



**VIETNAM POWER DEVELOPMENT
JOINT STOCK COMPANY**

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: 37/TTr-HĐQT

Hanoi, dated April 1st 2026

PROPOSAL
Regarding the 2025 profit distribution Plan

To: The Annual General Meeting of Shareholders of Vietnam Power Development Joint Stock Company

Pursuant to the Enterprise Law No. 59/2020/QH14 dated June 17, 2020, of the National Assembly of the Socialist Republic of Vietnam;

Pursuant to Government Decree No. 366/2025/NĐ-CP dated December 31, 2025, on the management and investment of state capital in enterprises (Decree 366);

Pursuant to the Charter of Vietnam Power Development Joint Stock Company, amended and supplemented in accordance with Decision No. 1901/QĐ-HĐQT dated December 21, 2023 of the Board of Directors (Charter 1901);

Pursuant to the Regulations on Financial Management in Vietnam Power Development Joint Stock Company issued together with Decision No. 25/QĐ-HĐQT dated March 24, 2026 (Financial Management Regulations 25);

Pursuant to the Resolution of the Board of Directors No. 28/NQ-HĐQT dated March 31, 2026, regarding the contents to be submitted to the 2026 Annual General Meeting of Shareholders.

The Board of Directors of Vietnam Power Development Joint Stock Company (VNPD) respectfully submits to the 2026 Annual General Meeting of Shareholders the 2025 profit distribution Plan of VNPD, specifically as follows:

1. The 2025 profit distribution plan

Based on business results of VNPD in 2025 as reported in the audited financial statements, the 2025 profit distribution plan is projected as follows:

No.	Content	Proportion	Amount (VND)
1	Total undistributed after-tax profit		416.538.315.987
1.1	Profit after tax generated in 2025		262.381.150.978
1.2	Undistributed profit after tax accumulated up to the end of 2024		154.157.165.009
2	Appropriation to the development investment fund	50%	131.190.575.489
3	Appropriation to the bonus and welfare funds.¹	3 months' salary	15.264.932.000

¹The data on the settlement of the salary and remuneration fund in 2025, used as the basis for calculating appropriation to the bonus and welfare fund, is taken from Resolution No. 20/NQ-HĐQT dated March 12, 2026,

No.	Content	Proportion	Amount (VND)
	<i>In there:</i>		
3.1	Bonus Fund	30%	4.579.479.600
3.2	Welfare Fund	70%	10.685.452.400
4	Dividend distribution (in cash)	14%	149.225.480.600
	<i>In there:</i>		
4.1	Advance payment made	0%	
4.2	Outstanding amount	14%	149.225.480.600
5	Profit retained (5 = 1-2-3-4)		120.857.327.898

1.1. Appropriation to the development investment fund

Decree 366 (Point a, Clause 2, Article 29) and Financial Management Regulation 25 (Point a, Clause 3, Article 32) stipulate appropriation to the development investment fund as follows:

- If the demand for the Development Investment Fund under the 2026 plan is greater than or equal to 50% of the after-tax profit in 2025: 50% of the after-tax profit in 2025 shall be appropriated to the Development Investment Fund.

- If the demand for the Development Investment Fund under the 2026 plan is less than 50% of the after-tax profit in 2025: appropriation shall be based on the actual demand for the Development Investment Fund.

According to the 2026 plan, the total demand for development investment fund of VNPD amounts to VND 230,1 billion (including: the plan to use equity capital in the construction investment of the Can Tho Biomass Power Plant project is VND 157,4 billion; the Nam Ma 2 Hydropower Plant project is VND 4,8 billion; and the purchase of fixed assets and construction investment of other small-scale projects is VND 67,9 billion).

According to the 2025 audited financial statements, the after-tax profit in 2025 was VND 262,4 billion.

Thus, the demand for the Development Investment Fund in the 2026 plan is greater than 50% of the after-tax profit in 2025. Accordingly, VNPD is allowed to appropriate **50%** of the after-tax profit in 2025 to the Development Investment Fund, equivalent to **VND 131,2 billion**.

1.2. Appropriation to the bonus and welfare funds

Decree 366 (Point b1, Clause 2, Article 29) and Financial Management Regulation 25 (Point b, Clause 3, Article 32) stipulate appropriation to the bonus and welfare fund as follows:

of the Board of Directors on the settlement of the salary and remuneration fund for 2025 (updated revenue and expenses according to the 2025 audited financial statements).

- For enterprises classified as Category A: Appropriate no more than 03 months of actual salary to the reward and welfare funds.

- For enterprises classified as category B: Appropriate no more than 02 months of actual salary to the reward and welfare funds.

- For enterprises classified as category C: Appropriate no more than 01 month of actual salary to the reward and welfare funds.

In 2025, VNPD achieved good business results with after-tax profit reaching VND 262,4 billion, equivalent to 179,3% of the plan assigned by the General Meeting of Shareholders. With the enterprise ranking result for 2025 being category A, VNPD proposed appropriation to the Bonus and Welfare Funds equivalent to **03 months** of actual salary and remuneration in 2025, corresponding to a value of **VND 15,3 billion**.

Regarding the allocation ratio between the two bonus and welfare funds, in order to create funds to serve the welfare of employees, consolidate and strengthen the long-term trust and commitment of employees to VNPD, the Company proposes a bonus fund appropriation of **30%** and a welfare fund appropriation of **70%** of the total bonus and welfare funds, corresponding to a bonus fund of **VND 4,6 billion** and a welfare fund of **VND 10,7 billion**.

1.3. Dividend Distribution

The dividend distribution plan for 2025 needs to be calculated based on long-term capital balance to ensure the full achievement of short-term production and business objectives, while also meeting the medium- and long-term construction investment and development investment requirements of the Company.

Previously, due to financial and cash flow difficulties, VNPD primarily focused on maintaining production and business operations, limited capacity to implement expansion activities in construction investment and development investment. Now, financial situation of VNPD has improved: by the end of 2026, the final loan principal for the Khe Bo Hydropower Plant project will be fully repaid and VNPD will complete all its principal and interest repayment obligations for existing projects. Therefore, 2026 is an appropriate time to begin the construction investment cycle for new power plant projects.

Currently, VNPD is in the process of surveying and researching investment in two new power plant projects, including:

(i) Nam Ma 2 Hydropower Plant Project (expected capacity of 13,2 MW, new construction to replace the existing plant): The project has a total investment capital requirement (before tax) for the period 2026-2030 estimated at approximately VND 387,2 billion; the expected capital structure is 30% equity – 70% borrowed capital; power generation is expected from 2030.

(ii) Can Tho Biomass Power Plant Project (total projected capacity of 150MW; of which: phase 2026-2030 will deploy 1 unit x 50MW = 50MW; phase 2031-2035 will

deploy 2 units x 50MW = 100MW): The project has a total investment capital requirement (before tax) for the 2026-2030 period of approximately VND 2.692,6 billion; the projected capital structure is 20% equity – 80% borrowed capital; power generation is expected from 2030 (for 1 unit x 50MW = 50MW).

In the context of new investment opportunities to expand the business scale, the gradual accumulation of equity capital over the years is a necessary and appropriate to proactively prepare matching funds for the project. Focusing on capital accumulation through a balanced dividend payout ratio in 2025 will help VNPD avoid insolvency during the 2027-2030 period when it faces payment requirements for new construction investment projects with significantly larger volumes and values than the annual profits generated from existing projects.

Regarding the dividend rate for 2025, VNPD proposes a **14%** cash dividend (equivalent to VND **149,2 billion**), matching the plan approved by the 2025 Annual General Meeting of Shareholders. This level is balanced to ensure the fulfillment of the plan assigned by the General Meeting of Shareholders, harmonizing the legitimate interests of shareholders and long-term capital balance.

According to the long-term capital balance for the period 2026-2030 (*details in the attached Appendix*), if the dividend for 2025 is 14% (equal to the plan approved by the 2025 Annual General Meeting of Shareholders), the dividend for 2026 is 14% (equal to the plan expected to be submitted to the 2026 Annual General Meeting of Shareholders), and the dividends for the years 2027-2029 are 10% each year, VNPD is capable of arranging sufficient capital for construction investment during this period. If dividends are distributed at a higher rate, the Company faces the risk of capital shortage and will have to borrow additional working capital to cover (in addition to long-term project loans), thereby creating further pressure to repay principal and interest on working capital loans. On the part of VNPD, the company commits to making efforts in its actual operations to increase profits and minimize working capital borrowing. Furthermore, the company hopes to receive the support and cooperation of shareholders through the harmonization of dividend rates as presented above.

1.4. Retained earnings

The retained earnings after profit distribution in 2025 are expected to be approximately VND 120,9 billion, serving the purpose of accumulating capital for implementing construction investment of new power projects, reducing financial pressure on VNPD during the peak investment period, as presented in Section 1.3 above.

This is the optimal and balanced solution to help VNPD accumulate and balance capital in preparation for investment and construction of new power projects, thereby ensuring stable and sustainable development to create long-term benefits for shareholders.

2. Recommendations

Based on the contents of the report above, the Board of Directors of Vietnam Power Development Joint Stock Company respectfully submits the following to the Annual General Meeting of Shareholders in 2026 :

(i) Approval of the 2025 profit distribution plan of VNPD, details as presented in Section 1.

(ii) Assign the Board of Directors to approve the appropriation of funds from the after-tax profit of 2025 based on the 2025 profit distribution plan approved by the 2026 Annual General Meeting of Shareholders..

Best regards./.

Recipient:

- As above;
- SSC; HOSE;
- Members of BOD, BOS;
- Board of Managements (implement);
- Archived: BOD Office.

**ON BEHALF OF BOARD OF DIRECTORS
CHAIRMAN**

Nguyen Hoang Dao

APPENDIX: LONG-TERM RESOURCE BALANCE 2026-2030

Unit: Billion VND

No.	Content	2026	2027	2028	2029	2030	Add
I	Long-term resource balance as of 01/01/N	28	60	197	218	70	
1	Accumulated basic depreciation up to December 31/12/N-1	2.305	2.456	2.604	2.739	2.862	
2	Accumulated principal repayment up to 31/12/N-1	-	2.721	-	2.741	-	2.741
	<i>Khe Bo Hydropower Project</i>	-	2.332	-	2.352	-	2.352
	<i>Bac Binh Hydropower Project</i>	-	389	-	389	-	389
3	Accumulated Development Investment Fund as at 31/12/N-1	116	17	7	108	-	379
4	Covered by charter capital as at 31/12/N-1	327	327	327	327	327	
4.1	Charter capital	1.066					
4.2	Charter capital in cash and surplus	1.004					
4.3	Share premium	3					
4.4	Other owner's equity	23					
4.5	Charter capital invested in assets	-	703				
	<i>Khe Bo Hydropower Project</i>	-	513				
	<i>Bac Binh Hydropower Project</i>	-	189				
II	Incurrence / Demand in year N	99	38	82	253	-	250
1	Depreciation of fixed assets	151	147	136	123	260	817
2	Repay the principal loan	20	-	-	-	-	20
	<i>Khe Bo Hydropower Project</i>	20					20
3	Can Tho Biomass Power Project	157	421	529	1.075	510	2.693
	Equity	157	88	149	303	102	798
	Loan capital	-	333	381	773	408	1.894
4	Nam Ma 2 Hydropower Project	5	30	195	141	18	387

No.	Content	2026	2027	2028	2029	2030	Add
	Equity	5	10	66	48	5	134
	Loan capital	-	20	129	92	12	253
5	Procurement of fixed assets, other projects	68	12	3	26	6	114
	Equity	68	12	3	26	6	114
	Loan capital						-
III	Profit distribution in year N-1						
1	Total undistributed profit after tax	417	318	259	245	256	
	Profit after tax generated in year N-1	262	197	205	211	239	
	Undistributed profit after tax accumulated up to the end of year N-2	154	121	54	34	17	
2	Appropriation to the investment and development fund.	131	99	102	105	114	
3	Appropriation to the bonus and welfare funds.	15	16	16	16	16	
4	Dividend distribution	149	149	107	107	107	618
5	Dividend rate	14%	14%	10%	10%	10%	58%
6	Remaining profit (after dividend distribution)	121	54	34	17	19	