

## **ANNUAL REPORT**

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### **VUNG ANG PETROLEUM JOINT STOCK COMPANY**

**YEAR: 2024**

#### **I. General information**

##### **1. General information**

- Transaction name: Vung Ang Petroleum Joint Stock Company
- Business registration certificate number: 3000413193
- Charter capital: 124,996,120,000 VND (One hundred twenty-four billion, nine hundred ninety-six million, one hundred and twenty thousand Vietnam Dong)
- Owner's investment capital: 124,996,120,000 VND (One hundred twenty-four billion, nine hundred ninety-six million, one hundred and twenty thousand Vietnam Dong)
- Address: No. 417 Tran Phu, Ha Tinh City, Ha Tinh Province
- Phone number: 0239 3692 888
- Fax number: 0239 3692 999
- Website: [www.pvoilvungang.com.vn](http://www.pvoilvungang.com.vn)
- Stock code: POV

##### **2. Process of formation and development**

- Vung Ang Petroleum Joint Stock Company (PVOIL Vung Ang) operates under Business Registration Certificate No. 3000413193 issued by the Department of Planning and Investment of Ha Tinh province on July 20, 2007.

- On December 29, 2007, the Vung Ang Petroleum Warehouse project was officially started with a scale of 110,000 m<sup>3</sup>, a complete wharf system including a 15,000 DWT petroleum and liquefied gas import-export port, phase 1 to build a total warehouse capacity of 60,000 m<sup>3</sup> and complete a synchronous and modern wharf system with a total investment of 260 billion VND.

- September 23, 2010: PVOIL Vung Ang was officially listed on the Hanoi Stock Exchange (HNX).

- February 13, 2011: Vietnam National Oil and Gas Group and Vietnam Oil Corporation held the inauguration ceremony of Vung Ang Petroleum Warehouse.

- PVOIL Vung Ang's business started at the end of 2010. PVOIL Vung Ang has succeeded in penetrating and developing the market and affirming its position in the

field of petroleum business in the Northern region. The Central region includes the provinces of Nghe An, Ha Tinh, and Quang Binh.

### 3. Industry and business area

- Main business lines

+ Petroleum business;

+ Storing and transporting petroleum;

+ Rental of warehouses and petroleum ports;

- Business area

+ Ha Tinh province;

+ Quang Binh province;

+ Nghe An province.

4. Information about the governance model, business organization and management apparatus

- Management model

Including functional departments and petrol stations under the Company under the direct direction of the Company Director. The Company's organizational structure has the function of advising and assisting the Company Director in the management and implementation of the rights and obligations of Vung Ang Petroleum Joint Stock Company as stipulated in the Charter of the organization. Organization and operations of Vung Ang Petroleum Joint Stock Company.

- Management apparatus structure

The apparatus of Vung Ang Petroleum Joint Stock Company includes:

- Board of Directors of the Company

- Board of Directors of the Company

Departments/departments include:

1. Department of Organization and Administration;

2. Finance - Accounting Department;

3. Sales Department;

4. Investment and Network Development Department;

5. Commodity Management Department;

6. Technical - Safety Department;



## 7. System of petrol stations under the Company.

### - Subsidiaries and affiliated companies

#### + PVOIL Vung Ang Branch in Nghe An province

Address: Quynh Tam commune, Quynh Luu district, Nghe An.

Main business: Petroleum trading

Ownership rate: 100%

#### + PVOIL Vung Ang Branch in Quang Binh province

Address: Pham Van Dong Street, Diem Thuong TDP, Duc Ninh Dong Ward, Dong Hoi City, Quang Binh Province.

Main business: Petroleum trading

Ownership rate: 100%

## 5. Development orientation

### - Main goals of PVOIL Vung Ang

+ Promote production and business, strive to exceed planned targets and tasks;

+ Improve the Company's management capacity and competitiveness;

+ Participate in stabilizing the petroleum market to contribute to the Corporation, Group and Government in preventing inflation and stabilizing the macroeconomy;

+ Continue to implement social security work;

+ Promoting the combined strength of the entire political system within the Company.

### - Medium and long-term development strategy

PVOIL Vung Ang is always the leading petroleum trading brand in the North Central region.

### - The Company's environmental, social and community goals.

+ Commit to fulfilling obligations to the community in the places where the Company operates, paying special attention to improving the natural environment and human health.

+ Carry out social security work according to the Corporation's plan and be proactive and active in charity activities in localities where the Company does business.

## 6. Risks

+ Strategic risks: competition from other petroleum businesses; changes in policy factors...

+ Operational risks.

+ Environmental risks and natural disasters.

## II. Operational situation during the year

### 1. Situation of production and business activities

- Results of production and business activities in 2024:

No	Target	Unit of calculation	Plan 2024	Implementation in 2024	Implementation in 2023
1	Tổng sản lượng	m <sup>3</sup>	212.000	269.615	222.357
2	Doanh thu	Tỷ đồng	3.280,4	4478,1	3.893,8
3	Lợi nhuận trước thuế	Tỷ đồng	12,0	13,4	17,0
4	Đầu tư CHXD	Cửa hàng	5	7	10
5	Thu nhập bình quân	Trđ/ng/th	13,46	15,14	13,97

### 2. Organization and personnel

- List of Executive Board

+ Mr. Hoang Nguyen Thanh - Member of the Board of Directors, Director of the Company:

CCCD number: 036080025151 Date of issue: August 9, 2021 Place of issue: Department of Administrative Management of Social Procedures

Permanent address: 48H, Box 19, Ha Long, Nam Dinh City, Nam Dinh

Number of management representative shares as Capital Representative of Vietnam Oil Corporation at PVOIL Vung Ang: 2,912,500 shares, equivalent to 23.3% of charter capital.

Number of shares owned as an individual: 0, share ownership ratio: 0%

+ Mr. Tran Tien Dai - Member of the Board of Directors, Deputy Director of the Company:



ID card number: 183109579 Date of issue: April 15, 2008 Place of issue: Ha Tinh police

Permanent address: No. 5 Quang Trung Street, Hong Linh, Ha Tinh.

Number of management representative shares as Capital Representative of Vietnam Oil Corporation at PVOIL Vung Ang: 2,000,000 shares, equivalent to 16% of charter capital.

Number of shares owned as an individual: 4,205, stock ownership ratio: 0.03%

+ Mr. Vu Hong Minh - Deputy Director of the Company

ID card number: 151482616 Date of issue: November 3, 2000 Place of issue: Thai Binh police

Permanent residence address: Thai Thinh, Thai Thuy, Thai Binh

Number of shares owned: 0

+ Mr. Bui Duc Duy - Chief Accountant of the Company:

ID card number: 183014096 Date of issue: December 5, 2009 Place of issue: Ha Tinh police

Permanent residence address: Block 10, Quang Trung ward, City. Vinh, Nghe An Province.

Number of shares owned as an individual: 5,000; Share ownership ratio: 0.04%

- Changes in the Executive Board: None

- The number of employees as of December 31, 2023 of Vung Ang Petroleum Joint Stock Company is 274 people.

- Policy for employees: implemented according to the Company's Collective Labor Agreement.

### 3. Investment situation, project implementation situation

- In 2023, PVOIL Vung Ang has developed 10 petroleum stations in the form of lease, including: Bac Ly, Trong Hoa, Dong Hoi City petroleum stations in Quang Binh province; Petroleum stations of Tung Chau, Huong Tra, Ky Nam, Thach Thanh, Thach Dai, Ky Anh Town in Ha Tinh province and Dinh Son Petroleum Station of Nghe An province.

- Investment projects are managed strictly, effectively and on schedule.

### 4. Financial situation

#### a) a) Financial situation

Target	2024	2023	% increase or decrease
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* For organizations other than credit institutions and non-bank financial institutions:			
Total asset value	458.588.468.022	371.083.377.518	123%
Net revenue	4.478.140.069.090	3.893.952.410.921	115%
Profits from business activities	134.240.820.220	105.328.349.226	127%
Other profits	(162.300.996)	4.557.762.867	
Profit before tax	13.381.208.254	17.071.479.211	
Profit after tax	10.103.423.292	14.147.750.878	71%
Dividend rate of profit	3%	5%	

b) Main financial indicators

Targets	2024	2023	NOTED
<i>Criteria for ability to pay</i>			
+ Short-term payment ratio:			
Current assets/Short-term debt	88,12%	85%	
+ Quick ratio:			
<u>Working Assets - Inventory</u>			
<u>Short-term debt</u>	46,15%	64%	
<i>Capital structure criteria</i>			
+ Debt/Total Assets Ratio	60%	51%	
+ Debt/Equity Ratio	150%	105%	
<i>Performance indicators</i>			
+ Inventory turnover:			
<u>Cost of goods sold</u>	37,9	94,6	
Average inventory			
+ Net revenue/Total assets	9,77	10,5	
<i>Profitability criteria</i>			
+ Profit after tax coefficient/Net revenue	0,0022	0,0036	
+ Profit after tax ratio/Equity	0,055	0,078	
+ Profit after tax coefficient/Total assets	0,022	0,038	
+ Coefficient of Profit from business activities/Net revenue			



	0,007	0,0044	
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5. Shareholder structure, change in owner's investment capital

a) Shares

Total outstanding shares: 12,499,612 shares.

Type of outstanding shares: freely transferable shares.

b) Shareholder structure

c) List of shareholders of Vung Ang Petroleum Joint Stock Company:

No	Type of shareholder	Number of shares hold	Share ratio hold
<b>I</b>	<b>Major shareholder</b>	<b>9.562.500</b>	<b>76,3%</b>
1	Vietnam Oil Corporation – Joint Stock Company	7.062.500	56,5%
2	Northern Gas Trading Joint Stock Company	1.248.000	9,8%
3	Ha Tinh Mineral and Trading Corporation – Joint Stock Company	1.250.000	10%
<b>II</b>	<b>Small shareholders</b>	<b>2.939.112</b>	<b>23,7%</b>

d) Change in owner's investment capital:

Do not have

e) Treasury stock transactions:

Not arising in 2024.

f) Other securities:

Do not have.

### III. Report and assessment of the Board of Directors

#### 1. Evaluate the results of production and business activities

In 2024, the world economy faces many difficulties and challenges, the war between Russia and Ukraine continues, and although global inflation has cooled down, it is still at a high level. Central banks of many countries follow Pursuing tight monetary policy has had a strong impact on economic growth, investment, and consumption. Many major economies have slowed down and even fallen into recession. The domestic economy also faces many difficulties, with slow growth, weak demand, and high input costs.

In addition, the world petroleum market continues to have many fluctuations, gasoline prices fluctuate complexly and unpredictably with alternating increases and decreases, making forecasting difficult. On the other hand, at some times in the first months of the year, the export of goods from Nghi Son Refinery was limited, affecting the

Corporation's source of goods, especially the low inventory in the Northern region, causing difficulties for work. sell.

Faced with that situation, PVOIL Vung Ang's Board of Directors has regularly monitored, followed closely, and made good use of market fluctuations, quickly making appropriate and effective decisions; At the same time, constantly strengthen management, inspection, supervision and strict internal control to overcome difficulties and exceed planned targets.

## 2. Financial situation

### a) Property situation

Total asset value in 2024 increases compared to 2023 by 87 billion VND. The reason for that change is due to the influence and fluctuations of the following factors:

Capital in money: We see capital in money in 2024 increasing compared to the same period in 2023 specifically:

In 2024, PVOIL Vung Ang's cash capital is 6.5 billion VND, accounting for 1.4% of total assets.

In 2023, PVOIL Vung Ang's cash capital is 6.1 billion VND, accounting for 1.6.% of total assets.

Analysis: In 2024, additional interest will arise on customer deposits for warehouse rental.

Receivables: Receivables increased by 9.5 billion VND compared to the same period last year.

In 2024, receivables will be 116.3 billion VND, accounting for 25% of total assets.

In 2023, receivables will be 106.7 billion VND, accounting for 28.7% of total assets.

Analysis: Receivables will increase in 2024 due to the increase in the number of customers and the increase in bank guarantees from customers.

Inventory: The amount of inventory in 2024 will decrease compared to 2023, specifically:

In 2024, inventory will be 114.6 billion VND, accounting for 25% of total assets.

In 2023, inventory will be 42.3 billion VND, accounting for 11.4% of total assets.

Analysis: Due to the increase in gasoline prices in 2024, the value of inventory will increase.

Fixed assets and long-term investments: In terms of proportion, the value of fixed assets accounts for a large proportion of total assets. Because the accumulated depreciation value increases, the total value of fixed assets decreases.

General rating:



Through the above analysis, we see that PVOIL Vung Ang's asset situation is very good, risk factors are significantly reduced, there is not much money left in the fund or the bank.

#### b) Liabilities situation

Liabilities: In 2024, liabilities will be 275.1 billion VND, accounting for 60% of total capital. In 2023, liabilities will be 189.7 billion VND, accounting for 51.1% of total capital. In 2024, the rate increases compared to 2023 due to increased inventory.

#### 3. *Những cải tiến về cơ cấu tổ chức, chính sách, quản lý*

Bộ máy tổ chức hoạt động của PVOIL Vũng Áng được xây dựng dựa trên các tiêu chí: gọn nhẹ, năng động, hiệu quả và khoa học.

#### 4. Future development plan

- Strive to become the leading petroleum trading unit in the North Central region.
- Effective business, ensuring annual output growth targets. Maintain and develop market share in assigned areas, constantly improve service quality.
- Maintain and develop a distribution network system including a system of distributors, general agents, and franchisees, focusing on developing a system of retail stores and direct industrial customers.
- Ensure financial safety and capital preservation.
- Build a team of high quality human resources. Improve the material and spiritual life of workers.

### **IV. Assessment of the Board of Directors on PVOIL Vung Ang's operations**

#### *1. Assessment of the Board of Directors on the Company's operations*

The Board of Directors highly appreciates PVOIL Vung Ang's operating results in 2024. Although the business situation has many difficulties due to complicated fluctuations in gasoline prices, PVOIL Vung Ang has overcome difficulties and completed well. planned targets.

#### *2. Evaluation of the Board of Directors on the activities of the company's Board of Directors*

The Board of Directors highly appreciates the management work of the Company's Board of Directors. In 2024, the Board of Directors of PVOIL Vung Ang has always closely followed the business situation, directed flexible and effective business operations, well implemented risk management, and effectively implemented regulatory work. practice savings and waste prevention throughout the Company.

#### *3. Plans and orientations of the Board of Directors*

Promoting the results achieved in 2024 and 2025, the Board of Directors of PVOIL Vung Ang will continue to propose policies, guidelines and approve policies and plans to implement the unit's political tasks for the Board of Directors to direct. Direct the implementation and completion of the 2024 plan while focusing on monitoring and supervising the Company's production and business activities, specifically as follows:



- Direct the promotion of production and business activities to strive to complete the set targets for 2025 in terms of output, revenue and profit.

- Continue to direct the improvement of the unit's competitiveness, develop/amend and supplement regulations/regulations to consolidate and perfect internal inspection and control to ensure production and business activities. of the unit to achieve high efficiency, complying with current regulations.

- Orientation for building/maintaining improvements to the quality management system and applying information technology in management work.

- Review and approve policies on capital construction investment items, development of the petroleum business network system under the Company and other investment items serving market and business development. Trading and transporting gasoline, oil and lubricants.

- Strengthen inspection, inspection and strict supervision of financial activities, production and business activities, capital construction investment and other activities of PVOIL Vung Ang.

- Good direction of risk management in production and business activities at the unit.

- Promote cooperative relationships with units in the same PVOIL system and other petroleum business partners.

- Continue to direct the fostering and training of management staff; Increase workers' income, actively participate in social security activities.

## V. Corporate governance

### 1. Board of Directors

#### a) Members and structure of the Board of Directors

+ Mr. Nguyen Mau Dung - Chairman of the Board of Directors of the Company:

Number of shares owned by individual: 0. Share ownership ratio: 0%

Number of management representative shares as Capital Representative of Vietnam Oil Corporation at PVOIL Vung Ang: 2,150,000 shares, equivalent to 17.2% of PVOIL Vung Ang's charter capital.

+ Mr. Hoang Nguyen Thanh - Member of the Board of Directors, Director of the Company:

Number of shares owned by individual: 0. Share ownership ratio: 0%

Number of management representative shares as Capital Representative of Vietnam Oil Corporation at PVOIL Vung Ang: 2,912,500 shares, equivalent to 23.3% of PVOIL Vung Ang's charter capital.

+ Mr. Tran Tien Dai - Member of the Board of Directors, Deputy Director of the Company:

Number of shares owned by individual: 4,205. Share ownership ratio: 0.03%



Number of management representative shares as Representative of the capital of Vietnam Oil Corporation at PVOIL Vung Ang: 2,000,000 shares, equivalent to 16% of PVOIL Vung Ang's charter capital.

+ Mr. Nguyen The Quynh - Member of the Board of Directors (Non-executive member of the Board of Directors):

Number of shares owned by individual: 0. Share ownership ratio: 0 %

Number of management representative shares as Capital Representative of Ha Tinh Minerals and Trading Corporation - Joint Stock Company at PVOIL Vung Ang: 1,250,000 shares, equivalent to 10% of PVOIL Vung Ang's charter capital .

+ Mr. Vuong Dung Hoang - Member of the Board of Directors (Non-executive member of the Board of Directors):

Number of shares owned by individual: 0. Share ownership ratio: 0 %

Number of management representative shares as Capital Representative of Northern Gas Trading Joint Stock Company at PVOIL Vung Ang: 1,248,000 shares, equivalent to 9.8% of PVOIL Vung Ang's charter capital.

b) Subcommittees of the Board of Directors

PVOIL Vung Ang does not have subcommittees under the Board of Directors.

c) Activities of the Board of Directors:

PVOIL Vung Ang Board of Directors has well organized quarterly meetings in accordance with the Charter of the Joint Stock Company to set out policies and guidelines, issue resolutions and promptly resolve difficult issues. Obstacles for the Company's Board of Directors to implement plans to meet all mission requirements for each specific goal and time.

e) d) Activities of non-executive members of the Board of Directors:

f) Non-executive members of the Board of Directors always fully participate in meetings of the Board of Directors of PVOIL Vung Ang, actively providing comments to set out policies and guidelines, issue resolutions and promptly resolve issues. Identify difficult problems so that the Company's Board of Directors can implement the plan.

g) Hoạt động của các tiểu ban trong Hội đồng quản trị:

PVOIL Vung Ang does not have subcommittees under the Board of Directors

f) List of members of the Board of Directors with training certificates in corporate governance includes:

- Mr. Nguyen Mau Dung - Chairman of the Board of Directors of the Company.

- Mr. Hoang Nguyen Thanh - Member of the Board of Directors - Director of the Company.

- Mr. Tran Tien Dai - Member of the Board of Directors - Deputy Director of the Company.



- Mr. Nguyen The Quynh - Member of the Board of Directors.
- Mr. Vuong Dung Hoang - Member of the Board of Directors.

## 2. Board of Supervisors

### a) Members and structure of the Supervisory Board

- Mr. Le Minh Chau - Head of the Supervisory Board.

Share ownership ratio: 0.002%

- Mr. Nguyen Nam Hai - Member of the Supervisory Board.

Share ownership ratio: 0%

- Ms. Tran Thi Thu Huyen - Member of the Supervisory Board

Share ownership ratio: 0%

### b) Activities of the Supervisory Board

- Supervise the Board of Directors and Board of Directors in implementing State regulations; Resolution of the General Meeting of Shareholders; Resolutions, decisions and directives of Vietnam Oil Corporation - Joint Stock Company. Supervision is carried out continuously and in close coordination with the Company's specialized departments.

- Supervise production and business activities and management and administration: Monitor the situation of production and business activities, implementation of sales regulations, debt handling; Supervise investment activities, basic construction...

## 3. Transactions, remunerations and benefits of the Board of Directors, Board of Directors and Supervisory Board

### a) Salary, bonus, remuneration, benefits

Follow the 2020 General Meeting of Shareholders Resolution and the Company's salary regulations.

### b) Stock transactions of internal shareholders.

### c) Contracts or transactions with internal shareholders.

### d) Implementation of regulations on corporate governance.

Vung Ang Petroleum Joint Stock Company always strictly implements the provisions of law on corporate governance.

## **VI. Financial reports**

### *1. Audit opinion*

In our opinion, the financial statements reflect honestly and fairly, in all material aspects, the financial situation of Vung Ang Petroleum Joint Stock Company as of December 31, 2024, as well as such as business performance results and cash flow situation for the fiscal year ending on the same day, in accordance with accounting standards, Vietnamese corporate accounting regime and legal regulations related to the Prepare and present financial reports main.



2. 2. Audited financial statements: attached to this report./.



**GIÁM ĐỐC**

**Hoàng Nguyên Thanh**