

**SONG HONG CONSTRUCTION JOINT STOCK COMPANY**

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# **ANNUAL REPORT**

**REPORTING YEAR 2024**



**- Ha noi, April 2025 -**

No: 59 /BC-CT

*Hanoi, April 10<sup>st</sup>, 2025*

**ANNUAL REPORT**  
**Year 2024**

To: - Shareholders of Song Hong Construction Joint Stock Company

**I. General Information**

**1. Overview Information**

- Trading Name: Song Hong Construction Joint Stock Company
- Business Registration Certificate Number: 0100107042, issued by the Hanoi Department of Planning and Investment on April 17, 2006, and updated for the 12th time on January 20, 2025.
- Charter Capital: VND 200,000,000,000
- Owner's Investment Capital:
- Address: No. 164 Lo Duc Street, Dong Nhan Ward, Hai Ba Trung District, Hanoi City.
- Phone Number: 024.39727297
- Fax Number: 024.39727295
- Website: <http://incomex.com.vn>
- Stock Code (if any): ICG
- Formation and Development Process:

Song Hong Construction Joint Stock Company originated as the Hanoi branch of Song Hong Construction Corporation, established on June 14, 1997, under Decision No. 354/BXD-TCLĐ. On December 15, 2004, to align with the long-term development strategy of the Corporation, the Chairman of the Board of Directors of Song Hong Corporation issued Decision No. 958/QĐ-HĐQT-TCT to merge the Hanoi branch into Hanoi Investment Construction and Import-Export Company under the new name "Hanoi Investment Construction and Import-Export Company.

On February 21, 2006, the Minister of Construction issued Decision No. 257/QĐ-BXD to convert Hanoi Investment Construction and Import-Export Company into a

joint-stock company named "Hanoi Investment Construction and Import-Export Joint Stock Company" with charter capital of VND 10 billion.

On May 9, 2006, under Decision No. 747/QĐ-BXD by the Minister of Construction amending Decision No. 257/QĐ-BXD dated February 21, 2006, the joint-stock company was renamed "Song Hong Construction Joint Stock Company," abbreviated as INCOMEX, officially operating under a joint-stock model. On February 24, 2017, Hanoi Department of Planning and Investment issued Business Registration Certificate No. 0100107042 (9th amendment).

Over more than two decades in construction investment activities, Incomex has established itself as a capable and experienced enterprise in fields such as real estate investment and trading, real estate auction brokerage, project management, and consultancy for designing civil and industrial works. With a team of skilled engineers and technicians alongside specialized workers equipped with diverse construction tools and machinery, Incomex has earned trust from investors and partners to undertake large-scale and complex projects. All projects executed by the company meet quality standards and are delivered on schedule.

With a development focus on areas such as real estate investment and trading; real estate auction brokerage; project management; consultancy for designing various types of works; construction of civil, industrial, transportation, irrigation works; trading in industrial equipment and building materials; etc., Incomex has steadily grown its charter capital from VND 10 billion to VND 150 billion in May 2007 through strategic shareholders like Vietnam National Oil and Gas Group (PetroVietnam), Hansin Group (South Korea), Ocean Commercial Joint Stock Bank.

On April 22, 2010, the company's General Meeting of Shareholders approved increasing its charter capital from VND 150 billion to VND 200 billion.

With goals such as respecting customer interests as its own and embracing innovation for success, Incomex is gradually perfecting its organizational structure to meet future development demands. Alongside its joint ventures and affiliates, Incomex continues to solidify its brand presence both domestically and internationally.

- **Other Events:** None

## ***2. Business Sectors and Operating Locations:***

- Business Sectors:

- + Investment in and trading of real estate under ownership or lease.

+ Real estate brokerage and auction services (excluding land valuation consultancy services).

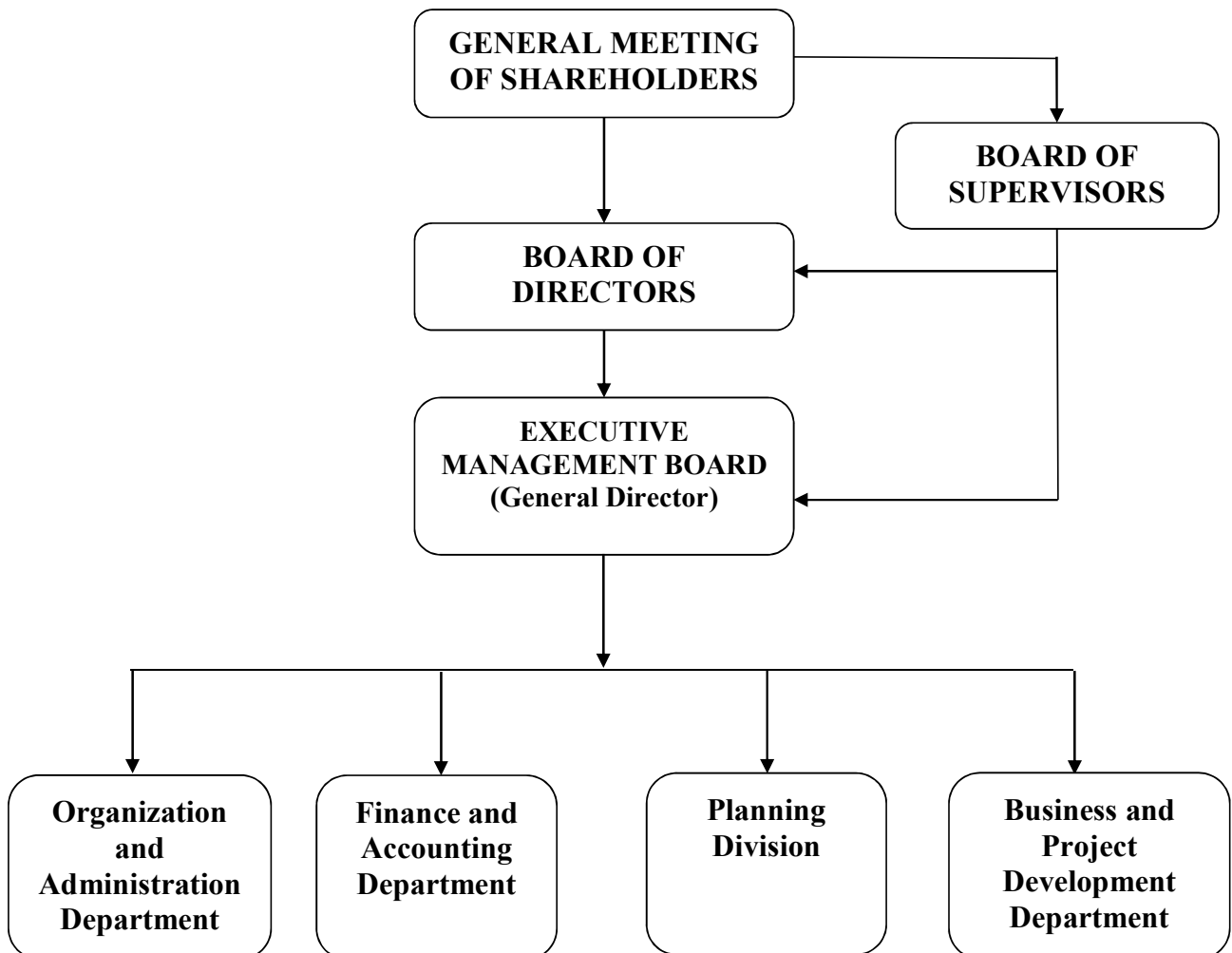
+ Financial services activities.

- Operating Locations: The company primarily conducts business in Hanoi City.

**3. Information on Governance Model, Business Organization, and Management Structure:**

- Governance Model: The governance structure includes the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the Director or General Director.

**- Management Structure:**



**- Subsidiaries and Affiliates:**

As of December 31, 2024, the companies in which Song Hong Construction Joint Stock Company has contributed capital are as follows:

a. SHF Joint Stock Company

- Business Registration Certificate: 0109782524 issued by the Hanoi Department of Planning and Investment on October 19, 2021.

- Address: 164 Lo Duc Street, Dong Mac Ward, Hai Ba Trung District, Hanoi.

- Main Business Sector: Clean agriculture.

- Charter Capital: VND 30 billion, with Song Hong Construction Joint Stock Company holding a 98% stake, equivalent to VND 29,400,000,000.

b. Song Hong Development Services and Trading Joint Stock Company

- Business Registration Certificate: 0106568226 issued by the Hanoi Department of Planning and Investment on June 11, 2014, updated for the 8th time on October 6, 2020.

- Address: G1 Floor, Building 24T, B4 Kim Lien Apartment Complex, Dong Da District, Hanoi.

- Main Business Sector: Apartment building management services...

- Charter Capital: VND 1 billion, with Song Hong Construction Joint Stock Company holding a 40% stake, equivalent to VND 400,000,000.

c. Sao Mai Production and Trading Joint Stock Company

- Business Registration Certificate: 0101847811 issued by the Hanoi Department of Planning and Investment on December 28, 2005.

- Address: 3rd Floor, TSG Lotus Sai Dong Building, No. 190 Sai Dong Street, Viet Hung Ward, Long Bien District, Hanoi.

- Main Business Sector: Real estate business...

- Charter Capital: VND 175 billion, with Song Hong Construction Joint Stock Company holding a 15% stake, equivalent to VND 26,250,000,000.

d. Green Town Vietnam Joint Stock Company

- Business Registration Certificate: 0109350080 issued by the Hanoi Department of Planning and Investment on September 22, 2020.

- Address: Floors 1 & 2, Hanoi Aqua Central Building, No. 44 Yen Phu Street, Truc Bach Ward, Ba Dinh District, Hanoi.

- Main Business Sector: Real estate business...

- Charter Capital: VND 1,329.5 billion, with Song Hong Construction Joint Stock Company holding a 7.35% stake, equivalent to VND 97,718,250,000.

e. IT Vietnam Investment Joint Stock Company

- Business Registration Certificate: 0102809061 issued by the Hanoi Department of Planning and Investment (updated for the sixth time on April 25, 2017).

- Address: Khuong Dinh Market Complex at No. 365 Khuong Trung Street, Khuong Dinh Ward, Thanh Xuan District, Hanoi.

- Main Business Sector: Trade center and supermarket operations; trading and processing gold jewelry and gemstones...

- Charter Capital: VND 100 billion; as of December 31, 2021, Song Hong Construction Joint Stock Company's actual contributed capital was VND 31.752 million.

f. Incomex Investment and Consulting Joint Stock Company

- Business Registration Certificate: No. 0102355731 issued by the Hanoi Department of Planning and Investment (updated for the fifth time on July 18, 2014).

- Address: No.11 Alleyway No.318 De La Thanh Street, O Cho Dua Ward, Dong Da District, Hanoi.

- Main Business Sector: Project consultancy; cost estimation; bidding documentation; project management; urban infrastructure design...

- Charter Capital: VND 6.425 billion; as of December 31, 2021 Song Hong Construction Joint Stock Company's actual contributed capital was VND 900 million.

g. Van Khoi Thanh Joint Stock Company

- Business Registration Certificate: No.0102380512 issued by the Hanoi Department of Planning and Investment (updated for the fifth time on February 12, 2018).

- Address: No.713 Lac Long Quan Street in Phu Thuong Ward within Tay Ho District in Hanoi City.

- Main business sector: Construction

**4. Development Orientation**

- Main Objectives of the Company:

- + Maintain stable business operations and ensure sustainable development.

- + Actively participate in the city's housing development program.

- + Continuously improve the living standards of employees, ensure legitimate shareholder benefits, and comply fully with tax obligations.

- Medium- and Long-Term Development Strategy:

+ Participate in auctions and tenders for land use rights in housing development projects and other potential real estate projects nationwide.

+ Continue to expand cooperation, joint ventures, and partnerships with domestic and international entities to develop projects across the country.

+ Organize and restructure the company's workforce to align with business requirements. Continue training and developing human resources to meet the company's growth needs.

+ Focus on building the INCOMEX brand, promoting products and the company's image.

- Sustainable Development Goals (Environment, Society, and Community):

The company ensures that environmental, social, and community responsibilities are integrated into its management system and corporate culture.

**5. Risks:**

- Tightened bank lending policies for the real estate sector and unstable financial market policies have created cash flow difficulties, reducing consumer purchasing power. Additionally, unresolved market barriers such as legal bottlenecks and unclear law enforcement processes, along with tightened credit markets and stricter regulations on bond and stock issuance, have negatively impacted the progress of the company's investment projects.

**II. Business Performance in the Year**

**1. Business Operations and Performance**

- Business Results for the Year:

No.	Content	Unit	2024 Plan	2024 Actual	Completion Rate (%)
1.	Total Revenue	Billion VND	15.0	15.247	101.6
2.	Profit Before Tax	Billion VND	2.0	1.004	50.2
3.	Corporate Income Tax	Billion VND	0	0.096	-
4.	Profit After Tax	Billion VND	2.0	0.908	45.4

5.	Dividend Payout Ratio	%	0	0	-
6.	Average Number of Employees	People	28	25	89.29
7.	Average Monthly Salary	Million VND	15	16.3	108.67

## **2. Organization and Human Resources:**

### **a) Executive Board List:**

No.	Name	Position	Shareholding Ratio (%)
1	Phạm Quỳnh Trang	General Director	0.00042%
2	Nông Thị Thu Trang	Deputy General Director	0.37%
3	Phạm Tiến Thành	Deputy General Director	0.00028%
4	Lương Thị Ánh Phượng	Chief Accountant	0.000065%

### **• Summary of Executive Board Members' Backgrounds:**

#### **(1) Ms. Phạm Quỳnh Trang – General Director**

- Full Name: Phạm Quỳnh Trang
- Date of Birth: July 29, 1982
- Nationality: Vietnam
- Address: Apartment No.207, Block B, HH2A Residential Building, Gia Thụy Ward, Long Biên District, Hanoi
- ID Number: 030182025120 (Issued on July 16, 2021, by the Department of Administrative Management on Social Order)
- Educational Background: Construction Engineer, Master's in Economics – Hanoi University of Civil Engineering
- Career Summary:
  - April–August/2005: Specialist at Investment and Equipment Management Department – Northern Coal Processing and Trading Company
  - October–December/2005: Specialist at Appraisal Department – Tây Hồ Housing Development and Construction JSC
  - June/2006–September/2011: Specialist at Project Management Department – Song Hong Construction JSC



- September/2011–September/2016: Deputy Head of Project Management Department – Song Hong Construction JSC
- October/2016–May/2019: Deputy Head of Investment & Project Development Department – Song Hong Construction JSC
- June/2019–May/2020: Head of Investment & Project Development Department – Song Hong Construction JSC
- May–September/2020: Head of Business & Project Development Department – Song Hong Construction JSC
- October/2020–May/2021: Deputy General Director – Song Hong Construction JSC
- June/2021–Present: General Director – Song Hong Construction JSC

- Shares Held: 84 shares

**(2) Ms. Nông Thị Thu Trang – Deputy General Director**

- Ms. Nông Thị Thu Trang – Deputy General Director
- Full Name: Nông Thị Thu Trang
- Date of Birth: Not provided
- Nationality: Vietnam
- Address: Room No.1604, Block B4 Kim Liên, Kim Liên Ward, Đống Đa District, Hanoi
- ID Number: 004179000022 (Issued on April 22, 2019, by the Department of Administrative Management on Social Order)
- Educational Background: Bachelor's in Economics
- Career Summary:
  - 1996 - 2000: Student at National Economics University, Hanoi
  - March 2001 - July 2002: Auditor at Cao Bang Post Office
  - August 2002 - May 2003: Accountant at Telephone and Telegraph Company, Cao Bang Post Office
  - June 2003 - September 2004: Accountant at Hanoi Branch of Song Hong Construction Corporation
  - October 2004 - December 2004: Deputy Head of Finance and Accounting Department, Hanoi Branch of Song Hong Construction Corporation
  - January 2005 - December 2006: Deputy Head of Finance and Accounting Department, Hanoi Investment Construction and Import-Export Company (now Song Hong Construction Joint Stock Company)
  - January 2007 - September 2007: Assistant to the Board of Directors and Deputy Head of Finance and Accounting Department, Song Hong Construction Joint Stock Company

- October 2007 - August 2009: Chief Accountant, Song Hong Construction Joint Stock Company
- September 2009 - April 2021: Deputy General Director and Chief Accountant, Song Hong Construction Joint Stock Company
- April 2021 - Present: Deputy General Director and Member of the Board of Directors, Song Hong Construction Joint Stock Company
- Number of shares currently held: 74,545 shares

**(3) Mr. Phạm Tiến Thành - Deputy General Director**

- Full Name: Phạm Tiến Thành
- Date of Birth: April 5, 1982
- Nationality: Vietnam
- Address: No. 15, Alley 54/53/1 Ngọc Hồi Street, Văn Điển, Thanh Trì District, Hanoi
- ID Number: 037082007184
- ✓ Date of Issue: April 24, 2021
- ✓ Place of Issue: Department of Administrative Management on Social Order
- Professional Qualification: Master's in Commerce
- Summary of Work Experience:
- ✓ June 2006 - April 2010: Specialist in the Investment and Project Development Department and Member of the Supervisory Board at Song Hong Construction Joint Stock Company.
- ✓ April 2010 - May 2011: Specialist in the Investment and Project Development Department and Member of the Supervisory Board at Song Hong Construction Joint Stock Company.
- ✓ May 2011 - 2018: Specialist in the Investment and Project Development Department and Member of the Supervisory Board at Song Hong Construction Joint Stock Company.
- ✓ 2018 - October 2020: Deputy Head of Business and Project Development Department and Member of the Supervisory Board at Song Hong Construction Joint Stock Company.
- ✓ October 2020 - May 31, 2021: Head of Business and Project Development Department and Member of the Supervisory Board (until April 27, 2021) at Song Hong Construction Joint Stock Company.
- ✓ June 1, 2021 - Present: Deputy General Director at Song Hong Construction Joint Stock Company.
- Number of Shares Held: 57 shares.
- Conflicts of Interest with the Company: None.

-Legal Violations: None.

**(4) Ms. Lương Thị Ánh Phương - Chief Accountant**

- Full Name: Lương Thị Ánh Phương

- Date of Birth: September 10, 1979

- ID Number: 035179002935

✓ Date of Issue: December 24, 2021

✓ Place of Issue: Department of Administrative Management on Social Order

- Permanent Address Registration: Group 5, Tân Bình Area, Xuân Mai, Chương Mỹ District, Hanoi

- Current Address: No. 87 Lĩnh Nam Street, Mai Động Ward, Hoàng Mai District, Hanoi

- Professional Qualification: Accounting

- Summary of Work Experience:

✓ November 2001 - January 31, 2016: Officer in the Finance and Accounting Department at Song Hong Construction Joint Stock Company

✓ February 1, 2016 - May 31, 2021: Deputy Head of Finance and Accounting Department at Song Hong Construction Joint Stock Company

✓ June 1, 2021 - Present: Chief Accountant at Song Hong Construction Joint Stock Company

- Number of Shares Held (Personal): 13 shares

- Conflicts of Interest with the Company: None

- Legal Violations: None

**b) Changes in the Executive Board: None**

**c) Number of Employees:**

- Total number of employees in the company: 25 people

- Employee Policies:

***Recruitment and Training Policies:***

Recruitment:

The company's recruitment goal is to attract competent workers to meet the needs of business expansion. Depending on the position, appropriate standards and requirements are applied.

Training:

The company emphasizes enhancing training activities, particularly focusing on operational skills to meet ISO standards and professional expertise requirements. Training is conducted as follows:

**New Employee Training:**

After being recruited, new employees undergo training organized by the company to understand labor regulations, assigned responsibilities and authorities, as well as methods and skills required for their job.

**Regular Training:**

Based on the company's development needs, employee capabilities, qualifications, and commitment to the company, training plans are developed in various forms: enrolling employees in specialized courses to enhance their expertise, using certifications for operational purposes, on-the-job training through workshops, etc. The results of each training session are thoroughly reported for the company to evaluate the effectiveness of its training methods and formats.

***Salary, Bonus, and Welfare Policies:***

**Salary and Bonus Policies:** Employee salaries are paid based on individual workload, quality, and work efficiency while ensuring compliance with state regulations. To encourage and motivate employees to increase their contribution and productivity, the company implements bonus policies for holidays and special achievements. Bonuses are awarded based on individual or team performance in areas such as cost-saving initiatives, technical innovations, business organization improvements, acquiring new customers or markets, outstanding task completion, achieving high business efficiency, or contributions to combating negative practices or wastefulness.

**Insurance and Welfare Policies:** The company complies fully with legal requirements for social insurance, health insurance, and unemployment insurance contributions.

***Other Employee Benefits:***

The company ensures full compliance with labor laws, internal labor regulations, and collective labor agreements regarding employee benefits. The company's insurance

policies include social insurance, health insurance, and unemployment insurance. Special attention is given to life events (e.g., weddings or funerals) of employees.

The company is committed to improving the living conditions of its employees through specific measures such as:

Organizing annual health check-ups;

Providing gifts to employees on occasions such as International Women's Day (March 8), Vietnamese Women's Day (October 20), weddings, holidays (New Year's Day, Lunar New Year, April 30th Victory Day, International Labor Day on May 1st, National Day on September 2nd);

Organizing annual vacations and trips for employees;

Hosting activities and giving gifts to employees' children on occasions such as International Children's Day (June 1), Mid-Autumn Festival;

Rewarding children of employees who achieve high academic performance.

### ***3. Investment Status and Project Implementation***

#### ***a) Major Investments***

Over the past year, several legal obstacles have been resolved, contributing to accelerating the licensing process for numerous real estate projects nationwide, including some of the company's projects. Details are as follows:

- Vĩnh Tuy Commercial, Office, and Apartment Complex Project – Residential Block (Phase 1): The handover process to customers has been completed, and the project is now in stable operation. The company continues to manage, operate, and exploit office spaces, service areas, and parking facilities at the project.
- Vĩnh Tuy Commercial, Office, and Apartment Complex Project – Mixed-Use Block (Phase 2): The project has been granted a construction permit by the Hanoi Department of Construction (Phase 2). The company will proceed with calculating additional land use fees, constructing the project, and selling products (scheduled for Q2/2025).
- Thanh Xuân Weekend Villas and Ecotourism Project: The project has received investment approval and detailed 1/500 planning approval from the Vĩnh Phúc Provincial People's Committee. In September 2023, the project investor signed an agreement with the world-leading hotel management brand InterContinental

- Hotels Group (IHG) to develop, manage, operate, and exploit the hotel and utility facilities within the project. According to the investor's construction plan, the project is expected to be completed and put into operation in Q2/2028.
- Xuân La Commercial Center, Market, Supermarket, and Office Rental Project: The project has been granted a construction permit by the Hanoi Department of Construction. The company is preparing procedures to commence construction (expected to start in April 2025).
  - Sao Mai Commercial, Office, and Residential Complex Project: The company is collaborating with Sao Mai Production and Trading Joint Stock Company to complete legal procedures and proceed with the next steps to commence construction.
  - Kim Liên Area B Reconstruction Project (Phase 2): The company has submitted an application to the Hanoi Department of Construction to register as the project investor in accordance with regulations.
  - 135 Nguyễn Văn Cừ Old Apartment Reconstruction Project, Long Biên: The company is working with the Long Biên District People's Committee to approve planning and select an investor to implement the project in accordance with regulations.

**b) Subsidiaries and Affiliates**

No.	Company Name	Investment Capital (VND)	Operational Status
1	SHF Joint Stock Company	29,400,000,000	Researching clean agriculture projects and conducting afforestation activities in Vĩnh Phúc.
2	Song Hong Development Services and Trading Joint Stock Company	400,000,000	Managing and operating buildings.
3	Sao Mai Production and Trading Joint Stock Company	32,063,737,963	Preparing investment for the Quá Hà Housing Area Project and the Sao Mai Commercial, Office, and Residential Complex Project.
4	Green Town Vietnam Joint Stock Company	97,710,000,000	Acquired shares in Thanh Xuân Joint Stock

			Company to invest in the Thanh Xuân Weekend Villas and Ecotourism Project.
5	IT Vietnam Investment Joint Stock Company	31,752,600	
6	Incomex Investment and Consulting Joint Stock Company	900,000,000	
7	Van Khoi Thanh Joint Stock Company	3,000,000,000	

#### **4. Financial Status**

##### **a) Financial Status**

<b>Indicator</b>	<b>Unit</b>	<b>2023</b>	<b>2024</b>	<b>% Change</b>
Total Assets	Billion VND	540.779	530.179	
Net Revenue	Billion VND	1.036	13.209	
Profit from Business Activities	Billion VND	-9.210	-4.691	
Other Profit	Billion VND	0.365	5.696	
Profit Before Tax	Billion VND	-8.844	1.004	
Profit After Tax	Billion VND	-8.844	0.908	
Dividend Payout Ratio	%	0	0	

**b) Key Financial Indicators**

<b>Indicator</b>	<b>2023</b>	<b>2024</b>	<b>Note</b>
<i>1. Liquidity Ratios</i>			
+ Current Ratio (Current Assets/Short-term Liabilities)	1,35	1,34	
+ Quick Ratio ((Current Assets - Inventory)/Short-term Liabilities)	0,25	0,20	
<i>2. Capital Structure Ratios</i>			
+ Debt-to-Total Assets Ratio	0,47	0,47	
+ Debt-to-Equity Ratio	0,87	0,89	
<i>3. Operational Efficiency Ratios</i>			
+ Inventory Turnover (Cost of Goods Sold/Average Inventory)	0,008	0,025	
+ Total Asset Turnover (Net Revenue/Average Total Assets)	0,002	0,024	
<i>4. Profitability Ratios</i>			
+ Net Profit Margin (Profit After Tax/Net Revenue)	-8,54	0,068	
	-0,03	0,003	
+ Return on Equity (Profit After Tax/Equity)	-0,016	0,0017	
+ Return on Assets (Profit After Tax/Total Assets)	-8,89	-0,35	
+ Operating Profit Margin (Profit from Business Activities/Net Revenue)			

**5. Shareholder Structure and Changes in Owner's Investment Capital.**

**a) Shares:**

- Total outstanding shares: 17,572,000
- Type of shares: Common shares
- Number of freely transferable shares: 17,572,000
- Number of restricted transferable shares: 0



**b) Shareholder Structure:**

No.	Shareholder Structure	Number of Shares Owned	Ownership Ratio (%)	Number of Shareholders
<b>1</b>	<b>Domestic</b>			
	- Individuals	12,921,568	64.6	1,632
	- Organizations	3,393,670	16.97	13
<b>2</b>	<b>Foreign</b>			
	- Individuals	33,258	0.17	09
	- Organizations	1,223,504	6.12	05
<b>Tổng cộng</b>		<b>17.572.000</b>		<b>1659</b>

**c) Changes in Owner's Investment Capital:**

In 2024, Song Hong Construction Joint Stock Company did not issue additional shares to increase the owner's equity capital.

**d) Treasury Share Transactions:**

- Current number of treasury shares: 2,428,000
- In 2024, the company did not conduct any treasury share transactions.

**e) Other Securities: None****6. Report on Environmental and Social Impacts****6.1. Environmental Impact:**

Lĩnh vực hoạt động kinh doanh của Công ty là đầu tư bất động sản. Vì vậy, để The company's business activities focus on real estate investment. To minimize negative environmental impacts, as a project investor, the company prioritizes selecting contractors and equipment suppliers with the best environmental protection solutions. Equipment used in the company's projects ensures energy efficiency. The company prioritizes using alternative materials that consume less energy while meeting technical standards. Direct energy and water consumption by the company is mainly at its office. The company sets and manages monthly consumption quotas to ensure that energy and water usage does not exceed the established limits. In the future, to further reduce negative environmental impacts, the company proposes the following solutions:

- Select contractors and equipment suppliers with the best environmental solutions.
- Establish energy and water consumption quotas for the company's office.

In construction activities, apply maximum environmental protection measures, such as investing in equipment and establishing strict environmental monitoring processes.

#### **6.2. *Material Management:***

The company's projects commit to using environmentally friendly and energy-efficient construction materials with specific actions as follows:

- Prioritize the use of non-fired construction materials to replace traditional clay bricks, in accordance with Decision No. 567/QĐ-TTg dated April 28, 2010, Directive No. 10/CT-TTg dated April 16, 2012, by the Prime Minister, and Circular No. 09/2012/TT-BXD dated November 28, 2012, by the Ministry of Construction.
- When designing projects, adhere to the National Technical Standard for Energy-Efficient Buildings (QCVN 09:2013/BXD); promote green building development in construction activities, engage design consultants to introduce the benefits of green building evaluation systems, provide guidance on standards, implement integrated design, and use energy simulation tools and design verification tools.

#### **6.3. *Energy Consumption:***

Proactively control the operation time and use of high-efficiency equipment to minimize energy loss, such as using solar energy systems, low-power LED lighting systems, and smart control solutions applied at the office. The long-term application of these technologies will help reduce the pressure of energy consumption on the environment, lower operating costs for buildings, and reduce costs for users.

#### **6.4. *Water Consumption:***

- Use clean water sources from local water supply plants with flow rates appropriate for each specific project.
- Construct underground water tanks to reuse rainwater and treated wastewater that meets environmental standards at the project site.
- Apply electronic devices to monitor water consumption to detect and address leaks or issues promptly, avoiding waste during water usage.
- Water demand for projects is calculated in accordance with the National Technical Standard for Construction Planning (QCVN 01:2021/BXD).

#### **6.5. *Compliance with Environmental Protection Laws:***

Number of penalties for violations due to non-compliance with environmental laws and regulations: None

Total fines for violations due to non-compliance with environmental laws and regulations: None

**6.6. *Employee-Related Policies:***

- Number of employees and average salary:
  - + Number of employees in 2024: 25 people
  - + Average salary: VND 16,300,000/person/month
- Labor policies to ensure employee health, safety, and welfare:
  - + Regularly focus on improving employees' material and spiritual well-being, such as organizing periodic health check-ups and assisting families in difficult circumstances.
  - + Fully comply with regulations on insurance (social insurance, health insurance, unemployment insurance) and other benefits for employees. Employee salaries are paid based on workload, quality, and efficiency, ensuring compliance with state regulations and the company's salary and bonus policies. Salaries are paid to employees in full and on time each month.
  - + Activities to celebrate International Women's Day (March 8) and Vietnamese Women's Day (October 20) are supported with funding and time to ensure full participation by all employees. The company provides gifts for employees' children on International Children's Day (June 1) and recognizes and rewards children with outstanding academic achievements.
- Employee training activities:

Over the past year, the company continued to implement approved training plans, encouraging and facilitating employees to participate in short-term training courses to enhance their professional skills. Depending on the training program, employees register with the Administrative and Organizational Department, and the company supports training costs.

In 2024, several employees participated in and registered for training courses on project management, bidding procedures, and AI applications in architecture.

**6.7. *Report on Responsibility to the Local Community:***

The company actively participates in social activities, such as supporting children in highland areas and contributing to the restoration of temples and historical relics. Each year, the company allocates 5% of its after-tax profit to a welfare fund.

**6.8. *Report on Green Capital Market Activities in Accordance with SSC Guidelines:***

Recognizing the importance of the green capital market in community development, the company continues to research and explore the green capital market. The roadmap for green market growth is as follows:

- Establish a green growth plan:
- + Define development and growth objectives.
- + Identify and review current green growth plans (if any).
- + Assess economic, social, environmental, political, policy, legal frameworks, and their impacts on green growth.
- Industry-specific assessment: Evaluate potential/demand for green growth by sector to achieve economic goals.
- Policy preparation.
- Funding: Provide funding options, tax assessments, etc.
- Policy implementation.

### **III. Report and Assessment by the Board of Directors**

#### ***1. Assessment of Business Performance***

The year 2024 marked a recovery in Vietnam's economy following a period of stable growth. The real estate market was no exception, becoming one of the leading sectors contributing significantly to overall development.

Positive recovery results were driven by significant progress in improving the legal framework, along with close guidance and administration by the Party, State, and Government. A series of new legal documents were issued (such as the Land Law 2024, Housing Law 2023, Real Estate Business Law 2023, and related decrees), which partially resolved difficulties for real estate investment and business companies, including Song Hong Construction Joint Stock Company, in completing project legal procedures. However, access to loan capital remained limited, as lending interest rates and capital mobilization channels for real estate businesses showed no significant improvement.

Seizing opportunities from changes in legal regulations, the Board of Directors made efforts to address longstanding legal obstacles for some of the company's projects. Notably, the "Xuân La Commercial Center, Market, Supermarket, and Office Rental Project" was granted a construction permit by the Hanoi Department of Construction and is now in the preparation phase for groundbreaking.

In addition to accelerating investment preparation for the company's projects, the Board of Directors maintained stable business operations, ensuring revenue from

managing and exploiting commercial service spaces, parking areas, and other spaces owned by the company in various buildings. The business results achieved in 2024 are as follows:

- Total assets and total capital of the company as of December 31, 2024, were VND 530.179 billion, achieving 98.04% compared to the beginning of the reporting period.
- Total revenue reached VND 15.247 billion, exceeding the annual plan approved by the General Meeting of Shareholders by 1.65%.
- Total profit after tax was VND 0.908 billion, down 54.6% compared to the annual plan approved by the General Meeting of Shareholders.

## ***2. Financial Status***

### ***a) Asset Status***

- Total assets at the beginning of the period: VND 540.779 billion, including short-term assets of VND 309.798 billion and long-term assets of VND 230.981 billion.
- Total assets at the end of the period: VND 530.179 billion, including short-term assets of VND 306.157 billion and long-term assets of VND 224.022 billion.

### ***b) Liabilities Status***

- Liabilities at the beginning of the period: VND 252.214 billion.
- Liabilities at the end of the period: VND 250.960 billion.
- Currently, the company has no bad debts to settle.

## ***3. Improvements in Organizational Structure, Policies, and Management***

- Strictly implement the resolutions of the Board of Directors in managing business operations.

- Direct and urge departments to strengthen the review, development, and completion of regulations and operational processes to ensure the company's activities are conducted thoroughly, professionally, and efficiently.

- Control and manage operating costs tightly and economically for buildings already in use.

- Focus on training and maintaining human resources to meet the company's business needs.

## ***4. Future Development Plan***

The year 2025 presents many opportunities for the real estate market thanks to new legal policies such as the Housing Law, Real Estate Business Law, and Land Law. These

new regulations are expected to resolve obstacles in investment projects, accelerate project implementation, and create new supply for the market. Projects meeting real demand with complete legal documentation will attract customer interest. The leadership believes that the products of the company's ongoing investment projects have great potential to generate significant profits when eligible for transactions. Therefore, to achieve the business targets set by the General Meeting of Shareholders, the leadership will focus all resources and implement synchronized solutions, specifically:

- Accelerate the calculation of land use fees for the Mixed-Use Block – Vĩnh Tuy Commercial, Office, and Apartment Complex Project (Phase 2), proceed with construction, and launch the project's products for sale when conditions are favorable.
- Focus resources on constructing the Xuân La Commercial Center, Market, Supermarket, and Office Rental Project (expected completion in Q2/2026).
- Collaborate with Green Town Vietnam Joint Stock Company to bring products of the Thanh Xuân Weekend Villas and Ecotourism Project to market (for eligible items) while continuing to implement subsequent project phases.
- Coordinate with Sao Mai Production and Trading Joint Stock Company to prepare investment for the Quá Hà Housing Area Project and the Sao Mai Project.
- Restructure the investment portfolio, propose the transfer of part or all of the company's shares in subsidiaries and affiliates to ensure planned revenue.
- Fully exploit commercial service spaces owned by the company in various buildings to maximize revenue.
- Research and propose the development of potential real estate projects nationwide, including social housing and resettlement projects in Hanoi, ensuring efficiency and alignment with the company's strategy and Board of Directors' direction.
- Implement suitable capital mobilization methods, optimize capital efficiency, and address inefficient long-term investments to support the 2025 business plan and the company's medium- and long-term strategy.
- Focus on training and maintaining human resources to meet business needs.
- Concentrate on building the INCOMEX brand, promoting real estate products that meet market demand at the company's key projects.

***5. Explanation by the Board of Directors Regarding Audit Opinions – None***

***6. Report on Environmental and Social Responsibility***

To minimize impacts on the natural, economic, and social environment, the company commits to fully implementing environmental protection measures during both the construction and operational phases of projects. Specifically:

- Implement all measures to minimize negative impacts and ensure the proper execution of proposed environmental facilities.
- Complete environmental treatment facilities before projects commence operations.
- Adhere to all general environmental protection measures related to project implementation.
- Commit to implementing measures and operating treatment systems to minimize noise, dust, emissions, and wastewater to meet Vietnam's environmental standards.

#### **IV. Assessment by the Board of Directors on Company Operations**

##### ***1. Assessment by the Board of Directors on Company Operations, Including Environmental and Social Responsibility***

###### **a. Management and Operations**

- The executive team strictly implements the resolutions of the Board of Directors in managing business operations.
- The executive team regularly directs and urges departments to strengthen the review, development, and completion of regulations and operational processes to ensure the company's activities are conducted thoroughly, professionally, and efficiently.

###### **b. Planning and Finance**

- Develop business plans aligned with investment strategies, project implementation progress, and actual conditions.
- Effectively manage and lease commercial and service spaces owned by the company at various projects, ensuring stable rental revenue.

###### **c. Financial Accounting**

- Organize the company's and subsidiaries' accounting activities in accordance with current state accounting policies, the company's charter, and financial regulations.
- Focus on and maintain effective short-, medium-, and long-term financial planning to ensure capital needs for all business activities.
- Properly review input invoices and maintain checks on accounting documents of subsidiaries.
- Strengthen financial risk management and practice cost-saving in all business activities to increase profits.
- Secure sufficient capital to meet the operational needs of certain affiliated companies.

###### **d. Labor and Salary Management**

- Fully comply with regulations on insurance (social insurance, health insurance, unemployment insurance) and other benefits for employees. Employee salaries are paid based on workload, quality, and efficiency, ensuring compliance with state regulations and the company's salary and bonus policies. Salaries are paid in full and on time each month.
- Regularly focus on improving employees' material and spiritual well-being, such as organizing periodic health check-ups, visiting sick employees in hospitals, and assisting families in difficult circumstances.

**e. Party, Union, and Other Activities**

- In addition to business activities, the company emphasizes political activities, regularly disseminating Party policies and state laws to Party members and employees.
- Union activities are maintained regularly and orderly conducted. The union organizes tours, vacations, etc., fostering enthusiasm and trust among employees.
- Activities to celebrate International Women's Day (March 8) and Vietnamese Women's Day (October 20) are supported with funding and time for full participation. The company provides gifts for employees' children on International Children's Day (June 1) and rewards employees on their birthdays.

**f. Environmental and Social Responsibility**

- Alongside business development, to affirm its position as a sustainable enterprise, Song Hong Construction Joint Stock Company consistently prioritizes and actively fulfills its environmental and social responsibilities. During project implementation, the leadership directs employees to ensure environmental compliance and propose practical solutions to protect the environment, delivering a healthy and modern living environment for customers at the company's projects.

**2. *Assessment by the Board of Directors on the Executive Board's Operations***

- The executive board's operations in 2024 complied with the Enterprise Law, relevant legal regulations, the company's charter, and internal regulations, ensuring strict implementation of resolutions by the General Meeting of Shareholders and the Board of Directors.

In performing their duties, the executive board operated with a high sense of responsibility, closely overseeing project implementation and promptly resolving issues.

They adhered to the company's regulations in signing and executing economic contracts and managing business operations. Financial revenue and expenditure were controlled in accordance with the company's financial regulations.



### ***3. Plans and Directions of the Board of Directors***

In 2025, the company will continue to develop with a strategic focus on real estate business. Amid general economic challenges, particularly in the real estate sector, the Board of Directors sets the following directions:

a. Continue to advance legal procedures and commence construction of the Vĩnh Tuy Project Phase II (piling work completed).

b. Restructure the investment portfolio, research the transfer and cooperation in developing projects under study, and consider transferring shares in certain affiliates or long-term investments.

c. Continue investment preparation for the 135 Nguyễn Văn Cừ Old Apartment Reconstruction Project in Long Biên, Hanoi; proceed with projects at invested companies, such as the Sao Mai Project, Quá Hà Project in Gia Lâm, and Thanh Xuân Valley Project in Vĩnh Phúc.

d. Continue to seek and develop new potential real estate projects nationwide, including tourism and resort properties and old apartment reconstruction projects.

e. Research financial solutions to enhance the efficiency of the company's capital use.

f. Focus on training and maintaining human resources to meet business needs.

g. Concentrate on building the INCOMEX brand, promoting the company's products and image.

h. Closely monitor and promptly direct the activities of the executive board and other managers.

#### **Specific Targets for 2025:**

<b>No.</b>	<b>Content</b>	<b>Unit</b>	<b>2025 Plan</b>
1	Revenue	Billion VND	66.62
2	Profit Before Tax	Billion VND	19.35
3	Corporate Income Tax	Billion VND	3.87
4	Profit After Tax	Billion VND	15.48
5	Dividend Payout Ratio	%	0
6	Average Number of Employees	People	28

7	Average Monthly Salary	Million VND	21.2
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## V. Corporate Governance

### 1. Board of Directors

a) Members and Structure of the Board of Directors:

No.	Board Member	Position	Share Ownership Ratio (%)	Number Of Positions Held At Other Companies
1	Mr. Phạm Hùng	Chairman	19.36%	04
2	Ms. Phạm Quỳnh Trang	Member	0.00048%	02
3	Mr. Trữ Hoài Nam	Member	5.69%	01
4	Mr. Phạm Quang Huy	Member	0%	02
5	Ms. Nông Thị Thu Trang	Member	0.42%	0

b) Subcommittees under the Board of Directors: None

c) Activities of the Board of Directors:

No.	Resolution/Decision No.	Date	Content
1	01/QĐ-HĐQT	26/06/2024	Salary increase for Ms. Phạm Quỳnh Trang – General Director
2	02/QĐ-HĐQT	30/07/2024	Selection and approval of the 2024 audit firm
3	03/QĐ-HĐQT	15/10/2024	Approval for purchasing a Toyota Corolla car for operational purposes
4	04/QĐ-HĐQT	23/10/2024	Approval for liquidating the Toyota Corolla car
5	05/QĐ-HĐQT	27/11/2024	Issuance of employee salary regulations (effective from 01/12/2024)
6	06/QĐ-HĐQT	09/12/2024	Approval of the transfer price for commercial service space on the 1st floor of Building D1, Vĩnh Tuy Complex Project
7	07/QĐ-HĐQT	20/12/2024	Approval of financial handling methods for difficult-to-collect receivables and payables as of 31/12/2024

In 2024, the Board of Directors held 05 meetings and issued 07 decisions related to project investment preparation, employee salary adjustments, and asset purchases and

sales to meet the company's operational needs. In managing, operating, and executing the mandates of the General Meeting of Shareholders, the Board of Directors consistently complied with legal regulations, the company's charter, and governance regulations, respecting and ensuring shareholders' rights and the company's obligations.

d) Activities of Independent Board Members and Subcommittees: None

e) List of Board Members with Corporate Governance Training Certificates and Participation in Governance Programs:

Board members are conscious of continuously improving and updating their knowledge of corporate governance in accordance with best practices and current legal regulations.

## **2. Supervisory Board**

a) Members and Structure of the Supervisory Board:

<b>No.</b>	<b>Name</b>	<b>Position</b>	<b>Number of Shares Owned</b>
1	Ms. Mai Hồng Linh	Head of the Board	0
2	Ms. Nguyễn Hoài Thu	Member	93
3	Ms. Trần Thị Thùy Linh	Member	0

b) Activities of the Supervisory Board:

Over the past year, the Supervisory Board held 02 meetings, conducting inspections and supervision in accordance with the rights and duties stipulated in the Enterprise Law, the company's charter, and organizational regulations. The Supervisory Board developed a work plan, assigned specific tasks to each member, and conducted regular inspections and supervision of all company activities. Periodic direct inspections included:

- Reviewing the implementation of the 2024 General Meeting of Shareholders' resolutions.
- Inspecting and supervising the issuance of resolutions and decisions by the Board of Directors and the Executive Board, compliance with the company's charter, regulations, and legal provisions.
- Verifying the reasonableness, legality, accuracy, and diligence in accounting, statistics, and financial reporting. Reviewing the company's six-month and annual financial statements for 2024, audited by Vietnam Auditing and Valuation Co., Ltd.

- Attending and participating in discussions at General Meetings of Shareholders, Board of Directors' meetings, and other company meetings.

***3. Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Supervisory Board***

a) Salaries, Bonuses, and Remuneration:

<b>No.</b>	<b>Name</b>	<b>Position</b>	<b>Income in 2024 (VND)</b>
1	Phạm Hùng	Chairman of the Board	720,454,546
2	Phạm Quỳnh Trang	General Director, Board Member	521,810,545
3	Nông Thị Thu Trang	Deputy General Director, Board Member	429,985,452
4	Phạm Quang Huy	Board Member	275,590,387
5	Trử Hoài Nam	Board Member	60,000,000
6	Phạm Tiến Thành	Deputy General Director	413,459,819
7	Mai Hồng Linh	Head of Supervisory Board	60,000,000
8	Trần Thị Thùy Linh	Supervisory Board Member	124,722,726
9	Nguyễn Hoài Thu	Supervisory Board Member	165,960,365

b) Insider Share Transactions: None

c) Contracts or Transactions with Insiders: None

d) Assessment of Compliance with Corporate Governance Regulations:

Corporate governance regulations were strictly implemented by the Board of Directors, Supervisory Board, and Executive Board in accordance with legal regulations, the company's charter, and operational regulations.

**VI. Financial Statements**

***1. Audit Opinion***

The financial statements fairly and reasonably reflect, in all material respects, the consolidated financial position of the company as of December 31, 2024, as well as the consolidated business performance and cash flow situation for the fiscal year ending on that date, in accordance with Vietnamese accounting standards, the Vietnamese corporate accounting regime, and relevant legal regulations on the preparation and presentation of financial statements.

## ***2. Audited Financial Statements***

See attached documents.

The full text of the separate and consolidated financial statements for 2024 is published on the company's website: <https://incomex.com.vn/bao-cai-tai-chinh>

### ***Recipients:***

- As above
- Archive: VT,...

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

*(Signed)*

**PHAM QUYNH TRANG**  
**General Director**