

FINANCIAL STATEMENTS

THANH HOA PETROLEUM CONSTRUCTION JSC

For the fiscal year ended as at 31 December 2024

(Audited)

Thanh Hoa Petroleum Construction JSC

Address: 10th Floor, Petroleum Building, No. 38A Le Loi Avenue, Dien Bien Ward, Thanh Hoa City

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Thanh Hoa Petroleum Construction JSC

Address: 10th Floor, Petroleum Building, No. 38A Le Loi Avenue, Dien Bien Ward, Thanh Hoa City

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Thanh Hoa Petroleum Construction JSC ("the Company") presents its report and the Company's Financial Statements for the fiscal year ended as at 31 December 2024.

THE COMPANY

Thanh Hoa Petroleum Construction Joint Stock Company, formerly Thinh Phat Joint Stock Company, operates under Business Registration Certificate No. 2800947548, first issued by the Department of Planning and Investment of Thanh Hoa province on February 16, 2006 and amended for the 12th time on May 21, 2024.

The Company's head office is located at: 10th Floor, Petroleum Building, No. 38A Le Loi Avenue, Dien Bien Ward, Thanh Hoa City.

BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND BOARD OF SUPERVISORS

The members of the Board of Management during the period and to the reporting date are:

Mr. Tran Hai Bang	Chairman	(Appointed on December 26, 2024)
Mr. Le Anh Dung	Chairman	(Resigned on December 26, 2024)
Mr. Vu Duc Tien	Vice Chairman	
Mr. Hoang Giang	Member	(Appointed on September 26, 2024)
Mr. Pham Van Truong	Member	(Resigned on September 26, 2024)
Mr. Pham Van Tu	Member	
Mr. Hoang Tuan Anh	Member	

The members of the Board of Directors during the period and to the reporting date are:

Mr. Pham Van Truong	Director	(Resigned on February 8, 2024)
Mr. Hoang Dac Tuan	Director	(Appointed on May 14, 2024)
Mrs. Vu Thi Ha	Deputy Director	
Mr. Nguyen Van Quang	Deputy Director	(Appointed on February 8, 2024)

The legal representatives during the period and to the reporting date are:

Mr Pham Van Truong	(Resigned on May 21, 2024)
Mr Hoang Dac Tuan	(Appointed on May 21, 2024)

The members of the Board of Supervisor during the period and to the reporting date are:

Mrs. Vu Thi Thanh	Head of Supervisor
Mrs. Trinh Thi Hong	Member
Mr Do Duong Thong	Member

AUDITORS

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

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

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

- Establish and maintain an internal control system which is determined necessary by the Board of Directors and Board of Management to ensure the preparation and presentation of Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;

Thanh Hoa Petroleum Construction JSC

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- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

Other commitments

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

On behalf of the Board of Directors



Hoàng Đức Tuấn

Director

Thanh Hoa, March 21, 2025

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, Board of Management and Board of Directors
Thanh Hoa Petroleum Construction JSC**

We have audited the accompanying Financial statements of Thanh Hoa Petroleum Construction JSC prepared on March 21, 2025, from page 07 to page 36, including: Statement of financial position as at 31 December 2024, Statement of cash flows and Notes to financial statements for the year ended as at 31 December 2024.

Board of Directors' Responsibility

The Board of Directors of Thanh Hoa Petroleum Construction JSC is responsible for the preparation and presentation of Financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial statements and for such internal control as Board of Directors determines is necessary to enable the preparation and presentation of Separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. However, due to the matters described in the section "Basis for Disclaimer of Opinion" we were unable to obtain sufficient appropriate audit evidence as a basis for expressing an audit opinion.

Basis for Disclaimer of Opinion

1. We do not have sufficient information to assess the appropriateness of the receivables and payables as of January 1, 2024, and December 31, 2024, as follows: Accounts receivable amounted to VND 88.12 billion and VND 60.67 billion, respectively; Prepayments to suppliers amounted to VND 45.3 billion and VND 42.49 billion, respectively; Other receivables amounted to VND 42.19 billion and VND 71.14 billion, respectively; Payables to suppliers amounted to VND 36.7 billion and VND 35.33 billion, respectively; Long-term borrowings and finance lease liabilities amounted to VND 2.39 billion.
2. As of January 1, 2024, and December 31, 2024, the Company has classified the liabilities on the Balance Sheet as follows: Long-term accounts receivable (Code 211) amounted to VND 65.08 billion and VND 64.29 billion, respectively; Long-term prepayments to suppliers (Code 212) amounted to VND 39.29 billion; Other Long-term receivables (Code 216) amounted to VND 28.88 billion; Provision for long-term doubtful debts (Code 219) amounted to VND 26.81 billion; Long-term trade payables (Code 331) amounted to VND 69.05 billion and VND 68.85 billion, respectively; Long-term borrowings and finance lease liabilities (Code 338) amounted to VND 309.75 billion. We do not have sufficient necessary information to assess the appropriateness of the classification of these long-term receivables and payables.
3. As of December 31, 2024, the Company has not conducted a reassessment of the allowance for doubtful accounts for its receivables. We do not have sufficient necessary information to assess the appropriateness of the short-term and long-term allowance for doubtful debts presented in the accompanying financial statements.
4. The Inventory (Code 141) and Long-term Work in Progress (Code 241) items on the Company's Balance Sheet as of December 31, 2024, include certain projects that have been suspended since 2020 or earlier, with a total amount of approximately VND 262.56 billion (Refer to Notes 9 and 13a). The Company has not assessed the recoverable value of these projects.

- 5 The Company is recognizing the depreciation expense of the Dau khi Building at 38A Le Loi Boulevard and other expenses related to office leasing activities in this building under the Inventory item (Code 141), with a balance of VND 4.22 billion as of both January 1, 2024, and December 31, 2024 (Refer to Note 9). If the Company prepared its financial statements in accordance with the prevailing accounting regulations, the Inventory item (Code 141) would be reduced by the aforementioned amount, and the Retained Earnings after Tax item (Code 421) would also decrease by the same amount. Additionally, the Cost of Goods Sold item on the 2023 Income Statement would increase by VND 2.01 billion.
- 6 The Construction in Progress item (Code 242) on the Balance Sheet as of December 31, 2024, reflects an investment cost of VND 19.4 billion for the project "Infrastructure Development of Industrial Zone I and Material & Equipment Storage Area for Nghi Son Petrochemical Complex, Thanh Hoa, located in Mai Lam Commune, Tinh Gia District, Thanh Hoa Province." However, this project has been discontinued since August 1, 2013 (Refer to Note 13b).
- 7 As of January 1, 2024, the Company has temporarily recorded in the Unearned Revenue (Code 318) and Accounts Receivable (Code 131) items on the Balance Sheet an amount of VND 16.4 billion for the completed work volumes of Phase 7 and Phase 8 of the National Highway 217 Cam Thuy project. These completed work volumes have been inspected and accepted by the investor and the supervising consultant and were handed over, received, and put into use as of December 22, 2020. However, the Company has not yet settled these items with the general contractor, Thong Nhat Construction Co., Ltd. (Refer to Note 18). This issue continues to impact the comparative figures in the accompanying financial statements for the fiscal year ended December 31, 2024.
- 8 The Company has not recognized the payable expenses to Vietnam Public Commercial Joint Stock Bank related to the two projects, "Lam Kinh Hotel" and "Dau Khi Building 38A," from 2015 to December 31, 2024, with an approximate value of VND 600.59 billion (Refer to Note 20).
- 9 In 2023, the Company recorded other income from late payment interest of Hung Son Construction Co., Ltd. based on a recognized mediation agreement (Refer to Note 27) in the amount of VND 1.1 billion; however, this amount has not yet been collected. This recognition has resulted in an overstatement of VND 1.1 billion in the balance of the Other Short-term Receivables item (Code 136) and the Retained Earnings after Tax item (Code 421) as of January 1, 2024. Additionally, the Other Income item on the 2023 Income Statement is overstated by the same amount.
- 10 As of January 1, 2024, and December 31, 2024, the Company has recorded major repair costs for the Dau Khi Building under the Long-term Prepaid Expenses item (Code 261) in the amounts of VND 8.72 billion and VND 5.79 billion, respectively (Refer to Note 10). However, the Company has not provided the completion acceptance for the repairs. Therefore, we are unable to determine the appropriateness of the balance of this prepaid expense and the portion recognized as an expense during the year.

We are unable to assess the effects of the aforementioned matters on the accompanying financial statements.

Disclaimer of Opinion

Due to the significance of the matters described in the section "Basis for Disclaimer of Opinion," we were unable to obtain sufficient appropriate audit evidence as a basis for expressing an audit opinion. Accordingly, we do not express an audit opinion on the accompanying financial statements.

Emphasis of Matter

We draw attention to Note 13 of the Notes to the Financial Statements, which states that Thanh Hoa Petroleum Construction Joint Stock Company has transferred the "Lam Kinh Hotel" project to Lam Kinh Hotel Joint Stock Company for management and operation without the approval of Vietnam Public Commercial Joint Stock Bank – Thanh Hoa Branch.

This matter does not affect our disclaimer of opinion mentioned above.

AASC Auditing Firm Company Limited



Pham Anh Tuan

Deputy General Director

Registered Auditor No: 0777-2023-002-1

Hanoi, March 21, 2025

Nguyen Duy Quang

Auditor

Registered Auditor No: 3363-2025-002-1

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

Code	ASSETS	Note	31/12/2024 VND	01/01/2024 VND
100	A. CURRENT ASSETS		183,624,235,079	219,612,901,831
110	I. Cash and cash equivalents	3	2,283,939,796	783,377,770
111	1. Cash		2,283,939,796	783,377,770
120	II. Short-term investments	4	27,000,000,000	25,500,000,000
123	1. Held-to-maturity investments		27,000,000,000	25,500,000,000
130	III. Short-term receivables		84,867,282,908	100,699,140,449
131	1. Short-term trade receivables	5	38,529,227,444	50,790,697,739
132	2. Short-term prepayments to suppliers	6	3,204,664,240	6,015,625,973
136	3. Other short-term receivables	7	43,133,391,224	43,892,816,737
140	IV. Inventories	9	68,247,207,050	90,316,524,777
141	1. Inventories		68,247,207,050	90,316,524,777
150	V. Other short-term assets		1,225,805,325	2,313,858,835
151	1. Short-term prepaid expenses	10	38,347,957	75,489,695
152	2. Deductible VAT		1,126,934,659	2,177,847,318
153	3. Taxes and other receivables from State budget	16	60,522,709	60,521,822
200	B. NON-CURRENT ASSETS		374,716,127,453	380,162,295,340
210	I. Long-term receivables		105,644,075,271	106,435,653,877
211	1. Long-term trade receivables	5	64,289,387,170	65,080,965,776
212	2. Long-term prepayments to suppliers	6	39,286,577,950	39,286,577,950
216	3. Other long-term receivables	7	28,881,954,296	28,881,954,296
219	4. Provision for long-term doubtful debts		(26,813,844,145)	(26,813,844,145)
220	II. Fixed assets		181,846,295	278,791,452
221	1. Tangible fixed assets	11	181,846,295	278,791,452
222	- Historical cost		2,609,395,391	2,609,395,391
223	- Accumulated depreciation		(2,427,549,096)	(2,330,603,939)
230	III. Investment properties	12	43,843,254,790	45,601,884,502
231	- Historical cost		73,235,868,711	73,235,868,711
232	- Accumulated depreciation		(29,392,613,921)	(27,633,984,209)
240	IV. Long-term assets in progress	13	218,968,857,670	218,968,857,670
241	1. Long-term work in progress		199,600,912,198	199,600,912,198
242	2. Construction in progress		19,367,945,472	19,367,945,472
250	V. Long-term investments	4	-	-
253	1. Equity investments in other entities		18,296,788,082	18,296,788,082
254	2. Provision for devaluation of long-term		(18,296,788,082)	(18,296,788,082)
260	IV. Other long-term assets		6,078,093,427	8,867,107,839
261	1. Long-term prepaid expenses	10	6,078,093,427	8,867,107,839
270	TOTAL ASSETS		558,340,362,532	599,765,197,171

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

Code CAPITAL	Note	31/12/2024 VND	01/01/2024 VND
300 C. LIABILITIES		502,280,045,571	523,467,498,250
310 I. Current liabilities		107,797,357,050	128,303,526,305
311 1. Short-term trade payables	14	16,308,473,266	16,699,069,252
312 2. Short-term prepayments from customers	15	869,825,373	1,251,287,870
313 3. Taxes and other payables to State budget	16	67,495,280	485,409,570
314 4. Payables to employees		1,190,339,459	638,391,381
315 5. Accrued expenses	17	84,525,184,953	87,522,256,961
318 6. Short-term unearned revenue	18	105,657,340	16,405,389,917
319 7. Other short-term payables	19	1,823,416,703	2,353,430,550
322 8. Bonus and welfare fund		2,906,964,676	2,948,290,804
330 II. Non-current liabilities		394,482,688,521	395,163,971,945
331 1. Long-term trade payables	14	68,849,084,627	69,049,084,627
336 2. Long-term unearned revenue	18	15,880,014,849	16,361,298,273
338 3. Long-term borrowings and finance lease liabilities	20	309,753,589,045	309,753,589,045
400 D. OWNER'S EQUITY		56,060,316,961	76,297,698,921
410 I. Owner's Equity	21	56,060,316,961	76,297,698,921
411 1. Contributed capital		210,000,000,000	210,000,000,000
411a - Ordinary shares with voting rights		210,000,000,000	210,000,000,000
418 2. Development and investment funds		6,355,535,090	6,355,535,090
420 3. Other reserves		1,567,942,490	1,567,942,490
421 4. Retained earnings		(161,863,160,619)	(141,625,778,659)
421a - Retained earnings accumulated till the end of the previous year		(141,625,778,659)	(139,756,319,031)
421b - Retained earnings of the current year		(20,237,381,960)	(1,869,459,628)
440 TOTAL CAPITAL		558,340,362,832	599,765,197,171


Luong Quang Trung
Preparer


Vu Thi Hai
Accounting Manager


Hoang Duc Tuan
Director
Thanh Hoa, March 21, 2025

STATEMENT OF INCOME
Year 2024

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
01	1. Revenue from sale of goods and rendering of services	22	17,104,550,293	24,670,028,863
10	2. Net revenue from sale of goods and rendering of services		17,104,550,293	24,670,028,863
11	3. Cost of goods sold	23	32,063,073,829	25,406,636,232
20	4. Gross profit from sale of goods and rendering of services		(14,958,523,536)	(736,607,369)
21	5. Financial income	24	1,106,583,334	2,488,552,479
22	6. Financial expense	25	-	54,350,685
23	<i>In which: Interest expense</i>		-	54,350,685
26	7. General and administrative expenses	26	6,288,024,090	8,021,919,753
30	8. Net profit from operating activities		(20,139,964,292)	(6,324,325,328)
31	9. Other income	27	10,299,402	4,507,719,119
32	10. Other expenses		107,717,070	52,853,419
40	11. Other profit		(97,417,668)	4,454,865,700
50	12. Total net profit before tax		(20,237,381,960)	(1,869,459,628)
51	13. Current corporate income tax expense	28	-	-
60	14. Profit after corporate income tax		(20,237,381,960)	(1,869,459,628)
70	15. Basic earnings per share	29	(964)	(89)

Luong Quang Trung
Preparer

Vu Thi Hai
Accounting Manager

Hoang Duc Tuan
Director
Thanh Hoa, March 21, 2025



STATEMENT OF CASH FLOWS
Year 2024
(Indirect method)

Code	ITEMS	Note	Year 2024 VND	Year 2023 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		(20,237,381,960)	(1,869,459,628)
	2. Adjustment for:			
02	- Depreciation and amortization of fixed assets and investment properties		1,855,574,869	1,997,235,331
05	- Gains / losses from investment activities		(1,106,583,334)	(2,488,552,479)
06	- Interest expense		-	54,350,685
08	3. Operating profit before changes in working capital		(19,488,390,425)	(2,306,426,091)
09	- Increase/ decrease in receivables		17,485,382,716	(8,663,818,842)
10	- Increase/ decrease in inventories		22,069,317,727	6,554,992,805
11	- Increase/ decrease in payables		(21,146,126,551)	(6,597,050,122)
12	- Increase/ decrease in prepaid expenses		2,826,156,150	(866,039,842)
14	- Interest paid		-	(54,350,685)
17	- Other payments on operating activities		(41,326,128)	(255,212,593)
20	Net cash flow from operating activities		1,705,013,489	(12,187,905,370)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		-	(62,450,000)
23	2. Loans and purchase of debt instruments from other entities		(49,400,000,000)	(46,400,000,000)
24	3. Collection of loans and resale of debt instrument of other entities		47,900,000,000	51,474,000,000
27	4. Interest and dividend received		1,295,548,537	2,818,550,470
30	Net cash flow from investing activities		(204,451,463)	7,830,100,470
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
34	1. Repayment of principal		-	(700,000,000)
40	Net cash flow from financing activities		-	(700,000,000)
50	Net cash flows in the year		1,500,562,026	(5,057,804,900)
60	Cash and cash equivalents at the beginning of the year		783,377,770	5,841,182,670
70	Cash and cash equivalents at the end of the year	3	2,283,939,796	783,377,770


Luong Quang Trung
Preparer


Vu Thi Hai
Accounting Manager


Hoang Duc Tuan
Director
Thanh Hoa, March 21, 2025

NOTES TO THE FINANCIAL STATEMENTS
Year 2024

1 GENERAL INFORMATION OF THE COMPANY

Form of ownership

Thanh Hoa Petroleum Construction Joint Stock Company, formerly known as Tinh Phat Joint Stock Company, operates under Business Registration Certificate No. 2800947548, initially issued by the Thanh Hoa Department of Planning and Investment on February 16, 2006, and amended for the 12th time on May 21, 2024.

The Company's headquarters is located at: 10th Floor, Dau Khi Building, 38A Le Loi Boulevard, Dien Bien Ward, Thanh Hoa City.

The Company's charter capital is VND 210.000.000.000 (Two hundred ten billion dong), equivalent to 21.000.000 shares with a par value of VND 10.000 per share.

The total number of employees of the Company as of December 31, 2024, was 34 (as of December 31, 2023 was 42).

Business field: Constructing.

Business activities

The Company's main activities are:

- Forestry service activities; Forestry exploitation; Afforestation and forest care;
- Real estate business, including land use rights owned, used, or leased; Investment in land improvement, infrastructure construction on leased land with existing infrastructure, development of residential projects in urban areas, office leasing, and industrial zones;
- Restaurants and mobile food service activities; Travel agency and tour operator services.
- Construction of railway and road projects, public utility works; Construction of industrial, irrigation projects, power lines, and transformer stations up to 35kV; Construction of outdoor sports facilities, infrastructure for industrial zones, export processing zones, urban areas, and economic zones.
- Demolition, installation of water supply and drainage systems, heating, and air conditioning systems; Completion of construction works.
- Manufacturing building materials from clay; Production of iron, steel, and pig iron; Manufacturing metal structures; Mechanical processing, metal treatment, and coating.
- Sale of materials and other installation equipment in construction.
- Maintenance and repair of automobiles and other motor vehicles; Warehousing and storage of goods, along with other related services.

The Company's operation in the year that affects the Financial Statements

During the year, the Company continued to address outstanding issues from previous years related to unsettled construction projects, provided leasing services for the Dau Khi Building at 38A Le Loi Boulevard, Dien Bien Ward, Thanh Hoa City, and carried out construction and installation of various projects.

As of December 31, 2024, the Company's financial statements reflect an accumulated loss of VND 161.86 billion, equivalent to 77.08% of the owners' contributed capital. Short-term and long-term receivables from customers amount to VND 102.82 billion, which is 6.01 times the revenue for the period, and the Company has not assessed the recoverability of these receivables. The total liabilities stand at VND 502.28 billion, which is 2.39 times the owners' contributed capital. Additionally, the Company has not recognized its payable obligation to PVcombank in the amount of VND 600.59 billion and has not assessed or disclosed overdue liabilities. This situation indicates the existence of significant uncertainty that raises substantial doubt about the Company's ability to continue as a going concern.

However, the financial statements for the fiscal year ended December 31, 2024, have still been prepared on the assumption of going concern due to the following reasons:

- The Company has resumed office leasing activities at the Dau Khi Building, 38A Le Loi Boulevard, which is expected to generate significant revenue in the near future.
- The Company is also executing construction contracts, such as the road, stormwater drainage, and culvert project under the Quang Yen Hot Spring Resort Urban Area project in Quang Ninh, with a total contract value and annexes of approximately VND 20.58 billion... These projects are expected to generate significant revenue for the Company in the near future.

Based on the above factors, the Company believes that its business operations will improve positively in the near future. Accordingly, the Company expects to secure sufficient working capital to sustain its business activities and adequate investment capital to complete its planned investment projects.

Corporate structure:

The Company's member entities are as follows:

<u>Name</u>	<u>Address</u>	<u>Main business activities</u>
Mineral Exploitation Branch	9th Floor, Dau Khi Building, 38A Le Loi Boulevard, Dien Bien Ward, Thanh Hoa City.	Cement, Lime, and Gypsum Production

2 ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.

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

2.2 Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

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

2.3 Basis for preparation of the Financial Statements

The Financial Statements are presented based on historical cost principle.

The Financial Statements of the Company are prepared based on summarization of the financial statements of the independent accounting entities and the head office of the Company;

In the Company's financial statements, intercompany transactions and balances related to assets, equity, and internal receivables and payables have been entirely eliminated.

2.4 Accounting estimates

The preparation of Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts

of liabilities, assets and disclosures of contingent liabilities and assets at the date of the separate financial statements and the reported amounts of revenues and expenses during the fiscal year.

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

- Provision for bad debts;
- Estimated useful life of fixed assets;
- Classification and provision for financial investments;
- Estimation of prepaid expense allocation.
- Estimated income tax;

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

2.5 Cash

Cash comprises cash on hand, demand deposits.

2.6 Financial investments

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

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

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

- Investments in subsidiaries, joint ventures or associates: provision for loss investments shall be made based on the Financial Statements of subsidiaries, joint ventures or associates at the provision date.
- Investments held to maturity: provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.7 Receivables

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

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating the possible losses.

2.8 Inventories

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

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

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

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

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

2.9 Fixed assets

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

Subsequent measurement after initial recognition

If these costs aumtent future economic benefits obtained from the use of tangible fixed assets are extended to their initial standards conditions, these costs are *capitalized as an incremental in their historical cost*. Other costs incurred after tangible fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the Statement of Income in the year in which the costs are incurred.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful life as follows:

- Buildings, structures	05 - 25 years
- Other Machinery, equipment	05 - 08 years
- Vehicles, Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 10 years

2.10 Investment properties

Investment properties are initially recognised at historical cost.

The investment property is the Dau Khi Building, located at 38A Le Loi Boulevard, Thanh Hoa City, held by the Company for rental income. The leased investment property is presented at historical cost minus accumulated depreciation. The historical cost of the property is the finalized project value or directly related costs of the investment property.

The leased investment property is depreciated using the straight-line method over an estimated useful life of 30 years.

2.11 Construction in progress

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

2.12 Prepaid expenses

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

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

Types of prepaid expenses include:

- Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 03 years;
- The major repair costs of the Dau Khi Building, located at 38A Le Loi Boulevard, Thanh Hoa City, are allocated using the straight-line method over a useful life of 3 years;
- Other prepaid expenses are recognized at historical cost and allocated using the straight-line method over a useful life of 1 to 3 years.

2.13 Payables

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

2.14 Borrowings

Loans are monitored by each lender, loan agreement, and repayment term.

2.15 Borrowing costs

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

2.16 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as: interest are recorded as operating expenses of the reporting year.

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

2.17 Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing; interests received in advance when lending or buying debt instruments.

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

2.18 Owner's equity

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

Other capital is the operating capital formed from the operating results.

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

2.19 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns.

Financial income

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

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

2.20 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudence basis. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year.

2.21 Financial expenses

Items recorded into financial expenses is interest expense

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

2.22 Corporate income tax

Current corporate income tax expense

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

Current corporate income tax rate

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

2.23 Earnings per share

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

2.24 Related Parties

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

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

- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

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

2.25 Segment information

As most of the Company's revenue in the year came from construction and installation projects in the Northern region, the Company does not prepare segment reports by business sector or geographical area.

3 CASH AND CASH EQUIVALENTS

	31/12/2024	01/01/2024
	VND	VND
Cash on hand	186,790,486	139,897,299
Demand deposits	2,097,149,310	643,480,471
	2,283,939,796	783,377,770

4 FINANCIAL INVESTMENTS

a) Held to maturity investments

	31/12/2024		01/01/2024	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Short-term investments				-
Term Deposits (i)	27,000,000,000	-	25,500,000,000	-
	27,000,000,000	-	25,500,000,000	-

- (i) As of December 31, 2024, held-to-maturity investments totaled VND 27,000,000,000, consisting of 6-month term deposits at Orient Commercial Joint Stock Bank and Ban Viet Bank, with interest rates ranging from 5.1% per year to 5.6% per year.

4 FINANCIAL INVESTMENTS

b) Equity investments in other entities

	31/12/2024		01/01/2024	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Investments in associates				
- Lam Kinh Hotel Joint Stock Company (i)	18,296,788,082	(18,296,788,082)	18,296,788,082	(18,296,788,082)
	18,296,788,082	(18,296,788,082)	18,296,788,082	(18,296,788,082)

- (i) Lam Kinh Hotel Joint Stock Company has a charter capital of VND 190,000,000,000, divided into 19,000,000 shares. The Company holds 9.63% of the voting shares. The provision for this investment is based on the unaudited financial statements of Lam Kinh Hotel Joint Stock Company for the financial year ended December 31, 2020. As of December 31, 2020, the company's equity was negative VND 29,852,509,182.

The Company has not determined the fair value of these financial investments due to the lack of specific guidance on fair value measurement in Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System.

5 TRADE RECEIVABLES

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Related parties	11,678,136,594	-	11,718,768,346	-
Northern Branch.-	11,104,044,502	-	11,104,044,502	-
Vietnam Petroleum				
Construction Joint				
Stock Corporation				
Petroleum Equipment	574,092,092	-	614,723,844	-
Assembly And Metal				
Structure Joint Stock				
Company				
Others	26,851,090,850	(1,095,147,029)	39,071,929,393	(1,095,147,029)
Thong Nhat	179	-	12,901,106,232	-
Construction Company				
Limited				
Executive Board of the	4,552,674,395	-	3,212,957,548	-
Thai Binh 2 Thermal				
Power Plant Project				
Nhat Quang	5,449,211,050	-	5,949,211,050	-
Construction Limited				
Liability Company				
Cat Hai Construction	4,041,357,715	-	3,380,370,766	-
Limited Company				
Olympia Industrial	6,881,842,459	-	7,881,842,459	-
Construction Limited				
Liability Company				
Others	5,926,005,052	(1,095,147,029)	5,746,441,338	(1,095,147,029)
	38,529,227,444	(1,095,147,029)	50,790,697,739	(1,095,147,029)
b) Long-term				
Related parties				
Petrovietnam	12,191,285,851	-	12,191,285,851	-
Construction Joint				
Stock Corporation				
Petroleum Industrial	6,273,343,287	-	7,064,921,893	-
And Civil Construction				
Joint Stock Company.				
Executive Board of the	564,179,713	-	564,179,713	-
Hai Phong Polyester				
Fiber Plant Project				
Lam Kinh Hotel Joint	45,260,578,319	-	45,260,578,319	-
Stock Company				
	64,289,387,170	-	65,080,965,776	-

6 SHORT-TERM TRADE RECEIVABLES

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Related parties	1,159,498,000	-	1,159,498,000	-
An Phat Nghi Son Joint Stock Company	1,088,870,000	-	1,088,870,000	-
Heerim-PVC	70,628,000	-	70,628,000	-
International Design Joint Stock Company				
Others	2,045,166,240	-	4,856,127,973	-
Thanh Hoa Transport Works Corporation No. 1 - JSC	-	-	2,100,000,000	-
Others	2,045,166,240	-	2,756,127,973	-
	3,204,664,240	-	6,015,625,973	-
b) Long-term				
Related parties	34,583,560,480	-	34,583,560,480	-
Anhphat Investment Construction - Trading Joint Stock Company	29,355,863,103	-	29,355,863,103	-
Truong Son Petroleum Construction Jsc	3,499,319,305	-	3,499,319,305	-
Vinaconex - Pvc Construction Investment Joint Stock	1,728,378,072	-	1,728,378,072	-
Others	4,703,017,470	(20,000,000)	4,703,017,470	(20,000,000)
Thang Long Consultant Investment Construction Joint	1,300,000,000	-	1,300,000,000	-
Hung Do Trading And Construction Joint Stock Company	1,148,135,182	-	1,148,135,182	-
Others	2,254,882,288	(20,000,000)	2,254,882,288	(20,000,000)
	39,286,577,950	(20,000,000)	39,286,577,950	(20,000,000)

7 OTHER RECEIVABLES

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Receivable from deposit interest	44,721,095	-	233,686,298	-
Advances	5,215,595,232	(506,144,678)	5,128,836,793	(506,144,678)
Receivables from contractors of the Nghi Son project (i)	24,730,140,084	-	24,730,140,084	-
Song Hong Petroleum Investment and Trading Joint Stock Company (ii)	6,942,986,111	-	6,942,986,111	-
Others receivables	6,199,948,702	-	6,857,167,451	-
	43,133,391,224	(506,144,678)	43,892,816,737	(506,144,678)
b) Long-term				
Collateral, deposits	34,000,000	-	34,000,000	-
Mr. Duong Trong Hung	7,598,015,237	(7,598,015,237)	7,598,015,237	(7,598,015,237)
Mr. Nguyen Trung Liem	7,137,808,143	(7,137,808,143)	7,137,808,143	(7,137,808,143)
Mr. Luong Hoang	10,367,791,662	(10,367,791,662)	10,367,791,662	(10,367,791,662)
Others receivables	3,744,339,254	(88,937,396)	3,744,339,254	(88,937,396)
	28,881,954,296	(25,192,552,438)	28,881,954,296	(25,192,552,438)
c) In which: Related parties				
Petroleum Industrial And Civil Construction Joint Stock Company	1,750,748,646	-	1,750,748,646	-
Vinaconex - Pvc Construction Investment Joint Stock	1,096,366,511	-	1,096,366,511	-
Petroleum Mechanical Executing And Assembly Joint Stock Company	362,654,029	-	362,654,029	-
Lam Kinh Hotel Joint Stock Company	184,754,218	-	184,754,218	-
	3,394,523,404	-	3,394,523,404	-

(i) Including expenses for the lighting system construction, general expenses, charitable contributions, and management board reward funds, which the Company will allocate to subcontractors participating in the Nghi Son Refinery and Petrochemical project based on each subcontractor's work volume upon final settlement.

(ii) According to Investment Cooperation Contract No. 24/2011/HĐHTĐT-PVC.TH-PVSH dated September 8, 2011, the Company transferred VND 27,500,000,000 to Song Hong Petroleum Investment and Trading Joint Stock Company to invest in the PVSH Garden Urban Area project in Nhon Trach District, Dong Nai Province, with a capital usage fee of 17% per year for 180 days from the date of capital transfer. The Company ceased collecting the capital usage fee as of June 30, 2013. As of December 31, 2024, the outstanding capital usage fee was VND 6,942,986,111.

8 DOUBTFUL DEBTS

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

	31/12/2024		01/01/2024	
	Original Cost	Recoverable amount	Original Cost	Recoverable amount
	VND	VND	VND	VND
Mr. Duong Trong Hung	7,598,015,237	-	7,598,015,237	-
Mr. Nguyen Trung Liem	7,137,808,143	-	7,137,808,143	-
Mr. Luong Hoang	10,367,791,662	-	10,367,791,662	-
Nam Son Industrial	459,735,480	137,920,644	459,735,480	137,920,644
Investment Joint Stock				
Others	1,388,414,267	-	1,388,414,267	-
	26,951,764,789	137,920,644	26,951,764,789	137,920,644

9 INVENTORIES

	31/12/2024		01/01/2024	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw materials	72,986,796	-	72,986,796	-
Tools and supplies	13,560,400	-	13,560,400	-
Short-term work in progress (i)	68,160,659,854	-	90,229,977,581	-
	68,247,207,050	-	90,316,524,777	-

(i) Details of short-term unfinished production and business costs

	31/12/2024		01/01/2024	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Details of unfinished construction costs	63,674,734,650	-	85,744,052,377	-
The Nghi Son Refinery and Petrochemical Complex Land Reclamation Project	31,945,976,121	-	31,945,976,121	-
217 Cam Thuy Project	-	-	18,636,094,435	-
Thai Binh Power station	5,463,517,653	-	7,206,697,174	-
25Ha Construction Project	7,789,254,232	-	7,789,254,232	-
Others	18,475,986,644	-	20,166,030,415	-
Other work in progress	4,485,925,204	-	4,485,925,204	-
Building 38A for rent (*)	4,222,321,206	-	4,222,321,206	-
Others	263,603,998	-	263,603,998	-
	68,160,659,854	-	90,229,977,581	-

(*) Including costs: labor costs, building depreciation, tool and equipment usage costs, building maintenance expenses,...

As of December 31, 2024, unfinished projects pending final settlement are recorded under short-term work-in-progress expenses, with a total balance of VND 62.96 billion.

10 PREPAID EXPENSES

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
a) Short-term		
Other short-term prepaid expenses	38,347,957	75,489,695
	<u>38,347,957</u>	<u>75,489,695</u>
b) Long-term		
Dispatched tools and supplies	285,699,883	151,009,539
Major repairs of building 38A (i)	5,792,393,544	8,716,098,300
	<u>6,078,093,427</u>	<u>8,867,107,839</u>

- (i) The major repair costs for the building at 38A Le Loi Boulevard, Thanh Hoa, include dismantling, repairs, replacements, and new installations. The Company has not yet prepared the acceptance documents for the completion of these major repairs.

Thanh Hoa Petroleum Construction JSC

10th Floor, Dau Khi Building, 38A Le Loi Boulevard, Thanh Hoa City

Financial Statements
For the fiscal year ended as at 31 December 2024

11 TANGIBLE FIXED ASSETS

	Buildings, structures VND	Machinery, equipment VND	Transportation equipment VND	Management equipment VND	Total VND
Historical cost					
Beginning balance	293,528,482	624,245,455	1,628,894,181	62,727,273	2,609,395,391
Ending balance	<u>293,528,482</u>	<u>624,245,455</u>	<u>1,628,894,181</u>	<u>62,727,273</u>	<u>2,609,395,391</u>
Accumulated depreciation					
Beginning balance	291,569,007	539,598,027	1,452,087,911	47,348,994	2,330,603,939
- Depreciation in the year	-	25,749,697	58,650,000	12,545,460	96,945,157
Ending balance	<u>291,569,007</u>	<u>565,347,724</u>	<u>1,510,737,911</u>	<u>59,894,454</u>	<u>2,427,549,096</u>
Net carrying amount					
Beginning balance	1,959,475	84,647,428	176,806,270	15,378,279	278,791,452
Ending balance	<u>1,959,475</u>	<u>58,897,731</u>	<u>118,156,270</u>	<u>2,832,819</u>	<u>181,846,295</u>

The historical cost of fully depreciated tangible fixed assets still in use as of December 31, 2024, was VND 2,032,185,016 (VND 1,610,435,016 as of January 1, 2024).

12 INVESTMENT PROPERTY FOR LEASE

	Office Building VND	Total VND
Historical cost		
Beginning balance	73,235,868,711	73,235,868,711
Ending balance of the year	<u>73,235,868,711</u>	<u>73,235,868,711</u>
Accumulated depreciation		
Beginning balance	27,633,984,209	27,633,984,209
- Depreciation in the year	1,758,629,712	1,758,629,712
Ending balance of the year	<u>29,392,613,921</u>	<u>29,392,613,921</u>
Net carrying amount		
Beginning balance	45,601,884,502	45,601,884,502
Ending balance	<u>43,843,254,790</u>	<u>43,843,254,790</u>

In 2024, revenue from investment properties was VND 1,642,557,660 (VND 1,334,244,335 in 2023)

The only leased investment property owned and operated by the Company since 2015 is the Dau Khi Building, located at 38A Le Loi Boulevard, Thanh Hoa City. The Company has mortgaged this investment property to secure a loan from Vietnam Public Commercial Joint Stock Bank.

The fair value of the investment property has not been formally assessed or determined as of December 31, 2024. However, based on the rental situation and market value of the asset, the Company's management believes that the fair value of the investment property exceeds its carrying value at the financial year-end.

13 LONG-TERM WORK IN PROGRESS

	31/12/2024		01/01/2024	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
a) Long-term Work in Progress				
Commercial, Service, and Apartment Complex Project (i)	199.600.912.198	-	199.600.912.198	-
	<u>199.600.912.198</u>	<u>-</u>	<u>199.600.912.198</u>	<u>-</u>

- (i) The project named 'Commercial, Service, and Residential Complex' of Vietnam Oil and Gas Group in Thanh Hoa is built on a 32,275.5 m² land area adjacent to Le Loi Boulevard, Dong Huong Ward, Thanh Hoa City. The project is divided into two sub-projects: 'Lam Kinh Hotel Project' on an 18,791.9 m² land area and 'Phase 2 Project' on a 13,483.6 m² land area.

On November 30, 2011, the Company signed Transfer Contract No. 41/2011/HĐCN with Lam Kinh Hotel Joint Stock Company (KSLK) for the transfer of the 'Lam Kinh Hotel Project' to KSLK. The total transfer value of the project's assets is 'based on the approved and audited final investment settlement value of the Lam Kinh Hotel construction.' However, as of December 31, 2024, the transfer procedures have not yet been completed.

Additionally, in 2017, the Company transferred the 'Phase 2 Project' to Mai Tuan Nghia Joint Stock Company.

As stated in Note 20, this project is mortgaged for a loan at Thanh Hoa Petroleum Finance Company (now Vietnam Public Commercial Joint Stock Bank – Thanh Hoa Branch). Accordingly, the project transfer must be approved by PVcomBank – Thanh Hoa Branch. However, the

Company transferred the 'Lam Kinh Hotel Project' to Lam Kinh Hotel Joint Stock Company for management and operation without obtaining prior approval from PvcomBank.

b) Construction in progress

	31/12/2024	01/01/2024
	VND	VND
Construction in progress		
- Infrastructure Development Project for Industrial Zone I and Material & Equipment Staging Area of Nghi Son Petrochemical Complex (i)	19,367,945,472	19,367,945,472
	19,367,945,472	19,367,945,472

(i) According to Decision No. 235/QĐ-BQLKKTNS dated August 1, 2013, issued by the Nghi Son Economic Zone Management Board, this project was terminated. Consequently, on September 24, 2014, the Company held a meeting with its partner, Anh Phat Investment, Construction, and Trading Corporation – JSC, to agree on the reimbursement of investment costs for the project, totaling VND 26,422,536,093. Of this amount, the agreed reimbursable investment value was VND 14,760,774,232, while VND 11,661,761,861 remained unsettled, relating to compensation and site clearance costs advanced by the Company to households for land recovery, as the necessary procedures had not been fully completed.

14 TRADE PAYABLES

	31/12/2024		01/01/2024	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
a) Short-term				
Related parties	-	-	40,631,752	40,631,752
Petroleum Equipment Assembly and Metal Structure Joint Stock Company	-	-	40,631,752	40,631,752
Others	16,308,473,266	16,308,473,266	16,658,437,500	16,658,437,500
Construction Corporation No. 1 - Single-member limited liability Company	898,130,497	898,130,497	898,130,497	898,130,497
Viet Cuong Geotechnical Consulting Joint Stock Company	1,062,460,300	1,062,460,300	1,212,460,300	1,212,460,300
Quang Ninh Concrete Investment Joint Stock Company	2,573,245,800	2,573,245,800	2,773,245,800	2,773,245,800
Others	11,774,636,669	11,774,636,669	11,774,600,903	11,774,600,903
	16,308,473,266	16,308,473,266	16,699,069,252	16,699,069,252

	31/12/2024		01/01/2024	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
b) Long-term				
Related parties	47,678,531,819	47,678,531,819	47,878,531,819	47,878,531,819
Vinaconex - Pvc	24,818,030,770	24,818,030,770	24,818,030,770	24,818,030,770
Construction Investment Joint Stock Company				
Petroleum Mechanical Executing & Essembly JSC	20,962,012,224	20,962,012,224	21,012,012,224	21,012,012,224
Ha Noi Petroleum Construction Joint Stock Company	1,217,563,758	1,217,563,758	1,367,563,758	1,367,563,758
Anh Phat Investment Construction and Trade Corporation - JSC	626,803,218	626,803,218	626,803,218	626,803,218
Nghe An Petroleum Construction Joint Stock Company	54,121,849	54,121,849	54,121,849	54,121,849
Others	21,170,552,808	21,170,552,808	21,170,552,808	21,170,552,808
Truong Son Construction Corporation	6,899,276,718	6,899,276,718	6,899,276,718	6,899,276,718
Cosevco 1 Joint Stock Company	4,268,443,861	4,268,443,861	4,268,443,861	4,268,443,861
Minh Hang LLC	2,361,558,818	2,361,558,818	2,361,558,818	2,361,558,818
Others	7,641,273,411	7,641,273,411	7,641,273,411	7,641,273,411
	68,849,084,627	68,849,084,627	69,049,084,627	69,049,084,627

15 SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2024	01/01/2024
	VND	VND
Related parties	44,213,000	44,213,000
Anh Phat Investment Construction and Trade Corporation - JSC	44,213,000	44,213,000
Others	825,612,373	1,207,074,870
Cat Hai Construction Limited Liability Company	-	365,935,893
Thong Nhat Construction Limited Liability Company	200,000,000	200,000,000
FLC Faros Group Joint Stock Company	500,000,000	500,000,000
Others	125,612,373	141,138,977
	869,825,373	1,251,287,870

16 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of the year	Tax payable at the beginning of the year	Tax payable in the year	Tax paid in the year	Tax receivable at the end of the year	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND
Value added tax	-	31,084,695	-	-	-	31,084,695
Corporate income tax	60,521,822	-	-	-	60,521,822	-
Personal income tax	-	31,554,854	30,945,672	32,867,517	-	29,633,009
Land tax, land rental	-	3,953,586	-	-	-	3,953,586
Property Tax and Land Lease Payment	-	415,992,445	302,818,381	718,811,713	887	-
Fees, charges and other payables	-	2,823,990	22,895,679	22,895,679	-	2,823,990
	60,521,822	485,409,570	356,659,732	774,574,909	60,522,709	67,495,280

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

17 SHORT-TERM ACCRUED EXPENSES

	31/12/2024	01/01/2024
	VND	VND
Interest expense	84,525,184,953	84,525,184,953
Other payables	-	2,997,072,008
	84,525,184,953	87,522,256,961

18 UNEARNED REVENUE

	31/12/2024	01/01/2024
	VND	VND
a) Short-term		
National Highway 217 Cam Thuy project (project inspection for the 7th, 8th) (i)	-	16,405,389,917
Unearned Revenue from Asset Leasing	105,657,340	-
	105,657,340	16,405,389,917
b) Long-term		
Unearned Revenue from Asset Leasing	15,880,014,849	16,361,298,273
	15,880,014,849	16,361,298,273

(i) According to the payment terms of Construction Contract No. 1004/2018/HĐXD/TN-PVCTH dated April 10, 2018, between Thong Nhat Construction Co., Ltd. and PVC-TH for the construction of the road surface and drainage system from KM 67+248 to KM 73+00 under the National Highway 217 upgrade and expansion project, Thong Nhat Construction Co., Ltd. (Party A – General Contractor) is to pay PVC-TH (Party B – Subcontractor) in installments based on Party A's acceptance and payment schedule with the project owner. For each completed work volume certified by the project owner and the supervising consultant, Party A shall pay PVC-TH 95% of the completed value. As of December 31, 2020, all completed work volumes of PVC-TH had been accepted by the project owner and the supervising consultant. Additionally, the entire contract package, including all construction items under the contract, was handed over, accepted, and put into use on December 22, 2020. However, since Thong Nhat Construction Co., Ltd. has not yet confirmed the completed work volumes for phases 7 and 8 and has not finalized the contract settlement in accordance with the contract and legal regulations, PVC-TH has not issued value-added tax invoices or recognized revenue in a timely manner. As of January 1, 2024, the Company has temporarily recorded the project owner-approved completed work volumes as unearned revenue and recognized receivables from Thong Nhat Construction Co., Ltd. In 2024, the Company has completed the final settlement for the National Highway 217 Cam Thuy project.

19 OTHER PAYABLES

	31/12/2024	01/01/2024
	VND	VND
Trade union fee	226,951,893	195,818,525
Social insurance	764,483,219	587,499,017
Health insurance	13,071,519	12,464,100
Unemployment insurance	5,809,564	5,539,600
Short-term deposits, collateral received	230,390,535	230,390,535
Other Payables	582,709,973	1,321,718,773
	1,823,416,703	2,353,430,550

Thanh Hoa Petroleum Construction JSC

10th Floor, Dau Khi Building, 38A Le Loi Boulevard, Thanh Hoa City

Financial Statements

For the fiscal year ended as at 31 December 2024

20 LONG-TERM BORROWINGS

	01/01/2024		During the year		31/12/2024	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
- Vietnam Public Joint-stock Commercial Bank (i)	307,367,045,771	307,367,045,771	-	-	307,367,045,771	307,367,045,771
- Mr. Nguyen Trung Liem	119,113,274	119,113,274	-	-	119,113,274	119,113,274
- Mrs. Vu Thuy Hanh	1,867,430,000	1,867,430,000	-	-	1,867,430,000	1,867,430,000
- Mr. Nguyen Duy Linh	400,000,000	400,000,000	-	-	400,000,000	400,000,000
	309,753,589,045	309,753,589,045	-	-	309,753,589,045	309,753,589,045

Amount due for settlement within 12 months

Amount due for settlement after 12 months

309,753,589,045

(i) On January 28, 2011, the Company signed an amendment and supplement annex to Credit Contract No. 14/HĐTD-DH/PVCFCTL08/PL02 with Vietnam Petroleum Finance Corporation – Thang Long Branch and Vietnam Petroleum Finance Real Estate Joint Stock Company. Under this agreement, the Company assumed the loan previously taken by Vietnam Petroleum Finance Real Estate Joint Stock Company from Vietnam Petroleum Finance Corporation – Thang Long Branch (now Vietnam Public Commercial Joint Stock Bank)

The loan details under Credit Contract No. 14/HĐTD-DH/PVCFCTL08, its annex No. 14/HĐTD-DH/PVCFCTL08, and the debt reconciliation minutes dated January 28, 2011, indicate a loan amount of VND 26,259,885,960.

The loan was intended for investment in the office building at 38A Le Loi Boulevard.

The loan term is 10 years, starting from December 24, 2010.

Loan interest is paid quarterly starting from December 24, 2010, with the interest rate adjusted quarterly.

The loan is secured by the entire Petroleum Building at 38A Le Loi Boulevard, Thanh Hoa City.

On February 18, 2011, the Company signed Project Transfer Contract No. 08/2011/HĐCND/VPVFC/land-PVC-TH with Vietnam Petroleum Finance Real Estate Joint Stock Company. Under this contract, the Company assumed the loan previously taken by Vietnam Petroleum Finance Real Estate Joint Stock Company from Vietnam Petroleum Finance Corporation – Thang Long Branch (now Vietnam Public Commercial Joint Stock Bank).

The loan details are specified in Credit Contract No. 01/2010/HĐTD-DH/0403210 and its annex No. 01/2010/HĐTD-DH/0403210.

The loan was intended to cover expenses within the total investment of the Lam Kinh Hotel project, with a credit limit of VND 295,000,000,000.

The loan term is from December 27, 2010, to April 15, 2022.

The loan interest rate is adjusted every three months starting from January 15, 2011, with interest payments made quarterly from December 27, 2010.

The loan is secured by all assets formed after the investment in the Lam Kinh Hotel project, revenue from the project, and the investor's entire entitlement to project benefits.

According to the balance confirmation letter No. 2991/PVB-QL&TCTTS dated February 18, 2025, from Vietnam Public Commercial Joint Stock Bank, the borrowing costs and related penalties for the 'Commercial Service Residential Complex' project, specifically the 'Lam Kinh Hotel' project and the 'Investment and Construction of Petroleum Building 38A Le Loi Boulevard - Thanh Hoa' project, remain unpaid from 2015 to December 31, 2024, totaling VND 685,113,791,041. Of this amount, the Company has provisionally accrued loan interest expenses and recorded a cumulative amount of VND 84,525,184,953 under accrued expenses as of December 31, 2024 (detailed in Note 17)

According to Decision No. 03/2022/QĐST-KDTM dated November 25, 2022, by the People's Court of Thanh Hoa City, the commercial business case regarding 'Credit Contract Dispute' for the two aforementioned loan agreements was temporarily suspended due to the expiration of the trial suspension period without obtaining the necessary evidence. On November 2, 2023, the People's Court of Thanh Hoa City, Thanh Hoa Province, issued Decision No. 17/2023/QĐST-KDTM to resume the case and Decision No. 04/2023/QĐ-ĐG to appraise the disputed assets and establish an asset valuation council on November 6, 2023. On February 2, 2024, the People's Court of Thanh Hoa City, Thanh Hoa Province, issued Decision No. 14/2024/QĐST-KDTM to temporarily suspend the civil case until the results of the disputed asset valuation are available.

21 OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Development and investment	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND
Beginning balance of previous year	210,000,000,000	6,355,535,090	1,567,942,490	(139,808,319,031)	78,115,158,549
Loss for previous period	-	-	-	(1,869,459,628)	(1,869,459,628)
Other increase	-	-	-	52,000,000	52,000,000
Ending balance of previous year	210,000,000,000	6,355,535,090	1,567,942,490	(141,625,778,659)	76,297,698,921
Beginning balance of this year	210,000,000,000	6,355,535,090	1,567,942,490	(141,625,778,659)	76,297,698,921
Loss for this year	-	-	-	(20,237,381,960)	(20,237,381,960)
Ending balance of this year	210,000,000,000	6,355,535,090	1,567,942,490	(161,863,160,619)	56,060,316,961

b) Details of owner's contributed capital

	<u>31/12/2024</u>	<u>Rate</u>	<u>01/01/2024</u>	<u>Rate</u>
	VND	%	VND	%
Petro Vietnam Construction Joint Stock Corporation	75,600,000,000	36.00	75,600,000,000	36.00
Anh Phat Investment Construction and Trade Corporation - JSC	1,400,000,000	0.67	1,400,000,000	0.67
Saigon - Hanoi Securities JSC	31,000,000,000	14.76	31,000,000,000	14.76
Leadvisors Fund Management Joint Stock Company	15,000,000,000	7.14	15,000,000,000	7.14
Others	87,000,000,000	41.43	87,000,000,000	41.43
	<u>210,000,000,000</u>	<u>100</u>	<u>210,000,000,000</u>	<u>100</u>

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

	<u>Year 2024</u>	<u>Year 2023</u>
	VND	VND
Owners' equity		
- At the beginning of the year	210,000,000,000	210,000,000,000
- At the end of the year	210,000,000,000	210,000,000,000

d) Shares

	<u>31/12/2024</u>	<u>01/01/2024</u>
Quantity of Authorized issuing shares	21,000,000	21,000,000
Quantity of issued shares and fully contributed capital	21,000,000	21,000,000
- Common shares	21,000,000	21,000,000
Quantity of circulated shares	21,000,000	21,000,000
- Common shares	21,000,000	21,000,000
Par value per share: VND 10,000		

e) Company's funds

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
Development and investment funds	6,355,535,090	6,355,535,090
Other funds	1,567,942,490	1,567,942,490
	<u>7,923,477,580</u>	<u>7,923,477,580</u>

22 TOTAL REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	Year 2024	Year 2023
	VND	VND
Construction Revenue	15,138,481,824	23,230,829,978
Service Revenue	1,966,068,469	1,439,198,885
	17,104,550,293	24,670,028,863
In which: Revenue from related parties (Detailed in Note 32)	1,854,288,043	2,172,748,009

23 COST OF GOODS SOLD

	Year 2024	Year 2023
	VND	VND
Cost of Construction	25,292,781,688	23,967,437,352
Cost of services rendered	6,770,292,141	1,439,198,880
	32,063,073,829	25,406,636,232

24 FINANCIAL INCOME

	Year 2024	Year 2023
	VND	VND
Interest income	1,106,583,334	2,488,552,479
	1,106,583,334	2,488,552,479

25 FINANCIAL EXPENSES

	Year 2024	Year 2023
	VND	VND
Interest expense	-	54,350,685
	-	54,350,685

26 GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2024	Year 2023
	VND	VND
Labour expenses	4,649,600,444	5,955,941,740
Tools and supplies	415,399,372	638,384,501
Depreciation expense	15,488,905	152,351,915
Tax, Charge, Fee	240,809,063	18,600,000
Expenses of outsourcing services	570,732,121	661,186,974
Other expenses in cash	395,994,185	595,454,623
	6,288,024,090	8,021,919,753
In which: General and administrative expenses (Detailed in Note 32)	18,000,000	-

27 OTHER INCOME

	Year 2024	Year 2023
	VND	VND
PVI Insurance Corporation	-	3,355,383,434
Hung Son Construction Limited Liability Company	-	1,137,880,307
Others	10,299,402	14,455,378
	10,299,402	4,507,719,119

28 CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2024	Year 2023
	VND	VND
Corporate income tax from main business activities		
Total profit before tax	(20,237,381,960)	(1,869,459,628)
Increase	87,737,070	5,163,868
- <i>Ineligible expenses</i>	87,737,070	5,163,868
Taxable income	(20,149,644,890)	(1,864,295,760)
Current corporate income tax expense (tax rate 20%)	-	-
Tax payable at the beginning of the year	(60,521,822)	(60,521,822)
Tax paid in the year	-	-
Corporate income tax payable at the end of the year	(60,521,822)	(60,521,822)

29 BASIC EARNINGS PER SHARE

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

	Year 2024	Year 2023
	VND	VND
Net profit after tax	(20,237,381,960)	(1,869,459,628)
Profit distributed to common shares	(20,237,381,960)	(1,869,459,628)
Average number of outstanding common shares in circulation in the year	21,000,000	21,000,000
Basic earnings per share	(964)	(89)

As of December 31, 2024, the Company does not have any shares with potential dilutive effects on earnings per share

30 BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2024	Year 2023
	VND	VND
Raw materials	1,026,967,557	7,671,551,574
Labour expenses	6,359,507,093	9,899,674,581
Tools and supplies	3,955,414,271	1,180,387,401
Depreciation expenses	1,774,118,617	1,997,235,331
Tax, Charge, Fee	128,781,999	30,223,824
Expenses of outsourcing services	2,243,277,383	4,852,713,080
Other expenses in cash	793,713,272	1,168,790,593
	<u>16,281,780,192</u>	<u>26,800,576,384</u>

31 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

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

32 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Related parties	Relation
Petro Vietnam Construction Joint Stock Corporation	Major shareholder
The Executive Board of the Thai Binh 2 Thermal Power Plant Project.	Subsidiary of a major shareholder
Northern branch - Petro Vietnam Construction Joint Stock Corporation	Subsidiary of a major shareholder
Hai Phong Polyester Fiber Plant Project Executive Board	Subsidiary of a major shareholder
Anh Phat Investment Construction and Trade Corporation - JSC	Major shareholder
Saigon - Hanoi Securities JSC	Major shareholder
Leadvisors Fund Management Joint Stock Company	Major shareholder
Anh Phat Nghi Son JSC	Subsidiary company of major shareholder
Lam Kinh Hotel Joint Stock Company	Associated
Petroleum Industrial & Civil Construction JSC	Subsidiary company of major shareholder
Petroleum Equipment	Subsidiary company of major shareholder
Assembly and Metal Structure Joint Stock Company	
Vinaconex-PVC Construction Investment Joint Stock Company	Associated company of major shareholder
Truong Son Petroleum Construction Joint Stock Company	Associated company of major shareholder
Petroleum Mechanical Executing & Essembly JSC	Associated company of major shareholder
Heerim-PVC International Design JSC	Associated company of major shareholder
Ha Noi Petroleum Construction Joint Stock Company	Associated company of major shareholder
Petroleum Interior Decoration Joint Stock Company	Associated company of major shareholder
Nghe An Petroleum Construction Joint Stock Company	Associated company of major shareholder
Members of the Board of Directors, Board of Management, Supervisory Board, and other managers	Key management members of the Company

In addition to the information with related parties presented in the above Note explanations, during the fiscal year, the Company has the transactions and balances with related parties as follows:

	<u>Year 2024</u>	<u>Year 2023</u>
	VND	VND
Revenue from sales of goods	1,854,288,043	2,172,748,009
The Executive Board of the Thai Binh 2 Thermal Power Plant Project.	1,854,288,043	2,172,748,009
Purchase goods and services	18,000,000	-
Lam Kinh Hotel Joint Stock Company	18,000,000	-

The remuneration, salary, and other income of the members of the Board of Directors, the CEO, the Supervisory Board, and other managers are as follows:

	Position	Year 2024 VND	Year 2023 VND
Mr. Le Anh Dung	Chairman of the Board of Directors	327,772,728	327,090,910
Mr. Vu Duc Tien	Member of the Board of Directors	36,000,000	36,000,000
Mr. Pham Van Tu	Member of the Board of Directors	36,000,000	36,000,000
Mr. Hoang Tuan Anh	Member of the Board of Directors	36,000,000	36,000,000
Mr. Hoang Dac Tuan	Director (appointed on May 14, 2024)	203,909,091	-
Mr. Pham Van Truong	Member of the Board of Director Director (dismissal on February 8, 2024)	74,454,545	321,272,728
Mrs. Vu Thi Ha	Vice Director	251,454,546	251,636,364
Mr. Nguyen Van Quang	Deputy Chief Executive Officer (appointed on February 8, 2024)	247,818,182	244,363,636
Mrs. Vu Thi Thanh	Head of Supervisory Board	164,229,438	149,818,182
Mrs. Trinh Thi Hong	Member of the Supervisory Board	24,000,000	24,000,000
Mr. Do Duong Thong	Member of the Supervisory Board	24,000,000	24,000,000

Apart from the related party transactions mentioned above, no other related parties had transactions with the Company during the financial year.

33 COMPARATIVE FIGURES

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


Luong Quang Trung
Preparer


Vu Thi Hai
Accounting Manager


Hoang Dac Tuan
Director
Thanh Hoa, March 21, 2025

