

No.: 427 / BC-XLDK

*Ha Noi, day 17 month 04 year 2025*

## **ANNUAL REPORT**

### **For the year 2024**

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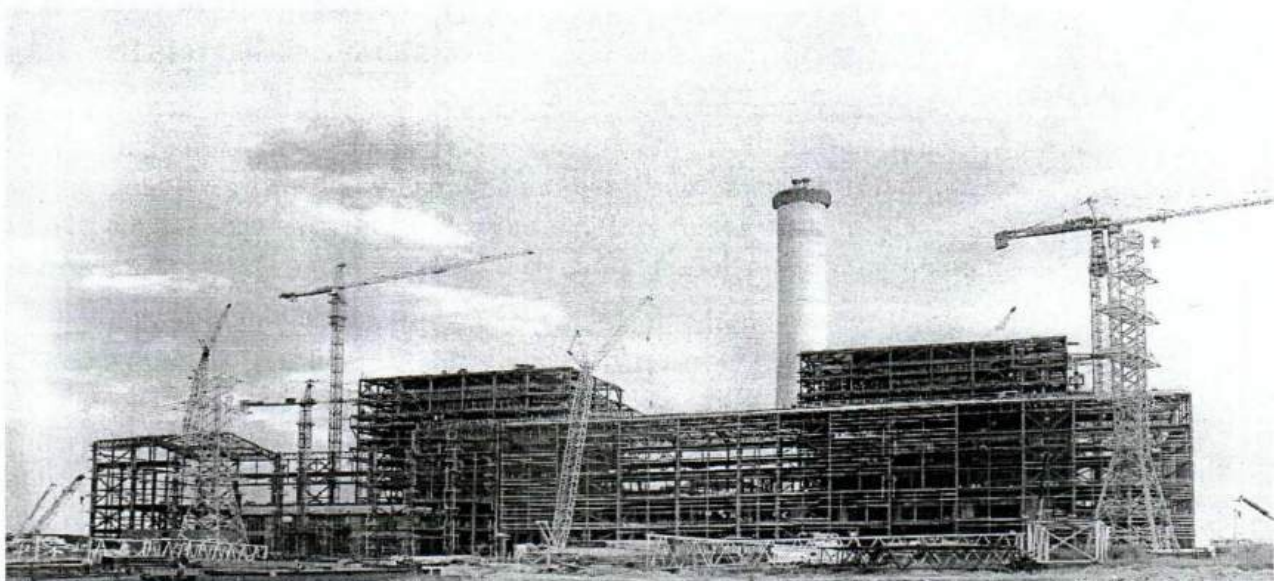
- State Securities Commission of Vietnam
- Hanoi the Stock Exchange.

#### **I. GENERAL INFORMATION**

##### **1. General Information**

- Company name in Vietnamese: TỔNG CÔNG TY CỔ PHẦN XÂY LẬP DẦU KHÍ VIỆT NAM
- Company name in foreign language: PETROVIETNAM CONSTRUCTION JOINT STOCK CORPORATION
- Abbreviated name: PETROCONS
- Enterprise Registration Certificate No.: 3500102365
- Charter capital: VND 4,000,000,000,000
- Owner's contributed capital: VND 4,000,000,000,000 (*In words: Four trillion Vietnamese dong*)
- Address: 14th Floor, Vietnam Petroleum Institute Building, No. 167 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi, Vietnam
- Telephone: +84 24 3768 9291
- Fax: +84 24 3768 9290
- Website: [www.pvc.vn](http://www.pvc.vn) / [www.PETROCONS.vn](http://www.PETROCONS.vn)
- Stock code: PVX





## 2. History of Formation and Development

Petrovietnam Construction Joint Stock Corporation (PETROCONs) is a member of the Vietnam National Industry and Energy Group (PETROVIETNAM/Group) – one of the country's most powerful economic conglomerates. Over the past 42 years, PETROCONs has strived to become a key enterprise in the sector, leading in petroleum-specific construction, as well as industrial and civil construction.

- On September 14, 1983, under the implementation of Government directives (Directive No. 224/CT and 225/CT dated August 30, 1983), the General Department of Petroleum issued a decision to establish the Petroleum Construction Joint Enterprise, tasked with executing various works including site leveling, port construction, rig yards, casing pipe storage, the Central Mechanical Enterprise, the Geophysical Enterprise, a 4.2 MW power station, oxygen and acetylene production enterprise, cold storage facilities, and drilling mud pits.

- On September 19, 1995, the Vietnam Oil and Gas Corporation decided to transform the Petroleum Construction Joint Enterprise into the Petroleum Engineering and Construction Company (PVECC) – a significant development milestone that brought both qualitative and quantitative changes to Vietnam's petroleum construction sector.

- On April 1, 2006, after nearly two years of implementing the equitization process, the Petroleum Construction Joint Stock Company officially began operations under a new management model that is streamlined, compact, and dynamic.

- On October 26, 2007, the Chairman of the PETROVIETNAM Board of Directors signed Resolution No. 3604/NQ-DKVN approving the proposal to convert the Petroleum Construction Joint Stock Company into the Petrovietnam Construction Joint Stock Corporation (PVC).

- On August 19, 2008, Petrovietnam Construction Joint Stock Corporation listed 150 million shares with the stock code PVX on the Hanoi Stock Exchange.

- In 2010, PVC fabricated the largest offshore jacket ever in Vietnam: the Dai Hung Oil Platform project in water depth of 110 meters, weighing 7,200 tons; and the Moc Tinh Platform project (East Sea) in water depth of 130 meters, with a total weight of over 13,000 tons.



- In January 2013, according to the restructuring plan of PETROVIETNAM approved by the Government in Decision No. 46/QĐ-TTg dated January 5, 2013, PVC was designated as the core unit of PVN in the construction of onshore petroleum projects.

- On January 20, 2022, at the Extraordinary General Meeting of Shareholders in January 2022, Petrovietnam Construction Joint Stock Corporation issued Resolution No. 28/NQ-ĐHĐCĐ-XLDK approving the change of the company's abbreviation from PVC to PETROCONS, and adoption of the new brand identity system.

- On January 18, 2024, PETROCONS completed its 22nd business registration amendment (the initial registration was on December 20, 2007).

Over 42 years of establishment and development, PETROCONS has been asserting its prestige and outstanding capabilities in key projects of the petroleum industry and the nation. From integrated onshore services in Vung Tau to major pipeline projects from Long Hai to industrial zones in Phu My, My Xuan, and Dong Nai; and national key projects such as the Phu My Fertilizer Plant, Ca Mau Gas-Power-Fertilizer Complex, Dung Quat Oil Refinery, Vung Ang I Thermal Power Plant, and most recently the Thai Binh II Thermal Power Plant.

It also performed procurement, fabrication, and installation of grillage on PTSC OFFSHORE 1 accommodation barge (MDV/POS/23/054); fabricated offshore wind jackets for the Greater Changhua Offshore Wind Farm (CHW2204); constructed the DH01 wellhead topside for Dai Hung Phase 3 project (Block 05.1a); fabricated external platforms (Contract No. 1610-2023/AECC/PVCMS dated October 16, 2023); welded and assembled 8 ladles (Contract No. 1811-2023/AECC/PVCMS dated November 18, 2023); and provided mooring docks and logistics services for POS (Contract No. MDV/POS/23/107 dated May 16, 2023).

Gaining experience through each project, PETROCONS has risen from the role of subcontractor to international contractors to becoming a full-fledged EPC general contractor capable of executing large-scale and technically complex projects such as the Go Dau LPG Terminal, Thai Binh II Thermal Power Plant, and Nhon Trach II Thermal Power Plant – all of which have been completed, handed over, and put into operation.

PETROCONS continues to affirm its strengths in petroleum construction by executing most EPC projects related to oil and gas transportation and storage, such as the Cu Lao Tao Petroleum Depot and the Dung Quat LPG Storage and Tanker Truck Loading Station.

In the field of design, fabrication, and installation of drilling rigs and jackets, PETROCONS has carried out numerous major petroleum construction works and fabricated complex steel structures, including Vietnamese-record projects such as the Dai Hung jacket, the Moc Tinh 1 jacket and topside (East Sea Project), grillage fabrication for PTSC OFFSHORE 1 barge (MDV/POS/23/054), offshore wind jacket foundations for the Greater Changhua Offshore Wind Farm (CHW2204), the DH01 wellhead topside for Dai Hung Phase 3 (Block 05.1a), external platforms (Contract 1610-2023/AECC/PVCMS dated October 16, 2023), welding and assembly of 8 ladles (Contract 1811-2023/AECC/PVCMS dated November 18, 2023), and provision of mooring docks and logistics services for POS (Contract MDV/POS/23/107 dated May 16, 2023).



PETROCONs continues to strengthen and develop its traditional strengths in building storage systems, transporting petroleum products, mechanical installation, and fabrication of petroleum equipment.

The company has also solidified its brand in the field of industrial and civil construction, advancing high-rise building technologies through projects such as the Petroleum Finance Center, the Vietnam Petroleum Institute Office, Phu My Hung Petroleum Tower, Vung Tau Petroleum Hotel, and Dragon Tower Office Building.

Currently, PETROCONs is actively bidding for several national and sectoral key projects, including the O Mon 4 Thermal Power Plant. In 2024, the parent company PETROCONs successfully signed five new contracts with a total value of approximately VND 52 billion:

- Procurement and installation of inverters for smoke fans in Unit S2: VND 5.6 billion
- Construction of ash dump site, intake tower, and return water pipeline – Quang Trach 1 Thermal Power Plant: VND 31.795 billion
- Renovation of the operation building – Song Hau 1 Thermal Power Plant: VND 2.695 billion
- Rehabilitation of the equipment washing area and ash disposal site – Song Hau 1 Thermal Power Plant: VND 658 million
- Supply of feedwater pump 1A for Cao Ngan Thermal Power Plant: VND 11.33 billion

Except for the Cao Ngan project which is scheduled for implementation in 2025, the remaining packages have already commenced as planned.

Throughout its journey, the Corporation and its subsidiaries have continued to grow and mature, contributing significantly to the overall development of PETROVIETNAM and the country

### **3. Main Business Lines and Areas of Operation**

#### **3.1. Business Lines**

##### ***a. Petroleum-Specific Construction***

PETROCONs is the core enterprise of the sector in the field of petroleum-specific construction. This is the principal business activity that has established PETROCONs' prestige and brand over the past 42 years, with key operations including:

- Design, construction, installation, maintenance, and repair of petroleum facilities, drilling rigs, offshore and onshore jackets, metal structures, fuel storage tanks, LPG tanks, and water tanks.
- Manufacturing and supplying casing pipes, drill pipes, couplings, connectors, and accessories used in oil and gas drilling and exploitation.
- Shipbuilding for transportation of oil, gas, and chemicals.
- Trading in construction materials and petroleum-related equipment.

##### ***b. Industrial Construction***



PETROCONs is also known as a capable contractor in constructing large-scale industrial projects both inside and outside the petroleum industry:

- Investment in and construction of mechanical manufacturing plants, shipyards, cement plants, and other building materials factories.
- Survey, design, consultancy, and installation of technological systems, control devices, and automation systems in industrial construction.
- Investment in and general contracting for infrastructure projects including roads, transportation, irrigation systems, dykes, and ports.
- Construction of gas-fired and thermal power plants; installation of transmission lines.

#### *c. Civil Construction*

PETROCONs has invested in, provided consultancy, designed, and constructed many civil works including office buildings, hotels, resorts, and high-end apartments, particularly steel structures and high-rise buildings for the petroleum industry and provinces nationwide. PETROCONs also participates in investment, development, and operation of industrial parks and infrastructure; and development of new urban areas.

#### *d. Industrial Production*

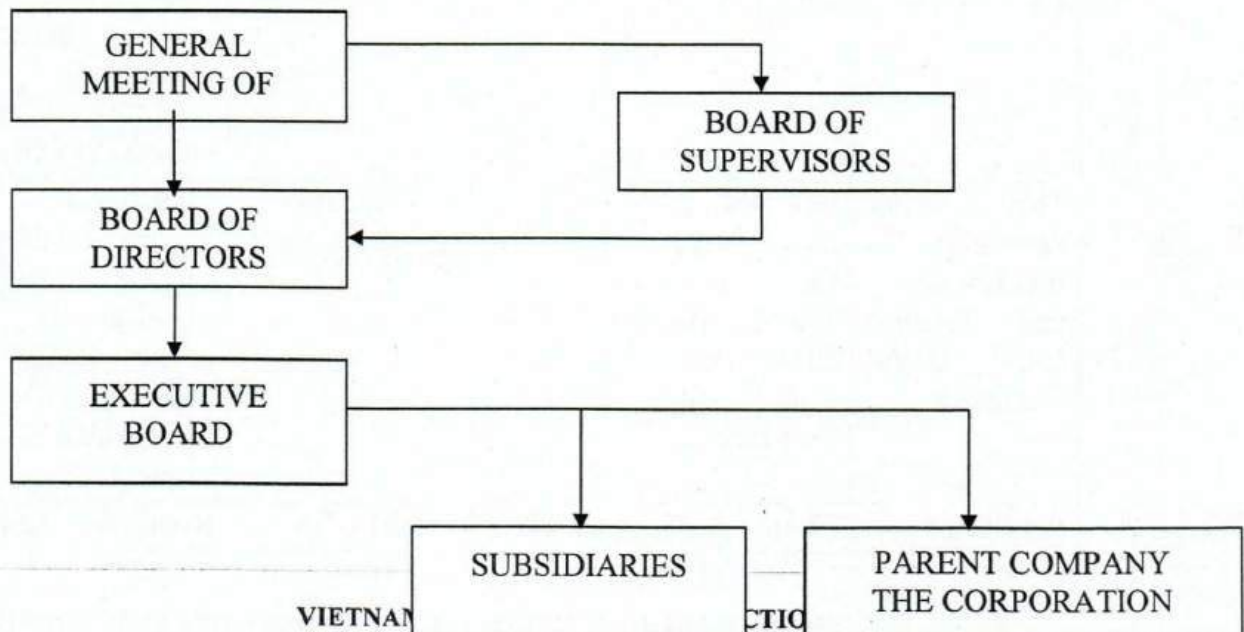
Alongside the expansion of construction activities, PETROCONs also focuses on investment in industrial production, construction materials, mechanical manufacturing for the petroleum industry, and production of industrial products (such as concrete plants, hydropower plants, gas power plants, and gradually moving toward nuclear power construction).

### **3.2. Areas of Operation**

PETROCONs' areas of operation include construction, installation, and maintenance of industrial and civil works throughout Vietnam. In recent years, its revenue has been concentrated mainly in Thai Binh province (particularly from the Thai Binh II Thermal Power Plant project), accounting for 95% of the parent company PETROCONs' revenue.

## **4. Information on the Governance Model and Management Structure**

### **• Governance Model:**





• **Subsidiaries, Affiliates, and Financial Investments:**

No.	Company Name	Address	Charter Capital (billion VND)	PETROCONs Ownership (%)	Main Business Activities
<b>I</b>	<b>Subsidiaries / Controlled Companies</b>				
1	PetroVietnam Metal Structure and Erection JSC (PVC-MS)	No. 02 Nguyen Huu Canh, Thang Nhat Ward, Vung Tau City, BR-VT	600	50.97%	Surveying, consulting, designing and wholesale of petroleum-related equipment and machinery; mechanical processing...
2	Petroleum Pipeline and Tank Construction JSC (DOBC)	No. 35G, 30/4 Street, Ward 9, Vung Tau City, BR-VT	200	51%	Construction of other civil engineering works: pipeline, tank fabrication; gas pipeline installation, pressurized tanks, LPG tanks...
3	Petroleum Industrial and Civil Construction JSC (PVC-IC)	No. 35D, 30/4 Street, Ward 9, Vung Tau City, BR-VT	300	51%	Construction of industrial and civil projects; infrastructure, ports; investment in industrial production facilities; urban area development...
4	Thai Binh Petroleum Investment and Trading JSC (PVC Thai Binh)	No. 458 Ly Bon Street, De Tham Ward, Thai Binh City, Thai Binh Province	450	72.22%	Short-term accommodation services; catering; travel agency; civil construction; housing and infrastructure; real estate...
5	PetroCons-	Floor 2,	500	34.87%	Road and railway



No.	Company Name	Address	Charter Capital (billion VND)	PETROCONs Ownership (%)	Main Business Activities
	Dong Do JSC	Dolphin Plaza, 28 Tran Binh, My Dinh, Hanoi			construction; wholesale of machinery and spare parts; real estate; civil engineering; utilities...
6	Binh Son Petroleum Construction JSC (PVC-Binh Son)	No. 33 Hai Ba Trung, Le Hong Phong Ward, Quang Ngai City	365.5	46.51%	Mechanical processing; wastewater treatment; concrete and cement products; civil works; construction materials...
7	Mekong Petroleum Urban Development JSC (PVC-Mekong)	Lot D, Petroleum Urban Area, Ngo Quyen, Ward 1, Ca Mau	280.689	53.44%	Urban planning and design consulting; construction of civil, industrial, infrastructure projects; real estate investment...
<b>II Associates and Financial Investments</b>					
1	Hanoi Petroleum Construction JSC (PVC-HN)	No. 1, Alley 86, Chua Ha, Hanoi	300	35.83%	Civil engineering works, metal fabrication, real estate...
2	Petroleum Mechanical and Erection Construction JSC (PVC-ME)	Floor 4, Sannam Building, Dich Vong Hau, Cau Giay, Hanoi	500	40%	Petroleum, industrial, and civil construction; site preparation; foundations...
3	Petroleum Construction Investment Duyen Hai JSC (PVC Duyen Hai)	Floor 4, Petro Hotel, 427 Da Nang St., Dong Hai 1 Ward, Hai An Dist.,	136.7325	42.46%	Hotel business; civil works, industrial zones, infrastructure...



No.	Company Name	Address	Charter Capital (billion VND)	PETROCONs Ownership (%)	Main Business Activities
		Hai Phong			
4	Thanh Hoa Petroleum Construction JSC (PVC-TH)	Floor 10, PVFC Land Building, 38A Le Loi Blvd, Thanh Hoa City	210	36%	Industrial zone, urban area, office, hotel construction; real estate; building materials...
5	Lam Kinh Hotel JSC	Dong Huong Urban Area, Thanh Hoa City	190	30%	Accommodation, catering, tourism, event organizing, civil works, real estate...
6	Central Petroleum Construction JSC (PVC-MT)	Floor 9, PetroFinance Center, Lot A2.1, 30/4 St., Hai Chau, Da Nang	150	48.27%	Infrastructure, roads, industrial/civil construction; real estate, support services...
7	Heerim PVC International Design JSC	Room 1401 A2, Vinaconex 1 Complex, 289A Khat Duy Tien, Hanoi	8.5	44%	Design, supervision, project management consultancy...
8	Petroleum Alliance Trading and Media JSC (PetroLink)	No. 12, Alley 15/10, Phao Dai Lang, Lang Thuong Ward, Dong Da, Hanoi	3.6	97.22%	Media, event organization, trading
9	PVC Interior Decoration JSC (PVC-ID)	No. 1, Alley 86, Chua Ha, Hanoi	40	49.98%	Construction, interior and exterior decoration...
10	PVNC Construction Group JSC	A2/07, PVNC2-CT2 Building, No. 6 Nguyen Quoc Tri,	218.46	22.64%	Infrastructure, industrial and civil works; real estate...



No.	Company Name	Address	Charter Capital (billion VND)	PETROCONs Ownership (%)	Main Business Activities
		Hung Binh, Vinh City			
11	Saigon Petroleum Construction and Investment JSC (PVC-SG)	No. 02 Nguyen Gia Thieu, Ward 6, District 3, HCMC	350	24.72%	Real estate business, leasing, related services...
12	Kinh Bac Petroleum Construction and Investment JSC	280 Tran Hung Dao, Dai Phuc Ward, Bac Ninh City	150	15.67%	Design and construction of petroleum, civil, industrial works; infrastructure; interior/exterior; equipment installation...
13	Truong Son Group JSC	No. 251A, Quang Trung Street, Phu Hai Ward, Dong Hoi, Quang Binh	75.13	3.99%	Infrastructure, roads, civil, industrial construction; dykes, ports, mechanical production, materials...
14	Ha Long Cement JSC	Thong Nhat Commune, Hoanh Bo, Quang Ninh	1,945.095	7.58%	Cement production and trading; mining materials and additives...
15	Vietnam Port and Infrastructure Construction Investment JSC (VIPICO)	Room 1206, 17T2 Building, Trung Hoa Nhan Chinh Urban Area, Hanoi	250	5%	Steel production and trading; mining; industrial, civil, hydropower works; building materials, décor, sanitary equipment...
16	Petroleum Construction JSC No.4	A4 Lot 11, Dinh Cong, Hanoi	25	10%	Building materials, décor, real estate, civil/industrial construction...
17	Petroleum Construction	No. 1 Dong Tien, An Xa	55.9	5%	Civil/industrial construction;



No.	Company Name	Address	Charter Capital (billion VND)	PETROCONs Ownership (%)	Main Business Activities
	JSC No.2	Industrial Cluster, Nam Dinh			mechanical fabrication; site leveling...
18	Petroleum Interior and Exterior Equipment JSC	Floor 5, Room 502, No. 60 Le Trung Nghia, Ward 12, Tan Binh District, HCMC	70	20.86%	Equipment manufacturing, sales and installation for construction works...

## 5. Development Orientation of PETROCONs

### 5.1 Key Objectives of PETROCONs:

- Focus on thoroughly resolving existing issues; effectively leveraging available resources and advantages of PETROCONs and its units; streamlining the business operation model; concentrating on core business activities to enhance efficiency, competitiveness, and sustainable development.

- Restore PETROCONs' business operations to achieve profitability and implement a roadmap to recover charter capital; gradually reaffirm the brand and reputation of PETROCONs in the construction and installation sector and other business fields of the Corporation.

- Develop PETROCONs into a technically capable service provider and leading EPC general contractor in the construction and installation of petroleum projects.

### 5.2 Medium- and Long-Term Development Strategy:

- Continue to define the core business of PETROCONs as construction and installation of petroleum-specific projects, industrial works, and infrastructure facilities. In this regard, the parent company PETROCONs will act as the EPC general contractor, directly managing and implementing projects where PETROCONs is the general contractor or main contractor.

- Restructure and innovate operations to achieve a rational and efficient organization focusing on key sectors and major projects; gradually build and enhance competitiveness in the domestic market and expand into international markets.

- Prepare step-by-step the necessary resources, including finance, technical technology, and especially high-quality technical human resources; improve management quality to be ready to participate in large-scale, key projects in the future, ensuring precision and appropriateness in compiling capability profiles for bidding.

- Reorganize and streamline subsidiaries/member units toward specialization by business segment, aligned with PETROCONs' value chain and business sectors, striving for autonomous business operations without creating internal competition among member units within the Corporation.



- Development orientation for the 2026–2030 period: Maintain stable workload sources, grow and improve production and revenue indicators. Gradually position PETROCONs as a leading petroleum-specific, industrial, and infrastructure construction contractor capable of competing with top domestic enterprises.

- Development orientation for the 2031–2035 period: Sustain annual growth rates, expand the market internationally. Strengthen the brand and reputation of PETROCONs as a top EPC contractor in domestic construction and installation.

## **6. Potential Risks Affecting PETROCONs' Business Performance in 2024**

### **6.1 External Risks:**

- **Economic Risks:** Fluctuations in macroeconomic variables such as growth rate, inflation, interest rates, exchange rates, prices of materials and fuel, as well as development policies, can directly or indirectly impact business operations and results of enterprises in general and PETROCONs in particular. The global economic and political situation remains complex and unpredictable; global economic growth is slow, and financial, monetary, and real estate markets face many risks. Volatile exchange rates, oil prices, and input material costs pose significant challenges for construction businesses. Additionally, PETROCONs is affected by difficulties in capital mobilization and land clearance by project owners, leading to a limited number of new construction contracts in the market.

- **Industry-Specific Risks:** The core business of PETROCONs—construction—is inherently complex and carries multiple risks such as: payment risks from investors, payment delays, competitive pressure, labor-related risks, occupational safety risks, etc.

- **Other Risks:** In addition to the aforementioned, PETROCONs also faces unpredictable risks such as natural disasters, epidemics, fire, and explosions. Though rare, these risks require the company to proactively implement preventive and corrective measures, such as purchasing insurance for employees and assets.

### **6.2 Internal Risks:**

- PETROCONs still faces internal issues such as capital shortages, low competitiveness, and limited management capabilities, which have hindered the achievement of the 2024 business plan targets.

- **Debt repayment obligations related to PVN entrusted loans:** As of December 31, 2024, the outstanding balance of entrusted loans from PVN (to be repaid via Oceanbank) is VND 575.67 billion, of which:

- + Subsidiaries: VND 344.67 billion

- + Parent company PETROCONs: VND 230.99 billion

- **Outstanding interest payable to PVN by PETROCONs as of December 31, 2024** is VND 172.78 billion, including VND 90.079 billion in overdue interest and VND 82.7 billion in penalty interest and principal. Many assets/projects funded by PVN's entrusted loans have not been effective; some subsidiaries have transferred or used them for other purposes, making it difficult for PETROCONs to generate cash flow to repay PVN.

- **Thai Binh II Thermal Power Plant Project:** PETROCONs faces several potential risks, including: i) Risk of cost overrun due to project delays and slow EPC



contract adjustments; ii) Risk of contractual penalties from subcontractors due to late payments resulting from PETROCONs' cash shortage and delayed project progress; iii) Unresolved issues related to contract extensions with SDC, trial operation agreements, etc. If not addressed, these risks may cause significant losses for PETROCONs. These costs are currently unconfirmed by involved parties.

- Completed projects awaiting final settlement such as: Vung Ang I TPP, Quang trach TPP, Ethanol project, PVTex project — all face risks of adjustment or reduction in executed volume and cost increase recognition per State audit conclusions.

- Risks related to loan guarantees and payment guarantees: Total guarantee obligations of PETROCONs to date amount to VND 266.846 billion.

- Risks from financial investments: PETROCONs is exposed to ongoing losses from financial investments. Most invested units are facing continuous losses, potentially requiring PETROCONs to make further financial provision adjustments.

- Risks from bad debts and provisions: As of December 31, 2024, total receivables of the parent company PETROCONs amount to VND 1,655.81 billion, of which:

- + Short-term receivables: VND 1,632.92 billion

- + Long-term receivables: VND 22.89 billion

Total short-term provision for bad debts is VND 878.24 billion. PETROCONs faces further risk of having to make additional provisions for unresolved or overdue receivables in the coming years.

## II. OPERATIONAL PERFORMANCE IN 2024

### 1. Business Operations

The business results achieved in 2024 are as follows:

Unit: VND billion

No.	Indicator	Actual 2023	Plan 2024	Actual 2024	% Plan Achieved 2024	% 2024 vs. 2023
<b>1</b>	<b>Production and Business Value</b>					
	Consolidated	912.38	1,532.00	982.88	64%	108%
	Parent Company	441.36	884.00	261.84	30%	59%
<b>2</b>	<b>Total Revenue</b>					
	Consolidated	1,237.96	1,704.00	1,317.87	77%	106%
	Parent Company	765.74	1,055.00	609.04	58%	80%
<b>3</b>	<b>Profit Before Tax</b>					
	Consolidated	(267.12)	3.70	4.81	130%	



	Parent Company	(162.65)	9.48	4.12	43%	
4	<b>Profit After Tax</b>					
	Consolidated	(265.22)	3.70	2.61	71%	
	Parent Company	(162.65)	9.48	4.12	43%	

- Regarding Production Value and Revenue:

In 2024, the parent company's production value and revenue were primarily derived from the Thai Binh II Thermal Power Plant project and the revenue recognized from the final settlement of the Thai Binh Petroleum Hotel project, totaling VND 42.53 billion. In addition, PETROCONS also implemented several new projects; however, the value of these projects was not significant.

The main reasons for PETROCONS not achieving its planned production value and revenue targets include:

- Several projects scheduled for 2024 had yet to commence due to delays by the investors (such as the Thai Binh II staff housing area, O Mon IV Thermal Power Plant, Long Phu 1 Thermal Power Plant...);
- Some projects/bids were not awarded (e.g., construction of the cooling water channel from intake gate to StopLog – Quang Trach I Thermal Power Plant, staff housing at Song Hau I Thermal Power Plant, etc.);
- The finalization and settlement process and debt recovery for completed projects, including Vung Ang I Thermal Power Plant, Quang Trach – Quang Binh Load Dispatch Infrastructure Project, Quang Trach I Thermal Power Plant, and shared infrastructure at Thai Binh Load Dispatch Center, are still pending and unresolved;
- Additionally, settlement work for packages C11 and C15 of the Song Hau I Thermal Power Plant project remains delayed due to prolonged agreement on unit price adjustments and estimate appraisal. It also depends on Lilama—the main EPC contractor—completing final settlement with the investor before corresponding settlements with PETROCONS can proceed.

- Regarding Profit Indicators:

The parent company's profit in 2024 was mainly derived from negotiations to reduce liabilities with subcontractors such as Sojit, Quingiao, Sotec, etc., at the Thai Binh II Thermal Power Plant project, with a total value of about VND 38 billion. This also included the recovery/settlement of reciprocal debts, leading to a reversal of VND 47 billion in provision for doubtful receivables and income from financial operations.

In addition, PETROCONS (parent company) recorded:

General and administrative expenses,

Provisions for financial investments due to losses at subsidiaries,

Losses from the EPC contract of the Thai Binh II Thermal Power Plant project.

- The accumulated loss of the parent company as of December 31, 2024 is VND 3,765.93 billion.



- The owner's equity of the parent company PETROCONS as of December 31, 2024 is VND 311.53 billion, an increase of 1.34% compared to the beginning of the year.

## 2. Organization and Human Resources

The Executive Board consists of 5 members, specifically:

No.	Full Name	Date of Birth	Place of Birth	Permanent Address	Academic Qualification	Position	PVN Capital Representation (%)	Notes
1	Trần Quốc Hoàn	10/12/1973	Nghe An	No. 10, Alley 127/30, Van Cao St., Lieu Giai Ward, Ba Dinh District, Hanoi	Civil Engineer, Bachelor of English	General Director		
2	Nguyễn Văn Đồng	30/04/1965	Binh Dinh	TL06-28, Vinhomes Riverside, Viet Hung Ward, Long Bien District, Hanoi	Bachelor of Economics	Deputy General Director		
3	Bùi Sơn Trường	24/03/1970	Nghe An	No. 20, Alley 158, Hoang Van Thai, Thanh Xuan, Hanoi	MBA, Mechanical Engineer	Deputy General Director		
4	Phạm Trung Kiên	26/06/1978	Bac Ninh	No. 33, V Street, Nong Lam Hamlet, Trau Quy Town, Gia Lam, Hanoi	Engineer in Chemical and Petroleum Equipment	Deputy General Director		
5	Vũ Minh Công	30/01/1979	Nam Dinh	Room 801, Seaview 2 Apartment, Ward 10, Vung Tau City	Bachelor of Economics	Chief Accountant		



- Changes in the Executive Board (in 2024): Mr. Vu Manh Quang (a seconded officer from the Group) ceased holding the position of Deputy General Director of the Corporation as of May 30, 2024.

- Number of Employees: As of December 31, 2024, the total number of employees at PETROCONs was 1,279, of which 198 are at the parent company. There were no changes in employee policies.

### 3. Investment Status and Project Implementation

#### *a. Major Investments including Financial Investments and Project Investments:*

- Project Investments: In 2024, PETROCONs and its subsidiaries did not make any new project investments.

- Financial Investments: In 2024, the parent company PETROCONs did not make any additional financial investments. As of the reporting date, PETROCONs holds equity in 25 entities with a total investment value of VND 2,326.55 billion, including:

- + Investment in 07 subsidiaries: VND 1,384.91 billion
- + Investment in 11 associates: VND 735.45 billion
- + Investment in 07 other financial entities: VND 206.20 billion

- The total provision for devaluation of financial investments in 2024 was VND 12.76 billion.

- The accumulated provision for financial investment devaluation as of December 31, 2024 is VND 1,796.242 billion, accounting for 77.2% of the total financial investment value of PETROCONs (VND 2,326.55 billion).

#### *b. Summary of Operations of Subsidiaries and Associates:*

- Subsidiaries:

Unit: VND billion

No.	Company Name	Charter Capital	PETROCONs Ownership (%)	Revenue in 2024	Profit After Tax in 2024
1	PetroVietnam Metal Structure and Erection JSC (PVC-MS)	600.00	50.97%	579.63	9.95
2	PetroVietnam Industrial and Civil Construction JSC (PVC-IC)	300.00	51.00%	15.27	0.37
3	Petroleum Pipeline and Tank Construction JSC (DOBC)	200.00	51.00%	103.40	1.22
4	Binh Son	365.50	46.51%	22.59	0.45



No.	Company Name	Charter Capital	PETROCONs Ownership (%)	Revenue in 2024	Profit After Tax in 2024
	Petroleum Construction JSC (PVC-Binh Son)				
5	Mekong Petroleum Urban Development JSC (PVC-Mekong)	280.69	53.44%	0.09	(0.53)
6	Thai Binh Petroleum Investment and Trading JSC (PVC-TB)	450.00	72.22%	145.78	(37.61)
7	PetroCons-Dong Do JSC	500.00	34.87%	78.35	0.38

- Associates: Currently, PETROCONs has 11 associate companies with a total capital contribution value of VND 735.45 billion. The accumulated provision for devaluation of financial investments in associates as of December 31, 2024 is VND 703.24 billion, equivalent to 96% of the total investment value.

In 2024, most of PETROCONs' associates continued to suffer losses, with significant accumulated losses. This has weakened their capability to compete for new contracts, leaving them without job sources or with very limited work. Several companies that previously operated mainly in the real estate investment sector continue to incur interest and depreciation expenses from unsold real estate properties, which cannot yet be liquidated or recovered.

#### 4. Other Financial Investments:

##### a. Other Financial Investments:

Unit: VND

No.	Indicator	Year 2024	Year 2023	% Increase/Decrease
1	Total assets	4,352,023,471,014	4,463,223,410,959	103%
2	Net revenue	609,044,259,665	765,736,617,243	126%
3	Operating profit	(35,862,555,256)	(160,362,844,517)	447%
4	Other income	39,983,446,416	(2,289,917,221)	-6%
5	Profit before tax	4,120,891,160	(162,652,761,738)	3,947%
6	Profit after tax	4,120,891,160	(162,652,761,738)	3,947%
7	Basic earnings per share	-	-	



8	Dividend payout ratio	-	-	
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***b. Key Financial Indicators***

No.	Indicator Category	Indicator Formula / Description	2024	2023	Notes
	A				
1	Liquidity Ratios				
	+ Current Ratio	Current Assets / Current Liabilities	0.94	0.93	
	+ Quick Ratio	(Current Assets – Inventories) / Current Liabilities	0.58	0.57	
2	Capital Structure Ratios				
	+ Debt to Total Assets Ratio	Total Liabilities / Total Assets	0.93	0.93	
	+ Debt to Equity Ratio	Total Liabilities / Owner's Equity	12.97	13.52	
3	Operational Efficiency Ratios				
	+ Inventory Turnover Ratio	Cost of Goods Sold / Inventories	0.39	0.49	
	+ Total Asset Turnover Ratio	Net Revenue / Average Total Assets	0.14	0.17	
4	Profitability Ratios				
	+ Net Profit Margin	Profit After Tax / Net Revenue	0.01	-0.21	
	+ Return on Equity (ROE)	Profit After Tax / Owner's Equity	0.01	-0.53	
	+ Return on Assets (ROA)	Profit After Tax / Total Assets	0.001	-0.04	
	+ Operating Profit Margin	Operating Profit / Net Revenue	-0.06	-0.21	

**5. Shareholding Structure and Changes in Owner's Equity**

**a. Shares:**

PETROCONs' charter capital is VND 4,000,000,000,000 (Four trillion Vietnamese dong). The total charter capital is divided into 400,000,000 shares, each with a par value of VND 10,000.

Stock code: PVX. Currently traded on the UpCoM exchange. All shares of PETROCONs are common shares and are freely transferable.

**b. Shareholding Structure:**

Out of the total charter capital of VND 4,000,000,000,000, the state capital held by PETROVIETNAM is VND 2,178,733,330,000, equivalent to 217,873,333 shares,



representing 54.47% of the charter capital.

The 03 Board of Directors members representing PETROVIETNAM's capital in PETROCONs are:

- + Mr. Nghiem Quang Huy – Chairman of the Board of Directors, represents 25% of charter capital, equivalent to 100,000,000 shares.
- + Mr. Tran Hai Bang – Member of the Board of Directors, represents 15% of charter capital, equivalent to 60,000,000 shares.
- + Mr. Chu Thanh Hai – Member of the Board of Directors and Deputy General Director, represents 14.47% of charter capital, equivalent to 57,873,333 shares.

**c. Changes in Owner's Equity:**

In 2024, PETROCONs did not change its owner's equity value.

History of capital increases from establishment/equitization to December 31, 2024:

The predecessor of PETROVIETNAM Construction Joint Stock Corporation was the Petroleum Construction Joint Enterprise, established on September 14, 1983, by Government directive (Directives No. 224/CT and 225/CT dated August 30, 1983).

On March 17, 2005, PETROVIETNAM approved the plan to convert PVECC into a joint stock company, and on April 1, 2006, after nearly two years of equitization, the company officially began operations. In 2007, PETROVIETNAM's Chairman signed Resolution No. 3604/NQ-DKVN approving the transformation of the Petroleum Construction Joint Stock Company into PETROVIETNAM Construction Joint Stock Corporation.

November 21, 2007: General Meeting of Shareholders approved the transformation plan with charter capital of VND 150 billion.

June 27, 2008: Annual General Meeting approved increasing charter capital from VND 150 billion to VND 1,500 billion.

May 16, 2009: Annual General Meeting approved listing shares on the Hanoi Stock Exchange.

August 19, 2009: PETROCONs listed 150,000,000 shares under the stock code PVX on the Hanoi Stock Exchange.

January 20, 2010: Extraordinary General Meeting approved increasing charter capital to VND 2,500 billion.

April 23, 2011: General Meeting approved increasing charter capital from VND 2,500 billion to VND 5,000 billion under Resolution No. 338/NQ-ĐHĐCĐ-XLĐK. The result of the capital raise was VND 4,000 billion.

**Charter Capital Over the Years:**

- o 2007: VND 150 billion
- o 2008: VND 1,500 billion
- o 2009: VND 1,500 billion
- o 2010: VND 2,500 billion



- 2011: VND 2,500 billion
- 2012 to December 31, 2024: VND 4,000 billion

**d. Treasury Share Transactions:** None

**e. Other Securities:** None

## **6. PETROCONS' Environmental and Social Impact Report**

### **6.1 Environmental Impact:**

Total direct and indirect greenhouse gas (GHG) emissions: *insignificant*.

Initiatives and measures to reduce GHG emissions: PETROCONS participates in government-led GHG reduction programs, such as promoting the use of mass transit, marine transportation, and vehicles powered by biofuels or electricity. In design and construction activities, the company uses environmentally friendly materials such as non-fired bricks and minimizes the use of heavy metal aluminum-glass combinations.

### **6.2 Raw Material Management:**

a. Total amount of raw materials used in production during the year:

- Various types of steel: 10,155 tons
- Paint and cleaning materials: 45,000 liters
- Corrugated steel sheets: 36,952 meters
- Light-transmitting panels: 4,767 meters
- Grating: 40,704 kilograms
- Formwork: 2,402 square meters
- Various types of concrete: 3,115 cubic meters
- Sika additives: 25 tons
- Crushed stone: 17,820 cubic meters
- Sand for foundation leveling: 43,748 cubic meters
- DO 0.05S-III diesel oil: 35,963 liters
- RON95-III gasoline: 1,064 liters
- Paint: 9,950 liters
- Solvents: 5,000 liters
- Various types of scaffolding/formwork: 979.4 tons
- Electric wires: 3,500 meters

b. Percentage of recycled materials used in production of products and services:  
0%

### **6.3 Energy Consumption:**

a. Direct and indirect energy consumption:

- Electricity consumption: 4,963,485 kWh
- Diesel oil: 185,050 liters



- Gas: 3,671 kg
- b. Energy saved through efficiency initiatives: None.
- c. Reports on energy-saving initiatives (e.g., provision of energy-efficient products and services or use of renewable energy); results of such initiatives: None.

#### **6.4 Water Consumption (for business activities during the year):**

- a. Source and amount of water used: 41,357 m<sup>3</sup>
- b. Percentage and total volume of recycled and reused water: None.

#### **6.5 Compliance with Environmental Laws and Regulations:**

- a. Number of violations resulting in penalties or fines: None
- b. Total monetary penalties/fines for non-compliance: VND 0

#### **6.6 Labor-Related Policies:**

- a. Workforce:

As of December 31, 2024, PETROCONs employed a total of 1,279 people, of which the parent company employed 198.

Average monthly income per employee across the entire Corporation in 2024 was VND 11.42 million/person/month.

- b. Labor policies ensuring health, safety, and welfare:

The company strictly implements periodic health check-ups for employees and staff.

- c. Training activities:

In 2024, the Corporation organized training for 1,613 participants with a total training cost of VND 3.4 billion, of which the parent company PETROCONs sent 181 employees to training courses with a total cost of VND 875 million.

#### **6.7 Community Responsibility Report:**

PETROCONs participated in all local community activities as required, specifically:

- + Strictly implemented Military, Security – National Defense, and Militia tasks. Built and maintained the self-defense force, participated in national defense education, military training, and other defense-related activities organized locally.
- + Coordinated with local police to effectively carry out the “All People Protect National Security” movement in 2024.

#### **6.8 Report on Activities Related to the Green Capital Market (as guided by the State Securities Commission):**

Pursuant to Decision No. 1934/QĐ-BTC dated August 15, 2024, issued by the Ministry of Finance on the Action Plan to implement the National Strategy for Green Growth for the 2021–2030 period, PETROCONs is, while awaiting guidance and implementation plans from the Group, currently studying the Decision and preparing for implementation.

First, raising awareness of sustainable development so that enterprises



understand their roles and responsibilities in their industries and in the capital market. Second, developing a set of standards to define green investments. Third, enhancing information disclosure, as international investors require transparency to ensure their investments are used appropriately.

At present, PETROCONs regularly prepares and follows business plans approved annually by the Group and the General Meeting of Shareholders. The company has developed a strategic plan with short-term and long-term visions, promptly adjusting the plan and strategy to adapt to micro- and macroeconomic changes, industry shifts, and internal developments to ensure sustainable business growth.

Additionally, PETROCONs always complies with all applicable Laws, Decrees, and Circulars—especially those in Finance and Securities—to maintain transparent information and financial data, thereby ensuring trust from investors and supporting state management and corporate governance functions.

### **III. REPORT AND EVALUATION BY THE GENERAL DIRECTORATE**

#### **1. Evaluation of Business Performance**

The business results of PETROCONs in 2024 have been presented in Section II.1 – Business Performance in 2024. Accordingly, PETROCONs did not meet its planned key economic targets, specifically:

- Production and Business Value: The entire group achieved VND 982.88 billion, reaching 64% of the 2024 plan and 108% compared to 2023. The parent company achieved VND 261.84 billion, reaching 30% of the 2024 plan and 59% compared to 2023.

- Revenue: The entire group reached VND 1,317.87 billion, fulfilling 77% of the 2024 plan and 106% compared to 2023. The parent company reached VND 609.04 billion, fulfilling 58% of the 2024 plan and 80% compared to 2023.

- Profit Before Tax: The group recorded a profit of VND 4.81 billion, including VND 4.12 billion from the parent company.

- Profit After Tax: The group reported VND 2.61 billion in profit after tax, with the parent company contributing VND 4.12 billion.

- Accumulated Loss: The accumulated loss of the parent company as of December 31, 2024 was VND 3,765.93 billion. The parent company's owner's equity was VND 311.53 billion.

- Some positive results achieved by PETROCONs in 2024 include:

- + Strengthened marketing and bidding efforts to secure future contracts. As a result, the parent company PETROCONs won and signed 05 new contracts with a total value of approximately VND 52 billion. Subsidiaries signed 45 contracts/appendices with a total value of approximately VND 1,200 billion.
- + At the Thai Binh II Thermal Power Plant project, PETROCONs successfully negotiated to reduce outstanding debts and costs with contractors such as Sojit, Quingiao, Sotec..., saving over VND 38 billion. In addition, receivables were reviewed and offset, resulting in a reversal of more than VND 47 billion in provisions.



- + Successfully completed final settlement of the Thai Binh Petroleum Hotel project, recognizing VND 42.53 billion in revenue.
- + PETROCONs conducted a comprehensive review of the restructuring progress of the parent company and its capable subsidiaries. Solutions were proposed to reorganize operations with the goal of resolving most outstanding issues at the parent company and subsidiaries by the end of 2025, gradually restoring business activities and improving opportunities for capital divestment.
- + In 2024, PETROCONs actively coordinated with legal consultants to protect its rights and interests in litigation and enforcement procedures, including:
  - Dispute with SDC
  - Debt recovery from PVR
  - Dispute with Lisemco
  - Execution of judgment in the case against the Thanh Trang–Tagi consortium for domestic transport services

Court rulings:

- PVR must repay VND 49 billion to PETROCONs
- Lisemco must return assets or pay an equivalent amount of VND 40 billion
- Thanh Trang–Tagi must pay VND 23 billion and hand over the 3,400m<sup>2</sup> land plot in Tam Dao (returned by Mai Phuong Co., as ordered by the Hanoi Civil Judgment Enforcement Department)

PETROCONs is continuing to work with authorities to enforce the rulings and appeal the PVR case, as PVR has filed for appeal and initiated ownership transfer procedures for the Tam Dao land.

Successfully organized the 2025 Annual General Meeting of Shareholders, expected to be held on May 28, 2025. The company also directed its capital representatives in subsidiaries to organize or coordinate the organization of their respective 2025 AGMs in accordance with regulations.

## **2. Financial Position (Parent Company)**

### **a. Assets:**

As of December 31, 2024, total assets stood at VND 4,352 billion, down VND 111.2 billion compared to the same period in 2023 due to a decrease in both current and non-current assets. Specifically, current assets decreased by VND 94.6 billion, from VND 3,733.57 billion to VND 3,638.9 billion; non-current assets decreased by VND 16.6 billion, from VND 729.65 billion to VND 713 billion. Total capital as of December 31, 2024 was also VND 4,352 billion, a decrease of VND 111.2 billion compared to the same period in 2023, due to a decrease in liabilities and an increase in owner's equity. Liabilities dropped VND 115.8 billion, from VND 4,155.8 billion to VND 4,040 billion; owner's equity increased by VND 4.12 billion, from VND 307.4 billion to VND 311.5 billion.

In 2023, the parent company PETROCONs reported a loss of VND 162.652 billion. As of December 31, 2023, the accumulated post-tax loss of the parent company stood at VND 3,770.052 billion. With efforts in expanding business



opportunities, recovering debts, cutting costs, and addressing legacy issues, PETROCONs returned to profitability in 2024, with a recorded profit of VND 4.12 billion.

Key financial indicators of the parent company as of December 31, 2024 changed compared to the same period in 2023, primarily due to the following items:

- Cash and cash equivalents increased by VND 104.1 billion, from VND 250.48 billion to VND 354.571 billion. (Details of 2024 inflows and outflows are provided in the interim cash flow report – Form B03-DN – Parent Company Financial Statements). The balance included VND 198.5 billion in cash and demand deposits, and VND 156 billion in time deposits (maturity  $\leq$  3 months) at BIDV – Ha Dong Branch, used mainly for the Thai Binh 2 Thermal Power Plant and general administration. Interest rates ranged from 2.3% to 2.9% per annum.

- Short-term financial investments totaled VND 154.5 billion, a decrease of VND 51.73 billion year-on-year. This decrease stemmed from a drop in term deposits at BIDV – Ha Dong Branch to VND 153.7 billion (interest rate: 4%–4.9%/year, pledged for loans). There is also an investment in trading securities of PetroVietnam Interior & Exterior Equipment JSC amounting to VND 14.6 billion, with a provision of VND 13.885 billion.

- As of December 31, 2024, PETROCONs held equity in 7 subsidiaries, 11 associates, and 6 other companies, with a total investment of VND 2,311.954 billion (subsidiaries: VND 1,384.909 billion; associates: VND 735.449 billion; others: VND 191.595 billion). Cumulative long-term financial investment provisions reached VND 1,796.24 billion, up VND 26.66 billion compared to 2023 (increased provision at PVC-Thai Binh: +VND 27.155 billion; decreased at PVC-MS: -VND 4 billion; decreased at DOBC: -VND 623 million; increased at Petrolink: +VND 900 million; decreased at PVC-KB: -VND 10 billion).

- Short-term receivables from customers decreased by VND 130.3 billion, from VND 1,439.64 billion to VND 1,309.3 billion, due to reductions at the Thai Binh 2 project management board (VND -173.811 billion) and Vietnam Petroleum Institute (VND -5.6 billion), while receivables from PVNC increased by VND 49.2 billion.

- Short-term advances to suppliers as of December 31, 2024 totaled VND 558.6 billion, down VND 17.4 billion from 2023. A provision of VND 206.131 billion was recognized. Breakdown includes:

- + Vietnam Port and Infrastructure Investment JSC: VND 113.386 billion
- + PVC-Hanoi: VND 108.8 billion
- + Others: VND 336.43 billion

- Short-term loans receivable remained unchanged at VND 355.676 billion, with provisions totaling VND 269.17 billion.

- Other short-term receivables increased by VND 13.2 billion, reaching VND 286.75 billion, mainly due to interest on deposits (VND 2.25 billion); while dividend and profit receivables decreased by VND 670 million, advances decreased by VND 202 million, and several other changes.

- Long-term deposits/margin receivables were unchanged from 2023, amounting to VND 22.893 billion, reserved as project guarantees for the Thai Binh 2



## Thermal Power Plant.

- Debt recovery and settlement:
- + In 2024, the company settled outstanding receivables of VND 5.588 billion, including from:
  - TID: VND 0.288 billion
  - PVNC: VND 2.716 billion
  - PVC-ME: VND 0.1 billion
  - PVC-Dong Do: VND 0.731 billion
  - Vinaconex 39: VND 1.753 billion
- + Salary deductions (10%) continued to be applied to staff with overdue personal advances at the parent company.
- Continued recovery efforts in 2025 and beyond target overdue receivables, including:
  - Office rental receivables from PVC-HN and PVC-ME at the Sannam Building.
  - Cement receivables from PVNC via share transfers from Cement 12/9 Company.
  - Various contractors at Vung Ang TPP project.
- Inventory decreased by VND 53.397 billion, from VND 1,437.002 billion to VND 1,383.604 billion, mainly due to changes in construction-in-progress costs at the Thai Binh 2 project.
- Long-term work-in-progress assets were unchanged at VND 158.16 billion.
- Tangible fixed assets: After liquidation and disposals, the recorded gross value was VND 50.296 billion, with net book value VND 10.15 billion.
- Intangible fixed assets decreased by VND 99.9 million due to depreciation. Cumulative depreciation reached VND 5.16 billion; net value was VND 345 million.
- Short-term borrowings and finance leases:
  - Total: VND 585.006 billion, including:
  - BIDV – Ha Tay Branch: VND 9.336 billion
  - Oceanbank entrusted loan (due): VND 575.67 billion
- Short-term payables to suppliers:
  - As of December 31, 2024: VND 2,584.56 billion, down VND 94.96 billion from year-end 2023.
- Deferred revenue:
  - Short-term: VND 1.447 billion
  - Long-term: VND 50.632 billion, down VND 1.448 billion from VND 52.08 billion
- 2024 revenue (parent company):



- Total: VND 609.04 billion
- Construction: VND 530.359 billion
- Financial activities: VND 37.971 billion
- Other income: VND 40.714 billion
- Revenue decreased VND 201.61 billion YoY; financial income rose VND 5.99 billion; other income rose VND 38.92 billion.
- Cost of goods sold: VND 541.859 billion, down VND 159.105 billion from 2023.
- Administrative expenses in 2024: VND 5.153 billion
- Net profit after tax (parent company): VND 4.12 billion
- As of December 31, 2024:
  - Accumulated loss: VND 3,765.932 billion
  - Short-term liabilities exceeded current assets by VND 235.41 billion
  - Working capital shortfall; overdue loans mainly include VND 575.67 billion at Oceanbank (entrusted loan).

**b. Liabilities:**

- Short-term and long-term debt due:  
Total as of December 31, 2024: VND 585 billion
  - Short-term: VND 9.336 billion (BIDV)
  - Long-term (due): VND 575.67 billion (Oceanbank)
  - Increase during the period: VND 56.67 billion
  - Decrease during the period: VND 114.6 billion
- Short-term payables to suppliers: VND 2,584.5 billion, down VND 95 billion YoY.
- Debt-to-equity ratio:

Financial Indicator	Unit	As of 31/12/2024	As of 31/12/2023	Change vs. Previous Year
Liabilities to Owner's Equity	Times	12.97	13.52	-0.55
Debt Payment Capacity	Times	0.94	0.93	+0.01
Overall Debt Payment Ratio	Times	1.08	1.07	+0.003

- Liabilities to Owner's Equity: Liabilities account for a significantly high proportion compared to Owner's Equity, indicating that PETROCONS is facing major difficulties in meeting its debt obligations.

- Maturity Debt Payment Capacity: Current assets are lower than current liabilities. This implies that in the short term, PETROCONS does not possess sufficient assets or capital to settle its maturing debts. If creditors simultaneously demand



repayment, the company will lose its solvency and may face bankruptcy proceedings initiated by creditors.

- General Debt Payment Ratio (Current Ratio) = 1.08 times  
This reflects that the Corporation is encountering liquidity difficulties at the reporting date.

### **3. Improvements in Organizational Structure, Policies, and Management**

In 2024, PETROCONs made no changes to its organizational structure, internal policies, or management model.

### **4. Future Development Plan**

In the short term, PETROCONs' Board of Management plans to continue implementing the following activities:

- Enhancing the capacity and quality of the financial management, marketing, and bidding teams; strengthening and developing human resources, capital, facilities, and construction equipment to complete corporate capability profiles. Actively participating in bidding activities to secure sufficient workloads for 2025 and beyond.

- Applying technology in management and construction deployment to scientifically organize project execution and minimize construction timelines while still meeting investor quality requirements.

- Continuing to review and assess the status of PETROCONs' subsidiaries across all areas of business operations, finance, organizational structure, human resources, assets, and machinery. Based on this assessment, build business operation orientations and restructure subsidiaries according to actual capacity. PETROCONs will consider and direct appropriate restructuring of its member units to suit actual conditions.

- Focusing resources on completing the outstanding work and pending items at the Thai Binh 2 Thermal Power Plant Project. Finalizing quality documentation and other necessary procedures under the General Contractor's responsibility, and coordinating closely with the Project Management Board in a cooperative spirit to complete the project settlement in 2025.

- Finalizing outstanding procedures and collaborating with stakeholders to resolve issues in the final settlement of pending projects such as: Nghi Son Refinery and Petrochemical Complex, Thai Binh 2 Thermal Power Plant, Quang Trach Power Center, Southern Petroleum Institute, and Song Hau 1 Thermal Power Plant.

- Taking decisive actions in the areas of project acceptance, financial settlement, capital recovery, and handling/deducting receivables to ensure working capital for the Corporation's operations.

- Promoting and proposing to competent authorities to resolve PETROCONs' and PVN's entitlements related to cost recovery for investments made in the Soai Rap Industrial Zone project in Tien Giang province.

- Continuing to arrange funding sources and providing additional collateral/repayment for entrusted loans from the Group via Oceanbank. Instructing PETROCONs' capital representatives at subsidiaries to work with credit institutions to resolve loan guarantees issued by PETROCONs for these subsidiaries.



- Reviewing and restructuring the organizational apparatus and personnel to ensure a lean, efficient structure that aligns with available workloads and company resources. Emphasizing training and development for employees, especially in strategic areas such as marketing and bidding, project management, and other supporting functions.

- Reviewing and revising PETROCONS' internal policies and regulations to ensure uniformity and synchronization, while aligning with current State laws and PETROCONS' Charter.

- 2025 is forecast to be a difficult year for PETROCONS after completing the key Thai Binh 2 project without follow-up projects lined up. This demands that PETROCONS intensify its marketing and bidding efforts to secure new projects. Facing this challenge, PETROCONS has established the following key targets for 2025:

No.	Indicator	Unit	Actual 2024	Planned 2025	2025 Plan / 2024 Actual (%)
1	Production and Business Value				
	- Consolidated	Billion VND	982.88	1,345.00	137%
	- Parent Company	Billion VND	261.84	332.00	127%
2	Total Revenue				
	- Consolidated	Billion VND	1,317.87	1,707.00	130%
	- Parent Company	Billion VND	609.04	796.00	131%
3	Profit Before Tax				
	- Consolidated	Billion VND	4.81	4.56	95%
	- Parent Company	Billion VND	4.12	3.72	90%
4	Profit After Tax				
	- Consolidated	Billion VND	2.61	4.56	175%
	- Parent Company	Billion VND	4.12	3.72	90%

## 5. Management's Explanations on the Auditor's Opinions – Audited Financial Statements for 2024

### 5.1 Regarding the Parent Company's Audited Financial Statements for 2024:

AASC Auditing Firm Co., Ltd. (AASC) conducted the audit in accordance with Vietnamese Auditing Standards. However, AASC disclaimed an opinion on the parent company's financial statements for 2024 as it was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Opinion 1:*

“As of December 31, 2024, the separate financial statements of the Company reflect: an accumulated loss (Code 421) of VND 3,765.93 billion (as of January 1,



2024: VND 3,770.05 billion); short-term liabilities (Code 310) of VND 3,874.35 billion exceeding current assets (Code 100) by VND 235.42 billion (as of January 1, 2024: short-term liabilities of VND 4,032.66 billion exceeding current assets by VND 299.09 billion); overdue payables of VND 575.67 billion as of December 31, 2024 (unchanged from January 1, 2024). These factors, together with disclosures in Note 1, cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern depends on its plans to recover receivables, restructure investments, complete and settle ongoing projects to recover cash, and receive financial support from shareholders and creditors. Within the scope of a financial audit, we are unable to assess the adequacy and effectiveness of these plans."

The auditor's opinion was due to insufficient evidence, thus unable to determine whether the financial statements prepared on a going concern basis were appropriate.

***Opinion 2:***

"As of December 31, 2024, the Company had a receivable balance of VND 200 billion loaned to Lam Kinh Hotel JSC to support its business operations (unchanged from January 1, 2024), with a provision of VND 124.4 billion (unchanged from January 1, 2024) (Note 7). We were unable to obtain appropriate audit evidence regarding the recoverability of this receivable as of both December 31, 2024 and January 1, 2024. Therefore, we cannot determine whether adjustments to these figures are necessary."

***Opinion 3:***

"As of December 31, 2024, the work-in-progress balances for the Vung Ang 1 Thermal Power Plant (Note 10) and Quang Trach 1 Thermal Power Plant (Note 14) were VND 245.1 billion and VND 25.8 billion, respectively (unchanged from January 1, 2024). As of the report date, the Company is working with authorities to: (1) adjust unanticipated costs of the Vung Ang 1 project; and (2) finalize and settle costs incurred in the Quang Trach 1 project. We were unable to obtain sufficient appropriate documentation to evaluate the net realizable value of these work-in-progress balances. Accordingly, we cannot determine whether adjustments are required."

***Opinion 4:***

"As disclosed in Note 14, the Company's construction-in-progress balance as of December 31, 2024 includes projects previously suspended: (1) the PetroVietnam University Urban Area Project and (2) the Tien Giang Petrochemical Industrial Park Project, totaling approximately VND 5.72 billion (unchanged from January 1, 2024). We were unable to obtain evidence regarding the future economic benefits of these projects. Therefore, we cannot assess whether adjustments are necessary."

***Opinion 5:***

"As of December 31, 2024, the Company had investments in subsidiaries, associates, and other entities totaling VND 932.58 billion, with a corresponding provision of VND 858.76 billion. These provisions were based on self-prepared financial statements or the most recent financial information available (Note 4). We could not obtain sufficient appropriate audit evidence to assess impairment, nor perform alternative audit procedures. Therefore, we cannot determine whether adjustments are necessary."



As of the issuance of PETROCONs' audited financial statements, the Company had not obtained 31/12/2024 audited financial reports of the above entities and thus used the latest available reports for valuation. PETROCONs believes the valuation is in accordance with accounting standards and current regulations.

***Emphasis of Matters:***

The auditors highlighted certain matters in the audit report in accordance with Vietnamese Auditing Standard No. 706. The Company affirms that these matters emphasized in the report do not constitute qualifications or disclaimers of opinion. These emphasized matters also do not represent a limitation in the scope of the audit, as the Company had fully provided all necessary supporting documents for the auditors to form their basis for assessing the issues related to these emphasis matters. These highlights are presented to draw readers' attention to issues already disclosed in the Financial Statements. Moreover, these emphasized matters do not indicate that the financial statements fail to present fairly, in all material respects, the financial position of the Company as of December 31, 2024, as well as the results of its operations and cash flows, in conformity with Vietnamese accounting standards, the accounting regime for enterprises in Vietnam, and the relevant legal regulations on the preparation and presentation of financial statements.

**5.2 Regarding the Audited Consolidated Financial Statements of PETROCONs for 2024:**

AASC Auditing Firm Co., Ltd. (AASC) was unable to obtain sufficient appropriate audit evidence to form a basis for an audit opinion. Therefore, AASC could not express an audit opinion on the 2024 consolidated financial statements of PETROCONs.

***Auditor's opinion 1:***

"As of December 31, 2024, the consolidated financial statements of the Corporation reflect: accumulated losses (code 421) of VND 3,998.41 billion; short-term liabilities (code 310) of VND 5,393.51 billion exceeding short-term assets (code 100) of VND 781.85 billion; and overdue debts of VND 1,209.95 billion. The Corporation's financial position as of January 1, 2024 was similarly adverse. These matters, together with the disclosures in Note 1, raise substantial doubt about the Corporation's ability to continue as a going concern. The Corporation's ability to continue operations depends on the recovery of receivables, restructuring of investments, completion and settlement of ongoing projects to recover capital, and financial support from shareholders and creditors. Within the scope of a financial statement audit, we were unable to evaluate the appropriateness and effectiveness of such plans."

→ The auditor's opinion was based on insufficient information to determine whether the consolidated financial statements were appropriately prepared on the assumption that the Corporation would continue as a going concern.

***Opinion 2:***

"As of December 31, 2024, the Corporation had receivables from Lam Kinh Hotel JSC for a working capital support loan amounting to VND 200 billion (same balance as of January 1, 2024), with an allowance of VND 124.4 billion (same as of January 1, 2024) (Note 7). We were unable to obtain appropriate audit evidence



related to the recoverability of this receivable as of December 31, 2024 and January 1, 2024. Therefore, we could not determine whether adjustments were necessary.”

→ The auditor could not gather sufficient audit evidence to assess the impact of this issue on the Corporation’s consolidated financial statements.

***Opinion 3:***

“As of December 31, 2024, the balance of work-in-progress for the Vung Ang 1 Thermal Power Plant project (Note 10) and the Quang Trach 1 Thermal Power Plant project (Note 15) were VND 245.1 billion and VND 25.8 billion respectively (same values as of January 1, 2024). At the reporting date, the Corporation was working with relevant authorities to (1) adjust unexpected incurred costs for the Vung Ang 1 project and (2) verify and settle costs for the Quang Trach 1 project. We could not obtain adequate documentation on the net realizable value of these costs as of December 31, 2024 and January 1, 2024. Thus, we could not determine if any adjustments were needed.”

→ The auditor could not gather sufficient appropriate evidence on the realizable value of these work-in-progress costs and could not apply alternative procedures. As a result, the necessity of adjustments could not be determined.

***Opinion 4:***

“Note 15 of the consolidated financial statements presents construction-in-progress balances as of December 31, 2024, including projects previously suspended, namely: (1) PetroVietnam University Urban Area and (2) Tien Giang Petroleum Industrial Park with a total value of approximately VND 5.72 billion (same as of January 1, 2024). We could not obtain adequate evidence regarding the future economic benefits of these projects. Therefore, we were unable to determine whether adjustments were necessary.”

→ Due to the lack of appropriate evidence regarding future economic benefits, the auditor could not determine if adjustments to related items were required.

***Opinion 5:***

“The Corporation is consolidating PetroVietnam Urban Development Joint Stock Company (a subsidiary) into the Corporation’s consolidated financial statements based on the Q2/2024 financial statements prepared by the Company itself (in which, as of June 30, 2024, total assets amounted to VND 15.16 billion and owners’ equity was negative VND 193.44 billion; revenue and profit after corporate income tax for the period were VND 0.09 billion and negative VND 0.53 billion, respectively). For associated companies, except for the financial statements of PetroVietnam Central Construction JSC and PetroVietnam Thanh Hoa Construction JSC which were audited, the investment values in the remaining associates are presented under the equity method based on unaudited financial statements for the fiscal year ended December 31, 2024 or the most recent financial statements collected by the Corporation (Note 04). We are unable to assess the appropriateness of these figures.”

The auditor's opinion stated in the audit report is due to the inability to obtain sufficient appropriate evidence to evaluate the impact of the issue on the Corporation’s consolidated financial statements. Therefore, it is not possible to determine whether it is necessary to adjust these figures.



As of the date of issuance of PETROCONs' audited financial statements, the Corporation had not yet obtained the audited financial statements as of December 31, 2023, of the aforementioned companies, and thus PETROCONs used the most recent financial statements of those entities for consolidation. PETROCONs believes that such consolidation is in compliance with accounting standards and current regulations.

***Opinion 6:***

"As of December 31, 2024, the Corporation did not obtain financial statements from the investee entities related to the 'Investment in other entities' line item (code 253) on the consolidated balance sheet, with total carrying value and provision value amounting to VND 191.595 billion and VND 149.99 billion, respectively (as of January 1, 2024: VND 191.595 billion and VND 160.08 billion, respectively). The provision for investments in these entities was made based on the most recent financial statements collected by the Corporation. We were unable to obtain adequate evidence regarding the impairment of these investments."

The auditor's opinion stated in the audit report is due to the lack of sufficient appropriate audit evidence to assess the impact of this matter on the Corporation's consolidated financial statements. Therefore, it is not possible to determine whether adjustments to these figures are necessary.

As of the date of issuance of PETROCONs' reviewed financial statements, the Corporation had not obtained the audited financial statements as of December 31, 2023, of the aforementioned companies, and thus used the most recent available financial statements for consolidation. PETROCONs believes this consolidation is in accordance with accounting standards and applicable regulations.

***Opinion 7:***

"Thai Binh Petroleum Investment and Trading JSC (a subsidiary) has not assessed the impairment or estimated the net realizable value of inventories consisting of real estate products recorded at VND 36.3 billion as of both January 1, 2024, and December 31, 2024 (Note 10). We were unable to obtain adequate evidence regarding the net realizable value of these inventories."

This is an opinion stated in the audit report of a subsidiary of the Corporation. The auditor's opinion is based on the inability to obtain sufficient appropriate audit evidence regarding the net realizable value of these inventories and the inability to perform alternative procedures to assess the provision required. Therefore, it cannot be determined whether it is necessary to adjust these figures.

***Opinion 8:***

Also at Thai Binh Petroleum Investment and Trading JSC, we performed necessary audit procedures, but were unable to obtain sufficient audit evidence to confirm the accuracy and recoverability of work-in-progress costs totaling VND 33.647 billion as of December 31, 2024. Therefore, we have not determined the necessary adjustments related to the item "Work-in-progress costs" and other related items as well as their potential impact (if any) on the accompanying consolidated financial statements.

This is an opinion stated in the audit report of a subsidiary of the Corporation. The auditor's opinion is based on the inability to obtain sufficient appropriate audit evidence, thus making it impossible to determine whether these figures need to be



adjusted.

***Opinion 9:***

“As of December 31, 2024, the inventory balance presented in the financial statements of Dong Do Petroleum JSC (a subsidiary) includes the following work-in-progress construction projects: Thai Binh 2 Thermal Power Plant, Song Hau 1 Thermal Power Plant, Tran Anh Apartment Complex - Long An, and Multi-purpose Building in District 1, with a total WIP value of approximately VND 55.36 billion (as of January 1, 2024: VND 57.97 billion). We are unable to assess the net realizable value of these WIP construction projects at the aforementioned dates.”

This is an opinion stated in the audit report of a subsidiary of the Corporation. The auditor’s opinion is due to the inability to obtain sufficient appropriate audit evidence; therefore, it cannot be determined whether adjustments to these figures are necessary.

***Opinion 10:***

Also at Dong Do Petroleum JSC (a subsidiary), the outstanding balances of receivables and payables as of January 1, 2024 and December 31, 2024 were VND 14.25 billion and VND 25.88 billion (receivables), and VND 15.51 billion and VND 15.83 billion (payables), respectively. The overdue receivables as of December 31, 2024 amounted to VND 20.52 billion, and the company has not reviewed or assessed the need for provision. We cannot evaluate the existence, recoverability, or the amount of bad debt provision that should be recognized for these receivables.”

This is an opinion stated in the audit report of a subsidiary of the Corporation. The auditor’s opinion is due to the lack of sufficient appropriate audit evidence; thus, it is not possible to determine whether adjustments to these figures are necessary.

***Opinion 11:***

At PetroVietnam Metal Structure and Installation JSC (a subsidiary): We were unable to obtain necessary documentation related to the projects: Thai Binh 2 Thermal Power Plant and Song Hau I Thermal Power Plant. Therefore, we cannot express an opinion on the appropriateness of revenue and cost of goods sold recognized cumulatively as of December 31, 2024, which were VND 892.97 billion and VND 921.34 billion respectively (of which VND 4.93 billion and VND 5.15 billion were recognized in 2024), nor can we assess the appropriateness and completeness of work-in-progress related to the two aforementioned projects as of December 31, 2024 and January 1, 2024, with values of VND 146.25 billion and VND 149.76 billion, respectively, as well as the impact of such figures on the accompanying financial statements.

This is an opinion stated in the audit report of a subsidiary of the Corporation. The auditor’s opinion is based on the inability to obtain sufficient appropriate audit evidence; therefore, it cannot be determined whether these figures should be adjusted.

***Opinion 12:***

“At PetroVietnam Metal Structure and Installation JSC (a subsidiary): Note 13 of the consolidated financial statements presents the Company’s monitoring of land use rights related to the land lot at 02 Nguyen Huu Canh Street, Thang Nhat Ward, Vung Tau City, Ba Ria - Vung Tau Province, with historical cost of VND 15.166 billion and



accumulated depreciation as of December 31, 2024 of VND 6.488 billion. This land was converted into an investment project of a high-rise residential and office complex by the Company and was put into use in 2014. On August 24, 2017, the Department of Natural Resources and Environment of Ba Ria - Vung Tau Province revoked the land to reissue land use rights to project unit owners. The Company retains ownership rights for floors 1 to 5, the technical floor, and the technical roof of the project. However, the Company has not allocated the land use rights value into the project cost."

This is an opinion stated in the audit report of a subsidiary of the Corporation. The auditor's opinion is due to the inability to obtain sufficient appropriate audit evidence; therefore, it cannot be determined whether these figures should be adjusted.

***Opinion 13:***

The balance of work-in-progress of PetroVietnam Industrial and Civil Construction JSC (a subsidiary) includes the ongoing cost of the Commercial – Service – Office – Apartment Complex project amounting to VND 32.99 billion (Note 10). The project has been completed and put into operation since 2019, but as of the reporting date of these consolidated financial statements, it has not yet been approved for final settlement.

This is an opinion stated in the audit report of a subsidiary of the Corporation. The Company has hired an investment capital audit unit, and once the final settlement is approved, the Company will account for the remaining WIP costs.

***Opinion 14:***

At PetroVietnam Industrial and Civil Construction JSC (a subsidiary): The Company has not assessed the recoverability of a long-term receivable related to the cooperation in Long Son Riverside Apartment project amounting to VND 12.89 billion (Note 16), which was completed in 2019.

This is an opinion stated in the audit report of a subsidiary of the Corporation. The project is currently undergoing legal documentation completion and investment capital audit procedures. Therefore, the Company has not yet evaluated the effectiveness of its capital contribution to the project.

***Opinion 15:***

Also at PetroVietnam Industrial and Civil Construction JSC (a subsidiary): The outstanding balances of receivables and payables were not fully reconciled and confirmed as of January 1, 2024 and December 31, 2024. Specifically: payables were VND 29.28 billion and VND 21.27 billion, and receivables were VND 4.26 billion and VND 4.21 billion, respectively.

This is an opinion stated in the audit report of a subsidiary of the Corporation. As of the preparation date of the 2024 financial statements, the Company had conducted relatively complete confirmations of receivables and payables. However, by the time the report was issued, a small number of customers had not yet returned confirmation letters. The Company will continue to contact customers to obtain full confirmation of these balances.

***Opinion 16:***

At PetroVietnam Pipeline and Tank Construction JSC (a subsidiary), the



outstanding balances were not fully reconciled and confirmed. Specifically: payables were VND 11.67 billion and VND 15.55 billion, and receivables were VND 11.48 billion and VND 10.31 billion, respectively. The overdue receivables as of January 1, 2024 and December 31, 2024 were VND 106.22 billion and VND 131.89 billion, respectively, but the Company has not reviewed or assessed the need for provisioning.

This is an opinion stated in the audit report of a subsidiary of the Corporation. As of the preparation date of the 2024 financial statements, the Company had conducted relatively complete confirmations of receivables and payables. However, by the time the report was issued, a small number of customers had not yet returned confirmation letters. The Company will continue to contact customers to obtain full confirmation of these balances.

***Regarding the Emphasis of Matter paragraphs in the post-audit financial statements:***

The auditor presented several Emphasis of Matter paragraphs in the audit report in accordance with Vietnamese Auditing Standard No. 706. The Corporation affirms that these emphasized matters are not qualifications or disclaimers of opinion. They also do not constitute a scope limitation, as the Corporation provided the auditor with all necessary documentation to support the auditor's evaluation of the emphasized matters. These Emphasis of Matter paragraphs are provided to draw readers' attention to issues that have already been disclosed in the financial statements. Moreover, these emphasized matters are not events that, in the auditor's judgment, cause the financial statements to fail to present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024, as well as its results of operations and cash flows in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and other relevant legal regulations regarding the preparation and presentation of financial statements.

**5.3 In order to overcome difficulties and reduce accumulated losses in the coming period, PETROCONs' leadership has outlined the following orientations and remedial solutions:**

The leadership of PETROCONs is fully aware of the company's ongoing difficulties and has been making progressive efforts to address them. With the support of the Group and its member units, PETROCONs has actively reviewed, developed, and implemented solutions to resolve challenges, recover, and stabilize its business operations. Some specific solutions for the upcoming period include:

- Taking decisive action in the management and execution of all projects and construction works undertaken by PETROCONs and its member units;
- Actively promoting marketing and bidding activities to seek and add new workloads;
- Continuing to implement the overall restructuring plan of PETROCONs in accordance with the orientation approved by the Group, aiming for the Parent Company to directly participate in construction business activities, play a guiding role for its subsidiaries, fully divest investments in units outside PETROCONs' core business sectors, and enhance its management, supervision, and business operations to improve the efficiency of its subsidiaries and the use of PETROCONs' investment capital;



- Taking strong measures in reviewing, reconciling, and collecting receivables, developing detailed monthly and quarterly debt recovery plans to ensure business capital and minimize financial costs due to capital being held up;

- Actively coordinating with the Group, its member units, and state management authorities to expedite the approval of additional costs incurred in projects that PETROCONs is participating in;

- Proactively working with banks and credit institutions to restructure debts, negotiate lower loan interest rates, and arrange sufficient capital for business operations and the release of guarantees in the near future.

## **6. Assessment Report on PETROCONs' Environmental and Social Responsibility:**

### **6.1 Environmental Social Responsibility:**

PETROCONs strictly complies with environmental protection laws and adheres to the following criteria: pollution prevention, sustainable use of resources, mitigation of and adaptation to climate change, waste management, and energy efficiency. Assessment of environmental indicators:

- Water consumption: Normal
- Energy: Normal
- Emissions: Normal

### **6.2 Assessment related to labor issues:**

The Corporation ensures a safe and healthy working environment for employees, improves quality of life, and contributes to maintaining a green, clean, and beautiful workplace, thereby increasing labor productivity.

### **6.3 Assessment of the Corporation's responsibility to the local community:**

PETROCONs complies with legal regulations on environmental protection and resource exploitation; implements innovation initiatives and workforce training to ensure optimal and efficient use of input materials throughout its business and production activities.

## **IV. ASSESSMENT BY THE BOARD OF DIRECTORS ON PETROCONs' OPERATIONS**

### **1. Evaluation of the Corporation's performance by the Board of Directors**

In 2024, the global political and economic landscape continued to be complicated and unpredictable. The global economy experienced slow growth, and financial, monetary, and real estate markets posed numerous risks. Exchange rates, interest rates, fuel prices, and raw material costs fluctuated negatively, creating significant challenges for the business operations of construction enterprises in general and PETROCONs in particular. Additionally, PETROCONs was affected by difficulties in mobilizing investment capital and site clearance from project investors, resulting in limited access to new construction contracts on the market. Alongside these external economic challenges, PETROCONs also faced internal issues such as capital shortages, low competitiveness, and management limitations, which led to the Company's 2024 business plan not meeting the set expectations.



Throughout 2024, in accordance with the directives of the Group conveyed through Resolutions, Directives, and conclusions from monthly CEO briefing meetings, PETROCONs developed and implemented numerous solutions to fulfill assigned tasks and promote business activities, focusing on the following key tasks:

- Focused on implementing the remaining construction work at the Thai Binh 2 Thermal Power Plant (TPP) project, aiming to complete and bring the project into operation. PETROCONs is currently concentrating on preparing the project's final settlement procedures.

- Regarding restructuring efforts, PETROCONs reviewed the current status and progress of restructuring at both the parent company and its subsidiaries. As a result, the Company proposed solutions to reorganize business activities with the goal of resolving most of the existing issues at the parent company and subsidiaries by the end of 2025, thereby gradually restoring business operations.

- Actively sought to develop new business opportunities through close collaboration with partners and by preparing sufficient human and material resources to participate in bidding for packages aligned with PETROCONs' capabilities. The Company actively monitored investor bidding processes to participate in tenders such as: repair and renovation packages at Song Hau 1 TPP; several packages at Quang Trach 1 TPP; employee housing at Song Hau 1 TPP and Ca Mau Fertilizer Plant; Duyen Hai and Na Duong TPPs; Yen Binh Waste Treatment Plant; Phu My Polypropylene Plant; O Mon 4 TPP, among others. However, due to limited bidding capacity and delays/suspension of certain projects by investors, PETROCONs' bidding results did not meet expectations.

- For due and overdue receivables, and advance balances with contractors at projects where PETROCONs acted as the EPC/General Contractor: the Company conducted reviews, followed up on collections, and compiled documentation to complete internal procedures and resolve outstanding debts between parties.

- Proactively pursued recovery of bad debts by participating in litigation, dispute resolution, and mediation procedures to ensure PETROCONs' legitimate rights and maximize its interests.

#### **Implementation Status of Certain Tasks in 2024:**

- Business and Production Performance in 2024: Figures are presented in Section II.1 of this report.

- Construction Work at Projects:

- + **For the key project – Thai Binh 2 Thermal Power Plant (TPP):** PETROCONs continued implementing the remaining auxiliary items and resolving outstanding issues. In 2024, the State Council for Construction Acceptance (SCCA) conditionally approved the acceptance of the generating units in Notice No. 3895/TB-HĐKTNN dated July 8, 2024. On July 10, 2024, the Investor issued the Handover Certificate for Unit No.1, Unit No.2, and shared items (excluding Coal Handling Machine No.5, Coal Yard No.3, and other ongoing final works). On July 19, 2024, the Electricity Trading Company (EPTC) recognized the commercial operation date of the Plant starting from 08:00 AM on July 19, 2024. By early August 2024, the project officially entered the National Electricity Market. PETROCONs is currently cooperating with the Thai Binh 2 TPP Project Management Board to finalize the EPC



contract.

+ **Song Hau 1 TPP Project:** PETROCONs is conducting final settlement for two contracts: No. C11/SH1-LLM-PVC&GEOVN (ground treatment works) and No. C15/SH1-LLM-PVC (construction works) with General Contractor Lilama.

+ **Repair projects inside Song Hau 1 TPP:** In 2024, PETROCONs won and signed two contracts for renovation and repair works within the plant and is currently executing construction as scheduled.

+ **Southern Petroleum Institute Office Project:**

*Phase 1:* PETROCONs has completed the final settlement documentation and is awaiting approval from competent authorities.

*Phase 2:* PETROCONs signed Supplementary Appendix No.19 with the Institute on October 24, 2024, and submitted settlement documents to the project management consultant for verification and onward submission for investor approval.

+ **Upgrade project of DCS system for Unit S7 – Uong Bi TPP:** As of December 9, 2024, PETROCONs had completed 100% of construction volume according to the signed contract. The company is now coordinating with the general contractor to finalize execution for payment determination.

+ **Project for supplying and installing inverters for smoke fans of Unit S2 – Vinh Tan 2 TPP:** The scope of PETROCONs has been largely completed. The company is waiting for consortium partners to complete remaining contract obligations.

+ **Construction of ash dump site, water intake tower, and return water pipeline at Quang Trach 1 TPP:** Work is currently underway as scheduled.

+ **Marketing and Tendering Activities – Signing Economic Contracts:**

- **At the Parent Company:** In 2024, the parent company of PETROCONs participated and won the following contracts: Procurement and installation of inverters for smoke fans of Unit S2 – Vinh Tan TPP; Construction of ash dump site, water intake tower, and return water pipeline – Quang Trach 1 TPP; Renovation of the operation building – Song Hau 1 TPP; Renovation of equipment washing and ash disposal areas – Song Hau 1 TPP; and Supply of Boiler Feed Pump 1A – Cao Ngan TPP.

- **At Subsidiaries:** In 2024, a total of 43 new/additional contracts were signed to supplement workload:

**PVC-MS:** 18 contracts totaling VND 861.4 billion (notable: Phu Quoc Topside project – VND 485 billion; Lac Da Vang jacket fabrication – VND 143.5 billion; P15 project – VND 138 billion)

**DOBC:** 15 contracts totaling VND 80.7 billion

**PVC-Binh Son:** 6 contracts totaling VND 27.3 billion

**PVC-TB:** 1 contract valued at VND 121.73 billion

**PETROCONs – Dong Do:** 3 contracts valued at approximately VND 87.3 billion



- **Debt Recovery Efforts:** As of November 30, 2024, the parent company had recovered VND 3.835 billion in outstanding debts, including: TID (VND 0.288 billion), PVNC (VND 2.716 billion), PVC-ME (VND 0.1 billion), and PVC-Dong Do (VND 0.731 billion in 2011 dividends). PETROCONs continues reviewing inter-company debts and resolving pending issues in long-standing projects to develop appropriate solutions for debt resolution and recovery.

## **2. Evaluation by the Board of Directors on the Performance of the Executive Board**

- The Board of Directors has closely monitored and supervised the Executive Board in implementing the contents of the Resolutions issued by the Board. All members of the Executive Board possess qualifications, capabilities, and integrity, have a deep understanding of their assigned fields, and have many years of experience in managing and operating major projects/enterprises.

- The General Director has clearly delegated responsibilities to the Deputy General Directors.

- The Executive Board has generally executed the business and production activities in line with the Resolutions of the General Meeting of Shareholders, the directions of the Board of Directors, the Charter of PETROCONs, and applicable legal regulations.

- The Executive Board holds regular meetings with affiliated subsidiaries to align their business and production activities with the overall strategic direction, promptly resolving difficulties and issues during business operations and investment activities at each unit.

- The Executive Board has enhanced efforts to reduce costs, tightly control expenditures and cash flows to maintain business operations; implemented internal consolidation measures; continued to promote marketing and bidding efforts to secure new projects; and actively sought potential investors to transfer capital at subsidiaries, while also promoting PETROCONs' restructuring process.

- Salary payments for employees at the Head Office and Project Management Boards under the parent company are made based on job position allocation, work quality, and performance effectiveness, ensuring a stable income and livelihood for employees working at the parent company.

- The Executive Board has reviewed and re-implemented PETROCONs' internal rules/regulations and proposed adjustments to reflect the actual business and production conditions, which have been submitted to the Board of Directors for consideration and approval.

## **3. Plan and Orientation of the Board of Directors for 2025**

### **3.1 Economic indicators achieved in 2024 and planned economic indicators for 2025:**

*Unit: billion VND*

<b>No.</b>	<b>Indicator</b>	<b>Actual 2024</b>	<b>Plan 2025</b>
1	Value of production and business	982.88	1,345.00



No.	Indicator	Actual 2024	Plan 2025
	– Parent company	261.84	332.00
2	Total revenue	1,302.50	1,707.00
	– Parent company	609.74	796.00
3	Profit before tax	2.83	4.56
	– Parent company	3.59	3.72
4	Profit after tax	1.04	4.56
	– Parent company	3.59	3.72
5	Payment to the State Budget	82.79	58.00
	– Parent company	3.91	9.00
6	Average income per employee (million VND/person/month)	11.42	11.90
	– Parent company	13.25	14.10

### 3.2 Key Tasks and Solutions:

#### 3.2.1 Key Tasks:

##### 3.2.1.1 Regarding Production and Business Activities:

- Strive to fulfill or exceed the key economic targets and planned tasks set for 2025.

- Develop and implement suitable management models such as volatility management, value chain management, ecosystem management, digital platform-based management, etc. Emphasize the principle of “renewing old drivers, adding new ones,” being ready to shift the business model in line with modern transformation and development trends.

- Effectively implement the annual management plan of the Group and the Company; focus on cost control, especially at major cost centers; minimize losses due to market impacts.

- Focus on executing ongoing project contracts to ensure timely and quality completion as required by the Clients, while achieving or surpassing effectiveness based on the implementation plan approved by the Board of Directors.

- Closely follow the production and business plans, investment plans of the Group and its subsidiaries; actively seek marketing and bidding opportunities for industrial, electrical, and infrastructure construction services in and outside the sector. At the same time, ensure readiness in terms of manpower, resources, and implementation plans to improve bid success rates and execution efficiency.

- Complete the final settlements for executed contracts/projects such as the EPC project of Thai Binh 2 Thermal Power Plant, Song Hau 1 TPP project, Vung Ang 1 TPP, Nghi Son refinery, and Quang Trach power center. At the same time, settle with subcontractors through negotiation to reduce liabilities and capital costs at project sites.



- Manage and use costs efficiently, linking them to production and business results, to achieve the highest possible performance for the Corporation.
- Strengthen the direction, control, and supervision of production and business activities at subsidiaries; strive for no need to set up financial investment provisions for capital contributions in consolidated units by 2025.

#### 3.2.1.2 Regarding Restructuring:

- Continue implementing the PETROCONs restructuring plan in accordance with Resolution No. 3143/NQ-DKVN dated 10/06/2022 of the Group approving the restructuring plan for the period 2021–2025, and directives of the Board of Directors of the Corporation under document No. 109/HDQT-VBNB dated 08/10/2024.
- Study, evaluate, and propose restructuring plans for the model and organizational methods for units/departments currently operating inefficiently.
- Review, evaluate, and reorganize the organizational and staffing structure to ensure streamlined and quality alignment with the workload and resources of the Corporation. Focus on training and supplementing personnel in key areas such as marketing and bidding, project management, and other supporting fields.
- Review and revise the internal rules and regulations of PETROCONs to ensure consistency and synchronization among them, while complying with current legal regulations and the Corporation's charter.

#### 3.2.1.3 Regarding Finance and Resource Utilization:

- Based on the categorization of debts with the Group and its units at projects implemented by PETROCONs, quickly develop specific and detailed plans for effective debt recovery to supplement working capital for business operations.
- For debts at subsidiaries and other partners, review receivables/payables, work-in-progress values at construction projects, develop detailed debt recovery/settlement plans for 2025, and aggressively conduct acceptance, finalization, and offset cross-debts to ensure capital recovery for business activities.
- Develop and complete plans to resolve loan debts related to investments in Lam Kinh and Thai Binh Hotels in 2025.
- Continue sourcing and urging units to secure funding, supplement collateral/repay entrusted loans from the Group via OceanBank. Instruct PETROCONs' capital representatives at borrowing units to work with credit institutions to resolve PETROCONs' loan guarantees.
- Focus on improving financial management and accounting across the Corporation to ensure compliance with laws, Group and internal regulations. Strengthen monitoring of economic management, business accounting, contract and cost management to maximize profits from business activities.

#### 3.2.1.4 Regarding Investment Activities:

- Actively work with competent authorities to recover investment value at Soai Rap and settle/recover land at Tam Dao.
- Manage and study investment plans to maximize the utilization of existing assets such as Chu Ha land, Central mechanical workshop, and Tam Dao land (if not yet settled), to ensure cash flow generation and enhance asset efficiency.



- Review, analyze, and evaluate the necessity, demand, and effectiveness of basic construction investment and asset/equipment procurement for 2025 at the parent company and subsidiaries; submit to the Board of Directors and report to the Group for approval prior to implementation.

3.2.1.5 Fulfill other tasks assigned by PVN.

### **3.2.2 Implementation Solutions:**

#### **3.2.2.1 Restructuring Work:**

- Implement the restructuring plan for PETROCONS for the 2021–2025 period according to Resolution No. 3143/NQ-DKVN dated 10/6/2022 approved by the Group.

- Continue urging subsidiaries to accelerate and focus on divestment/transfer at real estate projects, restructure business areas to concentrate resources on the core business of construction and installation of projects/works.

- Direct and support PVC-TB in completing debt settlement with PVCombank to minimize potential losses, then restructure PVC-TB's business operations to improve business efficiency.

- Research and enhance the development of new service products: operation, maintenance, and warranty services for thermal power plants; trading and supply of construction materials such as cement, clinker, ash, slag, concrete, etc.

- Accelerate the capital divestment process at subsidiaries by publishing divestment plans through media (e.g., electronic/printed newspapers) to promote and attract investor interest.

#### **3.2.2.2 Project Implementation:**

- Concentrate all resources to carry out business operations, manage construction execution, and implement projects. Ensure progress and quality standards during construction. Optimize costs and processes by applying effective project management technologies to reduce time and expenses; seek competitive suppliers while maintaining quality. Use advanced materials and technologies to enhance durability, aesthetics, and environmental friendliness.

- Strengthen management, supervision, and monitoring at construction sites; regularly review project execution status, promptly resolve obstacles during implementation. Organize scientific construction management, monitor contractors closely to expedite progress on key projects. Innovate and apply technology through project management/design software to enhance efficiency and accuracy.

- Decisively finalize settlement work for completed projects such as Thai Binh 2 TPP, Vung Ang 1 TPP, etc.

- Build strong customer relationships by providing good after-sales service, quickly resolving post-handover issues; facilitate smooth payment/final settlement for clients.

#### **3.2.2.3 Marketing and Bidding Activities:**

- Improve the capacity and quality of the team responsible for technical management and bidding/marketing. Develop and complete a centralized data system, including past project experience, human resources profiles, equipment lists, vendor



data, internal norms, and unit prices of the Corporation.

- Follow the Group's and subsidiaries' production/business and investment plans closely; proactively search and access bidding opportunities both inside and outside the Oil and Gas sector.

- Collaborate with domestic construction corporations and foreign partners to enhance PETROCONS' project execution capabilities.

- Expand market presence, strengthen cooperation by tapping into potential markets, especially new or underdeveloped areas; partner with local entities to improve customer access. Work with reputable domestic and international firms to participate in major projects.

#### 3.2.2.4 Financial and Accounting Work:

- Plan and proactively arrange and mobilize funding sources to timely serve ongoing construction projects and PETROCONS' business operations in 2025. Strengthen cash flow control to ensure appropriate utilization.

- Calculate project profitability, minimize management costs, and maximize project profits; tightly control cost plans to improve capital utilization.

- Negotiate with subcontractors at Thai Binh 2 TPP project to reduce outstanding payables and capital costs.

- Intensify inspection and control of accounting practices at Executive Boards and subsidiaries to issue specific directives for improvement. Consolidate financial and accounting teams from the parent company to subsidiaries and affiliated executive units.

- Continue reviewing receivables, work-in-progress balances at projects/units. Based on this, develop a detailed debt recovery/settlement plan for 2025 and resolutely carry out acceptance, final settlement, debt collection, and offset cross-debts to recover capital for business operations.

#### 3.2.2.5 Organizational Management, Human Resources, Training, and Workforce Development:

- Strictly implement the Group's and Corporation's Resolutions and Directives regarding organization, personnel planning, rotation, reassignment, and appointments.

- Review, evaluate, and classify personnel to consolidate organizational structure and rotate staff at the parent company and subsidiaries in line with actual business requirements and the Corporation's restructuring efforts.

- Continue developing proposals to consolidate Capital Representatives and proceed with the reassignment of Capital Representatives at subsidiaries; enhance the direction, management, and supervision of PETROCONS' Capital Representatives in these units.

- Manage and supervise the implementation of labor, salary, income, and benefit policies at the parent company and subsidiaries in compliance with State, Group, and operational regulations.

- Strengthen the attraction and retention of high-quality human resources; conduct specialized training to build a team of experts in design and construction, applying advanced technologies in project implementation; maintain and promote



internal training at the parent company and subsidiaries.

## V. CORPORATE GOVERNANCE

### 1. Board of Directors

#### a. Members and Structure of the Board of Directors

As of the reporting date, the Board of Directors (BOD) of PETROCONS comprises 05 members, fully satisfying the quantity required by the Company's Charter of Organization and Operation. Specific details are as follows:

- Mr. Nghiem Quang Huy – Chairman of the Board of Directors, representing the management of 25% of charter capital owned by the major shareholder PETROVIETNAM, equivalent to 100,000,000 shares.
- Mr. Tran Hai Bang – Member of the Board of Directors, representing the management of 15% of charter capital owned by the major shareholder PETROVIETNAM, equivalent to 60,000,000 shares.
- Mr. Chu Thanh Hai – Member of the Board of Directors, representing the management of 14.47% of charter capital owned by the major shareholder PETROVIETNAM, equivalent to 57,873,333 shares.
- One Member of the Board of Directors is a representative of PETROVIETNAM (not representing any shareholding): Mr. Nguyen Hoai Nam.
- One Independent Member of the Board of Directors: Mr. Pham Van Khanh.

b. **Committees under the Board of Directors:** PETROCONS has not established any committees under the Board of Directors.

#### c. Activities of the Board of Directors:

In 2024, the Board of Directors held 07 regular meetings and collected written opinions 107 times from its members, resulting in the issuance of 32 Resolutions, 26 Decisions, and other directives related to PETROCONS' operations. The Resolutions/Decisions issued in 2024 are detailed in the Corporate Governance Report No. 03/BC-XLDK dated January 16, 2025, submitted to the State Securities Commission and the Hanoi Stock Exchange.

#### Summary of Attendance of Board Members at Board Meetings:

No.	Board Member	Meetings Attended / Total	Attendance Rate	Reason for Absence
1	Mr. Nghiem Quang Huy	07/07	100%	—
2	Mr. Chu Thanh Hai	07/07	100%	—
3	Mr. Pham Van Khanh	07/07	100%	—
4	Mr. Nguyen Hoai Nam	07/07	100%	—
5	Mr. Tran Hai Bang	05/07	71%	Absent with valid reason



In addition to regular and extraordinary meetings, in 2024, the Board of Directors delegated its members to attend meetings with the Executive Board to oversee the implementation of the Board's Resolutions and Decisions in business operations..

**d. Activities of the Independent Member of the Board of Directors**

- The Independent Board Member worked on a non-permanent basis during 2024.

- The Independent Board Member attended all Board meetings and fully participated in all written consultations of the Board of Directors.

- Fully performed the rights and responsibilities of a Board Member in accordance with the Company Charter, the Board's Operational Regulations, and the task assignment decisions for Board Members.

**e. List of Board Members with Corporate Governance Training Certificates/ Participation in Corporate Governance Programs in the Year**

List of Board Members Holding Corporate Governance Training Certificates:

No.	Member of the Board of Directors	Training Certificates	Institution	Period
1	Mr. Nghiem Quang Huy	<ul style="list-style-type: none"> <li>- State management knowledge for civil servant program.</li> <li>- Pre-civil service training.</li> <li>- Professional bidding training</li> <li>- Project management and construction cost estimation in road and bridge sector</li> <li>- Technical training for traffic engineers</li> <li>- Intermediate Political Theory – HCK112</li> <li>- Certificate of Board Member – DCP</li> <li>- Digital transformation program for senior leaders</li> <li>- Investment – Finance Conference 2024</li> <li>- Macroeconomics and Monetary-Finance Seminar</li> </ul>	<ul style="list-style-type: none"> <li>- Le Hong Phong School for Training Cadres</li> <li>- National Academy of Public Administration</li> <li>- Management Training Center</li> <li>- Transport Management School</li> <li>- JICA (Japan)</li> <li>- School for Transport Management Cadres</li> <li>- Vietnam Institute of Directors (VIOD)</li> <li>- Vietnam Petroleum Institute (PVU)</li> <li>- PETROVIETNAM</li> <li>- PETROVIETNAM</li> </ul>	24/06/2004 – 10/01/2005 09/2005 – 12/2005 05/2006 11/2009 09/2008 06/2020 – 03/2021 09/2022 10–11/2023 06/2024 06/2024
2	Mr. Chu Thanh Hai	- Certificate of Chief	- Academy of Finance	10/05/2004 –



No.	Member of the Board of Directors	Training Certificates	Institution	Period
		<ul style="list-style-type: none"> <li>Accountant training for State-owned enterprises (2004)</li> <li>- Certificate of Board Member – DCP</li> <li>- National Defense and Security (Level 2)</li> <li>- Seminar on Draft Law on State Capital Management and Investment in Enterprises</li> </ul>	<ul style="list-style-type: none"> <li>- Vietnam Institute of Directors (VIOD)</li> <li>- Political Academy – Ministry of National Defense</li> <li>- PETROVIETNAM</li> </ul>	<ul style="list-style-type: none"> <li>26/06/2004</li> <li>11/2022</li> <li>10/2023</li> <li>08/2024</li> </ul>
3	Mr. Nguyen Hoai Nam	<ul style="list-style-type: none"> <li>- Certificate in Construction Contract Negotiation, Conflict Resolution and Business Strategy Development</li> <li>- Advanced Procurement Training Certificate</li> <li>- Intermediate Political Theory</li> <li>- Certificate of Board Member – DCP</li> </ul>	<ul style="list-style-type: none"> <li>- Hanoi University of Civil Engineering</li> <li>- CFTD Innovation JSC</li> <li>- Party Committee of Central Enterprises Bloc – Transport Management School</li> <li>- Vietnam Institute of Directors (VIOD)</li> </ul>	<ul style="list-style-type: none"> <li>11/2006</li> <li>05/2013</li> <li>06/2020 –</li> <li>02/2021</li> <li>09/2022</li> </ul>
4	Mr. Tran Hai Bang	<ul style="list-style-type: none"> <li>- Certificate of “Corporate Governance” Training Course</li> <li>- Certificate of Board Member – DCP</li> <li>- Visionary Leadership</li> <li>- Leadership in a VUCA World</li> <li>- ESG Overview</li> <li>- Certificate of Board Member with Environmental and Social Governance Integration (DCP-IESG)</li> </ul>	<ul style="list-style-type: none"> <li>- STEC Training and Technology JSC</li> <li>- Vietnam Institute of Directors (VIOD)</li> <li>- Brainworld Vietnam</li> <li>- Fulbright University Vietnam</li> <li>- PVN and Petroleum College</li> <li>- Vietnam Institute of Directors (VIOD)</li> </ul>	<ul style="list-style-type: none"> <li>08/2022</li> <li>11/2022</li> <li>Apr–Jun 2023</li> <li>02/2023</li> <li>10/2023</li> <li>10/2023</li> </ul>

## 2. Supervisory Board

### a. Members and organizational structure of the Supervisory Board



The Supervisory Board of the Corporation consists of three members, specifically:

- Mr. Hua Xuan Nam – Head of the Supervisory Board
- Mr. Nguyen Ngoc Cuong – Non-executive Member of the Supervisory Board (since June 30, 2021, under Resolution No. 148/NQ-DHDCCD-XLDDK dated June 30, 2021)
- Mr. Phung Van Sy – Non-executive Member of the Supervisory Board (since June 30, 2021, under Resolution No. 148/NQ-DHDCCD-XLDDK dated June 30, 2021)

#### **b. Activities of the Supervisory Board**

In 2024, based on the Resolution passed by the General Meeting of Shareholders of the Corporation, the Supervisory Board focused on regularly supervising the business operations at the Corporation's Head Office. The tasks carried out included:

- Supervising the Corporation's business activities through participation in meetings of the Board of Directors (BoD) and Executive Board regarding the management and operation of business activities.
- Examining and supervising compliance with State policies and regulations, as well as those of the major shareholder PETROVIETNAM, the BoD, and the Executive Board of PETROCONS by reviewing and studying the BoD's Resolutions and executive decisions.
- Participating in meetings to review the Corporation's quarterly/yearly business performance.
- Conducting appraisals of the 2024 annual general meetings of shareholders of subsidiary companies, associates, and financial investment entities. The Head of the Supervisory Board personally attended the 2024 annual general meetings at the subsidiaries.
- On a quarterly basis, the Supervisory Board issued official requests to the BoD and General Director of PETROCONS to provide business performance results of both the Parent Company and the entire Corporation for monitoring and reporting to PETROVIETNAM.

In addition to its statutory functions and duties as prescribed by law, the Charter of PETROCONS, and the Supervisory Board's working regulations, the Supervisory Board also developed an annual work plan to be approved by the Annual General Meeting of Shareholders. The 2024 plan was successfully completed, including supervisory inspections at the following three units:

- PetroVietnam Construction Metal Structure and Installation Joint Stock Company (PVC-MS)
- Binh Son PetroVietnam Construction Joint Stock Company (PVC-Binh Son)
- Thai Binh PetroVietnam Investment and Trading Joint Stock Company (PVC-Thai Binh)

For other member units, the Supervisory Board reviewed reports on business performance and other relevant reports from PETROCONS' capital representatives at those units to promptly make recommendations to the BoD and the General Director



of PETROCONs.

The Supervisory Board reviewed and appraised the financial statements of the Parent Company and the consolidated financial statements of the entire Corporation on a quarterly/yearly basis in 2024. It also reviewed the Government's decrees and circulars guiding regulations on labor, salaries, remuneration, and bonuses applicable to joint stock companies with controlling state capital.

In accordance with Decree No. 155/2020/ND-CP dated December 31, 2020, guiding corporate governance applicable to public companies, in 2024 the Supervisory Board of the Corporation held two meetings, on March 19, 2024, and September 16, 2024, to report on the performance of duties in the quarter and to implement the next quarter's plan. In addition to formal meetings, the Supervisory Board also exchanged work via email and phone.

No.	Date	Members Attended	Content	Result
1	19/03/2024	3/3	Implementation plan of the Supervisory Board's activities for the first half of 2024.	All members of the Supervisory Board unanimously agreed on the contents of the meeting.
2	16/09/2024	3/3	- Report on the performance of the Supervisory Board for the second half of 2024. - Implementation of the 2025 plan.	All members of the Supervisory Board unanimously agreed on the contents of the meeting.

### 3. Transactions Regarding Remuneration and Benefits of the Board of Directors, Executive Board, and Supervisory Board

#### 3.1 Salaries, Bonuses, Remuneration, and Benefits

##### a. Salaries, bonuses, remuneration, and benefits of the Board of Directors of the Corporation

Total salaries/remuneration actually received by members of the Board of Directors in 2024: VND 2,207,775,913.

Unit: VND

No.	Full Name	Position	Actual Received in 2024 (VND)	Actual Received in 2023 (VND)	Notes
1	Mr. Nghiem Quang Huy	Chairman	545,647,303	543,276,735	
2	Mr. Pham Van Khanh	Independent Member	244,285,000	249,555,000	
3	Mr. Tran Hai Bang	Member	479,906,106	504,420,370	
4	Mr. Chu Thanh Hai	Member	471,929,434	465,736,130	
5	Mr. Nguyen Hoai Nam	Member	466,008,070	495,761,660	

Operating expenses of the Board of Directors in 2024: VND 409,744,698

##### b. Salaries, bonuses, remuneration, and other benefits of the Executive



**Board:**

The total actual salaries/remuneration received by the Executive Board in 2024:  
VND 2,014,722,793

Unit: VND

No.	Full Name	Title	Salary in 2024 (VND)	Notes
1	Trần Quốc Hoàn	General Director, appointed on 01/01/2024	449,814,793	
2	Phan Tử Giang	General Director, dismissed on 01/01/2024	109,537,217	
3	Nguyễn Văn Đồng	Deputy General Director	507,748,575	
4	Bùi Sơn Trường	Deputy General Director	482,731,554	
5	Phạm Trung Kiên	Deputy General Director	464,890,490	

### c. Salaries, Bonuses, Remuneration, and Other Benefits of the Supervisory Board

Total salaries/remuneration actually received by the members of the Supervisory Board in 2024 amounted to VND 506,218,999.

Unit: VND

No.	Full Name	Position	Actual Income 2023 (VND)	Actual Income 2022 (VND)	Notes
1	Mr. Hứa Xuân Nam	Head of Supervisory Board	441,418,999	432,185,625	
2	Mr. Nguyễn Ngọc Cương	Part-time Member	32,400,000	35,100,000	
3	Mr. Phùng Văn Sỹ	Part-time Member	32,400,000	35,100,000	

Operating expenses of the Supervisory Board in 2024 amounted to: VND 80,523,000..

### 3.2 Transactions of Internal Persons:

In 2024, PETROCONs had no stock transactions conducted by internal persons.

### 3.3 Contracts or Transactions with Internal Persons:

In 2024, the Corporation had 05 transactions with internal persons, specifically as follows:

No.	Contract/Transaction Description	Executing Entity	Contract Value Including VAT (Billion VND)
1	Procurement of materials, fabrication, installation, and completion of Coal Warehouse No. 3	Thai Binh Petroleum Investment and Trading JSC (PVC-TB)	121.000



No.	Contract/Transaction Description	Executing Entity	Contract Value Including VAT (Billion VND)
	(excluding supply and installation of bolts, foundations, steel doors, and grout for column bases) – Contract No. 02/2024/HĐKT/PETROCONS – PVC.TB/KCTKT3 dated 05/03/2024		
2	Procurement of materials and equipment for the ASH system – Thai Binh 2 Thermal Power Plant Project – Contract No. 22/2024/HĐKT/PETROCONS-DOBC/ASH	Petroleum Tank and Pipeline Installation JSC (DOBC)	0.150
3	Construction of ash disposal yard, water intake tower, and return water pipeline – Quang Trach 1 Thermal Power Plant Project – Contract No. 58/2024/PETROCONS-ĐĐ dated 08/10/2024	Dong Do Petroleum JSC	22.017
4	Survey and assessment of existing conditions of mechanical workshop and construction materials site in Binh Tri Commune, Binh Son District, Quang Ngai Province – Contract No. 55/2024/HĐKT/PETROCONS-PVC.BS dated 27/08/2024	Binh Son Petroleum Construction JSC	0.094
5	Supply of auxiliary materials, manpower for disassembly, installation, equipment connection and calibration, and warranty for the plant control system (DCS) under Package No. 05 – Uong Bi Thermal Power Plant – Unit 300 MW (Unit S7) – Contract No. 39/2024/HĐKT/PETROCONS-DOBC dated 18/07/2024	Petroleum Tank and Pipeline Installation JSC (DOBC)	4.258
	<b>Total</b>		<b>147.534</b>

### 3.4 On the Implementation of Corporate Governance Regulations:

The Corporation fully complies with corporate governance regulations.



## VI. FINANCIAL STATEMENTS

1. Auditor's Opinion: Refer to Section 5, Chapter III – Report and Evaluation by the Board of Management.

2. Audited Financial Statements:

- The 2024 audited consolidated financial statements of PETROCONS: *Attached.*
- The 2024 audited separate financial statements of PETROCONS: Available on the website at: <https://petrocons.vn/pvx--cbtt-bctc-van-ban-giai-trinh-bctc-cong-ty-me-nam-2024-sau-kiem-toan>

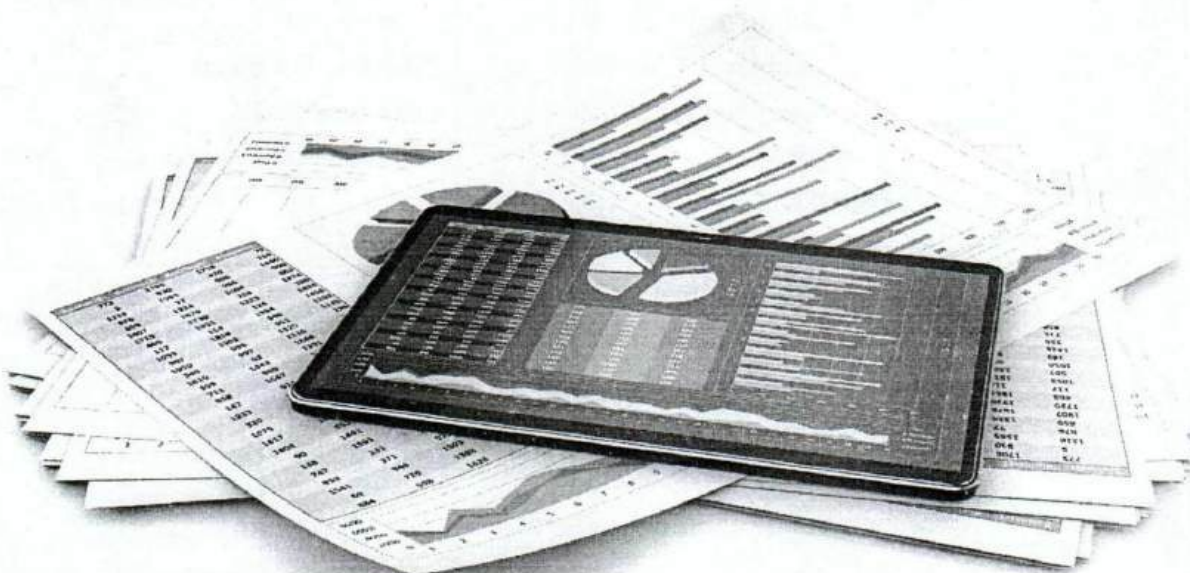
### ***Recipients:***

- As mentioned above;
- BOD; BOS (e-copy);
- Board of Directors (e-copy);
- CGO-CS (e-copy);
- Archived by the BOD; OD; FAD;

### **CONFIRMATION BY THE LEGAL REPRESENTATIVE GENERAL DIRECTOR**



**Mr. Tran Quoc Hoan**





**CONSOLIDATED FINACIAL STATEMENTS**

**PETROVIETNAM CONSTRUCTION JOINT  
STOCK CORPORATION**

For the fiscal year ended as at 31 December 2024

(Audited)





**PETROVIETNAM CONSTRUCTION JOINT STOCK CORPORATION**

14th Floor, VPI Tower, 167 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi, Vietnam

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**PETROVIETNAM CONSTRUCTION JOINT STOCK CORPORATION**

14th Floor, VPI Tower, 167 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi, Vietnam

**REPORT OF THE BOARD OF MANAGEMENT**

The Board of Management of PetroVietnam Construction Joint Stock Corporation ("the Corporation") presents its report and the Corporation's Consolidated Financial Statements for the fiscal year ended as at 31 December 2024.

**THE CORPORATION**

PetroVietnam Construction Joint Stock Corporation (the "Corporation"), an entity under management of Vietnam Oil and Gas Group (PVN), formerly known as PetroVietnam Construction Joint Stock Company, was established in Vietnam by privatizing Petroleum Design and Construction Company under Decision No. 532/QĐ-TCCB dated 26 March 2004 of the Minister of Industry (currently known as the Ministry of Industry and Trade). PetroVietnam Construction Joint Stock Company operates under Business Registration Certificate for Joint Stock Company No. 4903000232 dated 13 March 2006 issued by Ba Ria - Vung Tau Department of Planning and Investment.

As per Resolution No. 3604/NQ-DKVN dated 26 October 2007, the Board of Members of Vietnam Oil and Gas Group ("PetroVietnam") approved the proposal on transfer of Petro Construction Joint Stock Company into PetroVietnam Construction Joint Stock Corporation, operating under the model of holding - subsidiary company. The Corporation operates under Business Registration Certificate for Joint Stock Company No. 3500102365 dated 20 December 2007 and the 22st change on 18 January 2024, issued by Hanoi Authority for Planning and Investment.

The Corporation's head office is located at 14th floor, Vietnam Petroleum Institute building, 167 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi.

**BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISION**

Members of the Board of Directors during the fiscal year and to the reporting date are:

Mr. Nghiem Quang Huy	Chairman
Mr. Pham Van Khanh	Independent Member
Mr. Tran Hai Bang	Member
Mr. Chu Thanh Hai	Member
Mr. Nguyen Hoai Nam	Member

Members of the Board of Management during the fiscal year and to the reporting date are:

Mr. Tran Quoc Hoan	General Director	(Appointed on 01 January 2024)
Mr. Phan Tu Giang	General Director	(Resigned on 01 January 2024)
Mr. Nguyen Van Dong	Deputy General Director	
Mr. Bui Son Truong	Deputy General Director	
Mr. Pham Trung Kien	Deputy General Director	
Mr. Vu Manh Quang	Deputy General Director	(Resigned on 30 May 2024)

The legal representative of the Corporation during the year and until the preparation of this Separate Financial Statements is Mr. Tran Quoc Hoan (General Director).

Members of the Board of Supervision are:

Mr. Hua Xuan Nam	Head of the Board of Supervision
Mr. Nguyen Ngoc Cuong	Member
Mr. Phung Van Sy	Member

**AUDITORS**

The auditors of AASC Auditing Firm Company Limited have taken the audit of Separate Financial Statements for the Corporation.



**PETROVIETNAM CONSTRUCTION JOINT STOCK CORPORATION**

14th Floor, VPI Tower, 167 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi, Vietnam

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The Board of Management is responsible for the Consolidated Financial Statements which give a true and fair view of the financial position of the Corporation, its operating results and its cash flows for the year. In preparing those Consolidated Financial Statements, the Board of Management is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of Directors and Board of Management to ensure the preparation and presentation of Consolidated Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The Board of Management is responsible for ensuring that accounting records are kept to reflect the financial position of the Corporation, with reasonable accuracy at any time and to ensure that the Consolidated Financial Statements comply with the current State's regulations. It is responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024, its operation results and cash flows in the year 2024 of the Corporation in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Consolidated Financial Statements.

**Other commitments**

The Board of Management pledges that the Corporation complies with Decree No. 155/2020/ND-CP dated 31 December 2020 on detailing and guiding the implementation of a number of articles of the Law on Securities and the Corporation does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance guiding the disclosure of information on Securities Market and the Circular No. 68/2024/TT-BTC dated 18 September 2024 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 96/2020/TT-BTC.

On behalf of the Board of Management



**Trần Quốc Hoàn**

General Director

Hanoi, 31 March 2025



**INDEPENDENT AUDITOR'S REPORT**

**To: Shareholders, Board of Directors and Board of Management  
PetroVietnam Construction Joint Stock Corporation**

We have audited the accompanying Consolidated financial statements of PetroVietnam Construction Joint Stock Corporation (the "Corporation"), prepared on 31 March 2025, as set out on pages 08 to 61, including: Consolidated Statement of Financial position as at 31 December 2024, Consolidated Statement of Income, Consolidated Statement of Cash flows and Notes to Consolidated Financial Statements for the fiscal year ended as at 31 December 2024.

**Board of Management's Responsibility**

The Board of Management of PetroVietnam Construction Joint Stock Corporation is responsible for the preparation and presentation of Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as management determines is necessary to enable the preparation and presentation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We have conducted our audit in accordance with Vietnamese Standards on Auditing. However, due to the matter described in the paragraph "Basis for Disclaimer of Opinion", we were unable to obtain sufficient appropriate audit evidence to provide a basis for the audit opinion.

**Basis for Disclaimer of Opinion**

We were unable to assess the effect of the following matters on the Corporation's Consolidated Financial Statements for the fiscal year ended 31 December 2024 (attached):

1. As at 31 December 2024, the Consolidated Financial Statements reflect the following: an accumulated loss (code 421) of VND 3,998.41 billion, current liabilities (code 310) of VND 5,393.51 billion, which exceeded current assets (code 100) by VND 781.85 billion, and overdue debts as at 31 December 2024 amounting to VND 1,209.95 billion. The Corporation's financial position as at 01 January 2024 was similarly challenging. These factors, together with the disclosures in Note 1, lead to substantial doubt about the Corporation's ability to continue as a going concern. The Corporation's ability to maintain operations depends on its plans to recover outstanding receivables, restructure investments, complete and finalize works in progress to recover funds, and secure financial support from shareholders and creditors. Within the scope of an audit of the financial statements, we did not obtain sufficient appropriate evidence to assess the feasibility and effectiveness of these operational plans.
2. As at 31 December 2024, the Corporation recorded a loan receivable of VND 200 billion, lent to Lam Kinh Hotel Joint Stock Company to support its business operations (as at 01 January 2024: VND 200 billion). A provision of VND 124.4 billion had been made for this loan (as at 01 January 2024: VND 124.4 billion) (Note 7). We were unable to obtain sufficient appropriate audit evidence regarding the recoverability of this receivable as at 31 December 2024 and 01 January 2024. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.



3. As at 31 December 2024, the cost of work in progress related to Vung Ang 1 Thermal Power Plant Project (Note 10) and Quang Trach 1 Thermal Power Plant Project (Note 14) amounted to approximately VND 245.1 billion and VND 25.8 billion (as at 01 January 2024: VND 245.1 billion and VND 25.8 billion). As at the reporting date, the Corporation was still engaging with the relevant authorities on: (1) approval for adjustments relating to unexpected expenses incurred in the Vung Ang 1 Thermal Power Plant Project and (2) acceptance and finalization of the Corporation's incurred expenses under the Quang Trach 1 Thermal Power Plant Project. We were unable to obtain the net realizable value of these work in progress as at 31 December 2024 and 01 January 2024. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
4. In Note 15 of the Notes to the Consolidated Financial Statements presents the balance of construction in progress as at 31 December 2024 including projects (where the Corporation is the Investor) that have been suspended in previous years namely (1) the Petroleum University Urban Areas Project and (2) the Tien Giang Petroleum Industrial Zone Project with a total amount of approximately VND 5.72 billion (as of 01 January 2024: approximately VND 5.72 billion). We were unable to obtain sufficient appropriate evidence regarding the potential future economic benefits of these projects. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
5. The Corporation is consolidating Petrovietnam Urban Development Joint Stock Company (a subsidiary) into the Corporation's Consolidated Financial Statements based on the unaudited Financial Statements for the second quarter of 2024. As at 30 June 2024, the subsidiary reported total asset of VND 15.16 billion and negative equity of VND 193.44 billion, with revenue and profit after corporate income tax amounting to VND 0.09 billion and negative VND 0.53 billion, respectively. Regarding associate companies, except for Thanh Hoa Petroleum Construction Joint Stock Company and Mien Trung Petroleum Construction Joint Stock Company, whose financial statements have been audited, the value of investments in the remaining associates is presented using the equity method based on unaudited financial statements for the financial year ended 31 December 2024 or the most recent Financial Statements available to the Corporation (Note 04). We were unable to assess the appropriateness of these figures.
6. As at 31 December 2024, the Corporation was unable to obtain financial statements from the investee entities related to the "Equity investments in other entities" item (code 253) on the Consolidated Statement of Financial position. The total carrying amount and total provision for these investments were VND 191.595 billion and VND 149.99 billion, respectively (as at 01 January 2024: VND 191.595 billion and VND 160.08 billion, respectively). Provisions for these investments were made based on the latest financial statements available to the Corporation. We were unable to obtain sufficient appropriate documentation to access the impairment of these investments.
7. Thai Binh Petroleum Trading and Investment Joint Stock Company (a subsidiary) has neither assessed the impairment nor estimated the net realizable value of its real estate inventories, which had carrying value of VND 36.3 billion as at 01 January 2024 and 31 December 2024 (Note 10). We were unable to obtain appropriate documentation regarding the net realizable value of these real estate inventories.
8. At Thai Binh Petroleum Trading and Investment Joint Stock Company, we have carried out the necessary audit procedures. However, we were unable to obtain sufficient audit evidence to confirm the accuracy and recoverable value of the "Abandoned business production costs" of the Company as of December 31, 2024, with a total amount of VND 33.647 billion. Therefore, we have not determined the necessary adjustments related to the "Abandoned business production costs" account and other related accounts, as well as any potential impacts (if any) on the accompanying consolidated financial statements
9. As at 31 December 2024, the balance of inventories presented in the financial statements of Petroleum Dong Do Joint Stock Company (a subsidiary) includes construction in progress for Thai Binh 2 Thermal Power Plant, Song Hau 1 Thermal Power Plant, Tran Anh - Long An Apartment Building and Multi-purpose Building Project in District 1, with a total value of approximately VND 55.36 billion (as at 01 January 2024: VND 57.97 billion). We were unable to assess the net realizable value of these construction in progress projects as at the respective dates.



10. At Petroleum Dong Do Joint Stock Company (a subsidiary), the outstanding balances of receivables and payables are as follows: as of 01 January 2024 and 31 December 2024, receivables amounted to VND 14.25 billion and VND 25.58 billion, respectively; payables as of the same dates amounted to VND 15.51 billion and VND 15.83 billion, respectively. As of 31 December 2024, the company had not reviewed or assessed the collectability of the outstanding receivable balance of VND 20.52 billion for potential allowance for doubtful debts. We are unable to assess the existence, recoverability, or the necessary provision for these receivables.
11. At Petroleum Equipment Assembly and Metal Structure Joint Stock Company (a subsidiary), we were unable to obtain the necessary documentation related to the Thai Binh 2 Thermal Power Plant and Song Hau I Thermal Power Plant projects. Consequently, we were unable to express an opinion on the appropriateness of the cumulative revenue and cost of goods sold recognized as of 31 December 2024, which amounted to VND 892.97 billion and VND 921.34 billion, respectively (including revenue and cost of goods sold recognized in 2024 of VND 4.93 billion and VND 5.15 billion, respectively). Additionally, we have not been able to assess the appropriateness and completeness of the work-in-progress expenses related to these two projects as of 31 December 2024 and 01 January 2024, with values of VND 146.25 billion and VND 149.76 billion, respectively, nor their impact on the accompanying financial statements.
12. At Petroleum Equipment Assembly & Metal Structure Joint Stock Company (a subsidiary), Note 13 of the Consolidated Financial Statements states that this subsidiary is monitoring the value of land use rights related to the land plot at No. 02 Nguyen Huu Canh, Thang Nhat ward, Vung Tau city, Ba Ria-Vung Tau province with an original cost of VND 15.166 billion and accumulated amortization of VND 6.488 billion as at 31 December 2024. This land plot has been repurposed for the development of a High-rise Residential and Office Complex project, for which the subsidiary is the investor. The project was completed and put into use since 2014. On 24 August 2017, the Department of Natural Resources and Environment of Ba Ria - Vung Tau province revoked the use rights to reallocate them to the project owners. Under this arrangement, the subsidiary retains land use rights, ownership of residential floors, and other land-attached assets, including floors 1 through 5, technical floors, and technical roof floor of the project. However, the subsidiary has not accounted for the value of the land use rights as part of the project's cost.
13. The work-in-progress balance of PetroVietnam Industrial and Civil Construction Joint Stock Company (a subsidiary) includes the unfinished value of the Commercial, Service, Office, and Apartment Complex project, amounting to VND 32.99 billion (Note 10). The project was completed and put into use in 2019; however, as of the preparation date of these Consolidated Financial Statements, its final settlement has yet to be approved.
14. At PetroVietnam Industrial and Civil Construction Joint Stock Company (a subsidiary): The Company has not assessed the recoverability of the long-term receivable for the Long Son Riverside Apartment Project, amounting to VND 12.89 billion (Note 16), which was completed since 2019.
15. At PetroVietnam Industrial and Civil Construction Joint Stock Company (a subsidiary), the outstanding balances of receivables and payables had not been fully reconciled and confirmed as at 01 January 2024 and 31 December 2024. Specifically, payables amounted to VND 29.28 billion and VND 21.27 billion, respectively, while receivables amounted to VND 4.26 billion and VND 4.21 billion, respectively.
16. At Petroleum Tank Pipeline Construction Joint Stock Company (a subsidiary), the outstanding balances of receivables and payables had not been fully reconciled and confirmed as at 01 January 2024 and 31 December 2024. Specifically, payables amounted to VND 11.67 billion and VND 15.55 billion, respectively; receivables amounted to VND 11.48 billion and VND 10.31 billion, respectively. Meanwhile, the outstanding receivables amounted to VND 106.22 billion and 131.89 billion as of the respective dates had not been reviewed and assessed for provision by the company.



### Disclaimer of Opinion

Because of the significance of the matters described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient appropriate evidence to provide a basis for an audit opinion for Consolidated Financial Statement. Accordingly, we do not express an opinion on the Consolidated Financial Statements.

### Emphasis of Matter

As presented in Note 39 of the Notes to the Consolidated Financial Statements, as at 31 December 2024, the Corporation has certain contingent liabilities, and the final outcomes regarding its related obligations have not been determined.

Our disclaimer of opinion is not modified with respect to this matter.



**AASC Auditing Firm Company Limited**

**Phạm Anh Tuấn**

Deputy General Director

Registered Auditor No.: 0777-2023-002-1

Hanoi, 31 March 2025

**Nguyen Duy Quang**

Auditor

Registered Auditor No.: 3363-2025-002-1



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*As at 31 December 2024*

Code	ITEMS	Note	31/12/2024 VND	01/01/2024 VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>4,611,664,998,814</b>	<b>4,715,401,378,806</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>3</b>	<b>433,474,223,994</b>	<b>315,530,103,712</b>
111	1. Cash		255,791,531,076	249,067,219,323
112	2. Cash equivalents		177,682,692,918	66,462,884,389
<b>120</b>	<b>II. Short-term investments</b>	<b>4</b>	<b>254,505,326,478</b>	<b>311,127,549,041</b>
121	1. Trading securities		14,900,000,000	14,900,000,000
122	2. Provision for diminution in value of trading securities		(13,885,000,000)	(13,885,000,000)
123	3. Held-to-maturity investments		253,490,326,478	310,112,549,041
<b>130</b>	<b>III. Short-term receivables</b>		<b>1,957,524,578,173</b>	<b>2,010,762,321,383</b>
131	1. Short-term trade receivables	5	1,663,260,397,192	1,778,603,348,159
132	2. Short-term prepayments to suppliers	6	570,160,345,945	580,598,469,744
135	3. Short-term loan receivable	7	355,676,953,493	355,676,953,493
136	4. Other short-term receivables	8	419,600,886,765	399,325,071,226
137	5. Provision for short-term doubtful debts		(1,052,014,338,142)	(1,104,319,216,689)
139	6. Shortage of assets awaiting resolution		840,332,920	877,695,450
<b>140</b>	<b>IV. Inventories</b>	<b>10</b>	<b>1,817,989,197,656</b>	<b>1,928,609,601,351</b>
141	1. Inventories		1,937,818,905,304	2,073,825,706,264
149	2. Provision for devaluation of inventories		(119,829,707,648)	(145,216,104,913)
<b>150</b>	<b>V. Other short-term assets</b>		<b>148,171,672,513</b>	<b>149,371,803,319</b>
151	1. Short-term prepaid expenses	11	3,443,165,122	2,138,799,066
152	2. Deductible VAT		110,091,427,591	111,859,213,274
153	3. Taxes and other receivables from State budget	19	34,637,079,800	35,373,790,979



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2024**  
**(Continued)**

Code ASSETS	Note	31/12/2024 VND	01/01/2024 VND
<b>200 B. NON-CURRENT ASSETS</b>		<b>1,514,887,611,157</b>	<b>1,498,227,890,963</b>
<b>210 I. Long-term receivables</b>		<b>28,744,401,590</b>	<b>31,713,977,662</b>
212 1. Long-term prepayments to suppliers	6	9,262,236,011	12,485,376,511
216 2. Other long-term receivables	8	28,567,933,637	31,414,369,209
219 3. Provision for long-term doubtful debts		(9,085,768,058)	(12,185,768,058)
<b>220 II. Fixed assets</b>		<b>1,025,002,575,740</b>	<b>1,011,122,079,780</b>
221 1. Tangible fixed assets	12	767,327,869,072	752,911,097,840
222 - Historical cost		1,626,973,749,975	1,648,521,708,443
223 - Accumulated depreciation		(859,645,880,903)	(895,610,610,603)
227 2. Intangible fixed assets	13	257,674,706,668	258,210,981,940
228 - Historical cost		284,392,878,902	284,392,878,902
229 - Accumulated amortization		(26,718,172,234)	(26,181,896,962)
<b>230 III. Investment properties</b>	<b>14</b>	<b>85,507,988,185</b>	<b>77,965,780,369</b>
231 - Historical costs		111,067,844,188	101,148,289,217
232 - Accumulated depreciation		(25,559,856,003)	(23,182,508,848)
<b>240 IV. Long-term assets in progress</b>	<b>15</b>	<b>138,515,570,946</b>	<b>136,725,481,822</b>
241 1. Long-term work in progress		25,064,213,539	25,064,213,539
242 2. Construction in progress		113,451,357,407	111,661,268,283
<b>250 V. Long-term investments</b>	<b>4</b>	<b>78,900,512,009</b>	<b>69,717,480,211</b>
252 1. Investments in joint ventures and associates		32,208,529,511	33,113,367,012
253 2. Equity investments in other entities		206,313,000,000	206,313,000,000
254 3. Provision for devaluation of long-term investments		(159,621,017,502)	(169,708,886,801)
<b>260 VI. Other long-term assets</b>		<b>158,216,562,687</b>	<b>170,983,091,119</b>
261 1. Long-term prepaid expenses	11	100,284,708,167	111,621,834,406
262 2. Deferred income tax assets	35	18,801,350,080	19,230,752,273
268 3. Other long-term assets	16	39,130,504,440	40,130,504,440
<b>270 TOTAL ASSETS</b>		<b>6,126,552,609,971</b>	<b>6,213,629,269,769</b>



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2024**  
**(Continued)**

Code CAPITAL	Thuyết minh	31/12/2024 VND	01/01/2024 VND
<b>300 C. LIABILITIES</b>		<b>5.597.542.732.987</b>	<b>5.686.992.765.922</b>
<b>310 I. Current liabilities</b>		<b>5.393.511.932.470</b>	<b>5.503.169.045.805</b>
311 1. Short-term trade payables	17	3.254.938.639.111	3.340.526.731.717
312 2. Short-term prepayments from customers	18	232.242.459.037	213.715.212.808
313 3. Taxes and other payables to State budget	19	125.235.476.617	122.243.739.620
314 4. Payables to employees		48.701.521.223	58.835.792.162
315 5. Short-term accrued expenses	20	453.154.875.592	451.822.676.931
318 6. Short-term unearned revenue	21	6.249.109.721	3.181.130.462
319 7. Other short-term payables	22	582.456.022.299	587.654.331.570
320 8. Short-term borrowings and finance lease liabilities	24	694.791.647.252	729.443.048.917
322 9. Bonus and welfare fund		(4.257.818.382)	(4.253.618.382)
<b>330 II. Non-current liabilities</b>		<b>204.030.800.517</b>	<b>183.823.720.117</b>
333 1. Long-term accrued expenses	20	115.497.608.588	71.310.452.285
336 2. Long-term unearned revenue	21	50.831.503.317	52.375.689.485
337 3. Other long-term payables	22	2.923.199.868	1.649.775.187
338 4. Long-term borrowings and finance lease liabilities	24	24.000.000.000	38.000.000.000
342 5. Provisions for long-term payables	23	10.778.488.744	20.487.803.160
<b>400 D. OWNER'S EQUITY</b>		<b>529.009.876.984</b>	<b>526.636.503.847</b>
<b>410 I. Owner's equity</b>	<b>25</b>	<b>529.009.876.984</b>	<b>526.636.503.847</b>
411 1. Contributed capital		4.000.000.000.000	4.000.000.000.000
411a - Ordinary shares with voting rights		4.000.000.000.000	4.000.000.000.000
412 2. Share Premium		6.831.719.482	6.831.719.482
414 3. Other capital		22.681.220.411	22.681.220.411
415 4. Treasury shares		(29.720.195)	(29.720.195)
418 5. Development and investment funds		150.859.427.814	150.859.427.814
420 6. Other reserves		233.648.426	233.648.426
421 7. Retained earnings		(3.998.411.998.973)	(4.005.332.783.992)
421a - Retained earnings accumulated till the end of the previous year		(4.005.781.884.168)	(3.845.710.214.787)
421b - Retained earnings of the current year		7.369.885.195	(159.622.569.205)
429 8. Non – Controlling Interests		346.845.580.019	351.392.991.901
<b>440 TOTAL CAPITAL</b>		<b>6.126.552.609.971</b>	<b>6.213.629.269.769</b>

Nguyen Thi Thu Anh  
Preparer

Vu Minh Cong  
Chief Accountant

Tran Quoc Hoan  
General Director  
Hanoi, 31 March 2025



CONSOLIDATED STATEMENT OF INCOME  
Year 2024

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
01	1. Revenue from sales of goods and rendering of services	27	1,213,006,106,954	1,189,720,911,616
10	2. Net revenue from sales of goods and rendering of services		1,213,006,106,954	1,189,720,911,616
11	3. Cost of goods sold	28	1,161,337,416,194	1,284,156,315,702
20	4. Gross profit from sales of goods and rendering of services		51,668,690,760	(94,435,404,086)
21	5. Financial income	29	42,871,334,402	41,635,334,682
22	6. Financial expense	30	63,779,127,190	71,090,156,881
23	In which: Interest expense		36,198,593,108	41,107,144,907
24	7. Share of joint ventures and associates' profit or loss		(904,837,501)	(755,995,765)
25	8. Selling expense		2,074,093,980	427,626,451
26	9. General and administrative expense	31	74,129,955,136	126,121,618,228
30	10. Net profit from operating activities		(46,347,988,645)	(251,195,466,729)
31	11. Other income	32	62,899,113,840	7,357,209,444
32	12. Other expense	33	11,743,521,972	23,277,496,839
40	13. Other profit		51,155,591,868	(15,920,287,395)
50	14. Total net profit before tax		4,807,603,223	(267,115,754,124)
51	15. Current corporate income tax expense	34	2,077,618,123	-
52	16. Deferred corporate income tax expense	35	116,962,081	(1,895,066,065)
60	17. Profit after corporate income tax		<u>2,613,023,019</u>	<u>(265,220,688,059)</u>
61	18. Profit after tax attributable to owners		7,369,885,195	(159,622,569,205)
62	19. Profit after tax attributable to non-controlling interest		(4,756,862,176)	(105,598,118,854)
70	20. Basic earnings per share	36	18	(399)

  
Nguyen Thi Thu Anh  
Preparer

  
Vu Minh Cong  
Chief Accountant

  
Tran Quoc Hoan  
General Director  
Hanoi, 31 March 2025



**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Year 2024**  
**(Indirect method)**

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>1. Profit before tax</b>		<b>4,807,603,223</b>	<b>(267,115,754,124)</b>
	<b>2. Adjustment for:</b>			
02	- Depreciation and amortization of fixed assets and investment properties		39,785,216,032	43,987,463,802
03	- Provisions		(100,588,459,527)	(17,779,133,085)
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign		(4,169,787,846)	254,169,100
05	- Gains / losses from investment		(15,713,639,682)	(24,241,047,444)
06	- Interest expense		36,198,593,108	41,107,144,907
08	<b>3. Operating profit before changes in working capital</b>		<b>(39,680,474,692)</b>	<b>(223,787,156,844)</b>
09	- Increase or decrease in receivables		126,676,626,746	223,360,408,047
10	- Increase or decrease in inventories		125,374,406,428	24,137,884,628
11	- Increase or decrease in payables		(69,001,830,745)	(160,202,718,176)
12	- Increase or decrease in prepaid expenses		10,032,760,183	(5,346,731,632)
14	- Interest paid		(1,064,453,316)	(4,019,012,743)
15	- Corporate income tax paid		(497,536,232)	-
16	- Other receipts from operating activities		1,215,000,000	4,270,000,000
17	- Other payments on operating activities		(1,244,200,000)	(3,931,160,581)
20	<b>Net cash flow from operating activities</b>		<b>151,810,298,372</b>	<b>(145,518,487,301)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	1. Purchase or construction of fixed assets and other long-term assets		(74,871,289,249)	(860,405,861)
22	2. Proceeds from disposals of fixed assets and other long-term assets		16,703,561,704	-
23	3. Loans and purchase of debt instruments from other entities		(248,251,366,478)	(69,298,960,000)
24	4. Collection of loans and resale of debt instrument of other entities		304,873,589,041	30,116,349,203
27	5. Interest and dividend received		12,160,940,711	23,680,592,035
30	<b>Net cash flow from investing activities</b>		<b>10,615,435,729</b>	<b>(16,362,424,623)</b>



**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Year 2024**  
**(Indirect method)**  
**(Continued)**

Code ITEMS	Note	Year 2024 VND	Year 2023 VND
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33 1. Proceeds from borrowings		100,137,532,071	146,549,402,895
34 2. Repayment of principal		(148,788,933,736)	(230,774,673,516)
40 <b>Net cash flow from financing activities</b>		<b>(48,651,401,665)</b>	<b>(84,225,270,621)</b>
50 <b>Net cash flows in the year</b>		<b>113,774,332,436</b>	<b>(246,106,182,545)</b>
60 <b>Cash and cash equivalents at the beginning of the year</b>		<b>315,530,103,712</b>	<b>561,632,676,583</b>
61 Effect of exchange rate fluctuations		4,169,787,846	3,609,674
70 <b>Cash and cash equivalents at the end of the year</b>	3	<b>433,474,223,994</b>	<b>315,530,103,712</b>



**Nguyen Thi Thu Anh**  
Preparer



**Vu Minh Cong**  
Chief Accountant




**Tran Quoc Hoan**  
General Director  
Hanoi, 31 March 2025



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Year 2024

1 GENERAL INFORMATION

PetroVietnam Construction Joint Stock Corporation (the "Corporation"), an entity under management of Vietnam Oil and Gas Group (PVN), formerly known as Petro Construction Joint Stock Company, was established in Vietnam by privatizing Petroleum Design and Construction Company under Decision No. 532/QĐ-TCCB dated 26 March 2004 of the Minister of Industry (currently known as the Ministry of Industry and Trade). Petro Construction Joint Stock Company operates under Business Registration Certificate for Joint Stock Company No. 4903000232 dated 13 March 2006 issued by Ba Ria - Vung Tau Department of Planning and Investment.

As per Resolution No. 3604/NQ-DKVN dated 26 October 2007, the Board of Members of Vietnam Oil and Gas Group ("PetroVietnam") approved the proposal on transfer of Petro Construction Joint Stock Company into PetroVietnam Construction Joint Stock Corporation, operating under the model of holding as parent company - subsidiary company. The Corporation operates under Business Registration Certificate for Joint Stock Company No. 3500102365 dated 20 December 2007, amended for the 22st time on 18 January 2024 by Hanoi Authority for Planning and Investment.

The Corporation's head office is located at 14th floor, Vietnam Petroleum Institute building, 167 Trung Kinh Street, Yen Hoa ward, Cau Giay district, Hanoi, Viet Nam.

According to the 22nd amended Business Registration Certificate dated January 18, 2024, the total charter capital of the Corporation is VND 4,000,000,000,000 (divided into 400,000,000 shares, par value of one share is 10,000 VND).

The total number of employees of the Corporation as at 31 December 2024 is 154 people (as at 01 January 2024 was 161 people).

**Business field:** Construction

**Business activities**

Main business activities of the Corporation are: construction and installation of industrial and civil works.

**The Corporation's operation in the year that affects the Consolidated Financial Statements**

During the year, the Corporation continued to implement the Thai Binh 2 Thermal Power Plant project with an expected gross loss rate of 0.67% according to the decision of the Board of Directors of PetroVietnam Construction Joint Stock Corporation on the temporary approval of the plan to implement the EPC Contract of Thai Binh 2 Thermal Power Plant Project. Additionally, gross profit fluctuated due to a significant reversal of inventory provision at PetroVietnam Metal Structure and Machinery Installation Joint Stock Company (a subsidiary) amounting to approximately VND 25.4 billion. At the same time, this company's gross profit increased significantly compared to the previous year (the previous year saw a major loss due to the settlement of Package A2: Storage Tanks and Associated Pipelines of the Long Son Petrochemical Complex). Meanwhile, the Corporation's financial expenses decreased sharply due to the reversal of financial investment provisions. Additionally, general and administrative expenses decreased significantly as the Corporation reversed the provision for outstanding doubtful debts. These are the main factors contributing to the significant fluctuations in the operating results.

**Going concern assumption:**

As at 31 December 2024, the accumulated loss (code 421) of the Corporation was VND 3,998.41 billion (as at 01 January 2024 was 4,005.33 billion), current liabilities (code 310) at VND 5,393.51 billion, exceeding current assets (code 100) at VND 781.85 billion ((as at 01 January 2024 current liabilities was 5,503.17 billion, exceeding current assets VND 787.77 billion), overdue debts as at 31 December 2024 were VND 1,209.95 billion (as at 01 January 2024 were VND 1,063.22 billion).



These factors lead to doubts about the Corporation's ability to continue operating. Some financial statements of the Corporation's subsidiaries also have material uncertainties that cast doubt on the ability to continue as a going concern, such as: Petrovietnam Urban Development Joint Stock Company, Petroleum Pipeline and Tank Construction Joint Stock Company, PetroVietnam Industrial and Civil Construction Joint Stock Company Thai Binh Petroleum Trading and Investment Joint Stock Company. The going concerns of the Corporation and its subsidiaries depends on the plan to recover debts, restructure investments, complete and finalize works in progress to recover funds, financial support from shareholders and creditors.

Up to now, the Corporation has had its investment restricting plan approved by Vietnam Oil and Gas Group. The Corporation is also developing a 5-year plan for the period of 2021-2025 and presenting the development strategy of the Corporation to the Group for approval. Additionally, the Board of General Directors of the Corporation is aggressively implementing other solutions and believes that these solutions will be successful, enabling the Corporation to continue its normal business operation. Therefore, the Consolidated Financial Statements are still prepared based on the going concern assumption.

### Corporate structure

The Corporation has subsidiaries that have consolidated financial statements as at 31 December 2024, including:

Name of member entities	Address	Proportion of ownership	Proportion of voting rights	Principal activities
Thai Binh Petroleum Trading and Investment Joint Stock Company	Thai Binh	72.22%	72.22%	Construction, real estate business and services
Petroleum Equipment Assembly and Metal Structure Joint Stock Company	Ba Ria - Vung Tau	50.97%	50.97%	Construction, real estate business
Binh Son Petroleum Construction JSC	Quang Ngai	48.62%	52.56%	Trading real estate, building materials
Petroleum Dong Do Joint Stock Company	Hanoi	34.87%	34.87%	Real estate business and services
Petrovietnam Urban Development Joint Stock Company	Ca Mau	53.44%	53.44%	Construction, real estate business
Petroleum Industrial and Civil Construction Joint Stock Company	Ba Ria - Vung Tau	51%	51%	Construction, industrial production, real estate business
Petroleum Pipeline and Tank Construction Joint Stock Company	Ba Ria - Vung Tau	51%	51%	Construction, real estate business

According to the assessment of the Board of Management of the Corporation, although the voting stake of the Corporation is less than 50% in Petroleum Dong Do Joint Stock Company, the Corporation still has the right to control this company through the right to dictate financial policies and activities, as well as assign and evaluate the implementation of the annual business plans, provide support in terms of work, construction and installation contracts, markets, and finance. Accordingly, Petroleum Dong Do Joint Stock Company is identified as a subsidiary of the Corporation.

## 2 ACCOUNTING SYSTEM AND ACCOUNTING POLICY

### 2.1 Accounting period and accounting currency

Annual accounting period commences from 1 January and ends as at 31 December.

The Corporation maintains its accounting records in Vietnam Dong (VND).



## **2.2 Standards and Applicable Accounting Policies**

### *Applicable Accounting Policies*

The Corporation applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

### *Declaration of compliance with Accounting Standards and Accounting System*

The Corporation applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

## **2.3 Basis for the preparation of Consolidated Financial Statements**

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Corporation and Financial Statements of its subsidiaries under its control (the subsidiaries) as at 31 December annually.

Consistent accounting policies are applied in Financial Statements of subsidiaries and the Corporation. If necessary, adjustments are made to the Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Corporation and its subsidiaries.

The operating results of subsidiaries acquired or disposed during the year are included in the Consolidated financial statements from the effective date of acquisition or up to the effective date of disposal.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from Consolidated financial statements.

### *Non - controlling interests*

Non - controlling interests represents the portion of profit or loss and net assets not held by owners.

## **2.4 Accounting estimates**

The preparation of Consolidated Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the accounting year.

The estimates and assumptions that have a material impact in the Consolidated Financial Statements include:

- Provision for bad debts;
- Provision for devaluation of inventory;
- Provision for payables;
- Allocation of prepaid expenses;
- Estimated useful life of fixed assets;
- Classification and provision of financial investments;
- Estimated income tax.



Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Corporation's Consolidated Financial Statements and that are assessed by the Board of Management to be reasonable under the circumstances.

## **2.5 Foreign currency transactions**

Foreign currency transactions during the year are translated into Vietnam Dong using the actual rate at transaction date.

Actual exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Corporation regularly conducts transaction;
- For cash deposited in bank, applying the bid rate of the commercial bank where the Corporation opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Corporation regularly conducts transactions.

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the year.

## **2.6 Cash and cash equivalents**

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

## **2.7 Business combination and goodwill**

All business combinations shall be accounted for by applying the purchase method. The cost of a business combination includes the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities in business combination are measured at their fair values at the acquisition date.

The goodwill or interest from a cheap purchase is defined as the difference between the cost of the business combination and acquirer's interest in the net fair value of the identifiable subsidiary assets at the acquisition date held by Parent. Cheap purchase interest (if any) will be recognized in the consolidated income statement. Goodwill is allocated to costs by the straight-line method for an estimated useful period of 10 years. Periodically the Corporation will assess goodwill losses at the subsidiary, if there is evidence that the loss of goodwill is greater than the annual allocation, the allocation shall be based on the loss of goodwill in the year of arising.

## **2.8 Financial investments**

*Trading securities* are initially recognized at original cost which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities. Upon liquidation or transfer, cost of trading securities is determined using weighted average method.

*Investments held to maturity* comprise term deposits held to maturity to earn profits periodically and other held to maturity investments.

*Investments in joint ventures and associates:* During the year, the buyer determines the date of purchase and the cost of investments and implements accounting procedures in accordance with



the Accounting Standards on "Financial reporting of interest in joint ventures" and "Accounting for investments in associates".

In the Consolidated Financial Statements, investments in joint ventures and associates are accounted for using equity method. Under this method, the investments are initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share in net assets of the associate after acquisition date. Goodwill incurred from the investment in the associates is reflected in the carrying amount of the investment in the associate. The Group will not allocate such goodwill but assess annually to determine whether the goodwill is under impaired loss or not.

For the adjustment of the value of investments in joint ventures and associates from the date of investment to the beginning of the reporting year, the Corporation shall:

- For the adjustment to the income statement of previous years: make an adjustment to the undistributed profit after tax according to net adjusted accumulated amount to the beginning of the reporting year.
- For the adjustment due to the difference in revaluation of assets and the difference in foreign exchange rates, recorded in the balance sheet of the previous years: determine the adjustment to the corresponding items on the Statement of Financial Position according to net accumulated adjusted amount.

For the adjustment of the value of investments in joint ventures and associates arising in the year, the Corporation shall exclude the preferred dividends of other shareholders (if preferred shares are classified as Owner's capital); expected number of deductions for bonus and welfare funds of joint ventures and associates; share of profits related to transactions of joint ventures, associates contributing capital or selling assets to the Corporation before determining the Corporation's share in the profit or loss of the joint venture or associated Corporation during the reporting year. The Corporation then adjusts the value of the investment in proportion to its share in profits and losses of joint ventures and associates and immediately recognizes it in the Consolidated Income Statement.

*Equity investments in other entities* comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

For dividends received in the form of shares, only the number of shares received is recorded without any increase in the investment value and financial income.

*Provision for devaluation of investments is made at the end of the year as follows:*

- Investments in trading securities: provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date.
- Long-term investments (other than trading securities) without significant influence on the investee: If the investment in listed shares or the fair value of the investment is determined reliably, provisions shall be made on the basis of the market value of the shares; if the fair value of the investment is not determined at the reporting date, provision shall be made based on the Financial Statements at the provision date of the investee.
- Investments held to maturity: provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

## **2.9 Receivables**

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Corporation. The receivables shall be classified into short-term receivables or long-term receivables on the consolidated financial statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables



that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating possible losses.

## **2.10 Inventories**

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year: the value of work in progress is recorded for each construction project which is incomplete or revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

## **2.11 Fixed assets**

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

### *Subsequent measurement after initial recognition*

If these costs augment future economic benefits obtained from the use of tangible fixed assets are extended to their initial standards conditions, these costs are capitalized as an incremental in their historical cost.

Other costs incurred after tangible fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the (Separate) Statement of income in the period in which the costs are incurred.

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

- Buildings and structures	5 - 48 years
- Machinery, equipment	3 - 15 years
- Vehicles, transportation equipment	4 - 10 years
- Office equipment	3 - 10 years
- Land use rights	According to the land lease term
- Computer software	3 - 5 years

## **2.12 Investment properties**

Investment properties are initially recognised at historical cost.

Investment properties held for capital appreciation prior to 01 January 2015 are depreciated on a straight-line basis similar to other fixed assets, but from 01 January 2015 are not depreciated.



Investment properties held for operating lease are recorded at cost, accumulated depreciation and carrying amount. Investment properties are depreciated using the straight-line method with expected useful life as follows:

- |                         |               |
|-------------------------|---------------|
| - Buildings, structures | 25 - 38 years |
|-------------------------|---------------|

An item of owner-occupied property or inventories only becomes an investment property when its using purposed has been changed, evidenced by commencement of stopping using that item and starting to operate leasing for the third party or completing the construction period. The investment property is transferred to owner-occupied property or inventories only where it undergoes a change in use, evidenced by commencement of starting using the assets by owner or development with a view to sale. The transferring from investment property to owner-occupied property or inventories will not change the original cost and carrying amount of asset as at the date of transfer.

### **2.13 Construction in progress**

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs.

### **2.14 Operating lease**

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to Statement of Income on a straight-line basis over the period of the lease.

### **2.15 Business Cooperation Contract (BCC)**

Business Cooperation Contract (BCC) is a contractual agreement between two or more venturers with the objectives of cooperating to carry out specific business activities without constitution of a new legal entity. This operation may be jointly controlled by venturers under BCC or controlled by one of them.

In case of receiving money or assets from other entities in the BCC, they should be recorded as payables. In case of contributing money or assets to BCC, they should be recorded as receivables. During the process of operating BCC, BCC in the form of jointly controlled operations, the accounting methods are adopted as follows:

All parties in the joint venture shall simultaneously do the bookkeeping in their own accounting system and present in its Financial Statements with the following items:

- Assets contributed by it and controlled by the joint venture;
- Its share of liabilities incurred;
- Its share of income from the sale of goods or rendering of services by the joint venture;
- Its share of expenses incurred.

All parties shall share revenue from the sale of goods or rendering of services and share joint expenses according to the BCC's agreements.

### **2.16 Prepaid expenses**

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

*Types of prepaid expenses include:*

Prepaid land expenses include prepaid land rental, including those related to leased land for which



the Company has received certificate of land use right but not eligible for recording as intangible fixed asset in accordance with the Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance guiding regulation on management, use and depreciation of fixed assets and other expenses related to ensure for the use of leased land. These expenses are recognized in the consolidated statement of income on a straight-line basis according to the lease term of the contract.

Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 03 years.

Office rent represents the amount of prepaid rent amortized to the consolidated statement of income on a straight-line basis over the lease term.

Expenses for leasing Sao Mai Ben Dinh port facility are allocated to the income statement during the lease period (49 years) from 16 September 2010.

## **2.17 Payables**

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Corporation. The payables shall be classified into short-term payables or long-term payables on the consolidated financial statements according to their remaining terms at the reporting date.

## **2.18 Borrowings and finance lease liabilities**

The value of finance lease liabilities is recognized at the payable amount equal to the present value of minimum lease payments or the fair value of leased assets.

Borrowings and finance lease liabilities shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings and finance lease liabilities. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

## **2.19 Borrowing costs**

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

## **2.20 Accrued expenses**

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as annual leave salary, expenses arising from seasonal cessation of production, interest expenses, etc. which are recorded as operating expenses of the reporting period.

The recording of accrued expenses as operating expenses during the period shall be carried out under the matching principle between revenues and expenses during the period. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

## **2.21 Provision for payables**

Provision for payables is only recognized when meeting all of the following conditions:

- The Corporation has a present debt obligation (legal obligation or joint obligation) as a result of past events;



- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payables is the most reasonably estimated amount required to settle the current debt obligation at the end of the accounting year.

Only expenses related to the previously recorded provision for payables shall be offset by that provision for payables.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the fiscal year.

## **2.22 Unearned revenues**

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing.

Unearned revenues are transferred to revenue from sale of goods and rendering of services with the amount corresponding to each accounting period.

## **2.23 Owner's equity**

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results or from gifts, presents, financing, assets revaluation (if these items are allowed to be recorded as a decrease or increase in the owner's equity).

Treasury shares bought before the effective date of the Securities Law 2019 (January 1, 2021) are shares issued by the Company and bought-back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities. Treasury shares bought after January 1, 2021 will be cancelled and adjusted to reduce equity.

Retained earnings are used to present the Corporation's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Corporation.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

## **2.24 Revenue**

Revenue is recognized to extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measures regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns. The following specific recognition conditions must also be met when recognizing revenue.



*Revenue from construction contracts*

- In case the construction contract stipulates that the contractor is paid according to the value of the volume performed, when the results of construction contract performance are reliably determined and confirmed by the customer, then revenue, Contract-related costs are recorded in proportion to the completed work confirmed by the customer during the year reflected in the invoices issued.

*Revenue from rendering of services*

- The percentage of completion of the transaction at the Balance sheet date can be measured reliably.

*Financial income*

Financial incomes include income from assets yielding interest, royalties, dividends and other financial gains by the Corporation shall be recognised when the two conditions are satisfied:

- It is probable that the economic benefits from the transaction will flow to the Corporation;
- The amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Corporation's right to receive dividend is established.

**2.25 Cost of goods sold and serviced rendered**

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudence basis. Cases of loss of materials and goods exceeded the norm, labour cost and fixed manufacturing overheads not allocated to the value of inventory, provision for devaluation of inventory, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year even when products and goods have not been determined as sold.

**2.26 Financial expenses**

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Losses from the disposal and transfer of short-term securities, transaction cost of selling securities;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc

The above items are recorded by the total amount arising in the year without offsetting against financial income.

**2.27 Corporate income tax**

*Current corporate income tax expenses and deferred corporate income tax expenses*

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.



*Current corporate income tax rate*

The Corporation applies the corporate income tax rate of 20% for the operating activities which has taxable income for the fiscal year ended as at 31 December 2024.

**2.28 Earnings per share**

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Corporation (after adjusting for the bonus and welfare fund and allowance for Board of Management) by the weighted average number of ordinary shares outstanding during the year.

**2.29 Related Parties**

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Corporation's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Corporation or being under the control of the Corporation, or being under common control with the Corporation, including the Corporation's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Corporation that have a significant influence on the Corporation, key management personnel including directors and employees of the Corporation, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Consolidated Financial Statements, the Corporation should consider the nature of the relationship rather than the legal form of the relationship.

**2.30 Segment information**

As the Corporation operates mainly in the field of construction and installation in the territory of Vietnam, the Corporation does not prepare segment reports by business segment and geographical segment.

**3 CASH AND CASH EQUIVALENTS**

	31/12/2024	01/01/2024
	VND	VND
Cash on hand	5,238,205,288	4,222,971,623
Demand deposits	250,553,325,788	244,844,247,700
- Vietnam Public Joint Stock Commercial Bank	13,978,111,303	236,463,571
- Modern Bank of Vietnam Limited (formerly Ocean Commercial Bank Limited - OceanBank)	2,254,370,501	2,156,731,548
- Others	234,320,843,984	242,451,052,581
Cash equivalents (i)	177,682,692,918	66,462,884,389
- Vietnam Public Joint Stock Commercial Bank	4,200,000,000	7,500,000,000
- Others	173,482,692,918	58,962,884,389
	<b>433,474,223,994</b>	<b>315,530,103,712</b>
<b>In which: Balance with related parties</b>		
Vietnam Public Joint Stock Commercial Bank	18,178,111,303	7,736,463,571
- Demand deposits	13,978,111,303	236,463,571
- Cash equivalents	4,200,000,000	7,500,000,000



(i) At 31 December 2024, the cash equivalents are deposits with term of from 01 to 03 months with the amount of VND 177,606,842,529 at commercial banks at the interest rate from 3.8%/year to 4.5 %/year.

#### 4 FINANCIAL INVESTMENTS

##### a) Held to maturity investments

	31/12/2024		01/01/2024	
	Original cost VND	Provision VND	Original cost VND	Provision VND
<b>Short-term investments</b>				
Term deposits (i)	253,490,326,478	-	310,112,549,041	-
- Vietnam Public Joint Stock Commercial Bank	35,780,000,000	-	43,773,589,041	-
- Modern Bank of Vietnam Limited (formerly Ocean Commercial Bank Limited - OceanBank)	45,316,000,000	-	45,316,000,000	-
- Others	172,394,326,478	-	221,022,960,000	-
	<b>253,490,326,478</b>	<b>-</b>	<b>310,112,549,041</b>	<b>-</b>
<b>In which: Balance with related parties</b>				
Vietnam Public Joint Stock Commercial Bank	35,780,000,000	-	43,773,589,041	-

(i) At 31 December 2024, the short-term investments are deposits with terms from over 3 months to less than 12 months with the amount of VND 253,490,326,478 at commercial banks at the interest rate from 5.4 %/year to 7.3 %/year.

In which:

- Deposits at Bank for Investment and Development of Vietnam (BIDV) - Ha Dong Branch with a value of VND 153,794,326,478 is being pledged for loans at the bank (Detailed in Note 24);
- The term deposit of VND 45.3 billion deposited at Ocean Commercial One Member Limited Liability Bank - Vung Tau Branch is temporarily suspending transactions under the direction of the State Bank of Vietnam. This amount will be paid when there is direction from the Government and the State Bank. Therefore, the Board of General Directors of the Corporation assesses that the above deposits are still recoverable, have no risk of loss and accordingly, no loss provision is required.

##### b) Trading securities

	31/12/2024		01/01/2024	
	Original cost VND	Provision VND	Original cost VND	Provision VND
<b>Shares</b>				
- Petroleum Internal and External Equipment Joint Stock Company	14,600,000,000	(13,885,000,000)	14,600,000,000	(13,885,000,000)
- Others	300,000,000	-	300,000,000	-
	<b>14,900,000,000</b>	<b>(13,885,000,000)</b>	<b>14,900,000,000</b>	<b>(13,885,000,000)</b>

The Corporation has not determined the fair value of financial investments since Vietnamese Accounting Standards and Vietnamese Corporate Accounting System have not had any detailed guidance on the determination of the fair value.



**c) Equity investments in associates and joint - ventures**

	Stock Code	Address	31/12/2024			01/01/2024		
			Proportion of ownership	Proportion of voting rights	Book value under the equity method	Proportion of ownership	Proportion of voting rights	Book value under the equity method
					VND			VND
- Heerim-PVC International Design Joint Stock Company		Hanoi	44,00%	44,00%	-	44,00%	44,00%	-
- Petroleum Interior Decoration JSC	PID	Hanoi	49,98%	49,98%	-	49,98%	49,98%	-
- PetroVietnam - Nghe An Construction Joint Stock Company	PVA	Nghe An	22,64%	22,64%	-	22,64%	22,64%	-
- Sai Gon Petroleum construction and investment Joint Stock Company	PSG	Ho Chi Minh city	24,72%	24,72%	-	24,72%	24,72%	-
- Duyen Hai Petro Construction Investment Joint Stock Company		Hai Phong	42,46%	42,46%	31.417.598.211	42,46%	42,46%	31.413.604.516
- Petroleum Link Communication and Trading Joint Stock Company (i)		Hanoi	97,22%	35,05%	790.931.300	97,22%	35,05%	1.699.762.496
- Petroleum Interior Decoration Joint Stock Company (PVC-HN)		Hanoi	35,83%	35,83%	-	35,83%	35,83%	-
- Petroleum Mechanical Executing And Assembly Joint Stock Company		Hanoi	40,00%	40,00%	-	40,00%	40,00%	-
- Thanh Hoa Petroleum Investment and Construction Joint Stock	PVH	Thanh Hoa	36,00%	36,00%	-	36,00%	36,00%	-
- Lam Kinh Hotel Joint Stock Company		Thanh Hoa	35,01%	43,16%	-	35,01%	43,16%	-
- Mien Trung Petroleum Construction JSC	PXM	Da Nang	48,27%	48,27%	-	48,27%	48,27%	-
					<b>32.208.529.511</b>			
								<b>33.113.367.012</b>

(i) According to the assessment of the Board of General Directors of the Corporation, although the ownership stake of the Corporation in Petroleum Link Communication and Trading Joint Stock Company (Petro-link) as at 31 December 2024 is 97%, this ownership stake is temporary because other members have not yet contributed sufficient capital. The ownership stake (contributing capital) of the Corporation according to the Business Registration Certificate is 35%, the Corporation also does not have controlling interest in this company. Therefore, the Board of General Directors of the Corporation identified Petro-link as an associate and presented this investment as an investment in an associate.

As at 31 December 2024, the value of investments in associates was assessed by the Corporation using the equity method on the basis of the financial statements of the entities collected at the nearest available reporting date.

**Material transactions between the Corporation and joint ventures/associates during the year:** Detailed in Note 42.



**d) Investments in other entities**

	31/12/2024				01/01/2024			
	Original cost	Fair value	Provision	Rate of voting	Original cost	Fair value	Provision	Rate of voting
	VND	VND	VND		VND	VND	VND	
- Ha Long Cement Joint Stock Company (ii)	147,300,000,000		(147,300,000,000)	7.58%	147,300,000,000		(147,300,000,000)	7.58%
- Petro Kinh Bac Investing And Construction JSC (ii)	23,500,000,000		(1,200,936,821)	15.67% (*)	23,500,000,000		(11,288,806,120)	15.67% (*)
- Vietnam Port and Infrastructure Construction Investment JSC (ii)	12,500,000,000		(1,488,246,800)	2.50%	12,500,000,000		(1,488,246,800)	2.50%
- Truong Son Investment Group Joint Stock Company (ii)	3,000,000,000		-	3.99%	3,000,000,000		-	3.99%
- Number 2 Petrovietnam Construction JSC (ii)	2,795,000,000		-	5.00%	2,795,000,000		-	5.00%
- Petro Vietnam Building Materials and Construction Joint Stock Company 4 (ii)	2,500,000,000		-	10.00%	2,500,000,000		-	10.00%
- Petrovietnam investment and construction - 3C Join Stock Company (ii)	5,400,000,000		(5,400,000,000)	7.25%	5,400,000,000		(5,400,000,000)	7.25%
- Others (ii)	9,318,000,000		(4,231,833,881)		9,318,000,000		(4,231,833,881)	
	<b>206,313,000,000</b>	<b>-</b>	<b>(159,621,017,502)</b>		<b>206,313,000,000</b>	<b>-</b>	<b>(169,708,886,801)</b>	

(ii) As at 31 December 2024, the Corporation had investments in various companies with a total book value and total provision for these investments of approximately VND 206.31 billion and VND 159.61 billion (as at 01 January 2024 were approximately VND 206.31 billion and VND 169.71 billion). At the date of preparing these Consolidated Financial Statements, the Corporation has not yet collected the financial statements for the year 2024 and 2023 from these companies. Therefore, the Corporation has not fully assessed the decline in the value of the above investments. These Consolidated Financial Statements do not include any adjustments that may be related to this issue.

As at 31 December 2024, the Corporation could not collect the Financial Statements of other investments, therefore, provision for financial investments is being made according to the financial statements of previous years of these companies.

The Corporation has not determined the fair value of financial investments since Vietnamese Accounting Standards and Vietnamese Corporate Accounting System have not had any detailed guidance on the determination of the fair value.



(\*) The investment value in Petro Kinh Bac Investing and Construction Joint Stock Company ("PVC Kinh Bac") is VND 23.5 billion, consisting of 2 parts:

- An amount of VND 2.5 billion, representing contributed capital generated before 2010 accounts for 5% of PVC Kinh Bac's charter capital at that time, which was VND 50 billion;
- An amount of VND 21 billion, generated in 2010 from offsetting debts against the amount advanced by the Corporation to PVC Kinh Bac for construction contracts, when PVC Kinh Bac's charter capital was VND 150 billion. This amount was determined to have been used by PVC Kinh Bac to purchase 3.400 m<sup>2</sup> of land at plot No. 06, Map sheet No. 20, Hamlet 1, Tam Dao town, Tam Dao district, Vinh Phuc province ("land lot in Tam Dao"). Subsequently, PVC Kinh Bac transferred the land to Mai Phuong Investment Company Limited ("Mai Phuong"), which currently holds the title deed for the mentioned land plot.

The verdict No. 412/2021/HSPT dated 29 September 2021 concluded:

- The incident of advancing funds to PVC Kinh Bac was against regulations, therefore, the land lot in Tam Dao must be returned to the Corporation;
- The Corporation's capital contribution ratio at PVC Kinh Bac will be resolved by the relevant parties themselves. If required, it will be addressed in separate civil litigation.

On 1 June 2022, the Director of the Civil Judgment Enforcement Department of Hanoi issued Decision No. 905/QD-CTHSDS to execute the aforementioned judgment.

On 25 September 2024, the Company received the transfer of the land use rights for 3,400 m<sup>2</sup> of land at Plot No. 06, Map Sheet No. 20, Hamlet 1, Tam Dao Town, Tam Dao District, Vinh Phuc Province, from Mai Phuong Investment Company Limited.

At date of this Consolidated financial statement, the Corporation is in the process of completing the procedures to transfer the ownership of the Tam Dao land to the Corporation and is working with PVC Kinh Bac to reassess the capital contribution ratio. Given the events that occurred in 2024, the Corporation has assessed that the VND 21 billion capital contribution to Kinh Bac no longer shows signs of impairment and has therefore fully reversed the provision for this investment.

#### **Investments in other entities:**

Detailed information of long-term investments in other companies of the Company as of 31 December 2024 is as follows:

Name of investee	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
Ha Long Cement Joint Stock Company	Quang Ninh	7.58%	7.58%	Manufacture of construction materials
Petro Kinh Bac Investing And Construction Joint Stock Company	Bac Ninh	15.67%	15.67%	Construction
Vietnam Port and Infrastructure Construction Investment Joint Stock Company	Hanoi	2.50%	2.50%	Construction
Truong Son Investment Group Joint Stock Company	Quang Binh	3.99%	3.99%	Construction
Number 2 Petrovietnam Construction Joint Stock Company	Nam Dinh	5.00%	5.00%	Construction
Petro Vietnam Building Materials and Construction Joint Stock Company 4	Hanoi	10.00%	10.00%	Construction
Petrovietnam investment and construction - 3C Join Stock Company	Hanoi	7.25%	7.25%	Construction



**5 SHORT-TERM TRADE RECEIVABLES**

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>Related parties</b>	<b>1,262,598,515,463</b>	<b>(157,219,916,726)</b>	<b>1,376,107,972,842</b>	<b>(175,473,412,734)</b>
Duyen Hai Petro Construction Investment JSC	1,259,134,326	-	1,222,552,452	-
Vietnam Oil and Gas Group (PVN)	5,548,525,269	-	5,546,942,139	(4,011,796,202)
Thai Binh 2 Petroleum Power Project Management Board	881,154,608,947	-	1,054,967,889,619	-
Vietnam Petroleum Institute	36,963,772,960	(747,531,048)	42,686,383,664	(747,531,048)
Nghi Son Refinery and Petrochemical Complex Project	50,006,385,426	-	50,006,385,426	-
Hanoi Petroleum Construction JSC	91,619,056,480	(91,619,056,480)	91,451,422,013	(91,451,422,013)
Petroleum Mechanical Executing and Assembly JSC	23,291,878,505	(200,156,144)	23,291,878,505	(23,291,878,505)
Saigon Petroleum Construction and Investment JSC	27,858,853,155	(27,158,853,155)	27,858,853,155	(27,158,853,155)
Heerim-PVC International Design JSC	6,097,621,800	(1,518,493,750)	6,097,621,800	(1,518,493,750)
Mien Trung Petroleum Construction JSC	16,811,955	-	16,811,955	-
PetroVietnam - Nghe An Construction JSC	41,635,737,524	(23,330,868,807)	41,635,737,524	(14,648,480,719)
Thanh Hoa Petroleum Investment And Construction JSC	23,115,000	-	40,631,752	-
Petro Vietnam Engineering Consultancy JSC	532,785,009	(532,785,009)	532,785,009	(532,785,009)
PetroVietnam Gas Joint Stock Corporation	9,518,282,409	(9,518,282,409)	9,518,282,409	(9,518,282,409)
Petrovietnam Steel Pipe JSC	15,500,000,000	-	15,500,000,000	-
PetroVietnam Construction Land Corporation	366,052,500	(366,052,500)	366,052,500	(366,052,500)
Petro Vietnam Technical Services Corporation (PTSC)	16,235,738,266	-	1,139,905,494	-
PTSC Mechanical and Construction Limited Company	50,742,318,506	-	-	-
Vietnam Public Joint Stock Commercial Bank	2,000,000,002	-	2,000,000,002	-
PetroVietnam Low Pressure Gas Distribution JSC	62,166,603	(62,166,603)	62,166,603	(62,166,603)
Petroleum Internal and External Equipment JSC	2,165,670,821	(2,165,670,821)	2,165,670,821	(2,165,670,821)
<b>Others</b>	<b>400,661,881,729</b>	<b>(118,331,077,589)</b>	<b>402,495,375,317</b>	<b>(119,980,357,304)</b>
Viet Nam Machinery Installation Corporation - JSC	69,049,973,934	-	90,555,700,071	-
Other customers	331,611,907,795	(118,331,077,589)	311,939,675,246	(119,980,357,304)
	<b>1,663,260,397,192</b>	<b>(275,550,994,315)</b>	<b>1,778,603,348,159</b>	<b>(295,453,770,038)</b>



6 PREPAYMENTS TO SUPPLIERS

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>a) Short - term</b>				
<b>Related parties</b>				
Petroleum Mechanical Executing and Assembly JSC	263,575,778,518	(176,901,545,306)	263,575,778,518	(198,610,409,612)
Heerim-PVC International Design JSC	54,324,395,257	(26,196,864,426)	54,324,395,257	(47,905,728,732)
Hanoi Petroleum Construction JSC	229,674,800	(160,772,360)	229,674,800	(160,772,360)
PetroVietnam - Nghe An Construction JSC	108,864,918,776	(108,864,918,776)	108,864,918,776	(108,864,918,776)
Petroleum Interior Decoration JSC	11,617,459,964	(11,617,459,964)	11,617,459,964	(11,617,459,964)
Mien Trung Petroleum Construction JSC	3,418,342,062	-	3,418,342,062	-
Southern Shipbuilding Industry Investment Development Co., Ltd	28,268,366,989	(26,744,518,395)	28,268,366,989	(26,744,518,395)
Petro Kinh Bac Investing And Construction JSC	42,215,869,300	-	42,215,869,300	-
Petro Vietnam Engineering Consultancy JSC	14,556,466,443	(3,236,726,458)	14,556,466,443	(3,236,726,458)
	80,284,927	(80,284,927)	80,284,927	(80,284,927)
<b>Others</b>	306,584,567,427	(134,263,221,795)	317,022,691,226	(135,686,448,006)
Vietnam Port and Infrastructure Construction Investment JSC	113,386,879,741	(17,856,157,637)	113,386,879,741	(17,856,157,637)
Others	193,197,687,686	(116,407,064,158)	203,635,811,485	(117,830,290,369)
	<b>570,160,345,945</b>	<b>(311,164,767,101)</b>	<b>580,598,469,744</b>	<b>(334,296,857,618)</b>
<b>b) Long-term</b>				
Vietnam Port and Infrastructure Construction Investment JSC	6,641,430,501	(6,641,430,501)	6,641,430,501	(6,641,430,501)
Others suppliers	2,620,805,510	(2,444,337,557)	5,843,946,010	(5,544,337,557)
	<b>9,262,236,011</b>	<b>(9,085,768,058)</b>	<b>12,485,376,511</b>	<b>(12,185,768,058)</b>



**7 SHORT-TERM LOAN RECEIVABLES**

	31/12/2024		During the year		01/01/2024	
	Value	Provision	Increase	Decrease	Value	Provision
	VND	VND	VND	VND	VND	VND
<b>Related parties</b>						
Lam Kinh Hotel JSC (i)	200,000,000,000	(124,356,150,003)	-	-	200,000,000,000	(124,356,150,003)
Saigon Petroleum Construction and Investment JSC (i)	128,357,292,532	(128,357,292,532)	-	-	128,357,292,532	(128,357,292,532)
PetroVietnam - Nghe An Construction JSC (i)	16,321,991,226	(5,461,481,782)	-	-	16,321,991,226	(5,461,481,782)
Petroleum Internal and External Equipment JSC	10,997,669,735	(10,997,669,735)	-	-	10,997,669,735	(10,997,669,735)
	<b>355,676,953,493</b>	<b>(269,172,594,052)</b>	<b>-</b>	<b>-</b>	<b>355,676,953,493</b>	<b>(269,172,594,052)</b>

(i) The Corporation used the loan from Credit Contract No. 603/2011/11DTD-OCEANBANK-PVC dated 30 June 2011 signed with OceanBank (now renamed as Modern Bank of Vietnam - MBV) for Lam Kinh Hotel Joint Stock Company ("Hotel Lam Kinh"), the purpose is to support business capital for Lam Kinh Hotel.

(ii) The Corporation uses the loan from the Credit Contract No. 10/2010/HDTD-OCEANBANK-PVC dated 20 October 2010 between Ocean Commercial Joint Stock Bank (now renamed as Modern Bank of Vietnam - MBV) and the Corporation to pay for the Sai Gon Petroleum Construction and Investment Joint stock Company and Nghe An Petroleum Construction Corporation Joint Stock Company for the transfer of shares;

According to Official Letter No.7697/2014/CV - Oceanbank dated 9 December 2014 of Oceanbank (now renamed as Modern Bank of Vietnam - MBV), the time to pay the loans after being extended is 31 December 2017. As at the date of these Interim Consolidated Financial Statements, the Corporation is working with related parties to extend the payment period for loans at Modern Bank of Vietnam - MBV. The Corporation is also working with the above companies to collect payments on behalf of or lend to have a source of payment for loans at Modern Bank of Vietnam - MBV, in order to enhance the Corporation's solvency as well as to match with regulations on corporate governance applicable to public companies.



**8 OTHER RECEIVABLES**

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>a) Short-term</b>				
Receivables from interest	2,994,975,148	-	2,927,020,063	-
Dividends and profits receivable	6,750,990,000	(6,750,990,000)	6,750,990,000	(6,750,990,000)
Advance	48,314,987,793	(3,630,344,555)	33,656,335,841	(2,314,861,215)
Mortgages	4,158,250,243	-	2,877,906,083	-
Receivables from loan interest, capital support, late payment penalty	109,513,848,523	(27,733,568,215)	103,642,031,545	(27,733,568,215)
Receivables relating to guarantee obligations (i)	42,770,314,825	(42,328,848,975)	42,770,314,825	(42,328,848,975)
International arbitration fees without a ruling (ii)	4,889,875,320	-	-	-
Petroleum internal and External Equipment JSC	26,414,393,577	(26,414,393,577)	26,414,393,577	(26,414,393,577)
Receivables of construction teams	16,819,381,673	(16,819,381,673)	16,819,381,673	(16,819,381,673)
Surplus of bonus and welfare fund	4,917,824,644	(4,917,824,644)	4,917,824,644	(4,917,824,644)
Others	152,056,045,019	(67,530,631,035)	158,548,872,975	(78,116,126,682)
	<b>419,600,886,765</b>	<b>(196,125,982,674)</b>	<b>399,325,071,226</b>	<b>(205,395,994,981)</b>
<b>b) Long-term</b>				
Mortgages	23,954,471,912	-	24,600,907,484	-
Hop Thanh Investment and Mineral JSC	4,613,461,725	-	6,813,461,725	-
	<b>28,567,933,637</b>	<b>-</b>	<b>31,414,369,209</b>	<b>-</b>



	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<b>c) In which: Other receivables from related parties</b>				
- Saigon Petroleum Construction and Investment JSC	56,894,768,733	(3,778,366,082)	54,652,022,135	(3,778,366,082)
- Lam Kinh Hotel JSC	48,630,948,027	(6,138,310,290)	45,288,741,083	(6,138,310,290)
- Petroleum Mechanical Executing And Assembly JSC	6,840,056,555	(4,742,067,735)	6,840,056,555	(4,742,067,735)
- Heerim-PVC International Design JSC	5,360,238,712	(3,899,613,813)	5,360,238,712	(3,899,613,813)
- Petroleum Interior Decoration JSC	26,414,393,577	(26,414,393,577)	26,414,393,577	(26,414,393,577)
- Hanoi Petroleum Construction JSC	20,507,270,308	(8,125,138,911)	20,507,270,308	(8,125,138,911)
- Petro Vietnam Nghe An Construction JSC	2,441,887,388	-	2,155,023,952	-
- Vietnam Oil and Gas Group (PVN)	2,008,154,052	(2,008,154,052)	2,008,154,052	(2,008,154,052)
- Thanh Hoa Petroleum Investment And Construction JSC	368,366,166	-	368,366,166	-
- Thai Binh 2 Petroleum Power Project Management Board	274,000,624	-	274,000,624	-
- Vietnam Petroleum Institute	124,742,000	-	-	-
- Mien Trung Petroleum Construction JSC	28,795,218,993	(28,795,218,993)	28,795,218,993	(28,795,218,993)
- Petro Vietnam Technical Services Corporation (PTSC)	1,669,212,234	-	1,669,212,234	-
- Vietnam Public Joint Stock Commercial Bank	1,920,077,263	-	201,367,500	-
	<b>202,249,334,632</b>	<b>(83,901,263,453)</b>	<b>194,534,065,891</b>	<b>(83,901,263,453)</b>

(i) Receivables from the performance of guarantee obligations is the amount the bank has deducted from the Corporation's account to perform the guarantee obligations for the credit contracts that the Corporation has guaranteed (Detailed in Note 39).

(ii) This arbitration fee was paid to the Vietnam International Arbitration Center (VIAC) to facilitate the submission of a counterclaim against DL E&C Co., Ltd, related to Arbitration Case No. 05/24 VIAC between the Parent Company and DL E&C Co., Ltd (Note 17). On 31 May 2024, the Corporation submitted the counterclaim against DL E&C Co., Ltd to VIAC and paid the arbitration fee as per VIAC's notice, requesting the Arbitral Tribunal to resolve the Corporation's claims regarding DL E&C Co., Ltd's breaches during the execution of the EPS Contract. This arbitration fee will be allocated by the Arbitral Tribunal upon the issuance of the arbitration award.



**9 DOUBTFUL DEBTS**

Total value of receivables and debts that are overdue or not due but difficult to be recovered

	31/12/2024		01/01/2024	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
<b>a) Trade receivables</b>	<b>328,178,418,416</b>	<b>52,627,424,101</b>	<b>322,011,907,329</b>	<b>26,558,137,291</b>
Hanoi Petroleum Construction JSC	91,619,056,480	-	91,600,768,048	-
Saigon Petroleum Construction and Investment JSC	27,158,853,155	-	27,158,853,155	-
Petroleum Mechanical Executing and Assembly JSC	23,291,878,505	23,091,722,361	23,291,878,505	-
PetroVietnam - Nghe An Construction JSC	25,401,643,107	2,070,774,300	17,181,317,789	2,532,837,070
Vietnam Port and Infrastructure Construction Investment JSC	29,273,930,682	-	29,273,930,682	-
Vinaconex 39 JSC	1,080,360,052	-	1,410,881,052	-
Truong Son Investment Group JSC	572,219,050	-	572,219,050	-
PetroVietnam Premier Recreation JSC	18,000,000,000	-	18,000,000,000	-
Petroleum Internal and External Equipment JSC	2,165,570,821	-	2,165,570,821	-
TID JSC	19,604,536,064	17,448,428,851	19,604,536,064	17,448,428,851
Others	90,010,370,500	10,016,498,589	91,751,952,163	6,576,871,370
<b>b) Prepayments to suppliers</b>	<b>355,052,884,287</b>	<b>34,802,349,128</b>	<b>359,576,110,492</b>	<b>13,093,484,816</b>
Vietnam Port and Infrastructure Construction Investment JSC	31,212,207,481	6,714,619,343	31,212,207,481	6,714,619,343
Hanoi Petroleum Construction JSC	108,864,918,776	-	108,864,918,776	-
Petrovietnam - Nghe An Construction Joint Stock Corporation	11,617,459,964	-	11,617,459,964	-
Petroleum Mechanical Executing and Assembly JSC	47,905,728,732	21,708,864,306	47,905,728,732	-
Mien Trung Petroleum Construction JSC	26,744,518,395	-	26,744,518,395	-
Vinaconex 39 JSC	34,069,058,988	1,057,959,818	35,492,285,199	1,057,959,818
Truong Son Investment Group JSC	29,923,230,049	100,965,000	29,923,230,049	100,965,000
Petroleum Construction 2 JSC	26,176,673,819	-	26,176,673,819	-
Others	38,539,088,083	5,219,940,661	41,639,088,077	5,219,940,655



		31/12/2024		01/01/2024	
		Original cost	Recoverable value	Original cost	Recoverable value
		VND	VND	VND	VND
<b>c)</b>	<b>Loan receivable</b>				
	Lam Kinh Hotel JSC	355,676,953,493	86,504,359,441	355,676,953,493	86,504,359,441
		200,000,000,000	75,643,849,997	200,000,000,000	75,643,849,997
	Saigon Petroleum Construction and Investment JSC	128,357,292,532	-	128,357,292,532	-
	Petrovietnam - Nghe An Construction Joint Stock Corporation	16,321,991,226	10,860,509,444	16,321,991,226	10,860,509,444
	Petroleum Internal and External Equipment JSC	10,997,669,735	-	10,997,669,735	-
<b>d)</b>	<b>Other short-term receivables</b>				
	Lam Kinh Hotel JSC	221,087,755,915	24,961,773,241	225,252,249,885	19,856,254,904
		6,138,310,290	-	6,138,310,290	-
	Mien Trung Petroleum Construction JSC	28,795,218,993	-	28,795,218,993	-
	Viet Nam Port and Infrastructure Construction Investment JSC	163,889,314	-	163,889,314	-
	Hanoi Petroleum Construction JSC	8,125,138,911	-	8,125,138,911	-
	Sai Gon Petroleum construction and investment JSC	21,447,520,000	17,731,272,367	21,447,520,000	17,731,272,367
	Petroleum Mechanical Executing and Assembly JSC	4,742,067,735	4,742,067,735	4,742,067,735	-
	Vinaconex 39 JSC	103,192,384	-	103,192,384	-
	Modern Bank of Vietnam Limited	42,328,848,975	-	42,328,848,975	-
	PetroVietnam Premier Recreation JSC	5,575,990,000	-	5,575,990,000	-
	Petroleum Internal and External Equipment JSC	33,584,659,686	-	33,584,659,686	-
	Hasky JSC	2,196,348,696	-	8,000,000,000	-
	Thien Phuc Gia Coporation	5,000,000,000	-	5,000,000,000	-
	Others	62,886,570,931	2,488,433,139	61,247,413,597	2,124,982,537
		<b>1,259,996,012,111</b>	<b>198,895,905,911</b>	<b>1,262,517,221,199</b>	<b>146,012,236,452</b>



**10 INVENTORIES**

	31/12/2024		01/01/2024	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw materials	6,465,655,339	(3,169,300,408)	6,381,458,734	(3,249,102,270)
Tools, supplies	4,920,179,637	(641,939,651)	5,316,250,080	(126,922,432)
Work in progress (i)	1,867,032,182,874	(104,607,633,381)	2,000,581,148,008	(126,643,454,088)
Goods (ii)	59,400,887,454	(11,410,834,208)	61,546,849,442	(15,196,626,123)
	<b><u>1,937,818,905,304</u></b>	<b><u>(119,829,707,648)</u></b>	<b><u>2,073,825,706,264</u></b>	<b><u>(145,216,104,913)</u></b>

(i) Detailed information of work in progress is as follows:

	31/12/2024	01/01/2024
	VND	VND
Thai Binh 2 Thermal Power Plant	1,400,422,457,557	1,466,587,845,156
Vung Ang 1 Thermal Power Plant (*)	245,057,868,468	245,057,868,468
Apartment 33A, street 30/4, Vung Tau city (**)	32,986,594,500	32,986,594,500
Song Hau 1 Thermal Power Plant	109,132,879,549	108,261,716,656
Others	79,432,382,800	147,687,123,228
	<b><u>1,867,032,182,874</u></b>	<b><u>2,000,581,148,008</u></b>

(\*) The Corporation is a sub-contractor of the EPC general contractor of these constructions. As presented in Note 39 in the Notes to the Consolidated Financial Statements, because of changing in design and unit price, the Corporation is requesting the Owner, General Contractor and competent authorities to consider this provision adjustment to the unexpired value of the Vung Ang 1 Thermal Power Plant Project. The Consolidated Financial Statements does not include any adjustments that may be related to this matter.

(\*\*) This is the remaining work-in-progress cost of the construction item under the Commercial, Service, Office, and Apartment Complex project at 33A, 30/4 Street, Ward 9, Vung Tau City, Bà Rịa - Vung Tau Province. The project was completed and put into use in 2019; however, its final settlement has not yet been approved.

(ii) The value of inventory at 01 January 2024 and 31 December 2024 including apartments from the Thai Binh Petroleum Hotel Apartment with a value of VND 36,302,881,834 owned by Thai Binh Petroleum Trading and Investment Joint Stock Company. The Corporation has not assessed the decline in value nor estimated the net realizable value of these properties and has decided not to make a provision for the corresponding inventory impairment.

**11 PREPAID EXPENSES**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short-term</b>		
Dispatched tools and supplies	2,739,278,366	591,987,049
Others	703,886,756	1,546,812,017
	<b><u>3,443,165,122</u></b>	<b><u>2,138,799,066</u></b>
<b>b) Long - term</b>		
Infrastructure rental at Sao Mai Ben Dinh port	77,108,006,166	80,035,871,604
Office rental	5,472,381,608	6,777,404,290
Dispatched tools and supplies	11,290,062,911	11,812,380,793
Property repair costs	5,680,032,353	6,490,156,446
Others	734,225,129	6,506,021,273
	<b><u>100,284,708,167</u></b>	<b><u>111,621,834,406</u></b>



**12 TANGIBLE FIXED ASSETS**

	Buildings, structures	Machinery, equipment	Vehicles, transportation equipment	Office equipment	Total
	VND	VND	VND	VND	VND
<b>Historical cost</b>					
Beginning balance	1,164,275,589,079	334,800,013,234	121,550,354,049	27,895,752,081	1,648,521,708,443
- Purchase in the year	45,146,626,503	159,238,587	819,163,636	154,980,000	46,280,008,726
- Completed construction in progress	6,422,148,217	-	-	-	6,422,148,217
- Other adjustments	(2,350,290,870)	-	-	-	(2,350,290,870)
- Reclassification	(591,844,837)	-	-	-	(591,844,837)
- Liquidation, disposal	(1,862,559,595)	(42,076,770,256)	(11,948,259,847)	(345,750,000)	(56,233,339,698)
- Asset dismantlement	(15,074,640,006)	-	-	-	(15,074,640,006)
<b>Ending balance of the year</b>	<b>1,195,965,028,491</b>	<b>292,882,481,565</b>	<b>110,421,257,838</b>	<b>27,704,982,081</b>	<b>1,626,973,749,975</b>
<b>Accumulated depreciation</b>					
Beginning balance	439,949,429,348	307,304,847,845	120,695,713,286	27,660,620,124	895,610,610,603
- Depreciation in the year	24,919,064,813	9,866,049,908	279,120,226	150,705,909	35,214,940,856
- Other adjustments	(921,509,043)	-	-	-	(921,509,043)
- Reclassification	(228,110,451)	-	-	-	(228,110,451)
- Liquidation, disposal	(1,862,559,595)	(40,871,244,191)	(11,948,259,847)	(345,750,000)	(55,027,813,633)
- Asset dismantlement	(15,002,237,429)	-	-	-	(15,002,237,429)
<b>Ending balance of the year</b>	<b>446,854,077,643</b>	<b>276,299,653,562</b>	<b>109,026,573,665</b>	<b>27,465,576,033</b>	<b>859,645,880,903</b>
<b>Net carrying amount</b>					
Beginning balance	724,326,159,731	27,495,165,389	854,640,763	235,131,957	752,911,097,840
<b>Ending balance</b>	<b>749,110,950,848</b>	<b>16,582,828,003</b>	<b>1,394,684,173</b>	<b>239,406,048</b>	<b>767,327,869,072</b>

The carrying amount of tangible fixed assets pledged as collaterals for borrowings as at 31 December 2024 was VND 374,037,139,512 (as at 01 January 2024 was VND 348,305,574,940);

Cost of fully depreciated tangible fixed assets but still in use at 31 December 2024 was VND 401,187,220,987 (as at 01 January 2024 was VND 429,617,097,053).



### 13 INTANGIBLE FIXED ASSETS

	Land use rights (i)	Manager software	Total
	VND	VND	VND
<b>Historical cost</b>			
Beginning balance	262,931,666,520	21,461,212,382	284,392,878,902
<b>Ending balance of the year</b>	<b>262,931,666,520</b>	<b>21,461,212,382</b>	<b>284,392,878,902</b>
<b>Accumulated depreciation</b>			
Beginning balance	6,515,034,707	19,666,862,255	26,181,896,962
- Depreciation in the year	413,668,608	563,306,664	976,975,272
- Other decrease	(440,700,000)	-	(440,700,000)
<b>Ending balance of the year</b>	<b>6,488,003,315</b>	<b>20,230,168,919</b>	<b>26,718,172,234</b>
<b>Net carrying amount</b>			
Beginning balance	256,416,631,813	1,794,350,127	258,210,981,940
<b>Ending balance</b>	<b>256,443,663,205</b>	<b>1,231,043,463</b>	<b>257,674,706,668</b>

Cost of fully amortized intangible fixed assets but still in use at 31 December 2024 was VND 19,571,292,382 (as at 01 January 2024 was VND 19,571,292,382).

- (i) Including the value of land use rights at land plot No. 04, map sheet No. 10, located at No. 02 Nguyen Huu Canh, Thang Nhat ward, Vung Tau city, Ba Ria-Vung Tau province, owned by Petroleum Equipment Assembly & Metal Structure Joint Stock Company. The People's Committee of Ba Ria Vung Tau province granted the land use rights certificate on 28 July 2008 with an original cost of VND 15,166,470,000. The carrying amount as at 31 December 2024 was VND 8,678,466,685.

This land plot was invested in the construction of the Mix-use complex high-rise residential and office buildings which was handed over for use in 2014. On 24 August 2017, this land plot was reclaimed by the Department of Natural Resources and Environment of Ba Ria - Vung Tau province to issue a new certificate for the properties on the land, which include the apartment units and office blocks. According to the Certificate of Land Use Rights No. BX 920280 and the Certificate of Application No. 000038.TS, the Corporation has the right to use land, own residential buildings, and other assets attached to the land, including floors 1 through 5, and the rooftop technical floor of the Mix-use Complex at land plot No. 02 Nguyen Huu Canh street, Thang Nhat ward, Vung Tau city, Ba Ria - Vung Tau province.

The asset value is the above-mentioned office space area, which is being presented by the Corporation as tangible fixed assets with a value of VND 15,166,470,000 and investment real estate with a value of VND 17,530,390,046.



#### 14 INVESTMENT PROPERTIES HELD FOR LEASE

	Buildings VND	Total VND
<b>Historical cost</b>		
Beginning balance	101,148,289,217	101,148,289,217
- Purchase in the year	20,379,043,182	20,379,043,182
- Other adjustments	734,293,717	734,293,717
- Reclassification	591,844,837	591,844,837
- Decrease due to reclassification to inventory	(11,785,626,765)	(11,785,626,765)
<b>Ending balance of the year</b>	<b>111,067,844,188</b>	<b>111,067,844,188</b>
<b>Accumulated depreciation</b>		
Beginning balance	23,182,508,848	23,182,508,848
- Depreciation in the year	2,185,280,762	2,185,280,762
- Other adjustments	272,831,032	272,831,032
- Other reclassification	228,110,451	228,110,451
- Decrease due to reclassification to inventory	(308,875,090)	(308,875,090)
<b>Ending balance of the year</b>	<b>25,559,856,003</b>	<b>25,559,856,003</b>
<b>Net carrying amount</b>		
Beginning balance	77,965,780,369	77,965,780,369
<b>Ending balance</b>	<b>85,507,988,185</b>	<b>85,507,988,185</b>

Carrying amount of investment properties pledged as collaterals for borrowings as at 31 December 2024 was VND 54,565,800,473 (as at 01 January 2024 was VND 55,737,815,519).

Fair value of investment properties has not been appraised and determined exactly as at 31 December 2024. However, based on leasing activities and market prices of these assets, the Board of General Directors believes that the fair value of investment properties is higher than their carrying amount on the books at the end of fiscal year.

#### 15 LONG-TERM ASSET IN PROGRESS

	31/12/2024		01/01/2024	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
<b>a) Long-term work in progress</b>				
- Quang Trach 1 Thermal Power Plant Project (i)	25,781,820,546	12,890,910,273	25,781,820,546	12,890,910,273
- Dinh Vu Polyester Plant Project	25,759,325,212	9,162,306,880	25,759,325,212	9,162,306,880
- Long Phu Thermal Power Operation Center	12,180,083,636	800,000,000	12,180,083,636	800,000,000
- Others	7,922,605,745	2,210,996,386	7,922,605,745	2,210,996,386
	<b>71,643,835,139</b>	<b>25,064,213,539</b>	<b>71,643,835,139</b>	<b>25,064,213,539</b>

(i) According to Official Letter No. 1828/TTg-KTN dated 15 October 2016 of the Prime Minister on certain changes relating to thermal power projects under management of Quang Trach and Quynh Lap Power Centres, Vietnam Electricity Group will replace Vietnam Oil and Gas Group as the investor of the Quang Trach 1 Thermal Power Plant Project. As of the date of preparing these Consolidated Financial Statements, the Corporation is still in the process of working with involving parties to finalize and settle the expenses incurred by the Corporation in the construction of this project.



**b) Construction in progress**

	31/12/2024	01/01/2024
	VND	VND
<b>Purchase</b>	<b>147,550,832</b>	-
- Procurement of fixed assets	147,550,832	-
<b>Construction in progress</b>	<b>113,303,806,575</b>	<b>111,661,268,283</b>
- Soai Rap Petroleum Service Industrial Zone Project in Tien Giang (ii)	103,182,526,261	103,182,526,261
- Petro Vietnam University Urban Area (iii)	3,883,984,985	3,883,984,985
- Tien Giang Petroleum Industrial Zone Project (iii)	1,835,100,923	1,835,100,923
- Others (iii)	4,402,194,406	2,759,656,114
	<b><u>113,451,357,407</u></b>	<b><u>111,661,268,283</u></b>

(ii) This is the construction in progress of Soai Rap - Tien Giang Petroleum Service Industrial Park Project (referred to as "the project") which the Corporation inherited and became the investor from Vietnam Oil And Gas Group (PVN) according to Decision No. 7089/QĐ-DKVN dated 12 August 2010 of the Board of Members of PVN.

On 22 August 2016, the Ministry of Finance issued Document No. 11704/BTC-TCDN to the People's Committee of Tien Giang Province and PVN to provide the specific instructions on the transfer of the above project from PVN to the People's Committee of Tien Giang Province.

According to the minutes No. 1421/BB-SKH&DT dated 31 July 2017 between the Project Acceptance Team and the People's Committee of Tien Giang Province, it was agreed to recognize the project value during the period of implementation by the Corporation as VND 143 billion.

On 01 October 2018, the Corporation signed a minutes of liquidation of the land lease contract with the Department of Natural Resources and Environment of Tien Giang province, handing over the land and the assets attached to the land to this agency.

On 28 February 2019, the Government Office issued Document No. 1630/VPCP-CN directing the Ministry of Planning and Investment, the Ministry of Justice, the Ministry of Natural Resources and Environment, the Ministry of Industry and Trade, the Committee for Management of State Capital at Enterprises to instruct the People's Committee of Tien Giang province and the project investor to settle the incurred expenses for the project investor due to the recovery of project land, ensuring compliance with the provisions of law, preventing the loss of state assets and safeguarding the rights and interests of the project investor.

Through many directives from the Government, the relevant ministries have yet to come up with an official plan to resolve and guide the reimbursement of the expenses invested by the Corporation in the Soai Rap Oil and Gas Industrial Park project in Tien Giang province.

On 29 March 2021, the Corporation issued Document No. 426/XLDK-KHDT&TCC requesting to continue its role as the Investor of Soai Rap Petroleum Service Industrial Park Project in Tien Giang Province.

On 06 August 2021, the Ministry of Planning and Investment continued to send Document No. 5183/BKHDT-QLKKT proposing that the Prime Minister instructs the People's Committee of Tien Giang Province to conclusively resolve all issues related to the Project in 2021 in accordance with the law and regulations.

On 15 February 2022, the Government Office issued Document No. 964/VPCP-CN announcing the specific directive of Deputy Prime Minister Le Van Thanh, assigning the Ministry of Natural Resources and Environment to have specific opinions on the compliance with legal procedures and provisions of the Law on land recovery process for the project of the People's Committee of Tien Giang province. This will serve as a basis for considering whether the Corporation is entitled to compensation for assets on the project land.

As at the preparation date of these Consolidated Financial Statements, the project transfer process has not yet been completed. The Board of General Directors of the Corporation believes that the Corporation will fully recover the expenses incurred or be entrusted with the project for further implementation.

(iii) The Projects that have been suspended for several years have not been assessed by the Board of Management for their potential future economic benefits.



# 16 LONG-TERM OTHER ASSETS

	31/12/2024	01/01/2024
	VND	VND
Contribution to the investment of the Dolphin Plaza Project (i)	26,233,304,440	27,233,304,440
Contribution to Long Son Riverside project (ii)	12,897,200,000	12,897,200,000
	<b>39,130,504,440</b>	<b>40,130,504,440</b>

(i) The investment under the Business Cooperation Contract No. 0211/2010/HDHTKD dated 2 November 2010 signed between Dong Do Petroleum Joint Stock Company (PVC-Dong Do - a subsidiary of the Corporation), Joint Stock Company Investment and Financial Consulting of Oil and Gas Vietnam and TID Joint Stock Company ("TID") :

- Investment purpose: Construction of the Dolphin Plaza project at 28 Tran Binh Street, My Dinh, Tu Liem, Hanoi;
- Total contract value: VND 268,706,631,405, including a land use right contribution of VND 189,793,800,000 and a cash contribution of VND 79,033,520,990;
- Capital contribution structure: As per the contract commitment, PVC-Dong Do was to contribute VND 51,054,259,967, consisting of VND 36,060,822,000 from the land use right advantage and VND 14,993,437,967 in cash, equivalent to 19% of the cash contribution to the project. On 18 January 2015, PVC-Dong Do signed Appendix No. 03 to Business Cooperation Contract No. 0211/2010/HDHTKD with TID to withdraw a portion of its capital contribution, amounting to VND 13,953,720,233. This reduced its remaining cash contribution ratio to 1.6%, leaving a total capital contribution of VND 37,100,539,734 in the project. PVC-Dong Do is entitled to 1.6% of the project's business profit;
- Contract payment and settlement:
  - ❖ PVC-Dong Do acquired 154 m<sup>2</sup> of the commercial service area valued at VND 3,527,682,675 from TID under Appendix No. 04 of the Commercial Service Area Transfer Contract No. DP/HD/TID-PVFC Land, signed on 18 January 2017. This amount was settled through debt offsetting with the initial business cooperation contract (from the previously mentioned capital withdrawal of VND 13,953,720,233, with an actual cash receipt of VND 10,426,037,558).
  - ❖ On 23 December 2022, PVC-Dong Do received three apartments with a total value of VND 9,867,235,294 according to the payment obligation settlement agreements No. 5010-3/2022/DD-HP-TID, 5000-3/2022/DD-HP-TID, and 4990-1/2022/DD-HP-TID, dated 23 December 2022. The value of these three apartments was settled through debt offsetting with the initial business cooperation contract.
  - ❖ On 16 January 2024 and 05 February 2024, PVC-Dong Do received VND 500,000,000 per transaction.
  - ❖ On 20 January 2025, PVC-Dong Do and TID signed a debt offset agreement regarding an amount payable to suppliers of VND 7,566,201,080.
  - ❖ On 21 January 2025, PVC-Dong Do and TID signed the business cooperation contract liquidation agreement. Under this agreement, TID refunded PVC-Dong Do the remaining funds contributed to participate in the project and the remaining capital contribution for project implementation, totaling VND 18,667,103,593, after offsetting the VND 7,566,201,080 debt on 20 January 2025 (as mentioned above).

(ii) The capital contribution under Business Cooperation Contract No. 20/2010/BCC/KT-PIVLS-PETROLAND-PVFC LAND dated 08 June 2010:

- Participants, contribution ratio, form, and schedule: The participating parties include IDICO Long Son Investment Joint Stock Company (IDICO Long Son), Khang Thong Construction Trading Service Joint Stock Company (Khang Thong), and Petroleum Industrial and Civil Construction Joint Stock Company (PVC-IC - a subsidiary of the Corporation), with respective capital contribution ratios of 85%, 5%, and 10%.
- Purpose of business cooperation: Joint investment in and management of the "Long Son Riverside Apartment" project located at 1351 Huynh Tan Phat Street, Phu Thuan Ward, District 7, Ho Chi Minh City.
- Cooperation details: Business activities include the sale and leasing of apartment units, commercial center spaces, and other assets formed during the investment, operation, and business process of the project.
- Profit-sharing method: The parties share profits, bear losses, and assume business risks based on the business performance of the Operator (IDICO Long Son) and in proportion to their capital contribution ratio.



As of 31 December 2024, the project has been completed, launched for sale, and commenced commercial operations for both residential apartments and commercial floor areas. However, due to ongoing legal procedures for converting the land use purpose to long-term residential land, PVC-IC has not yet received any business profit distribution from this contract.

**17 SHORT-TERM TRADE PAYABLES**

	31/12/2024		01/01/2024	
	Outstanding	Amount can be	Outstanding	Amount can be
	balance	paid	balance	paid
	VND	VND	VND	VND
<b>Related parties</b>	<b>410,901,334,379</b>	<b>410,901,334,379</b>	<b>373,536,123,490</b>	<b>373,536,123,490</b>
Duyen Hai Petro Construction Investment Joint Stock Company	7,976,738,009	7,976,738,009	9,651,322,919	9,651,322,919
Petroleum Link Communication and Trading Joint Stock Company	-	-	9,868,980	9,868,980
Mien Trung Petroleum Construction Joint Stock Company	4,042,951,289	4,042,951,289	11,660,000	11,660,000
Thanh Hoa Petroleum Investment And Construction Joint Stock Company	27,903,667,974	27,903,667,974	7,653,351,367	7,653,351,367
Vietnam Oil and Gas Group (PVN)	177,207,065,265	177,207,065,265	177,207,065,265	177,207,065,265
Petrovietnam Exploration Production Corporation (PVEP) (i)	115,973,338,811	115,973,338,811	115,973,338,811	115,973,338,811
Petroleum Mechanical Executing And Assembly Joint Stock Company	60,399,700,035	60,399,700,035	60,699,700,035	60,699,700,035
Hanoi Petroleum Construction Joint Stock Company	15,291,823,474	15,291,823,474	223,766,591	223,766,591
Petro Vietnam Nghe An Construction Joint Stock Company	2,106,049,522	2,106,049,522	2,106,049,522	2,106,049,522
<b>Others</b>	<b>2,844,037,304,732</b>	<b>2,844,037,304,732</b>	<b>2,966,990,608,227</b>	<b>2,966,990,608,227</b>
Dealim Industrial Co., Ltd (ii)	1,044,419,642,304	1,044,419,642,304	1,021,927,357,960	1,021,927,357,960
Viet Nam Machinery Installation Corporation - JSC	206,781,647,084	206,781,647,084	290,662,562,403	290,662,562,403
Sojitz Corporation	111,744,046,642	111,744,046,642	139,552,763,255	139,552,763,255
Viet Nam Electricity	166,965,691,507	166,965,691,507	138,384,094,434	138,384,094,434
Boilermaster Vietnam Co.,Ltd	95,708,461,469	95,708,461,469	111,729,842,747	111,729,842,747
Ba Son Corporation	60,978,955,914	60,978,955,914	60,978,955,914	60,978,955,914
S-Tank Engineering Co.,Ltd	68,276,803,542	68,276,803,542	68,212,976,582	68,212,976,582
Others	1,089,162,056,270	1,089,162,056,270	1,135,542,054,932	1,135,542,054,932
<b>Unpaid overdue payables</b>	<b>3,254,938,639,111</b>	<b>3,254,938,639,111</b>	<b>3,340,526,731,717</b>	<b>3,340,526,731,717</b>
Others	557,350,620,505	557,350,620,505	408,935,840,838	408,935,840,838
	<b>557,350,620,505</b>	<b>557,350,620,505</b>	<b>408,935,840,838</b>	<b>408,935,840,838</b>



(i) The amount that Thai Binh Petroleum Trading and Investment Joint Stock Company (PVC Thai Binh - a subsidiary of the Corporation) transferred to PVEP regarding PVC Thai Binh's acceptance of transfer of the Thai Binh Petroleum Hotel Investment from PVEP (Detailed in Note 39).

(ii) On 25 January 2024, DL E&C Co., Ltd submitted a Statement of Claim to the Vietnam International Arbitration Center (VIAC), initiating a dispute related to EPS Contract No. 30/HDKT/2012/PVC-SDC dated 22 May 2012, between the Corporation (the main contractor) and DL E&C Co., Ltd (the subcontractor).

The subcontractor has requested the Arbitral Tribunal to review and decide on the following matters: the conditions for granting the Operational Acceptance Certificate (completion certificate) for the work performed under the contract have been satisfied; the warranty period for the equipment and services provided by the subcontractor has ended; the Corporation must settle the overdue debts amounting to USD 7.67 million and VND 287.3 million; the Corporation must refund the performance deposit for the EPS Contract, totaling USD 13.4 million and VND 532.9 million; the Corporation must return the retained amount for warranty obligations, totaling USD 20.05 million and VND 799.3 million; the costs incurred due to project delays amounting to USD 11.85 million; other related claims amounting to USD 6.23 million; and the estimated late payment penalty amounting to USD 17.81 million.

On 31 May 2024, the Corporation submitted a Statement of Defense against DL E&C Co., Ltd's Statement of Claim to VIAC, with the following key arguments: the Corporation does not recognize DL E&C Co., Ltd's legal standing to initiate the claim, disputes the Arbitral Tribunal's jurisdiction over the case, and rejects all claims made by DL E&C Co., Ltd.

On the same day, the Corporation also filed a Counterclaim with VIAC, requesting DL E&C Co., Ltd to compensate for damages resulting from breaches in the execution of the EPS Contract, with a total counterclaim value of VND 17,955.47 million and USD 36.64 million.

On 13 June 2024, VIAC issued Notice No. 1722/VIAC, informing that the Arbitral Tribunal had decided to hold a case management conference, scheduled for early August 2024.

On 14 September 2024, VIAC issued Procedural Order No. 1 ("PO No. 1") under Notice No. 2747/VIAC on behalf of the Tribunal.

On 12 December 2024, VIAC conducted an online hearing attended by representatives of both the claimant and the respondent.

Parallel to the arbitration proceedings at VIAC, PetroCons continues to engage in negotiations and mediation efforts with Daelim E&C to resolve the disputes amicably and urges the contractor to withdraw the aforementioned claims.

## 18 SHORT - TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2024	01/01/2024
	VND	VND
<b>Related parties</b>	<b>82,778,475,899</b>	<b>108,560,908,084</b>
Vung Ang - Quang Trach Petroleum Power Project Management Board	82,778,475,899	82,778,475,899
PetroVietnam Technical Services Corporation	-	25,782,432,185
<b>Others</b>	<b>149,463,983,138</b>	<b>105,154,304,724</b>
University of Petroleum Project Management Board	17,612,939,300	17,612,939,300
Viet Nam Machinery Installation Corporation - JSC	55,897,285,149	55,897,285,149
Others	75,953,758,689	31,644,080,275
	<b>232,242,459,037</b>	<b>213,715,212,808</b>



19 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of the year	Tax payable at the beginning of the year	Tax payable in the year	Tax paid in the year	Tax receivable at the end of the year	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND
Value-added tax	30,465,765	57,540,554,211	29,165,976,686	32,523,928,871	30,465,765	54,182,602,026
Export, import duties	19,254,703	-	305,257,254	305,257,254	19,254,703	-
Corporate income tax	35,244,408,046	1,744,161,531	2,077,618,123	497,536,232	34,516,789,923	2,596,625,299
Personal income tax	78,878,745	5,107,457,744	4,310,914,079	3,051,673,080	66,785,689	6,354,605,687
Land tax and land rental	-	13,486,234,828	8,310,931,792	5,001,142,124	-	16,796,024,496
Other taxes	-	1,378,922,600	996,247,169	1,608,136,839	-	767,032,930
Fees, charges and other payables	783,720	42,986,408,706	4,708,137,543	3,158,960,070	3,783,720	44,538,586,179
	<b>35,373,790,979</b>	<b>122,243,739,620</b>	<b>49,875,082,646</b>	<b>46,146,634,470</b>	<b>34,637,079,800</b>	<b>125,235,476,617</b>

The Corporation's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Consolidated Financial Statements could be changed at a later date upon final determination by the tax authorities.



**20 ACCRUED EXPENSES**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short - term</b>		
Interest expense	200,381,246,911	172,754,276,659
Accrual of construction work	246,186,568,775	256,446,230,095
Other accrued expenses	6,587,059,906	22,622,170,177
	<b>453,154,875,592</b>	<b>451,822,676,931</b>
<b>b) Long - term</b>		
Accrual of construction work	115,497,608,588	71,310,452,285
	<b>115,497,608,588</b>	<b>71,310,452,285</b>

**21 UNEARNED REVENUES**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short - term</b>		
Revenues from property leasing	6,249,109,721	3,181,130,462
	<b>6,249,109,721</b>	<b>3,181,130,462</b>
<b>b) Long - term</b>		
Revenues from property leasing (i)	50,632,252,045	52,080,093,597
Gains from sale of assets and sublease of financial leases	199,251,272	295,595,888
	<b>50,831,503,317</b>	<b>52,375,689,485</b>

(i) This includes VND 42,996,289,426, the balance of land rent received in advance from PetroVietnam Steel Pipe Joint Stock Company under Contract 01/HDTD/PVPIPE-PVC dated 01 November 2012 for a lease term of 588 months with a contract value of VND 46,818,181,818 at Soai Rap Industrial Park - Tien Giang province. The Corporation has allocated the lease payments up to December 2014 to revenue in the amount of VND 3,821,892,393. After December 2014, the project has been planned for handover to the People's Committee of Tien Giang province, which has not been completed yet (Detailed in note 15). Therefore, the Corporation has not yet resumed negotiations with the customer regarding the remaining balance of land lease payment.

**22 OTHER PAYABLES**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short - term</b>		
Surplus of assets awaiting resolution	17,130,137	17,130,137
Trade union fee	8,590,345,771	10,545,587,233
Social insurance	7,137,502,411	9,746,256,579
Health insurance	732,541,283	1,559,849,946
Unemployment insurance	485,828,275	840,643,598
Short-term deposits, collateral received	4,128,850,588	2,736,317,506
Dividends or profits payable	40,394,150,917	41,546,662,078
Interest expenses	1,246,252,165	3,927,276,443
Provision for guarantee obligations (i)	137,942,779,492	137,942,779,492
OceanBank (ii)	172,784,334,551	162,596,140,733
Vietnam Oil and Gas Group (iii)	54,098,464,510	54,098,464,510
PetroVietnam Gas Joint Stock Corporation (iv)	56,212,500,000	56,212,500,000
Payable for condominium maintenance fee	10,249,210,378	10,727,767,930
Aid Funds	3,876,584,784	3,914,284,784
Others	84,559,547,037	91,242,670,601
	<b>582,456,022,299</b>	<b>587,654,331,570</b>



	31/12/2024 VND	01/01/2024 VND
<b>b) Long - term</b>		
Long-term deposits, collateral received	2,873,199,868	1,599,775,187
Others	50,000,000	50,000,000
	<b>2,923,199,868</b>	<b>1,649,775,187</b>
<b>c) Unpaid overdue payables</b>		
- Payables to the insurance agency	12,378,319,651	10,026,679,284
- Dividends or profits payable	42,451,440,707	44,335,430,209
- Payables for assistance funds	1,334,818,785	1,334,818,785
	<b>56,164,579,143</b>	<b>55,696,928,278</b>
<b>d) In which: Other payables from related parties</b>		
- Vietnam Oil and Gas Group	54,098,464,510	54,098,464,510
- PetroVietnam Gas Joint Stock Corporation	56,212,500,000	56,212,500,000
- Vietnam Petroleum Institute	2,698,186,687	-
- Camau Gas Power Fertilizer Project Management Board	8,697,686,626	8,697,686,626
- Mien Trung Petroleum Construction JSC	667,975,776	667,975,776
- Hanoi Petroleum Construction JSC	14,715,555	14,715,555
	<b>122,389,529,154</b>	<b>119,691,342,467</b>

(i) As at 31 December 2024, the provision for guarantee obligations was as presented in Note 39.

(ii) Interest payable to Modern Bank of Vietnam - MBV (old name was Ocean Commercial Bank Limited (OceanBank) includes interest expense of the Corporation and interest expense that the Corporation will collect from companies that the Corporation has paid or lent under capital support contracts (detailed in Note 07) to pay OceanBank. According to Resolution No. 7548/NQ-DKVN dated 29 October, 2014 of the Members' Council of Vietnam Oil and Gas Group and according to Official Letter No. 7697/2014/CV-OceanBank dated 9 December 2014 of OceanBank, the time of payment The payment of these amounts has been extended to 31 December 2017 and the loan interest rate has been reduced to 1%/year from 01 January 2015 as presented in Note 24. From 01 January 2018, the loan was applied an overdue interest rate equal to 150% of the current interest rate. As at the date of these Consolidated Financial Statements, the Corporation is looking for solutions to pay the overdue loan interest payable.

(iii) The payable to Vietnam Oil and Gas Group is the amount that Vietnam Oil and Gas Group supported the Corporation to pay for contractors of the Soai Rap - Tien Giang Petroleum Service Industrial Zone Project.

(iv) The payable to PetroVietnam Gas Joint Stock Corporation is related to the transfer of investor to PetroVietnam Urban Development Joint Stock Company (a subsidiary of the Corporation) in the Bac Lieu Tower project. PetroVietnam Urban Development Joint Stock Company is obligated to pay this amount to PetroVietnam Gas Joint Stock Corporation according to the contract signed on 12 August 2010.

## 23 LONG-TERM PROVISIONS FOR PAYABLES

	31/12/2024 VND	01/01/2024 VND
Provision for construction warranty	10,778,488,744	20,487,803,160
	<b>10,778,488,744</b>	<b>20,487,803,160</b>



**24 BORROWINGS**

	01/01/2024		During the period		31/12/2024	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
<b>a) Short-term borrowings (i)</b>						
Short-term debts	102,263,411,795	102,263,411,795	100,137,532,071	148,574,533,736	53,826,410,130	53,826,410,130
Current portion of long-term debts	627,179,637,122	627,179,637,122	14,000,000,000	214,400,000	640,965,237,122	640,965,237,122
	<b>729,443,048,917</b>	<b>729,443,048,917</b>	<b>114,137,532,071</b>	<b>148,788,933,736</b>	<b>694,791,647,252</b>	<b>694,791,647,252</b>
<b>b) Long-term borrowings</b>						
Long-term debts (ii)	665,179,637,122	665,179,637,122	-	214,400,000	664,965,237,122	664,965,237,122
	<b>665,179,637,122</b>	<b>665,179,637,122</b>	<b>-</b>	<b>214,400,000</b>	<b>664,965,237,122</b>	<b>664,965,237,122</b>
Amount due for settlement within 12 months	(627,179,637,122)	(627,179,637,122)	(14,000,000,000)	(214,400,000)	(640,965,237,122)	(640,965,237,122)
Amount due for settlement after 12 months	<b>38,000,000,000</b>	<b>38,000,000,000</b>			<b>24,000,000,000</b>	<b>24,000,000,000</b>



**Detailed information on Short-term borrowings:**

	Currency	Interest Rate	Duration	Loan purpose	Guarantee	31/12/2024	01/01/2024
						VND	VND
<b>Short-term borrowings</b>						<b>53,826,410,130</b>	<b>102,263,411,795</b>
Vietnam Public Joint Stock Commercial Bank	VND	Floating	8 months	Supplementing working capital for business activities	Unsecured	20,767,010,130	22,921,891,805
Fortune Vietnam Joint Stock Commercial Bank	VND	9.10%	4 months	Supplementing working capital for business activities	Secured	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	Floating	11 months	Supplement working capital, guarantee to open LC	Secured	9,336,400,000	67,265,907,564
National Citizen Commercial Joint Stock Bank - Vung Tau Branch	VND	Floating	1 year	Supplementing working capital for business activities	Secured	-	1,705,612,426
Others	VND	(*)	1 year	Supplementing working capital for business activities	Unsecured	23,723,000,000	10,370,000,000
<b>Current portion of long-term debts</b>						<b>640,965,237,122</b>	<b>627,179,637,122</b>
						<b>694,791,647,252</b>	<b>729,443,048,917</b>

Loans from banks and other credit institutions are secured by the mortgage contract/ collaterals/ guarantee with the lender and fully registered as secured transactions.

(\*) Other loans are personal loans with interest rates from 0% to 12%.

As at 31 December 2024, the overdue principal balance of short-term loans payable by the Corporation amounted to VND 20,767,010,130 (as at 01 January 2024 was VND 22,541,829,915). The Corporation is still looking for solutions to repay the overdue loan principal amounts mentioned above.



**Detailed information on Long-term borrowings:**

	Currency	Interest rate	Year of maturity	Loan purpose	Guarantee	31/12/2024	01/01/2024
						VND	VND
Long-term borrowings							
Ocean Commercial One Member Limited Liability Bank							
- Contract No.603/2011/HDTD-Oceanbank-PVC dated 20/10/2010	VND	4.90%	Year 2017	Investment in Lam Kinh Hotel Joint Stock Company	Unsecured	575,670,157,122 200,000,000,000	575,670,157,122 200,000,000,000
- Contract No.602/2011/HDTD-Oceanbank-PVC dated 30/06/2011	VND	4.90%	Year 2017	Investment in Thai Binh Petroleum Investment and Trading Joint Stock Company	Unsecured	65,000,000,000	65,000,000,000
- Contract No.10/2010/HDTD-Oceanbank-PVC dated 30/06/2011	VND	5.50%	Year 2017	Payment and offsetting of investment payment received from PVFC under the Purchase and Sale Contract/Transfer Contract	Unsecured	310,670,157,122	310,670,157,122
Vietnam Public Joint Stock Commercial Bank							
- Contract No. 02/2015/HDDHM/PVB-CNTB dated 04 June 2015	VND	Floating	Year 2017	Offsetting the investment capital of Thai Binh Petroleum Hotel	Unsecured	89,295,080,000 89,295,080,000	89,295,080,000 89,295,080,000
National Citizen Commercial Joint Stock Bank	VND	11.00%	Year 2024	Purchase of machinery and equipment	Secured	-	214,400,000
						<u>664,965,237,122</u>	<u>665,179,637,122</u>
Amount due for settlement within 12 months						(640,965,237,122)	(627,179,637,122)
Amount due for settlement within 12 months						<u>24,000,000,000</u>	<u>38,000,000,000</u>

Loans from banks and other credit institutions are secured by the mortgage contract/ collaterals/ guarantee with the lender and fully registered as secured transactions.

According to Resolution No. 7548/NQ-DKVN dated 29 October 2014 of PVN's Board of General Directors and OceanBank's Official Letter No. 7697/2014/CV-OceanBank dated 09 December 2014, the deadline for loans from OceanBank has been extended until 31 December 2017. The interest rate applicable to the loans from the time interest payments were not made until 31 December 2014 was 2.4% per year, and 1% per year from 01 January 2015. From 01 January 2018, overdue loans bear interest at 150% of the in-term interest rate. At the date of preparing these Consolidated financial statements, the Corporation is actively seeking solutions to repay the principal amounts of these overdue loans.



25 OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Other capital	Treasury shares	Investment development funds	Other reserves	Retained earnings	Non - Controlling Interest	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	4,000,000,000,000	6,831,719,482	22,681,220,411	(29,720,195)	150,859,427,814	2,162,412,232	(3,840,619,958,047)	463,734,875,583	805,619,977,280
Loss for previous year	-	-	-	-	-	-	(21,340,851,149)	(72,924,920,097)	(94,265,771,246)
Other increase	-	-	-	-	-	-	188,294,777	180,910,679	369,205,456
Ending balance of previous year	4,000,000,000,000	6,831,719,482	22,681,220,411	(29,720,195)	150,859,427,814	2,162,412,232	(3,861,772,514,419)	390,990,866,165	711,723,411,490
Beginning balance of this year	4,000,000,000,000	6,831,719,482	22,681,220,411	(29,720,195)	150,859,427,814	233,648,426	(4,005,332,783,992)	351,392,991,901	526,636,503,847
Loss for this year	-	-	-	-	-	-	7,369,885,195	(4,756,862,176)	2,613,023,019
Others	-	-	-	-	-	-	(449,100,176)	209,450,294	(239,649,882)
Ending balance of this year	4,000,000,000,000	6,831,719,482	22,681,220,411	(29,720,195)	150,859,427,814	233,648,426	(3,998,411,998,973)	346,845,580,019	529,009,876,984



b) Details of Contributed capital

	31/12/2024 VND	Rate	01/01/2024 VND	Rate
Vietnam Oil and Gas Group	2,178,733,330,000	54.47%	2,178,733,330,000	54.47%
Others	1,821,266,670,000	45.53%	1,821,266,670,000	45.53%
<b>Total</b>	<b>4,000,000,000,000</b>	<b>100%</b>	<b>4,000,000,000,000</b>	<b>100%</b>

c) Capital transactions with owners and distribution of dividends and profits

	Year 2024 VND	Year 2023 VND
<b>Owner's contributed capital</b>		
- At the beginning of the year	4,000,000,000,000	4,000,000,000,000
- At the end of the year	4,000,000,000,000	4,000,000,000,000

d) Share

	31/12/2024 VND	01/01/2024 VND
Quantity of Authorized issuing shares	400,000,000	400,000,000
Quantity of issued shares	400,000,000	400,000,000
- Common shares	400,000,000	400,000,000
Quantity of shares repurchased	2,971	2,971
- Common stocks	2,971	2,971
Quantity of outstanding shares in circulation	399,997,029	399,997,029
- Common stocks	399,997,029	399,997,029
Par value per share: 10,000 VND		

e) Company's reserves

	31/12/2024 VND	01/01/2024 VND
Development and investment funds	150,859,427,814	150,859,427,814
Other reserves	233,648,426	233,648,426
	<b>151,093,076,240</b>	<b>151,093,076,240</b>

26 OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT

a) Foreign currencies

	31/12/2024	01/01/2024
USD	7,365,086.17	8,454,808.97

b) Doubtful debts written-off

	31/12/2024 VND	01/01/2024 VND
Doubtful debts written-off	11,112,006,001	11,112,006,001



**27 TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES**

	Year 2024 VND	Year 2023 VND
Revenue from rendering of services	73,139,490,403	187,503,077,524
Revenue from construction contracts	1,061,700,329,493	967,986,570,566
Revenue from real estate business	12,443,089,233	-
Others	65,723,197,825	34,231,263,526
	<b>1,213,006,106,954</b>	<b>1,189,720,911,616</b>
Revenue deductions	-	-
<b>Net revenue from sales of goods and rendering of services</b>	<b>1,213,006,106,954</b>	<b>1,189,720,911,616</b>
In which: Revenue from related parties (Detailed in Note 42)	840,980,581,557	856,441,598,446

**28 COST OF GOODS SOLD**

	Year 2024 VND	Year 2023 VND
Cost of services rendered	62,963,286,487	184,289,184,998
Cost of construction contracts	1,046,095,523,656	1,078,600,437,753
Cost of goods sold	7,540,768,826	-
Provision for devaluation of inventories	(25,386,397,265)	(17,249,233,471)
Others	70,124,234,490	38,515,926,422
	<b>1,161,337,416,194</b>	<b>1,284,156,315,702</b>
In which: Purchase from related parties Total purchase value: (Detailed in Note 42)	1,854,288,043	2,172,748,009

**29 FINANCIAL INCOME**

	Year 2024 VND	Year 2023 VND
Interest income	12,228,895,796	23,680,592,035
Gain on exchange difference in the year	25,969,748,195	13,981,770,251
Gain on exchange difference at the year - end	4,275,931,351	989,954,564
Interest from deferred payment sale or payment discount	396,759,060	2,983,017,832
	<b>42,871,334,402</b>	<b>41,635,334,682</b>



**30 FINANCIAL EXPENSES**

	Year 2024 VND	Year 2023 VND
Interest expenses	36,198,593,108	41,107,144,907
Payment discount or interests from deferred payment purchase	7,636,363	-
Loss on exchange difference in the year	32,431,360,267	22,331,501,488
Loss on exchange difference at the year - end	106,143,505	1,244,123,664
Provision for diminution in value of trading securities and impairment loss from investment	(10,087,869,299)	10,277,811
Other financial expenses	5,123,263,246	6,397,109,011
	<b>63,779,127,190</b>	<b>71,090,156,881</b>
In which: Financial expenses from related parties (Detailed in Note 42)	26,876,666,751	26,935,872,213

**31 GENERAL AND ADMINISTRATIVE EXPENSE**

	Year 2024 VND	Year 2023 VND
Raw materials	703,818,133	776,127,427
Labour expenses	79,755,631,970	81,261,380,797
Tools, supplies office expenses	845,794,350	856,022,546
Depreciation expenses	3,708,692,400	5,966,898,563
Tax, Charge, Fee	7,619,286,748	6,863,980,032
Reversal of provision expenses	(55,143,154,547)	(4,280,392,869)
Expenses of outsourcing services	18,662,691,770	12,990,247,864
Other expenses in cash	17,977,194,312	21,687,353,868
	<b>74,129,955,136</b>	<b>126,121,618,228</b>
In which: Purchased from related parties (Detailed in Note 42)	117,600,000	121,800,000

**32 OTHER INCOME**

	Year 2024 VND	Year 2023 VND
Gain from liquidation, disposal of fixed assets	4,389,581,387	1,316,451,174
Collected fines	1,325,025,483	1,720,549,012
Gains from compensation	444,318,134	314,006,687
Income from unpayable commission	44,715,422,210	-
Reversal of construction warranty provision	8,720,524,900	2,616,500,000
Other income	3,304,241,726	1,389,702,571
	<b>62,899,113,840</b>	<b>7,357,209,444</b>



**33 OTHER EXPENSES**

	Year 2024 VND	Year 2023 VND
Fines	2,533,444,159	193,972,256
Penalties	7,108,413,730	3,925,687,952
Others	2,101,664,083	19,157,836,631
	<b>11,743,521,972</b>	<b>23,277,496,839</b>

**34 CURRENT CORPORATE INCOME TAX EXPENSES**

	Year 2024 VND	Year 2023 VND
Current corporate income tax expense in Corporation	-	-
Current corporate income tax expense in subsidiaries	2,077,618,123	-
- <i>Petroleum Mechanical Executing And Assembly Joint Stock Company</i>	727,618,123	-
- <i>Petroleum Industrial and Civil Construction Joint Stock Company</i>	1,350,000,000	-
<b>Total current corporate income tax expense (tax rate 20%)</b>	<b>2,077,618,123</b>	<b>-</b>

**35 DEFERRED INCOME TAX**

**a) Deferred income tax assets**

	31/12/2024 VND	01/01/2024 VND
Corporate income tax rate used to determine deferred income tax assets	20%	20%
Deferred income tax assets related to deductible temporary differences	18,801,350,080	19,230,752,273
	<b>18,801,350,080</b>	<b>19,230,752,273</b>

**b) Deferred corporate income tax expense**

	Year 2024 VND	Year 2023 VND
Deferred CIT expense relating to taxable temporary difference	116,962,081	(1,895,066,065)
	<b>116,962,081</b>	<b>(1,895,066,065)</b>

**36 BASIC EARNINGS PER SHARE**

Basic earnings per share distributed to common shareholders of the Corporation are calculated as follows:

	Year 2024 VND	Year 2023 VND
Net profit after tax	7,369,885,195	(159,622,569,205)
Profit distributed to common shares	7,369,885,195	(159,622,569,205)
Average number of outstanding common shares in circulation in the year	399,997,029	399,997,029
<b>Basic earnings per share</b>	<b>18</b>	<b>(399)</b>



The Corporation has not planned to allocate the Bonus and Welfare Fund or the Management Bonus Fund from the after-tax profit at the time of preparing the consolidated financial statements.

As at 31 December 2024, the Corporation does not have shares with dilutive potential for earnings per share.

**37 BUSINESS AND PRODUCTIONS COST BY ITEMS**

	Year 2024	Year 2023
	VND	VND
Raw materials	167,289,774,429	210,609,132,754
Labour expenses	238,685,019,893	276,686,362,494
Tools, supplies office expenses	1,117,633,493	2,864,053,579
Depreciation expenses	39,785,216,032	43,987,463,802
Tax, fee and charge	8,402,256,023	4,717,944,623
Reversal of provision expenses	(55,404,878,547)	(5,774,234,001)
Expenses of outsourcing services	626,919,260,057	842,341,596,615
Other expenses in cash	31,340,926,669	42,578,197,418
	<b><u>1,058,135,208,049</u></b>	<b><u>1,418,010,517,284</u></b>

**38 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS**

**a) Proceeds from borrowings during the year**

	Year 2024	Year 2023
	VND	VND
Proceeds from ordinary contracts	100,137,532,071	146,549,402,895

**b) Actual repayments on principal during the year**

	Year 2024	Year 2023
	VND	VND
Repayment on principal from ordinary contracts	148,788,933,736	230,774,673,516



**39 CONTINGENCIES**

**a) Guarantees for borrowings**

As at 31 December 2024, the Corporation had guarantees for overdue loans taken by other companies from credit institutions, specifically as follows:

Guaranteed unit	Guarantor institution	Guarantee period	Guarantee balance at the end of the year	Overdue loan balance at the end of the year	Provision for end-of-term liabilities
			VND	VND	VND
Hanoi Petroleum Construction Company Limited	Vietnam International Bank - Head Office	From 31/12/2011 to 30/04/2012	73,668,464,073	73,668,464,073	73,668,464,073
Petroleum Machine Executing Company Limited	Fortune Vietnam Joint Stock Commercial Bank - Dong Do	From 01/01/2012 to 30/06/2012	49,961,348,093	49,961,348,093	49,961,348,093
Petroleum Machine Executing Company Limited	Vietnam Public Joint Stock Commercial Bank - Head Office	From 26/07/2011 to 26/07/2012	14,312,967,325	14,312,967,325	14,312,967,325
Sai Gon Petroleum Construction And Investment JSC (PVC-SG) (*)	Vietnam Hien Dai One Member Limited Liability Bank (formerly Dai Duong One Member Limited Liability Bank) - Saigon Branch	From 31/12/2011 to 30/08/2012	17,103,570,845	17,103,570,845	-
			<b>155,046,350,336</b>	<b>155,046,350,336</b>	<b>137,942,779,491</b>

The Corporation, as a guarantor, has committed to pay the creditors the amounts equal to the value of the relevant letters of guarantee plus any interest, penalties and other financial obligations incurred (if any) right after receiving the first request document accompanied with the records proving that the guaranteed entities fail to fulfil or in adequately fulfil repayment obligations (if any). Accumulated to 31 December 2024:

- Credit institutions have deducted approximately VND 91 billion from the Corporation's deposit accounts for fulfilment of its guarantee obligations;

- Guaranteed entities have repaid the Corporation approximately VND 49 billion out of the amount as mentioned above.

Thus, the outstanding balance of receivables relating to guarantee obligations as at 31 December 2024 is approximately VND 42.8 billion (detailed in Note 08)

Following the recommendations of the State Audit Office stated in the Audit Report for the year 2014 dated 10 March 2016, the Corporation made provision for all payable liabilities in respect of these guarantees in the Consolidated financial statements for the year ended 31 December 2014. At the reporting date of these Consolidated financial statements, the guaranteed companies were still working with credit institutions about the extension of the repayment term. The Corporation was still working with guaranteed companies and credit institutions to release its guarantee obligations in order to enhance the solvency of the Corporation.

(\*) In 2016, the Corporation reviewed all of its letters of guarantee and assessed that its obligation under the guarantee for Saigon Petroleum Construction and Investment Joint Stock Company (PVC-SG) to borrow from Ocean Commercial Joint Stock Bank (OceanBank) - Saigon Branch (now renamed as Modern Bank of Vietnam - MBV - Saigon Branch) has changed. The Provision Appraisal Council of the Corporation assessed and decided to write off the provision that had been made for the Corporation's obligation under the said letter of guarantee for PVC-SG's loan from OceanBank - Sai Gon Branch with the amount of approximately VND 99.9 billion; the provision reversal reduces the Corporation's financial expenses for 2016.



On 18 August 2016, PVC-SG sent Official Letter No. 58/XLDKSG to the Corporation to report some contents related to the collateral for the entrusted loan and the situation of working with Oceanbank. Accordingly, on 10 August 2016, Oceanbank - Saigon Branch sent to PVC-SG Official Letter No. 784/2016/CV-CNSG replying to the debt settlement plan of PVC-SG. In this Official Letter, Oceanbank - Saigon Branch approved for PVC-SG to carry out a business investment plan for the Urban Development Project of Areas 2 and 3, Ward 5, Vi Thanh City, Hau Giang Province (Vi Thanh Project) as well as to partially disburse collateral for PVC-SG to sell goods/assets to create a source of repayment for Oceanbank and PVC-SG to pay all outstanding principal (approximately VND 148 billion).

As at 31 December 2023, PVC-SG has paid back VND 131 billion out of VND 148 billion of principal; At the same time, PVC-SG performed quite well the debt repayment plan proposed by Oceanbank - Saigon Branch. The Board of Management assesses that the payable obligations of the Parent Company - the Corporation for the guarantee will not incur because PVC SG is able to make payment to Oceanbank (now renamed as Modern Bank of Vietnam – MBV).

**b) Payment guarantee**

On 29 December 2010, the Holding Company signed Guarantee Agreement No. 0112/2010/HDBL.TT-PVCTB with Thai Binh Petroleum Tourism Company Limited (currently known as Thai Binh Petroleum Trading and Investment Joint Stock Company (PVC Thai Binh - a subsidiary of the Corporation)) and issued a letter of guarantee for the payment by this company with the guaranteed value of approximately VND 111.8 billion. Accordingly, the Holding Company guaranteed that PVC Thai Binh would fulfil all of its obligations to PetroVietnam Exploration Production Corporation (PVEP) in a timely manner in accordance with the agreement dated 28 December 2010 on the transfer of Thai Binh Petroleum Hotel construction project between PVEP and PVC Thai Binh. The letter of guarantee takes effect from the signing date to the time PVC Thai Binh fulfils all of its obligations to PVEP in accordance with the above transfer agreement.

In 2016, the Holding Company received a document from PVEP requesting the Holding Company to fulfil its guarantee obligation. The Board of Management of the Corporation assesses that such obligation will not be incurred since PVC Thai Binh is able to fulfil its payment obligation to PVEP.

**c) Conclusion of the Government Inspectorate**

The Corporation is the contractor of Northern ethanol biofuel factory construction project and Dinh Vu polyester manufacturing plant construction project.

On 24 November 2016, the Governance Inspectorate issued Announcement No. 3129/TB-TTCP about the conclusion of the inspection of the biofuel projects funded by Vietnam Oil and Gas Group and its subsidiaries. Accordingly, the Government Inspectorate proposed that the Corporation should be responsible for the economic loss to the project owner as a result of the breach of EPC Contract on the construction of Northern ethanol biofuel factory.

On 24 November 2016, the Government Inspectorate issued the Announcement No. 3130/TB-TTCP about the conclusion of the inspection of the construction of Dinh Vu polyester manufacturing plant. According to the Government Inspectorate:

- (i) The acceptance value of the work performed by the Corporation should be reduced by approximately VND 46.8 billion due to the Corporation's violation of the Ordinance on Foreign exchange when signing contract;
- (ii) The acceptance value of the work performed by the Corporation under the EPC contract should be reduced by approximately VND 8.1 billion and USD 23 thousand due to duplication of the same acceptance value and the acceptance of some work volume incurred not in accordance with regulations.

The Corporation's Board of Management assessed that the conclusions of the Government Inspectorate as mentioned above are applicable to the owners of the projects to whom the Corporation is a related party under relevant economic contracts. As at the reporting date, the Corporation was still working with the projects' owners and the Government Inspectorate on the above conclusions of the Government Inspectorate.



In 2022, the Corporation received the conclusion of the Government Inspector No. 2090/KL-TTCP dated 23 November 2022 on the observance of policies and laws in production and business activities of the Corporation during the period 2008-2013. The Corporation has been coordinating with relevant parties to implement the recommendations of the Government Inspector in accordance with the above document.

**d) Other contingent liabilities**

At the reporting date of these Consolidated Financial Statements, the Corporation and its subsidiaries had certain litigation cases related to their receivables, payables, borrowings and contingent liabilities relating to valued added tax and penalties for late payment of tax on revenue generated but not yet billed. The outcomes of these litigation cases could not be determined.

**40 OTHER INFORMATION**

**a) The value of issuance has not yet been estimated at the Corporation's constructed works**

Due to the influence of fluctuations in the economy, the Corporation's operations contain risks of fluctuations in market value of materials used for construction. Major changes in the price of construction materials can greatly affect the benefits and economic obligations of the Corporation. However, the Board of Management of the Corporation said that the changes of the market as well as the influence of the Government's macro management policies are very difficult to predict. Therefore, the Board of Management of the Corporation cannot quantify the impact of this issue on the Corporation's ongoing construction projects. The final result will only be determined when the construction is completed, and the acceptance is handed over to the investors.

***Thai Binh 2 Thermal Power Plant Project***

The Corporation signed an EPC contract to build Thai Binh 2 Thermal Power Plant with the Thai Binh 2 Petroleum Power Project Management Board (under the Vietnam Oil and Gas Group) with a value of about USD 918 million and VND 5,874 billion. At the date of these consolidated financial statements, the total value of the provisional contracts signed by the Corporation with subcontractors for the Thai Binh 2 Thermal Power Plant project has exceeded the value of the EPC contract signed with Thai Binh Petroleum Power Project Management Board. According to Official Letter No. 737/TTg-KTN dated 23 May 2014 of the Prime Minister, Thai Binh 2 thermal power plant is added to the list of urgent power projects for the period 2013-2020.

The project applies specific mechanisms and policies issued in Decision No.2414/QĐ-TTg dated 11 December 2013 of the Prime Minister.

According to the decision of the Board of Management of Petro Vietnam Construction Joint Stock Corporation on temporarily approving the implementation plan of the EPC Contract of Thai Binh 2 Thermal Power Plant Project, the expected revenue for the project implementation is USD 926.6 million and VND 11,076.2 billion; the estimated cost of the project is USD 921.2 million and VND 11,402.1 billion; the expected gross loss ratio of the whole project is 0.67%. Up to the date of this Consolidated financial statement, the Corporation and the Power Project Management Board of Thai Binh 2 Petroleum are negotiating, agreeing and signing the appendices to adjust the value of the EPC contract. At the same time, the Corporation has been working with subcontractors to re-sign the appendix to adjust the contract value with subcontractors. The Board of Management of the Corporation considers this to be the best estimate at the time of preparation of these consolidated financial statements and this estimate is always reviewed and updated to reflect the true movements of realized profit/loss of Thai Binh 2 Thermal Power Plant Project. Accordingly, the Corporation has recognized the revenue and cost of this project at the expected gross loss ratio.

***Vung Ang 1 Thermal Power Plant***

On 28 September 2009, the Corporation signed a contract to build Vung Ang 1 Thermal Power Plant with Viet Nam Machinery Installation Corporation (LILAMA) under Contract No. 280909/LILAMA-PVC with a total value of package is about VND 1,322 billion. According to Resolution No. 686/NQ-DKVN dated 27 January 2014, the Vietnam Oil and Gas Group (PVN) has approved the unforeseeable costs of the entire Vung Ang 1 Thermal Power Plant project (include



internal road and construction) is about VND 1,090 billion. The estimated value after verification/appraisal for construction items performed by the Corporation increased by about VND 290 billion (excluding the deductible value-added tax value) compared to the value of the package construction contract signed by the Corporation. The Corporation has requested PVN to consider adjusting the unexpected arising value of this project. At the date of these Consolidated Financial Statements, PVN and the competent State agencies have not yet made a decision on the Corporation's decision, the Board of Management of the Corporation believes that the value arising outside the contract will be signed additionally.

**b) Information on the Corporation's restructuring**

According to Resolution No. 332/NQ-XLDK-DHDCD dated 11 October 2022 of the General Meeting of Shareholders of PetroVietnam Construction Joint Stock Corporation on approving the restructuring of the Corporation for the period of 2021-2025:

- The Corporation continues to hold at least 51% of charter capital in the period 2021-2025, including: Petroleum Pipeline and Tank Construction Joint Stock Company (PVC-PT) and Petroleum Equipment Assembly & Metal Structure., JSC (PVC-MS).
- The Corporation will divest all investment capital in the remaining subsidiaries in the period of 2021-2025.
- Companies: Ha Noi Petroleum Construction JSC (PVC-HN), Petroleum Mechanical Executing and Assembly Joint Stock Company (PVC-MEA), Mientrung Petroleum Construction JSC (PVC-MT) and PetroVietnam Urban Development JSC (PVC-Mekong) will handle dissolution and bankruptcy in case the Corporation cannot divest its capital.
- The Corporation will divest all other long-term financial investments and trading securities in the period 2021-2025.

**41 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD**

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Consolidated financial statements.



#### 42 TRANSACTION AND BALANCES WITH RELATED PARTIES

List and relation between related parties and the Company are as follows:

<b>Related parties</b>	<b>Relation</b>
Vietnam Oil and Gas Group (PVN)	Parent company
Vung Ang - Quang Trach Petroleum Power Project Management Board	PVN's dependent entity
Thai Binh 2 Petroleum Power Project Management Board	PVN's dependent entity
Nghi Son Refinery and Petrochemical Complex Project Mangement Board	PVN's dependent entity
Song Hau 1 Petroleum Power Poject Management Board	PVN's dependent entity
Vietnam Petroleum Institute	PVN's dependent entity
PetroVietnam Technical Services Corporation	Same owner
PetroVietnam Technical Services Corporation (PTSC)	Same owner
PetroVietnam Gas Joint Stock Corporation	Same owner
Petro Vietnam Engineering Consultancy JSC	Same owner
Petrovietnam Steel Pipe JSC	Same owner
Petrovietnam Construction Land Corporation	Same owner
Southern Shipbuilding Industry Investment Development Company Limited	Same owner
Petroleum Internal and External Equipment JSC	Same owner
Vietnam Public Joint Stock Commercial Bank	Same owner
PetroVietnam Exploration Production Corporation	Same owner
Petrovietnam Low Pressure Gas Distribution JSC	Same owner
Petroleum Mechanical Executing And Assembly JSC	Associate
Hanoi Petroleum Construction JSC	Associate
Saigon Petroleum Construction and Invesment JSC	Associate
Duyen Hai Petro Vietnam Investment and Construction JSC	Associate
Thanh Hoa Petro Vietnam Investment and Construction JSC	Associate
Mien Trung Petroleum Construction JSC	Associate
Lam Kinh Hotel JSC	Associate
Petro Vietnam Nghe An Construction JSC	Associate
Petroleum Interior Decoration JSC	Associate
Heerim-PVC International Design JSC	Associate
Petroleum Link Communication and Trading JSC	Associate
Petro Kinh Bac Investing and Construction JSC	The Corporation is the major shareholder
Members of the Board of Directors, Board of Management, Supervisory Board, and other key management personnel of the Corporation	Key management personnel of the Corporation

In addition to the related party information presented in the notes above, the Company also had the following transactions with related parties during the year:

During the year, the Company has the transactions with related parties as follows:

	Year 2024	Year 2023
	VND	VND
<b>Revenue from sale of goods</b>		
Thai Binh 2 Petroleum Power Project Management Board	840,980,581,557	856,441,598,446
Vietnam Petroleum Institute	473,164,613,532	735,572,194,711
PetroVietnam Technical Services Corporation (PTSC)	-	8,938,321,437
Vietnam Public Joint Stock Commercial Bank	367,815,968,025	110,511,602,298
	-	1,419,480,000



	Year 2024 VND	Year 2023 VND
<b>Purchase of goods and services</b>	<b>28,848,554,794</b>	<b>29,230,420,222</b>
Thanh Hoa Petro Vietnam Investment and Construction JSC	1,854,288,043	2,172,748,009
Petroleum Link Communication and Trading JSC	-	4,200,000
Vietnam Public Joint Stock Commercial Bank	26,876,666,751	26,935,872,213
Vietnam Petroleum Institute	117,600,000	117,600,000


Remuneration, salaries and other income of members of the Board of Directors, Board of Management, Board of Supervision and other managers are as follows:

	Position	Year 2024 VND	Year 2023 VND
<b>Board of Directors</b>			
Mr. Nghiem Quang Huy	Chairman	<b>2,207,775,913</b>	<b>2,258,749,896</b>
Mr. Pham Van Khanh	Independent Member	545,647,303	543,276,735
Mr. Tran Hai Bang	Member	244,285,000	249,555,000
Mr. Nguyen Hoai Nam	Member	479,906,106	504,420,370
Mr. Chu Thanh Hai	Member	466,008,070	495,761,660
		471,929,434	465,736,130
<b>Board of Management</b>			
Mr. Tran Quoc Hoan	General Director appointed on 01/01/2024	<b>2,014,722,793</b>	<b>2,155,452,151</b>
		449,814,957	
Mr. Phan Tu Giang	General Director resigned on 01/01/2024	109,537,217	580,148,335
Mr. Nguyen Van Dong	Deputy General Director	507,748,575	497,083,200
Mr. Nguyen Trung Tri	Deputy General Director resigned on 01/07/2023	-	328,577,304
Mr. Vu Manh Quang	Deputy General Director resigned on 30/05/2024	-	85,347,000
Mr. Pham Trung Kien	Deputy General Director appointed on 01/10/2023	464,890,490	76,673,500
Mr. Hoang Quyet Thang	Deputy General Director resigned on 01/11/2023	-	102,897,000
Mr. Bui Son Truong	Deputy General Director	482,731,554	484,725,812
<b>Board of Supervision</b>			
Mr. Hua Xuan Nam	Head of the Board	<b>506,218,999</b>	<b>502,385,625</b>
Mr. Phung Van Sy	Member	441,418,999	432,185,625
Mr. Nguyen Ngoc Cuong	Member	32,400,000	35,100,000
		32,400,000	35,100,000


In addition to the above related parties transactions, other related parties did not have any transactions during the period and have no balance at the end of the accounting period fiscal year with the Corporation.

#### 43 COMPARATIVE FIGURES

The comparative figures are figures in the Consolidated Financial Statements for the fiscal year ended as at 31 December 2023, which was audited by AASC Auditing Firm Company Limited.

  
**Nguyen Thi Thu Anh**  
Preparer

  
**Vu Minh Cong**  
Chief Accountant

  
**Tran Quoc Hoan**  
General Director  
Hanoi, 31 March 2025