

**PETROLIMEX INSTALLATION NO.3
JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS
For the year ended 31 December 2024**

PETROLIMEX INSTALLATION NO.3 JOINT STOCK COMPANY

No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward, Nha Be District, Ho Chi Minh City, Vietnam

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PETROLIMEX INSTALLATION NO.3 JOINT STOCK COMPANY

No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward, Nha Be District, Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Petrolimex Installation No.3 Joint Stock Company presents this report together with the Company's audited financial statements for the year ended 31 December 2024.

THE COMPANY

Petrolimex Installation No.3 Joint Stock Company ("the Company") was established under Decision No. 0721/1999/QĐ-BTM dated 08 June 1999 by the Minister of Commerce (now known as the Minister of Industry and Trade) on the transformation from government-own enterprise to joint stock company.

The Company operates under the Enterprise Registration Certificate of Joint Stock Company No. 0302536580 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on 31 January 2002, amended for 18th time on 11 July 2022 in respect of the adjustment of the information on the identification card of the Company's legal representative.

The Company's name is abbreviated as PENJICO.

The Company's Charter capital under the Certificate of Business Registration number 0302536580 amended for the 18th time on 11 July 2022 is VND 50,000,000,000. (*In word: Fifty billion Vietnamese Dong*).

The Company's stock is currently listed at Hanoi Stock Exchange Stock (HNX) with stock code: PEN.

The Company's registered office is located at: No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward, Nha Be District, Ho Chi Minh City, Vietnam.

BOARDS OF DIRECTORS, SUPERVISORS AND MANAGEMENT

Members of Boards of Directors, Supervisors, and Management who held the Company during the year and as of the date of this report are as follows:

BOARD OF MANAGEMENT

Mr. Cung Quang Ha	Chairman
Mr. Nguyen Hong Ky	Member
Mr. Nguyen Sum	Member (Resigned on 25 April 2024)
Mr. Nguyen Huy Nhan	Member (Resigned on 25 April 2024)
Mr. Dao Quoc Hung	Member
Mr. Truong Danh Canh	Member (Additionally elected on 25 April 2024)
Mr. Nguyen Ngoc Thanh	Member (Additionally elected on 25 April 2024)

BOARD OF SUPERVISORS

Ms. Le Thi Hong Mai	Head of the Board
Mr. Vu Cuong	Member (Resigned on 25 April 2024)
Mr. Ngo Hong Phi	Member
Ms. Nguyen Hong Minh	Member (Additionally elected on 25 April 2024)

BOARDS OF MANAGEMENT

Mr. Nguyen Ngoc Thanh	Director
Mr. Duong Minh Tri	Deputy Director
Ms. Nguyen Thi Phuong	Deputy Director (Appointed on 19 April 2024)

SUBSEQUENT EVENTS

According to the Board of Management, in all material respects, there have been no other significant events occurring after the balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the financial statements for the year ended 31 December 2024.

AUDITORS

The Company's financial statements for the year ended 31 December 2024 have been audited by CPA VIETNAM Auditing Company limited – An Independent Member Firm of INPACT.

PETROLIMEX INSTALLATION NO.3 JOINT STOCK COMPANY

No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward, Nha Be District, Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT (CONTINUED)

RESPONSIBILITY OF THE BOARD OF MANAGEMENT

The Company's Board of Management is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as of 31 December 2024 as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of financial statements. In preparing these financial statements, the Board of Management is required to:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Company are followed or not, and all the material differences from these standards are disclosed and explained in the financial statements;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the financial statements are free from material misstatements due to frauds or errors;
- Prepare the financial statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

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

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

For and on behalf of the Board of Management,



Nguyen Ngoc Thanh

Director

Ho Chi Minh City, 18 March 2025

Head Office in Hanoi:

8th floor, VG Building, No. 235 Nguyen Trai Str.,
Thanh Xuan Dist., Hanoi, Vietnam

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No: 117/2025/BCKT-CPA VIETNAM-HCM

INDEPENDENT AUDITORS' REPORT

To: Shareholders
Boards of Management, Supervisors and Directors
Petrolimex Installation No.3 Joint Stock Company

We have audited the accompanying financial statements of Petrolimex Installation No.3 Joint Stock Company, prepared on 18 March 2025, from pages 06 to pages 45, including the Balance Sheet as of 31 December 2024, Income Statement, Cash Flows Statements for the year then ended and Notes to the financial statements.

Responsibility of the Board of Management

The Company's Board of Management is responsible for the true and fair preparation and presentation of these financial statements in compliance with Vietnamese Accounting Standards, Vietnamese Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements, and for the internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of Auditors

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's separate financial statements are there any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design appropriate audit procedures to the actual situation, which is not intended to give an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

As of 31 December 2024, the Company has neither assessed the recoverability nor considered the provision of allowances for short-term receivables from customers totalling VND 15,858,743,636, short-term repayments to suppliers totalling VND 306,336,350. In respect of the documents provided, we have not been able to estimate the allowances, if any. Therefore, we have not been able to determine whether it is necessary to make adjustments to other item "allowances for doubtful debts" on the Balance Sheet as of 31 December 2024 as well as other items on the audited financial statements for the year ended 31 December 2024.

As of 31 December 2024, inventories that are slow moving with the amount of VND 698,640,000. However, the Company has not assessed the net realizable value of these inventories, moreover, in respect of the documents provided, we have not been able to determine the impairment to make corresponding adjustments to allowances for devaluation of inventories, if any. Therefore, we have not been able to determine whether it is necessary to make adjustments to the item "Inventories" on the Balance Sheet as of 31 December 2024 as well as other items on the audited financial statements for the year ended 31 December 2024

Qualified Opinion

In our opinion, except for the effects of the matters set forth in paragraph "Basis of qualified opinion", the accompanying financial statements gives a true and fair view of, in all material respects, the financial position of Petrolimex Installation No.3 Joint Stock Company as of 31 December 2024 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements in Vietnam.

Emphasis of matters

We would like to draw attention to Note 7.1 of the Notes to the financial statements, which mentioned the contingencies arising from the significant lawsuits in the year ended 31 December 2024 that Petrolimex Installation No.3 Joint Stock Company is plaintiff and defendant.

Our qualified opinion is not modified in respect of the above mentioned matters.



Bui Thu Thuy
Deputy General Director
Audit Practising Registration Certificate
No: 0580-2023-137-1
Letter of Authorization No: 04/2024/UQ-CPA VIETNAM dated 02 January 2025 of Chairman
For and on behalf of
CPA VIETNAM AUDITING COMPANY LIMITED - A MEMBER FIRM OF INPACT
Hanoi, 18 March 2025

Le Thanh Tung Lam
Auditor
Audit Practising Registration Certificate
No: 5475-2021-137-1

BALANCE SHEET
As of 31 December 2024

ASSETS	Codes	Note	31 December 2024	01 January 2024
			VND	VND
A - CURRENT ASSETS (100 = 110+120+130+140+150)	100		254,368,939,975	235,364,179,386
I. Cash and cash equivalents	110	5.1	15,432,467,054	35,031,621,704
1. Cash	111		15,432,467,054	35,031,621,704
II. Short-term financial investments	120	5.2	9,161,178,700	10,652,674,900
1. Trading securities	121	5.2	8,794,059,900	11,022,122,900
2. Allowances for decline in value of trading securities	122	5.2	(382,881,200)	(369,448,000)
3. Held to maturity investments	123	5.2	750,000,000	-
III. Short-term receivables	130		197,719,272,079	163,002,341,563
1. Short-term receivables from customers	131	5.3	110,547,069,869	74,548,841,547
2. Prepayments to sellers in short-term	132	5.4	9,972,398,547	15,338,792,075
3. Other short-term receivables	136	5.5	97,697,198,431	90,160,335,928
4. Short-term allowances for doubtful debts	137	5.6	(20,497,394,768)	(17,045,627,987)
IV. Inventories	140	5.7	25,708,501,090	20,714,674,959
1. Inventories	141		25,708,501,090	20,714,674,959
V. Other current assets	150		6,347,521,052	5,962,866,260
1. Short-term prepaid expenses	151	5.8	364,530,652	282,544,931
2. Deductible value added tax	152		5,247,042,175	5,640,446,216
3. budget	153	5.15	735,948,225	39,875,113
B - LONG-TERM ASSETS (200 = 210+220+230+240+250+260)	200		18,051,835,122	20,005,745,333
I. Long-term receivables	210		10,000,000	10,000,000
1. Other long-term receivables	216	5.5	10,000,000	10,000,000
II. Fixed assets	220		16,191,930,990	18,772,379,549
1. Tangible fixed assets	221	5.9	16,191,930,990	18,772,379,549
- <i>Historicals costs</i>	222		89,363,309,950	88,679,518,464
- <i>Accumulated depreciation</i>	223		(73,171,378,960)	(69,907,138,915)
2. Intangible fixed assets	227	5.10	-	-
- <i>Historicals costs</i>	228		1,025,754,049	1,025,754,049
- <i>Accumulated amortization</i>	229		(1,025,754,049)	(1,025,754,049)
III. Investment properties	230	5.11	-	-
1. Historical costs	231		252,156,600	252,156,600
2. Accumulated depreciation	232		(252,156,600)	(252,156,600)
IV. Long-term assets in progress	240		360,569,913	-
1. Construction in progress	242	5.12	360,569,913	-
V. Long-term investments	250	5.2	-	-
1. Investments in joint ventures and associates	252		400,000,000	400,000,000
2. Allowances for long-term investments	254		(400,000,000)	(400,000,000)
VI. Other long-term assets	260		1,489,334,219	1,223,365,784
1. Long-term prepaid expenses	261	5.8	1,489,334,219	1,223,365,784
TOTAL ASSESTS (270= 100+200)	270		272,420,775,097	255,369,924,719

BALANCE SHEET (CONTINUED)

As of 31 December 2024

RESOURCES	Codes	Notes	31 December 2024	01 January 2024
			VND	VND
LIABILITIES				
C - (300 = 310+330)	300		214,701,471,476	198,661,049,499
I. Short-term liabilities	310		209,564,115,230	188,196,435,206
1. Short-term trade payables	311	5.13	35,728,406,024	10,246,965,403
2. Short-term prepayments from customers	312	5.14	102,012,385,012	114,532,177,479
3. Taxes and other payables to government budget	313	5.15	1,511,420,226	568,248,082
4. Payables to employees	314		411,667,445	168,864,400
5. Short-term accrued expenses	315	5.16	1,128,889,749	1,128,889,749
7. Other short-term payments	319	5.17	9,063,100,104	11,082,902,724
8. Short-term borrowings and finance lease liabilities	320	5.18	56,068,972,178	47,633,718,031
9. Short-term provisions	321	5.19	1,175,155,890	170,657,863
10. Bonus and welfare fund	322		2,464,118,602	2,664,011,475
II. Long-term liabilities	330		5,137,356,246	10,464,614,293
1. Other long-term payables	337	5.17	50,000,000	50,000,000
2. Long-term borrowings and finance lease liabilities	338	5.18	5,087,356,246	10,414,614,293
D - OWNERS' EQUITY	400		57,719,303,621	56,708,875,220
(400 = 410+430)				
I. Owners' equity	410	5.20	57,719,303,621	56,708,875,220
1. Contributed capital	411		50,000,000,000	50,000,000,000
- Ordinary shares with voting rights	411a		50,000,000,000	50,000,000,000
2. Capital surplus	412		13,258,140,000	13,258,140,000
3. Development and investment funds	418		16,767,234,195	16,767,234,195
4. Undistributed profit after tax	421		(22,306,070,574)	(23,316,498,975)
- Undistributed profit after tax brought forward	421a		(23,316,498,975)	(7,865,718,073)
- Undistributed profit after tax for the current period	421b		1,010,428,401	(15,450,780,902)
II. Funding sources and other funds	430		-	-
TOTAL LIABILITIES AND OWNERS' EQUITY (440 = 300+400)	440		272,420,775,097	255,369,924,719

Preparer

Thuy

Le Thi Thuy

Chief Accountant

Quynh

Hoang Tran Nhu Quynh

Ho Chi Minh City, 18 March 2025

Director



Thanh
Nguyen Ngoc Thanh

INCOME STATEMENT

For the year ended 31 December 2024

ITEMS	Codes	Notes	Year 2024	Year 2023
			VND	VND
1. Revenues from sales and services rendered	01	6.1	268,459,795,880	133,984,999,883
2. Revenue deductions	02		-	-
3. Net revenues from sales and services rendered (10 = 01-02)	10		268,459,795,880	133,984,999,883
4. Costs of goods sold	11	6.2	246,841,727,430	126,442,250,097
5. Gross revenues from sales and services rendered (20 = 10-11)	20		21,618,068,450	7,542,749,786
6. Financial income	21	6.3	4,435,001,181	572,616,050
7. Financial expenses	22	6.4	5,160,427,929	6,197,228,291
<i>In which: Interest expenses</i>	23		5,131,092,240	7,139,988,865
8. Selling expenses	25	6.5	99,119,804	583,987,998
9. General administrative expenses	26	6.6	20,951,339,352	15,527,195,217
10. Net profits from operating activities {30 = 20+(21-22)-(25+26)}	30		(157,817,454)	(14,193,045,670)
11. Other income	31	6.7	1,449,297,031	420,859,126
12. Other expenses	32	6.7	275,638,776	904,473,958
13. Other profits (40 = 31-32)	40	6.7	1,173,658,255	(483,614,832)
14. Total net profit before tax (50 = 30+40)	50		1,015,840,801	(14,676,660,502)
15. Current corporate income tax expenses	51	6.8	5,412,400	774,120,400
16. Deferred corporate income tax expenses	52		-	-
17. Profits after corporate income tax (60 = 50-51-52)	60		1,010,428,401	(15,450,780,902)
18. Basic earnings per share	70	6.10	202	(3,090)

Ho Chi Minh City, 18 March 2025

Preparer

Chief Accountant

Director

Thuy

Quynh



Le Thi Thuy

Hoang Tran Nhu Quynh

Nguyen Ngoc Thanh

CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2024

ITEMS	Codes	Notes	Year 2024	Year 2023
			VND	VND
I. Cash flows from operating activities				
1. Profit before tax	01		1,015,840,801	(14,676,660,502)
2. Adjustments for				
- Depreciation of fixed assets and investment properties	02		3,288,698,428	4,003,370,271
- Provisions	03		4,469,698,008	580,392,239
- Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies	04		(8,154,093)	22,296,495
- Gains (losses) on investing activities	05		(408,732,991)	(517,216,594)
- Interest expenses	06		5,131,092,240	7,139,988,865
3. Operating profit before changes in working capital	08		13,488,442,393	(3,447,829,226)
- Increase (decrease) in receivables	09		(38,463,631,885)	255,588,897
- Increase (decrease) in inventories	10		(4,993,826,131)	(4,412,004,128)
- Increase (decrease) in payables	11		12,122,408,279	48,177,686,827
- Increase (decrease) in prepaid expenses	12		(347,954,156)	764,074,752
- Increase (decrease) in trading securities			2,228,063,000	-
- Interest paid	14		(5,131,092,240)	(7,139,988,865)
- Corporate income tax paid	15		-	(774,120,400)
- Other payments on operating activities	17		(183,290,897)	(845,441,525)
Net cash flows from operating activities	20		(21,280,881,637)	32,577,966,332
II. Cash flows from investing activities				
1. Expenditures on purchase and construction of fixed assets and long-term assets	21		(1,085,421,714)	-
2. Proceeds from disposal or transfer of fixed assets and other long-term assets			-	1,800,000
3. Expenditures on loans and purchase of debt instruments from other entities	23		(750,000,000)	-
4. Proceeds from lending or repurchase of debt instruments from other entities	24		-	1,000,000,000
5. Proceeds from interests, dividends and distributed profits	27		408,732,991	515,416,594
Net cash flows from investing activities	30		(1,426,688,723)	1,517,216,594
III. Cash flows from financial activities				
1. Proceeds from borrowings	33		120,984,392,961	91,292,579,196
2. Repayment of principal	34		(117,876,396,861)	(102,592,837,622)
Net cash flows from financial activities	40		3,107,996,100	(11,300,258,426)
Net cash flows during the year (50 = 20+30+40)	50		(19,599,574,260)	22,794,924,500
Cash and cash equivalents at the beginning of the year	60		35,031,621,704	12,258,993,699
Effect of exchange rate fluctuations	61		419,610	(22,296,495)
Cash and cash equivalents at the end of the year (70 = 50+60)	70	5.1	15,432,467,054	35,031,621,704

Preparer

Thuy

Le Thi Thuy

Chief Accountant

Quynh

Hoang Tran Nhu Quynh

Director



Thanh
Nguyen Ngoc Thanh

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. COMPANY INFORMATION**1.1 Structure of ownership**

Petrolimex Installation No.3 Joint Stock Company was established under Decision No. 0721/1999/QĐ-BTM dated 08 June 1999 by the Minister of Commerce (now known as the Minister of Industry and Trade) on the transformation from government-own enterprise to joint stock company.

The Company operates under the Enterprise Registration Certificate of Joint Stock Company No. 0302536580 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on 31 January 2002, amended for 18th time on 11 July 2022 in respect of the adjustment of the information on the identification card of the Company's legal representative.

The Company's name is abbreviated as PENJICO.

The Company's Charter capital under the Certificate of Business Registration number 0302536580 amended for the 18th time on 11 July 2022 is VND 50,000,000,000. (*In word: Fifty billion Vietnamese Dong*).

The Company's stock is currently listed at Hanoi Stock Exchange Stock (HNX) with stock code: PEN.

The Company's registered office is located at: No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward, Nha Be District, Ho Chi Minh City, Vietnam.

The total number of the Company's employees as of 31 December 2024 is 137 (at 31 December 2023: 124).

1.2 Operating industries and principle activities

Business lines of the Company according to the Business Registration Certificate include:

- Construction of other civil engineering works. Details: Construction of works serving the petroleum industry Construction of power lines and transformer stations up to 35KV Construction of civil, industrial, irrigation, bridges and roads, public works and environmental treatment Industrial construction Embankment and port construction of tanks, pipelines, petroleum storage terminals Construction of oil and gas projects Construction of oil refineries, chemical factories, vegetable oil tanks Construction of infrastructure works Technical floors: water supply and drainage works, waste treatment, public lighting, green parks Construction of agricultural and rural development works: irrigation works, forestry works, salt production, irrigation works Production and livestock production Construction of lighting systems Construction of power plants, power stations, power grids Construction of equipment: petrochemical and chemical works; industrial and apartment gasoline, oil, liquefied gas warehouses; petrol stations; petroleum and liquefied gas pipelines; Metallurgical works, mechanical engineering, energy works, light industry, food industry, construction materials industry, material warehouse; automatic control works; urban lighting projects; fire safety system; waste treatment works, water supply and drainage works; agricultural irrigation projects.
- Real estate business, land use rights belonging to the owner, user or tenant. Details: Investment, business, housing development and infrastructure Rental of warehouses and factories Office and housing rental Building management.
- Wholesale of materials and other installation equipment in construction. Details: Wholesale of equipment for low voltage electrical projects and public lighting. Wholesale of equipment for domestic water supply systems in residential areas.

Principal activities of the Company includes the construction and installation; trading of goods and rendering services.

PETROLIMEX INSTALLATION NO.3 JOINT STOCK COMPANY

No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward
 Nha Be District, Ho Chi Minh City, Vietnam

Form B 09 - DN

Issued under Circular No. 200/2014/TT-BTC
 December 22, 2014 of the Ministry of Finance

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

1.3 The Company structure

As of 31 December 2024 the Company has the following associate:

<u>Company</u>	<u>Address</u>	<u>Operation</u>	<u>Voting power (%)</u>	<u>Rate (%)</u>	<u>Benefit (%)</u>
Associates					
Thang Long Construction Trading Electric Machine Company Limited	232 Nguyen Tat Thanh Street, Ward 13, District 4, Ho Chi Minh City	Trading and distribution of home appliance electric devices	44,44%	44,44%	44,44%

The Company's dependent units as of 31 December 2024 include:

<u>Name</u>	<u>Address</u>
Can Tho Branch - Petrolimex Installation No.3 Joint Stock Company	522 Cach Mang Thang Tam Street, Bui Huu Nghia Ward, Binh Thuy District, Can Tho City, Vietnam
Branch of Petrolimex Installation No.3 Joint Stock Company in Da Nang City	81 Le Van Hien Street, Khue My Ward, Ngu Hanh Son District, Da Nang City, Vietnam
Branch of Petrolimex Installation No.3 Joint Stock Company in Hanoi	No. 3 Thanh Cong Street, Thanh Cong Ward, Ba Dinh District, Hanoi
Branch of Petrolimex Installation No.3 Joint Stock Company	No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward, Nha Be District, Ho Chi Minh City, Vietnam
Branch of Petrolimex Installation No.3 Joint Stock Company - Ba Hom Mechanical Factory	356/5 Provincial Road 10, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam
Nha Be Mechanical Processing Factory	Factory B - Nha Be Head Petroleum Warehouse, Quarter 7, Nha Be District, Ho Chi Minh City, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

1.4 Normal operating cycle

The Company's normal operating cycle is 12 months.

1.5 Statement of information comparability on the financial statements

The Company ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the financial statements are comparable.

2. FISCAL YEAR AND ACCOUNTING CURRENCY**2.1 Fiscal year**

The Company's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December of solar year.

2.2 Accounting currency

The accompanying financial statements are expressed in Vietnamese Dong (VND).

3. ACCOUNTING STANDARDS AND SYSTEM**3.1 Accounting System**

The Company applied to Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular 200/2014/TT-BTC dated 22 December 2014.

3.2 Statements for the compliance with Accounting Standards and System

The Board of Management ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Below are the major accounting policies adopted by the Company in the preparation of the financial statements:

Basis of preparation of the financial statements

The attached financial statements are expressed in Vietnam Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of financial statements.

The separate financial statements of the Company are prepared on the basis of the summary of the financial statements of the dependent units and the financial statements of the Office of the Company. All transactions and balances between the Office of the Company and its dependent units as well as between the dependent units have been eliminated when preparing and presenting the Company's separate financial statements.

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

Accounting estimates

The preparation of the financial statements in conformity with Vietnamese Accounting Standards requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Cash and cash equivalents**

Cash comprises cash on hand, bank deposits.

Types of exchange rates applied in accounting***For transactions arising in foreign currency***

Transactions in foreign currencies are translated at the actual exchange rates at the transaction date, exchange differences arising from these transactions are recognized as financial income and expenses in the income statement. This actual transaction rate is determined according to the following principle:

- Actual exchange rate when buying and selling foreign currencies (spot foreign currency trading contract): is the rate stated in the foreign exchange transaction between the Company and the Joint-stock Commercial Bank;
- If the contract does not stipulate the payment rate, the Company shall record in the accounting books according to the principle of:
 - Actual exchange rate when recording receivables is the buying rate of the commercial bank where the Company appoints customers to pay at the time the transaction occurs;
 - Actual exchange rate when recording liabilities is the selling rate of the commercial bank where the Company intends to pay at the time the transaction occurs.

Revaluation of monetary items denominated in foreign currencies at the time of preparation of the financial statements

Bank balances denominated in foreign currencies: Re-evaluated at the buying rate of the Joint-Stock Commercial Bank where the Company opens its accounts as of 31 December 2024.

Monetary items denominated in foreign currencies classified as assets (Receivables...): Re-evaluated at the buying rate of the Joint-Stock Commercial Bank where the Company frequently has transactions as of 31 December 2024.

Monetary items denominated in foreign currencies classified as liabilities (Payables to sellers, loans, ..): Re-evaluated at the selling rate of the Joint-Stock Commercial Bank where the Company frequently has transactions as of 31 December 2024.

Exchange differences arising from revaluation are transferred to the account Exchange differences - 413, the balance of which will be transferred to Revenue or financial expenses at the time of preparation of the financial statements.

Financial investments***Trading securities***

Trading securities are those held by the Company for trading purposes. Trading securities are initially recognized at cost which include fair value of the payment made at the time of transaction plus any directly attributable transaction cost.

At the subsequent accounting periods, the trading securities are measured at cost less allowance for diminution in value.

An allowance for diminution in value of trading securities is made in conformity with current accounting regulations.

Held to maturity investments

Held to maturity investments are those that the Company has intention and ability to hold until maturity. Held to maturity investments includes: term bank deposits with original maturities of more than 3 months.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Financial investments (Continued)**

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Company's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

Held-to-maturity investments are stated at cost less allowance for bad debts.

Allowance for bad debts of held-to-maturity investments is made in conformity with current accounting regulations.

Investments in associates

Investments in associates and joint ventures over which the Company has significant influence are stated at cost method in the financial statements.

Investments in associates are presented at cost less allowance for diminution in value (if any) in the balance sheet.

Profit distributions that Company received from the accumulated profits of the associates after the Company obtains control right are recognized in income statement. Other distributions are considered a recovery of investment and are deducted to the investment value.

Allowance for loss of investments

Allowance for losses of investments in subsidiaries, contributions to joint ventures, investments in associates and investments in equity instruments of other entities is made when there is apparent evidence for impairment in value of the investments as of the balance sheet date.

Receivables

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of inventories comprise costs of direct materials, direct labour, and overheads incurred in bringing the inventories to their present location and conditions

The cost of inventories is determined in accordance with the weighted average method.

Net realizable value is the estimated selling price of inventory items less all estimated costs of completion and costs of marketing, selling and distribution. The Company uses the perpetual inventory method and the inventory cost is calculated via average method.

The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

Tangible fixed assets and Depreciation

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and Depreciation (Continued)

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

	<u>Years</u>
Buildings, structures	05 -30
Machineries	08 - 10
Vehicles	08 - 10
Office equipment	03 - 08
Others	05 - 08

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Intangible fixed assets and Amortization

The Company's intangible assets are trademarks, patents and computer software, are stated at history cost less accumulated amortization.

Historical costs of intangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Computer software is amortized on a straight-line basis over its estimated useful life of 05 years.

Leasing

Operating leases (The Company as lessee)

The Company's operating leases include office and land leases. Payments for an operating lease are recognized as production and business costs by the straight-line method during the entire asset lease term.

Operating leases (The Company as lessor)

The value of an operating lease asset is recognized on the Balance Sheet according to the asset classification of the Company.

Initial direct costs to create revenue of operating leases are recognized as expenses in the period when they incur or are allocated to expenses over the lease term according to the lease contract. Revenue of operating leases is recognized in the income statement for the period on straight-line method over the lease term, regardless of the payment method.

Depreciation of operating lease assets is made on a consistent basis with the lessor's depreciation policy for similar assets.

Investment properties and depreciation

Investment properties include land use rights and buildings, structures held by the Company for the purpose of earning rentals or awaiting higher price, which is stated at cost less accumulated depreciation.

The historical cost of investment property includes all expenses (cash and cash equivalents) paid by the Company, or the fair value of other amount exchanged to acquire the investment property by the time of purchase or construction of the investment property.

Cost related to investment property incurred after initial recognition must be recognized as Cost for Production and Business in the year, unless the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of investment property beyond its originally assessed standard of performance, the expenditure is capitalized as an additional cost of investment property.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Investment properties and depreciation (Continued)**

Investment property categorized as house is depreciated using a straight-line basis over its estimated useful life of 15 years.

Liquidation: Gains and losses from disposal of investment property are measured by the difference between net proceeds from disposal and the remaining amount of the investment property and are recognized as income or expense in the Income Statement.

Prepaid expenses

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods. The Company's prepaid expenses includes:

Fixed assets repair costs

Major repairs costs are amortized into expenses on a straight-line basis over a maximum of 36 months.

Tools and supplies

Tools and supplies are recorded to expenses and depreciated to on a straight-line basis with useful life of not exceeding 36 months.

Other prepaid expenses

Other prepaid expenses which are relevant to several accounting periods are amortized on a straight-line basis over a maximum of 36 months.

Payables

The account payables are monitored in details by payable terms, payable parties, original currency and other factors depending on the Company's management requirement.

The account payables include payables as trade payables, loans payable, intercompany payable and other payables which are determined almost certainly about the recorded value and term, which is not carried less than amount to be paid. They are classified as follows:

- Trade payables: reflect payables of commercial nature arising from the purchase of goods, services, or assets, payables for import through trustees of which the seller is an independent entity with the Company;
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

Accrued expenses

Accrued expenses are those already recorded in operating expenses in the period/year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

The Company recognizes Accrued expenses as follows:

- Unbilled services received: accrued on a base of quotation, and relevant contracts.

Provisions

The recognized amount of a provision for payables is the best estimate of the amount that will be required to settle the present obligation as of the fiscal year end date or balance sheet date.

Only expenses related to the provision for payables made initially will be offset by such provision.

The Company's provisions include: warranty provision for the construction that Company is the contractor.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Loans**

Including loans from joint stock commercial banks and individuals.

The Company monitors loan amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

Expenses directly related to the loan are recognized to financial expenses.

Recognition and capitalization of Borrowing costs

All other borrowing costs are recognised in the Income statement when incurring, except for the borrowing cost capitalized under Vietnamese Accounting Standards "Borrowing cost".

Owners' equity

Capital is recorded according to the actual amounts invested by shareholders.

Capital surplus is recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue, or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

Profit after corporate income tax is distributed to shareholders after setting up funds in accordance with the Company's Charter as well as the provisions of law and approved by the General Meeting of Shareholders.

Revenue and other income

The Company's revenue includes revenue from selling goods, rendering services, operating lease, and construction contracts.

Revenue from sale of goods

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

- The Company has transferred substantially all the risks and rewards of ownership of the products or goods to the buyer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- Costs related to transactions can be determined.

Revenue from services

Revenue from services is recognized when the outcome of that transaction can be reliably determined. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- Identify the completed work as of the balance sheet date; and
- Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that services.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Revenue and other income (Continued)*****Revenue of operating lease***

Revenue of operating lease is recognized on a straight-line basis over the lease term. Rental payments received in advance of many periods are recognized to revenue in accordance with the lease term.

Revenue of construction

When revenues of construction are reliably recognized, for construction contracts stipulating that the contractor is paid according to the value of the volume performed, the revenue and expenses related to the contract are recognized in equivalent proportion to the completed work confirmed by the customer and reflected on the issued invoice

Revenue of construction (Continued)

Increases and decreases in construction volume, compensation and other revenues are recognized as revenue only when agreed with the customer.

Revenues of construction are not recognized in the following cases

- Revenue is recognized in equivalent proportion to contract costs which is probable to be paid
- The contract costs are recognized to expenses only when they actually incur.

The difference between the total accumulated revenue of the recognized construction contract and the accumulated amount recorded on the payment invoice according to the planned progress of the contract is recorded as a receivable or payable amount according to the planned progress of construction contracts.

Revenue from interest income, dividends and other income

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

Cost of goods sold

Cost of goods sold or services rendered including the cost of products, goods, services, properties, cost of construction contracts during the period is recorded corresponding to revenue of the period. For cost which is over the normal level of inventories is recorded directly into the cost of goods sold.

Current corporate income tax expense and deferred corporate income tax expense

Corporate income tax expenses: is total current and deferred income tax expenses in determining profit or loss of a period. Current income tax expenses: are corporate income tax payable calculated on taxable profit during the year and current corporate income tax rate. Current income tax is calculated on taxable income and applicable tax rate during the tax period. Difference between taxable income and accounting profit is from adjustment of differences between accounting profit and taxable income in accordance with current tax policies.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the examination results of the competent tax authorities.

Earnings per share

Basic earnings per share is calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

A party is considered a related party of the Company in case that party is able to control the Company or to cause material effects on the financial decisions as well as the operations of the Company. A party is also considered a related party of the Company in case that party is under the same control or is subject to the same material effects. When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

Segment reports

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments.

The Board of Management believes that the Company's risks and profitability relies on the businesses that the Company operates in, therefore, the main segment reporting is based on business activities. Secondary segment reporting is based on regions that its customers are located.

5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET

5.1 Cash and cash equivalents

	31 December 2024	01 January 2024
	VND	VND
Cash on hand	428,204,297	359,789,132
Bank deposits	13,251,741,781	34,671,832,572
Deposits at Securities Companies	1,752,520,976	-
Total	15,432,467,054	35,031,621,704

5.2 Financial investments

a. Held to maturity investments

	31 December 2024 (VND)		01 January 2024 (VND)	
	Original value	Book value	Original value	Book value
- Term deposits (i)	750,000,000	750,000,000	-	-
Total	750,000,000	750,000,000	-	-

- (i) Term deposit at Tien Phong Commercial Joint Stock Bank – District 2 Branch, with interest rate applied at 5% per annum. This term deposit is pledged as collateral to secure credit facilities granted by Tien Phong Commercial Joint Stock Bank – District 2 Branch.

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For the year ended 31 December 2024

5.2 Financial investments (Continued)**b. Trading securities**

	31 December 2024 (VND)				01 January 2024 (VND)			
	Quantity	Historical cost	Fair value	Provision	Quantity	Historical cost	Fair value	Provision
Shares		8,794,059,900		(382,881,200)		11,022,122,900		(369,448,000)
<i>Listed stocks</i>		8,453,777,000		(197,598,300)		10,681,840,000		(184,165,100)
Petrovietnam Fertilizer And Chemicals Corporation (Stock code: DPM)	-	-	-	-	500	40,000,000	16,650,000	(23,350,000)
Petrovietnam Drilling & Well Services JSC (Stock code: PVD)	4,620	222,930,000	108,108,000	(114,822,000)	4,620	222,930,000	130,746,000	(92,184,000)
Refrigeration Electromechanical JSC (Stock code: REE)	-	-	-	-	2,341	86,000,000	132,968,800	-
Saigon Thuong Tin Commercial Joint Stock Bank (Stock code: STB)	-	-	-	-	905	20,548,000	25,340,000	-
Viet Nam Petroleum Transport JSC (Stock code: VIP)	2,289	81,800,000	32,274,900	(49,525,100)	2,289	81,800,000	26,094,600	(55,705,400)
Vietnam Dairy Products JSC (Stock code: VNM)	-	-	-	-	5,037	88,650,000	340,501,200	-
Vietnam Tanker JSC (Stock code: VTO)	5,241	52,412,000	77,042,700	-	5,241	52,412,000	49,789,500	(2,622,500)
Petrolimex International Trading JSC (Stock code: PIT)	10,896	73,500,000	57,748,800	(15,751,200)	10,896	73,500,000	63,196,800	(10,303,200)
Asia Commercial Joint Stock Bank (Stock code: ACB)	290,000	7,305,635,000	7,482,000,000	-	474,375	10,016,000,000	11,337,562,500	-
Masan Group Corporation (Stock code: MSN)	10,000	717,500,000	700,000,000	(17,500,000)	-	-	-	-
	-	-	-	-	-	-	-	-

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For the year ended 31 December 2024

5.2 Financial investments (Continued)

b. Trading securities (Continued)

	31 December 2024 (VND)				01 January 2024 (VND)			
	Quantity	Historical cost	Fair value	Provision	Quantity	Historical cost	Fair value	Provision
<i>Unlisted stocks</i>		340,282,900	-	(185,282,900)		340,282,900		(185,282,900)
Tuongan Vegetable Oil JSC	850	59,000,000	(i)	-	850	59,000,000	(i)	-
Thai Binh Duong Construction And Investment JSC	3,000	96,000,000	(i)	-	3,000	96,000,000	(i)	-
Construction JSC N041	17,900	185,282,900	(i)	(185,282,900)	17,900	185,282,900	(i)	(185,282,900)
Total		8,794,059,900		(382,881,200)		11,022,122,900		(369,448,000)

c. Investment in associate

	Ratio		31 December 2024 (VND)			01 January 2024 (VND)		
	Equity owned	Voting rights	Historical cost	Fair value	Provision	Historical cost	Fair value	Provision
<i>Investments in associates</i>			400,000,000		(400,000,000)	400,000,000	-	(400,000,000)
Thang Long Construction Trading Electric Machine Company Limited	44,44%	44,44%	400,000,000	(i)	(400,000,000)	400,000,000	(i)	(400,000,000)
Total			400,000,000		(400,000,000)	400,000,000		(400,000,000)

(i) The Company has not determined the fair value of the investments in associate that are not listed as of 31 December 2024 because relevant regulations does not provide detailed guidance on measure of fair value of these financial investment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.3 Short-term receivables from customers

	31 December 2024	01 January 2024
	VND	VND
Relifoods JSC	404,341,111	8,823,663,697
TTCL Vietnam Corporation Limited	17,418,470,438	17,835,602,376
Vietnam Coast Guard Command Office	16,942,093,045	-
Nam Dinh Vu Aviation Fuel Seaport Terminal JSC	23,341,039,767	-
Others	52,441,125,508	47,889,575,474
Total	110,547,069,869	74,548,841,547
<i>In which,</i>		
<i>Receivables from related parties (details in Note 7.3)</i>	<i>5,683,383,086</i>	<i>110,415,789</i>

- (i) In which, receivable from Southern Air Petrol Logistic Joint Stock Company with the outstanding balance as of 31 December 2024 of VND 6,784,886,169 (as of 01 January 2024: VND 6,784,886,169) is relevant to the lawsuit that the Company is the plaintiff, details in Note 7.1.

5.4 Prepayments to suppliers

	31 December 2024	01 January 2024
	VND	VND
Tank Works Ltd	260,336,350	361,280,350
Thai Khuong Technology Trading Co., Ltd	-	280,720,000
Vacono Aluminium Covers GmbH	-	2,237,662,452
L&J Technologies Inc.,	-	2,033,565,700
Mekong Trade Service Technology Import - Export JSC	-	1,000,000,000
Sao Viet Technologies Co., Ltd	-	2,109,910,000
Pet-Nor LNG Trading Technology JSC	6,469,820,979	982,308,087
Others	3,242,241,218	6,333,345,486
Total	9,972,398,547	15,338,792,075
<i>In which,</i>		
<i>Prepayments to related parties (details in Note 7.3)</i>	<i>6,469,820,979</i>	<i>982,308,087</i>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.5 Other receivables

	31 December 2024 (VND)		01 January 2024 (VND)	
	Book value	Allowance	Book value	Allowance
a) Short-term	97,697,198,431	-	90,160,335,928	-
Advances to employees	5,566,310,303	-	4,541,180,060	-
Short-term deposits, including	65,883,227,455	-	66,033,443,424	-
<i>Southern Air Petrol Logistic JSC (ii)</i>	<i>64,303,000,000</i>	-	<i>64,303,000,000</i>	-
<i>Other deposits</i>	<i>1,580,227,455</i>	-	<i>1,730,443,424</i>	-
Mr. Tran Ngoc Hai and Ms. Nguyen Thi Phuong (i)	18,493,840,000	-	18,493,840,000	-
Stock sold, awaiting payment to the Company's account	6,630,358,700	-	-	-
Others	1,123,461,973	-	1,091,872,444	-
b) Long-term	10,000,000		10,000,000	
Long-term deposits	10,000,000	-	10,000,000	-
Total	97,707,198,431	-	90,170,335,928	-

- (i) According to the Agreement dated 27 September 2022, this is the amount the Company must collect from Mr. Tran Ngoc Hai and Ms. Nguyen Thi Phuong for authorizing them to represent and find customers to transfer land use rights in Long Phuoc Commune, Long Thanh District, Dong Nai Province, which the Company received after finalizing and liquidating Business Cooperation Contract No. 36/XL3-HĐ dated 28 February 2022, between the Company and Song Chau Petro JSC for investing in the project 'Logistics Service Trade Center at Long Thanh International Airport, Dong Nai.'

At the same time, the land use rights that have not been sold as of 31 December 2024 are pledged to secure the loans at Petrolimex Group Commercial Joint Stock Bank (now known as Prosperity And Growth Commercial Joint Stock Bank), details in Note 5.17.

- (ii) In which, the outstanding balance of deposit to secure the performance of the agreement with Southern Air Petrol Logistic JSC total VND 64,303,000,000 as of 31 December 2024 (as of 01 January 2024: VND 64,303,000,000), is relevant to the lawsuit the Company is plaintiff, details in Note 7.1.

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For the year ended 31 December 2024

5.6 Bad debts

	31 December 2024 (VND)				01 January 2024 (VND)			
	Overdue periods	Original value	Recoverable amount	Allowance	Overdue periods	Original value	Recoverable amount	Allowance
Receivables from customers		35,491,863,149	15,777,697,124	(19,714,166,025)		16,363,115,244	60,000,000	(16,303,115,244)
Cai Lan Shipbuilding Industry Co., Ltd	Over 3 years	2,460,007,505	-	(2,460,007,505)	Over 3 years	2,460,007,505	-	(2,460,007,505)
Vung Tau Petro JSC	Over 3 years	3,090,292,841	-	(3,090,292,841)	Over 3 years	3,090,292,841	-	(3,090,292,841)
Southern Air Petrol Logistic JSC	Over 3 years	6,784,886,169	-	(6,784,886,169)	Over 3 years	6,784,886,169	-	(6,784,886,169)
Green Royal Vietnam Co., Ltd	From 1 year to 2 years	33,744,284	16,872,142	(16,872,142)				
TTCL Vietnam Corporation Limited	From over 6 months to over 3 years	17,418,470,438	14,805,699,872	(2,612,770,566)				
Others	Over 3 years	5,704,461,912	955,125,110	(4,749,336,802)	Over 3 years	4,027,928,729	60,000,000	(3,967,928,729)
Prepayments to sellers								
Others	Over 3 years	40,716,000	-	(40,716,000)		-	-	-
Other receivables		742,512,743	-	(742,512,743)		742,512,743	-	(742,512,743)
Others	Over 3 years	742,512,743	-	(742,512,743)	Over 3 years	742,512,743	-	(742,512,743)
Total		36,234,375,892	15,777,697,124	(20,456,678,768)		17,105,627,987	60,000,000	(17,045,627,987)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.7 Inventories

	31 December 2024 (VND)		01 January 2024 (VND)	
	Original value	Allowance	Original value	Allowance
Raw materials	5,239,682,104	-	5,312,194,763	-
Tools and supplies	455,795,537	-	364,118,846	-
Work in progress (*)	19,617,478,534	-	14,518,713,233	-
Finished goods	253,318,416	-	326,295,833	-
Goods	142,226,499	-	193,352,284	-
Total	25,708,501,090	-	20,714,674,959	-

(i) Details to work in progress as of 31 December 2024:

	31 December 2024 (VND)		01 January 2024 (VND)	
	Original value	Allowance	Original value	Allowance
Renovation and Capacity Enhancement of the K99 Oil Storage Facility	968,287,655	-	-	-
Construction of the oil storage facility and equipment under Package No. 11 at Fleet 111	-	-	1,739,973,021	-
Construction and installation and supply of equipment for oil storage depot of Group 175	-	-	4,497,480,103	-
Technical Area Project for the Central Warehouse and Subdivisions H7, H8	-	-	3,462,386,327	-
Supply and installation of stainless steel conical storage tanks	8,467,124,840	-	-	-
Other projects	10,182,066,039	-	4,818,873,782	-
Total	19,617,478,534	-	14,518,713,233	-

5.8 Prepaid expenses

	31 December 2024 VND	01 January 2024 VND
a) Short-term	364,530,652	282,544,931
Others short-term prepaid expenses	364,530,652	282,544,931
b) Long-term	1,489,334,219	1,223,365,784
Repair costs	632,524,434	652,634,490
Tools, supplies pending allocation	554,918,584	480,207,761
Cost of computer software services	279,135,001	50,390,000
Others long-term prepaid expenses	22,756,200	40,133,533
Total	1,853,864,871	1,505,910,715

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.10 Increase, decrease in intangible fixed assets

	<i>Unit: VND</i>		
	Copyrights, patents	Computer software	Total
HISTORICAL COST			
Balance as at 01 January 2024	504,134,000	521,620,049	1,025,754,049
Increase in the year	-	-	-
Decrease in the year	-	-	-
Balance as at 31 December 2024	<u>504,134,000</u>	<u>521,620,049</u>	<u>1,025,754,049</u>
ACCUMULATED AMORTISATION			
Balance as at 01 January 2024	504,134,000	521,620,049	1,025,754,049
Increase in the year	-	-	-
Decrease in the year	-	-	-
Balance as at 31 December 2024	<u>504,134,000</u>	<u>521,620,049</u>	<u>1,025,754,049</u>
NET BOOK VALUE			
As at 01 January 2024	-	-	-
As at 31 December 2024	-	-	-

The cost of intangible fixed assets that have been fully amortized but are still in use as of 31 December 2024 is VND 1,025,754,049 (as of 01 January 2024: VND 1,025,754,049).

5.11 Increase, decrease in investment properties

	<i>Unit: VND</i>			
	01 January 2024	Increase during the year	Decrease during the year	31 December 2024
Cost	252,156,600	-	-	252,156,600
House	252,156,600	-	-	252,156,600
Accumulated depreciation/amortisation	252,156,600	-	-	252,156,600
House	252,156,600	-	-	252,156,600
Net book value	-	-	-	-
House	-	-	-	-

Investment properties include the house located at Binh Thuy Ward, Can Tho City is used for an operating lease.

The revenue and cost of sales in respect of leased investment property during the year, as disclosed in Note 6.1 and 6.2, total VND 120,000,000 and VND 30,606,336, respectively.

In accordance with Vietnam Accounting Standard No. 5- Investment properties, the fair value of investment properties as of 31 December 2023 must be disclosed. However, the Company does not have sufficient information to determine the fair value of above mentioned investment property as of the date of the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.12 Construction in progress

	31 December 2024 VND	01 January 2024 VND
Repairs	360,569,913	-
Relocation and dismantling of items at Nha Be Mechanical Plant	360,569,913	-
Total	360,569,913	-

5.13 Short-term trade payables

	31 December 2024 (VND)		01 January 2024 (VND)	
	Book value	Repayable amount	Book value	Repayable amount
Nam Tay Do Trading Construction One Member Co., Ltd	-	-	1,224,432,643	1,224,432,643
VNJP - Vietnam Japan Petrol Construction And Consultancy JSC	356,160,173	356,160,173	2,108,912,278	2,108,912,278
Phu Duc Trading Co., Ltd	5,684,598,280	5,684,598,280	-	-
Petrolimex Construction and Trading Corporation - One Member Co., Ltd	10,884,401,028	10,884,401,028	-	-
Others	18,803,246,543	18,803,246,543	6,913,620,482	6,913,620,482
Total	35,728,406,024	35,728,406,024	10,246,965,403	10,246,965,403

In which,

<i>Short-term trade payables to related parties (details in Note 7.3)</i>	<i>11,240,561,201</i>	<i>11,240,561,201</i>	-	-
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5.14 Short-term prepayments from customers

	31 December 2024 VND	01 January 2024 VND
Southern Air Petrol Logistic JSC (i)	64,500,000,000	64,500,000,000
Headquarter Command Office of Vietnam Coast Guard	-	29,656,500,200
TotalEnergies Marketing (Cambodia) Co., Ltd.	4,306,944,653	9,203,127,519
JFE Engineering Corporation	11,875,000,000	-
Others	21,330,440,359	11,172,549,760
Total	102,012,385,012	114,532,177,479

(i) The prepayments from customers relate to the lawsuit in which the Company is plaintiff, details in Note 7.1.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.15 Taxes and other payables to the Government budget

Unit: VND

	01 January 2024	Additions	Paid	31 December 2024
Payables	568,248,082	3,466,893,480	2,523,721,336	1,511,420,226
Value added tax	532,649,221	1,103,321,065	723,049,247	912,921,039
Personal income tax	35,598,861	396,901,471	321,572,258	110,928,074
Property tax, land rent	-	1,966,670,944	1,479,099,831	487,571,113
Receivables	39,875,113	38,483,921	734,557,033	735,948,225
Value added tax overpad	-	-	734,557,033	734,557,033
Corporate income tax overpad	6,803,592	5,412,400	-	1,391,192
Personal income tax overpad	5,227,454	5,227,454	-	-
Property tax, land rent overpad	27,844,067	27,844,067	-	-

5.16 Short-term accrued expenses

	31 December 2024 VND	01 January 2024 VND
Accrued rent for House at No. 232 Nguyen Tat Thanh Street, Ward 13, District 4, Ho Chi Minh City (i)	1,128,889,749	1,128,889,749
Total	1,128,889,749	1,128,889,749

(i) The accruals in respect of rent for the house located at 232 Nguyen Tat Thanh Street, Ward 13, District 4, Ho Chi Minh City during the period from Quarter 4 of year 2015 to Quarter 4 of year 2018. During this period, the management of this house was transferred to the People's Committee of District 4, Ho Chi Minh City. As of the preparation date of these financial statements, the Company has not received the official announcement from the Government about the final lease payments for the period from Quarter 4 of year 2015 to Quarter 4 of year 2018.

5.17 Other payables

	31 December 2024 VND	01 January 2024 VND
a) Short-term	9,063,100,104	11,082,902,724
Trade union fees	644,161,410	728,503,649
Social insurance	33,423,263	24,376,925
Healthcare insurance	1,465,165	3,657,873
Unemployment insurance	530,647	1,952,288
Payable deposits	773,338,000	975,144,000
Payable dividends	7,267,500	7,267,500
Payables to the Company's employees on advance payments made by for the projects	7,360,737,075	8,470,430,187
Other short-term payables	242,177,044	871,570,302
b) Long-term	50,000,000	50,000,000
Long-term payables on deposits received	50,000,000	50,000,000
Total	9,113,100,104	11,132,902,724

In which,

Other payables to related parties
(details in Note 7.3)

- 40,000,000

PETROLIMEX INSTALLATION NO.3 JOINT STOCK COMPANY

No. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward
Nha Be District, Ho Chi Minh City, Vietnam

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Issued under Circular No. 200/2014/TT-BTC
December 22, 2014 of the Ministry of Finance

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.18 Borrowings and finance lease liabilities

	31 December 2024 (VND)		In the period (VND)		01 January 2024 (VND)	
	Carrying value	Repayable amount	Carrying value	Repayable amount	Carrying value	Repayable amount
a) Short-term						
<i>Short-term borrowings</i>						
Prosperity And Growth Commercial Joint Stock Bank - Saigon Branch (i)	56,068,972,178	56,068,972,178	110,312,091,223	101,876,837,076	47,633,718,031	47,633,718,031
Military Commercial Joint Stock Bank - Phu Nhuan Branch (ii)	56,068,972,178	56,068,972,178	110,312,091,223	101,876,837,076	47,633,718,031	47,633,718,031
Loans from individuals (iii)	54,468,972,178	54,468,972,178	106,191,844,143	99,356,589,996	47,633,718,031	47,633,718,031
	-	-	870,247,080	870,247,080	-	-
	1,600,000,000	1,600,000,000	3,250,000,000	1,650,000,000	-	-
b) Long-term						
Prosperity And Growth Commercial Joint Stock Bank - Saigon Branch	5,087,356,246	5,087,356,246	10,672,301,738	15,999,559,785	10,414,614,293	10,414,614,293
Loans from individuals (iii)	-	-	-	1,775,081,776	1,775,081,776	1,775,081,776
	5,087,356,246	5,087,356,246	10,672,301,738	14,224,478,009	8,639,532,517	8,639,532,517
Total	61,156,328,424	61,156,328,424	120,984,392,961	117,876,396,861	58,048,332,324	58,048,332,324
<i>In which,</i>						
<i>Borrowings from related parties (details in Note 7.3)</i>	537,070,856	537,070,856			430,575,899	430,575,899

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.18 Borrowings and finance lease liabilities (Continued)

(i) Credit Facilities Agreement No. 441/2024/0065/HĐTDHM-DN/PGBankSG dated 09 October 2024 with Prosperity And Growth Commercial Joint Stock Bank - Saigon Branch, details are as follows:

Credit facilities	: VND 150,000,000,000, in which, loan limit totals VND 100,000,000,000.
Purpose of credit facilities	: Supplementing the working capital for business;
The availability period of the credit facilities	: 12 months, from 09 October 2024 to 09 October 2025;
Terms of specific loans	: Does not exceed 09 months
Loan interest rate	: Determined in specific debt agreements;
Secure for the loan	: Pledging land use rights and assets attached to land owned by Mr. Tran Ngoc Hai and Ms. Nguyen Thi Phuong; land use rights and assets attached to land owned by Petrolimex Installation No.3 Joint Stock Company; the rights to claim debts from economic agreements;

(ii) Credit Facilities Agreement No. 234987.24.226.600289.TD dated 06 August 2024 with Military Commercial Joint Stock Bank - Phu Nhuan Branch (“MB Phu Nhuan”), details are as follows:

Credit facilities	: VND 80,000,000,000, in which, loan limit totals VND 30,000,000,000.
Purpose of credit facilities	: Supplementing the construction business;
The availability period of the credit facilities	: From the signed date of the Agreement to 02 August 2025;
Terms of specific loans	: Does not exceed 09 months
Loan interest rate	: Determined in specific debt agreements;
Secure for the loan	: Deposits at MB Phu Nhuan; valuable papers; goods and receivables formed from the plan funded by MB Phu Nhuan; Land use rights registered under the name of Petrolimex Installation No.3 Joint Stock Company.

PETROLIMEX INSTALLATION NO.3 JOINT STOCK COMPANYNo. 2286 Huynh Tan Phat Street, Hamlet 3, Phu Xuan Ward
Nha Be District, Ho Chi Minh City, Vietnam**Form B 09 - DN**Issued under Circular No. 200/2014/TT-BTC
December 22, 2014 of the Ministry of Finance**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2024

5.18 Borrowings and finance lease liabilities (Continued)

(iii) The loans from individuals who are also the Company's employees. The purpose of the loan is to serve the normal business operations of the Company. These loans do not have collaterals. Details are as follows:

Lenders	Outstanding principal as of 31 December 2024 (VND)		Reference number and date of borrowing agreements	Interest rate p.a	Term (months)	Recurring terms
	Short-term	Long-term				
Ms. Trieu Thi Lan Anh	-	349,204,048	070923/CN/XL3-HĐ dated 07 September 2023	9%	13	Automatically at maturity
Ms. Bui Thi Ngan Ha	-	3,714,329,883	281024/HDV-EHBN01 dated 28 October 2024	9%	13	Automatically at maturity
Mr. Cung Quang Ha	-	189,408,414	01032024/HDVNT-EHCQ01 dated 01 March 2024	9%	13	Automatically at maturity
Ms. Bui Thi Thanh Mai	-	72,333,483	23122022 dated 23 December 2022	9%	13	Automatically at maturity
Ms. Le Thi Hong Mai	-	123,162,366	01032024/HDVNT-EMLH01 dated 01 March 2024	9%	13	Automatically at maturity
Mr. Huynh Minh Phuoc	300,000,000	-	271233/HDV dated 27 December 2023	9%	12	Automatically at maturity
Mr. Bui Van Tien	1,150,000,000	-	20022024/HDV dated 20 February 2024	9%	12	Automatically at maturity
Ms. Le Thi Thuy	-	326,555,775	04102022 dated 14 October 2022	9%	13	Automatically at maturity
Mr. Nguyen Ngoc Thanh	-	3,058,066	230724/HDV dated 23 July 2024	9%	13	Automatically at maturity
Ms. Le Thi Hong Mai	-	221,442,010	01022023 dated 01 February 2023	9%	13	Automatically at maturity
Ms. Le Thi Hoai Tran	-	87,862,201	01032024/HDVNT-KH001650 dated 01 March 2024	9%	13	Automatically at maturity
Mr. Bui Van Tien	150,000,000	-	21022024HDV dated 21 February 2024	9%	12	Automatically at maturity
Total	1,600,000,000	5,087,356,246				

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.19 Short-term provisions

	31 December 2024	01 January 2024
	VND	VND
a) Short-term	1,175,155,890	170,657,863
Provision for warranty of constructions	1,124,335,890	170,657,863
Provision for warranty of products	50,820,000	-
b) Long-term	-	-
Total	1,175,155,890	170,657,863

5.20 Owners' equity

a. Reconciliation of movements in owners' equity

Unit: VND

	Contributed capital	Capital surplus	Development and investment funds	Undistributed profit after tax	Total
Balance as at 01 January 2023	50,000,000,000	13,258,140,000	16,767,234,195	(7,865,718,073)	72,159,656,122
Loss for the previous year	-	-	-	(15,450,780,902)	(15,450,780,902)
Balance as at 31 December 2023	50,000,000,000	13,258,140,000	16,767,234,195	(23,316,498,975)	56,708,875,220
Balance as at 01 January 2024	50,000,000,000	13,258,140,000	16,767,234,195	(23,316,498,975)	56,708,875,220
Net profit for the current year	-	-	-	1,010,428,401	1,010,428,401
Balance as at 31 December 2024	50,000,000,000	13,258,140,000	16,767,234,195	(22,306,070,574)	57,719,303,621

b. Details of owners' equity

	As at 31 December 2024			As at 01 January 2024		
	Shares	Rate	Shares value at par value (VND)	Shares	Rate	Shares value at par value (VND)
Petrolimex Construction and Trading Corporation - One Member Co., Ltd	1,500,000	30.00%	15,000,000,000	1,500,000	30.00%	15,000,000,000
Other shareholders	3,500,000	70.00%	35,000,000,000	3,500,000	70.00%	35,000,000,000
Total	5,000,000	100%	50,000,000,000	5,000,000	100%	50,000,000,000

c. Capital transactions with shareholders and appropriation of profits and dividends

	Year 2024	Year 2023
	VND	VND
Shareholders' capital		
As at the beginning of the year	50,000,000,000	50,000,000,000
Additions of legal capital in the year	-	-
As at the end of the year	50,000,000,000	50,000,000,000
Dividends payable	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.20 Owners' equity (Continued)

d. Shares

	31 December 2024	01 January 2024
	Shares	Shares
Quantity of registered shares	5,000,000	5,000,000
Quantity of shares publicly offered	5,000,000	5,000,000
Common shares	5,000,000	5,000,000
Outstanding shares	5,000,000	5,000,000
Common shares	5,000,000	5,000,000
<i>Par value of outstanding shares (VND per share)</i>	10,000	10,000

e. The Company's equity funds

	31 December 2024	01 January 2024
	VND	VND
Development and investment funds	16,767,234,195	16,767,234,195
Total	16,767,234,195	16,767,234,195

5.21 Off Balance Sheet Items

a. Foreign currencies

	31 December 2024	01 January 2024
In terms of functional currency		
USD	442.16	33,491.88
In terms of equivalent amounts in VND	11,208,314	807,489,227

b. Operating lease (the Company as lessee)

As of 31 December 2024, the Company has operating leases including lands to support its business activities. These lands originated from leases granted by the State under Land Handover Decisions issued by the People Committee of the provinces/cities that the lands are located and relevant lease agreements. Details on the Company's operating leased lands are as follows:

- Land located at 356/5 Provincial Road 10, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam with total area of 14,147.9 m², in which the area of 8,699 m², belongs to plot no. 37, map sheet no. 120, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam: lease period of 50 years since 01 January 2011; the area of 5,448.9 m² which are zoned for tree park and land violating the proposed alley line of 12m (south of the land) is temporarily leased until the State implements the planning, and must comply with clearance and relocation according to regulations. Form of land lease: land lease with annual payment.
- Land located at 20/9 Le Hong Phong Street, Binh Thuy Ward, Can Tho City with the area of 221.4 m². Lease term: 20 years from 04 June 2003 to 04 June 2023. Form of land lease: land lease with annual payment. As of the preparation date of the financial statements, the Company is carrying out procedures to extend the land lease at this plot of land according to current regulations.
- Land located at 81 Le Van Hien Street, Khue My Ward, Ngu Hanh Son District, Da Nang City, Vietnam with the area of 1,300 m². Lease term: from 31 December 2022 to 30 December 2027. Form of land lease: land lease with annual payment.
- Land located at 16/8 Huynh Tan Phat Street, Phu Xuan Commune, Nha Be District, Ho Chi Minh City, Vietnam with the area of 2,460.2 m². Lease term: 50 years from the date the Company registered its business. Form of land lease: land lease with annual payment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.20 Off Balance Sheet Items (Continued)

b. Operating lease (the Company as lessee) (Continued)

- Land located at plot no. 85, map sheet no. 6, Phu Xuan Commune, Nha Be District with the area of 5,119.7 m². In which, for the area of 3,671.2 m², the lease term is applied until 01 January 2046; for the area of 1,448.5 m² which violates the road limit, temporarily leased until the State implements the planning, must comply with clearance and relocation according to regulations. Form of land lease: land lease with annual payment.

6. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT

6.1 Revenue from sales of goods and provision of services

	Year 2024 VND	Year 2023 VND
Revenue from goods and merchadises	15,465,458,094	13,016,859,985
Revenue from construction contracts	244,645,795,669	111,811,117,952
Revenue from services rendered	8,348,542,117	9,157,021,946
Total (i)	268,459,795,880	133,984,999,883

In which,

Revenue from related parties (details in Note 7.3) 6,170,753,037 770,553,330

- (i) In which, revenue in relation to investment properties during the year is VND 120,000,000.

6.2 Cost of goods sold

	Year 2024 VND	Year 2023 VND
Cost of goods and merchadises sold	13,690,548,278	12,210,047,460
Cost of construction contracts	227,214,452,495	107,874,116,202
Cost of services rendered (i)	5,936,726,657	6,358,086,435
Total	246,841,727,430	126,442,250,097

- (i) In which, revenue in relation to investment properties during the year is VND 30,606,336.

6.3 Financial income

	Year 2024 VND	Year 2023 VND
Bank and loan interest	26,687,341	69,348,544
Profits, dividends received	382,045,650	446,068,050
Gains on foreign exchange rates arising in the year	70,767,947	57,199,456
Gains on foreign exchange rates at revaluation of balances denominated in foreign currencies	8,154,093	-
Gains on stock trading	3,947,346,150	-
Total	4,435,001,181	572,616,050

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.4 Financial expenses

	Year 2024 VND	Year 2023 VND
Interest expenses on borrowings	5,131,092,240	7,139,988,865
Allowances for devaluation of trading securities	13,433,200	(1,056,648,100)
Losses on foreign exchange rates arising in the year	15,902,489	86,874,560
Losses on foreign exchange rates at revaluation of balances denominated in foreign currencies	-	22,296,495
Other financial expenses	-	4,716,471
Total	5,160,427,929	6,197,228,291

In which

*Financial expenses with related parties (details in
Note 7.3)*

82,625,207	99,175,426
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6.5 Selling expenses

	Year 2024 VND	Year 2023 VND
Employee expenses	-	15,000,000
Outsourcing expenses	-	132,110,000
Other cash expenses	99,119,804	436,877,998
Total	99,119,804	583,987,998

6.6 General and administrative expenses

	Year 2024 VND	Year 2023 VND
Employee expenses	10,221,085,619	8,366,381,066
Materials expenses	421,828,003	453,833,843
Office supplies expenses	210,127,417	210,444,029
Amortization and Depreciation expenses	476,639,105	559,609,989
Charges and fee	1,437,926,359	(233,935,123)
Setting up allowances for bad debts	3,451,766,781	1,681,940,626
Outsourcing expenses	2,464,142,973	2,119,702,833
Other cash expenses	2,267,823,095	2,369,217,954
Total	20,951,339,352	15,527,195,217

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.7 Other profits

	Year 2024 VND	Year 2023 VND
Other income	-	-
Sales and liquidation of fixed assets	-	1,800,000
Income from surplus of materials after stocktake	-	156,881,600
Penalties charged in accordance with economic contracts	965,027,024	-
Reversal of provision for construction warranty	170,657,863	215,558,150
Others	313,612,144	46,619,376
Total	1,449,297,031	420,859,126
Other expenses		
Sanctions of administrative violations, late payment penalties on tax	195,526,957	92,431,675
Non-deductible value added tax	2,706,200	-
Others	77,405,619	812,042,283
Total	275,638,776	904,473,958
Other profits	1,173,658,255	(483,614,832)

6.8 Current corporate income tax expense

	Year 2024 VND	Year 2023 VND
Total net profit before tax, including	1,015,840,801	(14,676,660,502)
<i>Additions</i>	<i>2,909,457,913</i>	<i>7,404,071,996</i>
<i>Other non-deductible expenses</i>	<i>275,638,776</i>	<i>333,431,675</i>
<i>Non-deduction interest expenses in accordance with Decree No. 132/2020/ND-CP dated 05 November 2020</i>	<i>2,633,819,137</i>	<i>7,070,640,321</i>
<i>Deductions</i>	<i>(382,045,650)</i>	<i>(446,068,050)</i>
<i>Dividends, profits received</i>	<i>(382,045,650)</i>	<i>(446,068,050)</i>
Taxable income to corporate income tax	3,543,253,064	(7,718,656,556)
<i>Loss carried forward</i>	<i>(3,543,253,064)</i>	<i>-</i>
Assessable income to corporate income tax	-	(7,718,656,556)
<i>Corporate income tax rate</i>	<i>20%</i>	<i>20%</i>
Corporate income tax expenses arising for the year	-	-
Adjustment of corporate income tax expenses in respect of previous periods to current period	5,412,400	774,120,400
<i>Determine the additional corporate income tax for previous years due to the increase in non-deductible expenses</i>	<i>5,412,400</i>	<i>774,120,400</i>
Total corporate income tax expense	5,412,400	774,120,400



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.9 Production and business expenses by factors

	Year 2024	Year 2023
	VND	VND
Raw material expenses	123,609,502,525	59,822,129,501
Employee expenses	43,270,823,368	38,045,676,835
Depreciation, amortization	3,288,698,428	4,003,370,271
Outsourcing expenses	18,135,219,147	8,820,607,660
Other cash expenses	11,654,848,263	6,359,018,308
Total	199,959,091,731	117,050,802,575

6.10 Basic earnings per share

	Year 2024	Year 2023
	VND	VND
Profits after corporate income tax (VND)	1,010,428,401	(15,450,780,902)
Adjustments for	-	-
Profits or losses attributable to shareholders holding common shares (VND) (i)	1,010,428,401	(15,450,780,902)
Weighted average number of common shares outstanding for the year (shares)	5,000,000	5,000,000
Basic earnings per share (VND per share)	202	(3,090)

7. OTHER INFORMATION

7.1 Information on the lawsuits, contingencies, and other commitments

a. Information on the lawsuits

a.1 Lawsuit against Southern Air Petrol Logistic Joint Stock Company

In the year 2020, the Company filed a lawsuit against Southern Air Petrol Logistic Joint Stock Company ("the Defendant") at People's Court of Nha Be District - Ho Chi Minh City led by a dispute in construction contract. The Company requested the Defendant to pay the completed category of the package "Providing devices and construction" under the project Southern Air Petro Warehouse at Phu Xuan Ward, Nha Be District, Ho Chi Minh City. The lawsuit were brought to trial through the first instance and appellate levels with the decisions from the People's Courts declaring the Defendant to be responsible for paying the Company the amount of VND 6,784,886,169 (Note 5.3 and 5.5), in respect of completed category by the Company, as well as the incurred interest on late payment.

On 02 June 2021, the Defendant submitted a cassation request to amend the first instance and appellate sentences issued by People's Courts, the Supreme People's Court in Ho Chi Minh City declared a decision of voiding the sentences from first instance and appellate courts and to retrial.

As of the preparation date of the financial statements, the Company has not received the final sentence from the Court. Therefore, the Company has not recognized any effects (if any) from the cassation of the dispute in construction contract with Southern Air Petrol Logistic Joint Stock Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7. OTHER INFORMATION**7.1 Information on the lawsuits, contingencies, and other commitments (Continued)****a.2 Lawsuit on dispute in lease payments with Ho Chi Minh City House Trade Management Company Limited**

In the year 2022, Ho Chi Minh City House Trade Management Company Limited (the "Plaintiff") filed a lawsuit against the Company at People's Court of District 4 - Ho Chi Minh City led by a dispute in lease payments for a business location the Company used at Nguyen Tat Thanh Street, District 4, Ho Chi Minh City during the year 2003 to 2015. The plaintiff argued that the Company did not make sufficient lease payments in accordance with lease payment and payment modification notices. The lawsuit were brought to trial through the first instance and appellate levels with the decisions from the People's Courts declaring the Company had the obligation of paying the amount of VND 2,144,317,105, in which the difference the old and new lease payments totalled VND 2,120,032,137; penalty on late payment totalled VND 24,284,968.

On 28 February 2023, the Company submitted a cassation request to the Supreme People's Court in Ho Chi Minh City. On 17 June 2024, the High People's Court in Ho Chi Minh City issued Decision No. 16/2024/KDTM-GĐT, in which the High People's Court in Ho Chi Minh City decided to annul the entire first-instance judgment and the appellate judgment mentioned above and transfer the case file to the People's Court of District 4, Ho Chi Minh City for re-trial according to legal regulations. As of the preparation date of the financial statements, the trial process of the case is ongoing.

b. Contingencies

The Company has not been able to sign the lease agreement to 14,147m² of land located at plot no. 725, map sheet no. 8, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City (the business location of Branch of Petrolimex Installation No.3 Joint Stock Company - Ba Hom Mechanical Factory) with Ho Chi Minh City Department of Natural Resources and Environment, therefore, the Company has temporarily paid the lease of above mentioned land using the unit price and payment notification dated in the year 2010. On 23 November 2022, the Company has submitted an official letter to Ho Chi Minh City Department of Natural Resources and Environment to ask for guidance of determining the lease payments as a base to sign land lease agreement. However, as of the preparation date of these financial statements, the Company has not received an official response from the government agencies. The lease payments might be amended after an official decision from the Government has been delivered.

c. Other commitments

Apart from the disbursed loans, the Company is granted credit according to the following Credit Agreements:

- Credit Facilities Agreement No. 841/2024/93011/HĐTD dated 09 May 2024, with the Joint Stock Commercial Bank for Investment and Development of Vietnam - Saigon Branch. The granted credit facilities total VND 40,000,000,000. Purpose: to supplement working capital, provide guarantees, and open L/C. The available period of credit facilities is until 22 April 2025. The credit limit is granted without collateral.
- Credit Facilities Agreement No. 39/2024/HĐTD/DSG dated 03 May 2024, Amended and Supplemented Document No. 39/2024/HĐTD/DSG/SDBS/01 dated 24 September 2024, with Tien Phong Commercial Joint Stock Bank - District 2 Branch. The granted credit facilities total VND 80,000,000,000. Purpose: to supplement working capital/issue guarantees for the Company's construction and commercial activities. The available period of credit facilities is 12 months from the signing date of the Credit Facilities Agreement. Collateral for the credit facilities: pledge of Receivables arising from the Company's economic contracts, term deposits at Tien Phong Commercial Joint Stock Bank - District 2 Branch.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Information of related parties

List of related parties are as follows:

No.	Related parties	Relationship
1	Petrolimex Construction and Trading Corporation - One Member Co., Ltd	Investor with significant influence
2	Trung Vang Technology Corporation	Entity is related to key management personnel
3	Song Chau Petro JSC	Entity is related to key management personnel
4	PET - NOR LNG Trading Technology JSC	Entity is related to key management personnel
5	VNJP - Viet Nam Japan Petrol Construction And Consultancy JSC	Entity is related to key management personnel
6	Tam Viet CKC Energy Technology Co., Ltd	Entity is related to key management personnel
7	Mr. Cung Quang Ha	Chairman of the Board of Directors
8	Mr. Nguyen Ngoc Thanh	Director
9	Ms. Le Thi Hong Mai	Head of the Board of Supervisors
10	Members of the Boards of Directors, Supervisors, Management, others, and close members within the families of these persons	Significant influence

a. Remuneration for Boards of Directors, Supervisors, Management and others

Related parties	Nature of transactions	Year 2024 VND	Year 2023 VND
Member of the Board of Directors, Supervisors, Management, and other key management personnel	Income from salaries, bonus, remuneration, and other sources	2,186,968,772	2,021,235,084

Remuneration of the Board of Directors

Name	Position	Year 2024 VND	Year 2023 VND
Mr. Cung Quang Ha	Chairman	425,100,000	423,600,000
Mr. Nguyen Sum	Former member (Resigned on 25 April 2024)	18,000,000	57,500,000
Mr. Nguyen Huy Nhan	Former member (Resigned on 25 April 2024)	224,383,600	256,155,167
Mr. Nguyen Hong Ky	Member	54,000,000	54,000,000
Mr. Dao Quoc Hung	Member	54,000,000	54,000,000
Mr. Nguyen Ngoc Thanh	Member (Additionally elected on 25 April 2024)	36,000,000	
Mr. Truong Dang Canh	Member (Additionally elected on 25 April 2024)	36,000,000	
Total		847,483,600	845,255,167

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Information of related parties (Continued)

Remuneration of the Board of Supervisors

<u>Name</u>	<u>Position</u>	<u>Year 2024 VND</u>	<u>Year 2023 VND</u>
Ms. Le Thi Hong Mai	Head of the Board	189,495,671	201,500,000
Mr. Vu Cuong	Former member (Resigned on 25 April 2024)	12,600,000	37,800,000
Mr. Ngo Hong Phi	Member	37,800,000	37,800,000
Ms. Nguyen Hong Minh	Member (Additionally elected on 25 April 2024)	25,200,000	
Total		265,095,671	277,100,000

Income of the Board of Management and others

<u>Name</u>	<u>Position</u>	<u>Year 2024 VND</u>	<u>Year 2023 VND</u>
Mr. Nguyen Ngoc Thanh	Director	387,409,980	385,573,720
Mr. Duong Minh Tri	Deputy Director	291,354,568	289,972,443
Ms. Nguyen Thi Phuong	Deputy Director (Appointed on 19 April 2024)	170,719,420	
Ms. Hoang Tran Nhu Quynh	Chief Accountant	224,905,533	223,333,754
Total		1,074,389,501	898,879,917



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Information of related parties (Continued)

b. Transactions with related parties

<u>Related parties</u>	<u>Relationship</u>	<u>Nature of transaction</u>	<u>Year 2024 VND</u>	<u>Year 2023 VND</u>
<u>Purchasing</u>				
			22,685,980,592	3,233,634,481
Petrolimex Construction and Trading Corporation - One Member Co., Ltd	Investor with significant influence	Good and services purchased	11,931,311,537	-
PET - NOR LNG Trading Technology JSC	Entity is related to key management personnel	Good and services purchased	5,782,114,576	3,233,634,481
VNJP - Viet Nam Japan Petrol Construction And Consultancy JSC	Entity is related to key management personnel	Good and services purchased	2,257,954,479	-
Tam Viet CKC Energy Technology Co., Ltd	Entity is related to key management personnel	Good and services purchased	2,714,600,000	-
			6,170,753,037	770,553,330
<u>Selling</u>				
Trung Vang Technology Corporation	Entity is related to key management personnel	Sales of goods, rendering of services	-	92,000,000
PET - NOR LNG Trading Technology JSC	Entity is related to key management personnel	Sales of goods, rendering of services	2,274,546,012	678,553,330
VNJP - Viet Nam Japan Petrol Construction And Consultancy JSC	Entity is related to key management personnel	Sales of goods, rendering of services	3,754,545,960	-
Tam Viet CKC Energy Technology Co., Ltd	Entity is related to key management personnel	Sales of goods, rendering of services	141,661,065	-
			82,625,207	99,175,426
<u>Financial expenses</u>				
Mr. Cung Quang Ha	Chairman of the Board of Directors	Interest expense	38,798,879	28,491,196
Mr. Nguyen Ngoc Thanh	Director	Interest expense	17,429,544	44,083,612
Ms. Le Thi Hong Mai	Head of the Board of Supervisors	Interest expense	26,396,784	26,600,618
			Year 2024 VND	Year 2023 VND
<u>Principal on borrowings received</u>				
			3,751,088,825	5,740,693,472
Mr. Cung Quang Ha	Chairman of the Board of Directors		2,211,455,000	5,406,898,338
Mr. Nguyen Ngoc Thanh	Director		1,383,058,066	291,524,538
Ms. Le Thi Hong Mai	Head of the Board of Supervisors		156,575,759	42,270,596
<u>Principal on borrowings paid</u>				
			3,644,593,868	6,401,627,812
Mr. Cung Quang Ha	Chairman of the Board of Directors		2,187,095,055	5,475,220,075
Mr. Nguyen Ngoc Thanh	Director		1,380,000,000	847,407,737
Ms. Le Thi Hong Mai	Head of the Board of Supervisors		77,498,813	79,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Information of related parties (Continued)

c. Related Party Balance

<u>Related parties</u>	<u>Relationship</u>	<u>31 December 2024</u> <u>VND</u>	<u>01 January 2024</u> <u>VND</u>
<u>Short-term receivables from customers</u>			
PET - NOR LNG Trading Technology JSC	Entity is related to key management personnel	5,683,383,086	110,415,789
VNJP - Viet Nam Japan Petrol Construction And Consultancy JSC	Entity is related to key management personnel	1,397,555,359	110,415,789
Tam Viet CKC Energy Technology Co., Ltd	Entity is related to key management personnel	4,130,000,556	-
		155,827,171	-
<u>Prepayments to sellers in short-term</u>			
PET - NOR LNG Trading Technology JSC	Entity is related to key management personnel	6,469,820,979	982,308,087
		6,469,820,979	982,308,087
<u>Short-term trade payables</u>			
Petrolimex Construction and Trading Corporation - One Member Co., Ltd	Investor with significant influence	11,240,561,201	-
		10,884,401,028	-
VNJP - Viet Nam Japan Petrol Construction And Consultancy JSC	Entity is related to key management personnel	356,160,173	-
<u>Borrowings and finance lease liabilities</u>			
Mr. Cung Quang Ha	Chairman of the Board of Directors	537,070,856	430,575,899
		189,408,414	165,048,469
Mr. Nguyen Ngoc Thanh	Director	3,058,066	-
Ms. Le Thi Hong Mai	Head of the Board of Supervisors	344,604,376	265,527,430
<u>Other paybles</u>			
PET - NOR LNG Trading Technology JSC	Entity is related to key management personnel	-	40,000,000
		-	40,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.3 Segment reporting

The Company assumes that the management decisions are based on the goods and services that the Company provides. Moreover, the risks and profitability margin of these goods and services are significantly different and affect the Company's financial performance during the year. Therefore, the Company prepares its main segment reporting in business fields, which include: sales of goods (construction materials, devices, gas, and other goods); rendering of services; and constructions. Otherwise, the Company does not prepare its assets and liabilities from each business segments because they are mutually used among the business fields. The secondary segment reporting are prepared in respect of the locations that the Company renders its services, which include; Vietnam, Cambodia.

Primary segment reports in business fields

	Year 2024 (VND)			
	Goods	Construction	Services	Total
Net revenues from sales and services rendered	15,465,458,094	244,645,795,669	8,348,542,117	268,459,795,880
Cost of goods sold	13,690,548,278	227,214,452,495	5,936,726,657	246,841,727,430
Gross revenues from sales and services rendered	1,774,909,816	17,431,343,174	2,411,815,460	21,618,068,450
	Year 2023 (VND)			
	Goods	Construction	Services	Total
Net revenues from sales and services rendered	13,016,859,985	111,811,117,952	9,157,021,946	133,984,999,883
Cost of goods sold	12,210,047,460	107,874,116,202	6,358,086,435	126,442,250,097
Gross revenues from sales and services rendered	806,812,525	3,937,001,750	2,798,935,511	7,542,749,786

Secondary segment reporting in geographic areas

	Year 2024 (VND)		
	Vietnam	Cambodia	Total
Net revenues from sales and services rendered	254,788,868,653	13,670,927,227	268,459,795,880
	Year 2023 (VND)		
	Vietnam	Cambodia	Total
Net revenues from sales and services rendered	128,492,037,138	5,492,962,745	133,984,999,883

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.4 Comparative figures

Comparative figures are taken from the financial statements for the year ended 31 December 2023, which has been audited by CPA VIETNAM Auditing Company Limited - A Member of INPACT.

Ho Chi Minh City, 18 March 2025

Preparer

Chief Accountant

Director



Le Thi Thuy

Hoang Tran Nhu Quynh

Nguyen Ngoc Thanh

