

**HA NOI - HAI DUONG BEER JOINT STOCK COMPANY**

**Address:** Quan Thanh Street, Binh Han Ward, Hai Duong City, Hai Duong Province

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# ANNUAL REPORT

**COMPANY: HA NOI - HAI DUONG BEER JOINT STOCK COMPANY**

**YEAR : 2024**

No.: 92/BC-HĐQT

Hai Duong, March 26<sup>th</sup>, 2025

**ANNUAL REPORT**  
(Year: 2024)

**To:** - The State Securities Commission;  
- The Stock Exchange.

**I. GENERAL INFORMATION**

**1. General information**

- Trading name: HANOI – HAIDUONG BEER JOINT STOCK COMPANY
- Abbreviated name: **HABECO HD**
- Business Registration Certificate No. 0800283766 issued for the 9th time on September 17, 2018.
- Charter capital: 40.000.000.000 dong (forty billion dong)
- Owner's capital: 40.000.000.000 dong
- Address: Quan Thanh Street, Binh Han Ward, Hai Duong City, Hai Duong Province
- Telephone: 0220.3852.319
- Fax: 0220.3859.835
- Website: habecohd.com.vn
- Securities code: HAD

**- Establishment and development process**

+ Establishment:

Hanoi - Hai Duong Beer Joint Stock Company was originally a state-owned enterprise, formerly known as the Noodle Processing Enterprise. It was transformed into Hai Hung Beverage Enterprise under Decision No. 904/QĐ-UB dated October 30, 1992, and later became Hai Hung Beer - Beverage Company under Decision No. 2102/TC dated November 18, 1994, issued by the People's Committee of Hai Hung Province (now Hai Duong Province). The company was initially under the management of the Hai Duong Department of Industry but was later transferred to the Financial and Administrative Committee of Hai Duong Provincial Party Committee under Decision No. 1819/TC dated November 21, 1995, issued by the Hai Duong People's Committee.

+ Ownership Transformation into a Joint Stock Company: In 2003, the company underwent equitization under Decision No. 3192/QĐ-UB dated

August 12, 2003, issued by the Hai Duong People's Committee. It officially started operating as a joint stock company from September 19, 2003.

+ Listing on the Stock Exchange:

The shares of Hanoi - Hai Duong Beer Joint Stock Company were approved for listing by the Hanoi Stock Exchange under Decision No. 648/QĐ-SGDHN dated October 8, 2009, and officially began trading on October 27, 2009.

Type of securities: Common shares

Stock code: HAD

Par value: 10,000 VND per share

Current listed shares: 4,000,000 shares

+ Other Events:

After 55% of the state capital in the company, which was previously managed by the Hai Duong Provincial Party Committee, was transferred to Hanoi Beer - Alcohol - Beverage Corporation (now Hanoi Beer - Alcohol - Beverage Joint Stock Corporation) under Decision No. 756/QĐ-TCCB dated April 19, 2004, issued by the Ministry of Industry (now the Ministry of Industry and Trade), the company became a member enterprise within the parent-subsidiary company structure of Hanoi Beer - Alcohol - Beverage Joint Stock Corporation (HABECO). The company was subsequently renamed from Hai Duong Beer Joint Stock Company to Hanoi - Hai Duong Beer Joint Stock Company as it is known today.

In 2007, the company's production line reached a capacity of 50 million liters of beer per year, equipped with advanced and modern technology from the Federal Republic of Germany, meeting all production requirements for beer products.

## **2. Business Sectors and Operating Areas**

### **2.1. Business Sectors:**

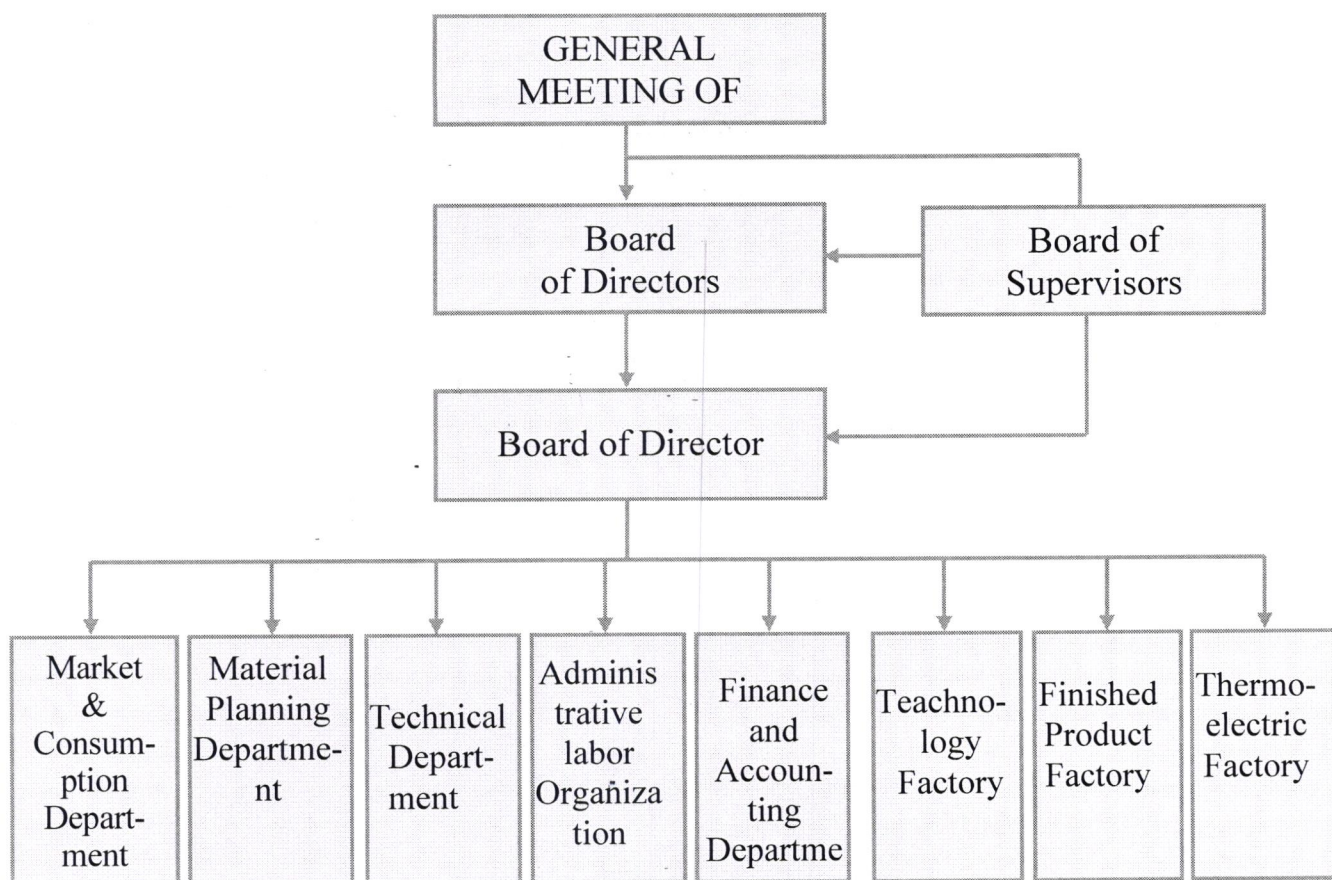
- Production and trading of beer, alcohol, non-alcoholic beverages, and other industrial products and services.
- Road freight transportation.
- Real estate business, including ownership, usage rights, or leasing of land.
- Warehousing and storage of goods.
- Cargo handling services.

### **2.2. Main Operating Area: Hai Duong Province.**

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

3.1. Governance Model: The company's governance structure includes the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the Director.

### 3.2. Management Structure:



### 3.3. Subsidiaries, associated companies

a) Company Holding More Than 50% of the Company's Shares:

Hanoi Beer - Alcohol - Beverage Joint Stock Corporation (**HABECO**) currently holds 55% of the Company's shares, equivalent to 2,200,000 shares.

b) Companies in Which the Company Holds More Than 50% of the Shares/Capital Contribution: None

c) Investments in Related Companies: None

d) Summary of Operations and Financial Status of Related Companies:

HABECO is a State-Owned Corporation, which was equitized and officially operated as a joint stock company from June 16, 2008, under Business Registration Certificate No. 0103025268 issued by the Hanoi Department of Planning and Investment. HABECO operates both as a direct business entity and as an investor in its subsidiaries and affiliates.

Main Business Activities:

- Production and trading of beer, alcohol, ethanol, non-alcoholic beverages, raw materials, equipment, and spare parts related to the beer, alcohol, and beverage industry; manufacturing of flavorings and extracts used in the production of beer, alcohol, and beverages; manufacturing of packaging and labels for the beer, alcohol, and beverage industry.

- Consulting services, training, research, technology transfer; design, manufacturing, construction, and installation of equipment and facilities specialized in the beer, alcohol, and beverage industry.

- Financial investment and capital business: trading in securities, shares, joint ventures, and banking and financial investments.

HABECO's charter capital is VND 2,318,000,000,000, in which the State holds 81.79%, equivalent to 189,592,400 shares.

#### **4. Development Orientation**

##### **4.1. Main objectives of the Company**

- Revenue and Profit Targets for 2025:

- + Sales revenue: VND 172.406 million

- + Net profit after tax: VND 6.634 million

- Production Target: Total beer production: 29.100.000 liters.

##### **4.2. Development strategies in medium and long term**

- Continued Investment in Equipment Upgrades: Maintain deep investment in upgrading and modernizing equipment to meet production and business demands, ensuring maximum investment efficiency. Enhance production capacity and technological advancements to maintain high product quality.

- Infrastructure Development: Continue renovating and improving factory premises and facilities to ensure a safe and efficient working environment for employees.

- Research and Development of New Products: Focus on investing in R&D to develop new products, improve the quality of traditional products, and enhance packaging and design to meet market demands.

- Environmental, Social, and Community Objectives: Ensure a green, clean, and sustainable environment; Continue supporting charitable and social activities; Guarantee job stability and income for employees while ensuring shareholder benefits and fulfilling tax obligations to the State.

#### **5. Risks.**

- Economic Risks: Vietnam's deep integration into the global economy presents both opportunities and challenges for domestic beer companies, especially small and medium-sized enterprises. They face intense competition from international beer brands and large corporations.

- Industry-Specific Risks: Beer is subject to the Special Consumption Tax (SCT) imposed by the government, making beer manufacturers highly sensitive to changes in tax policies. High tax rates create significant challenges for local beer producers in terms of business operations and investment for growth. Additionally, a series of government measures aimed at reducing the harmful effects of alcohol abuse have had—and will continue to have—a major impact on the company's business performance. These include: The Law on Prevention and Control of Harmful Effects of Alcohol and Beer, effective from January 1, 2020. Several related decrees, such as: Decree No. 24/2020/ND-CP (issued on February 24, 2020), detailing the implementation of the Alcohol Control Law. Decree No. 98/2020/ND-CP, regulating administrative penalties in the trade sector, including counterfeit goods, banned products, and consumer protection.

Decree No. 100/2019/ND-CP (issued on December 30, 2019, effective from January 2020), which introduced stricter regulations on beer marketing and advertising and enforced tougher penalties for driving under the influence of alcohol, regardless of blood alcohol concentration.

- **Market Risks:** Beer consumption is heavily influenced by consumer income and overall economic growth. The global economic crisis and slowing economic growth have negatively impacted beer consumption. The company is also directly affected by HABECO's strategic business policies and production plans.

- **Business Risks:** Among the four main raw materials used in beer production, three must be imported through trading companies. As these materials are subject to global market fluctuations, their prices are often unstable and have shown an increasing trend over the years. These price fluctuations significantly impact the company's revenue and profit margins, as costs for raw materials, fuel, and logistics continue to rise.

- **Other Risks:** The beer industry is also affected by natural disasters, price fluctuations, political and social instability, war, and pandemics.

## II. Operations in the Year 2024

### 1. Situation of production and business operations

In 2024, the company continued to face significant challenges due to various external factors, including: Intensified competition among businesses within and outside the industry, as well as the entry of private beer brands, established international brands, and imported beers. The impact of government policies aimed at preventing the harmful effects of alcohol abuse. Shifting consumer preferences following the economic and social disruptions caused by the pandemic...

In response to these challenges, the Executive Board implemented multiple strategies, such as: Focusing on the company's core product, Hai Duong Draft Beer, by enhancing product quality and expanding distribution networks to new provinces. Diversifying the product portfolio to meet changing market demands. Continuing brand development and promotion for Hanoi Draft Beer in the local market.

### Results of business operations in the year 2024:

Items	Unit	Implement- ation 2023	Plan 2024	Implemen- ation 2024	% Implementation as	
					Plan 2024	Same period
1. Revenue	Billion VND	166,6	169,9	171,9	101,2	103,2
2. Submit	Billion VND	117,0	115,0	122,6	106,6	104,8
3. Profit after Tax	Billion VND	6,0	4,5	6,3	140,0	105,0

## 2. Organization and Human Resources

List of the Board of Management:

The Executive Board consists of four members: one Director, two Deputy Directors, and one Chief Accountant

1. Mr. Tran Huy Loan – Director
2. Mr. Tran Van Ha – Deputy Director
3. Mr. Vu Van Khoan – Deputy Director
4. Ms. Dang Thi Minh Duyet – Chief Accountant

### \* Summary of Profiles:

#### - Mr. Tran Huy Loan – Director

Sex	Male
Date of birth	18/02/1973
Place of birth	Gia Loc, Dai Duong
Citizen identification card	030073004213, date of issue 08/08/2022, Place of issue: Police Department
Nationality	Viet Nam
Nation	Kinh
Hometown	Binh Lang, Tu Ky, Hai Duong
Permanent address	11/5/72 Thanh Binh, Ward Thanh Binh, Hai Duong City, Hai Duong Province
Current residence	11/5/72 Thanh Binh, Ward Thanh Binh, Hai Duong City, Hai Duong Province
Cultural level	12/12
Professional qualifications	Bachelor of Economics
Work process	3/1995-5/2003: Accounting specialist, HaNoi - HaiDuong Beer Joint Stock Company 6/2003-10/2001: Head of Administrative labor Organization department TCLĐHC, HaNoi - HaiDuong Beer Joint Stock Company; 11/2011-3/2013: Deputy Director, HaNoi - HaiDuong Beer Joint Stock Company; 4/2013-9/2015: Deputy Director and Chief Accountant, HaNoi - HaiDuong Beer Joint Stock Company; 10/2015-18/4/2017: Deputy Director, HaNoi - HaiDuong Beer Joint Stock Company 19/4/2017 up to now: Director, HaNoi - HaiDuong Beer Joint Stock Company;
Current position at the Company	Vice Chairman of the Board of Directors, Director

Number of shares held by individual:	0
Related persons and number of shares owned:	None.
Number of shares representing HABECO at the Company:	200,000 shares, representing 5% of the Company's total shares.

**Mr. Tran Van Ha – Deputy Director**

Sex	Male
Date of birth	11/02/1974
Place of birth	Hai Duong
Citizen identification card	030074020753, date of issue 01/09/2021, Place of issue: Police Department
Nationality	Viet Nam
Nation	Kinh
Hometown	Quang Nghiep, Tu Ky, Hai Duong
Permanent address	Ward Hai Tan, Hai Duong City, Hai Duong Province
Current residence	Ward Hai Tan, Hai Duong City, Hai Duong Province
Cultural level	12/12
Professional qualifications	Master
Work process	1/1999-12/2002: Engineer, HaNoi - HaiDuong Beer Joint Stock Company; 1/2003-6/2007: Leader Brewing team, HaNoi - HaiDuong Beer Joint Stock Company; 7/2007-8/2014: Factory manager Teachnology, HaNoi - HaiDuong Beer Joint Stock Company 9/2014-6/2017: Head of Technical Department, HaNoi - HaiDuong Beer Joint Stock Company 7/2017 up to now: Deputy Director, HaNoi - HaiDuong Beer Joint Stock Company.
Current position at the Company	Deputy Director
Number of shares held by individual:	910 shares, representing 0,023% of the Company's total shares.
Related persons and number of shares owned:	Wife: Dinh Thi Ha, CMND: 141796029; 40 shares, representing 0,001% of the Company's total shares

