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**PETROVIETNAM POWER NHON TRACH 2
JOINT STOCK COMPANY**

(Incorporated in the Socialist Republic of Vietnam)

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2024



PETROVIETNAM POWER NHON TRACH 2 JOINT STOCK COMPANY

Hamlet 3, Phuoc Khanh Commune, Nhon Trach District

Dong Nai Province, S.R Vietnam

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PETROVIETNAM POWER NHON TRACH 2 JOINT STOCK COMPANY

Hamlet 3, Phuoc Khanh Commune, Nhon Trach District
Dong Nai Province, S.R Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of PetroVietnam Power Nhon Trach 2 Joint Stock Company (the “Company”) presents this report together with the Company’s financial statements for the year ended 31 December 2024.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Board of Directors, Board of Management, Chief Accountant and Board of Supervisors of the Company during the year and to the date of this report are as follows:

Board of Directors

Mr. Uong Ngoc Hai	Chairman
Mr. Ngo Duc Nhan	Member
Mr. Luong Ngoc Anh	Member
Ms. Phan Thi Thuy Lan	Independent member
Mr. Nguyen Cong Dung	Member (resigned on 01 March 2024)

Board of Management/Chief Accountant

Mr. Ngo Duc Nhan	Director
Ms. Nguyen Thi Ha	Deputy Director
Mr. Nguyen Van Quyen	Deputy Director
Mr. Nguyen Trung Thu	Deputy Director
Mr. Le Viet An	Chief Accountant

Board of Supervisors

Mr. Nguyen Huu Minh	Head of the Board of Supervisors
Mr. Nguyen Van Ky	Member
Ms. Phan Lan Anh	Member

BOARD OF MANAGEMENT’S STATEMENT OF RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

PETROVIETNAM POWER NHON TRACH 2 JOINT STOCK COMPANY

Hamlet 3, Phuoc Khanh Commune, Nhon Trach District
Dong Nai Province, S.R Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

The Board of Management confirms that the Company has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Management,



Ngo Duc Nhan
Director

07 March 2025



No.: 0577 / VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

To: **The Shareholders, the Boards of Directors and Management
PetroVietnam Power Nhon Trach 2 Joint Stock Company**

We have audited the accompanying financial statements of PetroVietnam Power Nhon Trach 2 Joint Stock Company (the "Company"), prepared on 07 March 2025 as set out from page 4 to page 30, which comprise the balance sheet as at 31 December 2024, the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Management's Responsibility for the Financial Statements

The Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

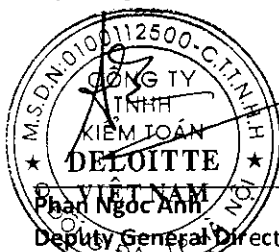
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditors' Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



Deputy General Director
Audit Practising Registration Certificate
No. 1101-2023-001-1
DELOITTE VIETNAM AUDIT COMPANY LIMITED
07 March 2025
Hanoi, S.R. Vietnam

Ton That Tien
Auditor
Audit Practising Registration Certificate
No. 4326-2023-001-1

BALANCE SHEET
As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		5,773,811,804,064	4,770,230,874,635
I. Cash and cash equivalents	110	4	56,958,238,240	1,152,868,962
1. Cash	111		6,958,238,240	1,152,868,962
2. Cash equivalents	112		50,000,000,000	-
II. Short-term financial investments	120	5	2,273,490,790,416	2,100,390,790,416
1. Held-to-maturity investments	123		2,273,490,790,416	2,100,390,790,416
III. Short-term receivables	130		2,988,656,591,746	2,325,647,847,426
1. Short-term trade receivables	131	6	2,933,275,806,587	2,253,576,683,322
2. Short-term advances to suppliers	132		-	2,668,074,000
3. Other short-term receivables	136	7	79,696,611,412	93,718,916,357
4. Provision for short-term doubtful debts	137	8	(24,315,826,253)	(24,315,826,253)
IV. Inventories	140	9	332,599,835,856	260,356,629,556
1. Inventories	141		332,599,835,856	260,356,629,556
V. Other short-term assets	150		122,106,347,806	82,682,738,275
1. Short-term prepayments	151	12	4,749,424,813	4,695,744,261
2. Value added tax deductibles	152		117,356,922,993	77,986,994,014
B. NON-CURRENT ASSETS	200		2,924,035,246,214	3,680,923,239,686
I. Fixed assets	220		1,441,668,582,940	2,125,203,861,174
1. Tangible fixed assets	221	10	1,419,617,676,690	2,103,601,306,628
- Cost	222		11,332,539,745,648	11,329,733,374,580
- Accumulated depreciation	223		(9,912,922,068,958)	(9,226,132,067,952)
2. Intangible assets	227	11	22,050,906,250	21,602,554,546
- Cost	228		31,602,900,921	30,998,900,921
- Accumulated amortisation	229		(9,551,994,671)	(9,396,346,375)
II. Other long-term assets	260		1,482,366,663,274	1,555,719,378,512
1. Long-term prepayments	261	12	1,482,366,663,274	1,555,719,378,512
TOTAL ASSETS (270=100+200)	270		8,697,847,050,278	8,451,154,114,321

The accompanying notes are an integral part of these financial statements

BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		4,508,766,939,857	4,115,304,743,990
I. Current liabilities	310		4,508,766,939,857	4,115,304,743,990
1. Short-term trade payables	311	13	2,252,855,930,357	1,679,947,439,742
2. Taxes and amounts payable to the State budget	313	14	23,443,418,143	50,315,183,223
3. Payables to employees	314		20,967,804,184	31,836,446,774
4. Short-term accrued expenses	315	15	1,153,671,392,026	1,087,829,710,011
5. Other current payables	319	16	49,029,932,349	49,856,267,387
6. Short-term loans	320	17	996,392,854,961	1,200,000,000,000
7. Bonus and welfare funds	322		12,405,607,837	15,519,696,853
D. EQUITY	400		4,189,080,110,421	4,335,849,370,331
I. Owners' equity	410	18	4,189,080,110,421	4,335,849,370,331
1. Owners' contributed capital	411		2,878,760,290,000	2,878,760,290,000
- Ordinary shares carrying voting rights	411a		2,878,760,290,000	2,878,760,290,000
2. Share premium	412		(457,500,000)	(457,500,000)
3. Investment and development fund	418		226,065,784,162	226,065,784,162
4. Retained earnings	421		1,084,711,536,259	1,231,480,796,169
- Retained earnings accumulated to prior year-end	421a		1,001,817,575,869	758,404,054,143
- Retained earnings of the current year	421b		82,893,960,390	473,076,742,026
TOTAL RESOURCES (440=300+400)	440		8,697,847,050,278	8,451,154,114,321

Le Van Tu
Preparer

Le Viet An
Chief Accountant



Ngô Duc Nhan
Director

07 March 2025

INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		5,943,678,536,835	6,385,884,555,364
2. Net revenue from goods sold and services rendered (10=01)	10	21	5,943,678,536,835	6,385,884,555,364
3. Cost of sales	11		5,892,165,694,504	5,875,592,170,662
4. Gross profit from goods sold and services rendered (20=10-11)	20		51,512,842,331	510,292,384,702
5. Financial income	21	23	99,945,036,035	106,841,300,898
6. Financial expenses	22	24	38,657,504,508	34,455,263,465
- In which: Interest expense		23	34,929,818,001	33,843,493,151
7. General and administration expenses	26	25	81,167,554,815	69,002,598,374
8. Operating profit (30=20+(21-22)-26)	30		31,632,819,043	513,675,823,761
9. Other income	31	26	73,204,926,673	2,368,694,341
10. Other expenses	32		881,093,583	2,442,898,182
11. Profit/(loss) from other activities (40=31-32)	40		72,323,833,090	(74,203,841)
12. Accounting profit before tax (50=30+40)	50		103,956,652,133	513,601,619,920
13. Current corporate income tax expense	51	27	21,062,691,743	40,524,877,894
14. Net profit after corporate income tax (60=50-51)	60		82,893,960,390	473,076,742,026
15. Basic earnings per share	70	28	276	1,546

Le Van Tu
Preparer

Le Viet An
Chief Accountant



Ngo Duc Nhan
Director

07 March 2025

CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	103,956,652,133	513,601,619,920
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	687,070,057,755	687,213,403,849
Provisions	03	-	(16,900,333,725)
Foreign exchange (gain)/ loss arising from translating foreign currency items	04	(3,502,473,467)	356,188,952
Gain from investing activities	05	(94,722,847,394)	(98,795,612,728)
Interest expense	06	34,929,818,001	33,843,493,151
3. Operating profit before movements in working capital	08	727,731,207,028	1,119,318,759,419
Changes in receivables	09	(717,465,515,882)	558,743,755,809
Changes in inventories	10	(72,243,206,300)	47,094,251,420
Changes in payables	11	600,627,373,340	715,186,377,183
Changes in prepaid expenses	12	73,299,034,686	(1,476,816,264,460)
Interest paid	14	(32,890,473,946)	(33,572,676,973)
Corporate income tax paid	15	(20,094,861,731)	(47,478,764,572)
Other cash outflows	17	(31,254,889,012)	(25,878,928,934)
Net cash generated by operating activities	20	527,708,668,183	856,596,508,892
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets	21	(3,557,135,613)	(3,408,301,771)
2. Proceeds from sale, disposal of fixed assets	22	63,974,747	112,722,259
3. Cash outflow for bank deposits	23	(4,110,440,790,416)	(2,730,390,790,416)
4. Cash recovered from bank deposits	24	3,937,340,790,416	1,579,000,000,000
5. Interest earned	27	109,745,715,230	64,585,764,194
Net cash used in investing activities	30	(66,847,445,636)	(1,090,100,605,734)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	2,354,643,589,722	1,550,563,400,487
2. Repayment of borrowings	34	(2,558,250,734,761)	(981,070,383,521)
3. Dividends and profits paid	36	(201,448,708,230)	(719,135,157,386)
Net cash used in financing activities	40	(405,055,853,269)	(149,642,140,420)
Net increase/(decrease) in cash (50=20+30+40)	50	55,805,369,278	(383,146,237,262)
Cash and cash equivalents at the beginning of the year	60	1,152,868,962	384,299,106,224
Cash and cash equivalents at the end of the year (70=50+60)	70	1,208,674,240	1,152,868,962

Le Van Tu
Preparer

Le Viet An
Chief Accountant



Ngô Đức Nhân
Director

07 March 2025

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

1. GENERAL INFORMATION

Structure of ownership

PetroVietnam Power Nhon Trach 2 Joint Stock Company (the “Company”) was incorporated in Vietnam under Business Registration Certificate No. 4703000396 dated 20 June 2007 issued by the Department of Planning and Investment of Dong Nai Province, and the latest amendment of Enterprise Registration Certificate No. 3600897316 dated 21 September 2022.

The Company’s share is listed on Ho Chi Minh Stock Exchange according to Notice No. 614/TB-SGDHCM issued on 3 June 2015 by Ho Chi Minh Stock Exchange with the stock code named NT2.

The number of the Company’s employees as at 31 December 2024 was 168 (31 December 2023: 172).

Operating industry

The business operations of the Company are:

- Production, transmission and distribution of power;
- Direct support services for transportation by waterway;
- Wholesale of solid fuel, liquid, gas and other relative products;
- Warehouse and storage;
- Road transportation;
- Architecture and technical consultancy;
- Wholesale of equipment, materials and other spare parts;
- Professional activities, other scientific and technological;
- Vocational education;
- Domestic waterway transportation; and
- Other transportation support services.

Principal activities

Principal activities of the Company is to manage and operate Nhon Trach 2 Thermal Power Plant located at Hamlet 3, Phuoc Khanh Commune, Nhon Trach District, Dong Nai Province, S.R of Vietnam

Normal production and business cycle

The Company’s normal production and business cycle is carried out for a period of 12 months or less.

Disclosure of information comparability in the financial statements

Comparative figures are the figures of the Company’s audited financial statements for the year ended 31 December 2023.

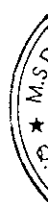
2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying financial statements, expressed in Vietnam Dong (“VND”), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

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Financial year

The Company's financial year begins on 1 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash and cash equivalents, short-term investments and trade receivables and other receivables.

Financial liabilities: At the date of initial recognition, financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise borrowings, trade payables and other payables, and accrued expenses.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank demand deposits, and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Held-to-maturity investments

Held-to-maturity investments represent term deposits with maturity. Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Interest income from held-to-maturity investments is recognized in the income statement on accrual basis.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. The Company applies perpetual method to account for inventories. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have book value higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use. The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	05 – 20
Machinery and equipment	05 – 14
Motor vehicles	06 – 10
Office equipment	03 – 06

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognized in the income statement.

Leasing

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the lease term.

Intangible assets and amortization

Intangible assets represent land use rights and software. Value of indefinite land use rights are stated at cost and not amortized. Software is amortized using the straight-line method over the estimated useful life of 3 to 6 years.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost, including costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple financial years, including short-term and long-term prepayments.

Short-term prepayments represent insurance for power plants and other insurance, allocated on a straight-line basis within one year.

Long-term prepaid expenses include the advance payments for fuel costs for the operation of Nhon Trach 2 Power Plant as per the gas purchase contract; overhaul costs for the Nhon Trach 2 Combined Cycle Gas Turbine Power Plant; the initial payment for the long-term maintenance and repair contract for the main equipment in the next 100,000 EOH phase; project land lease costs for the Nhon Trach 2 Combined Cycle Gas Turbine Power Plant, detailed in Note 12 and other long-term prepaid expenses.

Other types of long-term prepayments comprise costs of tools, supplies and other expenditures which are expected to provide future economic benefits to the Company. These expenditures have been capitalized as long-term prepayments and are allocated to the income statement using the straight-line method over the period from two to three years in accordance with current prevailing regulations.

Accrued expenses

Accrued expenses are those liabilities of merchandises and services received from suppliers and recognized as expenses for the year but not yet settled due to lack of supporting documentation.

Payable provisions

Payable provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Revenue recognition

Electricity sales revenue

Electricity sales revenue is recognized when the transaction outcome can be reliably determined, and the Company has the ability to obtain economic benefits from this transaction. Electricity sales revenue is recorded when there is a record confirming the amount of electricity generated to the National grid.

Electricity sales revenue arising from the exchange rate difference between the exchange rate at the time of repaying the principal of the loan for investing in Nhon Trach 2 Power Plant and the exchange rate in the pricing plan of Nhon Trach 2 Power Plant is recognized when there is an agreement between the Company and EVN/EPTC in the implementation of the electricity purchase and sale contract according to current regulations.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are translated at the buying rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam on the same date. Exchange differences arising from the translation of these accounts are recognized in the income statement.

Fund distribution and profit appropriation

Bonus and welfare fund, Management bonus, development and investment fund and dividends for shareholders are distributed from the Company's retained earnings in accordance with the Company's Charter as proposed by the Board of Directors and approved by Shareholders in the General Shareholders' Meeting.



Dividend payment for the year is decided by the Board of Directors based on (i) current business situation and operating results in the coming year, (ii) provisional dividend payout rate that has been approved by Shareholders in the General Shareholders' Meeting, and (iii) the Company's Charter and other Vietnamese regulations in order to balance between source of funds for dividend payment and other financial obligations.

The final figures relating to the distribution mentioned as above for funds and dividends from annual retained earnings are approved by Shareholders during the Company's Annual General Shareholders' Meeting.

Borrowing costs

Borrowing costs are recognized in the income statement when incurred unless they are capitalized in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs".

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to yearic variation, and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VNO	VND
Cash on hand	125,289,733	274,338,590
Bank demand deposits	6,832,948,507	878,530,372
Cash equivalents	50,000,000,000	-
	<u>56,958,238,240</u>	<u>1,152,868,962</u>

Cash equivalents as at 31 December 2024, represent Vietnamese Dong deposits with maturities of no more than 3 months held at commercial banks, earning interest rates ranging from 4.4% to 4.75% per annum.

5. SHORT-TERM FINANCIAL INVESTMENTS

Short-term financial investments as at 31 December 2024 represent deposits in Vietnam Dong with terms of more than 3 months and less than 1 year at commercial banks, earning interest rates ranging from 4.2% per annum to 5.5% per annum (as at 31 December 2023: 5% per annum to 7.9% per annum).

Short-term financial investments as at 31 December 2024 include the balance of a 12-month term deposit with an interest rate of 4.2% per annum at Vietnam Modern Commercial Joint Stock Bank (formerly Dcean Commercial Bank Limited) with a value of VND 490,790,416 which is subject to transaction restrictions. The Board of Management assesses that this amount will be re-traded in the future when there are specific regulations from the State Bank.

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Electricity Power Trading Company (EPTC)	2,933,258,613,166	2,253,126,040,872
Others	17,193,421	450,642,450
	<u>2,933,275,806,587</u>	<u>2,253,576,683,322</u>

The short-term trade receivable from Electricity Power Trading Company ("EPTC") as at 31 December 2024 which is determined according to the official electricity selling price specified in the Power purchase and sale agreement No. 07/2012/HD-NMD-NT2 ("Power Purchase Agreement 07") signed on 6 July 2012; Contract to provide auxiliary services No. 01/2023/DVPT/NT2-EVN signed on 10 September 2023, and other amendments to the Power Purchase Agreement 07 between the Company and the Vietnam Electricity ("EVN")/ Electricity Power Trading Company ("EPTC").

7. OTHER SHORT-TERM RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Interest on late payment receivable from EPTC (*)	42,153,554,457	42,153,554,457
Siemens Energy Global	1,526,376,282	-
PetroVietnam Power Ca Mau Company	-	638,216,606
Interest accrued	35,763,761,384	50,850,603,967
Other receivables	252,919,289	76,541,327
	<u>79,696,611,412</u>	<u>93,718,916,357</u>

(*) Interest on late payment receivable from EPTC accrued up to 31 December 2012 according to the terms of the Power Purchase Agreement No. 07/2012/HD-NMD-NT2 dated 6 July 2012 between Company and EVN/EPTC.

8. PROVISION FOR SHORT-TERM DOUBTFUL DEBTS

Provision for short-term doubtful debts at the balance sheet date is made upon the Board of Management's assessment of recoverability, details as follow:

	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Total amount of receivables unlikely to be recovered				
Electricity Power Trading Company (EPTC)	80,494,444,352	56,178,618,099	80,494,444,352	56,178,618,099
Provision		<u>24,315,826,253</u>		<u>24,315,826,253</u>

9. INVENTORIES

Inventories as at 31 December 2024 and 31 December 2023 represent diesel oil which has been stored to use for electricity production, consumables and spare parts use for commercial operations and maintenance activities of Nhon Trach 2 Combined Cycle Gas Turbine Power Plant.

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Consumables and materials	267,604,801,750	-	195,221,527,658	-
DO 0.05% S	64,995,034,106	-	65,135,101,898	-
	332,599,835,856	-	260,356,629,556	-

PETROVIETNAM POWER NHON TRACH 2 JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	2,972,510,902,136	8,309,442,312,368	11,834,510,384	35,945,649,692	11,329,733,374,580
Additions	-	2,743,172,795	213,281,000	-	2,956,453,795
Disposals	-	-	(150,082,727)	-	(150,082,727)
Closing balance	2,972,510,902,136	8,312,185,485,163	11,897,708,657	35,945,649,692	11,332,539,745,648
ACCUMULATED DEPRECIATION					
Opening balance	1,816,680,089,169	7,366,129,620,587	10,595,430,790	32,726,927,406	9,226,132,067,952
Charge for the year	148,462,270,694	537,094,208,269	573,634,355	806,652,233	686,936,765,551
Disposals	-	-	(146,764,545)	-	(146,764,545)
Closing balance	1,965,142,359,863	7,903,223,828,856	11,022,300,600	33,533,579,639	9,912,922,068,958
NET BOOK VALUE					
Opening balance	1,155,830,812,967	943,312,691,781	1,239,079,594	3,218,722,286	2,103,601,306,628
Closing balance	1,007,368,542,273	408,961,656,307	875,408,057	2,412,070,053	1,419,617,676,690

As at 31 December 2024, the cost of fixed assets includes VND 73,774,469,739 (as at 31 December 2023: VND 68,650,904,829) of fixed assets which have been fully depreciated but are still in use.

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Total VND
COST			
Opening balance	21,602,554,546	9,396,346,375	30,998,900,921
Additions	-	604,000,000	604,000,000
Closing balance	21,602,554,546	10,000,346,375	31,602,900,921
ACCUMULATED AMORTIZATION			
Opening balance	-	9,396,346,375	9,396,346,375
Charge for the year	-	155,648,296	155,648,296
Closing balance	-	9,551,994,671	9,551,994,671
NET BOOK VALUE			
Opening balance	21,602,554,546	-	21,602,554,546
Closing balance	21,602,554,546	448,351,704	22,050,906,250

Indefinite land use rights represent land use rights for the land lot of the CC1.2 apartment complex - Unit No. 1 - Phuoc An – Long Tho Residential Area, Nhon Trach District, Dong Nai Province.

As at 31 December 2024, the cost of intangible assets includes VND 9,396,346,375 (as at 31 December 2023: VND 9,396,346,375) of fixed assets which have been fully amortized but are still in use.

12. PREPAYMENTS

	Closing balance VND	Opening balance VND
a. Current		
- Insurance fee for factory and other insurance	4,749,424,813	4,695,744,261
	4,749,424,813	4,695,744,261
b. Non-current		
- Advanced gas fuel cost (i)	1,039,511,914,882	1,039,511,914,882
- Overhaul expenses to be allocated at 100,000 EOH (ii)	301,702,397,469	369,372,939,389
- Initial fee for long-term maintenance and repair contract of main equipment for the next 100,000 EOH period (iii)	137,131,381,946	141,655,867,430
- Prepaid land clearance and compensation costs (iv)	3,352,747,068	3,705,667,812
- Others	668,221,909	1,472,988,999
	1,482,366,663,274	1,555,719,378,512

Long-term prepayments include expenditures as follows:

- (i) The prepayment for the fuel cost for operating the Nhon Trach 2 Power Plant, as stipulated in the gas purchase contract No. 44/2010/PVGas/KHTH-PVPOWER NT2/B4 dated 6 April 2010, and the meeting minutes, as well as the supplementary contract appendices (as presented in Note 34) between the Company and PetroVietnam Gas Joint Stock Corporation ("PVGas"). In some months, the Company's electricity output does not meet the obligation to purchase the gas as specified in the gas purchase contract. However, the Company is still obligated to pay PVGas an amount corresponding to the gas volume committed minus the actual gas consumed during the year ('prepaid gas volume').

The Company will have the right to receive from PVGas a gas volume equivalent to the advance gas volume within four (04) years from the occurrence and may offset it against the purchase obligation without incurring any additional costs. The offsetting of pre-received gas in any one contract year shall not exceed 15% of the purchase obligation for that contract year. As of 31 December 2024, the prepaid gas balance will be prioritized to be offset against the committed gas volume for 2025.

As of the date of these financial statements, the Company's Board of Management assesses that the advance gas volume mentioned above will be utilized in the future for the Company's electricity production.

- (ii) Overhaul costs of Nhon Trach 2 Combined Cycle Gas Turbine Power Plant at 100,000 EOH (operating hours) arise when the plant reaches 100,000 EOH operating hours and the Company must carry out periodic overhauls as required technical demand. Accordingly, this overhaul cost is recorded and allocated to the corresponding income statement of 33,333 EOH for each subsequent generating unit.
- (iii) The initial payment fee under the long-term maintenance and repair contract for Petrovietnam Power Nhon Trach 2 Joint Stock Company for the next 100,000 operating hours EOH for each unit between the Company and the joint venture of Siemens Energy Global GmbH & Co. KG / Siemens Energy Limited Company, signed on 28 July 2023. Accordingly, this initial payment fee is recorded and allocated in the income statement over the 100,000 EOH for each subsequent unit.
- (iv) Land rentals have been prepaid by the Company through compensation for site clearance corresponding to the area rented in Phuoc Khanh Commune, Nhon Trach District, Dong Nai Province for an area of 129,188 m² for the period from 27 June 2009 to 9 October 2014 and for an area of 294,724.8 m² for the period from 27 June 2009 to 30 June 2034. These prepayments are charged to the income statement using the straight-line method over the land lease term and the rental payables under the land lease contract shall be deducted accordingly throughout the lease term.

13. SHORT-TERM TRADE PAYABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term trade payables to third parties		
- Siemens Energy Global GmbH & Co. KG	90,148,277,384	136,528,311,997
- Siemens Energy Limited Company	-	36,418,644,326
- Others	3,083,403,312	47,383,110,045
	93,231,680,696	220,330,066,368
b. Short-term trade payables to related parties (Note 31)		
- PetroVietnam Gas Joint Stock Corporation	2,153,018,063,190	1,446,817,029,876
- PetroVietnam Power Technical Services Joint Stock Company	6,606,186,471	12,800,343,498
	2,159,624,249,661	1,459,617,373,374
Total	2,252,855,930,357	1,679,947,439,742

The Company is able to pay all short-term trade payables as of the balance sheet date.

14. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
Value added tax	29,161,658,413	32,746,961,387	61,908,619,800	-
Imported tax	-	351,625,563	351,625,563	-
Corporate income tax	13,893,902,002	21,063,539,472	20,094,861,731	14,862,579,743
Personal income tax	83,005,577	9,777,256,376	9,323,091,015	537,170,938
Natural resources tax	3,696,501,120	33,628,837,200	33,646,876,800	3,678,461,520
Other taxes	3,480,116,111	28,775,471,033	27,890,381,202	4,365,205,942
	50,315,183,223	126,343,691,031	153,215,456,111	23,443,418,143

15. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Cost of gas fuel (i) (Note 31)	1,116,609,913,314	938,134,389,708
Maintenance expenses (ii)	32,939,774,371	145,121,600,891
Accrued interest expenses	2,828,385,151	789,041,096
Other accruals	1,293,319,190	3,784,678,316
	1,153,671,392,026	1,087,829,710,011

Short-term accrued expenses at the balance sheet date mainly include the following:

(i) The cost of gas fuel to operate the Nhon Trach 2 Power Plant in November 2024 and December 2024 that has not yet been billed as of the balance sheet date and is recognized according to the notice on advance payment for gas from the Branch of PetroVietnam Gas Joint Stock Corporation - Southeast Gas Transmission Company.

(ii) Plant maintenance and repair costs are deducted according to the long-term maintenance and repair contract for main equipment of Nhon Trach 2 Combined Cycle Gas Turbine Power Plant phase 100,000 hours of subsequent EOH operation for each unit between the Company and the joint venture of Siemens Energy Global GmbH & Co. KG/Siemens Energy Limited Company signed on 28 July 2023.

16. OTHER CURRENT PAYABLES

	Closing balance	Opening balance
	VND	VND
Interest on late payment payable to PetroVietnam Gas Joint Stock Corporation (*) (Note 31)	39,278,284,374	39,278,284,374
Dividends, profits payable	9,014,824,084	8,950,312,014
PetroVietnam Power Ca Mau Company	-	281,254,871
Other payables	736,823,891	1,346,416,128
	49,029,932,349	49,856,267,387

(*) The interest on late payment of gas charges payable to PetroVietnam Gas Joint Stock Corporation (PVGas) in accordance with the terms of the Gas Purchase Agreement No. 44/2010/PVGas/KTTT-PVPower NT2/B4 dated 6 April 2010 between the Company and PVGas incurred up to 31 December 2012.

17. SHORT-TERM LOANS

	Opening balance		In the year		Closing balance	
	VND	VND	Increase VND	Decrease VND	VND	VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam (*)	1,200,000,000,000	2,829,601,837,945	3,033,208,982,984		996,392,854,961	
Vietnam Joint Stock Commercial Bank for Industry and Trade	-	10,606,076,287	10,606,076,287		-	
	1,200,000,000,000	2,840,207,914,232	3,043,815,059,271		996,392,854,961	

(*) On 15 March 2024, the Company signed a short-term unsecured loan contract No. 006/VCB.TT.KHDN/24NH with the Joint Stock Commercial Bank for Foreign Trade of Vietnam with a total loan limit of VND 2,000,000,000,000 for electricity production and business activities. The credit limit is effective from the date of signing the loan contract to 15 March 2025. The interest rate is determined based on the announcement of the Bank on interest rate prevailing at the time of loan disbursement and is specified in the relevant debt acknowledgement document. Interest is payable monthly, and the final repayment date is no later than the maturity date.

All short-term loans are able to be paid off by the Company at the balance sheet date.

18. OWNERS' EQUITY

Shares	Closing balance	Opening balance
Number of shares issued to the public	287,876,029	287,876,029
<i>Ordinary shares</i>	287,876,029	287,876,029
Number of outstanding shares in circulation	287,876,029	287,876,029
<i>Ordinary shares</i>	287,876,029	287,876,029

The Company has one type of ordinary share which carries no right to fixed income and par value is 10,000 per share. The shareholders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the Company's shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

Details of shareholders as at the balance sheet date are as follows:

	Closing balance		Opening balance	
	VND	%	VND	%
PetroVietnam Power Corporation	1,709,260,800,000	59.37%	1,709,260,800,000	59.37%
Technology Development Company Limited	237,961,150,000	8.27%	237,961,150,000	8.27%
Other shareholders	931,538,340,000	32.36%	931,538,340,000	32.36%
	2,878,760,290,000	100%	2,878,760,290,000	100%

Movement in owners' equity:

	Owners' contributed capital VND	Share premium VND	Investment and Development fund VND	Retained earnings VND	Total VND
Prior year's opening balance	2,878,760,290,000	(457,500,000)	181,894,913,354	1,553,643,997,451	4,613,841,700,805
Profit for the year	-	-	-	473,076,742,026	473,076,742,026
Dividends paid from 2022 profit	-	-	-	(719,690,072,500)	(719,690,072,500)
Fund appropriation from 2022 profit	-	-	44,170,870,808	(75,549,870,808)	(31,379,000,000)
Current year's opening balance	2,878,760,290,000	(457,500,000)	226,065,784,162	1,231,480,796,169	4,335,849,370,331
Profit for the year	-	-	-	82,893,960,390	82,893,960,390
Dividends paid from 2023 profit	-	-	-	(201,513,220,300)	(201,513,220,300)
Fund appropriation from 2023 profit	-	-	-	(28,150,000,000)	(28,150,000,000)
Current year's closing balance	2,878,760,290,000	(457,500,000)	226,065,784,162	1,084,711,536,259	4,189,080,110,421

According to Resolution No. 02/NQ-CPNT2 dated 1 March 2024 of the Board of Directors, the Company has approved the payment of the first interim dividends for 2023 in cash from the retained earnings of 2023 at the rate of 7% of par value, equivalent to VND 700 per share to existing shareholders of the Company. During the year, the Company paid dividends according to the above resolution, with the remaining payable dividends amounting to VND 9,014,824,084 (Note 16).

According to Resolution No. 07/NQ-CPNT2 dated 29 May 2024, the Annual General Meeting of Shareholders approved the 2023 profit after tax distribution plan. Accordingly, dividends are distributed from after tax profits of 2023 at the rate of 15% of par corresponding to the amount of VND 431,814,043,500; appropriation to the Bonus and Welfare Fund and Management bonus fund with the amount of VND 28,150,000,000. According to Resolution No. 01/NQ-NT2 dated 8 January 2025, the Board of Directors approved the payment of the 2023 remaining dividends in cash from the 2023 retained earnings at a rate of 8%/per value, equivalent to VND 800 per share for existing shareholders of the Company. The Company completed the dividend payment as of the date of this report.

19. OFF BALANCE SHEET ITEMS

Assets held under trust

On 31 December 2024 and 31 December 2023, according to the long-term maintenance and repair contract for main equipment of Nhon Trach 2 Combined Cycle Gas Turbine Power Plant, the Company received and kept a number of materials and spart parts owned by the contractor Siemens Energy Global GmbH with aim to serve the plant's maintenance needs. These materials will be settled after the end of the long-term maintenance and repair contract entered into by the Company.

20. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Company's principal activities are to produce and sell electricity domestically. Other business activities account for a small portion of total revenue and operating result of the Company in this year as well as previous years. Consequently, financial information presented in the balance sheet as at 31 December 2024 and 31 December 2023, revenue and expenses presented in the income statement for the year then ended are relevant to principal activities. Hence, no segment reports by business lines and geographical areas need to be presented.



21. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

Electricity revenue in the year is recognized monthly according to the electricity output generated to the national grid with the monthly confirmation of the Electricity Power Trading Company ("EPTC") at the electricity selling price stated in the Power Sales Agreement No. 07/2012/HD-NMD-NT2 dated 06 July 2012, Service Contract No. 01/2023/DVPT/NT2-EVN dated 10 September 2023, and their appendices/amendments signed between the Company and EVN/EPTC.

22. PRODUCTION COST BY NATURE

	Current year VND	Prior year VND
Raw materials and consumables	4,793,336,570,949	4,572,501,639,044
Labour	82,903,970,338	85,636,421,366
Depreciation and amortisation	687,070,057,755	687,213,403,849
Repair and maintenance costs	267,699,105,858	461,085,483,550
Out-sourced services	85,264,414,506	90,497,956,401
Other monetary expenses	57,059,129,913	47,659,864,826
	<u>5,973,333,249,319</u>	<u>5,944,594,769,036</u>

23. FINANCIAL INCOME

	Current year VND	Prior year VND
Bank interest income	94,658,872,647	98,682,890,469
Foreign exchange gain	5,286,163,388	8,158,410,429
	<u>99,945,036,035</u>	<u>106,841,300,898</u>

24. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Loan interest	34,929,818,001	33,843,493,151
Foreign exchange loss	3,727,686,507	611,770,314
	<u>38,657,504,508</u>	<u>34,455,263,465</u>

25. GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Administrative staff	37,027,856,614	37,868,166,534
Office supplies	2,239,175,271	2,224,522,941
Depreciation and amortization	6,725,906,735	6,765,315,914
Repair and maintenance costs	796,299,205	924,769,695
Taxes, fees and charges	350,739,170	376,968,438
Out-sourced services	31,933,012,610	31,711,348,327
Reversal of provision for doubtful debts	-	(16,900,333,725)
Others	2,094,565,210	6,031,840,250
	<u>81,167,554,815</u>	<u>69,002,598,374</u>

26. OTHER INCOME

	Current year VND	Prior year VND
Income from recognizing the value of ISP backup tools (*)	70,294,128,000	-
Other income	2,910,798,673	2,368,694,341
	73,204,926,673	2,368,694,341

(*) According to the long-term equipment maintenance contract between the Company and the consortium Siemens Energy Global GmbH & Co. KG/Siemens Energy Limited Company for the maintenance of machinery and major equipment for the Nhon Trach 2 Combined Cycle Gas Turbine Power Plant during the first 100,000 operating hours for each unit, during the year, the Company and the joint venture completed the settlement process and recorded an increase in the inventory value of spare parts (ISP). This value represents the remaining unused spare parts after the maintenance process, totaling VND 70,294,128,000. At the same time, an increase in other income equivalent to this value was also recorded.

27. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	21,062,579,743	34,748,677,511
Recognition of the current tax expense of taxable temporary differences	-	5,033,165,493
Adjustments for corporate income tax expense in previous years to the current year	112,000	743,034,890
Total current corporate income tax expense	21,062,691,743	40,524,877,894

The current corporate income tax expense for the year was computed as follows:

	Current year			Prior year
	Main activities VND	Other activities VND	Total VND	Total VND
Profit before tax	(28,045,898,844)	132,002,550,977	103,956,652,133	513,601,619,920
Add back non-deductible expenses	1,321,939,518	34,307,063	1,356,246,581	2,212,094,493
Less: non-taxable income	-	-	-	(16,900,333,725)
Current taxable income	(26,723,959,326)	132,036,858,040	105,312,898,714	498,913,380,688
Offsetting losses from main operations	26,723,959,326	(26,723,959,326)	-	-
Taxable profit of the current year	-	105,312,898,714	105,312,898,714	498,913,380,688
Tax rate	10%	20%		
Corporate income tax expense based on taxable profit in the current year	-	21,062,579,743	21,062,579,743	34,748,677,511
Recognition of the current tax expense of taxable temporary differences	-	-	-	5,033,165,493
Adjustment of corporate income tax expenses of previous years	112,000	-	112,000	743,034,890
Current corporate income tax expense	112,000	21,062,579,743	21,062,691,743	40,524,877,894

The Company is obliged to pay corporate income tax at the rate of 10% of its taxable profit from electricity production and trading (main activities) for 15 years from the first year of revenue (2011) and 20% for the following years.

The Company is obliged to pay corporate income tax at the rate of 20% on income from other activities according to Circular No. 78/2014/TT-BTC dated 18 June 2014 issued by the Ministry of Finance.

During the year, the Company offsets taxable income from other activities against losses from main activities that enjoy incentives.

28. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary shareholders of the Company is based on the data below:

		<u>Current year</u>	<u>Prior year</u>
Accounting profit after corporate income tax	VND	82,893,960,390	473,076,742,026
Appropriation to bonus and welfare funds and bonus for Board of Management (*)	VND	3,400,000,000	28,150,000,000
Profit for calculating basic earnings per share	VND	79,493,960,390	444,926,742,026
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	Share	287,876,029	287,876,029
Basic earnings per share	VND	<u>276</u>	<u>1,546</u>

(*) Bonus and Welfare fund, bonus for Board of Management used to calculate basic earnings per share for the year ended 31 December 2024 is an estimation based on the profit distribution plan of 2024 according to Resolution No. 07/NQ-CPNT2 dated 29 May 2024 approved by the Company's General Meeting of Shareholders. According to this Resolution, the Company intends to appropriate to the Bonus, Welfare fund and Bonus fund for the Executive Board with the amount of VND 3,400,000,000.

Bonus and Welfare fund and bonus for Executive Board used to calculate basic earnings per share for the year ended 31 December 2023 is restated based on the Resolution No. 07/NQ-CPNT2 dated 29 May 2024 issued by the Company's General Meeting of Shareholders approving the 2023 profit after tax distribution plan.

During the year, the Company has no potential ordinary shares; therefore, does not present diluted earnings per shares.

29. COMMITMENTS

Selling Commitments

The Company signed Power Purchase Contract No. 07/2012/HD-NMD-NT2 dated 6 July 2012 with Electric Power Trading Company ("EPTC") and other amendments. Accordingly, all electricity production produced under orders of Electricity Regulatory Authority of Vietnam is exclusively underwritten by EPTC within 25 years from 16 October 2011 the date Nhon Trach 2 Combined Cycle Gas Turbine Power Plant its commercial operations. The selling price of electricity was negotiated in according to terms of gas purchasing contracts, as amended and enclosed appendices.

Purchasing Commitments

The Company has signed the Gas Purchase Contract No. 44/2010/PVGas/KTTT-PVPower NT2/B4 dated 06 April 2010 with PetroVietnam Gas Joint Stock Corporation. Accordingly, the selling price of gas is negotiated according to the terms of this contract, as amended; and the Company has a responsibility of purchasing and paying for a minimum volume of gas during the terms of contract till the end of this contract on 31 December 2036.

30. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as disclosed in Note 17 offset by cash and cash equivalents) and owners' equity (comprising contributed capital, share premium, investment and development fund and retained earnings).

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	996,392,854,961	1,200,000,000,000
Less: Cash and cash equivalents	56,958,238,240	1,152,868,962
Net debt	939,434,616,721	1,198,847,131,038
Equity	4,189,080,110,421	4,335,849,370,331
Net debt to equity ratio	0.22	0.28

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets and financial liabilities are disclosed in Note 3.

Categories of financial instruments

	Carrying amounts		Fair value (*)	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
Financial assets				
Cash and cash equivalents	56,958,238,240	1,152,868,962	56,958,238,240	1,152,868,962
Trade and other receivables	3,012,972,417,999	2,347,295,599,679	3,012,972,417,999	2,347,295,599,679
Short-term financial investments	2,273,490,790,416	2,100,390,790,416	2,273,490,790,416	2,100,390,790,416
	5,343,421,446,655	4,448,839,259,057	5,343,421,446,655	4,448,839,259,057
Financial liabilities				
Borrowings	996,392,854,961	1,200,000,000,000	996,392,854,961	1,200,000,000,000
Trade and other payables	2,301,885,862,706	1,729,803,707,129	2,301,885,862,706	1,729,803,707,129
Accrued expenses	1,153,671,392,026	1,087,829,710,011	1,153,671,392,026	1,087,829,710,011
	4,451,950,109,693	4,017,633,417,140	4,451,950,109,693	4,017,633,417,140

(*) The Company has not yet assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFR5.

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including interest rate risk and price risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company is mainly exposed to exchange rate risk of United States Dollar and Euro.

In the current year and prior year, the Company has paid off all loans/trade payables denominated in foreign currencies, so there is no material risk on exchange rate at the balance sheet date.

Interest rate risk management

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favorable interest rates from appropriate lenders.

Interest rate sensitivity

The loan's sensitivity to interest rate changes which may arise at an appropriate level is presented as follows. Assuming all other variables were held constant and the loan balance at the balance sheet date were the outstanding amount for the whole year, if interest rates applicable to fixed interest bearing loans had been 200 basis points higher/lower, the Company's profit before tax for the year ended 31 December 2024 would have decreased/increased by VND 19,927,857,099 (for the year ended 31 December 2023: VND 24,000,000,000).

Gas price risk management

The Company purchases natural gas from local suppliers for power production. Therefore, the Company is exposed to the risk of changes in selling price of gas. The Company has managed this risk by signing the monopoly and long-term contracts to minimize the change of unit price of gas during the period of business.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At the balance sheet date, there is a significant concentration of credit risk arising from sales to Electricity Power Trading Company (EPTC) - Vietnam Electricity and under-one-year term cash deposits with banks for the year ended 31 December 2024.

The Company manages credit risk to its customers through the Company's control policies, procedures and processes related to credit risk management. The Company monitored on an ongoing basis to uncollected customer receivables. As at the balance sheet date, the Company considers the deterioration in credit quality according to the nature and content of each balance of receivables from EPTC.

The Company has appropriate measures in place to minimize credit risk and maintains a closely control over its outstanding receivables.

Since cash is deposited at reputable financial institutions, the Board of Management perceived no material credit risk relating to the deposits and assumed that these financial institutions shall not cause any losses to the Company.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any year is kept to manageable levels relative to the amount of funds that the Company believes can generate within that year. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowing and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment years. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year VND	Over 1 year VND	Total VND
31/12/2024			
Cash and cash equivalents	56,958,238,240	-	56,958,238,240
Trade and other receivables	3,012,972,417,999	-	3,012,972,417,999
Short-term financial investments	2,273,490,790,416	-	2,273,490,790,416
	5,343,421,446,655	-	5,343,421,446,655
31/12/2024			
Borrowings	996,392,854,961	-	996,392,854,961
Trade and other payables	2,301,885,862,706	-	2,301,885,862,706
Accrued expenses	1,153,671,392,026	-	1,153,671,392,026
	4,451,950,109,693	-	4,451,950,109,693
Net liquidity gap	891,471,336,962	-	891,471,336,962
	Less than 1 year VND	Over 1 year VND	Total VND
31/12/2023			
Cash and cash equivalents	1,152,868,962	-	1,152,868,962
Trade and other receivables	2,347,295,599,679	-	2,347,295,599,679
Short-term financial investments	2,100,390,790,416	-	2,100,390,790,416
	4,448,839,259,057	-	4,448,839,259,057
31/12/2023			
Borrowings	1,200,000,000,000	-	1,200,000,000,000
Trade and other payables	1,729,803,707,129	-	1,729,803,707,129
Accrued expenses	1,087,829,710,011	-	1,087,829,710,011
	4,017,633,417,140	-	4,017,633,417,140
Net liquidity gap	431,205,841,917	-	431,205,841,917

The Board of Management assessed the liquidity risk at low level. The Board of Management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

31. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with major balances and transactions during the year:

<u>Related parties</u>	<u>Relationship</u>
PetroVietnam Power Corporation - JSC	The Parent Company
PetroVietnam Oil and Gas Group	Ultimate Parent Company
PetroVietnam Gas Joint Stock Corporation	The same group
PetroVietnam Power Technical Services Joint Stock Company	The same group
PVI Insurance Corporation	The same group
Vietnam Public Joint Stock Commercial Bank	The same group
PetroVietnam Nhon Trach Power Company	The Parent Company's branch
PetroVietnam Power Ca Mau Company	The Parent Company's branch

During the year, the Company entered into the following significant transactions with related parties:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Purchases		
PetroVietnam Gas Joint Stock Corporation	4,598,379,923,853	5,586,159,777,633
PetroVietnam Power Technical Services JSC	51,030,401,555	45,019,626,201
PVI Insurance Corporation	33,179,054,593	37,559,227,223
PetroVietnam Oil and Gas Group	5,136,016,199	9,430,358,686
PetroVietnam Nhon Trach Power Company	77,838,125	77,838,125
	<u>4,687,803,234,325</u>	<u>5,678,246,827,868</u>

Financial income

Interest income from deposits at Vietnam Public Joint Stock Commercial Bank	15,529	42,393
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Dividend paid

PetroVietnam Power Corporation - JSC	119,648,256,000	427,315,200,000
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Remuneration paid to the Company's Board of Directors, Chief accountant and Board of Management, Board of Supervisors during the year was as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Board of Directors		
Mr. Uong Ngoc Hai	1,242,106,355	1,257,414,397
Mr. Luong Ngoc Anh	96,000,000	96,000,000
Mr. Ngo Duc Nhan	(*)	(*)
Mr. Nguyen Cong Dung	265,842,489	1,020,733,150
Ms. Phan Thi Thuy Lan	96,000,000	96,000,000
	<u>1,699,948,844</u>	<u>2,470,147,547</u>

(*) Presented in the income of the Board of Management as detailed below:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Board of Management/Chief Accountant		
Mr. Ngo Duc Nhan	1,238,407,349	1,189,541,175
Ms. Nguyen Thi Ha	1,127,800,038	1,094,085,348
Mr. Nguyen Van Quyen	959,484,746	919,047,056
Mr. Nguyen Trung Thu	1,052,728,331	868,508,273
Mr. Le Viet An	904,544,706	896,706,516
	<u>5,282,965,170</u>	<u>4,967,888,368</u>

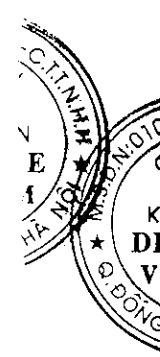
	Current year VND	Prior year VND
Board of Supervisors		
Mr. Nguyen Huu Minh	959,189,043	931,164,037
Mr. Nguyen Van Ky	60,000,000	60,000,000
Ms. Phan Lan Anh	60,000,000	60,000,000
	1,079,189,043	1,051,164,037

Operating expenses of the Board of Directors and Board of Supervisors during the year are as follows:

	Current year VND	Prior year VND
Operating expenses during the year of the Board of Directors	183,349,932	182,602,935
Operating expenses during the year of the Board of Supervisors	49,426,148	55,964,785

Related party significant balances at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
Short-term trade receivable		
PetroVietnam Nhon Trach Power Company	-	429,181,526
Other short-term receivables		
PetroVietnam Power Ca Mau Company	-	638,216,606
Short-term trade payables		
PetroVietnam Gas Joint Stock Corporation	2,153,018,063,190	1,446,817,029,876
PetroVietnam Power Technical Services JSC	6,606,186,471	12,800,343,498
	2,159,624,249,661	1,459,617,373,374
Short-term Accrued expenses		
PetroVietnam Gas Joint Stock Corporation	1,116,609,913,314	938,134,389,708
Other current payables		
PetroVietnam Gas Joint Stock Corporation	39,278,284,374	39,278,284,374
PetroVietnam Power Ca Mau Company	-	281,254,871
	39,278,284,374	39,559,539,245



32. CONTINGENT ASSETS AND LIABILITIES

According to Resolution No. 1944/NQ-DKVN dated 2 April 2018, by Vietnam Oil and Gas Group (“PVN”), regarding the cessation of PVN’s Resolution No. 1827/NQ-DKVN dated 19 March 2013, which approved the accounting treatment for revenues/expenses related to delayed payments for electricity/gas, the Company will need to recognize interest income from late payments by Electricity Trading Company (“EPTC”) and recognize payables to PV GAS based on the payment delays/overdue periods as per the terms of the framework agreement and appendices signed between PVNT2 and PV GAS (Gas Purchase Agreement) and between PVNT2 and Electricity Trading Company (Electricity Purchase Agreement). The Company has been working with Electricity Trading Company of EVN, PV GAS on the implementation of the electricity/gas purchase agreements and is in discussions with PVN as well as its parent company - PVPower – JSC about the specific method and the applicability of Resolution No. 1944/NQ-DKVN to late payment interest balances arising from previous years/periods. This is to ensure accurate and complete accounting for penalty interest/expenses, receivables/payables related to delayed payments for electricity/gas in the future. As of the issuance date of these financial statements, the Company has not yet received specific guidance or decisions from PVN regarding the aforementioned receivables/payables, and therefore, there is no firm basis to record any adjustments in the financial statements for the six-month period ended 31 December 2024.

On 18 August 2022, the Company signed Appendix No. 16 (“Appendix No. 16”) to the Power Purchase Agreement No. 07/2012/HD-NMD-NT2 dated 6 July 2012, regarding the adjustment of electricity selling prices according to the final investment cost of Nhon Trach 2 Power Plant with the Electricity Trading Company (“EPTC”), including provisions related to the adjustment of foreign exchange rates (base rate) in the Power Purchase Agreement No. 07 mentioned above. Accordingly, the additional revenue related to the exchange rate differences for 2019 and the exchange rate differences for the period from 2020 to 2021, totaling approximately VND 177 billion, as per Circular 07/2024/TT-BCT dated 12 April 2024 (amending and supplementing Circular 57/2020/TT-BCT dated 31 December 2020) by the Ministry of Industry and Trade, which regulates the method for determining electricity prices, Power Purchase Agreements, and as per Appendix No. 16, will be recognized in future financial statements when an agreement is reached between the Company and Vietnam Electricity/Vietnam Electricity Trading Company on the implementation of the Power Purchase Agreement as per current regulations.

In 2019, PetroVietnam Power Nhon Trach 2 Joint Stock Company received Decision No. 1632/QD-TCT dated 8 November 2019 of the General Department of Taxation related to the tax audit for the fiscal year ended 31 December 2018. Regarding some problems due to the specific industry in relation to the time of VAT declaration on the revenue from selling electricity and the corresponding costs from buying gas to produce electricity, the Company is continuing to explain and recommend to the inspectors of the General Department of Taxation and relevant authorities to have the final conclusion on the inspection of tax law observance by PetroVietnam Power Nhon Trach 2 Joint Stock Company. At the date of these financial statements, the Company has not yet received the conclusion its tax law compliance inspection by PetroVietnam Power Nhon Trach 2 Joint Stock Company related to the time of declaring VAT on revenue from selling electricity and corresponding costs from buying gas to produce electricity by the General Department of Taxation and relevant agencies, so there is no firm basis to record any adjustment in the financial statements for the 6-month period ended 31 December 2024.

On 9 November 2021, the People's Committee of Nhon Trach District, Dong Nai Province issued Decision No. 4267/QD-UBND regarding the recovery of 116,482 square meters of land from the Company for the implementation of the Nhon Trach 3 and Nhon Trach 4 Power Plant projects at Ong Keo Industrial Park, Phuoc Khanh Commune, Nhon Trach District, Dong Nai Province, with PetroVietnam Power Corporation - JSC as the investor. Accordingly, the Company is continuing to work with relevant parties and authorities to reach an agreement on the compensation for site clearance and other costs related to the recovered land.

As of 31 December 2024, the Board of Management has assessed that the Company has an obligation to decommission, restore, and return the site at the end of the lease term or the project completion date of the power plant. According to the relevant regulations, the provision for environmental remediation costs must be made in accordance with the policy mechanisms applicable to each industry and entity. The Company has not yet estimated the value of this remediation obligation as it involves complex technical issues and electricity cost pricing. Consequently, the Company is consulting with the parent company for more specific guidance and is monitoring updates on the policy mechanisms for remediation provisions applicable in the electricity production sector to estimate the value of this obligation.

33. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Interest earned on deposits during the year excluded an amount of VND 35,763,761,384 (in 2023: VND 50,850,603,967), representing accrued interest during the year that has not been received. Consequently, changes in accounts receivable have been adjusted by the same amount.

Interest paid during the year excluded an amount of VND 2,828,385,151 (in 2023: VND 789,041,096) representing interest expense that has not been paid. Consequently, changes in accounts payable have been adjusted by the same amount.

Dividends paid to shareholders during the year excluded an amount of VND 9,014,824,084 (in 2023: VND 8,950,312,014) representing dividends and profits have not been paid fully to shareholders. Consequently, changes in accounts payable have been adjusted by the same amount.

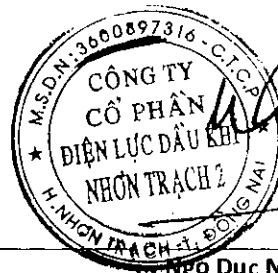
Proceeds from borrowings and repayment of borrowings represent net amount between loan withdrawal and repayment amount of short-term loans with payment term of no more than 3 months. Consequently, the "Proceeds from borrowings" and "Repayment of borrowings" items have been respectively decreased by the same amount of VND 485,564,324,510 (in 2023: VND 1,726,203,019,586).

34. SUBSEQUENT EVENTS

According to the meeting minutes dated 20 December 2024, to amend the Gas Purchase Contract, the Company and PVGas signed Appendix No. 12 on 27 February 2025 which modifies and supplements the provisions related to the minimum annual gas volume. The Company has reported the impacts of this amendment in the financial statements.

Le Van Tu
Preparer

Le Viet An
Chief Accountant



Ngô Duc Nhan
Director

07 March 2025

