



PHA LAI THERMAL POWER JOINT STOCK COMPANY  
*(Incorporated in the Socialist Republic of Vietnam)*

## AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2024



TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 4
BALANCE SHEET	5 - 6
INCOME STATEMENT	7
CASH FLOW STATEMENT	8 - 9
NOTES TO THE FINANCIAL STATEMENTS	10 - 32



## **STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS**

The Board of Executive Officers of Pha Lai Thermal Power Joint Stock Company (the “Company”) presents this report together with the Company’s financial statements for the year ended 31 December 2024.

### **THE BOARDS OF DIRECTORS AND EXECUTIVE OFFICERS**

The members of the Boards of Directors and Executive Officers of the Company during the year and to the date of this report are as follows:

#### **Board of Directors**

Mr. Mai Quoc Long	Chairman
Mr. Nguyen Quang Quyen	Member
Mr. Le Tuan Hai	Member
Mr. Nguyen Hoang Hai	Member
Mr. Nguyen Xuan Dien	Member
Mr. Ngo Nguyen Dong	Member (Appointed on 10 June 2024)
Ms. Nguyen Van Thanh	Independent Member (Appointed on 10 June 2024)

#### **Board of Executive Officers**

Mr. Nguyen Hoang Hai	Chief Executive Officer
Mr. Dang Kien Quyet	Deputy Chief Executive Officer

### **THE BOARD OF EXECUTIVE OFFICERS’ STATEMENT OF RESPONSIBILITY**

The Board of Executive Officers of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Executive Officers is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

**STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)**

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Boards of Executive Officers,



**Nguyễn Hoàng Hai**  
Chief Executive Officer

31 March 2025



No.: 0975/VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Board of Directors and Board of Executive Officers  
of Pha Lai Thermal Power Joint Stock Company**

We have audited the accompanying financial statements of Pha Lai Thermal Power Joint Stock Company (the "Company"), prepared on 31 March 2025 as set out from page 05 to page 32, which comprise the balance sheet as at 31 December 2024, and the statement of income, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### ***Board of Executive Officers' Responsibility for the Financial Statements***

The Board of Executive Officers is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of Executive Officers determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Executive Officers, as well as evaluating the overall presentation of the financial statements.

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

## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



Phan Ngọc Anh  
Deputy General Director  
Audit Practising Registration Certificate  
No. 1101-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

31 March 2025  
Hanoi, S.R. Vietnam

Nguyen Tien Quoc  
Auditor  
Audit Practising Registration Certificate  
No. 3008-2024-001-1

**BALANCE SHEET**  
*As at 31 December 2024*

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>2,730,492,704,426</b>	<b>2,929,235,432,033</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>25,465,520,493</b>	<b>23,485,928,018</b>
1. Cash	111		25,465,520,493	23,485,928,018
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>100,000,000,000</b>
1. Held-to-maturity investments	123		-	100,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>1,837,988,295,371</b>	<b>1,978,018,472,289</b>
1. Short-term trade receivables	131	5	1,702,305,233,816	1,865,525,132,235
2. Short-term advances to suppliers	132		1,030,993,377	871,011,437
3. Other short-term receivables	136	6	137,673,372,698	114,643,633,137
4. Provision for short-term doubtful debts	137	7	(3,021,304,520)	(3,021,304,520)
<b>IV. Inventories</b>	<b>140</b>	<b>8</b>	<b>682,317,977,951</b>	<b>709,143,601,882</b>
1. Inventories	141		747,633,233,232	778,129,235,840
2. Provision for devaluation of inventories	149		(65,315,255,281)	(68,985,633,958)
<b>V. Other short-term assets</b>	<b>150</b>		<b>184,720,910,611</b>	<b>118,587,429,844</b>
1. Short-term prepayments	151		1,023,477,990	34,422,500
2. Value added tax deductibles	152		160,178,312,895	83,659,169,535
3. Taxes and other receivables from the State budget	153	15	23,519,119,726	34,893,837,809
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>2,803,195,464,705</b>	<b>2,848,682,496,961</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>219,362,891,872</b>	<b>273,075,923,595</b>
1. Tangible fixed assets	221	9	219,096,718,936	272,091,055,629
- Cost	222		13,614,955,984,174	13,610,174,993,192
- Accumulated depreciation	223		(13,395,859,265,238)	(13,338,083,937,563)
2. Intangible assets	227	10	266,172,936	984,867,966
- Cost	228		60,334,919,230	60,334,919,230
- Accumulated amortisation	229		(60,068,746,294)	(59,350,051,264)
<b>II. Long-term assets in progress</b>	<b>240</b>		<b>25,939,603,933</b>	<b>25,579,843,626</b>
1. Long-term construction in progress	242	11	25,939,603,933	25,579,843,626
<b>III. Long-term financial investments</b>	<b>250</b>	<b>13</b>	<b>2,497,440,887,550</b>	<b>2,500,053,887,550</b>
1. Investments in joint-ventures, associates	252		1,451,055,770,150	1,451,055,770,150
2. Equity investments in other entities	253		1,084,843,117,400	1,084,843,117,400
3. Provision for impairment of long-term financial investments	254		(38,458,000,000)	(35,845,000,000)
<b>IV. Other long-term assets</b>	<b>260</b>		<b>60,452,081,350</b>	<b>49,972,842,190</b>
1. Long-term prepayments	261	12	51,276,740,340	40,710,120,013
2. Deferred tax assets	262		460,648,447	160,410,647
3. Long-term reserved spare parts	263	8	8,714,692,563	9,102,311,530
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>5,533,688,169,131</b>	<b>5,777,917,928,994</b>

The accompanying notes are an integral part of these financial statements



**BALANCE SHEET (Continued)**  
As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>1,009,356,204,934</b>	<b>767,100,345,273</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>1,009,356,204,934</b>	<b>767,100,345,273</b>
1. Short-term trade payables	311	14	798,613,428,414	555,443,434,552
2. Short-term advances from customers	312		350,501,682	350,501,682
3. Taxes and amounts payable to the State budget	313	15	11,851,798,718	9,631,737,318
4. Payables to employees	314		96,919,991,736	81,006,745,889
5. Short-term accrued expenses	315		4,438,953,206	4,115,162,142
6. Other current payables	319	16	74,253,167,209	94,575,127,237
7. Bonus and welfare funds	322	17	22,928,363,969	21,977,636,453
<b>D. EQUITY</b>	<b>400</b>		<b>4,524,331,964,197</b>	<b>5,010,817,583,721</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>18</b>	<b>4,524,331,964,197</b>	<b>5,010,817,583,721</b>
1. Owners' contributed capital	411		3,262,350,000,000	3,262,350,000,000
- Ordinary shares carrying voting rights	411a		3,262,350,000,000	3,262,350,000,000
2. Share premium	412		11,692,500,615	11,692,500,615
3. Other owners' capital	414		302,424,679,411	298,170,049,781
4. Treasury shares	415		(87,388,368,719)	(87,388,368,719)
5. Investment and development fund	418		658,981,464,619	619,581,459,281
6. Retained earnings	421		376,271,688,271	906,411,942,763
- Retained earnings accumulated to the prior year end	421a		13,328,779,202	614,478,255,452
- Retained earnings of the current year	421b		362,942,909,069	291,933,687,311
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>5,533,688,169,131</b>	<b>5,777,917,928,994</b>

Nguyen Duc Tam  
Preparer

Dinh Thi Diem Quynh  
Acting Chief Accountant

Nguyen Hoang Hai  
Chief Executive Officer

31 March 2025


The accompany notes are an integral part of these financial statements


## INCOME STATEMENT


For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	21	7,681,064,352,700	5,813,760,220,061
2. Net revenue from goods sold (10=01)	10		7,681,064,352,700	5,813,760,220,061
3. Cost of sales	11	22	7,453,083,514,206	5,777,306,693,477
4. Gross profit from goods sold and services rendered (20=10-11)	20		227,980,838,494	36,453,526,584
5. Financial income	21	24	326,675,392,336	464,407,804,783
6. Financial expenses	22		3,120,557,355	(825,719,205)
- In which: Interest expense	23		480,124,143	419,922,537
7. General and administration expenses	26	25	140,198,970,406	116,842,404,736
8. Operating profit (30=20+(21-22)-26)	30		411,336,703,069	384,844,645,836
9. Other income	31		27,958,165,428	2,117,170,506
10. Other expenses	32		1,154,868,345	4,572,872,283
11. Profit/(loss) from other activities (40=31-32)	40		26,803,297,083	(2,455,701,777)
12. Accounting profit before tax (50=30+40)	50		438,140,000,152	382,388,944,059
13. Current corporate income tax expense	51	26	11,374,718,083	-
14. Deferred corporate tax (income)/expense	52	26	(300,237,800)	2,286,666,898
15. Net profit after corporate income tax (60=50-51-52)	60		427,065,519,869	380,102,277,161
16. Basic earnings per share	70	27	1,332	1,036

  
 Nguyen Duc Tam  
Preparer

  
 Dinh Thi Diem Quynh  
Acting Chief Accountant

  
 Nguyen Hoang Hai  
Chief Executive Officer

31 March 2025

The accompanying notes are an integral part of these financial statements

**CASH FLOW STATEMENT**  
*For the year ended 31 December 2024*

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. <i>Profit before tax</i>	01	438,140,000,152	382,388,944,059
2. <i>Adjustments for:</i>			
Depreciation and amortisation of fixed assets	02	57,802,059,385	61,056,658,556
Provisions	03	(3,218,672,482)	(18,280,772,058)
Gain from investing activities	05	(326,675,392,336)	(464,407,804,783)
Interest expense	06	480,124,143	419,922,537
3. <i>Operating profit/(loss) before movements in working capital</i>	08	166,528,118,862	(38,823,051,689)
Changes in receivables	09	98,489,335,287	(90,652,566,669)
Changes in inventories	10	33,044,915,380	(193,720,383,011)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	253,359,338,752	76,228,912,581
Changes in prepaid expenses	12	(11,555,675,817)	(11,388,728,067)
Interest paid	14	(480,124,143)	(419,922,537)
Corporate income tax paid	15	-	(5,245,076,520)
Other cash inflows	16	62,720,300	46,820,000
Other cash outflows	17	(46,315,923,057)	(39,086,938,221)
<i>Net cash generated by/(used in) operating activities</i>	20	493,132,705,564	(303,060,934,133)
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(5,431,851,707)	(12,169,057,635)
2. Cash outflow for lending, buying debt instruments of other entities	23	-	(250,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	100,000,000,000	428,166,866,953
4. Interest earned, dividends and profits received	27	303,071,808,690	356,983,161,191
<i>Net cash generated by investing activities</i>	30	397,639,956,983	522,980,970,509

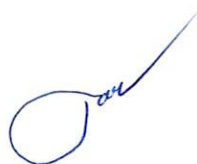
The accompanying notes are an integral part of these financial statements



**CASH FLOW STATEMENT (Continued)**  
*For the year ended 31 December 2024*

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Dividends and profits paid	36	(888,793,070,072)	(256,774,968,428)
<i>Net cash used in financing activities</i>	<i>40</i>	<i>(888,793,070,072)</i>	<i>(256,774,968,428)</i>
 Net increase/(decrease) in cash (50=20+30+40)	50	1,979,592,475	(36,854,932,052)
 Cash and cash equivalents at the beginning of the year	60	23,485,928,018	60,340,860,070
 Cash and cash equivalents at the end of the year (70=50+60)	70	25,465,520,493	23,485,928,018



Nguyen Duc Tam  
Preparer



Dinh Thi Diem Quynh  
Acting Chief Accountant



Nguyen Hoang Hai  
Chief Executive Officer

31 March 2025

**NOTES TO THE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**1. GENERAL INFORMATION****Structure of ownership**

Pha Lai Thermal Power Joint Stock Company ("the Company") is a joint stock company incorporated in Vietnam. The Company was established on the basis of equitization of Pha Lai Thermal Power Company – an entity under management of Vietnam Electricity ("EVN") in accordance with its first Business Registration Certificate No. 0800296853 issued by the Department of Planning and Investment of Hai Duong province on 26 January 2006, with the latest (11<sup>th</sup>) amendment dated 24 April 2023.

On 26 January 2007, the Company's shares were officially traded on the stock trading market of public companies listed on the Ho Chi Minh City Stock Exchange according to the announcement dated 17 January 2007, with the stock symbol PPC.

The Parent company of the Company is Power Generation Corporation 2 (EVNGENCO2).

The number of employees of the Company as at 31 December 2024 was 719 (31 December 2023: 736).

**Operating industry and principal activities**

The Company's operating industry include:

- Electricity generation and distribution
- Management, operation, maintenance, repair of thermal power projects, architectural works of power plants
- Testing and calibration of electrical equipment
- Establishing investment construction projects, managing investment construction projects, consulting and supervising construction and installation of electrical works
- Buying and selling, importing and exporting materials and equipment
- Production and trade of construction materials
- Manufacturing and assembling of mechanical and thermal power equipment, spare parts and materials
- Investment in power and grid projects
- Training for equipment management, operation, maintenance and repair of power plant equipment.

**Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

**Disclosure of information comparability in the financial statements**

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2023.

**The Company's structure**

As at 31 December 2024, the Company has 01 associate (31 December 2023: 01 associate) which is Hai Phong Thermal Power Joint Stock Company.

No.	Company name	Place of establishment and operation	Ratio of owner -ship	Ratio of voting power held	Main activities
1	Hai Phong Thermal Power Joint Stock Company	Hai Phong	25.97%	25.97%	Electricity production and trading activities

Hai Phong Thermal Power Joint Stock Company was established under Business Registration Certificate No. 0203000279 issued by the Department of Planning and Investment of Hai Phong City for the first time on 17 September 2002, with the latest (10<sup>th</sup>) amendment dated 02 January 2025. The main business activities of Hai Phong Thermal Power Joint Stock Company are production, transmission and distribution of electricity (thermal power). The associate's head office is located in Doan village, Tam Hung commune, Thuy Nguyen district, Hai Phong city, Vietnam.

## 2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

### Accounting convention

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

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

### Financial year

The Company's financial year begins on 01 January and ends on 31 December.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

### Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Executive Officers' best knowledge, actual results may differ from those estimates.

### Cash

Cash comprise cash on hand and bank demand deposits.



## Financial investments

### *Held-to-maturity investments*

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits.

Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis.

### *Investments in associates*

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in associate are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in associate are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in associate are made when there is reliable evidence for declining in value of these investments at the balance sheet date

### *Equity investments in other entities*

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

## Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

## Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises cost of purchases and other directly attributable expenses. The Company applies perpetual method to account for inventories. Cost is calculated using the weighted average method, except for raw materials such as coal and oil used for power generator furnaces, which are accounted for using the periodic method. The original cost of inventories is determined using the weighted average method (for production and business sectors) and the specific identification method (for capital construction).

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

### *Long-term reserved spare parts*

Long-term reserved spare parts reflect the value of supplies and spare parts used for storage, replacement and prevention of damage to assets, but do not meet the criteria for classification as fixed assets and have a storage period of more than 12 months or more than a normal production and business cycle.

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any).

In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognised at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

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

	Current year (Years)
Buildings and structures	03 - 35
Machinery and equipment	05 - 36
Motor vehicles	10 - 17
Office equipment	03 - 10
Others	03 - 10

Tangible fixed assets are revalued in accordance with the State's decisions or when state-owned enterprises are equitised. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between net proceeds from sales or disposals of assets and their carrying amount and is recognised in the income statement.

### Intangible assets and amortisation

Intangible assets represent land use rights and computer software that are stated at cost less accumulated amortisation.

Land use rights are stated at cost less accumulated depreciation. The cost of land use rights includes costs directly attributable to acquiring the land use rights. Amortisation is calculated on a straight-line basis over 10 years.

Computer software is depreciated on straight-line method based on its estimated useful lives in 03 years.

### Leasing

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.



### Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets including construction, equipment and other directly attributable costs in accordance with EVN's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

The Company records major repair costs when incurred. These major repair costs are charged to cost of sales when the major repair project is completed, accepted and put into use. Major repair costs of repair projects that have not been completed and accepted and put into use at the end of the year are tracked in the Construction in progress account.

### Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting period. Prepaid expenses include costs of repairing fixed assets with large values, supplies and equipment for use and other prepaid expenses.

Other prepaid expenses are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

### Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from electricity sales is determined and recorded based on the electricity output supplied to the power transmission system (determined by the index on the electricity meter), confirmed by customers and the electricity selling price agreed upon in the signed contracts.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Company's right to receive payment has been established.



### **Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

### **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH

	Closing balance	Opening balance
	VND	VND
Cash on hand	187,057,062	1,412,264,198
Bank demand deposits	25,278,463,431	22,073,663,820
	<b>25,465,520,493</b>	<b>23,485,928,018</b>

5. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Electric Power Trading Company - Vietnam Electricity	1,697,793,298,497	1,862,937,205,202
Others	4,511,935,319	2,587,927,033
	<b>1,702,305,233,816</b>	<b>1,865,525,132,235</b>

*In which:*

Trade receivables from related parties (Details stated in Note 28)	1,697,793,298,497	1,862,937,205,202
---	-------------------	-------------------

6. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Dividend income	132,626,610,800	107,452,068,250
Advances to employees	840,500,000	2,447,553,000
Others	4,206,261,898	4,744,011,887
	<b>137,673,372,698</b>	<b>114,643,633,137</b>

*In which:*

Other receivables from related parties (Details stated in Note 28)	132,626,610,800	107,452,068,250
---	-----------------	-----------------

7. BAD DEBTS

	Closing balance			Opening balance		
	VND			VND		
	Cost	Recoverable amount	Overdue	Cost	Recoverable amount	Overdue
Bao Viet Securities Investment Fund Management Company Limited	3,021,304,520	-	Over 3 years	3,021,304,520	-	Over 3 years
	<b>3,021,304,520</b>	<b>-</b>		<b>3,021,304,520</b>	<b>-</b>	
Short-term provision for doubtful debts		3,021,304,520			3,021,304,520	

The recoverable amount is measured at cost less provision for doubtful debts.

8. INVENTORIES

a. Current

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	744,795,827,572	(63,704,145,427)	776,104,612,968	(67,362,746,120)
Tools and supplies	2,810,800,906	(1,611,109,854)	2,004,268,118	(1,622,887,838)
Work in progress	26,604,754	-	20,354,754	-
	<b>747,633,233,232</b>	<b>(65,315,255,281)</b>	<b>778,129,235,840</b>	<b>(68,985,633,958)</b>

b. Non-current

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Long-term reserved spare parts	155,092,822,630	(146,378,130,067)	157,641,735,402	(148,539,423,872)
	<b>155,092,822,630</b>	<b>(146,378,130,067)</b>	<b>157,641,735,402</b>	<b>(148,539,423,872)</b>

During the year, the Company reversed the provision amount of VND 5,831,672,482 (2023: VND 17,007,772,058) that had been made in previous years for items that have been issued for consumption this year.

PHA LAI THERMAL POWER JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles	Others	Total
	VND	VND	VND	VND	VND	VND
<b>COST</b>						
Opening balance	1,708,812,563,537	11,707,404,269,081	113,022,972,921	73,352,755,633	7,582,432,020	13,610,174,993,192
Additions	-	31,200,000	4,254,629,630	495,161,352	-	4,780,990,982
Closing balance	1,708,812,563,537	11,707,435,469,081	117,277,602,551	73,847,916,985	7,582,432,020	13,614,955,984,174
<b>ACCUMULATED DEPRECIATION</b>						
Opening balance	1,576,495,955,046	11,601,578,825,016	86,569,749,037	67,886,771,850	5,552,636,614	13,338,083,937,563
Charge for the year	21,486,770,181	27,630,278,287	4,755,391,067	2,653,109,348	1,249,778,792	57,775,327,675
Closing balance	1,597,982,725,227	11,629,209,103,303	91,325,140,104	70,539,881,198	6,802,415,406	13,395,859,265,238
<b>NET BOOK VALUE</b>						
Opening balance	132,316,608,491	105,825,444,065	26,453,223,884	5,465,983,783	2,029,795,406	272,091,055,629
Closing balance	110,829,838,310	78,226,365,778	25,952,462,447	3,308,035,787	780,016,614	219,096,718,936

As at 31 December 2024, the cost of the Company's tangible fixed assets includes VND 12,797,582,558,041 (as at 31 December 2023: VND 12,731,334,148,940) of assets which have been fully depreciated but are still in use.



10. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
<b>COST</b>			
Opening balance	57,414,901,632	2,920,017,598	60,334,919,230
Closing balance	57,414,901,632	2,920,017,598	60,334,919,230
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance	57,414,901,632	1,935,149,632	59,350,051,264
Charge for the year	-	718,695,030	718,695,030
Closing balance	57,414,901,632	2,653,844,662	60,068,746,294
<b>NET BOOK VALUE</b>			
Opening balance	-	984,867,966	984,867,966
Closing balance	-	266,172,936	266,172,936

The cost of intangible assets as at 31 December 2024 includes VND 58,779,496,632 (as at 31 December 2023: VND 58,210,431,632) of assets which have been fully amortised but are still in use.

11. CONSTRUCTIONS IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Upgrade equipment for Line 1	9,381,043,359	9,381,043,359
Project management costs	5,550,278,491	5,550,278,491
NOx, SOx removal system for Line 2	3,893,580,616	3,893,580,616
Others	7,114,701,467	6,754,941,160
	25,939,603,933	25,579,843,626

12. LONG-TERM PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
Long-term supplies and equipment issued for consumption	43,027,593,933	33,904,424,752
Fixed asset repair costs	2,071,450,868	5,065,843,905
Tools and equipment	6,074,243,129	1,533,640,687
Others	103,452,410	206,210,669
	51,276,740,340	40,710,120,013

13. LONG-TERM FINANCIAL INVESTMENTS

	Closing balance				Opening balance		
	Cost	Provision	Recoverable amount	VND	Dự phòng	Recoverable amount	VND
<b>a. Investment in associates</b>							
Hai Phong Thermal Power Joint Stock Company (i)	1,451,055,770,150	-	1,675,065,000,000	1,451,055,770,150	-	1,817,900,000,000	
	<b>1,451,055,770,150</b>	<b>-</b>	<b>1,675,065,000,000</b>	<b>1,451,055,770,150</b>	<b>-</b>	<b>1,817,900,000,000</b>	

(i) Hai Phong Thermal Power Joint Stock Company operated at a profit in the years ended 31 December 2024 and 31 December 2023.

Significant transactions between the Company and its associate during the year are presented in Note 28 - Related party transactions and balances.

	Closing balance				Opening balance		
	Cost	Provision	Recoverable amount	VND	Dự phòng	Recoverable amount	VND
<b>b. Investment in other entities</b>							
Quang Ninh Thermal Power Joint Stock Company	817,295,117,400	-	1,030,222,074,000	817,295,117,400	-	1,089,091,906,800	
Vietnam Electricity Development Joint Stock Company	100,000,000,000	-	304,283,573,300	100,000,000,000	-	266,955,105,200	
EVN International Joint Stock Company	70,800,000,000	-	154,344,000,000	70,800,000,000	-	175,584,000,000	
Buon Don Electric Joint Stock Company	50,250,000,000	-	152,622,315,000	50,250,000,000	-	126,614,925,000	
Ba Ria Thermal Power Joint Stock Company	46,498,000,000	(38,458,000,000)	8,040,000,000	46,498,000,000	(35,845,000,000)	10,653,000,000	
	<b>1,084,843,117,400</b>	<b>(38,458,000,000)</b>	<b>1,649,511,962,300</b>	<b>1,084,843,117,400</b>	<b>(35,845,000,000)</b>	<b>1,668,898,937,000</b>	

(\*) Fair value of these investments is determined by referencing the closing price on the stock market at the latest trading day before the balance sheet date.



14. SHORT-TERM TRADE PAYABLES

	Closing balance	Opening balance
	VND	VND
	Amount/Amount able to be paid off	Amount/Amount able to be paid off
Vietnam National Coal - Mineral Industries Group	537,760,882,899	267,463,239,174
Northeast Corporation - Ministry of National Defense	82,780,514,139	56,692,941,703
Institute of Mechanical Research	56,574,692,021	49,914,696,495
Northern Thermal Power Repair Service Joint Stock Company	25,198,116,751	43,249,296,705
LILAMA 69-1 Pha Lai Joint Stock Company	18,751,677,708	65,091,219,104
Chemical Industry Technical Services Joint Stock Company	12,963,433,499	17,543,567,684
Other suppliers	64,584,111,397	55,488,473,687
	<b>798,613,428,414</b>	<b>555,443,434,552</b>

15. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

	Opening balance	Payable/ Receivable during the year	Paid/Received during the year	Closing balance
	VND	VND	VND	VND
Value added tax	-	615,030,796,232	615,030,796,232	-
Corporate income tax	(34,893,837,809)	11,374,718,083	-	(23,519,119,726)
Personal income tax	3,127,435,023	15,743,022,366	14,564,780,671	4,305,676,718
Resource tax	6,504,302,295	84,232,684,080	83,190,864,375	7,546,122,000
Fee for granting water resource exploitation rights	-	17,119,892,673	17,119,892,673	-
Land rent, non-agricultural land use tax	-	25,015,056,644	25,015,056,644	-
Other taxes	-	456,229,673	456,229,673	-
	<b>(25,262,100,491)</b>	<b>768,972,399,751</b>	<b>755,377,620,268</b>	<b>(11,667,321,008)</b>
In which:				
<i>Taxes and other receivable from the State</i>	<i>34,893,837,809</i>			<i>23,519,119,726</i>
<i>Taxes and other payables from the State</i>	<i>9,631,737,318</i>			<i>11,851,798,718</i>

16. OTHER SHORT-TERM PAYABLES

	Closing balance	Opening balance
	VND	VND
Dividends payable	69,721,376,991	92,859,201,263
Others	4,531,790,218	1,715,925,974
	<b>74,253,167,209</b>	<b>94,575,127,237</b>
In which:		
Other payables from related parties (Details stated in Note 28)	33,278,379,200	45,757,771,400

17. BONUS AND WELFARE FUND

	Closing balance	Opening balance
	VND	VND
Opening balance	21,977,636,453	20,165,625,554
Increase during the year	45,615,893,593	41,500,610,968
Decrease during the year	(44,665,166,077)	(39,688,600,069)
Utilization during the year	(43,973,202,757)	(39,086,938,221)
Depreciation expense formed from welfare fund	(691,963,320)	(601,661,848)
Closing balance	<u>22,928,363,969</u>	<u>21,977,636,453</u>

18. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital		Share premium		Other owners' capital		Treasury shares		Investment and development fund		Retained earnings		Tổng cộng	
	VND		VND		VND		VND		VND		VND		VND	
<i>For the year ended 31 December 2023</i>														
Opening balance	3,262,350,000,000		11,692,500,615,295,618,140,373		(87,388,368,719)		1,155,788,637,402		378,394,044,564		5,016,454,954,235		378,394,044,564	
Profit during the year	-		-		-		-		-		380,102,277,161		380,102,277,161	
Appropriation to Investment and development fund	-		-		-		-		67,494,207,537		(67,494,207,537)		-	
Appropriation to Bonus and welfare fund	-		-		-		-		-		(41,080,614,625)		(41,080,614,625)	
Reversal of Development Investment fund to Retained earnings	-		-		-		-		(601,149,476,250)		601,149,476,250		-	
Dividend from 2022 retained earnings	-		-		-		-		-		(256,490,443,200)		(256,490,443,200)	
Dividend from 2023 retained earnings	-		-		-		-		-		(88,168,589,850)		(88,168,589,850)	
Assets formed from funds	-		-		2,551,909,408		-		(2,551,909,408)		-		-	
Closing balance	3,262,350,000,000		11,692,500,615,298,170,049,781		(87,388,368,719)		619,581,459,281		906,411,942,763		5,010,817,583,721		906,411,942,763	
<i>For the year ended 31 December 2024</i>														
Opening balance	3,262,350,000,000		11,692,500,615,298,170,049,781		(87,388,368,719)		619,581,459,281		906,411,942,763		5,010,817,583,721		906,411,942,763	
Profit during the year	-		-		-		-		-		427,065,519,869		427,065,519,869	
Appropriation to Investment and development fund (i)	-		-		-		-		43,654,634,968		(43,654,634,968)		-	
Appropriation to Bonus and welfare fund (ii)	-		-		-		-		-		(47,895,893,593)		(47,895,893,593)	
Dividend from 2023 retained earnings	-		-		-		-		-		(801,532,635,000)		(801,532,635,000)	
Dividend from 2024 retained earnings	-		-		-		-		-		(64,122,610,800)		(64,122,610,800)	
Assets formed from funds	-		-		4,254,629,630		-		(4,254,629,630)		-		-	
Closing balance	3,262,350,000,000		11,692,500,615,302,424,679,411		(87,388,368,719)		658,981,464,619		376,271,688,271		4,524,331,964,197		376,271,688,271	



- (i) The 2024 Annual General Meeting of Shareholders on 10 June 2024 approved the plan to allocate the Bonus and Welfare Fund and the Development Investment Fund from 2023 retained earnings with the amounts of VND 47,895,893,593 and VND 43,654,634,968, respectively.
- (ii) The extraordinary general meeting of shareholders on 29 December 2023 and the 2024 Annual General Meeting of Shareholders on 10 June 2024 approved the plan to pay cash dividends at the rate of 18.75% from the reversal of the Development Investment Fund and 9% from retained earnings. In which, for 2023, the first interim dividends were paid at the rate of 2.75%, the second interim dividends were paid at the rate of 18.75% with the list of eligible shareholders cutoff at the record date of 22 January 2024. Up to the reporting date, the Company has paid dividends with the amount of VND 801,068,516,154.
- (iii) On 28 November 2024, the Board of Directors issued Resolution No. 288/NQ-HDQT to make the 2024 first interim dividend payment in cash, with a dividend payout ratio of 2%. The record dated is 25 December 2024. Up to the reporting date, the Company has paid dividends with the amount of VND 64,084,938,650.

#### Charter capital

According to the Company's 11th Amended Enterprise Registration Certificate dated 24 April 2023, the Company's charter capital is VND 3,262,000,000,000 (31 December 2023: VND 3,262,000,000,000). The charter capital contributions by the shareholders as at 31 December 2024 had been fully made as follows:

	Contributed capital					
	Closing balance			Opening balance		
	Number of shares	VND	%	Number of shares	VND	%
Power Generation Corporation 2 - Joint Stock Company	166,391,896	1,663,918,960,000	51.90	166,391,896	1,663,918,960,000	51.90
REE Energy Company Limited	64,629,960	646,299,600,000	20.16	77,396,260	773,962,600,000	24.14
Other shareholders	89,591,198	895,911,980,000	27.94	76,824,898	768,248,980,000	23.96
	<b>320,613,054</b>	<b>3,206,130,540,000</b>	<b>100</b>	<b>320,613,054</b>	<b>3,206,130,540,000</b>	<b>100</b>

	Closing balance		Opening balance	
	Number of shares	VND	Number of shares	VND
<b>Number of shares issued to the public</b>				
Ordinary shares	326,235,000	3,262,350,000,000	326,235,000	3,262,350,000,000
<b>Number of treasury shares</b>				
Ordinary shares	5,621,946	87,388,368,719	5,621,946	87,388,368,719
<b>Number of outstanding Shares in circulation</b>				
Ordinary shares	320,613,054	3,206,130,540,000	320,613,054	3,206,130,540,000

An ordinary share has par value of VND 10,000.

19. OFF BALANCE SHEET ITEMS

Bad debt written-off

	Closing balance	Opening balance
	VND	VND
Receivables from Asean Hanoi Concrete Company Limited	150,190,114	150,190,114
	<b>150,190,114</b>	<b>150,190,114</b>

Operating lease assets

	Closing balance	Opening balance
	VND	VND
Within one year	24,380,051,060	24,380,051,060
From two to five years	97,520,204,240	97,520,204,240
After five years	650,134,694,933	674,514,745,993
	<b>772,034,950,233</b>	<b>796,415,001,293</b>

20. BUSINESS SEGMENTS

	Electricity business activities		Investing activities		Total	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
Total divisional revenue	7,681,064,352,700	5,813,760,220,061	326,675,392,336	464,407,804,783	8,007,739,745,036	6,278,168,024,844
Provision for impairment of long-term financial investments	-	-	2,613,000,000	(1,273,000,000)	2,613,000,000	(1,273,000,000)
Divisional business results	87,274,310,733	(80,836,158,947)	324,062,392,336	465,680,804,783	411,336,703,069	384,844,645,836

Other income	27,958,165,428	2,117,170,506
Other expense	1,154,868,345	4,572,872,283
Corporation income tax	11,074,480,283	2,286,666,898
Profit after tax	427,065,519,869	380,102,277,161

	Electricity business activities		Investing activities		Total	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
Total assets	3,036,247,281,581	3,177,864,041,444	2,497,440,887,550	2,600,053,887,550	5,533,688,169,131	5,777,917,928,994
Total liabilities	939,634,827,943	674,241,144,010	69,721,376,991	92,859,201,263	1,009,356,204,934	767,100,345,273

	Electricity business activities		Investing activities		Total	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
Capital expenditure	5,431,851,707	12,169,057,635	-	-	5,431,851,707	12,169,057,635
Depreciation of tangible fixed assets	57,775,327,675	60,868,056,024	-	-	57,775,327,675	60,868,056,024
Amortisation of intangible assets	718,695,030	790,264,380	-	-	718,695,030	790,264,380



The Company is currently organized into two business divisions based on its products and services as follows:

- Electricity business
- Investing activities

The business results, assets, and liabilities of the divisions include items directly attributable to each division and common items reasonably allocated to each division. The revenue, expenses, and business results of the divisions include inter-division transactions.

**21. REVENUE**

	Current year	Prior year
	VND	VND
Electricity sales	7,657,917,307,866	5,795,976,518,762
Other sales	23,147,044,834	17,783,701,299
	<b>7,681,064,352,700</b>	<b>5,813,760,220,061</b>

**In which:**

<b>Sales to related parties</b>	<b>7,656,675,282,029</b>	<b>5,794,769,764,026</b>
(Details stated in Note 28)		

**22. COST OF SALES**

	Current year	Prior year
	VND	VND
Fuel and spare parts costs	6,628,662,316,826	4,902,152,241,102
Labor costs	241,248,852,178	210,718,655,397
Major repair costs of fixed assets	194,270,950,125	219,557,418,587
Cost of troubleshooting machinery	-	137,157,981,058
Cost of regular repair and maintenance of fixed assets	132,119,226,123	101,942,144,819
Taxes, fees and charges	100,899,347,080	85,495,121,455
Depreciation and amortisation	53,667,422,855	57,056,078,855
Cost of outsourced electricity	63,663,606,052	42,438,249,467
Reversal of provision for devaluation in inventory	(5,831,672,482)	(17,007,772,058)
Others	44,383,465,449	37,796,574,795
	<b>7,453,083,514,206</b>	<b>5,777,306,693,477</b>

**23. PRODUCTION COST BY NATURE**

	Current year	Prior year
	VND	VND
Raw materials and consumables	6,628,662,316,826	4,902,152,241,102
Labour cost	301,733,814,785	262,138,239,852
Fixed asset repair	326,390,176,248	321,499,563,406
Cost of troubleshooting machinery breakdowns	-	137,157,981,058
Depreciation and amortisation	57,586,243,969	60,840,843,140
Taxes, fees and charges	125,997,959,085	96,028,411,355
Reversal of provision for devaluation in inventory	(5,831,672,482)	(17,007,772,058)
Out-sourced services	71,116,384,027	52,468,215,841
Others	87,627,262,154	78,871,374,517
	<b>7,593,282,484,612</b>	<b>5,894,149,098,213</b>

24. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Bank interest	1,145,829,286	19,734,645,934
Dividends received	325,529,563,050	444,673,158,849
	<b>326,675,392,336</b>	<b>464,407,804,783</b>

Dividend income mainly represents dividends due from the Company's associate and other related parties (Note 28).

25. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Labor cost	60,484,962,607	51,419,584,455
Depreciation and amortisation	3,918,821,114	3,784,764,285
Taxes, fees and charges	25,098,612,005	10,533,289,900
Out-sourced services	7,452,777,975	7,791,296,131
Others	43,243,796,705	43,313,469,965
	<b>140,198,970,406</b>	<b>116,842,404,736</b>

26. CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	11,374,718,083	-
<b>Total current corporate income tax expense</b>	<b>11,374,718,083</b>	<b>-</b>

The current corporate income tax expense for the year was computed as follows:

	Current year	Prior year
	VND	VND
Profit before tax	438,140,000,152	382,388,944,059
Adjustments for taxable profit		
Less: Non-taxable income	(325,529,563,050)	(444,673,158,849)
Less: Reversal of provision for inventory devaluation	(3,428,984,161)	(4,474,774,825)
Less: Contract penalty income taxed in previous years and charged to the value of inventories issued for consumption in 2023	(260,514,122)	(358,038,033)
Add back: Non-deductible expenses	866,707,855	18,030,040,803
Add: Contract penalty income charged to inventory value	1,761,703,120	286,774,947
Loss carry-forward	(54,675,759,378)	-
Taxable profit	56,873,590,416	(48,800,211,898)
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>11,374,718,083</b>	<b>-</b>

The corporate income tax rate is 20%.

	Current year	Prior year
	VND	VND
Deferred corporate tax (income)/expense		
(Deductible)/Taxable temporary differences	(300,237,800)	2,286,666,898
<b>Total deferred corporate tax (income)/expense</b>	<b>(300,237,800)</b>	<b>2,286,666,898</b>

**27. BASIC EARNINGS PER SHARE**

	Current year	Prior year
	VND	VND
Accounting profit after corporate income tax	427,065,519,869	380,102,277,161
Bonus and welfare fund (*)	-	(47,895,893,593)
<b>Profit or loss attributable to ordinary shareholders</b>	<b>427,065,519,869</b>	<b>332,206,383,568</b>
Average ordinary shares in circulation for the year	320,613,054	320,613,054
<b>Basic earnings per share</b>	<b>1,332</b>	<b>1,036</b>

At the date of these financial statements, the Company has not yet reliably estimated the amount of earnings for the year ended 31 December 2024 that can be allocated to the Bonus and Welfare Fund and the Management Bonus Fund because the General Meeting of Shareholders has not yet decided on the allocation rate to these funds for the following year. If the Company allocates the Bonus and Welfare Fund and the Management Bonus Fund for the year ended 31 December 2024, the net profit attributable to ordinary shareholders will decrease accordingly.

Basic earnings per share for the year ended 31 December 2023 are restated due to the impact of the distribution of 2023 retained earnings in accordance with Resolution No. 151/NQ-HDQT of the 2024 Annual General Meeting of Shareholders dated 10 June 2024, details are as follows:

	Prior year	
	Reported amount	Restated amount
	VND	VND
Accounting profit after corporate income tax (VND)	380,102,277,161	380,102,277,161
Allocate to bonus and welfare funds (VND)	-	(47,895,893,593)
<b>Profit attributable to ordinary shareholders (VND)</b>	<b>380,102,277,161</b>	<b>332,206,383,568</b>
Average ordinary shares in circulation for the year (Shares)	320,613,054	320,613,054
<b>Basic earnings per share (VND)</b>	<b>1,186</b>	<b>1,036</b>

**28. RELATED PARTY TRANSACTIONS AND BALANCES**

*List of related parties with significant transactions and balances for the year:*

Related parties	Relationship
Vietnam Electricity	Ultimate parent company
Power Generation Corporation 2 - Joint Stock Company	Parent company
Hai Phong Thermal Power Joint Stock Company	Associate
Electric Power Trading Company	Affiliate
Northern Electrical Experiment Company Limited	Affiliate
Quang Ninh Thermal Power Joint Stock Company	Affiliate
EVN International Joint Stock Company	Affiliate
Buon Don Electric Joint Stock Company	Affiliate
Ba Ria Thermal Power Joint Stock Company	Affiliate
Vietnam Electricity Development Joint Stock Company	Affiliate



*During the year, the Company entered into the following significant transactions with its related parties:*

	Current year VND	Prior year VND
<b>Electricity Sales</b>		
Electric Power Trading Company	7,656,675,282,029	5,794,769,764,026
	<u>7,656,675,282,029</u>	<u>5,794,769,764,026</u>
<b>Purchases</b>		
Vietnam Electricity	57,035,535,522	42,438,249,467
Northern Electrical Experiment Company Limited	80,626,495	305,769,147
Power Generation Corporation 2 - Joint Stock Company	77,418,084	-
	<u>57,193,580,101</u>	<u>42,744,018,614</u>
<b>Loan interest income</b>		
Power Generation Corporation 2 - Joint Stock Company	-	8,716,307,425
	-	<u>8,716,307,425</u>
<b>Dividends income</b>		
Hai Phong Thermal Power Joint Stock Company	130,109,700,000	179,842,250,000
Quang Ninh Thermal Power Joint Stock Company	128,777,759,250	220,761,873,000
Vietnam Electricity Development Joint Stock Company	38,459,633,800	14,705,154,100
EVN International Joint Stock Company	16,284,000,000	18,408,000,000
Buon Don Electric Joint Stock Company	10,027,830,000	9,830,281,749
Ba Ria Thermal Power Joint Stock Company	1,870,640,000	1,125,600,000
	<u>325,529,563,050</u>	<u>444,673,158,849</u>
<b>Dividends declared</b>		
Power Generation Corporation 2 - Joint Stock Company	33,279,635,005	45,759,498,132
	<u>33,279,635,005</u>	<u>45,759,498,132</u>
<b>Loan recovery</b>		
Power Generation Corporation 2 - Joint Stock Company	-	188,166,866,953
	-	<u>188,166,866,953</u>

*Significant related party balances as at the balance sheet date were as follows:*

	Closing balance VND	Opening balance VND
<b>Short-term trade receivables</b>		
Electricity Power Trading Company Limited	1,697,793,298,497	1,862,937,205,202
	<b>1,697,793,298,497</b>	<b>1,862,937,205,202</b>
<b>Other short-term receivables</b>		
Quang Ninh Thermal Power Joint Stock Company	73,587,291,000	55,190,468,250
Hai Phong Thermal Power Joint Stock Company	38,955,000,000	51,940,000,000
Vietnam Electricity Development Joint Stock Company	15,836,319,800	-
EVN International Joint Stock Company	4,248,000,000	-
Ba Ria Thermal Power Joint Stock Company	-	321,600,000
	<b>132,626,610,800</b>	<b>107,452,068,250</b>
<b>Other short-term payables</b>		
Power Generation Corporation 2- Joint Stock Company	33,278,379,200	45,757,771,400
	<b>33,278,379,200</b>	<b>45,757,771,400</b>

**Remuneration of managerial positions**

The salaries of the Board of Executive Officers, Acting Chief Accountant and remunerations of the Board of Directors and Board of Supervisors during the year are as follows:

	Current year VND	Prior year VND
<b>Remuneration and income of the Board of Directors</b>	<b>1,090,948,000</b>	<b>1,093,863,900</b>
Mr. Mai Quoc Long	578,627,700	300,981,000
Mr. Nguyen Quang Quyen	96,000,000	74,388,000
Mr. Le Tuan Hai	96,000,000	74,388,000
Mr. Ngo Nguyen Dong	266,720,300	-
Mr. Nguyen Van Thanh	53,600,000	-
Mr. Nguyen Xuan Dien	-	424,254,000
Mr. Vu Xuan Dung	-	219,852,900
<b>Income of the Board of Management, (Acting) Chief Accountant</b>	<b>1,314,171,100</b>	<b>1,420,523,200</b>
Mr. Nguyen Hoang Hai	556,952,200	332,135,000
Other members of the Board of Management	493,338,800	750,632,000
Ms. Dinh Thi Diem Quynh - Acting Chief Accountant	263,880,100	337,756,200
<b>Remuneration and income of the Supervisory Board</b>	<b>907,625,100</b>	<b>589,207,000</b>
Head of the Supervisory Board	502,394,700	440,431,000
Other members	405,230,400	148,776,000

**29. LEASE COMMITMENTS**

Lease commitments mainly are those under a 50-year land lease contract signed with the People's Committee of Hai Duong Province. Minimum rental payments for the lease are non-cancelable as presented in Note 19.

30. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Dividends received during the year exclude an amount of VND 132,626,610,800 (2023: VND 107,452,068,250), representing the dividend income that has not been received. Consequently, changes in receivables have been adjusted by the same amount.

Dividends paid during the year exclude an amount of VND 69,721,376,991 (2023: VND 694,008,677,513), representing the dividends to shareholders as declared per the relevant decisions of the Board of Directors that has not been paid. Consequently, changes in payables have been adjusted by the same amount.

31. ADDITIONAL INFORMATION

In 2023, the competent State authority issued a decision to impose an administrative violation fine and a supplementary sanction to suspend the Company's operations for 12 months from the date when the Ministry of Industry and Trade and Vietnam Electricity (EVN) determine an alternative power source to replace the Company's existing electric power supply. Meanwhile, the Company's management has been working on necessary remedial measures for the environmental violations, details are as follows:

- The Company has completed the overhaul of its dust filtration systems of 07 boilers of Line 1, addressing part of the violated matters related to air pollution from dust emissions.
- The Company is implementing the plan to upgrade the sulfur oxides (SOx) and nitrogen oxides (NOx) exhaust gas treatment systems, and the plan to complete the upgrades for the units in Line 2 by 2028.

The power purchase agreement signed between Electric Power Trading Company – EVN and the Company includes the Company's electric power supply schedule until 2031. In 2025, the Company will continue to generate electricity and operate its business according to the 2025 approved plan. In assessing the long-term operation of its power plants, the Company has made research on electricity demand, supply capacity, transmission and power source situation, as well as the socioeconomic development context relevant to the Company's operations for the 2021-2050 period.

The Company has also proceeded procedures to propose to the competent authorities the inclusion of the project to convert fuel from coal to biomass and ammonia co-firing for Line 1 and Line 2 into the National Power Development Plan. On 15 March 2025, the Ministry of Industry and Trade submitted Official Dispatch No. 1823/TTr-BCT to the Prime Minister to approve some adjustments to National Power Development Plan for the 2021-2030 period with a vision toward 2050. In which, the proposed list of flexible thermal power projects includes the Company's flexible gas power project with an expected capacity of 1,200 MW and an operational phase from 2025 to 2035. The Company's management has assessed and is confident that the power plants will continue its operation in the coming time to meet electric power demand until when relevant approvals from competent authorities are granted and the Company has sufficient resources to implement the aforementioned plans



Nguyen Duc Tam  
Preparer



Dinh Thi Diem Quynh  
Acting Chief Accountant



Nguyen Hoang Hai  
Chief Executive Officer

31 March 2025