

No.: 160/BC-DVKT-KTKH

HaNoi, March 12, 2025

**REPORT FROM THE BOARD OF DIRECTORS
ON BUSINESS OPERATIONS IN 2024 AND OUTLOOK FOR 2025**

The Board of Directors of PV Power Services Joint Stock Company (PV Power Services) respectfully reports to the General Meeting of Shareholders on the business operations in 2024 and the planned direction for 2025 as follows:

PART I: PERFORMANCE OF BUSINESS OPERATIONS IN 2024

1. General Situation and Results of Business Operations in 2024

a. Advantages:

- Support from major shareholder PV Power in implementing long-term contracts at the Ca Mau 1&2, Nhon Trach 1, Nhon Trach 2, and Vung Ang 1 power plants.
- Timely payment for the regular maintenance contracts at the power plants has helped the company balance cash flow and ensure monthly salaries for employees.
- The technical team of PV Power Services is highly skilled, having participated in many major maintenance and repairs for power plants. They also had opportunities to work with foreign experts during scheduled repairs.
- The management team and employees are united, showing a strong sense of responsibility in fulfilling their duties and enhancing management and governance, contributing to better business results.

b. Challenges:

- High cost of goods sold compared to other service units, which affects competitiveness, especially since the experience in major overhauls of large equipment, such as 300MW turbine-generator sets, is limited (fewer occurrences).
- Revenue from regular maintenance contracts at PV Power's power plants decreased due to a reduction in contract values. Notably, the revenue from the Nhon Trach 2 contract decreased significantly by 12.97 billion VND, which directly impacted the company's revenue and profit in 2024.

- In an effort to increase revenue and expand the customer base, the company sought new clients beyond its traditional power plants. However, during the execution of these external service contracts, the company faced difficulties due to overlapping schedules with large maintenance periods, resulting in a shortage of skilled personnel and tools, which led to outsourcing and higher costs, reducing competitiveness.

Recognizing these challenges and advantages, the management team proactively took action to execute business operations effectively and align with business goals. The results achieved are as follows:

Unit: Billion VND

No.	Indicator	2024 Plan	2024 Actual	% Achieved
I	Total Revenue	263.40	376.67	143.00%
I.1	Revenue from Direct Services (PVPS)	263.40	371.18	140.92%
1	Revenue from Long-Term Maintenance Contracts	177.07	193.67	109.38%
2	Revenue from New Business Development Outside Long-Term Contracts	82.43	173.47	210.44%
3	Financial Revenue	3.90	3.94	100.90%
4	Other Income		0.10	
I.2	OEM Revenue		5.49	
II	Total Expenses	242.62	352.71	145.38%
III	Profit Before Tax	20.78	23.96	115.30%
IV	Profit After Tax	16.62	18.60	111.90%
V	Contributions to State Budget	20.39	21.07	103.33%

Performance Evaluation:

- ❖ **Total Revenue:** The total achieved revenue in 2024 was 376.67 billion VND, compared to the plan of 263.40 billion VND, reaching 143.0% of the target, an increase of 113.27 billion VND. The breakdown is as follows:
- + **Maintenance & Overhaul Revenue:** Increased by 16.60 billion VND:
 - Ca Mau 1&2: An increase of 0.49 billion VND due to (i) a decrease of 1.75 billion VND in regular maintenance revenue due to plant shutdown for over 30 days, (ii) an increase of 2.24 billion VND from addressing plant-specific issues.
 - Nhon Trach 1: An increase of 3.63 billion VND due to (i) an increase of 4.95 billion VND in overhaul revenue carried over from 2023 to 2024,

(ii) a decrease of 1.32 billion VND from the scheduled maintenance of Nhon Trach 1 due to a shift in schedule.

- Nhon Trach 2: An increase of 7.54 billion VND due to (i) an increase of 20.51 billion VND in scheduled overhauls for Nhon Trach 2 in 2023 carried over to 2024, (ii) a decrease of 12.97 billion VND from the revised contract of Nhon Trach 2.

- Vung Ang 1: An increase of 4.95 billion VND due to (i) a decrease of 1.35 billion VND in regular maintenance revenue due to a plant shutdown for over 30 days, (ii) an increase of 6.30 billion VND from contract amendments based on actual work.

+ **New Business Development:** Revenue from external services increased significantly to 173.47 billion VND, exceeding the plan by 91.04 billion VND, driven by contracts for repairs, overhauls, and technical services for various power plants (Vung Ang 1, Song Hau 1, Nghi Son Oil Refinery...).

+ **Financial Revenue:** Increased by 0.04 billion VND based on actual performance.

+ **Other Income:** An increase of 0.10 billion VND from contract violations and asset liquidation.

+ **OEM Revenue:** 5.49 billion VND (no profit generated).

❖ **Total Expenses:** Total expenses in 2024 amounted to 352.71 billion VND, exceeding the plan by 45.38% (242.62 billion VND).

❖ **Profit Before Tax:** Achieved 23.96 billion VND, exceeding the plan by 15.30%, primarily due to the increase in revenue. However, the significant decline in revenue from Nhon Trach 2 (a decrease of 12.97 billion VND) impacted the overall profit.

The Board of Directors has proactively strengthened efforts to develop new services, optimize human resources, improve cash flow management, minimize costs, and maintain stable employee wages, all contributing to achieving over 115% of the profit target for 2024.

❖ **Contributions to State Budget:** The company contributed 21.07 billion VND to the state budget, compared to the planned 20.39 billion VND, reaching 103.33% of the target.

2. MAIN ACTIVITIES OF THE COMPANY

2.1. Maintenance and Repair Work for Power Plants

a. For Power Plants under the Parent Company:

- Conducted regular and emergency maintenance, as well as troubleshooting for the Ca Mau 1&2, Nhon Trach 1, Nhon Trach 2, and Vung Ang 1 power

plants. The company completed 100% of the scheduled tasks, ensuring the plants operated safely and efficiently with high availability and reliability.

- Completed scheduled maintenance work for the power plants, ensuring safety, quality, and meeting the deadlines as agreed. Specifically:
- + Implemented and completed 3 contracts for overhauls/repairs of Turbine 2 at Vung Ang 1 Power Plant, including Contracts No. 22, 33, and 35. PVPS handed the unit back to the investor on October 10, 2024, to restart, and Turbine 2 successfully reconnected to the grid at 14:42 on October 14, 2024.
- + Conducted regular maintenance for the equipment at the Hũa Na Hydropower Plant in 2024.
- Provided technical staff to Siemens for maintenance and repair of GT11 and GT12 generators at the Ca Mau 1 Power Plant; overhauled the Ca Mau 2 Power Plant; replaced Strainer IPBP CV ST10 and repaired ST10 generators at Ca Mau 1; performed maintenance for the Nhon Trach 2 Power Plant.

b. For Power Plants and Industrial Projects Outside the Parent Company

- Executed a 3-year regular contract for the Energy and Utility Workshops (3R and 3D) and the Coke Oven Workshop under contracts signed at the Formosa Ha Tinh Power Plant.
- Completed, reviewed, and finalized payments for the following contracts:
- + Provided personnel for boiler No. 9 and Turbine-Generator TG2 repairs in 2024 at Vedan Vietnam Joint Stock Company.
- + Maintenance of the boiler and auxiliary equipment at the Nghi Son 1 Power Plant.
- + Contracts for C&I maintenance on Unit 1, C&I overhaul on Unit 2, and valve overhauls at Thang Long Power Plant.
- + Services for management, operation, maintenance, and repair of rooftop solar systems at Phu My Fertilizer and Ca Mau Fertilizer Plants.
- + Supplied high-quality labor for the Binh Son Oil Refining and Petrochemical Plant.
- + Replacement of the dust blowers at the Thai Binh 2 Power Plant.
- + Actuator maintenance services at the Song Hau 1 Power Plant.
- + Provided services for auxiliary system installation at Nhon Trach 3&4 Power Plants.
- + Supplied materials to Pha Lai, Duyen Hai 2 Power Plants, and UNITEX Vietnam in Tay Ninh.
- Provided major repair services for Unit 1 at the Van Phong Power Plant.

- For Mong Duong 2 Power Plant:
- + Completed overhauls of fans and maintenance of the 110kV substation.
- + Received final payment for 110kV transmission line maintenance services.
- + Supplied dynamic balancing services for CID blades.
- + Supplied repair services for CID 1A & 1B Damper seal air fan.
- + Executed the goods purchase contract.
- Implemented the turbine maintenance contract at the Nghi Son Oil Refining and Petrochemical Plant.
- Performed contract 935-2023/HĐ-BSR-PVPS at the Dung Quat Oil Refining and Petrochemical Plant.
- Supplied and installed two sets of raw water pumps and spare parts at the Hoa Phu pumping station for the Saigon Water Supply Corporation (PISA-PVM-PVPS).
- Conducted troubleshooting and gearbox replacement for wind turbine poles at the Hoa Binh 5 Wind Power Plant.
- Conducted maintenance for the Hua Na Hydropower Plant.
- Supplied and installed batteries for the Mong Duong 1 Power Plant.
- Completed the scheduled major repair work for the 220kV substation (batteries) under Pha Lai Thermal Power Company, transitioning the work from 2023 to 2024.

2.2. Investment and Procurement Activities

In 2024, PV Power Services performed investment and procurement activities as follows:

- + **Investment/Procurement Total:** 6.54/9.11 billion VND, achieving 71.8% of the planned target, including:
- + **Tools and Equipment Procurement:** 6.22/6.68 billion VND, achieving 93.1% of the plan (due to savings in procurement processes).
- + **Production Equipment for Branches:** 0.065/0.07 billion VND, achieving 99.6% of the plan.
- + **Procurement for Management Work:** 0.26/0.27 billion VND, achieving 96.6% of the plan.
- + **Vehicles:** 0/2.10 billion VND (the estimate was made, but delivery will be in 2025).

2.3. Human Resources Training and Development

The company executed the 2024 training plan, focusing on enhancing internal training and mentoring at various branches. In 2024, PV Power Services detailed the internal training plan for the branches according to current regulations.

Total Training Results: Training Participants: 206/226 individuals, achieving 91.15% of the plan. **Total Training Cost:** 1,660/2,100 million VND, achieving 79.05% of the plan. Specifically:

- + Regular Training: 109 participants, with a total cost of 316 million VND.
- + Specialized Training: 31 participants, with a total cost of 1,150 million VND.
- + Internal Training: 66 participants, with a total cost of 194 million VND.

2.4. Labor and Human Resources Management

a. Organizational and Staffing Work:

In 2024, the company reviewed and adjusted the functions and tasks of departments to improve specialization, streamline operations, and enhance the efficiency of the corporate office. The Board of Directors approved the restructuring of the Business Department under Resolution No. 115/NQ/DVKT-HĐQT dated July 12, 2024. The CEO issued Decision No. 325/QĐ-DVKT on August 6, 2024, defining the functions and tasks of various departments. Accordingly, the Business Department will focus on material and equipment trade, installation and upgrading of equipment provided by professional service units or original equipment manufacturers (OEMs), and self-initiated technical service contracts. The management of service contracts will be handled by the Economic Planning Department.

As of December 31, 2024, the company employed 428 people, with the following breakdown:

- + **Board of Directors** (BOD, Supervisory Board, General Director, and CFO): 8 people.
- + **Internal Audit Department:** 1 person.
- + **5 Functional Departments:** 54 people.
- + **4 Branches:** 365 people.

b. Labor Management and Utilization

➤ Change in Workforce during the Period:

Stt	Indicator	Unit	2024	Remarks
1	Beginning Workforce	People	431	
2	Increase in Workforce	People	53	
3	Decrease in Workforce	People	56	
4	Ending Workforce	People	428	

➤ *Workforce Composition:*

Stt	Indicator	Unit	2024 Actual
I	By Gender	People	428
1	Male	-	380
2	Female	-	48
II	By Age Group	People	428
1	Under 30 years old	-	37
2	31-39 years old	-	189
3	40-49 years old	-	166
4	50-55 years old	-	27
5	Over 55 years old	-	9
6	Average Age	-	39.3
III	By Educational Level	People	428
1	PhD (Doctorate)	-	0
2	Master's Degree	-	20
3	Bachelor's Degree	-	202
4	College/Associate Degree	-	48
5	Vocational/Intermediate Diploma	-	78
6	Technical Staff + Drivers	-	80
7	Unskilled Labor	-	0

➤ *Labor Management:*

- The company conducted a review and assigned labor quotas for departments, with a total workforce of **470** employees in 2024.
- Personnel management has been prioritized with several key appointments:
 - + Temporary appointment of the Director of the Ha Tinh branch.
 - + Extension of the term of the Chairman of the Board of Directors until retirement age.
 - + Reappointment of the General Director for a limited term.
 - + New appointments for various positions, including head of the HR department and production-related roles at Ha Tinh and Ca Mau branches.
 - + Personnel transfers and new roles in key positions, such as Deputy Head of the Planning Department and Team Leaders at Ca Mau branch.
- The company resolved 56 cases of employee termination and job transfer.
- Employment contracts of at least 12 months were signed for new recruits.
- Personnel files were carefully managed, updated, and the personal details of staff were reported in line with government regulation.

Assessment: Labor management was executed in accordance with state regulations, ensuring timely and effective operations aligned with the company's production and business objectives

2.5. Salaries, Bonuses, and Employee Benefits

- The company completed the 2023 wage fund settlement and prepared the 2024 wage plan, while also establishing the 2025 labor and wage plan.
- The wage fund for 2024 was allocated to the branches.
- A Regulation on Performance and Rating of Management Staff was issued.
- Modifications were made to the company's salary and evaluation regulations, focusing on linking compensation to individual performance and task completion.
- Salary increase for 2024 was processed for employees in accordance with the updated salary regulation (since July 1, 2024).
- The company adjusted the wage levels and paid salaries based on individual contributions and performance.
- **Performance:**
- + Average workforce: 422 people.
- + Average salary: 21.6 million VND per person per month.
- + Average income: 24.5 million VND per person per month.
- The company ensured the timely payment of allowances, including hazardous duty allowances, meal subsidies, and safety bonuses, as per regulations.

2.6. Occupational Health, Safety, and Environmental Protection, Fire Prevention and Fighting

In 2024, the Company has consistently focused on occupational health, safety, and fire prevention (OHS-FP). As of the present time, the Company has ensured occupational health, safety, and environmental protection, with no reported workplace accidents or fire incidents, and no employees have contracted occupational diseases. The OHS Council of the Parent Company evaluated the OHS-FP work at the Company in 2024, achieving a score of 97.8/100, meeting the criteria for the "Excellent Occupational Health and Safety" award. The key activities and outcomes for 2024 are as follows:

- **Safety Training and Inspections:** The Company organized regular OHS training sessions, electrical safety assessments, equipment inspections, and OHS-FP checks at branches.
- **Environmental Monitoring and Health Checks:** The Company conducted labor environment measurements, periodic health examinations, and occupational disease screenings in 2024. It also carried out safety rewards and material support programs on a monthly basis.

- **Personal Protective Equipment (PPE):** The Company ensured that employees were provided with adequate PPE, including updating safety uniform colors and styles and distributing PPE to all employees.
- **Reporting and Compliance:** The Company regularly reported on OHS-FP statistics to the Parent Company and local authorities. The Company also implemented the OHS Action Month plan for 2024.
- **Safety Measures during High-Risk Periods:** Increased security and fire safety measures were implemented during the dry season, New Year, Lunar New Year, April 30, May 1, and September 2 holidays.
- **Safety Supervision during Major Maintenance:** The Company conducted safety checks and oversight during major repairs at various power plants, emphasizing high-risk activities and fire safety.

2.7. Scientific Research and Technology

- **Encouraging Innovation and Technological Application:** The Company continuously encouraged and supported all employees to engage in technical innovation and the application of science and technology.
- **Registered and Recognized Innovations:** In 2024, the Company registered 46 innovations, with 38 being recognized and awarded certificates. These innovations had significant economic benefits, particularly in technical improvements, research, and technology applications.

2.8. Social Welfare Activities, Employee Care, and Life Improvement

- **Social Welfare:**
 - + The Company focused on supporting employees' livelihoods during the Lunar New Year (2024). Specific activities included: Funding the program of Tet Holiday with 52 million VND; Organizing sports events and providing union meals, totaling 84 million VND; Supporting employees with critical illnesses with 2 million VND and presenting gifts to 3 employees at the Ha Tinh Branch during the " Oil and Gas Union Shelter" house handover ceremony with 1.5 million VND; Purchasing mooncakes for employees, totaling 186.7 million VND; Providing gifts and Tet bonuses for 426 employees during the Lunar New Year with a total of 255.6 million VND; Supporting employees working on major repairs at the Vân Phong 1 Power Plant with 13.2 million VND.
 - + The Company called on all employees to participate in fundraising efforts for disaster relief, the Petroleum Support Fund, and youth programs, raising a total of 570.58 million VND over three campaigns.

- **Employee Care and Welfare:**

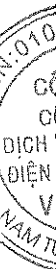
- + The Company fully complied with social insurance regulations, contributing to the social, health, and unemployment insurance for employees. By December 31, 2024, 422 employees were enrolled in social insurance, with monthly contributions totaling approximately 1.4 billion VND.
- + It provided various benefits, including medical insurance, maternity leave, and insurance for employees.
- + The Company organized leisure programs and holidays for employees in 2024 and offered high-level life insurance packages to 68 technical staff members, costing 1.78 billion VND annually.
- + The Company allocated 1.7875 billion VND from the welfare fund for various employee welfare activities, including New Year bonuses, Women's Day, International Children's Day, birthday celebrations, gifts for veterans and martyrs' families, Mid-Autumn Festival, and retirement allowances.

Evaluation: The Company has effectively implemented the policies and benefits for employees, including rewards, welfare, meal allowances, and social insurance (SI). The policies for employees have been fully and promptly addressed. The number of employees participating in social insurance (SI), health insurance (HI), and unemployment insurance (UI) has reached 100%, with all contributions to SI, HI, and UI being made to the Social Insurance Agency in accordance with the Vietnamese Social Insurance Law.

2.9. Emulation and Reward Activities

In 2024, the Company reported to the Emulation and Reward Council of the Vietnam Oil and Gas Power Corporation (PV Power) and recommended to the Vietnam National Oil and Gas Group (PetroVietnam) and PV Power to recognize several individuals and collectives for their outstanding achievements:

- **Collective Awards:** 38 advanced labor collectives, 8 excellent labor collectives, 8 collectives awarded the Certificate of Merit from PV Power, and 4 collectives awarded the Certificate of Merit from PetroVietnam.
- **Individual Awards:** 2 individuals received the title of "Outstanding Worker" from the State Capital Management Committee, 117 individuals received "Outstanding Worker" recognition at the local level, 118 individuals received the "Certificate of Merit" from PetroVietnam, 191 individuals received the "Certificate of Merit" from PV Power, and 390 individuals were recognized as "Advanced Workers".
- **Special Awards:** Recognition was given to outstanding teams and individuals in the development of services, major maintenance projects, and outstanding performance in repairing and overhauling machinery and equipment.



3. General Evaluation and Lessons Learned

3.1. General Evaluation:

- The Company successfully completed the tasks of routine and unexpected maintenance, addressing issues and abnormal equipment/system situations at power plants such as Ca Mau 1&2, Nhon Trach 1, Nhon Trach 2, Vung Ang 1, and Formosa Ha Tinh.
- The Company completed the maintenance work within the agreed-upon timeline, achieving and exceeding the maintenance targets for key power plants.
- In 2024, PV Power Services achieved strong results, exceeding the profit target by over 115%.
- The Company continued to expand its service development efforts, actively seeking new contracts to increase revenue and profits.

3.2. Challenges and Lessons Learned:

- **Human Resources:** The Company considers human resources to be a key factor in its development. It is crucial to place the right people in the right jobs, especially in technical positions requiring specialized knowledge and experience. Continuous efforts in training, talent development, and having appropriate compensation policies will attract and retain skilled employees.
- **Identifying Weaknesses and Addressing Bottlenecks:** The Company must promptly identify weaknesses, particularly those related to human resources, technical expertise, and equipment capabilities, which affect its competitiveness in the market. Addressing these issues and finding practical solutions will be essential for maintaining sustainable growth and competitiveness in the service industry.

PART II: BUSINESS PRODUCTION PLAN FOR 2025

1. Key Tasks:

- Perform regular and emergency maintenance/repair or troubleshooting of the Ca Mau 1&2, Nhon Trach 1, Nhon Trach 2, Vung Ang 1, and Formosa Ha Tinh Power Plants according to signed contracts, ensuring safety, schedule, quality, and efficiency.
- Carry out periodic maintenance repairs for power plants within the Corporation, ensuring quality, progress, and safety.
- Enhance efforts to promote, approach, participate in tenders, sign and execute contracts for technical service provision to new customers/investors, outside of existing signed contracts, in line with the Company's capabilities and experience, optimizing the use of human resources, assets, and tools to increase revenue, profit, and operational efficiency, as well as improving employees' living standards.
- Review, adjust, and supplement the 2026-2030 plan, and align it with the strategic objectives for the period, leading up to 2035. Develop a plan that aligns with the Corporation's direction as a basis for management and execution.
- Proactively review and evaluate the digital transformation process within the unit, in collaboration with the Corporation; propose solutions in digital transformation and data management to ensure consistent implementation across the entire system of the Corporation and the unit.
- Coordinate with the Corporation to advise relevant authorities on establishing a Risk Management Department at the unit; proactively study and understand tasks to implement once decisions or instructions from authorities are issued.
- Focus on improving management and operations within the Company. Strictly control and minimize costs (especially management costs and external purchase costs); manage and use capital and assets safely and for the right purposes, ensuring efficient business operations. Execute investment/purchasing of assets/equipment and tools timely for maintenance and repair of power plants, ensuring legal compliance and current regulations of the Company and the State.
- Improve management and execute contracts effectively, including external services to the Corporation's units. Develop business plans and management strategies to ensure a profit margin from service provision of 6-10%, and from material supply activities of 3-6%.

- Implement measures for labor, wages, and corporate innovation, ensuring the annual wage fund, and increasing income for employees. Focus on training to reduce skill gaps in the workforce, especially in technical operations, management, and equipment maintenance/repair of power plants.
- Ensure the well-being of employees, strengthen union activities across the Company, and ensure full implementation of rewards, welfare, meal allowances, and social insurance policies as per regulations.
- Prepare for scheduled maintenance in 2026 as per the plan.
- Perform other tasks assigned by the General Shareholders' Meeting.

2. 2025 Business Plan Targets:

- Total revenue: 297.04 billion VND, broken down as follows:
 - + Revenue from regular maintenance services and long-term maintenance contracts: 152.46 billion VND.
 - + Revenue from expanding business services beyond signed contracts: 140.89 billion VND.
 - + Financial activities revenue: 3.70 billion VND.
- Total expenses: 278.99 billion VND.
- Profit before tax: 18.06 billion VND.
- Profit after tax: 14.45 billion VND.
- Dividend payout ratio: 7.7%.
- Contribution to the state budget: 18.75 billion VND.
- Average number of employees: 439 people.
- Training plan: 274 individuals.
- Training budget: 1.55 billion VND.
- Fixed asset and equipment purchasing plan: 1.50 billion VND.
- Consumables and materials purchasing plan: 12.04 billion VND.

3. Factors Affecting the 2025 Business Production Plan:

- Declining revenue from long-term maintenance contracts: The revenue and profit from long-term maintenance contracts are no longer significant. The new tendered contracts have much lower value. For example, revenue from the regular maintenance contract for Nhon Trach 2 Power Plant will decline sharply by about 25 billion VND compared to the 2024 plan. Moreover, in 2025, there will be no major repairs in PV Power plants, which means the Company needs to focus on securing new technical service contracts outside of the current agreements. This is a significant challenge, especially as technical service revenue will represent nearly 50% of the total production business plan for 2025.

- Challenges in tendering: High cost of production (the current average wage in the technical service market is around 14-15 million VND per month, while PV Power Services offers 22-23 million VND, which is higher due to the competitive advantage stemming from its regular maintenance work and the depreciation of tools and equipment). It is increasingly difficult to compete with private companies. Additionally, the current tenders for service contracts are no longer large-scale maintenance packages; instead, they focus only on labor and consumables with much smaller values. Moreover, PV Power Services' labor costs are higher, which puts it at a disadvantage when competing with private firms.
- High indirect labor and non-specialized workforce: The proportion of indirect labor and workers without specialized skills is still high compared to other companies in the same sector. There are not enough technically skilled workers directly involved in the specialized tasks required for power plant maintenance and repairs, particularly for large-scale repairs. The workforce is also shifting to other power plants, which negatively impacts the Company's service development and ongoing maintenance work at existing plants.
- Lack of employee awareness of challenges and opportunities: A portion of the workforce is not fully aware of the challenges, opportunities, and development path ahead for PV Power Services. This misalignment with the actual work requirements, especially in the competitive tendering environment, poses a significant challenge. Currently, there are nearly 20 competitors in the technical service market, most of which are private companies.
- Competitive pricing in the technical service market: The technical service market has fierce competition, leading to lower prices. Thus, ensuring a 6-10% profit margin from service activities and a 3-6% margin from material supply activities will be a significant challenge for PV Power Services.

4. Solutions to Achieve the Plan:

- **Training workforce in line with real requirements:** Focus on practical vocational training and aligning the workforce with the core business operations of PV Power Services, while optimizing the use of human resources and developing technical expertise.
- **Restructure the organization for greater efficiency:** Streamline the organization, enhance the technical workforce, concentrate resources on direct labor, reduce indirect staff, and design competitive salary schemes to attract and retain employees. Salary schemes must be designed to ensure competitiveness in tenders against private companies.

- **Prepare detailed repair plans and safety measures:** Develop a detailed work plan and repair strategy for both regular and scheduled maintenance. Review construction methods and safety protocols, prioritizing the manufacturer's documentation, industry standards, national regulations, and international best practices for power plant maintenance.
- **Enhance safety and technical management:** Continuously improve the management of technical operations and labor safety. Ensure that all workers are equipped with necessary safety gear and adhere to safety standards, ensuring safe and efficient power plant operations.
- **Competitor analysis and market expansion:** Evaluate competitors and actively seek to expand service contracts, boost production, and increase both revenue and profit for the Company.
- **Improve cost management:** Tighten control over contract costs, increase the efficiency of debt recovery, and optimize workforce management to align with the scope of work and contract requirements.
- **Strengthen corporate processes:** Regularly update management systems, procedures, and forms to improve technical management. Encourage the development of technical innovations and apply new technologies to streamline production, delivering tangible economic benefits.
- **Implement incentive mechanisms for effective work:** Effectively implement incentive mechanisms in the salary system to encourage employees to perform better (monthly job performance evaluations, salary adjustments, and periodic raises).

The Board of Directors respectfully submits the 2024 production and business performance results and the 2025 business production plan for the General Shareholders' Meeting.

Sincerely.

Recipients:

- General Shareholders' Meeting (for reporting);
- Board of Directors;
- Supervisory Board;
- Deputy Directors of the Company (e-copy);
- File: VT, KTKH (TTNA-01b) *VT*

GENERAL DIRECTOR



Vũ Anh Tuấn