

No: 176 /BC-LICOGI13

*Ha Noi, April 15<sup>th</sup> 2025*

**ANNUAL REPORT 2024**

**To:**

- The State Securities Commission
- Hanoi Stock Exchange

**I. General information**

*1. General information*

- Trading name: **LICOGI 13 JOINSTOCK COMPANY**
- Business Registration Certificate No: **0100106426**
- Charter capital: **950.845.690.000 VNĐ**
- Owner's capital: **950.845.690.000 VNĐ**
- Address: The LICOGI 13 Building, Khuat Duy Tien Street, Nhan Chinh Ward, Thanh Xuan District, Ha Noi City.
- Telephone: **024-3854 4623**
- Fax: **024-3855 107**
- Website: **www.licogi13.com.vn**
- Email: **Tonghop@licogi13.com.vn**
- Securities code: **LIG**
- Listing period: **2010**
- Listing address: Hanoi Stock Exchange (HNX)
- Establishment and development process:
  - + 1960: Established as Mechanization Construction Site No. 57.
  - + 1980: Became Mechanization Construction Enterprise No. 13.
  - + 1989: Renamed Mechanization and Construction Enterprise No. 13, under the Union of Mechanization Construction Enterprises.
  - + 1996: Transformed into Mechanization and Construction Company No. 13, directly under the Construction and Infrastructure Development Corporation.
  - + 2005: Transitioned from a State-owned Company to a Joint Stock Company as per Decision No. 2088/QĐ-BXD issued by the Minister of Construction on December 29, 2004.
- Other events:

- + February 25, 2008: LICOGI 13 Joint Stock Company became a publicly traded company with a charter capital of VND 60,000,000,000.
- + March 30, 2010: The Hanoi Stock Exchange (HNX) issued Decision No. 179/QD-SGDHN, approving the listing of 6,000,000 shares of LICOGI 13 on the HNX stock exchange.
- + April 22, 2010: The first trading day of LICOGI 13's shares, with the stock code LIG, on the HNX exchange.
- + On June 25, 2010, additional securities were registered with the Vietnam Securities Depository (VSD), with a total of 89,999,896 shares registered.
- + On August 25, 2010, additional securities were registered with the Vietnam Securities Depository (VSD), with a total of 12,000,000 shares registered.
- + On November 5, 2015, additional securities were registered with the Vietnam Securities Depository (VSD), with a total of 17,568,100 shares registered.
- + On August 29, 2016, additional securities were registered with the Vietnam Securities Depository (VSD), with a total of 43,598,032 shares registered.
- + On December 4, 2020, additional securities were registered with the Vietnam Securities Depository (VSD), with a total of 64,898,032 shares registered.
- + On July 7, 2022, additional securities were registered with the Vietnam Securities Depository (VSD), with a total of 95,084,569 shares registered.
- + On September 22, 2023, corporate bonds (code: LIG12101) were registered with the Vietnam Securities Depository (VSD), with a total of 750,000 bonds registered.
- + On September 30, 2024, the payment and settlement of 750,000 bonds were completed.

## *2. Business lines and locations of the business:*

### *- Business lines:*

Mechanical construction and installation: site preparation, foundation works, and technical infrastructure for various types of civil, industrial, public works, irrigation, transportation in urban areas, industrial zones; Real estate investment and business; Production of construction materials; Investment in the energy sector: Wind power, solar power, hydropower; Production, transmission, and distribution of electricity; Manufacturing of construction materials, industrial production, labor export; Wholesale of solid, liquid, and gaseous fuels and related products... and other business sectors.

### *- Location of business:*

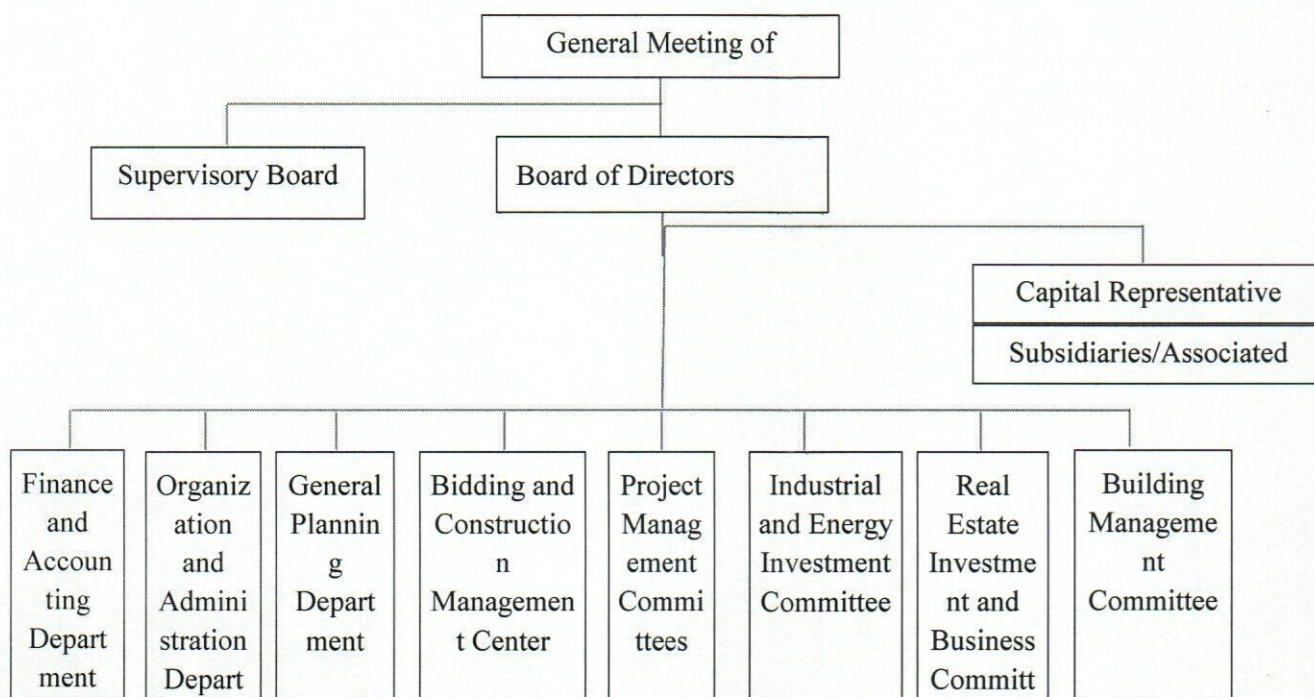
Business operations are conducted in multiple provinces and cities (with the main business areas accounting for more than 10% of total revenue over the past two years): Hanoi, Hung Yen, Quang Ninh, Ha Giang, Son La, Lang Son, Quang Tri, Quang Nam, Da Nang, Ho Chi Minh City, Hau Giang...

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

- Governance model:

Management model: In the form of a Joint Stock Company, in compliance with the Law on Enterprises, the Law on Securities, and other relevant current legal regulations; the Charter and internal governance regulations.

Management structure:



- Subsidiaries, associated companies:

+ Subsidiaries companies:

Serial Number	Company Name	Address	Main business areas	Actual contributed charter capital or shareholders' equity (billion VND)	Voting rights ratio	
					Year-end number	Beginning of year number
1	LICOGI13FC Joint Stock (LICOGI13 FC)	LICOGI 13 Building, Khuat Duy Tien Street, Nhan Chinh Ward, Thanh	Foundation treatment construction, general contractor for civil, industrial,	200	51	51

		<i>Xuan District, Hanoi</i>	<i>and other construction works..."</i>			
2	<i>Global Petroleum Energy Joint Stock Company</i>	<i>66 Nguyen Trai Street, Group 9, Quyet Thang Ward, Son La City, Son La Province</i>	<i>Electricity generation, transmission, and distribution</i>	300	87,1	87,1
3	<i>Song Nhiem 3 Joint Stock Company</i>	<i>Niem Son Commune, Meo Vac District, Ha Giang Province</i>	<i>Electricity generation, transmission, and distribution</i>	206,9	98,33	97,9
4	<i>Huong Hoa 2 Wind Power Joint Stock Company</i>	<i>37 Ly Thuong Kiet Street, Dong Luong Ward, Dong Ha City, Quang Tri Province</i>	<i>Electricity generation, transmission, and distribution; other specialized construction activities...</i>	313,6	99,4	99,4
5	<i>One-Member Limited Liability Company of Construction Vocational College 1</i>	<i>Ninh Noi Village, Tan Dan Commune, Soc Son District, Hanoi</i>	<i>Vocational training; construction works.</i>	10,4	100	100

+ Associated Companies and Long-term Financial Investments:

Serial Number	Company Name	Address	Main business areas	Voting Rights (%)
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1	The Joint Stock Company LICOI 13 - Infrastructure Machinery (LICOI13 - IMC)	Floor 1, Block B, LICOI13 Building, Khuất Duy Tiến Street, Nhân Chính Ward, Thanh Xuân District, Hanoi	Construction of works: Transport infrastructure, irrigation, and infrastructure for industrial zones, etc.	32,78
2	LICOI13 Joint Stock Company - Building Materials (LICOI13 - CMC)	Floor 1, Block A, LICOI13 Building, Khuất Duy Tiến Street, Nhân Chính Ward, Thanh Xuân District, Hanoi	Manufacturing, supplying materials and mining, construction of civil engineering works, etc.	45
3	LICOI13 Joint Stock Company - Investment, Construction, and Infrastructure (LICOI13 - ICI)	Street No. 2, Area No. 4, An Phú Ward, District 2, Ho Chi Minh City	Construction of civil engineering works, architectural activities, and related technical consulting services, etc	49
4	Saigon Green Real Estate Joint Stock Company - Thuận Phước	No. 61, 30/4 Street, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City	Real estate business	40,7

5	Thuan Phuoc Two-Member Limited Liability Company	No. 1224, Hung Vuong Street, HH1 and HH2 Resettlement Area, Tran Quang Dieu Ward, Quy Nhon City, Binh Dinh Province	Real estate business	45
6	Sai Gon Thanh Dat Agricultural Investment Joint Stock Company	106 Hoang Dieu Street, Phuoc Ninh Ward, Hai Chau District, Da Nang City	Real estate business	13
7	LICOGI 13 Renewable Energy Joint Stock Company	Floor 4, LICOGI 13 Building, Khuat Duy Tien Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi City, Vietnam	Architectural activities and related technical consulting services	9,9
8	LICOGI 13 Technology Investment Joint Stock Company (formerly: Specialized Technology and Materials Joint Stock Company)	HN Floor 1, Block A, LICOGI 13 Building, Khuat Duy Tien Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi	Construction of other civil engineering works	13,4

#### 4. Development orientations

- Development strategies in medium and long term.

- + The Company remains committed to its business objectives, which are developed based on three key pillars to ensure balance and sustainability between short-term (annual), medium-term (3-5 years), and long-term (over 5 years) effectiveness. These pillars include construction, real estate investment, energy investment, and industrial production, all aimed at achieving higher, more solid, and more effective growth.
  - + Construction sector: Capable of undertaking EPC contracts; average annual construction revenue of VND 3,000 billion.
  - + Real estate sector: Average annual real estate revenue of VND 600 billion; investment in residential real estate projects, resort properties, industrial zones, etc., in Hung Yen, Phu Tho, Quang Ninh, Quang Binh, Quang Tri, Quang Nam, Da Nang, An Giang, Binh Dinh, and other potential areas.
  - + Energy, industrial, and infrastructure sectors: Focus on investing in 300 MWp from energy projects (hydropower, wind power); commissioning and operating 02 small hydropower plants, 01 renewable energy plant, and 01 industrial park.
  - + Revenue growth rate: 5 - 10% per year.
  - + Average employee income growth: 3% - 5% per year.
  - + Restructuring the business: Undertaking corporate restructuring and reorganizing the workforce to enhance operational capacity.
  - + Capital scale: Minimum of VND 1,200 billion by 2028; a roadmap for increasing charter capital in line with the company's development scale.
  - + Building and implementing a management system: Developing a management system that aligns with international standards and practices, while complying with Vietnamese legal regulations.
- Corporate objectives with regard to Corporate environment, society and community Sustainability.
- + Limiting emissions: Reducing environmental impacts by decreasing energy costs by 1% annually, based on the energy cost/revenue ratio for each business sector.
  - + No environmental violations: Ensuring that no environmental violations occur across the entire system.
  - + Enhanced application of information technology: Strengthening the use of information technology and digital transformation in business management.
  - + Community engagement: In areas where the Company operates projects, participate in community activities such as charity programs and volunteer initiatives; increase the employment of local labor.

#### 5. Risks:

- Liquidity risk in the real estate market: Poor liquidity affects the consumption of the company's real estate products, especially amid declining purchasing power in the market.
- Payment risk: In the construction and real estate investment sectors, which require substantial capital and long business cycles, project acceptance and handover are carried out in stages. As a result, the company must maintain a high debt ratio and extended payment terms. The enforcement of penalties for

violations of contract payment terms is not strong enough, which significantly impacts the company's efficiency and business plans.

- Financial risk: Changes in credit policies, interest rates, or stricter lending regulations, such as increased collateral requirements for loans, can affect the company's ability to access capital.
- Regulatory risk: Changes in legal regulations related to planning, land use, construction, and real estate often overlap, lack coherence, and have complex, redundant documentation requirements. The lengthy processing time and involvement of multiple intermediaries lead to increased costs, wasted time, and potential missed investment opportunities. This can delay the progress of ongoing projects and hinder the development of new real estate or energy projects.
- Environmental risk: Environmental issues such as pollution and climate change can impact real estate values and the sustainable development of projects. Health risks may affect construction timelines and lead to unforeseen costs.

## **II. Operations in the Year**

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

- Results of business operations in the year:
  - + Consolidated revenue: 3.695 billions VNĐ
  - + Pre-tax profit of parent company: 5,4 billions VNĐ
- Implementation situation/actual progress against the plan:
  - + Consolidated revenue in 2024 reached 136.9% of the plan and 111.3% compared to the previous year.
  - + Pre-tax profit of the Parent Company in 2024 achieved 35.9% of the plan and 118.1% compared to the previous year.

### *2. Organization and Human resource*

- List of the Board of Management:

1. Mr. Pham Van Thang                      Position: Board Member - CEO
  - Professional qualification: Traffic Economic Engineer
  - Shares held and authorized:
    - o Ownership representative: None
    - o Personal ownership: 3,655,712 shares, equivalent to 3.84% of the charter capital
2. Mrs. Nguyen Thanh Tu                      Position: Board Member - Deputy CEO
  - Professional qualification: Master's in Economics
  - Shares held and authorized:
    - o Ownership representative: None

o Personal ownership: 270,620 shares, equivalent to 0.28% of the charter capital

3. Mr. Tran Quang Huy Position: Deputy CEO

- Professional qualification: Irrigation Engineer
- Shares held and authorized:
  - o Ownership representative: None
  - o Personal ownership: None

4. Mr. Do Thanh Ha Position: Board Member, Deputy CEO

- Professional qualification: Construction Engineer
- Shares held and authorized:
  - o Ownership representative: None
  - o Personal ownership: 73,743 shares, equivalent to 0.08% of the charter capital

5. Mr. La Xuan Thanh Position: Deputy CEO

- Professional qualification: Master's in Telecommunications Electronics
- Shares held and authorized:
  - o Ownership representative: None
  - o Personal ownership: 1,050 shares, equivalent to 0.001% of the charter capital

6. Mr. Nguyen Nam Son Position: Deputy CEO

- Professional qualification: Bachelor's in Law
- Shares held and authorized:
  - o Ownership representative: None
  - o Personal ownership: 10 shares, equivalent to 0.01% of the charter capital

7. Mrs. Nguyen Thi Thom Position: Chief Accountant

- Professional qualification: Bachelor's in Economics
- Shares held and authorized:
  - o Ownership representative: None
  - o Personal ownership: 100,536 shares, equivalent to 0.11% of the charter capital

- Changes in the Board of Management: No

- Number of staffs. Brief information and changes on the employee's policies.

Total Workforce of LICOGI 13 as of December 31, 2024: 140 Employees. The workforce structure by educational level is as follows:

Criteria	Number of Employees	Proportion (%)
<b>By Educational Level</b>		
University or Higher	95	67.9%
College	2	1.4%
Technical Workers	33	23.6%
Other Qualifications	10	7.1%
<b>Total</b>	<b>140</b>	<b>100%</b>

LICOGI 13 considers its employees to be the most valuable asset of the Company. Therefore, the policies regarding compensation (salary, bonuses, benefits, etc.) for employees are always fully implemented, in strict compliance with the regulations of the law, and are more favorable to the employees than required by legal standards.

### 3. Investment activities, project implementation.

#### a) Major investments

- Equipment Investment: VND 20,111,052,000 (including: 03 excavators with a bucket capacity of 0.93m<sup>3</sup> – KOBENKO SK200-10: VND 8,421,294,000; 02 excavators with a bucket capacity of 0.5m<sup>3</sup> – KOBENKO SK130-10: VND 4,643,598,000; 04 static weight loaders 12T CA35D: VND 7,046,160,000)
- Investment in Projects: VND 506.964 billion (Where: Nam Pan 5 Hydroelectric Project: VND 257.776 billion; Song Nhiem 3 Hydroelectric Project: VND 73.718 billion; Hoa Khanh Social Housing Project: VND 69.366 billion; Long Van – Binh Dinh Social Housing Project: VND 17.542 billion; Hung Lai Nghi Bridge Resort Project: VND 7.54 billion; Quan Ngang Project: VND 1.853 billion; Huong Hoa 2 Wind Power Plant Project: VND 3.116 billion; Dien Phuoc Administrative Center Project: VND 33 billion; Thanh Thuy New Rural Housing Project: VND 43.053 billion).
- Financial Investment in Subsidiaries in 2024: VND 71,426,900,000 (including: Purchase of shares in the capital increase issuance at Sông Nhiệm 3 Joint Stock Company: VND 41,900,000,000; Purchase of shares in the capital increase issuance at Global Oil and Gas Energy Joint Stock Company: VND 29,526,900,000).

#### b) Subsidiaries, associated companies

*Unit of Measurement: Million VND*

Company Name	Total asset	Owner's Equity	Net revenue	Profit after tax
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LICOGI 13 FC Joint Stock Company	2,570,874	252,118	2,592,361	6,521
One-Member Limited Liability Company of Construction Vocational College 1	6,830	4,652	10,086	50
Global Petroleum Energy Joint Stock Company	998,913	329,457	21,899	6
Song Nhiem 3 Joint Stock Company	690,948	206,956	35	2
LIG - Huong Hoa 2 Joint Stock Company	317,782	313,632	0	0

#### 4. Financial situation

##### a) Financial situation:

*Unit of Measurement: Million VND*

Indicator	2023	2024	% change
<b>Total asset</b>	6,584,036	6,083,726	-7.60%
<b>Net revenue</b>	3,325,202	3,695,152	11.13%
<b>Profit from business activities</b>	11,107	15,614	40.58%
<b>Other profits</b>	-8,256	-4,380	-46.95%
<b>Profit before tax</b>	2,851	11,234	294.04%
<b>Profit after tax</b>	-2,198	6,055	-375.48%
<b>Payout ratio (%/Par Value)</b>	0%	0%	

- Other figures (depending on the specific characteristics of the industry and of the Company to clarify the company's operating results for the last two years).

##### b) Major financial indicators:

Indicator	2023	2024	Note
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1. Solvency ratio			
+ Current ratio	1.21	1.09	
Short term Asset/Short term debt			
+ Quick ratio	0.97	0.92	
<u>Short term Asset - Inventories</u>			
Short term Debt			
2. Capital structure Ratio			
+ Debt/Total assets ratio	0.79	0.81	
+ Debt/Owner's Equity ratio	3.71	4.32	
3. Operation capability Ratio			
+ Inventory turnover:			
(Cost of goods sold/Average inventory)	3.85	5.13	
(Net revenue/ Total Assets)	0.50	0.61	
4. Profitability			
+ Profit after tax/Net revenue Ratio	-0.001	0.002	
+ Profit after tax/total capital Ratio	-0.002	0.005	
+ Profit after tax/Total assets Ratio	-0.0003	0.0010	
+ Profit from business activities/Net revenue Ratio	0.003	0.004	

5. Shareholders structure, change in the owner's equity.

a) Shares

Serial Number	Type of Shares:	Quantity	Percentage (%)
I	Common Shares	95.084.569	100
1	Freely Transferable	95.084.569	100

2	Restricted Transfer	0	0
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b) Shareholders structure

Serial Number	Shareholder	Number of Shares Owned	Percentage (%)
I	Major Shareholder (Ownership $\geq 5\%$ of Charter Capital)	0	0
II	Minor Shareholder (Ownership $< 5\%$ of Charter Capital)	94.220.661	99,09
III	Treasury Shares	863.908	0,91
<b>Total</b>		95.084.569	100

- Shareholder Structure Classified by Institutional and Individual Shareholders; Domestic and Foreign Shareholders

Serial Number	Shareholder	Number of Shares Owned	Percentage (%) of Charter Capital
I	Institutional Shareholders	3.749.160	3,94
1	Domestic	3.749.160	3,94
2	Foreign	0	0
II	Individual Shareholders	90,471,501	95,15
1	Domestic	90,470,553	95,15
2	Foreign	948	0,001
III	Treasury Shares	863.908	0,91
<b>Total</b>		95.084.569	100

*Note: Shareholder Share Data Finalized by the Securities Depository Center as of March 27, 2024.*

c) Change in the owner's equity:

- Charter Capital at the Time of Equitization: VND 10,000,000,000.
- Changes in Owner's Investment Capital.

Serial Number	Capital Increase Issuance Date	Issued Quantity (Shares)	Par Value (VND/share)	Charter Capital After Increase (VND)
1	09/2006	500.000	10.000	15.000.000.000
2	01/2007	500.000	10.000	20.000.000.000
3	09/2007	2.454.812	10.000	44.548.120.000
4	12/2007	1.545.188	10.000	60.000.000.000
5	06/2010	2.999.896	10.000	89.998.960.000
6	08/2010	3.000.104	10.000	120.000.000.000
7	10/2015	5.568.100	10.000	175.681.000.000
8	12/2015	4.343.106	10.000	219.112.060.000
9	09/2016	21.686.826	10.000	435.980.320.000
10	11/2020	21.300.000	10.000	648.980.320.000
11	02/2022	25.700.000	10.000	905.980.320.000
12	06/2022	4.486.537	10.000	950.845.690.000

d) Transaction of treasury stocks: Not Available

e) Other securities: Not Available

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

### 6.1. Environmental Impact

Total direct and indirect GHG emission:

- LICOI13 is currently working on several transportation, infrastructure, and construction projects, which results in direct emissions from the use of construction machinery such as bulldozers, cranes, and concrete mixers, typically powered by fossil fuels (diesel, gasoline). These activities generate emissions of CO<sub>2</sub>, NO<sub>x</sub>, and other harmful gases. Additionally, indirect emissions from electricity consumption for lighting and equipment used on-site may originate from high-emission sources. Transport vehicles used to deliver materials to construction sites also contribute to greenhouse gas emissions if powered by fossil fuels. These greenhouse gas emissions not only exacerbate climate change but also pose a risk to human health and ecosystems. Currently, LICOI13 has not yet compiled data on greenhouse gas emissions.

Measures and initiatives to reduce GHG emission:

- Encouraging employees to use public transportation services
- LICOGI13 invests in new construction machinery and equipment that meet environmental emission standards to minimize greenhouse gas emissions from the combustion of fossil fuels (gasoline, diesel) used in machinery and equipment operations. The company also optimizes production processes and applies new technologies to further reduce emissions.

#### 6.2. Management of raw materials:

a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year.

Serial Number	Type of Material	Unit of Measurement	Value (VND million)
1	Various Types of Steel	VND million	270.904
2	Cement	VND million	18.069
3	Concrete	VND million	142.950
4	Stone, Bricks, Stone Powder	VND million	75.024

b) The percentage of materials recycled to produce products and services of the organization: The materials used by the Company are single-use and not recyclable.

#### 6.3. Energy consumption:

a) Energy consumption - directly and indirectly.

Serial Number	Type of Fuel – Energy	Unit of Measurement	Value (VND million)
1	Gasoline - Diesel	VND million	16.335
2	Electricity	VND million	4.163
3	Water	VND million	584

b) Energy savings through initiatives of efficiently using energy: No Measurement Method Implemented

c) The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives.

#### 6.4. Water consumption (water consumption of business activities in the year)

- a) Water supply and amount of water used: 3.593 m<sup>3</sup>.
- b) Percentage and total volume of water recycled and reused: Single-Use, Non-Recyclable

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

- a) Number of times the company is fined for failing to comply with laws and regulations on environment: No
- b) The total amount to be fined for failing to comply with laws and regulations on the environment: No

*6.6. Policies related to employees:*

a) Workforce and Average Salary of Employees

- Workforce: (See Section 2.3, Part II of the report)
- Average Salary (Parent Company): VND 12.175 million per person per month

b) Labor Policies to Ensure Health, Safety, and Welfare of Employees

The company consistently focuses on implementing employee welfare policies: ensuring 100% of employees have stable employment; fully complying with regulations on social insurance, health insurance, and unemployment insurance; and continuously adjusting the salary policies in line with the government's wage increase schedule.

- The company ensures the well-being of employees both materially and spiritually. The policies related to employee compensation (salaries, bonuses, benefits, etc.) are implemented effectively and are more advantageous than required by law. Special attention is given to employees working at key projects or in remote, isolated areas, with optimal living and working conditions, including allowances for housing, transportation, and additional area-based allowances.
- Furthermore, to help rejuvenate employees' energy, the company regularly provides on-site nourishment allowances or organizes leisure trips to destinations with high-quality services, such as resorts and tourist spots.

Working Hours: LICOGI 13 Joint Stock Company operates with a work schedule of 8 hours per day, 5.5 days per week, with a 1 hour 15-minute lunch break. Employees have the afternoon off on Saturdays and Sundays. However, when production and business progress require, employees are expected to work overtime, with the company ensuring that employees' rights are protected according to legal regulations, and providing adequate compensation for overtime work.

Leave, Holidays, and Tet Holidays: Employees are entitled to 12 days of annual leave after completing 12 months of employment. For employees with less than 12 months of

service, leave is calculated proportionally. Additionally, every 5 years of service entitles an employee to one extra day of leave per year (with a maximum of 6 extra days). Employees are also entitled to public holidays and Tết holidays according to the Labor Law.

*Sick Leave and Maternity Leave:* Female employees are entitled to 6 months of maternity leave before and after childbirth. In case of multiple births (twins or more), the mother is entitled to an additional month of leave for each additional child beyond the first.

#### c) Employee training

The company places strong emphasis on enhancing training and development activities, particularly in acquiring operational skills and professional expertise to meet the company's specialized requirements. Training at the company is carried out with the following approach:

+ New Employee Training: Newly recruited employees will receive training organized by the Company to familiarize themselves with labor regulations, internal policies, assigned responsibilities, work methods, procedures, and necessary skills.

+ Regular Training: Based on the company's development needs, the capabilities and qualifications of employees, and their commitment to the company, the company establishes training plans through various methods, including sending employees for external training and conducting on-site training with courses, etc. The results of each training course are reported in full immediately after completion to enable the company to assess the effectiveness of the training methods and formats.

#### 6.7. Report on responsibility for local community.

LICOGI 13 Joint Stock Company always prioritizes fulfilling its responsibilities to the local community in the areas where the company's headquarters are located and where the company is carrying out projects and construction works. The company actively contributes and provides funding to local communities to support the poor, people with disabilities, charity movements, and volunteer activities in the area.

### III. Reports and assessments of the Board of Management

#### 1. Evaluation of Business Operations in 2024.

- Total production value: VND 3,255 billion, reaching 101% of the plan, an increase of 24.9% compared to 2023.
- Revenue: VND 3,766 billion, reaching 107.6% of the plan, an increase of 13% compared to 2023.
- Capital recovery: VND 4,152 billion, reaching 129.8% of the plan, an increase of 63.9% compared to 2023.
- Parent company's pre-tax profit: VND 5.4 billion, achieving 35.9% of the planned target.

- **Reasons for Not Meeting the Profit Target:**

- The prolonged difficulties in the real estate sector have affected some companies within the system, leading to a lack of work, failure to meet planned targets, and no profit, thereby impacting the consolidated financial results.
- Stricter regulations for listed companies following recent issues in the stock market have resulted in prolonged outstanding debts, higher debt aging, and increased provisions, reducing profitability.

- **The Company's achievements:**

- Several companies within the system have made efforts in job searching, market exploration, expanding customer segments, and enhancing cooperation with foreign partners, while maintaining steady growth. These companies are the main contractors for several social housing projects and large-scale urban areas, while also maintaining the LICOGI 13 brand in the market, including the LICOGI13FC football team.
- Regarding energy investment projects, the companies have been flexible in restructuring their funding sources, shifting to new and more effective loans to improve financial efficiency and ensure project timelines.
- In the real estate investment sector, affiliated companies such as Thanh Dat and Thuan Phuoc have restructured their debt, changed financing partners to secure better funding for both existing and new projects. These companies have also expedited the completion of remaining legal procedures, and have largely completed land compensation and site clearance, ensuring readiness for construction in 2025.
- In the construction field, the company has won several new construction contracts, creating job opportunities for 2025 and ensuring a pipeline of projects for 2026.
- Over the past year, the company has gradually resolved issues regarding the issuance of land use rights certificates (red books) for customers at the Tra Co Project (Quang Ninh).
- Maintaining the company's credit rating in the face of extremely difficult payment conditions, ensuring financial stability and the company's reputation in the market.
- The company has completed the full repayment of 75 billion VND in bonds and related expenses for bond issuance at the Parent Company, demonstrating financial capability and commitment to fulfilling financial obligations.

## *2. Financial Situation.*

### *a) Assets*

*Analysis of assets and changes in assets (analysis and assessment of the efficiency of assets usage and bad receivable debts that affect operating results).*

Unit: VND million

Assets	Year-end figures	Beginning-of-year figures	Change (Year-end - Beginning-of-year)	
			Value	Percentage (% of Value / Beginning-of-year figures)
<b>A. CURRENT ASSETS</b>	<b>3,734,010</b>	<b>4,158,129</b>	<b>-424,119</b>	<b>-10.2%</b>
I. Cash and cash equivalents	36,636	40,940	(4,304)	-10.5%
II. Short-term financial investments	67,937	73,831	-5,894	-8.0%
III. Short-term receivables	3,019,691	3,123,706	-104,015	-3.3%
IV. Inventory	569,399	825,125	(255,726)	-31.0%
V. Other short-term assets	40,347	94,527	-54,180	-57.3%
<b>B. LONG-TERM ASSETS</b>	<b>2,349,715</b>	<b>2,425,907</b>	<b>(76,192)</b>	<b>-3.1%</b>
I. Long-term receivables	228,115	466,892	(238,777)	-51.1%
II. Fixed assets	232,531	279,273	(46,742)	-16.7%
III. Investment property	86,376	182,285	-95,909	-52.6%
IV. Long-term unfinished asset	1,253,028	1,189,268	63,760	5.4%
V. Long-term financial investments	490,742	232,996	257,746	110.6%
VI. Other long-term assets	58,923	75,193	(16,270)	-21.6%
<b>Total assets</b>	<b>6,083,725</b>	<b>6,470,360</b>	<b>-386,635</b>	<b>-6.0%</b>

b) Debt Payable

- Current debts, major changes of debts.

Unit: VND million

Assets	Year-end figures	Beginning-of-year figures	Change (Year-end - Beginning-of-year)	
			Value	Percentage (% of Value/ Beginning-of-year figures)
<b>C. LIABILITIES</b>	<b>4,940,780</b>	<b>5,188,379</b>	<b>-247,599</b>	<b>-4.8%</b>
<b>I. Short-term liabilities</b>	<b>3,438,757</b>	<b>3,595,138</b>	<b>(156,381)</b>	<b>-4.3%</b>
1. Short-term payables to suppliers	895,495	1,073,999	(178,504)	-16.6%
2. Short-term advances from customers	397,633	297,285	100,348	33.8%
3. Taxes and other payable amounts to the State	11,983	43,002	(31,019)	-72.1%
4. Payables to employees	28,496	107,612	-79,116	-73.5%
5. Short-term accrued expenses	166,432	213,562	-47,130	-22.1%
6. Short-term unearned revenue	1,444	8,111	-6,667	-82.2%
7. Other short-term payables	259,522	222,334	37,188	16.7%
8. Short-term borrowings and financial lease liabilities	1,674,417	1,625,597	48,820	3.0%
9. Short-term provisions		153	(153)	
10. Reward and welfare fund	3,335	3,483	(148)	-4.2%
<b>II. Long-term liabilities</b>	<b>1,502,023</b>	<b>1,593,241</b>	<b>-91,218</b>	<b>-5.7%</b>
1. Long-term payables to suppliers	111,583	46,958	64,625	137.6%
2. Long-term advances from customers	27,106	112,376	(85,270)	-75.9%
3. Long-term accrued expenses			0	#DIV/0!
4. Long-term unearned revenue			0	#DIV/0!
3. Other long-term payables	530,817	492,694	38,123	7.7%

4. Long-term borrowings and financial lease liabilities	827,365	939,333	-111,968	-11.9%
5. Long-term provisions	5,152	1,880	3,272	174.0%

- Analysis of bad debts, impacts of the exchange rate changes on operating results of the Company and impacts of lending rate changes: No overdue debts

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

- Policies and Management: Review the company's management regulations to amend them in a practical and effective direction, emphasizing autonomy, accountability, encouraging a mindset of connection, sharing, and cooperation for the sustainable development of the company.

### 4. Future Development Plans:

- In 2025, the Company will focus its resources on continuing the implementation of the investment projects and the production and business plans that have been set.
- The Company will continue to explore new markets and expand investments into potential and advantageous business sectors such as clean energy, real estate investment, social housing development, industrial zones, and railway transportation.
- The Company will enhance its bidding capacity, seek new markets, and leverage its role as a general contractor in construction, with a focus on exploiting projects and works with good funding sources.

## Core Solutions:

### + Capital Solutions:

- o Study methods for raising capital (issuing shares, bonds, raising funds through investment cooperation, etc.).
- o Develop diverse and flexible cooperation methods to attract capital from partners/investors to serve as matching funds in projects.
- o Seek partnerships and diversify relationships with credit institutions/commercial banks to access loan sources for production and business activities.

### + Organizational and Human Resource Solutions:

- o Implement corporate restructuring, reorganize and restructure all business activities of the Company.
- o Promote the role of the leadership at subsidiary companies within the system, timely change unsuitable leadership and management personnel to ensure the stability and development of the subsidiaries.

- Enhance and improve the internal control system.
- Strengthen the application of digital technology and management software in enterprise governance and operations.

#### **+ Construction Activity Solutions:**

- Focus on enhancing the bidding capacity, improving the construction operation efficiency, and building a management system and process for construction as a professional contractor.
- Leverage the general contractor model along with solutions for risk control and prevention before, during, and after contract execution.

#### **+ Investment Activity Solutions:**

- Focus on reviewing ongoing, planned, and upcoming projects to develop a comprehensive and systematic solution for each project. Prioritize resources (financial, human, equipment, etc.) for key projects to accelerate progress.
- Learn from the experience of land compensation and site clearance processes conducted throughout the project to ensure clean land for overall project development, avoiding delays and additional costs due to prolonged compensation procedures.
- Expedite the completion of investment items to ensure projects/works are operational according to the set schedule.
- Adhere closely to new legal regulations, decrees, circulars, and government policies related to investment projects in specific regions.
- Flexibly apply these regulations, seize cooperation opportunities, attract capital, and diversify resources to accelerate progress and ensure investment efficiency.
- Make efforts to identify new investment projects, diversify sectors, and carefully select projects, partners, and tasks to ensure safety and reliability.
- Establish diverse and flexible investment models, tailored to the nature, scale, and characteristics of each locality where the project is implemented (e.g., setting up project companies, establishing steering committees, forming joint ventures, or capital contributions).
- Seek potential partners, both domestic and international, to collaborate on investments, aiming to achieve the highest efficiency for each investment project.
- Carry out M&A transactions flexibly, seize opportunities, and utilize favorable market conditions to ensure each deal brings value to the Company.
- Complete the internal regulations and guidelines for investment management, enhance monitoring and supervision, and improve the professionalism and effectiveness of investment activities. Pay special attention to system risk control, proactively developing suitable and flexible response scenarios for each investment project, with the ultimate goal of ensuring the effectiveness of the investment process.

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

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

a. Assessment concerning the environmental indicators (water consumption, energy, emissions, etc.): All of the Company's operations ensure compliance with environmental laws and regulations. At all levels, there is a strong awareness of resource conservation, including raw materials and fuel, as well as energy-saving practices. The Company adopts new technologies during the construction process to reduce the emission of harmful pollutants into the environment. Additionally, the Company manages, collects, and handles construction waste in accordance with relevant regulations.

b) Assessment concerning the labor issues: The Company is always committed to ensuring the implementation of labor welfare policies, fully complying with regulations regarding social insurance, health insurance, and unemployment insurance. The wage policy has been consistently adjusted annually in line with the government's salary increase roadmap. The Company places strong emphasis on enhancing training and development activities, particularly in acquiring operational skills and specialized professional competencies to meet the Company's professional standards. Additionally, the Company prioritizes occupational safety and the protection of workers' health. In all activities, the Company is committed to safeguarding the interests of its employees.

c) Assessment concerning the corporate responsibility for the local community: The Company places a strong emphasis on fulfilling its corporate social responsibility to the local communities where its headquarters are located, as well as in the areas where the Company carries out its projects and developments.

#### **IV. Assessments of the Board of Directors on the Company's operation (for joint stock companies).**

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

The Board of Directors of the Company focuses on establishing an internal operating environment and formulating the Company's long-term strategies and direction. Functions such as management, supervision, and support are concentrated on achieving objectives and aligning efforts towards these goals.

General Assessment of the Company's Operations: The Company consistently follows its medium- and long-term development direction; it also adjusts short-term objectives flexibly, in line with market conditions and the external impacts at each phase.

The Company's operations always comply with relevant legal regulations, focusing on green production, advanced management methods, and digital technologies.

*Assessment of the Company's Environmental and Social Responsibility:*

- All of the Company's activities ensure compliance with environmental laws and regulations. At all levels, there is a strong commitment to conserving raw materials and fuels, as well as to energy-saving practices.
- LICOGI 13 Joint Stock Company always prioritizes its responsibility towards the local community in areas where the Company's headquarters are located and where the Company undertakes projects. The Company actively participates in contributing and funding local initiatives to support the poor, disabled individuals, and various charitable and volunteer movements within the community.

*2. Assessment of Board of Directors on Board of Management's performance.*

The Board of General Directors actively develops business production and investment plans in line with the targets and plans approved by the Annual General Meeting of Shareholders (AGM), as well as the resolutions and decisions of the Board of Directors (BOD). The Board is proactive, flexible, and responsive in organizing and managing operations, while actively coordinating the resources within the system to achieve the highest possible efficiency.

- Regarding medium- and long-term objectives, the General Directors have adhered to the directions and guidelines set forth by the AGM and the BOD. All major investment projects are reported and presented to the Board of Directors for approval.

*3. Plans and orientations of the Board of Directors.*

- The Company is steadfast in its objective to restructure its business sectors based on three pillars to ensure a balance and sustainability between annual performance (short-term), 3-5 years (medium-term), and over 5 years (long-term). These pillars include construction, real estate investment, industry, and infrastructure. The fundamental foundations for all three pillars have been established, with objectives gradually being realized.
- The Company regularly carries out business restructuring and enhances the quality of its M&A (Merger and Acquisition) activities.
- The Company is committed to building and implementing a governance system that aligns with international standards and practices, while also respecting Vietnamese cultural norms.

## **V. Corporate governance**

*1. Board of Directors*

*a) Members and structure of the Board of Directors:*

No.	Full Name	Position	Number of Shares with Voting Rights	Ownership Percentage/ Charter Capital (%)	Other Positions at Other Companies (as of 15/04/2024)
1	Bui Dinh Son	Chairman	1,981,875	2.08	None
2	Pham Van Thang	Board Member – CEO	3,655,712	3.84	Chairman of the Board of Directors of LIG Huong Hoa 2 JSC; Song Nhiem 3 JSC; Board Member of the following companies: LICOI13 Renewable Energy JSC; Global Oil and Gas Energy JSC.
3	Nguyen Quoc Hung	Board Member	630,000	0.66	Board Member of LICOI 13 FC JSC
4	Nguyen Van Hiep	Board Member	526,290	0.55	Chairman and CEO of Ha Thanh Investment and Development JSC; Chairman of the Board of Directors of Song Day Building Materials JSC; Board Member of Song Day - Hong Ha JSC; Board Member of Dong Viet JSC.
5	Vu Tuan Duong	Board Member	531,484	0.56	Chairman of the Board of Directors of the following companies: Saigon Green Real Estate JSC - Thuan Phuoc; LICOI13 Thuan Phuoc LLC.

6	Nguyen Thanh Tu	Board Member – Deputy CEO	270,062	0.28	None
7	Do Thanh Ha	Board Member – Deputy CEO	73,743	0.08	Chairman of the Board of Directors of LICOI13 – CMC JSC; LICOI13 – ICI JSC; Board Member of LICOI13 – IMC JSC.

b) *The committees of the Board of Directors:* Communication Subcommittee

c) *Activities of the Board of Directors:*

\* Resolutions of the Board of Directors

No.	Resolution	Date	Content	Approval rate
1	01/2024/NQ-LICOI13-HĐQT	March 8, 2024	Regarding: Results of issuing LIG shares in the 2023 private offering for professional securities investors	100%
2	03/2024/NQ-LICOI13-HĐQT	June 6, 2024	Regarding: Sell a portion of LICOI13's contributed capital at Joint Stock Companies: LICOI13-CMC; LICOI13-ICI.	100%
3	04/2024/NQ-LICOI13-HĐQT	June 7, 2024	Regarding: Maintain the number of shares currently owned, do not purchase additional shares in the 2024 charter capital increase of Saigon Thuan Phuoc Green Real Estate Joint Stock Company	100%
4	05/2024/NQ-LICOI13-HĐQT	August 5, 2024	Regarding: Mortgage the contributed capital of LICOI13 at Global Petroleum Energy Joint Stock Company and guarantee for the implementation of all debt repayment obligations of Global Petroleum Energy Joint Stock Company to the Orient Commercial	100%

No.	Resolution	Date	Content	Approval rate
			Joint Stock Bank – Cho Lon Branch.	
5	06/2024/NQ-LICOGI13-HĐQT	September 12, 2024	Regarding: Approving the investment plan of Saigon Thanh Dat Agricultural Investment Joint Stock Company.	100%
6	07/2024/NQ-LICOGI13-HĐQT	September 23, 2024	Regarding: Sell a portion of LICOGI13's contributed capital at LICOGI13-IMC	100%
7	08/2024/NQ-LICOGI13-HĐQT	December 10, 2024	Regarding: Purchase shares of Global Petroleum Energy Company in the issuance to increase charter capital in 2024.	100%
8	09/2024/NQ-LICOGI13-HĐQT	December 16, 2024	Regarding: The credit limit at OCB Bank	100%
9	10/2024/NQ-LICOGI13-HĐQT	December 28, 2024	Regarding: Purchasing shares of Song Nhiem 3 Joint Stock Company in the issuance to increase Charter capital in 2024.	100%

\* Decisions of the Board of Directors

No	Decision number	Date	Content	Approval rate
1	01/2024/QĐ-LICOGI13-HĐQT	January 15, 2024	Regarding: Investment in construction equipments	100%
2	02/2024/QĐ-LICOGI13-HĐQT	March 21, 2024	Regarding: Change of representative for LICOGI13 contributed capital management at Vocational School of engineering N°1 one Member Company Limited	100%

No	Decision number	Date	Content	Approval rate
3	03/QĐ-LICOGI13-HĐQT	March 23, 2024	Regarding: Appointment of the position of Chairman of the Company - the legal representative at Vocational School of engineering N <sup>o</sup> .1 one Member Company Limited	100%
4	04/2024/QĐ-LICOGI13-HĐQT	March 27, 2024	Regarding: Approval of investment in 01 new 5-seat Camry 2.5Q car	100%
5	05/2024/QĐ-LICOGI13-HĐQT	May 20, 2024	Regarding: Loan and guarantee at Agribank - Exchange Branch	100%
6	06/2024/QĐ-LICOGI13-HĐQT	May 20, 2024	Regarding: Loan and guarantee at BIDV Bank - Thanh Xuan Branch	100%
7	07/2024/QĐ-LICOGI13-HĐQT	June 3, 2024	Regarding: Selecting an auditing unit for the 2024 financial statements (Hanoi Branch - UHY Auditing and Consulting Co., Ltd.)	100%
8	08/QĐ-LICOGI13-HĐQT	June 28, 2024	Regarding: Payment of remuneration for the Board of Directors, Supervisory Board, Person in charge of Company Administration, and Supporting Department of the Company's Board of Directors in 2024.	100%
9	09/QĐ-LICOGI13-HĐQT	July 22, 2024	Regarding: Choosing an auditing unit for the 2024 Financial Statements (CPA Vietnam Auditing Company Limited)	100%

d) Activities of the Board of Directors' independent members. Activities of the Board of Directors' subcommittees (assessing activities of the subcommittees of the Board of

Directors, specifying the number of meetings of each subcommittee, their contents and results).

e) The list of members of the Board of Directors possessing certificates on corporate governance. The list of members of the Board of Directors participating in corporate governance training programs in the year.

## 2. Board of Supervisors/Audit Committee

### a) Members and structure of the Board of Supervisors/Audit Committee

No.	Full Name	Position	Number of Shares Owned	Ownership Percentage (%)
1	Duong Thi Phuong	Head of Committee	0	0
2	Đinh Thi Kim Anh	Member	0	0
3	Le Van Cuong	Member	0	0

### b) Activities of the Board of Supervisors/Audit Committee:

#### \* Meetings of the Supervisory Board

No	Members of the Supervisory Board	The date of becoming a member of the Supervisory Board	Number of BOS meetings attended	Meeting attendance rate	Reason for not attending the meeting
1	Duong Thi Phuong	April 24, 2018	2	100%	
2	Dinh Thi Kim Anh	April 25, 2015	2	100%	
3	Le Van Cuong	June 26, 2020	2	100%	

\* Meeting Agenda: The meetings focus on reviewing and evaluating the Company's business performance reports, financial statements, the implementation of resolutions from the 2024 Annual General Meeting of Shareholders, as well as resolutions and decisions made by the Board of Directors. The Supervisory Board

carries out its responsibility to monitor and assess the reasonableness, legality, accuracy, and prudence in management and operations.

*3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors/Audit Committee*

*a) Salary, rewards, remuneration and benefits*

*Unit: VND million*

No.	Full Name	Position	Salary, Benefits, and Compensation (Million VND)
<b>I.</b>	<b>Board of Directors</b>		
1	Bui Dinh Son	Chairman	428
2	Pham Van Thang	Board Member – CEO	516
3	Vu Tuan Duong	Board Member	377
4	Nguyen Van Hiep	Board Member	146
5	Nguyen Quoc Hung	Board Member	146
6	Nguyen Thanh Tu	Board Member – Deputy CEO	427
7	Do Thanh Ha	Board Member – Deputy CEO	423
<b>II.</b>	<b>General Director's Board</b>		
1	Pham Van Thang	CEO	Included in the Board of Directors section
2	Nguyen Thanh Tu	Deputy CEO	Included in the Board of Directors section
3	Do Thanh Ha	Deputy CEO	Included in the Board of Directors section
4	Le Xuan Thanh	Deputy CEO	190
5	Tran Quang Huy	Deputy CEO	290
6	Nguyen Nam Son	Deputy CEO	289
<b>III.</b>	<b>Supervisory Board</b>		
1	Duong Thi Phuong	Head of Committee	251

2	Dinh Thi Kim Anh	Member	223
3	Le Van Cuong	Member	34
<b>Total</b>			<b>3,740</b>

b) Share transactions by internal shareholders: No

c) Contracts or transactions with internal shareholders:

- Contract No. 183/2024/HDCNM/LIG-ICI signed on February 1, 2024 between LICOI 13 Joint Stock Company and LICOI 13 Construction and Infrastructure Investment Joint Stock Company (LICOI13-ICI) on hiring employees construction, machinery, equipment and materials to complete a number of construction items of the Package: "Construction No. 01: Section from Km 94+400-Km113+200. Component project 3 belongs to the Chau Doc-Can Tho-Soc Trang expressway construction investment project phase 1". Contract value is 20,179,097,000 VND (VAT included) (LICOI13 assigned to LICOI13-ICI to implement).

- Contract No. 65/HDKT-LIG-ICI dated February 4, 2024 between LICOI 13 Joint Stock Company and LICOI13-ICI on site construction and concrete mixing plant operator of the Package: "Construction Construction No. 01: Section from Km 94+400-Km113+200. Component project 3 belongs to the Chau Doc-Can Tho-Soc Trang expressway construction investment project phase 1". Contract value is 6,115,246,000 VND (VAT included) (LICOI13 assigned to LICOI13-ICI to implement).

- Contract No. 02/2024/VLXD.LIG-ICI dated March 18, 2024 between LICOI 13 Joint Stock Company and LICOI 13 - ICI on the supply of construction materials of the Package: "Construction No. 01 : Section from Km 94+400-Km113+200. Component project 3 belongs to the Chau Doc-Can Tho-Soc Trang expressway construction investment project phase 1". Contract value is 44,868,501,000 VND (VAT included) (LICOI13 assigned to LICOI 13-ICI to implement).

d) Assessing the implementation of regulations on corporate governance: The Company fully complies with corporate governance regulations.

## VI. Financial statements

1. Auditor's opinions: Unqualified Opinion

2. Audited financial statements:

The address for posting the audited consolidated financial statements for the year 2024 of the Company: <https://licogi13.com.vn/vi/bao-cao-tai-chinh.html>

**CONFIRMATION BY**  
**THE COMPANY'S LEGAL REPRESENTATIVE** *pmk*



**TỔNG GIÁM ĐỐC**  
*Phạm Văn Chăng*

