

SUPERVISORY BOARD

Yen Bai province, February 25, 2025.

**REPORT OF THE
AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

To: The 2025 Annual General Meeting of Shareholders

- Pursuant to the Charter of Thac Ba Hydropower Joint Stock Company;
 - Pursuant to the Operating Regulations of the Based on the Organization and Operation Regulation of the Supervisory Board of Thac Ba Hydropower Joint Stock Company;
 - Based on the separate and consolidated financial statements for the year 2024 of the Company audited by Ernst & Young Vietnam Limited Company;
- The Supervisory Board would like to reports to the 2025 Annual General Meeting of Shareholders as follows:*

I. Activities of the Supervisory Board

- Personnel of the Supervisory Board includes
 - + Ms. Nguyen Thi Huynh Phuong – Head of the Supervisory Board.
 - + Ms. Lai Le Huong – Member of the Supervisory Board.
 - + Ms. Tran Nguyen Khanh Linh – Member of the Supervisory Board.
- In 2024, the Supervisory Board has performed its functions and duties in accordance with the Charter and Operating Regulations of the Company's Supervisory Board.
- Supervise the activities of the Board of Directors and the General Director in the management and administration, ensuring compliance with the law, Charter, regulations, and rules of the Company.
- Supervise the implementation of the contents of the 2024 Annual General Meeting of Shareholders' Resolution.
- Attended all Board of Directors' meetings and provided opinions on key issues concerning corporate governance and business operations.
- Performed other tasks within the authority of the Supervisory Board as stipulated in the Company's Charter, Corporate Governance Regulations, the Regulations on the Organization and Operation of the Supervisory Board, internal policies, and applicable laws.

II. Results of Business Operations and Financial Supervision of the Company Group in 2024

1. Consolidated Business Results for the Year 2024:

No.	Indicator	Unit	2024 Plan	2024 Actual	2023 Actual	2024/ 2023(%)	Actual /Plan(%)
1	Power energy production	Million kWh	512.00	565.97	443.51	128%	111%
2	Commercial power energy for sale	Million kWh	503.32	557.80	436.56	128%	111%
3	Total Revenue	Million VND	542,499	552,492	443,523	125%	102%
4	Total Cost	Million VND	284,148	282,518	246,549	115%	99%
5	Profit before tax	Million VND	258,351	269,974	196,974	137%	104%
6	Corporate income tax	Million VND	36,675	41,353	28,360	146%	113%
7	Net profit after tax	Million VND	221,676	228,621	168,614	136%	103%
8	Parent company's profit	Million VND	166,067	178,026	125,706	142%	107%

Consolidated Business Results for the Year 2024:

- The Power energy production output reached 565.97 million kWh, an increase of 122.45 million kWh compared to the same period, corresponding to an increase of 28% and 111% of the 2024 plan. The Commercial power energy for sale and receipt output reached 557.80 million kWh, an increase of 121.25 million kWh compared to the same period, corresponding to an increase of 28% and 111% of the 2024 plan.
- Total consolidated revenue in 2024 amounted to 552.49 billion VND, an increase of 108.96 billion VND, representing a 25% growth compared to the previous year and achieving 102% of the 2024 plan.
- Total consolidated cost for 2024 amounted to VND 282.51 billion, equivalent to 99% of the 2024 plan.
- Total consolidated profit after tax for 2024 reached VND 228.621 billion, an increase of VND 60 billion, corresponding to an increase of 36% compared to the same period and 103% of the 2024 plan.
- Parent company's profit after tax was 178.02 billion VND, an increase of 52.32 billion VND, representing a 42% growth compared to the previous year and fulfilling 107% of the 2024 plan.

2. Summary of the asset and capital situation in the consolidated financial statements of the Group Company:

Unit: Million VND

Indicator	01 January 2024	31 December 2024	Percentage (%)
A. CURRENT ASSETS	373,682	235,477	63%
1. Cash and cash equivalents	128,306	94,333	74%
2. Short-term investments	10,000	21,995	220%
3. Accounts receivable	219,430	110,056	50%
4. Inventories	5,528	5,340	97%
5. Other current assets	10,418	3,752	36%
B. NON-CURRENT ASSETS	1,162,231	1,284,340	111%
1. Tangible fixed assets	888,743	833,698	94%
2. Long-term assets in progress	11,552	197,738	1712%
3. Long-term investments	163,470	160,406	98%
4. Other long-term assets	98,465	82,499	84%
Total Assets	1,535,913	1,519,817	99%
A. LIABILITIES	196,804	154,979	79%
1. Current liabilities	151,804	141,801	93%
2. Non-current liabilities	45,000	13,178	29%
B. Owners' equity	1,339,109	1,364,838	102%
1. Equity	635,000	635,000	100%
2. Investment and development fund	302,058	302,058	100%
3. Undistributed earnings	123,485	139,008	113%
4. Non-controlling interests	278,566	288,773	104%
Total Liabilities and Owners' equity	1,535,913	1,519,817	99%

3. The debt situation of the Group Company:

Unit: Million VND

Indicator	01 January 2024	31 December 2024	Notes
Short-term loans	60,000	45,421	Shinhan Bank loans with interest rates from 6.18% - 7%
Long-term loans	45,000	9,679	
Total	105,000	55,100	

III. Implementation of the General Meeting of Shareholders' Resolutions and the Company Group's Tax Obligations:

- According to the consolidated financial report, as of December 31, 2024, total taxes and obligations payable to the State Budget amounted to 7.46 billion VND, including corporate income tax (CIT) 3.87 billion VND, value-added tax (VAT) 593 million VND, resource tax 1,9 billion VND, personal income tax (PIT) 677 million VND, Resource exploitation rights fee 415 million VND.
- Receivables as of December 31, 2024, total customer receivables amount to VND 101.41 billion, including: VND 66.08 billion from the Electricity Trading Company; VND 16.84 billion from the Northern Power Corporation; VND 15.48 billion from Thac Ba Hydropower Joint Stock Company 2; and VND 3 billion from other customers. The Group Company has made a provision for bad debts as of December 31, 2024, in the amount of VND 3.11 billion.
- Based on Resolution No. 506/NQ-TĐTB-ĐHĐCĐ dated March 27, 2024, Resolution No. 1658/NQ-TĐTB-HĐQT dated August 22, 2024, and Resolution No. 2621/NQ-TĐTB-HĐQT dated December 11, 2024, the Parent Company TBC has implemented the 2023 dividend payout and 2024 interim dividend payment as follows:

No.	Indicator	Percentage	Amount (VND)	Time
1	Remaining 2023 dividend payment	10%	63,500,000,000	11/07/2024
2	First interim dividend payment for 2024	10%	63,500,000,000	27/09/2024
3	Second interim dividend payment for 2024	5%	31,750,000,000	14/02/2025
	Total		158,750,000,000	

- Based on Resolution No. 119/NQ-MHP-ĐHĐCĐ and the approvals by the Board of Directors in Resolution No. 333/NQ-MHP-HĐQT dated September 5, 2024, and Resolution No. 475/NQ-MHP-HĐQT dated December 23, 2024, Muong Hum Hydropower Joint Stock Company has made two interim dividend payments from 2024 post-tax profits, with details as follows one stock received is 70VND and 630 VND.
- Based on Resolution No. 506/NQ-TĐTB-ĐHĐCĐ dated 27/03/2024 the Parent Company TBC has allocated funds in detail as follows:

No.	Contents	Amount (VND)	Notes
1	Allocate reward fund	1,760,000,000	
2	Allocate welfare fund and bonus for the management team	1,740,000,000	
	Total	3,500,000,000	

- The Company Group selected Ernst & Young Vietnam Limited Liability Company as the independent audit firm to review the semi-annual and annual financial statements for 2024.
- As of December 31, 2024, the total number of employees in the Company Group was 161, unchanged from January 1, 2024.

VI. The situation of investment in other entities, acquisition of fixed assets, and repair and upgrade of equipment in 2024 by the Group:

Basic construction costs according to the consolidated financial statements as of December 31, 2024 are as follows

No.	Cost item	01 January 2024	31 December 2024
1	Project to upgrade turbine equipment – Thac Ba Hydropower	6,311,024,101	100,942,336,738
2	Machinery and equipment not yet installed for trial operation (Belongs to Turbine Unit No. 2 of the Equipment Upgrade Project – Thac Ba Hydropower)	-	91,863,810,287
3	Electrical Equipment Upgrade Project Thac Ba Hydropower	2,507,802,791	240,741,741
4	Consulting, survey, and planning report costs for Hydropower expansion project (Muong Hum)	1,847,050,542	1,847,050,542
5	Other	886,450,276	2,843,995,000
	Total	11,552,327,710	197,737,934,308

2. Purchase of Fixed Assets (TSCĐ) and Completion of Basic Construction Investment:

- In 2024, the Group has increased its Fixed Assets by 12.04 billion VND, including the purchase of Fixed Assets worth 6.3 billion VND and the completion of basic construction investment worth 5.73 billion VND.

3. Investment in Associated Company Shares:

- According to Resolution No. 66/NQ-DHĐCĐ dated January 24, 2024, from the General Shareholders' Meeting of Thac Ba Hydroelectric Investment Joint Stock Company 2, the plan to offer shares to existing shareholders to increase the charter capital has been approved. As a result, in 2024, the Parent Company TBC has purchased an additional 1,920,849 shares of Thac Ba Hydroelectric Investment Joint Stock Company 2 for a total amount of 19.2 billion VND. As of December 31, 2024, the investment value in the associated company Thac Ba 2 – an associated company of TBC, is 103.86 billion VND.
- As of December 31, 2024, the Thac Ba 2 Project was valued at VND 639.15 billion, equivalent to 90% of the total approved investment, with compensation costs for resettlement increasing by VND 20.58 billion compared to the initial investment plan. The Thac Ba 2 Project is progressing according to the project schedule, with the first power generation and trial operation expected on March 28, 2025.

4. Investment in Other Entities and Trading Securities:

- According to Resolution No. 1009/NQ-TĐTB-HĐQT dated June 10, 2024, and Resolution No. 1221/NQ-TĐTB-HĐQT dated June 28, 2024, of the Board of Directors of TBC Parent Company, a portion of the investment in Hai Phong Thermal Power Company has been classified as trading securities worth VND 20.658 billion with the purpose of divesting through the UpCom trading platform.
- In 2024, TBC Parent Company transferred 640,500 shares it owned in Hai Phong Thermal Power Joint Stock Company at an average transaction price of VND 15,533 per share, generating VND 9.949 billion in proceeds. It also recorded financial income from securities investment of VND 2.968 billion and financial expenses of VND 16.058 million.

IV. Opinions and Recommendations:

- The Supervisory Board agrees with the figures in the consolidated and separate financial statements of the Parent Company for 2024, which have been audited by Ernst & Young Vietnam Limited.
- The Company's Executive Board should continue to enhance its management and business operations, as well as the maintenance and upgrading of machinery and equipment, to achieve the targets approved by the General Meeting of Shareholders and the Board of Directors.

- The Company's Executive Board shall supervise and urge the personnel involved in the Thac Ba 2 project to ensure its timely completion.

This concludes the Supervisory Board's 2024 activity report, respectfully submitted to the General Meeting of Shareholders for review and approval.

Sincerely,

**ON BEHALF
OF THE SUPERVISORY BOARD,
HEAD OF SUPERVISORY BOARD**

Nguyen Thi Huynh Phuong