HOA PHAT HAI DUONG STEEL SUPPLIES HIGH-QUALITY STEEL FOR THE U.S. EMBASSY COMPLEX IN HANOI

In 2024, Hoa Phat Hai Duong supplied more than 5,000 tons of high-mechanical-property ASTM A615/615M Grade 60 reinforcing steel to the U.S. Embassy Complex Project in Hanoi.

To meet the stringent technical, quality, and safety requirements set by the U.S. Government for the USD 1.2 billion U.S. Embassy Complex, the project selected various high-quality steel products from Hoa Phat.

Hoa Phat's high-quality ASTM A615/615M Grade 60 reinforcing steel is manufactured to American standards, ensuring stability in demanding work environments. This specialized steel undergoes a natural cooling process instead of quenching, resulting in superior mechanical properties and high ductility. The product's surface finish meets the strict technical standards required by the U.S. Government and the general contractor, B.L Harbert International. The successful production of Grade 60 reinforcing steel to U.S. standards underscores Hoa Phat's position as the largest steel manufacturer in Southeast Asia.

Before being supplied to the U.S. Embassy project, Hoa Phat had already mastered the production technology of non-quenched reinforcing steel and successfully exported it to the U.S., Mexico, Peru, and other markets, receiving highly positive customer feedback. Domestically, this product has been supplied to major projects, including metro lines and other key infrastructure developments.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products
Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

COMPLETIONOFGREENHOUSEGASINVENTORY IN COMPLIANCE WITH ISO 14064-1:2018 AND ISO 14067:2018

In April 2024, BSI - the leading international certification organization from the United Kingdom - issued a verification statement, confirming the greenhouse gas inventory of product lines currently produced at Hoa Phat Dung Quat Steel in accordance with ISO 14064-1:2018 and ISO 14067:2018 standards.

Hoa Phat has implemented modern closed-loop production technology from G7 countries across all integrated iron and steel complexes. In addition to utilizing residual heat from coke production for electricity generation, the complex also repurposes excess coal gas from iron and steelmaking as fuel for boilers, further contributing to electricity generation. This technology helps protect the environment, reduce CO2 emissions, and ensures up to 90% energy self-sufficiency for production.

On January 11, 2025, BSI officially issued a verification statement of inspection, confirmation and declaration of greenhouse gases according to ISO 14064-1:2018 standard to the subsidiaries of Hoa Phat Group, including companies of the Iron and Steel Corporation.

This initiative is one of the key steps that steel manufacturers must undertake as a foundation for complying with global trade requirements, particularly in the European market, as well as adhering to climate change regulations and the Carbon Border Adjustment Mechanism (CBAM).

MAINTAINING IRON ORE MINING AND PROCESSING OPERATIONS

In 2024, An Thong Mineral Investment Joint Stock Company achieved an output of 110,000 tons of various iron ore products, partially ensuring Hoa Phat's domestic iron ore supply.

An Thong's iron ore concentrate and pelletized ore are primarily supplied to Hoa Phat's Steel Integrated Complex in Kinh Mon, Hai Duong. Minh Son iron ore processing plant has proactively researched and adjusted its technology to match the characteristics of raw ore from the Sang Than mine, ensuring the production of high-quality iron ore concentrate compatible with current steel manufacturing technology at Hoa Phat Hai Duong.

FLEET RESTRUCTURING AND EXPANSION OF DOMESTIC TRANSPORTATION

In 2024, Hoa Phat focused on restructuring its fleet, adjusting vessel sizes to align with the transportation needs of Hoa Phat Dung Quat Steel Complex, especially as Phase 2 of the project comes into operation. The Group is shifting towards larger cargo vessels that match the loading and unloading capacity of Hoa Phat Dung Quat Port, optimizing logistics costs per ton of goods and improving overall transport efficiency.

Additionally, domestic transportation capacity has expanded significantly. Two 24,500-ton SB vessels, specifically designed for transporting HRC steel, were officially put into operation at the beginning of the year, ensuring high safety standards. Although classified as SB vessels, they meet stringent equipment and operational management standards, guaranteeing safety and regulatory compliance.

To enhance operational efficiency in 2024, the company implemented several technical solutions, such as adjusting main engine operations to reduce fuel consumption and emissions. The addition of auxiliary propellers has improved power efficiency, while the application of low-friction anti-fouling coatings has minimized water resistance, optimizing fuel use. Furthermore, the fleet is strictly monitored and complies with environmental regulations to minimize its impact on marine ecosystems, aligning with sustainable maritime operations.







HOA PHAT STEEL PRODUCTS CORPORATION

Hoa Phat Group's deep-processed steel products, including steel pipes, galvanized steel sheets, prestressed steel, and drawn steel wire, continue to maintain their leading market position in the industry. According to the Vietnam Steel Association, Hoa Phat holds the No. 1 market share in steel pipes nationwide at 27.7% and ranks among the Top 5 in galvanized steel sheets with an 8.2% market share.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

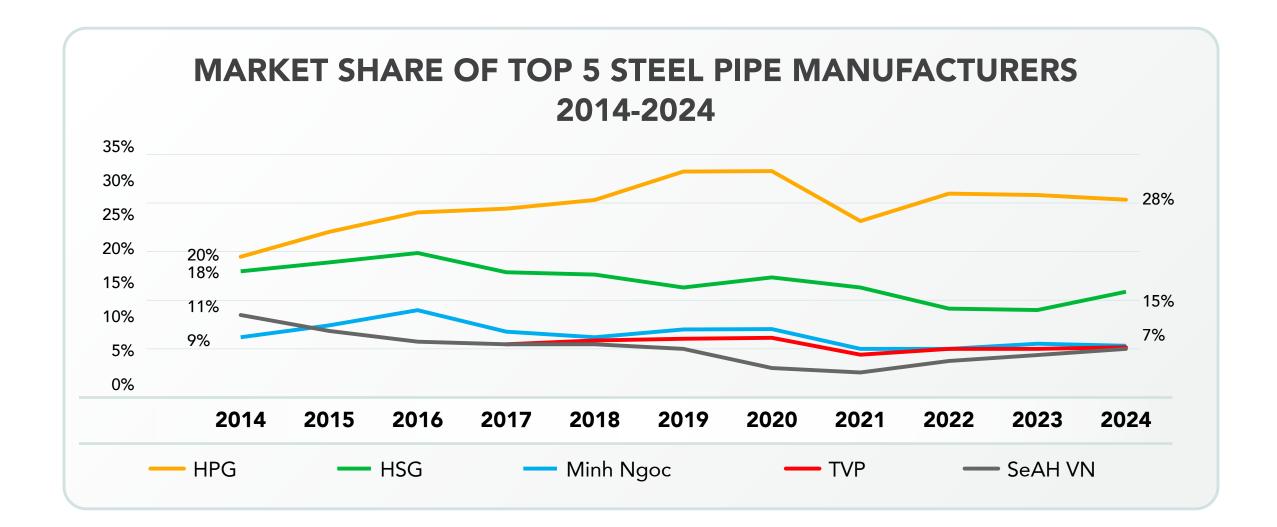
HOA PHAT STEEL PIPE SUPPLIED TO KEY NATIONAL PROJECTS

In 2024, Hoa Phat's steel pipe output exceeded 708,000 tons, marking a growth of over 3% compared to 2023 and securing a 27.7% market share, further reinforcing its position as Vietnam's No. 1 steel pipe manufacturer.

Embodying the slogan "Perfect weight - Solid foundations," Hoa Phat Steel Pipe has been a key supplier for numerous large-scale and nationally significant projects across Vietnam. Notable among them are Terminal 3 at Tan Son Nhat International Airport, Long Thanh International Airport, and Southeast Asia's largest National Exhibition and Convention Center.

As the leading brand in both residential and industrial markets, Hoa Phat Steel Pipe is widely used in diverse applications, including ultrasonic steel pipes for bored concrete piles, structural frameworks, fire protection systems, HVAC systems, water pipelines, electrical conduits, box-section beams, scaffolding supports, and purlins.

Hoa Phat's large-diameter steel pipes are of exceptional quality, meeting stringent technical and safety requirements. These pipes serve as a reliable domestic alternative to imported materials for major infrastructure projects such as airports and terminals. Certified to the highest international standards, they comply with TCVN 3783:1983, ASTM A500, ASTM A53, JIS G 3302:2010, and BS 1387/1985, alongside ISO 9001:2015 and ISO 14001:2015 quality management systems.



In early 2024, Hoa Phat Steel Pipe made history by successfully exporting its first "DIY" shipment to Japan, distributing directly to over 1,200 retail stores across the country. This milestone allows end consumers in Japan to access high-quality steel pipes directly for various applications. With a diverse product range meeting the world's most demanding standards, Hoa Phat Steel Pipe has also strengthened its presence in Australia, the Americas, and Asia, continuing to expand its global footprint.

With an annual production capacity of 1.2 million tons, Hoa Phat Steel Pipe ensures consistent quality, rapid delivery, and an extensive product portfolio. It remains the top choice for investors and contractors in both domestic and international projects.

GALVANIZED STEEL SHEET SALES IN THE DOMESTIC MARKET EXCEEDED PLAN

In 2024, Hoa Phat galvanized steel sheets recorded an impressive sales volume of 446,000 tons, marking a 36% year-on-year growth. The company maintained its strong market position, ranking among Vietnam's Top 5 largest manufacturers. Sales in the domestic market surpassed expectations, while exports witnessed robust growth, with shipments reaching key markets in Europe and the Americas.

In early June 2024, Hoa Phat Steel Sheet Limited Liability Company officially launched its latest premium steel sheet product - G7 Luxury, featuring superior quality and advanced performance. This high-end steel sheet line boasts an AZ100 coating layer that is twice as thick as conventional products, offering an exceptional 25-year warranty against corrosion and perforation. Manufactured using premium paints sourced from G7 countries, G7 Luxury stands out with its vibrant colors, market-leading coating thickness of 20/7 microns, and an extended 6-year color warranty, ensuring long-lasting brilliance and fade resistance over time.

With a diverse portfolio of high-quality steel sheet products, including prepainted cold steel sheet, premium steel sheet, galvanized steel sheet, panel steel sheet, and antifingerprint white steel sheet, Hoa Phat Steel Sheet has solidified its position in the domestic market, meeting the evolving demands of customers nationwide.

The company's state-of-the-art manufacturing facility is equipped with a fully integrated production line, encompassing descaling, cold rolling, galvanizing, cold coating, color coating, and auxiliary equipment. All machinery and technology are imported from G7 countries, ensuring world-class standards. Notably, Hoa Phat Steel Roofing is the first and only roofing manufacturer in Vietnam that independently sources hot-rolled coil (HRC) steel from the Hoa Phat Dung Quat Steel Integrated Complex, guaranteeing stable product quality and reliable supply.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products Corporation

Hoa Phat Agriculture Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

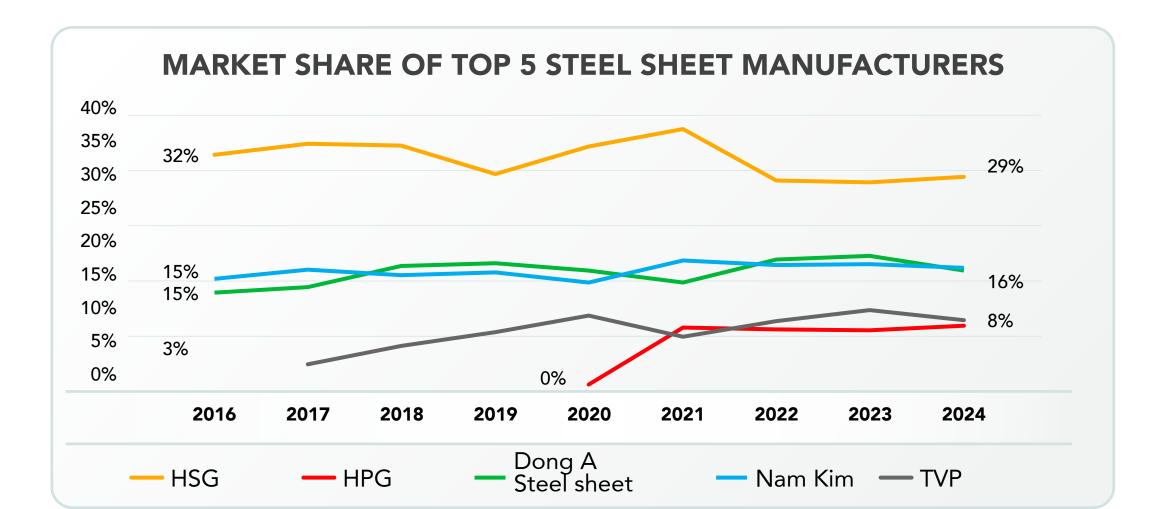
Human resources management
Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations



EXPANSION INTO PRE-STRESSED STEEL CABLE STRAND PRODUCTION

In 2024, Hoa Phat Metal Producing Co., Ltd. entered into an agreement with MFL Group (Italy) - the world's leading supplier of pre-stressed steel cable strand production equipment - to double its current production capacity. This strategic investment is in preparation for supplying key national infrastructure projects, such as the North-South High-Speed Railway, the Lao Cai - Hanoi - Hai Phong railway, the target of 3,000 km of expressways, and Long Thanh International Airport by 2025. Under the agreement, MFL Group will supply two additional PC Strand production lines to Hoa Phat's pre-stressed steel plant. Previously, in 2019, Hoa Phat had already purchased two production lines from the same supplier.

This expansion aims to meet the growing domestic demand while also boosting export capabilities. With the strategic advantage of self-sufficient raw material supply - produced in-house by the Hoa Phat Group - the company maintains a fully integrated production chain, ensuring maximum quality control and full traceability. The new production lines are expected to be installed and operational by the 3rd quarter of 2025. Designed to G7 standards, the new equipment guarantees high efficiency, consistent product quality, and optimized energy consumption. Hoa Phat will be capable of producing a full range of 1x7 pre-stressed steel cables with strength grades of 250 ksi and 270 ksi, covering nominal diameters from 9mm to 16mm, catering to diverse market needs.

Hoa Phat pre-stressed Steel Plant, located in the Dung Quat Economic Zone, is capable of producing 7-wire PC Strand in compliance with international standards such as ASTM A416 (USA), BS 5896 (UK), and EN-10138-3 (EU), or customized according to customer requirements. Hoa Phat's pre-stressed steel products have been successfully exported to demanding markets, including the United States, Canada, Brazil, Mexico,

and Colombia, as well as various countries and territories in the region such as Taiwan, Malaysia, Cambodia, Singapore, Sri Lanka, and Myanmar. In 2024, the total output of pre-stressed steel products reached 134,000 tons, marking a 28% increase compared to the previous year.

In the domestic market, Hoa Phat's PC Strand has been widely used in major infrastructure projects such as the North-South Expressway Project (Vung Ang - Bung section), the National Highway 45 - Nghi Son component project, the National Exhibition and Convention Center, and the Vietnam National University Ho Chi Minh City project. Additionally, it has been applied in various other developments, including the ITERIA Hanoi Software Development Center, AEON Mall Thanh Hoa, AEON Mall Hai Duong, and industrial facilities within clusters such as Johnson Bac Ninh, Ehua Bac Ninh, and Mahang Dung Quat.

A key advantage of Hoa Phat's PC Strand is its high tensile strength, consistent elongation control, and low relaxation, which help reduce stress loss during operation and enhance load-bearing capacity over time. These superior attributes have earned higher recognition from design consultants and construction firms compared to imported products from China, Thailand, and Malaysia.

Looking ahead, Hoa Phat aims to further develop galvanized PC Strand and PC Wire for use in cable-stayed and suspension bridges, as well as high-strength PC Strand to support the North-South high-speed railway project.

COMPLETION OF 200,000 TEU CONTAINER PLANT AND COLLABORATION WITH HAPAG-LLOYD

In 2024, Hoa Phat Container Production JSC successfully conducted trial operations for Phase 1 of its factory at Phu My II Industrial Park (Ba Ria - Vung Tau), with an annual capacity of 200,000 TEUs. The project spans nearly 39 hectares, with a total investment of VND 3 trillion.

Hoa Phat's container products have already secured orders from major shipping lines, notably a contract to manufacture 2,000 20DC containers for Hapag-Lloyd, one of the world's top five shipping companies. Additionally, several leading domestic logistics and transportation firms have placed large orders for Hoa Phat containers.

Throughout 2024, the company actively expanded its market presence through various trade exhibitions, including Intermodal Asia in Shanghai, VILOG in Ho Chi Minh City, and Intermodal Europe in Rotterdam. The plant has also attracted visits from potential partners such as Yang Ming, Maersk, CMA CGM, and HMM, paving the way for long-term collaborations.





HOA PHAT AGRICULTURAL CORPORATION

After nine years in the agricultural sector, Hoa Phat has achieved remarkable growth, with profits surging 4.6 times compared to 2023. The company exceeded its commercial pig production target by 8%, received strong market recognition for its animal feed products, set a record of 330 million eggs, and witnessed positive recovery signals in Australian cattle farming.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

OVER 565,000 COMMERCIAL PIGS SOLD, CONTRIBUTING 70% OF AGRICULTURAL PROFITS

In 2024, Hoa Phat Development of Livestock Company reaffirmed its strong position in pig farming despite challenges posed by Super Typhoon Yagi and disease outbreaks. The company's total commercial pig sales exceeded 565,000, surpassing its target by 8%. This included market hogs, breeding pigs, and high-quality replacement gilts. With competitive pricing among the highest in the market, pig farming contributed to 70% of the Agricultural Corporation's total profit.

After nearly a decade in the industry, Hoa Phat now operates an extensive network of farms across Yen Bai, Hoa Binh, Bac Giang, Thai Binh, Binh Phuoc, Hanoi, Hung Yen, Vinh Phuc, and Hai Phong. This broad farm network ensures a stable supply and enhances competitiveness within the sector.

The newly operational Long Ha sow farm has delivered positive results, supplying over 90,000 commercial piglets and nearly 200 breeding gilts to the market, strengthening Hoa Phat's position in southern Vietnam.

The company is also focusing on digital transformation in management and operations. The implementation of Bravo software in pig sales and farm equipment management has improved efficiency, while a specialized HR management system has optimized workforce utilization.

Hoa Phat's livestock operations have created employment for 1,100 workers, primarily from local communities. Alongside competitive benefits, the company organizes specialized training programs on livestock management, occupational safety, and fire prevention. A video-based training library has been developed to standardize educational content, laying the foundation for a future E-learning system.

ENSURING A STABLE SUPPLY OF HIGH-QUALITY FEED NATIONWIDE

In 2024, Hoa Phat Animal Feed Company continues to cement its strong position in the market through the efficient operation of two factories in Hung Yen and Dong Nai. With an extensive distribution network spanning the North, Central, and South regions, the company caters to a diverse range of livestock and poultry segments.

This year, the company surpassed its revenue and production targets with remarkable growth, further strengthening its overall business performance.

Regarding product structure, pig feed accounted for nearly 76% of the total animal feed portfolio, with feed for piglets making up over 10% of total pig feed sales. The "Hoa Phat Feed & Pig" duo has garnered high praise from customers for its outstanding effectiveness in enhancing health, accelerating growth rates, and improving meat quality. Additionally, the introduction of nearly 200,000 breeding pigs to the market has become a key advantage, creating opportunities to drive simultaneous growth for both Hoa Phat's feed and livestock products.

In terms of production technology, the company successfully launched specialized feed for farm-raised pigs (both market hogs and sows), utilizing a balanced formulation of low crude protein and high amino acid content. Optimization efforts also included implementing a liquid organic acid spraying system, reducing raw material costs and labor expenses.

The company has actively embraced digital transformation by integrating specialized software modules to enhance data management. Notably, the Dong Nai plant's achievement of GlobalGap certification underscores the company's commitment to advanced technology and international-quality standards.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

A RECORD-BREAKING 330 MILLION EGGS - THE HIGHEST EVER

Hoa Phat Poultry Company Limited, a subsidiary of Hoa Phat Agriculture Corporation, is dedicated to breeding layer hens and supplying clean eggs to the market. In 2024, commercial egg production exceeded 330 million eggs, marking an increase of nearly 20 million compared to the previous year - a record high in the company's history.

Hoa Phat eggs are now available in over 100 supermarkets, covering Hanoi, Hung Yen, Hai Duong, Hai Phong, and numerous provinces across all three regions. The continuously expanding distribution network has strengthened brand recognition while ensuring a stable and reliable supply of clean eggs for the market.

Production operations have created employment for over 330 workers, with more than 80% being local residents in Phu Tho province. By prioritizing local labor, the company maintains a stable workforce while contributing to regional economic development.

Beyond its business objectives, the company remains committed to corporate social responsibility, actively supporting scholarship funds and providing water filtration systems for schools. These initiatives reflect its long-term dedication to the community and efforts to improve the quality of life in local areas.

AUSTRALIAN CATTLE BUSINESS REBOUNDS WITH PRODUCTION SURPASSING TARGETS

Hoa Phat's Australian cattle segment witnessed a significant recovery in 2024, driven by strengthened collaboration with international nutrition experts and the integration of digital technology into management. Comprehensive production optimization, organizational restructuring, and stringent cost control enabled the business to exceed its planned targets.

Looking ahead to 2025, Hoa Phat will continue refining its organizational structure, delegating responsibilities more effectively, and enhancing operational oversight at farms and departments. The primary goals remain increasing weight gain in cattle, improving meat quality, and expanding beef supply to the market with the best pricing and quality - ultimately boosting the company's overall business performance.









HOA PHAT REAL ESTATE CORPORATION

In 2024, Hoa Phat Real Estate Corporation made significant strides in expanding its industrial land portfolio, attracting foreign investment, and developing social housing projects. The company's industrial park (IP) land reserve now spans nearly 1,488 hectares, concentrated in three key northern provinces: Hung Yen, Ha Nam, and Bac Giang.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

One of the year's most notable milestones was Hoa Phat securing approval to become the official investor in the Dong Phuc Industrial Park infrastructure development project in Bac Giang. Spanning nearly 355 hectares across Dong Phuc and Tu Mai communes, Bac Giang City, this project boasts a total investment of nearly VND 3.732 trillion, with investor contributions reaching nearly VND 560 billion. The project's developer, Dong Phuc Industrial Park Infrastructure Development JSC, is a Hoa Phat subsidiary established in April 2022.

According to the plan, the company will begin land clearance immediately, with infrastructure construction set to commence by the end of 2025 and investment promotion activities kicking off in Q1 2026. Once operational, the project is expected to create approximately 41,000 jobs. The industrial park will have a 50-year operational period from the date of land allocation, lease approval, or land-use conversion.

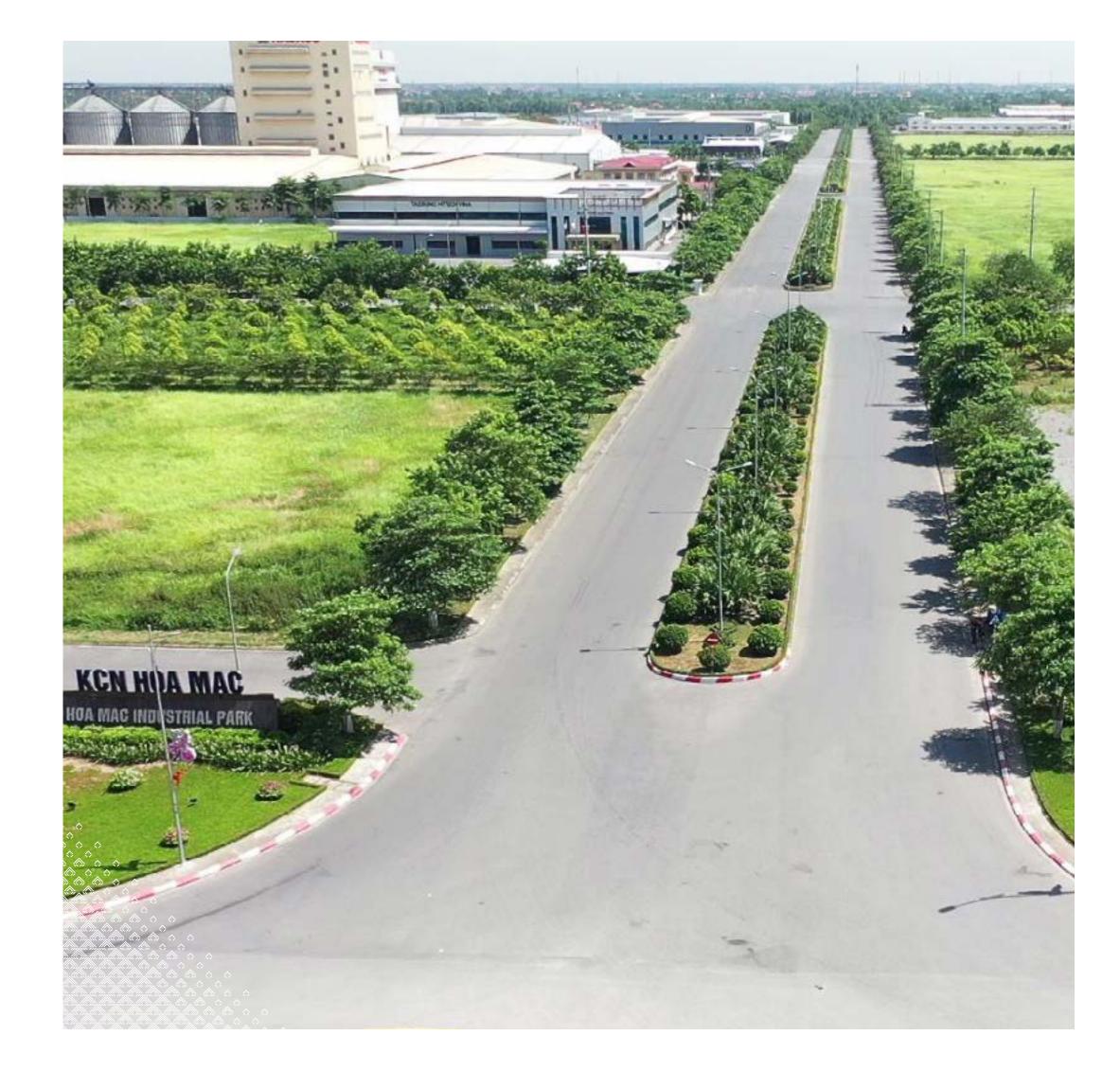
Among existing industrial parks, Pho Noi A Industrial Park (Hung Yen), covering over 689 hectares, continues to be a prime destination for major corporations from the U.S., Japan, South Korea, and Europe. The park currently boasts a 97% occupancy rate, hosting 222 domestic (DDI) and foreign direct investment (FDI) projects.

At Hoa Mac Industrial Park (Ha Nam), spanning 131 hectares, 30 enterprises - mainly from South Korea and Japan - operate successfully, maintaining a 100% occupancy rate.

Meanwhile, Yen My II Industrial Park (Hung Yen), with a total area of 313.5 hectares, has achieved positive results through its two-phase development plan. Phase 1, covering 97.5 hectares, saw an investment of nearly VND 900 billion. Riding this momentum, the Phase 2 expansion has completed land clearance and infrastructure development, with plots ready for investors. Yen My II currently has an occupancy rate of nearly 50%, hosting 49 DDI and FDI projects.

The expanded Yen My II Industrial Park is attracting strong interest from both domestic and international investors, including existing tenants seeking expansion and new FDI players from Germany, Japan, Taiwan, China, South Korea, and leading Vietnamese brands. The park's strategic location offers exceptional connectivity, with seamless access to Hanoi's city center, airports, and seaports via the Hanoi-Hai Phong Expressway.

Beyond industrial development, Hoa Phat is actively advancing a 31-hectare social housing project within Yen My II Industrial Park. This initiative aligns with



the company's commitment to sustainable development and social welfare for workers. The project will feature 9,000 apartment units and 250 townhouses, providing housing for approximately 11,500 people, with construction slated to begin in 2025. By addressing workers' housing needs and improving living conditions within the industrial zone and surrounding areas, this project will serve as a catalyst for regional development.

Looking forward, Hoa Phat Group is in the process of securing investment approvals for three additional industrial parks, reinforcing its long-term vision for industrial and real estate expansion.





HOA PHAT HOME APPLIANCES CORPORATION

Hoa Phat Home Appliances Corporation expands its product portfolio and market reach, focusing on technological innovation and brand development. The company has launched a series of new products and commenced operations of its induction cooker production line with an annual capacity of 300,000 units.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

HOA PHAT REFRIGERATION ENGINEERING CO., LTD. EXPANDS INTERNATIONALLY, LAUNCHES NEW PRODUCTS

In 2024, Hoa Phat Refrigeration made significant progress by expanding its export markets, introducing a wide range of new products, and achieving a 50% revenue growth compared to the previous year.

The company successfully introduced its 286L Double Inverter refrigerator to the U.S. market, meeting the country's stringent safety standards. This product features plastic components certified with UL94 flame resistance and electronic parts that fully comply with international safety certifications required in the U.S. and Canada.

Throughout the year, Hoa Phat Refrigeration also launched various new products. The latest Funiki refrigerator series, with three models ranging from 46L to 286L, has captivated consumers with its sleek tempered glass design and cutting-edge technology. The 286L model, approaching the 300L segment, integrates Double Inverter technology in both its motor and fan, ensuring ultra-quiet operation and energy efficiency. It also features a multi-dimensional cooling system combined with Silver Nano antibacterial technology, keeping food fresh for longer.

In addition, Hoa Phat introduced its new Funiki dryers in 2024, offering two key product lines: Smart Dryers and Standard Dryers. The Smart Dryer 10kg incorporates FineAl technology and a Smart Sensor, which automatically adjusts the temperature for different fabric types. Meanwhile, the Standard Dryer features reverse tumble drying technology to prevent wrinkles and is designed for user-friendly operation with the philosophy "Turn & Dry."

With a strategic focus on product innovation and export market expansion, Hoa Phat Refrigeration is steadily solidifying its position in Vietnam's home appliance sector while enhancing its reputation in international markets.





PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

EXPANDING PRODUCT PORTFOLIO, ENHANCING USER EXPERIENCE

2024 served as a pivotal year for Hoa Phat Home Appliances Corporation in restructuring its product lineup and development strategy. Moving forward, the company will establish a three-pillar product strategy, focusing on Water Purifiers, Air Coolers, Kitchen Appliances & Cookware.

Hoa Phat's water purifiers are continuously improved to meet market demand. In August 2024, the company launched a 12-core water purifier collection featuring the next-generation Ultra H8.0 filtration system. This innovation doubles hydrogen retention, enhances post-filtration water quality, increases water flow, prevents leaks, and simplifies filter replacement for users.

To cater to diverse needs, Hoa Phat expanded its product range with semi-industrial RO water purifiers featuring an 80-liter/hour filtration capacity and a 35-liter storage tank, ensuring sufficient clean water supply for high-traffic areas. Additionally, the company developed specialized purifiers for brackish water and limestone-heavy water, addressing unique regional requirements.

As a flagship product, Hoa Phat's water purifiers were honored as the only brand to receive the National Brand Award in 2024. To reinforce its market presence, the company launched the campaign "Enduringly Delivering Clean Water," emphasizing the core values of "pure filtration" and "lasting durability."

With in-house manufacturing advantages, Hoa Phat's air coolers have now been exported to neighboring countries, marking the company's initial step toward international expansion in the air cooling segment.

By the end of 2024, Hoa Phat officially commenced operations at its induction cooker production plant, with an annual output capacity of 300,000 units. The facility boasts six highly automated production lines, where products undergo direct quality checks on the assembly line before packaging. The plant is also equipped with an automated, cyclical aging test system, ensuring that its products meet European and global export standards.

Coinciding with the year-end launch of new product lines such as air fryers and high-frequency rice cookers, Hoa Phat Home Appliances Corporation introduced a multi-channel communication campaign titled "Enjoy a gentle & leisure TET" to engage consumers.

In 2025, the company aims to complete production lines for range hoods and rice cookers, reinforcing its commitment to delivering high-quality products to domestic customers in the affordable segment.





PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

HUMAN RESOURCES MANAGEMENT

	TOTAL	QUALIFICATION					GENDER	
COMPANY		Above University Degree	University	College & Vocational	Technical worker	Unskilled worker	Male	Female
Hoa Phat Group Office	145	2	85	11	=	47	73	72
Iron and Steel Corporation	24,467	39	4,372	6,680	8592	4,784	22,703	1,764
Steel Products Corporation	4,156	15	832	1,147	449	1,713	3,693	463
Agriculture Corporation	2,150	12	482	320	76	1,260	1,122	1,028
Real Estate Corporation	579	6	160	56	51	306	418	161
Home Appliances Corporation	1,283	2	269	194	76	742	881	402
Total	32,780	76	6,200	8,408	9,244	8,852	28,890	3,890



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

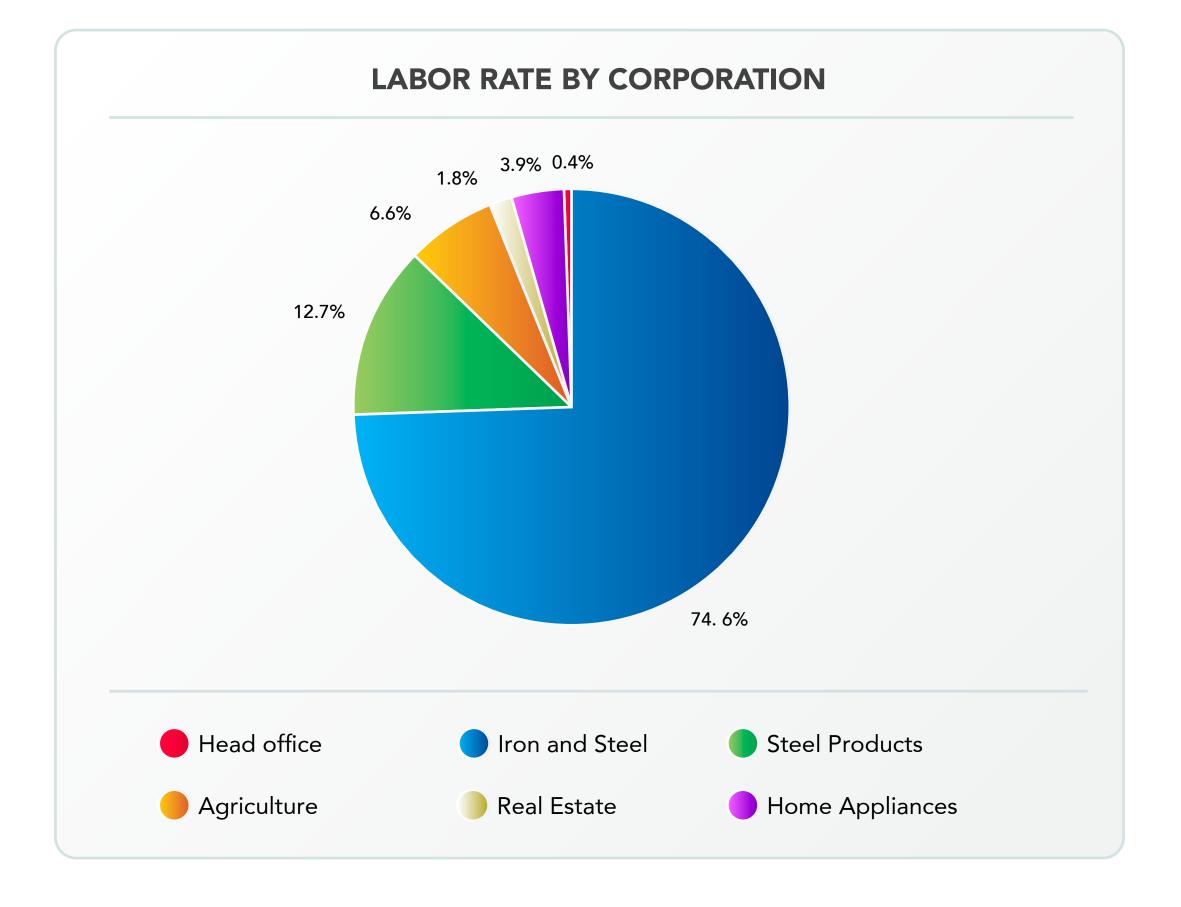
Investment progress of major projects

Structure of shareholder

Shareholder relations

EMPLOYEE POLICIES

Hoa Phat stands as a leading industrial manufacturing conglomerate, with a vast operational reach spanning numerous provinces from North to South. Its extensive network of factories, integrated complexes, industrial zones, and farms is powered by a workforce of nearly 33,000 employees. With a vision to foster a progressive work environment, the Group has implemented a strategic approach to human resource management, aiming to cultivate a culture of dedication and long-term commitment among its employees.





STANDARDIZING HUMAN RESOURCE POLICIES

As part of its ongoing efforts to refine and optimize its compensation, benefits, and reward systems, Hoa Phat has undertaken several key HR projects throughout the year. Notably, initiatives such as the job value chain, job classification frameworks, and department-specific role delineations have been successfully completed. By the end of 2024, a comprehensive job evaluation system had been established across the Group, laying the groundwork for a fully developed HR policy framework aligned with its business strategy. Additionally, performance-based evaluations and structured salary grading continue to be integral components of employee management.

At Hoa Phat, employees receive not only salaries, year-end bonuses (including the 13th-month salary and performance-based bonuses graded A, B, and C) but also enjoy a broad spectrum of additional incentives. Outstanding teams and individuals who contribute innovative solutions or excel in their roles are duly recognized and rewarded. This policy has been a driving force in fostering employee engagement, encouraging continuous improvement, and elevating work efficiency. As a result, numerous innovations have been introduced, significantly optimizing the Group's production and business operations.

Furthermore, Hoa Phat diligently upholds all labor regulations set by the Government. Every officially contracted employee is entitled to social and health insurance benefits, ensuring their well-being. Across the Group's subsidiaries, close collaboration with grassroots trade unions has led to various programs aimed at enhancing employees' material and spiritual welfare. Those facing financial hardship, illness, or family emergencies receive timely support, including financial aid for living expenses and medical treatment. Particularly during the Lunar New Year, certain subsidiaries arrange transportation for employees to return home for the holidays, reinforcing the strong bond between the company and its workforce.

Looking ahead to 2025, Hoa Phat is set to further refine its HR policies, focusing on key areas such as employee assessment systems and workforce planning to ensure sustainable development.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major projects

Structure of shareholder Shareholder relations

HUMAN RESOURCE TRAINING & DEVELOPMENT

As of 2024, the Group employed a total of 32,780 workers. Among them, Hoa Phat Steel Corporation had the largest workforce, exceeding 24,000 employees, followed by the Steel Products Corporation with over 4,000 employees. Currently, 14,684 employees - more than 45% of the total workforce - hold vocational or higher qualifications. As an industrial manufacturing enterprise, Hoa Phat's workforce is predominantly male, accounting for over 88% of its total employees.

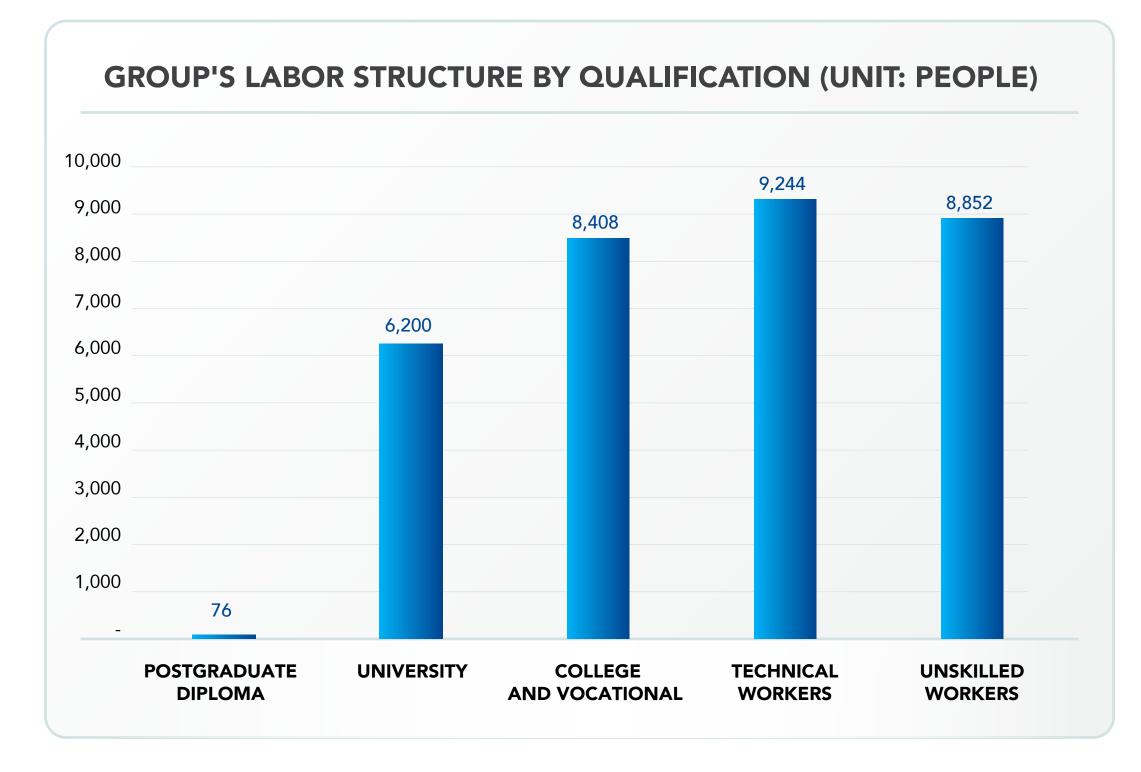
Hoa Phat firmly believes that the quality of its workforce is the key determinant of corporate success. As such, employee training, development, and upskilling remain top priorities. The Group continues to focus on grooming its next generation of leaders and managers by prioritizing long-term, highly skilled, and experienced employees. These individuals undergo continuous training, internal rotations, and exposure to both domestic and international management practices to enhance their expertise.

Training initiatives are structured with flexibility and aligned with strategic goals through five key approaches: classroom-based training, on-the-job coaching, seminars and knowledge-sharing sessions, e-learning, and experiential learning through job rotations.

The "Internal Instructor Program" remains a cornerstone of Hoa Phat's training strategy, equipping employees with methodologies for developing training materials and effectively delivering content across different levels of the organization. Following this program, subsidiaries have implemented specialized post-training initiatives, including process optimization, interdepartmental workflow enhancements, and the creation of multimedia-based internal training materials.

Hoa Phat has also forged strong partnerships with various universities and colleges to develop tailored competency-building programs for the Group and its subsidiaries. In 2024 alone, thousands of employees participated in training sessions conducted by experts from institutions such as Hanoi University of Science and Technology, Foreign Trade University, Judicial Academy, College of Technology & Commerce, Railway College, Dung Quat College of Technology, and College of Mechanical Engineering. Additionally, the Group's specialized divisions have conducted sector-specific training programs in areas such as IT, human resources, finance, and legal affairs for its member companies.

Beyond technical and professional training, Hoa Phat diligently adheres to legal requirements by maintaining dedicated occupational health and safety units.



The Group regularly collaborates with relevant authorities to conduct training on environmental safety, fire prevention, emergency response, and disaster management, ensuring a secure working environment for all employees.

DIGITALIZATION IN HUMAN RESOURCE MANAGEMENT

Recognizing the transformative power of technology, Hoa Phat has prioritized the digitalization of its HR management systems. In April 2024, the Group officially launched a comprehensive HR management system across all subsidiaries, streamlining HR processes while ensuring accuracy, transparency, and efficiency in workforce planning. Moreover, digital transformation has been seamlessly integrated into employee training through e-learning platforms, with several subsidiaries leveraging digital tools to facilitate knowledge sharing and corporate culture initiatives. The Group has also introduced gamified learning experiences, including corporate culture competitions, to enhance employee engagement.

This digitalization journey will continue into 2025, with further expansion into new HR modules, ultimately aiming to achieve a fully digitized human resource management ecosystem across the Group.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major projects

Structure of shareholder

INVESTMENT PROGRESS OF MAJOR PROJECTS

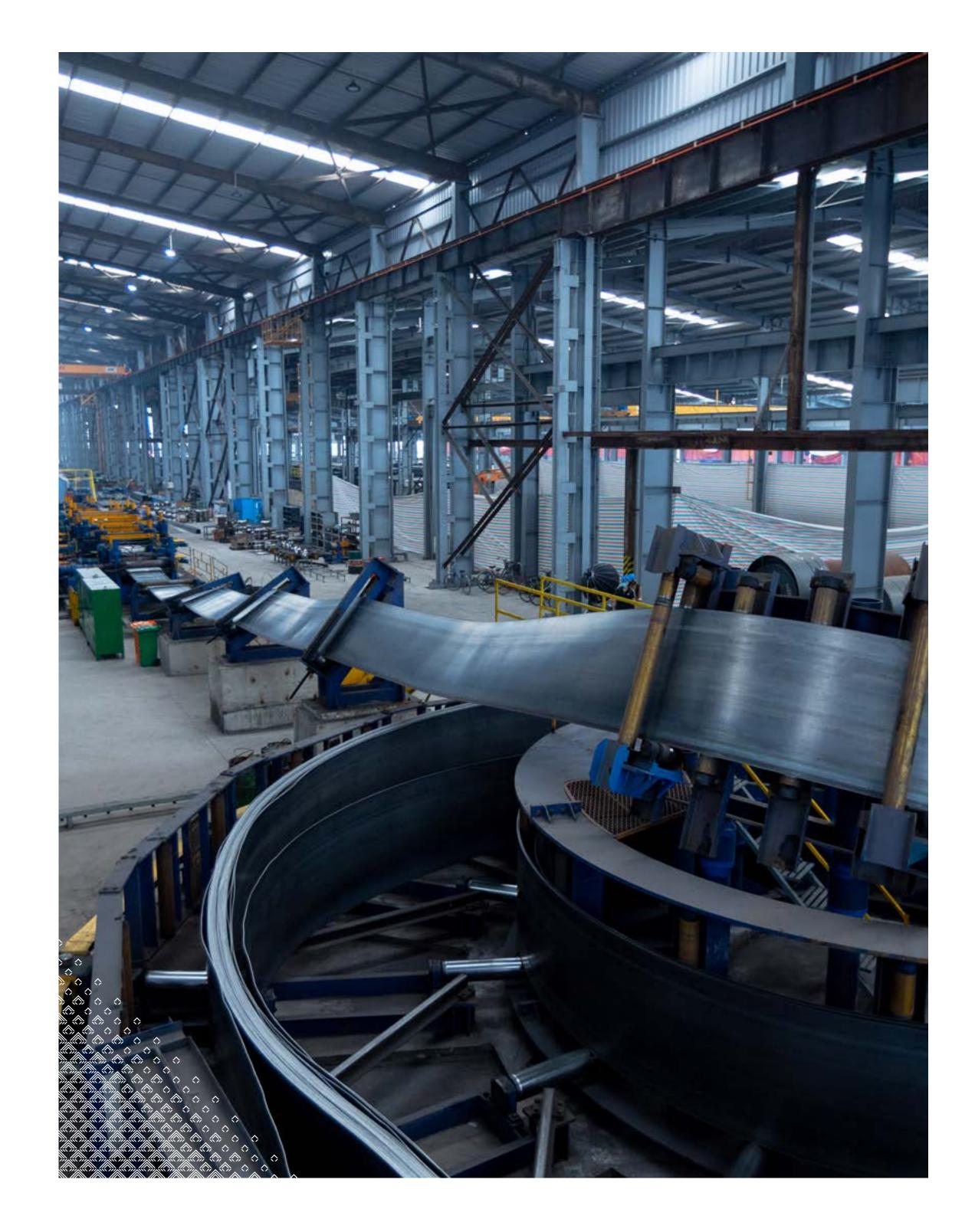


HOA PHAT DUNG QUAT 2 STEEL INTEGRATED COMPLEX PROJECT

- Location: Dung Quat Economic Zone, Quang Ngai Province
- Total investment: VND 85,000 billion
- **Project timeline:** Construction commenced in Q1 2022, with a total execution period of 3 years.
 - Phase 1 is expected to begin production in Q1 2025.
 - Phase 2 is scheduled for completion by Q4 2025.

HOA PHAT LONG AN STEEL PIPE FACTORY PROJECT

- Location: Thuan Dao Industrial Park, Can Duoc District, Long An Province
- Scale: 14.5 hectares, with an annual capacity of 400,000 tons
- **Total investment:** VND 2,500 billion. Newly constructed facility to expand production capacity, catering to both the Southern market and export demand.
- **Product range:** includes welded black steel pipes, galvanized steel pipes, hot-dip galvanized pipes, Grade B steel pipes, and API pipes for large-scale infrastructure projects.
- **Progress:** Legal procedures have been completed. Construction of the manufacturing facility is underway. The plant is expected to commence operations in 2025.





PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

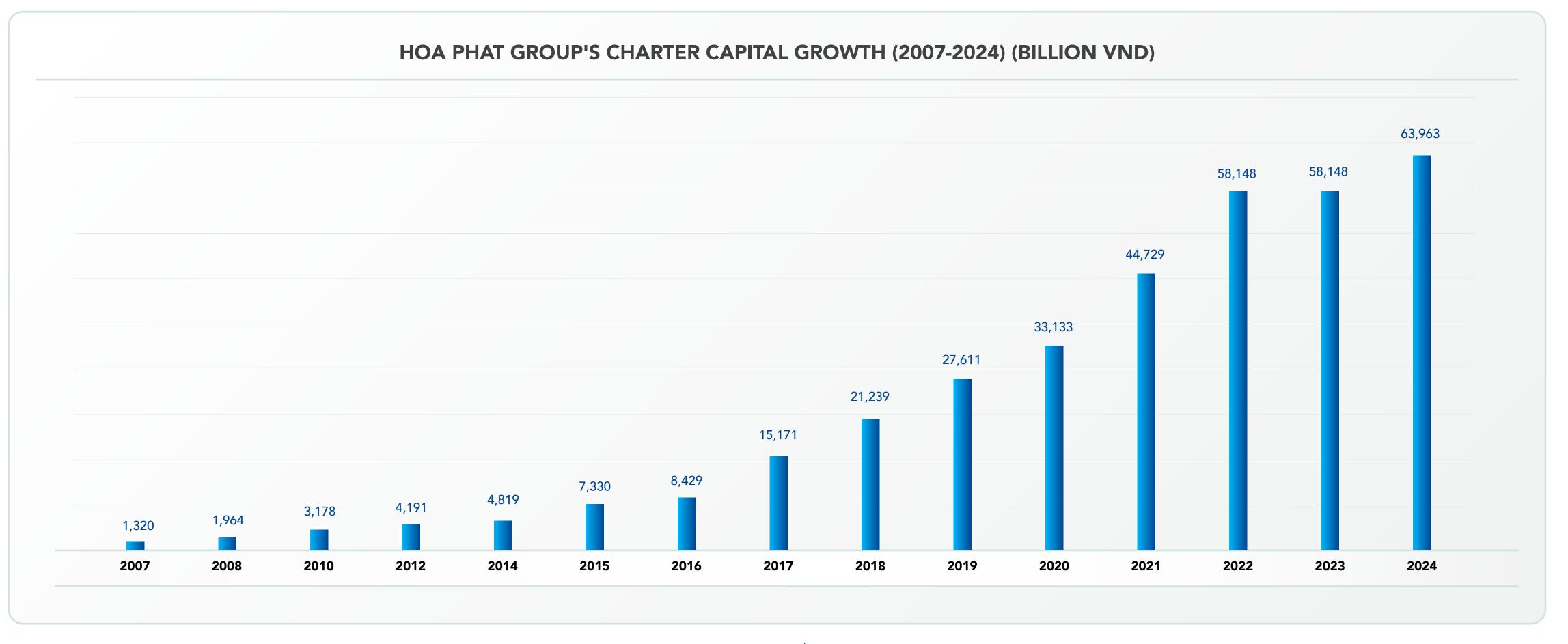
Investment progress of major

projects

Structure of shareholder

Shareholder relations

STRUCTURE OF SHAREHOLDER



DETAILS OF SHARES

• Stock sticker: **HPG**

• Initial offering date: 15/11/2007

• Outstanding shares: 6,396,250,200 shares

• Freely transferable shares: **6,396,250,200 shares**

• Shares restricted from transfer: 0 shares

• Treasury shares: The Company had no treasury share transactions during the year.



CHANGES IN OWNER'S EQUITY IN 2024

On June 3, 2024, HPG adjusted the number of outstanding shares due to the issuance of shares for the 2023 dividend payment:

• Charter capital before issuance: VND58,147,857,000.

• Charter capital after issuance: VND63,962,502,000,000.



PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

LARGE SHAREHOLDER LIST

As at March 17, 2025

INDIVIDUAL	ADDRESS	SHARES	OWNERSHIP %	
Tran Dinh Long	119 Bui Thi Xuan, Hai Ba Trung, Hanoi	1 650 000 000	25.80%	
Vu Thi Hien	119 Bui Thi Xuan, Hai Ba Trung, Hanoi	44()()()()()()	6.88%	
TOTAL		2,090,000,000	32.68%	

SHARE TRANSACTION OF INSIDERS AND THEIR RELATED PEOPLE FROM

From 01/01/2024 to 31/12/2024

TRADER	RELATION TO INSIDER		SHARES HELD AT THE BEGINNING OF PERIOD		IELD AT F PERIOD	REASON	
		SHARES	RATE	SHARES	RATE	REASON	
Nguyen Ngoc Quang	BOM member	103,792,209	1.78%	113,071,419	1.77%	Sell 1,000,000 shares, receive 10,279,220 bonus shares.	
Le Ngoc Ho	Relatives of the BOM's Member.	198,500	0.003%	-	0.00%	Receive 20,100 shares, sell 221,100 shares.	
Le Ngoc Ho		198,500	0.003%	-	0.00%		



PART 3 PERFORMANCE

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

IN 2024

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

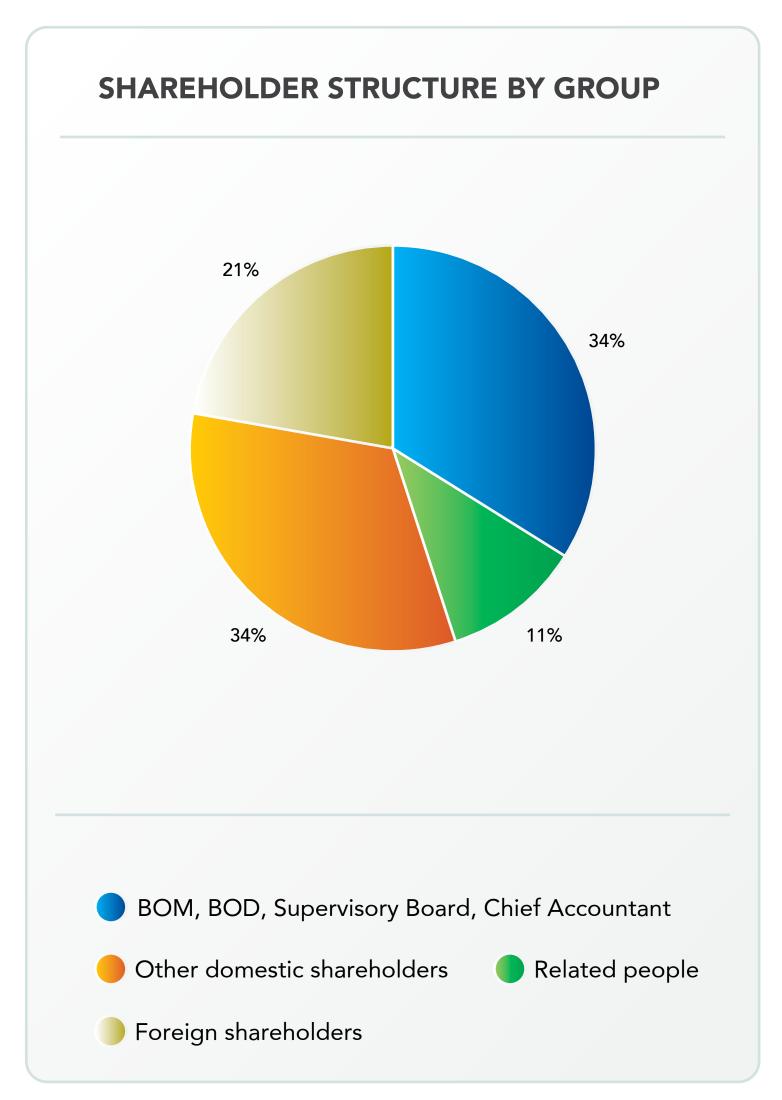
Investment progress of major

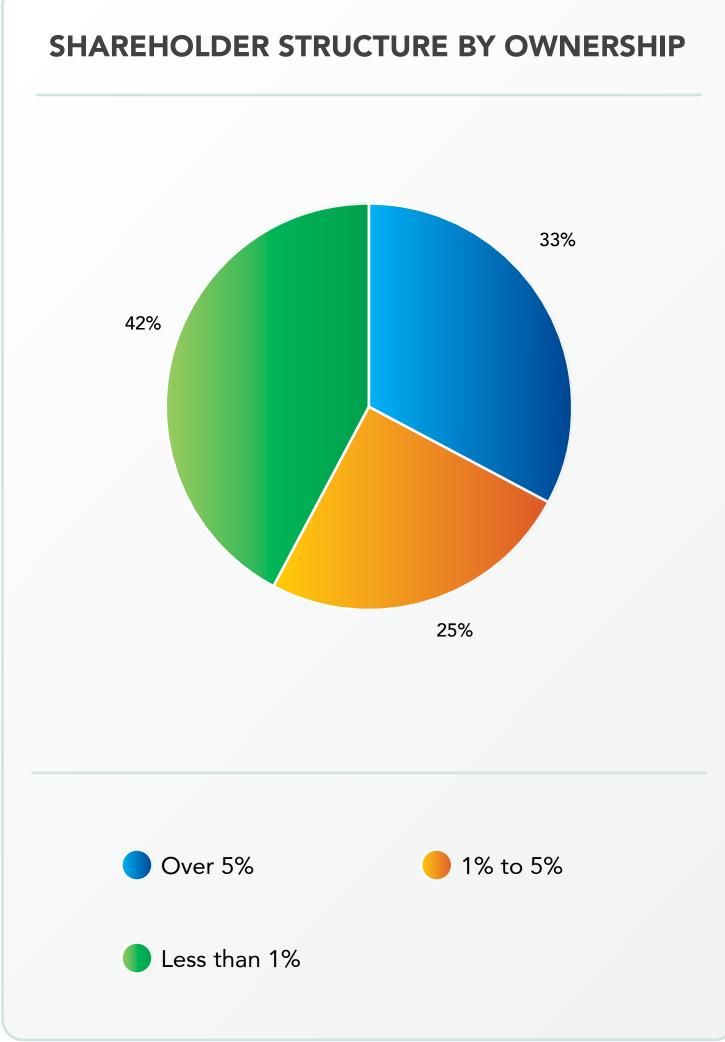
projects

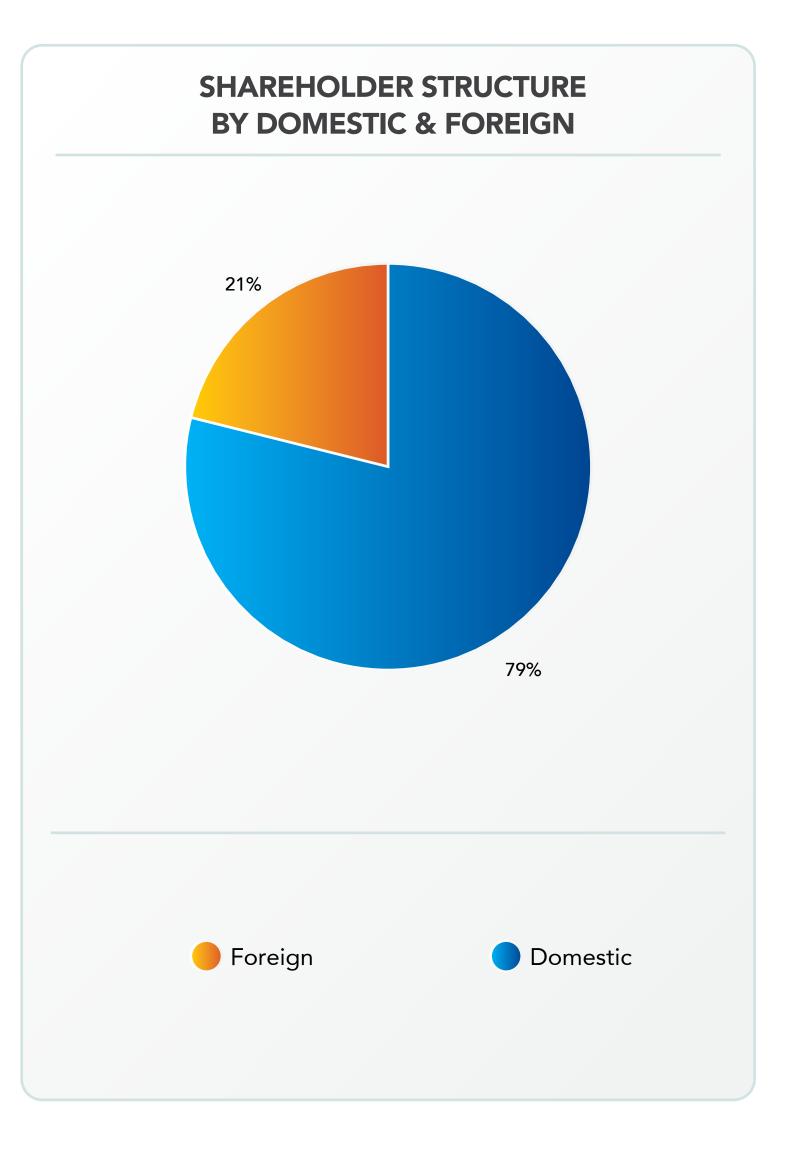
Structure of shareholder

Shareholder relations

SHAREHOLDER STRUCTURE AS AT MARCH 17, 2025









PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

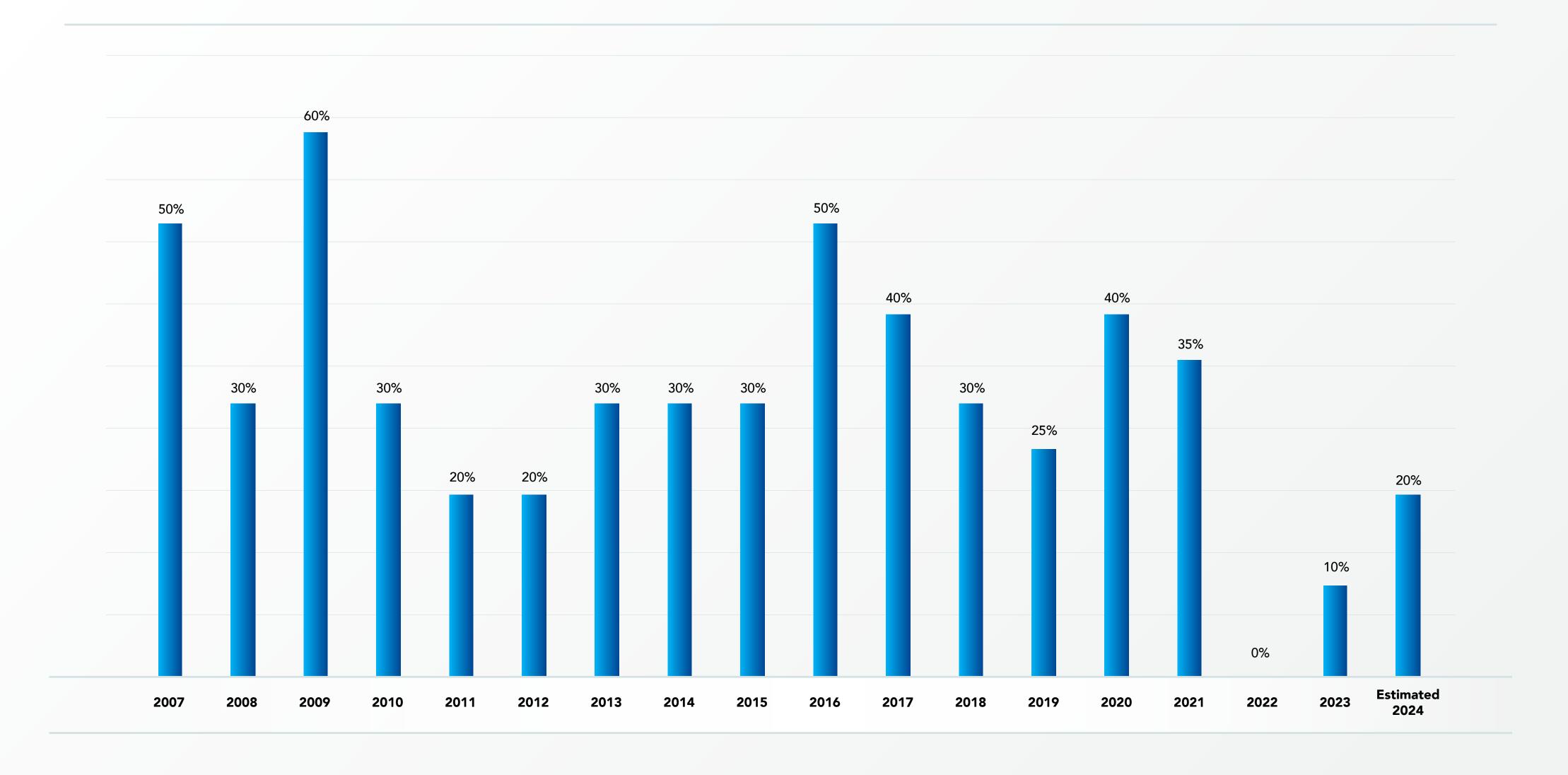
Investment progress of major

projects

Structure of shareholder

Shareholder relations

HPG DIVIDEND PAYOUT RATIO FOR 2007 - 2024





PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations

SHAREHOLDER RELATIONS

Hoa Phat Group is committed to maintaining transparency and fairness in information disclosure, ensuring timely, complete, and accurate compliance with disclosure regulations for investors while safeguarding shareholders' rights. All disclosed information is regularly updated in the Investor Relations section on the official website: hoaphat.com.vn.

HPG shares of Hoa Phat Group Joint Stock Company is one of the most highly sought-after stocks in the market, attracting significant interest from investors and shareholders, with a base of over 190,000 shareholders. Since its listing, HPG shares have consistently garnered strong attention from both domestic and international investors, often referred to as a "national stock." The company's Investor Relations (IR) activities are closely overseen by the leadership to ensure

transparent and open communication, providing equal opportunities for all investors.

The Group regularly updates information on the production and sales of key business sectors, including steel, agriculture, real estate, and home appliances. Additionally, updates on major projects such as the Hoa Phat Dung Quat 2 Steel Integrated Complex and the container production initiative, along with other corporate activities, are made available on the company website to keep investors well-informed about Hoa Phat.

The Investor Relations department maintains daily interactions with shareholders, analysts, and institutional investors both domestically and internationally through







PART 3

PERFORMANCE IN 2024

Performance of subsidiaries:

Hoa Phat Iron and Steel

Corporation

Hoa Phat Steel Products

Corporation

Hoa Phat Agriculture

Corporation

Hoa Phat Real Estate

Corporation

Hoa Phat Home Appliances

Corporation

Human resources management

Employee polices

Investment progress of major

projects

Structure of shareholder

Shareholder relations







direct meetings, online discussions, emails, and phone calls. HPG frequently engages with investment funds such as Dragon Capital, VinaCapital, Invesco, Schroder, Capital Group, T. Rowe Price, and Redwheel.

Hoa Phat also collaborates with securities firms such as HSC, SSI, VietCap, BofA Maybank, Credit Suisse, and UBS to connect with investment funds and participate in investor conferences organized by brokerage firms: Emerging Vietnam 2014, C2C.

In 2024, Hoa Phat organized a site visit program to the Hoa Phat Dung Quat Steel Integrated Complex for investors, which took place over three days - March 26th, 27th, and 28th. Over the course of these three consecutive days, the Group welcomed 500 investors, including representatives from investment funds, banks, securities companies, and individual investors.

Hoa Phat was open and transparent in sharing information with investors regarding the status and operations of the Dung Quất Complex. The program offered participants valuable insights into the activities, infrastructure, and

growth potential of Hòa Phát Dung Quất in the coming period. During the visit, investors had the opportunity to witness firsthand the scale of the largest steel manufacturing complex in Southeast Asia, featuring the hot rolled coil (HRC) production line and a dedicated port capable of accommodating vessels up to 200,000 tons.

For the 12th consecutive year, Hoa Phat has been listed among Forbes Vietnam's "Top 50 Best Listed Companies." The company has also been consistently recognized as a National Brand, a recipient of the Sao Vang Dat Viet (Vietnam Gold Star Award), and ranked in the "Top 50 Most Effective Business Enterprises in Vietnam," the "Top 30 Largest Taxpayers in Vietnam," and the "Top 3 Largest Private Enterprises in Vietnam."

In the coming year, the Group will further strengthen its investor relations efforts to enhance information accessibility and provide timely, accurate responses to investor inquiries. Shareholders and investors can contact us via email at ir@hoaphat.com.vn.





PART CORPORATE GOVERNANCE

- 1 LIST OF BOM MEMBERS AND THEIR OWNERSHIP PERCENTAGE
- 2 BOM'S ASSESSMENT OF OPERATIONS
- 3 REPORT OF INDEPENDENT BOARD MEMBERS
- 4 BOARD OF MANAGEMENT'S ASSESSMENT OVER THE BOARD OF DIRECTORS
- 5 KEY ACTIVITIES OF THE BOARD OF MANAGEMENT IN 2024
- 6 PLANS AND ORIENTATIONS



PART 4 CORPORATE **GOVERNANCE**

List of BOM members and their ownership percentage

BOM's assessment of Operations Report of Independent Board Members BOM's assessment over the

Key Activities of the Board of Management in 2024

Plans and Orientations

Board of Directors

LIST OF BOM **MEMBERS AND** THEIR OWNERSHIP **PERCENTAGE**



TRAN DINH LONG Chairman of BOM

Educational qualification: Bachelor of economics - National Economics University

Joining date: 1992

As founding shareholder and holding Chairman position of member companies, Mr. Long was the first person setting up the foundation for Hoa Phat Equipment & Accessories, "currently is Hoa Phat Metal Producing Co., Ltd the earliest member in the Group. Mr. Long employed a lot of experts who had consensus ambition and responsibilities. During the establishment and development of Hoa Phat, Mr. Long was the person who oriented business strategy for each subsidiary.

Number of shares held at March 17, 2025

25.80%



TRAN TUAN DUONG Vice Chairman of BOM

Educational qualification: Bachelor of economics - National Economics University

Joining date: 1992

Mr. Duong held management position in subsidiaries such as: Hoa Phat Equipment & Accessories Co., Ltd, Hoa Phat Furniture JSC and Hoa Phat Steel Pipe Co., Ltd; before he became the Deputy Chairman of Management Board cum CEO of Hoa Phat Group since January 2007. With his in deep experience, Mr. Duong has contributed greatly to strengthen the position of Hoa Phat steel and Hoa Phat Group as a whole.

Number of shares held at March 17, 2025

2.31%



NGUYEN MANH TUAN Vice Chairman of BOM

Educational qualification: Bachelor of economics - National Economics University

Joining date: 1996

In 1996, Mr. Tuan was a Vice Director of Hoa Phat Steel Pipe Co., Ltd cum Head of trading department. Since 10/2004, being Director of Hoa Phat Steel Pipe Company, Mr. Tuan has helped the Hoa Phat steel pipe become a top steel pipe maker.

Number of shares held at March 17, 2025

2.27%



CORPORATE GOVERNANCE

List of BOM members and their ownership percentage

BOM's assessment of Operations
Report of Independent Board
Members

BOM's assessment over the Board of Directors

Key Activities of the Board of

Management in 2024

Plans and Orientations

LIST OF BOM MEMBERS AND THEIR OWNERSHIP PERCENTAGE



DOAN GIA CUONGVice Chairman of BOM

Educational qualification: MBA, National Economics University

Joining date: 1999

Mr. Cuong was appointed first in the position of Vice Director before promoting as a Director of Hoa Phat Furniture JSC. From 01/2007, he additionally held the Deputy Chairman position of Hoa Phat Group JSC. With his straight forward orientation in achieving realistic goals, Mr. Cuong has helped Hoa Phat Furniture becoming familiar to every Vietnamese consumer.



1.25%



NGUYEN NGOC QUANG
BOM Member

Educational qualification: Vocational training

Joining date: 1992

Mr. Nguyen Ngoc Quang had been Director of Hoa Phat Equipment & Accessories in Ho Chi Minh subsidiary for 4 years (1992-1996). He has been Director of the Company (currently as HoaPhatMetalProducingCo.,Ltd)since 1997. As one of the top construction equipments producer in Vietnam, products of Hoa Phat Equipment & Accessories under his management have been successfully persuading customers in domestic and foreign country on their qualities, prices and after sales services.

Number of shares held at March 17, 2025

1.77%



HOANG QUANG VIETBOM Member



Educational qualification: Graduated from People's Security University

Joining date: 2001

Joining the Group since 2001, Mr. Viet has been elected as a Director of Hoa Phat Urban Development and Construction Jsc. He was successful in real estate, initically with constructings trading for industrial infrastructure starting with Pho Noi A industrial park. Mr. Viet and Board of Directors are now going to deploy other housing and urban areas after the success of Pho Noi A.

Number of shares held at March 17, 2025

0.45%



PART 4 CORPORATE GOVERNANCE

List of BOM members and their ownership percentage

BOM's assessment of Operations
Report of Independent Board
Members

Board of Directors

BOM's assessment over the

Key Activities of the Board of Management in 2024

Plans and Orientations

LIST OF BOM MEMBERS AND THEIR OWNERSHIP PERCENTAGE



NGUYEN VIET THANGBOM Member, General Director

Educational qualification: Bachelor of Civil Engineering

Joining date: 2003

Mr. Nguyen Viet Thang had nearly 20 years of leadership experience at Hoa Phat Group with the positions of Member of the BOM, Deputy General Director of the Group, Deputy Director of Hoa Phat Urban Development and Construction JSC, Director of Hoa Phat Hung Yen Feed Co., Ltd, Director of Hoa Phat Hai Duong Steel JSC. On April 26th, 2021, Mr. Thang was appointed to hold the position of General Director of Hoa Phat Group.



CHU QUANG VUIndependent BOM Member

Educational qualification: Bachelor's Degree - National Economics

University

Joining date: 2001

Mr. Chu Quang Vu has been working over 25 years and contributed to the Hoa Phat's steel manufacturing sector. Throughout his tenure, he has held the position of Director at various subsidiaries of the Group. At the Annual General Meeting of Shareholders held in April 2024, Mr. Vu was elected as an independent member of the Board of Management of Hoa Phat Group.



DANG NGOC KHANH *Independent BOM Member*

Educational qualification: Bachelor of Economics, Foreign Trade University

Joining date: 2024

Before being elected as an independent member of the Board of Management of Hoa Phat Group in April 2024, Mr. Dang Ngoc Khanh was the Chairman of the Board of Directors of Vinh Phat Investment Joint Stock Company (since 2002); General Director of MSH Holdings Joint Stock Company (since 2018); and Chairman of Megan Holdings Joint Stock Company (since 2023).

Number of shares held at March 17, 2025

0.32%

Number of shares held at March 17, 2025

0.00%

Number of shares held at March 17, 2025

0.00%



PART 4

CORPORATE GOVERNANCE

List of BOM members and their ownership percentage

BOM's assessment of Operations

Report of Independent Board
Members
BOM's assessment over the

Key Activities of the Board of

Management in 2024

Board of Directors

Plans and Orientations

BOM'S ASSESSMENT OF OPERATIONS

The global economy in 2024 has been profoundly shaped by conflicts and intense competition among major world powers. While leading economies such as the United States and China experienced a recovery, Europe continued to grapple with numerous challenges. Amid these circumstances, several developing nations exhibited stronger growth compared to top economies. Vietnam ranked among the highest-growing economies in the region despite ongoing difficulties. Notably, Hoa Phat Group made significant contributions, generating over VND 140 trillion in revenue and contributing nearly VND 13.5 trillion to the state budget - the highest figure in its history.

IRON AND STEEL

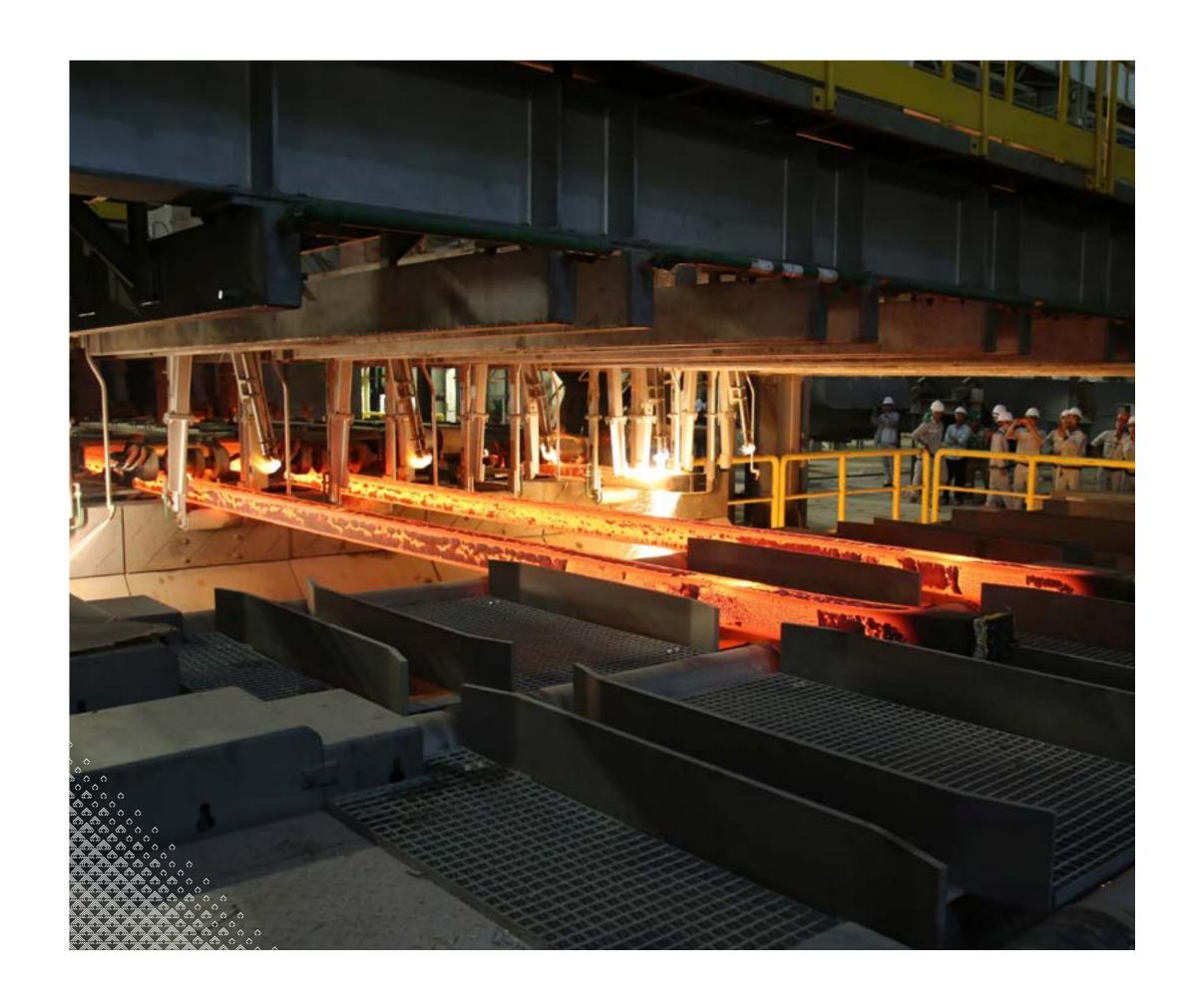
Vietnam's steel industry has weathered its most challenging period and is gradually recovering. However, Hoa Phat's steel sector still faces considerable hurdles in both domestic and international markets.

Firstly, low-cost steel from China and India has intensified competition, exerting pressure on domestic steel enterprises, including Hoa Phat. The surge in steel imports in 2024 has further heightened this challenge.

Secondly, the Group's export activities have encountered significant difficulties due to trade defense lawsuits and technical barriers imposed by importing markets, including anti-dumping, countervailing, and safeguard measures. Several countries, including the EU, Australia, India, and the US, have launched anti-dumping investigations against Vietnamese steel.

Over the past year, Hoa Phat produced 8.7 million tons of crude steel, marking a 30% increase from 2023. Sales volume reached over 8.1 million tons, up by 20%. The Group expanded its steel exports to nearly 40 countries and territories worldwide, with export activities accounting for 31% of its total revenue in 2024.

Looking ahead, the Board of Management has outlined future projects aimed at developing high-quality steel products, such as high-speed railway rails, electrical engineering steel, steel plates, and profile steel, to serve industries including automotive manufacturing, railways, shipbuilding, and structural fabrication.





PART 4

CORPORATE GOVERNANCE

List of BOM members and their ownership percentage

BOM's assessment of Operations

Report of Independent Board Members

BOM's assessment over the

Board of Directors

Key Activities of the Board of

Management in 2024

Plans and Orientations

STEEL PRODUCTS

In downstream steel products, Hoa Phat supplied over 708,000 tons of steel pipes to the market, representing a 3% year-on-year increase. Hoa Phat's steel pipes were utilized in numerous large-scale national projects, most notably the Terminal T3 of Tan Son Nhat International Airport, Long Thanh International Airport, and Southeast Asia's largest National Exhibition and Convention Center.

Galvanized steel sheet products exceeded 446,000 tons, reflecting a 36% growth compared to the previous year. Domestic market demand surpassed expectations, while exports experienced strong growth, primarily to Europe and the America.

Pre-stressed steel products reached 134,000 tons, a 28% increase from the previous year. Hoa Phat's pre-stressed steel has been successfully exported to high-standard markets such as the US, Canada, Brazil, and Mexico, as well as regional markets like Taiwan, Malaysia, Cambodia, Singapore, Sri Lanka, and Myanmar. Domestically, Hoa Phat's PC Strand has been widely used in major infrastructure projects, including highways, bridges, and coastal embankments. Moving forward, Hoa Phat will focus on expanding PC Strand production, diversifying its product range, and enhancing exports. The company is also conducting research to manufacture galvanized PC Strand for use in cable-stayed





AGRICULTURE

In 2024, the livestock industry faced multiple challenges, including the devastating impact of Typhoon Yagi and persistent outbreaks of animal diseases, which resulted in significant losses. However, certain favorable conditions, such as declining animal feed costs and a slight increase in live hog prices, provided businesses with incentives to sustain and expand production.

Hoa Phat's agricultural division exceeded multiple performance targets, with the most remarkable achievement being the production of 330 million chicken eggs. The Group's egg distribution network now spans over 100 supermarkets in northern Vietnam and has expanded nationwide. In pig farming, Hoa Phat surpassed its planned output, while Australian cattle farming also showed positive growth compared to 2023.



PART 4

CORPORATE **GOVERNANCE**

List of BOM members and their ownership percentage

BOM's assessment of Operations

Report of Independent Board Members BOM's assessment over the

Board of Directors

Key Activities of the Board of

Management in 2024

Plans and Orientations



REAL ESTATE

Vietnam's real estate market is gradually recovering, driven by significant progress in regulatory reforms. Key legal frameworks, including the Housing Law 2023, the Real Estate Business Law 2023, and the Land Law 2024, officially took effect on August 1, 2024, bringing substantial changes that directly impact Hoa Phat's real estate projects.

Building on its strengths in industrial real estate, the Group accelerated legal procedures throughout 2024. As a result, on February 10, 2025, one of its subsidiaries will officially become the developer of the Dong Phuc Industrial Park infrastructure project in Bac Giang Province.

With a vision for sustainable development and social welfare, Hoa Phat is actively advancing a 31-hectare social housing project in the Yen My II Industrial Park. This initiative will play a crucial role in addressing housing needs for low-income workers while fostering industrial park development.

HOME APPLIANCES

Weak consumer demand posed challenges for the household appliance market in the post-pandemic period. However, in 2024, the market showed promising signs of recovery.

Throughout the past year, the Board of Management placed special emphasis on diversifying Hoa Phat's product portfolio. By year-end, the company's induction cooktop production line, with an annual capacity of 300,000 units, commenced operations, unlocking new growth opportunities in the premium kitchen appliance segment. Beyond induction cooktops, water purifiers, and refrigerators, Hoa Phat continued expanding its product range by introducing corrosion-resistant freezers featuring Japanese CR Tech technology.





PART 4

CORPORATE GOVERNANCE

List of BOM members and their ownership percentage
BOM's assessment of Operations

Report of Independent Board Members

BOM's assessment over the

Board of Directors

Key Activities of the Board of

Management in 2024

Plans and Orientations

REPORT OF INDEPENDENT BOARD MEMBERS

In 2024, the Board of Management comprised a total of nine members, including two independent board members. The independent board members actively engaged in regular operations and participated fully in BOM meetings. Upon evaluating the BOM's performance in 2024, the independent board members observed:

- Overall, the BOM effectively fulfilled its role in implementing plans, policies, and strategic directions set by the General Meeting of Shareholders (GMS).
 BOM members performed their duties proactively and with a high sense of responsibility.
- In addition to its management and supervisory functions over the Board of Directors, the BOM closely collaborated with the Executive Board to implement resolutions approved by the GMS and BOM, ensuring compliance with legal regulations while balancing the interests of the Company and its shareholders.
- BOM meetings were convened in a timely manner to ensure continuous decision-making without disruption. The procedures for each meeting were conducted in accordance with the Company's Charter. Meeting discussions were comprehensive, transparent, and meticulously evaluated to establish the best possible strategies and solutions.
- The BOM regularly reviewed and assessed matters related to business strategy, technology investment, and management system development during its meetings.
- BOM's decisions were made based on majority voting principles, and meeting minutes were fully documented with signatures from all attending members.

BOM'S ASSESSMENT OVER THE BOARD OF DIRECTORS

Amidst an unpredictable economic landscape, the Board of Directors implemented numerous flexible and timely management strategies, adapting to market complexities while adhering to the strategic direction set by the Board of Management.

Throughout operations, the Company maintained strict compliance with current legal regulations and its internal policies. The Board of Directors effectively managed business operations, achieving notable and encouraging results.

KEY ACTIVITIES OF THE BOARD OF MANAGEMENT IN 2024

In 2024, the Board of Management issued 11 resolutions and approved multiple significant matters, including:

- Approval of capital increases for Hoa Phat Steel Joint Stock Company, Hoa Phat Steel Products Joint Stock Company, and Hoa Phat Real Estate Development Joint Stock Company;
- Approval of the business production plan, amendments to the Group's registered business activities, and revisions to the Company's Charter for submission to the GMS;
- Approval of matters related to the allocation of funds and the use of undistributed post-tax profits for submission to the GMS;
- Approval of the plan to issue shares to increase charter capital from the Company's owner's equity, for submission to the GMS;
- And various other critical decisions.

Additionally, transactions between the Company, its subsidiaries, BOM members, and related parties were conducted in compliance with applicable approval authority regulations. These transactions were disclosed in the Corporate Governance Report, which is published on the Group's website at www.hoaphat.com.vn.



PART 4

CORPORATE GOVERNANCE

List of BOM members and their ownership percentage
BOM's assessment of Operations
Report of Independent Board
Members
BOM's assessment over the

Key Activities of the Board of Management in 2024

Plans and Orientations

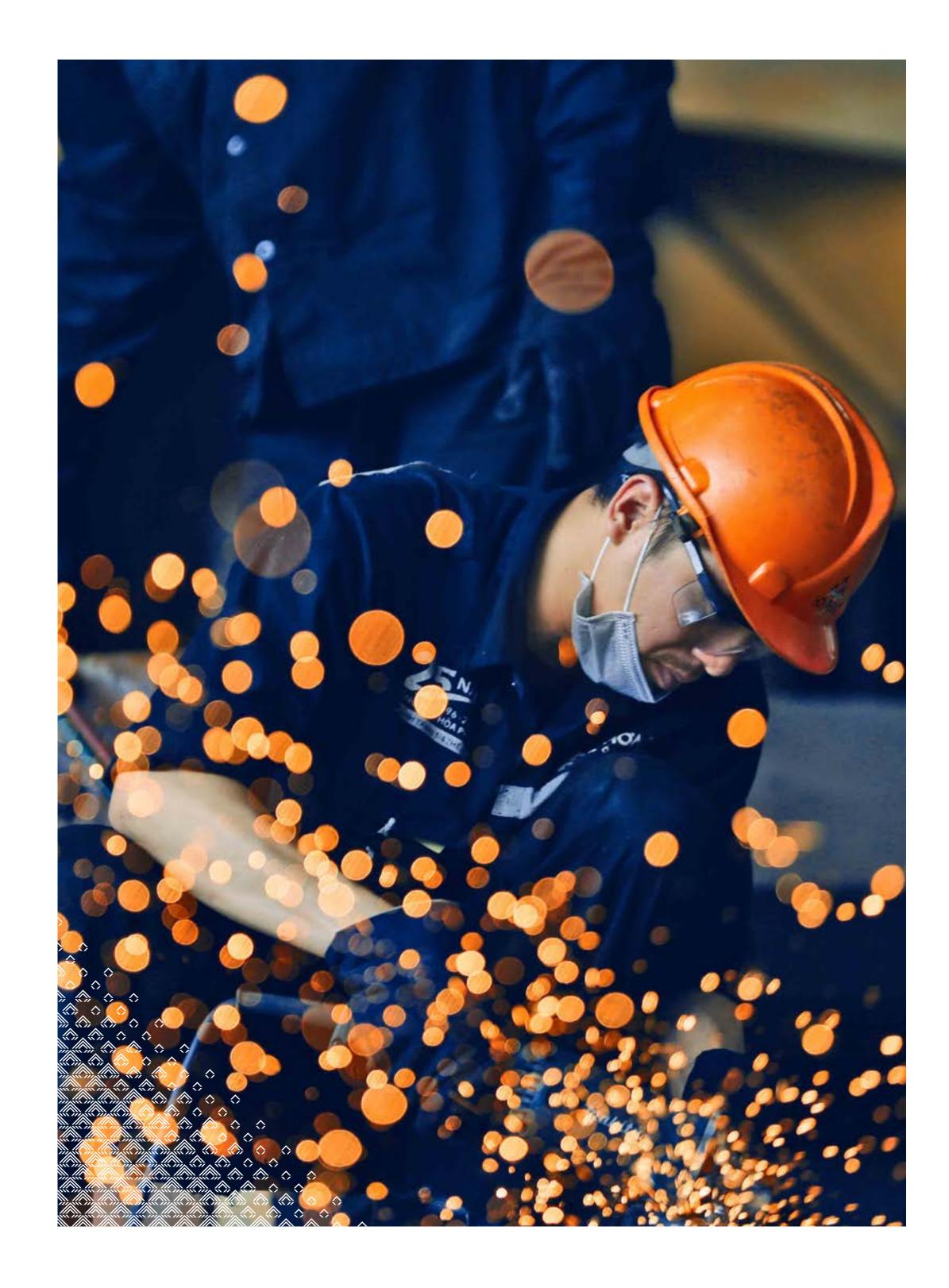
Board of Directors

PLANS AND ORIENTATIONS

On December 27, 2024, the Prime Minister issued Directive No. 140/CD-TTg, emphasizing the goal of achieving double-digit economic growth in 2025. In alignment with this national objective, Chairman Tran Dinh Long set a target of at least 15% annual growth for the 2025-2030 period.

With this vision, the BOM has outlined key orientations for 2025 as follows:

- Phase 1 of the Dung Quat 2 project will be put into operation in Q1 2025, and Phase 2 of the project will be completed by the end of 2025.
- Research and develop railway steel, train axle steel, and high-quality steel products to serve national key projects and expand exports globally;
- Focus on completing investment procedures for the development of new industrial parks in the near future;
- Accelerate digital transformation and implement various projects, including Phase 2 of the E-office project - document digitization and the establishment of a knowledge management repository;
- Standardize human resource management and implement the Master Data Management (MDM) system a shared data management platform across the Group.







PART S REPORT OF SUPERVISORY BOARD

- 1 LIST OF PERSONNEL AND OWNERSHIP PERCENTAGE
- 2 REPORT OF SUPERVISORY BOARD
- 3 INTERNAL AUDIT REPORT



PART 5 REPORT OF SUPERVISORY BOARD

List of Personnel and Ownership percentage

Report of Supervisory Board Internal Audit report 2024

LIST OF PERSONNEL AND OWNERSHIP PERCENTAGE



BUI THI HAI VANHead of Supervisory Board



Educational qualification:
Finance-Accounting Bachelor
Joining date: 2008

Before coming Head of Supervisory Board, Ms Van held position Deputy Chief accountant - Hoa Phat Hai Duong Steel JSC (2008 - 2016) and currently she is also head of Internal control Board of Hoa Phat Group JSC (2016 - present).



NGO LAN ANH *Member of Supervisory Board*



Educational qualification: Lawer

Joining date: 2015

Before becoming a member of the Supervisory Board, Ms. Ngo Lan Anh was Head of Supervisory Board - Hoa Phat Agriculture Development Joint Stock Company (2016 to present); Specialist in Legal Department (2015 - present).



THAI THI LOC

Member of Supervisory Board



Educational qualification:International Commercial Law Bachelor

Joining date: 2015

Before becoming a member of the Supervisory Board, Ms. Thai Thi Loc is a staff of Legal Department of Hoa Phat Group Joint Stock Company (2015 to present).



PART 5

REPORT OF SUPERVISORY BOARD

List of Personnel and Ownership percentage

Report of Supervisory Board

Internal Audit report 2024

REPORT OF SUPERVISORY BOARD

ORGANIZATIONAL STRUCTURE AND PERSONNEL

During the year, the Supervisory Board underwent a change in the number of its members when Ms. Le Minh Thuy resigned from her position as a member of the Supervisory Board on April 11, 2024.

AS A RESULT, THE CURRENT SUPERVISORY BOARD CONSISTS OF THREE MEMBERS:

- Head of the Supervisory Board: Ms. Bui Hai Van;
- Members: Ms. Ngo Lan Anh, Ms. Thai Thi Loc.

SUPERVISORY BOARD'S OVERSIGHT ACTIVITIES

In 2024, the Board of Management, the Board of Directors and management teams from various functional departments provided the Supervisory Board with timely and comprehensive access to resolutions of the General Meeting of Shareholders (GMS) and the Board of Directors. The Board of Directors facilitated the Supervisory Board's access to relevant information and documents concerning the Group's business operations upon request. Concurrently, the Supervisory Board provided feedback and engaged in discussions to ensure that management activities were conducted in alignment with legal regulations, the Company's Charter, and resolutions of the GMS and BOM.

REGULAR SUPERVISORY BOARD MEETINGS WERE HELD WITH FULL PARTICIPATION OF ITS MEMBERS TO PERFORM THE FOLLOWING DUTIES:

- Overseeing the implementation of GMS and BOD resolutions.
- Monitoring the Group's compliance with legal regulations, the Company's Charter, and internal management policies; attending BOD and Executive Board meetings to provide recommendations within its authority.
- Reviewing the 2024 Financial Statements to assess their legality, reasonableness, accuracy, and the level of prudence in accounting and financial reporting.
- Supervising transactions involving related parties and affiliated companies, as well as ensuring compliance with disclosure regulations under securities laws.
- Coordinating with the Internal Audit Department to evaluate and provide feedback on ongoing processes.

- Advising and assessing key projects, such as the standardization of the human resources system, salary structures, and digital office transformation.
- Monitoring the implementation of centralized procurement activities across the Group's subsidiaries.

The Supervisory Board acknowledges the efforts of the BOM and the Executive Board in navigating market challenges, driving business growth, optimizing cash flow, and enhancing corporate governance.

OPERATIONAL ORIENTATION FOR 2025

THE SUPERVISORY BOARD WILL CONTINUE TO FULFILL ITS OVERSIGHT ROLE IN ACCORDANCE WITH REGULATIONS, WITH A FOCUS ON THE FOLLOWING KEY TASKS:

- Reviewing the annual and interim financial statements for 2025.
- Monitoring compliance with laws and the Group's Charter in the governance and management activities of the BOM, the CEO, and other management levels.
- Tracking and updating the list of major shareholders and related parties of BOM, Supervisory Board, and CEO members.
- Participating in research and implementation of projects aimed at improving operational efficiency, streamlining corporate structures, reducing costs, and eliminating waste.

RECOMMENDATIONS AND PROPOSALS

To enhance the effectiveness of oversight activities, the Supervisory Board recommends that the BOM and BOD focus on the following key areas:

- Developing and refining internal control policies and procedures.
- Expanding the scope of internal control activities to provide independent assessments of corporate governance and risk-based internal control.
- Standardizing policies and processes to strengthen internal control and risk management at subsidiary companies.
- Facilitating the Supervisory Board's operations in accordance with its assigned functions and responsibilities.
- Advising on the selection of a competent and reputable audit firm for the Group and its subsidiaries.

The Supervisory Board remains committed to effectively fulfilling its oversight role, contributing to the sustainable development of the Group.



PART 5 REPORT OF

SUPERVISORY BOARD

List of Personnel and Ownership percentage

Report of Supervisory Board

Internal Audit report 2024

INTERNAL AUDIT REPORT

The Internal Audit function is responsible for providing the Board of Management and the Executive Board with independent and objective assurance, conclusions, advice, and recommendations. These insights are derived from audit activities and assessments covering the following areas:

- The internal control system of Hoa Phat has been properly established and operated to prevent, detect, and address risks.
- The Group's corporate governance and risk management processes ensure efficiency and high performance.

These activities have contributed to supporting the Group in achieving its objectives, strategies, and operational plans, including:

- Optimal and efficient resource utilization
- Reliability and integrity of information
- Asset protection
- Compliance with applicable legal regulations
- Adherence to relevant internal policies and procedures

The Internal Audit Manager reports professionally to the Board of Management regarding proposals related to the annual internal audit plan, audit findings, monitoring of audit recommendations, reporting violations, errors, fraud, and other critical information. Additionally, the Head of Internal Audit reports administratively to the Group Executive Board.

In 2024, the Internal Audit Department, under the management of the BOM, effectively collaborated with various control lines to successfully fulfill its tasks and achieve the set objectives in accordance with regulations, the annual audit plan, and legal requirements, in particular:

- Conducted compliance audits across departments and divisions of member companies to ensure adherence to prevailing laws, the Company's Charter, operational regulations, and mandatory obligations related to tax policies, social insurance, etc.
- Inspected and monitored compliance with established policies, regulations, and procedures at member companies. Through this, assessed the adequacy and effectiveness of the internal control system to identify potential risks for timely prevention and resolution.
- Evaluated the completeness and operational effectiveness of policies and procedures in newly established member companies.
- Reviewed and assessed the effectiveness of the Group's ongoing construction projects.
- Examined procurement procedures of materials and goods at member companies and provided evaluations on the adequacy and efficiency of procurement activities.
- Recommended corrective actions for violations and deficiencies identified during audits. Additionally, proposed improvement measures to minimize risks and errors.
- Provided advisory support on centralized procurement activities across subsidiaries.
- Periodically submitted required reports per the Internal Audit Regulations to the BOM and the Executive Board.

With continuous efforts to improve, innovate, and learn, the Internal Audit function will further enhance the quality of audits in 2025. It will provide independent and objective advice and recommendations related to governance processes, risk management, and internal controls to help the Group achieve its strategic goals.





PART SUSTAINABLE DEVELOPMENT

- 1 HOA PHAT COMPLETES GROUP-WIDE GREENHOUSE GAS INVENTORY
- TECHNICAL INNOVATION INITIATIVES SAVE HUNDREDS OF BILLIONS VND
- 3 SELF-SUFFICIENCY IN 90% OF ELECTRICITY FOR STEEL PRODUCTION
- 4 INNOVATING NEW PRODUCTS
- 5 HOA PHAT GROUP'S DIGITAL TRANSFORMATION MILESTONE IN 2024
- 6 CORPORATE SOCIAL RESPONSIBILITY:
 GROWING TOGETHER WITH THE COMMUNITY



PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory

Technical innovation initiatives
save hundreds of billions VND
Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products
Hoa Phat Group's digital
transformation milestone in 2024
Corporate social responsibility:
Growing together with the
Community

HOA PHAT COMPLETES GROUP-WIDE GREENHOUSE GAS INVENTORY

On January 11, 2025, BSI - the UK's leading international certification organization - issued an inspection, certification, and greenhouse gas declaration in accordance with ISO 14064-1:2018 for Hoa Phat Group and its subsidiaries.

Mr. Le Duyen Anh, General Director of BSI Vietnam, congratulated Hoa Phat Group on successfully completing its Group-level greenhouse gas emissions inventory, covering 18 subsidiaries across five corporations. This milestone demonstrates Hoa Phat's compliance with international standards. "I am highly impressed by the commitment of the Group's leadership and its subsidiaries in pioneering and achieving positive results in greenhouse gas inventory in accordance with ISO 14064-1:2018", said the BSI representative.

Mr. Nguyen Viet Thang, CEO of Hoa Phat Group, stated: "Hoa Phat is a leading industrial manufacturing group in Vietnam. Completing the greenhouse gas inventory is a crucial step in our sustainable development strategy. Our Group is committed to proactively adopting the latest quality standards, technologies, and operational practices in our business activities. Moving forward, Hoa Phat will continue to optimize production processes to control greenhouse gas emissions and meet the evolving development requirements.

ISO 14064-1:2018 is an environmental standard aimed at addressing climate change programs and supporting global sustainable development goals. This standard provides a robust framework for quantifying, calculating, and reporting greenhouse gas emissions and removals for enterprises or organizations. It is also a fundamental requirement for manufacturing industries, especially those in steel, galvanized steel sheet, and pipe production, to implement in order to meet international trade regulations, particularly in the EU market.

As the largest steel producer in Southeast Asia, Hoa Phat has adopted a closed-loop, modern production technology system from G7 countries since its inception. This approach optimizes production, conserves energy, and reduces greenhouse gas emissions at all integrated steel production complexes. Hoa Phat has carefully planned and allocated up to 30% of its investment capital for environmental initiatives. The Group has implemented a range of advanced solutions and cutting-edge technologies to optimize production efficiency, conserve energy, and achieve energy self-sufficiency, with annual electricity generation reaching billions of kWh.





PART 6

SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory

Technical innovation initiatives save hundreds of billions VND

Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products
Hoa Phat Group's digital
transformation milestone in 2024
Corporate social responsibility:
Growing together with the
Community

TECHNICAL INNOVATION INITIATIVES SAVE HUNDREDS OF BILLIONS VND

For manufacturing plants, technical improvements and technological updates across production lines are always a key focus for Hoa Phat. As a result, the movement for innovation and efficiency enhancement is vibrant across its factories, delivering practical benefits.

HOA PHAT DUNG QUAT SAVES VND 91 BILLION THROUGH 30 INNOVATION PROJECTS

In 2024, Hoa Phat Dung Quatimplemented 30 innovative improvements, generating a total financial benefit of over VND 91 billion.

Several critical enhancements have significantly reduced fuel consumption, increased profitability, and contributed to lower emissions, including: Researching, applying, and optimizing coal injection reduction in rotary kilns to cut lime production costs; Researching, proposing and implementing a method to reuse discharge water from the thermal power plant's cooling system for CDQ cooling in the coke plant, ensuring stable operations, economic efficiency, and water resource conservation.

The company continuously explores and tests new materials, consumables, and fuels at every production stage to improve product quality and optimize costs. This initiative aims to enhance product quality while optimizing production costs. Notable achievements include: the use of HC-FeMn75 in certain TSC cast steel grades, which has effectively reduced alloying costs; and the reuse of slag from aluminum-killed steel grades as an additive in steelmaking, delivering significant cost savings and environmental benefits.

The company's engineers have also conducted research and process refinements to enhance steel refining and optimize slag systems, improving the quality of liquid steel in the 30MnSi grade. Key advancements include upgrading the system for blending thermal power plant ash slag into ground slag S95 and integrating SiMn6517 alloy in the production of aluminum-killed steel grades.

Additionally, various projects have focused on energy efficiency and conservation. Notable initiatives include the overhaul of the hydraulic oil system at HRC1 to optimize equipment performance and reduce power consumption, as well as



improvements to the QW pump system at the HRC1 water treatment plant, enhancing operational efficiency while cutting energy use.

In the field of electromechanical innovation, several projects have been recognized and awarded by the company for their contributions to efficiency and cost savings. These include modifying the 13QC/A flow control system for the BCM#03 casting machine and converting the V-shape billet tail pressing system into a flat-profile format at HRC1 - both of which have led to cost reductions, equipment optimization, and improved product quality.

According to statistics, the innovations and improvements from 62 individuals and 8 teams who received company awards have collectively saved the company tens of billions of VND annually. These initiatives not only drive cost efficiency but also inspire employees to actively contribute new ideas and innovations to production.



PART 6 SUSTAINABLE

DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory

Technical innovation initiatives

save hundreds of billions VND

Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products
Hoa Phat Group's digital
transformation milestone in 2024
Corporate social responsibility:
Growing together with the
Community

HOA PHAT HAI DUONG IMPLEMENTS 13 HIGH-IMPACT INNOVATIONS

Through hands-on problem-solving, employees at Hoa Phat Hai Duong have introduced multiple efficiency-boosting initiatives that enhance equipment operation, increase steel output, and reduce costs.

A standout project is the initiative by Dang Viet Thanh, Head of Technology, who proposed using iron ore concentrate with an ultra-low FeO content as a pelletizing material. This breakthrough yields annual savings of VND 68 billion.

Another notable innovation involved installing inverters and optimizing the speed control program for dust extraction fans in converters 1, 2, and 3. This improved dust collection efficiency, saved electricity, extended equipment lifespan, and generated over VND 20 billion in annual savings.

Furthermore, the company has explored the use of fine coke as a substitute for 5a1 coal in the alloying and smelting process of the 45T converter at the steelmaking plant. This innovation has optimized production efficiency by leveraging the company's available raw materials, reducing reliance on externally sourced 5a1 coal while maintaining both productivity and billet quality. By utilizing the plant's coal grinding system instead of relying entirely on 5a1 coal, this initiative has significantly cut costs, reducing the daily grinding volume of 5a1 lump coal from 15 - 20 tons to just 3 - 4 tons. The total estimated economic benefit for the company exceeds VND 23 billion.

Additionally, certain projects have directly contributed to increased steel production. One notable achievement is the design of a PLC control program to resolve roller table apron malfunctions, which previously caused billet shearing issues and production downtime. This improvement has resulted in an annual increase of 450 tons in finished steel output.

41 RECOGNIZED INNOVATIONS AT HOA PHAT STEEL PIPE

In 2024, Hoa Phat Steel Pipe Hung Yen implemented 22 technical improvements aimed at production optimization, earning recognition from the company.

Several productivity-boosting innovations have been successfully implemented at the plant. Notable initiatives include the design, fabrication, and installation of the MU11 pipe transfer system from N33 to N35 - an improvement led by Hoang Ngoc Thach, Deputy Director of the plant, which has increased both efficiency and output. Another key initiative is the design and fabrication of storage racks for pipes ranging from Ø219.1mm to Ø323.8mm at the pre-drying furnace staging area of Coating Line 1, spearheaded by Do Minh Can, Manager of the Coating and Rolling Workshop, to enhance productivity and production capacity.

Additionally, process optimizations such as the "MC 10+11 Speed Enhancement" project, led by Nguyen Trong Tu, Deputy Head of the Technical and Technology Department, have contributed to increased efficiency. In the realm of workplace safety, a significant innovation involves the design and fabrication of coil racks for semi-trailers, ensuring the secure transportation of steel coils on outbound journeys while maintaining convenience for pipe transport on return trips.

Several innovations have contributed to reducing consumption and cutting costs at the plant, including initiatives to lower energy usage in Rolling Line 2 and to reduce ammonia (NH3) consumption in the Strip Coating and Bell Annealing lines. The plant has also implemented various technical design improvements, machinery upgrades, and equipment enhancements to extend service life and boost efficiency.

Hoa Phat Da Nang Steel Pipe Plant has made significant contributions with eight key innovations, including: an automated pipe bundling system in Area E, a zinc dust recovery system using filter bags, a material feeder for the 700 cutting machine, and a redesigned two-roller welding mold for the bending machine in Area E.

One particularly impactful project is the "Optimization of Zinc Bath Burner and Boiler Operation in the Pipe Coating Workshop," led by Pham Thanh Huy. This initiative



PART 6 SUSTAINABLE DEVELOPMENT

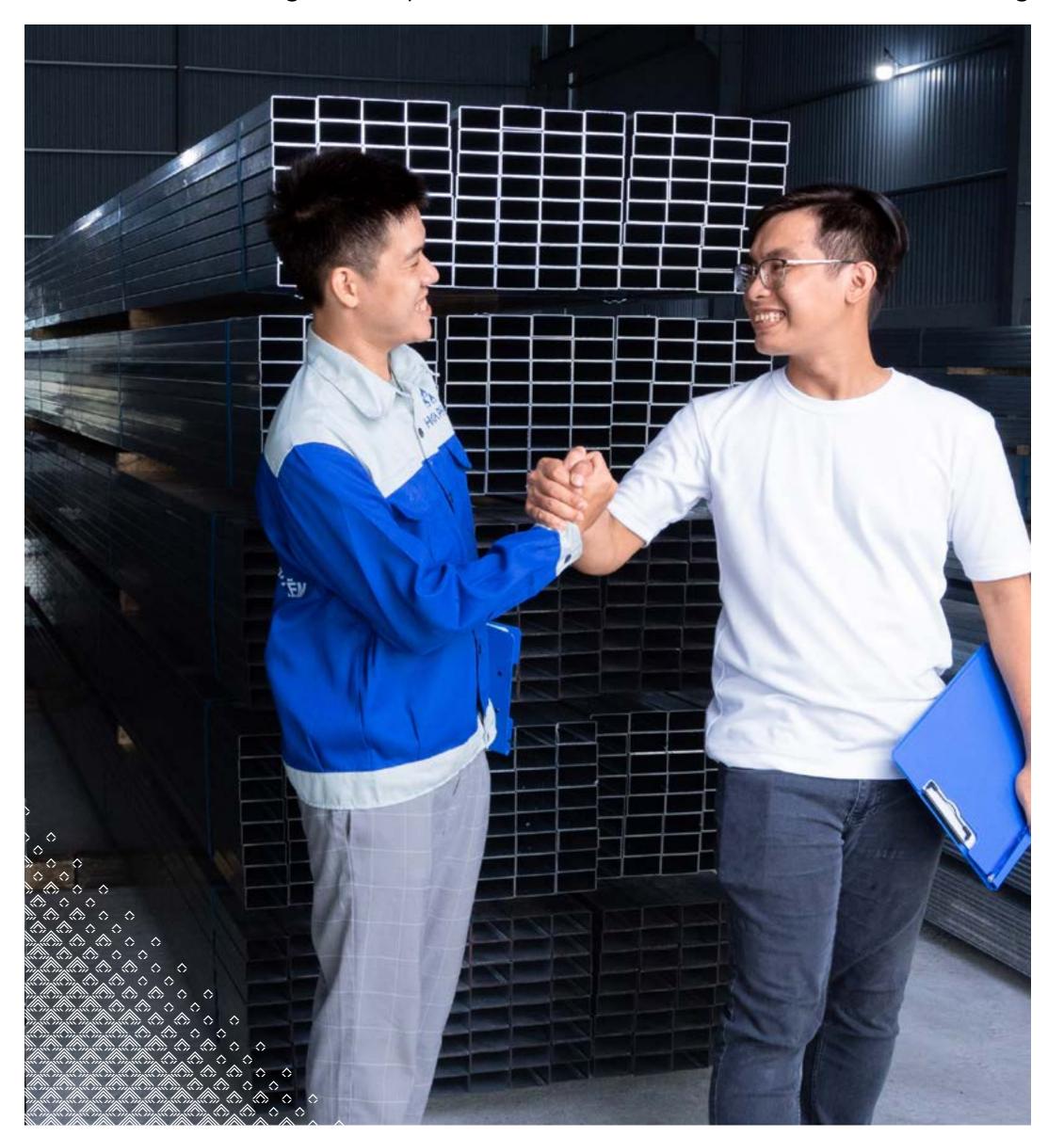
Hoa Phat completes group-wide greenhouse gas inventory

Technical innovation initiatives save hundreds of billions VND

Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products
Hoa Phat Group's digital
transformation milestone in 2024
Corporate social responsibility:
Growing together with the
Community

significantly reduced fuel consumption, achieving a 23.82% decrease in oil usage. Economically, it has saved the company approximately VND 250 million per month while also reducing environmental impact. For this outstanding achievement, Pham Thanh Huy was awarded a Certificate of Merit by the Chairman of the Da Nang City People's Committee in recognition of his excellence in the 2024 "Skilled and Creative Labor" movement.

Hoa Phat Binh Duong Steel Pipe Plant has introduced 11 innovations, featuring



multiple improvements that ensure smooth and continuous machine operations. Notable initiatives include: optimizing the warning circuit for the operational status of pickling line accumulator motors, enhancing the bundling system of the automatic bundling machine at Bending Machine 7 - Bending Workshop 2, refining the electrical control circuit for motors in the Strip Coating line, and upgrading the drying furnace chain in Coating Line 1 - Pipe Coating 2.

HOA PHAT STEEL SHEET - SMALL INNOVATIONS, GREAT ACHIEVEMENTS

In 2024, Hoa Phat Coated Steel implemented 10 technical improvements, delivering significant cost savings and production efficiency.

A standout initiative is the "Solution for Eliminating Surface Defects in Annealing Furnace Rollers", which prevents foreign object adhesion (such as oxide flakes and iron filings), ensuring a smooth and flawless steel sheet surface.

Another key project involved fabrication of a clamping jig for easier handling in chemical-coated roller repairs on the coating line has significantly improved efficiency. It allows for centering adjustments within a precision tolerance of no more than 0.025 mm, reducing the adjustment time from 15-30 minutes to just 5 minutes. This innovation eliminates the need for correcting misaligned shaft collars before grinding, increases productivity, and ensures timely job completion..

A particularly impactful innovation addressed wave defects when using soft steel materials in the painting and coating production lines. This solution has shown promising results and is now widely applied in the coating and painting workshops.

To optimize production costs, the company also modified the condensate drainage system from the steam heating system in the rolling oil tank, reducing DEMI water consumption and achieving estimated annual savings of VND 100 - 150 million.

Additionally, employees successfully developed a multi-component equipment system to replace imported oil skimmers, reducing costs to just 10% of the original imported equipment price while maintaining the same technical performance.

Recognizing the tangible benefits of these innovations, the company has actively rewarded employees, fostering motivation for continued improvements.



PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory Technical innovation initiatives save hundreds of billions VND

Self-sufficiency in 90% of Electricity for Steel Production

Innovating new products

Hoa Phat Group's digital

transformation milestone in 2024

Corporate social responsibility:

Growing together with the

Community

SELF-SUFFICIENCY IN 90% OF ELECTRICITY FOR STEEL PRODUCTION

In 2024, waste heat power plants at Hoa Phat's steel complexes in Hai Duong and Dung Quat generated a total of 3.18 billion kWh, a 29% year-on-year increase, allowing Hoa Phat to self-supply over 90% of its electricity needs. At Dung Quat alone, on February 5, 2025, the Thermal Power Plant at Hoa Phat Dung Quat Steel Company reached a cumulative electricity output of 10 billion kWh since its inception, significantly reducing production costs.

ECONOMIC AND ENVIRONMENTAL BENEFITS OF ENERGY SELF-SUFFICIENCY

In 2024, Hoa Phat Dung Quat generated 2.39 billion kWh, covering more than 90% of the complex's steel production demand. Meanwhile, the Hoa Phat Hai Duong steel complex produced 788 million kWh. The total self-generated electricity at both complexes is equivalent to a medium-sized thermal power plant. Based on current electricity prices, the 2024 output is valued at approximately VND 5.4 trillion.

Recovering and utilizing waste heat and gas for power generation not only enhances cost efficiency and competitiveness but also reduces environmental pollution and alleviates pressure on the national grid.

Hoa Phat's integrated steel complexes are equipped with state-of-the-art machinery from G7 countries, optimizing production by harnessing excess heat and gases generated during the iron and steelmaking process. This approach enhances power generation efficiency, reduces production costs, and promotes sustainable development.

Currently, Hoa Phat is implementing five energy-saving steel production solutions. The first solution involves recovering excess heat and hot gases from coke ovens, blast furnaces, and converters to generate electricity. Waste heat from coke production and surplus gases from ironmaking and steelmaking are captured and utilized for power generation, supporting production efficiency.

The second solution adopts environmentally friendly dry coke quenching (CDQ) technology to generate electricity, reducing environmental impact.

The third solution utilizes Blast Furnace Pressure Recovery Turbine (BPRT) technology, which harnesses energy from high-power blast furnace blowers. This approach helps save up to 50% of electricity consumption compared to traditional methods.

The fourth solution recovers waste heat from the sintering process to generate electricity, optimizing energy use in steel production.

The fifth solution is the Continuous Casting and Rolling technology, which maximizes energy efficiency by directly transferring hot billets at 750-900°C from casting to the rolling line for finished steel production. This method minimizes energy consumption, reduces production costs, and lowers CO2 emissions per ton of product.



HOA PHAT DUNG QUAT THERMAL POWER PLANT REACHES 10 BILLION KWH MILESTONE

Mr. Bui Van Huu, Director of the Hoa Phat Dung Quat Thermal Power Plant, stated: "The surplus heat power generation system not only enhances energy efficiency but also plays a crucial role in our greenhouse gas reduction strategy, aligning with our carbon neutrality goal. This sustainable solution harnesses waste heat from iron and steel production to generate electricity without relying on fossil fuels."

Since July 2019, just one year after installing the first generator unit, the plant's electricity output has fully met the steel production demand of the entire Hoa Phat Dung Quat Steel Integrated Complex. Over the years, its power generation has steadily increased, reaching 5 billion kWh on September 19, 2022, and surpassing the 10 billion kWh mark on February 5, 2025.

With the expansion of the Hoa Phat Dung Quat 2 project, the company continues to invest heavily in a second surplus heat power generation system. The new facility, Thermal Power Plant No. 2, boasts a capacity of 240MW with four 60MW generator units, bringing the total electricity generation capacity of the entire complex to 600MW.



PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory
Technical innovation initiatives save hundreds of billions VND
Self-sufficiency in 90% of
Electricity for Steel Production

Innovating new products

Hoa Phat Group's digital
transformation milestone in 2024
Corporate social responsibility:
Growing together with the
Community

INNOVATING NEW PRODUCTS

Hoa Phat Group's products have established a strong foothold in the Vietnamese market and are exported to dozens of countries across five continents. To cater to the increasingly diverse demands of the market, Hoa Phat prioritizes product innovation and continuously enhances quality to meet the most stringent international standards.

ADVANCING HIGH-QUALITY STEEL GRADES

Hoa Phat is making significant investments in deep-processing technologies and research to produce hundreds of thousands of tons of high-tech, specialized steel products. These include tire bead wire, automotive reinforcement steel, bolts, welding wire cores, elevator cables, high-strength cold forging steel, crane steel, and pre-stressed steel.

Both Dung Quat and Hai Duong integrated complexes have successfully supplied a range of high-quality steel grades to customers and partners, including 30MnSi, SWRH82B, SWRH62A, SWRH72A, SWRH82A, SWRH82ACr, DBIC B500B, SWRY11, ER70S-6, and EM12K. These steel grades comply with international standards such as GB/T24587-2009, JIS G 3506-2017, JIS G 3503-2006, AWS A5.18/A5.18M-2005, BS4449, ensuring strict quality control throughout the melting, refining, and casting processes.

The successful production of high-quality wire rod for tire bead and reinforcement wire underscores the advanced technology of Hoa Phat Steel. The company's technical team has mastered the complex production processes required for these specialized products, which only a few leading global manufacturers can produce.

Hoa Phat has also successfully developed EM12K-grade coiled wire for submerged arc welding (SAW). Currently, only Hoa Phat Dung Quat Steel and Formosa in Vietnam can produce this steel grade. Following its successful development, Hoa Phat has received consistent monthly orders of 3,000 - 5,000 tons from both domestic and international partners.

Additionally, Hoa Phat's engineers have developed ER70S-6 and ER70S-3 steel grades for welding wire production - high-quality products requiring rigorous smelting and refining processes.

At Hoa Phat Hai Duong Steel, two new steel grades, SS400 and S45C, were successfully developed in 2024. Among them, the round bar steel grade S45C is widely used in manufacturing mechanical parts such as shafts, gears, and high-strength bolts. Produced using hot rolling and heat treatment technology, it meets Japan's JIS G4051 standard. Hoa Phat is one of the few domestic manufacturers capable of producing this high-quality product to international standards, reducing the need for imports.

Meanwhile, SS400 round bar steel - a low-carbon steel - is commonly used in construction, structural frameworks, and general fabrication. Hoa Phat has successfully produced SS400 steel for both domestic supply and exports to Cambodia.

With its existing capabilities, Hoa Phat Group is strongly positioning itself as a key player in high-quality steel production, reducing reliance on imports. The company is also preparing for large-scale production of railway steel and steel for train axles and high-speed rail projects, meeting government orders and contributing to key national infrastructure developments while expanding exports worldwide.





PART 6

SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory Technical innovation initiatives save hundreds of billions VND Self-sufficiency in 90% of Electricity for Steel Production

Innovating new products

Hoa Phat Group's digital
transformation milestone in 2024
Corporate social responsibility:
Growing together with the
Community



HOA PHAT REFRIGERATION UNVEILS FUNIKI DRYERS AND CORROSION-RESISTANT FREEZERS

In 2024, Hoa Phat Refrigeration continues to expand its product portfolio with the launch of Funiki dryers and corrosion-resistant freezers, reinforcing its commitment to cutting-edge technology, enhanced user experience, and sustainability.

The Funiki dryer series introduces two models: Smart and Standard. Designed with an 8 - 10 kg drying capacity, they cater perfectly to households of four to six members. The Smart Dryer features Fine Al technology integrated with Smart Sensor technology, which automatically adjusts drying temperatures to protect fabric fibers with precision.

Meanwhile, the Standard Dryer simplifies operation with an intuitive "Turn & Dry" mechanism, allowing effortless use. Both models are available in a sleek, modern dark gray finish, seamlessly complementing various interior designs.

Simultaneously, the freezer segment takes a significant leap forward with the introduction of ZAM steel technology, an innovation that effectively resists rust and corrosion, shielding the freezer from environmental impacts and doubling its lifespan compared to conventional models. This breakthrough not only extends product durability but also provides a cost-efficient, long-term solution for consumers while supporting environmental sustainability.

HOA PHAT HOME APPLIANCES: PIONEERING A GREEN ERA FOR SUSTAINABLE LIVING

With a forward-thinking vision, Hoa Phat Home Appliances is embracing 2025 with the strategic direction: "Entering the Green Era - Healthy and Sustainable

Living". The company remains steadfast in developing products based on three core principles: green technology, wellness-focused innovation, and long-term sustainability.

In January 2025, Hoa Phat introduced the HyperS Alkaline Hydrogen Water Purifier, a revolutionary product featuring advanced electrolysis technology with platinum-coated titanium electrodes. This cutting-edge system doubles the hydrogen content in water, offering a premium water purification solution that enhances health. By balancing pH levels, neutralizing acidity, and boosting antioxidant properties, this technology supports overall well-being.

Hoa Phat Home Appliances is also pioneering green technology across its entire product lineup. The company's water purifiers incorporate BLOCK cooling technology with R600a refrigerant, significantly reducing energy consumption and ozone depletion.

The latest air cooler models set to launch in early 2025 feature an enhanced wind-deflection system, designed for superior airflow distribution and user comfort. Additionally, the high-absorption wooden cooling pads ensure greater durability and energy efficiency, aligning with consumers' growing preference for eco-friendly and cost-effective cooling solutions.

The production process at the factory has also been improved to minimize greenhouse gas emissions. The automated painting line utilizes nano-phosphate surface treatment technology and electrostatic powder coating, reducing wastewater sludge discharge by 90%.

Hoa Phat Home Appliances has successfully completed its greenhouse gas inventory certification.



PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory
Technical innovation initiatives save hundreds of billions VND
Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products

Hoa Phat Group's digital transformation milestone in 2024

Corporate social responsibility:
Growing together with the
Community

HOA PHAT GROUP'S DIGITAL TRANSFORMATION MILESTONE IN 2024

The year 2024 marks a pivotal moment in Hoa Phat Group's digital transformation, with a series of large-scale projects successfully implemented to boost operational efficiency and innovation.

DIGITALIZATION PROJECTS FOR THE WHOLE GROUP

As a company that values human capital as its greatest asset, Hoa Phat Group continues to drive digitalization in human resource management. In 2024, the company has placed a strong emphasis on standardization and optimization, particularly in two key areas:

Job title standardization and job evaluation system:

The Project Committee, in collaboration with the HR departments of subsidiaries and external consultants, has completed an extensive evaluation of C3 and C4 job levels across the Group, ensuring a streamlined and efficient HR framework.



380

THE GROUP'S SUBSIDIARIES
PARTICIPATED IN THE EVALUATION

POSITIONS COMPLETED THE EVALUATION.

Standardizing compensation, benefits, and HR digitalization:

To establish a transparent and scientifically structured salary and bonus distribution system, Hoa Phat Group has been refining its compensation, benefits, and incentives framework to ensure internal fairness and drive employee motivation.

Significant strides have been made in HR standardization and digitalization. Since April 2024, the HR Management System has been officially implemented across the entire Group, optimizing human resource management, improving accuracy and transparency, and facilitating strategic workforce planning. In 2025, the next phase will continue with digitalizing HR processes, including recruitment, training, and payroll integration following standardization across subsidiaries.

100%

MEMBER UNITS WITHIN THE GROUP ARE ACTIVELY ENGAGED



95%

EMPLOYEES INVOLVED

EMPLOYEES EXPRESSED SATISFACTION WITH THEIR PARTICIPATION

Additionally, Hoa Phat Group is actively cultivating and promoting corporate culture. In August 2024, the company successfully hosted an online corporate culture knowledge competition, attracting over 3,400 employees. This initiative not only reinforced understanding of the Group's values but also leveraged technology for internal training.

The E-Office project entered Phase 2 in August 2024, focusing on document digitization and knowledge management across the Group. Key features include multi-dimensional document search, keyword-based lookup, content linking, and a Q&A system, significantly improving information access and internal collaboration. The system is set to be fully operational by 2025.

In 2024, Hoa Phat Group also successfully piloted the Master Data Management (MDM) system, achieving 96% of its performance targets. This milestone lays the foundation for data standardization, synchronization, and enhanced decision-making for the leadership team



PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory
Technical innovation initiatives
save hundreds of billions VND
Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products

Hoa Phat Group's digital transformation milestone in 2024

Corporate social responsibility:
Growing together with the
Community

ACCELERATING DIGITAL TRANSFORMATION AT MEMBER COMPANIES

Hoa Phat Dung Quat Steel continues to lead the digital transformation with a series of key initiatives:

- Salesforce CRM: Standardizes sales processes, enhances operational efficiency, and strengthens collaboration with agents and distributors, improving business performance and reducing operational costs.
- SAP S/4HANA at Hoa Phat Dung Quat 2: Launched on November 15, 2024, this system integrates Accounting, Procurement, Warehousing, Production, Quality Control, Maintenance, and Sales, along with SAC BI reporting. Notably, the implementation time was 50% shorter than previous rollouts.
- Port Operations Management Software: Officially launched in December 2024, this system digitalizes port operations, reducing waiting times and optimizing efficiency. Future upgrades will incorporate advanced planning tools and Al applications.
- HRC 2 Hot-Rolled Coil Production Management System: Plays a crucial role in monitoring, controlling, and optimizing production processes while ensuring product quality.
- Production Operation Data Center: Consolidates all operational data solutions for the Hoa Phat Dung Quat Steel Complex, enhancing efficiency and decision-making.

Other member companies within the Group are also accelerating digital transformation in business and production management in line with the Group's strategic direction. Notably, Hoa Phat Refrigeration Co., Ltd. has implemented the Lean Management system at its Hung Yen refrigeration plant, increasing refrigerator production efficiency by 71% and meeting export standards for the U.S. market. By continuously improving processes, eliminating waste, and optimizing each step, the plant has significantly enhanced operational quality. Building on these positive results, the Lean Management model is expected to be expanded across the other subsidiaries of the Group in 2025.

DIGITAL TRANSFORMATION TRAINING & COMMUNICATION

Alongside software implementation, Hoa Phat Group prioritizes employee engagement and digital competency development:

- The internal Digital Transformation portal provides regular updates on projects, thought leadership articles, and transformation best practices, attracting thousands of employees and fostering an innovation-driven culture.
- The IT Fundamentals Training Program enhances employees' knowledge of server systems, networking, and SQL (Structured Query Language). Future programs will expand to cover advanced technology and data analytics.
- Digital Transformation Knowledge Sharing: In November 2024, representatives from AWS and its partners engaged with Hoa Phat to explore digital twin solutions for future deployment across the Group's manufacturing facilities.





PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory
Technical innovation initiatives
save hundreds of billions VND
Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products
Hoa Phat Group's digital
transformation milestone in 2024

Corporate social responsibility:
Growing together with the
Community

CORPORATE SOCIAL RESPONSIBILITY: GROWING TOGETHER WITH THE COMMUNITY

At the heart of Hoa Phat Group lies the philosophy of Harmony for Joint Development. This principle is embodied in the relationships among employees, as well as the Group's partnerships with stakeholders, distributors, shareholders, and the wider community, all striving toward sustainable growth. Committed to creating lasting social impact, Hoa Phat Group actively implements meaningful support initiatives, focusing on four key areas: Healthcare, Education, Infrastructure, and Community Development.

Operating across 26 provinces and cities, Hoa Phat Group contributed nearly VND 13.5 trillion to the national budget in 2024 - its highest contribution to date.

In 2024, Hoa Phat Group allocated over VND 100 billion to social welfare initiatives, making a tangible difference in communities across Vietnam. Key efforts included eliminating temporary housing and building 1,500 homes for disadvantaged families, as well as funding the construction of a new school in Binh Dong, Quang Ngai, with an investment exceeding VND 40 billion. The Group also donated over 300 water purifiers to schools and healthcare facilities nationwide, provided gifts to underprivileged individuals, sponsored heart surgeries for children with congenital conditions, and supported orphans. Additionally, Hoa Phat extended aid to communities affected by Typhoon Yagi (Storm No. 3), helping them rebuild and recover in the aftermath of natural disasters.

"BEATS OF LOVE" - LIFE-CHANGING HEART SURGERY SPONSORSHIP

Driven by a deep commitment to giving Vietnamese children a healthy heart, Hoa Phat Group launched the "Heartbeat of Love" program in 2015 and remains dedicated to sustaining it in the years ahead. This initiative provides free heart surgery for underprivileged children suffering from congenital heart disease, reflecting the Group's unwavering efforts to support the community.

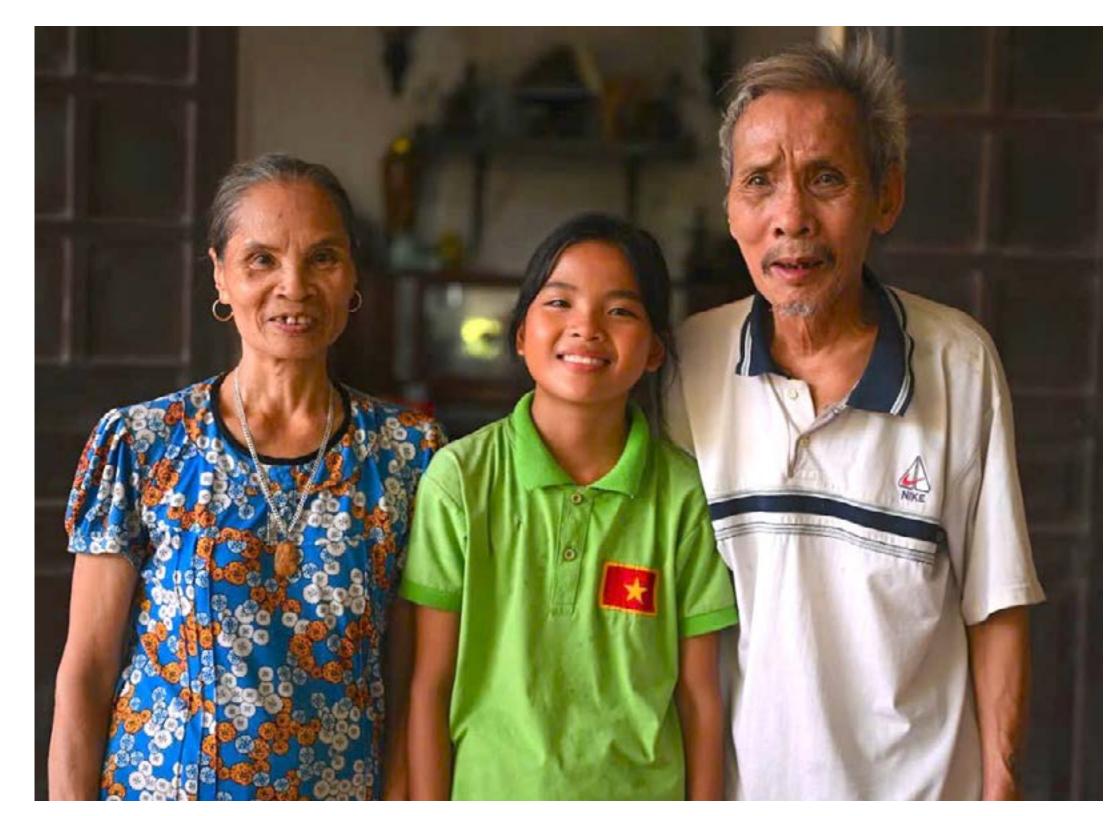
In 2024 alone, "Heartbeat of Love" helped heal the hearts of children in need, with over VND 1.3 billion in sponsorships. Over the years, the program has earned a reputation as a trusted source of hope, recognized by both patients and Social Work Departments at major hospitals across Vietnam. The Journey of Love and



JOURNEY OF LOVE AND CARE: CHARITABLE GODMOTHER

As part of the "Journey of Love and Care" series, the "Charitable Godmothers" program was established to provide support and care for orphans facing difficult circumstances. This meaningful program is implemented by Hoa Phat in collaboration with the Women's Union across various localities.

Nearly 200 orphaned children in Quang Ngai, Hai Duong, Thai Binh, Bac Giang, Hoa Binh, Phu Tho, and Binh Phuoc have received financial support from Hoa Phat, with an allowance of VND 500,000 per child per month. With a minimum commitment of five years, Hoa Phat hopes to accompany these children on their journey toward a brighter future, serving as a source of stability and encouragement in their lives.





PART 6 SUSTAINABLE DEVELOPMENT

Hoa Phat completes group-wide greenhouse gas inventory
Technical innovation initiatives
save hundreds of billions VND
Self-sufficiency in 90% of
Electricity for Steel Production
Innovating new products
Hoa Phat Group's digital
transformation milestone in 2024

Corporate social responsibility:
Growing together with the
Community



SUPPORTING POST - TYPHOON YAGI RECONSTRUCTION

In response to the government's initiative to eliminate makeshift and dilapidated housing, Hoa Phat Group has allocated over VND 80 billion to construct 1,500 homes for disadvantaged families in provinces such as Quang Ngai, Phu Yen, Hung Yen, Soc Trang, and Tra Vinh.

Specifically, Hoa Phat has contributed VND 50 billion, including VND 20 billion for Phu Yen and 30 billion VND for Quang Ngai, to build 1,000 homes. Additionally, the Group has provided 15 billion VND for Tra Vinh, VND 10 billion for Soc Trang, and VND 8 billion for Hung Yen to support housing construction for impoverished households and victims of Agent Orange.

To help residents rebuild their lives after the devastating impact of Typhoon Yagi (Storm No. 3), Hoa Phat Group has donated VND 10 billion to Lao Cai province. The support has taken various forms, including: Funding the construction of 28 solid new homes in A Lu Commune, Bat Xat District, with a total value of VND 5.6 billion; Providing roofing materials for 55 houses, as well as several schools and community centers in Lang Nu and Nam Tong, totaling VND 2.6 billion.

Additionally, Hoa Phat employees have personally delivered 2,000 gift packages worth 2 billion VND to residents in Bat Xat, Bac Ha, and Bao Yen districts in Lao Cai province. A further 1,194 gift packages were directly distributed to families in Bao Lam, Bao Lac, Thach An, Hoa An, Nguyen Binh, Trung Khanh, Ha Quang, and Cao



Bang City in Cao Bang province, each valued at VND 1 million. These charitable efforts are part of Hoa Phat's broader initiative to support communities affected by Typhoon Yagi.

A LOVING SPRING: TET FOR THE UNDERPRIVILEGED

As an annual tradition, Hoa Phat Group organizes the "A Loving Spring" program ahead of the Lunar New Year to bring warmth and joy to disadvantaged families. This initiative provides Tet gifts to underprivileged households and social policy beneficiaries in areas where Hoa Phat operates its factories and livestock farms nationwide.

Ahead of the 2025 At Ty Lunar New Year, Hoa Phat has distributed over 3,000 Tet gift packages to struggling families in 11 provinces and cities, including Quang Ngai, Hai Duong, Bac Giang, Phu Tho, Thai Binh, Yen Bai, Ha Giang, Hoa Binh, Da Nang, Phu Yen, Dong Nai, Binh Phuoc, and Ho Chi Minh City.

Each gift package, valued at VND 400,000, consists of VND 200,000 in cash and essential Tet items such as biscuits, cooking oil, and seasoning. These gifts, personally delivered by Hoa Phat employees, amounted to a total contribution of approximately 1.2 billion VND.

The "A Loving Spring - Tet for the Underprivileged" program has been an integral part of Hoa Phat's corporate social responsibility since the early 2000s. Through this initiative, the Group aims to support vulnerable communities, alleviate their hardships, and help them celebrate a warmer, more fulfilling Tet holiday.





PART CONSOLIDATED FINANCIAL STATEMENTS

- 1 REPORT OF THE BOARD OF DIRECTORS
- 2 INDEPENDENT AUDITOR'S REPORT
- 3 CONSOLIDATED BALANCE SHEET
- 4 CONSOLIDATED STATEMENT OF INCOME
- 5 CONSOLIDATED STATEMENT OF CASH FLOWS
- 6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The auditied Consolidated financial statements and seperate financial statements in 2024 have been published on the company website at: www.hoaphat.com.vn



CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash

flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Hoa Phat Group Joint Stock Company ("the Company") presents this report and the consolidated financial statements of the Company and its subsidiaries (together referred to as "the Group") for the year ended 31 December 2024.

The members of the Board of Management and the Board of Directors of the Company during the year and at the date of this report are as follows:

Board of Management Mr. Tran Dinh Long Chairman

Mr. Tran Tuan Duong

Mr. Nguyen Manh Tuan

Mr. Doan Gia Cuong

Mr. Nguyen Ngoc Quang

Mr. Hoang Quang Viet

Mr. Nguyen Viet Thang

Vice Chairman

Vice Chairman

Member

Member

Member

Mr. Chu Quang Vu
Mr. Dang Ngoc Khanh
Member (from 11/4/2024)
Member (from 11/4/2024)

Board of Directors Mr. Nguyen Viet Thang General Director

Mrs. Nguyen Thi Thao Nguyen Deputy General Director Ms. Tran Thi Thu Hien Deputy General Director

CORPORATE INFORMATION

The Company was originated from Hoa Phat Steel Joint Stock Company incorporated under the Law on Enterprise of Vietnam pursuant to the initial Business Registration Certificate No. 0503000008 issued by Hung Yen Department of Planning and Investment on 26 October 2001. In accordance with the 8th amendment of the Business Registration Certificate No. 0503000008 issued by Hung Yen Department of Planning and Investment on 9 January 2007, Hoa Phat Steel Joint Stock Company was transformed into Hoa Phat Group Joint Stock Company.

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is by Enterprise Registration Certificate No. 0900189284 dated 18 December 2024. The Enterprise Registration Certificate was issued by the Hung Yen Department of Planning and Investment.

The registered office of the Company is located in Pho Noi A Industrial Zone, Nguyen Van Linh Commune, Yen My District, Hung Yen Province, Vietnam.

The subsidiaries of the Company are disclosed in Note 1.4 to the consolidated financial statements.



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash

flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY REPORT OF THE BOARD OF DIRECTORS

OPERATING RESULTS AND DIVIDENDS

The consolidated net profit attributable to the shareholders of the Company for the year ended 31 December 2024 was VND12,021 billion (2023: VND6,835 billion).

POST BALANCE SHEET EVENTS

There are no significant post balance sheet events that need to be adjusted or disclosed in the consolidated financial statements.

AUDITOR

The auditor of the Company and the Group is KPMG Limited.

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and presentation of the consolidated financial statements which give a true and fair view of the Group's consolidated financial position as at 31 December 2024, consolidated results of operations and consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. In preparing the consolidated financial statements, the Board of Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- confirm that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Directors is also responsible for ensuring that proper accounting records are prepared and kept which disclose, with reasonable accuracy at any time, the financial position of the Group and to ensure that the accounting records comply with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other violations.

The Board of Directors confirms with the Company's Board of Management and Shareholders that they have complied with the above requirements in preparing the consolidated financial statements.



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash

flows

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY REPORT OF THE BOARD OF DIRECTORS

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements for the year ended 31 December 2024. These financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

On behalf of the Board of Directors



Nguyen Viet Thang General Director

Hung Yen, 24 March 2025



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated

financial statements

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS AND BOARD OF MANAGEMENT HOA PHAT GROUP JOINT STOCK COMPANY

We have audited the accompanying consolidated financial statements of Hoa Phat Group Joint Stock Company ("the Company") and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 24 March 2025, as set out on pages 6 to 66.

MANAGEMENT'S RESPONSIBILITY

The Company's Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash

flows

Notes to the consolidated

financial statements

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S OPINION

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Hoa Phat Group Joint Stock Company and its subsidiaries as at 31 December 2024 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 22-02-00117-25-2



Pham Thi Thuy Linh
Practicing Auditor Registration
Certificate No. 3065-2024-007-1
Deputy General Director

Hanoi, 24 March 2025



Phan My Linh
Practicing Auditor Registration
Certificate No. 3064-2024-007-1



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report

Consolidated balance sheet

Consolidated statement of income

Consolidated statement of cash flows

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024

Form B 01 – DN/HN

	Code	Note	31/12/2024 VND	1/1/2024 VND
ASSETS				
CURRENT ASSETS	100		86,674,276,272,995	82,716,439,173,043
(100 = 110 + 120 + 130 + 140 + 150)				
Cash and cash equivalents	110	5	6,887,646,139,852	12,252,001,160,884
Cash	111		2,919,531,945,908	3,771,595,160,884
Cash equivalents	112		3,968,114,193,944	8,480,406,000,000
Short-term financial investments	120		18,974,716,730,905	22,177,303,502,481
Held-to-maturity investments	123	6	18,974,716,730,905	22,177,303,502,481
Accounts receivable – short-term	130		7,647,800,286,988	10,702,136,439,996
Accounts receivable from customers	131	7	4,352,135,419,872	5,999,539,831,497
Prepayments to suppliers	132	8	2,118,824,427,004	2,583,940,446,585
Loans receivable	135		87,461,616,439	203,600,000,000
Other receivables	136	9.1	1,248,992,845,378	1,961,601,875,298
Allowance for doubtful debts	137		(159,993,736,285)	(46,628,415,158)
Shortage of assets awaiting resolution	139		379,714,580	82,701,774
Inventories	140	10.1	46,091,222,189,472	34,504,487,406,261
Inventories	141		46,192,292,081,813	34,628,367,844,950
Allowance for inventories	149		(101,069,892,341)	(123,880,438,689)
Other current assets	150		7,072,890,925,778	3,080,510,663,421
Short-term prepaid expenses	151	15.1	426,149,499,088	330,834,978,197
Deductible value added tax	152		6,636,666,459,154	2,737,971,196,700
Taxes and others receivable from State Treasury	153	20	10,074,967,536	11,704,488,524



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report

Consolidated balance sheet

Consolidated statement of income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024 (CONTINUED)

Form B 01 – DN/HN

	Code	Note	31/12/2024 VND	1/1/2024 VND
LONG-TERM ASSETS (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		137,815,431,280,986	105,066,147,390,758
Accounts receivable – long-term	210		923,400,123,614	1,880,922,130,348
Prepayments to suppliers – long-term	212	8	82,805,287,792	1,004,491,555,731
Loans receivable – long-term	215		-	95,351,026,613
Other long-term receivables	216	9.2	840,594,835,822	781,079,548,004
Fixed assets	220		67,428,366,953,514	71,998,370,737,871
Tangible fixed assets	221	11	67,244,150,975,048	71,787,251,586,301
Cost	222		108,146,566,348,954	106,923,132,503,430
Accumulated depreciation	223		(40,902,415,373,906)	(35,135,880,917,129)
Intangible fixed assets	227	12	184,215,978,466	211,119,151,570
Cost	228		367,057,604,707	357,031,331,749
Accumulated amortisation	229		(182,841,626,241)	(145,912,180,179)
Investment property	230	13	559,598,463,093	593,920,277,320
Cost	231		860,549,015,615	859,667,015,615
Accumulated depreciation	232		(300,950,552,522)	(265,746,738,295)
Long-term work in progress	240		63,750,717,325,406	26,098,929,377,501
Long-term work in progress	241	10.2	94,859,885,024	46,356,652,469
Construction in progress	242	14	63,655,857,440,382	26,052,572,725,032
Long-term financial investments	250		136,500,000,000	40,000,000,000
Held-to-maturity investments	255	6	136,500,000,000	40,000,000,000



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report

Consolidated balance sheet

Consolidated statement of income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024 (CONTINUED)

Form B 01 – DN/HN

	Code	Note	31/12/2024 VND	1/1/2024 VND
Other long-term assets	260		5,016,848,415,359	4,454,004,867,718
Long-term prepaid expenses	261	15.2	4,269,141,694,868	4,215,007,972,679
Deferred tax assets	262	16	254,671,208,385	163,087,876,347
Long-term tools, supplies and spare parts	263	10.2	429,422,385,383	-
Goodwill	269	17	63,613,126,723	75,909,018,692
TOTAL ASSETS (270 = 100 + 200)	270		224,489,707,553,981	187,782,586,563,801
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		109,842,249,570,282	84,946,167,324,422
Current liabilities	310	18	75,225,243,262,689	71,513,492,904,733
Accounts payable to suppliers	311	19	14,046,841,160,127	12,387,496,434,147
Advances from customers	312	20	739,178,306,553	741,733,890,580
Taxes and others payable to State Treasury	313		1,743,411,429,415	945,404,457,633
Payables to employees	314		890,893,543,298	403,391,467,732
Accrued expenses	315	21.1	682,112,072,502	477,102,216,071
Unearned revenue – short-term	318		11,060,479,431	9,979,596,501
Other payables – short-term	319	22.1	188,076,845,190	182,970,590,524
Short-term borrowings	320	23.1	55,882,686,213,459	54,981,883,180,636
Provisions – short-term	321	24	13,672,830,889	8,054,106,025
Bonus and welfare fund	322	25	1,027,310,381,825	1,375,476,964,884
Long-term liabilities	330		34,617,006,307,593	13,432,674,419,689
Long-term accounts payable to suppliers	331	18	6,283,630,279,040	2,324,285,289,468
Long-term accrued expenses	333	21.2	1,143,692,237,207	610,552,512,045



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet

Consolidated statement of income

Consolidated statement of cash

Notes to the consolidated

flows

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024 (CONTINUED)

Form B 01 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
Long-term unearned revenue	336		_	174,647,128
Other payables – long-term	337	22.2	12,476,505,170	13,361,520,783
Long-term borrowings	338	23.2	27,080,443,256,096	10,399,119,292,481
Deferred tax liabilities	341		29,268,483,140	30,012,518,415
Provisions – long-term	342	24	67,495,546,940	55,168,639,369
EQUITY (400 = 410)	300		114,647,457,983,699	102,836,419,239,379
Owners' equity	410	26	114,647,457,983,699	102,836,419,239,379
Share capital	411	27	63,962,502,000,000	58,147,857,000,000
 Ordinary shares with voting rights 	411a		63,962,502,000,000	58,147,857,000,000
Share premium	412		_	3,211,560,416,270
Investment and development fund	418		794,841,242,128	818,200,313,964
Retained profits	421		49,599,124,109,203	40,593,031,662,654
- Retained profits brought forward	421a		37,624,250,548,129	33,796,166,741,483
 Retained profits for the current year 	421b		11,974,873,561,074	6,796,864,921,171
Non-controlling interest	429		290,990,632,368	65,769,846,491
TOTAL RESOURCES (440 = 300 + 400)	440		224,489,707,553,981	187,782,586,563,801

24 March 2025

Prepared by:

Tran Xuan Mai General Accountant Approved by:

Pham Thi Kim Oanh Chief Accountant



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

Form B 02 - DN/HN

	Code	Note	2024 VND	2023 VND
REVENUE FROM SALES OF GOODS AND PROVISION			140,561,387,448,572	120,355,231,616,139
OF SERVICES	01	30	1,706,275,317,185	1,402,203,722,485
REVENUE DEDUCTIONS	02	30	1,700,270,017,100	1,402,200,722,400
NET REVENUE (10 = 01 - 02)	10	30	138,855,112,131,387	118,953,027,893,654
COST OF SALES	11	31	120,357,563,003,703	106,015,187,198,082
GROSS PROFIT (20 = 10 - 11)	20		18,497,549,127,684	12,937,840,695,572
Financial income	21	32	2,618,917,240,287	3,173,086,404,949
Financial expenses	22	33	3,966,636,074,605	5,191,511,844,389
In which: Interest expense	23		2,287,360,810,880	3,585,077,683,881
Selling expenses	25	34	2,337,308,685,264	1,961,362,129,952
General and administration expenses	26	35	1,545,516,022,772	1,307,290,336,873
NET OPERATING PROFIT	30		13,267,005,585,330	7,650,762,789,307
${30 = 20 + (21 - 22) - (25 + 26)}$				
Other income	31	36	1,159,769,685,093	771,973,465,495
Other expenses	32	37	733,273,009,245	630,007,511,629
RESULTS OF OTHER ACTIVITIES (40 = 31 - 32)	40		426,496,675,848	141,965,953,866
ACCOUNTING PROFIT BEFORE TAX (50 = 30 + 40)	50		13,693,502,261,178	7,792,728,743,173
INCOME TAX EXPENSE – CURRENT	51	39	1,765,806,007,240	1,073,551,888,059
INCOME TAX BENEFIT- DEFERRED	52	39	(92,327,367,333)	(81,211,459,967)
NET PROFIT AFTER TAX (CARRIED FORWARD TO NEXT PAGE) (60 = 50 - 51 - 52)	60		12,020,023,621,271	6,800,388,315,081



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 02 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
NET PROFIT AFTER TAX (BROUGHT FORWARD FROM PREVIOUS PAGE) (60 = 50 - 51 - 52)	60		12,020,023,621,271	6,800,388,315,081
Attributable to: Shareholders of the parent company Non-controlling interest	61 62		12,021,443,836,074 (1,420,214,803)	6,835,064,334,356 (34,676,019,275)
Basic earnings per share	70	40.2	1,751	Restated 1,005

24 March 2025

Prepared by:

Tran Xuan Mai General Accountant Pham Thi Kim Oanh Chief Accountant Approved by:

Nguyen Viet Thang General Director



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024 (INDIRECT METHOD)

Form B 03 - DN/HN

	Code	Note	2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		13,693,502,261,178	7,792,728,743,173
Adjustments for				
Depreciation and amortisation	02		6,915,671,331,197	6,761,933,539,397
Amortisation of goodwill	02		12,295,891,969	12,099,941,304
Allowances and provisions	03		108,500,407,214	(1,094,201,952,159)
Exchange losses arising from revaluation of monetary items				
denominated in foreign currencies	04		173,470,579,978	291,243,752,578
Profits from investing activities	05		(1,718,310,403,845)	(1,927,836,792,719)
Interest expense	06		2,287,360,810,880	3,585,077,683,881
Operating profit before changes in working capital	08		21,472,490,878,571	15,421,044,915,455
Change in inventories	09		(1,818,671,846,432)	(5,601,896,103,470)
Change in payables and other liabilities	10		(10,759,800,904,696)	1,026,315,216,371
Change in prepaid expenses	11		1,994,355,381,518	2,609,540,999,740
	12		(227,706,209,603)	(87,803,327,985)
			10,660,667,299,358	13,367,201,700,111
Interest paid	14		(2,332,422,296,347)	(3,647,295,875,670)
Income tax paid	15		(936,764,513,356)	(559,992,514,733)
Other receipts from operating activities	16		447,272,727	_
Other payments for operating activities	17		(783,607,107,167)	(516,882,532,682)
Net cash flows from operating activities	20		6,608,320,655,215	8,643,030,777,026



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024 (INDIRECT METHOD - CONTINUED)

Form B 03 – DN/HN

	Code	Note	2024 VND	2023 VND
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term				
assets	21		(35,495,026,797,327)	(17,373,946,475,964)
Proceeds from disposals of fixed assets and other long-	22		1,253,593,566,574	206,461,627,829
term assets	23		(28,505,457,880,646)	(39,803,522,821,759)
Payments for purchase of debt instruments of other entities				
Receipts from collecting loans, sales of debt instruments of other entities	24		31,587,656,044,222	43,279,753,995,632
Disposal of subsidiaries, net of cash disposed	26		31,246,619,001	(526,054,585,230)
Receipts of interests on term deposits and loans	27		1,339,850,195,728	2,222,218,737,225
Net cash flows from investing activities	30		(29,788,138,252,448)	(11,995,089,522,267)



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024 (INDIRECT METHOD - CONTINUED)

Form B 03 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from equity issued, capital contributed by non	-			
controlling shareholders	31		233,136,000,000	700,000,000
Payments for capital refunds for minority shareholder	32		(119,560,000)	(2,343,640,000)
Proceeds from borrowings	33		174,465,587,837,075	127,232,900,840,872
Payments to settle loan principals	34		(156,878,935,679,240)	(119,947,631,065,468)
Payments of dividends	36		(4,971,010,891)	(8,013,794,632)
Net cash flows from financing activities Net cash flows during the year	40		17,814,697,586,944	7,275,612,340,772
(50 = 20 + 30 + 40)	50		(5,365,120,010,289)	3,923,553,595,531
Cash and cash equivalents at the beginning				
of the year	60		12,252,001,160,884	8,324,588,920,227
Effect of exchange rate fluctuations on cash and				
cash equivalents	61		764,989,257	3,858,645,126
Cash and cash equivalents at the				
end of the year $(70 = 50 + 60 + 61)$	70	5	6,887,646,139,852	12,252,001,160,884

24 March 2025

Prepared by:

Tran Xuan Mai

General Accountant

Pl

Pham Thi Kim Oanh Chief Accountant Nguyen Viet Thang

General Director

Approved by:



PART 7

CONSOLIDATED FINANCIAL STATEMENTS

Report of the Board of Directors

Independent Auditor's report

Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash flows

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

1. REPORTING ENTITY

1.1 Ownership structure

Hoa Phat Group Joint Stock Company ("the Company") is incorporated as a joint stock company in Vietnam. The consolidated financial statements of the Company for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as "the Group") and the Group's interest in associates.

1.2 Principal activities

The principal activities of the Group are as follows:

- Office leasing;
- Financial investments;
- Integrated investment and construction of infrastructures, industrial zones and urban zones;
- Production of tanks, reservoirs and containers of metal;
- Production of structural metal products;
- Exploration and exploitation of minerals;
- Leasing machines, equipment and motor vehicles;
- Dealing in automobiles, motorbikes, equipment, parts for transport and mining sectors, transport vehicles;
- Production and trading of construction and mining machineries;
- Dealing in electrical, electronic appliances, optical and medical equipment;
- Production, trading, assembly, installation, repair and maintenance of electrical, electronic, electrical refrigeration and civil electrical appliances and airconditioners;
- Production and trading of raw materials and plastic products;
- Advertisement;
- Civil and industrial construction;
- Exploitation of sand, stones and gravel;
- Production, trading and assembly of furniture products and construction equipment;
- Real estate trading (excluding land price consultancy);
- Domestic and foreign investment advisory (excluding law advisory);
- Production and trading of non-ferrous metal and non-ferrous metal scraps;
- Trading and export and import of steel and supplies for steel making and rolling;
- Production of rolled steel products and roofing sheets;
- Exploitation of metal ores;



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report

Consolidated balance sheet

Consolidated statement of

income

Consolidated statement of cash

flows

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

- Trading metals, metal ores, iron and steel scraps;
- Making cast iron and steel, and casting cast iron, iron and steel;
- Production of plated and non-plated steel pipes and inox pipes;
- Production and trading of galvanized steel sheet, color coated steel sheet and galvalum steel sheet;
- Rendering sports and gymnastics services (training, competition organisation, athlete transfer);
- Building and renting sports practice ground and competition ground;
- Entrusted export-import activities;
- Raising pigs;
- Raising cows;
- Raising poultry;
- Raising other animals;
- Provision of raising services;
- Processing and preserving meat and meat products;
- Producing feeds for cattle, poultry and aquaculture sector;
- Producing fertilizer and nitrogen compounds;
- Trading agricultural equipment, machineries and accessories;
- Coastal, inland waterway and ocean transportation;
- Export, import, trading and distribution of goods not included in the list of goods prohibited from trading in accordance with provisions of law.

1.3 Normal operating cycle

The normal operating cycle of the Group is generally within 12 months.

No.	Subsidiaries	Principal activities	Percentage of ownership and voting rights of the Group		
			31/12/2024	1/1/2024	
1	Hoa Phat Iron and Steel JSC (i)	Investment, production and trading of construction steel and auxiliary activities.	99.999%	99.999%	
2	Hoa Phat Steel Products JSC (ii)	Investment, production and trading of steel pipes, steel sheet and auxiliary activities.	99.996%	99.988%	
3	Hoa Phat Agriculture Development JSC (iii)	Raising livestock and poultry; farming; providing plantation, raising, post-harvest services; producing feeds for cattle, poultry and aquaculture sector.	99.999%	99.999%	



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

No.	Subsidiaries	Subsidiaries Principal activities		Percentage of ownership and voting rights of the Group		
			31/12/2024	1/1/2024		
4	Hoa Phat Real Estate Development JSC (iv)	Investment, construction and trading of real estates and auxiliary activities.	99.971%	99.967%		
5	Hoa Phat Home Appliances JSC	Investment, production and trading of electrical home appliances.	99.900%	99.900%		
6	An Thong Mineral Investment JSC	Exploring, exploiting, processing, importing and exporting minerals (mainly iron ores).	99.958%	99.958%		
7	Hoa Phat Hai Duong Steel JSC	Producing steel, iron, exploiting iron ores, exploiting and collecting lignite; wholesaling metals and metal ores; producing, trading coke coal.	99.997%	99.997%		
8	Hoa Phat Dung Quat Steel JSC	Producing steel, iron, exploiting iron ores; wholesaling metals and metal ores; producing and wholesaling coke coal and other related business activities.	99.999%	99.999%		
9	Hoa Phat Hung Yen Steel Co., Ltd.	Producing steel, iron, wholesaling metals and metal ores.	99.999%	99.999%		
10	Hoa Phat Shipping JSC	Coastal, inland waterway and ocean transportation.	99.519%	99.519%		
11	Hoa Phat Phu Yen Steel JSC	Producing and trading steel.	99.999%	0%		
12	Bai Goc Phu Yen Port JSC	Coastal, inland waterway, and ocean freight transport	99.999%	0%		
13	Hoa Phat Steel Pipe Co., Ltd.	Producing and trading various kinds of steel pipes.	99.976%	99.969%		
14	Hoa Phat Steel Sheet Co., Ltd.	Production and trading of galvanized steel sheet, color coated steel sheet and galvalum steel sheet.	99.996%	99.994%		
15	Hoa Phat Refrigeration Engineering Co., Ltd.	Producing and trading various kinds of refrigerant equipment.	99.800%	99.734%		
16	Hoa Phat Metal Producing Co., Ltd.	Producing construction equipment, trading construction machinery and equipment, exploiting small and medium-sized minerals.	99.913%	99.910%		
17	Hoa Phat Container Production JSC	Producing and trading containers.	99.824%	99.794%		
18	Hoa Phat Trading Co., Ltd.	Raising buffalos, cows; providing plantation, raising, post-harvest services.	99.937%	99.916%		
19	Hoa Phat Development of Livestock JSC	Raising and providing breeding and market pigs.	99.974%	99.974%		
20	Hoa Phat Hung Yen Feeds Co., Ltd.	Producing and trading feeds and materials for producing feeds for cattle, poultry and aquaculture sector.	99.999%	99.999%		
21	Hoa Phat Poultry Co., Ltd.	Raising poultry.	0%	99.999%		
22	Hoa Phat Urban Development and Construction JSC .	Civil and industrial construction, development of real estate for sales and lease, leasing houses and offices, investing in and building technical infrastructure.	99.940%	99.936%		
23	Hoa Phat Sai Gon Real Estate Development JSC	Trading of real estate, land use rights of land owners, land users or land lessees.	99.870%	99.867%		
24	Hoa Phat Hanoi Real Estate Development JSC	Trading of real estate, land use rights of land owners, land users or land lessees.	99.930%	99.930%		
25	New City Development Investment	Trading of real estate, land use rights of land owners, land users or land lessees.	99.970%	99.967%		



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

No.	Subsidiaries Principal activities		Percentage of ow voting rights of 31/12/2024	
26	Limited Company Hoa Tam Industrial Park Infrastructure Development JSC	Trading of real estate, land use rights of land owners, land users or land lessees.	99.950%	0%
27	Hoa Phat Yen My Urban Development JSC	Trading of real estate, land use rights of land owners, land users or land lessees.	99.840%	99.836%
28		Trading of real estate, land use rights of land owners, land users or land lessees.	93.070%	99.836%
29	Hoa Phat Ha Nam Home Appliances JSC	Investment, production and trading of electrical home appliances.	99.820%	99.800%
30	Hoa Phat Phu My Refrigeration Engineering JSC	Producing freezers and fridges.	99.800%	99.800%
31	Binh Vang One Member Co., Ltd.	Exploiting iron ore, non-ferrous metal, producing non-ferrous metal and precious metal, exploiting precious and rare metal ore.	0%	99.959%
32	Hoa Phat Mitraco Mining JSC	Exploring and production of iron, bauxite and other rare ores; trading metal and metal ores.	98.379%	98.379%
33	Hoa Phat Energy JSC	Producing and wholesaling coke coal, exploiting and collecting coal; producing refined petroleum products; wholesaling metals and metal ores; and trading various kinds of coal.	99.924%	99.887%
34	Hoa Phat Dung Quat Ferro Alloy JSC	Production of iron, steel and cast iron products.	99.988%	99.988%
35	Hoa Phat Dung Quat Steel Pipe JSC	Production of iron, steel and cast iron products.	99.985%	99.985%
36	Hoa Phat Dung Quat Steel Sheet JSC	Production of iron, steel and cast iron products.	99.988%	99.988%
37	Hoa Phat Multi-Purpose Port JSC	Direct support services for waterway transportation.	99.999%	99.998%
38	Harmonia Co., Ltd.	Hospitality services.	99.999%	99.998%
39	Hoa Phat - Binh Dinh One Member Co., Ltd.	Producing steel, iron, wholesaling metals and metal ores.	99.999%	99.999%
40	Nhon Trach Service Trading Co., Ltd.	Provision of warehouses, storage yards for rent; and storing, loading/unloading of goods.	99.987%	99.969%
41	Hoa Phat Cold Rolled Steel Co., Ltd.	Producing of cold rolled steel products.	99.976%	99.969%
42	Hoa Phat Binh Duong Steel Pipe One Member Co., Ltd.	Producing and trading various kinds of steel pipes.	99.976%	99.969%
43	Hoa Phat Da Nang Steel Pipe Co., Ltd.	Producing and trading various kinds of steel pipes.	99.953%	99.946%
44		Producing and trading various kinds of steel pipes.	99.976%	99.969%



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

No.	Subsidiaries	Principal activities		vnership and the Group
			31/12/2024	1/1/2024
	Ltd.			
45	Hoa Phat Long An Steel Products JSC	Producing and trading various kinds of steel pipes.	99.966%	99.959%
46	Hoa Phat Steel Wire Co., Ltd.	Producing and trading construction and mining machines; producing engines and turbines.	99.912%	99.910%
47	Hoa Phat Mechanical Manufacturing Co., Ltd.	Repairing and producing mechanical products; leasing machines, equipment and vehicles.	99.893%	99.923%
48	Hoa Phat Prestressed Concrete Steel One Member Co., Ltd.	r Production of iron, steel and cast iron products.	99.912%	99.910%
49	Hoa Phat Mechanical Fitting Co., Ltd	Production of mechanical spare parts.	99.824%	99.910%
50	9	e Civil and industrial construction, freehold or leasehold real estate trading, workshop	99.940%	99.936%
	Development Co., Ltd.	and office leasing, integrated investment and construction of infrastructure, clean water trading, waste collection, exploitation, treatment and supply of water and operation of restaurants.		
51	Hoa Mac Industrial Park Development Management Co., Ltd.	Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure, clean water trading, waste collection, exploitation, treatment and supply of water.	99.940%	99.936%
52	Golden Gain Vietnam JSC	Real estate trading.	99.930%	99.926%
53	Long Viet Construction JSC	Civil engineering, industrial construction.	99.740%	99.736%
54	Phu Tho New Urban Development JSC	Trading of real estate, land use rights of land owners, land users or land lessees.	64.943%	64.939%
55	Hoa Phat Dong Nai Feeds Co., Ltd.	Producing and processing feeds for cattle, poultry and aquaculture sector.	99.999%	99.999%
56	Hoa Phat Phu Tho Feeds Co., Ltd.	Producing animal feeds.	99.999%	99.999%
57	Hoa Phat Quang Binh Breeding Co., Ltd.	Raising livestock and poultry: providing plantation services.	72.674%	72.659%
58	Viet Hung Breeding Co., Ltd.	Raising livestock and poultry: providing plantation services.	99.937%	99.916%
59	Dong Phat Breeding Co., Ltd.	Raising livestock and poultry: providing plantation services.	99.937%	99.916%
60	Hoa Phat Dong Nai Poultry One Member Co., Ltd	. Raising poultry, raising other animals.	99.937%	99.916%
61	Thai Thuy Breeding Co., Ltd.	Raising pigs, raising poultry, raising other animals.	99.974%	99.974%
62	Lac Thuy Breeding Co., Ltd.	Raising poultry, raising other animals.	99.974%	99.974%
63	Hoa Yen Breeding One Member Co., Ltd.	Raising pigs, raising other animals.	99.999%	99.974%
64	Son Dong Breeding Co., Ltd.	Raising pigs, raising poultry, raising other animals.	99.974%	99.974%



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

No.	Subsidiaries	Principal activities	Percentage of ow voting rights of	the Group
			31/12/2024	1/1/2024
65	Hoa Phuoc Breeding Co., Ltd.	Raising breeding and market pigs.	99.972%	99.972%
66	Hoa Phat Phu Tho Poultry One Member Co., Ltd.	Raising poultry, raising other animals.	99.999%	99.999%
67	Chau Duc Trading and Manufacturing JSC	Production of plywood, veneer, plywood and other thin boards	99.771%	99.817%
68	Hanoi Investment and Services JSC	Sports, entertainment activities, including tennis, badminton, billiards, swimming, body building, games and real estate trading.	95.200%	95.197%
69	Hanoi Transportation and Trading Services JSC	Goods transport by automobiles, inter-provincial passenger transport by automobiles, machinery and equipment repair, domestic travel, petrol and oil trading agency, transport agency services and automobiles keeping services, office, warehouse and storage yard services and real estate trading.	99.830%	99.826%
70	Hanoi Business Trading and Services JSC	Goods transport by automobiles, inter-provincial passenger transport by automobiles, machinery and equipment repair, domestic travel, petrol and oil trading agency, transport agency services and automobiles keeping services, office, warehouse and storage yard services and real estate trading.	99.830%	0%
71	My Hao Urban Development JSC	Trading of real estate, land use rights of land owners, land users or land lessees.	99.840%	99.826%
72		Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure, clean water trading, waste collection, exploitation, treatment and supply of water.	79.952%	0%
73	Hoang Dieu Industrial Park Infrastructure Development JSC	Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure, clean water trading, waste collection, exploitation, treatment and supply of water.	79.952%	0%
74	Ha Noi Security Services Business Co., Ltd	Security Services.	95.200%	95.197%

(i) On 11 March 2024, the Board of Management of the Company approved a resolution to increase contributed capital of VND5,800,000,000,000 in Hoa Phat Iron and Steel Joint Stock Company. As at 31 December 2024, the Company has fully contributed the committed additional capital.

On 3 December 2024, the Board of Management of the Company approved a resolution to increase contributed capital of VND2,000,000,000 in Hoa Phat Iron and Steel Joint Stock Company. As at 31 December 2024, the Company had contributed VND1,810,000,000 out of the total committed additional capital. The remaining capital was contributed in January 2025.



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

- ii) On 20 June 2024 and 21 November 2024, the Board of Management of the Company approved a resolution to increase contributed capital of VND2,380,000,000,000 and VND500,000,000 in Hoa Phat Steel Products Joint Stock Company. As at 31 December 2024, the Company has fully contributed the committed additional capital.
- (iii) On 26 April 2024, the Board of Management of the Company approved a resolution to decrease contributed capital of VND299,997,580,000 in Hoa Phat Agriculture Development Joint Stock Company. As at 31 December 2024, the Company fully collected this amount of decreased capital.
- (iv) On 5 July 2024, the Board of Management of the Company approved a resolution to increase contributed capital of VND880,000,000,000 in Hoa Phat Real Estate Development Joint Stock Company. As at 31 December 2024, the Company has fully contributed the committed additional capital.

As at 31 December 2024, the subsidiaries of the Group are all incorporated in Vietnam.

As at 31 December 2024, the Group had 32,780 employees (1/1/2024: 28,951 employees).

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

2.2 Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

2.3 Annual accounting period

The annual accounting period of the Group is from 1 January to 31 December.

2.4 Accounting and presentation currency

The Group's accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated financial statement presentation purpose.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated financial statements.



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

3.1 Basis of consolidation

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(b) Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

(c) Loss of control

When the Group losses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in the consolidated income statement. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the consolidated financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

(d) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates.

(e) Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations included any costs directly attributable to the combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to effect the combination. Transaction costs are capitalised into the cost of business combination. General administrative costs and other



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

costs that cannot be directly attributed to the particular combination being accounted for are not included in the cost of the combination; they are recognised as an expense when incurred during the year.

Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs as the result of fair values of acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination being only provisionally determined, the Group shall account for such business combination at provisional amounts. During twelve months from the acquisition date (i.e. the measurement period), the Group shall retrospectively adjust the provisional amounts recognised at the acquisition date.

Any goodwill that arises representing the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree is recognised in consolidated balance sheet, then amortised through to the consolidated statement of income (see Note 3.12). When the excess is negative (gain from bargain purchase), it is recognised in the consolidated statement of income for the current year after a reassessment has been performed to ensure that the measurement of identifiable assets acquired, liabilities and contingent liabilities assumed and the cost of the business combination appropriately reflects consideration of all available information as of the acquisition date.

(f) Acquisition of assets

At the acquisition date, the Group determines whether the acquisition of the subsidiary is a business combination. The acquisition of the subsidiary qualifies as a business combination if the subsidiary does not have activities associated with the assets acquired.

If the acquisition of the subsidiary is not a business combination, such transaction is accounted for as a set of assets and liabilities. Cost of business combination is allocated to the assets and liabilities that are separately identifiable in that set of assets based on the corresponding fair value at the acquisition date and no goodwill is recognised.

3.2 Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rates (for assets) and account transfer selling rates (for liabilities) at the end of the accounting period quoted by the commercial bank where the Company and its subsidiaries most frequently conduct transactions.

All foreign exchange differences are recorded in the consolidated statement of income.



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

3.3 Cash and cash equivalents

Cash comprises cash balances, cash in transit and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3.4 Investments

Held-to-maturity investments

Held-to-maturity investments are those that the Company and its subsidiaries' management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank and bonds. These investments are stated at costs less allowance for doubtful debts.

3.5 Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is established for amount of outstanding receivables at the balance sheet date which are overdue more than 6 months or are doubtful of recovery. Increases and decreases to the allowance for doubtful debts balance are recorded as general and administration expense in the consolidated statement of income.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

Allowance for inventories is established for the estimated losses arising due to impairment (through diminution in value, damage or obsolescence) of inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the allowances for inventories balance are recorded in cost of goods sold account in the consolidated statement of income.

Manufacturing, trading and production of goods

Cost in the case of finished goods and manufactured work in progress includes raw materials, direct labour and attributable production overheads. The Group applies the perpetual method of accounting for inventories.



PART 6 SUSTAINABLE

DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

Real estate development for future sales

Cost is determined on a specific identification basis and includes land costs and other related development and infrastructure costs, other direct costs and attributable manufacturing overheads.

3.7 Tangible fixed assets

(a) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair and maintenance cost, except overhaul and major maintenance expenses recognised in long-term prepaid expenses (Note 3.11(b)), is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(b) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

buildings
 machinery and equipment
 motor vehicles
 office equipment
 livestock
 others
 5 - 50 years
 1 - 25 years
 2 - 12 years
 2 - 12 years
 2 - 12 years

3.8 Intangible fixed assets

(a) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of land use rights comprise the purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. For land use rights with definite useful lives, amortisation is computed on a straight-line basis over 10 to 50 years. No amortisation is provided for land use rights with indefinite useful lives.

(b) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance amortised on a straight-line basis over 3 to 8 years.

3.9 Investment property held to earn rental

(a) Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

(b) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property held to earn rental. The estimated useful lives are as follows:

buildings

3 – 49 years

Land use rights with indefinite useful live is not depreciated.

3.10 Construction in progress

Construction in progress represents (i) the costs of tangible and intangible fixed assets which have not been fully completed or installed and (ii) the costs directly attributable to raising breeding pigs which are growing and not mature enough for producing piglets. No depreciation is provided for construction in progress during the period of construction, installation and the period in which breeding pigs are not mature enough for producing piglets.

3.11 Long-term prepaid expenses

(a) Tools and instruments

Tools and instruments include assets held for use by the Group in the normal course of business. Tools and instruments are labour materials not satisfying requirements pertaining to value and use time prescribed in regulations of fixed assets. Cost of tools and instruments are amortised on a straight-line basis over a maximum period of 3 years.

(b) Overhaul and major maintenance expenses

These comprise major overhaul and maintenance expenses incurred on a periodical basis during the use of assets. These expenses are initially stated at cost



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

and are amortised to the consolidated statement of income on a straight-line basis over 2 to 3 years.

(c) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease.

(d) Site clearance costs

Site clearance costs comprise compensation and clearance fee paid by the Group. These expenses are initially stated at cost and amortised on a straight-line basis over the land lease period.

3.12 Goodwill

Goodwill arises on the acquisition of subsidiaries. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income.

Goodwill arising on acquisition of a subsidiary is amortised on a straight-line basis over 10 years. Carrying value of goodwill arising on acquisition of a subsidiary is written down to recoverable amount as management determines that it is not fully recoverable.

3.13 Trade and other payables

Trade and other payables are stated at their cost.

3.14 Provisions

Except for those specified in other notes, a provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Warranties

The provision for warranties relates mainly to goods sold and services rendered during the year. The provision is based on estimates derived from historical warranty data associated with similar products and services.



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

3.15 Share capital

Ordinary share

Ordinary shares are recognised at par value. The excess of proceeds from share issuance over the par value of shares issued is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

3.16 Income tax

Income tax on the consolidated profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.17 Revenue and other income

(a) Goods sold

Revenue from the sale of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts.

(b) Services rendered

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(c) Revenue from sublease of leasehold land

Revenue from sublease of leasehold land is recognised in the consolidated statement of income when the following conditions are met:



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

- Sub-lease period is more than 90% of useful life of the land use rights;
- The lessee is not entitled to cancel the lease contract and the lessor has no obligation to repay the amount received in advance in any cases and in any forms:
- The amount received in advance for the lease is not less than 90% of the total lease payments expected to receive under the contract during the lease term and the lessee must pay the entire amount of lease payments within 12 months from the beginning of the lease;
- Substantially all the risks and benefits associated with ownership of the land use rights are transferred to the lessee; and
- The costs incurred or to be incurred in respect of the lease must be reliably estimated by the Group.

(d) Rental income

Except for those described in Item 3.17(c), rental income from leased property is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(e) Interest income

Interest income is recognised on a time basis with reference to the principal outstanding and the applicable interest rate. Interest income from deposits during the period of construction is set off with borrowing costs relating to borrowings in respect of the construction of qualifying assets, net of the remaining difference from adjustment to decrease the value of investment.

(f) Dividend income

Dividend income is recognised when the right to receive dividend is established.

3.18 Lease

Lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense, over the term of the lease.

3.19 Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalized as part of the assets concerned.

3.20 Earnings per share

The Group presents basic earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to the



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

ordinary shareholders of the Company (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) by the weighted average number of ordinary shares outstanding during the year. During the year, the Company did not have any dilutive potential ordinary shares. Therefore, the presentation of diluted earnings per share is not applicable.

3.21 Related parties

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence.

Related parties may be individuals, directly or indirectly, having voting rights that give them significant influence over the Group, the Group's key management personnel, close family members of any individual considered to be a related party.

3.22 Comparative information

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year are included as an integral part of the current year financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, results of operation or cash flows for the prior year.

4. SEGMENT REPORTING

4.1 Business segments

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segments. The Group comprises the following main business segments:

- Production and trading of steel: refining steel; casting steel, iron; trading and import-export of steel, steel-producing machinery and equipment; production of industrial steel including steel sheet, hot rolled steel, cold rolled steel, steel pipe, steel scrap; production and trading of steel pipes; production of steel string machinery;
- Agriculture: raising pigs, cows, poultry; provision of raising services; processing and preserving meat and meat products; producing feeds for cattle, poultry and aquaculture sector; producing fertilizer and nitrogen compounds; trading agricultural equipment, machineries and accessories; and other relevant auxiliary sectors; and
- Real estate: civil construction, industrial construction, trading of real estate under its ownership or lease from others; leasing houses, offices and investing in construction of infrastructure.



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

	Production and trading of steels VND	Agriculture VND	Real estates VND	Elimination VND	Consolidated VND
FOR THE YEAR ENDED 31 DECEMBER 2024					
Net external revenue	129,866,316,964,093	6,906,132,927,160	2,082,662,240,134	_	138,855,112,131,387
Net inter-segment revenue	14,871,116,107,413	2,440,122,834	40,044,624,776	(14,913,600,855,023)	_
Total segment revenue	144,737,433,071,506	6,908,573,049,994	2,122,706,864,910	(14,913,600,855,023)	138,855,112,131,387
Segment net operating profits	21,523,048,312,618	1,151,431,667,172	1,073,492,242,761	(10,480,966,637,221)	13,267,005,585,330
Other income	1,153,236,746,909	4,074,593,260	7,112,714,544	(4,654,369,620)	1,159,769,685,093
Other expenses	(711,080,648,998)	(11,469,004,035)	(10,723,356,212)	-	(733,273,009,245)
Income tax expenses – current	(1,406,418,179,406)	(122,257,827,532)	(237,130,000,302)	-	(1,765,806,007,240)
Income tax benefits – deferred	15,274,391,223	9,074,956,298	16,424,560,149	51,553,459,663	92,327,367,333
Net profit after tax	20,574,060,622,346	1,030,854,385,163	849,176,160,940	(10,434,067,547,178)	12,020,023,621,271
AS AT 31 DECEMBER 2024					
Segment assets	212,863,820,372,850	4,676,230,709,727	10,277,751,461,567	(3,328,094,990,163)	224,489,707,553,981
Segment liabilities	108,382,514,439,382	1,436,230,385,044	2,582,836,295,586	(2,559,331,549,730)	109,842,249,570,282



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

	Production and trading of steels VND	Agriculture VND	Real estates VND	Elimination VND	Consolidated VND
FOR THE YEAR ENDED 31 DECEMBER 2024					
Capital expenditure Depreciation of tangible fixed assets and	35,179,794,255,234	249,578,243,725	228,028,440,025	(162,374,141,657)	35,495,026,797,327
investment properties	6,403,194,059,883	428,046,254,984	64,923,712,920	(50,246,093,128)	6,845,917,934,659
Amortisation of intangible fixed assets	37,676,505,865	490,297,298	8,710,104	-	38,175,513,267
Amortisation of long-term land prepaid expenses	99,783,235,176	10,533,013,195	3,367,259,816	(11,760,841,528)	101,922,666,659
FOR THE YEAR ENDED 31 DECEMBER 2023					
Net external revenue	111,868,779,586,075	6,151,537,387,703	932,710,919,876	_	118,953,027,893,654
Net inter-segment revenue	12,223,195,366,362	1,918,795,091	70,975,387,957	(12,296,089,549,410)	-
Total segment revenue	124,091,974,952,437	6,153,456,182,794	1,003,686,307,833	(12,296,089,549,410)	118,953,027,893,654
Segment net operating profits	9,864,987,274,416	215,359,968,443	568,847,829,656	(2,998,432,283,208)	7,650,762,789,307
Other income	676,848,479,829	2,580,937,801	3,657,077,011	88,886,970,854	771,973,465,495
Other expenses	(572,246,679,785)	(2,742,185,089)	(55,018,648,354)	1,599	(630,007,511,629)
Income tax expenses – current	(887,902,306,778)	(33,512,896,461)	(152,136,684,820)	_	(1,073,551,888,059)
Income tax benefits – deferred	28,065,060,932	(549,981,097)	(15,221,409,481)	68,917,789,613	81,211,459,967
Net profit after tax	9,109,751,828,614	181,135,843,597	350,128,164,012	(2,840,627,521,142)	6,800,388,315,081



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

	Production and trading of steels VND	Agriculture VND	Real estates VND	Elimination VND	Consolidated VND
AS AT 31 DECEMBER 2023					
Segment assets	178,198,711,315,533	5,103,242,540,807	8,435,613,104,732	(3,954,980,397,271)	187,782,586,563,801
Segment liabilities	85,164,755,331,584	1,509,904,384,637	1,649,260,980,014	(3,377,753,371,813)	84,946,167,324,422
FOR THE YEAR ENDED 31 DECEMBER 2023					
Capital expenditure Depreciation of tangible fixed assets and	16,944,094,471,301	390,564,239,307	45,619,150,363	(6,331,385,007)	17,373,946,475,964
investment properties Amortisation of intangible fixed assets Amortisation of long-term prepaid land costs	6,182,958,896,232 35,799,188,731 41,388,793,800	514,348,079,282 463,802,864 7,449,946,776	62,660,075,134 4,811,385 -	(50,186,283,937) - (1,776,699,520)	6,709,780,766,711 36,267,802,980 47,062,041,056

4.2 Geographical segments

Geographical segments are based on the clients' geographical locations. Accordingly, the Board of Directors defines that the segments include Vietnam and outside Vietnam.

For the year ended 31 December 2024	Viet Nam VND	Asia (excluding Vietnam) VND	Europe VND	America VND	Africa VND	Australia VND	Consolidated VND
Total segment revenue	95,515,307,418,656	27,995,020,716,035	9,334,955,150,492	4,377,549,295,509	90,255,725,770	1,542,023,824,925	138,855,112,131,387
For the year ended 31 December 2023	Viet Nam VND	Asia (excluding Vietnam) VND	Europe VND	America VND	Africa VND	Australia VND	Consolidated VND
Total segment revenue	84,665,685,805,659	18,725,185,154,017	12,686,192,891,149	1,872,888,092,475	77,816,543,781	925,259,406,573	118,953,027,893,654



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

5. CASH AND CASH EQUIVALENTS

	31/12/2024 VND	1/1/2024 VND
Cash on hand	13,803,222,637	9,179,687,930
Cash in banks	2,905,697,500,571	3,761,915,472,954
Cash in transit	31,222,700	500,000,000
Cash equivalents (*)	3,968,114,193,944	8,480,406,000,000
	6,887,646,139,852	12,252,001,160,884

(*) These are term deposits with an original term of less than 3 months at banks, earning interest rates ranging from 1.6% to 5.5% per annum (1/1/2024: from 2.0% to 6.0% per annum).

As at 31 December 2024, VND88,7 billion in cash equivalents has been used as collateral at banks for for utilisation of the Group's credit limit (1/1/2024: None).

5.1 Cash and cash equivalents in foreign currencies

	31/12/2024		1/1/2024	
	Original currency	VND equivalent	Original currency	VND equivalent
United States dollar ("USD")	14,517,852	366,557,778,578	46,456,970	1,118,685,779,514
Euro ("EUR")	3,496	91,262,276	4,013	105,819,723
Australian dollar ("AUD")	7,400	128,760,000	7,400	128,760,000
Chinese yuan ("CNY")	12,559	46,003,617	31,251	109,034,739
Singaporean dollar ("SGD")	1,104	20,814,816	3,299	56,953,936
Indian rupee ("INR")	131,820	40,732,380	363,540	109,834,380
Japanese Yen ("JPY")	130,000	22,412,000	_	_
Ringgit Malaysia ("MYR")	3,621	21,544,950	-	-
		366,929,308,617		1,119,196,182,292



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

HELD-TO-MATURITY INVESTMENTS

	Cost and fa	Cost and fair value		
	31/12/2024 VND	1/1/2024 VND		
Term deposits – short-term (*)	18,974,716,730,905	22,177,303,502,481		
Term deposits – long-term (**)	136,500,000,000	40,000,000,000		
	19,111,216,730,905	22,217,303,502,481		

- (*) These represent term deposits with the original term of more than 3 months and a remaining term of no more than 12 months at banks, and earning interest at rates ranging from 1.9% to 6.7% (1/1/2024: from 3.35% to 11.5%) per annum. Fair value of these short-term investments approximates their cost due to their short-term nature.
- (**) These represent term deposits with the original term and a remaining term of more than 12 months at banks and earning interest rate at 5% (1/1/2024: 6.7%) per annum.

Included in deposits as at 31 December 2024 was VND5,568 billion of term deposits used as collateral at banks for utilisation of the Group's credit limit (1/1/2024: VND5,436 billion).



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

7.7. Accounts receivable from customers – short-term

	31/12/2024 VND	1/1/2024 VND
Marcegaglia Carbon Steel	482,424,804,232	481,058,776,236
Hoa Sen Group Joint Stock Company	218,586,863,055	302,756,662,956
Hoa Phat Trading International Pte. Ltd	558,734,592,040	1,055,977,650,728
Other customers	3,092,389,160,545	4,159,746,741,577
	4,352,135,419,872	5,999,539,831,497

As at 31 December 2024, accounts receivable from customers – short-term with a carrying amount of VND1,161 billion (1/1/2024: VND299 billion) were pledged with banks as security for loans granted to the Group.

8. PREPAYMENTS TO SUPPLIERS

8.1 Prepayments to suppliers detailed by significant supplier

	31/12/2024 VND	1/1/2024 VND
Techcom Mineral Trading Company Co., Ltd.	322,000,000,000	119,560,000,000
Huatai Yongchuang (Beijing) Tech. Co., Ltd.	134,321,140,550	330,623,673,917
WISDRI Engineering & Research Incorporation Limited	148,699,600	488,184,012,168
Primetals Technologies Austria Gmbh	_	386,869,900,326
Other suppliers	1,745,159,874,646	2,263,194,415,905
	2,201,629,714,796	3,588,432,002,316



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

8.2 Prepayments to suppliers classified by payment term

	31/12/2024 VND	1/1/2024 VND
Short-term Long-term	2,118,824,427,004 82,805,287,792	2,583,940,446,585 1,004,491,555,731
	2,201,629,714,796	3,588,432,002,316

9. OTHER RECEIVABLES

9.1 Other receivables – short-term

	31/12/2024 VND	1/1/2024 VND
Interest income	409,591,377,404	474,133,638,063
Compensation for site clearance (*)	125,679,466,785	559,693,090,121
Short-term deposits	350,168,193,245	249,256,672,588
Import tax prepaid	176,331,460,189	118,906,091,796
Other receivables	187,222,347,755	559,612,382,730
	1,248,992,845,378	1,961,601,875,298

^(*) This is the amount to support and compensate people related to land acquisition for the implementation of urban and industrial park projects according to the plans approved by the People's Committees of the districts where the land is collected in Hung Yen province. This item has VND4.5 billion (1/1/2024: VND303 billion) of site clearance costs related to the Northern National Highway 5 Project as presented in Note 10.



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

7.2 Other receivables – long-term

	31/12/2024 VND	1/1/2024 VND
Long-term deposits	840,594,835,822	781,079,548,004

10. INVENTORIES

10.1 Short-term

		31/12/2024		/2024
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	5,559,003,181,956	-	4,990,397,929,773	-
Raw materials	20,324,528,389,776	(17,265,822,207)	15,440,615,820,401	(8,114,279,314)
Tools and supplies	3,326,224,899,798	(3,462,076,448)	2,207,960,043,082	(3,897,886,241)
Work in progress (i)	4,048,570,091,614	(9,717,188,881)	3,356,842,753,839	(12,264,604,904)
Finished goods	12,155,686,194,056	(62,049,506,084)	7,845,693,017,557	(97,266,005,297)
Merchandise inventories	673,704,904,662	(8,575,298,721)	570,688,881,053	(2,337,662,933)
Goods on consignment	104,574,419,951	-	216,169,399,245	_
	46,192,292,081,813	(101,069,892,341)	34,628,367,844,950	(123,880,438,689)

⁽i) Included in work in progress as at 31 December 2024 was VND1,695 billion (1/1/2024: VND1,326 billion) of investment costs related to the project for technical infrastructure construction of Subdivision A - Northern National Highway 5 Urban Area of the Pho Noi Urban Area in Hung Yen province ("Northern National Highway 5 Project") implemented by Hoa Phat Urban Development and Construction Joint Stock Company - a subsidiary of the Group. Of which, VND1,007 billion is the site clearance compensation cost confirmed by competent State authorities and VND688 billion is the cost of investment in the project's technical infrastructure (1/1/2024: VND707 billion and VND619 billion, respectively). In addition, the Group also recognise VND4,5 billion in other short-term receivables account for site clearance compensation costs that were incurred by the Group and are awaiting confirmation from the competent State authorities related to this project (Note 9.1).

Formerly, he Northern National Highway 5 Project has been assigned by the People's Committee ("PC") of Hung Yen province to Hoa Phat Urban Development



PART 6 SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

flows

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

and Construction Joint Stock Company to continue to be the investor for implementation following the land allocation mechanism with land use fee collection in Document No. 1488/UBND-KT1 dated 14 July 2016 ("Document No. 1488").

On 28 December 2023, the Government Inspectorate issued Inspection Conclusion No. 3136/KL-TTCP on land management and use in accordance with Resolutions No. 73/NQ-CP and 116/NQ-CP of the Government; planning and implementation of construction planning of Hung Yen PC (period 2011 - 6/2022). Accordingly, the Government Inspectorate recommends that the PC of Hung Yen province revoke Document No. 1488 on continuing to assign the implementation of the Northern National Highway 5 Project and review legal documents for bidding to re-select the project investor according to the provisions of law. At the date of these financial statements, the Group has not received an official letter from the PC of Hung Yen province on the above issue.

Included in inventories at 31 December 2024 was VND671 billion of inventories (1/1/2024: VND20,212 billion) carried at net realisable value.

At 31 December 2024, inventories with a carrying value of VND29,769 billion (1/1/2024: VND24,178 billion) were pledged with banks as security for loans granted to the Group.

10.2 Long-term

	31/12/2024		1/1/2024	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Work in progress Long-term tools, supplies and spare parts	94,859,885,024 - 429,422,385,383 -		46,356,652,469	
	524 292 270 407		- 46,356,652,469	



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

11. TANGIBLE FIXED ASSETS

	Buildings VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Livestock VND	Others VND	Total VND
Cost							
Opening balance	36,463,477,252,627	65,535,185,003,824	4,408,637,822,966	289,868,805,284	153,139,084,324	72,824,534,405	106,923,132,503,430
Additions	8,382,414,758	69,393,735,668	58,431,473,238	14,835,771,168	-	4,347,672,607	155,391,067,439
Transfer from construction							
in progress	1,395,313,767,020	1,120,755,521,492	347,263,648,982	6,605,518,904	55,660,968,671	19,767,760	2,925,619,192,829
Disposals and written off	(137,962,524,332)	(335,299,154,730)	(1,131,706,928,090)	(5,631,385,367)	(774,920,612)	(95,199,383)	(1,611,470,112,514)
Disposal of subsidiary	(116,981,396,423)	(120,604,065,777)	_	(172,310,527)	-	-	(237,757,772,727)
Reclassifications	(7,760,458,089)	615,609,990	-	(695,909,990)	-	7,840,758,089	-
Other movements	_	(6,948,529,503)	(1,400,000,000)	-	-	-	(8,348,529,503)
Closing balance	37,604,469,055,561	66,263,098,120,964	3,681,226,017,096	304,810,489,472	208,025,132,383	84,937,533,478	108,146,566,348,954
Accumulated depreciation							
Opening balance	8,049,796,849,663	25,068,498,503,867	1,763,758,893,830	193,147,915,428	45,081,177,574	15,597,576,767	35,135,880,917,129
Charge for the year	1,779,942,044,335	4,560,982,136,524	371,639,367,055	41,987,210,870	42,385,292,456	13,778,069,192	6,810,714,120,432
Disposals and written off	(137,383,084,638)	(311,609,242,848)	(350,939,029,794)	(5,620,413,653)	(774,920,612)	(95,199,383)	(806,421,890,928)
Disposal of subsidiary	(116,981,396,423)	(120,604,065,777)	-	(172,310,527)	-	-	(237,757,772,727)
Reclassifications	30,657,439	456,928,171	(201,262,935)	(362,939,852)	-	76,617,177	-
Closing balance	9,575,405,070,376	29,197,724,259,937	1,784,257,968,156	228,979,462,266	86,691,549,418	29,357,063,753	40,902,415,373,906
Net book value							
Opening balance	28,413,680,402,964	40,466,686,499,957	2,644,878,929,136	96,720,889,856	108,057,906,750	57,226,957,638	71,787,251,586,301
Closing balance	28,029,063,985,185	37,065,373,861,027	1,896,968,048,940	75,831,027,206	121,333,582,965	55,580,469,725	67,244,150,975,048

Included in tangible fixed assets were assets costing VND11,515 billion which were fully depreciated as at 31 December 2024 (1/1/2024: VND10,870 billion).

As at 31 December 2024, tangible fixed assets with a carrying value of VND52,683 billion (1/1/2024: VND47,509 billion) were pledged with banks as security for loans granted to the Group.



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

2. INTANGIBLE FIXED ASSETS

	Land use rights VND	Software VND	Others VND	Total VND
Cost				
Opening balance	178,394,670,071	172,440,151,251	6,196,510,427	357,031,331,749
Additions	_	2,109,995,724	-	2,109,995,724
Transfer from construction in progress	-	9,648,792,000	-	9,648,792,000
Disposal of subsidiary	-	(149,633,000)	-	(149,633,000)
Disposals and written off	-	(1,582,881,766)	-	(1,582,881,766)
Closing balance	178,394,670,071	182,466,424,209	6,196,510,427	367,057,604,707
Accumulated amortisation				
Opening balance	30,404,396,713	111,253,018,779	4,254,764,687	145,912,180,179
Charge for the year	2,642,575,920	35,362,857,423	170,079,924	38,175,513,267
Disposal of subsidiary	_	(149,633,000)	_	(149,633,000)
Disposals and written off	-	(1,096,434,205)	-	(1,096,434,205)
Closing balance	33,046,972,633	145,369,808,997	4,424,844,611	182,841,626,241
Net book value				
Opening balance	147,990,273,358	61,187,132,472	1,941,745,740	211,119,151,570
Closing balance	145,347,697,438	37,096,615,212	1,771,665,816	184,215,978,466

Included in intangible fixed assets were assets costing VND53 billion which were fully amortised as of 31 December 2024 (1/1/2024: VND40 billion), but which are still in active use.



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

13. INVESTMENT PROPERTY

Investment property held to earn rental

	Buildings VND	Land use rights VND	Total VND
Cost			
Opening balance	803,964,314,650	55,702,700,965	859,667,015,615
Additions	882,000,000	_	882,000,000
Closing balance	804,846,314,650	55,702,700,965	860,549,015,615
Accumulated depreciation			
Opening balance	265,746,738,295	_	265,746,738,295
Charge for the year	35,203,814,227	-	35,203,814,227
Closing balance	300,950,552,522	-	300,950,552,522
Net book value			
Opening balance	538,217,576,355	55,702,700,965	593,920,277,320
Closing balance	503,895,762,128	55,702,700,965	559,598,463,093

Investment property of the Group and its subsidiaries includes:

- Land use rights and factories for rent in Pho Noi A Industrial Park, Giai Pham Commune, Yen My District, Hung Yen Province, Vietnam; Hoa Mac Industrial Park, Hoa Mac Town, Duy Tien District, Ha Nam Province.
- Land use rights and areas for commercial lease comprise the basement at Mandarin Garden Complex 1 at South-East Tran Duy Hung Urban Area, Trung Hoa Ward, Cau Giay District, Hanoi, Vietnam; Mandarin Garden Complex 2 at 493 Truong Dinh, Hoang Mai District, Hanoi, Vietnam and Apartment buildings at 70 Nguyen Duc Canh Street, Hoang Mai District, Hanoi, Vietnam and offices for lease at No. 257 Giai Phong Street, Hai Ba Trung District, Hanoi.

As at 31 December 2024, the Group's investment properties with a value of VND8.1 billion (1/1/2024: 13 billion) were pledged with banks as security for loans granted to a subsidiary.

As the investment property being land use right has an indefinite term, the Group did not depreciate it.

At the reporting date, the Group has not determined the fair value of its investment property as there was no active market for such property for reliable determination of the fair value.



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

14. CONSTRUCTION IN PROGRESS

	2024 VND	2023 VND
Opening balance	26,052,572,725,032	13,334,320,924,143
Additions during the year	39,906,789,653,816	20,808,889,349,891
Interest expenses capitalised during the year	1,310,408,168,414	384,992,919,758
Transfer to tangible fixed assets	(2,925,619,192,829)	(8,061,015,077,636)
Transfer to intangible fixed assets	(9,648,792,000)	(14,394,887,332)
Transfer to long-term prepaid expenses	(557,182,655,053)	(312,902,524,827)
Transfer to short-term prepaid expenses	(105,278,462,595)	(76,333,205,497)
Disposals of subsidiary	-	(8,205,014,783)
Written off	(16,148,035,036)	-
Others	(35,969,367)	(2,779,758,685)
Closing halance	63.655.857.440.382	26.052.572.725.032

Closing balance 63,655,857,440,382 26,052,572,725,032

Major constructions in progress were as follows:

	31/12/2024 VND	1/1/2024 VND
Iron and Steel Production Complex Project in Dung Quat	60,108,146,801,210	22,555,771,028,202
Iron and Steel Production Complex Project in Hai Duong	142,921,041,291	638,527,802,827
Container Factory Project	2,232,011,190,346	1,832,925,937,948
Agriculture projects	326,243,686,515	379,908,199,187
Steel pipes Factory Project	585,094,789,234	45,210,648,037
Household Appliances Project	26,610,898,013	30,531,954,035
Steel wire drawing factory project	3,908,888,216	250,467,994,407
Marine Shipbuilding	-	180,019,889,844
Other projects	230,920,145,557	139,209,270,545
	63,655,857,440,382	26,052,572,725,032

As at 31 December 2024, construction in progress with a value of VND59,892 billion (1/1/2024: VND23,162 billion) were pledged with banks as security for loans granted to the Group.



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

15. PREPAID EXPENSES

15.1 Short-term prepaid expenses

	31/12/2024 VND	1/1/2024 VND
Tools and instruments	61,555,286,150	48,252,755,440
Maintenance and repair of assets	193,317,149,178	147,353,760,046
Other expenses	171,277,063,760	135,228,462,711
	426.149.499.088	330.834.978.197

15.2 Long-term prepaid expenses

		Overhaul and				
	Tools and supplies VND	major maintenance expenses VND	Prepaid land costs VND	Site clearance costs VND	Others VND	Total VND
Opening balance	176,343,765,328	625,681,692,632	2,978,042,179,269	295,692,249,067	139,248,086,383	4,215,007,972,679
Additions	105,492,036,407	45,522,620,014	_	-	130,957,165,860	281,971,822,281
Transfer from construction in progress	4,016,941,766	450,636,103,807	28,661,126,965	14,073,534,331	59,794,948,184	557,182,655,053
Amortisation for the year	(142,019,206,643)	(411,466,244,722)	(101,922,666,659)	(11,743,041,831)	(79,030,019,824)	(746,181,179,679)
Written off	(36,237,283)	(38,803,338,183)	-	-	-	(38,839,575,466)
Reclassification	(5,112,405,021)	10,225,890,619	(1,102,786,353)	9,827,996,319	(13,838,695,564)	
Closing balance	138,684,894,554	681,796,724,167	2,903,677,853,222	307,850,737,886	237,131,485,039	4,269,141,694,868

At 31 December 2024, long-term prepaid expenses with net book value of VND168 billion were pledged with banks as security for loans granted to the Group (1/1/2024: VND174 billion).

16. DEFERRED TAX ASSETS

Deferred tax assets were recognised in respect of the following items:

	31/12/2024 VND	1/1/2024 VND
Accrued expenses	42,204,094,372	26,560,406,739
Unrealised profits arising on the intra-group transactions	207,295T,316,292	131,355,671,887
Others	5,171,797,721	5,171,797,721
	254,671,208,385	163,087,876,347



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

17. GOODWILL

	Nhon Trach Service Trading Co., Ltd. VND	Long Viet Construction JSC VND	New City Development Investment Co., Ltd. VND	Total VND
Cost Opening and closing balance	195,950,665	59,880,000,000	61,119,413,012	121,195,363,677
Accumulated amortisation Opening balance Charge for the year	195,950,665	34,930,000,000 5,988,000,000	10,356,344,985 6,111,941,304	45,286,344,985 12,295,891,969
Closing balance	195,950,665	40,918,000,000	16,468,286,289	57,582,236,954
Net book value Opening balance Closing balance	195,950,665	24,950,000,000 18,962,000,000	50,763,068,027 44,651,126,723	75,909,018,692 63,613,126,723

18. ACCOUNTS PAYABLE TO SUPPLIERS

18.1 Accounts payable to suppliers detailed by significant suppliers

	31/12/2024 VND	1/1/2024 VND
Primetals Technologies Japan, Ltd.	1,633,084,418,815	155,612,686,850
WISDRI Engineering & Research Incorporation Limited	1,626,202,425,706	64,195,265,780
Thien Truong Manufacture and Trade Co., Ltd	592,297,053,621	566,304,266,628
Zhongye Changtian International Engineering Co., Ltd	571,750,285,857	_
Others	15,907,137,255,168	13,925,669,504,357
	20,330,471,439,167	14,711,781,723,615



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

18.2 Accounts payable to suppliers classified by payment terms

	31/12/2024 VND	1/1/2024 VND
Short term Long term	14,046,841,160,127 6,283,630,279,040	12,387,496,434,147 2,324,285,289,468
	20,330,471,439,167	14,711,781,723,615

19. ADVANCES FROM CUSTOMERS

	31/12/2024 VND	1/1/2024 VND
Singapore Cogeneration Steel Pte Ltd	113,025,859,200	_
Nam Son Steel Corporation	20,000,000,000	_
Papalotes Felizardo Elizondo Guajardo, S A de CV	_	149,607,654,210
Marubeni-Itochu Steel Vietnam Company Limited	_	73,433,199,106
Others	606,152,447,353	518,693,037,264
	739,178,306,553	741,733,890,580



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

20. TAXES AND OTHERS PAYABLE TO STATE TREASURY

	1/1/20	24	Incurred/offset with deducted amount		31/12/2	2024
	Receivable VND	Payable VND	during the year VND	Paid VND	Receivable VND	Payable VND
Value added tax (*)	425,650,100	44,619,280,818	633,485,462,543	(651,596,750,105)	4,429,786,628	30,512,129,784
Value added tax on import goods	478,701,807	28,178,566,721	9,519,839,592,734	(9,548,018,159,455)	478,701,807	-
Special consumption tax	_	2,512,379,620	223,833,431,020	(224,702,520,081)	-	1,643,290,559
Import-export tax	422,691,999	-	1,239,427,992,953	(1,239,013,589,761)	8,288,807	-
Corporate income tax	6,302,813,103	837,270,119,770	1,765,806,007,240	(936,764,513,356)	4,402,005,044	1,664,410,805,595
Withholding tax	26,084,559	28,345,072,523	357,910,876,993	(352,756,687,888)	26,597,988	33,499,775,057
Personal income tax	3,526,753,648	3,889,965,096	143,401,319,918	(133,904,442,059)	306,041,067	10,166,130,374
Natural resource taxes	_	445,490,143	206,959,511,548	(205,460,729,257)	_	1,944,272,434
Land rental	516,098,940	-	39,281,068,353	(39,180,934,105)	417,290,259	1,325,567
Other taxes	5,694,368	143,582,942	92,617,142,117	(91,527,586,582)	6,255,936	1,233,700,045
	11,704,488,524	945,404,457,633	14,222,562,405,419	(13,422,925,912,649)	10,074,967,536	1,743,411,429,415

^{*)} The value added tax payable for the year represents the output VAT after being offset against the input VAT.

21. ACCRUED EXPENSES

21.1 Accrued expenses – short-term

	31/12/2024 VND	1/1/2024 VND
Interest expense	284,756,230,119	196,446,870,699
Electricity expense	66,595,912,596	66,800,298,456
Promotion expense	188,258,389,011	125,451,830,043
Transportation cost	2,670,600,444	12,047,385,133
Land rental	1,725,135,038	21,279,571,439
Salaries and bonuses	3,968,326,004	1,095,367,730
Others	134,137,479,290	53,980,892,571
	682,112,072,502	477,102,216,071



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

21.2 Accrued expenses – long-term

	31/12/2024 VND	1/1/2024 VND
Accruals for cost of industrial zone land Accruals for infrastructure maintenance	1,089,692,237,207 54,000,000,000	562,552,512,045 48,000,000,000
	1,143,692,237,207	610,552,512,045

22. OTHER PAYABLES

22.1 Other payables – short-term

	31/12/2024 VND	1/1/2024 VND
Trade union fee, social and health insurance	4,582,516,447	62,380,901,006
Deposits received for contract performance	34,406,553,527	47,235,989,605
Surplus of assets awaiting resolution	478,891,492	236,529,410
Dividends payable	3,659,064,785	1,775,796,387
Others	144,949,818,939	71,341,374,116
	188,076,845,190	182,970,590,524

22.2 Other payables – long-term

	31/12/2024 VND	1/1/2024 VND
Dividends payable	1,332,287,366	1,900,354,286
Others	11,144,217,804	11,461,166,497
	12,476,505,170	13,361,520,783



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

23. BORROWINGS

23.1 Short-term borrowings

	1/1/2024	M	ovement during the yea	31/12/2024	
	Carrying amount and amount within repayment capacity VND	Addition VND	Decrease VND	Foreign exchange differences arising from revaluation VND	Carrying amount and amount within repayment capacity VND
Short-term borrowings	47,305,924,871,207	153,436,589,706,642	(148,154,142,510,406)	(4,525,161,397)	52,583,846,906,046
Current portion of long-term borrowings (Note 23.2)	7,675,958,309,429	4,347,674,166,818	(8,724,793,168,834)	-	3,298,839,307,413
	54,981,883,180,636	157,784,263,873,460	(156,878,935,679,240)	(4,525,161,397)	55,882,686,213,459

At 31 December 2024, short-term borrowings included borrowings in VND and USD with carrying amounts of VND50,087 billion and VND2,496 billion (1/1/2024: VND37,781 billion and VND9,525 billion).

At 31 December 2024, short-term borrowings in VND and USD with the carrying amounts of VND44,119 billion and VND2,496 billion (1/1/2024: VND33,968 billion and VND4,641 billion) respectively, are secured by equivalents (Note 5), respectively, term deposits (Note 6), accounts receivable from customer – short-term (Note 7), inventories (Note 10), tangible fixed assets (Note 11), investment property (Note 13), construction in progress and assets to be constructed in the future from some projects of the Group (Note 14), and long-term prepaid expenses (Note 15.2).

The remaining short-term borrowings were unsecured.

The borrowings denominated in VND bore interest at rates ranging from 3.25% to 5.0% (1/1/2024: from 2.1% to 5%) per annum. he borrowings denominated in USD bore interest at rates ranging from 3.4% to 4.0% (1/1/2024: from 2.85% to 6.87%) per annum.

23.2 Long-term borrowings

	31/12/2024 VND	1/1/2024 VND
Long-term borrowings Repayable within twelve months (Note 23.1)	30,379,282,563,509 (3,298,839,307,413)	18,075,077,601,910 (7,675,958,309,429)
Repayable after twelve months	27,080,443,256,096	10,399,119,292,481



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

Terms and conditions of outstanding long-term borrowings were as follows:

	Currency	Year of maturity	31/12/2024 VND	1/1/2024 VND
Vietnam Joint Stock Commercial Bank for Industry and Trade – Hanoi Branch	VND	2025 - 2030	695,123,649,174	2,424,401,952,435
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thanh Cong Branch	VND	2025 - 2030	25,916,746,559,436	8,859,451,859,918
Woori Bank Vietnam Ltd. – Bac Ninh Branch	VND	2025 - 2026	167,575,757,564	413,583,333,333
HSBC Bank (Vietnam) Ltd.	VND	2026 - 2027	2,661,031,108,243	3,890,128,541,743
Environmental Protection Fund	VND	2025	9,814,026,105	6,106,000,000
Woori Bank Vietnam Ltd. – Bac Ninh Branch	USD	2024	-	846,918,500,000
Bank for Investment and Development of Vietnam - Ha Thanh Branch	VND	2025	538,115,798,305	694,183,749,799
Vietnam Technological and Commercial Joint Stock Bank	VND	2026	390,875,664,682	615,303,664,682
Nguyen Thi To Hoai	VND	2024	-	325,000,000,000
			30,379,282,563,509	18,075,077,601,910

The long-term borrowings are secured by a number of term deposits (Note 6), inventories (Note 10), tangible fixed assets (Note 11) and construction in progress, and assets to be constructed in the future from some projects of the Group (Note 14).

The long-term borrowings in VND bore interest rates ranging from 2.6% to 7.2% per annum (1/1/2024: from 2.6% to 12% per annum).

24. PROVISIONS

	Warranties VND	Environmental restoration VND	Total VND
Opening balance	32,964,116,609	30,258,628,785	63,222,745,394
Provision made during the year	17,384,113,914	561,518,521	17,945,632,435
Closing balance	50,348,230,523	30,820,147,306	81,168,377,829
In which:			
Current	13,672,830,889	_	13,672,830,889
Non-current	36,675,399,634	30,820,147,306	67,495,546,940



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

25. BONUS AND WELFARE FUND

This fund is established by appropriating from net profit after tax as approved by shareholders at General Meeting of Shareholders. This fund is used to pay bonus, welfare and allowance to the Company and subsidiaries' Board of Management, Board of Directors and employees in accordance with the Group's bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	2024 VND	2023 VND
Balance at the beginning of the year Appropriation during the year	1,375,476,964,884 433,120,275,000	1,812,955,327,314 63,650,000,000
Utilisation during the year Disposal of subsidiary	(781,286,858,059)	(501,031,962,430) (96,400,000)
Balance at the end of the year	1,027,310,381,825	1,375,476,964,884



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

26. CHANGES IN OWNERS' EQUITY

	Share capital VND	Share premium VND	Foreign exchange difference VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
Balance at 1/1/2023	58,147,857,000,000	3,211,560,416,270	(20,652,355,005)	834,782,434,216	33,833,829,973,987	105,562,146,315	96,112,939,615,783
Contributed capital Capital refunds to	-	_	_	-	-	700,000,000	700,000,000
minority shareholders Net profit/(loss) for the	_	_	_	-	-	(2,343,640,000)	(2,343,640,000)
year	_	_	_	-	6,835,064,334,356	(34,676,019,275)	6,800,388,315,081
Disposals of subsidiaries Appropriation to bonus	-	_	16,749,593,185	-	(16,747,035,416)	(111,546,096)	(108,988,327)
and welfare fund Dividends paid by subsidiaries to non-	-	-	-	-	(63,643,584,405)	(6,415,595)	(63,650,000,000)
controlling shareholders	_	_	_	_	_	(3,354,678,858)	(3,354,678,858)
Utilisation in the year Effect of reporting	-	-	_	(16,582,120,252)	-	_	(16,582,120,252)
currency translation	_	_	3,902,761,820	_	_	_	3,902,761,820
Other movement	-	-	-	-	4,527,974,132	-	4,527,974,132
Balance at 31/12/2023	58,147,857,000,000	3,211,560,416,270	-	818,200,313,964	40,593,031,662,654	65,769,846,491	102,836,419,239,379



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash
flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

	Share capital VND	Share premium VND	Foreign exchange difference VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
Balance at 1/1/2024	58,147,857,000,000	3,211,560,416,270	-	818,200,313,964	40,593,031,662,654	65,769,846,491	102,836,419,239,379
Contributed capital of non-controlling							
shareholders	_	-	_	-	-	233,136,000,000	233,136,000,000
Capital refunds to non- controlling shareholders Net profit/(loss) for the	_	-	-	-	-	(119,560,000)	(119,560,000)
year Payment of dividends in the form of shares (Note	-	-	-	-	12,021,443,836,074	(1,420,214,803)	12,020,023,621,271
28)	5,814,645,000,000	(3,211,560,416,270)	-	-	(2,603,084,583,730)	-	-
Appropriation to bonus							
and welfare fund Dividends paid by subsidiaries to non-	-	-	-	-	(433,084,559,413)	(35,715,587)	(433,120,275,000)
controlling shareholders	_	-	_	_	_	(6,286,212,369)	(6,286,212,369)
Utilisation in the year	-	-	-	(2,559,071,836)	-	_	(2,559,071,836)
Fund reversal	-	-	-	(20,800,000,000)	20,800,000,000	-	-
Other movement	-	-	-	-	17,753,618	(53,511,364)	(35,757,746)
Balance at 31/12/2024	63,962,502,000,000	-	-	794,841,242,128	49,599,124,109,203	290,990,632,368	114,647,457,983,699



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

27. SHARE CAPITAL

The Company's authorised and issued share capital are:

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
Authorised share capital	6,396,250,200	63,962,502,000,000	5,814,785,700	58,147,857,000,000
Issued share capital Ordinary shares	6,396,250,200	63,962,502,000,000	5,814,785,700	58,147,857,000,000
Shares in circulation Ordinary shares	6,396,250,200	63,962,502,000,000	5,814,785,700	58,147,857,000,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

28. DIVIDENDS

On 11 April 2024, the Company's General Meeting of Shareholders passed the resolution on the distribution of 2023 dividends in the form of shares to the shareholders from share premium and retained profit at the rate of 10% (shareholders will receive 1 additional share issued for every 10 ordinary shares they own). This dividend payment scheme was approved for execution by the Company's Board of Management in the resolution dated 23 April 2024. On 3 June 2024, the Company closed the list of shareholders to be entitled to d shares dividends.

On 17 June 2024, the Ho Chi Minh City Stock Exchange approved for the Company to change its listing related to the issuance of shares to pay dividend. Accordingly, the number of additional listed shares is 581,464,500 shares.

On 27 June 2024, the Company was granted with 36th amended Enterprise Registration Certificate, with its chartered capital being increased from VND58,147,857,000,000 to VND63,962,502,000,000 due to effects of the issuance of shares to pay dividend as above.



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

29. OFF BALANCE SHEET ITEMS

29.1 Capital expenditure commitments

At the reporting date, the Group had the following outstanding capital commitments approved but not provided for in the consolidated balance sheet:

	31/12/2024 VND	1/1/2024 VND
Approved but not contracted Approved and contracted	14,728,553,909,325 18,747,725,906,114	20,927,599,369,074 52,993,871,312,411
	33,476,279,815,439	73,921,470,681,485

29.2 Lease

At the reporting date, the Group had the following future minimum lease payments under non-cancellable operating leases:

	31/12/2024 VND	1/1/2024 VND
Within one year	349,352,274,001	298,239,150,429
Within two to five years	796,790,846,988	795,760,288,328
More than five years	1,098,534,313,766	1,105,293,728,625
	2,244,677,434,755	2,199,293,167,382



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

30. REVENUE FROM SALES OF GOODS AND PROVISION OF SERVICES

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax. Net revenue comprised:

	31/12/2024 VND	1/1/2024 VND
Total revenue	137,852,890,802,353	118,765,603,390,361
Sales of goods	725,545,690,056	791,990,622,914
Provision of services	1,826,674,457,139	651,732,468,495
Sublease of leasehold land	147,925,256,273	136,828,178,712
 Rental income from investment property Others 	8,351,242,751	9,076,955,657
	140,561,387,448,572	120,355,231,616,139
Less revenue deductions		
Sales discounts	(1,631,704,360,601)	(1,341,808,562,095)
 Sales allowances 	(1,027,962,712)	(9,258,269,608)
• Sales returns	(73,542,993,872)	(51,136,890,782)
	(1,706,275,317,185)	(1,402,203,722,485)
	138,855,112,131,387	118,953,027,893,654

31. COST OF SALES

	2024 VND	2023 VND
Finished goods and merchandise goods sold	118,828,081,625,292	106,105,054,212,619
Services rendered	573,551,120,480	616,480,553,090
Cost of leasehold land subleased	905,214,587,794	338,116,713,905
Cost of investment property held to earn rental	64,580,750,487	59,507,123,221
Other costs	8,945,465,998	8,314,799,731
Allowance for inventories	(22,810,546,348)	(1,112,286,204,484)
	120,357,563,003,703	106,015,187,198,082



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

32. FINANCIAL INCOME

	2024 VND	2023 VND
Interest income from deposits	1,258,679,587,670	1,953,143,453,300
Realised foreign exchange gains	1,319,784,428,677	1,207,078,334,480
Unrealised foreign exchange gains	5,244,865,732	3,629,798,335
Other financial income	7,488,404,424	4,690,900,408
Gains from transfer of investments	27,719,953,784	4,543,918,426
	2,618,917,240,287	3,173,086,404,949

33. FINANCIAL EXPENSES

	2024 VND	2023 VND
Interest expense	2,287,360,810,880	3,585,077,683,881
Payment discounts	2,148,912,639	431,823,526
Realised foreign exchange losses	1,473,187,885,929	1,054,356,743,299
Unrealised foreign exchange losses	178,715,445,710	294,873,550,913
Other financial expenses	25,223,019,447	121,647,098,745
Losses from transfer of investments		135,124,944,025
	3,966,636,074,605	5,191,511,844,389



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

34. SELLING EXPENSES

	2024 VND	2023 VND
Staff costs	209,264,157,604	163,097,019,662
Depreciation	58,190,275,470	52,082,728,100
Warranty expenses	46,138,504,984	25,438,575,388
Transportation expenses	563,197,124,009	484,103,252,687
Advertising expenses	89,537,726,456	83,824,027,148
Promotion expenses	77,245,199,195	24,108,987,451
Export expenses	1,017,359,889,637	752,867,856,394
Outside services and other selling expenses	276,375,807,909	375,839,683,122
	2,337,308,685,264	1,961,362,129,952

35. GENERAL AND ADMINISTRATION EXPENSES

	2024 VND	2023 VND
Goodwill amortisation	12,295,891,969	12,099,941,304
Staff costs	439,147,348,666	373,033,286,922
Depreciation	103,474,669,832	112,219,700,975
Financial statements audit fee	4,174,000,000	4,014,000,000
Outside services and other general and administration expenses	986,424,112,305	805,923,407,672
	1,545,516,022,772	1,307,290,336,873



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income

Consolidated statement of cash flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

36. OTHER INCOME

	2024 VND	2023 VND
Gain from disposals of fixed assets and construction in progress	438,198,939,897	108,975,407,124
Income from sales of electricity, water and rendering services	586,295,325,886	436,401,642,460
Compensation received from other parties	84,044,327,457	42,401,419,279
Others	51,231,091,853	184,194,996,632
	1,159,769,685,093	771,973,465,495

37. OTHER EXPENSES

	2024 VND	2023 VND
Loss on disposals of fixed assets and construction in progress	6,288,077,506	3,701,042,106
Costs of electricity, water sold and services rendered	552,673,829,997	408,407,783,275
Compensation to other entities	97,213,243,233	71,708,489,781
Other expenses	77,097,858,509	146,190,196,467
	733,273,009,245	630,007,511,629

38. PRODUCTION AND BUSINESS COSTS BY ELEMENT

	2024 VND	2023 VND
Raw material costs included in production costs and cost of merchandise goods	101,168,900,860,222	82,533,470,179,698
Staff costs	5,012,440,873,956	4,165,003,835,565
Depreciation and amortisation	6,915,671,331,197	6,761,933,539,397
Outside services	11,426,590,927,560	8,584,209,924,182
Other expenses	4,655,412,486,339	3,538,755,725,036



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

flows

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

39. INCOME TAX

39.1 Recognised in the consolidated statement of income

	2024 VND	2023 VND
Current corporate income tax expense ("CIT")		
Current year	1,757,036,484,733	1,051,518,311,850
Additional CIT for prior year	8,769,522,507	22,033,576,209
	1,765,806,007,240	1,073,551,888,059
Deferred tax benefit		
Origination and reversal of temporary differences	(92,327,367,333)	(81,211,459,967)
Income tax expense	1,673,478,639,907	992,340,428,092

39.2 Income tax expense

	2024 VND	2023 VND
Accounting profit before tax	13,693,502,261,178	7,792,728,743,173
Income tax expense at the Company's tax rate	2,738,700,452,236	1,558,545,748,635
Tax incentives in subsidiaries	(569,204,151,714)	(555,408,500,209)
Effect of different tax rates in subsidiaries	(545,071,233,337)	(5,255,030,896)
Effect of different tax rate applied to temporary differences	(12,128,845,011)	29,802,527,018
Tax losses utilised	(45,585,824,634)	(786,550,046)
Non-deductible expenses	72,512,055,197	36,414,540,259
Tax exempt income	-	837,118,359
Unrecognised deferred tax assets on temporary differences	8,431,002,496	(93,847,049,641)
Under provision in prior year	25,465,237,762	22,033,576,209
Other movements	359,946,912	4,048,404
Income tax expense	1,673,478,639,907	992,340,428,092



PART 6

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

flows

Notes to the consolidated

financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

39.3 Applicable tax rates

Under the terms of the prevailing Law on Corporate Income Tax, the Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits.

The Group's subsidiaries have obligations to pay the Government income tax at the rate and is entitled to tax incentives as specified in the Investment Certificates and the enacted tax regulations.

40. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2024 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to Bonus and welfare funds, reward fund for the Board of Executives and allocation of remuneration for the Board of Management and the Board of Supervisory of the Company and a weighted average number of ordinary shares outstanding during the year, calculated as follows:

40.1 Weighted average number of ordinary shares

	2024 (Number of shares)	2023 (Number of shares) Restated
Issued ordinary shares at the beginning of the year	5,814,785,700	5,814,785,700
Effect of dividends paid in the form of shares during the year ended 31 December 2024	581,464,500	581,464,500
Weighted average number of ordinary shares outstanding during the year	6,396,250,200	6,396,250,200

40.2 Basic earnings per share

	2024 VND	2023 VND Restated
Net profit attributable to ordinary shareholders	12,021,441,200,822	6,835,064,334,356
Estimated appropriation to Bonus and welfare funds	(601,000,000,000)	(408,000,000,000)
Estimated appropriation to estimated reward fund for the Board of Executives	(101,072,060,041)	-
Estimated appropriation to remuneration for the Board of Management and the Board of Supervisory	(120,214,412,008)	
	11,199,154,728,773	6,427,064,334,356
Weighted average number of ordinary shares outstanding during the year (number of shares)	6,396,250,200	6,396,250,200
Basic earnings per share (VND)	1,751	1,005



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

40.3 Restatement for basic earnings per share for the year ended 31 December 2023

Due to the effect of appropriation of net profit to bonus and welfare fund, basic earnings per share for the year ended 31 December 2024 were restated as follows:

	Weighted average number of ordinary shares	Basic earnings per share VND
As previously reported	5,814,785,700	1,117
Effect of appropriation of net profit to bonus and welfare fund	_	(12)
Effect of dividends paid in the form of shares during the year ended 31 December 2024	581,464,500	(100)
As restated	6,396,250,200	1,005

1. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Group had the following significant transactions with related parties during the year:

	Transactio	Transaction value	
	2024 VND	2023 VND	
Members of Board of Management Allowances	244,720,000,000	66,220,000,000	
Members of Board of Directors Salary and bonus	5,736,682,000	3,591,800,000	
Members of Supervisory Board Allowances, salary and bonus	3,249,375,165	2,516,589,890	
Other key management personnel Salary and bonus	1,848,785,128	1,193,588,360	



PART 6

flows

SUSTAINABLE DEVELOPMENT

Report of the Board of Directors
Independent Auditor's report
Consolidated balance sheet
Consolidated statement of
income
Consolidated statement of cash

Notes to the consolidated financial statements

HOA PHAT GROUP JOINT STOCK COMPANY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Form B 09 - DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance

12. NON-CASH INVESTING AND FINANCING ACTIVITIES

	Transaction value	
	2024 VND	2023 VND
Reclassifying loans receivable to deposits and other receivables	181,887,866,952	
Offsetting interest receivable from loans with payables to suppliers	31,301,543,222	

43. COMPARATIVE INFORMATION

Comparative information as at 1 January 2024 were derived from the balances and amounts reported in the Group's consolidated financial statements as at and for the year ended 31 December 2023.

24 March 2025

Prepared by:

Tran Xuan Mai General Accountant

Approved by:

Pham Thi Kim Oanh Chief Accountant Nguyen Viet Thang General Director