



## CÔNG TY CỔ PHẦN KHU CÔNG NGHIỆP HIỆP PHƯỚC

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Ho Chi Minh City, April 01<sup>st</sup>, 2025

### REPORT ON OPERATING RESULTS FOR 2024 AND PLAN FOR 2025

**To: Board of Directors of Hiep Phuoc Industrial Park Joint Stock Company**

- Pursuant to the Charter of Organization and Operation of Hiep Phuoc Industrial Park Joint Stock Company, amended for the sixth time on 2019-06-28;
- Based on the operating activities at the Company,

The General Director reports the estimated operating results for 2024 and the plan for 2025 of the Company as follows:

#### I. OPERATING RESULTS FOR 2024

##### 1. Regarding business and marketing activities

###### 1.1 Investment attraction status as of 2024-12-31:

Investment attraction status to date: The total number of investors attracted to Hiep Phuoc Industrial Park up to 2024 is 166 investors with a total of 183 projects. Wherein:

- FDI projects: 35 projects, with a total investment of approximately 1 billion USD.
- Domestic projects: 148 projects, with a total investment of approximately 18,000 billion VND.

Accumulated investment attraction results up to 2024:

No.	Content	Commercial Land Area (ha)	Leased Area (ha)	Occupancy Rate (%)
1	Phase 1	235.1 ha	219.4 ha	93,32%
2	Phase 2	388.2 ha	105.1 ha	27,07%
3	<b>Total</b>	<b>623.3 ha</b>	<b>324.5 ha</b>	<b>52,06%</b>

###### 1.2 Marketing and business activities in 2024

- Completing the legal basis and business toolkit:
  - + Developing and completing the Deposit Agreement and Land Sublease Contract templates, ensuring compliance with current legal regulations.
  - + Developing and completing a sales toolkit to effectively support land sublease business activities.

- Seeking, maintaining, and developing customers:
  - + Approaching and working with customers who have needs for land subleases, providing detailed information about services and preferential policies.
  - + Maintaining contact with potential customers, ready to promote business when the investment attraction market recovers.
  - + Continuing to build and develop the HIPC brand, enhancing prestige and position in the market.
- Legal support for investors
  - + Consulting, guiding, and supporting customers who have signed Land Sublease Contracts in carrying out relevant legal procedures.
  - + Ensuring that investors fully comply with legal regulations, creating favorable conditions for long-term business and investment activities.

**1.3** The company has focused on accelerating the handling of backlogged tasks.

- Completing procedures for terminating labor contracts with businesses that are slow to implement projects.
- Implementing the next steps to propose to the City People's Committee to issue a decision to stop the High-Rise Workshop project according to the procedures, to soon put Lot C27 into operation.
- Focusing on monitoring and closely following the progress of resolving customer dossiers where HIPC is currently the plaintiff or the person with related rights and obligations in court.
- Promoting information on products eligible for lease, organizing receptions for visitors to visit and learn about investment opportunities in Hiep Phuoc Industrial Park.

**2. Regarding customer care:**

- Support work: Continuing to support and connect businesses with relevant agencies, units, and branches to address their needs related to production activities in Hiep Phuoc Industrial Park...
- Recruitment and training: Continuing to deploy paid job introduction services for businesses with recruitment needs, working with Centers and Universities... to support investors in training, recruitment, and human resource supply.
- Employee care activities: The company continues to maintain and coordinate with companies, departments, and branches to organize programs caring for the life, culture, and spirit of employees in the Industrial Park. Specifically:
  - Visiting and wishing New Year to 15 Investors at Hiep Phuoc Industrial Park on the occasion of the Lunar New Year of the Dragon 2024;
  - Happy New Year with Workers program.
- Social housing and worker's dormitory activities: Continue to deploy rental services for accommodation, floor space, meeting rooms, and halls to meet the needs of employees. With a total of 214 rooms, the rental operation of worker's dormitories is running well, with a stable occupancy rate of 100%.

### 3. Regarding Investment – Construction

#### 3.1. Implementation status:

In 2024, HIPC completed the renovation of the fire protection system of the worker's dormitory Block 1 and the renovation and completion of the fire protection system of the Hiep Phuoc Industrial Park centralized wastewater treatment plant phase 1. The remaining items encountered many difficulties in procedures and legal basis for implementation, therefore not ensuring the plan. The results of 2024 are as follows:

No.	Investment Work Items	2024 Implementation
1	Incident prevention and response works at the Hiep Phuoc Industrial Park Centralized Wastewater Treatment Plant Phase 2.	<ul style="list-style-type: none"><li>- Development procedures for requesting adjustments to the Investment Registration Certificate of Hiep Phuoc Industrial Park Phase 2.</li><li>- Prepare detailed construction planning drawings at a scale of 1/500 (site plan) for land plot F9XLNT.</li></ul>
2	Adjust the 1/2000 scale master plan for Hiep Phuoc Industrial Park Phase 2.	Complete the review report on the planning project and submit it for appraisal.
3	Upgrade and complete the fire protection system at the Centralized Wastewater Treatment Plant of Hiep Phuoc Industrial Park Phase 1.	Complete the construction of the fire protection system upgrade.
4	Upgrade the fire protection system of the worker accommodation Block 1.	Complete the construction of the fire protection system upgrade.
5	Install a new automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 1 (Lot B11a) and upgrade and renovate the automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 2 (Lot F9XLNT).	Contractor selection has been finalized and construction is underway.

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### 3.2. Table of completed volume value in 2024:

Unit: million VND

No.	Investment work items	Plan 2024	Implementation 2024	IMP2024/ PLAN2024
1	Incident prevention and response works at Hiep Phuoc Industrial Park centralized wastewater treatment plant, phase 2.	799	-	
2	Adjustment of the 1/2000 scale master plan for the Hiep Phuoc Industrial Park Phase 2 construction subdivision.	1,539	-	
3	Renovation and completion of the fire protection system at the HP1 Industrial Park centralized wastewater treatment plant.	1,686	1,686	
4	Renovation of the fire protection system at the Worker's Accommodation Block 1.	2,665	2,665	
5	Installation of a new automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 1 (Lot B11a) and upgrading and renovating the automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 2 (lot F9XLNT).	2,241	-	
	<b>TOTAL</b>	<b>8,930</b>	<b>4,351</b>	<b>48.7%</b>

#### **Evaluation:**

- The implemented volume value in 2024 reached 48.7% of the planned volume value for 2024.
- Investment items that could not be completed according to the plan include:
  - Project "Incident prevention and response works at Hiep Phuoc Industrial Park centralized wastewater treatment plant Phase 2";
  - Adjustment of the 1/2000 scale master plan for Hiep Phuoc Industrial Park Phase 2.
  - Item "Newly installing an automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 1 (Lot B11a) and upgrading and renovating the automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 2 (Lot F9XLNT)": completed in early 2025.

- Causes and difficulties:
  - The investment and construction time for Hiep Phuoc Industrial Park Phase 2 infrastructure according to the Investment Registration Certificate has expired (2013-2022), therefore Hepza does not agree to receive and resolve dossiers related to the investment and construction of Hiep Phuoc Industrial Park Phase 2 infrastructure, including the project "Incident prevention and response works at Hiep Phuoc Industrial Park centralized wastewater treatment plant Phase 2".
  - The assessment and review of the Hiep Phuoc Industrial Park Phase 2 planning scheme at management agencies (Department of Planning and Architecture, Hepza) took a lot of time.

#### 4. Regarding site clearance compensation

##### 4.1. Results in 2024:

No.	CONTENT	Unit	PLAN 2024		IMPLEMENTATION 2024		Percentage %
			Volume	Amount (million VND)	Volume	Amount (million VND)	IMP 2024/ PLAN 2024
<b>I</b>	<b>LAND ACQUISITION AND COMPENSATION WORKS</b>	ha		10,077.83		26.24	0.26%
<b>1</b>	<b>Land inventory of the 83ha area</b>	ha	-	-	-	-	
<b>2</b>	<b>Compensation according to the plan</b>	ha		9,717.83		9.00	0.09%
	- Land acquisition for the 83ha Project	ha					
	- Land acquisition for the 513ha Project	ha					
	- Government finalizes compensation records			868.83			0.00%
	- Temporary resettlement support (2023, 2024)	households	41.00	8,760.00			0.00%
	- Support for households in the project facing difficulties	households	9.00	9.00	9.00	9.00	100.00%
	- Legal Consulting Costs	times	8.00	80.00			0.00%
<b>3</b>	<b>Resettlement</b>		-	-			
<b>4</b>	<b>Grave relocation</b>	graves					
<b>5</b>	<b>Bomb and mine clearance (2 access roads to the Industrial Park, 83ha project)</b>	ha					
<b>6</b>	<b>Transfer agreement work</b>	records	16.00	16.00	1.00	1.76	10.98%
6.1	Fee for updating land use right certificates due to transfer in Hiep Phuoc Urban Area	records	16.00	16.00			0.00%
6.2	Land use right certificate issuance fee	records			1.00	1.76	100.00%

No.	CONTENT	Unit	PLAN 2024		IMPLEMENTATION 2024		Percentage %
			Volume	Amount (million VND)	Volume	Amount (million VND)	IMP 2024/ PLAN 2024
7	Inspection of compensated/transferred land	personnel	6.00	28.80	3.00	15.48	53.75%
8	Work on overlapping project boundaries	records	2.00	315.20			0.00%
<b>II</b>	<b>LAND RECORDS MANAGEMENT:</b>	<b>ha</b>	<b>134.00</b>	<b>384.30</b>	<b>138.00</b>	<b>120.80</b>	<b>31.43%</b>
1	Surveying costs, confirmation of compensation completion, and lease agreement signing for the 134ha area.	ha	134.00	384.30	134.00	109.80	28.57%
2	Surveying costs for setting boundary markers and handing over land to customers	ha			4.00	11.00	100.00%
<b>III</b>	<b>LAND RENT PAYMENT TO THE STATE</b>	<b>ha</b>	<b>25.14</b>	<b>24.89</b>	<b>25.14</b>	<b>17.42</b>	<b>100.00%</b>
1	Hiep Phuoc Industrial Park - Phase 1	ha	25.14	24.89	25.14	17.42	100.00%
2	Hiep Phuoc Industrial Park - Phase 2	ha					
<b>IV</b>	<b>OTHER WORKS</b>			<b>201.93</b>		<b>151.12</b>	<b>74.84%</b>
	<b>TOTAL: (I+II+III+IV)</b>		<b>159.14</b>	<b>10,688.94</b>	<b>163,14</b>	<b>315.58</b>	<b>102.51%</b>

#### 4.2. Compensation:

##### 4.2.1. Accumulated compensation results at Hiep Phuoc Industrial Park Project – Phase 2, as of 2024-12-31

No.	CONTENT	Unit	Compensated	No compensation	Public land	Roads and rivers	Total
1	513 ha project	Ha	447.55		4.16	62.05	513.77
2	83 ha project	Ha	28.79	40.42	0.14	13.82	83.16
<b>III</b>	<b>Total</b>	<b>Ha</b>	<b>476.34</b>	<b>40.42</b>	<b>4.30</b>	<b>75.87</b>	<b>596.93</b>
	<i>% achieved /project</i>	<i>%</i>	<i>79.80%</i>	<i>6.77%</i>	<i>0.72%</i>	<i>12.71%</i>	<i>100.00%</i>

- 513ha project: has basically completed the compensation work.
- 83ha project: compensated transfer implemented: 28.79 ha; uncompensated: 40.42 ha; public land and rivers: 13.82ha.
- Currently, the Nha Be District People's Committee is expediting procedures to establish a Compensation Plan (a notice of land recovery has been issued to households). The cumulative total inventoried area to date is about 32.1 ha/40.42ha.

#### **4.2.2. Resettlement:**

- Accumulated up to 2024, HIPC has paid temporary residence for 58 households, the total amount is 15.69 billion VND. In the coming time, HIPC will continue to pay until the official land plot is handed over to the households.
- To date, the resettlement foundation has been temporarily handed over to 93/94 households in the 513ha land area, Hiep Phuoc Industrial Park - Phase 2, with a total area of 25,678.7 m<sup>2</sup>.
- Currently, Hiep Phuoc 1 Residential Area, invested by IPC, has not yet completed the legal procedures related to construction and has not yet handed over the foundation to HIPC, so the official handover of the resettlement foundation to households cannot be conducted.

#### **4.2.3. Regarding land rental payment:**

- For Hiep Phuoc Industrial Park Phase 1:
  - + Implementing Decision No. 25/2023/QĐ-TTg Date 2023-10-03 of the Prime Minister on reducing 30% of land rent in 2024, immediately after the decision took effect on 2023-11-20, HIPC proactively completed the procedures and submitted an application for exemption and reduction to the Ho Chi Minh City Tax Department for consideration.
  - + On 2024-02-05, Ho Chi Minh City Tax Department issued Decision No. 424/QĐ-CTTPHCM on reducing 30% of land rent for HIPC at Hiep Phuoc Industrial Park - Phase 1 project. After receiving the notification of land rent payment, HIPC has fully implemented the procedures and fulfilled its financial obligations as prescribed for the area of 251,366.6 m<sup>2</sup> in 2024.
- For Hiep Phuoc Industrial Park Phase 2:
  - + 07 land plots with a total area of 296.82 ha are being exempted from land rent. Therefore, it is not necessary to determine the land rent price temporarily, and there is no land rent payment obligation. The Department of Natural Resources and Environment is carrying out procedures for signing land lease contracts and issuing Certificates of Land Use Rights (LURCs) for these land plots.
  - + 01 land plot with an area of 1.28 ha is in the process of determining the land rent price according to regulations.
- HIPC continues to closely coordinate with the competent authorities to ensure compliance with legal regulations and fully fulfill financial obligations for projects at Hiep Phuoc Industrial Park.

**4.2.4. Regarding the issuance of Certificate of Land Use Rights to customers:**

- Annually completed the issuance of Certificate of Land Use Rights for 04 enterprises subleasing land at Hiep Phuoc Industrial Park Phase 1 and 2.

**4.3. Updated Certificate of Land Use Rights for Hiep Phuoc Industrial Park Project - Phase 3, Hiep Phuoc Port Area, and Hiep Phuoc Urban Area.**

- The total area that has received the transfer agreement of the above 03 projects is 212 dossiers, with an area of 66.52 ha, and a transfer value of 277.1 billion VND.
- The total number of dossiers that have been updated and adjusted is 156/212 dossiers.
- Currently, 56 dossiers have been submitted for name transfer to HIPC at the Ho Chi Minh City Land Registration Office.

**4.4. Land lease procedures**

Regarding applying for allocation and lease of land at Hiep Phuoc Industrial Park - Phase 2:

- HIPC has carried out procedures to register the 2025 land use plan for the 134.17ha area belonging to Hiep Phuoc Industrial Park Phase 2 to carry out procedures for applying for land allocation and lease according to regulations.

**4.5. Land valuation**

**4.5.1. Regarding the determination of one-time land rent price for the State for Hiep Phuoc Industrial Park - Phase 1 - 32ha:**

- Currently, Hiep Phuoc Industrial Park - Phase 1 still has 03 land plots of 323,683.4 m<sup>2</sup> (including (03) land plots converted from annual payment to one-time land rent payment: 170,578.1 m<sup>2</sup>, 20,876.8 m<sup>2</sup> land plot and 01 land plot of 132,228.5 m<sup>2</sup> converted from green land, 6m technical corridor to industrial land) for which the one-time land rent price for the State has not been determined.
- HIPC continues to monitor the Department of Natural Resources and Environment to carry out valuation procedures.
- The Board of Management has submitted to the Board of Directors a proposal to change the land lease method from a one-time payment to annual payments for two land plots, one measuring 170,578.1 m<sup>2</sup> and the other 20,876.8 m<sup>2</sup>. Approval from the Board of Directors is currently pending.

**4.5.2. Regarding the determination of land rental unit prices for annual land lease payments to the State for Hiep Phuoc Industrial Park - Phase 2 – 350.13ha.**

- On Date 2024-11-01, the Department of Natural Resources and Environment issued eight Land Parcel Information Transfer Forms

(numbered from 11431 to 11438/PC-TNMT-QLĐ) to the City Tax Department to determine the land rental unit prices for eight land plots in Hiep Phuoc Industrial Park, Phase 2.

- On Date 2024-12-05, the City Tax Department issued Official Dispatch No. 11823/CTTPHCM-QLĐ to the Department of Natural Resources and Environment regarding the land-related financial obligations of Hiep Phuoc Industrial Park Joint Stock Company.
- Currently, the City Tax Department and Department of Natural Resources and Environment are carrying out the procedures in accordance with regulations.

#### **5. Regarding infrastructure and environmental management.**

- Hiep Phuoc Industrial Park consistently prioritizes environmental control for businesses, ensuring both smooth production and support for businesses in environmental treatment. 100% of operating businesses have been connected to the wastewater collection system. The company regularly inspects, monitors, and collaborates with relevant authorities for on-site inspections.
- Currently, the Industrial Park has invested in and is operating four stable wastewater treatment modules with a total capacity of 12,000 m<sup>3</sup>/day, with an actual treatment capacity reaching 5,083 m<sup>3</sup>/day.
- Additionally, the Industrial Park is also implementing various environmental protection measures such as:
  - + Maintaining the green tree system throughout the Industrial Park.
  - + The "Green Hiep Phuoc" movement (planting trees in offices, limiting single-use items).
  - + Waste sorting at source.
  - + Saving electricity and energy (gasoline, oil, etc.).
- The company has implemented solutions to enhance flood prevention effectiveness, including: Completing the dike system to limit tidal surges exceeding the threshold; Improving sidewalks, manholes, and trash screens to enhance drainage efficiency and mitigate flooding risks.
- Continuing to participate in the Project with a research role: "Implementing Eco-Industrial Parks in Vietnam with an Approach from the Global Eco-Industrial Park Programme," led by the Ministry of Planning and Investment, and funded by SECO and UNIDO. Implementing steps as directed by the City People's Committee regarding the development of a plan to transform the Hiep Phuoc Industrial Park model towards an eco-industrial park for the period 2023-2030, with a vision to 2045.
- The company always strictly adheres to environmental regulations while continuously improving infrastructure, raising awareness, and applying technology toward sustainable development.



**6. Regarding infrastructure maintenance and repair.**

- Promoting maintenance to ensure infrastructure connectivity, especially timely and regular patching and upgrading deteriorated road surfaces.
- Implemented the design and upgrade of Road No. 11 (from the intersection of Road No. 9 to Road No. 11) and Road No. 14 (from the intersection of Road No. 11 to the intersection of Road N2). Continuing to promote maintenance work to ensure infrastructure connectivity, especially timely and regular patching;
- Implemented dredging of the rainwater drainage system for roads No. 1 in Zone B, 2, 3, 4, 5, 7, and 8. Continuing to maintain and repair (if necessary) the anti-flood dike system, mitigating the impact of high tides; Upgrading sidewalks, manholes, and trash screens.
- Smoke and noise control, dike system completion inspection for flood prevention, tidal surge threshold mitigation, sidewalk renovation, manhole and trash screen improvements.
- Greenery and landscape: Consistent upkeep and maintenance of greenery to establish a green, clean, and environmentally friendly Industrial Park.

**7. Regarding clean water supply and wastewater treatment services.**

- Provision of clean water according to customer needs. Results: 3,801,415 m<sup>3</sup>/year (average: 10,415 m<sup>3</sup>/day), maintaining a water loss rate of <3%.
- Installation of clean water supply meters as per customer requirements.
- Stable operation of the wastewater treatment plant, ensuring output water quality meets discharge standards at a reasonable cost. Results achieved are 2,056,911 m<sup>3</sup>/year (average 5,635 m<sup>3</sup>/day).

**8. Regarding administrative and human resources activities.**

**8.1. Administrative tasks.**

- In 2024, the Company implemented digital transformation company-wide, aiming to reduce paper records and shorten document approval processes through electronic office software, enhancing administrative management efficiency and convenience.
- Maintaining digitized document storage.
- Implementing cost controls in accordance with the approved plan with an emphasis on cost-effectiveness and efficiency, adaptable to the actual business situation while assuring quality and effectiveness for company operations.
- The integrated ISO system encompassing Quality Management (ISO 9001:2015), Environmental Management (ISO 14001:2015), Occupational Health and Safety Management (ISO45001:2018), and Energy Management (ISO 50001:2018) underwent internal and external assessments, and a review of Team and Station operational status, prompting timely recommendations for corrective measures toward ensuring safety, quality, and effectiveness.
- Continuing implementation of the Hiep Phuoc Green - Clean - Beautiful initiative.

## 8.2. Human Resources tasks:

### 8.2.1. Personnel quantity and structure within the company:

- Total personnel as of 2024-12-31: 181, comprising:
  - + Personnel at the beginning of the year (2024-01-01): 188.
  - + New hires: 02.
  - + Contract terminations: 09.
- Personnel structure by professional qualifications:
  - + University, Master's degree: 30.4%.
  - + College, primary, secondary, and unskilled labor: 69.6%.
  - + Direct labor: 70.2%.
  - + Indirect labor: 29.8%.

### 8.2.2. Company's employee policy.

- In 2024, the company conducted training courses on occupational safety and health, electricity, chemicals (Groups 1,2,3,4,6); safety training for workplace medical staff (Group 5); first aid training; integration training for new employees, and on-the-job training.
- The company promptly administers reward and disciplinary policies, fostering motivation and maintaining a fair, professional working environment.
- Employees receive full salary and benefits such as holiday bonuses, Tet bonuses, 13th-month salary, uniform allowance, protective equipment, lunch/night shift meal allowance, fuel/transportation allowance, welfare health insurance, 24-hour accident insurance, annual general health checks, periodic occupational health examinations as regulated, vacation trips, and seniority-based benefits.

## 9. Investment and capital contribution:

- **Investment in Viet - Japan Industrial Park:** implemented since 2013 according to Resolution No. 07/NQ/HĐQT/HIPC/13 dated 2013-08-27 of the HIPC Board of Directors regarding the approval of the policy to cooperate in investment with Viet-Pan Industrial Park Co. Ltd to establish Viet – Japan Industrial Park Co., Ltd. with a charter capital of 5,000,000 USD, HIPC contributed 45% of the total capital equivalent to 2,250,000 USD. From 2014 to present, HIPC has not received economic benefits from this investment. The company is reviewing and advising the HIPC Board of Directors, coordinating with partner UNIKA to adjust the Joint Venture Contract and Charter of ViePan in accordance with current enterprise law. The position of chief accountant has been consolidated and in the coming time, the position of Deputy General Director at ViePan will be added as regulated.
- **Investment in LHC shares:** Investment in Long Hau Joint Stock Company (LHC) shares: 975,485 LHC shares (accounting for nearly 2% of charter capital) with a total value of 16,698,354,991 VND. In 2024, HIPC received dividends from LHC for the year 2023 of 1.853 billion VND.

## 10. Regarding business performance results in 2024

Unit: million VND

No.	CONTENT	Plan 2024	Implementation in 2024	Difference	Actual 2024/ Plan 2024
(1)	(2)	(3)	(4)	(5)=(4)-(3)	(6)=(4)/(3)
<b>1</b>	<b>Total revenue</b>	<b>133,978</b>	<b>70,081</b>	<b>(63,897)</b>	<b>52%</b>
	- Land lease phase 1	2,427	10,701	8,274	441%
	- Land lease phase 2	3,752	3,645	(107)	97%
	- Clean water supply	48,447	49,400	953	102%
	- Wastewater treatment	26,840	28,741	1,901	107%
	- Industrial zone accommodation	4,598	4,474	(124)	97%
	- Other services	293	196	(97)	67%
	- Trading revenue	43,744	32,637	(11,107)	75%
	- Other income	3,878	4,201	323	108%
	- Land acquisition	0	(63,914)	(63,914)	
<b>2</b>	<b>Total cost of goods sold</b>	<b>66,676</b>	<b>(24,510)</b>	<b>(91,186)</b>	<b>-37%</b>
	- Land lease phase 1	656	3,584	2,928	546%
	- Land lease phase 2	4,445	3,726	(719)	84%
	- Clean water supply	42,010	49,369	7,359	118%
	- Wastewater treatment	15,249	8,401	(6,848)	55%
	- Industrial zone accommodation	4,036	3,635	(401)	90%
	- Other services	280	98	(182)	35%
	- Adjustments due to land acquisition	0	(93,323)	(93,323)	
<b>3</b>	<b>Total expenses</b>	<b>43,142</b>	<b>28,392</b>	<b>(14,751)</b>	<b>66%</b>
	- Financial expenses	0	0		
	- Costs to sell	6,538	3,089	(3,449)	47%
	- Business management expenses	35,938	24,957	(10,981)	69%
	- Other expenses	667	346	(321)	52%
<b>4</b>	<b>Profit before tax</b>	<b>24,160</b>	<b>66,199</b>	<b>42,039</b>	<b>274%</b>
<b>5</b>	<b>Corporate income tax</b>	<b>0</b>	<b>0</b>		
<b>6</b>	<b>Profit after tax</b>	<b>24,160</b>	<b>66,199</b>	<b>42,039</b>	<b>274%</b>

### **10.1 Regarding total revenue:**

Total revenue in 2024 reached 70.08 billion VND, a decrease of 48% compared to the 2024 plan. In which:

- Land sublease service revenue reached 14.3 billion VND, an increase of 132%, equivalent to an increase of 8.16 billion VND compared to the 2024 plan. During the year, one enterprise in Hiep Phuoc Industrial Park phase 1 paid the entire remaining land rent value to HIPC and the contract management fee of 3 companies, leading to an increase in phase 1 land lease revenue of 341%, equivalent to an increase of 8.2 billion VND.
- Clean water supply and wastewater treatment services in 2024 reached 78.14 billion VND, an increase of 3.8%, equivalent to an increase of 2.85 billion VND compared to the 2024 plan.
- Worker accommodation rental services and other services in 2024 amounted to 8.76 billion VND, an increase of 1.2%, equivalent to an increase of 0.1 billion VND compared to the 2024 plan.
- Financial activities revenue in 2024 was 32.6 billion VND, a decrease of 25%, equivalent to a decrease of 11.1 billion VND compared to the 2024 plan. The main reason is due to the decrease in average interest rate compared to the 2024 plan and the refund of land rent to 7 enterprises. In which:
  - Land recovery from 5 enterprises (land plots EB6; EB4&5; HT-F1-8; HT-F1-7; HT-F2-2&3) in Hiep Phuoc Industrial Park - phase 2 because the enterprises have not yet been granted the Project Implementation Permit by Hepza.
  - Refund of land rent to 2 businesses due to adjustment of changing the method of collecting one-time land rent to annual payment (land plots D7a3&5; D7a-4).
- The land recovery from 5 enterprises and land use fees for the 2 enterprises mentioned above reduced land lease revenue by 63.91 billion VND.

Thus, if excluding the decrease in revenue due to land recovery from the 5 enterprises mentioned above, the total actual revenue in 2024 was 133.9 billion VND, reaching 100% of the 2024 plan.

### **10.2 Regarding total cost of goods sold:**

The cost of land lease is accounted for as follows:

- Cost of land sublease in phase 1 and corridor land according to Resolution No. 08/2020/NQ-HIPC-HĐQT dated 2020-06-25.
- Cost of subleasing land in phase 2 according to Resolution No. 07/2020/NQ-HIPC-HĐQT dated 2020-06-15.

If calculated according to this method, the total cost of goods sold in 2024 is (24.5) billion, a decrease of 137%, equivalent to a decrease of 91.3 billion VND compared to the 2024 plan. The reason is the adjustment to reduce land recovery from 5 enterprises and land use fees for the 2 enterprises mentioned above by 80.42 billion VND.

Thus, excluding the reversal of cost of goods sold of the 05 aforementioned enterprises, the total cost of goods sold in 2024 is 68.8 billion VND, a 3% increase equivalent to a 2.13 billion VND increase compared to the 2024 plan.

### **10.3 Regarding total expenses:**

Total expenses in 2024 are 28.39 billion VND, a decrease of 34%, equivalent to a decrease of 14.75 billion VND compared to the 2024 plan. The reason is that the company proactively adjusted and minimized business management expenses in accordance with the actual situation.

### **10.4 Profit before tax:**

With the total revenue and expenses mentioned above, the Profit after tax in 2024 reached 66.19 billion VND, a 174% increase, equivalent to a 42 billion VND increase compared to the 2024 plan.

## **II. BUSINESS OPERATION PLAN FOR 2025**

### **1. Regarding business and marketing activities**

- Hiep Phuoc Industrial Park continues to persistently pursue a sustainable development strategy, focusing on the core competencies and fundamental values of the enterprise. The central objective is to become a leading industrial real estate developer in Ho Chi Minh City, attracting high-quality investors, and bringing long-term value to the Industrial Park.
- Develop marketing campaign plans, promotional campaigns, investment attraction plans, sales breakdowns, and establish land rental unit prices, focusing on attracting investment in clean, non-polluting, and technologically advanced industries... in order to attract suitable investors and attain high rental prices.
- Prepare a land fund for attracting and receiving new investors (Hiep Phuoc Industrial Park Project - Phase 1) as soon as legal procedures are completed. Simultaneously, formulate a plan to implement investment and construction work immediately after the sales policy is approved to synchronize business and infrastructure progress.

### **2. Regarding customer care**

- Organize activities to provide services that meet the needs of production and business development of enterprises within the Industrial Park.
- Support work: Continue to support and connect businesses with relevant agencies, units, and departments to address the needs related to production activities within Hiep Phuoc Industrial Park.
- Recruitment and training: Continue implementing fee-based job introduction services for businesses with recruitment needs, collaborating with universities, colleges, and job introduction centers which HIPC has signed MOUs with, such as: Bach Khoa University, Ton Duc Thang University, HUTECH University, Banking University, Cao Thang College, CTIM... to support investors in training, recruitment, and human resource provision.

- Activities dedicated to employee care: The company continues to maintain and coordinate with companies, departments, branches, and sectors to organize programs dedicated to the life, cultural, and spiritual well-being of employees within the Industrial Park.
- Trade Union and Worker Accommodation activities: Continue to provide rental services for accommodations, premises, meeting rooms, and halls to meet employee needs.

### 3. Regarding Investment and Construction

#### 3.1. Content of implementation:

No.	Investment work item	2025 Development Plan
<b>A</b>	<b>TECHNICAL INFRASTRUCTURE OF HIEP PHUOC Industrial Park PHASE 1</b>	
1	Adjustment of the 1/2000 scale detailed construction zoning master plan for Hiep Phuoc Industrial Park Phase 1	<ul style="list-style-type: none"> <li>- Prepare a review report and submit for approval of the planning adjustment policy;</li> <li>- Prepare planning adjustment dossier.</li> </ul>
2	Install a new automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 1 (Lot B11a) and upgrade and renovate the automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 2 (lot F9XLNT)	Complete the installation and renovation of the works (under development from 2024).
<b>B</b>	<b>TECHNICAL INFRASTRUCTURE OF HIEP PHUOC Industrial Park PHASE 2</b>	
1	Additional landfilling for land plots	<ul style="list-style-type: none"> <li>- Survey and prepare a feasibility study report for the additional landfilling project (DATP26);</li> <li>- Prepare construction drawings;</li> <li>- Organize contractor selection;</li> <li>- Deploy additional landfilling (to serve the 2025 business plan).</li> </ul>
2	Construction of Ca Chot Bridge (phase 2)	<ul style="list-style-type: none"> <li>- Adjust the investment project (total construction investment) and submit for approval;</li> <li>- Adjust the construction drawings and cost estimates (detailed design after basic design).</li> <li>- Organize contractor selection.</li> </ul>

No.	Investment work item	2025 Development Plan
3	Incident prevention and response works at the Hiep Phuoc Industrial Park Centralized Wastewater Treatment Plant Phase 2	<ul style="list-style-type: none"> <li>- Approve the detailed construction planning drawing at 1/500 scale (general site plan) for land plot F9XLNT.</li> <li>- Complete the investment project dossier; submit for appraisal and approval according to regulations.</li> <li>- Prepare construction drawings and cost estimates for the incident response reservoir (phase 1).</li> <li>- Organize contractor selection.</li> </ul>
4	Adjustment of the 1/2000 scale detailed construction zoning master plan for Hiep Phuoc Industrial Park Phase 2	<ul style="list-style-type: none"> <li>- Submit to the City People's Committee for approval of the planning adjustment policy;</li> <li>- Prepare the planning adjustment dossier and submit for appraisal and approval according to regulations.</li> </ul>
5	Investment preparation for the Hiep Phuoc Industrial Park Phase 2 infrastructure investment project	<ul style="list-style-type: none"> <li>- Submit to the General Meeting of Shareholders for approval of the adjustment of the basic construction costs (preliminary total construction investment);</li> <li>- Conduct surveys and prepare a feasibility study report (for the remaining parts not yet implemented);</li> <li>- Review the feasibility study report.</li> </ul>
6	HIPC office building	<ul style="list-style-type: none"> <li>- Map surveying and preparation of detailed construction planning drawings at 1/500 scale (simplified general site plan);</li> <li>- Conduct topographic and geological surveys and prepare a feasibility study report for the investment project.</li> </ul>

### 3.2. Estimated implementation volume value for 2025:

Unit: million VND

No	Investment work item	Implemented in 2024	2025 Plan	2025 Plan/2024 Implementation
<b>A</b>	<b>TECHNICAL INFRASTRUCTURE OF HIEP PHUOC Industrial Park PHASE 1</b>	<b>4,351.0</b>	<b>2,571.0</b>	<b>8%</b>
1	Renovation and completion of the fire protection system of the centralized	1,686.0	-	

No	Investment work item	Implemented in 2024	2025 Plan	2025 Plan/2024 Implementation
	wastewater treatment plant in Hiep Phuoc 1 Industrial Park.			
2	Renovation of the fire protection system of the worker's accommodation Block 1.	2,665.0	-	
3	Adjustment of the 1/2000 scale master plan for the construction subdivision of Hiep Phuoc Industrial Park, phase 1.	-	330.0	
4	Installation of a new automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 1 (Lot B11a) and upgrade and renovation of the automatic and continuous wastewater monitoring system at Wastewater Treatment Plant 2 (lot F9XLNT).	-	2,241.0	
<b>B</b>	<b>TECHNICAL INFRASTRUCTURE OF HIEP PHUOC INDUSTRIAL PARK PHASE 2</b>	-	<b>76,705.3</b>	
1	Additional landfilling of land plots.	-	64,637.7	
2	Construction of Ca Chot bridge (phase 2).	-	191.4	
3	Incident prevention and response works at the centralized wastewater treatment plant of Hiep Phuoc Industrial Park, Phase 2.	-	612.7	
4	Adjustment of the 1/2000 scale master plan for construction subdivision of Hiep Phuoc Industrial Park, phase 2.	-	1,898.7	
5	Investment preparation for the Hiep Phuoc Industrial Park infrastructure construction project, phase 2.	-	8,172.7	
6	HIPC office building.	-	1,192.0	
	<b>TOTAL</b>	<b>4,351.0</b>	<b>79,276.3</b>	<b>1,822%</b>

#### 4. Regarding site clearance compensation

##### 4.1. Plan Orientation for 2025

NO.	CONTENT	Unit Unit	PLAN YEAR 2025	
			Volume	Total Amount (million VND)
<b>I</b>	<b>LAND ACQUISITION AND COMPENSATION WORKS</b>	<b>ha</b>		<b>15,659.05</b>
<b>1</b>	<b>Land inventory of the 83ha area</b>	<b>ha</b>		-
<b>2</b>	<b>Compensation according to the plan</b>	<b>ha</b>		<b>13,568.00</b>
	- Land acquisition for the 83ha project	ha		
	- Land acquisition of the 513ha Project	ha		
	- Temporary resettlement support (2023, 2024, 2025)	household	42.00	13,480.00
	- Support for households in difficult circumstances within the project	household	8.00	8.00
	- Legal Consulting Fee	time	8.00	80.00
<b>3</b>	<b>Resettlement</b>			-
<b>4</b>	<b>Grave relocation</b>	<b>grave</b>		-
<b>5</b>	<b>Bomb and mine clearance (2 access roads to the Industrial Park, 83ha project)</b>	<b>ha</b>		-
<b>6</b>	<b>Negotiation for transfer</b>	<b>record</b>	<b>56.00</b>	<b>2,075.57</b>
6.1	Fee for updating land use right certificate due to transfer at Hiep Phuoc Urban Area	record	56.00	1,952.37
6.2	Land use right certificate issuance fee	record	56.00	123.20
<b>7</b>	<b>Inspection of compensated/transferred land</b>	<b>personnel</b>	<b>3.00</b>	<b>15.48</b>
<b>II</b>	<b>LAND RECORDS MANAGEMENT:</b>	<b>ha</b>	<b>144.00</b>	<b>324.50</b>
<b>1</b>	Surveying, confirmation of completion of compensation, and land lease contract signing for the 134ha area.	ha	134.00	274.50
<b>2</b>	Surveying costs for staking and handing over land to customers	ha	10.00	50.00
<b>III</b>	<b>STATE LAND RENTAL PAYMENT:</b>	<b>ha</b>	<b>25.14</b>	<b>24.89</b>
<b>1</b>	<b>Hiep Phuoc Industrial Park - Phase 1</b>	<b>ha</b>	<b>25.14</b>	<b>24.89</b>
	Annual land rent	ha	25.14	24.89
<b>2</b>	<b>Hiep Phuoc Industrial Park - Phase 2</b>	<b>ha</b>	<b>39.32</b>	-
	53 ha Area	ha	39.32	-
<b>IV</b>	<b>OTHER TASKS</b>			<b>168.60</b>
	<b>TOTAL: (I+II+III+IV)</b>		<b>169.14</b>	<b>16,177.04</b>

**4.2. Regarding land reclamation and site clearance:**

- Temporary accommodation support (in the years 2023, 2024, and 2025): Continued financial support for temporary housing for 42 households.
- Support for households facing difficulties within the project. Currently, 08 households are residing within the project.
- Update of the Land Use Right Certificate for 56 dossiers due to the transfer at Hiep Phuoc Urban Area.

**4.3. Land dossier management:**

- Conducted a survey of the current status of the 134ha land plot to facilitate the application for the Land Use Right Certificate (with approval from the Department of Natural Resources and Environment).
- Conducted surveying, marker placement, and land boundary handover to clients.

**4.4. Land rental payment to the State:**

- Hiep Phuoc Industrial Park - Phase 1: Planning to implement 25.14ha for land plots that have decisions on annual land rent payment.
- Hiep Phuoc Industrial Park - Phase 2: HIPC continues to work with State Management Agencies to request prompt resolution to determine the annual payment to the State.

**4.5. Conversion of land rent payment method from one-time payment to annual payment for 02 land plots (area: 191,454.9 m<sup>2</sup>) leased within the Hiep Phuoc Industrial Park project - Phase 1:**

- Undertaking procedures for policy on converting land rent payment from a one-time payment to annual payments for 02 land plots (area: 191,454.9 m<sup>2</sup>) leased within Hiep Phuoc Industrial Park project - Phase 1.

**4.6. Issuance of Land Use Right Certificates for 07 land plots in Phase 2.**

- Carrying out procedures for signing land lease agreements and the issuance of Land Use Right Certificates with the Department of Natural Resources and Environment.

**4.7. Deduction of compensation from land rent payable to the State.**

- Continued monitoring of the confirmation of compensation value for 08 land plots at Hiep Phuoc Industrial Park Phase 2 for deduction from land rent payable to the State.

**5. Regarding environmental management of infrastructure:**

- Compliance with environmental protection laws.
- Collaborating, supporting, and accompanying businesses in environmental protection work, thereby building a greener, cleaner, and more environmentally friendly Hiep Phuoc Industrial Park.
- Continued participation in the Project as a research partner in "Development of eco-industrial parks in Vietnam through an approach from the Global Eco-Industrial Park Programme," led by the Ministry of Planning and Investment, and funded by SECO and UNIDO.

- Implementing steps to obtain policy approval to implement the direction of the City People's Committee regarding the development of a plan to transform the Hiep Phuoc Industrial Park model towards an eco-industrial park from 2023-2030, with a vision to 2045.
- Coordination with competent authorities to inspect and examine businesses' compliance with environmental protection laws.
- Negotiating with Investors at Hiep Phuoc Industrial Park Phase 1 to adjust and increase the unit price for technical infrastructure services for Hiep Phuoc Industrial Park, which has been approved by Hepza.

#### **6. Regarding infrastructure maintenance and repair:**

- Regularly conducting maintenance and repair work to ensure infrastructure connectivity, particularly timely and frequent patching, and upgrading deteriorated road surfaces.
- Promoting infrastructure maintenance and repair, filling potholes to ensure traffic flow on routes, and simultaneously performing major repairs to improve road surface elevation.
- Repairing settlement at both ends of the Large Canal 1 Bridge (Phase 1).
- Continue to maintain and repair (if any) the flood prevention dike system to mitigate the impact of high tides; Renovate sidewalks, manholes, and trash screens.
- Continue the dredging of the stormwater drainage system on the roads in Hiep Phuoc Industrial Park, phase 1.
- Greenery - Landscape: Intensify the landscape renovation efforts, maintaining them regularly to build a green and clean Industrial Park.

#### **7. Regarding clean water supply and wastewater treatment services**

- Provide clean water according to customer demand. The planned supply is 3,847,493 m<sup>3</sup>/year (average: 10,054 m<sup>3</sup>/day-night), maintaining a water loss rate of <3%.
- Install water meters to supply clean water according to customer demand.
- Operate the wastewater treatment plant stably, ensuring the quality of the effluent meets discharge standards at a reasonable cost. The treatment plan is 2,004,220 m<sup>3</sup>/year (average 5,491 m<sup>3</sup>/day-night).

#### **8. Regarding financial accounting work**

- Strengthen financial management, closely control the balance of capital sources, effectively manage cash flow, and recover debts according to the plan to ensure stable financial conditions.
- Evaluate and control expenses more reasonably and effectively.

#### **9. Regarding administrative and human resources work**

##### **9.1. Human resources work:**

- Enhance and complete the application of Misa HR software in personnel management, attendance tracking, and payroll calculation.

- Organize and arrange personnel in Departments, Teams, and Stations to be streamlined, efficient, and suitable for the company's actual operational situation.
- Training: Continue safety training for groups 2 and 6 as per regulations.
- Fully and promptly implement salary, insurance, and welfare regimes to motivate employees to work and contribute. Implement periodic health check-ups and occupational disease examinations for employees. Extend the purchase of 24/7 health and accident insurance for staff.
- The integrated ISO system for Quality Management (ISO 9001:2015), Environmental Management (ISO 14001:2015), Occupational Health and Safety Management (ISO 45001:2018), and Energy Management (ISO 50001:2018) is maintained with internal and external evaluations, reviewing the operational status of Teams and Stations, and making timely recommendations to address limitations, enhance safety quality, and operational efficiency.
- Maintain policies for rewards, discipline, and employee development.

## 9.2. Administrative work

- Maintain and continue the digital transformation efforts to maximize management and operational efficiency.
- Control expenses according to the approved plan while ensuring quality and efficiency for the company's activities.
- Manage assets, tools, and equipment effectively.
- Maintain the Hiep Phuoc Green - Clean - Beautiful movement.
- Administrative costs in 2025 will increase by 29% compared to the 2024 plan due to the allocation of repair and maintenance costs for construction projects of user companies and increased hospitality expenses of departments to meet the demand for land leasing activities to resume.

## 10. Regarding the business operation plan for 2025

Based on the actual situation, the General Director respectfully submits to the Board of Directors the company's business operation plan for 2025 as follows:

Unit: VND million

No.	CONTENT	2024 Plan	2024 Implementation	2025 Plan	Plan 2025/ Plan 2024	Plan 2025/ Implementation 2024
1	2	3	4	5	6=5/3	7=5/4
1	<b>Total revenue</b>	<b>133,978</b>	<b>70,081</b>	<b>107,316</b>	<b>80%</b>	<b>153%</b>
	- Phase 1 Land Lease	2,427	10,701	1,609	66%	15%
	- Phase 2 Land Lease	3,752	3,645	3,615	96%	99%
	- Clean Water Supply	48,447	49,400	52,273	108%	106%
	- Wastewater Treatment	26,840	28,741	28,793	107%	100%

No.	CONTENT	2024 Plan	2024 Implementation	2025 Plan	Plan 2025/ Plan 2024	Plan 2025/ Implementation 2024
	- Industrial Accommodation	4,598	4,474	4,623	101%	103%
	- Other Services	293	196	544	186%	278%
	- Revenue from Business Cooperation Contracts	43,744	32,637	13,800	32%	42%
	- Other income	3,878	4,201	2,059	53%	49%
	- Land Reclamation		(63,914)	0		0
<b>2</b>	<b>Total Cost of Goods Sold</b>	<b>66,676</b>	<b>(24,510)</b>	<b>16,317</b>	<b>24%</b>	<b>(67%)</b>
	- Phase 1 Land Lease	656	3,584	486	74%	14%
	- Phase 2 Land Lease	4,445	3,726	(50,050)	(1,126%)	(1,343%)
	- Clean Water Supply	42,010	49,369	45,559	108%	92%
	- Wastewater Treatment	15,249	8,401	16,015	105%	191%
	- Industrial Accommodation	4,036	3,635	4,010	99%	110%
	- Other Services	280	98	297	106%	303%
	- Adjustment decrease due to land reclamation		(93,323)	0		0
<b>3</b>	<b>Total Expenses</b>	<b>43,142</b>	<b>28,392</b>	<b>46,467</b>	<b>108%</b>	<b>164%</b>
	- Financial expenses	0	0	0		
	- Costs to sell	6,538	3,089	9,137	140%	296%
	- Business Management Expenses	35,938	24,957	36,807	102%	147%
	- Other expenses	667	346	523	78%	151%
<b>4</b>	<b>Profit before tax</b>	<b>24,160</b>	<b>66,199</b>	<b>44,532</b>	<b>184%</b>	<b>67%</b>
<b>5</b>	<b>Corporate Income Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>6</b>	<b>Profit after tax</b>	<b>24,160</b>	<b>66,199</b>	<b>44,532</b>	<b>184%</b>	<b>67%</b>

#### 10.1. Regarding total revenue:

The total projected revenue for 2025 is 107.31 billion VND, a 20% decrease, equivalent to a reduction of 26.66 billion VND, compared to the 2024 plan. This

is primarily due to financial activities amounting to 13.8 billion VND, a 68.4% decrease, equivalent to a reduction of 29.94 billion VND. Conversely, clean water supply and wastewater treatment activities are projected at 81.06 billion VND, a 7.7% increase, equivalent to an increase of 5.77 billion VND, compared to the 2024 plan.

**10.2. Regarding total cost of goods sold:**

Cost of subleasing land in phase 1 and corridor land according to Resolution No. 08/2020/NQ-HIPC-HĐQT dated 2020-06-25.

Cost of subleasing land in phase 2 according to Resolution No. 07/2020/NQ-HIPC-HĐQT dated 2020-06-15.

Calculated using this method, the total projected cost of goods sold for 2025 is 16.31 billion VND, a decrease of 75.5%, equivalent to a reduction of 50.35 billion VND compared to the 2024 plan. This is mainly due to the reversal of provisions made for the lease of land in Hiep Phuoc Industrial Park phase 2.

**10.3. Regarding total expenses:**

The total projected expenses for 2025 are 46.46 billion VND, an increase of 8%, equivalent to an increase of 3.32 billion VND, compared to the 2024 plan. The reason is that the Company proactively adjusted selling expenses and business management expenses to align with the actual situation.

**10.4. Profit before tax:**

For the reasons stated above, the Company's projected profit before tax for 2025 is 44.53 billion VND, an increase of 84%, equivalent to an increase of 20.37 billion VND compared to the 2024 plan.

This is the Report on the 2024 performance results and the 2025 business plan of Hiep Phuoc Industrial Park Joint Stock Company. The General Director respectfully proposes this report to the 2025 Annual General Meeting of Shareholders for review and approval.

Respectfully proposed.

**Recipients:**

- As above;
- Archived Admin, Company Secretary.

GENERAL DIRECTOR   
  
  
**Huynh Bao Duc**