



GELEX GROUP

**GELEX**

No. 65/2025/GELEX/BC-TGD

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

Hanoi, March 05, 2025

**REPORT  
ON OPERATING RESULTS IN 2024,  
AND BUSINESS ORIENTATIONS AND PLAN FOR 2025**

The Board of Management of GELEX Group Joint Stock Company (“the Group/GELEX”) would like to present to the General Meeting of Shareholders (“GMS”) the Report on operating results in 2024 and business orientations and plan for 2025, specifically as follows:

**1. Assessment of GELEX’s Business Performance in 2024**

In 2024, Vietnam's economy experienced significant positive developments, with GDP growth reaching 7.09%, surpassing the target set by the National Assembly. Inflation remained well-controlled, while export-import activities and foreign direct investment (FDI) attraction showed strong momentum. Total trade turnover increased by 15.4% to a record level of USD 786 billion, while disbursed FDI reached USD 25.35 billion, up 9.4% - the highest ever. Vietnam’s GDP growth led the ASEAN region and ranked among the highest globally.

Amidst this economic upturn, GELEX’s member companies seized opportunities and adapted flexibly to optimize business operations, delivering positive results that exceeded the targets set by the GMS.

**1.1. *Business Performance Results***

In 2024, GELEX’s consolidated Net revenue reached VND 33,752 billion, and Profit before tax amounted to VND 3,613 billion, exceeding the targets set by the GMS by 4.5% and 88.1%, respectively.

**Table 1: Consolidated Net revenue and Profit before tax**

*(Unit: VND billion)*

Indicators	Actual 2024	Planned 2024	% Actual/Planned 2024	Actual 2023	% Actual 2023/2024
Net revenue	33,752	32,303	104.5%	29,998	12.5%
Profit before tax	3,613	1,921	188.1%	1,397	158.6%

**Consolidated net revenue of GELEX for 2024** increased by 12.5% year-over-year (“YoY”), driven by strong growth in the electrical equipment sector, which was boosted by public investment in the electricity sector and the recovery of the overall market from Q2, along with efforts by member companies to expand their markets. The construction materials sector still faced many challenges from the market in the first three quarters of the year; however, the member companies adapted flexibly, closely tracking market movements, and business results showed a positive improvement by the end of the year as

**Consolidated Profit before tax for 2024** reached VND 3,613 billion, an increase of 158.6% YoY, driven by:

- (i) strong gross profit growth in key sectors such as electrical equipment, construction materials, and IP & RE;
- (ii) cost reduction and optimization of indirect expenses;
- (iii) significant financial profit from divestments in energy projects and reduced borrowing costs.

## ***1.2. Implementation of investment activities***

### **a. Project investment**

- ❖ **GELEX:** Construction of “Hotel, Commercial Services and Office for Lease Complex” at 10 Tran Nguyen Han and 27-29 Ly Thai To, Ly Thai To ward, Hoan Kiem district, Hanoi continues as scheduled. The project is expected to be completed and commence operations in 2025.
- ❖ **GELEX Electricity division:**
  - **Electrical Equipment sector:** Continued investment to enhance production capacity and modernize manufacturing in alignment with the product and market strategy of the member companies.
  - **Electricity Trading sector:** GELEX Electricity Trading JSC continues to implement and complete the medium-voltage power supply projects for the Thuan Thanh 1 and Hung Yen No.3 Industrial Parks.
- ❖ **GELEX Infrastructure division:** Continued implementation of investment activities, new investments, and preparation for upcoming projects, specifically:
  - **Energy:** Researching and preparing for investment in new renewable energy projects.
  - **Clean Water:** Continuing Phase 2 of the Song Da Water Project as scheduled, with components including source, treatment facilities, and connecting pipeline routes. Some components were put into use in 2024, and the project is expected to be completed in 2025.
  - **IP & RE:** The member companies continue to implement, invest in, and prepare for new investments in industrial park infrastructure and social housing projects. The member companies received approval for the investment decision of 3 new industrial park projects in Khanh Hoa, Thai Nguyen, and Yen Bai, covering a total area of nearly 800 hectares.

**In both the Electricity Division and Infrastructure Division, GELEX has cooperated with the leading strategic consulting firms to guide business operations and investments, aiming for effective and sustainable long-term growth in core business sectors.**

### **b. Equity investment/Ownership restructuring**

- ❖ **GELEX:**
  - **Equity investment:** GELEX expanded its investment in the banking and finance sector by increasing its ownership to 186,924,306 shares, equivalent to 10% of the charter capital, becoming the largest shareholder of Vietnam Export-Import Commercial Joint Stock Bank (Eximbank); Increased capital

In 2024, GELEX's asset structure shifted towards a higher proportion of current assets, while assets and capital sources remained well-balanced to ensure sufficient funding for business operations.

b. Liabilities

As of December 31, 2024, GELEX's consolidated liabilities amounted to VND 30,524 billion, a decrease of 9.8% compared to the beginning of the year. Consolidated loans fell by 17.2%, with long-term loans decreasing by 18.0% and short-term loans decreasing by 16.4%, primarily due to the restructuring of loans related to divested energy projects.

The financial indicators related to debt and liquidity continued to remain at a safe level and showed positive improvement in 2024.

**Table 5:** Financial ratios on debt and solvency

Indicators	31 Dec 2024	31 Dec 2023
<b>Debt ratio</b>		
Total liabilities/Total assets	0.57	0.61
Debt/Equity	0.71	0.94
Indicators	31 Dec 2024	31 Dec 2023
<b>Solvency ratio</b>		
Current ratio	1.34	1.09
Net debt/EBITDA	1.11	1.80
Interest coverage ratio (EBITDA/interest expense)	6.11	5.02

**1.4. Notable activities in organization and management**

In 2024, GELEX continued to enhance its organizational structure to improve operational efficiency, ensure consistency across the system, strengthen governance capabilities, drive digital transformation, reinforce brand power, and cultivate a distinct corporate culture.

Several notable non-financial achievements in 2024 include:

- (i) GELEX received an A rating from VIS Rating, with a stable long-term outlook;
- (ii) Brand value increased by 55%, ranking 47th among the top 100 most valuable brands in Vietnam, according to Brand Finance;
- (iii) 04 GELEX brands (GELEX Electric, CADIVI, THIBIDI, VIGLACERA) were recognized as Vietnam Value National Brands 2024; and
- (iv) GELEX received the HR Asia Award in 2 categories 'Best Companies to Work For in Asia' and 'HR Asia Most Caring Company'.

- ❖ The GELEX brand value increased by 55% and was ranked 47th among the 100 most valuable brands in Vietnam by Brand Finance, Top 10 fastest-growing brands in Vietnam in 2024.

c. Corporate Culture

- ❖ Implemented numerous events, strengthening employee engagement across the Group.
- ❖ Internal communication continues to play a vital role as a channel for timely updates on events, information, and activities of GELEX and member companies, promoting positive values, unity, and motivation.

**1.5. Environmental and Community Activities**

Regarding environmental activities, GELEX and member companies are committed to sustainable development, integrating environmental criteria into core business operations alongside economic goals. In 2024, many green, environmentally friendly electrical equipment and construction materials were introduced to the market and received positive reception. At the same time, GELEX and its member companies obtained several prestigious environmental certifications, including the LEED (Leadership in Energy & Environmental Design) certification for GELEX Tower (Platinum level) and several industrial real estate projects, as well as certification from the Singapore Green Building Council (SGBC) for certain green electrical products and construction materials. Additionally, widespread environmental awareness campaigns were carried out across the system, notably through the GELEX Green program.

In terms of community activities, GELEX and its member companies continued to implement numerous practical initiatives, focusing on healthcare, education, human development, culture, and sports, with the aim of contributing to the community. This reflects the company’s corporate culture and is one of the key factors driving GELEX’s stable, sustainable growth and value creation for the community and society.

**2. Business Orientations and Plan for 2025**

**2.1. Business Plan for 2025**

In 2025, Vietnam economy is expected to continue its positive growth, with a GDP growth target of 8% set by the National Assembly, alongside a strong commitment to institutional and policy reforms and the implementation of robust fiscal and monetary measures. However, risks from inflation, exchange rate fluctuations, global economic instability, geopolitical tensions, and the potential escalation of trade wars still pose challenges.

In this macroeconomic backdrop, which offers both opportunities and challenges, GELEX aims to maintain stable growth in its core business operations, seek investment opportunities in new, high-potential sectors, and continue implementing plans to strengthen internal capabilities, enhance risk management across the system, and build a comprehensive digital transformation strategy.

**Table 6: Business Plan Targets for 2025**

*(Unit: Billion VND)*

No.	Indicators	2025 Plan
1	Consolidated Net Revenue	37,600
2	Consolidated Profit Before Tax	3,041

opportunities for each individual; Training activities will be diversified to promote a learning culture and working towards the goal of making GELEX a learning organization; Launching Phase 2 of the iHRP Human Resources Management System project, which includes the deployment of payroll, bonuses, insurance, taxes, training, and other advanced modules.

- **Treasury and Financial Management:** Proactively preparing funding strategies, diversifying funding sources, and utilizing various fundraising tools to ensure timely implementation when needed; Optimizing idle funds through flexible use of financial instruments while complying with legal regulations and internal procedures; Implementing the international financial reporting standards (IFRS) financial reporting system soon.
- **Digital Transformation:** Implementing the Digital Transformation Strategy and Roadmap Project, combined with in-depth training programs and communication strategies to promote a digital culture across the Group; Launching the E-Office Digital Office Solutions Project to enhance management efficiency and operations across the entire system, integrating IoT, cloud computing, and AI technologies to streamline and optimize operational processes.
- **Risk Management:** Continuing to implement the next phases of the risk management framework project throughout the entire GELEX Group.
- **Environmental and Community Initiatives:** GELEX and its member companies will continue to carry out impactful activities for the environment and community, with a focus on sustainable development.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval of the full Report.

**GENERAL DIRECTOR**

**Recipients:**

- *GELEX Shareholders;*
- *GELEX BOD members;*
- *Filed in GELEX's office.*

*(signed)*

**Nguyen Van Tuan**