

**No.: 02/2025/RPT-VPID**

*Vinh Phuc, January 18, 2025*

**REPORT OF THE BOARD OF DIRECTORS**  
**BUSINESS PERFORMANCE IN 2024 AND BUSINESS PLAN FOR 2025**  
**To: The General Meeting of Shareholders - Vinh Phuc Infrastructure Development  
JSC**

In 2024, the global situation remained complex and unpredictable, with conflicts escalating in various regions. Fluctuations in fuel prices and transportation costs, a slow and uncertain global economic recovery, a decline in global investment, natural disasters, climate change, and energy security issues significantly affected business operations. Domestically, the Government implemented flexible measures, maintaining macroeconomic stability and controlling inflation. However, macroeconomic stability still posed risks, and businesses faced challenges such as high production costs and changing legal policies. These changes impacted industrial park developers, including the Company, affecting procedures for establishing new enterprises, altering incentive policies for investors, tax policies, land lease calculation methods (annual or one-time), and land pricing regulations for compensation and site clearance. As a result, project implementation progress lagged behind schedule, and additional costs were likely to arise due to legal and market changes.

Despite these challenges, under the strategic and sound direction of the Board of Directors, Vinh Phuc Infrastructure Development Joint Stock Company maintained stability in its business operations, continued to innovate, and elevated its market position.

In accordance with the 2024 Annual General Meeting resolution, the Company's Executive Board reports to the General Meeting of Shareholders on the business performance in 2024 and the 2025 business plan as follows:

**I. BUSINESS PERFORMANCE IN 2024**

**1. Business Performance in 2024 Based on Audited Consolidated Financial  
Statements**



Unit: VND Billion

No.	Indicator	2023 Actual	Year 2024		Percentage (%)	
			Target	Actual	2024 Actual/2023 Actual	2024 Actual/2024 Target
1	Total Assets	1.815,89	1.960,00	1.880,04	103,53%	95,92%
2	Total Revenue (Net Revenue + Profit/Loss from Joint Ventures + Financial Revenue + Other Income)	297,98	278,50	224,43	75,32%	80,58%
3	Net Profit After Tax	157,69	125,03	134,16	85,08%	107,30%
4	Basic Earnings Per Share (VND)	4.708		3.463		
5	Dividend Payment Ratio (%)	30%	30%	30%		
	- In Cash	15%	15%	15%		
	- In Stock	15%	15%	15%		

(Source: Audited Consolidated Financial Statements of the Company)

In 2024, the Company's consolidated revenue reached **VND 224.43 billion**, falling short of the AGM-approved target of **VND 278.50 billion**. The primary reason for this underperformance was the lack of legal conditions to lease industrial land at **Song Lo II Industrial Park** and the remaining industrial land at **Khai Quang Industrial Park**.

However, the Company exceeded its **net profit after tax target**, achieving **VND 134.16 billion** compared to the planned **VND 125.03 billion**, equating to **107.30% of the target**. This profit growth was driven by financial activities, profits from joint ventures, and contributions from subsidiaries.

Key indicators from 2019–2024 are included in the annex for reference.

## 2. Infrastructure Business Operations in Industrial Parks

- **Total Area Leased in 2024:** The Company leased **3.23 hectares** of industrial land.

- **Cumulative Total (as of September 30, 2024):** **268.41 hectares** leased out of **457.44 hectares** of industrial land.

The Company continued improving projects, enhancing operational efficiency, and optimizing management quality at invested industrial parks.

### **Khai Quang Industrial Park (Vinh Phuc Province)**

- Completed site clearance for remaining industrial land and proceeded with land allocation procedures.
- Launched construction for expanding wastewater treatment plant capacity (Module 2) and fire safety systems for technical infrastructure (Phase 2).
- Effectively monitored wastewater quality from tenant enterprises before entering the central wastewater collection system. This improved the wastewater treatment plant's efficiency, ensuring compliance with legal standards while reducing operational costs (electricity, chemicals) and preventing pollution incidents.

#### **Chau Son Industrial Park (Ha Nam Province)**

- Completed adjustments to the 1/2000-scale master plan for industrial park expansion.
- Finalized environmental licensing for the park.
- Obtained fire safety design approvals for expanded areas and certified fire safety for factories 4 and 5.
- Achieved the full leasing of 3.23 hectares of available industrial land, meeting the annual leasing target.

#### **Song Lo II Industrial Park (Vinh Phuc Province)**

- After receiving **152.76 hectares** of land (out of **165.655 hectares**, approximately **92.2%**), the Company initiated infrastructure construction, including roads, drainage systems, power installations, and land leveling. Total construction value reached **VND 168.8 billion**. However, weather disruptions (heavy rain) and material shortages (soil, sand) delayed progress.
- For the remaining un-cleared land (gardens, residential areas, cemeteries), delays in relocation and resettlement infrastructure prevented further progress.
- **Investment Interest:** Attracted 206 potential investors, including 36 seeking to lease 10+ hectares, from Japan, Korea, Taiwan, Hong Kong, Malaysia, Singapore, China, and Vietnam. However, leasing was stalled due to unresolved land pricing issues by Vinh Phuc provincial authorities.

#### **Hong Duc Industrial Cluster (Hai Duong Province)**

- Coordinated with Hai Duong provincial authorities for the 1/500-scale detailed master plan.

### **3. Environmental Management at Industrial Parks**

- Complied with legal regulations for environmental management.
- Monitored tenant companies' environmental practices effectively.
- Operated wastewater treatment plants efficiently, ensuring output quality met legal standards while reducing costs (electricity, chemicals).

### **4. Subsidiary Operations**

#### **VPID Ha Nam (HVPID)**

- Surpassed financial targets with **net profit after tax of VND 66.01 billion**, achieving **143.03% of the plan**.
- Maintained stable operations at Chau Son Industrial Park, invested in infrastructure and factory leasing, and implemented flexible sales policies to attract more investment.

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### Song Lo Construction Co., Ltd.

- Collaborated with the parent company to plan and execute construction projects and infrastructure at Song Lo II Industrial Park.

### VPID Vinh Phuc JSC

- Restructured operations by shifting its main business from warehouse and factory leasing to electrical construction and distribution in industrial parks. This aligns with the future development of Song Lo II Industrial Park, where electrical distribution is expected to become a significant revenue and profit source for the Company.

## 5. Investments

### 5.1. Equity Contributions to Joint Ventures and Affiliates (as of September 30, 2024)

Unit: VND Billion

No.	Enterprise Name	Investment Amount	Investment Date	Ownership (%)
1	Trung Thu Hydropower JSC	38,13	March 2010	13,78
2	Dong Van III Industrial Park Development JSC, Ha Nam	92,73	December 2018	20,00
3	Trung Anh JSC	39,00	November 2019	15,00
4	VL Development Investment JSC	2,00	October 2020	20,00
5	Hoang Thanh Du Long Industrial Park JSC	36,70	April 2021	10,00
	<b>Total</b>	<b>208,56</b>		

#### Notes:

- As of September 30, 2024, the Company had received dividend payments of **VND 31.2 billion** from Trung Thu Hydropower JSC and **VND 146.7 billion** from Dong Van III Industrial Park Development JSC, Ha Nam.

### 5.2. Stock investment as of September 30, 2024

No.	Stock Code	Quantity	Ownership Percentage (%)	Initial Investment Value (VND)	Market Price (VND/Share)	Market Value (VND)
1	DC4	898.761	1,56%	3.688.912.436	10.850	9.751.556.850
2	L18	3.441.390	9,03%	29.981.375.560	36.600	125.954.874.000

No.	Stock Code	Quantity	Ownership Percentage (%)	Initial Investment Value (VND)	Market Price (VND/Share)	Market Value (VND)
3	L43	346.400	9,90%	1.958.627.885	2.400	831.360.000
4	MBB	25.000	0,00%	574.899.435	25.700	642.500.000
5	MSB	13.000	0,00%	143.042.900	13.050	169.650.000
6	OCB	24.000	0,00%	285.085.500	12.100	290.400.000
7	SHB	900.000	0,00%	10.137.608.955	11.000	9.900.000.000
<b>Total</b>		<b>5.648.551</b>		<b>46.769.552.671</b>	<b>111.700</b>	<b>147.540.340.850</b>

### 5.3. Other Long-Term Investments

In 2024, the Company invested in the urban real estate project in Phase I of the North Cau Han Urban Area, in partnership with the Joint Stock Company No. 18 Investment and Construction. The total investment value is VND 53.4 billion, equivalent to 31 land plots.

## 6. Governance and Capital Structure of the Owner

- Total number of shares: 35,858,385 shares.
- Charter capital of the Company: VND 358,583,850,000.
- Total number of treasury shares: 0 shares.

The Company completed the issuance of dividend shares for 2023 (15%). The Company completed the amendment and supplement of its business sectors. The Company also completed the recovery and transfer of ESOP 2023 shares from employees who resigned during the restricted transfer period (according to the ESOP 2023 Regulations) to the Company's Trade Union.

The Company has built and completed internal management regulations, processes, and procedures in line with the management structure, aiming to improve corporate governance and make it more transparent and professional.

Regarding information disclosure, the Company complies with legal regulations. All rules, regulations, processes, and administrative procedures are widely communicated within the Company to ensure unified and synchronized implementation of tasks.

The Company has completed the functions, duties, and organizational structure of departments.

It continues to promote the application of information technology in handling tasks.

The Company has also piloted the Base digital transformation software to manage and operate business activities.

## **7. Investment Attraction and Customer Care**

To date, the Company has been assigned as the investor for infrastructure in 03 industrial parks and 01 industrial cluster, with a total area of 633.71 hectares. It has attracted investment from 103 companies (including 80 FDI companies and 23 domestic companies).

In addition to investment promotion activities and project development, the Company always cares about and regularly organizes activities to enhance connection, interaction, and knowledge-sharing between businesses in the industrial parks, contributing to strengthening the business community. It also supports and connects businesses, helping them resolve difficulties during their operation in the industrial parks managed by the Company.

## **8. Digital Transformation**

In 2024, the Company piloted the use of Base software with the aim of building a platform for enterprise management, task management, information management, human resource management, and financial management.

## **9. Financial Activities**

The Company effectively implemented financial solutions in cash flow management, debt collection, and collaboration with banks and credit institutions to ensure sufficient funding for business operations and prepare investment capital for key projects.

## **10. Human Resources and Social Responsibility**

- **Number of Employees**

As of September 30, 2024, the Company had 124 employees in total, of which 26 employees are from its subsidiary companies.

- **Recruitment and Employee Development Policies**

The Company developed its human resources according to its organizational model, recruiting quality personnel and providing ongoing training to improve the professional

skills of its current employees. The Company's recruitment policy focuses on hiring the right people for the right jobs to maximize their potential. The Company always creates opportunities for employees to attend skill and professional development training, with a strong emphasis on internal training to build a professional workforce.

- **Salary, Bonus, Allowance, and Other Benefits**

The Company fully implements salary, bonus, and welfare policies in accordance with the law and ensures they are balanced with the Company's development. This includes social insurance, health insurance, unemployment insurance, periodic health check-ups, sports facilities, and vacation leave according to labor laws. Employees receive allowances based on job requirements. Every year, the Company organizes various team-building activities, including vacations and collective activities through the Trade Union.

- **Social Responsibility**

In 2024, alongside its efforts in business operations, the Company actively participated in charitable social activities to demonstrate its social responsibility and contribution to the community.

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

In 2025, it is forecasted that potential risks from the global economic environment will still persist and negatively affect the prospects for Vietnam's economic growth recovery. However, the industrial real estate sector remains a bright spot thanks to Vietnam's geopolitical position, stable political and social environment, and continued improvements in the investment environment. Vietnam is actively receiving investment capital flows from many countries, including several multinational corporations.

With an industrial and service ecosystem built over many years, the Company will focus its resources on investment and innovation to create new growth drivers.

Based on an analysis of objective factors, along with a review and evaluation of the overall production and business situation in 2024, the Company has developed its business plan for 2025 with the following specific targets:



## 1. Key Targets for the Consolidated Production and Business Plan in 2025

No.	Indicator	Unit	Actual 2024	Plan 2025	Plan 2025/Actual 2024 (%)
1	Total Asset Value	Billion VND	1.880,04	2.150,00	114,36%
2	Total Revenue (Net revenue + Profit/Loss in joint ventures + Financial income + Other income)	Billion VND	224,43	224,11	99,86%
3	Net Profit (After Tax)	Billion VND	134,16	115,07	85,77%
4	Dividend Payment Rate for Shareholders:	%	30%	25%	
	- In Cash	%	15%	10%	
	- In Shares	%	15%	15%	

## 2. Main Objectives in Business Activities

In 2025, the Company will continue to focus on its core business activities, including leasing industrial park land, leasing factory buildings, and developing related services such as wastewater treatment, infrastructure services, and electricity trading. The Company will also continue to implement construction, completion, and enhancement of the technical infrastructure systems of the industrial parks, while strengthening environmental protection efforts. Some key objectives for the Company in 2025 are as follows:

### 2.1. Strengthening Legal Procedures, Infrastructure Investment, and Enhancing Investment Attraction at Khai Quang Industrial Park, Chau Son Industrial Park, and Song Lo II Industrial Park

- **Khai Quang Industrial Park Project**
  - Complete fire prevention system design approval at the Fire Department and rescue police of the provincial police, organize construction, and hand over the entire fire prevention system of the industrial park for use.
  - Complete the adjustment of the environmental protection license for the industrial park (expand the capacity of the wastewater treatment plant, Module 2).
  - Complete the land allocation and issuance of land use rights certificates for the remaining industrial land at Khai Quang Industrial Park to attract investment.
- **Chau Son Industrial Park Project**
  - Complete infrastructure investment for the expanded industrial park at VT1, and build three rental factories, focusing on attracting investment.

- **Song Lo II Industrial Park Project**

- Complete land compensation and site clearance for the entire project; request land allocation, sign land lease contracts, and obtain land use rights certificates.
- Follow up with the provincial People's Committee and relevant authorities to find sources of materials for leveling.
- Invest in building synchronous technical infrastructure, ensuring conditions for investment attraction.

- **Hong Duc Industrial Cluster Project**

- Monitor and coordinate with departments and agencies to resolve arising tasks.

**2.2. Collaborate, Research, and Invest in Industrial Parks and Clusters in Ha Nam, Quang Ninh, Hai Phong, and other areas, combining with logistics business, warehouse rental, and urban area development when investment opportunities arise.**

**2.3. Research and Invest in a Worker Housing Project for Song Lo II Industrial Park.**

**2.4. Manage and Improve the Efficiency of Projects the Company has Invested in.**

**2.5. Continue to Accumulate and Increase Capital to Ensure Financial Capacity for Investing and Developing Key Projects.**

**2.6. Assess the Market and Internal Resources to Build a Business Strategy.**

**2.7. Create Jobs and Stable Income for Employees.**

### **3. Implementation Solutions**

To ensure the strategic goal of stable and sustainable development, the Company will focus on the following solutions:

- Continue to invest in technical infrastructure at the ongoing industrial parks and clusters such as: Khai Quang Industrial Park (Vĩnh Phúc Province), Chau Son Industrial Park (Ha Nam Province), Song Lo II Industrial Park (Vinh Phuc Province).
- Strengthen and develop the Company's brand.
- Accelerate the development of a sales marketing network through trade promotion agencies, law consulting firms, real estate exchanges, and brokers. Attract investment into industrial parks.
- Improve and enhance the quality of services provided to customers.
- Monitor market trends to adjust business plans accordingly, ensuring investment efficiency.
- Closely cooperate with government authorities to resolve procedures related to Company projects and assist investors.
- Actively participate in social work.
- Strictly control environmental protection efforts, especially wastewater treatment plant operations. Strengthen monitoring of wastewater discharge from businesses in industrial parks to ensure compliance with legal regulations.

#### **Financial Solutions:**

- Always ensure investment capital for project development through sources such as revenue from industrial park land leasing, capital raising through increased charter



capital, and low-interest credit sources. Additionally, the strategy of investing in rental factory services aims to stabilize annual revenue and profits for the Company.

**Human Resources:**

- Continue to promote recruitment, training, and development of high-quality human resources to meet the Company's requirements and development direction.

**Corporate Governance:**

- Enhance the application of software in management and compliance with legal regulations. Improve the implementation of digital transformation within the Company.

In 2025, with determination to implement comprehensive solutions across the entire system, along with continuous effort and a spirit of unity, all employees and subsidiaries of the Company will focus on executing the business plan according to the resolutions of the General Meeting of Shareholders (GMS) and the Board of Directors (BOD). The Company will implement key, suitable, and flexible solutions, leveraging its existing advantages and potential to strive to achieve the 2025 business plan and ensure sustainable development in the future.

The above is the report on the business results for 2024 and the business plan for 2025 of Vĩnh Phúc Infrastructure Development Joint Stock Company.

We wish all delegates, shareholders, and attendees health, happiness, and success. We hope the General Meeting is a great success.

**Thank you very much!**

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**On behalf of the Board of General  
Directors  
General Director**



**Phạm Trung Kiên**