

PRODUCTION AND BUSINESS PERFORMANCE REPORT OF 2024 & PRODUCTION AND BUSINESS PLAN FOR 2025

I. PRODUCTION AND BUSINESS PERFORMANCE REPORT OF 2024

In 2024, Vietnam's socio-economic landscape recorded several notable achievements: Gross Domestic Product (GDP) increased by 7.09% compared to the previous year. Total import-export turnover reached USD 786.29 billion, increasing 15.4% year-on-year. Exports reached USD 405.53 billion (up 14.3%), and imports were at USD 380.76 billion (increasing 16.7%). Realized foreign direct investment (FDI) amounted to USD 25.35 billion, an increase of 9.4% over the previous year. The Consumer Price Index (CPI) in 2024 rose by an average of 3.63% year-on-year. Typhoon Yagi, the strongest storm in Asia in 2024, caused damages of approximately VND 40 trillion and impacted economic growth. These results indicate that Vietnam's economy continued to recover and develop robustly in 2024, despite challenges from natural disasters and global economic fluctuations.

In 2024, Vietnam's real estate market showed many signs of recovery and positive growth: Supply increased by more than 40% compared to 2023. Successful transaction volumes continued to grow steadily as supply improved in both quantity and quality. The Housing Law 2023, Real Estate Business Law 2023, and Land Law 2024 officially came into effect on August 1, 2024, contributing to the completion of the legal framework for the real estate market and opening a new cycle oriented towards greater safety, sustainability, and transparency. These results show that Vietnam's real estate market in 2024 has overcome a difficult period and is on a strong path to recovery.

In 2024, Vietnam's plastic pipe industry experienced positive growth, mainly driven by the recovery of the real estate and construction markets. It is forecasted that the demand for plastic pipes increased by about 8.5% compared to 2023, due to improvements in the housing construction segment and infrastructure projects. The price of PVC resin, the main raw material for manufacturing UPVC pipes, decreased by approximately 10% compared

to 2023, while the prices of HDPE and PPR pellets also dropped by nearly 5% compared to 2023.

In 2024, NTP achieved the following production and business performance targets:

No.	Target	Unit	Plan of 2024	Implementation of 2024	Plan completion rate	Implementation of 2023	Growth 24/23 (%)	Growth 24/23
1	Product Sales Revenue	VND billion	5,400	5.542	103%	5,084	109%	458
2	Sales volume	Tons	104,500	108,328	104%	98,395	110%	9.933
3	Pre-tax profit	VND billion	555	856.0	154%	641.3	133%	215

Total revenue in 2024 reached VND 5,542 billion, an increase of 9% compared to 2023 (equivalent to an increase of VND 458 billion). This represents a 3% increase compared to the 2024 plan.

Sales volume in 2024 reached 108,328 tons, an increase of 10% compared to 2023 (equivalent to an increase of 9,933 tons). This represents a 4% increase compared to the 2024 plan.

Pre-tax profit in 2024 reached VND 856 billion, an increase of 33% compared to 2023 (equivalent to an increase of VND 215 billion). This represents a 54% increase compared to the 2024 plan.

The increase in revenue compared to the same period last year is due to:

- The real estate market is on the path of recovery, leading to an increase in demand for plastic pipes.
- Continued flexible implementation of business policies such as promotions and bonuses for the distribution system to ensure profitability and boost NTP's sales.
- Strengthened efforts in reaching and selling to large projects with appropriate business policies for each project to increase revenue.

The increase in profit compared to 2023 is due to:

- The increase in revenue leading to higher pre-tax profit;
- The significant decrease in the prices of key raw materials compared to 2023, which remain low, contributing to the increase in pre-tax profit;;

- Bank interest rates in 2024 remained low, under 5% per annum. NTP implemented a policy encouraging the distribution system to make advance payments to secure promotional periods, which helped NTP reduce its bank borrowings. NTP also maintained a cash balance not yet due for repayment and deposited this cash into short-term bank accounts with deposit interest rates higher than borrowing rates.

II. NEW PRODUCTS

In 2024, NTP continued to actively promote and introduce new product lines to the market, including:

- Two-layer corrugated PP/PE pipes up to DN1000 for wastewater drainage systems as a replacement for concrete pipes;
- Single-wall corrugated PE conduit pipes for underground power cable protection in several provinces and cities;
- Zacco UPVC valves, UPVC inspection chambers, and UPVC flanges;
- UPVC electrical conduit pipes and fittings, and UPVC pipes and fittings compliant with ISO 3633 standards, specifically designed for drainage systems;
- Expanded subcontract manufacturing of UPVC fittings for Iplex (Australia and New Zealand) and Sekisui (Japan).

The total revenue from these new product lines in 2024 reached nearly VND 310 billion.

In 2024, NTP continued its cooperation with Sekisui to research the technology for manufacturing CPVC pipes used in fire protection systems as a replacement for current galvanized iron pipes. By Q1/2025, this product line has been successfully manufactured, and NTP will begin market distribution. This is also a new product line expected to generate revenue in 2025 and the following years.

In 2024, NTP also completed the technology and mold system for manufacturing a new product: prefabricated underground tanks made of PP plastic. This new product is designed to replace current concrete tanks for rainwater storage, helping mitigate drought in mountainous and Central Highlands regions, as well as localized flooding in cities and industrial zones. This product line is also expected to contribute to NTP's revenue in the near future.

III. NEW MANUFACTURER ENTERING THE MARKET

In 2024, a new plastic pipe manufacturer entered the market, located in Dinh Vu Industrial Park – Hai Phong. This company produces HDPE water supply pipes, corrugated HDPE pipes, double-wall spiral pipes, and PPR pipes. The enterprise is currently launching these products into the market.

IV. PRODUCTION AND BUSINESS PLAN FOR 2025

- Based on Vietnam's economic development plan for 2025, which forecasts an 8% growth rate compared to 2024;
- Based on NTP's average revenue growth rate during the 2019-2024 period: 3.3%;
- Based on the projected recovery of the real estate market in 2025;
- Based on the current low prices of key raw materials such as PVC resin, HDPE pellets, and PPR pellets,

NTP proposes the 2025 production and business plan with the following targets:

Target	Unit	Implementation of 2024	Target of 2025	Growth 25/24
Product Sales Revenue	VND billion	5,542	6,000	108%
Sales Volume	Tons	108,328	117,500	108%
Pre-tax Profit	VND billion	856.00	856.00	100%

To achieve the 2025 production and business results as outlined above, NTP needs to undertake the following actions in the coming period:

- Continuously improve product quality and minimize the release of defective products to the market, as seen recently with products such as PPR gate valves and PPR ball valves.
- Explore and manufacture new products with large market potential. NTP is currently surveying market demand for SPC and WPC products.
- Promote the search for export markets for NTP-branded products abroad.
- Apply automation in production to gradually integrate automation into manufacturing processes at production factories, increase labor productivity, and reduce product costs:
- Strengthen the sales of new product lines that have been or are about to be manufactured, such as twisted-core UPVC pipes, two-layer corrugated PP/PE pipes, CPVC pipes and fittings for fire protection systems, and modular underground tanks, etc. to the market.

- Enhance recruitment and training of skilled sales staff to fully exploit market potential.

- Maintain the increase in discount rates for large projects, social housing projects, etc., to reduce the price gap between NTP products and those of other manufacturers, contributing to increased revenue, market share retention, and countering the growth of other plastic pipe manufacturers in the market.

With these coordinated solutions, NTP will strive to achieve the 2025 production and business plan set.

Based on the 2025–2029 business plan set by the Board of Directors, by 2029, the Company must achieve VND 10,160 billion in revenue and VND 1,363 billion in pre-tax profit. In order to accomplish these targets, the Board of Management must decisively and comprehensively implement a series of actions, including: recruiting and training human resources to meet the increasingly demanding requirements of the job; identifying new products and markets; promoting the search for export markets; and applying digital transformation to production and business operations. The Board of Management is fully committed to achieving the objectives set forth by the Board of Directors.

Sincerely!

Hai Phong, April 15th, 2025

GENERAL DIRECTOR



TỔNG GIÁM ĐỐC

Chu Văn Phương