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Bac Ninh, June 06th, 2025

REPORT TO THE GENERAL MEETING OF SHAREHOLDERS

On the 2024 Business Performance and 2025 Business Plan of Kinh Bac City
Development Holding Corporation

Dear Our Valued Shareholders!

Hereafter, the Executive Board would like to report to all Shareholders on the business performance in 2024 and the business plan for 2025 of Kinh Bac City Development Holding Corporation (“KBC”) as follows:

I. BUSINESS PERFORMANCE IN 2024

1. Evaluation of annual business results 2024

❖ Business results of the Corporation:

Unit: Billion VND

Items	2024	2023	Compare 2024/2023
Revenue from sales of goods and rendering of services	2,775.77	5,618.48	49.40%
Revenue from long-term lease of land and Infrastructures and sale of factories (*)	1,250.62	5,221.10	23.95%
Revenue from transfer of inventory properties	909.55	104.81	867.77%
Revenue from supply of clean water, wastewater treatment, management services fees and other utilities	418.79	386.38	108.39%
Revenue from operating leases of warehouses, factories and offices	195.66	145.33	134.62%
Other revenue	1.15	1.14	100.68%
<i>Deductions</i>	<i>0</i>	<i>(240.29)</i>	<i>N/A</i>
Finance income	451.29	426.08	105.92%
Other income	49.62	22.30	222.51%
Shares of profit/(loss) of associates	15.91	(8.09)	N/A
Total revenue	3,292.59	6,058.76	54.34%
Total net profit after tax	423.03	2,245.00	18.84%
Net profit after tax attributable to shareholders of the parent company	381.92	2,030.69	18.81%

According to 2024 Audited Consolidated financial statements

In 2024, the consolidated total revenue of the Corporation reached **VND 3,292.59 billion**, equivalent to 54.34% of 2023 result and 36.58% of the annual target. In which, net revenue from sales of goods and rendering of services reached **VND 2,775.77 billion**, equivalent to 49.4% of 2023 performance. The majority of this came from industrial park leasing activities. Notably, revenue from the sale of social housing (SH) projects in Nenh Town, Bac Giang and Trang Due, Hai Phong reached **VND 909.55 billion**, equal 8.68 times increase compared to 2023. Revenue from the provision of clean water, service fees, wastewater treatment, and other utilities has demonstrated steady annual growth. In 2024, it reached VND 386.38 billion, equivalent to 108.39% of the 2023 result, and remains a stable income stream that supports KBC's operational activities.

Consolidated profit after tax of 2024 was VND 423.03 billion, accounting for 18.84% of 2023 result and 10.58% of the annual target. Profit after tax attributable to the parent company stood at **VND 381.92 billion**, equivalent to 18.81% of the 2023 result. The failure to meet revenue and profit targets was primarily due to delays in legal procedures and site clearance for several projects that had been scheduled to generate revenue in 2024. As a result, the available leasable industrial land area was insufficient to meet customer demand. Additionally, the profit margin from the SH segment was relatively low.

❖ Expenses:

In 2024, the Corporation's total expenses including financial expenses, selling expenses, administrative expenses, and other costs amounted to **VND 1,077.76 billion**, equivalent to 86.6% of the 2023 result. In which, Administrative expenses remained virtually unchanged compared to 2023; Interest expenses were **VND 268.64 billion**, reflecting a 29.24% decrease yoy; Selling expenses stood at **VND 98.04 billion**, down by 72.34% from 2023, among others.

2. Project Investment Activities in 2024

In 2024, total direct investment in projects by KBC reached **VND 3,926.92 billion**, representing 2.55 times higher than in 2023. Capital was primarily allocated to: Hung Yen ICs, Loc Giang IP, SH projects, Nam Son – Hap Linh IP, Quang Chau expanded IP, Trang Cat Urban Area and Services, ect. Equity contributions from subsidiaries to other entities totaled **VND 100 billion**.

Specifically, the Corporation focused on constructing and commissioning water supply and wastewater treatment plants across various industrial parks (Nam Son – Hap Linh IP, Quang Chau and Quang Chau extension IP, Que Vo and Que Vo expansion IP). For newly approved projects, KBC concentrated on completing legal procedures and land clearance compensation, including Loc Giang IP and Hung Yen IC. Remarkably, the SH projects in Nenh Town (Bac Giang) and Trang Due (Hai Phong) progressed at an

accelerated pace, with exceptional quality and handover schedules ahead of plan. These efforts align with the Government's one-million social housing initiative and reflect KBC's strong commitment to corporate social responsibility.

3. Investment Promotion in 2024 and Outlook for 2025

In 2024, the recorded land lease revenue came from 12.2 hectares in the Quang Chau expanded IP, 19.4 hectares in the Nam Son – Hap Linh IP, and 64,656.4 m² which is equivalent to 1,527 SH apartments.

In 2025, the Corporation has prepared a new IP land bank to meet the anticipated demand from investors in the coming period. From the beginning of the year, the company has successfully signed a series of land lease agreements with various investors.

However, as of May 3rd, 2025, due to the impact of new U.S. tariff policies, investors have required additional time to make new investment decisions. Nevertheless, we remain confident in the diplomatic strategies of the Party and the State, which continue to ensure Vietnam's crucial position in the international arena for attracting foreign direct investment (FDI). Notably, on May 11th, 2025, Trang Due 3 IP – Hai Phong, covering an area of 652.73 hectares, was officially inaugurated and was signed Memoranda of Understanding (MOUs) with three investors for approximately 24.5 hectares, despite the absence of a finalized tariff negotiation outcome between Vietnam and the United States.

At the same time, the Corporation will prioritize the implementation of urban development and social housing projects to ensure the fulfillment of its business plans and long-term development strategy.

4. Financial situation

❖ Key Financial indicators

Indicators	2023	2024
1. Liquidity		
+ Short-term liquidity ratio (<i>Current assets/Current liabilities</i>)	3.80	5.09
+ Quick ratio (<i>Current assets - Inventory/Current Liabilities</i>)	1.95	3.13
2. Capital structure		
+ Debt/Total assets ratio (%)	39.52%	53.85%
+ Debt/Equity ratio (%)	65.35%	116.66%
+ Loan debt/Total assets ratio (%)	10.94%	22.61%
3. Operational capacity		

+ Inventory turnover (Cost of goods sold/Average inventory)	0.16	0.11
+ Net revenue/Total assets	16.80%	6.21%
4. Profitability		
+ Profit after tax/Net revenue	39.96%	15.24%
+ Profit after tax/Total revenue	37.05%	12.85%
+ Profit after tax/Equity	11.10%	2.05%
+ Profit after tax/Total assets	6.71%	0.95%
+ Profit from business activities/Net revenue	51.16%	33.65%

❖ **KBC's Debt Position:**

As of December 31st, 2024, the Corporation's total liabilities amounted to **VND 24,085.02 billion**, marking a significant increase of VND 10,871.68 billion, or 82.28% increase compared to 2023. The key components are as follows:

- Private bond issuance increased by **VND 1,000 billion**; bank borrowings rose by **VND 5,462.79 billion** to ensure sufficient capital for the Trang Cat Urban and Service Area project.
- Other long-term payables increased by **VND 6,051.8 billion**, primarily due to customer deposits and performance guarantees for contracts.
- Outstanding debt to financial institutions stood at **VND 9,743.6 billion**, equivalent to 47% of the Corporation's equity and 21.8% of total assets. Despite the sharp rise in borrowings during 2024, this remains a relatively safe leverage ratio for KBC.

In addition, during the year, the Corporation repaid a total of **VND 5,340.5 billion** in principal and interest, and currently has no outstanding debt with PVcomBank. The Corporation has no non-performing loans, is not subject to foreign exchange rate differences, and is unaffected by interest rate differentials. The current borrowing interest rates range from 6.2% to 11.05% per annum, which is consistent with prevailing market rates.

❖ Capital and Asset Scale:

Unit: Billion VND

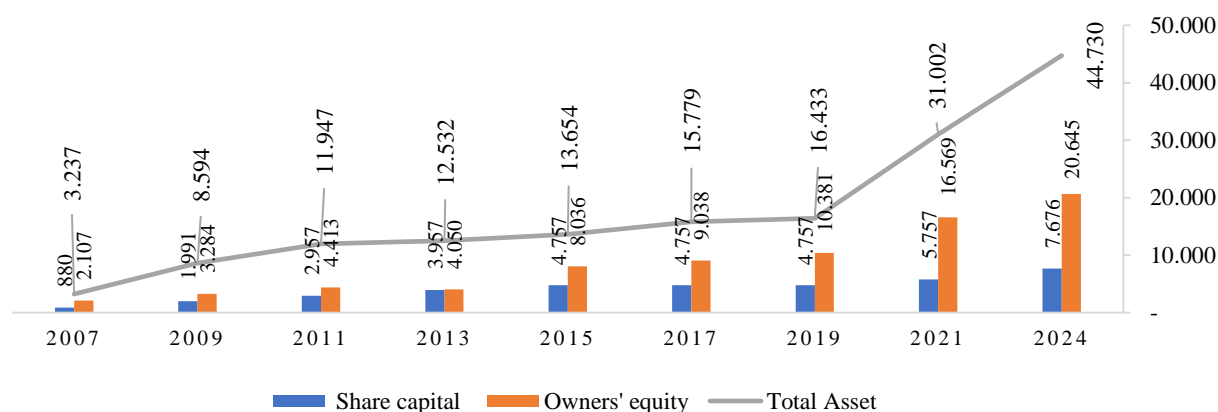


Chart of Capital and Assets growth since initial public listing

As of December 31st, 2024, the Corporation's **total assets** reached **VND 44,729.92 billion**, representing a significant increase of VND 11,295.7 billion, or 33.78% compared to 2023. Of which, the Corporation's **equity capital** amounted to VND 20,344.9 billion, an increase of VND 424.03 billion yoy.

II. CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY

1. Human resource management

❖ Number of employees:

As of December 31st, 2024, the Company had a total of 226 employees, representing a net increase of 13 employees compared to 2023.

❖ Recruitment and talent development:

In 2024, in addition to recruiting personnel for various departments, the Corporation established a new Representative office named Long Lasting Success in Hanoi. A wide range of young professionals and experienced foreign experts has been hired to meet the increasing operational demands of KBC. The newly established office is particularly focused on researching and creating strategic projects aligned with the development trends of Vietnam and the global economy, in conjunction with the Corporation's core business activities.

❖ Compensation, benefits, and employee welfare:

KBC ensures that its compensation and welfare policies fully comply with legal regulations and are structured to align with the Company's growth. These include: Social insurance, health insurance, and unemployment insurance for all employees; Annual health checkups and canteen services at the office; On-site recreational facilities including football, tennis, and basketball courts, as well as a fitness room with treadmills; Leave policies in accordance with the Labor Code (e.g., annual leave, personal leave, maternity leave); Allowances for job responsibility, concurrent duties, lunch, transportation, mobile

usage, and monthly subscription fees; Annual company-sponsored trips, team-building activities, and trade union events; Annual bonus equivalent to 3 to 5 months of salary. In 2024, the average salary of employees at the parent company was VND 20.1 million/person/month.

2. Social responsibility

During the year, the Corporation contributed **VND 25.32 billion** to social initiatives across the provinces of Bac Ninh, Bac Giang, Hai Phong, Quang Ninh, and Cu Chi - Ho Chi Minh City. Activities included donations to the “For the Poor” Fund 2024, Tet gifts for the underprivileged, support for eliminating temporary and dilapidated housing in Luc Ngan district, aid for communities affected by natural disasters in Phu Binh, Thai Nguyen, and upgrades to public infrastructure in Dong Duong village, among others.

III. BUSINESS PLAN FOR 2025

1. Investment and Business Activities in 2025

Based on the implementation plans of various projects from member companies, the Executive Board has developed KBC’s 2025 business plan as follows

- **Simultaneously invest in, develop, and operate the following projects:** Nam Son – Hap Linh IP, Tan Phu Trung IP, Trang Due 3 IP, Hung Yen Supporting IC, Trang Due Supporting IC, Loc Giang IP; expanded Que Vo 2 IP - Bac Ninh, Trang Cat Urban and Service Area, SH Projects in Trang Due and Nenh Town; Khoai Chau Urban, Ecotourism and Golf Complex Project in Hung Yen province;
- **Carry out land compensation for:** Kim Thanh 2 IP and the IC & RA in Long An;
- **Complete construction and put into operation** new clean water and wastewater treatment plants in the following industrial parks: Expanded Que Vo IP, Nam Son – Hap Linh IP, and Quang Chau IP;
- **Finalize legal procedures for:** Phuc Ninh Urban Area, Trang Due Urban Area Expansion, Tan Tap IP & RA;
- **Launch new projects:** Binh Giang IP - Hai Duong, Phu Binh IP - Thai Nguyen, Song Hau 2 IP - Hau Giang, Tien Duong 2 SH projects – Dong Anh, Ha Noi along with other key projects in Bac Giang, Bac Ninh, Hung Yen, among others.

2. Capital arrangement plan for 2025

Since early 2025, KBC has received numerous proposals from financial institutions expressing interest in financing the Corporation’s projects, including IP – UA – SH projects. The Corporation has successfully signed credit agreements for the Trang Cat Urban and Service Area and Trang Due 3 IP. Depending on actual needs, KBC will

enter into loan agreements with financial institutions and may consider issuing bonds as necessary. Additionally, KBC is executing a plan to issue private placement of 250 million shares to enhance its equity base.

3. Revenue and profit targets for 2025

The Board of General Directors maintains the consolidated revenue and after-tax profit targets for 2025 as approved in the First 2025 Extraordinary General Meeting of Shareholders under Resolution No. 0603/2025/KBC/NQ-DHDCD dated March 6th, 2025, as follows:

- ✓ Expected consolidated revenue: VND **10,000** billion;
- ✓ Estimated consolidated profit after tax: VND **3,200** billion

The above constitutes the 2024 Business Performance Report and the 2025 Business Plan, respectfully submitted for review and approval by the General Meeting of Shareholders.

Recipients:

- The shareholders;
- Members of Board of Directors;
- Members of Executive Board;
- Members of Supervisory Board;
- Stored: Administration

**KINH BAC CITY DEVELOPMENT
HOLDING CORPORATION
CHIEF EXECUTIVE OFFICER**

(Signed)

NGUYEN THI THU HUONG