

# **ANNUAL REPORT 2024**



**HAI PHONG CONSTRUCTION JOINT-STOCK CORP NO.3**

## **I. GENERAL INFORMATION**

### **1. General information**

Name of the issuing organization: **Hai Phong Construction Joint Stock Corporation No.3**  
Trading name: Hai Phong Construction Joint Stock Corp No.3  
Head office: 3rd floor, Htower II building, No. 195 Van Cao, Dang Giang ward,  
Ngo Quyen district, Hai Phong city  
Telephone: 0225.3849481 Fax: 0225.3840314  
Stock symbol: HC3  
Type of securities: Common stock  
Transaction value : 10.000 VND / share.  
Charter capital: **206.857.170.000** dong  
Par value of shares: 10.000 dong  
Total shares: 20.685.717 shares.  
Website: [www.haco3.com.vn](http://www.haco3.com.vn)  
Tax code : 0 2 0 0 5 0 9 4 2 9

### **Formation and development process**

Hai Phong Construction Joint Stock Corporation No. 3 was converted from a State-owned company to a Joint Stock Company according to Decision No. 3270 QD/UB dated December 20, 2002 of the People's Committee of Hai Phong City, in the form of selling a part of the existing State capital in the enterprise to establish a Joint Stock Company. First business registration certificate No. 0203000346 dated December 25, 2002 issued by the Department of Planning and Investment of Hai Phong city.

During its operation, the Company has changed its business registration 19 times due to adding business lines and increasing its charter capital. The 19th change in business registration certificate No. 0200509429 was issued by the Department of Planning and Investment of Hai Phong City on July 5, 2021, accordingly:

### **2. Business sectors**

- Construction of all kinds of houses;
- Construction of railway and road works. Details: Construction of traffic works, bridges and culverts;
- Site preparation;
- Wholesale of metals and metal ores. Details: Wholesale of iron and steel;
- Wholesale of other household appliances. Details: Wholesale of household electrical appliances, refrigeration equipment, lamps and electric light sets;
- Construction of public works. Details: Construction and installation of power lines and transformer stations up to 35 KV;
- Restaurants, eateries, food stalls (excluding bars);
- Tour operator;
- Production of beds, cabinets, tables, chairs;

- Activities of general, specialized and dental clinics. Details: Medical examination and treatment;
- Preschool education;
- Other remaining business supporting service activities not elsewhere classified. Details: Project consulting; Project management consulting;
- Retail sale of beverages in specialized stores;
- Trading in tobacco products;
- Travel agent;
- Electrical system installation. Details: Installation of electrical system, lighting system, fire protection system;
- Sports and entertainment education;
- Wholesale of alcoholic beverages;
- Retail in supermarkets and shopping malls. Details: Retail of clothing, footwear, hardware, household appliances, cosmetics, jewelry, sports goods, food, beverages, cigarettes, children's toys (except for items prohibited by the State);
- Installation of water supply, drainage, heating and air conditioning systems;
- Wholesale of non-alcoholic beverages;
- Demolition;
- Installation of other construction systems. Details: Installation of prefabricated house frames;
- Short-term accommodation services. Details: Hotel; Villa or apartment for short-term accommodation services;
- Support services related to promotion and tour organization;
- Architectural activities and related technical consultancy. Details: Design of civil and industrial works;
- Retail sale of architectural hardware, paint, glass and other construction installation equipment in specialized stores. Details: Retail sale of architectural hardware in specialized stores; Retail sale of paint, color, varnish in specialized stores; Retail sale of construction glass in specialized stores; Retail sale of cement, bricks, tiles, stones, sand, gravel and other construction materials in specialized stores; Retail sale of tiles, sanitary equipment in specialized stores;
- Production of metal components. Details: Production of prefabricated house frames;
- Retail sale of tobacco and pipe tobacco products in specialized stores;
- Construction of other civil engineering works. Details: Construction of industrial works, irrigation works, canals;
- Wholesale of other construction materials and installation equipment. Details: Wholesale of bamboo, wood and processed wood; Wholesale of cement; Wholesale of bricks, tiles, stones, sand, gravel; Wholesale of construction glass; Wholesale of paint, varnish; Wholesale of tiles and sanitary equipment; Wholesale of hardware and metal products;
- Real estate business, land use rights owned by the owner, user or lessee. Details: Real estate business (including house business, office rental, house rental);
- Sauna, massage and similar health-enhancing services (except sports activities); Hair cutting, hair styling, hair washing;



- Activities of sports clubs;
- Wedding service activities (excluding marriage brokerage with foreign elements);
- Organizing trade introduction and promotion;
- Cultural and artistic education;
- Other education not elsewhere classified. Details: Teaching foreign languages and conversation skills; Computer training ;

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

#### *Organizational structure, governance and control*

The Company's organizational structure of management, administration and supervisor includes:

1. General meeting of shareholders;
2. Board of Directors;
3. Board of Supervisors;
4. Board of Managements.

#### *Management organization*

The Company's management system must ensure that the management apparatus is responsible to the Board of Directors and under the leadership of the Board of Directors. The Company has one (01) Executive Director (General Director), Deputy Executive Directors (Deputy General Directors), a Chief Accountant and other positions appointed by the Board of Directors. The appointment, dismissal and removal of the above positions must be carried out by a duly approved resolution of the Board of Directors.

Unit	Address	Business activities
<b><i>Subsidiaries, affiliates</i></b>		
1. Haco3D Design Consulting Co., Ltd.	No. 7 Ho Sen, Le Chan District, Hai Phong	Operation stopped, not closed tax code yet
<b><i>Joint ventures and associates</i></b>		
1. GS – HP Sunflower International Village Joint Venture Company	No. 35 Van Cao, Dang Giang Ward, Ngo Quyen District, Hai Phong City	Short-term accommodation services
2. Thanh Hung Joint Stock Company	Road N1, Trung Loi Quarter, Chon Thanh District, Chon Thanh Town, Binh Phuoc Province	Real estate business, land use rights of owners, users or tenants.

### 4. Development orientation

#### **Situation evaluation**

#### **Opportunities**

In 2025, Vietnam's economy is forecasted to witness sudden fluctuations. At the extraordinary session in February 2025, the National Assembly approved a supplement to the 2025 socio-economic development plan with a growth target of 8% or more, much higher than the previously approved GDP growth target of 6.5-7%.

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4. Board of Director

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In addition, the Government is currently implementing new policies to create the most favorable conditions for foreign investors to participate in the Vietnamese financial market, as well as meet the criteria for upgrading to an emerging market. With the goal of upgrading our stock market from a frontier market to an emerging market in 2025, Vietnam is expected to receive billions of dollars in investment from foreign markets through the stock market channel, thereby creating a breakthrough from this market, bringing a new wind to the development of the Vietnamese economy.

### **Challenges**

The United Nations World Economic Situation and Prospects 2025 report said that despite falling inflation, improving labor market conditions and general monetary easing, growth is expected to remain low, while the global economy will continue to face significant uncertainties, risks arising from geopolitical conflicts, rising trade tensions and high borrowing costs in many countries, and especially increasing trade protectionism and pressure from policies of major economies such as the US under President Donald Trump. Therefore, 2025 will continue to be a difficult year for the company in all areas.

- The company's construction sector is increasingly facing fierce competition as a series of new construction companies are born with modern technology and a team of young, professional and dynamic managers always keep up with market trends.
- The emergence of a series of similar products from competitors in the service business sector is posing many challenges for the company in the coming years. We will have to face fierce competition, which requires the Company to be flexible and promptly provide solutions to minimize losses caused by competition.
- The short-term market segment continues to stagnate due to the weakening global economy, declining purchasing power, export manufacturing companies having to reduce production, cut costs, and reduce the number of experts coming to work in Hai Phong.

Based on the assessment of the opportunities and challenges ahead in 2025, the Board of Management and the Executive Board have set the following goals for 2025:

#### **- Financial goals**

- + Revenue: 105 billions
- + Profit before tax: 45 billions
- + Dividends:  $\geq 15\%$

#### **- Management objectives**

- + Deploy training for all employees, especially employees of direct service departments, on the application of the management system and risk management plan issued in 2024 into daily practical work.
- + Research the application of digital transformation in business administration.
- + Build a timely and scientific management reporting system.
- + Strengthen training, inspection and supervision of employees to stabilize and improve service quality.
- + Focus on building a customer service culture with the motto of all for customer satisfaction, considering customers as the focus of all activities.

#### **- Branding objectives**

- + Promote the company image on social networking sites, create additional company signs at H-Tower buildings.

- + Create additional marketing tools to serve the work of approaching customers for some of the company's products and services such as: food services, interior products, construction, etc.

## **Activities orientation**

### **4.1 Construction sector**

The company continues identifying strategic market segments in the coming years as foreign direct investment projects, factory and industrial park construction projects, private enterprise projects, and house completion in new urban areas, thereby proposing solutions to build a team of professional construction staff with effective working methods to improve competitiveness to meet the requirements of this market segment. Specifically, the company will:

- Consolidate and improve the apparatus of construction units, seek out managers capable of adapting to new market trends, build production units with sufficient expertise, skills and more professional and effective working methods, capable of undertaking full construction contracts and completing projects.
- Expand cooperation with partners, build a system of satellite companies to serve construction work with reasonable input costs.

### **4.2 Investment sector**

- Focus on building and training human resources to serve financial investment work professionally and effectively and identify this as one of the Company's key tasks in 2025 and in the following years.
- Continue to strengthen the search and expand cooperation with strategic partners, major investors, especially foreign investors, with the aim of expanding the network and replicating the Sunflower International Village model in other provinces and cities across the country. Search and purchase projects with good locations and development prospects for the long-term accommodation and resort tourism business.
- For Thanh Hung Joint Stock Company, the company continues divesting from the project by returning compensated land to the people and the people return the money to the company with interest according to the agreement.

### **4.3 Service business sector**

In 2025, the source of foreign visitors from Korea and Japan to Hai Phong has not really recovered, the budget for accommodation of customers is getting lower and lower, although the source of Chinese visitors tends to increase but the budget for accommodation is not high. In addition, the market is increasingly seeing new competitors, especially competitors from Korea and Japan. In that context, the Board of Management and the Executive Board of the company will focus on implementing a number of key tasks as follows:

- Focus on improving H-Tower's management system, paying special attention to customer care.
- Focus on improving service quality and facilities for guests staying at H-Tower building, creating more value for customers.
- Strengthen staff training to build a team of professional staffs to meet the increasing demands of customers.
- Build a service culture in the company with the motto of considering customers as the center of all activities, all for customer satisfaction.
- Promote marketing activities to find new customers, build marketing strategies to approach customers in many different ways.



- Develop special promotion programs to stimulate demand for restaurant services and short-term customers.
- Continue to upgrade the interior of H-Tower 1.
- Continue to upgrade equipment and interior in phase 1 - Huong Duong International Village

## II. PERFORMANCE STATEMENT IN 2024

### A. PERFORMANCE STATEMENT IN 2024

2024 is an extremely difficult year for the company's production and business activities in the service business sector. The complex fluctuations of the world situation continue deeply affecting the production and business activities of our company's major customers. Most companies have to cut costs, cut the number and accommodation budget for foreign experts working in Hai Phong. In addition, competition in the service business sector is increasingly fierce, a series of competitors appear with competitive advantages over us in terms of facilities and modern interior equipment.

In that context, the Board of Management and the Executive Board of the company have had timely solutions, faced challenges to lead the company to overcome difficulties, promoted financial investment and construction to compensate for the shortcomings of the service business sector. With the efforts of the Board of Directors and all officers and employees, in 2024 the company completed and exceeded the set plan.

## 2024 BUSINESS RESULTS REPORT

### 1. Business results in each specific field are as follows:

No	Field	Revenue	Profit before tax	Profit after tax
<b>A</b>	<b>Business result of Parent company</b>			
<b>I</b>	<b>Construction field</b>			
1	Construction Enterprises	33.928.241.196	7.551.851.981	6.031.692.371
<b>II</b>	<b>Investment field</b>			
1	Financial investment (including business results allocated from joint ventures, associates, and member companies)	33.242.193.107	27.317.349.128	22.018.848.600
<b>III</b>	<b>Service business field</b>			
1	H-Tower building	41.967.045.526	8.499.143.152	6.788.297.367
2	Other rental services	2.603.528.818	1.217.502.259	972.423.599
<b>IV</b>	<b>Other incomes</b>			
1	Other incomes	5.716.205.100	3.945.879.350	2.446.109.591
<b>B</b>	<b>Business results of Joint ventures, Associates</b>			
1	Sunflower International Village Joint Venture Company (Haco3 owns 40% of charter capital)	113.549.664.444	-4.759.731.226	-4.759.731.226
2	Thanh Hung Joint Stock Company (Haco3 owns 31% of charter capital)	40.177	-8.216.034	-8.216.034



## 2. Business results of the whole company

No	Items	Unit of measure	Implementation 2023	2024		Comparison	
				Plans	Implementation	Compared with previous year	Compared with plans
1	Revenue	billions	103,92	105	117,46	113,02%	111,86%
2	Profit before tax	billions	65,32	45	48,53	74,29%	107,84%
3	Budget paid	billions	17,01		20,24	118,98%	
4	Expected dividend	%	20	≥ 15%	Advance payment as 10%		

Average income of staff: 8.320.000 đ/month

## B. HUMAN RESOURCES ORGANIZATION

### BOARD OF MANAGEMENT (BOM)

#### 1. MR. PHAM KY HUNG – Chairman

Mr. Pham Ky Hung was born in 1957, graduated as a civil engineer, bachelor of politics.

*Work process:*

- 1992-1995: Director of Construction Design Enterprise, belonging to Hai Phong Construction Enterprises Union.
- 1995-2002: Director of Hai Phong Construction Company No. 3
- 2002-2006: Chairman of the Board of Management - General Director of Hai Phong Construction Joint Stock Corporation No. 3, Chairman of the Board of Directors of LG - HP Huong Duong International Village Joint Venture Company.
- 2007 - June 2018: Chairman of the Board of Management - General Director of Hai Phong Construction Joint Stock Corporation No. 3, Chairman of the Board of Members of GS - HP Sunflower International Village Joint Stock Company, Vice Chairman of the Board of Directors of Thanh Hung Joint Stock Company.
- July 2018 to present: Chairman of the Board of Management of Hai Phong Construction Joint Stock Corporation No. 3, Chairman of the Board of Members of GS - HP Sunflower International Village Joint Stock Company, Vice Chairman of the Board of Management of Thanh Hung Joint Stock Company,
- February 2010 – May 2011: Member of Board of Management of ACS Vietnam Joint Stock Company
- June 2011 – June 2014: Vice Chairman of Board of Management of ACS Vietnam Joint Stock Company
- July 2014 – November 2021: Member of Board of Management of ACS Vietnam Joint Stock Company

Current position held at the registered trading organization: Chairman of the Board of Management of Hai Phong Construction Joint Stock Corporation No. 3



**Number and ownership ratio of shares held as of December 31, 2024: 6,140,498 shares, accounting for 29.68%.**

**2. MR. PHAM DUC DUY - VICE CHAIRMAN OF THE BOARD OF MANAGEMENT - CONCURRENTLY DEPUTY GENERAL DIRECTOR**

Mr. Pham Duc Duy was born in 1983, graduated with a master's degree in economics, and an electronics and telecommunications engineer.

*Work process:*

- 2005 - 2006: IT staff of Nguon Viet Company.
- 2006 - 2007: Assistant Director of Nguyen Vu Joint Stock Company
- 2008: Assistant Director of Thanh Hung Joint Stock Company
- 2009 to June 2018: Head of Investment Department, Hai Phong Construction Joint Stock Corporation No. 3.
- 2017 to June 2018: Member of the Board of Management and Head of Investment Department of Hai Phong Construction Joint Stock Corporation No. 3.
- July 2018 - June 2023: Member of the Board of Management and Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3.
- June 2023 - present: Vice Chairman of the Board of Management and Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3.

Current position held at the registered trading organization: Vice Chairman of the Board of Management - Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3.

**Number and ownership ratio of shares held as of December 31, 2024: 2,145,633 shares, accounting for 10.37%.**

**3. MS NGUYEN THI THUY – MEMBER OF BOARD OF MANAGEMENT – CONCURRENTLY GENERAL DIRECTOR**

Ms. Nguyen Thi Thuy was born in 1968, graduated with a master's degree in business administration and a bachelor's degree in foreign languages.

*Work process:*

- 1991 -1992: Employee of Life Service Enterprise, Pha Rung Ship Repair Factory.
- 1993 - 1996: Employee of The Old Ship Dismantling And Scrap Import-Export Company of Vietnam Shipbuilding Industry Corporation.
- 1996 - 1997: Head of Administrative Organization Department, Vietnam - Korea Joint Venture Company.
- 1997 - 2001: Sales Manager of LG – HP Sunflower International Village Joint Venture Company.
- 2002- 2002: Deputy Executive Director of LG Huong Duong International Village Joint Venture Company - Hai Phong.
- 2003 - present: Member of Board of Management - Deputy General Director of LG - HP Sunflower International Village Joint Venture Company.



- April 2008 to June 2018: Member of the Board of Management - Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3.
- July 2018 to present: Member of the Board of Management - General Director of Hai Phong Construction Joint Stock Corporation No. 3.

Current position held at the registered trading organization: Member of the Board of Management - General Director of Hai Phong Construction Joint Stock Corporation No. 3

**Number and ownership ratio of shares held as of December 31, 2024: 1,150,403 shares, accounting for 5.56%**

#### **4. MS BUI THI NGOC ANH – MEMBER OF BOARD OF MANAGEMENT – COCURRENTLY DEPUTY GENERAL DIRECTOR**

Ms. Bui Thi Ngoc Anh was born in 1985, graduated with a bachelor's degree in Business Administration.

*Work process:*

- From 2007 - 2009: Customer Service Specialist - BIDV Financial Investment Joint Stock Company
- From 2009 - 2014: SME Business Banking Specialist - Vietnam Technological and Commercial Joint Stock Bank - Hai Phong Branch
- From 2014 - 2018: Upper SME Customer Service Management Specialist - Vietnam Technological and Commercial Joint Stock Bank - Hai Phong Branch
- From 2019 - 2020: Upper SME Customer Service Management Specialist - Vietnam Technological and Commercial Joint Stock Bank - Hai Phong Branch
- From 2020 - 2021: Director of Operations and Services, Corporate Customer Center - Hai Phong - Vietnam Technological and Commercial Joint Stock Bank Techcombank - Hai Phong Branch
- From 2021 - 2022: Credit processing manager for corporate customers and Deputy Director of Hai Phong Branch - Vietnam Technological and Commercial Joint Stock Bank - Techcombank - Hai Phong Branch
- September 2022 - present: Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3
- From June 2023: Member of the Board of Management and Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3

Current position held at the registered trading organization: Member of the Board of Management - Deputy General Director of Hai Phong Construction Joint Stock Corporation No. 3

**Number and ownership ratio of shares held as of December 31, 2024: 450,000 shares, accounting for 2.18%.**

#### **5. MS DAO THANH BINH – MEMBER OF BOARD OF MANAGEMENT**

Ms. Dao Thanh Binh was born in 1987, graduated with a bachelor's degree in hotel management and a master's degree in business administration.

*Work process:*

- 2011 - 2012: Sales staff - Nam Cuong Hotel

- 2012 - 2013: Receptionist - Huu Nghi Hotel
- 2013 - 2015: Sales staff - Hai Phong Construction Joint Stock Corporation No. 3
- 2015 - 2016: Head of Reception - Hai Phong Construction Joint Stock Corporation No. 3
- 2016 - 2017: Head of Restaurant - Hai Phong Construction Joint Stock Corporation No. 3
- 2017 to present: Deputy General Manager of HTower - Hai Phong Construction Joint Stock Corporation No. 3
- From June 2023: Member of the Board of Management and Deputy CEO of HTower - Hai Phong Construction Joint Stock Corporation No. 3

Current position held at the registered trading organization: Member of the Board of Management and Deputy General Manager of HTower - Hai Phong Construction Joint Stock Corporation No. 3

**Number and ownership ratio of shares held as of December 31, 2024: 185,807 shares, accounting for 0.90%.**

### **EXECUTIVE BOARDS**

1. MS NGUYEN THI THUY – GENERAL DIRECTOR (introduced in the Board of Directors)
2. MR PHAM DUC DUY – DEPUTY GENERAL DIRECTOR (introduced in the Board of Directors)
3. MS BUI THI NGOC ANH - DEPUTY GENERAL DIRECTOR (introduced in the Board of Directors)
4. MR BUI THANH HAI - DEPUTY GENERAL DIRECTOR

Mr. Bui Thanh Hai was born in 1982, graduated as a civil and industrial engineer.

*Working process:*

- January 2008 – August 2022: Technical staff - Construction and material trading enterprise of Hai Phong Construction Joint Stock Corporation No. 3
- September 2022 – August 2024: Director of Construction and material trading enterprise of Hai Phong Construction Joint Stock Corporation No. 3
- September 2024 - present: Deputy General Director of Hai Phong Construction Joint Stock Company No. 3 concurrently Director of Construction and material trading enterprise of Hai Phong Construction Joint Stock Corporation No. 3

Current position held at the registered trading organization: Deputy General Director - Hai Phong Construction Joint Stock Corporation No. 3

**Number and percentage of shares held as of December 31, 2024 are: 5800 shares, accounting for 0,03 %.**

### **C. SHAREHOLDER STRUCTURE**

#### **1. Shares**

- Total number of shares: 20,685,717 shares
- Type of shares: common shares
  - + Number of freely transferable shares: 20,685,717 shares
  - + Number of shares restricted from transfer: 0 shares

#### **2. Shareholder structure**



No	Shareholder structure	Number of shareholders	Number of shares owned	Rate
<b>I</b>	<b>Domestic shareholders</b>	<b>209</b>	<b>20.645.235</b>	<b>99,80%</b>
1	Individual	208	20.625.389	99,71%
2	Organization	1	19.846	0,10%
<b>II</b>	<b>Foreign shareholders</b>	<b>5</b>	<b>40.482</b>	<b>0,20%</b>
1	Individual	5	40.482	0,20%
2	Organization			
	<b>TOTAL</b>	<b>214</b>	<b>20.682.717</b>	<b>100,00%</b>

(Source: List of shareholders as of the registration date: December 20, 2024)

### 3. Owner's equity change situation.

- Owner's equity as of 01/01/2024: 206,857,170,000 dong
- Owner's equity as of 31/12/2024: 206,857,170,000 dong

### 4. Treasury stock transactions: No

### 5. Other securities: No

## III. REPORT OF THE BOARD OF MANAGEMENT AND EXECUTIVE BOARDS IN 2024

### A. Situation characteristics in 2024

#### 1. Economic context in 2024

In 2024, the world situation continues to be complex and unpredictable with many risky and uncertain factors. Although economic growth has improved, the differentiation between regions is increasingly evident. While developed economies attract strong capital flows, developing economies face slow recovery and capital flight.

The trend of loosening monetary policy in many countries has been promoted rapidly, but the effectiveness has not met expectations because inflation is still governed by many complex factors. Prolonged military conflicts, such as Russia-Ukraine and tensions in the Middle East, continue to disrupt global supply chains, affecting prices and economic growth.

In 2024, the total foreign direct investment in 2024 will reach 4.7 billion USD (including capital increase adjustments). In 2024, the city will have 126 newly registered capital projects and 72 projects with increased capital. The proportion of projects in the fields of high technology, processing, manufacturing, and logistics invested in industrial parks and economic zones in Hai Phong will reach over 77%. Foreign investment in Hai Phong has increased, but project implementation is still slow, especially projects in operation are facing many difficulties in production and business activities, the number of foreign experts working in Hai Phong has decreased seriously, especially the number of Korean visitors.

#### 2. Impact of economic context on the Company's operations

##### a) Regarding financial investment sector

In 2024, despite being deeply affected by global economic fluctuations, inflationary pressures and temporary withdrawal of foreign capital, the Vietnamese stock market still recorded encouraging

growth with an increase of 12.1% compared to 2023. The market fluctuated sideways within a range of 100 points (1200-1300 points) accounting for ¾ of the trading time. This is also the second consecutive year that the market has had double-digit growth. This is a positive result when being placed in the context of a record net withdrawal of foreign investors as well as international capital flows returning to the US market.

Grasping the trend of the stock market in 2024, the company had a year of active operations in the field of financial investment.

#### **b) Regarding the construction sector**

2024 is also an extremely difficult year for the construction sector, high inflation globally and declining purchasing power lead to the fact that factories and enterprises reduced production, and very few construction projects suitable for the company's capacity were implemented.

#### **c) Regarding service business sector**

In 2024, our company witnessed a serious decline in the short-term customer market when factories and enterprises had to apply cost-cutting policies, the number of foreign experts coming to Hai Phong to work was reduced, especially from export manufacturing companies such as LG Display.

Although in 2024, Hai Phong attracted 126 foreign investment projects, the project implementation progress was slow, the number of foreign experts coming to Hai Phong increased insignificantly. This has directly affected the business results of the company's service business sector.

### **B. Board of Directors' business solutions in 2024**

Understanding the challenges that will have a profound impact on the Company's production and business activities in 2024, the Company's Board of Management (BOM) has promptly assessed the Company's existing capabilities to propose effective business solutions. The business plan and financial targets for 2023 have been set out in accordance with the general context of our country's economy.

No	Items	Unit of measurement	Plan
1	Revenue	billion	105
2	Profit before tax	billion	45
3	Dividends	billion	≥ 15%

In 2024, the Board of Management proactively proposed timely solutions to direct the Company's production and business activities, specifically in each field as follows:

#### **1. Construction sector**

- Temporarily downsize the apparatus of construction and manufacturing enterprises in the context of general market difficulties to cut costs.
- Focus on completing construction projects that are suitable for the company's capacity.

#### **2. Financial investment sector**

- Continue to promote financial investment activities, considering this an important task of the company in the current period.
- Research and learn about real estate investment projects and invest in companies with the potential to bring long-term benefits to the Company.
- Continue to research and develop more joint venture project models with Korean partners to build luxury apartment complexes and 5-star hotels in other provinces and cities in Vietnam.



- For the Chon Thanh new urban area project in Binh Phuoc province, the company continues divesting from the project by returning compensated land to the people and the people return the money to the company with interest according to the agreement.

### 3. Service business sector

- Complete the management system, risk management plan, review and re-issue rules, regulations, and working procedures in departments and divisions within the company...
- Improve the employee evaluation system with the aim of improving service quality and motivating employees.
- Focus on improving the quality of customer service of HTower building
- Strengthen customer care, invest in upgrading equipment in apartment rooms, regularly approach and understand customers' wishes and aspirations to provide timely solutions to best satisfy customers' needs.
- For the Sunflower International Village Joint Venture Company project, continue to upgrade apartments in phase 1 to welcome the wave of foreign experts returning when the market situation is more stable.

## IV – FINANCIAL STATEMENT

*In the opinion of the Auditor: "The separate financial statements and consolidated financial statements for 2024 of Hai Phong Construction Joint Stock Corporation No. 3 give a true and fair view of in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flow for the year ended then in accordance with Vietnamese accounting standards, accounting regimes and legal regulations relating to financial statements preparation and presentation".*

To see detailed Financial Statements, Shareholders and Investors can visit the website:  
[www.haco3.com.vn](http://www.haco3.com.vn)

Hải Phòng, date 23 month 03 year 2025

**HAI PHONG CONSTRUCTION JOINT STOCK CORPORATION NO.3**



**TỔNG GIÁM ĐỐC**  
*Nguyễn Thị Thùy*

