



VINACONEX 1
CÔNG TY CỔ PHẦN XÂY DỰNG SỐ 1
Vươn tới những tầm cao

VINACONEX JOINT STOCK CORPORATION
CONSTRUCTION JOINT STOCK COMPANY NO. 1



ANNUAL REPORT

YEAR 2024

(Issued together with Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Minister of Finance guiding the disclosure of information on the stock market)

Hanoi, March, 2025





I. GENERAL INFORMATION

1. General information:

- Trading name: CONSTRUCTION JOINT STOCK COMPANY NO.1
- Abbreviated name: VINACONEX 1
- Business registration certificate: 0100105479
- Charter capital: 120,000,000,000 VND (One hundred twenty billion Vietnamese dong)
- Owner's investment capital: 120,000,000,000 VND
- Headquarters: D9 Building – Khuat Duy Tien Street, Thanh Xuan Bac Ward, Thanh Xuan District, Hanoi City
- Office delivered: 2nd-3rd Floor, C1 Building, Vinaconex 1 Office and High-end Apartment Complex, 289A Khuat Duy Tien, Trung Hoa Ward, Cau Giay District, Hanoi City.
- Phone number: 024.38544057
- Fax: 024.38541679
- Website: www.vinaconex1.com.vn
- Securities code: VC1
- Establishment and development process:

Construction Joint Stock Company No. 1 (VINACONEX 1) is a type I enterprise in which Vietnam Construction and Import-Export Joint Stock Corporation VINACONEX JSC holds 55.14% of the charter capital, headquartered at D9, Khuat Duy Tien Street – Thanh Xuan Bac – Thanh Xuan – Hanoi.

Công ty được thành lập năm 1973 với tên gọi ban đầu là Công ty Xây dựng Mộc Châu trực thuộc Bộ Xây dựng, có nhiệm vụ xây dựng toàn bộ Khu công nghiệp Mộc Châu – tỉnh Sơn La. The company was established in 1973 with the original name of Moc Chau Construction Company under the Ministry of Construction, with the task of constructing the entire Moc Chau Industrial Park – Son La province.

In 1977, the Company was renamed Construction Company No. 11 – Ministry of Construction until 1981, headquartered in Xuan Mai – Ha Son Binh, with the task of constructing the entire Xuan Mai Concrete Factory and participating in the construction of Hoa Binh Hydropower Plant.



At the end of 1981, implementing the Ministry of Politics's resolution on the construction of the capital Hanoi, the Ministry of Construction decided to transfer the Company to Hanoi to carry out the task of constructing the Thanh Xuan - Hanoi housing area using the large panel assembly method.

In 1984, the Chairman of the Council of Ministers signed Decision No. 196/CT to change the name of Construction Company No. 11 to Large Panel Housing Construction Association No. 1 under the Ministry of Construction with the main task of constructing housing for the citizen of the capital.

In 1993, Large Panel Housing Construction Association No. 1 was allowed by the Ministry of Construction to change its name to Construction Association No. 1 under the Ministry of Construction, in addition to the task of constructing housing, it also had the task of constructing other civil and industrial works.

On April 15, 1995, the Ministry of Construction issued a decision to merge Construction Corporation No. 1 into Vietnam Construction Import-Export Corporation VINACONEX and from then on, it was renamed Construction Corporation No. 1 - Vinaconco 1.

According to the policy of reforming State-owned enterprises, on August 29, 2003, the Ministry of Construction issued Decision No. 1173/QĐ-BXD on: Converting Construction Corporation No. 1 under Vietnam Construction Import-Export Corporation into a joint stock company with the new name Construction Corporation No. 1 (VINACONEX 1).

In accordance with Decision No. 158/QĐ/TTGDHN dated April 24, 2009 on approving the listing of shares of Construction Corporation No. 1 - securities code VC1 was officially listed on the Hanoi Stock Exchange. Securities code VC1 is the 183rd member of the Hanoi Stock Exchange.

Construction Joint Stock Company No. 1 has a capital contribution of 55.14% represented by Vietnam Construction and Import-Export Joint Stock Corporation VINACONEX.

2. Business lines and locations of the business:

2.1 Business lines:

- Construction of works: civil and industrial, transportation, irrigation, water supply and drainage and environmental treatment; Construction of power lines and transformer stations for works: technical and social, urban areas, industrial parks, high-tech parks, underground works, cultural works, sports, entertainment, tourism works, hotels and other types of public works.
- Real estate business, land use rights owned, used or leased



- Wholesale of other materials and installation equipment in construction
- Investment consulting, implementation of construction investment projects, project establishment, bidding consulting, supervision consulting, project management
- Design of general layout, architecture, interior and exterior for civil and industrial construction works
- Design of urban and rural water supply and drainage systems, wastewater and domestic water treatment
- Structural design for civil and industrial construction works, infrastructure engineering of urban areas and industrial zones.
- Measurement, survey of terrain, geology, hydrology for construction design and investment project establishment
- Agent for domestic and foreign companies trading in goods serving production and consumption (except for goods of foreign investors, foreign-invested enterprises are not entitled to distribute according to regulations of law)
- Import and export of materials, equipment, construction export (except for goods that foreign investors and foreign-invested enterprises are not entitled to distribute according to regulations of law)
- Construction of bridges and roads
- Production, processing and installation of mechanical products
- Transportation and loading and unloading services
- Demolition of civil and industrial works
- Rental of machinery, equipment and other tangible items without operators (Rental of construction equipment, machinery, scaffolding and formwork)

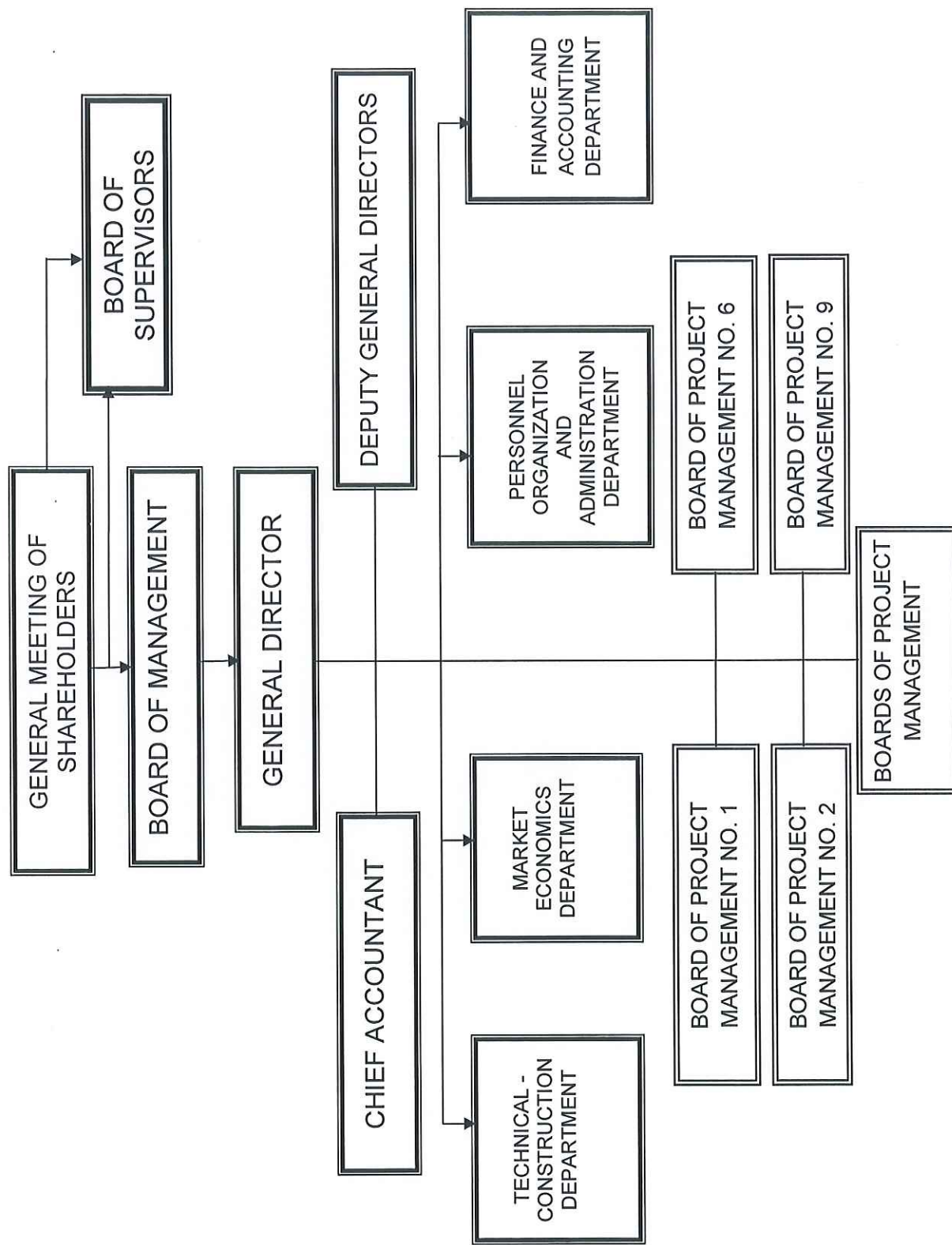
2.2 Locations of business:

The business location of the enterprise mainly operates in provinces and cities in the Northern and Central regions such as Hanoi, Bac Ninh, Hai Duong, Hung Yen, Da Nang, Cao Bang, Quang Ninh...

3. Information about governance model, organization and managerial apparatus:



3.1. Governance model and management structure:





3.2. Governance model and management structure:

3.2 Subsidiaries, affiliated companies:

As of December 31, 2024, the Company's total external investment capital is as follows:

Unit: VND

No.	The Company engages in capital investment	Amount	Ownership ratio
2	Vietnam Commerce Import-Export and Supermarket Joint Stock Company	200.000.000	1,33%
	Total	200.000.000	

4. Development orientations:

- Become a leading enterprise in the field of construction and real estate investment.
- Implement the process of restructuring the enterprise and the Company's investment capital according to the Resolution. Apply science and technology (new technology) in construction activities (self-research, cooperation with foreign partners in research and use of technology); continue to invest in the system of equipment serving construction to improve production capacity, speed up the progress of projects.
- Pay special attention to the team of staff preparing bidding documents and professional project management (team of project leaders and project management staff); continue to expand relationships with partners, seek bidding packages and participate in bidding package bidding, seek large-scale construction projects that bring high profits to the Company, reduce the proportion of projects with unclear payment mechanisms and capital sources.
- Focus on developing quality human resources to improve efficiency and improve living and working conditions for workers.
- Regarding in-depth investment to improve production capacity, focus on investing in new, modern and synchronous equipment and production means, creating conditions for the Company to develop into a civil and industrial construction contractor with modern technology, high technical level, and the ability to compete in the region and internationally.
- Innovate and arrange the organizational structure in a streamlined and professional direction, thoroughly apply and continuously improve the ISO 9001-2015 quality management system, improve the effectiveness of management and operation.
- Continue to implement multiple capital ownership, be dynamic and flexible in financial activities to attract more capital from the Company's shareholders, from domestic and foreign strategic investors along with other legal capital sources. Effectively use the Company's capital in production and business to create high profits.

5. Risks:

In the construction sector: Construction time is long, capital disbursement is often slow, the construction settlement process takes a long time, affecting capital recovery, increasing financial costs. In addition, competition between construction contractors with strong capacity and finance is increasingly fierce.

Other risks:

The Company also has outstanding debts from investors, leading to a shortage of working capital to serve business activities

Unforeseen risks such as natural disasters, storms, floods, fires, etc. affect the progress and quality of projects



Job search market work is facing difficulties due to fierce, fierce and sometimes unhealthy competition in the market.

The debt collection and settlement of some projects is still slow due to problems with documents or difficult financial situations of some investors, leading to the emergence of outstanding receivables.

The fluctuation and shortage of skilled workers in the construction industry makes it difficult to mobilize skilled labor for projects, leading to high and sudden increases in direct labor costs, significantly affecting production and business results.

II. OPERATIONS ON THE YEAR

1. Situation of production and business operations

1.1. Results of production and business operations:

Unit: million VND

No.	Main indicators	Year 2024	Year 2023
1	Net revenue from sales and services	508.497	222.687
2	Cost of Goods Sold and provided Services	477.647	205.969
3	Financial revenue	795	291
4	Financial expenses	10.542	9.396
5	General and administrative expenses	12.287	1.278
6	Other profits	(2.570)	(1.379)
7	Total accounting profit before tax	6.164	4.896

1.2. Performance compared to plan:

Unit: million VND

No.	Main indicators	Unit	Performance 2023	Year 2023		
				Plan 2024	Performance 2024	% Compared to plan 2024
I	PRODUCTION & BUSINESS	million dong	251.874	656.923	700.910	107%
1	Construction	million dong	237.460	643.234	673.487	105%
2	Other production and business	million dong	14.414	13.689	27.423	200%
II	REVENUE	million dong	222.688	537.157	508.497	95%
1	Construction	million dong	208.274	523.468	483.567	92%
2	Other production and business	million dong	14.414	13.689	24.930	182%
III	PROFIT BEFORE TAX	million dong	4.896	13.149	6.164	47%
IV	PROFIT AFTER TAX	million dong	2.621	10.230	3.588	35%
V	DIVIDEND RATIO	%	0	0	0	0



2. Organization and human resource:

❖ List of the Executive Board:

NO.	Full name	Position
1.	Mr. Hoang Van Trinh	General Director
2.	Mr. Do Le Tan	Deputy General Director
3.	Mr. Nguyen Xuan Tho	Deputy General Director
4.	Mr. Nguyen Van Ha	Chief Accountant

❖ Mr. Hoang Van Trinh – General Director

Full name:	Hoang Van Trinh
ID card number:	030081000229 issued by the Department of Administrative Police for Social Order on July 10, 2021
Gender:	Male
Date of birth:	05/05/1981
Place of birth:	Hai Duong
Nationality:	Vietnam
Ethnicity:	Kinh
Permanent residence:	Vinaconex 1 Apartment – 289A Khuat Duy Tien – Trung Hoa – Cau Giay – Hanoi
Current residence:	Vinaconex 1 Apartment – 289A Khuat Duy Tien – Trung Hoa – Cau Giay – Hanoi
Professional qualifications:	Master of Business Administration, Civil Engineer
Current position:	General Director
Positions held in other organizations	None
Number of shares held as of March 5, 2025	17.245 shares
Illegal behavior:	None
Related benefits for the issuer:	None



❖ **Mr. Do Le Tan - Deputy General Director**

Full name:	Do Le Tan
ID card number:	001077027948 issued by the Department of Administrative Management of Social Order and Safety on April 15, 2021
Gender:	Male
Date of birth:	24/12/1977
Place of birth:	Hanoi
Nationality:	Vietnam
Ethnicity:	Kinh
Permanent residence:	Imperia Garden Apartment – 203 Nguyen Huy Tuong – Thanh Xuan – Hanoi
Professional qualifications:	Master of Engineering, Civil Engineering
Current position:	Deputy General Director
Positions held in other organizations	None
Number of shares held as of March 5, 2025	11.351 shares
Debts to the Company (if any)	None
Illegal behavior:	None
Related benefits for the issuer:	None

❖ **Mr. Nguyen Xuan Tho - Deputy General Director**

Full name:	Nguyen Xuan Tho
ID card number:	038075017782 issued by the Department of Public Security on June 24, 2021
Gender:	Male
Date of birth:	23/08/1975
Place of birth:	Hanoi
Nationality:	Vietnam
Ethnicity:	Kinh



Permanent residence:	Group 41, Mai Dich Ward - Cau Giay - Hanoi
Professional qualifications:	Master of Business Administration, Civil Engineer
Current position:	Deputy General Director
Positions held in other organizations	None
Number of shares held as of March 5, 2025	1.167 shares
Debts to the Company (if any)	None
Illegal behavior:	None
Related benefits for the issuer:	None

❖ **Mr. Nguyen Van Ha – Chief Accountant**

Full name:	Nguyen Van Ha
ID card number:	026074010575 issued by the Department of Administrative Police for Social Order on 19/10/2022
Gender:	Male
Date of birth:	12/10/1974
Place of birth:	Vinh Phuc
Nationality:	Vietnam
Ethnicity:	Kinh
Permanent residence:	Van Minh Alley, Group 17, Mai Dich Ward, Cau Giay District, Hanoi
Professional qualifications:	Bachelor of Economics, Accounting
Current position:	Chief Accountant
Positions held in other organizations	None
Number of shares held as of March 5, 2025	0 share
Debts to the Company (if any)	None
Illegal behavior:	None
Related benefits for the issuer:	None



❖ **Changes in the Executive Board during the year:** (None)

❖ **Number of staff and employee policies.**

Total number of employees of the Company : 1.042 people
 - Female employees : 92 people

In which:

- Official employees : 114 people
 - Seasonal employees : 928 people

3. Investment activities, project implementation:

Công tác đầu tư BĐS và kinh doanh nhà trong năm 2024 đạt được một số kết quả cụ thể:
 Real estate investment and housing business in 2024 achieved some specific results:

a. C1 Building Project (belonging to 20% land fund) at 289A, Khuat Duy Tien, Trung Hoa, Cau Giay, Hanoi:

In December 2024, the City began to arrange a number of apartments for resettlement subjects in the project - arranging 19/74 resettlement apartments of the Ring Road 1 project through Ba Dinh District (7/19 apartments have had a decision to buy and sell houses).

b. Vinaconex 1 Townhouse Project in Ha Khanh Ward, Ha Long City, Quang Ninh:

The inter-agency group including the Department of Finance, Department of Natural Resources and Environment, Department of Construction, and Ha Long City People's Committee met with the Company to review the plan to collect additional land use fees for the project and agreed on a plan to determine financial obligations to carry out the work of granting land use right certificates to households. At the end of December 2024, the Quang Ninh Provincial People's Committee issued a decision on collecting additional land use fees for the project.

c. Vinaconex 1 mixed-use building project at lot D9 - Khuat Duy Tien, Thanh Xuan District, Hanoi

Converted the investment policy from mixed-use office-apartment housing type to office building type.

4. Financial Situation

4.1. Financial Situation

Unit: million VND

Indicator	Year 2023	Year 2024	% increase/decrease
Total asset value	709.554	708.267	-0,18%
Net Revenue	222.687	508.497	128,35%
Profit Before Tax	4.896	6.164	25,88%
Profit After Tax	2.620	3.588	36,91%

4.2. Key financial indicators:

Indicator	Year 2023	Year 2024
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I. Solvency ratio		
1. Current ratio <i>Current Assets/Current Liabilities</i>	1,36	1,37
2. Quick Ratio <i>(Current Assets – Inventory)/Current Liabilities</i>	1,0	0.83
II. Capital structure indicators		
1. Debt/Total Assets Ratio	0,65	0,64
2. Debt/Equity Ratio	1,86	1,82
III. Performance indicators		
<i>Net Revenue/Total Assets</i>	0,31	0,72
IV. Profitability ratio		
1. Profit after tax/Net revenue ratio	0,012	0,007
2. Profit after tax/Equity ratio	0,01	0,014
3. Profit after tax/Total assets ratio	0,004	0,005

5. Shareholder structure, changes in owner's capital:

5.1. Share:

Total outstanding shares: 12,000,000 shares

Type of shares: Common shares

phần Number of freely transferable shares: 12,000,000 shares

Number of shares restricted from transfer: 0 shares

5.2. Shareholder structure:

No	Shareholder	Number of shares	Ownership ratio (%)
1	Vietnam Construction and Import-Export Joint Stock Corporation	6.616.216	55,14
2	Institutional Shareholders	7.206.431	60,05
3	Individual Shareholders	4.790.527	39,92
4	Domestic Shareholders	11.996.958	99,97
5	Foreign Shareholders	3.042	0,03
6	State Shareholders	0	0

5.3. Owner's equity change situation:

1. Public offering: None
2. Private offering: None



3. Bond conversion: None
4. Warrant conversion: None
5. Bonus share issuance: None
6. Stock dividend payment: None
7. Treasury stock transaction: None
8. Other securities: None

6. Environmental and social impact – Report of the Company

- Due to the nature of the construction industry, the use of electricity and water is saved to the maximum with most of the production machinery and lighting equipment of the Company being electricity and water saving devices according to the correct standards. In addition, to minimize the waste of electricity and water, the Company regularly checks the activities that consume electricity and water to cut out the steps that cause waste.
- Compliance with environmental protection laws: During the construction and development process, the Company always strictly implements the State's Environmental Protection Law. The Company is always aware of and applies environmental protection measures as stated in reports, complies with regulations and instructions on environmental protection, does not cause pollution and does not adversely affect the environmental quality of the area. Therefore, during its operation, the Company has never been penalized for non-compliance with environmental laws and regulations.
- Policy related to employees: The Company always identifies health and labor safety as an important common goal of the entire Company system from the Board of Directors to management levels to employees.

III. REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

a. Production and business results:

❖ Performance of indicators:

Unit: million VND

No.	Main indicators	Plan 2024	Performance 2024	
			Value	% compared to plan 2024
I	<u>Total production and business</u>	656.923	700.910	107%
1	Construction (including A-grade materials)	643.234	673.487	105%
2	Other production and business	13.689	27.423	200%
II	<u>Revenue</u>	537.157	508.497	95%
1	Construction (including A-grade materials)	523.468	483.567	92%
2	Real estate business		45.130	
3	Other production and business	13.689	24.930	182%
III	<u>Profit before tax</u>	13.149	6.164	47%
IV	<u>Profit after tax</u>	10.230	3.588	35%
V	<u>Dividends</u>	0%	0%	0%



Evaluation of business performance in 2024

The 2024 production and business results show higher growth than 2023, specifically:

- Output target reached 107% compared to the annual plan and equal to 278% compared to 2023 because in 2024, the Company implemented construction and completed a number of large-scale projects for handover to the Investor.
- Revenue value reached 95% compared to the annual plan and equal to 228% compared to 2023, showing the efforts in signing the project settlement documents.
- Profits did not meet the plan mainly due to financial costs (capital outstanding at project C1 has not been recovered, the Company had to increase credit to meet production and business needs), due to the cost of hiring legal consultants to recover outstanding debts and due to the impact of rising prices of some raw materials in the last period of the year (sand, bricks, cement, etc.).

b. Evaluation of the implementation of production and business activities

Construction work:

In 2024, the Company will carry out 09 projects and project items, with a total output value of 636,522 billion VND.

The Company focuses on construction management in terms of quality, progress, brand image and especially the work of project settlement. With the motto of doing things quickly, finishing each task to complete the project as quickly as possible; combined with the work of settlement documents to recover capital from the Investor.

With those orientations, in 2024, the construction and installation work has achieved certain results, most of the projects have achieved the goals of progress, quality, and timely capital recovery payment records. In 2024, the Investor has completed and put into use 04 project items on schedule, including: Package BS8 of traffic roads and technical infrastructure in Tien Hai Industrial Park - Thai Binh, Renovation of Thai Nguyen Stadium, 76/115 Shophouses and Villas - Flamingo Golden Hill Residential Area in Kim Bang - Ha Nam; Assembly workshop of Thanh Cong Quang Ninh Automobile Factory; Package PK7a of Port Operator No. 5,6 Lach Huyen Cat Ba Port.

Occupational safety and health work on all construction projects are strictly inspected and controlled. In addition to maintaining good criteria on progress, construction quality, occupational safety and health, the work of promoting the image and brand of the Company and the Corporation on all projects is always focused on, implemented seriously and fully in accordance with regulations. 2024 is the seventh consecutive year that the Company has not had any serious occupational safety incidents.

Marketing and bidding work:

With the determination and drastic management of the Company's Board of Directors, along with the efforts of specialized departments and more flexible marketing methods, in 2024, the Company successfully marketed and signed a number of valuable economic contracts to



increase the production and business value for 2024 and transfer part of the production and business value to 2025

Real estate investment and business:

- C1 Building Project (belonging to 20% land fund) at 289A, Khuat Duy Tien, Trung Hoa, Cau Giay, Hanoi: Handed over a number of apartments to households receiving resettlement houses according to the City's list.

- Vinaconex 1 Townhouse Project in Ha Khanh Ward, Ha Long City, Quang Ninh: Currently waiting for the tax authority to issue a notice of additional land use fee payment for the project to proceed with the procedures for granting land use right certificates to households.

- Vinaconex 1 mixed-use building project at lot D9, Khuat Duy Tien Street, Thanh Xuan Bac Ward, Thanh Xuan District, Hanoi: The company is continuing to implement and complete the following procedures to be able to implement the project.

Financial management, payment settlement & debt collection

- Reviewed and clarified financial data of some completed projects and the financial situation of most of the affiliated production units to have appropriate financial control plans.

- Strictly implemented and well controlled financial work for ongoing projects to maintain the Company's financial situation.

2. Plan 2025:

Unit: million VND

No.	Main indicators	Performance 2024	Plan 2025	
		Amount	Amount	% compared to performance 2024
I	<u>Total production and business</u>	700.910	592.526	85%
1	Construction (including A-grade materials)	673.487	576.991	86%
2	Other production and business	27.423	15.535	57%
II	<u>Revenue</u>	508.497	560.056	110%
1	Construction (including A-grade materials)	483.567	500.804	104%
2	Other production and business	24.930	14.122	57%
III	<u>Profit before tax</u>	6.164	7.802	127%
IV	<u>Profit after tax</u>	3.588	5.852	163%
V	<u>Dividends</u>	0%	0%	



IV. ASSESSMENT OF THE BOARD OF MANAGEMENT ON BUSINESS PERFORMANCE RESULTS IN 2024

Results of supervision of the Board of Directors

In the context of general economic difficulties and the difficulties in work and finance that the Company will face in 2024, the Board of Management and the Board of Directors of the Company have proposed flexible management and operation solutions to maintain stable production and business activities of the Company.

Although the revenue and profit targets have not been achieved compared to the plan (details are stated in the Report of the Board of Directors presented to the Congress), in the context of general difficulties, most construction enterprises have decreased in revenue and profit in 2024, the production and business results achieved are also very remarkable, especially in the second half of 2024, the production and business situation of the Company has shown many signs of improvement.

V. CORPORATE GOVERNANCE AND BOARD OF SUPERVISORS

A. Board of Management:

The Company's Board of Management (term 2019 - 2024) consists of 05 members:

- | | |
|-------------------------|--|
| - Mr. Nguyen Khac Hai | - Chairman of the Board of Management |
| - Mr. Hoang Van Trinh | - Member of the Board of Management |
| - Mr. Lai Duc Toan | - Member of the Board of Management |
| - Mr. Nguyen Minh Thang | - Member of the Board of Management |
| - Mr. Nguyen Thanh Nhon | - Independent Member of the Board of Directors |

Report of Board of Management:

I. ASSESSMENT OF THE BOARD OF MANAGEMENT' MANAGEMENT ACTIVITIES IN 2024

1. Regarding the organization and operation of the Board of Management:

At the 2024 annual meeting, the General Meeting of Shareholders elected the Company's Board of Management for the 2024 - 2029 term, consisting of 05 members, including 01 independent member of the Board of Management.

After being reorganized, with the capacity, experience combined with the individual strengths of each member, the Board of Management has successfully completed the tasks assigned by the General Meeting of Shareholders, operating in compliance with the law and the Company's Charter. Each member of the Board of Management has promoted the capacity and role in the



assigned field of responsibility. All members of the Board of Management have been trained in public company governance.

Board of Management meetings are held quarterly as prescribed. In 2024, the Board of Management held 04 meetings and issued 09 Decisions (at direct meetings or by written consent) to perform the function of managing the Company's operations and directing the Executive Board in performing the tasks assigned by the General Meeting of Shareholders. The Resolutions and Decisions mainly focus on the following contents:

- Re-appoint Mr. Nguyen Xuan Tho as Deputy General Director of the Company; (March 13, 2024)
- Select an auditor for the 2024 Financial Statements (June 18, 2024)
- Approve the signing of a subcontract for underground construction, body structure and rough construction, and exterior finishing of 132 A3 A4 villas - Cai Gia - Cat Ba Tourist Area Project; (July 2, 2024)
- Merge the Payment and Debt Collection Department into the Market Economics Department; (August, 26, 2024)
- Establishment of the Asset Liquidation Council in 2024 (October 24, 2024)
- Decision on Liquidation of Fixed Assets (October 17, 2024)
- Investment in purchasing passenger cars for management and operation activities (October 24, 2024)
- Approval of the liquidation price of passenger cars (August 11, 2024)

2. Activities of each member of the Board of Management

The Board of Management held extended meetings with the participation of the Board of Supervisors and the Executive Board; coordinated with the Board of Supervisors in directing and supervising the production and business operations of the Executive Board to be able to provide timely policies and orientations, suitable to the production and business operations of the Company. The members attended completely the meeting, discussed and gave the opinions, thus, the Board of Management could make the most appropriate decisions.

Details in Appendix 01 attached to this report.

3. Remuneration and salary of the Board of Management, Board of Supervisors, General Director:

Details of the Corporate Governance Report of the Company 2024 was posted on the Company's website at www.vinaconex1.com.vn.

4. Meetings and Resolutions/Decisions of the Board of Management:



Details of the Corporate Governance Report of the Company 2024 was posted on the Company's website at www.vinaconex1.com.vn.

II. SUPERVISION ACTIVITIES FOR THE BOARD OF DIRECTORS

During the year, the Board of Management supervised and directed the activities of the Board of Directors in implementing the Resolutions and Decisions of the Board of Management.

The General Director holds regular weekly meetings with the Deputy General Directors, Chief Accountant, Department Heads, and Board Heads of Project Management to direct the Company's daily tasks and implement decisions and resolutions of the Board of Management and the General Meeting of Shareholders thoroughly, decisively, and promptly to complete the assigned plan.

III. SOME REMAINED ISSUES:

- According to Resolution No. 01/2024/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders, the Company has implemented procedures to issue shares to increase charter capital from equity capital. However, the implementation process encountered some difficulties related to the content in the Financial Statements, leading to the Company not being able to increase charter capital in 2024 as approved by the General Meeting of Shareholders.
- The Board of Directors needs to direct more strongly the work of payment settlement and debt collection, especially from ongoing projects to ensure financial resources for the Company's operations.

IV. SOME ORIENTATIONS FOR THE BOARD OF DIRECTIONS IN 2025:

Based on the assessment and analysis of factors affecting the Company's production and business areas, the Board of Management identified a number of key tasks to be performed as follows:

- Focus on orienting, directing and supervising the Board of Directors in synchronously implementing solutions to complete the 2025 production and business plan.
- Continue to improve the Company's capacity and competitiveness, closely follow market developments to have orientations and instructions for the Company in production and business activities.
- Continue to direct the Board of Directors to promote settlement and debt collection to increase business capital, strengthen risk management, and flexibly use capital to optimize benefits for the Company.

B. Board of Supervisors

1. Organizational structure of the Board of Supervisors:



The members of the Board of Supervisors for the 2024-2029 term in 2024 were:

- Mr. Vu Van Manh - Head of the Board of Supervisors
- Mrs. Tran Thi Kim Oanh - Supervisor
- Mr. Chu Quang Minh - Supervisor

2. Performance of the Board of Supervisors and Supervisors:

In 2024, the Board of Supervisors and Supervisors carried out inspections and supervision regarding the compliance with legal regulations, the Company's Charter, and internal regulations in managing and operating the Company's business activities by the Board of Management and the Executive Board, specifically:

- Evaluate the performance of the Board of Management, Executive Board, review the Financial Statements and the production and business performance of the Company in 2023; Approve the Reports/Submissions of the Board of Supervisors to the 2024 Annual General Meeting of Shareholders.
- Coordinate with the Board of Management and the Executive Board of the company to review documents, prepare and organize the 2024 Annual General Meeting of Shareholders.
- Review the legality and procedures for issuing Resolutions and Decisions of the Board of Management and the Board of Directors, ensuring compliance with legal regulations and the Company's Charter.
- Monitor and evaluate the activities of the Board of Management, Executive Board, and business results in 2024; review quarterly and annual financial reports to assess the truthfulness and reasonableness of financial data, compliance with Vietnamese business accounting standards and regimes, and current legal regulations;
- Support the company in selecting an auditing unit to audit the Company's 2024 Financial Statements;
- Provide opinions and recommendations to the Board of Management and the Executive Board on issues related to the Company's operations in 2024.
- Monitor the Company's information disclosure in accordance with the provisions of law.
- Perform other tasks according to the functions and tasks of the Board of Supervisors.

Remuneration of the Board of Supervisors: Details in the Report on remuneration payment for members of the Board of Management and the Board of Supervisors of the Company in 2024 being submitted to the General Meeting of Shareholders.

Summary of Board of Supervisors meetings: Details in the Company's 2024 Corporate Governance Report posted on the Company's website.

I. Coordination Between the Board of Supervisors, Board of Management, and Executive Board

The Board of Supervisors maintained good coordination with the BOM and the Executive Board, specifically:



- Representatives of the Board of Supervisors were invited to attend and give opinions at meetings of the Board of Management and important meetings of the Company's Executive Board.
- The Board of Supervisors receives documents and information from the Company in accordance with the provisions of the Law on Enterprises and the Company's Charter.
- The Board of Supervisors is provided with information and documents related to the Company's production and business activities upon request of the Board of Supervisors.

II. Supervision results of the Board of Management' Activities

In 2024, the Board of Management held meetings and issued Resolutions/Decisions (at in-person meetings or by requesting written opinions) to perform the administrative function and direct the Executive Board in performing the production and business tasks assigned by the General Meeting of Shareholders.

In 2024, the Board of Management discussed and decided on the following important issues:

- Approve the 2024 Annual General Meeting of Shareholders agenda and successful organization of the General meeting.
- Elect of the Board of Management's Chairman for the 2024-2029 term.
- Select the audit firm for the 2024 Financial Statements.
- Implement a plan to issue shares to increase equity capital from owner's equity.
- Re-appoint the position of Deputy General Director of the Company.
- Restructure certain departments in the Company.
- Supervise the Executive Board in implementing and executing the Resolution of the 2024 Annual General Meeting of Shareholders, Resolutions and decisions of the Board of Management.
- Approving the contents serving the management of the Company's production and business activities according to the plan approved by the General Meeting of Shareholders and other contents under the authority of the Board of Management.

The specific contents of the Resolutions and Decisions of the Board of Management in the Company's 2024 Corporate Governance Report are posted on the Company's website.

The Board of Supervisors assesses the Board of Management' performance during the year in accordance with current laws, the Charter, internal regulations and the actual situation of the Company.

III. Supervision results of the Executive Board's Activities

The Company's Executive Board directly manages production and business activities according to the functions and tasks specified in the Company's Charter of Organization and Operation, and implements production and business plans according to the Resolution of the General Meeting of Shareholders, Resolutions and Decisions of the Board of Management.

- Regarding the implementation of economic targets: Net revenue is 508.5 billion VND, reaching 94.7% of the plan, equal to 228.3% (equivalent to an increase of 285.8 billion VND) compared to the implementation in 2023; profit after tax is 3.59 billion VND, reaching 35.1%



of the plan in 2024, equal to 136.9% compared to the implementation in 2023. In 2024, along with the impact of high raw material prices, financial expenses, business management expenses, and other expenses all increased compared to the plan, which is the reason why the company's profit is lower than the plan.

- Regarding the company's operations:

- + Construction and installation activities: Strong growth compared to 2023, recording revenue and gross profit in 2024 of VND 483.57 billion and VND 20.69 billion, respectively, equivalent to 232% and 239% compared to 2023.

In 2024, the Company signed a number of valuable economic contracts contributing to the production and business value of 2024 and partially transferring to 2025; The Company implemented construction and completed many projects for investors in 2024; The work of preparing payment and settlement records was also focused on.

- + Real estate investment and business activities: in 2024, there were no recorded business results from this activity, but there were some positive changes, specifically: the City has arranged 19/74 apartments for resettlement subjects for project C1 (of which 7 apartments have a decision to buy and sell houses).
- + Other business activities: Equipment and machinery rental, office and warehouse rental and apartment management services bring in revenue and gross profit of VND 14.32 billion and VND 9.11 billion, respectively, equal to 101% and 116% compared to 2023. In 2024, the Company will provide construction steel for construction sites, bringing in revenue of VND 10.61 billion and gross profit of VND 1.04 billion.
- + Business management expenses in 2024 are 12.29 billion VND, of which the cost of hiring a law firm is 4.64 billion VND. If excluding the provision reversal of 7.85 billion VND and the cost of hiring a law firm, the management expenses in 2024 are 15.5 billion VND, an increase of 4 billion VND compared to 2023 excluding provision reversal. The main reason for the sharp increase is that the Company increased labor costs (4.88 billion VND).
- + The Company continues to focus on the work of settlement and debt collection: Completed the settlement of the body of the HH1 Nam Cuong apartment building, the CN5 factory project in Viet Hung Quang Ninh Industrial Park, and the Viglacera Thai Binh infrastructure project; Recovered a part of the old debt of Tan Hoang Minh Group and Gia Nghia water plant.
- + Total short-term receivables and inventories at the end of the year decreased by VND 14.5 billion compared to the beginning (of which short-term receivables decreased by VND 98 billion and inventories increased by VND 83 billion), but still accounted for a high proportion of total assets (at the beginning of the year, it was VND 610 billion, accounting for 86% of total assets; at the end of the year, it was VND 595.5 billion, accounting for 84.1% of total assets) and many bad debts, causing capital stagnation and potential risks in the work of acceptance, settlement and debt collection, which increased debt and financial costs, affecting the Company's production and business results.
- + The Company's liabilities are mainly short-term debts, of which short-term debts at the end of the year were 456.72 billion VND. The Company faced a lot of pressure to pay due debts; at the end of the year, the Company still had some overdue payables.



The Board of Supervisors assessed that in 2024, the Board of Directors actively managed production and business activities, resolved existing problems, and continued to help the Company gradually overcome difficulties.

IV. Audit of the 2024 Financial Statements

- The Company's 2024 financial statements were audited by AASC Auditing Firm Co., Ltd., which is approved by the State Securities Commission for auditing public-interest entities in the securities sector.
- Auditor's opinion on the Company's 2024 financial statements:

"Auditor's opinion:

In our opinion, the financial statements present fairly and accurately, in all material respects, the financial position of Construction Joint Stock Company No. 1 as of December 31, 2024, as well as its business performance and cash flows for the fiscal year ending on the same date, in accordance with Vietnamese Accounting Standards (VAS), the Vietnamese Enterprise Accounting System, and relevant legal regulations governing the preparation and presentation of financial statements.

Emphasis of Matter:

We draw readers' attention to Note No. 1 and Note No. 35 in the Notes to the Financial Statements, which describe the company's going concern ability and the ongoing legal disputes awaiting the final court ruling and execution of judgments.

We draw readers' attention to Note No. 9 in the Notes to the Financial Statements, which describes the C1 Apartment Building Project at 289A Khat Duy Tien Street, Thanh Xuân District, Hanoi, developed by the company. The project is currently in the settlement and audit phase as required by Vietnamese Auditing Standard No. 1000 – Audit of Final Settlement Reports for Completed Projects. The audit procedures performed were solely intended to provide an opinion on the financial statements for the fiscal year ending December 31, 2024, and did not include procedures required under Vietnamese Auditing Standard No. 1000 for the final settlement audit of the project. Therefore, figures related to unfinished business production costs in the financial statements may be subject to change after review and audit in accordance with state regulations on final project settlement.

This Emphasis of Matter does not affect our unqualified audit opinion stated above."

- The Board of Supervisors assessed that the audited financial statements honestly and reasonably reflected the Company's financial situation as of December 31, 2024 and the business results in 2024. The Board of Supervisors agreed with the 2024 financial statements audited by AASC Auditing Company Limited.

V. Evaluation of the implementation of the Resolution of the 2024 Annual General Meeting of Shareholders:

1. Economics indicators :

No.	Indicator	Unit	2024 Plan	2024 Performance	Performance/Plan 2024
1	Net revenue	Million dong	537.157	508.497	94,7%
2	Profit before tax	Million dong	13.149	6.164	46,9%



3	Profit after tax	Million dong	10.230	3.588	35,1%
4	Dividend	%	0%	AGM decision	

2. Results of other contents:

- Distribution of after-tax profits: Implementing the Resolution of the General Meeting of Shareholders, the Company does not pay dividends and sets aside bonus funds from accumulated profits until the end of 2024.
- Select an independent auditor to audit the 2024 Financial Statements in accordance with the Resolution of the General Meeting of Shareholders in 2024.
- Remuneration for the Board of Management and Board of Supervisors in 2023: The Company will pay in accordance with the Resolution of the General Meeting of Shareholders in 2024.
- Carry out procedures for changing business lines and maximum foreign ownership ratio at the Company in accordance with regulations.
- Issue the Charter, internal regulations on corporate governance, and the Operating Regulations of the Company's Board of Management in accordance with regulations.
- Carrying out procedures for issuing shares to increase charter capital from equity: The Company has not yet implemented.

VI. Recommendations of the Board of Supervisors

The Board of Supervisors recommends the Board of Management and the Executive Board:

- Continue efforts to resolve obstacles related to the C1 project to accelerate sales and capital recovery; completing legal procedures and expedite investment and business operations for other real estate projects.
- Continue actively seeking new business opportunities; improving management practices, strictly controlling costs, enhancing efficiency, and optimizing cash flow for each project, construction work, and business sector.
- Develop an Economic Plan before executing construction projects; regularly reporting on the implementation status of Economic Plan; promptly reporting warnings and proposing remedial measures when unforeseen factors arise that could impact Economic Plan effectiveness.
- Continue to resolutely carry out the work of settlement and debt collection to ensure financial resources for the company's operations.

3. Results of other contents:

- Distribution of after-tax profits: In accordance with the Resolution of the General Meeting of Shareholders, the Company will not pay dividends and set aside bonus funds from accumulated profits until the end of 2024.
- Select an independent auditor to audit the 2024 Financial Statements in accordance with the Resolution of the General Meeting of Shareholders in 2024.
- Implement the deduction of remuneration for the Board of Management and Board of Supervisors in 2023 in accordance with the Resolution of the 2024 Shareholders' Meeting.



- Carry out procedures to change business lines and maximum foreign ownership ratio at the Company in accordance with regulations.
- Issue the Charter, internal regulations on corporate governance, and operating regulations of the Board of Management in accordance with regulations.
- Carry out procedures for issuing shares to increase charter capital from equity: The Company has not yet implemented.

Recommendation of the Board of Supervisors:

The Board of Supervisors recommends the Board of Management and the Executive Board of the Company:

- Continue to work to remove obstacles related to the C1 project to speed up sales to recover capital; Continue to complete legal procedures and speed up investment and business implementation of other real estate projects.
- Continue to actively seek new sources of work; improve management, closely manage costs, efficiency and cash flow of each project and field of operation.
- Develop an Economic Plan before executing construction projects; regularly reporting on the implementation status of Economic Plan; promptly reporting warnings and proposing remedial measures when unforeseen factors arise that could impact Economic Plan effectiveness.
- Continue to resolutely carry out the work of settlement and debt collection to ensure financial resources for the company's operations.

VI. FINANCIAL STATEMENTS:

1. Auditor's opinion:

"In our opinion, the financial statements present fairly and accurately, in all material respects, the financial position of Construction Joint Stock Company No. 1 as of December 31, 2024, as well as its business performance and cash flows for the fiscal year ending on the same date, in accordance with Vietnamese Accounting Standards (VAS), the Vietnamese Enterprise Accounting System, and relevant legal regulations governing the preparation and presentation of financial statements."

2. Audited financial statements

The Company has prepared and published quarterly and annual financial reports in accordance with the regulations of the State Securities Commission and current laws.

The 2024 Financial Statements are prepared in accordance with current Vietnamese accounting standards and regimes. The Company's Financial Statements are audited by AASC Auditing Company Limited and are published on the website of Construction Joint Stock Company No. 1 at: <http://www.vinaconex1.com.vn>.

LEGAL REPRESENTATIVE

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TỔNG GIÁM ĐỐC
Hoàng Văn Trinh