



CÔNG TY CỔ PHẦN KHU CÔNG NGHIỆP HIỆP PHƯỚC

Khu B, đường số 1, Khu công nghiệp Hiệp Phước, Xã Hiệp Phước, Huyện Nhà Bè, TP. HCM, Việt Nam

Điện thoại: (84 28) 37800345; 37800350; 37800351 - Fax: (84 28) 37800341

E-mail: hiepphuocco@hiepphuoc.com

Website: www.hiepphuoc.com

No: 01/2025/BC-HIPC-HĐQT

Ho Chi Minh City, April 01st, 2025

REPORT OF THE BOARD OF DIRECTORS ON OPERATION FOR 2024

To: The 2025 Annual General Meeting of Shareholders

The Board of Directors (BOD) of Hiep Phuoc Industrial Park Joint Stock Company (hereinafter referred to as the "Company") respectfully proposes to the 2025 Annual General Meeting of Shareholders the Report of the Board of Directors on Operation with the following details:

I. RESULTS OF THE BOARD OF DIRECTORS' ACTIVITIES IN 2024

1. Implementation status of the 2024 General Meeting of Shareholders' Resolution:

On 2024-04-26, the Company held the 2024 Annual General Meeting of Shareholders and issued 01 Resolution.

The General Meeting approved the following contents:

- Approved the Audited Financial Statements for 2023 as per proposal No. 01/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 57.7055% of voting shares in agreement.
- Approved the Audited Report on the Progress of Capital Utilization from the Additional Share Issuance from 2016-11-07 to 2023-12-31 as per proposal No. 01/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 100% of voting shares in agreement.
- Approved Report No. 11/2024/BC-HIPC-TGD dated 2024-03-14 of the General Director on the 2023 Business Performance Results as per proposal No. 02/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 100% of voting shares in agreement.
- Approved Report No. 14/2024/BC-HIPC-HĐQT dated 2024-04-01 of the BOD on the 2023 Operating Results as per proposal No. 02/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 100% of voting shares in agreement.
- Approved Report No. 01/2024/BC-HIPC-BKS dated 2024-03-20 of the Member of the Board of Supervisors on the 2023 operating results as per proposal No. 02/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 100% of voting shares in agreement.



- Approved the 2023 Profit Distribution Plan as per proposal No. 03/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 57.7055% of voting shares in agreement.
- Approved the Report on the payment of remuneration to the BOD, Member of the Board of Supervisors, and company secretary in 2023 and the Plan for payment of remuneration to the BOD, Member of the Board of Supervisors, and company secretary in 2024 as per proposal No. 04/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 100% of voting shares in agreement.
- Approved the 2024 Business Plan as per proposal No. 05/2024/TTr-HIPC-HĐQT dated 2024-04-03 with 100% of voting shares in agreement.
- Approved the selection of the auditing unit for the 2024 Financial Statements as per proposal No. 06/2024/TTr-HIPC-BKS dated 2024-03-12 with 100% of voting shares in agreement.

The General Meeting did not approve the following contents:

- Did not approve the Charter of Organization and Operation (7th Amendment) as per proposal No. 07/2024/TTr-HIPC-HĐQT dated 2024-04-03 (due to the percentage of voting shares in agreement only reaching 57.7055%).

2. The financial results of business operations in 2024 are as follows:

Unit: million VND

No.	CONTENT	Plan 2024	Actual 2024	Actual 2024/ Plan 2024
1	Total Revenue	133,978	70,081	52.3%
2	Total Cost of Goods Sold	66,676	(24,510)	-136.7%
3	Total Expenses	43,143	28,392	65.8%
4	Profit before tax	24,160	66,199	274%
5	Corporate Income Tax	0	0	0
6	Profit after tax	24,160	66,199	274%

(Source: Audited 2024 Financial Statements)

3. Regarding the 2024 profit distribution

Based on proposal No. 15/2025/TTr-HIPC-TGD dated 2025-03-27 from the General Director to the BOD regarding the 2024 profit distribution plan. Accordingly, the General Director submitted to the BOD for consideration and proposal to the 2025 AGM regarding not setting aside funds and not paying dividends in 2024. Reason in 2024:

Accumulated profit after tax of previous year as of 2023-12-31 : (378,987,426,991) VND
 Undistributed profit after tax of this year as of 2024-12-31 : 65,466,661,604 VND
 Accumulated profit after tax of this year as of 2024-12-31 : (313,520,765,387) VND

4. Activities of the Board of Directors in 2024

The Board of Directors comprises 07 members, with 02/07 participating in management and 05/07 non-executive members.

In 2024, the Board of Directors focused on the following key tasks:

- Performing the functions and duties of the Board of Directors as stipulated in the Charter and internal regulations on corporate governance.
- Organizing 01 session of the 2024 Annual General Meeting of Shareholders.
- Organizing 04 Board of Directors meetings and 08 written consultations. At these meetings and consultations, all members of the Board of Directors attended in person or by representative authorized.
- The Board of Directors issued 19 Resolutions in 2024:

No.	RESOLUTION NO.	DATE	RESOLUTION CONTENT
1	01/2024/NQ-HIPC-HĐQT	2024-02-28	Plan for organizing the 2024 AGM.
2	02/2024/NQ-HIPC-HĐQT	2024-04-01	Contents proposed to the 2024 AGM.
3	03/2024/NQ-HIPC-HĐQT	2024-04-01	Regarding the halt of investment and construction of the "High-rise Workshop" project.
			On terminating labor contracts with enterprises that fail to utilize or delay land utilization in Hiep Phuoc Industrial Park.
			Regarding the adjustment of Honda Logicom VN's land sublease contract (plot D7a-4) and other land sublease contracts at Hiep Phuoc Industrial Park Phase 2 from 2018 and earlier.
4	04/2024/NQ-HIPC-HĐQT	2024-04-09	Adjust the approved content of the policy to install a new automatic wastewater monitoring system in Resolution No. 11/2023/NQ-HIPC-HĐQT dated 2023-04-05.
5	05/2024/NQ-HIPC-HĐQT	2024-04-09	Approve the Technical Economic Report of the Automatic Monitoring System.
6	07/2024/NQ-HIPC-HĐQT	2024-05-24	Approve the contractor selection plan for the Automatic Monitoring System.
7	08/2024/NQ-HIPC-HĐQT	2024-05-24	Agree to select AFC Vietnam Auditing Company as the audit company for the 2024 financial statements.
8	09/2024/NQ-HIPC-HĐQT	2024-05-24	Approve the sales policy for two vacant land plots with completed legal procedures at the Hiep Phuoc Industrial Park project - Phase 1.
9	10/2024/NQ-HIPC-HĐQT	2024-05-24	Agree to amend and supplement the clauses in the joint venture contract between HIPC & Vie-pan Industrial Park Co.,LTD.

10	11/2024/NQ-HIPC-HĐQT	2024-05-24	Propose to the City People's Committee to review and adjust the detailed construction planning at a 1/2000 scale for Hiep Phuoc Industrial Park - Phase 2.
11	12/2024/NQ-HIPC-HĐQT	2024-07-02	Authorize the General Director for personnel-related matters.
12	14/2024/NQ-HIPC-HĐQT	2024-07-29	Agree to terminate the duties of the Person in charge of administration and company secretary, term IV (2022-2027), for Ms. Nguyen Thi Thanh Ngoc.
13	15/2024/NQ-HIPC-HĐQT	2024-07-29	Appoint Ms. Phan Thi Thanh Van as the Person in charge of administration and company secretary, term IV (2022-2027).
14	17/2024/NQ-HIPC-HĐQT	2024-10-23	Policy to develop a project to transform the Hiep Phuoc Industrial Park model towards an eco-industrial park.
15	18/2024/NQ-HIPC-HĐQT	2024-11-04	Adjust the "Investment Project, Construction and Business Infrastructure of Hiep Phuoc Industrial Park Phase 2".
16	19/2024/NQ-HIPC-HĐQT	2024-11-04	Appoint Ms. Lu Thi Thu Van to the position of member of the Appraisal Cluster.
17	20/2024/NQ-HIPC-HĐQT	2024-11-26	Promulgate the Company's Financial Management Regulations.
18	21/2024/NQ-HIPC-HĐQT	2024-12-10	Policy to hire consultants to prepare a report on reviewing and adjusting the planning scheme.
19	22/2024/NQ-HIPC-HĐQT	2024-12-10	Approve the 2023 Business Performance Report and the 2024 Business Plan of Viepan.

5. Changes in Personnel of the Board of Directors, Board of Supervisors, and Board of General Directors

5.1. Changes in the Board of Directors personnel in 2024

No.	Name	Position	Date of appointment
1	Mr. Nguyen Van Thinh	Chairman of The Board of Directors	From 2023-02-24 to present
2	Mr. Huynh Bao Duc	Member of the Board of Directors	From 2022-08-15 to present
3	Mr. Vu Dinh Thi	Member of the Board of Directors	From 2022-08-15 to present
4	Mrs. Nguyen Thi Binh	Member of the Board	From 2022-08-15 to present

		of Directors	
5	Mr. Truong Cong Nghia	Member of the Board of Directors	From 2022-08-15 to present
6	Mr. Pham Trung Kien	Member of the Board of Directors	From 2022-08-15 to present
7	Mrs. Tran Thi Hanh Tien	Member of the Board of Directors	From 2022-08-15 to present

5.2. Changes in the Board of Supervisors personnel in 2024

No.	Member of the Board of Supervisors	Position	Date of appointment
1	Mr. Nguyen Kien Tan	Head of the BoS	From 2023-02-24 to present
2	Mr. Le Van Cong	Member	From 2022-08-15 to present
3	Ms. Le Nguyen Khanh Ngoc	Member	From 2022-08-15 to present

6. Supervisory activities of the Board of Directors over the Board of Management

During 2024, the Board of Management has been implementing the policies and resolutions of the Board of Directors and the 2024 AGM, concurrently maintaining the company's daily operations. The specific implemented details:

- Submitting and seeking opinions from the Board of Directors for the issuance of resolutions related to investment in construction, sales and business, and personnel consolidation.
- Fully implementing the resolutions of the Board of Directors and carrying out the work content to ensure the normal operation of the Company.
- Information disclosure was carried out fully and on time as regulated.
- Working with customers to answer questions and provide timely support.

7. Salaries, bonuses, and remuneration of the Board of Directors, Board of Supervisors, Secretary, and Board of Management

7.1 Remuneration of the Board of Directors, Board of Supervisors, and Secretary paid in 2024:

Unit: Thousand VND

No.	CONTENT	Quantity	Remuneration/month	Number of months paid	Implemented in 2024
I	BOARD OF DIRECTORS				696,000
1	Chairman of the Board of	01	10,000	12	120,000

	Directors				
2	Board of Directors' members	06	8,000	12	576,000
II	BOARD OF SUPERVISORS				264,000
1	Head of the BoS	01	8,000	12	96,000
3	Member of the Board of Supervisors	02	7,000	12	168,000
III	SECRETARY	01	5,000	12	60,000
IV	TOTAL				1,020,000

7.2 Regarding the appropriation to the bonus fund for the Board of Directors, Board of Supervisors, and Board of Management in 2024: The Company did not appropriate any funds for bonuses to the Board of Directors, Board of Supervisors, and Board of Management in 2024.

7.3 Regarding salaries and bonuses of the Board of Management: The Board of Management receives salaries, bonuses, and other benefits paid according to position, job title, linked to the level of task completion, and the company's current regulations. The salaries of the members of the Board of Management are approved by the Board of Directors following the Company's salary policy. Specifically:

Unit: Thousand VND

No.	Name	Number of months	Salary/ month	Salary in 2024	Holiday bonus, Tet bonus, 13th-month salary	Total salary and bonus in 2024
I	GENERAL DIRECTOR					
1	Huynh Bao Duc	12	63.261	759.132	222	981,619
II	DEPUTY GENERAL DIRECTOR					
2	Nguyen Thi Binh	12	45.701	548.412	163.954	712,366
3	Giang Ngoc Phuong	12	45.701	548.412	163.954	712,366
III	TOTAL					2,406,350

8. **Activities of the Board of Directors' subcommittees:** There are no subcommittees under the Board of Directors.

9. **Report on transactions between the company, Company's subsidiaries, companies in which the public company holds a controlling interest of 50% or more of the charter capital, with member the Board of Directors and their**

related persons; transactions between the company and companies in which a member the Board of Directors is a founding member or a business manager during the 03 years immediately preceding the transaction:

9.1 Transactions between the company, Company's subsidiaries, companies in which the public company holds a controlling interest of 50% or more of the charter capital, with member the Board of Directors and their related persons:

No.	Organization name	Relationship with internal persons	Content, transaction value excluding VAT
1	Viet Nhat Industrial Park Co., Ltd.	Mr. Huynh Bao Duc – Member of the Board of Members of Viet Nhat Industrial Park Co., Ltd., is currently a Board of Directors' members of Hiep Phuoc Industrial Park Joint Stock Company.	Selling clean water and wastewater treatment. Value: 195,266,722 VND.

9.2 Transactions between the company and companies in which a member the Board of Directors is a founding member or business manager in the last 03 years before the transaction time: None.

10. Internal shareholders' percentage of shareholding (Representative capital and personal ownership) (as of 2025-03-25)

I	Board of Directors	Title	Number of shares	Percentage	Note
1	Mr. Nguyen Van Thinh	Chairman	8,514,162	14.19%	Capital Representative
2	Mr. Vu Dinh Thi	Member	6,081,545	10.14%	Capital Representative
3	Mrs. Tran Thi Hanh Tien	Member	6,081,545	10.14%	Capital Representative
4	Mr. Huynh Bao Duc	Member	7,000,000	11.67%	Capital Representative
5	Mrs. Nguyen Thi Binh	Member	6,500,000	10.83%	Capital Representative
6	Mr. Pham Trung Kien	Member	6,500,000	10.83%	Capital Representative
7	Mr. Truong Cong Nghia	Member			

II	Board of Supervisors				
1	Nguyen Kien Tan	Head of the Board			
2	Le Van Cong	Member			
3	Nguyen Le Khanh Ngoc	Member			
III	Board of Management				
1	Mr. Huynh Bao Duc	General Director	As above		
2	Mrs. Nguyen Thi Binh	Deputy General Director	As above		
3	Mr. Giang Ngoc Phuong	Deputy General Director	2,432,951	4.05%	Capital Representative + Personal shares
4	Mrs. Lu Thi Thu Van	Chief Accountant	1,217,507	2.03%	Capital Representative + Personal shares

11. Review of the company's operating activities in 2024

- In 2024, Hiep Phuoc Industrial Park Joint Stock Company continued to face many difficulties in attracting investment due to the following main reasons:
 - + Operating activities and investment attraction at Hiep Phuoc Industrial Park are temporarily suspended due to incomplete legal status, affecting the Company's operating results.
 - + Although the company welcomed many visitors to explore investment opportunities, due to the difficult economic situation, unsuitable investment attraction criteria, the scale of HIPC's existing products not meeting requirements, along with the remaining lease term of Phase 1 being quite short (only 24 years left), it has affected the calculation of investment project efficiency, so investors have not yet made a concrete decision.
 - + Some investment and construction items encountered obstacles related to procedures and legal basis, therefore not ensuring the planned progress.
- Hiep Phuoc 1 Residential Area, invested by Industrial Promotion Limited Company (IPC), the project has not completed legal procedures related to construction and has not handed over the land to HIPC, so it is not possible to officially hand over resettlement land to households.
- The land rental payment to the state has not been completed. The Company is still working with competent authorities of Ho Chi Minh City to determine the payable land rent.
- Promote digital transformation, reduce paper records, and optimize the approval process through electronic office software.

- Implement Misa Amis HR software to digitize personnel data, automate timekeeping processes, manage labor contracts, evaluate employees, and optimize human resource management.
- Ensure adequate salaries, bonuses, and benefits (health insurance, 24-hour accident insurance, vacation trips, etc.) for employees.
- Fulfill social responsibilities by awarding scholarships, supporting Tet gifts for workers and poor households, and organizing community activities.

II. BOARD OF DIRECTORS' ACTION PLAN FOR 2025

1. Continue to focus on resolving the determination of land rental unit prices and granting Certificates of Land Use Rights, creating a premise for restarting land sublease operating activities in the near time.
2. Resolve issues with land sublease enterprises, remove difficulties, ensure the interests of all parties, and enhance land fund exploitation efficiency.
3. Optimize the management apparatus and enhance competitiveness, streamline the organizational structure, especially focus on promoting digital transformation to optimize processes, improve labor productivity and management efficiency.
4. Standardize corporate governance, submit to the General Meeting of Shareholders the amendment of the Charter of Organization and Operation VII, ensuring compliance with legal regulations and meeting modern governance standards.
5. Prioritize attracting investment projects using high technology, environmentally friendly products, less labor-intensive, resource-saving, and suitable for the planning at Hiep Phuoc Industrial Park to aim for investment attraction with more positive and practical changes towards specialization and ecology.
6. Enhance management, inspection, and supervision of the Board of Directors, promptly issue strategic resolutions and decisions, ensuring improved operational efficiency and sustainable development goals.

Respectfully reported to the General Meeting.

Recipients:

- As addressed;
- Disclosure Information;
- Archived;

ON BEHALF OF THE BOARD
OF DIRECTORS
CHAIRMAN



Nguyen Van Thinh

